



FINANCIAL STATEMENTS
OF
NIT ISLAMIC EQUITY FUND
FOR THE HALF YEAR ENDED
DECEMBER 31, 2023

BDO Ebrahim & Co. Chartered Accountants

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.

Tel : (92-21) 111-111-500

Fax: (92-21) 34326021 - 23

URL: www.cdcpakistan.com

Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

NIT ISLAMIC EQUITY FUND

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

We, Central Depository Company of Pakistan Limited, being the Trustee of NIT Islamic Equity Fund (the Fund) are of the opinion that National Investment Trust Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2023 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;
- (iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber

Chief Executive Officer

Central Depository Company of Pakistan Limited

Karachi, February 27, 2024

DRAFT**REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS TO THE UNIT HOLDERS****Report on review****Introduction**

We have reviewed the accompanying condensed interim statement of assets and liabilities of **NIT Islamic Equity Fund** ("the Fund") as at December 31, 2023 and the related condensed interim income statement, condensed interim comprehensive income, condensed interim statement of movement in unit holders' fund, condensed interim statement of cash flows, together with notes to the financial statements for the half year ended then added (here-in-after referred to as "interim financial statement"). Management is responsible for the preparation and fair presentation of this condensed interim financial statement in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial statement based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial information Performed by the Independent Auditor of the Entity." A review of condensed interim financial statement consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statement as at and for the half year ended December 31, 2023 does not present fairly, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matter

The financial statements of the Fund for the year ended June 30, 2023 were audited and condensed interim financial statement of the Fund for the half year ended December 31, 2022 was audited and reviewed by another firm of Chartered Accountants who through their audit report dated September 30, 2023 and February 28, 2023 expressed an unmodified opinion and conclusion thereon, respectively.

The figures for the quarter ended December 31, 2023 and December 31, 2022 in the condensed interim income statement and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

The engagement partner on the review resulting in this independent audit's report is Zulfikar Ali Causer.

KARACHI**DATED:****UDIN:****BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS**

**NIT ISLAMIC EQUITY FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2023**

	Note	December 31, 2023 (Un-Audited)	June 30, 2023 (Audited)
-----Rupees in '000-----			
ASSETS			
Bank balances	4	363,565	123,977
Investments	5	2,513,975	2,017,984
Dividend and profit receivable	6	8,777	2,586
Security deposit		2,600	2,600
Total assets		2,888,917	2,147,147
LIABILITIES			
Payable to National Investment Trust Limited - Management Company	7	10,942	8,220
Payable to Central Depository Company of Pakistan Limited - Trustee	8	375	287
Payable to Securities and Exchange Commission of Pakistan	9	235	471
Payable against redemption of units		11,667	20,010
Payable against purchase of investments		11,667	-
Accrued expenses and other liabilities	10	37,763	34,378
Dividend Payable		521	597
Total liabilities		73,170	63,963
NET ASSETS		2,815,747	2,083,184
REPRESENTED BY:			
Unit Holders' Fund (as per statement attached)		2,815,747	2,083,184
Contingencies and commitments	11		
(Number of units)			
Number of units in issue		286,174,125	314,420,888
----- (Rupees) -----			
Net asset value per unit		9.84	6.63

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

For National Investment Trust Limited
(Management Company)


MANAGING DIRECTOR


DIRECTOR


DIRECTOR


CHIEF FINANCIAL OFFICER


NIT ISLAMIC EQUITY FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2023

	Note	Half year ended		Quarter ended	
		2023	2022	2023	2022
-----Rupees in '000-----					
INCOME					
Dividend income		89,835	123,970	65,033	79,716
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	5.3	19,612	-	19,192	-
Mark-up/return on bank deposits		24,285	16,561	16,206	8,364
Total income		133,732	140,531	100,431	88,080
EXPENSES					
Remuneration of National Investment Trust Limited -Management Company	7.1	24,140	24,942	13,057	12,293
Sindh sales tax on remuneration of Management Company	7.2	3,138	3,242	1,697	1,598
Selling and marketing expenses	7.4	10,018	7,979	4,982	3,990
Trustee Fee- Central Depository Company of Pakistan Limited	8.1	1,710	1,751	905	867
Sindh Sales Tax on Remuneration of Trustee	8.2	222	228	117	113
Annual fee - Securities and Exchange Commission of Pakistan		1,145	249	619	123
Allocation of expenses related to registrar services, accounting, operation and valuation services	7.3	2,002	2,120	996	1,064
Central Depository charges		20	11	13	3
Securities transaction costs		133	-	120	-
Settlement and bank charges		280	189	146	87
Auditors' remuneration		423	443	301	246
Legal and professional charges		-	198	-	4
Shariah advisory fee		81	239	7	105
Charity expenses		2,490	3,873	2,108	2,722
Annual listing fee		28	-	-	-
Printing and related costs		23	28	-	-
Total expenses		45,853	45,492	25,068	23,215
Net operating income and net income before taxation		87,879	95,039	75,363	64,865
Taxation	12	-	-	-	-
Net income for the period		87,879	95,039	75,363	64,865
Allocation of net income for the period					
Net income for the period		87,879	95,039		
Income already paid on units redeemed		(5,956)	(2,053)		
		<u>81,923</u>	<u>92,986</u>		
Accounting income available for distribution:					
-Relating to capital gains		-	-		
-Excluding capital gains		81,923	92,986		
		<u>81,923</u>	<u>92,986</u>		

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

For National Investment Trust Limited
(Management Company)


MANAGING DIRECTOR


DIRECTOR


DIRECTOR


CHIEF FINANCIAL OFFICER

**NIT ISLAMIC EQUITY FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

Note	Half year ended		Quarter ended	
	2023	2022	2023	2022
-----Rupees in '000-----				
Net income for the period	87,879	95,039	75,363	64,865
Other comprehensive income / (loss)				
Items that will not be reclassified to income statement				
Net realized (loss) / gain on sale of investments classified as 'fair value through other comprehensive income' (FVOCI)	(43,945)	6,280	3,425	-
Net unrealised (diminution) on re-measurement of investments classified as 'fair value through other comprehensive income'(FVOCI)	5.4	911,996	(149,981)	668,459
		868,051	(143,701)	671,884
			(77,408)	(77,408)
Total comprehensive income / (loss) for the period	955,930	(48,662)	747,247	(12,543)


The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

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


MANAGING DIRECTOR


DIRECTOR


DIRECTOR


CHIEF FINANCIAL OFFICER

**NIT ISLAMIC EQUITY FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

Note	December 31, 2023			Total	December 31, 2022			Total
	Capital value	Undistributed income	Unrealised appreciation / (diminution) 'at fair value through other comprehensive income' investments		Capital value	Undistributed income	Unrealised appreciation / (diminution) 'at fair value through other comprehensive income' investments	
	Rupees in '000							
Net assets at the beginning of the period	3,284,954	(497,390)	(704,380)	2,083,184	3,438,222	(256,381)	(607,650)	2,574,191
Issue of 190,595,629 units (2022: 89,568,787 units)								
Value	1,263,649	-	-	1,263,649	660,122	-	-	660,122
Element of income	346,294	-	-	346,294	7,637	-	-	7,637
Amount received on issuance of units	1,609,943	-	-	1,609,943	667,759	-	-	667,759
Issue of Nil units in lieu of refund of capital (2022: 639,734 units)	-	-	-	-	4,715	-	-	4,715
Redemption of 218,842,392 units (2022: 113,020,648 units)								
Value	(1,450,925)	-	-	(1,450,925)	(832,962)	-	-	(832,962)
Element of (loss)	(376,429)	(5,956)	-	(382,385)	(9,964)	(2,053)	-	(12,017)
Amount paid / payable on redemption of units	(1,827,354)	(5,956)	-	(1,833,310)	(842,926)	(2,053)	-	(844,979)
Total comprehensive income / (loss) for the period		87,879	868,051	955,930	-	95,039	(143,701)	(48,662)
Issue of Nil units under CIP (2022: 9,778,400 units)	-	-	-	-	72,067	-	-	72,067
Transfer of gain/ (loss) on disposal of investments classified as 'at fair value through other comprehensive income' to undistributed income	-	(43,945)	43,945	-	-	(5,930)	5,930	-
Final distribution for the year ended June 30, 2023: Nil (2022: 0.35) [(Date of Distribution: July 5, 2022)]	-	-	-	-	-	(111,996)	-	(111,996)
Refund of capital	-	-	-	-	(4,715)	-	-	(4,715)
Net assets at the end of the period	3,067,543	(459,412)	207,616	2,815,747	3,335,122	(281,321)	(745,421)	2,308,380
Net assets at the end of the period								(704,380)
Undistributed (loss) brought forward-realized								
-Realized		(497,390)				(256,381)		
-Unrealized		-				-		
		(497,390)				(256,381)		
Accounting income available for distribution								
-Relating to capital gains								
-Excluding capital gains		81,923				92,986		
		81,923				92,986		
Transfer of loss on disposal of investments classified as 'at fair value through other comprehensive income' to undistributed income		(43,945)				(5,930)		
Undistributed (loss) carried forward		(459,412)				(281,321)		
Undistributed accounting (loss) carried forward comprising:								
-Realized		(479,024)				(281,321)		
-Unrealized		19,612				-		
		(459,412)				(281,321)		
Net assets value per unit at beginning of the period				(Rupees) <u>6.63</u>				(Rupees) <u>7.72</u>
Net assets value per unit at end of the period				<u>9.84</u>				<u>7.20</u>

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

For National Investment Trust Limited
(Management Company)

MANAGING DIRECTOR

DIRECTOR

DIRECTOR

CHIEF FINANCIAL OFFICER

**NIT ISLAMIC EQUITY FUND
CONDENSED INTERIM CASH FLOWS STATEMENT (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	December 31	
	2023	2022
	(Un-Audited)	
	Rupees in '000	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period	87,879	95,039
Adjustments:		
Net unrealised appreciation on re-measurement of investments Classified as 'at fair value through profit or loss'	(19,612)	-
	68,267	95,039
Decrease / (Increase) in assets		
Investments	391,672	75,071
Dividend and other receivables	(6,191)	245
	385,481	75,316
Increase / (decrease) in liabilities		
Payable to National Investment Trust Limited '- Management Company	2,722	1,209
Payable to Central Depository Company of Pakistan Limited - Trustee	88	(11)
Fee payable to Securities and Exchange Commission of Pakistan	(236)	(348)
Payable against redemption of units	(8,343)	-
Payable against purchase of investments	11,667	-
Accrued expenses and other liabilities	3,385	3,462
	9,283	4,312
Net cash flows generated from operating activities	463,031	174,667
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received on sales of units	1,609,943	739,826
Payment against redemption of units	(1,833,310)	(830,589)
Dividend paid	(76)	(111,274)
Net cash (used in) financing activities	(223,443)	(202,037)
Net increase / (decrease) in cash and cash equivalents	239,588	(27,370)
Cash and cash equivalents at the beginning of the period	123,977	240,293
Cash and cash equivalents as at the end of the period	363,565	212,923

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

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


MANAGING DIRECTOR


DIRECTOR


DIRECTOR


CHIEF FINANCIAL OFFICER

NIT ISLAMIC EQUITY FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2023

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 The NIT - Islamic Equity 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 (CDC) as the Trustee. The Fund was approved by the Securities and Exchange Commission of Pakistan (SECP) on February 3, 2015 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Trust Deed was executed on February 24, 2015 under the Trust Act, 1882. The Fund is categorized as an Equity Scheme as per the criteria for categorisation of open end collective investment scheme as specified by Securities and Exchange Commission of Pakistan (SECP).

During 2021, the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on November 18, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act, 2020.

1.2 The Management Company of the Fund has been classified as a Non-Banking Finance Company (NBFC) under the NBFC Rules, and has obtained the requisite license from the Securities and Exchange Commission of Pakistan (SECP) to undertake asset management services. 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 has been categorised as a Shariah compliant equity fund by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009. The Fund is an open-ended mutual fund and is listed on Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.

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 to provide the unit holders safe and halal income on their investment. Under the Trust Deed all conducts and acts of the fund are based on Shariah. The management company has appointed Mufti Zeeshan Ali Aziz as Shariah Advisor to the NIT Islamic Equity Fund to ensure that the activities of the fund are in compliance with the Principles of Shariah.

1.5 The Management Company has been reaffirmed a quality rating of "AM1" with 'stable outlook' by VIS Credit Rating Company Limited (VIS) on December 28, 2023, whereas, Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of "AM1" with 'stable outlook' on May 24, 2023.

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

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

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

2.1.2 The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the published audited annual financial statements of the Fund for the year ended June 30, 2023.

2.1.3 The comparative statement of assets and liabilities presented in this condensed interim financial statements have been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2023, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial statement for the half year ended December 31, 2022.

2.1.4 This condensed interim financial statement is unaudited, but has been reviewed by the auditors. Further, the figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarter ended December 31, 2023 have not been reviewed.

2.1.5 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at December 31, 2023.

2.2 Basis of measurement

This condensed interim financial statement has been prepared under the historical cost convention, unless stated otherwise.

2.3 Functional and presentation currency

Items included in the condensed interim financial statements are measured using the currency of the primary economic environment in which the Fund operates. This condensed interim financial information is presented in Pakistani Rupee ('Rupees' or 'Rs.') which is the Fund's functional and presentation currency.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT

- 3.1 The accounting policies applied in the preparation of this condensed interim financial information are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2023.
- 3.2 The preparation of this condensed interim financial statement in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised
- 3.3 The significant estimates, judgements and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual audited financial statements as at and for the year ended June 30, 2023.
- 3.4 There are certain standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan effective for the first time in this condensed interim financial statements and are mandatory for the Fund's accounting period beginning on or after July 01, 2023. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial
- 3.5 The Fund's financial risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the Fund for the year ended June 30, 2023.

December 31, June 30,
2023 2023
-----Rupees in '000-----

4 BANK BALANCES

In savings accounts	4.1	363,565	123,977
		363,565	123,977

4.1 The balances in saving accounts carry profit rates ranging from 5.5% to 20.60% per annum (30 June, 2023: 5.50% to 19.25% per annum).

5 INVESTMENTS

At fair value through profit or loss			
Investment in Listed equity securities	5.1	107,255	-
At fair value through other comprehensive income			
Investment in Listed equity securities	5.2	2,406,720	2,017,984
		2,513,975	2,017,984

5.1- Investment - at fair value through profit or loss

Name of Investee Companies	Note	As at 01 July 2023	Purchases during the period	As at December 31, 2023	Cost/ Carrying value ast at December 31, 2023	Market Value as at December 31, 2023	Net Assets	Market Value as a percentage of investment	Percentage of paid-up capital of the investee
		------(Number of Shares)-----			-----Rupees in '000-----		------%-----		
COMMERCIAL BANKS									
Bankislami Pakistan		-	100,000	100,000	1,390	2,220	0.08	0.08	0.01
		-	100,000	100,000	1,390	2,220	0.08	0.08	
TEXTILE COMPOSITE									
Interloop Limited		-	50,000	50,000	2,275	3,600	0.13	0.13	0.00
		-	50,000	50,000	2,275	3,600	0.13	0.13	
CEMENT									
Maple Leaf Cement Factory Limited			450,000	450,000	16,069	17,514	0.62	0.62	0.04
D. G. Khan Cement Company Limited			50,000	50,000	2,200	3,870	0.14	0.14	0.01
		-	500,000	500,000	18,269	21,384	0.76	0.76	
OIL AND GAS EXPLORATION COMPANIES									
Pakistan Petroleum Limited			250,000	250,000	20,983	28,758	1.02	1.02	0.01
Oil And Gas Development Company			175,000	175,000	17,529	19,679	0.70	0.70	0.00
		-	425,000	425,000	38,513	48,436	1.72	1.72	
OIL AND GAS MARKETING COMPANIES									
Pakistan State Oil Company Limited			110,000	110,000	15,883	19,438	0.69	0.69	0.02
		-	110,000	110,000	15,883	19,438	0.69	0.69	
ENGINEERING									
Mughal Iron And Steel Industries			25,000	25,000	1,316	1,655	0.06	0.06	0.02
		-	25,000	25,000	1,316	1,655	0.06	0.06	
TECHNOLOGY AND COMMUNICATION									
Air Link Communication Limited			12,500	12,500	625	760	0.03	0.03	0.00
System Limited			20,850	20,850	8,490	8,831	0.31	0.31	0.01
		-	33,350	33,350	9,115	9,591	0.34	0.34	
FOODS AND PERSONAL CARE-PRODUCTS									
Treet Corporation Limited		-	50,000	50,000	883	931	0.03	0.03	0.03
		-	50,000	50,000	883	931	0.03	0.03	
Grand Total					<u>87,643</u>	<u>107,255</u>			

5.2- Investments- at fair value through other comprehensive income

Name of Investee Companies	Note	As at 01 July 2023	Purchases during the period	Sale during the period	As at December 31, 2023	Cost/ Carrying value ast at December 31, 2023	Market Value as at December 31, 2023	Net Assets	Market Value as a percentage of investment	Percentage of paid-up capital of the investee company held
		------(Number of Shares)-----			-----Rupees in '000-----			-----%		
COMMERCIAL BANKS										
BankIslami Pakistan Limited		700,000	-	399,606	300,394	3,625	6,669	0.24	0.27	0.03
Meezan Bank Limited		1,346,641	-	205,718	1,140,923	59,136	184,099	6.54	7.32	0.06
		2,046,641	-	605,324	1,441,317	62,762	190,768	6.78	7.59	
TEXTILE COMPOSITE										
Nishat Mills Limited		365,100	-	210,000	155,100	20,164	11,899	0.42	0.47	0.04
		365,100	-	210,000	155,100	20,164	11,899	0.42	0.47	
CEMENT										
D. G. Khan Cement Co. Limited		659,000	-	159,000	500,000	54,500	38,700	1.37	1.54	0.11
Fauji Cement Company Limited		1,968,750	-	200,000	1,768,750	35,925	33,465	1.19	1.33	0.07
Maple Leaf Cement Factory Limited		50,000	-	-	50,000	1,412	1,946	0.07	0.08	0.00
Lucky Cement Limited		356,748	-	85,000	271,748	164,781	213,860	7.60	8.51	0.08
		3,034,498	-	444,000	2,590,498	256,619	287,971	10.23	11.45	
SYNTHETIC & RAYON										
Image Pakistan Limited		63,968	-	63,968	-	-	-	-	-	-
		63,968	-	63,968	-	-	-	-	-	
POWER GENERATION & DISTRIBUTION										
Hub Power Company Limited		2,468,320	-	100,000	2,368,320	222,164	277,307	9.85	11.03	0.18
		2,468,320	-	100,000	2,368,320	222,164	277,307	9.85	11.03	
OIL & GAS MARKETING COMPANIES										
Pakistan State Oil Co. Limited		450,984	-	-	450,984	95,387	79,693	2.83	3.17	0.10
Sui Northern Gas Pipelines Limited		1,034,100	-	235,000	799,100	85,744	58,750	2.09	2.34	0.13
Sui Southern Gas Co. Limited		1,764,000	-	-	1,764,000	64,717	19,986	0.71	0.80	0.20
		3,249,084	-	235,000	3,014,084	245,848	158,429	5.63	6.30	
OIL & GAS EXPLORATION COMPANIES										
Oil & Gas Development Company		1,719,613	-	200,000	1,519,613	213,563	170,880	6.07	6.80	0.04
Mari Petroleum Company limited		123,492	-	31,298	92,194	116,491	193,248	6.86	7.69	0.07
Pakistan Oilfields Limited		291,978	-	291,978	-	-	-	-	-	-
Pakistan Petroleum Limited		1,460,240	-	-	1,460,240	184,060	167,971	5.97	6.68	0.05
		3,595,323	-	523,276	3,072,047	514,114	532,100	18.90	21.17	
ENGINEERING										
International Industries Limited		77,632	-	60,000	17,632	3,572	2,449	0.09	0.10	0.01
International Steels Limited		94,630	-	70,000	24,630	3,066	1,798	0.06	0.07	0.01
		172,262	-	130,000	42,262	6,638	4,247	0.15	0.17	
AUTOMOBILE ASSEMBLER										
Millat Tractors Limited		141,022	-	5,000	136,022	29,323	79,066	2.81	3.15	0.07
		141,022	-	5,000	136,022	29,323	79,066	2.81	3.15	

Name of Investee Companies	Note	As at 01 July 2023	Purchases during the period	Sale during the period	As at December 31, 2023	Cost/ Carrying value ast at December 31, 2023	Market Value as at December 31, 2023	Net Assets	Market Value as a percentage of investment	Percentage of paid-up capital of the investee company held
		------(Number of Shares)-----			-----Rupees in '000-----			-----%		
AUTOMOBILE PARTS & ACCESSORIES										
Agriauto Industries Limited.*	5.2.1	71,875	-	54,375	17,500	3,578	1,746	0.06	0.07	0.05
Ghandhara Tyre And Rubber Company Limited		268,624	-	211,000	57,624	4,773	1,933	0.07	0.08	0.05
		<u>340,499</u>	<u>-</u>	<u>265,375</u>	<u>75,124</u>	<u>8,351</u>	<u>3,679</u>	<u>0.13</u>	<u>0.15</u>	
CABLE & ELECTRIC GOODS										
Pak Elektron Limited		1,980,580	-	100,000	1,880,580	48,896	42,463	1.51	1.69	0.22
Pakistan Cables Limited		8,303	-	8,303	-	-	-	-	-	-
		<u>1,988,883</u>	<u>-</u>	<u>108,303</u>	<u>1,880,580</u>	<u>48,896</u>	<u>42,463</u>	<u>1.51</u>	<u>1.69</u>	
TECHNOLOGY AND COMMUNICATION										
Air Link Communication Limited		340,640	-	50,000	290,640	19,294	17,659	0.63	0.70	0.07
Avenceon Limited		605,906	-	-	605,906	51,491	34,743	1.23	1.38	0.16
Octopus Digital Limited		213,178	-	213,178	-	-	-	-	-	-
System Limited		450,156	-	-	450,156	162,241	190,668	6.77	7.58	0.16
		<u>1,609,880</u>	<u>-</u>	<u>263,178</u>	<u>1,346,702</u>	<u>233,026</u>	<u>243,070</u>	<u>8.63</u>	<u>9.67</u>	
FERTILIZER										
Engro Corporation Limited		857,610	-	69,341	788,269	221,589	232,468	8.26	9.25	0.14
Engro Fertilizer Limited		1,570,445	-	75,000	1,495,445	98,870	167,834	5.96	6.68	0.11
		<u>2,428,055</u>	<u>-</u>	<u>144,341</u>	<u>2,283,714</u>	<u>320,459</u>	<u>400,302</u>	<u>14.22</u>	<u>15.92</u>	
PHARMACEUTICALS										
Abbot Laboratories (Pakistan) Limited		19,500	-	19,500	-	-	-	-	-	-
GlaxoSmithKline (Pak) Limited		132,300	-	70,500	61,800	12,595	5,129	0.18	0.20	0.02
The Searl Company Limited		531,475	-	75,000	456,475	77,576	23,499	0.83	0.93	0.12
		<u>683,275</u>	<u>-</u>	<u>165,000</u>	<u>518,275</u>	<u>90,171</u>	<u>28,628</u>	<u>1.02</u>	<u>1.14</u>	
PAPER & BOARD										
Packages Limited		11,150	-	4,407	6,743	3,978	3,574	0.13	0.14	0.01
		<u>11,150</u>	<u>-</u>	<u>4,407</u>	<u>6,743</u>	<u>3,978</u>	<u>3,574</u>	<u>0.13</u>	<u>0.14</u>	
LEATHER & TANNERIES										
Bata Pakistan Limited		5,120	-	-	5,120	9,728	8,869	0.31	0.35	0.07
Service Global Footwear Limited		371,325	-	-	371,325	19,806	22,398	0.80	0.89	0.18
Service Industries Limited		196,732	-	87,500	109,232	26,428	68,637	2.44	2.73	0.23
		<u>573,177</u>	<u>-</u>	<u>87,500</u>	<u>485,677</u>	<u>55,962</u>	<u>99,904</u>	<u>3.55</u>	<u>3.97</u>	
FOOD & PERSONAL CARE										
Mitchell's Fruit Farms Limited		82,550	-	-	82,550	10,238	10,500	0.37	0.42	0.36
Unity Foods Limited		1,480,595	-	509,268	971,327	31,672	22,952	0.82	0.91	0.08
Shezan International Limited		93,593	-	-	93,593	38,716	9,860	0.35	0.39	0.97
		<u>1,656,738</u>	<u>-</u>	<u>509,268</u>	<u>1,147,470</u>	<u>80,625</u>	<u>43,312</u>	<u>1.54</u>	<u>1.72</u>	
Grand Total						<u>2,199,099</u>	<u>2,406,720</u>			
Total as at June 30, 2023						<u>2,722,364</u>	<u>2,017,984</u>			

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

5.2.2 Investments include shares with market value of Rs. 89.71 million (30 June 2023: Rs. 68.39 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.

		December 31, 2023	December 31, 2022
		(Un-Audited)	(Un-Audited)
	Note	-----Rupees in '000-----	
5.3 Net unrealised appreciation on re-measurement of investments classified as 'at fair value through profit or loss'			
Market value of investments	5.1	107,255	-
Less: Carrying value of investments	5.1	(87,643)	-
		<u>19,612</u>	<u>-</u>
5.4 Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'at fair value through other comprehensive income'			
Market value of investments	5.2	2,406,720	2,149,019
Less: Carrying value of investments	5.2	2,199,099	2,894,440
		<u>207,621</u>	<u>(745,421)</u>
Less: Net unrealised diminution in the fair value of investments at the beginning of the period		(704,375)	(607,650)
Less: Amount of unrealised diminution / (appreciation) pertaining to disposed of securities		-	12,210
		<u>(704,375)</u>	<u>(595,440)</u>
		<u>911,996</u>	<u>(149,981)</u>

5.5 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

On June 27, 2018, the Supreme Court of Pakistan passed a judgement whereby the suits which are already pending or shall be filed in future must only be continued / entertained on the condition that a minimum of 50 percent of the tax calculated by the tax authorities is deposited with the authorities. Accordingly, the CISs were required to pay minimum 50% of the tax calculated by the tax authorities for the case to remain continued. The CISs failed to deposit the minimum 50% of the tax liability and accordingly the stay got vacated automatically. 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

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 December 31, 2023, 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	December 31, 2023 (Un Audited)			June 30, 2023 (Audited)		
	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-----		
The Searle Company Limited*	4,947	255	2,485	4,947	190	2,485
The Searle Company Limited**	5,084	262	-	5,084	195	-
The Searle Company Limited***	13,295	684	-	13,295	509	-
Pakistan State Oil Company Limited**	4,748	839	-	4,748	527	-
Pakistan State Oil Company Limited***	2,089	369	-	2,089	232	-
		<u>2,409</u>	<u>2,485</u>		<u>1,653</u>	<u>2,485</u>

* The Searle Company Limited has not released the bonus shares and has retained the payment due to court order.

**The Searle Company Limited and Pakistan State Oil Company Limited have not demanded the payment due to filing of petition by the Fund and have not released the shares due to court order.

*** The Searle Company Limited and Pakistan State Oil Company Limited have not released bonus shares accumulated on the above mentioned withheld shares. The fund is not required to make any payment against the shares withheld.

		December 31, 2023 (Un-Audited)	June 30, 2023 (Audited)
		-----Rupees in '000-----	
6	DIVIDEND AND PROFIT RECEIVABLE		
	Dividend Receivable	1,649	484
	Profit receivable on saving account	7,128	2,102
		<u>8,777</u>	<u>2,586</u>
7	PAYABLE TO NATIONAL INVESTMENT TRUST LIMITED MANAGEMENT COMPANY		
	Management remuneration	7.1 4,968	3,473
	Sindh Sales Tax payable on remuneration of the Managen	7.2 646	452
	Allocation of expenses related to registrar services accounting, operation and valuation services	7.3 346	349
	Selling and marketing expenses	7.4 4,982	3,946
		<u>10,942</u>	<u>8,220</u>

- 7.1 The Management Company has charged its remuneration at the rate of 2% (June 30, 2023: 2%) of the average net assets of the Fund during the period. The remuneration is payable to the Management Company monthly in arrears.
- 7.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2023: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.
- 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 the fund as defined under the NBFC Regulations, 2008, has charged its fees.

- 7.4 In accordance with the SECP's circular 11 dated July 5, 2019 the management company is entitled to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) subject to the maximum limit approved by the board of directors as part of the annual plan.

Accordingly, the Management Company has charged selling and marketing expenses to the Fund during the period subject to the limit approved by the board of directors.

		December 31,	June 30,
		(Un-Audited)	(Audited)
	Note	-----Rupees in '000-----	
8	PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE		
	Trustee remuneration	8.1 332	254
	Sindh Sales Tax	8.2 43	33
		<u>375</u>	<u>287</u>

8.1 The Trustee is entitled to a monthly remuneration in arrears 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:

Net assets	Tariff per annum
Up to Rs. 1,000 million	0.2% p.a. of net assets,
Over Rs. 1,000 million	Rs. 2.0 million plus 0.1% p.a. of net assets exceeding Rs 1,000 million

8.2 During the period, Sindh sales tax at the rate of 13% (June 30, 2023: 13%) was charged on the Trustee remuneration.

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 (30 June, 2023: 0.02%).

		December 31,	June 30,
		(Un-Audited)	(Audited)
	Note	-----Rupees in '000-----	
10	ACCRUED EXPENSES & OTHER LIABILITIES		
	Federal excise duty	10.1 21,295	21,295
	Auditors' remuneration	423	485
	Legal & professional charges	-	183
	Charity payable	10,031	7,541
	Zakat	-	1,076

	December 31, (Un-Audited)	June 30, (Audited)
Note	-----Rupees in '000-----	
Capital gain tax	1,918	68
Shariah advisory fee	52	87
Brokerage charges	574	170
Payable against bonus shares	3,470	3,470
Annual listing fee	-	3
	<u>37,763</u>	<u>34,378</u>

- 10.1 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 Honourable 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 and sales load with effect from July 01, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 21.295 million has been retained in these condensed interim financial statements as the matter is pending before the Honourable Supreme Court of Pakistan. Had the provision for FED not been made, the net asset value per unit of the Fund as at December 31, 2023 would have been higher by Rs 0.07 (June 30, 2023: Rs 0.07).

11 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2023 (June 30, 2023:Nil)

12 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 ending 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.

13 TOTAL EXPENSE RATIO

As per Directive 23 of 2016 dated July 20, 2016 issued by Securities and Exchange Commission of Pakistan (SECP), the Total Expense Ratio of the Fund is 3.59% as on December 31, 2022 and this includes 0.37% representing Government levy and SECP fee.

14 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

- 14.1 Connected persons/related parties 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 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 and the directors and officers of the Management Company and the Trustee and unit holders holding 10 percent or more units of the Fund.
- 14.2 The transactions with connected persons are in the normal course of business, at contracted terms determined in accordance with the market rates.
- 14.3 Remuneration to the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.

14.4 Transactions during the period

	2023	2022	2023	2022
	(Un-Audited)			
	Rupees in '000			
National Investment Trust Limited - Management Company				
Issue of Nil units under CIP (2022: 3,673,357 units)	-	27,073	-	-
Remuneration of the Management Company	24,140	24,942	13,057	12,293
Sindh sales tax on management remuneration	3,138	3,242	1,697	1,598
Allocation of expenses related to registrar services, accounting, operation and valuation services	2,002	2,120	996	1,064
Selling and marketing expense	10,018	7,979	4,982	3,990
Central Depository Company of Pakistan Limited - Trustee				
Remuneration of the Trustee	1,710	1,751	905	867
Sindh sales tax payable on remuneration of Trust	222	228	117	113
Custodian charges	20	11	13	3
Key management personnel				
139,769 units issued (2022: 263 units)	688	2	688	2
Issue of Nil under CIP (2022: 40,320 units)	-	297	-	297
Additional units: Nil as refund of capital (2022: 3)	-	-	-	-

14.5 Amounts outstanding as at year end

	December 31, 2023	June 30, 2023
	(Un-Audited)	(Audited)
	Rupees in '000	
National Investment Trust Limited - Management Company		
101,279,809 units held (June 30, 2023: 101,279,809 units)	996,593	671,485
Management remuneration payable	4,968	3,473
Sindh sales tax payable on management remuneration	646	452
Payable against allocation of expenses related to registrar services, accounting, operation and valuation services	346	349
Payable against selling and marketing expense	4,982	3,946
Central Depository Company of Pakistan Limited - Trustee		
Trustee remuneration payable	332	254
Sindh sales tax payable on remuneration to Trustee	43	33
Key management personnel		
1,321,748 units held (June 30, 2023: 1,183,011 units)	13,006	7,843

15 FAIR VALUE MEASUREMENT

IFRS 13 - 'Fair Value Measurement' establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price).

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the statement of assets and liabilities date. The estimated fair value of all other financial assets and financial liabilities is considered not significantly different from book value.

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

Level 1: quoted prices in active markets for identical assets or liabilities;

Level 2: those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at December 31, 2023 and June 30, 2023, the Fund held the following financial instruments measured at fair value:

----- As at December 31, 2023 (Un-Audited) -----				
	Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----				
Financial assets at fair value through profit or loss				
Investments				
Listed equity securities	107,255	-	-	107,255
Financial assets at fair value through other comprehensive income				
Investments				
Listed equity securities	2,406,720	-	-	2,406,720
	<u>2,513,975</u>	<u>-</u>	<u>-</u>	<u>2,513,975</u>
----- As at June 30, 2023 (Audited) -----				
	Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----				
Financial assets at fair value through profit or loss				
Investments				
Listed equity securities	-	-	-	-
Financial assets at fair value through other comprehensive income				
Investments				
Listed equity securities	2,017,984	-	-	2,017,984
Management remuneration	<u>2,017,984</u>	<u>-</u>	<u>-</u>	<u>2,017,984</u>

16 GENERAL

Figures have been rounded off to the nearest thousand Rupees, unless otherwise stated.

17 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on 23 FEB 2024 by the Board of Directors of the Management Company.

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


MANAGING DIRECTOR


DIRECTOR


DIRECTOR


CHIEF FINANCIAL OFFICER