
JS Income Fund

Quarterly Report for the period
ended March 31, 2021



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

Board of Directors

Mr. Suleman Lalani	Chairman
Ms. Iffat Zehra Mankani*	Chief Executive Officer
Mr. Hasan Shahid	Non-Executive Director
Mr. Tahir Ali Sheikh	Non-Executive Director
Mr. Asif Reza Sana	Independent Director
Ms. Aisha Fariel Salahuddin	Independent Director
Mr. Zahid Ullah Khan**	Non-Executive Director
Mr. Imran Haleem Shaikh	Non-Executive Director

Audit Committee

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

& Company Secretary

Mr. Muhammad Khawar Iqbal

Chief Financial Officer

Mr. Zafar Iqbal Ahmed

Trustee

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

Auditors

EY Ford Rhodes
Chartered Accountants

Legal Adviser

Bawaney & Partners

* Ms. Iffat Zehra Mankani has been appointed as Chief Executive Officer of JS Investments Limited w.e.f April 15, 2021 in place of Mr. Hasnain Raza Nensey.

** Mr. Zahid Ullah Khan has been appointed as Director on the Board of JS Investments Limited w.e.f March 18, 2021 in place of Mr. Kamran Jafar.

DIRECTORS' REPORT TO THE UNIT HOLDERS

The Board of Directors of JS Investments Limited has the pleasure in presenting to you the un-audited Financial Statements of **JS Income Fund** (the Fund) for the nine months period ended March 31, 2021.

Economic review

Since July 2020, Pakistan witnessed two Corona virus waves and is currently undergoing the third wave, the severity of which has heightened the risk of city wide lockdowns and economic activity slowdown. In an effort to overcome the Corona virus situation, the government has initiated a vaccine drive targeting 50+ population and is expected to expand the drive to the lower age groups in the coming months. Therefore, this could be the last major Corona virus wave and the return to normalcy seems closer than ever.

Similarly, the IMF program has also resumed after a year long suspension with another disbursement of USD 500 million. The performance targets remain largely unchanged and the government is expected to achieve the set targets barring any political distraction and escalation of the Corona virus situation.

The Current Account improved considerably during the nine months of the fiscal year 2021. The country reported a surplus of USD 748 million in the period under review compared to USD 2,911 million deficit in the same period last year. The improvement was on account of 24% growth in remittances that outweighed the 22% rise in the trade deficit. As a result, foreign reserves continued to strengthen and PKR/USD parity also improved with the PKR trading at 153 to the dollar in March 2021.

Lastly, CPI inflation eased off from 9.3% in July 2020 to 5.7% in January 2021. However, the inflation has increased to 9% levels from February onwards due to the low base effect. The State Bank of Pakistan continues to maintain a dovish policy stance with a higher focus towards economic recovery stimulation.

Income & Money Market Review:

During the fiscal year to date, the State Bank of Pakistan kept the Policy Rate unchanged at 7%. The central bank has decreased its supply of Pakistan Investment Bonds and has been rejecting bids in the new issuance of 5 year instrument up until January 2021. However, as demand remained intact particularly from the Insurance and Banking sector, the central bank finally started accepting bids in the 5 year instrument at a cut-off yield of 9.52%. Consequently, the PIB cut-offs yields have increased across all tenors.

Recently, investors have shifted their preference to short-term treasury bills in anticipation of a policy rate hike on the back of increasing inflation. Therefore, the cut-off yields for the 3 month, 6 month and 12 month treasury bills have increased during the period under review.

Review of Fund Performance

The Fund return was 6.67% for the nine months period ended March 31, 2021, against the benchmark return of 7.34%. Net Assets moved from PKR 1.92 billion (June 30, 2020) to PKR 2.01 billion as of March 31, 2021. The total expense ratio (TER) of the Fund is 1.28% which includes 0.26% representing government levies on the Fund.



Fund and Asset Manager Rating

The Pakistan Credit Rating Agency (PACRA) reaffirmed the stability rating of A + (f) (A plus – Fund Rating) to the Fund. The fund's rating denotes a strong capacity to maintain high degree of stability in returns and possesses low exposure to risks.

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

Acknowledgment

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

Karachi: April 23, 2021

Director

Chief Executive Officer

JS Income Fund

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT 31 MARCH 2021

	Note	31 March 2021 (Unaudited)	30 June 2020 (Audited)
-----Rupees-----			
Assets			
Bank balances	5	884,009,887	849,846,571
Investments	6	1,136,530,100	1,086,861,177
Mark-up receivable	7	24,610,591	12,661,733
Deposits, prepayments and other receivables	8	92,004,259	19,035,303
Total assets		2,137,154,837	1,968,404,784
Liabilities			
Payable to the Management Company	9	7,152,820	5,316,954
Remuneration payable to Trustee		141,847	103,080
Sindh sales tax payable on trustee remuneration		18,440	13,400
Annual fee payable to Securities and Exchange			
Commission of Pakistan	10	303,258	328,500
Accrued expenses and other liabilities	11	115,525,601	40,330,497
Total liabilities		123,141,966	46,092,431
Contingencies and Commitments	12		
Net assets		2,014,012,871	1,922,312,353
Unit holders' funds (as per statement attached)		2,014,012,871	1,922,312,353
Number of units in issue	Number	20,002,218	20,046,917
Net assets value per unit		100.69	95.89

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

For JS Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS & THREE MONTHS PERIOD ENDED MARCH 31, 2021

	Note	Nine months period ended		Three months period ended	
		31 March		31 March	
		2021	2020	2021	2020
		(Rupees)			
Income					
Financial Income		107,001,064	155,202,743	34,960,758	57,453,769
Net capital gain/(loss) on sale of investments		21,855,616	(3,421,615)	18,573,390	(8,134,305)
Net unrealized (loss) /gain on investments at Fair value through P&L		(826,600)	(6,106,381)	(4,940,240)	7,048,071
Dividend Income on spread transactions		4,067,750	24,669,717	2,815,250	10,799,117
		132,097,830	170,344,464	51,409,158	67,166,652
Expenses					
Remuneration of the Management Company		15,162,871	10,620,746	5,464,170	4,996,906
Sales tax on Management Company's Remuneration		1,971,178	1,380,697	710,342	649,593
Remuneration of the trustee		1,133,496	981,978	396,395	375,022
Sindh Sales tax on trustee fee		147,354	127,657	51,531	48,753
Annual fee to the Securities & Exchange Commission of Pakistan (SECP)		303,283	250,279	109,283	100,290
SECP Supervisory fee		1,875	1,879	615	622
Securities transactions cost		6,689,525	4,491,467	3,936,306	2,275,555
Listing fee		18,750	18,784	6,149	6,215
Mutual fund rating fee		271,776	248,397	93,779	83,500
Bank and settlement charges		1,091,915	909,523	500,847	250,922
Auditors' remuneration		407,820	417,844	87,724	98,294
Provision for Sindh Workers' Welfare Fund	11.1	2,019,086	2,992,881	768,256	1,155,593
Selling & Marketing Expenses	9.4	2,427,422	-	1,092,794	-
Accounting and operational charges	9.3	1,516,259	1,251,255	546,399	501,410
		33,162,610	23,693,387	13,764,590	10,542,675
Net income for the period before taxation		98,935,220	146,651,077	37,644,568	56,623,977
Taxation	13	-	-	-	-
Net income for the period after taxation		98,935,220	146,651,077	37,644,568	56,623,977
Allocation of Income for the Period.					
Net income for the period after taxation		98,935,220	146,651,077	37,644,568	56,623,977
Income already paid on units redeemed		(19,971,862)	(72,778,752)	(12,113,818)	(53,285,870)
		78,963,358	73,872,325	25,530,750	3,338,107
Accounting income available for distribution:					
Relating to Capital Gain		21,029,016	-	14,168,504	-
Excluding Capital Gain		57,934,342	73,872,325	11,362,246	3,338,107
		78,963,358	73,872,325	25,530,750	3,338,107

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

For JS Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS & THREE MONTHS PERIOD ENDED MARCH 31, 2021

	Nine months period ended		Three months period ended	
	31 March		31 March	
	2020	2019	2020	2019
	(Rupees)			
Net income for the period after taxation	98,935,220	146,651,077	25,530,750	56,623,977
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	98,935,220	146,651,077	25,530,750	56,623,977

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

For JS Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

	Nine months period ended	
	31 March 2021	31 March 2020
	----- (Rupees) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period	98,935,220	146,651,077
Adjustments for:		
Financial income	(107,001,064)	(155,168,017)
Net unrealized Loss/ (gain) on investments at Fair value through P&L	826,600	6,106,381
Dividend income	(4,067,750)	(24,669,717)
Operating (loss) before working capital changes	(110,242,214)	(173,731,353)
Decrease / (increase) in assets		
Deposits, prepayments and other receivables	(71,853,206)	18,265,676
Financial income received	95,052,206	139,491,284
	23,199,000	157,756,960
(Decrease) / increase in liabilities		
Remuneration payable to the management company	1,756,171	283,627
Sales tax payable on management remuneration	79,695	37,456
Remuneration payable to the trustee	38,767	(996)
Accrued and other liabilities	75,174,902	(2,223,356)
	77,049,535	(1,903,269)
Payments from investments - net	(50,495,523)	(25,532,756)
Dividend Received	2,952,000	23,676,287
Net cash generated from operating activities	41,398,018	126,916,946
CASH FLOWS FROM FINANCING ACTIVITIES		
Amounts received against issue of units	1,485,103,729	3,346,679,696
Payment made against redemption of units	(1,492,338,431)	(4,619,258,797)
Net cash used in financing activities	(7,234,702)	(1,272,579,101)
Net increase / (decrease) in cash and cash equivalents	34,163,316	(1,145,662,155)
Cash and cash equivalents at beginning of the period	849,846,571	1,871,803,047
Cash and cash equivalents at end of the period	884,009,887	726,140,892

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

For JS Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

JS Income Fund

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

	2021			2020		
	Rupees					
	Capital Value	Undistributed income / (loss)	Total	Capital Value	Undistributed income / (loss)	Total
Net assets at beginning of the period	1,931,156,827	(8,844,474)	1,922,312,353	2,637,302,473	(84,513,086)	2,552,789,387
Issuance of units 15,106,400 (2020: 33,997,931 units)						
- Capital value (at net asset value per unit at the beginning of the period)	1,448,552,701	-	1,448,552,701	3,249,182,237	-	3,249,182,237
- Element of income	36,551,028	-	36,551,028	97,497,459	-	97,497,459
Total proceeds on issuance of units	1,485,103,729	-	1,485,103,729	3,346,679,696	-	3,346,679,696
Redemption of units 15,151,100 (2020: 46,929,627 units)						
- Capital value (at net asset value per unit at the beginning of the period)	(1,452,838,936)	-	(1,452,838,936)	(4,485,064,476)	-	(4,485,064,476)
- Amount paid out of element of income relating to net income for the period after taxation	-	(19,971,862)	(19,971,862)	-	(72,778,752)	(72,778,752)
- Refund / adjustment on units as element of income	(19,527,633)	-	(19,527,633)	(61,415,569)	-	(61,415,569)
	(1,492,338,432)	(19,971,862)	(1,492,338,431)	(4,546,480,045)	(72,778,752)	(4,619,258,797)
Total comprehensive income for the period	-	98,935,220	98,935,220	-	146,651,077	146,651,077
Net income for the period	-	98,935,220	98,935,220	-	146,651,077	146,651,077
Net assets at end of the period	1,923,922,124	70,118,884	2,014,012,871	1,437,502,125	(10,640,761)	1,426,861,363
Undistributed (loss) / income brought forward						
- Realized loss		(5,242,741)			(83,855,047)	
- Unrealized loss		(3,601,733)			(658,039)	
		(8,844,474)			(84,513,086)	
Accounting income available for distribution						
- Relating to capital gains		21,029,016			-	
- Excluding capital gains		57,934,342			73,872,325	
Net income for the period after taxation		78,963,358			73,872,325	
Distribution during the period		-			-	
Undistributed income / (loss) carried forward		<u>70,118,884</u>			<u>(10,640,761)</u>	
Undistributed income / (loss) carried forward						
- Realized income		86,319,466			571,996,770	
- Unrealized (loss)		<u>(16,200,582)</u>			<u>(582,637,531)</u>	
		<u>70,118,884</u>			<u>(10,640,761)</u>	
Net assets value per unit at beginning of the period			<u>95.89</u>			<u>95.57</u>
Net assets value per unit at end of the period			<u>100.69</u>			<u>103.55</u>

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

For JS Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

1 LEGAL STATUS AND NATURE OF BUSINESS

JS Income Fund (the Fund) was established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations) and was approved as an open-end mutual fund by the Securities and Exchange Commission of Pakistan (SECP). It was constituted under the Trust Deed, dated 18 July 2002 between JS Investments Limited (a subsidiary company of JS Bank Limited) as the Management Company, a company incorporated under the Companies Act 2017 and MCB Financial Services Limited (MCBFSL) as the Trustee.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through certificate of registration issued by SECP. The registered office of the Management Company is situated at 19th Floor, the Centre, Saddar, Karachi, Pakistan.

The Fund is income scheme and units of the Fund are listed on the Pakistan Stock Exchange. Units are offered for public subscription on a continuous basis. The units of the Fund can be transferred to / from other funds managed by the Management Company and can also be redeemed by surrendering to the Fund. As per the offering document, the Fund shall invest in a diversified portfolio of Government securities, investment grade term finance certificates (TFCs), rated corporate debts, spread transactions (including spread on equity

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

The Pakistan Credit Rating Agency (PACRA) has maintained a credit rating of A+ (f) fund ranking to JS Income Fund as of March 31, 2021.

During the current period, the Trust Act, 1882 has been repealed due to promulgation of provincial trust acts as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration and annual renewal requirements under the relevant trust acts have been introduced. The Management Company in consultation with the Mutual Fund Association of Pakistan (MUFAP) and the Trustee is currently deliberating upon the requirements of the newly enacted provincial trust acts and their implication

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Accounting Standard (IAS) 34, *Interim Financial Reporting*, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

JS Income Fund

- 2.1.2** The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of IAS 34. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2020.
- 2.1.3** 'The comparative statement of asset and liabilities presented in these interim financial statements have been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2020, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial statements for the period ended March 31, 2020.
- 2.1.4** 'In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at March 31, 2021.

2.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention, except that certain financial assets are stated at fair value.

2.3 Functional and presentation currency

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

3 SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENT AND CHANGES THEREIN

- 3.1** The accounting policies, basis of accounting estimates applied and method of computation adopted in the preparation of these condensed interim financial statements and financial risk management objectives and policies are the same as those applied in the preparation of the annual financial statements of the Fund for the

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively

- 3.2** The Fund has adopted the following accounting standard and the amendments and interpretation of IFRSs which became effective for the current year.

Standard or Interpretation

IFRS 3 - Definition of a Business (Amendments);

IFRS 9 / IAS 39 / IFRS 7 - Interest Rate Benchmark Reform (Amendments);

IFRS 14 - Regulatory Deferral Accounts;

IAS 1 / IAS 8 - Definition of Material (Amendments);

The Conceptual Framework for Financial Reporting - revised

Improvements to Accounting Standards Issued by the IASB (2018 - 2020 cycle)

IFRS 3 Business Combinations - Previously held Interests in a joint operation

IFRS 11 Joint Arrangements - Previously held Interests in a joint operation

IAS 12 Income Taxes - Income tax consequences of payments on financial instruments classified as equity

IAS 23 Borrowing Costs - Borrowing costs eligible for capitalisation

The adoption of the above standards, amendments and improvements to accounting standards did not have any material effect on the Fund's condensed interim financial statements.

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

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standard or Interpretation	Effective date (annual periods beginning on or after)
Classification of Liabilities as Current or Non-current - Amendments to IAS 1	January 01, 2023
Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16	January 01, 2022
Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37	January 01, 2022
Interest Rate Benchmark Reform – Phase 2 – Amendments to IFRS 9, IAS 39	January 01, 2021
Reference to the Conceptual Framework – Amendments to IFRS 3	January 01, 2022
AIP IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities	January 01, 2022
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28	Not yet finalized

The above amendments are not likely to have a material impact on the Fund's condensed interim financial statements.

Standard	IASB Effective date (annual periods beginning on or after)
IFRS 1 – First time adoption of IFRSs	January 01, 2009
IFRS 17 – Insurance Contracts	January 01, 2023

- 3.4 The Fund's financial risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the Fund for the year ended June 30, 2020.

4 TOTAL EXPENSE RATIO

The total expense ratio (TER) of the Fund for the period ended March 31, 2021 is 1.28% which includes 0.26% representing government levies on the Fund such as federal excise duties and sales taxes, Workers' Welfare Fund, annual fee payable to the SECP, etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an "Income" scheme.

JS Income Fund

		31 March 2021 (Unaudited)	30 June 2020 (Audited)
		-----Rupees-----	
5 BANK BALANCES	Note		
- Profit and loss sharing (PLS) accounts	5.1	884,009,887	849,846,571
		884,009,887	849,846,571

- 5.1** This includes balance of Rs 385.39 million (June 30 ,2020: Rs. 443.28 million) with JS Bank Limited (a related party) and Rs. 0.03 million (June 30 ,2020: 0.03 million) with Bank Islami Pakistan Limited (a related party) carries profit rate of 7% (June 30 ,2020: 8%) and 6.00% (June 30 ,2020: 6%) per annum respectively. Other profit and loss sharing accounts carry mark-up rate of 5.00% to 9.00% (June 30 ,2020: 6.00% to 14.15%) per

6 INVESTMENTS

At fair value through profit & loss

Government Securities	6.1	-	460,923,527
Unquoted term finance certificates	6.2	297,405,284	244,993,065
Unquoted sukuk certificates	6.3 & 6.4	415,682,247	380,934,585
Quoted equity securities (Spread Transactions)	6.5	423,432,569	-
		1,136,520,100	1,086,851,177

At Amortised Cost

Quoted term finance certificates	6.6	-	-
Unquoted term finance certificates	6.7	-	-
Unquoted sukuk certificates	6.8	-	-
Advance against subscription of term finance certificates - (cement sector)	6.9.6	10,000	10,000
		10,000	10,000
		1,136,530,100	1,086,861,177

At fair value through P&L

	As at 01 July 2020	Acquired during the period	Number of certificates Matured/ disposed during the period	As at 31 March 2021	Carrying value as at 31 March 2021	Market value as at 31 March 2021	% of Net Assets
					-----Rupees-----		
6.1 Government Securities - face value of Rs.100,000/- each							
5 Years Pakistan Investment Bonds	1,000	3,650	4,650	-	-	-	-
3 Years Pakistan Investment Bonds	-	1,250	1,250	-	-	-	-
3 - Months Treasury Bill	-	6,000	6,000	-	-	-	-
12 - Months Treasury Bill	3,750	1,000	4,750	-	-	-	-
					-	-	-
6.2 Term finance certificates- Unlisted face value of Rs 5,000/-each							
Commercial Banks							
JS Bank Limited- TFC (Related Party)	50,000	-	10,000	40,000	195,954,452	197,405,284	9.80
Bank Alfalah Limited TFC	-	20,000	-	20,000	100,000,000	100,000,000	4.97
					295,954,452	297,405,284	14.77
6.3 Sukuk certificates - Unlisted face value of Rs 100,000/-each							
BYCO Petroleum Pakistan Limited	1,015	1,194	-	2,209	128,995,453	128,678,951	6.39
HUB Power Holdings Limited (related party)	-	2,150	-	2,150	182,544,407	177,285,775	8.80
Aspin Pharma Pvt.Limited	1,976	-	-	1,976	109,814,014	109,717,521	5.45
					421,353,874	415,682,247	20.64
6.4 Pakistan Ijara Sukuk certificates face value of Rs 100/-each							
Pakistan Ijara Sukuk Bond	1,875,000	-	1,875,000	-	-	-	-
Investment at fair value through P&L as at March 31, 2021					717,308,326	713,087,531	35.41
Cost of investments as at March 31, 2021					713,754,418		

6.5 Quoted equity securities (Spread Transaction) - At fair value through profit and loss held for trading*

The movement in equity securities represent spread transactions entered into by the Fund. The Fund purchases equity securities in ready market and sells them in future market on the same day, resulting in spread income due to difference in ready and future stock prices. This way the Fund has no open exposure to the stock market.

*Ordinary shares have a face value of Rs. 10/- each.

Sectors / Companies	Number of shares-			As at 31 March 2021	Carrying value 31 March 2021	Market value as at 31 March 2021	% of Net Assets	% of Investee Capital
	As at 01 July 2020	Acquired during the period	Matured/ disposed during the period					
Rupees								
Commercial Banks								
Bank Alfalah Limited	-	15,500	15,500	-	-	-	-	-
Habib Bank Limited	-	257,500	257,500	-	-	-	-	-
Meezan Bank Limited	-	1,500	1,500	-	-	-	-	-
National Bank of Pakistan Limited	-	1,913,500	1,913,500	-	-	-	-	-
Bank Of Punjab Limited	-	1,991,000	1,991,000	-	-	-	-	-
United Bank Limited	-	60,000	60,000	-	-	-	-	-
Chemicals								
Engro Polymer & Chemicals Limited	-	323,000	214,500	108,500	6,021,870	5,966,415	0.30	0.01
Lotte Chemical Pakistan Limited	-	1,894,000	624,500	1,269,500	20,128,455	20,248,525	1.01	0.08
Descon Oxychem Limited	-	25,000	-	-	25,000	-	-	-
Ghani Global Holdings Limited	-	1,828,500	775,000	1,053,500	24,543,865	24,883,670	1.24	0.69
Cable & Electrical Goods								
Pak Elektron Limited	-	5,144,500	5,144,500	-	-	-	-	-
Automobile Assembler								
Pak Suzuki Motor Company Limited	-	80,000	80,000	-	-	-	-	-
Gandhara Nissan Limited	-	157,500	157,500	-	-	-	-	-
General Tyre & Rubber Company Limited	-	76,000	76,000	-	-	-	-	-
Gandhara Industries Limited	-	590,000	590,000	-	-	-	-	-
Sazgar Engineering Works Limited	-	43,000	43,000	-	-	-	-	-
Oil & Gas Exploration Companies								
Oil & Gas Development Company Limited	-	95,000	95,000	-	-	-	-	-
Pakistan Petroleum Limited	-	701,500	700,500	1,000	87,500	87,330	0.00	0.00
Engineering								
Amreli Steels Limited	-	327,500	327,500	-	-	-	-	-
International Steels Limited	-	1,856,000	1,856,000	-	-	-	-	-
Mughal Iron & Steels Industries Limited	-	143,500	143,500	-	-	-	-	-
International Industries Limited	-	330,500	330,500	-	-	-	-	-
GLASS & CERAMICS								
Tariq Glass Industries Limited	-	27,000	27,000	-	-	-	-	-
Fertilizer								
Fauji Fertilizer Bin Qasim Limited	-	35,000	35,000	-	-	-	-	-
Engro Corporation Limited	-	41,000	41,000	-	-	-	-	-
Fauji Fertilizer Company Limited	-	4,000	4,000	-	-	-	-	-
Food and Personal Care Products								
Fauji Foods Limited	-	1,219,500	1,219,500	-	-	-	-	-
Trest Corporation Limited	-	108,000	108,000	-	-	-	-	-
Unity Foods Limited	-	22,093,000	19,076,500	3,016,500	90,103,414	89,710,710	4.45	0.30
Paper & Board								
Century Paper & Board Mills Limited	-	34,000	34,000	-	-	-	-	-
Refinery								
Attock Refinery Limited	-	1,148,500	1,136,500	12,000	3,101,440	3,064,560	0.15	0.01
Pakistan Refinery Limited	-	8,204,000	8,204,000	-	-	-	-	-
National Refinery Limited	-	807,000	655,000	152,000	93,868,904	89,550,800	4.45	0.19
Byco Petroleum Pakistan Limited	-	3,933,000	3,841,000	92,000	960,035	962,320	0.05	0.00
D. G. Khan Cement Company Limited	-	1,109,000	1,109,000	-	-	-	-	-
Cherat Cement Company Limited	-	85,500	85,500	-	-	-	-	-
Maple Leaf Cement Factory Limited	-	4,521,500	4,521,500	-	-	-	-	-
Lucky Cement Limited	-	29,500	29,500	-	-	-	-	-
Pioneer Cement Limited	-	317,500	317,500	-	-	-	-	-
Power Cement Limited	-	434,000	434,000	-	-	-	-	-
Fauji Cement Company Limited	-	791,000	791,000	-	-	-	-	-
Power Generation and Distribution								
Hub Power Company Limited (related party)	-	431,500	304,500	127,000	10,496,817	10,304,780	0.51	0.01
Kot Addu Power Company Limited	-	2,321,000	2,318,500	2,500	101,345	99,350	0.00	0.00
K-Electric Limited	-	716,500	716,500	-	-	-	-	-
Pharmaceuticals								
The Searle Company Limited	-	368,500	368,500	-	-	-	-	-
Ferozsons Laboratories Ltd	-	8,500	8,500	-	-	-	-	-
Textile								
Nishat Chunian Limited	-	57,500	57,500	-	-	-	-	-
Gul Ahmed Textile Mills Limited	-	323,500	323,500	-	-	-	-	-
Nishat Mill Limited	-	533,500	533,500	-	-	-	-	-
Azgard Nine Limited	-	1,963,000	-	1,963,000	74,442,420	72,532,850	3.60	0.40
Transport								
Pakistan Intl. Bulk Terminal Limited (related party)	-	6,863,000	6,863,000	-	-	-	-	-
Oil & Gas Marketing Companies								
Pakistan State Oil Company Limited	-	252,500	252,500	-	-	-	-	-
Haseco Petroleum Limited	-	10,544,000	10,359,000	185,000	2,027,730	1,896,250	0.09	0.02
Sui Northern Gas Pipeline Limited	-	1,112,000	1,112,000	-	-	-	-	-
Pakistan Oil Limited	-	4,500	4,500	-	-	-	-	-
Sui Southern Gas Company Limited	-	484,500	484,500	-	-	-	-	-
Technology & Communications								
Pakistan Telecom Company Limited	-	-	-	-	-	-	-	-
TRG Pakistan Limited	-	11,744,500	11,744,500	-	-	-	-	-
NetSol Technologies Limited	-	2,235,000	1,739,000	496,000	110,107,880	101,208,800	5.03	0.55
Avanceon Limited	-	2,178,000	2,145,000	33,000	2,974,590	2,916,210	0.14	0.02
Hum Network Limited	-	2,046,500	2,046,500	-	-	-	-	-
MISCELLANEOUS								
Siddiquis Tin Plate Limited	-	99,000	99,000	-	-	-	-	-
Market value of Investments at fair value through P&L as at March 31, 2021					438,966,265	423,432,570	21.02	2.29
Cost of Investments at fair value through P&L as at March 31, 2021					438,966,265			

JS Income Fund

6.6 Quoted Debt Securities

	Number of certificates				Carrying value 31 March 2021	Market value 31 March 2021	% of Net Assets
	As at 01 July 2020	Acquired during the period	Matured/ disposed during the period	As at 31 March 2021			
	Rupees-----						
Term finance certificates - face value of Rs.5,000/- each							
Personal Goods (Textile)							
Azgard Nine Limited (related party)	4,530	-	-	4,530	6,661,110	-	-
Provision held					(6,661,110)	-	-
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6.7 Unquoted Debt Securities

	As at 01 July 2020	Acquired during the period	Matured / disposed during the period	As at 31 March 2021	Carrying value 31 March 2021	Market value 31 March 2021	% of Net Assets

6.8 Unquoted Sukuk Certificates

	Number of certificates				Carrying value 31 March 2021	Market value 31 March 2021	% of Net Assets
	As at 01 July 2020	Acquired during the period	Matured/ disposed during the period	As at 31 March 2021			
	Rupees-----						
SUKUK certificates - face value of Rs.5,000/- each							
Chemicals							
Agritech Limited - Privately placed	12,484	-	-	12,484	59,572,782	-	-
Provision held					(59,572,782)	-	-
					-	-	-
					-	-	-
					-	-	-
Cost of Investments at fair value through P&L as at March 31, 2021						58,324,128	

6.9 Disclosure of non compliant investments as at 31 March 2021

In accordance with clause (v) of the investment criteria laid down for 'income scheme' in Circular No. 7 of 2009, the Fund is required to invest in any security having rating not lower than the investment grade (credit rating of BBB and above). However, as at the period end, the Fund is non-compliant with the above mentioned requirement in respect of the following investments. The securities were in compliance with the circular (i.e. investment grade) at the time of purchase and were subsequently downgraded to non investment grade by MUFAP on default by respective issuer in repayment of coupon due on respective dates.

Name of security	Note	Type of Investment	Value of Investment before provision	Provision Held (If any)	Value of investment after provisioning	Percentage of Net Assets	Percentage of total assets
(Rupees)-----							
Personal goods							
Azgard Nine Limited - restructured	6.9.1	Term Finance Certificates	6,661,110	(6,661,110)	-	-	-
Azgard Nine Limited - PPTFCs 4th issue - restructured	6.9.2	Privately Placed TFC	31,980,766	(31,980,766)	-	-	-
Azgard Nine Limited - PPTFCs 5th issue	6.9.3	Privately Placed TFC	-	-	-	-	-
Agritech Limited	6.9.4	Sukuk Certificates	59,572,782	(59,572,782)	-	-	-
Agritech Limited	6.9.5	Privately Placed TFC	-	-	-	-	-
Dewan Cement Limited	6.9.6	Pre-IPO Investment	50,000,000	(49,990,000)	10,000	0.00%	0.00%

- 6.9.1 The Fund has made a full provision against the principal amount in accordance with the requirements of regulatory body & the provisioning policy of the fund.
- 6.9.2 The CP of ANL has been settled through issuance of 15,000 PPTFCs in the name of the Fund. These PPTFCs have been restructured however, the mgt. as a matter of prudence has maintained the provision against the said PPTFCs. In lieu of restructuring of Azgard Nine existing debt securities, Agritech pledge shares has been credited in Faysal Bank (Trustee of the Issuer) CDS account. These shares are booked and marked to market accordingly.
- 6.9.3 The Fund received 4,827 zero coupon PPTFCs against interest receivable of listed and unlisted ANL TFCs. Since these PPTFCs are received against already defaulted securities and have non-performing status in MUFAP, therefore the management as a matter of prudence maintained the provision against the said PPTFCs. These PPTFCs are valued at zero but cost is carried at 24,135,000.
- 6.9.4 The Fund has made a full provision against the principal amount in accordance with the requirements of Circular 1 and the provisioning policy of the Fund.
- 6.9.5 The Fund has made a full provision against the principal amount of Agritech Limited's Sukuk in accordance with the requirements of Circular 1 of 2009 issued by the SECP and the provisioning policy of the Fund. The Fund has received Agritech Limited's PPTFC of face value of Rs. 11.245 million against interest due on Agritech Limited's Sukuk which is not recognized as income by the Fund and these PPTFCs are valued at zero.
- 6.9.6 This represents Pre-IPO disbursement to Cement Company (the Company) made on January 14, 2008. As per the requirement of the Trust Deed, the IPO was to take place within 270 days of the initial disbursement, however, the Company has not yet arranged the IPO. Accordingly, the Management Company decided to suspend mark-up on this placement from October 29, 2008 and has made a provision of Rs. 49.99 million against the actual amount disbursed which is without prejudice to the Fund's claim against the above entire exposure of Rs. 50 million, unrecognized mark-up and other charges etc.

	31 March 2021 (Unaudited)	30 June 2020 (Audited)
	-----Rupees-----	

Note

7 MARK-UP RECEIVABLE

Mark-up / return receivable on:

- bank balances & term deposits
- debt securities

	5,054,594	4,165,890
	19,555,997	8,495,843
	24,610,591	12,661,733

8 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Income tax recoverable	2,616,075	2,566,880
Security deposits with CDC and NCCPL	2,850,000	2,850,000
NCCPL Exposure Margin	66,790,554	13,251,856
Dividend receivable	1,115,750	-
Unrealized gain on revaluation of derivative instruments	18,215,585	-
Prepayments & other receivables	416,295	366,567
	92,004,259	19,035,303

9 PAYABLE TO MANAGEMENT COMPANY

Remuneration Payable to Management Company	9.1	1,987,410	1,374,408
Sales Tax payable on Management Company's Remuneration	9.2	730,621	650,926
Federal Excise Duty on Management Company's Remuneration	9.3	3,143,283	3,143,283
Accounting and Operational Charges payable	9.4	198,713	137,441
Selling & Marketing expenses payable	9.5	1,092,793	-
Sales load payable to management company		-	10,896
		7,152,820	5,316,954

9.1 REMUNERATION PAYABLE TO MANAGEMENT COMPANY

According to the provisions of the Trust Deed of the Fund, the Management Company has charged its remuneration at the rate of 1% (June 30, 2020: 1%) per annum on the average annual net assets of the Fund calculated on a daily basis.

9.2 SALES TAX PAYABLE ON MANAGEMENT COMPANY'S REMUNERATION

Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% (June 30, 2020: 13%) on Management Company's remuneration through Sindh Sales Tax on Services Act, 2011 effective from July 01, 2011. Above liability includes Rs. 0.47 million (June 30, 2020: 0.47 million) accrued on Federal Excise Duty (FED) on the Management Company's remuneration. Had the provision on FED not been made, net asset value per unit of the Fund as at period end would have been higher by Re. 0.02 (June 30, 2020: Re.

9.3 PROVISION FOR FEDERAL EXCISE DUTY ON REMUNERATION OF THE MANAGEMENT COMPANY

The legal status of applicability of Federal Excise Duty on the Fund is same as disclosed in note 15.2 to the annual audited financial statements of the Fund for the year ended June 30, 2020, and the appeal, filed by tax authorities against the order passed by Sindh High Court in the Honorable Supreme Court of Pakistan dated July 16, 2016, is pending for decision.

In view of above, the Management Company, as a matter of abundant caution, is carrying provision for FED aggregating to Rs. 3.14 million as at March 31, 2021 (June 30, 2020: 3.14 million). Had the provision not been made, Net Asset Value per unit as at March 31, 2021 would have been higher by Re. 0.16 (June 30, 2020: Re. 0.16) per unit.

9.4 ACCOUNTING AND OPERATIONAL CHARGES

This represents reimbursement of certain expenses to the Management Company. As per regulation 60(3) of the NBFC Regulations, fee and expenses related to registrar services, accounting, operation and valuation services related to CIS shall be payable to AMC. During the period, such expenses have been charged at the rate of 0.1% (June 30, 2020: 0.1%) of net assets of the Fund.

9.5 SELLING AND MARKETING EXPENSE

The SECP had allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) initially for a period of three years (i.e. from January 01, 2017 till December 31, 2019). The

JS Income Fund

maximum cap of selling and marketing expense was 0.4% per annum of the net assets of the Fund or actual expenses whichever is lower. The SECP through its circular 11 dated July 05, 2019 has revised the conditions for charging of selling and marketing expenses to a Fund. As per the revised guidelines, the maximum cap of 0.4% per annum has been lifted and now the asset management company is required to set a maximum limit for charging of such expense to the Fund and the same should be approved by the Board as part of annual plan. Furthermore, the time limit of three years has also been removed in the revised conditions. Accordingly, the Management Company based on its discretion has current determined a capping of 0.20 of the average annual net assets of the Fund for charging of selling & marketing expenses which has been approved by the board of directors of the Management

10 ANNUAL FEE OF SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

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

		31 March 2021 (Unaudited)	30 June 2020 (Audited)
	Note	-----Rupees-----	
11 ACCRUED EXPENSES AND OTHER LIABILITIES			
Payable against Sindh Workers' Welfare Fund	11.1	14,962,523	12,943,437
Payable against Purchase of Securities / Brokerage		98,238,010	165,291
Audit Fee Payable		292,259	395,340
Zakat Payable		2,885	148,995
Other liabilities		2,029,924	26,677,434
		115,525,601	40,330,497

11.1 The legal status of applicability of Sindh Workers' Welfare Fund (SWWF) is same as that disclosed in note 15.3 to the annual audited financial statements of the Fund for the year ended June 30, 2020.

As a matter of abundant caution, Management Company with effect from May 21, 2015 till March 31, 2021 is carrying provision for SWWF aggregating to Rs. 14.96 million (June 30, 2020: Rs. 12.94 million). Had the provision not been made, the Net Asset Value per unit of the Fund as at March 31, 2021 would have been higher by Re. 0.75 (June 30, 2020: Re. 0.65) per unit.

12 CONTINGENCIES AND COMMITMENTS

There were no contingencies as at March 31, 2021.

12.1 COMMITMENTS

Future sale transactions of equity securities entered into by the Fund in respect of which the sale transactions have not been settled as at period end

424,665,785

13 TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed to the unit holders in cash. The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

The management intends to distribute through cash at least 90% of the Fund's net accounting income by the year-end to the unit holders. Accordingly, no provision for taxation has been made in these condensed interim financial statements.

14 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Connected persons / related parties include JS Investments Limited (JSIL) being the Management Company of the Fund, MCBFSL-Trustee being the Trustee of the Fund, JS Bank Limited (JSBL) being the Holding Company of JSIL (Holding 84.56% shares of JS Investment Limited), Jahangir Siddiqui and Co. Limited (JSCL) (Holding 75.02% shares of JS Bank Ltd.) being the Holding Company of JSBL, JS Global Capital Limited (JSGCL) (83.53% shares held by JS Bank) being the fellow subsidiary of JSBL, and other associated companies of JSBL, JSIL and its subsidiaries, Key Management Personnel of the above entities and other funds being managed by JSIL and includes entities holding 10% or more in the units of the Fund as at March 31, 2021. It also includes staff retirement benefit funds of the above related parties / connected persons.

		For the nine months period ended 31 March	
		2021	2020
		(Un-audited)	
		-----Rupees-----	
14.1	Transactions during the period ended		
	JS Investments Limited (Management Company)		
	Remuneration of the Management Company	15,162,871	10,620,746
	Sales Tax on remuneration to the Management Company	1,971,178	1,380,697
	Sales load	3,117	62,115
	Accounting and operational charges	1,516,259	1,251,255
	Selling & Marketing Expenses	2,427,422	-
	Issuance of units: 69,659 (2020: 2,044,990)	7,000,000	200,000,000
	Redemption of units: 217,146 (2020: 3,207,733)	21,000,000	525,000,000
	MCB Financial Services Limited (Trustee)		
	Remuneration of the trustee	1,133,496	981,978
	Sales tax on trustee fee	147,354	127,657
	JS Bank Limited (Parent Company of JSIL)		
	Income on bank balances	9,661,597	36,974,537
	Bank charges deducted	-	30,069
	Sales load	4,267,549	16,637,630
	Markup on Term Finance Certificate	14,584,099	27,517,611
	JS Global Capital Limited (Fellow subsidiary of JSBL)		
	Brokerage expense	103,360	24,906
	Bank Islami Pakistan Limited (Group Company) (Associate of Ultimate Parent Company - JSCL)		
	Income on bank balance	148	24,056
	Bank charges deducted	-	50
	JS ABAMCO Commodities Limited (100% Subsidiary of Management Company JSIL)		
	Redemption of units: Nil (2020: 4,110)	-	400,000
	JS Fund of Funds (Fund Under JSIL Management)		
	Redemption of units: Nil (2020: 4,246,149)	-	415,746,406
	East West Life Assurance Co Limited (Common Directorship JSCL)		
	Issue of units: Nil (2020:145,744)	-	15,000,000
	Redemption of units 156,933 (2020: Nil)	15,264,884	-
	Key Management Personnel of the Management Company		
	Issue of Units : 26,873 (2020 : 41,513)	2,368,671	4,049,136
	Redemption of units: Nil (2020: 43,785)	-	4,338,165

JS Income Fund

		31 March 2021 (Un-audited)	30 June 2020 (Audited)
		-----Rupees-----	
14.2	Balance as at period / year ended		
	JS Investments Limited (Management Company)		
	Payable to the Management Company	3,278,916	5,316,954
	Sales tax payable on Management Company's remuneration	730,621	650,926
	FED payable on Management Company's remuneration	3,143,283	3,143,283
	Units held: 525,769 (30 June, 2020: 673,256)	52,939,631	64,558,473
	MCB Financial Services Limited (Trustee)		
	Remuneration payable to the trustee	141,847	103,080
	Sales tax payable on trustee fee	18,440	13,400
	JS Bank Limited (Parent Company of JSIL)		
	Bank balances	385,385,298	443,278,152
	Sales load payable	85,357	5,997,927
	Profits receivable on bank balances	595,816	683,537
	Profits receivable on Term Finance Certificate	5,170,060	1,125,159
	Placement in Term Finance Certificate	197,405,284	244,993,065
	Bank Islami Pakistan Limited (Associate of Ultimate Parent Company - JSCL)		
	Bank balances	30,213	30,065
	JS ABAMCO Commodities Limited (100% Subsidiary of Management Company JSIL)		
	Units held: 673,146 (30 June, 2020: 673,146)	67,779,023	64,547,924
	East West Insurance Company Limited (Common Directorship of JSCL)		
	Units held: Nil (30 June, 2020: 156,933)	-	15,048,316
	Key Management Personnel & Directors		
	Units held: 86,083 (30 June, 2020: 59,210)	8,667,680	5,677,616
	Unit holder holding 10% or more of units in issue		
	Units held: 3,025,719 (30 June, 2020: Nil)	304,659,607	-

14.2.1 The amount disclosed represents the amount of brokerage 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.

14.3 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.

15 Fair value of financial instruments

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties. The following methods are used to estimate the fair values of instruments:

Listed shares

These are valued on the basis of closing market prices quoted on the respective stock exchange.

Debt securities

These are valued at the rates notified by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the SECP's Circular 1 of 2009. The said circular prescribes a valuation methodology which in case of currently traded securities, is based on weighted average prices during the 15 days preceding the valuation date and in case of thinly or non-traded securities, on the basis of discount coupon method which takes into consideration credit risk and maturities of the instruments.

Government securities

These are valued by reference to the quotations obtained from the PKRV rate sheet on the Reuters page.

The fair value of other assets and liabilities of the Fund approximate their carrying amount largely due to short term maturities of these instruments.

15.1 Fair value hierarchy

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 March 31, 2021, the Fund held the following financial instruments measured at fair value:

		Level 1	Level 2	Level 3	Total
		----- (Rupees) -----			
March-21	(Unaudited)				
Investment at fair value through P&L		<u>423,432,569</u>	<u>713,087,531</u>	<u>-</u>	<u>1,136,520,100</u>
		<u>423,432,569</u>	<u>713,087,531</u>	<u>-</u>	<u>1,136,520,100</u>
		Level 1	Level 2	Level 3	Total
		----- (Rupees) -----			
June-20	(Audited)				
Investment at fair value through P&L		<u>-</u>	<u>904,976,177</u>	<u>181,875,000</u>	<u>1,086,851,177</u>
		<u>-</u>	<u>904,976,177</u>	<u>181,875,000</u>	<u>1,086,851,177</u>

16 GENERAL

- 16.1** The corresponding figures have been re-arranged wherever necessary.
- 16.2** Figures have been rounded off to the nearest Rupee.

17 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on April 23, 2021.

For JS Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

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