ANNUAL REPORT
2024

AKD
Islamic Income Fund

Funds Managed by:
AKD Investment Management Ltd

Partner with AKD
Profit form the Experience

AKD Investment
Management Ltd.

CORPORATE INFORMATION

MANAGEMENT COMPANY
AKD Investment Management Limited
216-217, Continental Trade Centre, Block-8, Clifton, Karachi-74000.

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY
Chairman
Mr. Khalid Mehmood

Chief Executive Officer
Mr. Imran Motiwala

Director(s)
Ms. Anum Dhedhi
Ms. Aysha Ahmed
Mr. Ali Wahab Siddiqi
Mr. Hasan Ahmed
Mr. Abid Hussain
Mr. Khalid Mehmood
Mr. Imran Motiwala

CHIEF OPERATING OFFICER AND COMPANY SECRETARY OF THE MANAGEMENT COMPANY
Mr. Muhammad Yaqoob Sultan, CFA

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY
Mr. Muhammad Munir Abdullah

HEAD OF INERNAT AUDIT OF THE MANAGEMENT COMPANY
Ms. Tayyaba Masoom Ali, ACA (ICAP & ICAEW)

AUDIT AND RISK MANAGEMENT COMMITTEE
Mr. Abid Hussain (Chairman)
Ms. Aysha Ahmed (Member)
Mr. Ali Wahab Siddiqui (Member)
Mr. Hasan Ahmed (Member)
Ms. Tayyaba Masoom Ali, ACA (ICAP & ICAEW) (Secretary)

HUMAN RESOURCE AND REMUNERATION (HR & R) AND NOMINATION COMMITTEE
Mr.Khalid Mahmood (Chairman)
Mr. Imran Motiwala (Member)
Mr. Abid Hussain (Member)
Ms. Aysha Ahmed (Member)
Ms. Anum Dhedhi (Member)
Mr. Muhammad Yaqoob Sultan, CFA (Secretary)

RATING
AKD Investment Management Limited AM3++ (AM Three Plus Plus) issued by PACRA

VISION

To serve investors in Pakistan's capital markets with diligence, integrity and professionalism, thereby delivering consistent superior returns and unparalleled customer service.

MISSION STATEMENT

- Keep primary focus on investing clients' interest
- Achieve highest standards of regulatory compliance and good governance
- Prioritize risk management while endeavouring to provide inflation adjusted returns on original investment
- Enable the investing public and clients to make AKDIML Funds a preferred part of their overall savings and investment management strategy
- Distinguish themselves and compete on the basis of unparalleled service quality while setting industry standards for professionalism, transparency and consistent leading performance
- Foster and encourage technical, professional, ethical development of human capital to provide our people the best opportunities and environment for their personal growth.

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of AKD Investment Management Limited (AKDIML), the Management Company of AKD Opportunity Fund (AKDOF), Golden Arrow Stock Fund (GASF), AKD Index Tracker Fund (AKDITF), AKD Islamic Stock Fund (AKDISSF), AKD Cash Fund (AKDCF), AKD Aggressive Income Fund (AKDAIF), AKD Islamic Income Fund (AKDISIF), and AKD Islamic Daily Dividend Fund (AKDIDDF) is pleased to present its annual report along with the Funds' audited Financial Statements for the year ended June 30, 2024.

FUNDS' FINANCIAL PERFORMANCE

AKD Opportunity Fund (AKDOF)
For the FY24, the return of AKD Opportunity Fund stood at 27.28% compared to the benchmark KSE–100 Index return of 89.24%.

Distribution for the year ended June 30, 2024:
The Chief Executive under the authority granted by the Board of Directors approved total distribution (including refund of element) of Rs. 2.75 per unit to the unit holders during the year ended June 30, 2024.

Golden Arrow Stock Fund (GASF)
For the FY24, the return of Golden Arrow Stock Fund stood at 61.40% compared to the benchmark KSE–100 Index return of 89.24%.

Distribution for the year ended June 30, 2024:
The Chief Executive under the authority granted by the Board of Directors approved total distribution (including refund of element) of Rs. 0.50 per unit to the unit holders during the year ended June 30, 2024.

AKD Islamic Stock Fund (AKDISSF)
For the FY24, the return of AKD Islamic Stock Fund stood at 94.74% compared to the benchmark KMI–30 Index return of 78.70%.

Distribution for the year ended June 30, 2024:
The Chief Executive under the authority granted by the Board of Directors approved total distribution (including refund of element) of Rs. 5.85 per unit to the unit holders during the year ended June 30, 2024.

AKD Index Tracker Fund (AKDITF)
For the FY24, the return of AKD Index Tracker Fund stood at 84.42% compared to the benchmark KSE–100 Index return of 89.24%.

Distribution for the year ended June 30, 2024:
The Chief Executive under the authority granted by the Board of Directors approved total distribution (including refund of element) of Rs. 2.00 per unit to the unit holders during the year ended June 30, 2024.

AKD Cash Fund (AKDCF)
For the FY24, the return of AKD Cash Fund stood at 22.32% compared to the benchmark return of 20.90%.

Distribution for the year ended June 30, 2024:
The Chief Executive under the authority granted by the Board of Directors approved total distribution (including refund of element) of Rs. 10.90 per unit to the unit holders during the year ended June 30, 2024.

AKD Islamic Income Fund (AKDISIF)
For the FY24, the return of AKD Islamic Income Fund stood at 20.52% compared to the benchmark return of 10.10%.

Distribution for the year ended June 30, 2024:
The Chief Executive under the authority granted by the Board of Directors approved total distribution (including refund of element) of Rs. 9.90 per unit to the unit holders during the year ended June 30, 2024.

AKD Aggressive Income Fund (AKDAIF)
For the FY24, the return of AKD Aggressive Income Fund stood at 21.40% compared to the benchmark return of 21.88%.

Distribution for the year ended June 30, 2024:
The Chief Executive under the authority granted by the Board of Directors approved total distribution (including refund of element) of Rs. 10.45 per unit to the unit holders during the year ended June 30, 2024.

AKD Islamic Daily Dividend Fund (AKDIDDF)
For the FY24, the return of AKD Islamic Daily Dividend Fund stood at 20.31% compared to the benchmark return of 10.28%.

Distribution for the year ended June 30, 2024:
The Chief Executive under the authority granted by the Board of Directors approved total distribution of Rs. 9.27 per unit to the unit holders during the year ended June 30, 2024.

MACRO PERSPECTIVE

Since the onset of FY24, Pakistan's economic growth prospects have shown marked improvement, supported by prudent policy measures enacted by the Government and the successful completion of the IMF Stand-by Arrangement program. This progress has facilitated the resumption of inflows and the rollover of debt from multilateral and bilateral partners, alleviating pressure on the current account. As anticipated, the Country's real GDP growth reached 2.38% in FY24, reflecting ongoing challenges as inflation persisted above the target range and certain monetary and fiscal policy reforms implemented, which were necessary to ensure financial stability amid elevated external and domestic financing needs. This fiscal year also marks the initiation of the monetary easing cycle, following a considerable period during which the State Bank of Pakistan (SBP) maintained a cautious monetary policy stance, keeping the policy rate at a historically high level of 22%.

In its last meeting on September 12, 2024, the Monetary Policy Committee (MPC) of the State Bank of Pakistan decided to further reduce the policy rate by 200 bps to 17.50%. The SBP premised its decision on sharp decline in inflation over preceding two months, which has somewhat outpaced the Committee's earlier expectations. This decline is primarily attributed to delays in implementing planned increases in administered energy prices, as well as favorable trends in global oil and food prices. In light of recent economic developments and potential risks to the inflation outlook, the MPC assessed that the real interest rate to still be adequately positive, positioning it to guide inflation toward the medium-term target of 5 – 7 percent and help ensure macroeconomic stability.

In August 2024, the National Consumer Price Index (NCPI) fell to a single-digit rate of 9.64% YoY, down from 11.09% in July 2024 and significantly lower than 27.38% in August 2023, taking the average inflation for the first two months of FY25 to 10.36%. On MoM basis, the NCPI increased by 0.39%, driven primarily by a 1.46% rise in the Food Index, attributed to higher prices of food items, and a general rise in prices across other sectors. Regionally, Urban and Rural CPI were recorded at 11.71% and 6.73%, respectively. While prices for food and other essential items saw an increase during the month, the overall CPI declined, influenced by a high base effect and a 1.40% reduction in the Housing Index on a MoM basis. Looking forward, inflation is projected to continue its downward trajectory, supported by a sufficiently tight fiscal and monetary policy.

On the external front, the current account recorded a surplus of USD 75 million in August 2024, compared to a revised deficit of USD 246 million in the previous month. This brings the Current Account Deficit (CAD) for the first two months of FY25 to USD 171 million, reflecting an impressive 81% reduction from USD 893 million during the same period last year. Furthermore, the CAD for FY24 was reported at USD 665 million, down significantly from USD 3.28 billion, marking an 80% YoY reduction. This noteworthy decline in the CAD is primarily driven by a decrease in the trade deficit with a marked increase in overseas workers' remittances and higher other current transfers. Total imports for FY24 amounted to USD 63.28 billion, a 3% increase compared to the previous year. However, this rise was more than offset by a significant increase in total exports, which reached USD 38.90 billion, reflecting a 10% YoY growth.

Moreover, a stable exchange rate has contributed to a boost in workers' remittances, which totaled USD 30.25 billion in FY24, representing an 11% increase from USD 27.33 billion in the same period last year. This improvement in the external sector indicates a positive momentum in trade and remittances, enhancing the country's balance of payments and overall economic stability.

According to the data released by the SBP, the foreign exchange reserves held by the central bank stood at USD 9.39 billion by the end of FY24, with the Country's liquid foreign exchange reserves reaching USD 14.00 billion. This marks a remarkable 53% increase since the beginning of the fiscal year. This surge can be primarily attributed to the disbursement of tranches under the IMF Stand-by Arrangement and other inflows from friendly countries. Additionally, this growth has been bolstered by an uptick in export earnings and elevated overseas workers' remittances. This increase in reserves not only enhances the Country's ability to meet its external obligations but is also likely to strengthen investor confidence in Pakistan's economic prospects. Currently, the total liquid foreign exchange reserves are USD 14.87 billion as on September 20, 2024.

During FY24, the Federal Board of Revenue (FBR) collected PKR 9,306 billion, surpassing the ambitious assigned target of PKR 9,252 billion by a significant margin of PKR 54 billion, and registering a growth of 30% compared to the same period last year. With a tax collection target of PKR 9,252 trillion for FY24, ~29% higher from the previous year's collection, the FBR has been making continuous efforts such as broadening the tax base and imposing taxes on sectors historically under-taxed to achieve its goal. Meanwhile, the Government's fiscal policy has been centered on maintaining a primary balance surplus, demonstrating fiscal discipline and stability essential for continued support from international financial institutions.

The Government's persistent efforts to attract foreign investment, coupled with the relative stability in exchange rates, have yielded promising results so far, evident by the net foreign investments reaching USD 1,519 million in FY24, a significant growth of 153% YoY. Out of the total foreign inflows USD 2,022 million, China and Hong Kong accounted for USD 927 million, representing 46% of the total. Other significant investments originated from the United Kingdom, amounting to USD 286 million (14%), and the United States, contributing USD 184 million (9%). These figures indicate a diversified investor base and highlight the attractiveness of Pakistan's investment environment to major global players.

EQUITY MARKET REVIEW

During the fiscal year 2023-24, the Equity market delivered exceptional performance, gaining 36,992 points for an impressive return of 89.24%, with the benchmark index closing at 78,445 points. This strong performance was driven by several key factors. The market thrived on improving macroeconomic indicators, including a strengthening currency, amid essential measures taken by the government to ensure the country's long-term sustainability. Bullish sentiment was further fueled by the successful completion of the IMF Stand-by Arrangement, timely formation of a new government, and a notable decline in inflation reaching a 30-month low at 11.76% YoY in May 2024, contributing to a more stable economic environment.

The external account also showed significant improvement, with 80% YoY reduction in the current account deficit, alongside record high overseas workers' remittances of USD 3.24 billion in May 2024. Additionally, a roughly 3% appreciation of the rupee against the US dollar, the initiation of a reversal in the monetary cycle, and albeit tough budgetary measures pathing the way to continuity in IMF funding collectively boded well for the market sentiment.

During the period, investor participation exhibited a substantial increase of 138% YoY, with an average daily traded volume of 455 million shares, compared to 191 million shares in the same period last year. Foreign Investors Portfolio Investment (FIPI) also saw significant growth, recording net inflows of USD

140.77 million, a notable rise from USD 1.57 million in the previous year. Key sectors attracting foreign capital included Commercial Banks (USD 59.81 million), Fertilizer (USD 18.44 million), and Power Generation and Distribution (USD 16.48 million). Domestically, only Insurance Companies and Corporations were net buyers, with net purchases of USD 126.34 million and USD 35.65 million, respectively. Conversely, other domestic participants, including Banks/DFIs, Individuals, and Mutual Funds, emerged as major net sellers, with respective divestments of USD 141.29 million, USD 59.63 million, and USD 46.92 million.

In terms of sector performance, top gainers during the period were led by Commercial Banks (+114.78%), followed by Oil & Gas Exploration Companies (+72.53%), Food & Personal Care Products (+60.40%), Fertilizer (+65.35%), and Cement (+59.27%). Conversely, sectors experiencing declines included Chemical (-49.11%), Modarabas (-42.13%), Property (-6.54%), and Vanaspati & Allied Industries (-1.72%).

Over the past decade, the KSE-100 Index has yielded an annualized return of 10.2%. However, during the same period, the USD appreciated by ~10% annually against PKR, dissuading foreign investors from Pakistan's equity market. This trend shifted in FY24, with the PKR appreciating by ~3% against the USD, closing at 278.34 by the end of June 2024. This relative stability in exchange rates has sparked renewed foreign interest, as evidenced by significant net foreign buying during this period. Therefore, ensuring this exchange rate stability becomes a critical task for the new government, necessitating strategic administrative actions to maintain and enhance this positive trajectory.

Looking ahead, the equity market outlook appears promising, supported by the Country's stable and improving macroeconomic conditions as stock valuations remain attractive. Furthermore, progress in securing approval for a new IMF program and potential inflows from other sources are expected to be a major impetus for the market. However, the political uncertainty remains the most significant downside risk which could lead to policy / reform slippages and delays adversely affecting economic and market performance. While the overall sentiment is optimistic, investors should stay cautious and responsive to these challenges.

FIXED INCOME REVIEW

Throughout the year, the State Bank of Pakistan has consistently adhered to a cautious monetary policy stance, keeping the policy rate at a historically high level of 22% until implementing monetary easing in June 2024. This conservative stance was necessitated by ongoing inflationary pressures, which, despite a notable deceleration in last few months, remained elevated, with the average NCPI for the period at 23.41% YoY as of June 2024.

The decision to maintain the heightened policy rate during the year has resulted in elevated yields on government debt securities. Consequently, these securities have attracted substantial investor interest, as investors seek enhanced returns offered by government debt securities, despite the alternative of a high-performing equity market.

During the period, SBP conducted a total of twenty six (26) Market Treasury Bills (MTB) auctions, where the Government managed to raise PKR 21.68 trillion against the auction target of PKR 21.10 trillion. Notably, the weighted average yields for 3, 6, and 12-month MTB were 21.69%, 21.61%, and 21.41% respectively, up by 362 bps, 358 bps, and 334 bps as compared to 18.07%, 18.03%, and 18.07% during the same period last year.

To further address the need for liquidity, SBP also conducted twelve (12) auctions of fixed-rate Pakistan Investment Bonds (PIB) and was successful in raising PKR 1.49 trillion. The weighted average yield for 3, 5, and 10 years PIB increased by 248 bps, 229 bps, and 134 bps to 17.70%, 15.62%, and 14.28% respectively, as compared to 15.22%, 13.32%, and 12.94% during the same period last year.

In the market for Shariah Compliant instruments, a significant milestone was reached with the decision to conduct primary market auctions of GOP Ijara Sukuk through capital markets. This aims to broaden the investor base, increase transparency, and foster competitive pricing for government debt securities. A total of sixteen (16) auctions were held for GOP Ijara Sukuk, including those conducted through the Pakistan Stock Exchange. These auctions, covering Variable Rental Rate (VRR), Fixed Rental Rate (FRR), and Fixed Rate Discounted (FRD) instruments, successfully raised PKR 1.89 trillion, against the target of PKR 2.00 trillion.

Looking ahead to the auction target calendars for September through November 2024, the State Bank of Pakistan aims to raise PKR 3.48 trillion by issuing 3 to 12-month MTB against the maturing amount of PKR 4.59 trillion. Additionally, the SBP targets to raise PKR 500 billion through 2 to 10-year fixed-rate PIB against maturing amount of PKR 534 billion whereas, PKR 2.32 trillion is targeted to be raised through 2 to 10-year floating-rate PIB. Moreover, the Pakistan Stock Exchange issued a notice announcing auctions for the sale of GOP Ijara Sukuk, with the target of raising PKR 860 billion.

STATEMENT OF CORPORATE AND FINANCIAL REPORTING FRAMEWORK

(a) The financial statements, prepared by the Management of the Company, present fairly the state of affairs of the Fund, the result of its operations, cash flows and movement in unit holders' funds.
(b) Proper books of account of the Funds have been maintained.
(c) Appropriate accounting policies have been consistently applied in preparation of the financial statements and accounting estimates are based on reasonable and prudent judgments.
(d) International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departures there from have been adequately disclosed.
(e) The system of internal control is sound in design and has effectively implemented and monitored.
(f) There are no significant doubts upon the Funds' ability to continue as a going concern.
(g) Statutory payments, taxes, duties, levies and charges, if any have been properly disclosed in the financial statements.
(h) Summary of key financial data / performance tables is appended to the Financial Statements of the Funds.
(i) The Pattern of unit holdings is appended to the Financial Statements of the Funds.
(j) The statement showing the attendance of Directors in BOD meetings and Audit Committee meetings is as under:

S.No.	Name of Director	MEETINGS ATTENDANCE						
		30-Apr-24	29-Mar-24	31-Oct-23	22-Sep-23	05-Jul-23	Attended	Leave
1	Mr. Abdul Karim Memon*	–	–	–	✓	✓	2	0
2	Mr. Imran Motiwala	✓	✓	✓	✓	✓	5	0
3	Ms. Anum Dhedhi	✓	✓	✓	✗	✓	4	1
4	Mr. Hasan Ahmed	✓	✓	✓	✓	✓	5	0
5	Ms. Aysha Ahmed	✓	✓	✓	✓	✓	5	0
6	Mr. Ali Wahab Siddiqui	✓	✓	✓	✓	✓	5	0
7	Mr. Abid Hussain	✓	✓	✓	✗	✓	4	1
8	Mr. Khalid Mahmood*	✓	✓	✓	–	–	3	0

Elected on October 10, 2023 in place of retiring director Mr. Abdul Karim Memon

S.No.	Name of Director	MEETINGS ATTENDANCE					
		29-Apr-24	29-Mar-24	31-Oct-23	22-Sep-23	Attended	Leave
1	Mr. Ali Wahab Siddiqui	✓	✓	✓	✓	4	0
2	Mr. Hasan Ahmed	✓	✓	✓	✓	4	0
3	Ms. Aysha Ahmed*	✓	✓	✓	–	3	0
4	Mr. Abid Hussain**	✓	✓	–	–	2	0

**Appointed on October 31, 2023 **Appointed on March 29, 2024*

(k) There have been no trades in the units of the Funds carried out by the Directors, CEO, CFO, CIO, COO, Company Secretary and their spouses and minor children of the Management Company other than as disclosed below and in the note to the financial statements:

S.No.	Trades by	Designation	Investment (No of Units)	Redemption (No of Units)
AKD OPPORTUNITY FUND				
1	Khalid Mahmood	Director	195,055	-
2	Shifa Khalid	Spouse - Director	58,425	33,819
AKD ISLAMIC INCOME FUND				
1	Mr. Imran Motiwala	CEO & Director	86,219	86,261
2	Mrs. Sehr Imran Motiwala	Spouse - CEO & Director	389,269	390,328
4	Mrs. Maliha Yaqoob	Spouse - COO & Company Secretary	53,616	53,616
5	Shifa Khalid	Spouse - Director	59,820	92,239
5	Khalid Mahmood	Director	782	307,641
5	Ali Wahab Siddiqui	Director	178,776	93,530
5	Muhammad Amin Yaqoob	Minor Children - COO & Company Secretary	-	424
5	Abdul Rehman Yaqoob	Minor Children - COO & Company Secretary	-	424
5	Ayesha Yaqoob	Minor Children - COO & Company Secretary	-	424
AKD CASH FUND				
1	Mr. Imran Motiwala	CEO & Director	61,131	61,131
2	Mrs. Sehr Imran Motiwala	Spouse - CEO & Director	558,283	612,900
GOLDEN ARROW STOCK FUND				
5	Ali Wahab Siddiqui	Director	374,012	-
5	Khalid Mahmood	Director	199,580	-
5	Shifa Khalid	Spouse - Director	-	59,701

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

i. The total number of directors are seven as follows:
   a) Male: Five
   b) Female: Two

ii. The composition of the Board of Directors is as follows:
   - Independent Director: Two
   - Non-Executive Directors: Five
   - Executive Directors: Two
   - Female Directors: Two

RATING OF THE MANAGEMENT COMPANY

The Pakistan Credit Rating Agency Limited (PACRA) has assigned Asset Manager Rating of AM3++ (A M three Plus Plus) to AKD Investment Management Limited (AKDIML) on June 27, 2024.

RATING OF THE FUNDS

AKD OPPORTUNITY FUND

The Pakistan Credit Rating Agency Limited (PACRA) has assigned 3-Star Performance Ranking in long term [based on performance review of trailing 36 months (3 Year) and trailing 60 months (5 Year)] and 2-Star Performance Ranking in short term [based on performance review of trailing 12 months (1 Year)] for the period ended December 31, 2023 to AKD Opportunity Fund on February 16, 2024.

AKD CASH FUND

The Pakistan Credit Rating Agency Limited (PACRA) has assigned the stability rating of "AA+(f)" (Double A Plus; fund stability rating) for the period ended December 31, 2023 to AKD Cash Fund on March 7, 2024.

AKD AGGRESSIVE INCOME FUND

The Pakistan Credit Rating Agency Limited (PACRA) has assigned the stability rating of "A+(f)" (Single A Plus; fund stability rating) for the period ended December 31, 2023 to AKD Aggressive Income Fund on March 7, 2024.

GOLDEN ARROW STOCK FUND

The Pakistan Credit Rating Agency Limited (PACRA) has assigned 4-Star Performance Ranking in long term [based on performance review of trailing 36 months (3 Year) and trailing 60 months (5 Year)] and 3-Star Performance Ranking in short term [based on performance review of trailing 12 months (1 Year)] for the period ended December 31, 2023 to Golden Arrow Stock Fund on February 16, 2024.

AKD ISLAMIC INCOME FUND

The Pakistan Credit Rating Agency Limited (PACRA) has assigned the stability rating of "AA-(f)" (Double A Minus; fund stability rating) for the period ended December 31, 2023 to AKD Islamic Income Fund on March 7, 2024.

AKD ISLAMIC STOCK FUND

The Pakistan Credit Rating Agency Limited (PACRA) has assigned 1-Star and 4-Star Performance Ranking in long term [based on performance review of trailing 60 months (5 Year) and 36 months (3 Year), respectively] and 4-Star Performance Ranking in short term [based on performance review of trailing 12 months (1 Year)] for the period ended December 31, 2023 to AKD Islamic Stock Fund on February 16, 2024.

AKD ISLAMIC DAILY DIVIDEND FUND

The Pakistan Credit Rating Agency Limited (PACRA) has assigned the stability rating of "AA(f)" (Double A; fund stability rating) for the period ended December 31, 2023 to AKD Islamic Daily Dividend Fund on March 7, 2024.

HOLDING COMPANY

AKD Group Holdings (Private) Limited [Formerly: Aqeel Karim Dhedhi Securities (Private) Limited] is the holding company of AKD Investment Management Limited and holds 99.97% of the outstanding ordinary shares of the Company.

APPOINTMENT OF AUDITORS

The present auditors M/s Yousuf Adil, Chartered Accountants are retiring and have completed their five years as auditors of AKD Index Tracker Fund (AKDITF), AKD Opportunity Fund (AKDOF), AKD Aggressive Income Fund (AKDAIF), AKD Cash Fund (AKDCF) and AKD Islamic Daily Dividend Fund (AKDIDDF). As per the requirements of the Code of Corporate Governance the auditors have to be changed this year.

The Board has appointed M/s BDO Ebrahim & Co., Chartered Accountants as the statutory auditors of AKD Index Tracker Fund (AKDITF), AKD Opportunity Fund (AKDOF), AKD Aggressive Income Fund (AKDAIF) and AKD Cash Fund (AKDCF) for the year 2024-2025 as recommended by the Audit Committee.

The Board re-appointed M/s Riaz Ahmad & Company, Chartered Accountants as the statutory auditors for Golden Arrow Stock Fund (GASF), AKD Islamic Income Fund (AKDISIF), AKD Islamic Stock Fund (AKDISSF) and appointed for AKD Islamic Daily Dividend Fund (AKDIDDF) and for the year 2024-2025 as recommended by the Audit Committee.

The Board on the recommendation of Audit Committee has appointed M/s Riaz Ahmad & Company, Chartered Accountants as statutory auditors of AKD Investment Management Limited for the year 2024-2025 since M/s Yousuf Adil, Chartered Accountants are retiring and have completed their five years as auditors.

ACKNOWLEDGEMENTS

The Directors would like to take this opportunity to thank the Securities and Exchange Commission of Pakistan, the Ministry of Finance, the State Bank of Pakistan, and the Management of the Pakistan Stock Exchange for their continued support and cooperation. The Board also appreciates the devoted performance of the staff and officers of the AKD Investment Management Limited. The Board will also like to thank the investors for their confidence in the Company.

FUTURE OUTLOOK

Following the successful completion of the Stand-By Arrangement with the IMF, authorities are in negotiations for a USD 7 billion Extended Fund Facility (EFF), pending approval from the IMF Executive Board, anticipated by the end of September 2024. This EFF program aims to capitalize on the macroeconomic stability achieved over the past year under the SBA by continuing efforts to strengthen public finances, reduce inflation, restore foreign exchange reserves, and eliminate economic distortions to foster growth. Key focus areas of the program includes implementing energy sector reforms, maintain a flexible exchange rate, strengthen fiscal and monetary policy, reforms to broaden the tax base, and improve State Owned Enterprises (SOE) management. Investors are closely watching these developments for insights into the future economic landscape and likewise market performance.

The Monetary Policy Committee embarked on a monetary easing stance in June 2024 and since then has reduced the policy rate by a substantial 450 bps to 17.50%, down from a historical high of 22%. This was in response to better than earlier anticipated decline in inflation which dropped to 9.64% YoY in August 2024, signaling a transition to single-digit inflation for the first time in a considerable period.

This pace of disinflation can be attributed to the impact of contained demand, reinforced by improved supply chain for essential food items, ongoing fiscal and monetary consolidation efforts, favorable global commodity prices, delays in upward adjustments in administered energy prices, and a favorable base effect. While inflation is on a downward trend and is expected to continue this trajectory, it remains vulnerable to risks such as the timing and magnitude of future adjustments in administered energy prices, volatility in global commodity markets, and potential new taxation measures to address revenue shortfalls. SBP projects that average inflation for FY25 will fall below the previously estimated range of 11.5% to 13.5%. However, this outlook is contingent upon achieving targeted fiscal consolidation and the timely realization of anticipated external inflows.

According to the Government's Annual Plan 2024-25, the economy is expected to achieve a growth rate of 3.6%. This growth will be driven by robust performances in the industrial and services sectors, projected to grow by 4.4% and 4.1% respectively, while the agriculture sector is anticipated to grow at 2.0%. Looking ahead, key drivers of market performance that are likely to sustain investor confidence include progress in securing board's approval for a larger IMF program and potential inflows from other sources. However, political uncertainty and any further delays in inflows from foreign partners pose significant downside risks to the market's performance.

In conclusion, the stock market holds significant potential for future gains, trading at a low forward PE of 3.9x and offers an attractive dividend yield of 11%.

For and on behalf of the board

Anum Dhedhi	**Imran Motiwala**
Director	Chief Executive Officer

Karachi: October 30, 2024

مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

اے کے ڈی انویسٹمنٹ مینجمنٹ لمیٹڈ (اے کے ڈی آئی ایم ایل) کے بورڈ آف ڈائریکٹرز، اے کے ڈی اپرچونیٹی فنڈ (اے کے ڈی او ایف)، گولڈن ایروسٹاک فنڈ (جی اے ایس ایف) اے کے ڈی انڈیکس ٹریکر فنڈ (اے کے ڈی آئی ٹی ایف)، اے کے ڈی اسلامک سٹاک فنڈ (اے کے ڈی آئی ایس ایس ایف)، اے کے ڈی کیش فنڈ (اے کے ڈی سی ایف)، اے کے ڈی ایگریسو انکم فنڈ (اے کے ڈی اے آئی ایف)، اے کے ڈی اسلامک انکم فنڈ (اے کے ڈی آئی ایس آئی ایف) اور اے کے ڈی اسلامک ڈیلی ڈیویڈنڈ فنڈ (اے کے ڈی آئی ڈی ڈی ایف) کی مینجمنٹ کمپنی 30 جون، 2024 کو مکمل ہونے والے سال کیلیئے اپنی سالانہ رپورٹ معہ فنڈز کے آڈٹ شدہ مالیاتی گوشوارے پیش کرنے میں مسرت محسوس کرتے ہیں۔

فنڈز کی مالیاتی کارکردگی

اے کے ڈی اپرچونیٹی فنڈ (اے کے ڈی او ایف)

مالی سال 2024 کے لئے اے کے ڈی اپرچونیٹی فنڈ کا ریٹرن کے ایس ای۔100 انڈیکس کے بینچ مارک 89.24 فیصد کے مقابلہ میں 27.28 فیصد رہا۔

30 جون 2024 کو ختم ہونے والے مالی سال کے لئے ڈسٹری بیوشن:

چیف ایگزیکٹو نے بورڈ آف ڈائریکٹرز کی طرف سے تفویض کردہ اختیارات کے تحت 30 جون، 2024 کو ختم ہونے والے مالی سال کیلیئے یونٹ ہولڈرز کیلیئے 2.75 روپے فی یونٹ (بشمول ریفنڈ آف ایلیمنٹ) کے کل ڈسٹری بیوشن کی منظوری دی۔

گولڈن ایروسٹاک فنڈ (جی اے ایس ایف)

مالی سال 2024 کے لئے گولڈن ایروسٹاک فنڈ (جی اے ایس ایف) کا ریٹرن کے ایس ای۔100 انڈیکس کے بینچ مارک 89.24 فیصد کے مقابلہ میں 61.40 فیصد رہا۔

30 جون 2024 کو ختم ہونے والے مالی سال کے لئے ڈسٹری بیوشن:

چیف ایگزیکٹو نے بورڈ آف ڈائریکٹرز کی طرف سے تفویض کردہ اختیارات کے تحت 30 جون، 2024 کو ختم ہونے والے مالی سال کیلیئے یونٹ ہولڈرز کیلیئے 0.50 روپے فی یونٹ (بشمول ریفنڈ آف ایلیمنٹ) کے کل ڈسٹری بیوشن کی منظوری دی۔

اے کے ڈی اسلامک سٹاک فنڈ (اے کے ڈی آئی ایس ایس ایف)

مالی سال 2024 کے لئے اے کے ڈی اسلامک سٹاک فنڈ (اے کے ڈی آئی ایس ایف) کا ریٹرن کے ایم آئی۔ 30 انڈیکس کے بینچ مارک ریٹرن 78.70 فیصد کے مقابلہ میں 94.74 فیصد رہا۔

30 جون 2024 کو ختم ہونے والے مالی سال کے لئے ڈسٹری بیوشن:

چیف ایگزیکٹو نے بورڈ آف ڈائریکٹرز کی طرف سے تفویض کردہ اختیارات کے تحت 30 جون، 2024 کو ختم ہونے والے مالی سال کیلئے یونٹ ہولڈرز کیلئے 5.85 روپے فی یونٹ (بشمول ریفنڈ آف ایلیمنٹ) کے ٹوٹل ڈسٹری بیوشن کی منظوری دی۔

اے کے ڈی انڈیکس ٹریکر فنڈ (اے کے ڈی آئی ٹی ایف)

مالی سال 2024 کے لئے اے کے ڈی انڈیکس ٹریکر فنڈ (اے کے ڈی آئی ٹی ایف) کا ریٹرن کے ایس ای۔100 انڈیکس کے بینچ مارک 89.24 فیصد کے مقابلہ میں 84.42 فیصد رہا۔

30 جون 2024 کو ختم ہونے والے مالی سال کے لئے ڈسٹری بیوشن:

چیف ایگزیکٹو نے بورڈ آف ڈائریکٹرز کی طرف سے تفویض کردہ اختیارات کے تحت 30 جون، 2024 کو ختم ہونے والے مالی سال کیلئے یونٹ ہولڈرز کیلئے 2.00 روپے فی یونٹ (بشمول ریفنڈ آف ایلیمنٹ) کے ٹوٹل ڈسٹری بیوشن کی منظوری دی۔

اے کے ڈی کیش فنڈ (اے کے ڈی سی ایف)

مالی سال 2024 کے لئے اے کے ڈی کیش فنڈ (اے کے ڈی سی ایف) کا ریٹرن بینچ مارک ریٹرن 20.90 فیصد کے مقابلہ میں 22.32 فیصد رہا۔

30 جون 2024 کو ختم ہونے والے مالی سال کے لئے ڈسٹری بیوشن:

چیف ایگزیکٹو نے بورڈ آف ڈائریکٹرز کی طرف سے تفویض کردہ اختیارات کے تحت 30 جون، 2024 کو ختم ہونے والے مالی سال کیلئے یونٹ ہولڈرز کیلئے 10.90 روپے فی یونٹ (بشمول ریفنڈ آف ایلیمنٹ) کے ٹوٹل ڈسٹری بیوشن کی منظوری دی۔

اے کے ڈی اسلامک انکم فنڈ (اے کے ڈی آئی ایس آئی ایف)

مالی سال 2024 کے لئے اے کے ڈی اسلامک انکم فنڈ (اے کے ڈی آئی ایس آئی ایف) کا ریٹرن 10.10 فیصد کے بینچ مارک ریٹرن کے مقابلہ میں 20.52 فیصد رہا۔

30 جون 2024 کو ختم ہونے والے مالی سال کے لئے ڈسٹری بیوشن:

چیف ایگزیکٹو نے بورڈ آف ڈائریکٹرز کی طرف سے تفویض کردہ اختیارات کے تحت 30 جون، 2024 کو ختم ہونے والے مالی سال کیلئے یونٹ ہولڈرز کیلئے 9.90 روپے فی یونٹ (بشمول ریفنڈ آف ایلیمنٹ) کے ٹوٹل ڈسٹری بیوشن کی منظوری دی۔

اے کے ڈی ایگریسو انکم فنڈ (اے کے ڈی اے آئی ایف)

مالی سال 2024 کے لئے اے کے ڈی ایگریسو انکم فنڈ (اے کے ڈی اے آئی ایف) کا بینچ مارک ریٹرن 21.88 فیصد کے مقابلہ میں 21.40 فیصد رہا۔

30 جون 2024 کو ختم ہونے والے مالی سال کے لئے ڈسٹری بیوشن:

چیف ایگزیکٹو نے بورڈ آف ڈائریکٹرز کی طرف سے تفویض کردہ اختیارات کے تحت 30 جون، 2024 کو ختم ہونے والے مالی سال کیلئے یونٹ ہولڈرز کیلئے 10.45 روپے فی یونٹ (بشمول ریفنڈ آف ایلیمنٹ) کے ٹوٹل ڈسٹری بیوشن کی منظوری دی۔

اے کے ڈی اسلامک ڈیلی ڈیویڈیڈ فنڈ (اے کے ڈی آئی ڈی ڈی ایف)

مالی سال 2024 کیلئے اے کے ڈی اسلامک ڈیلی ڈیویڈیڈ فنڈ کا بینچ مارک ریٹرن 10.28 فیصد کے مقابلے میں سالانہ 20.31 فیصد رہا۔

30 جون 2024 کو ختم ہونے والے مالی سال کے لئے ڈسٹری بیوشن:

چیف ایگزیکٹو نے بورڈ آف ڈائریکٹرز کی طرف سے تفویض کردہ اختیارات کے تحت 30 جون، 2024 کو ختم ہونے والے مالی سال کیلئے یونٹ ہولڈرز کیلئے 9.27 روپے فی یونٹ کے ٹوٹل ڈسٹری بیوشن کی منظوری دی۔

میکرو منظر نامہ

جاری مالی سال 2024 میں حکومت کی طرف سے بھرپور پالیسی اقدامات اور آئی ایم ایف اسٹینڈ بائی ارینجمنٹ پروگرام کی کامیاب تکمیل کی بدولت پاکستان کے اقتصادی منظرنامے نے بہتری دکھائی۔ اس پیش رفت نے سرمایہ کاری کی بحالی میں مدد دی جبکہ کثیر الجہتی اور دوطرفہ شراکت داروں کی طرف سے قرضے رول اوور کرنے سے حسابات جاریہ پر دباؤ ختم ہوا۔ مالی سال 2024 میں پاکستان کی جی ڈی پی کی حقیقی شرح 2.38 فیصد پہنچنے کی توقع ہے۔ مہنگائی کا ہدف سے زیادہ رہنا اور جاری چیلنجز اس بات کی عکاسی کرتے ہیں کہ داخلی اور خارجی مالیاتی ضروریات میں اضافے کے ساتھ مالی استحکام کو یقینی بنانے کے لیے کچھ زری اور مالی پالیسی اصلاحات ضروری تھیں۔

اسٹیٹ بینک آف پاکستان کی طرف سے محتاط زری پالیسی موقف برقرار رکھتے ہوئے پالیسی ریٹ کو 22 فیصد کی تاریخی سطح پر رکھنے کے بعد رواں مالی سال میں زری پالیسی میں بتدریج نرمی کا آغاز ہوا۔

اسٹیٹ بینک آف پاکستان کی زری پالیسی کمیٹی (ایم پی سی) نے 12 ستمبر، 2024 کو اپنے اجلاس میں پالیسی ریٹ میں 200 بی پی ایس کمی کر کے 17.50 فیصد کرنے کا فیصلہ کیا جس سے بعد کے دو ماہ میں افراط زر میں تیزی سے کمی ہوئی جس نے کمیٹی کی توقعات کو پیچھے چھوڑ دیا۔ افراط زر میں کمی کی بنیادی وجہ توانائی کی انتظامی قیمتوں میں مجوزہ اضافہ پر عمل درآمد میں تاخیر کے ساتھ ساتھ عالمی سطح پر آئل اور خوراک کی قیمتوں میں موزوں رجحان ہے۔ حالیہ اقتصادی پیشرفتوں اور افراط زر کے منظرنامے کے ممکنہ خدشات کے پیش نظر زری پالیسی کمیٹی (ایم پی سی) نے اس بات کا جائزہ لیا کہ حقیقی سود کی شرح اب بھی مناسب طور پر مثبت ہے۔ اس سے افراط زر کو درمیانی مدت کے ہدف سات سے پانچ فیصد تک لانے اور مجموعی معاشی استحکام کو یقینی بنانے میں مدد ملے گی۔ کمیٹی کا یہ تجزیہ ملک میں مالیاتی توازن برقرار رکھنے اور مہنگائی کے طویل مدتی اثرات کو قابو میں رکھنے کے لیے اہم ہے۔

اگست 2024 کے لئے قومی سطح پر قیمتوں کا حساس اشاریہ سالانہ بنیاد پر 9.64 فیصد پر آ گیا جبکہ جولائی 2024 میں یہ 11.09 فیصد تھا جو اگست 2023 میں 27.38 فیصد سے نمایاں طور پر کم ترین ہے۔ اس سے مالی سال 2025 کے دو ماہ کے لئے قومی سطح پر قیمتوں کا حساس اشاریہ اوسطاً 10.36 ہو گیا۔

ماہانہ بنیادوں پر این سی پی آئی میں 0.39 فیصد اضافہ ہوا جس کی بنیادی وجہ فوڈ آئٹمز کی بہت زیادہ قیمتوں اور دیگر شعبوں میں قیمتوں میں عمومی اضافہ کی بدولت فوڈ انڈیکس میں 1.46 اضافہ ہے۔شہری اور دیہی علاقوں کیلئے قیمتوں کا حساس اشاریہ بالترتیب 11.71 فیصد اور 6.73 فیصد رہا جبکہ ماہ کے دوران خوراک اور دیگر ضروری اشیاء کی قیمتوں میں اضافہ دیکھنے کو ملا، مجموعی سی پی آئی میں کمی دیکھی گئی، جس کی وجہ ایک بلند بنیادی اثر اور ماہانہ بنیادوں پر ہاؤسنگ انڈیکس میں 1.40 فیصد کی کمی تھی۔ مستقبل میں توقع کی جا رہی ہے کہ مہنگائی میں کمی کا سلسلہ جاری رہے گا جس کی مدد سخت مالیاتی اور مانیٹری پالیسی سے ہوگی۔

بیرونی سطح پر حسابات جاریہ میں گزشتہ ماہ میں 246 ملین ڈالر کے نظر ثانی شدہ خسارے کے مقابلے میں اگست 2024 میں 75 ملین ڈالر کا سرپلس ریکارڈ کیا گیا۔اس سے حسابات جاریہ کا خسارہ مالی سال 2025 کے پہلے دو ماہ کیلئے 171 ملین ہو گیا جو گزشتہ سال کی اسی مدت کے دوران 893 ملین ڈالر کے سے 81 فیصد کی شاندار کمی کو ظاہر کرتا ہے۔ حسابات جاریہ کے خسارے میں قابل ذکر کمی کی بنیادی وجہ تجارتی خسارے میں کمی، بیرونی ممالک سے ترسیلات زر میں اضافہ اور دیگر کرنٹ منتقلیاں ہیں۔ مالی سال 2024 میں کل درآمدات 63.28 بلین ڈالر رہی جو گزشتہ سال کے مقابلے میں 3 فیصد زیادہ ہے۔ تاہم اس اضافے کا ازالہ مجموعی برآمدات میں نمایاں اضافے سے ہوا، جو 38.90 ارب امریکی ڈالر تک پہنچ گئیں، جس میں سالانہ بنیادوں پر 10% کی نمو دیکھی گئی۔

اس کے علاوہ مستحکم شرح مبادلہ کے نتیجہ میں بیرون ملک سے ترسیلات زر میں اضافہ ہو جو مالی سال 2024 میں 30.25 بلین ڈالر رہے۔ یہ گزشتہ سال کی اسی مدت میں 27.33 بلین ڈالر کے مقابلے میں 11 فیصد زیادہ ہے۔ بیرونی سطح پر بہتری تجارت اور ترسیلات زر میں مثبت رفتار کی طرف اشارہ کرتی ہے جس سے ملک کے ادائیگیوں کے توازن اور مجموعی معاشی استحکام میں مدد ملی۔

ایس بی پی کی طرف سے جاری اعداد و شمار کے مطابق مالی سال 2024 کے اختتام پر مرکزی بینک کے پاس غیر ملکی زرمبادلہ کے 9.39 بلین ڈالر کے ذخائر کے ساتھ ملک کے غیر ملکی زرمبادلہ کے کل ذخائر 14.00 بلین ڈالر ہو گئے جس میں مالی سال کے آغاز میں 53 فیصد کا قابل ذکر اضافہ ہوا۔ یہ اضافہ بنیادی طور پر آئی ایم ایف کے اسٹینڈ بائی ارینجمنٹ کے تحت قسطوں کی ادائیگی اور دوست ممالک سے موصول ہونے والی رقوم کی بدولت ہوا ہے۔اس کے علاوہ اس نمو کو برآمدی آمدنی اور بیرون ملک مقیم پاکستانیوں کی ترسیلات زر میں اضافے نے بھی مضبوط کیا ہے۔ زرمبادلہ کے ذخائر میں اس اضافے سے نہ صرف ملک کی بیرونی مالیاتی ذمہ داریوں کو پورا کرنے کی صلاحیت میں بہتری آئی ہے بلکہ پاکستان کی معاشی صورتحال پر سرمایہ کاروں کے اعتماد میں بھی اضافہ متوقع ہے۔ فی الحال 20 ستمبر 2024 تک مجموعی زرمبادلہ کے ذخائر 14.87 ارب امریکی ڈالر ہیں۔

مالی سال 2024 کے دوران فیڈرل بورڈ آف ریونیو نے 9,306 بلین روپے کا ٹیکس اکٹھا کیا جو ٹیکس وصولی کے مقرر کردہ ہدف 9252 بلین روپے سے 54 بلین روپے زیادہ ہے جبکہ گزشتہ سال کی اسی مدت کے مقابلے میں 30 فیصد کی نمو کو ظاہر کرتا ہے۔ مالی سال 2024 کے لیے 9,252 ٹریلین روپے کا ٹیکس وصولی کا ہدف مقرر کیا گیا ہے، جو پچھلے سال کے مقابلے میں تقریباً 29 فیصد زیادہ ہے۔اس ہدف کو حاصل کرنے کے لیے ایف بی آر مسلسل کوششیں کر رہا ہے جن میں ٹیکس کے دائرہ کار کو وسیع کرنا اور ان شعبوں پر ٹیکس عائد کرنا شامل ہے جو روایتی طور پر کم ٹیکس ادا کرتے رہے ہیں۔اس دوران حکومت کی مالیاتی پالیسی کا مرکز بنیادی توازن کے اضافے کو برقرار رکھنا رہا ہے جو مالیاتی نظم و نسق اور استحکام کا مظہر ہے۔ یہ نظم و نسق بین الاقوامی مالیاتی اداروں سے

مسلسل حمایت حاصل کرنے کے لیے ضروری ہے۔

حکومت کی طرف سے غیر ملکی سرمایہ کاری کو ملک میں راغب کرنے کیلئے مسلسل کوششیں، شرح مبادلہ میں استحکام نے اب تک حوصلہ افزاء نتائج دیئے ہیں جس کا ثبوت مالی سال 2024 میں 1,519 ملین ڈالر کی خالص غیر ملکی سرمایہ کاریاں ہیں جس میں سالانہ بنیادوں پر 153 فیصد اضافہ ہوا۔ 2,022 کی کل غیر ملکی سرمایہ کاری میں چین اور ہانگ کانگ کی سرمایہ کاری 927 ملین ڈالر رہی جو کل سرمایہ کاری کا 46 فیصد ہے۔ دیگر نمایاں سرمایہ کار ملکوں میں برطانیہ اور امریکہ ہے جنہوں نے 286 ملین ڈالر (14 فیصد) اور 184 ملین ڈالر (9 فیصد) سرمایہ کاری کی۔ یہ اعداد و شمار متنوع سرمایہ کاروں کی نشاندہی کرتے ہیں اور بڑے عالمی کمپنیوں کیلئے پاکستان کے سازگار سرمایہ کاری ماحول کو اجاگر کرتے ہیں۔

ایکویٹی مارکیٹ کا جائزہ

مالی سال 2024-2023 کے دوران ایکویٹی مارکیٹ نے غیر معمولی کارکردگی کا مظاہرہ کرتے ہوئے 78,445 کے اختتامی بینچ مارک انڈیکس کے ساتھ 89.24 فیصد کے شاندار ریٹرن کیلئے 36,992 پوائنٹس حاصل کئے۔ اس ترقی کے بہت ساری بنیادی عوامل ہیں۔ مارکیٹ میں ترقی کے رجحان کی بنیاد بہتر ہونے والے میکرو اکنامک اشاریوں پر تھی جن میں کرنسی کی مضبوطی شامل ہے جبکہ حکومت کی جانب سے ملک کی طویل مدتی پائیداری کو یقینی بنانے کے لیے اہم اقدامات کیے گئے۔ سرمایہ کاروں کے مثبت رجحانات کو مزید تقویت آئی ایم ایف اسٹینڈ بائی ارینجمنٹ کی کامیابی سے تکمیل، نئی حکومت کے بروقت قیام اور مہنگائی میں نمایاں کمی سے ملی جومئی 2024 میں 30 ماہ کی کم ترین سطح 11.76 فیصد سالانہ پر پہنچ گئی۔ اس سے ملک میں مزید مستحکم اقتصادی ماحول کی تشکیل میں مدد ملی۔

حسابات جاریہ کے خسارے میں سالانہ بنیادوں پر 80 فیصد کمی اور مئی 2024 میں بیرون ملک سے 3.24 بلین ڈالر کے ترسیلات زر کے ساتھ بیرونی کھاتوں میں بھی نمایاں بہتر دیکھنے کو ملی۔ اس کے علاوہ پاکستانی روپے کی امریکی ڈالر کے مقابلے میں قدر میں 3 فیصد کی بہتری، مالیاتی سائیکل میں واپسی کا آغاز اور سخت بجٹ اقدامات جو آئی ایم ایف فنڈنگ کے تسلسل کی راہ ہموار کر رہے ہیں، مجموعی طور پر مارکیٹ کے رجحانات کیلئے مثبت ثابت ہوئے۔

مدت کے دوران سرمایہ کاروں کی شراکت میں سالانہ بنیادوں میں 138 فیصد کا نمایاں اضافہ ہوا۔ گزشتہ سال کی اسی مدت کے 191 ملین حصص کے مقابلے میں یومیہ کاروباری حجم 455 ملین حصص رہا۔ غیر ملکی انویسٹرز پورٹ فولیو انویسٹمنٹ (ایف آئی پی آئی) میں نمایاں نمو ہوئی۔ غیر ملکی سرمایہ کاروں نے 140.77 ملین ڈالر کی سرمایہ کاری کی گئی جو گزشتہ سال میں 1.57 ڈالر کا قابل ذکر اضافہ ظاہر کرتا ہے۔ غیر ملکی سرمایہ کاروں کی طرف سے کمرشل بینکوں (59.81 ملین ڈالر)، فرٹیلائزر (18.44 ملین ڈالر) اور پاور جنریشن اینڈ ڈسٹری بیوشن (16.48 ملین ڈالر) میں نمایاں سرمایہ کاری کی گئی۔ مقامی سطح پر سے زیادہ خرید صرف بیمہ کمپنیوں اور کارپوریشن رہی جن میں 126.34 ملین ڈالر اور 35.65 ملین ڈالر کے حصص خریدے گئے۔ اسی طرح بینکوں/ڈی ایف آئیز، انفرادی کمپنیوں اور میوچل فنڈز میں حصص فروخت کئے گئے جو بلترتیب 141.29 ملین ڈالر، 59.63 ملین ڈالر اور 46.92 ملین ڈالر رہی۔

مدت کے دوران جن شعبوں نے بہتر کارکردگی دکھائی ان میں کمرشل بینک (114.78 فیصد)، آئل اینڈ گیس ایکسپلوریشن کمپنیز (72.53 فیصد) فوڈ اینڈ پرسنل کیئر پروڈکٹس (60.40 فیصد)، فرٹیلائزر (65.35 فیصد) اور سیمنٹ (59.27 فیصد) شامل ہے جبکہ مندی کا شکار رہنے والی کمپنیوں میں کیمیکل (

منفی 49.11 فیصد) مضاربہ (منفی 42.13 فیصد)، پراپرٹی (منفی 6.54 فیصد) اور وانا سپتی اینڈ الائیڈ انڈسٹریز (منفی 1.72 فیصد) شامل ہیں۔

دس سالہ مدت کے دوران کے ایس ای-100 انڈیکس کا سالانہ منافع 10.2 فیصد رہا۔ تاہم اسی مدت کے دوران امریکی ڈالر کی قدر میں سالانہ بنیادوں پر 10 فیصد اضافہ ہوا جس نے غیر ملکی سرمایہ کاروں نے پاکستان کی ایکویٹی مارکیٹ سے سرمایہ لگانے سے روکے رکھا۔ مالی سال 2024 میں اس رجحان میں تبدیلی آئی، پاکستانی روپے کی قدر میں امریکی ڈالر کے مقابلے میں 3 فیصد بہتر ہوئی جو جون 2024 کے اختتام پر 278.34 رہا۔ کرنسی کے استحکام سے غیر ملکی سرمایہ کاری میں نئی دلچسپی پیدا ہوئی جس کا ثبوت اس مدت کے دوران غیر ملکی سرمایہ کاروں کی طرف سے حصص کی خریداری ہے۔ اس لیے اس کرنسی کی استحکام کو یقینی بنانا نئی حکومت کے لیے ایک اہم کام بن جاتا ہے جس کے لیے اس مثبت رجحان کو برقرار رکھنے اور بڑھانے کے لیے حکمت عملی کے تحت انتظامی اقدامات کی ضرورت ہے۔ یہ اقدامات نہ صرف معاشی ترقی میں مدد کریں گے بلکہ سرمایہ کاروں کے اعتماد کو بھی مستحکم کریں گے۔

آگے بڑھتے ہوئے ایکویٹی مارکیٹ کا آؤٹ لک ملک کے مستحکم اور بہتر ہوتے میکرو اکنامک حالات کی وجہ سے حوصلہ افزاء ہے۔ اس کے علاوہ آئی ایم ایف کے نئے پروگرام کی منظوری میں پیش رفت اور دیگر ذرائع سے ممکنہ مالی معاونت سے مارکیٹ کیلئے بڑا محرک ثابت ہوسکتا ہے۔ تاہم سیاسی غیر یقینی صورتحال پالیسیوں یا اصلاحات میں سست روی اور تاخیر کا باعث اور اقتصادی اور مارکیٹ کی کارکردگی پر منفی اثرات مرتب کرسکتی ہے۔ اگرچہ عمومی رجحانات حوصلہ افزاء ہیں لیکن سرمایہ کاروں کو ان چیلنجز کے حوالے سے محتاط اور متوجہ رہنا چاہیے۔ ان خطرات کے باوجود محتاط سرمایہ کاری اور موجودہ حالات پر نظر رکھنا سرمایہ کاروں کے لیے اہم ہے تاکہ وہ ممکنہ منفی اثرات سے بچ سکیں۔

فکسڈ انکم کا جائزہ

سال کے دوران اسٹیٹ بینک آف پاکستان نے تسلسل کے ساتھ محتاط زری پالیسی موقف اختیار کئے رکھا اور پالیسی ریٹ کو 22 فیصد کی تاریخی بلند ترین سطح پر برقرار رکھا تاہم جون 2024 میں اس میں کمی کی گئی۔ یہ محتاط رویہ جاری مہنگائی کے دباؤ کی وجہ سے ناگزیر تھا جو کہ حالیہ چند ماہ میں نمایاں کمی کے باوجود بلند رہی۔ اس مدت کے لیے اوسط قیمتوں کا حساس اشاریہ جون 2024 کے مطابق 23.41 فیصد سالانہ رہا۔

سال کے دوران پالیسی ریٹ کو بلند ترین سطح پر رکھنے کا نتیجہ حکومتی ڈیبٹ سیکورٹیز پر بہت زیادہ منافع کی صورت میں نکلا۔ نتیجتاً ان سیکورٹیز نے سرمایہ کاروں کو بڑی حد تک راغب کیا کیونکہ سرمایہ کار حکومتی ڈیبٹ سیکورٹیز پر زیادہ منافع چاہتے ہیں۔

مدت کے دوران ایس بی پی نے مارکیٹ ٹریژری بل (ایم ٹی بی) کی 26 نیلامیاں کی جس سے حکومت 21.10 ٹریلین روپے کے ہدف کے مقابلے میں 21.68 ٹریلین روپے حاصل کرنے کے میں کامیاب ہوئی۔ قابل ذکر بات ہے کہ 3,6 , 12 ماہ کے ایم ٹی بیز کی اوسط آمدن گزشتہ سال کی اسی مدت کے 18.07 فیصد، 18.03 فیصد اور 18.07 فیصد کے مقابلے میں 21.69 فیصد، 21.61 فیصد اور 21.41 فیصد رہی جو اسی ترتیب کے ساتھ 362 بی پی ایس، 358 بی پی ایس اور 334 بی پی ایس زیادہ تھی۔

سرمائے کی ضرورت پر مزید توجہ دیتے ہوئے سٹیٹ بینک آف پاکستان نے فکسڈ ریٹ پاکستان انویسٹمنٹ بانڈ (پی آئی بی) کی 12 نیلامیاں منعقد کرائیں

اوران کے ذریعے 1.49 ٹریلین روپے جمع کرنے میں کامیاب ہوا۔ 3، 5 اور 10 سال کی پی آئی بی کی حقیقی اوسط آمدن گزشتہ سال کی اس مدت کی آمدن 15.22 فیصد، 13.22 فیصد اور 12.94 فیصد کے مقابلہ میں 17.70 فیصد، 15.62 فیصد اور 14.28 فیصد رہی جو اسی ترتیب کے ساتھ 248 بی پی ایس 229 بی پی ایس اور 134 فیصد زیادہ تھی۔

شریعہ کمپلائنٹ انسٹرومنٹ کیلئے مارکیٹ میں کیپٹل مارکیٹس کے ذریعے حکومتی اجارہ سکوک کی بنیادی مارکیٹ نیلامیاں کرنے کے فیصلہ کے ساتھ سنگ میل عبور کیا گیا۔ اس اقدام کا مقصد حکومتی ڈیبٹ سیکورٹیز کیلئے سرمایہ کاروں کی تعداد بڑھانا، شفافیت میں اضافہ اور مسابقتی قیمتوں کو فروغ دینا ہے۔ حکومتی اجارہ سکوک کیلئے 16 نیلامیاں منعقد کی گئیں جن میں پاکستان اسٹاک ایکس چینج کے ذریعے بھی منعقد کی گئیں۔ ویرایبل رینٹل ریٹ (وی آر آر) اور فکسڈ رینٹل ریٹ (ایف آر آر) پر مشتمل نیلامیوں سے 2 ٹریلین روپے کے ہدف کے برخلاف 1.89 ٹریلین روپے اکھٹے کرنے میں کامیاب حاصل ہوئی۔

آگے بڑھتے ہوئے ستمبر تا نومبر 2024 کے نیلامی کیلنڈر کے مطابق سٹیٹ بینک آف پاکستان 3 سے 12 ماہ کی مدت کے ایم ٹی بی کے اجرا سے 4.59 ٹریلین روپے کی رقم میچور کرنے کے برخلاف 3.48 ٹریلین روپے حاصل کرنے کا ہدف رکھتا ہے۔ اس کے علاوہ سٹیٹ بینک آف پاکستان اسی مدت کے دوران 2 سے 10 سال کی مدت کے فکسڈ ریٹ پی آئی بی کے ذریعے 534 بلین روپے کے میچورنگ رقم کے برخلاف 500 ارب روپے اور 2 سے 10 سال کی مدت کے فلوٹنگ ریٹ پی آئی بیز کے ذریعے 2.32 ٹریلین روپے بھی جمع کرنے کا ہدف رکھتا ہے۔ اس کے علاوہ پاکستان اسٹاک ایکس چینج نے حکومتی اجارہ سکوک کی فروخت کیلئے نیلامیوں کے اعلان کا نوٹس جاری کیا ہے جس میں 860 بلین روپے کے حصول کا ہدف ہے۔

کارپوریٹ اور فنانشل رپورٹنگ فریم ورک کا بیانیہ

اے۔ کمپنی کی طرف سے تیار کردہ مالیاتی گوشوارہ فنڈ کے امور کی صورتحال، اس کے آپریشنز کے نتائج، رقوم کی منتقلی اور یونٹ ہولڈرز کے فنڈز کی سرگرمیوں کی بڑی واضح تصویر پیش کرتا ہے۔

بی۔ فنڈ کے اکاؤنٹ کا باقاعدہ حساب کتاب رکھا گیا ہے۔

سی۔ مالیاتی گوشواروں اور معقول اور دانشمندانہ اندازوں کی بنیاد پر مالیاتی گوشواروں کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کا تسلسل کے ساتھ اطلاق کیا گیا۔

ڈی۔ مالیاتی گوشواروں کی تیاری میں پاکستان میں قابل اطلاق انٹرنیشنل فنانشل رپورٹنگ سٹینڈرڈز کی پیروی کی گئی اور جہاں بھی ان معیارات سے انحراف کیا گیا وہاں اس کا واضح طور پر اظہار کر دیا گیا۔

ای۔ اندرونی کنٹرول کا نظام اپنے ڈیزائن کے لحاظ سے مضبوط ہے اور اس کی موثر نگرانی کی جاتی ہے۔

ایف۔ فنڈ کے بطور ادارہ کام کرتے رہنے کی اہلیت پر کوئی خاص شکوک موجود نہیں۔

جی۔ مالیاتی گوشواروں میں قانونی ادائیگیاں، ٹیکسز، ڈیوٹیز، لیویز اور چارجز اگر کوئی تھے تو وہ مالیاتی گوشواروں میں واضح انداز میں بیان کر دیئے گئے ہیں۔

ایچ۔ بنیادی مالیاتی اعداد و شمار/کارکردگی کے جدول فنڈ کے مالیاتی گوشواروں کے ساتھ منسلک کئے گئے ہیں۔

آئی۔ یونٹ ہولڈنگز کا پیٹرن فنڈز کے مالیاتی گوشواروں کے ساتھ منسلک ہے۔

ج۔ بورڈ آف ڈائریکٹرز اور آڈٹ کمیٹی کے اجلاسوں میں ڈائریکٹرز کی شرکت کی تفصیل ذیل میں دی گئی ہے۔

نمبر شمار	ڈائریکٹر کا نام	اجلاس میں شرکت						
		30 اپریل 2024	29 مارچ 2024	31 اکتوبر، 2023	22 ستمبر، 2023	5 جولائی، 2023	شرکت	رخصت
1.	عبدالکریم						2	0
2.	عمران موتی والا						5	0
3.	انعم ڈھیڈی						4	1
4.	حسن احمد						5	0
5.	عائشہ احمد						5	0
6.	علی وہاب صدیقی						4	1
7	عابد حسین						4	1
8	خالد محمود*						3	0

* ڈائریکٹر عبدالکریم میمن کے سبکدوش ہونے کے بعد ان کی جگہ 10 اکتوبر، 2023 کو منتخب ہوئے

نمبر شمار	ڈائریکٹر کا نام	اجلاس میں شرکت					
		29 اپریل 2024	29 مارچ 2024	31 اکتوبر، 2023	22 ستمبر 2023	شرکت	رخصت
1.	علی وہاب صدیقی					4	0
2.	حسن احمد					4	0
3.	عائشہ احمد*					3	0
4	عابد حسین *					2	0

** 31 اکتوبر 2023 کو مقرر کیا گیا۔ *29 مارچ 2024 کو مقرر کیا گیا۔

ک۔ مینجمنٹ کمپنی کے ڈائریکٹرز، سی ای او، سی ایف او، سی آئی او، سی او او، کمپنی سیکرٹری اور ان کی شریک حیات اور کمسن بچوں نے فنڈز کے یونٹس میں کوئی لین دین نہیں کیا ماسوائے ذیل میں درج کے اور یہ مالیاتی گوشواروں کے نوٹ میں موجود ہے۔

نمبر شمار	ٹریڈ کنندہ	عہدہ	سرمایہ کاری (یونٹوں کی تعداد)	کیش کرائے گئے یونٹوں کی تعداد
اے کے ڈی اپر چونیٹی فنڈ				
1	خالد محمود	ڈائریکٹر	195,055	
2	شفاء خالد	شریک حیات۔ڈائریکٹر	58,425	33,819
اے کے ڈی اسلامک انکم فنڈ				
1	عمران موتی والا	سی ای او اور ڈائریکٹر	86,219	86,261
2	سحر عمران موتی والا	شریک حیات۔سی ای او اور ڈائریکٹر	389,269	390,328
3	ملیحہ یعقوب	شریک حیات۔سی او او اور کمپنی سیکرٹری	53,616	53,616
4	شفاء خالد	شریک حیات۔ڈائریکٹر	59,820	92,239
5	خالد محمود	ڈائریکٹر	782	307,641
6	علی وہاب صدیقی	ڈائریکٹر	178,776	93,530
6	محمد آمین یعقوب	کمسن بچہ۔سی او او اور کمپنی سیکرٹری		424
7	عبدالرحمٰن یعقوب	کمسن بچہ۔سی او او اور کمپنی سیکرٹری		424
8	عائشہ یعقوب	کمسن بچہ۔سی او او اور کمپنی سیکرٹری		424
اے کے ڈی کیش فنڈ				
1	عمران موتی والا	سی ای او اور ڈائریکٹر	61,131	61,131
2	سحر عمران موتی والا	شریک حیات۔سی ای او وڈائریکٹر	558,283	612,900
گولڈن ایرو اسٹاک فنڈ				
1	علی وہاب صدیقی	دائریکٹر	374,012	
2	خالد محمود	ڈائریکٹر	199,580	
3	شفاء خالد	شریک حیات۔ڈائریکٹر		59,701

مینجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز کی تشکیل

i۔ ڈائریکٹرز کی مجموعی تعداد درج ذیل ہے:

(اے) مرد	5
(بی) خواتین	2

ii۔ بورڈ آف ڈائریکٹرز کی تشکیل درج ذیل ہے:

آزاد ڈائریکٹرز	2
نان ایگزیکٹو ڈائریکٹرز	5
ایگزیکٹو ڈائریکٹرز	2
خاتون ڈائریکٹرز	2

مینجمنٹ کمپنی کی ریٹنگ

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (پی اے سی آر اے) نے اے کے ڈی انویسٹمنٹ مینجمنٹ لمیٹڈ (اے کے ڈی آئی ایم ایل) کو 27 جون، 2024 کو AM3++ (اے ایم تھری پلس پلس) کی ایسٹ مینجر ریٹنگ دی ہے۔

فنڈز کی ریٹنگ

اے کے ڈی اپرچونیٹی فنڈ

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (پی اے سی آر اے) نے اے کے ڈی اپرچونیٹی فنڈ (اے کے ڈی او ایف) کو 16 فروری 2024 کو (گزشتہ 36 ماہ (3 سال) اور گزشتہ 60 ماہ (5 سال) کی مدت کے لئے کارکردگی کی بنیاد پر) طویل مدتی درجہ میں 3 سٹار پرفارمنس رینکنگ دی ہے اور (31 دسمبر 2023 کو ختم ہونے والی گزشتہ 12 ماہ (1 سال) کی مدت کے لئے کارکردگی کی بنیاد پر قلیل مدتی درجہ میں 2 سٹار پرفارمنس رینکنگ دی ہے۔

اے کے ڈی کیش فنڈ

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (پی اے سی آر اے) نے اے کے ڈی کیش فنڈ (اے کے ڈی سی ایف) کو 7 مارچ 2024 کو 31 دسمبر 2023 کو ختم ہونے والی مدت کے لئے AA+(f) (ڈبل اے پلس فنڈ سٹیبلیٹی ریٹنگ) دی ہے۔

اے کے ڈی ایگریسو انکم فنڈ

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (پی اے سی آر اے) نے اے کے ڈی ایگریسو انکم فنڈ (اے کے ڈی اے آئی ایف) کو 7 مارچ 2024 کو 31 دسمبر 2023 کو ختم ہونے والی مدت کے لئے A+(f) (سنگل اے پلس فنڈ سٹیبلیٹی ریٹنگ) دی ہے۔

گولڈن ایرو سٹاک فنڈ

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (پی اے سی آر اے) نے گولڈن ایرو سٹاک فنڈ (جی اے ایس ایف) کو 16 فروری 2024 کو (گزشتہ 36 ماہ (3 سال) اور گزشتہ 60 ماہ (5 سال) کی مدت کے لئے کارکردگی کی بنیاد پر طویل مدتی درجہ میں 4 سٹار پرفارمنس رینکنگ دی ہے اور 31 دسمبر 2023 کو ختم

ہونے والی گزشتہ 12 ماہ (1 سال) کی مدت کے لئے کارکردگی کی بنیاد پرقلیل مدتی درجہ میں 3 سٹار پرفارمنس ریٹنگ دی ہے۔

اے کے ڈی اسلامک انکم فنڈ

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (پی اے سی آر اے) نے اے کے ڈی اسلامک انکم فنڈ (اے کے ڈی آئی ایس آئی ایف) کو 7 مارچ 2024 کو 31 دسمبر 2023 کو ختم ہونے والی مدت کے لئے AA-(f) (ڈبل اے مائنس فنڈ سٹیبلیٹی ریٹنگ) دی ہے۔

اے کے ڈی اسلامک سٹاک فنڈ

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (پی اے سی آر اے) نے اے کے ڈی اسلامک سٹاک فنڈ (اے کے ڈی آئی ایس ایس ایف) کو 16 فروری 2024 کو (گزشتہ 36 ماہ (3 سال) اور گزشتہ 60 ماہ (5 سال) کی مدت کے لئے کارکردگی کی بنیاد پر) طویل مدتی درجہ میں 4 سٹار پرفارمنس ریٹنگ دی ہے اور (31 دسمبر 2023 کو ختم ہونے والی گزشتہ 12 ماہ (1 سال) کی مدت کے لئے کارکردگی کی بنیاد پرقلیل مدتی درجہ میں 4 سٹار پرفارمنس ریٹنگ دی ہے۔

اے کے ڈی اسلامک ڈیلی ڈیویڈنڈ فنڈ

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (پی اے سی آر اے) نے اے کے ڈی اسلامک ڈیلی ڈیویڈنڈ فنڈ (اے کے ڈی آئی ڈی ڈی ایف) کو 7 مارچ 2024 کو 31 دسمبر، 2023 کو ختم ہونے والی مدت کیلئے AA(f) (ڈبل اے فنڈ سٹیبلیٹی ریٹنگ) دی ہے۔

ہولڈنگ کمپنی

اے کے ڈی گروپ ہولڈنگز (پرائیویٹ) لمیٹڈ (قبل ازیں: عقیل کریم ڈھیڈی سیکیورٹیز (پرائیویٹ) لمیٹڈ) اے کے ڈی انویسٹمنٹ مینجمنٹ لمیٹڈ کی ہولڈنگ کمپنی ہے اور کمپنی کے 99.97 فیصد آؤٹ سٹینڈنگ عمومی حصص رکھتی ہے۔

آڈیٹرز کی تعیناتی

موجودہ میسرز یوسف عادل چارٹرڈ اکاؤنٹنٹس اے کے ڈی اپرچونیٹی فنڈ، اے کے ڈی انڈیکس ٹریکر فنڈ، اے کے ڈی کیش فنڈ، اے کے ڈی ایگریسو انکم فنڈ اور اے کے ڈی اسلامک ڈیلی ڈیویڈنڈ فنڈ کے آڈیٹرز کی حیثیت سے اپنی پانچ سالہ مدت مکمل کر کے سبکدوش ہو رہے ہیں۔ کوڈ آف گورننس کے تقاضوں کے مطابق رواں سال آڈیٹرز کی تبدیلی لازمی ہے۔

بورڈ نے آڈٹ کمیٹی کی سفارش پر میسرز بی ڈی او ابراہیم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو سال 2024-2025 کے لیے اے کے ڈی انڈیکس ٹریکر فنڈ، اے کے ڈی اپرچیونٹی فنڈ، اے کے ڈی ایگریسیو انکم فنڈ اور اے کے ڈی کیش فنڈ کا قانونی آڈیٹرز مقرر کیا ہے۔

بورڈ نے آڈٹ کمیٹی کی سفارش پر میسرز ریاض احمد اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کی سال 2024-2025 کیلئے گولڈن ایرو اسٹاک فنڈ، اے کے ڈی

ایگریسیوانکم فنڈ (اے کے ڈی اے آئی ایف) اوراے کے ڈی کیش فنڈ (اے کے ڈی سی ایف) کے قانونی آڈیٹرز کی حیثیت سے دوبارہ تقرری کی جبکہ اے کے ڈی اسلامک ڈیلی ڈیویڈنڈ فنڈ کا آڈیٹر مقرر کیا ہے۔

بورڈ نے آڈٹ کمیٹی کی سفارش پر میسرز ریاض احمد اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو 2025-2024 کیلئے اے کے ڈی انویسٹمنٹ مینجمنٹ لمیٹڈ کا قانونی آڈیٹرز مقرر کیا ہے۔ میسرز یوسف عادل، چارٹرڈ اکاؤنٹنٹس اپنی پانچ سالہ مدت مکمل کرنے کے بعد ریٹائر ہو رہے ہیں۔

اظہار تشکر

ڈائریکٹرز اس موقع پر سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، وزارت خزانہ، اسٹیٹ بینک آف پاکستان اور پاکستان سٹاک ایکسچینج کی انتظامیہ کی طرف سے مسلسل معاونت اور تعاون پر ان کا شکریہ ادا کرتے ہیں۔ بورڈ اے کے ڈی انویسٹمنٹ مینجمنٹ لمیٹڈ کے عملہ اور افسران کی مخلصانہ کارکردگی کو بھی سراہتا ہے۔ بورڈ کمپنی پر اعتماد کا اظہار کرنے والے سرمایہ کاروں کا بھی شکرگزار ہے۔

مستقبل کی پیش بینی

آئی ایف ایم کے 7 بلین ڈالر کے توسیع فنڈ سہولت پروگرام کا مقصد سال کے دوران ایس بی اے کے تحت حاصل ہونے والے معاشی استحکام سے فائدہ اٹھانا ہے جس میں سرکاری مالیات کو مضبوط بنانا، افراط زر کو کم کرنا، غیر ملکی زرمبادلہ کے ذخائر کو بحال کرنا اور معاشی بگاڑ کو ختم کرکے ترقی کے لئے راہیں ہموار کرنا ہے۔ پروگرام کے کلیدی شعبوں میں توانائی کے شعبے میں اصلاحات، لچکدار زرِمبادلہ کی شرح کو برقرار رکھنا، مالی اور مانیٹری پالیسی کو مضبوط کرنا، ٹیکس کے دائرے کو وسیع کرنا اور سرکاری ملکیتی اداروں کی مینجمنٹ کو بہتر بنانا شامل ہیں۔ سرمایہ کاران اصلاحات کو گہری نظر سے دیکھ رہے ہیں تاکہ مستقبل کے معاشی منظرنامے اور مارکیٹ کی کارکردگی کے بارے میں رہنمائی اور معلومات حاصل کی جاسکے۔

جون 2024 میں زری پالیسی کمیٹی نے زری پالیسی اقدامات میں نرمی کرتے ہوئے شرح سود میں مجموعی طور پر 450 بیسس پوائنٹس کی کمی کی جو 22 فیصد کی تاریخی بلندترین شرح سے کم ہوکر 17.50 فیصد پر آ گئی ہے۔ یہ فیصلہ افراط زر میں توقع سے زیادہ تیزی سے کمی کے بعد کیا گیا جو اگست 2024 میں سالانہ بنیاد پر 9.64 فیصد پر آ گئی۔

محدود طلب، ضروری اشیاء کیلئے سپلائی چین میں بہتری، مالی اور زری اقدامات کو مربوط بنانے کیلئے جاری کوششیں، عالمی سطح پر اجناس کی موزوں قیمتیں، توانائی کی انتظامی قیمتوں میں ایڈجسمنٹ میں تاخیر اور موزوں بنیادی اثرات افراط زر میں کمی سے منسوب کیے جاسکتے ہیں۔ افراط زر میں کمی کا رجحان جاری ہے اور امید ہے اس میں مزید کمی ہوگی۔ تاہم اسے مستقبل میں توانائی کی قیمتوں میں انتظامی تبدیلیوں کے وقت اور حجم، عالمی کموڈیٹی مارکیٹس میں اتار چڑھا اور محصولات کی کمی کو پورا کرنے کے لیے ممکنہ نئے ٹیکس اقدامات سے خطرات درپیش ہیں۔

حکومت کے سالانہ منصوبہ 2024-2024 کے مطابق معاشی شرح نمو 3.6 فیصد ہونے کی توقع ہے۔ یہ شرح نمو انڈسٹری اور خدمات کے شعبوں اور زرعی شعبہ کی مضبوط کارکردگی کی بنا پر ممکن ہوئی جن کی شرح نمو بالترتیب 4..4 فیصد اور 4.1 فیصد جبکہ زرعی شعبہ کی نمو 2.0 فیصد تک ہونے کی توقع ہے۔ آگے بڑھتے ہوئے مارکیٹ کی کارکردگی کے اہم عوامل میں آئی ایم ایف کے بڑے پروگرام کی منظوری کے لیے بورڈ سے پیشرفت اور دیگر ذرائع سے ممکنہ مالی معاونت شامل ہیں جو سرمایہ کاروں کے اعتماد کو برقرار رکھنے کا باعث بن سکتے ہیں۔ تاہم سیاسی غیر یقینی صورتحال اور غیر ملکی شراکت داروں کی طرف سے مالی معاونت میں مزید تاخیر مارکیٹ کی کارکردگی کے لیے نمایاں منفی خطرات پیدا کرتی ہے۔

نتیجتاً، اسٹاک مارکیٹ مستقبل میں نمایاں منافع کے امکانات رکھتی ہے، کیونکہ یہ 3.9x کے کم فارورڈ پی ای پر ٹریڈ ہو رہی ہے اور 11 فیصد کی پرکشش منافع منقسمہ فراہم کر رہی ہے۔

برائے ومنجانب بورڈ

عمران موتی والا	خالد محمود
چیف ایگزیکٹو آفیسر	چیئرمین

FUND INFORMATION

AKD Islamic Income Fund

Management Company
AKD Investment Management Limited
216-217, Continental Trade Centre,
Block 8, Clifton, Karach - 74000

Legal Advisor
Sattar & Sattar
Attorneys-at-Law
3rd Floor, UBL Building
I.I Chundrigar Road, Karachi.

Trustee
Digital Custodian Company Limited (DCCL)
[Formerly: MCB Financial Services Limited (MCBFSL)]
4th Floor, Perdesi House, 2/1 R-Y Old Queens Road
Karachi-74200

Registrar
ITMinds Limited
Central Depository Company of Pakistan Limited,
CDC House, 99B, Block B, S.M.C.H.S,
Main Shahrah-e-Faisal, Karachi.

Bankers
Bankislami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
MCB Bank Limited

Distributor
Al-Hilal Securities Advisors (Pvt.) Ltd.
Financial Investments Mart (Pvt) Ltd.
Investlink Advisor (Private) Limited.
Investomate (Private) Limited
YPay Financial Services (Pvt.) Ltd.

Auditors
Riaz Ahmad and Company
Chartered Accountants
Office No. 5, 20th Floor, Bahria Town Tower
Block 2, P.E.C.H.S.
Karachi, Pakistan

Rating-AKDISIF
PACRA: AA-(f)

FUND MANAGER'S REPORT

i) Description of the Collective Investment Scheme Category and types:

Open – end Shariah Compliant Income Scheme

ii) Statement of Collective Investment Scheme's Investment objective:

AKD Islamic Income Fund (AKDISIF) is a fund that primarily focuses on Shariah compliant income securities and instruments. The objective of AKDISIF is to provide investors with an investment vehicle that strives to enhance capital coupled with regular halal income by investing in Shariah compliant income investments.

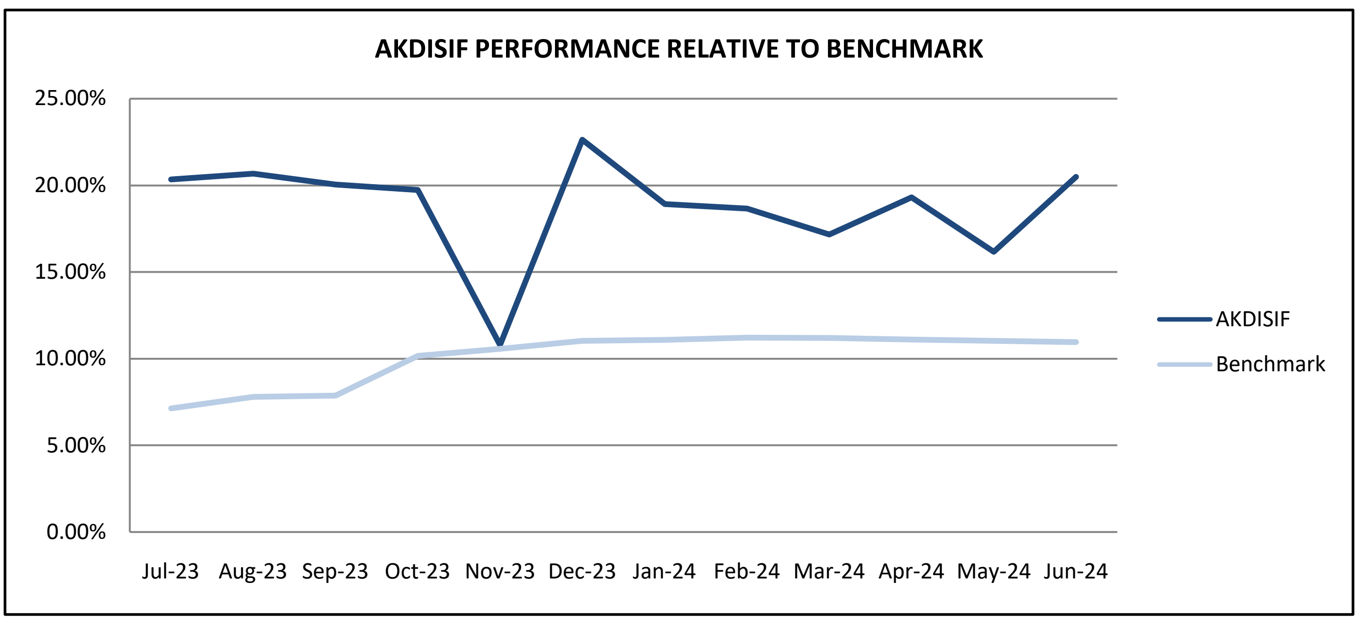
iii) Explanation as to whether Collective Investment Scheme achieved its stated objective:

For the FY24, the return of AKD Islamic Income Fundstood at20.52%compared to the benchmark return of10.10%.

iv) Statement of benchmark (s) relevant to the Collective Investment Scheme:

Six (6) months average deposit rates of three (3)A Rated Scheduled Islamic Banks or Islamic Windows of Conventional Banks as selected by MUFAP.

v) Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmark:



Monthly Return (annualized)	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24
AKDISIF	20.33%	20.67%	20.03%	19.73%	10.80%	22.62%	18.92%	18.65%	17.16%	19.30%	16.17%	20.48%
Benchmark	7.14%	7.80%	7.87%	10.17%	10.58%	11.03%	11.10%	11.22%	11.20%	11.11%	11.04%	10.97%

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

AKD Islamic Income Fund is an open – end Shariah Compliant Income Scheme. The returns of the fund are generated primarily through investment in government securities, Shariah Complaint corporate debt instruments,and Islamic bank deposits.AKDISIF is fully complied with the relevant policies and procedures as per fund's regulatory requirement.

vii) Disclosure of Collective Investment Scheme's asset allocation as the date of report and particulars of significant changes in asset allocation:

Asset Allocation (% of Total Assets)	30-Jun-24	30-Jun-23
Cash and Cash Equivalents	39.67%	20.13%
Sukuk	24.81%	22.78%
Commercial Papers / Short Term Sukuk	12.85%	40.93%
Govt. Backed/Guaranteed Securities	18.88%	0.75%
Spread Transactions	-	6.14%
Other Assets including Receivables	3.79%	9.27%

viii) Analysis of the Collective Investment Scheme's performance:

FY24 Return	20.52%
Benchmark Return	10.10%

ix) Changes in NAV and NAV per unit since the last reviewed period:

Net Assets Value			NAV Per Unit	
30-Jun-24	30-Jun-23	Change in Net Assets	30-Jun-24	30-Jun-23
(Rupees in 000)			(Rupees)	
1,707,773	1,308,931	30.47%	51.3594	50.8934

x) Disclosure on the markets that the Collective Investment Scheme has invested in including review of the market (s) invested in and return during the period:

MACRO PERSPECTIVE

Since the onset of FY24, Pakistan's economic growth prospects have shown marked improvement, supported by prudent policy measures enacted by the Government and the successful completion of the IMF Stand-by Arrangement program. This progress has facilitated the resumption of inflows and the rollover of debt from multilateral and bilateral partners, alleviating pressure on the current account. As anticipated, the Country's real GDP growth reached 2.38% in FY24, reflecting ongoing challenges as inflation persisted above the target range and certain monetary and fiscal policy reforms implemented, which were necessary to ensure financial stability amid elevated external and domestic financing needs. This fiscal year also marks the initiation of the monetary easing cycle, following a considerable period during which the State Bank of Pakistan (SBP) maintained a cautious monetary policy stance, keeping the policy rate at a historically high level of 22%.

In its last meeting on September 12, 2024, the Monetary Policy Committee (MPC) of the State Bank of Pakistan decided to further reduce the policy rate by 200 bps to 17.50%. The SBP premised its decision on sharp decline in inflation over preceding two months, which has somewhat outpaced the Committee's earlier expectations. This decline is primarily attributed to delays in implementing planned increases in administered energy prices, as well as favorable trends in global oil and food prices. In light of recent economic developments and potential risks to the inflation outlook, the MPC assessed that the real interest rate to still be adequately positive, positioning it to guide inflation toward the medium-term target of 5 – 7 percent and help ensure macroeconomic stability.

In August 2024, the National Consumer Price Index (NCPI) fell to a single-digit rate of 9.64% YoY, down from 11.09% in July 2024 and significantly lower than 27.38% in August 2023, taking the average inflation for the first two months of FY25 to 10.36%. On MoM basis, the NCPI increased by 0.39%, driven primarily by a 1.46% rise in the Food Index, attributed to higher prices of food items, and a general rise in prices across other sectors. Regionally, Urban and Rural CPI were recorded at 11.71% and 6.73%, respectively. While prices for food and other essential items saw an increase during the month, the overall CPI declined, influenced by a high base effect and a 1.40% reduction in the Housing Index on a MoM basis. Looking forward, inflation is projected to continue its downward trajectory, supported by a sufficiently tight fiscal and monetary policy.

On the external front, the current account recorded a surplus of USD 75 million in August 2024, compared to a revised deficit of USD 246 million in the previous month. This brings the Current Account Deficit (CAD) for the first two months of FY25 to USD 171 million, reflecting an impressive 81% reduction from USD 893 million during the same period last year. Furthermore, the CAD for FY24 was reported at USD 665 million, down significantly from USD 3.28 billion, marking an 80% YoY reduction. This noteworthy decline in the CAD is primarily driven by a decrease in the trade deficit with a marked increase in overseas workers' remittances and higher other current transfers. Total imports for FY24 amounted to USD 63.28 billion, a 3% increase compared to the previous year. However, this rise was more than offset by a significant increase in total exports, which reached USD 38.90 billion, reflecting a 10% YoY growth.

Moreover, a stable exchange rate has contributed to a boost in workers' remittances, which totaled USD 30.25 billion in FY24, representing an 11% increase from USD 27.33 billion in the same period last year. This improvement in the external sector indicates a positive momentum in trade and remittances, enhancing the country's balance of payments and overall economic stability.

According to the data released by the SBP, the foreign exchange reserves held by the central bank stood at USD 9.39 billion by the end of FY24, with the Country's liquid foreign exchange reserves reaching USD 14.00 billion. This marks a remarkable 53% increase since the beginning of the fiscal year. This surge can be primarily attributed to the disbursement of tranches under the IMF Stand-by Arrangement and other inflows from friendly countries. Additionally, this growth has been bolstered by an uptick in export earnings and elevated overseas workers' remittances. This increase in reserves not only enhances the Country's ability to meet its external obligations but is also likely to strengthen investor confidence in

Pakistan's economic prospects. Currently, the total liquid foreign exchange reserves are USD 14.87 billion as on September 20, 2024.

During FY24, the Federal Board of Revenue (FBR) collected PKR 9,306 billion, surpassing the ambitious assigned target of PKR 9,252 billion by a significant margin of PKR 54 billion, and registering a growth of 30% compared to the same period last year. With a tax collection target of PKR 9,252 trillion for FY24, ~29% higher from the previous year's collection, the FBR has been making continuous efforts such as broadening the tax base and imposing taxes on sectors historically under-taxed to achieve its goal. Meanwhile, the Government's fiscal policy has been centered on maintaining a primary balance surplus, demonstrating fiscal discipline and stability essential for continued support from international financial institutions.

The Government's persistent efforts to attract foreign investment, coupled with the relative stability in exchange rates, have yielded promising results so far, evident by the net foreign investments reaching USD 1,519 million in FY24, a significant growth of 153% YoY. Out of the total foreign inflows USD 2,022 million, China and Hong Kong accounted for USD 927 million, representing 46% of the total. Other significant investments originated from the United Kingdom, amounting to USD 286 million (14%), and the United States, contributing USD 184 million (9%). These figures indicate a diversified investor base and highlight the attractiveness of Pakistan's investment environment to major global players.

FIXED INCOME REVIEW:

Throughout the year, the State Bank of Pakistan has consistently adhered to a cautious monetary policy stance, keeping the policy rate at a historically high level of 22% until implementing monetary easing in June 2024. This conservative stance was necessitated by ongoing inflationary pressures, which, despite a notable deceleration in last few months, remained elevated, with the average NCPI for the period at 23.41% YoY as of June 2024.

The decision to maintain the heightened policy rate during the year has resulted in elevated yields on government debt securities. Consequently, these securities have attracted substantial investor interest, as investors seek enhanced returns offered by government debt securities, despite the alternative of a high-performing equity market.

During the period, SBP conducted a total of twenty six (26) Market Treasury Bills (MTB) auctions, where the Government managed to raise PKR 21.68 trillion against the auction target of PKR 21.10 trillion. Notably, the weighted average yields for 3, 6, and 12-month MTB were 21.69%, 21.61%, and 21.41% respectively, up by 362 bps, 358 bps, and 334 bps as compared to 18.07%, 18.03%, and 18.07% during the same period last year.

To further address the need for liquidity, SBP also conducted twelve (12) auctions of fixed-rate Pakistan Investment Bonds (PIB) and was successful in raising PKR 1.49 trillion. The weighted average yield for 3, 5, and 10 years PIB increased by 248 bps, 229 bps, and 134 bps to 17.70%, 15.62%, and 14.28% respectively, as compared to 15.22%, 13.32%, and 12.94% during the same period last year.

In the market for Shariah Compliant instruments, a significant milestone was reached with the decision to conduct primary market auctions of GOP Ijara Sukuk through capital markets. This aims to broaden the investor base, increase transparency, and foster competitive pricing for government debt securities.

A total of sixteen (16) auctions were held for GOP Ijara Sukuk, including those conducted through the Pakistan Stock Exchange. These auctions, covering Variable Rental Rate (VRR), Fixed Rental Rate (FRR), and Fixed Rate Discounted (FRD) instruments, successfully raised PKR 1.89 trillion, against the target of PKR 2.00 trillion.

Looking ahead to the auction target calendars for September through November 2024, the State Bank of Pakistan aims to raise PKR 3.48 trillion by issuing 3 to 12-month MTB against the maturing amount of PKR 4.59 trillion. Additionally, the SBP targets to raise PKR 500 billion through 2 to 10-year fixed-rate PIB against maturing amount of PKR 534 billion whereas, PKR 2.32 trillion is targeted to be raised through 2 to 10-year floating-rate PIB. Moreover, the Pakistan Stock Exchange issued a notice announcing auctions for the sale of GOP Ijara Sukuk, with the target of raising PKR 860 billion.

FUTURE OUTLOOK:

Following the successful completion of the Stand-By Arrangement with the IMF, authorities are in negotiations for a USD 7 billion Extended Fund Facility (EFF), pending approval from the IMF Executive Board, anticipated by the end of September 2024. This EFF program aims to capitalize on the macroeconomic stability achieved over the past year under the SBA by continuing efforts to strengthen public finances, reduce inflation, restore foreign exchange reserves, and eliminate economic distortions to foster growth. Key focus areas of the program includes implementing energy sector reforms, maintain a flexible exchange rate, strengthen fiscal and monetary policy, reforms to broaden the tax base, and improve State Owned Enterprises (SOE) management. Investors are closely watching these developments for insights into the future economic landscape and likewise market performance.

The Monetary Policy Committee embarked on a monetary easing stance in June 2024 and since then has reduced the policy rate by a substantial 450 bps to 17.50%, down from a historical high of 22%. This was in response to better than earlier anticipated decline in inflation which dropped to 9.64% YoY in August 2024, signaling a transition to single-digit inflation for the first time in a considerable period.

This pace of disinflation can be attributed to the impact of contained demand, reinforced by improved supply chain for essential food items, ongoing fiscal and monetary consolidation efforts, favorable global commodity prices, delays in upward adjustments in administered energy prices, and a favorable base effect. While inflation is on a downward trend and is expected to continue this trajectory, it remains vulnerable to risks such as the timing and magnitude of future adjustments in administered energy prices, volatility in global commodity markets, and potential new taxation measures to address revenue shortfalls. SBP projects that average inflation for FY25 will fall below the previously estimated range of 11.5% to 13.5%. However, this outlook is contingent upon achieving targeted fiscal consolidation and the timely realization of anticipated external inflows.

According to the Government's Annual Plan 2024-25, the economy is expected to achieve a growth rate of 3.6%. This growth will be driven by robust performances in the industrial and services sectors, projected to grow by 4.4% and 4.1% respectively, while the agriculture sector is anticipated to grow at 2.0%. Looking ahead, key drivers of market performance that are likely to sustain investor confidence include progress in securing board's approval for a larger IMF program and potential inflows from other sources. However, political uncertainty and any further delays in inflows from foreign partners pose significant downside risks to the market's performance.

In conclusion, the stock market holds significant potential for future gains, trading at a low forward PE of 3.9x and offers an attractive dividend yield of 11%.

xi) Description and explanation of any significant changes in the state of the affairs of the Collective Investment Scheme during the period and up till the date of Fund Manager's report, not otherwise disclosed in the financial statements:

There was no significant change in the state of affairs during the period under review.

xii) Break down of unit holding by size:

Range (Units)	No. of Investors
0.0001 to 9,999	2,143
10,000 to 49,999	87
50,000 - 99,999	22
100,000 - 499,999	30
500,000 and above	11
Total	**2,293**

xiii) Disclosure on unit split (if any), comprising:

There were no unit splits during the period.

xiv) Disclosure of circumstances that materially affect any interest of unit holders:

Investments are subject to credit and market risk.

xv) Disclosure if the Asset Management Company or its delegate, if any, receives any soft commission (i.e. goods and services) from its broker (s) or dealers by virtue of transaction conducted by the Collective Investment Scheme:

No soft commission has been received by the AMC from its broker or dealer by virtue of transactions conducted by the Collective Investment Scheme.

REPORT OF THE TRUSTEE TO THE UNIT HOLDERS

AKD ISLAMIC INCOME FUND

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

AKD Islamic Income Fund, an open-end Scheme established under a Trust Deed dated August 30, 2017 executed between AKD Investment Management Limited, as the Management Company and Digital Custodian Company Limited, as the Trustee. The Fund commenced its operations on February 21, 2018.

1. AKD Investment Management Limited, the Management Company of AKD Islamic Income Fund has, in all material respects, managed AKD Islamic Income Fund during the year ended June 30, 2024 in accordance with the provisions of the following:

    (i) Investment limitations imposed on the Asset Management Company and the Trustee under the trust deed and other applicable laws;

    (ii) the valuation or pricing is carried out in accordance with the deed and any regulatory requirement;

    (iii) the creation and cancellation of units are carried out in accordance with the deed;

    (iv) and any regulatory requirement.

2. Statement on the shortcoming(s) that may have impact on the decision of the existing or the potential unit holders remaining or investing in the Collective Investment Scheme;

    <u>Statement</u>
    No short coming has been addressed during the year ended June 30, 2024.

3. Disclosure of the steps taken to address the shortcoming(s) or to prevent the recurrence of the shortcoming(s).

Disclosure of the steps

We have critically examine the fund in accordance with circulars, directives, NBFC Regulations 2008 and its constitutive documents. However, no short coming has been addressed.

4 Trustee's opinion regarding the calculation of the management fee, CIS Monthly Fee Payable to the Commission and other expenses in accordance with the applicable regulatory framework.

Trustee Opinion

"The Management fee, CIS monthly fee payable to the Commission and other expenses has been accurately calculated in accordance with the NBFC Regulations, 2008 and its constitutive documents".

Dabeer Khan
Manager Compliance
Digital Custodian Company Limited

Karachi: September 30, 2024

Al-Hilal
Shariah Advisors

September 30, 2024

بسم الله الرحمن الرحيم

الحمد لله رب العالمين، والصلاة والسلام على سيد الأنبياء والمرسلين، وعلى آله وصحبه أجمعين، وبعد

The purpose of this report is to provide an opinion on the Shariah Compliance of the Fund's investment and operational activities with respect to Shariah guidelines provided.

It is the core responsibility of the Management Company to operate the Fund and invest the amount of money in such a manner which is in compliance with the Shariah principles as laid out in the Shariah guidelines. In the capacity of the Shariah Advisor, our responsibility lies in providing Shariah guidelines and ensuring compliance with the same by review of activities of the fund. We express our opinion based on the review of the information, provided by the management company, to an extent where compliance with the Shariah guidelines can be objectively verified.

Our review of Fund's activities is limited to enquiries of the personnel of Management Company and various documents prepared and provided by the management company.

Keeping in view the above; we certify that:

We have reviewed all the investment and operational activities of the fund including all transactions and found them to comply with the Shariah guidelines. On the basis of information provided by the management company, all operations of the fund for the year ended June 30, 2024 comply with the provided Shariah guidelines. Therefore, it is resolved that investments in **AKD Islamic Income Fund** managed by **AKD Investment Management Limited** are Permissible and in accordance with Shariah principles.

May Allah (SWT) bless us and forgive our mistakes and accept our sincere efforts in accomplishment of cherished tasks and keep us away from sinful acts.

والله أعلم بالصواب، وصلى الله على نبينا محمد وعلى آله وصحبه وبارك وسلم

For and on behalf of Al-Hilal Shariah Advisors (Pvt.) Limited.

AL HILAL SHARIAH ADVISORS (PVT) LTD. KARACHI

Mufti Irshad Ahmad Aijaz
Member Shariah Council

Faraz Younus Bandukda, CFA
Chief Executive

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INDEPENDENT AUDITOR'S REPORT

To the Unit Holders of AKD Islamic Income Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of AKD Islamic Income Fund ("the Fund"), which comprise the statement of assets and liabilities as at 30 June 2024 and the related income statement, statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 June 2024 and of its financial performance, and its cash flows for the year then ended in accordance with the approved 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 in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) 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 Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

	Key audit matter	How the matter was addressed in our audit
1)	**Existence and valuation of investments:**	
	Refer to Note 4 of the financial statements. As of 30 June 2024, the Fund's investment portfolio comprises of debt instruments carried at fair value through profit or loss and amortized cost.	Our audit procedures included the following, but were not limited to: i) walked through the valuation processes and understood the systems and controls implemented;

	These investments represent approximately 57.31% of the Fund's total assets. Due to being the significant driver of the net assets value of the Fund and the inherent complexity in determining their fair value at year-end, we have identified this matter to be communicated as a key audit matter.	ii) evaluated the Fund's investment valuation policies with reference to the requirements of the applicable accounting and reporting standards; iii) agreed holding of all investments from the Account Balance Report of Central Depository Company of Pakistan Limited; iv) agreed the valuation of all listed debt instruments from prices quoted on Mutual Fund Association of Pakistan (MUFAP); v) performed verification procedures on purchases and disposals on a sample of investments during the year regarding movement of the securities; and vi) any difference identified during the testing that were over acceptable threshold were investigated further.

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 of the Fund and our auditor's report thereon.

Our opinion on the financial statements of the Fund 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 of the Fund, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Fund for 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 material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan, and for such internal control as 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 the 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.

We also provide Board of Directors of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with Board of Directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the financial statements have been prepared, in all material respects, 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 Junaid Ashraf.

RIAZ AHMAD & COMPANY
Chartered Accountants

KARACHI

DATE: 04 OCTOBER 2024
UDIN: AR202410045biTslQ2n4

AKD ISLAMIC INCOME FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT 30 JUNE 2024

	Note	2024	2023
		----- (Rupees in '000) -----	
ASSETS			
Bank balances	3	**701,259**	267,958
Investments	4	**999,167**	944,909
Profit receivable	5	**30,500**	45,066
Deposits, prepayments and other receivables	6	**12,514**	33,203
Receivable against sale of investments		**-**	33,016
Receivable against sale / conversion of units		**-**	7,265
Total Assets		**1,743,440**	1,331,417
LIABILITIES			
Payable to AKD Investment Management Limited - Management Company	7	**1,816**	1,346
Payable to Digital Custodian Company Limited - Trustee	8	**142**	149
Payable to Securities and Exchange Commission of Pakistan	9	**94**	229
Accrued and other liabilities	10	**25,148**	20,744
Dividend payable		**2,783**	-
Payable against redemption/ conversion of units		**5,843**	18
Total Liabilities		**35,826**	22,486
NET ASSET		**1,707,614**	1,308,931
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		**1,707,614**	1,308,931
CONTINGENCIES AND COMMITMENTS	11		
		Number of units	
NUMBER OF UNITS IN ISSUE	12	**33,251,448**	25,719,078
		------- (Rupees) -------	
NET ASSET VALUE PER UNIT		**51.3546**	50.8934

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

For AKD Investment Management Limited
(Management Company)

CHIEF EXECUTIVE OFFICER | **DIRECTOR** | **CHIEF FINANCIAL OFFICER**

AKD ISLAMIC INCOME FUND
INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024	2023
		----- (Rupees in '000) -----	
INCOME			
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'fair value through profit or loss'	4.5	**(7,167)**	5,633
Unrealised loss on future contracts		**-**	(4,826)
Capital gain / (loss) on sale of investments		**4,719**	(7,088)
Income from sukuk certificates		**91,564**	61,064
Income from security margin		**123**	17
Income from GoP Ijara sukuks		**3,010**	465
Amortization of discount on GoP Ijarah		**3,270**	-
Income from commercial papers / short term sukuks		**77,126**	60,749
Profit on bank deposits		**134,864**	80,875
Dividend income		**3,845**	7,769
Total income		**311,354**	204,658
EXPENSES			
Remuneration of AKD Investment Management Limited - Management Company	7.1	**7,785**	4,583
Sindh sales tax on the remuneration of Management Company	7.2	**1,012**	596
Expenses allocated by Management Company	7.3	**6,224**	3,245
Remuneration of Digital Custodian Company Limited - Trustee	8.1	**1,616**	1,262
Sindh sales tax on the remuneration of Trustee	8.2	**214**	164
Annual fee to Securities and Exchange Commission of Pakistan	9.1	**1,167**	229
Amortization of preliminary expenses and floatation costs		**-**	183
Amortization of premium on Sukuk certificates		**167**	-
Amortization of premium on GoP Ijarah		**4**	-
Auditors' remuneration	13	**260**	260
Settlement and bank charges		**75**	101
Brokerage fee		**552**	360
Fee and subscription		**788**	711
Legal and professional charges		**216**	361
Charity	10.1	**294**	198
Total expenses		**20,374**	12,253
Net income for the year before taxation		**290,980**	192,405
Taxation	14	-	-
Net income for the year after taxation		**290,980**	192,405
Allocation of net income for the year			
Net income for the year after taxation		**290,980**	192,405
Income already paid on units redeemed		**(214,195)**	(131,613)
		76,785	60,792
Accounting income available for distribution:			
Relating to capital gain		**4,719**	-
Excluding capital gain		**72,066**	60,792
		76,785	60,792

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

For AKD Investment Management Limited
(Management Company)

CHIEF EXECUTIVE OFFICER	**DIRECTOR**	**CHIEF FINANCIAL OFFICER**

AKD ISLAMIC INCOME FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024

	2024	2023
	----- (Rupees in '000) -----	
Net income for the year after taxation	**290,980**	192,405
Other comprehensive income for the year	-	-
Total comprehensive income for the year	**290,980**	192,405

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

For AKD Investment Management Limited
(Management Company)

CHIEF EXECUTIVE OFFICER | **DIRECTOR** | **CHIEF FINANCIAL OFFICER**

AKD ISLAMIC INCOME FUND
STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND
FOR THE YEAR ENDED 30 JUNE 2024

	2024			2023		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	Rupees in '000					
Net assets at beginning of the year	**1,296,661**	**12,270**	**1,308,931**	886,157	6,716	892,873
Issuance of 65,424,254 (2023:55,684,500) units						
- Capital value	**3,329,663**	**-**	**3,329,663**	2,817,419	-	2,817,419
- Element of income	**380,760**	**-**	**380,760**	288,418	-	288,418
Total proceeds on issuance of units	**3,710,423**	**-**	**3,710,423**	3,105,837	-	3,105,837
Redemption of 57,891,884 (2023: 47,612,511) units						
- Capital value	**(2,946,315)**	**-**	**(2,946,315)**	(2,409,007)	-	(2,409,007)
- Element of loss	**(164,881)**	**(214,195)**	**(379,076)**	(129,067)	(131,613)	(260,680)
Total payments on redemption of units	**(3,111,196)**	**(214,195)**	**(3,325,391)**	(2,538,074)	(131,613)	(2,669,687)
Total comprehensive income for the year	**-**	**290,980**	**290,980**	-	192,405	192,405
Distribution during the year	**-**	**(66,653)**	**(66,653)**	-	(55,238)	(55,238)
Refund of capital	**(210,676)**	**-**	**(210,676)**	(157,259)	-	(157,259)
Net income for the year less distribution	**(210,676)**	**224,327**	**13,651**	(157,259)	137,167	(20,092)
Net assets at end of the year	**1,685,212**	**22,402**	**1,707,614**	1,296,661	12,270	1,308,931

	2024	2023
Undistributed income brought forward		
- Realised income	**11,463**	9,488
- Unrealised gain / (loss)	**807**	(2,772)
	12,270	6,716
Accounting income available for distribution		
- Relating to capital gains	**4,719**	-
- Excluding capital gains	**72,066**	60,792
Net income for the year	**76,785**	60,792
Interim Distribution for the year Rs. 9.9 per unit on 28 June 2024 and Rs 0.07468 on 5 July 2023 (2023: Rs. 8.59119 declared on 26 June 2023)	**(66,653)**	(55,238)
Undistributed income carried forward	**22,402**	12,270
Undistributed income carried forward		
- Realised income	**83,952**	11,463
- Unrealised (loss) / income	**(7,167)**	807
	76,785	12,270
Net assets value per unit at beginning of the year	**50.8934**	50.5961
Net assets value per unit at end of the year	**51.3546**	50.8934

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

For AKD Investment Management Limited
(Management Company)

CHIEF EXECUTIVE OFFICER **DIRECTOR** **CHIEF FINANCIAL OFFICER**

AKD ISLAMIC INCOME FUND
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024	2023
		----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the year before tax		**290,980**	192,405
Adjustments for non cash and other items:			
Amortization of preliminary expenses and floatation costs		**-**	183
Unrealised loss on future contracts		**-**	4,826
Amortization of premium on Sukuk certificates		**167**	-
Amortization of premium on GoP Ijarah		**4**	-
Amortization of discount on GoP Ijarah		**(3,270)**	-
Dividend income		**(3,845)**	(7,769)
Net unrealised (appreciation) / diminution on re-measurement of investments classified as 'fair value through profit or loss'	4.5	**7,167**	(5,633)
		291,203	184,012
Decrease / (increase) in assets			
Profit receivable		**14,566**	(26,251)
Deposits, prepayments and other receivables		**20,689**	(30,339)
Receivable against sale/ conversion of units		**7,265**	(7,265)
Receivable against sale of securities		**33,016**	(26,629)
Net decrease / (increase) during the year		**75,536**	(90,484)
Increase / (decrease) in liabilities			
Payable to AKD Investment Management Limited - Management Company		**470**	366
Payable to Digital Custodian Company Limited - Trustee		**(7)**	51
Payable to Securities and Exchange Commission of Pakistan		**(135)**	70
Accrued and other liabilities		**4,404**	11,547
Dividend payable		**2,783**	-
Payable against redemption/ conversion of units		**5,825**	18
Net increase during the year		**13,340**	12,052
Dividend received		**3,845**	7,769
Investments - net		**(58,326)**	(405,988)
Net cash generated from / (used in) operating activities		**325,598**	(292,639)
CASH FLOWS FROM FINANCING ACTIVITIES			
Amount received on issuance of units - net		**3,499,747**	2,948,578
Distribution during the year		**(66,653)**	(55,238)
Payment against redemption of units		**(3,325,391)**	(2,669,687)
Net cash flow from financing activities		**107,703**	223,653
Net increase / (decrease) in cash and cash equivalents		**433,301**	(68,986)
Cash and cash equivalents at the beginning of the year		**267,958**	336,944
Cash and cash equivalents at the end of the year	3	**701,259**	267,958

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

For AKD Investment Management Limited
(Management Company)

CHIEF EXECUTIVE OFFICER | **DIRECTOR** | **CHIEF FINANCIAL OFFICER**

AKD ISLAMIC INCOME FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 AKD Islamic Income Fund (the Fund) was established under a Trust Deed, executed between AKD Investment Management Limited (AKDIML) as the Management Company and Digital Custodian Company Limited as the Trustee. The Trust Deed was executed under the Trust Act, 1882 on 30 August 2017 and was authorised by the Securities and Exchange Commission of Pakistan (SECP) as a unit trust scheme on 30 May 2017. The Initial Public Offering (IPO) of the Fund was made during the year from 19 February 2018 to 20 February 2018 and the Fund commenced operations from 21 February 2018. In accordance with the Trust Deed, the first accounting year of the Fund commenced on the date on which the Fund property was first transferred to the Trustee i.e. 19 February 2018.

1.2 The Management Company of the Fund has been registered 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 216-217, Continental Trade Centre, Block-8, Clifton, Karachi, in the province of Sindh.

1.3 The objective of the Fund is to earn a potentially high return through asset allocation between shariah compliant equity instruments and any other instruments as permitted by the SECP and shariah advisor.

1.4 The Fund is an open-ended collective investment scheme and offers units for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited.

1.5 The Fund is categorised as an open ended Shariah Compliant (Islamic) Income Scheme in accordance with Circular No. 7 of 2009, issued by the Securities and Exchange Commission of Pakistan (SECP). Al-Hilal Shariah Advisors (Private) Limited acts as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.

1.6 The Fund also keep an exposure in short-term instruments for the purpose of maintaining liquidity and to capitalise on exceptional returns if available at any given point of time. Under the Trust Deed, all conducts and acts of the Fund are based on Shariah principles.

1.7 Title to the assets of the Fund are held in the name of Digital Custodian Company Limited as Trustee of the Fund.

1.8 The Pakistan Credit Rating Agency Limited (PACRA) has assigned Asset Manager Rating of 'AM3++' to the Management Company dated 27 June 2024. The Fund has been given long term stability rating of 'AA- (f)' by PACRA on 7 March 2024.

1.9 The Fund was registered on 23 August 2021 with Assistant Director of Industries and Commerce (Trust Wing) Government of Sindh under Section 12 of the Sindh Trusts Act, 2020.

2. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information applied in the preparation of these financial statements are set our below. These policies have been consistently applied to all years presented, unless otherwise stated:

2.1 BASIS OF PREPARATION

a) 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 (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of and directives issued under the Companies Act, 2017 along with part VIII A of the repealed Companies Ordinance 1984; and

- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirement of the Trust Deed.

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

The SECP through its letter no. SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 has deferred the applicability of the impairment requirements of IFRS 9 for debt securities on mutual funds. Currently, the Asset Management Companies are required to continue to follow the requirements of Circular No. 33 of 2012 for impairment of debt securities.

b) Accounting convention

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

c) Functional and presentation currency

These financial statements have been presented in Pak Rupees, which is the Fund's functional and presentation currency. The amounts are rounded off to the nearest thousand rupees except stated otherwise.

d) Critical accounting estimates and judgments

The preparation of the financial statements in conformity with the accounting and reporting standards requires the management to make estimates, judgments and assumptions that affect the reported amount of assets, liabilities, income and expenses. It also requires the management to exercise judgment in application of its accounting policies. The estimates, judgments and associated assumptions are based on the historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Revisions to accounting estimates are recognised in the year in which the estimates are 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 areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements as a whole are as follows:

a) Classification and valuation of financial assets	Note 2.2.1
b) Impairment of financial assets	Note 2.6
c) Taxation	Note 2.13

e) Amendments to published approved accounting standards that are effective in current year and are relevant to the Fund

Following amendments to published approved accounting standards are mandatory for the Fund's accounting periods beginning on or after 01 July 2023:

- Disclosure of Accounting Policies (Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice Statement 2 'Making Materiality Judgement').

- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 'Income Taxes').

- Change in definition of Accounting Estimate (Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors').

- Amendments to IAS 12 'Income Taxes' - International Tax Reform — Pillar Two Model Rules.

The above-mentioned amendments to approved accounting standards did not have any impact on the amounts recognised in prior period and are not expected to significantly affect the current or future periods.

f) Amendments to published approved accounting standards that are effective in current year but not relevant to the Fund

There are other standards and amendments to published approved accounting standards that are mandatory for accounting periods beginning on or after 01 July 2023 but are considered not to be relevant or do not have any significant impact on the Fund's financial statements and are therefore not detailed in these financial statements.

g) Amendments to published approved accounting standards that are not yet effective but relevant to the Fund

Following standards and amendments to published approved accounting standards have been made and are mandatory for the Fund's accounting periods beginning on or after 01 July 2024 or later periods:

- Classification of liabilities as current or non-current (Amendments to IAS 1 'Presentation of Financial Statements') effective for the annual period beginning on or after 01 January 2023. These amendments in the standards have been added to further clarify when a liability is classified as current. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity shall apply those amendments retrospectively in accordance with IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'.

- On 31 October 2022, the IASB issued 'Non-current Liabilities with Covenants (Amendments to IAS 1)' to clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments are effective for reporting periods beginning on or after 01 January 2024.

- Lack of Exchangeability (Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates'). The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. The amendments are effective for annual reporting periods beginning on or after 01 January 2025.

- IFRS 18 'Presentation and Disclosure in Financial Statements' (effective for annual periods beginning on or after 01 January 2027) with a focus on updates to the statement of profit or loss. The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in general purpose financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. The key new concepts introduced in IFRS 18 relate to: the structure of the income statement; required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'.

The above amendments and improvements are likely to have no significant impact on the financial statements.

h) Standards and amendments to approved published standards that are not yet effective and not considered relevant to the Fund

There are other standards and amendments to published approved accounting standards that are mandatory for accounting year beginning on or after 01 July 2024 but are considered not to be relevant or do not have any significant impact on the Fund's financial statements and are therefore not detailed in these financial statements.

2.2 Financial instruments

2.2.1 Classification of financial assets

IFRS 9 contains three principal classification categories for financial assets:

- Amortised cost ("AC"),

- Fair value through other comprehensive income ("FVOCI"); and

- Fair value through profit or loss ("FVTPL").

However, IFRS 9 also provides an option whereby securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, to be recognized at FVTPL. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Therefore the management considers its investment in long term debt securities as classified them as FVTPL.

2.2.2 Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as FVTPL:

1) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

2) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.2.3 Financial assets at FVOCI

A financial asset is measured at FVOCI only if it meets both of the following conditions and is not designated as FVTPL:

1) the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

2) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, for an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in fair value in Other Comprehensive Income (OCI), only dividend income is recognised in income statement. This election is made on an investment-by-investment basis.

FVOCI financial assets are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI.

2.2.4 Financial assets at FVTPL

Equity investments which the Fund had not irrevocably elected to classify at fair value through OCI are classified as at fair value through profit or loss.

In addition, on initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to measure at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

2.2.5 Recognition and initial measurement of financial instruments

Financial assets and financial liabilities are recognised in the Fund's statement of assets and liabilities when the Fund becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the income statement.

2.3 Subsequent measurement of financial assets

2.3.1 Financial assets at amortised cost

Financial assets at amortised cost are subsequently measured at amortised cost. Amortised cost is calculated using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

2.3.2 Financial assets at FVOCI

All financial assets at FVOCI are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in other comprehensive income.

For debt instruments classified as financial assets at FVOCI, the amounts already recognised in other comprehensive income are reclassified to income statement on derecognition of financial assets. This treatment is in contrast to equity instruments classified as financial assets at FVOCI, where there is no reclassification on derecognition.

2.3.3 Financial assets at FVTPL

All financial assets designated at fair value through profit or loss are subsequently carried at fair value, with gains and losses arising from changes in fair value recorded in the income statement.

2.4 Fair value measurement principles and provision

The fair value of financial instruments is determined as follows:

2.5 Basis of valuation

The fair value of shares of listed companies is based on their prices quoted on the Pakistan Stock Exchange Limited at the reporting date without any deduction for estimated future selling costs.

2.6 Impairment of financial assets

Under expected credit loss (ECL) model of IFRS 9, the Fund recognises loss allowances on financial assets other than debt securities. The Fund measures loss allowances at an amount equal to lifetime ECL, except for the following, which are measured at 12-month ECL:

- Financial assets that are determined to have low credit risk at the reporting date; and
- Other financial assets for which credit risk (i.e. the risk of default occurring over the expected life of the asset) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Fund considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Fund's historical experience and informed credit assessment and including forward-looking information.

As disclosed in note 2.1 (a) of these financial statements, the Fund follows requirements of Circular No. 33 of 2012 (the circular) for impairment of debt securities. Under the circular, provision for non performing debt securities is made on the basis of time based criteria as prescribed under the circular. Impairment loss recognised on debt securities can be reversed through the income statement.

As allowed under circular no. 33 of 2012 dated 24 October 2012 issued by the SECP, the Management Fund may also make provision against debt securities over and above minimum provision requirement prescribed in aforesaid circular, in accordance with the provisioning policy approved by the Board of Directors and disseminated by the Management Fund on its website.

2.7 Classification and measurement of financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter year, to the amortised cost of a financial liability.

2.8 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or where the entity has transferred substantially all risks and rewards of ownership.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

2.9 Regular way contracts

All purchases and sales of securities that require delivery within the time frame established by regulation or market convention are recognised at the trade date. Trade date is the date on which the Fund commits to purchase or sell assets.

2.10 Offsetting of financial assets and 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.

2.11 Cash and cash equivalents

Cash and cash equivalents comprise of bank balances and short term highly liquid investments with original maturity of three months or less, are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short term cash commitments rather than for investments and other purposes.

2.12 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 amount of obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

2.13 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 in cash to the unit holders.

'The Fund is also exempt from the provisions of Section 113 (Minimum Tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001'.

'The Fund does not account for deferred tax in these financial statements as the Fund intends to continue availing the tax exemption in future years by distributing in cash at least 90% of its accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders.

2.14 Dividend distribution and appropriations to unit holder's

Dividend distributions and appropriations are recorded in the year in which these are approved by the Board of Directors of the Management Fund. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines (duly consented by the SECP) distribution for the year is deemed to comprise of the portion of income already paid on units redeemed during the year and cash distribution for the year.

Regulation 63 of the NBFC Regulations requires the Fund to distribute atleast 90% of the net accounting income other than capital gains to the unit holders.

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 Fund.

2.15 Issue and redemption of units

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

Units redeemed are recorded at the redemption price, applicable to units for which the distributors receive redemption applications during business hours of that day. The redemption price represents the net asset value per unit as of the close of the business day less any back-end load, any duties, taxes, and charges on redemption, if applicable.

2.16 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 net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting year. 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 net asset value 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.

2.17 **Earnings per unit**

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

2.18 **Net assets value per unit**

The net assets value (NAV) per unit as disclosed in the statement of assets and liabilities is calculated by dividing the net asset of the Fund by the number of units in issue at the year end.

2.19 **Revenue recognition**

- Capital gain or loss on sale of investments is accounted for in the income statement on the date at which the sale transaction takes place.
- Unrealised gain / loss arising on measurement of investments classified as 'fair value through profit or loss' is included in the income statement in the year in which it arises.
- Dividend income from equity securities is recognised when the right to receive dividend is established.
- Income on debt securities is recognized on a time proportion basis.
- Income on government securities is recognized on a time proportion basis using effective yield interest rate method.
- Profit on bank deposits is recognised on time proportionate basis using effective yield method.

2.20 **Expenses**

All expenses including NAV based expenses (namely management fee, trustee fee, annual fee payable to the SECP, and selling and marketing expense) are recognised in the income statement on an accrual basis.

			2024	2023
3.	**BANK BALANCES**	**Note**	**..(Rupees in '000')..**	
	Savings accounts	3.1	**701,259**	267,958

3.1 Mark-up rates on these accounts range between 9% to 18.6% (2023:19% to 21%) per annum.

			2024	2023
4.	**INVESTMENTS**	**Note**	**..(Rupees in '000')..**	
	Fair value through profit or loss			
	- Sukuk certificates	4.1	**438,504**	303,363
	- Government securities	4.2	**333,663**	10,006
	- Listed equity securities (spread transactions)	4.3	**-**	86,540
	Amortized Cost			
	- Commercial paper - Unlisted / short term sukuk (STS)	4.4	**227,000**	545,000
			999,167	944,909

4.1 Sukuk certificates

Name of investee company	Rate of return per annum	As at 01 July 2023	Purchased during the year	Sold / Matured during the year	As at 30 June 2024	Carrying value as at 30 June 2024	Market value as at 30 June 2024	Unrealised appreciation / (diminution)	Market value as a percentage of net assets	Market value as a percentage of total investments
	--- % ---	---------------- Number of certificates --------------				-------------- (Rupees in '000) ------------			----------%--------	
Listed										
TPL Trakker Limited	24.85	115	-	-	115	46,058	45,588	(470)	2.67	4.56
TPL Corporation Limited	23.86	1,150	-	-	1,150	115,000	108,100	(6,900)	6.33	10.82
Unlisted										
Mughal Iron & Steels Industries Limited	23.25	10		-	10	4,375	4,404	29	0.26	0.44
Mughal Iron & Steels Industries Limited	22.61	-	200		200	200,000	200,000	-	11.71	20.02
Hub Power Company Limited	23.35	250	-	250	-	-	-	-	-	-
Hub Power Holdings Limited	24.28	470	-	-	470	36,486	35,937	(549)	2.10	3.60
Pakistan International Airlines Corporation Limited	23.04	10,000	-	-	10,000	44,388	44,475	87	2.60	4.45
				Total as at 30 June 2024		**446,307**	**438,504**	**(7,803)**		
				Total as at 30 June 2023		302,512	303,363	851		

4.1.1 Significant terms and conditions of sukuk certificates are as follows:

Name of investee company	Face value per certificate	Redeemed face value per certificate	Markup rate	Issue date	Maturity date	Secured / Unsecured	Rating
	---------------------- (Rupees) ---------------------						
Listed							
TPL Trakker Limited	1,000,000	388,889	3 months KIBOR + 300 bps	30-Mar-21	30-Mar-26	Secured	A+
TPL Corporation Limited	100,000	100,000	3 months KIBOR + 225 bps	23-Jun-22	23-Jun-27	Secured	AA-
Unlisted							
Mughal Iron & Steels Industries Limited	1,000,000	437,500	3 months KIBOR + 130 bps	2-Mar-21	2-Mar-26	Secured	A+
Mughal Iron & Steels Industries Limited	1,000,000	1,000,000	3 months KIBOR + 145 bps	27-Dec-23	27-Mar-25	Secured	AA-
Hub Power Holdings Limited	100,000	75,000	6 months KIBOR + 250 bps	12-Nov-20	12-Nov-25	Secured	AA+
Pakistan International Airlines Corporation Limited	5,000	4,427	1 months KIBOR + 100 bps	26-Jul-21	26-Jul-31	GoP Guaranteed	GoP Guaranteed

4.2

Name of Investee Company	Rate of return per annum	As at 1 July 2023	Purchased during the year	Sold / Maturity during the period	As at 30 June 2024	Carrying value as at 30 June 2024	Market Value as at 30 June 2024	Unrealized appreciation / (diminution)	Market value as a percentage of net assets	Market value as a percentage of total investment
	--- % ---	---------- Face Value Rupees in '000 ----------				------------ (Rupees in '000) ------------			-------- % --------	
GOP Ijara Sukuk	19.63 to 23.6	10,000	376,975	10,000	376,975	333,027	333,663	636	19.54	33.39
		Total as at 30 June 2024				**333,027**	**333,663**	**636**		
		Total as at 30 June 2023				10,000	10,006	6		

4.2.1 Significant terms and conditions of GoP Ijarah Sukuks held as at 30 June 2024:

Name of Investee Company	Security Symbol	Issue Date	Maturity Date
GOP Ijara Sukuk	P01GIS230525	24/May/2024	23/May/2025
	P01GIS090525	28/Jun/2024	28/Jun/2029
	P01GIS220125	10/May/2024	10/May/2029
	P01GIS270625	9/May/2024	9/May/2025
	P05VRR280629	24/Jan/2024	22/Jan/2025
	P01GIS230529	28/Jun/2024	27/Jun/2025

4.3 Listed equity securities (spread transactions)

Name of investee company	As at 01 July 2023	Purchased during the year	Sold / disposed	As at 30 June 2024	Market Value
	---------------- Number of shares		----------------		---- (Rupees'000') ---
Cement					
Mapple Leaf Cement Factory Limited	-	2,000,000	2,000,000	-	-
Fertilizer					
Fauji Fertilizer Bin Qasim	-	858,000	858,000	-	-
Food & Personal Care Products					
Al Shaheer Corporation Limited	4,000,000	9,300,000	13,300,000	-	-
Unity Foods Limited	2,778,000	782,000	3,560,000	-	-
Oil & Gas Marketing Companies					
Pakistan State Oil	-	170,000	170,000	-	-
Oil & Gas Exploration Companies					
Oil and Gas Development Limited	-	1,414,000	1,414,000	-	-
Pakistan Petroleum Limited	-	448,500	448,500	-	-
Refinery					
Attock Refinery Limited	-	21,500	21,500	-	-
Cnergyico	5,000,000	-	5,000,000	-	-
Technology & Communication					
Air Link Communication	-	1,057,500	1,057,500	-	-
	Total as at 30 June 2024				-
	Total as at 30 June 2023				86,540

4.3.1 The above equity securities were purchased in ready market and simultaneously sold in future market during the year.

4.4 Commercial paper - Unlisted / short term sukuk (STS)

Name of investee company	Note	As at 1 July 2023	Purchased during the year	Matured/ disposed during the year	As at 30 June 2024	Market value	Unrealised appreciation /(diminution)	Market value as percentage of net assets	Market value as percentage of total investment
								-------------- (%)	--------------
Lucky Electric Power Company Limited		58,000	-	58,000	-	-	-	-	-
K-Electric Limited		70,000	-	70,000	-	-	-	-	-
K-Electric Limited		10,000	-	10,000	-	-	-	-	-
Lucky Electric Power Company Limited		50,000	-	50,000	-	-	-	-	-
Lucky Electric Power Company Limited		65,000	-	65,000	-	-	-	-	-
Lucky Electric Power Company Limited		34,000	-	34,000	-	-	-	-	-
Nishat Mills Limited		150,000	-	150,000	-	-	-	-	-
Nishat Mills Limited		108,000	-	108,000	-	-	-	-	-
Lucky Electric Power Company Limited		-	65,000	65,000	-	-	-	-	-
K-Electric Limited		-	128,000	128,000	-	-	-	-	-
The Hub Power Company Limited		-	50,000	50,000	-	-	-	-	-
Lucky Electric Power Company Limited		-	47,000	47,000	-	-	-	-	-
K-Electric Limited	4.4.1	-	145,000	-	145,000	145,000	-	8.49	14.51
K-Electric Limited	4.4.1	-	70,000	-	70,000	70,000	-	4.10	7.01
K-Electric Limited	4.4.1	-	12,000	-	12,000	12,000	-	0.70	1.20
		Total as at 30 June 2024			227,000	227,000			
		Total as at 30 June 2023			545,000	545,000			

4.4.1

Name of investee company	Rating	Tenure	Profit payments / principal redemptions	Issue date	Maturity date	Rate of Return
K-Electric Limited	A1+	6 Months	On Maturity	14-Feb-24	15-Aug-24	6 Month KIBOR + 10 bps
K-Electric Limited	A1+	6 Months	On Maturity	2-May-24	1-Nov-24	6 Month KIBOR + 15 bps
K-Electric Limited	A1+	6 Months	On Maturity	4-Jun-24	4-Dec-24	6 Month KIBOR + 15 bps

		Note	2024	2023
			------- (Rupees in '000) -------	
4.5	**Net unrealised appreciation on re-measurement of investments classified as 'fair value through profit or loss'**			
	Market value of investments			
	- Sukuk certificates	4.1	**438,504**	303,363
	- Government securities	4.2	**333,663**	10,006
	- Listed equity securities	4.3	**-**	86,540
			772,167	399,909
	Less: Carrying amount of investments			
	- Sukuk certificates	4.1	**446,307**	302,512
	- Government securities	4.2	**333,027**	10,000
	- Listed equity securities	4.3	**-**	81,764
			(779,334)	(394,276)
			(7,167)	5,633

5. PROFIT RECEIVABLE

Profit receivable on:		
- Sukuk certificates	**2,442**	8,181
- Commercial papers / short term sukuks	**14,475**	26,016
- GoP Ijara sukuk	**1,576**	465
- Bank deposits	**12,007**	10,404
	30,500	45,066

6. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Security deposits with			
- National Clearing Company of Pakistan Limited		**2,500**	2,500
- Central Depository Company of Pakistan Limited		**100**	100
Security margin deposit		**9,025**	30,314
Prepaid shariah advisor fee		**295**	235
Advance tax	6.1	**594**	54
		12,514	33,203

6.1 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001 (the Ordinance), payments made to Collective Investment Schemes (CISs) are exempt from withholding tax under section 151 and 150 of the Ordinance. However, withholding tax on profit on debt paid to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated May 12, 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholder. The tax withheld on profit on debt amounts to Rs. 0.594 million (2023: Rs. 0.054 million).

7. PAYABLE TO AKD INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY

Management fee	7.1	**626**	533
Sindh sales tax on management fee	7.2	**81**	69
Expenses allocated by the Management Company	7.3	**501**	533
Formation cost		**184**	184
Sales load payable		**424**	27
		1,816	1,346

7.1 As per the offering document the Management Company has charged remuneration at the rate of 0.5% (2023: 0.4%) of average annual net assets of the Fund. Remuneration is paid to the Management Company on monthly basis in arrears.

7.2 Sindh sales tax on services at the rate of 13% (2023: 13%) on gross value of management fee is charged under the provisions of Sindh Sales Tax on Services Act, 2011.

7.3 The Management Company has charged expenses at the rate of 0.4% (2023: 0.15% in 1st quarter, 0.25% in 2nd, 3rd quarter and 0.4% in 4th quarter) per annum of the average annual net assets of the Fund.

		Note	2024	2023
8.	**PAYABLE TO DIGITAL CUSTODIAN COMPANY LIMITED - TRUSTEE**		------- (Rupees in '000) -------	
	Trustee fee	8.1	**126**	132
	Sindh sales tax on Trustee fee	8.2	**16**	17
			142	149

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. The fee is paid to the Trustee monthly in arrears.

The trustee remuneration consists of reimbursement of actual custodial expenses / charges plus the following tariffs;

Net assets	Tariff
Upto Rs. 1 billion	0.12% per annum of net assets
Over Rs. 1 billion	Rs. 1.2 million plus 0.065% per annum of net assets, on amount exceeding Rs. 1 billion

8.2 Sindh sales tax at the rate of 13% (2023: 13%) on gross value of trustee fee under the provisions of Sindh Sales Tax on Services Act, 2011.

9. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

	Note	2024	2023
Annual fee payable to SECP	9.1	**94**	229

9.1 All categories of Collective Investment Schemes are required to pay annual fee at an amount equal to 0.075% (2023: 0.02%) of the average annual net assets of the scheme. The fee is payable annually in arrears.

10. ACCRUED AND OTHER LIABILITIES

	Note	2024	2023
Auditor's remuneration payable		**282**	195
Brokerage payable		**501**	250
NCCPL fee payable		**63**	42
Withholding tax payable		**23,258**	14,546
Others		**25**	173
Sales load payable		**40**	27
Charity payable	10.1	**492**	198
Payable against time barred cheques		**487**	487
Unrealized loss of future transaction		**-**	4,826
		25,148	20,744

10.1 According to the instructions of the Shariah Advisor, income earned by the Fund from prohibited sources should be donated to charitable purposes. However no payment was during the year.

11. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 30 June 2024 (2023: Nil).

12. NUMBER OF UNITS IN ISSUE

	Note	2024	2023
		---- Number of units ----	
Opening units in issue		**25,719,078**	17,647,089
Units issued during the year		**65,424,254**	55,684,500
Less: Units redeemed		**(57,891,884)**	(47,612,511)
Total units in issue at the end of the year		**33,251,448**	25,719,078

13. AUDITORS' REMUNERATION

	Note	2024	2023
		------- (Rupees in '000) -------	
Annual audit fee		**110**	110
Half year fee		**55**	55
Income certification		**60**	60
Out of pocket		**16**	16
		241	241
Sindh sales tax @ 8%		**19**	19
		260	260

14. TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part 1 of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of the accounting income for the year, as reduced by capital gains, whether realized or unrealized, is distributed amongst the unit holder in cash. Since, the Fund has distributed more than 90 percent of it's income for the year ended. Accordingly, no provision for current tax has been made in these financial statements. The Fund is also exempt form the provision of section 113 (minimum tax) under clause 11 A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

15. EARNING PER UNIT

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

16. EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund is 1.30% (2023: 1.16%), which includes 0.15% (2023: 0.09%) representing Government levies and SECP fee. This ratio is within the maximum limit of 2.5% (2023: 2.5%) prescribed under NBFC Regulations of collective investment scheme categorised as a "Shariah Compliant Income Scheme".

17. TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Related parties / Connected persons include AKD Investment Management Limited, being the Management, Company Central Depository Company of Pakistan Limited, being the custodian, AKD Group Holdings (Private) Limited, AKD Securities Limited, other collective schemes managed by the Management Company, directors, officers and other connected persons of the Management Company, and directors, and other connected person.

The transactions with connected persons / related parties are in the normal course of business and are carried out on agreed terms at contracted rates.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provision of the NBFC Regulations 2008 and Constitutive documents of the Company.

Details of transactions and balances at year end with related parties / connected persons, other than those which have been disclosed elsewhere in these financial information, are as follows:

17.1 Transactions during the year

	2024	2023
	---- (Rupees in '000) -----	
AKD Investment Management Limited - Management Company		
Remuneration to Management Company	**7,785**	4,583
Sindh sales tax paid on Management Remuneration	**1,012**	596
Expenses allocated by the Management Company	**6,224**	3,245
Sales load	**-**	201
Issue of 51,182 (2023: 322,080) units	**2,680**	16,905
Redemption of 51,924 (2023: 321,666) units	**2,725**	17,033
Issue of capital refund Nil (2023: 86) units	**-**	4
Dividend paid	**-**	1

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	Note	2024	2023
		---- (Rupees in '000) -----	
Digital Custodian Company Limited - Trustee			
Trustee remuneration		**1,616**	1,262
Sindh sales tax on trustee remuneration		**214**	164
AKD Cash Fund - Fund under common Management			
K Electric short term sukuk purchased from AKD Cash Fund		**-**	68,084
AKD Aggressive Income Fund - Fund under common Management			
Hub Power Holding Sukuk purchased from AKD Aggressive Income Fund		**-**	18,380
AKD Islamic Daily Dividend Fund - Fund under common Management			
K Electric short term sukuk sold to AKD Islamic Daily Dividend Fund		**43,000**	-
AKD Securities Limited - Associated Company			
Brokerage Expense		**61**	135
M3 Technologies Pakistan Private Limited Employees Provident Fund Common Directorship			
Issue of 42,139 (2023: 104,141) units		**2,161**	5,592
Issue of capital refund 1 (2023 : 6,303) units		**-**	319
Gross dividend		**2,147**	1,272
Key Management Personnel			
Chief Financial Officer of the Management Company			
Redemption of Nil (2023: Nil) units		**-**	-
Mr. Toqir Hussain - Head of IT of the Management Company			
Issue of 1,483 (2023: Nil) units		**86**	-
Issue of capital refund 203 (2023: Nil) units		**10**	-
Gross Dividend		**14**	-
Mr. Carrow Michael - Head of HR of the Management Company			
Issue of 1 (2023: Nil) units		**1**	-
Gross Dividend		**1**	-
Company Secretary and Chief Operating Officer of the Management Company (with spouse and minor children)			
Issue of 151,897 (2023: 8,131) units		**2,954**	467
Redemption of 54,891 (2023: 7,864) units		**3,193**	413
Issue of capital refund 5 (2023: 854) units		**-**	43
Gross Dividend		**-**	11
Director and Chief Executive Officer of the Management Company			
Issue of 86,261 (2023: 58,142) units		**4,621**	3,200
Redemption of 86,261 (2023: 58,142) units		**4,657**	3,233
Spouse of the Chief Executive Officer of the Management Company			
Issue of 394,006 (2023: 947,645) units		**21,631**	51,992
Redemption of 394,006 (2023: 947,645) units		**21,956**	52,678

	Note	2024	2023
		---- (Rupees in '000) -----	
Chairperson of the Management Company			
Issue of 207,722 (2023: Nil) units		**11,351**	-
Redemption of 308,092 (2023: Nil) units		**17,787**	-
Issue of capital refund 23 (2023: Nil) units		**1**	-
Gross Dividend		**1**	-
Close Relative of Chairperson of the Management Company			
Issue of 59,997 (2023: Nil) units		**3,405**	-
Redemption of 92,240 (2023: Nil) units		**5,325**	-
Issue of capital refund 31 (2023: Nil) units		**2**	-
Gross Dividend		**2**	-
Director and Chief Investment Officer of the Management Company			
Issue of 8 (2023: 41) units		**1**	2
Redemption of Nil (2023: 82,503) units		-	4,186
Issue of capital refund 1 (2023: 5) units		-	0
Gross Dividend		**1**	-
			19
Spouse of the Director and Chief Investment Officer of the Management Company			
Issue of 165 (2023: 880) units		**8**	50
Redemption of Nil (2023: 282,997) units		-	14,769
Issue of capital refund 1 (2023: 115) units		-	6
Gross Dividend		**10**	2
Ali Wahab Siddiqui - Director of the Management Company			
Issue of 219,780 (2023: 880) units		**11,602**	10,299
Redemption of 93,530 (2023: 282,997) units		**5,000**	1,150
Issue of capital refund 7,830 (2023: 115) units		**402**	352
Gross Dividend		**2,860**	-
Hina Aqeel - Close relative of the Sponsor of the Management Company			
Issue of 410 (2023: Nil) units		**21**	-
Redemption of Nil (2023: 42,709) units		-	2,336
Issue of capital refund Nil 2 (2023: Nil) units		-	-
Gross Dividend		**4**	-
Yasmeen Dhedhi - Close relative of the Sponsor of the Management Company			
Issue of 3,116 (2023: 2,372) units		**160**	120
Issue of capital refund 1 (2023: Nil) units		-	-
Gross Dividend		**187**	141
Afsheen Aqeel Dhedhi - Close relative of Sponsor of the Management Company			
Issue of 6 (2023: Nil) units		**1**	-
Issue of capital refund 1 (2023: Nil) units		-	-
Gross Dividend		**1**	-
Hasan Ahmed - Director of the Management Company			
Issue of 20 (2023: 120) units		**1**	-
Issue of capital refund 1 (2023: 3) units		-	0
Gross Dividend		**1**	1

	Note	2024	2023
		---- (Rupees in '000) -----	
Muhammad Farid Alam - Key Management Personnel of Associated Company			
Issue of 647 (2023: 29) units		**34**	2
Redemption of Nil (2023: 35,205) units		**-**	2,000
Issue of capital refund Nil (2023: Nil) units		**-**	-
Gross Dividend		**5**	-
Unit holders holding 10% or more of the units in issue			
Pak Qatar Investment Account*			
Issue of 6,327,751 (2023: 5,069,316) units		**115,191**	-
Redemption of 1,958,512 (2023: 6,001,235) units		**119,420**	-
Issue of capital refund 364,333 (2023: 371,269) units		**18,710**	-
Gross Dividend		**-**	-
Pak Qatar Individual Family Participant Investment Fund*			
Issue of 58,134 (2023: 2,047,665) units		**3,544**	-
Redemption of 58,062 (2023: 2,047,664) units		**3,540**	-
Issue of capital refund 11,210 (2023: 185,489) units		**576**	-
Gross Dividend		**-**	-
Durain Cassim			
Issue of 8,909,281 (2023: 11,749,344) units		**520,355**	672,483
Redemption of 4,255,451 (2023: 6,171,973) units		**255,791**	363,836
Issue of capital refund 809,906 (2023: 946,793) units		**41,592**	47,957
Gross Dividend		**-**	174

*Current period connected party

17.2 Balances outstanding at year end

	2024	2023
AKD Investment Management Limited - Management Company		
Remuneration payable	**626**	533
Sindh Sales Tax on Management remuneration	**81**	69
Payable against expenses allocated by the Management Company	**501**	533
Payable against formation cost	**184**	184
Sales load payable	**424**	27
Outstanding: Nil (June 2023: 742) units	**-**	38
Digital Custodian Company Limited - Trustee		
Trustee remuneration payable	**126**	132
Sindh Sales Tax payable on trustee remuneration	**16**	17
Receivable / Payable against conversion of units between Funds under management		
Receivable against Conversion of units - AKD Cash Fund	**-**	500
Receivable against Conversion of units - AKD Index Tracker Fund	**-**	6,765
Director and Chief Investment Officer of the Management Company		
Units held: 55 (June 2023: 47)	**3**	2
Company Secretary and Chief Operating Officer of Management Company (with spouse and minor children)		
Units held: 35 (June 2023: 1,270)	**2**	65

	Note	2024	2023
		---- (Rupees in '000) -----	
Spouse of the Director and Chief Investment Officer of Management Company			
Units held: 1,160 (June 2023: 995)		**60**	51
Mr. Toqir Hussain - Head of IT of the Management Company			
Units held: 1,686 (June 2023: Nil)		**87**	-
Mr. Carrow Michael - Head of HR of the Management Company			
Units held: 1 (June 2023: Nil)		**1**	-
Chairperson of the Management Company			
Units held: 153 (June 2023: Nil)		**8**	-
Close Relative of Chairperson of the Management Company			
Units held: 206 (June 2023: Nil)		**11**	-
AKD Securities Limited - Associated Company			
Brokerage payable		**3**	153
Hasan Ahmed - Director of Management Company			
Units held: 144 (June 2023: 123)		**7**	6
Ali Wahab Siddiqui - Director of Management Company			
Units held: 337,454 (June 2023: 203,373)		**17,384**	10,350
Muhammad Farid Alam - Key Management Personnel of Associated Company			
Units held: 647 (June 2023: Nil)		**33**	-
Afsheen Aqeel Dhedhi - Close relative of Sponsor of Management Company			
Units held: 42 (June 2023: 36)		**2**	2
Hina Aqeel - Close relative of Sponsor of Management Company			
Units held: 412 (June 2023: Nil)		**21**	-
Yasmeen Dhedhi - Close relative of Sponsor of Management Company			
Units held: 21,937 (June 2023: 18,821)		**1,130**	958
M3 Technologies Pakistan Private Limited Employees Provident fund Common Directorship			
Units held: 258,738 (June 2023: 216,598)		**13,329**	11,023
Pak Qatar Investment Account - Connected person due to holding of more than 10% units*			
Units held: 2,336,345 (June 2023: N/A)		**120,354**	-
Pak Qatar Individual Family Participant Investment Fund - Connected person due to holding of more than 10% units*			
Units held: 69,272 (June 2023: N/A)		**3,568**	-
Durain Cassim - Connected person due to holding of more than 10% units			
Units held: 5,004,933 (June 2023: 6,552,129)		**257,824**	333,460

*Current period connected party

	Note	2024	2023
		---- (Rupees in '000) -----	

18. FINANCIAL INSTRUMENTS BY CATEGORY

All the financial assets and liabilities carried on the statement of assets and liabilities are categorised as follows:

	Note	2024	2023
Financial assets			
At fair value through profit or loss			
Sukuk certificates		**438,504**	303,363
Government securities		**333,663**	10,006
Listed equity securities (spread transactions)		**-**	86,540
At amortised cost			
Bank balances		**701,259**	267,958
Commercial papers		**227,000**	545,000
Deposits and other receivables		**11,625**	32,914
Profit receivable		**30,500**	45,066
Receivable against sale/ conversion of units		**-**	7,265
Receivable against sale of investments		**-**	33,016
		1,742,551	1,331,128
Financial liabilities			
At amortised cost			
Payable to AKD Investment Management Limited - Management Company		**1,816**	1,346
Payable to Digital Custodian Company Limited - Trustee		**142**	149
Payable to the Securities and Exchange Commission of Pakistan		**94**	229
Payable against redemption/ conversion of units		**5,843**	18
Dividend payable		**2,783**	-
Accrued and other liabilities		**1,398**	6,000
		12,076	7,742

19. FINANCIAL RISK MANAGEMENT

The Fund's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Fund's financial performance.

The Fund's activities expose it to a variety of financial risks: market risk (including currency risk, profit rate and other price risk), credit risk and liquidity risk. Risks of the Fund are being managed by the Management Company in accordance with the approved policies of the Investment Committee which provides broad guidelines for management of above mentioned risks. The Board of Directors of Management Company has overall responsibility for the establishment and oversight of the Fund's risk management framework.

The Fund's financial assets primarily comprise of balances with banks and investment in equity securities classified at 'fair value through profit or loss'. The Fund also has profit receivable on bank deposit and deposits and dividend. The Fund's principal financial liabilities include remuneration payable to the Management Company, the Trustee and accrued and other liabilities.

19.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in market prices.

The Management Company manages market risk by monitoring exposure in marketable securities by following the internal risk management policies and investment guidelines approved by the Investment Committee of the Fund and the regulations laid down by the SECP, the NBFC Regulations and NBFC Rules.

Market risk comprises three types of risk: currency risk, interest rate risk and price risk.

19.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. At present, the Fund is not exposed to currency risk as all the transactions are carried out in Pakistani Rupees.

19.1.2 Profit rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. As of 30 June 2024, the Fund is exposed to fair value interest rate risk on its bank balances, investment in sukuk certificates Government securities and commercial papers. The Investment Committee of the Fund reviews the portfolio of the Fund on regular basis to ensure risk is managed within the acceptable limits.

As of 30 June 2024, details of Fund's profit bearing financial instruments were as follows:

	Note	2024	2023
		---- (Rupees in '000) ----	
Bank balances	3	**701,259**	267,958
Investments	4	**999,167**	858,369
		1,700,426	1,126,327

a) Sensitivity analysis for variable rate instrument

At the reporting date the Fund has balances in saving accounts and investment in sukuks, commercial papers and Government securities on which profit rate ranges between 9% to 24.85% (2023: 19% to 25.91%) that could expose the Fund to cash flow interest rate risk. The net income in the income statement and statement of comprehensive income would have increased / (decreased) by Rs. 17 million (2023: Rs. 11.263 million) and consequently statement of of movement in unit holder's fund would be affected by the same amount, had the interest rates on saving accounts with the bank increased/(decreased) by 100 basis points. The analysis assumes that all other variables remain constant.

b) Sensitivity analysis for fixed rate instruments

At reporting date, the Fund does not hold any fixed rate instruments that could expose the Fund to fair value interest rate risk.

The composition of Fund's investment portfolio, KIBOR rates and rates announced by Financial Market Association is expected to change over time. Therefore, the sensitivity analysis prepared as of 30 June 2024 is not necessarily indicative of the effect on the Fund's net assets and net income due to future movements in interest rates.

Exposure to profit rate risk and maturity

Profit rate sensitivity position for on balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on the settlement date.

Particular	effective profit rate	Exposed to profit rate risk			Not exposed to profit rate risk	Total
		As at 30 June 2024				
		Upto three months	More than three months and upto one year	More than one year		
	--- % ---	(Rupees in '000)				
On-balance sheet financial instruments						
Financial assets at fair value through profit or loss						
Sukuk Certificates	22.61 to 24.85	-	235,937	202,567	-	438,504
Government securities	19.63 to 23.6	-	-	333,663	-	333,663
		-	235,937	536,230	-	772,167
Financial assets at amortised cost						
Commercial Papers	21.06 to 23.61	145,000	82,000	-	-	227,000
Bank balances	9 to 18.6	701,259	-	-	-	701,259
Profit Receivable		-	-	-	30,500	30,500
Deposits and other receivables		-	-	-	11,625	11,625
Receivable against sale/ conversion of units		-	-	-	-	-
		846,259	82,000	-	42,125	970,384
Sub total		846,259	317,937	536,230	42,125	1,742,551
Financial liabilities at amortised cost						
Payable to AKD Investment Management Limited - Management Company		-	-	-	1,816	1,816
Payable to Digital Custodian Company Limited - Trustee		-	-	-	142	142
Payable to the Securities and Exchange Commission of Pakistan		-	-	-	94	94
Payable against redemption/ conversion of units		-	-	-	5,843	5,843
Dividend payable		-	-	-	2,783	2,783
Accrued and other liabilities		-	-	-	1,398	1,398
Sub total		-	-	-	12,076	12,076
On-balance sheet gap		846,259	317,937	536,230	30,049	1,730,475
Total interest rate sensitivity gap		846,259	317,937	536,230	30,049	
Cumulative interest rate sensitivity gap		846,259	317,937	536,230	30,049	

Particular	effective profit rate	Upto three months	More than three months and upto one year	More than one year	Not exposed to profit rate risk	Total
		As at 30 June 2023				
		Exposed to profit rate risk				
	--- % ---	(Rupees in '000)				
On-balance sheet financial instruments						
Financial assets at fair value through profit or loss						
Sukuk Certificates	22.3 to 25.9	-	12,563	290,800	-	303,363
Government securities	22.68	-	10,006	-	-	10,006
Listed equity securities		-	-	-	86,540	86,540
		-	22,569	290,800	86,540	399,909
Financial assets at amortised cost						
Commercial Papers	22.3 to 22.8	188,000	357,000	-	-	545,000
Bank balances	13 to 19.75	267,958	-	-	-	267,958
Profit Receivable		-	-	-	45,066	45,066
Deposits, prepayments and other receivables		-	-	-	32,914	32,914
Receivable against sale/ conversion of units		-	-	-	7,265	7,265
Receivable against sale of investments		-	-	-	33,016	33,016
		455,958	357,000	-	118,261	931,219
Sub total		455,958	379,569	290,800	204,801	1,331,128
Financial liabilities at amortised cost						
Payable to AKD Investment Management Limited - Management Company		-	-	-	1,346	1,346
Payable to Digital Custodian Company Limited - Trustee		-	-	-	149	149
Payable to the Securities and Exchange Commission of Pakistan		-	-	-	229	229
Payable against redemption/ conversion of units		-	-	-	18	18
Accrued and other liabilities		-	-	-	6,000	6,000
Sub total		-	-	-	7,742	7,742
On-balance sheet gap		455,958	379,569	290,800	197,059	1,323,386
Total interest rate sensitivity gap		455,958	379,569	290,800	197,059	
Cumulative interest rate sensitivity gap		455,958	379,569	290,800	197,059	

19.1.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as result of changes in market prices (other than those arising from profit rate risk or currency risk) whether those changes are caused by the factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. Since the Fund does not have equity securities at year end, therefore the Fund is not exposed to equity price risk.

19.2 Credit risk

Credit risk represents the risk of a loss if the counterparties fail to perform as contracted. The Fund's credit risk mainly arises from investment in sukuks certificates, commercial papers, deposits with banks and other financial institutions. The credit risk on Fund is limited because counterparties are financial institutions with reasonably high credit ratings.

Management of credit risk

The Fund keeps deposits and performs transactions with reputed financial institutions with reasonably high credit ratings. The Fund has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. This information is supplied by independent rating agencies, where available, and if not available, the Fund uses other publicly available financial information and its own trading records to rate its major customers. The Fund's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The maximum exposure to credit risk before considering any collateral as at 30 June 2024 is the carrying amount of the financial assets. None of these assets are 'impaired' nor 'past due but not impaired'.

	2024		2023	
	Balance as per statement of assets and liabilities	**Maximum exposure**	Balance as per statement of assets and liabilities	Maximum exposure
	(Rupees in '000)			
Bank balances	**701,259**	**701,259**	267,958	267,958
Investments	**999,167**	**999,167**	944,909	944,909
Deposits and other receivables	**11,625**	**11,625**	32,914	32,914
Profit receivable	**30,500**	**30,500**	45,066	45,066
Receivable against sale / conversion of units	-	-	7,265	-
Receivable against sale of investments	-	-	33,016	33,016
	1,742,551	**1,742,551**	1,331,128	1,323,863

The analysis below summaries the credit rating quality of the fund's financial assets with banks as at 30 June 2024 and 30 June 2023:

Bank balances by rating category	**Rating Agency**	**2024 Rupees in '000**	**%**	2023 Rupees in '000	--- % ---
AA- / A1	PACRA	**36,118**	**5%**	42,467	16%
AA/A-1+	VIS	**111,323**	**16%**	74,772	28%
A+ / A-1	PACRA	**553,593**	**79%**	50,208	19%
AA- / A1+	PACRA	**212**	**0%**	100,498	38%
Suspended		**13**	**0%**	13	0%
		701,259	**100%**	267,958	100%
Profit receivable on bank deposits					
AA- / A1	PACRA	**1,344**	**11%**	6,501	62%
AA/A-1+	VIS	**523**	**4%**	1,073	10%
A+ / A-1	PACRA	**10,138**	**84%**	1,211	12%
AA- / A1+	PACRA	**2**	**0%**	1,619	16%
		12,007	**100%**	10,404	100%

Above rating is on the basis of available ratings assigned by PACRA & VIS as of 30 June 2024.

Balance with bank is assessed to have low credit risk of default since the bank is highly regulated by the State Bank of Pakistan. Accordingly, management of the fund estimates that loss allowance on balance with bank at the end of the reporting period at an amount equal to 12 month Expected Credit Loss (ECL). None of the balance with bank at the end of the reporting period is past due, and taking into account the historical default experience and the current credit ratings of the bank, the management of the fund have assessed that there is no impairment, and hence have not recorded any loss allowance on this balance.

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect 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 concentrated in equity securities which are diversified and relate to various sectors. The Fund's portfolio of other financial assets is broadly diversified and transactions are entered into with diverse credit worthy counterparties thereby mitigating any significant concentration of credit risk.

Settlement risk

The Fund's activities may give rise to risk at the time of settlement of transactions. Settlement risk is the risk of loss due to the failure of an entity to honor its obligations to deliver cash, securities or other assets as contractually agreed. For the vast majority of transactions the Fund mitigates this risk by conducting settlements through a broker to ensure that a trade is settled only when both parties have fulfilled their contractual settlement obligations.

19.3 Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations arising from its financial liabilities that are settled by delivering cash or another financial asset or such obligations will have to be settled in a manner disadvantageous to the Fund.

The Fund is exposed to settlement of equity securities and daily cash redemptions, if any, at the option of unit holders. The Fund 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 and are considered readily realisable.

In order to manage the Fund's overall liquidity, the Fund also has the ability to withhold daily redemption requests in excess of 10% 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 10% of the units then in issue. The Fund did not withhold any redemptions during the current year.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining year at the reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	As at 30 June 2024				
	Within one month	**Over one to three months**	**Over three to twelve months**	**Over one to five years**	**Total**
			(Rupees in '000)		
Financial liabilities at amortised cost					
Payable to AKD Investment Management Limited - Management Company	1,816	-	-	-	1,816
Payable to Digital Custodian Company Limited - Trustee	142	-	-	-	142
Payable to the Securities and Exchange Commission of Pakistan	94	-	-	-	94
Payable against redemption/ conversion of units	5,843	-	-	-	5,843
Dividend payable	2,783				2,783
Accrued and other liabilities	1,398	-	-	-	1,398
	12,076	-	-	-	12,076

	As at 30 June 2023				
	Within one month	Over one to three months	Over three to twelve months	Over one to five years	Total
			(Rupees in '000)		
Financial liabilities at amortised cost					
Payable to AKD Investment Management Limited - Management Company	1,346	-	-	-	1,346
Payable to Digital Custodian Company Limited - Trustee	149	-	-	-	149
Payable to the Securities and Exchange Commission of Pakistan	229	-	-	-	229
Payable against redemption/ conversion of units	18	-	-	-	18
Accrued and other liabilities	6,000	-	-	-	6,000
	7,742	-	-	-	7,742

20. UNIT HOLDERS' FUND (UHF) RISK MANAGEMENT

The unit holders' fund is represented by the net assets attributable to unit holders / redeemable units. The amount of net assets attributable to unit holders can change significantly on a daily basis as the Fund is subject to daily issuance and redemptions at the discretion of unit holders. These unit holders of the Fund 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's objective when managing unit holders' fund is to safeguard the Fund's ability to continue as a going concern in order to provide returns for the benefits of the unit holders to maintain a strong base of assets to support the development of the investment activities of the Fund and to meet unexpected losses or opportunities. As required under the NBFC Regulations, every open end scheme shall maintain minimum fund size (i.e. net assets of the Fund) of Rs. 100 million at all times during the life of scheme. In order to comply with the requirement and to maintain or adjust the unit holders' fund, the Fund's policy is to perform the following:

- Monitor the level of daily issuance and redemptions relative to the liquid assets and adjust the amount of distributions the Fund pays to the unit holders;

- Redeem and issue units in accordance with the constitutive documents of the Fund. This includes the Fund's ability to

- The Fund Manager / Investment Committee members and the Chief Executive Officer of the Management Company critically track the movement of 'Assets under Management'. The Board of Directors of the Management Company is updated regarding key performance indicators, e.g., yield and movement of NAV and total Fund size at the end of each quarter

The Fund has maintained and complied with the requirements of minimum fund size during the current year.

21. 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 IFRS. 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 close of trading i.e. year end date. The estimated fair value of all other financial assets and financial liabilities is considered not significantly different from book value as these are short term in nature.

The following table shows financial instruments recognised at fair value 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 30 June 2024			
	Level 1	**Level 2**	**Level 3**	**Total**
	------------------ (Rupees in '000) ---------------			
Investment in securities - at fair value through profit or loss				
Investments	**333,663**	**438,504**	**-**	**772,167**

	As at 30 June 2023			
	Level 1	**Level 2**	**Level 3**	**Total**
	----------------------- (Rupees in '000) -----------------			
Investment in securities - at fair value through profit or loss				
Investments	96,546	303,363	-	399,909

21.1 There were no tranfers between levels of fair value heirachy during the year.

22. PARTICULARS OF THE INVESTMENT COMMITTEE AND FUND MANAGER

Details of members of the Investment Committee of the Fund as on June 30, 2024 are as follows:

S.NO	Name	Designation	Qualification	Experinece in year
1.	Mr. Imran Motiwala	Chief Executive Officer	B.Sc (Marketing)	31
2.	Mr. Muhammad Yaqoob	Chief Operating Officer and Company Secretary	MBA (Finance), CFA Charterholder	20
3.	Ms. Anum Dhedhi	Chief Investment Officer	B.Sc. (Financial Economics)	13
4.	Mr. Danish Aslam	Senior Fund Manager	BS Joint (Honors) Accounting and Finance, Passed CFA Exam Level I	6
5.	Mr. Raheel Farooque	Senior Manager Operation	MBA (Finance)	21

Mr. Danish Aslam is the Manager of the Fund. He is also managing AKD Cash Fund, AKD Islamic Daily Dividend Fund, and AKD Aggressive Income Fund.

23. PATTERN OF UNIT HOLDING

	As at 30 June 2024		
	No of unitholders	Units held	Percentage of investment
Individuals	**2,182**	**28,951,937**	**87.07**
Directors and CEO	**3**	**337,662**	**1.02**
Insurance company	**1**	**1,793**	**0.01**
Banks / DFIs	**1**	**9,657**	**0.03**
Retirement Funds	**9**	**1,414,941**	**4.26**
Public Limited Companies	**4**	**121,088**	**0.36**
Other	**23**	**2,414,370**	**7.26**
	2,223	**33,251,448**	**100.00**

	As at 30 June 2023		
	No of unitholders	Units held	Percentage of investment
Individuals	1,743	20,548,448	79.90
Directors and CEO	2	203,420	0.79
Associated Companies	1	742	0.00
Insurance company	1	1,538	0.01
Retirement Funds	10	2,208,991	8.59
Public Limited Companies	9	114,386	0.44
Others	28	2,641,553	10.27
	1,794	25,719,078	100.00

24. ATTENDANCE AT MEETINGS OF BOARD OF DIRECTORS

During the year 97th, 98th, 99th, 100th and 101st board meetings were held on 5 July 2023, 22 September 2023, 21 October 2023, 29 March 2024 and 30 April 2024 respectively. Information in respect of attendance by directors in these meetings is given below:

S.No	Name of Director	Number of meeting held	Attended	Leave	Meeting not attened
1	Mr. Abdul Karim Memon*	5	2	-	3
2	Mr. Khalid Mahmood*	5	3	-	2
3	Mr. Imran Motiwala	5	5	-	-
4	Ms. Anum Dhedhi	5	4	1	-
5	Mr. Hasan Ahmed	5	5	-	-
6	Ms.Aysha Ahmed	5	5	-	-
7	Mr. Ali Wahab Siddiqui	5	5	-	-
8	Mr. Abid Hussain	5	4	-	1

* Mr. Abdul Karim Memon retire effective from 10 Octobor 2023 from the Chairman position, Mr. Khalid Mehood appointed as his successor.

25. GENERAL

25.1 No significant reclassification / rearrangement of the corresponding figures has been made during the year in these financial statements

25.2 Figures have been rounded off to the nearest thousand rupees.

26. DATE OF AUTHORISATION FOR ISSUE

These financial statments were authorised for issue on 30 SEP 2024 by the Board of Directors of the Management Company.

For AKD Investment Management Limited
(Management Company)

CHIEF EXECUTIVE OFFICER | **DIRECTOR** | **CHIEF FINANCIAL OFFICER**

AKD ISLAMIC INCOME FUND
PERFORMANCE TABLE

	2024	2023	2022
Total net assets value (Rs '000)*	1,707,614	1,307,010	892,873
Net assets value per unit - (Rs)*	51.3546	50.8187	50.5961
Selling price as at June 30 (Rs)*	51.8681	51.3276	51.1021
Repurchase price as at June 30 (Rs)*	51.3546	50.8187	50.5961
Highest selling price (Rs)	61.5864	59.8358	55.5787
Lowest selling price (Rs)	50.8187	51.1218	51.0144
Highest repurchase price (Rs)	60.9766	59.2434	55.0284
Lowest repurchase price (Rs)	50.8187	50.6157	50.5093
Return of the Fund			
- capital growth (Rs '000)	400,604	416,058	168,984
- income distribution (including refund of capital) (Rs '000)		214,418	74,441
Distribution per unit			
Interim			
- Gross (2024: announced on June 21, 2024)	9.90		
- Gross (2023: announced on June 26, 2023)		8.5912	4.5708
- Gross (2022: announced on June 30, 2022)			
Final			
- Gross (2023: announced on July 6, 2023)		0.0747	-
Average Annual Return (Percentage)			
- One year	20.52	17.65	9.39
- Two years	19.08	13.44	8.16
- Three years	15.76	11.24	9.28
Weighted Average Portfolio Duration	262	248	428

* Final distributions for the period made subsequent to the year end have been adjusted against the closing NAVs.
Note: The portfolio composition of the fund has been disclosed in note 6 to the financial statements.
Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up.