



JS Growth Fund

Annual Report 2016



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VISION

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

MISSION

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

BROAD POLICY OBJECTIVES

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



ORGANIZATION

Management Company

JS Investments Limited
7th Floor, The Forum, G-20
Khayaban-e-Jami, Block-9, Clifton
Karachi-75600
Tel: (92-21) 111-222-626
Fax: (92-21)35361724
E-mail:info@jsil.com
Website: www.jsil.com

Board of Directors

Basir Shamsie
Ali Akhtar Ali
Suleman Lalani
Asif Reza Sana
Ahsen Ahmed
Kamran Jafar
Muhammad Yousuf Amanullah
Muhammad Raza Dyer

Chairman
Chief Executive Officer

Audit Committee

Asif Reza Sana
Muhammad Raza Dyer
Suleman Lalani

Chairman
Member
Member

Chief Financial Officer & Company Secretary

Muhammad Khawar Iqbal

Trustee

MCB Financial Services Ltd.
4th Floor, Perdesi House
2/1, R-Y-16, Old Queens Road,
Karachi - 75530

Auditors

Grant Thornton Anjum Rehman & Co.
Chartered Accountants
3rd Floor Modern Mofors House
Beaumont Road, Karachi

Legal Adviser

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

Transfer Agent

Technology Trade (Private) Limited
241-C, Block 2, P.E.C.H.S, Karachi
Tel: (92-21) 34391316-7
Fax: (92-21) 34391318

DIRECTORS' REPORT TO THE UNITHOLDERS

The Board of Directors of JS Investments Limited, the Management Company of **JS Growth Fund** (the Fund), is pleased to present the Annual Report for the year ended June 30, 2016.

Equity Market Review

The KSE-30 Index posted a return of 0.37% in FY16 against a return of 5.67% in the same period last year. Average daily volumes for the KSE-30 Index averaged 71.61 million shares in the FY16 against 73.44 million shares in the same period last year, a decline of 2.50% YoY. Foreign portfolio investment turned into an outflow in the FY16 period to register a net outflow of USD 11.91 million against an inflow of USD 38.54 million in the same period last year.

The KSE-30 Index posted handsome return of 12.97% during 4QFY16. As market participants weighed Pakistan's return to MSCI Emerging Markets index together with discounted valuations in major sector. The average daily volumes of KSE-30 Index increased by 9.53% YoY to 87.57 million shares in FY16 from 79.95 million in the same period last year.

Foreigners turned into buyer in 4QFY16 with foreign inflow to the tune of USD 59.64 million alone in the period compared with last period inflow of USD 56.57 million.

Review of Fund Performance

The net assets value ("NAV") per unit has increased by 3.88% from beginning NAV of Rs. 160.10 per unit as on June 30, 2015 as compare to NAV of Rs. 166.31 as on June 30, 2016. The Fund outperformed its benchmark return by 3.51%. The net assets of the Fund were Rs. 2,128.07 million as on June 30, 2016 compared to Rs. 2,395.70 million as on June 30, 2015.

Fund and Asset Manager Rating

The Pakistan Credit Rating Agency (PACRA) assigned the star ranking of 2 Star (1 Year), 3 Star (3 Year) and 2 Star (5 Year) to the Fund.

JCR-VIS Credit Rating Company Limited has assigned Management Quality Rating "AM2"(AM Two) to JS Investments Limited. The rating denotes high management quality of the Management Company.

Corporate Governance and Financial Reporting Framework

The Board of Directors of the Management Company states that:

- a. The financial statements, prepared by the Management Company, present fairly the state of affairs of the Fund, the results of its operations, cash flows and movement in net assets of the fund.
- b. Proper books of accounts of the Fund have been maintained.
- c. Appropriate accounting policies have been consistently applied in preparation of financial statements, and accounting estimates are based on reasonable and prudent judgment.



- d. International Financial Reporting Standards, as applicable in Pakistan, provisions of the Non-Banking Finance Companies (Establishment & Regulation) Rules, 2003, Non-Banking Finance Companies and Notified Entities Regulations, 2008 and directives of the Securities and Exchange Commission of Pakistan have been followed in preparation of the financial statements.
- e. The system of internal control is sound in design and has been effectively implemented and monitored.
- f. There are no significant doubts upon the Fund's ability to continue as a going concern.
- g. Outstanding statutory payments on account of taxes, duties, levies and charges, if any, have been fully disclosed in the financial statements
- h. There has been no material departure from the best practices of the Code of Corporate Governance, as detailed in the listing regulations.
- i. During the year Mr. Ahsen Ahmed has completed certification from Pakistan Institute of Corporate Governance (PICG) under the criteria given in Clause 5.19.7 of the Rule Book of Pakistan Stock Exchange Limited under the Code of Corporate Governance.
- j. A performance table / key financial data is annexed to this annual report.
- k. The Pattern of Unit holding as at June 30, 2016 as per the requirements of Sub-clause f (x) of Clause 5.19.11 of the Rule Book of Pakistan Stock Exchange Limited is disclosed in Annexure 1 of the published financial statements.
- l. The number of units of the Fund held by the Chief Executive, directors and executives and their spouses and minor children as at June 30, 2016 are as follows:

Name	Designation	Units Held
Mr. Suleman Lalani	Director	208
Mr. Muhammad Khawar Iqbal	CFO & Company Secretary	136

- m. No units of the Fund were acquired / redeemed during the year by the Chief Executive, Directors and executives, their spouses and minor children.
- n. Annexed to the Annual Report is Fund Manager's Report giving reasonable indication of future prospects of profit.

Dividend

The Board of Directors of the management company in their meeting held on July 12, 2016 approved a cash distribution of Rs. 1.25 per unit on 12 July 2016 for the year ended 30 June 2016 amounting to Rs. 15.99 million.

Meetings of the Directors

During the year, 6 meetings of the Board of Directors of the Management Company were held. The details of meetings of board and its committees are disclosed in the Annexure 1 of the financial statements

Auditors

The external auditors of the Fund Messrs Grant Thornton Anjum Rahman 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 Thornton Anjum Rahman Chartered Accountants, as the Fund's auditors for the ensuing year ending June 30, 2017.

Acknowledgment

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

Karachi: August 23, 2016

Ali Akhtar Ali
Chief Executive Officer

ڈائریکٹرز رپورٹ برائے یونٹ ہولڈرز

جے ایس انویسٹمنٹس لمیٹڈ، دی مینجمنٹ کمپنی آف جے ایس ایس گروتھ فنڈ (دی فنڈ) کے بورڈ آف ڈائریکٹرز 30 جون 2016 کو ختم ہونے والے سال کی سالانہ رپورٹ بخوشی پیش کرتے ہیں۔
حصص مارکیٹ کی کارکردگی

KSE-30 انڈیکس نے سال 2016 میں 0.37 فیصد کا منافع حاصل کیا جو گزشتہ سال اسی مدت میں 5.67 فیصد تھا۔ سال بسال 2.5 فیصد کی کمی کے ساتھ KSE-30 انڈیکس میں سال 2016 میں روزانہ کی بنیاد پر اوسط حجم 71.61 ملین حصص رہے، جو گزشتہ سال اسی مدت کے دوران 73.44 ملین حصص تھے۔ غیر ملکی سرمایہ کاری کی مدد میں گزشتہ سال اسی مدت میں 38.54 امریکی ڈالر کی زیر آمدن کے مقابلے میں مالی سال 2016 کی مدت کے دوران مجموعی اخراجات 11.91 ملین امریکی ڈالر ریکارڈ ہوئے۔

KSE-30 انڈیکس میں مالی سال 2016 کی چوتھی سہ ماہی کے دوران 12.97 فیصد کا خاطر خواہ منافع ریکارڈ ہوا۔ مارکیٹ پارٹیسپینٹس نے بڑے شعبوں کی رعایتی قیمت کو مد نظر رکھتے ہوئے MSCI کی ابھرتی ہوئی مارکیٹ انڈیکس کا پاکستان کے منافع سے موازنہ کیا۔ KSE-30 انڈیکس میں گزشتہ سال اس مدت کے دوران 79.95 ملین حصص کے مقابلے میں مالی سال 2016 میں روزانہ کی بنیاد پر اوسط حجم 87.57 ملین حصص رہے، جو کہ سال بسال 9.53 فیصد اضافہ ہے۔

مالی سال 2016 کی چوتھی سہ ماہی میں غیر ملکی خریداروں کی تعداد میں اضافہ ہوا جس کے باعث صرف چوتھی سہ ماہی کی زیر آمدن 59.64 ملین امریکی ڈالر ہے جو گزشتہ سال اس مدت میں 56.57 ملین امریکی ڈالر تھی۔

فنڈ کی کارکردگی کا جائزہ

نی یونٹ نیٹ ایسٹ ویلیو 30 جون 2015 کی ابتدائی نیٹ ایسٹ ویلیو 160.10 پاکستانی روپے نی یونٹ سے بڑھ کر 30 جون 2016 کو 166.31 پاکستانی روپے نی یونٹ ہوئی جو 3.88% تک اضافہ ہے۔ فنڈ نے اپنے بیچ مارک ریٹرن سے 3.51% بہتر کارکردگی دکھائی۔ فنڈ کے نیٹ ایسٹس 30 جون 2016 کے 2,128.07 ملین پاکستانی روپے کے مقابلے میں 30 جون 2015 کو 2,395.70 ملین پاکستانی روپے تھے۔

فنڈ اور ایسٹ میجر بینکنگ

پاکستان کریڈٹ ریٹنگ ایجنسی (PACRA) نے اسٹار بینکنگ میں فنڈ کو 2 اسٹار (ایک سال)، 3 اسٹار (3 سال) اور 2 اسٹار (5 سال) کی ریٹنگ دی ہے۔
JCR-VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ نے جے ایس انویسٹمنٹس لمیٹڈ کو بینکنگ کوالٹی ریٹنگ "AM Two" (AM Two) دی ہے۔ یہ ریٹنگ مینجمنٹ کمپنی کی اعلیٰ انتظامی خصوصیات کی نشاندہی کرتی ہیں۔

کارپوریٹ گورننس اور فنانشل رپورٹنگ کا ڈھانچہ

مینجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز کے مطابق:

- مینجمنٹ کمپنی کی تیار کردہ مالیاتی اسٹیٹمنٹس فنڈ کی موجودہ صورتحال، اس کے آپریشنز کے مالی نتائج، فنڈ رقوم کے بہاؤ اور فنڈ کے خالص اثاثہ جات میں ردوبدل کی شفافیت کو ظاہر کرتی ہیں۔
- فنڈ کے اکاؤنٹس کی مخصوص کتابیں تیار کی گئی ہیں۔
- مالیاتی اسٹیٹمنٹس کی تیاری میں مناسب اکاؤنٹنگ پالیسیز پر مسلسل عمل درآمد کیا گیا ہے اور اکاؤنٹنگ تخمینے مناسب اور محتاط تجربوں کی بنیاد پر کئے گئے ہیں۔
- مالیاتی اسٹیٹمنٹس کی تیاری میں انٹرنیشنل فنانشل رپورٹنگ اسٹینڈرڈز، جو پاکستان میں لاگو ہیں، نان بینکنگ فنانشل کمپنیز (اسٹیبلشمنٹ اینڈ ریگولیشن) قوانین 2003 کی شرائط، نان بینکنگ فنانشل کمپنیز، نوٹیفائیڈ اینڈ اینٹی ٹریڈ ریگولیشنز 2008 اور سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی ہدایات پر عملدرآمد کیا گیا ہے۔
- اندرونی کنٹرول کا نظام محفوظ ہے اور موثر انداز سے اس کی نگرانی اور اس پر عملدرآمد کیا جا رہا ہے۔
- منافع بخش کاروباری اعتبار سے فنڈ کی کارکردگی غیر یقینی صورت حال سے دوچار نہیں ہے۔
- ٹیکسز، ڈیوٹیز، نافذ کردہ ٹیکسز اور چارجز، اگر ہوں، کی مدد میں واجب الادا اسٹیچری ادائیگیوں کا مالیاتی اسٹیٹمنٹس میں پوری طرح انکشاف کیا گیا ہے۔
- کارپوریٹ گورننس کے قوانین جن کی تفصیلات موجودہ قواعد و ضوابط میں بیان کی گئی ہے، پر پوری طرح عمل کیا گیا ہے اور کوئی بھی میٹریل ڈیپارچر وقوع پذیر نہیں ہوا ہے۔
- سال کے دوران کوڈ آف کارپوریٹ گورننس کے تحت پاکستان اسٹاک ایکسچینج لمیٹڈ کی قوانین کی کتاب کی شق 7.19.5 میں دیئے گئے معیار کے مطابق جناب احسن احمد پاکستان انسٹیٹیوٹ آف کارپوریٹ گورننس (PICG) سے سرٹیفیکیشن مکمل کر چکے ہیں۔
- کارکردگی کا جدول/بنیادی مالی تفصیلات اس سالانہ رپورٹ کے ساتھ منسلک ہے۔
- پاکستان اسٹاک ایکسچینج لمیٹڈ کی قوانین کی کتاب کی شق 1.19.5 کی ذیلی دفعہ f(x) کے مطابق 30 جون 2016 پر یونٹ ہولڈنگ کے طریقہ کار کا سالانہ رپورٹ میں ضمیمہ 1 کے طور پر پیش کیا گیا ہے۔



1- 30 جون 2016 کو چیف ایگزیکٹو، ڈائریکٹرز، ایگزیکٹوز اور ان کے شریک حیات اور نابالغ بچوں کے فنڈ کے نوٹس کی تعداد درج ذیل ہیں:

پونٹس کی تعداد	عہدہ	نام
208	ڈائریکٹر	جناب سلیمان لالانی
136	سی ایف او اینڈ کمپنی سیکریٹری	جناب محمد خاور اقبال

m- دوران سال چیف ایگزیکٹو، ڈائریکٹرز اور ایگزیکٹوز، ان کے/ان کی شرکت حیات اور نابالغ بچوں نے کوئی پونٹ نہیں حاصل کئے/خریدے۔

n- سالانہ رپورٹ میں مسئلہ فنڈ ٹیجری کی رپورٹ مستقل میں منافع کے بہتر امکانات کی نشاندہی کرتی ہے۔

ڈیویڈنڈ

مئنجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز نے 12 جولائی 2016 کو منعقد ہونے والے اجلاس میں 12 جولائی 2016 کو بحساب فی پونٹ 1.25 روپے کی نقد صورت میں ادا ہونے کی منظوری دی ہے جس کی 30 جون 2016 کو کل مالیت 15.99 ملین روپے ہے۔

ڈائریکٹرز کے اجلاس

اس سال مئنجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز کے 16 اجلاس منعقد ہوئے۔ بورڈ کے اجلاس اور اس کی کمیٹیوں کی تفصیلات کا سالانہ رپورٹ کے منسلکہ 1 میں انکشاف کیا گیا ہے۔

آڈیٹرز

فنڈ کے بیرونی آڈیٹرز میسرز گرانٹ تھارن انجم رحمان اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس ریٹائر ہو گئے ہیں اور اہل ہونے کے باعث خود کو دوبارہ تقرری کیلئے پیش کیا ہے۔ بورڈ کی آڈٹ کمیٹی کی تجویز پر بورڈ کے ڈائریکٹرز نے گرانٹ تھارن انجم رحمان اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو فنڈ کے آڈیٹرز کی حیثیت سے سال 30 جون 2017 کے اختتام تک دوبارہ تقرری کیلئے منظور دی ہے۔

اعتراف

ڈائریکٹرز سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کا ان کی مدد، رہنمائی اور معاونت پر شکر یہ ادا کرتے ہیں جبکہ بورڈ مئنجمنٹ کمپنی کے ملازمین اور ٹرسٹی کے اعتماد اور ان کی انتھک محنت کیلئے اور پونٹ ہولڈرز کا مئنجمنٹ پر اعتبار کرنے کیلئے شکر گزار ہے۔

کراچی: 23 اگست 2016

علی اختر علی
چیف ایگزیکٹو آفیسر



Fund Manager Report

- **Description of the Collective Investment Scheme category and type**
Equity Fund / Open end
- **Statement of Collective Investment Scheme's investment objective**
The main objective of JSGF is to enable the Certificate Holders to participate in a diversified portfolio of high quality equity securities listed on the stock exchanges and to maximize the investment return, by prudent investment management.
- **Explanation as to whether the Collective Investment Scheme has achieved its stated objective**
The collective investment scheme achieved its stated objective.
- **Statement of benchmark(s) relevant to the Collective Investment Scheme**
KSE30 Index

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

	Jul '15	Aug '15	Sep '15	Oct '15	Nov '15	Dec '15	Jan '16	Feb '16	Mar '16	Apr '16	May '16	Jun '16
JS GF	3.44%	-2.40%	-6.80%	6.53%	-4.82%	3.81%	-0.79%	-4.46%	4.74%	3.49%	1.02%	1.06%
BM	3.08%	-4.59%	-9.09%	5.85%	-7.15%	1.71%	-5.72%	1.12%	4.27%	5.42%	2.85%	4.19%
Diff.	0.36%	2.18%	2.29%	0.68%	2.33%	2.10%	4.93%	-5.58%	0.48%	-1.93%	-1.83%	-3.14%

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

The Fiscal Year 2016 was a very exciting one for Capital Markets. Capitalizing on sound economic growth, cushioned by reasonable foreign exchange reserves and timid inflation, the equity participants rejoiced the upward trajectory. The corporate profitability of two index heavy sectors - Oil and Gas and Banking - witnessed a setback owing to falling oil prices and tightening of Net Interest Margins pulling the earnings growth of the broader index downwards. While on the other hand, the consumerism theme is stepping forward at an above modest pace. The bellwethers in the form of rising car sales, cement consumption, petrol sales, consumer finance, housing demand, steel demand, electricity consumption, pharmaceutical sales etc re-affirmed that a new platform is being set for a second leg of economic growth to kick in.

Despite several turbulence in the Global markets in the form of slowing down of China's growth rate, chaos of Oil producing nations and lately, the surprise Brexit from the EU added volatility to the global markets to an extent that we saw severe divergence in the currency markets globally. The swings in the currency market prompted the G7 countries to ensure a more coordinated and collaborative efforts to tame down the inherent risk of another economic meltdown. While the US markets looks set to enhance their interest rates backed by sound labor and consumer growth, the slowing down of BRICs, Japan, Europe, Oil producing countries and the countries, whose fortunes are tied to China's growth, are likely to keep the Central bankers on their toes. Amidst all these clouds, emerge few commodity-importing countries, such as, India, Vietnam, Pakistan, Indonesia, Bangladesh, Philippines etc which are likely to witness higher growth rates. Adding to the glory, was MSCI's decision to add Pakistan to MSCI Emerging Market Index from 2017 which would likely invite further foreign investments in the Capital Markets of Pakistan. We have noticed increased portfolio investment in last couple of months, along with majority takeover of Engro Foods by Royal Friesland Campina and possible interest of Chinese bidders in KEL has re-ignited the prospects of Pakistan as a sweet spot for foreign investors - apart from the much hyped \$46bn CPEC related projects.

JS Growth Fund

We believe the economy is operating on a sound footing at the moment and is likely to fetch better economic numbers in the form of subdued inflation, cushioned FX reserves, improved tax revenues, energy additions, infrastructure projects, gas additions in the form of RLNG, CPEC related projects, improved corporate profitability of consumer related stocks, such as, Cements, Oil Marketing Companies, Autos, Pharmas, FMCGs etc. The broader KSE 100 Index is likely to close the Fiscal Year 2017 within the range of 44,000-46,000 with several sectors out-pacing the others.

- **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-15	Jun-16
Cash	5.95%	28.68%
Equity	91.48%	69.40%
Other including receivables	2.57%	1.92%
Total	100.00%	100.00%

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

	Fund		Fund	BM
Information Ratio	0.06	Beta	0.8	1.0
Correlation	0.84	Largest Month Gain	18.9%	25.2%
Standard Deviation	23.9%	Largest Month Loss	-35.2%	-45.1%
Expense Ration *	0.23%	% Positive Months	62.0%	60.3%

- **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 (PKR mn)		NAV per share (PKR)	
30 Jun '16	30 Jun '15	30 Jun '16	30 Jun '15
2,128	4,974	166.31	160.10

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

The KSE-30 Index posted a return of 0.4% in FY16, as the gains moderated this year after a very strong performance by the index over the last few years. 4QFY16 performance of the KSE-30 index was quite strong with the index rallying up by 13% QoQ on the back of pre budget rally along with successful upgrade to emerging market status by MSCI helped build sentiment.

Foreign inflows in FY16 saw an outflow of USD 282 million against an inflow of US 39 million in the same period last year. Average daily volumes for the KSE-30 Index slightly went down by 2.5% YoY to 71.6 million shares from an average of 73.4 million shares in FY15, due to lower participation in companies on the KSE-30 index which are primarily weighted towards the banking and oil sectors.

In 4QFY16, the KSE-30 posted a return of 13.0% on account of strong foreign flows and strong local retail and institutional participation. The index had already taken a correction in the previous quarter. Foreign inflows for 4QFY16 were recorded at US 60 million, against an inflow of US 57 million in the same period last year.



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

Distribution

The Fund has paid a final distribution of **Rs. 1.25** per unit of Rs. 100/- each i.e. 1.25%. The total distribution for FY15 to **Rs. 1.25** per unit.

NAV per unit as on June 30, 2016

Cum NAV (PKR)	166.31
Ex-NAV (PKR)	165.06

- **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**

Ranges	Number of investors
	JS GF
0.0001 - 9,999.9999	19,581
10,000.0000 - 49,999.9999	36
50,000.0000 - 99,999.9999	5
100,000.0000 - 499,999.9999	8
500,000.0000 & Above	5
Total	19,635

- **Disclosure on unit split (if any), comprising:-**
The Fund has not carried out any unit split exercise during the year.
- **Disclosure of circumstances that materially affect any interests of the unit holders**
Investment is subject to market risk.
- **Disclosure if the Asset Management Company or its delegate, if any, receives any soft commission (i.e. goods and services) from its broker(s) or dealer(s) by virtue of transactions conducted by the Collective Investment Scheme, disclosure of the following:-**
The Management Company and / or any of its delegates have not received any soft commission from its brokers / dealers by virtue of transactions conducted by the Fund.

PERFORMANCE TABLE / KEY FINANCIAL DATA

	year							
	2016	2015	2014	2013	2012	2011	2010	2009
Net assets (Rs in 000)	2,128,074	2,395,696	4,974,261	4,243,756	3,235,555	3,034,769	2,895,575	2,892,372
Net assets value per unit / certificate (Rs.)	166.31	160.10	143.17	14.85	11.32	10.62	9.27	9.10
Paid-up Capital (Rs. in 000)	n/a	n/a	n/a	2,857,560	2,857,560	2,857,560	3,125,045	3,180,045
Net profit / (loss) for the year (Rs in 000)	78,955	265,376	1,478,510	1,599,826	497,475	634,882	23,551	(2,281,557)
Earnings / (loss) per certificate share (Rs.)	n/a	n/a	n/a	5.60	1.74	2.12	0.08	(7.17)
Income Distribution (Rs in 000)	-	13,008	940,388	928,707	328,619	500,073	156,252	-
Accumulated Capital Growth (Rs. in 000)	917,887	838,932	586,565	691,393	(294,058)	(791,533)	(926,342)	(793,641)
Expense Ratio *	3.27%							
Average Annual Return (%)	4%	11%	40%	38%	15%	21%	1%	-79%
One Year	18%	30%	53%	26%	16%	-19%	-29%	-21%
Two Year								
Three Year								
Data Per Unit	166.31	160.10	143.17	n/a	n/a	n/a	n/a	n/a
Net assets value - Rupees	6.17	17.73	42.55	n/a	n/a	n/a	n/a	n/a
Net (loss) / income - Rupees	n/a	0.87	33	n/a	n/a	n/a	n/a	n/a
Stock / cash dividend - Rupees	n/a	26-Jun-15	26-Jun-14	n/a	n/a	n/a	n/a	n/a
Date of announcement of stock / cash dividend	n/a	0.61	26.19	n/a	n/a	n/a	n/a	n/a
Dividend as % of NAV at the beginning of the year	171.30	164.91	147.47	n/a	n/a	n/a	n/a	n/a
Selling price as at June 30 - Rupees	166.31	160.10	114.53	n/a	n/a	n/a	n/a	n/a
Repurchase price as at June 30 - Rupees	171.89	177.39	188.66	n/a	n/a	n/a	n/a	n/a
Highest issue price during the year - Rupees	156.79	134.87	129.68	n/a	n/a	n/a	n/a	n/a
Lowest issue price during the year - Rupees	172.67	172.22	146.53	n/a	n/a	n/a	n/a	n/a
Highest redemption price during the year - Rupees	148.39	114.12	100.72	n/a	n/a	n/a	n/a	n/a
Lowest redemption price during the year - Rupees								
Dividend distribution Per Unit / Certificate								
Cash (Rs.)	-	0.87	33.00	1.00	-	0.75	0.50	-
Interim	-	26-Jun-15	26-Jun-14	Feb 22, 2013	-	Apr 21, 2011	Feb 26, 2010	-
Date of announcement	-	-	-	2.25	1.15	1.00	-	-
Final	-	-	-	July 08, 2013	Aug 27, 2012	Sep 09, 2011	-	-
Date of announcement								

Notes

- The income distribution have been shown against the year to which they relate although these were declared and distributed subsequently to the year end.
- JS Growth Fund was launched on June 28, 2005.
- Units have par value of Rs. 100/- each.
- Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as go up.

* This includes 0.75% representing government levy, Workers Welfare Fund and SECP Fee etc.



Review report to the Unit holders on Statement of Compliance with the Best Practices of Code of Corporate Governance

We have reviewed the enclosed Statement of Compliance with the best practices (the Statement) contained in the Code of Corporate Governance (the Code) prepared by the board of directors (the board) of JS Investment Limited, the Management Company of JS Growth Fund (the Fund), for the year ended June 30, 2016 to comply with the requirements contained in Rule Book Regulation No. 5.19 of listing regulations of the Pakistan Stock Exchange Limited (formerly Lahore Stock Exchange Limited) where the Fund is listed.

The responsibility for compliance with the Code is that of the board of the Management Company of the Fund. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement reflects the status of the Management Company's compliance with the provisions of the Code in respect of the Fund and report if it does not and to highlight any non-compliance with the requirements of the Code. A review is limited primarily to inquiries of the Management Company's personnel and review of various documents prepared by the Management Company to comply with the Code.

As part of our audit of financial statements, we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the board's statement on internal control covers all risks and controls, or to form an opinion on the effectiveness of such internal controls, the Management Company's corporate governance procedures and risks.

The Code requires the Management Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the board for their review and approval the Fund's related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the board upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement does not appropriately reflect the Management Company's compliance, in all material respects, with the best practices contained in the Code as applicable to the Fund for the year ended June 30, 2016.

Karachi: August 23, 2016

**Grant Thornton Anjum
Rahman & Co. Chartered
Accountants**

Statement of Compliance with the Code of Corporate Governance For the year ended 30 June 2016

This statement is being presented to comply with the Code of Corporate Governance ("The Code") contained in Regulation No. 5.19.23 of Pakistan Stock Exchange Regulations for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

JS Investments Limited (the Management Company) which manages the affairs of the Fund has applied the principles contained in the Code in the following manner:

1. The Management Company encourages representation of independent non-executive directors and directors representing minority interests on its Board of directors. At present the Board includes:

Category	Name
Independent Directors	Mr. Ahsen Ahmed Mr. Asif Reza Sana
Executive Directors	Mr. Ali Akhtar Ali - Chief Executive Officer
Non-Executive Directors	Mr. Suleman Lalani Mr. Kamran Jafar Mr. Muhammad Raza Dyer Mr. Basir Shamsie Mr. Muhammad Yousuf Amanullah

The independent directors meet the criteria of independence under clause 5.19.1.(b) of the Code.

2. The directors of the Management Company have confirmed that none of them is serving as a director on more than seven listed companies, including this Company (excluding the listed subsidiaries of listed holding companies where applicable).
3. All the resident directors of the Management Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFIs, or, being a broker of a stock exchange, has been declared as a defaulter by that stock exchange.
4. Two casual vacancies occurring on the Board on 19 March 2016 and 14 April 2016 were filled up by the directors on 14 April 2016. The SECP has also confirmed their appointment on June 23, 2016.
5. The Management Company has prepared a "Code of Conduct", and has ensured that appropriate steps have taken place to disseminate it throughout the Management Company along with its supporting policies and procedures.
6. The Board of the Management Company has developed a vision / mission statement, overall corporate strategy and significant policies of the Management Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
7. All the powers of the Board have been duly exercised and decisions on material transactions including the appointment and determination of the remuneration and terms and conditions of the employment of the Chief Executive Officer and other executives and non-executive directors have been taken by the Board.



8. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose and the Board met at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
9. During the year Mr. Ahsen Ahmed completed certification from Pakistan Institute of Corporate Governance (PICG) under the criteria given in Clause 5.19.7 of the Code. In all, six (6) directors of the Management Company have been certified by PICG.
10. There was no change of Chief Financial Officer / Company Secretary and Head of Internal Audit during the year. The remuneration and terms and conditions of Chief Financial Officer / Company Secretary and Head of Internal Audit were approved by the Board.
11. The Directors Report for this year has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.
12. The financial statements of the Fund were duly endorsed by Chief Executive Officer and Chief Financial Officer before approval of the Board.
13. The Directors, Chief Executive Officer and Executives do not hold any interest in the units of the Fund other than that disclosed in the Directors Report.
14. The Management Company has complied with all the corporate and financial reporting requirements of the Code.
15. The Board has formed an Audit Committee which comprises of three members, two of them are non-executive directors and one is an independent director. Chairman of the committee, Mr. Asif Reza Sana, is an independent director.
16. The meetings of the Audit Committee were held at least once every quarter prior to approval of interim and final results of the Fund and as required by the Code. The terms of reference of the committee have been formed and advised to the committee for compliance.
17. The Board has formed a Human Resource and Remuneration Committee which comprises of three members. Two of them are non executive directors and the chairman of the committee is a non executive director.
18. The Board has set up an effective internal audit function and is conversant with the policies and procedures of the Fund.
19. The statutory auditors of the Fund have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP, that they or any of the partners of the firm, their spouses and minor children do not hold units of the Fund and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on Code of Ethics as adopted by the ICAP.
20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.

JS Growth Fund

21. The "closed period", prior to the announcement of interim / final results, and business decisions, which may materially affect the share price of Company was determined and intimated to directors, employees and stock exchange.
22. Material / price sensitive information has been disseminated among all market participants at once through stock exchange.
23. We confirm that all other applicable material principles enshrined in the Code have been complied with except those that are not yet applicable.

Karachi: August 23, 2016

Ali Akhtar Ali
Chief Executive Officer



TRUSTEE REPORT TO THE UNIT HOLDERS

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

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

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

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

1. JS Investments Limited, the Management Company of JS Growth Fund has, in all material respects, managed JS Growth Fund during the year ended 30th June 2016 in accordance with the provisions of the following:
 - (i) Investment limitations imposed on the Asset Management Company and the Trustee under the trust deed and other applicable laws;
 - (ii) the valuation or pricing is carried out in accordance with the deed and any regulatory requirement;
 - (iii) the creation and cancellation of units are carried out in accordance with the deed;
 - (iv) and any regulatory requirement

Karachi: August 23, 2016

Khawaja Anwar Hussain
Chief Executive Officer
MCB Financial Services Limited

Independent Auditors' Report to the Unit Holders

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **JS Growth Fund** (the Fund), which comprise the statement of assets and liabilities as at June 30, 2016, and the related income statement, statement of comprehensive income, distribution statement, cash flow statement and statement of movement in units holders' fund for the year then ended, and a summary of significant accounting policies and other explanatory notes

Management's responsibility for the financial statements

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

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing as applicable in Pakistan. Those standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion the financial statements give a true and fair view of the state of the Fund's affairs as at June 30, 2016 and of its financial performance, cash flows and transactions for the year then ended in accordance with approved accounting standards as applicable in Pakistan.



REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

Other Matters

The financial statements of the Fund for the year ended June 30, 2015 were audited by another firm of auditors who in their report dated August 11, 2015 expressed an unqualified opinion.

Karachi: August 23, 2016

Grant Thornton Anjum Rahman
Chartered Accountants
Khaliq-ur-Rahman

FINANCIAL STATEMENTS



**STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2016**

	Note	2016 -----Rupees-----	2015
Assets			
Bank balances	7	694,209,436	155,796,126
Investments	8	1,679,827,433	2,393,741,065
Accrued mark-up / interest	9	3,216,738	1,082,596
Deposits and other receivables	10	43,412,897	66,110,643
Total Assets		2,420,666,504	2,616,730,430
Liabilities			
Remuneration payable to the Management Company	16	3,603,831	4,149,581
Sales tax payable on remuneration to the Management Company		4,854,510	3,947,723
Federal excise duty payable on remuneration to the Management Company	11	28,693,826	21,364,680
Remuneration payable to the Trustee		179,836	196,414
Sales tax payable on remuneration to the Trustee		25,178	-
Unclaimed dividend		82,421,248	86,415,792
Accrued and other liabilities	12	166,708,180	98,854,242
Provision for prior period taxation	13	6,105,662	6,105,662
Total liabilities		292,592,271	221,034,094
Contingencies and commitments	14		
Net assets		2,128,074,233	2,395,696,336
Unit holders' fund		2,128,074,233	2,395,696,336
		(Number)	
Number of units in issue		12,796,037	14,964,153
		(Rupees)	
Net asset value per unit		166.31	160.10

The annexed notes from 1 to 26 form an integral part of these financial statements.

**For JS Investments Limited
(Management Company)**

Ali Akhtar Ali

Chief Executive Officer

Basir Shamsie

Director

INCOME STATEMENT FOR THE YEAR ENDED JUNE 30, 2016

	Note	2016 -----Rupees-----	2015
Income			
Mark-up / interest income on bank balances	15	19,588,269	43,084,363
Net capital gain on sale of investments		62,798,056	197,235,030
Net unrealised (loss) / gain on revaluation of held-for-trading investments		(22,009,854)	55,880,442
Net gain on investments in marketable securities		40,788,202	253,115,472
Dividend income		101,853,300	89,129,894
Other income		-	870,526
Element of (loss) and capital (losses) included in price of units issued less those of units redeemed - net		(8,384,154)	(15,194,766)
		153,845,617	371,005,489
Expenses			
Remuneration to the Management Company	16	45,807,060	58,999,145
Sales tax on remuneration to the Management Company	17	7,439,066	10,265,851
Provision for federal excise duty on remuneration to the Management Company		7,329,131	9,439,863
Remuneration to the Trustee	18	2,249,017	2,644,900
Sales tax on remuneration to the Trustee		314,862	-
Annual fee of Securities and Exchange Commission of Pakistan	19	2,176,290	2,802,458
Listing fee		40,000	40,000
Securities transactions cost		6,089,935	10,918,730
Auditors' remuneration	20	852,018	984,152
Legal and professional charges		477,886	-
Provision for Workers' Welfare Fund	12.1	-	5,416,444
Printing, stationery and postage charges		348,360	867,528
Mutual fund rating fee		114,000	232,000
Impairment of available-for-sale equity securities		-	2,402,397
Other expenses		1,653,370	616,512
Total expenses		74,890,995	105,629,980
Net income for the year before taxation		78,954,622	265,375,509
Taxation		-	-
Net income for the year after taxation		78,954,622	265,375,509

The annexed notes from 1 to 26 form an integral part of these financial statements.

**For JS Investments Limited
(Management Company)**

Ali Akhtar Ali

Chief Executive Officer

Basir Shamsie

Director



**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2016**

	2016	2015
	-----Rupees-----	
Net income for the year after taxation	78,954,622	265,375,509
Other comprehensive income:		
Net unrealised gain on remeasurement for available-for-sale investments	538,572	-
Transferred to income statement	-	835,090
	538,572	835,090
Total comprehensive income for the year	79,493,194	266,210,599

The annexed notes from 1 to 26 form an integral part of these financial statements.

**For JS Investments Limited
(Management Company)**

Ali Akhtar Ali

Chief Executive Officer

Basir Shamsie

Director

CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2016

Note	2016	2015
	-----Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year before taxation	78,954,622	265,375,509
Adjustments for:		
Mark-up / interest income on bank balances	(19,588,269)	(43,084,363)
Net (gain) on sale of marketable securities	(62,798,056)	(197,235,030)
Unrealised loss / (gain) on remeasurement of held-for-trading investments - net	22,009,854	(55,880,442)
Dividend income	(101,853,300)	(89,129,894)
Element of income and capital gains included in prices of units issued less those in units redeemed - net	8,384,154	15,194,766
Impairment of available-for-sale equity securities	-	2,402,397
Operating (gain) before working capital changes	(153,845,617)	(367,732,566)
Decrease in assets		
Deposits and other receivables	22,697,746	3,911,516
Increase in liabilities		
Remuneration payable to the Management Company	(545,750)	3,066,844
Sales tax payable on remuneration to the Management Company	906,787	1,866,596
Federal excise duty payable on remuneration to the Management Company	7,329,146	9,439,863
Remuneration payable to the Trustee	(16,578)	(124,197)
Sales tax payable on remuneration to the Trustee	25,178	-
Accrued and other liabilities	67,853,940	3,610,812
	75,552,723	17,859,918
Sale of investments	2,714,189,023	5,238,823,609
Purchase of investments	(1,958,948,619)	(2,944,523,857)
Dividend received	101,853,300	89,613,645
	857,093,704	2,383,913,397
Mark-up / interest income received on bank balances	17,454,127	47,372,107
Net cash generated from operating activities	897,907,305	2,350,699,881
NET CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of units	36,476,144	581,376,762
Payments on redemption of units	(391,975,595)	(3,428,338,516)
Cash distribution	(3,994,544)	(9,870,433)
Net cash used in financing activities	(359,493,995)	(2,856,832,187)
Net increase / (decrease) in cash and cash equivalents	538,413,310	(506,132,306)
Cash and cash equivalents at beginning of the year	155,796,126	661,928,432
Cash and cash equivalents at end of the year	694,209,436	155,796,126

The annexed notes from 1 to 26 form an integral part of these financial statements.

**For JS Investments Limited
(Management Company)**

Ali Akhtar Ali

Chief Executive Officer

Basir Shamsie

Director

**STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2016**

	2016	2015
	-----Rupees-----	
Net assets at the beginning of the year	2,395,696,336	4,974,260,818
Issue of 216,941 units (2015: 3,756,083 units)	36,476,144	581,376,762
Redemption of 2,385,056 units (2015: 23,536,726 units)	(391,975,595)	(3,428,338,516)
Distribution to unit holders in cash	-	(13,008,093)
Element of loss and capital losses included in prices of units issued less those of units redeemed - net	8,384,154	15,194,766
Net income for the year before taxation	78,954,622	265,405,766
Other comprehensive income for the year	538,572	804,833
Total comprehensive income for the year	79,493,194	266,210,599
Net assets at end of the year	2,128,074,233	2,395,696,336
Net assets value per unit at the beginning of the year	160.10	143.17
Net assets value per unit at the end of the year	166.31	160.10

The annexed notes from 1 to 26 form an integral part of these financial statements.

**For JS Investments Limited
(Management Company)**

Ali Akhtar Ali
Chief Executive Officer

Basir Shamsie
Director

DISTRIBUTION STATEMENT FOR THE YEAR ENDED JUNE 30, 2016

	2016	2015
	-----Rupees-----	
Accumulated income brought forward		
Net unrealised income	56,655,017	674,774,236
Net realised income / (loss)	782,277,325	(88,209,310)
	838,932,342	586,564,926
Net income for the year after taxation	78,954,622	265,375,509
Less: Distribution for the year:		
Interim distribution at the rate of Re. Nil per unit (2015: Re. 0.87 per unit declared on June 26, 2015)	-	(13,008,093)
Accumulated income carried forward	917,886,964	838,932,342
Accumulated income carried forward comprise of:		
- Net unrealised (loss) / income	(22,009,854)	56,655,017
- Net realised income	939,896,818	782,277,325
	917,886,964	838,932,342

The annexed notes from 1 to 26 form an integral part of these financial statements.

**For JS Investments Limited
(Management Company)**

Ali Akhtar Ali

Chief Executive Officer

Basir Shamsie

Director

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

1 LEGAL STATUS AND NATURE OF BUSINESS

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

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

Hence, with effect from July 20, 2013, the Fund is an open end mutual fund and is listed on Pakistan Stock Exchange (formerly Lahore Stock Exchange). Units are offered for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering them to the Fund.

Title to the assets of the Fund are held in the name of MCB Financial Services Limited as a trustee of the Fund.

The Fund is listed on Pakistan Stock Exchange Limited (formerly Lahore Stock Exchange Limited).

2 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the NBFC Rules, the Non Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of IFRS, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the requirements of the said directives prevail.

The Fund is categorised as an "Equity Scheme" as per circular number 07 of 2009 issued by Securities and Exchange Commission of Pakistan (SECP).

3 BASIS OF PREPARATION

- 3.1** These financial statements have been prepared under the historical cost convention except for investments and derivatives which are valued as stated in notes 4.2 and 4.4 below.

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

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied unless otherwise stated.

4.1 Standards, amendments and interpretations to the published standards that are relevant to the company and adopted in the current year

The Fund has adopted the following revised standard, amendments and interpretation of IFRSs which became effective for the current period:

Standard or interpretation	Effective Date
IFRS 10 - Consolidated Financial Statements	January 1, 2015
IFRS 11 - Joint Arrangements	January 1, 2015
IFRS 12 - Disclosure of Interests in other Entities	January 1, 2015
IFRS 13 - Fair Value Measurement	January 1, 2015
IAS 27 - Separate Financial Statements	January 1, 2015
IAS 28 - Investments in Associates and Joint Ventures	January 1, 2015

The adoption of the above amendments, improvements to accounting standards and interpretations did not have any effect on the financial statements.

4.2 Investments

The investments of the Fund, upon initial recognition, are classified as investment at fair value through income statement or available-for-sale investment, as appropriate.

All investments, are initially measured at fair value plus, in the case of investments not at fair value through income statement, transaction costs that are directly attributable to acquisition.

Investments at fair value through profit and loss account

These include held-for-trading investments and such other investments that, upon initial recognition, are designated under this category. Investments are classified as held-for-trading if they are acquired for the purpose of selling in the near term. After initial measurement, such investments are carried at fair value and gains or losses on revaluation are recognised in the income statement.



Available-for-sale

Investments which are not classified in the above category are classified as available-for-sale investments. After initial measurement, such investments are measured at fair value with unrealised gain or loss recognised directly in the statement of comprehensive income until the investment is derecognised or determined to be impaired at which time the cumulative gain or loss previously recognised in the statement of comprehensive income is taken to the income statement.

Impairment

Provision for diminution in the value of debt securities is recognised as per the requirements of Circular 1 of 2009 read with Circular 33 of 2012 issued by the SECP and based on management's assessment made in line with its provisioning policy approved by the Board of Directors of the Management Company pursuant to the requirements of the SECP's above referred circular. In case of impairment of available for sale investments, the cumulative loss that has been recognised directly in statement of comprehensive income is taken to the income statement.

4.3 Provisions

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

4.4 Derivatives

These are initially recognised at cost and are subsequently remeasured at their fair value. Derivatives with positive fair values (unrealised gains) are included in other assets and derivatives with negative fair values (unrealised losses) are included in other liabilities in the statement of assets and liabilities. The resultant gain and loss is included in the income currently.

4.5 Issue and redemption of units

Units are issued at the offer price prevalent on the day in which the units are issued. The offer price represents the net assets value of units at the end of the day plus the allowable sales load. The sales load is payable to the distribution companies and the Management Company as processing fee. Issue of units is recorded on acceptance of application for sale.

4.6 Revenue recognition

Gain or loss on sale of securities and settlement of derivatives is accounted for in the period in which the sales / settlement occur.

Interest on debt and government securities is recognised at the rate of return implicit in the instrument on a time proportionate basis.

Profit on bank balances and term deposits is recognised on accrual basis in accordance with the contractual terms.

4.7 Element of income / loss and capital gains / losses included in prices of units issued less those in units redeemed - net

To prevent the dilution of per unit income and distribution of income already paid out on redemption as dividend, an equalisation account called "element of income / loss and capital gain / loss in prices of units issued less those in units redeemed" is created.

The "element of income / loss and capital gains / losses in prices of units issued less those in units redeemed" account is credited / charged with the amount representing net income / loss and capital gain / loss accounted for in the last announced net asset value and included in the sale proceeds of units. Upon redemption of units, the "element of income / loss and capital gain / loss in prices of units issued less those in units redeemed" account is charged / credited with the amount representing net income / loss and capital gain / loss accounted for in the last announced net asset value and included in the redemption price.

The net "element of income / loss and capital gains / losses in prices of units issued less those in units redeemed" during an accounting period is reported to the income statement. The Element is arrived at by comparing the unit prices with opening Ex-NAV at the beginning of the year.

4.8 Taxation

The Fund is exempt from taxation under clause 99 of the Part I of the 2nd Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90% of its accounting income as reduced by the realised and unrealised capital gain for the year is distributed amongst the Fund's unit holders. Since the management has distributed the income earned by the Fund during the year to the unit holders in the manner as explained above, no provision for taxation has been made in these financial statements.

4.9 Financial instruments

All 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 contractual right to future cash flows from the asset expires or is transferred along with the risk and reward of ownership of the asset. Financial liabilities are derecognised when they are extinguished, that is, when the obligation specified in the contract is discharged, cancelled, or expires. Any gain or loss on derecognition of the financial assets and financial liabilities is taken to income currently.

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 amount and the Fund intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

4.11 Distribution to unit holders

Distribution to unit holders is recognised upon declaration and approval by the Board of Directors of the Management Company.



4.12 Net asset value per unit

The net asset 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.

4.13 Cash and cash equivalent

Cash and cash equivalent comprise of bank balances and short term deposits.

5 STANDARDS, INTERPRETATIONS AND AMENDMENTS TO APPROVED ACCOUNTING STANDARDS THAT ARE NOT YET EFFECTIVE

The following new standards, amendments to published standards and interpretations would be effective from the dates mentioned below against the respective standard or interpretation:

Standard or Interpretation	Effective date
IAS 1 - Disclosure Initiative (Amendments to IAS 1 Presentation of Financial Statements)	January 01, 2016
IFRS 10, IFRS 12 and IAS 28 - Investment Entities : Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28)	January 01, 2016
IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	January 01, 2016
Annual Improvements to IFRS 2012 - 2014 Cycle	January 01, 2016
IAS 16 and IAS 41 - Agriculture: Bearer Plants (Amendments to IAS 16 and IAS 41)	January 01, 2016
IAS 27 – Separate Financial Statements – Equity Method in Separate Financial Statements (Amendment)	January 01, 2016
IAS 16 and IAS 38 - Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38)	January 01, 2016
IFRS 11 - Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11)	January 01, 2016
IAS 7 - Disclosure Initiative (Amendments to IAS 7)	January 01, 2017
IAS 12 - Recognition of Deferred Tax Assets for Unrealized Losses (Amendments to IAS 12)	January 01, 2017

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

Standard	Effective Date
IFRS 9 – Financial Instruments: Classification and Measurement	January 01, 2018
IFRS 15 – Revenue from Contracts with Customers	January 01, 2017
IFRS 16 - Leases	January 1, 2019

6 ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and 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 result of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis.

The estimates and judgements that have a significant effect on the financial statements are in respect of the following:

	Notes
Investments	4.2, 8 & 23
Element of income / loss and capital gains / losses in prices of units issued less those in units redeemed - net	4.7
Provisions	4.3 & 19

	Note	2016	2015
		-----Rupees-----	
7 BANK BALANCES			
- In saving accounts	7.2	691,253,752	152,822,992
- In current accounts		2,955,684	2,973,134
		694,209,436	155,796,126
7.1			
- Balance with other than Islamic index		663,200,478	154,810,126
- Balance with Islamic index		31,008,957	986,000
		694,209,435	155,796,126

7.2 This includes balances with related parties of Rs. 617.55 million (2015: Rs. 41.81 million) with JS Bank Limited and Rs. 31.01 million (2015: Rs. 0.99 million) with Bank Islami Pakistan Limited. These accounts carry profit at the rates of 6.50% (2015: 7.00%) and 6.25% (2015: 6.00%) per annum respectively. Other PLS accounts of the Fund carry profit at the rates from 3.00% to 8.00% (2015: 5.00% to 9.60%) per annum.

	Note	2016	2015
		-----Rupees-----	
8 INVESTMENTS			
Held-for-trading			
Quoted ordinary shares	8.1	1,674,629,298	2,389,081,502
Unquoted debt securities	8.2	-	-
Available-for-sale			
Quoted ordinary shares	8.3	5,198,135	4,659,563
Quoted debt securities	8.4	-	-
Unquoted debt securities	8.5	-	-
		1,679,827,433	2,393,741,065

8.1 Quoted ordinary shares - Held-for-trading

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

Sector / companies	Holding at the beginning of the year	Acquired during the year	Bonus / rights shares received during the year	Disposed during the year	Holding at the end of the year	Market / Carrying value	Under All-share Islamic Index		Other than All share Islamic Index		% of Total Investment
							Gain / (loss) on Investment	Dividend Income	Gain / (loss) on Investment	Dividend Income	
(Number of shares)											
(Rupees)											
Leasing Companies											
Orix Leasing Pakistan Limited.	1,300,000	140,000	-	113,500	1,326,500	65,568,895	-	-	(15,805,610)	5,850,000	3.90
Commercial Banks											
Bank Alfalah Limited	-	2,700,500	-	-	2,700,500	69,051,785	-	-	416,340	-	4.11
Habib Bank Limited	-	385,100	-	6,000	379,100	74,894,996	-	-	4,244,178	-	4.46
MCB Bank Limited	-	790,500	-	-	790,500	173,925,810	-	-	7,391,803	3,140,000	10.35
United Bank Limited	-	549,600	-	230,600	319,000	56,437,480	-	-	5,133,864	3,261,000	3.36
						374,310,071	-	-	17,186,185	6,401,000	22.28
Insurance											
Adanjee Insurance Company Limited	2,250,000	2,291,500	-	1,189,000	3,352,500	168,161,400	-	-	597,765	8,306,250	10.01
IGI Insurance Limited	860,000	-	-	66,700	793,300	151,377,506	-	-	(10,508,534)	4,793,200	9.01
						319,538,906	-	-	(9,910,769)	13,099,450	19.02
Textile Composite											
Nishat Mills Limited	900,000	879,500	-	1,529,500	250,000	26,975,000	(2,029,432)	4,050,000	-	-	1.61
Sugar & Allied Industries											
Al-Abbas Sugar Mills Limited (related party)	106,400	27,100	-	-	133,500	35,778,000	-	-	12,365,255	3,034,800	2.13
Shahtaj Sugar Mills Limited	1,101,942	33,000	-	-	1,134,942	112,926,729	-	-	15,294,297	-	6.72
						148,704,729	-	-	27,659,552	3,034,800	8.85
Cement											
D.G.Khan Cement Company Limited	-	1,770,100	-	1,770,100	-	-	35,834,854	592,500	-	-	-
Cherat Cement Company Limited	1,250,000	896,500	-	1,243,500	903,000	107,971,710	39,946,160	4,883,500	-	-	6.43
Fauji Cement Company Limited	3,500,000	250,000	-	3,750,000	-	-	20,470,700	8,750,000	-	-	-
Kohat Cement Company Limited	-	84,700	-	4,700	80,000	20,953,600	(57,805)	-	-	-	1.25
Lucky Cement Limited	232,700	137,200	-	369,900	-	-	13,981,828	2,255,400	-	-	-
						128,925,310	110,175,737	16,481,400	-	-	7.68

JS Growth Fund

Sector / companies	Holding at the beginning of the year	Acquired during the year	Bonus / rights shares received during the year	Disposed during the year	Holding at the end of the year	Market / Carrying value	Under All-share Islamic Index		Other than All share Islamic Index		% of Total Investment
							Gain / loss on Investment	Dividend Income	Gain /loss on Investment	Dividend Income	
							------(Rupees)-----				
							------(Number of shares)-----				
Refinery											
Attock Refinery Limited	625,000	-	-	625,000	-	-	1,447,718	3,125,000	-	-	-
Power Generation & Distribution											
Laipir Power Limited	-	300,000	-	300,000	-	-	(675,000)	300,000	-	-	-
Oil & Gas Marketing Companies											
Attock Petroleum Limited	400,000	28,900	-	210,500	218,400	95,558,736	(37,284,934)	12,013,000	-	-	5.69
Pakistan State Oil Company Limited	290,000	205,000	-	170,000	325,000	122,024,500	-	-	3,783,014	3,485,000	7.26
						217,583,236	(37,284,934)	12,013,000	3,783,014	3,485,000	12.95
Oil & Gas Exploration Companies											
Oil & Gas Development Company Limited	-	935,000	-	935,000	-	-	-	-	13,694,497	6,000	-
Pakistan Petroleum Limited.	-	516,500	-	516,500	-	-	2,626,388	-	-	-	-
Pakistan Oilfields Limited	-	300,000	-	300,000	-	-	17,226,936	-	-	-	-
						-	19,853,324	-	13,694,497	6,000	-
Automobile Assembler											
Indus Motor Company Limited	209,900	9,500	-	219,400	-	-	-	-	(52,304,830)	16,749,600	-
Pak Suzuki Motor Company Limited	534,000	91,800	-	559,800	66,000	25,221,900	(10,042,503)	6,240,000	-	-	1.50
						25,221,900	(10,042,503)	6,240,000	(52,304,830)	16,749,600	1.50
Automobile Parts & Accessories											
Agriauto Industries Limited (Par value Rs. 5 each share)	-	185,200	-	-	185,200	36,160,300	1,115,275	-	-	-	2.15
General Tyre & Rubber Company of Pakistan Limited	894,900	224,200	-	690,200	428,900	76,339,911	33,792,218	6,544,300	-	-	4.54
Thal Limited (Par value Rs. 5 each share)	-	87,500	-	-	87,500	24,764,250	528,201	-	-	-	1.47
						137,264,461	35,435,694	6,544,300	-	-	6.69
Transport											
Pakistan National Shipping Corporation limited	1,349,800	-	-	1,349,800	-	-	(24,405,392)	1,810,350	-	-	-
Technology & Communication											
Pakistan Telecommunication Company Limited	-	6,052,000	-	1,500,000	4,552,000	68,416,560	(4,205)	-	-	-	4.07

Sector / companies	Holding at the beginning of the year	Acquired during the year	Bonus / rights shares received during the year	Disposed during the year	Holding at the end of the year	Market / Carrying value	Under All-share Islamic Index		Other than All share Islamic Index		% of Total Investment
							Gain / loss on Investment	Dividend Income	Gain / loss on Investment	Dividend Income	
							(Rupees)				
							(Number of shares)				
Pharmaceuticals											
Abbott Laboratories (Pakistan) Limited	-	16,450	-	-	16,450	12,403,300	470,316	-	-	-	0.74
Paper And Boards											
Century Paper & Board Mills Limited	-	50,000	-	-	50,000	2,602,000	-	-	10,620	-	0.15
Fertilizer											
Engro Corporation Limited	-	140,000	-	140,000	-	-	1,658,435	-	-	-	-
Fauji Fertilizer Bin Qasim Limited	-	2,250,000	-	2,250,000	-	-	279,345	-	-	-	-
							1,937,780	-	-	-	-
Food & Personal Care Products											
Raftan Maize Products Company Limited	20,599	3,320	-	10,000	13,919	100,495,180	(36,071,450)	2,415,400	-	-	5.98
Miscellaneous											
Synthetic Products Enterprises Limited	-	769,000	-	41,500	727,500	34,119,750	(2,332,110)	248,000	-	-	2.03
TPL Properties Limited	-	1,000,000	-	-	1,000,000	12,500,000	-	-	-	-	0.74
Total market value of held-for- trading quoted ordinary shares as at June 30, 2016						1,674,629,298	57,003,744	53,227,450	(15,687,341)	48,625,850	99.66

JS Growth Fund

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

Companies	June 30,	June 30,	June 30,	June 30,
	2016	2015	2016	2015
	----- (Number of shares) -----		----- Rupees -----	
Adamjee Insurance Company Limited	1,000,000	-	50,160,000	-
Attock Refinery Limited	-	300,000	-	68,535,000
Cherat Cement Company Limited	300,000	-	35,871,000	-
General Tyre & Rubber Company of Pakistan Limited	100,000	-	17,799,000	-
IGI Insurance Limited	-	250,000	-	51,222,500
Lucky Cement Limited	-	150,000	-	77,943,000
MCB Bank Limited	300,000	-	66,006,000	-
Pak Suzuki Motor Company Limited	-	200,000	-	87,182,000
Pakistan State Oil Company Limited	150,000	-	56,319,000	-
United Bank Limited	100,000	-	17,692,000	-

8.2 Unquoted debt securities - held for trading

Sector / companies	Note	(Number of shares)				Market / Carrying value (Rupees)	% of net assets	% of Total Investment
		Holding at the beginning of the year	Acquired during the year	Disposed during the year	Holding at the end of the year			
Textile Composite								
Azgard Nine Limited (related party)	8.2.1							
Convertible PPTFC (22-10-2012)		6,420	-	-	6,420	-	-	

8.2.1 These convertible privately placed term finance certificates (PPTFCs) were issued against the cumulative preference shares of Azgard Nine Limited on 22 October 2012 under the "Settlement Agreement" dated 22 October 2012 between the Management Company of the Fund and Azgard Nine Limited. Since these PPTFCs are received against non-performing security, therefore the management, as a matter of prudence had recognised above PPTFCs at nil value. In addition these PPTFCs have been classified as Non-performing by MUFAP. The carrying value of preference shares so converted into PPTFC was Rs. 42.65 million and provision held there against was Rs. 42.65 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. During the period, the Fund received profit of Rs. Nil (30 June: Rs. 6.15 million) against these PPTFCs which has been recognised in the Income Statement.

8.3 Quoted ordinary shares - available-for-sale

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

Sector / companies	Note	(Number of shares)				Holding at the end of the year	Market / Carrying value (Rupees)	% of Total Investment
		Holding at the beginning of the year	Acquired during the year	Bonus / rights shares received during the year	Disposed during the year			
Chemicals								
Agritech Limited	8.3.1	605,138	-	-	-	605,138	<u>5,198,135</u>	0.34

- 8.3.1** During the year 2013, the Fund alongwith other lenders, entered into a restructuring agreement in respect of the outstanding liabilities of Azgard Nine Limited (ANL). In terms of the said restructuring, the Fund has acquired 605,138 ordinary shares of Agritech Limited which were previously owned by ANL, in order to partially settle the liabilities of ANL.

The above ordinary shares of Agritech Limited are subject to sale after the lock-in-period of 5 years in terms of the Share Purchase Agreement (SPA) between the ANL and various lenders including the Fund. However, as per the SPA, the sale restriction is not applicable to transactions between the lenders of ANL. The lock in period end will expire in the year 2017.

8.4 Quoted debt securities- available-for-sale

(Term Finance Certificates have a face value of Rs 5,000/- each)

Sector / companies	Note	Number of certificates				Holding at the end of the year	Market / Carrying value (Rupees)	% of Total Investment
		Holding at the beginning of the year	Acquired during the year	Disposed during the year				
Textile Composite								
Azgard Nine Limited (related party)	8.4.1	10,000	-	-	10,000	13,681,024		1.00
Less: Provision held						<u>(13,681,024)</u>		
						<u>-</u>		

- 8.4.1** During the year 2013, the Fund alongwith other lenders, entered into a restructuring agreement in respect of the outstanding liabilities of Azgard Nine Limited (ANL). In terms of the said restructuring, the Fund has acquired 605,138 ordinary shares of Agritech Limited which were previously owned by ANL, in order to partially settle the liabilities of ANL.

8.5 Unquoted debt securities - available-for-sale

Azgard Nine Limited PPTFC (related party)	8.5.1	2,150	-	-	2,150	<u>-</u>	-	-
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- 8.5.1** The Fund has received 2,150 Zero Coupon PPTFC against interest receivable on unlisted TFCs. Since these PPTFCs are received against already defaulted securities and have non-performing status in MUFAP, therefore, as a matter of prudence, management has maintained the provision against the said PPTFCs. These PPTFCs are valued at zero but cost is carried at Rs.10,750,000.

	2016	2015
Note	-----Rupees-----	
9 ACCRUED MARK-UP / INTEREST		
Mark-up receivable on:		
- Bank deposits	3,216,738	1,082,596
- Term finance certificates (available-for-sale)	906,103	906,103
- Provision held against term finance certificates	(906,103)	(906,103)
	-	-
	3,216,738	1,082,596
9.1 Mark-up / profit receivable from:		
- Bank scrips falling under other indexes	3,068,428	955,529
- Bank scrips falling under Islamic index	148,310	127,067
	3,216,738	1,082,596
10 DEPOSITS AND OTHER RECEIVABLES		
Receivable against sale of marketable securities	25,768,112	49,958,978
Income tax recoverable	7,829,119	6,345,067
National Clearing Company of Pakistan Limited (NCCPL)	2,500,000	2,500,000
Central Depository Company of Pakistan Limited (CDC)	100,000	100,000
Advance tax	7,215,666	7,206,598
	43,412,897	66,110,643
11 PROVISION FOR FEDERAL EXCISE DUTY ON REMUNERATION TO THE MANAGEMENT COMPANY		
	11.1 28,693,826	21,364,680

11.1 The Finance Act, 2013 has extended the scope of the Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from June 13, 2013. As the asset management services rendered by the Management Company of the Fund is already subject to provincial sales tax on services levied by the Sindh Revenue Board, which is being charged to the Fund, the Management Company is of the view that further levy of FED is not justified.

On September 4, 2013, a Constitutional Petition has been filed in Honorable Sindh High Court (SHC) jointly by various asset management companies, together with their representative Collective Investment Schemes through their trustees, challenging the levy of FED.

However, the Finance Act, 2016 withdrew the levy of FED on Non-Banking Financial Institution (NBFC) where the provincial sales tax has been levied on NBFC. Therefore, the Honorable SHC has issued an order dated July 15, 2016 in favor of the Management Company.



12 ACCRUED AND OTHER LIABILITIES	Note	2016	2015
		-----Rupees-----	
SECP annual fee payable		2,176,294	2,802,458
Accrued expenses		1,624,308	2,115,421
Withholding taxes payable		-	1,521,379
Payable against Workers' Welfare Fund	12.1	91,288,041	91,288,041
Payable against purchase of securities		71,619,537	1,126,943
		166,708,180	98,854,242

12.1 PROVISION FOR WORKERS' WELFARE FUND

There is no change in the status of the petition pending with the Honourable Sindh High Court (SHC) as reported in note 12.1 to the annual financial statements of the Fund for the year ended June 30, 2015.

The Fund maintained a provision for WWF as on June 30, 2016 amounting to Rs. 91,288,041 (2015: Rs. 91,288,041). Had the provision not been made, the net assets value per unit of the Fund would have been higher by Rs. 7.13 (2015: Rs. 6.10) per unit.

13 PROVISION FOR PRIOR PERIOD TAXATION	Note	2016	2015
		-----Rupees-----	
	13.1	6,105,662	6,105,662

13.1 Assessment by the Income Tax Department for the assessment years from 1993-1994 to 2000-2001 are in appeals at various levels. The management is confident that the decisions in respect of the matters under appeals will be given in its favour. However, full tax provision, amounting to Rs. 6,105,662, had been made in the financial statements on the basis of decision of appeals, appeal effect orders and assessments finalised to date.

14 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at June 30, 2016 and June 30, 2015.

15 MARK-UP / INTREST INCOME ON BANK BALANCES		2016	2015
		-----Rupees-----	
Bank scrips falling under other indexes		18,089,344	42,957,296
Bank scrips falling under Islamic index		1,498,925	127,067
		19,588,269	43,084,363

16 REMUNERATION TO THE MANAGEMENT COMPANY

According to the provisions of the Trust Deed of the Fund, the Management Company has charged its remuneration at the rate of 2% (2015: 2%) per annum on the average annual net assets of the Fund calculated on a daily basis.

17 SALES TAX ON REMUNERATION TO THE MANAGEMENT COMPANY

The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 14% (2015: 15%) on Management Company's remuneration.

Sales tax payable on remuneration to the Management Company includes Rs. 4,351,364 (2015: Rs. 3,325,286) accrued on Federal excise duty (FED) on the management remuneration as more fully explained in note 11 above.

18 REMUNERATION TO THE TRUSTEE

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

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

19 ANNUAL FEE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Represents annual fee of SECP in accordance with the NBFC Regulations, whereby the Fund is required to pay SECP at the rate of 0.095% (2015: 0.095%) per annum of the monthly net assets of the Fund computed on a monthly basis.

20 AUDITORS' REMUNERATION

	2016	2015
	-----Rupees-----	
Annual audit fee	440,000	440,000
Half yearly review of financial statements	277,818	242,000
Review of Code of Corporate Governance	27,500	27,500
Income certification	27,500	27,500
	772,818	737,000
Sales tax	29,700	36,850
Out of pocket expenses	49,500	103,180
Others	-	107,122
	852,018	984,152

21 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Related parties / connected persons include JS Investments Limited being the Management Company, MCB Financial Services 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 June 30, 2016. It also includes the staff retirement benefits of the above related parties / connected persons.

21.1 Transactions during the year ended	2016	2015
	-----Rupees-----	
JS Investments Limited		
Remuneration to the Management Company	45,807,060	58,999,145
Sales tax on remuneration to the Management Company	7,439,066	10,265,851
Provision for federal excise duty on remuneration to the Management Company	7,329,131	9,439,863
Issue of units Nil (2015: 3,366,573)	-	519,029,347
Redemption of units 798,230 (2015: 5,814,246)	135,000,000	850,107,505
Cash dividend	-	4,093,878
Other cost incurred	2,111,996	1,843,754
Sales load paid	7,549	13,579
MCB Financial Services Limited (Trustee)		
Remuneration for the year	2,249,017	2,644,899
Sales tax on Trustee remuneration	314,862	-
JS Global Capital Limited		
Brokerage commission	589,211	1,181,767
JS Bank Limited		
Profit on bank deposit	9,883,084	26,627,830
Bank charges	10,190	11,834
Bank Islami Pakistan Limited		
Profit on bank deposit	1,498,925	127,067
Bank charges	1,334	-
Jahangir Siddiqui & Sons Limited		
Redemption of units Nil (2015: 3,117,172)	-	460,998,607
Mahvash & Jahangir Siddiqui Foundation		
Cash Dividend	-	536,852
JS Fund of Funds		
Redemption of units Nil (2015: 130,910)	-	18,746,298

JS Growth Fund

	2016	2015
	-----Rupees-----	
Al-Abbas Sugar Mills Limited		
Dividend income	3,034,800	1,330,000
EFU Life Assurance Limited		
Issue of units: Nil (2015: 69)	-	11,090
Cash Dividend	-	11,090
Jahangir Siddiqui Securities Services Limited		
Redemption of units Nil (2015: 401,096)	-	59,318,119
Azgard Nine Limited		
Income on TFC	-	6,146,808
Askari Bank Limited		
Redemption of units Nil (2015: 435,596)	-	62,220,533
Askari Securities Limited		
Brokerage commission	365,908	164,363
Jahangir Siddiqui & Co. Limited Staff Provident Fund		
Redemption of units Nil (2015: 617)	-	85,526
Unit holder holding 10% or more of units in issue		
Redemption of units Nil (2015: 200,000)	-	28,647,400
Key Management Personnel		
Issue of units Nil (2015: 237)	-	38,062
Redemption of units Nil (2015: 125,541)	-	18,230,970
Cash Dividend	-	43,500

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

	2016	2015
	-----Rupees-----	
JS Investments Limited		
Remuneration payable to the Management Company	3,603,831	4,149,581
Sales Tax payable on remuneration to the Management Company	4,854,510	3,947,723
Provision for federal excise duty on remuneration to the Management Company	28,693,826	21,364,680
Other cost payable	180,193	-
Units held 3,929,703 (2015: 4,727,934)	653,548,982	756,942,197
Mahvash & Jahangir Siddiqui Foundation		
Units held 617,071 (2015: 617,071)	102,625,094	98,793,082
EFU Life Assurance Limited		
Units held 12,816 (2015: 12,816)	2,131,422	2,051,835



	Note	2016 -----Rupees-----	2015
JS Bank Limited			
Bank balance		617,552,433	41,810,107
Profit receivable		2,564,905	657,604
Bank Islami Pakistan Limited			
Bank balance		31,008,957	986,000
Profit receivable		148,310	127,067
State Life Insurance Corp. of Pakistan			
Units held 270,718 (June 2015: 270,718)		45,023,039	43,370,380
MCB Financial Services Limited			
Remuneration payable		179,836	196,414
Sales tax payable on Trustee remuneration		25,178	-
JS Global Capital Limited			
Brokerage commission payable	21.4	9,944	73,065
Key Management Personnel			
Units held 50,753 (2015: 50,753)		8,440,750	8,125,593

21.3 The transactions with related parties / connected persons are in the normal course of business at contracted rates and terms determined in accordance with market rates.

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

22 FINANCIAL RISK MANAGEMENT

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

22.1 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices.

(i) Interest risk

Interest rate risk is the risk that the value of the financial instrument will fluctuate due to changes in the market interest rates. As of June 30, 2016, the Fund is exposed to such risk in respect of bank balances, investment in debt and Government securities. The bank balances are subject to interest rates as declared by the respective bank on periodic basis. Debt securities are subject to floating interest rates other than Government securities which are subject to fixed interest rates. The sensitivity of the income / (loss) for the year is the effect of the assumed changes in interest rates on:

JS Growth Fund

- The net interest income for one year, based on the floating rate financial assets held at the year end; and
- Changes in fair value of investments for the year, based on revaluing fixed rate financial assets at the year end.

The following table demonstrates the sensitivity of Fund's income / (loss) for the year to a reasonably possible change in interest rates, with all other variables held constant. In practice, the actual results may differ from the sensitivity analysis.

	Effect on income	
	2016	2015
	-----Rupees-----	
+100	6,912,538	1,528,230
- 100	(6,912,538)	(1,528,230)

----- June 30, 2016 -----						
Particulars	Yield / effective interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
		Up to three months	More than three months and up to one year	More than one year		
	%	-----Rupees-----				

On-balance sheet financial instruments

Financial assets

Bank balances	5 - 8	694,209,436	-	-	-	694,209,436
Investments		-	-	-	1,679,827,433	1,679,827,433
Accrued mark-up / interest		3,216,738	-	-	-	3,216,738
Deposits, and other receivables		-	-	-	43,412,897	43,412,897
		<u>697,426,174</u>	-	-	<u>1,723,240,330</u>	<u>2,420,666,504</u>

Financial liabilities

Remuneration payable to the Management Company		-	-	-	37,152,167	37,152,167
Remuneration payable to the Trustee		-	-	-	179,836	179,836
Accrued and other liabilities		-	-	-	73,243,845	73,243,845
		-	-	-	<u>110,575,848</u>	<u>110,575,848</u>

On-balance sheet gap		<u>697,426,174</u>	-	-	<u>1,612,664,482</u>	<u>2,310,090,656</u>
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There is no off-balance sheet financial instrument that exist as at year ended June 30, 2016.

----- June 30, 2015 -----						
Particulars	Yield / effective interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
		Up to three months	More than three months and up to one year	More than one year		
%		-----Rupees-----				
On-balance sheet financial instruments						
Financial assets						
Bank balances and term deposits	5 - 9.6	155,796,126	-	-	-	155,796,126
Investments		-	-	-	2,393,741,065	2,393,741,065
Accrued mark-up / interest		1,082,596	-	-	-	1,082,596
Deposits, and other receivables		-	-	-	66,110,643	66,110,643
		156,878,722	-	-	2,459,851,708	2,616,730,430
Financial liabilities						
Remuneration payable to the Management Company		-	-	-	4,149,581	4,149,581
Remuneration payable to the Trustee		-	-	-	196,414	196,414
Accrued and other liabilities		-	-	-	3,242,364	3,242,364
		-	-	-	7,588,359	7,588,359
On-balance sheet gap		156,878,722	-	-	2,452,263,349	2,609,142,071

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk at the year end.

(iii) Equity price risk

Equity price risk is the risk of unfavourable changes in the fair value of equity securities as a result of changes in the levels of PSX-Index and the value of individual shares. The equity price risk exposure arises from the Fund's investments in equity securities for which prices in the future are uncertain. The Management Company manages the above market risks through diversification of investment portfolio and placing limits on individual and aggregate exposures in accordance with the internal risk management policies and regulations laid down by the SECP.

Details of the Fund's investment in industrial / economic sector are given in note 8.1.

The following table illustrates the sensitivity of the income for the year and the unit holders' fund to an increase or decrease of 5% in the fair values of the Fund's equity securities. This level of change is considered to be reasonably possible based on observation of current market conditions. The sensitivity analysis is based on the Funds' equity securities at each Statement of Assets and Liabilities date, with all other variables held constant.

	2016	2015
	-----Rupees-----	
Income statement	83,991,372	119,687,053
Unit holders' fund	83,991,372	119,687,053

(iv) Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the processes, technology and infrastructure supporting the Fund's operations either internally credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of investment management behaviour. Operational risks arise from all of the Fund's activities.

The Fund's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation with achieving its investment objective of generating returns for investors.

The primary responsibility for the development and implementation of controls over operational risk rests with the board of directors. This responsibility encompasses the controls in the following areas:

- requirements for appropriate segregation of duties between various functions, roles and responsibilities.
- requirements for the reconciliation and monitoring of transactions;
- compliance with regulatory and other legal requirements;
- documentation of controls and procedures;
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified;"
- ethical and business standards; and
- risk mitigation, including insurance where this is effective.

22.2 Liquidity risk

"Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities. Liquidity risk arises because of the possibility that the Fund could be required to pay its liabilities earlier than expected. The Fund is exposed to cash redemptions of its redeemable units on a regular basis. Units are redeemable at the unit holders' option based on the Fund's net asset value per unit at the time of redemption calculated in accordance with the Fund's constitutive documents.

	Within one month	One to three months	Three to twelve months	One to five years	More than five years	Total
2016						
	-----Rupees-----					
Financial liabilities						
Remuneration payable to the Management Company	3,603,831	-	-	-	-	3,603,831
Remuneration payable to the Trustee	179,836	-	-	-	-	179,836
Accrued and other liabilities	73,243,845	-	-	-	-	73,243,845
	77,027,512	-	-	-	-	77,027,512
2015						
	-----Rupees-----					
Financial liabilities						
Remuneration payable to the Management Company	4,149,581	-	-	-	-	4,149,581
Remuneration payable to the Trustee	196,414	-	-	-	-	196,414
Accrued and other liabilities	3,242,364	-	-	-	-	3,242,364
	7,588,359	-	-	-	-	7,588,359

22.3 Credit risk

- (i) "Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Fund by failing to discharge its obligation. The Fund's policy is to enter into financial contracts with reputable counter parties in accordance with the internal guidelines, offering document and regulatory requirements. The maximum exposure is shown gross, before the effect of mitigation through the use of collateral agreements at reporting date:

	2016	2015
	-----Rupees-----	
Bank balances	694,209,436	155,796,126
Accrued mark-up / interest	3,216,738	1,082,596
Deposits and other receivable	43,412,897	66,110,643
	740,839,071	222,989,365

Name of Bank	Rating agency	Latest available published rating	Percentage of bank balance
Allied Bank Limited	PACRA	A1+	0.01
Bank Islami Pakistan Limited	PACRA	A1	4.47
Faysal Bank Limited	PACRA	A1+	0.10
JS Bank Limited	PACRA	A1+	88.96
NIB bank Limited	PACRA	A1+	0.01
Samba Bank Limited	JCR-VIS	A1	0.68
Soneri Bank Limited	PACRA	A1+	5.77
U MicroFinance Bank Limited [†] *	JCR-VIS	A2	0.00

* Nil value due to rounding off

(ii) Settlement risk

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

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

23 FAIR VALUE OF FINANCIAL INSTRUMENTS

The Fund uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted prices in active markets for identical assets.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

As at June 30, 2016, the Fund held the following financial instruments measured at fair value:

	Level 1	Level 2	Level 3	Total
	-----Rupees-----			
2016				
Held-for-trading investments	1,674,629,298	-	-	1,674,629,298
Available-for-sale investments	5,198,135	-	-	5,198,135
	<u>1,679,827,433</u>	<u>-</u>	<u>-</u>	<u>1,679,827,433</u>
	Level 1	Level 2	Level 3	Total
	-----Rupees-----			
2015				
Held-for-trading investments	2,389,081,502	-	-	2,389,081,502
Available-for-sale investments	4,659,563	-	-	4,659,563
	<u>2,393,741,065</u>	<u>-</u>	<u>-</u>	<u>2,393,741,065</u>

24 SUPPLEMENTARY NON FINANCIAL INFORMATION

- 24.1** The Board of Directors of the management company has approved cash dividend of Rs. 1.25 (2015 : Re. 0.87) per unit on July 12, 2016 (2015: on June 26, 2015) for the year ended June 30, 2016 amounting to Rs. 15,995,047 (2015: 13,008,093) in total. These financial statements do not include the effect of the above final distribution that will be accounted for subsequent to the year end.
- 24.2** The information regarding unit holding pattern, top 10 brokers, members of the Investment Committee, Fund manager, meeting of the Board of Directors of the Management Company, Audit Committee, Human Resource and Remuneration Committee and rating of the Fund and the Management Company has been disclosed in Annexure I to the financial statements.

25 GENERAL

- 25.1** Figures have been rounded off to the nearest rupee.
- 25.2** Certain prior year's figures have been reclassified for the purpose of comparison. However, there were no material reclassifications to report.

26 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on August 23, 2016.

**For JS Investments Limited
(Management Company)**

Ali Akhtar Ali
Chief Executive Officer

Basir Shamsie
Director

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

(i) UNIT HOLDING PATTERN OF THE FUND

Category	2016			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	19,457	6,500,333	1,081,052,359	50.80
Executives	1	136	22,618	0.00
Associated companies	3	4,559,591	758,293,322	35.63
Directors and their spouse	4	413	68,749	0.00
Insurance companies	13	482,151	80,185,248	3.77
Banks / DFI's	19	12,285	2,043,026	0.10
Non Banking Finance Companies	30	29,446	4,897,031	0.23
Retirement funds	10	227,416	37,820,898	1.78
Public limited companies	-	-	-	-
Others	99	984,268	163,690,983	7.69
	19,636	12,796,037	2,128,074,233	100

Category	2015			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	19,906	7,232,670	1,157,919,261	48.33
Associated companies	3	5,357,821	857,763,947	35.80
Directors and their spouse	4	413	66,181	0.00
Insurance companies	14	702,521	112,470,531	4.69
Banks / DFI's	19	12,285	1,966,718	0.08
Non Banking Finance Companies	31	29,459	4,716,338	0.20
Retirement funds	10	227,416	36,408,270	1.52
Public limited companies	-	-	-	-
Others	104	1,401,569	224,385,090	9.37
	20,091	14,964,153	2,395,696,336	100

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

Name of broker 2016	% of commission
Js Global Capital Limited	12.13
Al-Habib Capital Markets (Private) Ltd	7.36
Askari Securities Limited	6.11
Taurus Securities Limited	5.96
Shajar Capital Pakistan (Pvt.) Limited	4.68
Habib Metropolitan Financial Services Limited	4.11
Ms Maniar Financials (Pvt.) Limited	4.08
IGI Finex Securities Limited	4.03
Next Capital Limited	3.98
Foundation Securities (Private) Ltd	3.75

Name of broker 2015	% of commission
Js Global Capital Limited	13.47
Kasb Securities Limited	6.74
Shajar Capital Pakistan (Private) Limited	5.85
Al-Habib Capital Markets (Private) Ltd	5.48
Mra Securities (Private) Limited.	4.57
Topline Securities (Private) Limited	4.57
IGI Finex Securities (Private)Limited	4.43
Optimus Capital Management (Private) Limited	4.33
Foundation Securities (Private) Ltd	4.33
Nael Capital Management Limited	4.28

(iii) **THE MEMBERS OF THE INVESTMENT COMMITTEE**

Following are the members of Investment Committee of the Fund:

Dr. Ali Akhtar Ali - Chief Executive Officer
 Mr. Khawar Iqbal - Chief Financial Officer
 Mr. Arsalan Asif H. Soomro , CFA - Fund Manager
 Mr. Yousuf Muhammad Farooq - Head of Research

DR. ALI AKHTAR ALI - CHIEF EXECUTIVE OFFICER

Dr. Ali is currently serving as the Chief Executive Officer at JS Investments Limited. He has around 15 years of active experience in both Fixed Income and Equity markets of Pakistan. He earned his MBBS from Baqai Medical College and MBA with majors in Finance from PAF-KIET. Prior to becoming Chief Executive Officer, Dr Ali was serving in JS Investments as Chief Investment Officer for about 3 years. He joined JS Investments as Senior Vice President in Investments. Before joining JS Investments Limited he remained associated with KASB Capital Ltd. for 2 years as Chief Dealer in the Treasury Department. He was then deputed as the Head of Money Market, Forex and Financial Advisory at KASB Securities. Prior to KASB Capital he worked with JS Investments Limited from 2006 till 2008 in the capacity of Assistant Vice President, Investments Department. He also worked two and a half years (2004-2006) at Jahangir Siddiqui Capital Markets as Senior Dealer Fixed Income Desk and was later promoted to the position of Head of Fixed Income. He also served 3 years (2000-2004) at BMA Capital Management as a Senior Dealer on the Fixed Income Desk.

MR. MUHAMMAD KHAWAR IQBAL, CFO & COMPANY SECRETARY

Mr. Muhammad Khawar Iqbal joined JS Investments Limited in May 2005
 In March 2012, he was promoted as Company Secretary and Chief Financial Officer. Previously he was managing financial reporting and fund accounting matters of various funds under management. He has contributed a lot towards automation of Fund Accounting Management and has been key resource in designing and implementing Fund Accounting Management module in ERP system.

In March 2012, he was promoted as Company Secretary and Chief Financial Officer. Previously he was managing financial reporting and fund accounting matters of various funds under management. He has contributed a lot towards automation of Fund Accounting Management and has been key resource in designing and implementing Fund Accounting Management module in ERP system.

Prior to joining JSIL, he has a rich and diversified experience of managing financial accounting of twenty six closed end funds under management of Investment Corporation of Pakistan. ICP was established by the Government of Pakistan with objectives to encourage and broaden the base of investments, development of capital market and to promote industrial development in the country. Where, Mr. Khawar had also contributed significantly in the development and implementation of an investment scheme. He has overall experience of around 23 years.

Mr. Khawar holds masters degrees in Business Administration and Economics

MR. ARSALAN ASIF H. SOOMRO , CFA - FUND MANAGER

Mr. Soomro is currently serving as the Head of Equity Funds at JS Investments Ltd. with an overall diversified experience of 7 years. He joined as a Research Analyst in Sept 2009 and was subsequently promoted as a Fund Manager in April 2010.

Under his watch, JS Islamic Fund has consistently out-performed the peers and has been the Best Performing Islamic Equity Fund for Year 2013 and 2014. JS Islamic Fund's excellence has been also highlighted globally - being ranked among Top 100 Equity Funds in the world in 2012 and has bagged Lipper's award for Best Equity Fund Global Islamic for 2 years in 2014. Similarly, another Fund under his management - JS Large Cap Fund - was also ranked as #2 and #3 Best Equity Fund in Pakistan in 2013 and 2014, respectively.

Mr. Soomro holds a diverse set of professional qualifications, such as, FSA UK approved Investment Management Certificate (IMC), Financial Risk Manager (FRM) and has cleared all levels of Chartered Financial Analyst (CFA). He holds a First Class Honours in B.Sc. (Honors) in Investment and Financial Risk Management from Cass Business School, London"

MR. YOUSUF M. FAROOQ - HEAD OF RESEARCH

Mr. Farooq has joined Js Investments Ltd. in January 2016 as the Head of Research. Previously he was working as the Head of Research at Fortune Securities Limited where had joined as a Research Analyst in the year 2012. Mr.Farooq`s main expertise are on the Equity Side and he has published many reports on various sectors. He is a graduate from "Szabist"" in Business Administration and is currently a CFA Level 3 candidate. He holds an overall experience of 3 years.

(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 held on						
	Meetings attended	11 August 2015	16 September 2015	22 October 2015	18 December 2015	17 February 2016	14 April 2016
Mr.Nazar Mohammad Shaikh *	5	1	1	1	1	1	-
Mr.Ali Akhtar Ali	6	1	1	1	1	1	1
Mr.Suleman Lalani	6	1	1	1	1	1	1
Mr. Asif Reza Sana	4	-	1	1	-	1	1
Mr. Kamran Jafar	5	1	1	-	1	1	1
Mr. Muhammad Khalil ur Rehman *	4	1	1	1	-	-	1
Mr. Muhammad Raza Dyer	6	1	1	1	1	1	1
Mr. Ahsen Ahmed	3	1	-	-	1	-	1
Mr. Basir Shamsie **	-	-	-	-	-	-	-
Mr. Muhammad Yousuf Amanullah **	-	-	-	-	-	-	-
		7	7	6	6	6	7

*Mr. Nazar Mohammad Shaikh and Mr. Khalil Ur Rehman resigned on March 19, 2016 & April 14, 2016 respectively

** Mr. Basir Shamsie and Mr. Muhammad Yousuf Amanullah appointed on June 24, 2016

(v) MEETINGS OF AUDIT COMMITTEE

Name of Directors	Meetings held on				
	Meetings attended	10 August 2015	21 October 2015	16 February 2016	13 April 2016
Mr. Asif Reza Sana	3	-	1	1	1
Mr. Suleman Lalani	4	1	1	1	1
Mr. Muhammad Khalil ur Rehman *	4	1	1	1	1
		2	3	3	3

* Mr. Khalil Ur Rehman resigned on April 14, 2016

(vi) MEETINGS OF HUMAN RESOURCE AND REMUNERATION COMMITTEE

Name of Members	Meetings attended	Meetings held on			
		19 August 2015	1 December 2015	12 February 2016	17 February 2016
Mr. Nazar Mohammad Shaikh *	4	1	1	1	1
Mr. Ali Akhtar Ali	4	1	1	1	1
Mr. Kamran Jafar	4	1	1	1	1
		3	3	3	3

*Mr. Nazar Mohammad Shaikh resigned on March 19, 2016

(vii) MEETINGS OF EXECUTIVE COMMITTEE

Name of Members	Meetings attended	Meetings held on			
		09 September 2015	10 December 2015	09 February 2016	11 May 2016
Mr. Suleman Lalani	4	1	1	1	1
Mr. Ali Akhtar Ali	4	1	1	1	1
Mr. Kamran Jafar	3	-	1	1	1
		2	3	3	3

(viii) RATING OF THE FUND AND THE MANAGEMENT COMPANY

The Pakistan Credit Rating Agency (PACRA) assigned the star ranking of 2 Star (1 Year), 3 Star (3 Year) and 2 Star (5 Year) to the Fund.

JCR-VIS Credit Rating Company Limited has assigned Management Quality Rating to "AM2"(AM Two) of JS Investments Limited. The rating denotes high management quality of the Management Company.

(ix) AS REQUIRED UNDER CLAUSE 38A (g) OF THE NBFC & NE REGULATION

Summary of Actual Proxy voted by JS Growth Fund

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

NOTE:








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



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