

**NIT – EQUITY MARKET  
OPPORTUNITY FUND**

FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024

## INDEPENDENT AUDITOR'S REPORT

### To The Unit Holders of NIT - Equity Market Opportunity Fund

#### Report on the Audit of the Financial Statements

##### Opinion

We have audited the financial statements of **NIT - Equity Market Opportunity Fund** (the Fund), which comprise the statement of assets and liabilities as at **June 30, 2024**, and the income statement, statement of other comprehensive income, statement of movement in unit holders' fund and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

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

##### Basis for Opinion

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

##### Other Matter

The annual financial statements of the Fund for the year ended June 30, 2023 were audited by another firm of chartered accountants, whose audit report dated September 30, 2023, expressed an unmodified opinion.

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

Management Company is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have not been provided with this information and therefore we do not report in this regard.

YD

## **Responsibilities of Management Company and Board of Directors of the Management Company for the Financial Statements**

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

In preparing the financial statements, Management Company is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management Company either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of Directors of the Management Company are responsible for overseeing the Fund's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Management Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Company.
- Conclude on the appropriateness of Management Company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Board of Directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## Report on Other Legal and Regulatory Requirements

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

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

  
Chartered Accountants

Place: Karachi

Date: September 12, 2024

UDIN: AR2024100998daFHSQTh

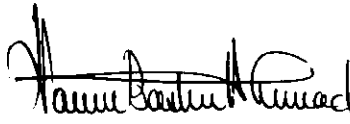
**NIT - EQUITY MARKET OPPORTUNITY FUND  
STATEMENT OF ASSETS AND LIABILITIES  
AS AT JUNE 30, 2024**

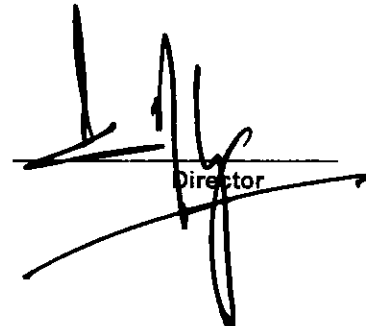
	Note	June 30, 2024	June 30, 2023
		----- (Rupees in '000) -----	
<b>Assets</b>			
Bank balances	4	401,639	59,443
Investments	5	9,800,620	5,633,381
Dividend and other receivable	6	24,037	14,386
Deposit with National Clearing Company of Pakistan Limited		2,500	2,500
<b>Total assets</b>		<b>10,228,796</b>	<b>5,709,710</b>
<b>Liabilities</b>			
Payable to National Investment Trust Limited - Management Company	7	19,809	11,617
Payable to Central Depository Company of Pakistan Limited - Trustee	8	333	214
Payable to Securities and Exchange Commission of Pakistan	9	786	1,222
Provision for taxation	10	3,108	3,108
Payable against purchase of investments		9,829	3,371
Accrued expenses and other liabilities	11	87,834	86,901
<b>Total liabilities</b>		<b>121,699</b>	<b>106,433</b>
<b>Net Assets</b>		<b>10,107,097</b>	<b>5,603,277</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<b>10,107,097</b>	<b>5,603,277</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	12		
		----- (Number of units) -----	
<b>NUMBER OF UNITS IN ISSUE</b>	13	<b>39,180,869</b>	<b>39,180,869</b>
		----- (Rupees) -----	
<b>NET ASSETS VALUE PER UNIT</b>		<b>257.96</b>	<b>143.01</b>

The annexed notes 1 to 29 form an integral part of this condensed interim financial information.

**For National Investment Trust Limited  
(Management Company)**

  
\_\_\_\_\_  
Managing Director

  
\_\_\_\_\_  
Director

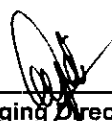
  
\_\_\_\_\_  
Director

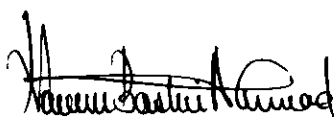
**NIT - EQUITY MARKET OPPORTUNITY FUND  
INCOME STATEMENT  
FOR THE YEAR ENDED JUNE 30, 2024**

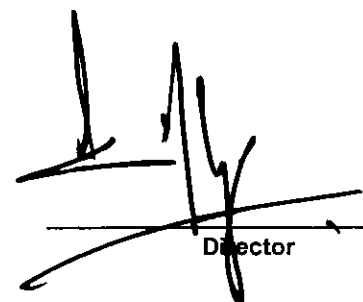
	Note	June 30, 2024	June 30, 2023
----- (Rupees in '000) -----			
<b>Income</b>			
Dividend income		683,663	602,133
Gain on sale of investments-net		2,159	-
Income from government securities		2,401	-
Profit on bank deposits		95,175	55,202
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	5.5	3,586	(803)
<b>Total income</b>		<b>786,984</b>	<b>656,532</b>
<b>Expenses</b>			
Remuneration of National Investment Trust Limited - Management Company	7.1	166,205	122,244
Sindh sales tax on remuneration of Management Company	7.2	21,607	15,892
Remuneration of Central Depository Company of Pakistan Limited - Trustee	8.1	2,791	2,132
Sindh Sales Tax on remuneration of Trustee	8.2	363	277
Annual fee - Securities and Exchange Commission of Pakistan		7,887	1,222
Allocation of expenses related to registrar services, accounting, operation and valuation services	7.3	11,020	9,690
Central Depository Charges		66	18
Settlement and bank charges		559	379
Auditors' remuneration	14	940	940
Legal and Professional charges		86	74
<b>Total expenses</b>		<b>211,524</b>	<b>152,868</b>
<b>Net income for the year before taxation</b>		<b>575,460</b>	<b>503,664</b>
Taxation	15	-	-
<b>Net income for the year after taxation</b>		<b>575,460</b>	<b>503,664</b>
<b>Earnings per unit</b>	16		
<b>Allocation of net income for the year after taxation</b>			
Net income for the year		575,460	503,664
Income already paid on units redeemed		-	-
		<u>575,460</u>	<u>503,664</u>
Accounting income available for distribution carried to distribution account:			
-Relating to capital gains		5,745	-
-Excluding capital gains		569,715	503,664
		<u>575,460</u>	<u>503,664</u>
		<u>575,460</u>	<u>503,664</u>

The annexed notes 1 to 29 form an integral part of this condensed interim financial information.

**For National Investment Trust Limited  
(Management Company)**

  
\_\_\_\_\_  
Managing Director

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

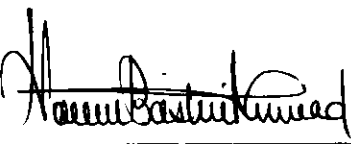
**NIT - EQUITY MARKET OPPORTUNITY FUND  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED JUNE 30, 2024**

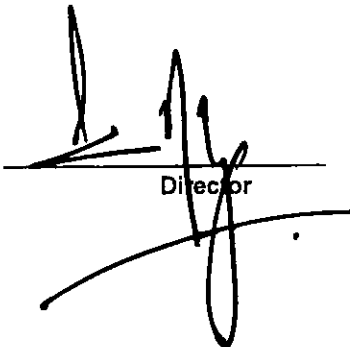
	Note	June 30, 2024	June 30, 2023
------(Rupees in '000)-----			
Net income for the year after taxation		575,460	503,664
<b>Other comprehensive income for the year</b>			
<b>Items that will not be reclassified to income statement</b>			
Changes in fair value of investments classified as financial assets at 'fair value through other comprehensive income'	5.6	4,501,968	(829,124)
<b>Total comprehensive income / (loss) for the year</b>		<u>5,077,428</u>	<u>(325,460)</u>

The annexed notes 1 to 29 form an integral part of this condensed interim financial information.

**For National Investment Trust Limited  
(Management Company)**

  
\_\_\_\_\_  
Managing Director

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

**NIT - EQUITY MARKET OPPORTUNITY FUND  
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND  
FOR THE YEAR ENDED JUNE 30, 2024**

	June 30,							
	2024		2023		2024		2023	
	Capital value	Undistributed income	Unrealised appreciation / (diminution) 'at fairvalue through other comprehensive income'	Total	Capital value	Undistributed income	Unrealised appreciation / (diminution) 'at fairvalue through other comprehensive income'	Total
	(Rupees in '000)							
<b>Net assets at the beginning of the year</b>	3,822,390	1,279,718	501,169	5,603,277	3,822,390	1,589,915	1,405,836	6,818,141
Interim distribution for the year ended June 30, 2024 (Date: 14 June 2024 @ Rs. 14.64 Per unit)	-	(573,608)	-	(573,608)	-	-	-	-
Interim distribution for the year ended June 30, 2023 (Date: June 15, 2023 @ Re. 12.70 per unit)	-	-	-	-	-	(497,597)	-	(497,597)
Final Distribution for the year ended June 30, 2022 (Date: July 05, 2022 @ Rs. 10 per unit)	-	-	-	-	-	(391,807)	-	(391,807)
Transfer of gain on disposal of investments classified as 'at fair value through other comprehensive income' to undistributed income	-	505,305	(505,305)	-	-	75,543	(75,543)	-
<b>Total comprehensive income / (loss) for the year</b>	-	<b>575,460</b>	<b>4,501,968</b>	<b>5,077,428</b>	-	<b>503,664</b>	<b>(829,124)</b>	<b>(325,460)</b>
<b>Net assets at the end of the year</b>	<b>3,822,390</b>	<b>1,786,875</b>	<b>4,497,832</b>	<b>10,107,097</b>	<b>3,822,390</b>	<b>1,279,718</b>	<b>501,169</b>	<b>5,603,277</b>

**Undistributed income brought forward**

-Realized income	1,280,521	1,591,967
-Unrealized income	(803)	(2,052)
	1,279,718	1,589,915

**Accounting income available for distribution:**

-Relating to capital gains	5,745	-
-Excluding capital gains	569,715	503,664
	575,460	503,664

Transfer of gain on disposal of investments classified as 'at fair value through other comprehensive income' to undistributed income

505,305 75,543

Interim distribution for the year ended June 30, 2024  
(Date: 14 June 2024 @ Rs. 14.64 Per unit)

(573,608)

Interim distribution for the year ended June 30, 2023  
(Date: June 15, 2023 @ Re. 12.70 per unit)

(497,597)

Final Distribution for the year ended June 30, 2022  
(Date: July 05, 2022 @ Rs. 10 per unit)

(391,807)

**Undistributed income carried forward**

1,786,875 1,279,718

**Undistributed income carried forward comprising**

-Realized income	1,783,289	1,280,521
-Unrealized income	3,586	(803)
	1,786,875	1,279,718

(Rupees)

(Rupees)

Net assets value per unit at beginning of the year

143.01

174.02

Net assets value per unit at end of the year

257.96

143.01

The annexed notes 1 to 29 form an integral part of this condensed interim financial information.

For National Investment Trust Limited  
(Management Company)

Managing Director

Director

Director




**NIT - EQUITY MARKET OPPORTUNITY FUND  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED JUNE 30, 2024**

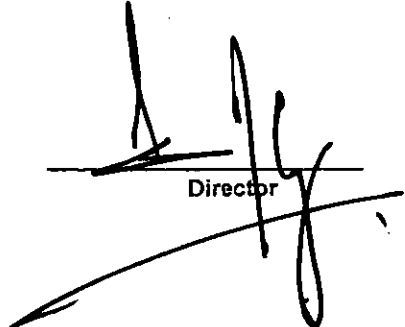
	Note	June 30, 2024	June 30, 2023
----- (Rupees in '000) -----			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net income for the year before taxation		575,460	503,664
<b>Adjustments</b>			
Net unrealised diminution on re-measurement of investments classified as financial assets 'at fair value through profit or loss'		(3,586)	803
		<u>571,874</u>	<u>504,467</u>
<b>(Increase) / decrease in assets</b>			
Investments		338,315	(38,433)
Dividend and other receivable		(9,651)	(1,114)
		<u>328,664</u>	<u>(39,547)</u>
<b>Increase / (decrease) in liabilities</b>			
Payable to National Investment Trust Limited - Management Company		8,192	(1,530)
Payable to Central Depository Company of Pakistan Limited - Trustee		119	(29)
Payable to Securities and Exchange Commission of Pakistan		(436)	(276)
Payable against purchase of investments		6,458	(7,953)
Accrued expenses and other liabilities		933	78
		<u>15,266</u>	<u>(9,710)</u>
<b>Net cash generated from operating activities</b>		<u>915,804</u>	<u>455,210</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Dividend paid		(573,608)	(889,404)
<b>Net cash used in financing activities</b>		<u>(573,608)</u>	<u>(889,404)</u>
<b>Net increase / (decrease) in cash and cash equivalents during the year</b>		<u>342,196</u>	<u>(434,194)</u>
Cash and cash equivalents at the beginning of the year		59,443	493,637
<b>Cash and cash equivalents at the end of the year</b>	4	<u><u>401,639</u></u>	<u><u>59,443</u></u>

The annexed notes 1 to 29 form an integral part of this condensed interim financial information.

**For National Investment Trust Limited  
(Management Company)**

  
\_\_\_\_\_  
Managing Director

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

**NIT - EQUITY MARKET OPPORTUNITY FUND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2024**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1 The NIT - Equity Market Opportunity Fund ('the Fund') was established under a Trust Deed executed between National Investment Trust Limited as the Management Company and Central Depository Company of Pakistan Limited as the Trustee. The Fund was approved by the Securities and Exchange Commission of Pakistan (SECP) on March 18, 2009 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Trust Deed was executed on April 1, 2009. The Fund is categorized as an Equity Scheme as per the criteria for categorisation of open end collective investment schemes as specified by Securities and Exchange Commission of Pakistan (SECP). The units of the Fund were initially issued at Rs.100 per unit. The Fund is required to be registered under the "Sindh Trust Act, 2021". Accordingly, on November 18, 2021, the above-mentioned Trust Deed has been registered under the Sindh Trust Act
- 1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 6th floor, National Bank of Pakistan Building, I.I. Chundrigar Road, Karachi. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).
- 1.3 The Fund is an open-ended mutual fund. Units are offered for subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. Units of the Fund comprise of the following two types:
- Class A: These units are not subject to any restrictions (i.e. units can be redeemed at the option of the unit holders). Class A: These units are not subject to any restrictions (i.e. units can be redeemed at the option of the unit holders).
- Class B: These units are issued to unit holders with a firm commitment. The redemption option for these units rests with the Management Company and the unit holders may redeem their units subject to consent of the Management Company.
- At present the Fund has only Class 'B' units that were issued to the initial participants.
- 1.4 The objective of the Fund is to invest in the equity market when there is an opportunity to invest the funds in a gainful manner and such investment is for the benefit of the Fund based on long term perspective.
- 1.5 The Management Company has been assigned a quality rating of "AM1" with 'stable outlook' (December 2022 : "AM1") by VIS Credit Rating Company Limited (VIS) on December 28, 2023 and Pakistan Credit Rating Agency Limited (PACRA) has also assigned an asset manager rating of "AM1" with 'stable outlook' on May 24, 2024 (May 2023: "AM1").
- 1.6 Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

**2 BASIS OF PREPARATION**

**2.1 Statement of compliance**

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

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

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

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

2.2 There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on July 1, 2023. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these financial statements.

## **2.3 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective**

There are certain other standards, amendments and interpretations that are mandatory for the Fund's accounting period beginning on or after July 1, 2024 but are considered not to be relevant or will not have any significant effect on the Fund's operations and are, therefore, not disclosed in these financial statements.

## **2.4 Critical accounting estimates and judgments**

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

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification, valuation and impairment of financial assets (notes 3.3 and 5).

## **2.5 Accounting convention**

These financial statements have been prepared under the historical cost convention except for investments which are carried at fair value.

## **2.6 Functional and presentation currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the Funds operates. These financial statements are presented in Pakistani Rupee, which is the Fund's functional and presentation currency.

# **3 MATERIAL ACCOUNTING POLICY INFORMATION**

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

## **3.2 Cash and cash equivalents**

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

## **3.3 Financial assets**

### **3.3.1 Initial recognition and measurement**

Financial Assets are recognized at the time the Fund becomes a party to the contractual provision of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried 'at FVPL'. Financial assets carried 'at FVPL' are initially recognised at fair value and transaction cost are recognised in the Income Statement.

### **3.3.2 Classification and subsequent measurement**

#### **Equity instruments**

Equity instruments are instruments that meet the definition of equity from the issuer's perspective and are instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

All equity investments are required to be measured in the Statement of Assets and Liabilities at fair value, with gains and losses recognised in the Income Statement, except where an irrevocable election has been made at the time of initial recognition to measure the investment 'at fair value through other comprehensive income' (FVOCI). The Fund measures its equity investments 'at fair value through profit or loss' (FVPL), except where the Fund's management has elected, at initial recognition, to irrevocably designate an equity investment 'at FVOCI'. When this election is used, fair value gains and losses are recognised in other comprehensive income and are not subsequently reclassified to profit or loss, including on disposal.

The dividend income from equity securities classified under FVOCI and FVPL are recognised in the Income Statement. However, any surplus / (deficit) arising as a result of subsequent movement in the fair value of equity securities classified as 'at FVOCI' is to be recognised in other comprehensive income and is not recycled to the Income Statement on derecognition. The gain or loss on disposal of equity investments classified as 'at FVOCI' is transferred to the undistributed income.

### **3.3.3 Expected credit loss**

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

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecast of future economic conditions.

The 12 months ECL is recorded for all financial assets in which there is no significant increase in credit risk from the date of initial recognition, whereas a lifetime ECL is recorded for all remaining financial assets.

### **3.3.4 Regular way contracts**

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset. Regular way purchases / sales of assets require delivery of securities within two days from the transaction date as per the stock exchange regulations.

### **3.3.5 Derecognition**

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Any gain or loss on derecognition of financial assets is taken to the Income Statement except for investment in equity securities classified as 'at FVOCI'.

### **3.3.6 Derivatives**

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

### **3.4 Financial liabilities**

Financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair values and subsequently stated at amortised cost.

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

### **3.5 Offsetting of financial assets and financial liabilities**

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

### **3.6 Provisions**

Provisions are recognised when the Fund has a present, legal or constructive, obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

### **3.7 Net asset value per unit**

The Net Asset Value (NAV) per unit as disclosed in the Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units in circulation at the year end.

### **3.8 Issue and redemption of units**

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

Units redeemed are recorded at the redemption price applicable to units for which the Management Company / distributors receive redemption applications during business hours of that day. The redemption price is equal to NAV as of the close of the business day, less an amount as the Management Company may consider to be an appropriate provision of duties and charges.

### **3.9 Distribution to unit holders**

Distribution to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the year in which such distributions are declared and approved by the Board of Directors of the Management Company.

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

Element of income represents the difference between NAV per unit on the issuance or redemption date, as the case may be, of units and the NAV per unit at the beginning of the relevant accounting period. Further, the element of income is a transaction of capital nature and the receipt and payment of element of income is taken to Unit Holders' Fund. However, to maintain the same ex-dividend NAV of all units outstanding on the accounting date, net element of income contributed on issue of units lying in Unit Holders' Fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

### 3.11 Revenue recognition

- Gains / (losses) arising on sale of investments are recorded at the date at which the transaction takes place.
- Unrealised gains / (losses) arising on revaluation of securities classified as financial assets 'at FVPL' and 'at FVOCI' are recognized in the Income Statement and Other Comprehensive Income respectively, in the period in which these arise.
- Dividend income is recognised when the right to receive dividend is established.
- Profit on savings accounts with banks is recognised on an accrual basis.

### 3.12 Expenses

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

### 3.13 Taxation

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

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Moreover, super tax introduced in the Finance Act, 2015 is also not applicable on funds (Section 4B of the Income Tax Ordinance, 2001).

### 3.14 Earnings per unit

Earnings / (loss) per unit (EPU) is calculated by dividing the net income / (loss) for the year after taxation of the Fund by the weighted average number of units outstanding during the year.

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

### 3.15 Foreign currency translation

Transactions denominated in foreign currencies are accounted for in Pakistani Rupees at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates for monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement.

	Note	2024	2023
		------(Rupees in '000)-----	
<b>4 BANK BALANCES</b>			
In current account		3,423	515
In savings accounts	4.1	<u>398,216</u>	<u>58,928</u>
		<u>401,639</u>	<u>59,443</u>
4.1	The balances in saving accounts carry profit rates ranging from 20.50% to 23.75% per annum (30 June 2023: 5.50% to 22.90% per annum).		
<b>5 INVESTMENTS</b>			
		2024	2023
		------(Rupees in '000)-----	
<b>Financial assets at 'fair value through profit or loss'</b>			
Listed equity securities	5.1	8,025	7,805
<b>Financial assets at 'fair value through other comprehensive income'</b>			
Listed equity securities	5.2	<u>9,792,595</u>	<u>5,625,576</u>
		<u>9,800,620</u>	<u>5,633,381</u>

5.1 Listed equity securities - at fair value through profit or loss

Name of Investee Companies	As at July 01, 2023	Purchased during the year	Bonus shares received during the year	Right shares purchased/ subscribed during the year	Sold during the year	As at June 30, 2024	Carrying value as at June 30, 2024	Market value as at June 30, 2024	Market value as percentage of net assets	Market value as percentage of total investment	Paid-up value of shares held as a percentage of total paid-up capital of the investee Company
	(Number of Shares)						(Rupees in '000)		%		
<b>COMMERCIAL BANKS</b>											
Allied Bank Limited	34,300	-	-	-	-	34,300	2,298	3,780	0.04	0.04	0.00
MCB Bank Limited	43,700	-	-	-	25,000	18,700	2,141	4,245	0.04	0.04	0.00
							<b>4,439</b>	<b>8,025</b>	<b>0.08</b>	<b>0.08</b>	
<b>FERTILIZER</b>											
Fauji Fertilizer Bin Qasim Limited	42,852	-	-	-	42,852	-	-	-	-	-	-
							-	-	-	-	-
<b>Total as at June 30, 2024</b>							<b>4,439</b>	<b>8,025</b>	<b>0.08</b>	<b>0.08</b>	
<b>Total as at June 30, 2023</b>							<b>8,608</b>	<b>7,805</b>			

5.1.1 All shares are fully paid up ordinary shares of Rs 10 each.

5.2 Listed equity securities - at fair value through other comprehensive income

Name of Investee Companies	As at July 01, 2023	Purchased during the year	Bonus shares received during the year	Right issue purchased/ subscribed during the year	Sold during the year	As at June 30, 2024	Carrying value as at June 30, 2024	Market value as at June 30, 2024	Market value as percentage of net assets	Market value as percentage of total investment	Paid-up value of shares held as a percentage of total paid-up capital of the investee Company
	(Number of Shares)						(Rupees in '000)		%		
<b>INVESTMENT BANKS / INVESTMENT COMPANIES</b>											
<b>/ INVESTMENT SECURITIES</b>											
Next Capital Limited	474,691	-	-	-	-	474,691	2,516	2,179	0.02	0.02	0.83
Jahangir Siddiqui and Company Limited	840,000	-	-	-	-	840,000	7,234	15,859	0.16	0.16	0.09
Dewood Hercules Corporation Limited	10,000	13,187	-	-	-	23,187	3,205	3,731	0.04	0.04	0.00
Pakistan Stock Exchange Limited	2,061,500	-	-	-	-	2,061,500	35,587	26,408	0.26	0.27	0.26
MCB-Arif Habib Savings and Investments Limited	900,000	-	-	-	-	900,000	15,171	29,709	0.29	0.30	1.25
							<b>63,713</b>	<b>77,886</b>	<b>0.77</b>	<b>0.79</b>	
<b>COMMERCIAL BANKS</b>											
Allied Bank Limited	1,033,314	-	-	-	-	1,033,314	91,167	113,871	1.13	1.16	0.09
Askari Bank Limited	5,356,058	2,384,500	-	-	200,000	7,540,558	111,935	169,889	1.68	1.73	0.52
Bank Alfalah Limited	4,634,424	-	-	-	100,000	4,534,424	78,529	308,432	3.05	3.15	0.26
Bank Al Habib Limited	1,059,489	210,000	-	-	-	1,269,489	72,990	142,411	1.41	1.45	0.11
BankIslami Pakistan	3,793,000	125,000	-	-	2,184,344	1,753,656	23,830	39,036	0.39	0.40	0.18
Bank of Punjab Limited	1,556,155	1,025,000	-	-	-	2,581,155	21,541	12,570	0.12	0.13	0.08
Faysal Bank Limited	500,079	150,000	-	-	-	650,079	7,486	34,090	0.34	0.35	0.04
Habib Bank Limited	2,510,333	210,001	-	-	50,000	2,670,334	307,815	331,202	3.28	3.38	0.18
Habib Metropolitan Bank Limited	556,000	-	-	-	-	556,000	17,607	38,181	0.38	0.39	0.05
Js Bank Limited	890,000	2,250,000	-	-	465,000	2,475,000	15,345	24,181	0.24	0.25	0.19
Js Bank Ltd Right	117,300	-	-	(117,300)	-	-	-	-	-	-	-
Meezan Bank Limited	10,000	90,000	-	-	-	100,000	13,862	23,939	0.24	0.24	0.01
Mcb Bank Limited	1,136,976	-	-	-	-	1,136,976	191,408	258,116	2.55	2.83	0.10
National Bank of Pakistan	3,830,731	-	-	-	-	3,830,731	151,775	142,312	1.41	1.45	0.18
Soneri Bank Limited	699,000	100,000	-	-	-	799,000	9,971	9,516	0.09	0.10	0.07
United Bank Limited	2,256,713	15,000	-	-	127,979	2,143,734	227,519	549,310	5.43	5.61	0.18
							<b>1,342,800</b>	<b>2,187,056</b>	<b>21.74</b>	<b>22.42</b>	
<b>INSURANCES</b>											
Adanyee Life Assurance Company Limited	2,045,693	-	-	-	-	2,045,693	67,279	72,111	0.71	0.74	0.82
Adanyee Insurance Company Limited	899,580	-	-	-	-	899,580	14,788	32,304	0.32	0.33	0.26
							<b>72,067</b>	<b>104,415</b>	<b>1.03</b>	<b>1.07</b>	
<b>REAL ESTATE INVESTMENT TRUST</b>											
TFL Reit Fund 1	-	710,500	-	-	-	710,500	12,498	10,658	0.11	0.11	0.00
							<b>12,498</b>	<b>10,658</b>	<b>0.11</b>	<b>0.11</b>	
<b>TEXTILE SPINNING</b>											
Arntex Limited	389,121	-	-	-	-	389,121	487	1,230	0.01	0.01	0.15
							<b>487</b>	<b>1,230</b>	<b>0.01</b>	<b>0.01</b>	
<b>TEXTILE COMPOSITE</b>											
Nishat Chunian Limited	1,536,758	-	-	-	-	1,536,758	53,692	40,278	0.40	0.40	0.64
Interloop Limited	-	53,513	-	-	-	53,513	3,645	3,790	0.04	0.04	0.00
Gul Ahmed Textile Mills Limited	259,200	-	-	-	-	259,200	8,118	5,469	0.05	0.06	0.04
Sapphire Textile Mills Limited	-	1,020	-	-	-	1,020	1,366	1,366	0.01	0.01	0.00
Sapphire Fibres Limited	-	11,500	-	-	-	11,500	16,005	18,285	0.18	0.19	0.06
Nishat Mills Limited	1,921,841	442,500	-	-	125,000	2,239,341	138,106	158,657	1.57	1.62	0.64
							<b>220,933</b>	<b>227,845</b>	<b>2.25</b>	<b>2.32</b>	
<b>SUGAR &amp; ALLIED INDUSTRIES</b>											
Al Abbas Sugar Mills Limited	9,300	-	-	-	-	9,300	2,753	4,745	0.05	0.05	0.05
							<b>2,753</b>	<b>4,745</b>	<b>0.05</b>	<b>0.05</b>	

Name of Investee Companies	As at July 01, 2023	Purchased during the year	Bonus shares received during the year	Right issue purchased/s subscribed during the year	Sold during the year	As at June 30, 2024	Carrying value as at June 30, 2024	Market value as at June 30, 2024	Market value as percentage of net assets	Market value as a percentage of total investment	Paid-up value of shares held as a percentage of total paid-up capital of the Investee Company
	----- (Number of Shares) -----					----- (Rupees in '000) -----		----- % -----			
<b>CEMENT</b>											
Cherat Cement Company Limited	594,583	-	-	-	25,000	569,583	34,049	92,916	0.92	0.95	0.29
D. G. Khan Cement Company Limited	2,710,972	445,000	-	-	375,000	2,780,972	153,339	251,038	2.48	2.56	0.63
Fauji Cement Company Limited	4,205,250	-	-	-	100,000	4,105,250	80,802	94,051	0.93	0.96	0.17
Maple Leaf Cement Factory Limited	150,000	175,468	-	-	-	325,468	10,658	12,388	0.12	0.13	0.03
Kohat Cement Company Limited	119,800	-	-	-	-	119,800	7,260	30,002	0.30	0.30	0.06
Beatway Cement Company Limited	7,260	-	-	-	-	7,260	136	1,628	0.02	0.02	0.00
Lucky Cement Limited	892,836	-	-	-	85,000	807,836	185,013	732,308	7.25	7.47	0.25
Thatta Cement Company Limited	1,128,000	-	-	-	-	1,128,000	19,928	38,586	0.38	0.39	1.13
							<b>491,183</b>	<b>1,252,877</b>	<b>12.40</b>	<b>12.78</b>	
<b>TOBACCO</b>											
Pakistan Tobacco Company Limited	14,890	4,350	-	-	-	19,240	22,519	21,345	0.21	0.22	0.01
							<b>22,519</b>	<b>21,345</b>	<b>0.21</b>	<b>0.22</b>	
<b>REFINERY</b>											
Attock Refinery Limited	418,827	-	-	-	25,000	393,827	38,359	138,466	1.37	1.41	0.37
National Refinery Limited	415,055	-	-	-	25,000	390,055	74,882	103,552	1.02	1.06	0.49
Pakistan Refinery Limited	645,862	-	-	-	-	645,862	8,161	14,984	0.15	0.15	0.10
							<b>119,202</b>	<b>257,002</b>	<b>2.54</b>	<b>2.62</b>	
<b>POWER GENERATION &amp; DISTRIBUTION</b>											
Hub Power Company Limited	1,230,714	-	-	-	299,136	931,578	61,988	151,922	1.50	1.55	0.07
Nishat Chunnian Power Limited	1,200,546	-	-	-	-	1,200,546	-	35,956	0.36	0.37	0.33
Lalpur Power Limited	914,055	-	-	-	-	914,055	15,875	23,235	0.23	0.23	0.24
							<b>77,661</b>	<b>211,113</b>	<b>2.09</b>	<b>2.15</b>	
<b>OIL &amp; GAS MARKETING COMPANIES</b>											
Attock Petroleum Limited	34,721	-	-	-	-	34,721	8,640	13,411	0.13	0.14	0.03
Pakistan State Oil Company Limited	2,588,924	27,500	-	-	-	2,616,424	317,247	434,876	4.30	4.44	0.56
Shell Pakistan Limited	-	84,127	-	-	-	84,127	11,362	11,281	0.11	0.12	0.08
Sui Northern Gas Pipelines Limited	2,092,449	226,637	-	-	200,000	2,119,086	143,135	134,498	1.33	1.36	0.33
Sui Southern Gas Company Limited	1,879,937	-	-	-	-	1,879,937	49,897	17,822	0.18	0.18	0.21
							<b>528,481</b>	<b>611,888</b>	<b>5.05</b>	<b>6.24</b>	
<b>OIL &amp; GAS EXPLORATION COMPANIES</b>											
Man Petroleum Company Limited	375,070	2,500	-	-	27,500	350,070	50,911	949,509	9.40	9.69	0.26
Oil And Gas Development Company Limited	2,227,501	135,000	-	-	125,000	2,237,501	274,557	302,891	3.00	3.09	0.05
Pakistan Oilfields Limited	601,426	-	-	-	60,000	541,426	144,925	265,266	2.62	2.71	0.19
Pakistan Petroleum Limited	2,863,237	135,000	-	-	35,000	2,963,237	251,210	347,025	3.43	3.54	0.11
							<b>721,603</b>	<b>1,684,891</b>	<b>16.45</b>	<b>19.03</b>	
<b>ENGINEERING</b>											
Agha Steel Industries Limited	378,271	-	-	-	-	378,271	11,528	3,790	0.04	0.04	0.06
Amreli Steels Limited	500,500	-	-	-	-	500,500	23,783	13,508	0.13	0.14	0.17
Crescent Steel and Allied Products Limited	383,452	-	-	-	-	383,452	21,976	20,710	0.21	0.21	0.49
Mughal Iron and Steel Industries Limited	-	43,048	-	-	-	43,048	2,833	4,003	0.04	0.04	0.03
International Industries Limited	141,910	-	-	-	-	141,910	21,447	27,773	0.27	0.28	0.11
International Steels Limited	1,833,067	385,000	-	-	28,439	2,189,628	75,117	185,133	1.83	1.89	0.50
K.S.B. Pumps Company Limited*	2,000	-	-	-	-	2,000	489	227	-	-	0.02
							<b>157,172</b>	<b>285,144</b>	<b>2.52</b>	<b>2.60</b>	
<b>AUTOMOBILE ASSEMBLER</b>											
Millat Tractors Limited	352,434	-	-	-	-	352,434	48,250	224,176	2.22	2.20	0.18
Indus Motor Company Limited	51,720	-	-	-	-	51,720	56,036	81,718	0.81	0.83	0.07
Honda Atlas Cars Limited	50,350	-	-	-	-	50,350	15,930	14,270	0.14	0.15	0.04
Pak Suzuki Motor Company Limited	536,423	-	-	-	536,423	-	-	-	-	-	-
							<b>120,216</b>	<b>320,164</b>	<b>3.17</b>	<b>3.27</b>	
<b>AUTOMOBILE PARTS &amp; ACCESSORIES</b>											
Thal Limited	45,900	-	-	-	-	45,900	15,340	22,185	0.22	0.23	0.06
Exide Pakistan Limited	7,300	-	-	-	-	7,300	2,920	4,302	0.04	0.04	0.09
Panther Tyres Limited	179,238	-	-	-	-	179,238	9,828	6,784	0.06	0.07	0.13
Agrauto Industries Limited*	3,125	-	-	-	-	3,125	751	321	-	-	0.01
Baluchistan Wheels Limited	4,000	-	-	-	-	4,000	538	520	0.01	0.01	0.03
Gandhara Tyre And Rubber Company Limited	721,408	183,000	-	-	50,000	854,408	40,536	35,082	0.35	0.36	0.70
							<b>69,913</b>	<b>69,194</b>	<b>0.68</b>	<b>0.71</b>	
<b>CABLE &amp; ELECTRIC GOODS</b>											
Pakistan Cables Limited	20,176	-	-	-	-	20,176	2,596	3,131	0.03	0.03	0.04
Fast Cables Limited	-	889,164	-	-	-	889,164	21,740	21,260	0.21	0.22	0.14
Pak Elektron Limited	1,720,000	-	-	-	-	1,720,000	40,334	42,501	0.42	0.43	0.20
Siemens Pakistan Engineering Company Limited	101,030	8,000	-	-	-	109,030	76,817	57,305	0.57	0.59	1.32
							<b>141,487</b>	<b>124,197</b>	<b>1.23</b>	<b>1.27</b>	
<b>TRANSPORT</b>											
Pakistan International Bulk Terminal Limited*	15,000	-	-	-	-	15,000	187	93	-	-	-
							<b>187</b>	<b>93</b>	<b>-</b>	<b>-</b>	

Name of Investee Companies	As at July 01, 2023	Purchased during the year	Bonus shares received during the year	Right issue purchased/s subscribed during the year	Sold during the year	As at June 30, 2024	Carrying value as at June 30, 2024	Market value as at June 30, 2024	Market value as a percentage of net assets	Market value as a percentage of total investment	Paid-up value of shares held as a percentage of total paid-up capital of the Investee Company		
												(Number of Shares)	(Rupees in '000)
<b>TECHNOLOGY &amp; COMMUNICATION</b>													
Air Link Communication Limited	925,007	350,000	-	-	50,000	1,225,007	79,347	108,817	1.08	1.11	0.31		
Octopus Digital Limited	130,360	-	-	-	-	130,360	6,987	11,324	0.11	0.12	0.08		
Pakistan Telecommunication Company Limited	3,384,139	-	-	-	-	3,384,139	36,936	40,644	0.40	0.41	0.09		
Systems Limited	57,500	185,000	-	-	-	242,500	101,025	101,438	1.00	1.04	0.08		
							<b>224,297</b>	<b>262,223</b>	<b>2.59</b>	<b>2.68</b>			
<b>FERTILIZER</b>													
Engro Corporation Limited	1,854,684	50,000	-	-	192,500	1,712,184	219,711	569,861	5.64	5.81	0.30		
Engro Fertilizers Limited	1,019,614	15,000	-	-	100,000	934,614	56,534	155,352	1.54	1.59	0.07		
Falima Fertilizer Company Limited	955,000	-	-	-	-	955,000	22,749	49,297	0.49	0.51	0.05		
Fauji Fertilizer Bin Qasim Limited	1,935,530	-	-	-	157,148	1,778,382	46,791	63,079	0.62	0.64	0.14		
Fauji Fertilizer Company Limited	1,870,068	-	-	-	513,484	1,356,584	106,057	221,639	2.19	2.26	0.11		
							<b>451,842</b>	<b>1,059,028</b>	<b>10.48</b>	<b>10.81</b>			
<b>PHARMACEUTICALS</b>													
Abbot Laboratories Pakistan Limited	59,250	-	-	-	-	59,250	45,504	43,429	0.43	0.44	0.06		
AGP Limited	73,500	71,456	-	-	10,000	134,956	10,078	12,466	0.12	0.13	0.05		
Ferozsons Laboratories Limited	88,560	-	-	-	-	88,560	11,976	22,088	0.25	0.23	0.20		
Glaxosmithkline Pakistan Limited	233,000	-	-	-	-	233,000	38,166	33,514	0.33	0.34	0.07		
Haleon Pakistan Limited	11,000	-	-	-	-	11,000	1,833	3,271	0.03	0.03	0.01		
The Searle Company Limited	359,858	-	-	-	-	359,858	54,321	20,555	0.20	0.21	0.09		
The Searle Company Limited Right	-	-	-	111,000	111,000	-	-	-	-	-	-		
							<b>161,995</b>	<b>135,323</b>	<b>1.35</b>	<b>1.36</b>			
<b>CHEMICAL</b>													
AgriTech Limited	1,475,333	-	-	-	-	1,475,333	6,831	30,185	0.30	0.31	0.38		
Archiroma Pakistan Limited	22,800	-	-	-	-	22,800	10,851	7,980	0.08	0.08	0.07		
Lucky Core Industries Limited	33,569	-	-	-	-	33,569	4,062	31,202	0.31	0.32	0.04		
							<b>21,744</b>	<b>69,367</b>	<b>0.69</b>	<b>0.71</b>			
<b>PAPER &amp; BOARD</b>													
Packages Limited	192,482	-	-	-	-	192,482	89,131	103,056	1.02	1.05	0.22		
Pak Agro Packaging Limited	332,000	-	-	-	-	332,000	8,217	2,736	0.03	0.03	1.86		
							<b>97,348</b>	<b>105,794</b>	<b>1.05</b>	<b>1.05</b>			
<b>LEATHER &amp; TANNERIES</b>													
Data Pakistan Limited	10,760	1,700	-	-	-	12,460	20,762	21,764	0.22	0.22	0.16		
Service industries Limited	400,492	-	-	-	-	460,492	66,024	437,850	4.33	4.47	0.98		
Service GlobalFootware Limited	479,165	-	-	-	-	479,165	25,581	35,535	0.35	0.36	0.23		
							<b>115,367</b>	<b>485,149</b>	<b>4.80</b>	<b>5.05</b>			
<b>FOODS &amp; PERSONAL CARE PRODUCTS</b>													
At-Tahur Limited	560,033	-	-	-	-	560,033	7,889	7,846	0.06	0.08	0.26		
Frieslandcampina Engro Pakistan Limited	54,900	-	-	-	-	54,900	4,400	3,844	0.04	0.04	0.01		
Malco Foods Limited	184,663	-	-	-	25,000	159,663	3,954	4,323	0.04	0.05	0.13		
Fauji Foods Limited	-	250,000	-	-	-	250,000	1,778	2,218	0.02	0.02	0.02		
Mitchells Fruit Farms Limited	41,538	-	-	-	-	41,538	5,023	5,515	0.05	0.06	0.18		
Nestle Pakistan Limited	720	1,762	-	-	-	2,482	17,934	17,757	0.18	0.18	0.31		
Shezan International Limited	23,397	-	-	-	-	23,397	8,371	2,186	0.02	0.02	0.24		
							<b>49,358</b>	<b>43,687</b>	<b>0.43</b>	<b>0.45</b>			
<b>MISCELLANEOUS</b>													
Synthetic Product Enterprise Limited	658,338	-	-	-	-	658,338	8,156	10,481	0.10	0.11	0.33		
							<b>8,156</b>	<b>10,481</b>	<b>0.10</b>	<b>0.11</b>			
<b>Total as at June 30, 2024</b>							<b>5,294,763</b>	<b>9,792,595</b>	<b>95.88</b>	<b>99.92</b>			
<b>Total as at June 30, 2023</b>							<b>5,124,407</b>	<b>5,625,576</b>					

\* Nil figures due to rounding off

5.2.1 All Shares have a nominal face value of Rs. 10 each except for shares of Agriautos Industries Limited and Thal Limited which have a face value of Rs. 5.

### 5.3 Market Treasury Bills

Tenure	Issue Date	Face value			As at June 30, 2024			Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 01, 2023	Purchased during the year	Matured during the year	As at June 30, 2024	Carrying value	Market value		
(Rupees in '000)									
<b>Market Treasury Bills</b>									
- 6 months	November 16, 2023	-	500,000,000	500,000,000	-	-	-	-	-
<b>As at June 30, 2024</b>									
<b>As at June 30, 2023</b>									

\* These carry effective yield of ranging 22.01% (2023: Nil) per annum.



5.4 Investments include shares with market value of Rs. 915.45 million (30 June 2023: Rs 508.65 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular no. 11 dated 23 October 2007 issued by the Securities and Exchange Commission of Pakistan.

5.5 Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'at fair value through profit or loss'	2024	2023
	-----Rupees in '000-----	
Market value of investments	8,025	7,805
Less: Carrying value of investments	4,439	8,608
	<u>3,586</u>	<u>(803)</u>

5.6 Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'at fair value through other comprehensive income'	2024		2023	
	-----Rupees in '000-----			
Market value of investments	9,792,595	5,625,576		
Less: Carrying value of investments - net of impairment	5,294,763	5,124,407		
	4,497,832	501,169		
Add: Changes in fair value of investments disposed of during the year	418,660	(9,414)		
Less: Net unrealised appreciation in fair value of investments at the beginning of the year	501,169	1,405,836		
Amount pertaining to disposed of securities	86,645	84,957		
	<u>414,524</u>	<u>1,320,879</u>		
	<u>4,501,968</u>	<u>(829,124)</u>		

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

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

On June 27, 2018, the Supreme Court of Pakistan passed a judgement whereby the suits which were already pending or to be filed in future could only be continued / entertained on the condition that a minimum of 50 percent of the tax calculated by the tax authorities is deposited with the authorities. Accordingly, the CISs were required to pay minimum 50% of the tax calculated by the tax authorities for the case to continue. The CISs failed to deposit the minimum 50% of the tax liability and accordingly the stay got vacated automatically. The CISs have filed a fresh constitutional petition via CP 4653 dated July 11, 2019 and on July 15, 2019. The Honourable High Court of Sindh has issued notices to the relevant parties and has ordered that no third party interest on bonus shares issued to the Funds in lieu of their investments be created in the meantime. The matter is still pending adjudication and the Funds have included these shares in their portfolio, as the management is confident that the decision of the constitutional petition will be in favour of the CISs.

Further, the Finance Act, 2018 effective from July 1, 2018 has omitted Section 236M of Income Tax Ordinance, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold five percent of the bonus shares to be issued. Therefore, bonus shares issued to the Fund since July 1, 2018 have not been withheld by the investee companies.

Later on, the Finance Act, 2023 effective from July 01, 2023 has included section 236Z of the Income Tax Ordinance, 2001 requiring every Company quoted on stock exchange issuing bonus shares to the shareholders of the Company to withhold 10% of the bonus shares to be issued. During the year there were no bonus shares withheld by any Company as Funds did not invest in any Companies which issued bonus shares during the year.

As an abundant caution, the Fund has made payments which is equivalent to 5% value of the respective bonus shares, determined on the basis of day-end price on the first day of book closure. These payments have been recorded as part of cost of respective investments. As at June 30, 2024, the following bonus shares of the Fund were withheld by certain companies at the time of declaration of the bonus shares.

Name of investee company	June 30, 2024			June 30, 2023		
	5% (No. of Bonus shares)	Market value	Payment made to the investee companies	5% (No. of Bonus shares)	Market value	Payment made to the investee companies
	-----Rupees in '000-----			-----Rupees in '000-----		
Faysal Bank Limited ****	3,261	171	-	3,261	66	-
Faysal Bank Limited* & ***	4,659	244	84	4,659	94	84
Mari Petroleum Company Limited **	4,887	13,255	-	4,887	7,402	-
Mari Petroleum Company Limited *****	1,028	2,788	-	1,028	1,557	-
Pakistan State Oil Company Limited ****	16,307	2,710	-	16,307	1,810	-
Pakistan State Oil Company Limited *****	7,175	1,193	-	7,175	796	-
Synthetic Product Enterprise Limited ****	2,550	41	-	2,550	27	-
Synthetic Product Enterprise Limited *****	314	5	-	314	3	-
The Searle Company Limited ****	768	44	-	768	29	-
The Searle Company Limited***	223	13	122	223	9	122
The Searle Company Limited*****	969	55	-	969	37	-
	<u>20,519</u>	<u>206</u>		<u>11,830</u>	<u>206</u>	

\* Faysal Bank Limited has released the above mentioned bonus shares and has retained the payment.

\*\* Mari Petroleum Company Limited has returned the payment on January 14, 2015 and has not released the shares due to the court order. The amount has been recorded as liability (refer note 11).

\*\*\* Faysal Bank Limited and The Searle Company Limited have not released the bonus shares and retained the payment due to the court order.

\*\*\*\* Synthetic Products Enterprise Limited, Pakistan State Oil Company Limited, The Searle Company Limited and Faysal Bank Limited have not released the bonus shares due to court order and the Fund has recorded liability (refer note 11).

\*\*\*\*\* These represent shares further accumulated due to bonus announced and the Fund is not required to record any liability against the same.

6	DIVIDEND AND PROFIT RECEIVABLE	Note	2024	2023
			----- (Rupees in '000) -----	
	Dividend receivable		8,620	7,269
	Profit receivable on savings accounts		15,417	7,117
			<u>24,037</u>	<u>14,386</u>

#### 7 PAYABLE TO NATIONAL INVESTMENT TRUST LIMITED - MANAGEMENT COMPANY

	Management remuneration		16,736	9,576
	Sindh Sales Tax on management remuneration	7.2	2,170	1,240
	Allocation of expenses related to registrar services, accounting, operation and valuation services	7.3	903	801
			<u>19,809</u>	<u>11,617</u>

7.1 The Management Company has charged its remuneration at the rate of 2% (2023: 2%) per annum of the daily average net assets of the Fund during the year ended June 30, 2023. The remuneration is payable to the Management Company monthly in arrears.

7.2 During the year, an amount of Rs. 21.61 million (2023: Rs. 15.89 million) was charged on account of sales tax on management remuneration levied through the Sindh Sales Tax on Services Act, 2011 and an amount of Rs. 20.68 million (2023: Rs. 16.10 million) has been paid to the Management Company which acts as a collecting agent.

7.3 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

Accordingly, the Management Company, based on its own discretion, while keeping in view the overall return and the total expense ratio limit of 4.5% of the fund as prescribed under the NBFC Regulations, 2008, has charged its fees.

#### 8 PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

	Note	2024	2023
		----- (Rupees in '000) -----	
Trustee remuneration		269	164
Sindh Sales Tax on trustee remuneration	8.1	64	50
		<u>333</u>	<u>214</u>

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

Based on the Trust Deed, the tariff structure applicable to the Fund as at December 31, 2023 is as follows:

Average net asset value	Tariff per annum
Up to Rs. 1,000 million	0.2% p.a. of Net Asset Value.
Over Rs. 1,000 million	Rs. 2 million plus 0.1% p.a. of net assets, exceeding Rs. 1,000 million.

The Trustee has agreed to receive remuneration at the rate of 30% of the applicable tariff. Accordingly the Management Company has charged and paid the Trustee's remuneration on the same basis. The remuneration is paid to the Trustee monthly in arrears.

8.2 During the year, an amount of Rs. 0.36 million (2023: Rs. 0.28 million) was charged on account of sales tax on remuneration of the Trustee levied through the Sindh Sales Tax on Services Act, 2011 and an amount of Rs. 0.35 million (2023: Rs. 0.28 million) was paid to the Trustee which acts as a collecting agent.

#### 9 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay fee to the Securities and Exchange Commission of Pakistan (SECP). The Commission vide S.R.O 592(1)/2023 dated, May 17, 2023 has revised the rate of fee at 0.095% of average net assets, payable monthly to the Commission w.e.f. 01st July 2023 (30 June, 2023: 0.02%).

**10 PROVISION FOR TAXATION**

This represents provision for taxation acquired by the Fund upon transfer of assets held under trust by the Management Company on behalf of the participants of the proposed NIT - Equity Market Opportunity Fund. The total provision transferred amounted to Rs 43.101 million out of which Rs 0.705 million and Rs. 36.275 million have been paid against tax liability for tax years 2012 and 2011 respectively.

Additional Commissioner Inland Revenue (ACIR) has passed an order under section 205(1 B) of the Income Tax Ordinance, 2001 whereby default surcharge of Rs. 3.013 million in respect of tax year 2009 has been levied. Payment of the tax demand of Rs. 3.013 million has been made by the Fund. The Fund filed an appeal before the Commissioner Inland Revenue (Appeals) on January 8, 2016 against the impugned order passed by ACIR under section 205 (1B) of the Income Tax Ordinance, 2001. The CIR(A) has passed an order dated January 22, 2021 whereby, the levy of default surcharge has been deleted and the matter has been disposed of in favour of the Fund. Since the demand has been vacated after the CIR(A)'s order, therefore, the amount of Rs. 3.013 million has now become refundable to the Fund.

<b>11 ACCRUED EXPENSES AND OTHER LIABILITIES</b>	<b>Note</b>	<b>2024</b>	<b>2023</b>
------(Rupees in '000)-----			
Provision for Federal Excise Duty	11.1	77,739	77,739
Auditors' remuneration		659	659
Payable against bonus shares		8,328	8,328
Brokerage		1,108	175
		<u>87,834</u>	<u>86,901</u>

**11.1** The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from July 1, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

During the year ended June 30, 2017, the SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan which is pending adjudication.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED made till June 30, 2016 amounting to Rs. 77.74 million has been retained in these financial statements as the matter is pending before the Honourable Supreme Court of Pakistan whereas an amount of Rs. 4.103 million has been paid to the Management Company. Had the provision for FED not been recorded in the financial statements of the Fund (and the amount is refunded by the Management Company), the net asset value per unit of the Fund as at June 30, 2024 would have been higher by Rs. 2.09 (2023: Rs. 2.09).

**12 CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments outstanding as at June 30, 2024 and June 30, 2023.

**13 NUMBER OF UNITS IN ISSUE**

Units in issue as at June 30, 2024 comprise Class 'B' units. The redemption option for these units rests with the Management Company and the unit holders may redeem their units subject to consent of the Management Company.

<b>14 AUDITORS' REMUNERATION</b>	<b>2024</b>	<b>2023</b>
------(Rupees in '000)-----		
Annual audit fee	509	509
Fee for half yearly review	237	237
Income certification	50	50
Out of pocket expenses including government levy	144	144
	<u>940</u>	<u>940</u>

## 15 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by accumulated losses and capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since, the Management Company intends to distribute the income earned by Fund for the year ended June 30, 2024 to the unit holders in the manner as explained above, accordingly no provision for taxation has been made in these condensed interim financial statements.

The Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Moreover, super tax introduced in the Finance Act, 2015 is also not applicable on funds as per Section 4B of the Income Tax Ordinance, 2001.

## 16 EARNINGS PER UNIT

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

## 17 RECONCILIATION OF LIABILITIES ARISING OUT OF FINANCING ACTIVITIES - DIVIDEND PAYABLE

	2024	2023
	------(Rupees in '000)-----	
Opening balance	-	-
Dividend announced	573,608	889,404
Dividend paid	(573,608)	(889,404)
Closing balance	-	-

## 18 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2024 is 2.55% which includes 0.36% representing government levies on the Fund such as provision for, sales taxes, federal excise duties, annual fee to the SECP etc. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an Equity Scheme.

## 19 TRANSACTIONS WITH CONNECTED PERSONS

19.1 Connected persons include National Investment Trust Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Management Company, any entity in which the Management Company, its CISs or their connected persons have material interest, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.

19.2 Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates as duly approved by the Board of Directors. The management considers that the transactions between the related parties / connected persons are executed in accordance with the parameters defined in the Offering Document, Trust Deed and NBFC Regulations which are publicly available documents.

19.3 Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations.

19.4 The details of transactions carried out by the Fund with connected persons during the year and balances with them as at year end are as follows:

### 19.5 Transactions during the year

	2024	2023
	------(Rupees in '000)-----	
<b>National Investment Trust Limited - Management Company</b>		
Remuneration to the Management Company	166,205	122,244
Sindh sales tax on remuneration to the Management Company	21,607	15,892
Allocation of expenses related to registrar services, accounting, operation and valuation services	11,020	9,690
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration to the Trustee	2,791	2,132
Central depository charges	66	277
Sindh sales tax on remuneration to Central Depository Company of Pakistan Limited - Trustee	363	18

	2024	2023
	(Rupees in '000)	
<b>19.6 Amounts outstanding as at year end</b>		
<b>National Investment Trust Limited - Management Company</b>		
Management remuneration payable	16,736	9,576
Sindh sales tax payable on management remuneration	2,170	1,240
Payable against allocation of expenses related to registrar services accounting, operations and valuation services	903	801
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Trustee remuneration payable	269	164
Sindh sales tax payable on Trustee remuneration	64	50
<b>National Bank of Pakistan</b>		
10,045,493 units held (2023: 10,045,493)	2,591,335	1,436,611
3,870,731 shares held by the Fund (2023: 3,870,731)	142,312	74,623
<b>State Life Insurance Corporation of Pakistan</b>		
10,179,666 units held (2023: 10,179,666)	2,625,947	1,455,800
<b>Employees Old Age Benefit Institution</b>		
14,631,007 units held (2023: 14,631,007)	3,774,215	2,092,387
<b>National Insurance Company Limited</b>		
4,324,703 units held (2023: 4,324,703)	1,115,600	618,479

**20 FINANCIAL INSTRUMENTS BY CATEGORY**

2024			
At amortized cost	At fair value through profit or loss	At fair value through other comprehensive income	Total

(Rupees in '000)

<b>Financial assets:</b>				
Balances with banks	401,639	-	-	401,639
Investments	-	8,025	9,792,595	9,800,620
Dividend and profit receivable	24,037	-	-	24,037
Deposit with National Clearing Company of Pakistan Limited	2,500	-	-	2,500
	<b>428,176</b>	<b>8,025</b>	<b>9,792,595</b>	<b>10,228,796</b>

2024		
At fair value through profit or loss	At fair value through other comprehensive income	Total

(Rupees in '000)

<b>Financial liabilities:</b>			
Payable to National Investment Trust Limited - Management Company	-	19,809	19,809
Payable to Central Depository Company of Pakistan Limited - Trustee	-	333	333
Payable against purchase of investments	-	9,829	9,829
Accrued expenses and other liabilities	-	1,767	1,767
	-	<b>31,738</b>	<b>31,738</b>

2023			
At amortized cost	At fair value through profit or loss	At fair value through other comprehensive income	Total

(Rupees in '000)

<b>Financial assets:</b>				
Balances with banks	59,443	-	-	59,443
Investments	-	7,805	5,625,576	5,633,381
Dividend and profit receivable	14,386	-	-	14,386
Deposit with National Clearing Company of Pakistan Limited	2,500	-	-	2,500
	<b>76,329</b>	<b>7,805</b>	<b>5,625,576</b>	<b>5,709,710</b>



The Fund's interest rate sensitivity related to financial assets and financial liabilities as at June 30, 2024 can be determined as follows:

Effective yield / interest rate	2024			Not exposed to yield / interest rate risk	Total
	Exposed to yield / interest rate risk				
	Upto three months	More than three months and up-to one year	More than one year		
(%)	(Rupees in '000)				
<b>On-balance sheet financial instruments</b>					
<b>Financial assets</b>					
Balances with banks	20.50-23.75	398,216	-	3,423	401,639
Investments		-	-	9,800,620	9,800,620
Dividend and profit receivable		-	-	24,037	24,037
Deposit with National Clearing Company of Pakistan Limited		-	-	2,500	2,500
		<u>398,216</u>	-	<u>9,830,580</u>	<u>10,228,796</u>
<b>Financial liabilities</b>					
Payable to National Investment Trust Limited - Management Company		-	-	19,809	19,809
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	333	333
Payable against purchase of investments		-	-	9,829	9,829
Accrued expenses and other liabilities		-	-	1,767	1,767
		-	-	<u>31,738</u>	<u>21,909</u>
<b>On-balance sheet gap (a)</b>		<u>398,216</u>	-	<u>9,798,842</u>	<u>10,206,887</u>
<b>Off-balance sheet financial instruments</b>		-	-	-	-
<b>Off-balance sheet gap (b)</b>		-	-	-	-
<b>Total interest rate sensitivity gap (a+b)</b>		<u>398,216</u>	-	<u>9,798,842</u>	<u>10,206,887</u>
<b>Cumulative interest rate sensitivity gap</b>		<u>398,216</u>	<u>398,216</u>	<u>398,216</u>	
<b>2023</b>					
Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
	Upto three months	More than three months and up-to one year	More than one year		
(%)	(Rupees in '000)				
<b>On-balance sheet financial instruments</b>					
<b>Financial assets</b>					
Balances with banks	5.50 - 22.90	58,928	-	515	59,443
Investments		-	-	5,633,381	5,633,381
Dividend and profit receivable		-	-	14,386	14,386
Deposit with National Clearing Company of Pakistan Limited		-	-	2,500	2,500
		<u>58,928</u>	-	<u>5,650,267</u>	<u>5,709,710</u>
<b>Financial liabilities</b>					
Payable to National Investment Trust Limited - Management Company		-	-	11,617	11,617
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	214	214
Payable against purchase of investments		-	-	3,371	3,371
Accrued expenses and other liabilities		-	-	834	834
		-	-	<u>16,036</u>	<u>16,036</u>
<b>On-balance sheet gap (a)</b>		<u>58,928</u>	-	<u>5,634,231</u>	<u>5,693,674</u>
<b>Off-balance sheet financial instruments</b>		-	-	-	-
<b>Off-balance sheet gap (b)</b>		-	-	-	-
<b>Total interest rate sensitivity gap (a+b)</b>		<u>58,928</u>	-	<u>5,634,231</u>	<u>5,693,674</u>
<b>Cumulative interest rate sensitivity gap</b>		<u>58,928</u>	<u>58,928</u>	<u>58,928</u>	

## 21.4 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Fund has exposure to equity price risk arising from the Fund's investment in equity securities classified on the statement of assets and liabilities as 'at fair value through profit or loss' and 'at fair value through other comprehensive income'. The Fund manages its price risk arising from investment in the equity securities by diversifying its portfolio within the eligible limits prescribed in the Trust Deed. The NBFC Regulations also limit:

- a) Investment in individual equity securities to the lower of:
  - 10% of net assets of the Fund or the index weight of the security subject to the limit of 15% percent, whichever is higher; and
  - 10% of the issued capital of the investee company.
- b) Exposure to any one sector upto 30% of the net assets of the Fund or index weight of the security whichever is higher, subject to a maximum of 35%.

In case of 1% increase / decrease in PSX 100 index on June 30, 2024, with all other variables held constant, the net income and other comprehensive income of the Fund, with all other variables held constant, would increase / decrease by Rs. 0.08 million and Rs. 97.93 million (2023: Rs. 0.08 million and Rs. 56.26 million) and the net assets of the Fund would increase / decrease by Rs. 98.01 million (2023: Rs. 56.33 million) as a result of gains / losses on equity securities classified as financial assets 'at fair value through profit or loss' and financial assets 'at fair value through other comprehensive income'.

The analysis is based on the assumption that equity index has increased / decreased by 1% with all other variables held constant and all the Fund's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the PSX 100 Index, having regard to the historical volatility of the index. The composition of the Fund's investment portfolio and the correlation thereof to the PSX 100 Index, is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2024 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of the PSX 100 Index.

At June 30, 2024, the fair value of equity securities exposed to price risk is disclosed in notes 5.1 and 5.2 to these financial

## 21.5 Credit risk

21.5.1 Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due.

The Fund's policy is to enter into financial contracts in accordance with the internal risk management policies and investment guidelines approved by the Investment Committee. In addition, the risk is managed through assignment of credit limits and by following strict credit evaluation criteria laid down by the Management Company. The Fund does not expect to incur material credit losses on its financial assets.

The table below analyses the Fund's maximum exposure to credit risk:

	2024		2023	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
	(Rupees in '000)			
Balances with banks	401,639	401,639	59,443	59,443
Investments	9,800,620	-	5,633,381	-
Dividend and profit receivable	24,037	24,037	14,386	14,386
Deposit with National Clearing Company of Pakistan Limited	2,500	2,500	2,500	2,500
	<b>10,228,796</b>	<b>428,176</b>	<b>5,709,710</b>	<b>76,329</b>

The difference in the balance as per the statement of assets and liabilities and maximum exposure to credit risk is due to the fact that investments in equity securities of Rs. 9,800.62 million (2023: Rs. 5,633.38 million) are not exposed to credit risk.



## 21.5.2 Credit quality of financial assets

The Fund's significant credit risk arises mainly on account of its placements in banks and profit accrued thereon, credit exposure arising as a result of dividends receivable on equity securities and receivable against sale of investments. Credit risk on dividend receivable is minimal due to statutory protection. Settlement risk on equity securities is considered minimal because of inherent control established in the settlement process. The credit rating profile of balances with banks is as follows:

Name of the bank	Balance as at June 30, 2024	Rating agency	Published rating	Percentage of total bank balances
	(Rupees in '000)			(%)
Allied Bank Limited	1,399	PACRA	AAA	0.35
Bank Al Habib Limited	3,423	PACRA	AAA	0.85
Bank Al Habib Limited	88,236	PACRA	AAA	21.97
MCB Bank Limited	126	PACRA	A+	0.03
Soneri Bank Limited	308,343	PACRA	AA-	76.77
National Bank of Pakistan	101	PACRA	AAA	0.03
U Microfinance Bank Limited*	11	PACRA	A+	-
	<u>401,639</u>			<u>100</u>

Name of the bank	Balance as at June 30, 2023	Rating agency	Published rating	Percentage of total bank balances
	(Rupees in '000)			(%)
MCB Bank Limited	7	PACRA	AAA	0.01
National Bank Limited	21	PACRA	AAA	0.04
Allied Bank Limited	16	PACRA	AAA	0.03
Bank Al Habib Limited	18,557	PACRA	AAA	31.22
Bank Alfalah Limited	36	PACRA	AA+	0.06
Askari Bank Limited	4	PACRA	AA+	0.01
JS Bank Limited	6	PACRA	AA-	0.01
Soneri Bank Limited	742	PACRA	AA-	1.25
U Microfinance Bank Limited	40,000	PACRA	A+	67.29
MCB Islamic Bank Limited	40	PACRA	A	0.07
Summit Bank Limited	14	PACRA	SUSPENDED	0.02
	<u>59,443</u>			<u>100</u>

\* Nil figures due to rounding off

## 21.5.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect the groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial instruments is mainly held with banks having reasonably high credit rating and in listed equity securities which are not exposed to credit risk.

## 21.6 Liquidity risk

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

The Fund is exposed to the daily settlement of equity securities and to daily cash redemptions, if any. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation. Its policy is therefore to invest the majority of its assets in investments that are traded in an active market and can be readily disposed of. The Fund's investments in listed securities are considered readily realisable, as they are listed on the Pakistan Stock Exchange.

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

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. However, no redemption request was made during the year.

The table below summarizes the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity date. However, the assets and liabilities that are receivable / payable on demand including balances with banks have been included in the maturity grouping of one month.

2024						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total

(Rupees in '000)

**Financial assets**

Balances with banks	401,639	-	-	-	-	401,639
Investments	-	-	-	-	9,800,620	9,800,620
Dividend and profit receivable	24,037	-	-	-	-	24,037
Deposit with National Clearing Company of Pakistan Limited	-	-	-	-	2,500	2,500
	425,676	-	-	-	9,803,120	10,228,796

**Financial liabilities**

Payable to National Investment Trust Limited - Management Company	19,809	-	-	-	-	19,809
Payable to Central Depository Company of Pakistan Limited - Trustee	333	-	-	-	-	333
Payable against purchase of investments	9,829	-	-	-	-	9,829
Accrued expenses and other liabilities	1,108	659	-	-	-	1,767
	31,079	659	-	-	-	31,738

**Net assets**

	394,597	(659)	-	-	9,803,120	10,197,058
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2023						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total

(Rupees in '000)

**Financial assets**

Balances with banks	59,443	-	-	-	-	59,443
Investments	-	-	-	-	5,633,381	5,633,381
Dividend and profit receivable	14,386	-	-	-	-	14,386
Deposit with National Clearing Company of Pakistan Limited	-	-	-	-	2,500	2,500
	73,829	-	-	-	5,635,881	5,709,710

**Financial liabilities**

Payable to National Investment Trust Limited - Management Company	11,617	-	-	-	-	11,617
Payable to Central Depository Company of Pakistan Limited - Trustee	214	-	-	-	-	214
Payable against purchase of investments	3,371	-	-	-	-	3,371
Accrued expenses and other liabilities	175	659	-	-	-	834
	15,377	659	-	-	-	16,036

**Net assets**

	58,452	(659)	-	-	5,635,881	5,693,674
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As at June 30, 2024, the Fund held the following financial instruments measured at fair values:

2024			
Level 1	Level 2	Level 3	Total
(Rupees in '000)			
<b>Financial assets 'at fair value through profit or loss'</b>			
<b>Investment in:</b>			
<b>Listed equity securities</b>			
8,025	-	-	8,025
<b>Financial assets 'at fair value through other comprehensive income'</b>			
<b>investment in:</b>			
<b>Listed equity securities</b>			
9,792,595	-	-	9,792,595
9,800,620	-	-	9,800,620
2023			
Level 1	Level 2	Level 3	Total
(Rupees in '000)			
<b>Financial assets 'at fair value through profit or loss'</b>			
<b>Investment in:</b>			
<b>Listed equity securities</b>			
7,805	-	-	7,805
<b>Financial assets 'at fair value through other comprehensive income'</b>			
<b>Investment in:</b>			
<b>Listed equity securities</b>			
5,625,576	-	-	5,625,576
5,633,381	-	-	5,633,381

During the year ended June 30, 2023, there were no transfers between level 1 and level 2 fair value measurements, and no transfers into and out of level 3 fair value measurements.

## 23 UNIT HOLDERS' FUND RISK MANAGEMENT

The Unit Holders' Fund is represented by redeemable units. They are entitled to distributions and to payment of a proportionate share based on the Fund's net asset value per unit on the redemption date. The relevant movements are shown on the 'Statement of Movement in Unit Holders' Fund'.

The Fund has no restriction on the subscription and redemption of units. As required under the NBFC Regulations, every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs 100 million at all times during the life of the scheme. The Fund has historically maintained and complied with the requirement of minimum fund size at all times.

The Fund's objectives when managing unit holders' funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns to the unit holders and to maintain a strong base of assets to meet unexpected losses or opportunities.

In accordance with the risk management policies as stated in note 21, the Fund endeavours to invest the subscriptions received in appropriate investment avenues while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by disposal of investments or short-term borrowings, where necessary.

## 24 TRANSACTIONS WITH TOP TEN BROKERS / DEALERS

List of top ten brokers by percentage of commission paid for the year ended June 30, 2024:

Particulars	Percentage (%)
Ismail Iqbal Securities (Pvt.) Limited	9.42%
Adam Securities Limited	8.65%
Dossiani Securities (Pvt.) Ltd.	8.13%
KTrade Securities	5.91%
Intermarket Securities Limited	5.40%
Al-Habib Capital Markets (Private) Limited	5.39%
Sherman Securities Private Ltd	5.34%
Optimus Capital Management (Pvt) Limited	5.24%
Rafi Securities	4.45%
Alfalsh CLSA Securities Pvt Ltd	4.25%

List of top ten brokers by percentage of commission paid for the year ended June 30, 2023:

Particulars	Percentage (%)
Al-Habib Capital Markets (Private) Limited	11.53%
AKD Securities Limited	8.11%
JS Global Capital Limited	7.72%
Arif Habib Limited	6.98%
Habib Metro Financial Services Limited	6.10%
Aba Ali Habib Securities (Private) Limited	5.51%
Spectrum Securities (Private) Limited	4.76%
EMA Capital Management Limited	4.76%
Irfan Mazhar Securities (Private) Limited	4.26%
Summit Capital (Private) Limited	4.12%

25 PARTICULARS OF INVESTMENT COMMITTEE AND FUND MANAGER

Details of members of the Investment committee of the Fund are as follows:

2024				
S.No.	Name	Designation	Qualifications	Experience (Years)
1	Mr. Adnan Afridi	Managing Director	Economics & Corporate Law from Harvard University & Harvard Law School	29
2	Mr. Manzoor Ahmed	Chief Operating Officer	MBA, DAIBP and CFA Level-III	35
3	Mr. Aamir Amin	Head of Finance	FCA, CISA	26
4	Mr. Syed Raza Abbas Jaffry*	Head of Equities and Trading	MBA (Finance)	27
5	Mr. Faisal Aslan	Head of Compliance	MBA (Finance), BBA (Hons), CIM-ADIMA (UK)	19
6	Mr. Ali Kamal	Head of Research	MBA, CFA Level-II	16
7	Mr. Salman H Chawala	Manager- Risk Management	MBA, ACIS	22

\*He is the manager of the Fund and he is also managing NIUT

26 ATTENDANCE AT MEETINGS OF BOARD OF DIRECTORS

The 363th, 364th, 365th, 366th and 367th Board meetings were held on September 27, 2023, October 20, 2023, February 23, 2024, April 30, 2024 and June 14, 2024 respectively. Information in respect of attendance by the Directors in the meetings is given below:

S. No	Name of director	Number of meetings			Meetings not attended
		Held during tenor of directorship	Attended	Leave granted	
1	Mr. Adnan Afridi	5	5	-	-
2	Mr. Mian Nusrat-Ud-Din	5	5	-	-
3	Mr. Iqbal Adamjee	5	5	-	-
4	Mr. Ahmad Aqeel	5	5	-	-
5	Mr. Aftab Ahmad Khan*	5	2	1	365th meeting
6	Mr. Naeem Bashir Ahmad	5	5	-	-
7	Mr. Farmanullah Zerkoon	5	5	-	-
8	Mr. Syed Irfan Ali	3	3	-	-
9	Mr. Amjad Mahmood	5	4	1	363th meeting
10	Mr. Karim Akram Khan	2	2	-	-
11	Mr. Omair Safdar	2	2	-	-
12	Mr. Abdul Aleem Qureshi**	2	2	-	-
13	Mr. Shoaib Mir***	2	2	-	-
14	Ms. Zoya Tazeen Mohsin Nathani****	2	2	-	-
15	Mr. Aftab Ahmad Manzoor*****	2	2	-	-
16	Dr. Sohail Razi Khan*****	2	2	-	-
17	Syed Veqar-ul-Islam*****	2	2	-	-

\* Mr. Aftab Ahmed Khan has retired from the Board during the year on April 23, 2024

\*\* Mr. Abdul Aleem Qureshi has joined the Board during the year on September 27, 2023

\*\*\* Mr. Shoaib Mir has joined the Board during the year on Feb 23, 2024

\*\*\*\* Ms. Zoya Tazeen Mohsin Nathani has joined the Board during the year on Jan 18, 2024

\*\*\*\*\* Mr. Mohammad Aftab Manzoor has joined the Board during the year on Jan 18, 2024

\*\*\*\*\* Dr. Sohail Razi Khan has joined the Board during the year on Jan 18, 2024

\*\*\*\*\* Syed Veqar-ul-Islam has joined the Board during the year on Jan 18, 2024

27 PATTERN OF UNIT HOLDING

Particular

2024		
Units held	Investment amount	Percentage
	(Rupees in '000)	(%)
<b>Insurance Companies</b>		
State Life Insurance Corporation of Pakistan	10,179,666	25.98
National Insurance Company Limited	4,324,703	11.04
<b>Bank</b>		
National Bank of Pakistan	10,045,493	25.64
<b>Others</b>		
Employees Old Age Benefit Institution	14,631,007	37.34
<b>39,180,869</b>	<b>10,107,097</b>	<b>100</b>

Particular

2023		
Units held	Investment amount	Percentage
	(Rupees in '000)	(%)
<b>Insurance Companies</b>		
State Life Insurance Corporation of Pakistan	10,179,666	25.98
National Insurance Company Limited	4,324,703	11.04
<b>Bank</b>		
National Bank of Pakistan	10,045,493	25.64
<b>Others</b>		
Employees Old Age Benefit Institution	14,631,007	37.34
<b>39,180,869</b>	<b>5,603,277</b>	<b>100</b>

28 DATE OF AUTHORISATION FOR ISSUE


These financial statements were authorised for issue by the Board of Directors of the Management Company on

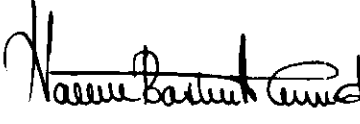
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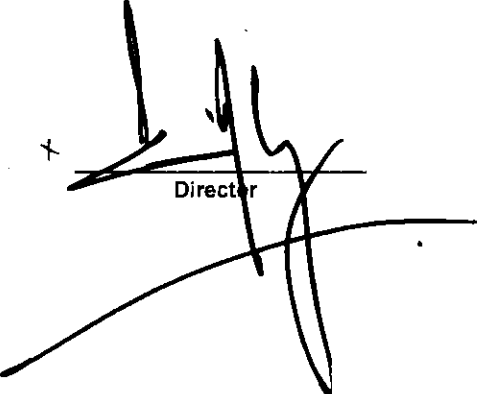
29 GENERAL

Figures have been rounded off to the nearest thousand rupees unless, otherwise specified.

For National Investment Trust Limited  
(Management Company)

  
\_\_\_\_\_  
Managing Director

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director