



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

**BDO Ebrahim & Co. Chartered Accountants**

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**TRUSTEE REPORT TO THE UNIT HOLDERS**

**NIT ISLAMIC INCOME 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 Income 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****Introduction**

We have reviewed the accompanying condensed interim statement of assets and liabilities of **NIT Islamic Income 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 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 auditor's report is Zulfikar Ali Causer.

KARACHI

DATED:

UDIN:

**BDO EBRAHIM & CO.**  
**CHARTERED ACCOUNTANTS**

**NIT - ISLAMIC INCOME 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-----			
<b>ASSETS</b>			
Bank balances	4	763,423	288,026
Profit Receivable	5	22,622	29,910
Investments	6	481,334	515,325
Security deposit		100	100
<b>Total assets</b>		<u>1,267,479</u>	<u>833,361</u>
<b>LIABILITIES</b>			
Payable to National Investment Trust Limited - Management Company	7	1,487	1,362
Payable to Central Depository Company of Pakistan Limited - Trustee	8	70	82
Payable to Securities and Exchange Commission of Pakistan	9	61	186
Payable against redemption of units		8,490	758
Accrued expenses and other liabilities	10	1,244	3,671
Dividend Payable		892	892
<b>Total liabilities</b>		<u>12,244</u>	<u>6,951</u>
<b>NET ASSETS</b>		<u>1,255,235</u>	<u>826,410</u>
<b>REPRESENTED BY :</b>			
Unit Holders' Fund (as per statement attached)		<u>1,255,235</u>	<u>826,410</u>
Contingencies and commitments	11		
----- Number of units -----			
<b>Number of units in issue</b>		<u>119,470,890</u>	<u>87,019,549</u>
-----Rupees-----			
<b>Net asset value per unit</b>		<u>10.5066</u>	<u>9.4968</u>

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

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

  
**Managing Director**

  
**Director**

  
**Director**

  
**Chief Financial Officer**

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

	Note	Half year ended December, 31		Quarter ended December, 31	
		2023	2022	2023	2022
<b>INCOME</b>					
Income from Ijarah Sukuk		18,868	11,574	10,234	6,457
Income from sukuks		32,447	28,626	12,519	13,850
Profit on bank deposits		41,014	26,038	21,184	14,621
Income from Musharika		4,526	-	4,526	-
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.6	(430)	613	(134)	282
<b>Total Income</b>		<b>96,425</b>	<b>66,851</b>	<b>48,329</b>	<b>35,210</b>
<b>EXPENSES</b>					
Remuneration of National Investment Trust Limited - Management Company	7.1	4,572	4,159	2,318	2,154
Sindh Sales Tax on remuneration to Management Company	7.2	594	541	301	280
Remuneration of Central Depository Company of Pakistan Limited - Trustee	8.1	346	325	174	169
Sindh Sales tax on Trustee remuneration	8.2	45	42	23	22
Annual fee - Securities and Exchange Commission of Pakistan	9	346	87	174	46
Allocation of expenses related to registrar services, accounting, operation and valuation services	7.3	2,491	844	1,257	416
Securities transaction costs		6	-	6	-
Auditors' remuneration		199	231	140	117
Legal & professional charges		22	11	-	-
Settlement and bank charges		227	184	124	100
Listing fee		31	-	-	-
Shariah advisory fee		80	77	6	34
Printing charges		14	-	-	-
Mutual fund rating fee		154	-	154	-
<b>Total expenses</b>		<b>9,127</b>	<b>6,501</b>	<b>4,677</b>	<b>3,338</b>
<b>Net operating income and net income before taxation</b>		<b>87,298</b>	<b>60,350</b>	<b>43,652</b>	<b>31,872</b>
Taxation	12	-	-	-	-
<b>Net income for the period</b>		<b>87,298</b>	<b>60,350</b>	<b>43,652</b>	<b>31,872</b>
<b>Allocation of net income for the period after taxation</b>					
Net income for the period		87,298	60,350		
Income already paid on units redeemed		(15,401)	(8,018)		
		<u>71,897</u>	<u>52,332</u>		
Accounting income available for distribution:					
-Relating to capital gains		-	-		
-Excluding capital gains		71,897	52,332		
		<u>71,897</u>	<u>52,332</u>		

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

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

Managing Director

Director

Director

Chief Financial Officer

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

	Note	Half Year ended Dec 31		Quarter ended Dec 31	
		2023	2022	2023	2022
-----Rupees in '000-----					
Net income for the period		87,298	60,350	43,652	31,872
Other comprehensive income for the period					
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'fair value through other comprehensive income' (FVOCI)	6.5	5,387	(1,870)	5,285	(930)
Total comprehensive income for the period		<u>92,685</u>	<u>58,480</u>	<u>48,937</u>	<u>30,942</u>

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

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

  
**Managing Director**

  
**Director**

  
**Director**

  
**Chief Financial Officer**

NIT - ISLAMIC INCOME FUND  
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)  
FOR THE HALF YEAR ENDED AND QUARTER DECEMBER 31, 2023

Half year ended December 31,

	2023				2022			
	Capital value	Undistributed income	Cumulative change in 'Fair value through other comprehensive income' (FVOCI)	Total	Capital value	Undistributed income	Cumulative change in 'Fair value through other comprehensive income' (FVOCI)	Total
	'Rupees in '000				'Rupees in '000			
<b>Net assets at the beginning of the period</b>	866,099	(33,419)	(6,270)	826,410	821,133	13,696	(4,344)	830,485
<b>Issue of 288,609,889 units (2022: 316,962,071 units)</b>								
Capital value	2,740,879	-	-	2,740,879	2,986,734	-	-	2,986,734
Element of income / (loss)	138,507	-	-	138,507	156,661	-	-	156,661
Amount received on issuance of units	2,879,387	-	-	2,879,387	3,143,395	-	-	3,143,395
<b>Issue of Nil units in lieu of refund of capital (2022: 1,352,094 units)</b>	-	-	-	-	12,741	-	-	12,741
<b>Redemption of 256,158,548 units (2022: 244,615,788 units)</b>								
Capital value	(2,432,695)	-	-	(2,432,695)	(2,305,015)	-	-	(2,305,015)
Element of income / (loss)	(95,151)	(15,401)	-	(110,552)	(102,928)	(8,018)	-	(110,946)
Amount paid / payable on redemption of units	(2,527,846)	(15,401)	-	(2,543,247)	(2,407,943)	(8,018)	-	(2,415,961)
<b>Issue of Nil units under CIP (2022: 4,498,931 units)</b>	-	-	-	-	42,393	-	-	42,393
<b>Final distribution for the year ended June 30, 2023: Nil (2022: Rs 0.8374 per unit [(Date of Distribution: 5 July 2022)])</b>	-	-	-	-	-	(55,039)	-	(55,039)
Refund of capital	-	-	-	-	(12,741)	-	-	(12,741)
Total comprehensive income / (loss) for the period	-	87,298	5,387	92,685	-	60,350	(1,870)	58,480
<b>Net assets at the end of the period</b>	<b>1,217,640</b>	<b>38,478</b>	<b>(883)</b>	<b>1,255,235</b>	<b>1,598,978</b>	<b>10,989</b>	<b>(6,214)</b>	<b>1,603,753</b>
<b>Net assets at the end of the period</b>								
<b>Undistributed (loss) / income brought forward</b>								
-Realized (loss) / income		(34,767)				13,630		
-Unrealized income		1,348				66		
		(33,419)				13,696		
<b>Accounting income available for distribution</b>								
-Relating to capital gains		-				-		
-Excluding capital gains		71,897				52,332		
		71,897				52,332		
<b>Final distribution for the year ended June 30, 2023: Nil [(Date of Distribution: 5 July 2022)](2021: Rs 0.8071 per unit)</b>						(55,039)		
<b>Undistributed Income carried forward</b>		<b>38,478</b>				<b>10,989</b>		
<b>Undistributed accounting income / (loss) carried forward comprising</b>								
-Realized income		37,560				10,376		
-Unrealized income		918				613		
		<b>38,478</b>				<b>10,989</b>		
				(Rupees)				(Rupees)
				(Per unit)				(Per unit)
Net assets value per unit at beginning of the period				9.4968				10.2604
Net assets value per unit at end of the period				10.5066				10.0777

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

For National Investment Trust Limited  
(Management Company)

  
Managing Director

  
Director

  
Director

  
Chief Financial Officer

**NIT - ISLAMIC INCOME FUND**  
**CONDENSED INTERIM STATEMENT OF CASH FLOW (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 before taxation	87,298	60,350
Adjustments:		
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	430	(613)
	87,728	59,737
Decrease / ( Increase) in assets		
Investments	38,948	53,549
Accrued income	7,288	(1,883)
	46,236	51,666
Increase / ( Decrease) in liabilities		
Payable to National Investment Trust Limited - Management Company	125	761
Payable to Central Depository Company of Pakistan Limited - Trustee	(12)	(10)
Payable to Securities and Exchange Commission of Pakistan	(125)	93
Payable against redemption of units	7,732	(908)
Accrued expenses and other liabilities	(2,427)	142
	5,293	78
Net cash flows from operating activities	139,257	111,325


**CASH FLOWS FROM FINANCING ACTIVITIES**

Receipts from issue of units-including CIP	2,879,387	3,185,788
Payments on redemption of units	(2,543,247)	(2,415,961)
Dividend paid	-	(55,094)
Net cash flows generated from financing activities	336,140	714,733
Net increase in cash and cash equivalents during the period	475,397	826,058
Cash and cash equivalents at the beginning of the period	288,026	318,638
Cash and cash equivalents at the end of the period	763,423	1,144,696

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

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

  
**Managing Director**

  
**Director**

  
**Director**

  
**Chief Financial Officer**



## **NIT - ISLAMIC INCOME FUND**

### **NOTES TO AND FORMING PART OF THE FINANCIAL INFORMATION (UNAUDITED) FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2023**

#### **1. LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1 The NIT - Islamic Income Fund (the Fund) was established under a Trust Deed executed between National Investment Trust Limited (NITL) as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Fund was approved by the Securities and Exchange Commission of Pakistan (SECP) vide its letter no. SCD/AMCW/NITL/324/ 2016 dated March 01, 2016 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and the Trust Deed was executed on March 14, 2016. The Fund is categorized as Shariah Compliant Income Scheme as per criteria for categorization of open end collective investment scheme as specified by SECP and other allied matters.
- 1.2 The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act “Sindh Trusts Act, 2020” as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Sindh Trusts Act, 2020 have been introduced as part of this act. The Management Company after fulfilling the requirement for registration of Trust Deed under Sindh Trusts Act, 2020, submitted Collective Investment Scheme Trust Deed to Registrar acting under Sindh Trusts Act, 2020 for registration. Subsequently, on November 01, 2021 Trust Deed of the Fund has been registered under Sindh Trusts Act, 2020.
- 1.3 The Management Company of the Fund has been classified as a Non-Banking Finance Company (NBFC) under the NBFC Rules, 2003 and has obtained the requisite license from the 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.
- 1.4 The Fund is an open-ended mutual fund listed on Pakistan Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The units of the Fund were initially offered for public subscription at initial price of Rs. 10 on July 04, 2016 and received Rs. 159.518 million against initial public offer from various investors including Management Company and accordingly the Fund commenced its business activities on the same date.
- 1.5 The objective of the Fund is to generate a stable shariah compliant income stream, while seeking maximum possible preservation of capital, over the medium to long term period, by investing in a diversified portfolio of Shariah Compliant fixed income and money market instruments. The Management Company has appointed Mufti Zeeshan Abdul Aziz as Shariah Advisor to the Fund to ensure the activities are in compliance with the principles of Shariah.

- 1.6 Pakistan Credit Rating Agency Limited (PACRA) has assigned "AA-(f)" rating to the Fund dated September 8, 2023 and has assigned an asset manager rating of "AM1" dated May 24, 2023 and VIS Credit Rating Company has reaffirmed asset manager rating of 'AM1' to the Management Company on December 28, 2023.
- 1.7 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 This condensed interim financial statements have been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Act, 2017 along with part and the requirements VIIIA of the repealed Companies Ordinance, 1984 and the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008, (the NBFC Regulations). 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 differ from the IFRS Standards, 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 have been followed.
- 2.1.2 This condensed interim financial statement does not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the annual financial statements of the Fund as at and for the year ended June 30, 2022.
- 2.1.3 This condensed interim financial statement is being submitted to the unit holders as required under Regulation 38 (2)(f) of the Non-Banking Finance Companies and notified Entities Regulations, 2008 (NBFC Regulations).

### **2.2 Basis of measurement**

These financial statements have been prepared under the historical cost basis except for certain investments which are measured at fair value.

### **2.3 Functional and presentation currency**

These condensed interim financial statements have been presented in Pakistani rupees ('Rupees' or 'Rs.') which is the functional and presentation currency of the Fund.

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

- 3.1 The accounting policies adopted in the preparation of this condensed interim financial statements are the same as those applied in the preparation of the annual financial information of the Fund for the year ended June 30, 2023.
- 3.2 The preparation of the condensed interim financial statement in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.
- 3.3 The significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements of the Fund 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 information 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 information.
- 3.5 The Fund's financial risk management objectives and policies are consistent with that disclosed in the annual financial statements of the Fund for the year ended June 30, 2023.

		<b>December 31, 2023 (Un-Audited)</b>	<b>June 30, 2023 (Audited)</b>
	<b>Note</b>	<b>----- (Rupees in '000) -----</b>	
<b>4. BANK BALANCES</b>			
In saving accounts	4.1	<u>763,423</u>	<u>288,026</u>
4.1 These accounts carry return at rates ranging from 5.5% to 21.26% per annum (June 30, 2023: 5.5% to 19.75% per annum).			
<b>5. PROFIT RECEIVABLE</b>			
Profit on saving accounts		7,271	10,226
Mark-up on fixed income securities		14,515	19,684
Mark-up on LOP		836	-
		<u>22,622</u>	<u>29,910</u>

		<b>December 31, 2023 (Un-Audited)</b>	<b>June 30, 2023 (Audited)</b>
	<b>Note</b>	<b>----- (Rupees in '000) -----</b>	
<b>6. INVESTMENTS</b>			
<b>Fair value through other comprehensive income</b>			
Debt securities:			
- Sukuk-listed	6.1.1	4,288	6,425
- Sukuk-unlisted	6.1.2	1,166	3,277
- Privately placed short term Sukuks-unlisted	6.1.3	-	6,269
- Government securities-Ijara Sukuks	6.1.4	166,148	161,005
		171,603	176,977
<b>Fair value through profit or Loss</b>			
Debt securities:			
- Sukuk-listed	6.2.1	108,221	287,034
- Sukuk-unlisted	6.2.2	50,995	51,315
- Government securities-Ijara Sukuks	6.2.3	50,515	-
		209,731	338,349
<b>Certificate of Investment/ Clean Placement</b>	6.3	100,000	-
		<u>481,334</u>	<u>515,326</u>

Name of the investee company	Number of certificates				Balance as at December 31, 2023		Market value as a percentage of net assets	Market value as a percentage of total investments
	As at 01 July 2023	Purchased during the period	Sales / matured during the period	As at 31 December 2023	Carrying value	Market value		

Rupees in '000

#### 6.1 Investment at Fair Value through OCI

##### 6.1.1 Sukuks-listed

Masood Textile Mills Limited	15	-	-	15	4,286	4,288	0.34%	0.89%
<b>Total - December 31, 2023</b>	15	-	-	15	4,286	4,288	0.34%	0.89%
<b>Total - June 30, 2023</b>	15	-	-	15	6,429	6,425	0.10%	1.25%

##### 6.1.2 Sukuks-unlisted

Ghani Gases Corporation Ltd	285	-	-	285	1,201	1,166	0.09%	0.24%
<b>Total - December 31, 2023</b>	285	-	-	285	1,201	1,166	0.09%	0.24%
<b>Total - June 30, 2023</b>	310	-	25	285	3,568	3,277	0.05%	0.64%

##### 6.1.3 Privately Placed Short term Sukuk-unlisted

Hub Power Company Limited	250	-	250	-	-	-	-	-
<b>Total - December 31, 2023</b>	250	-	250	-	-	-	-	-
<b>Total - June 30, 2023</b>	250	-	-	250	6,250	6,269	0.10%	1.22%

##### 6.1.4 Investment in Government Securities - Ijarah Sukuks

Ijarah Sukuks	167,000	-	-	167,000	167,000	166,148	13.24%	34.52%
<b>Total - December 31, 2023</b>	167,000	-	-	167,000	167,000	166,148	13%	35%
<b>Total - June 30, 2023</b>	167,000	-	-	167,000	167,000	161,005	2.50%	31.24%

Name of the investee company	Number of certificates				Balance as at December 31, 2023		Market value as a percentage of net assets	Market value as a percentage of total investments
	As at 01 July 2023	Purchased during the period	Sales / matured during the period	As at 31 December 2023	Carrying value	Market value		

Rupees in '000

## 6.2 Investment at fair value through profit or loss

### 6.2.1 Sukuks-Listed

K Electric Limited	12,217	-	-	12,217	46,648	46,259	3.69%	9.61%
K Electric Limited	5	-	5	-	-	-	-	-
K Electric Limited	9	-	9	-	-	-	-	-
K Electric Limited	5	-	5	-	-	-	-	-
K Electric Limited	40	-	40	-	-	-	-	-
K Electric Limited	5	0	5	-	-	-	-	-
K Electric Limited	-	15	-	15	15,000	15,000	1.19%	3.12%
Masood Textile Mills Limited	25	-	-	25	7,139	7,147	0.57%	1.48%
OBS AGP Private Limited	460	-	-	460	31,687	31,815	2.53%	6.61%
Hub Power Company Limited	50	-	50	-	-	-	-	-
Hub Power Company Limited	-	8	-	8	8,000	8,000	0.64%	1.66%
Lucky Electric Power Company Limited	11	-	11	-	-	-	-	-
Lucky Electric Power Company Limited	15	-	15	-	-	-	-	-
Lucky Electric Power Company Limited	21	-	21	-	-	-	-	-
Lucky Electric Power Company Limited	25	-	25	-	-	-	-	-
<b>Total - December 31, 2023</b>	<b>12,888</b>	<b>23</b>	<b>186</b>	<b>12,725</b>	<b>108,475</b>	<b>108,221</b>	<b>8.62%</b>	<b>22.48%</b>
<b>Total - June 30, 2023</b>	<b>12,802</b>	<b>226</b>	<b>140</b>	<b>12,888</b>	<b>287,066</b>	<b>287,034</b>	<b>4.47%</b>	<b>55.70%</b>

### 6.2.2 Sukuks-Unlisted

Hub Power Holding Company Ltd	500	-	-	500	51,036	50,995	4.06%	10.59%
<b>Total - December 31, 2023</b>	<b>500</b>	<b>-</b>	<b>-</b>	<b>500</b>	<b>51,036</b>	<b>50,995</b>	<b>4.06%</b>	<b>10.59%</b>
<b>Total - June 30, 2023</b>	<b>500</b>	<b>-</b>	<b>-</b>	<b>500</b>	<b>50,000</b>	<b>51,315</b>	<b>0.80%</b>	<b>9.96%</b>

### 6.2.3 Sukuks-unlisted

Investment in Government Securities-Ijara Sukuks	50,000	-	-	50,000	50,650	50,515	4.02%	10.49%
<b>Total - December 31, 2023</b>	<b>50,000</b>	<b>-</b>	<b>-</b>	<b>50,000</b>	<b>50,650</b>	<b>50,515</b>	<b>0.04</b>	<b>0.10</b>
<b>Total - June 30, 2023</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Name of the investee company	Number of certificates				Balance as at December 31, 2023		Market value as a percentage of net assets	Market value as a percentage of total investments
	As at 01 July 2023	Purchased during the period	Sales / matured during the period	As at 31 December 2023	Carrying value	Market value		

**6.3 Certificate of Investment/Clean Placements**

First Habib Modaraba	-	175,000	75,000	100,000	100,000	100,000	-	-
UBL Ammen	-	100,000	100,000	-	-	-	-	-
	-	<b>275,000</b>	<b>175,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	-	-

**6.4 Name of security**

	Number of certificates	Unredeemed face value	Mark-up rate (per annum)	Issue date	Tenor	Secured / Unsecured	Rating
<b>Listed sukuk</b>							
Masood Textile Mills Limited	40	571,429	3-months KIBOR + 2.00%	December 17, 2019	5 years	Secured	A
K-Electric Limited	12,217	3,750	3-months KIBOR + 1.7%	August 3, 2020	7 years	Secured	AA+
K-Electric Limited	15	1,000,000	6-months KIBOR + 0.50%	October 24, 2023	6 Months	Secured	AA+
Hub Power Company Limited	8	1,000,000	6-months KIBOR + 0.25%	November 8, 2023	6 Months	Secured	AA+
OBS AGP Limited	460	68,750	3-months KIBOR + 1.55%	July 15, 2021	5 years	Secured	A
<b>Unlisted sukuk</b>							
Ghani Gases Corporation Sukuk	285	4,167	3-months KIBOR + 1.00%	February 2, 2017	7 years	Secured	A
Hub Power Holding limited	500	100,000	6-months KIBOR + 2.5%	November 12, 2020	5 years	Secured	AA+
<b>LOP-Musharika</b>							
First Habib Mudaraba	100,000	100,000,000	21.80%	December 18, 2023	3 Months	Secured	-
<b>Government securities</b>							
Ijarah sukuk	167,000	100	21.10%	April 30, 2020	5 years	Secured	-
Ijarah sukuk-unlisted	50,000	100	22.85%	October 9, 2023	1 year	Secured	-

**December 31 December 31,**  
**2023                      2022**  
**(Un -Audited) (Audited)**  
**-----Rupees in '000-----**

**6.5 Net unrealised appreciation/ (diminution) on re-measurement of investments classified as 'fair value through OCI'**

Market value of investments	171,603	187,804
Less: Carrying value of investments	(172,486)	(194,018)
	(883)	(6,214)
Less: Net unrealised appreciation/ (diminution) at the beginning of the period	(6,270)	(4,344)
	5,387	(1,870)

**6.6 Net unrealised appreciation on re-measurement of investments classified as 'fair value through profit or loss'**

Market value of investments	151,216	257,093
Less: Carrying value of investments	(151,511)	(256,480)
	(430)	613

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

Management remuneration	7.1	833	961
Sindh Sales Tax on management remuneration	7.2	108	125
Allocation of expenses related to registrar services, accounting, operation and valuation services	7.3	401	131
Others		145	145
		1,487	1,362

7.1 As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the offering document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged remuneration at the rate of 10% of the daily gross earnings with floor of 0.5% and cap of 1% per annum of the daily average net assets. 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 as the total expense ratio limit as defined under NBFC Regulations, 2008, has charged its fees.

		<b>December 31, 2023</b>	<b>June 30, 2023</b>
		<b>(Un-Audited)</b>	<b>(Audited)</b>
		<b>-----Rupees in '000-----</b>	
<b>8. PAYABLE TO CENTRAL DEPOSITORY COMPANY Note OF PAKISTAN LIMITED - TRUSTEE</b>			
Trustee remuneration	8.1	62	73
Sales tax payable on trustee remuneration	8.2	8	9
		<u>70</u>	<u>82</u>

8.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. Accordingly, the Fund has charged Trustee remuneration @ 0.055% of net assets (June 30, 2023: 0.055%).

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 0.075% of average net assets, payable monthly to the Commission (30 June, 2023: 0.02%).

## **10. ACCRUED EXPENSES AND OTHER LIABILITIES**

Capital gain tax	809	2,888
Auditors' remuneration	199	235
Brokerage fee	6	-
Settlement charges	23	31
Mutual fund rating fee	154	-
Shariah advisory fee	48	11
Zakat payable	5	506
	<u>1,244</u>	<u>3,671</u>

## **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 the 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

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**

Total Expense Ratio of the Fund is 1.98% as on December 31, 2023 and this includes 0.21% representing Government Levy, Sindh Workers' Welfare Fund (SWWF) and SECP fee. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations 60(5) for a collective investment scheme categorised as an Income Scheme.

## **14. TRANSACTIONS WITH CONNECTED PERSONS**

14.1 Connected persons/related parties comprise of 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 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 NBFC Rules, NBFC Regulations and the Trust Deed respectively. Other

14.4 The details of significant transactions carried out by the Fund with connected persons and balances with them at the period end are as follows:

14.4.1 Details of the transactions with connected persons are as follows:

	Half Year period ended December 31,		Quarter ended December 31,	
	2023	2022	2023	2022
	----- (Un-Audited) -----			
	----- (Rupees in '000) -----			
<b>National Investment Trust Limited - Management Company</b>				
Issue of NIL under CIP (2022: 1,321,237 units)	-	12,450	-	-
Remuneration of the Management Company	4,572	4,159	2,318	2,154
Sindh Sales Tax on Management remuneration	594	541	301	280
<b>Allocation of expenses related to registrar services, accounting, operation and valuation services</b>				
<b>Central Depository Company of Pakistan Limited - Trustee</b>	2,491	844	1,257	416
Remuneration of the Trustee	346	325	174	169
Sindh Sales Tax on Trustee Remuneration	45	42	23	22
<b>Key management personnel</b>				
Issue of 5,892,599 units (2022: 5,661,866 units)	60,025	55,556	41,957	38,528
Issue of Nil units under CIP (2022: 3,631 units)	-	34	-	-
Additional units: Nil as refund of capital (2022: 1044 units)	-	-	-	-
Redemption of 5,718,243 units (2022: 5,682,960 units)	57,636	55,875	42,720	38,639
<b>Bulk Management (Pakistan) Private Limited</b>				
Issue of 137,547,250 units (2022: 174,306,115 units)	1,351,979	1,736,808	-	1,736,808
Redemption of 137,547,250 units (2022: 116,257,357 units)	1,353,396	1,154,302	-	1,154,302
<b>Shakoo (Pvt) Limited</b>				
Issue of 14,317,084 units (2022: 65,801,748 units)	140,725	655,657	-	655,657
Redemption of 14,317,084 units (2022: 43,887,946 units)	140,873	435,757	-	435,757

	<b>December 31, 2023</b>	<b>June 30, 2023</b>
	<b>(Un-Audited)</b>	<b>(Audited)</b>
	<b>Rupees in '000'</b>	

**14.4.2 Amounts outstanding as at period end:**

**National Investment Trust Limited - Management Company**

21,309,186 Units held (June 30, 2023: 21,309,186 units)	223,887	202,369
Management remuneration	833	961
Sindh Sales Tax on Management remuneration	108	125
Allocation of expenses related to registrar services, accounting, operation and valuation services	401	131
Others	145	145

**Central Depository Company of Pakistan Limited - Trustee**

Trustee fee payable	62	73
Sindh Sales Tax on Trustee remuneration	8	9

**Key management personnel**

1,481,677 Units held (June 30, 2023: 1,307,321 units)	15,567	12,415
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**15. FAIR VALUE OF FINANCIAL INSTRUMENTS**

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).

	Note	Level 1	Level 2	Level 3	Total
(Rupees in '000)					
<b>December 31, 2023</b>					
At fair value through OCI	15.1	-	171,603	-	171,603
At fair value through profit or loss		-	209,731	-	209,731
		-	381,334	-	381,334
<b>June 30, 2023</b>					
At fair value through OCI		-	176,977	-	176,977
At fair value through profit or loss		-	338,349	-	-
		-	515,326	-	515,326

- 15.1 Investments in GoP Ijarah sukuk bond and sukuks, issued by the Government of Pakistan or a company or a body corporate for the purpose of raising funds in the form of redeemable capital, are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) and Pakistan Stock Exchange (PSX) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.

During the period ended December 31, 2023, there were no transfers between level 1 and level 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

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

## 16. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial statement was authorised for issue on 23 FEB 2024 by the Board of Directors of the Management Company.

## 17. GENERAL

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

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

  
Managing Director

  
Director

  
Director

  
Chief Financial Officer