

ANNUAL REPORT 2024



Funds Managed by:
AKD Investment Management Ltd

Partner with AKD
Profit from the Experience

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 Siddiqi (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 (AKDISF), 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 (AKDISF)

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						Attended	Leave
		30-Apr-24	29-Mar-24	31-Oct-23	22-Sep-23	05-Jul-23			
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				Attended	Leave
		29-Apr-24	29-Mar-24	31-Oct-23	22-Sep-23		
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
Director

Imran Motiwala
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 اپرچوئیٹی فنڈ (اے کے ڈی او ایف)، گولڈن ایرو سٹاک فنڈ (جی اے ایس ایف) اے کے ڈی انڈیکس ٹریڈر فنڈ (اے کے ڈی آئی ٹی ایف)، اے کے ڈی اسلامک سٹاک فنڈ (اے کے ڈی آئی ایس ایف)، اے کے ڈی کیش فنڈ (اے کے ڈی سی ایف)، اے کے ڈی ایگریسو انکم فنڈ (اے کے ڈی 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 کیلئے اپنی سالانہ رپورٹ مع فنڈز کے آڈٹ شدہ مالیاتی گوشوارے پیش کرنے میں مسرت محسوس کرتے ہیں۔

فنڈز کی مالیاتی کارکردگی

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

مالی سال 2024 کے لئے اے کے ڈی اپرچوئیٹی فنڈ کارپوریشن کے ایس ای-100 انڈیکس کے ہینچ 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 کیلئے یونٹ ہولڈرز کیلئے 2.75 روپے فی یونٹ (بشمول ریفرنڈ آف ایلیمینٹ) کے کل ڈسٹری بیوشن کی منظوری دی۔

گولڈن ایرو سٹاک فنڈ (جی اے ایس ایف)

مالی سال 2024 کے لئے گولڈن ایرو سٹاک فنڈ (جی اے ایس ایف) کارپوریشن کے ایس ای-100 انڈیکس کے ہینچ 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 کیلئے یونٹ ہولڈرز کیلئے 0.50 روپے فی یونٹ (بشمول ریفرنڈ آف ایلیمینٹ) کے کل ڈسٹری بیوشن کی منظوری دی۔

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

مالی سال 2024 کے لئے اے کے ڈی اسلامک سٹاک فنڈ (اے کے ڈی آئی ایس ایف) کارپوریشن کے ایم آئی-30 انڈیکس کے ہینچ 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 ریفرنڈ آف ایلیمینٹ) کے ٹوٹل ڈسٹری بیوشن کی منظوری دی۔

اے کے ڈی انڈیکس ٹریکرفنڈ (اے کے ڈی آئی ٹی ایف)

مالی سال 2024 کے لئے اے کے ڈی انڈیکس ٹریکرفنڈ (اے کے ڈی آئی ٹی ایف) کا ریٹرن کے ایس ای۔ 100 انڈیکس کے بیچ 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 ریفرنڈ آف ایلیمینٹ) 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 بیچ 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 ریفرنڈ آف ایلیمینٹ) 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 بیچ 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 ریفرنڈ آف ایلیمینٹ) 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 بیچ 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 ریفرنڈ آف ابلیمینٹ) کے ٹوٹل ڈسٹری بیوشن کی منظوری دی۔

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

مالی سال 2024 کیلئے اے کے ڈی اسلامک ڈیلی ڈیویڈنڈ 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 آرٹجمنٹ پروگرام کی کامیاب تکمیل کی بدولت پاکستان کے اقتصادی منظر نامے نے بہتری دکھائی۔ اس پیش رفت نے سرمایہ کاری کی بحالی میں مدد دی جبکہ کثیر الجہتی اور دو طرفہ 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 سے 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 پیش رفتوں اور افراط زر کے منظر نامے 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 اینڈ ٹیکس 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 بنیاد اثر اور ماہانہ بنیادوں پر ہاؤسنگ اینڈ ٹیکس میں 1.40 فیصد کی کمی تھی۔ مستقبل میں توقع کی جارہی 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 نتیجے 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 ارٹجمنٹ 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 ملین روپے کا ٹیکس اکٹھا کیا جو ٹیکس وصولی کے مقرر کردہ ہدف 9,252 ملین روپے سے 54 ملین 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

مستل حمایت حاصل کرنے کے لیے ضروری ہے۔

حکومت کی طرف سے غیر ملکی سرمایہ کاری کو ملک میں راغب کرنے کیلئے مستل 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 2023-2024 کے دوران ایکویٹی مارکیٹ نے غیر معمولی کارکردگی کا مظاہرہ کرتے ہوئے 78,445 کے اختتامی بیچ 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 ارتجمنٹ کی کامیابی سے تکمیل، نئی حکومت کے بروقت قیام اور مہنگائی میں نمایاں کمی سے ملی جو مئی 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 کی 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)، فریٹلائزر (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 آئی، 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)، فریٹلائزر (65.35 فیصد) اور سیمنٹ (59.27 فیصد) شامل ہے جبکہ منڈی کا شکار رہنے والی کمپنیوں میں کیمیکل (

منفی 49.11 فیصد) مضاربہ (منفی 42.13 فیصد)، پراپرٹی (منفی 6.54 فیصد) اور وانا سیتی 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 روک 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 میکر واکنا مک 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 ہو سکتا 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 کر سکتی 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۔

فلسڈ انکم کا جائزہ

سال کے دوران اسٹیٹ بینک آف پاکستان نے تسلسل کے ساتھ محتاط زرعی 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 احساس 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 ٹریڈری 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 6، 3، 12 ماہ کے ایم ٹی بی 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 فلسڈ ریٹ پاکستان انویسٹمنٹ بانڈ (پی آئی بی) کی 12 نیلامیاں منعقد کرائیں

اور ان 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 کمپنٹل 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 ڈیپٹ 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۔ ویراہیل 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 اکٹھے کرنے میں کامیاب حاصل ہوئی۔

آگے بڑھتے ہوئے ستمبر تا نومبر 2024 کے نیلامی کیلینڈر 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 فلوئنگ ریٹ پی آئی بی 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۔

کارپورٹ 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۔

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

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

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

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

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

کے۔ مینجمنٹ کمپنی کے ڈائریکٹرز، سی ای، 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 چوٹی 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 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 اور کمپنی سیکرٹری		424
7	عبدالرحمن یعقوب	کمسن بچہ - سی او اور کمپنی سیکرٹری		424
8	عائشہ یعقوب	کمسن بچہ - سی 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 اور ڈائریکٹر	558,283	612,900
گولڈن ایرواسٹاک فنڈ				
1	علی وہاب صدیقی	ڈائریکٹر	374,012	
2	خالد محمود	ڈائریکٹر	199,580	
3	شفاء خالد	شریک حیات - ڈائریکٹر		59,701

منجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز کی تشکیل

i۔ ڈائریکٹرز کی مجموعی تعداد درج ذیل ہے:

5	(اے) مرد
2	(بی) خواتین

ii۔ بورڈ آف ڈائریکٹرز کی تشکیل درج ذیل ہے:

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

منجمنٹ کمپنی کی ریٹنگ

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

فنانس کی ریٹنگ

اے کے ڈی اپرچوئیٹی فنڈ

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (پی اے سی آر اے) نے اے کے ڈی اپرچوئیٹی 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 ریٹنگ 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 ریٹنگ 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 سٹیبیلیٹی 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 سٹیبیلیٹی 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 ریٹنگ 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 3 سٹار پر فارمنس رینٹنگ 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 آئی ایف) کو 7 مارچ 2024 کو 31 دسمبر 2023 کو ختم ہونے والی مدت کے لئے AA-(f) (ڈبل اے مائنس فنڈ سٹیبیلیٹی رینٹنگ) 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 آئی 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 پر فارمنس رینٹنگ 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 4 سٹار پر فارمنس رینٹنگ 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 آئی ڈی ڈی ایف) کو 7 مارچ 2024 کو 31 دسمبر 2023 کو ختم ہونے والی مدت کیلئے AA(f) (ڈبل اے مائنس فنڈ سٹیبیلیٹی رینٹنگ) دی ہے۔

ہولڈنگ کمپنی

اے کے ڈی گروپ ہولڈنگز (پرائیویٹ) لمیٹڈ (قبل ازیں: عمیق کریم ڈھیڈی سکیورٹیز (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 اپرچونٹی فنڈ، اے کے ڈی انڈیکس ٹریڈر فنڈ، اے کے ڈی اکیو 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 اوا براہیم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو سال 2024-2025 کے لیے اے کے ڈی انڈیکس ٹریڈر فنڈ، اے کے ڈی اپرچونٹی فنڈ، اے کے ڈی اکیو انکم فنڈ اور اے کے ڈی اکیو انکم فنڈ کے آڈیٹرز مقرر کیا ہے۔

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

ایگریسیو انکم فنڈ (اے کے ڈی اے آئی ایف) اور اے 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 آڈیٹ مقرر کیا ہے۔

بورڈ نے آڈٹ کمیٹی کی سفارش پر میسرز ریاض احمد اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو 2024-2025 کیلئے اے کے ڈی انویسٹمنٹ مینجمنٹ لمیٹڈ کا قانونی آڈیٹ 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 شکر گزار 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 کر کے ترقی کے لئے راہیں ہموار کرنا ہے۔ پروگرام کے کلیدی شعبوں میں توانائی کے شعبے میں اصلاحات، پکدار زر مبادلہ 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 منظر نامے 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 بیس پوائنٹس کی کمی کی جو 22 فیصد کی تاریخی بلند ترین شرح سے کم ہو کر 17.50 فیصد پر آگئی 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 آگئی۔

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 ایڈجسٹمنٹ 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 کموڈٹی 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 پریٹریڈ ہو رہی ہے اور 11 فیصد کی پرکشش منافع منقسمہ فراہم کر رہی ہے۔

برائے و منجانب بورڈ

عمران موتی والا

چیف ایگزیکٹو آفیسر

خالد محمود

چیئر مین

FUND INFORMATION

AKD Index Tracker 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

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

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

Askari Bank Limited
Bank Al Falah Limited
Faysal Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
United Bank Limited

Distributor

Financial Investments Mart (Pvt) Ltd.
Investlink Advisor (Private) Limited.
Investomate (Private) Limited
ITMinds Limited.
YPay Financial Services (Pvt.) Ltd.

Auditors

M/s Yousuf Adil
Chartered Accountants
Cavish Court, A-35, Block 7 & 8,
KCHSU Shahrah-e-Faisal,
Karachi-75350

Rating: Asset Management Company

PACRA: AM3++

FUND MANAGER'S REPORT

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

Open - end Scheme investing in Equity Securities of KSE-100 Index.

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

The objective of the AKD Index Tracker Fund (AKDITF) is to trail the return of KSE-100 Index with up to 85% accuracy and provide investors with a high quality, in-depth diversification instrument.

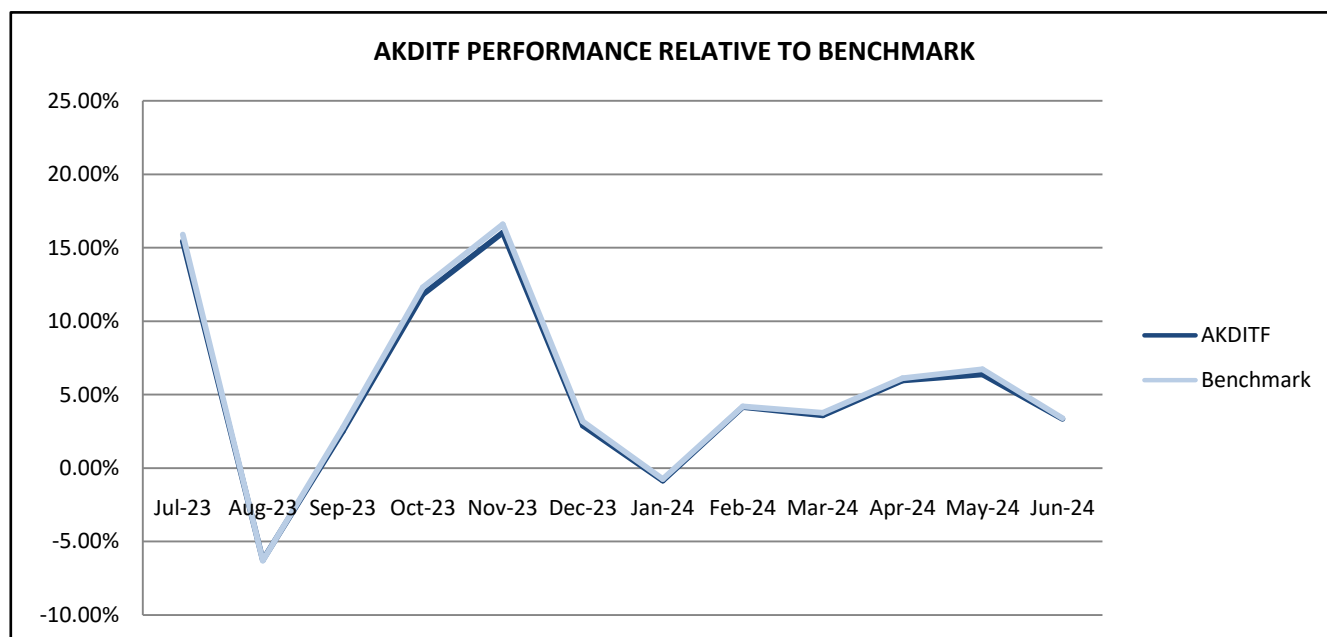
iii) Explanation as to whether Collective Investment Scheme achieved its stated objective:

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%.

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

KSE-100 Index

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



Monthly Return	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24
AKDITF	15.44%	-6.26%	2.49%	11.81%	16.01%	2.89%	-0.86%	4.15%	3.59%	5.96%	6.36%	3.34%
Benchmark	15.88%	-6.31%	2.73%	12.30%	16.59%	3.17%	-0.76%	4.19%	3.76%	6.12%	6.72%	3.38%

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

AKD Index Tracker Fund is a passively managed open - end equity portfolio; its performance is directly linked to the performance of KSE-100 Index with up to 85% accuracy. The Fund Manager attempts to trail the movement of the Index by using the weights of the respective stocks in the KSE-100 Index. AKDITF 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 the report and particulars of significant changes in asset allocation:**

Asset Allocation (% of Total Asset)	30-Jun-24	30-Jun-23
Equities	97.70%	94.65%
Cash	0.44%	4.68%
Other Assets including Receivables	1.86%	0.67%

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

FY24Return	84.42%
Benchmark Return	89.24%

ix) **Changes in total 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")			Rs.	Rs.
823,506	422,884	94.74%	20.9332	12.4341

x) **Statement on the characteristics and general composition of the index:**

AKD Index Tracker Fund tracks the returns of the KSE-100 Index with up to 85% accuracy, providing investors with high quality, in depth diversification instrument.

xi) **Disclosure on the markets that the Collective Investment Scheme has invested in including- review of the market (s) invested in and returns 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.

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.

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%.

xii) 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 the Fund manager's report, not otherwise disclosed in the financial statements.

There were no significant changes in the state of affairs during the period under review.

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

There were no unit splits during the period.

xiv) Break down of unit holdings by size:

Range (Units)	No. of Investors
0.0001 to 9,999	601
10,000 to 49,999	32
50,000 - 99,999	4
100,000 - 499,999	4
500,000 and above	3
Total	644

xv) Disclosure of circumstances that materially affect any interests of unit holders:

Investments are subject to credit and market risk.

xvi) 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 brokers or dealers by virtue of transactions conducted by the Collective Investment Scheme.

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel : (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

AKD INDEX TRACKER FUND

Report of the Trustee pursuant to Regulation 41(h) and Clause 8 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of AKD Index Tracker Fund (the Fund) are of the opinion that AKD Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2024 in accordance with the provisions of the following:

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

We would like to draw Unit holders' attention towards the fact that Management Company has not provided financial statements of the Fund therefore we are neither able to obtain the assurances we get from the audited financial statements nor able to verify the methodology and procedures adopted by the Management Company for the calculation of the value of units as on June 30, 2024.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, September 27, 2024

AKD INDEX TRACKER FUND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

INDEPENDENT AUDITORS' REPORT

To the Unit Holders of AKD Index Tracker Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **AKD Index Tracker Fund** (the Fund), which comprise the statement of assets and liabilities as at June 30, 2024, and the 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 June 30, 2024, and of its financial performance and its cash flows for the year then ended in accordance with accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

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

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. This matter was 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:

S. No.	Key audit matter	How the matter was addressed in our audit
1	Valuation and existence of investments As disclosed in note 6 to the financial statements, investments amounted to Rs. 818.616 million as at June 30, 2024. These investments represent a significant item on the statement of assets and liabilities. The Fund invests principally in listed equity securities which is the main driver of the Fund's performance. Considering the above factors, the valuation and existence of investments are significant areas during our audit. Consequently, we have considered this as a key audit matter.	• Obtained understanding of relevant controls placed by Management Company applicable to the balances; • independently matched securities held by the Fund with the securities appearing in the Central Depository Company account statement to verify existence; • independently tested valuations with the prices quoted on Pakistan Stock Exchange;

		- performed purchases and sales testing on a sample of trades made during the year regarding movement of the securities; - any differences identified during our testing that were over our acceptable threshold were investigated further.
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Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report in respect of the Fund but does not include the financial statements and our auditor's report thereon and the information related to any other fund.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have 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 accounting and reporting standards as applicable in Pakistan, and for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Board of Directors of the Management Company is 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 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 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 to the 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 the 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 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 **Shafqat Ali**.


Yousuf Adil
Chartered Accountants

Place: Karachi
Date: December 20, 2024
UDIN: AR202410186bjugJIXWH

**AKD INDEX TRACKER FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2024**

ASSETS

Bank balances	
Investments	
Dividend and profit receivable on bank deposits	
Deposits and other receivables	
Total assets	

Note	2024 (Rupees in '000)	2023
5	12,766	20,543
6	818,616	415,393
7	454	276
8	2,680	2,680
	834,516	438,892

LIABILITIES

Payable to AKD Investment Management Limited - Management Company	
Payable to Central Depository Company of Pakistan Limited - Trustee	
Payable to Securities and Exchange Commission of Pakistan	
Accrued expenses and other liabilities	
Payable against redemption of units	
Dividend payable	
Total liabilities	

9	1,923	1,686
10	268	80
11	107	85
12	4,941	3,664
19	-	6,765
	3,771	3,728
	11,010	16,008

NET ASSETS

823,506	422,884
----------------	----------------

UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)

823,506	422,884
----------------	----------------

CONTINGENCIES AND COMMITMENTS

13

----- (Number of Units) -----

NUMBER OF UNITS IN ISSUE

14	39,339,614	34,009,959
----	-------------------	-------------------

----- (Rupees) -----

NET ASSETS VALUE PER UNIT

20.93	12.43
--------------	--------------

The annexed notes from 1 to 29 form an integral part of these financial statements.

MA

**For AKD Investment Management Limited
(Management Company)**

[Signature]
Chief Executive Officer

[Signature]
Acting Chief Financial Officer

[Signature]
Director

**AKD INDEX TRACKER FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2024**

	Note	2024 ----- (Rupees in '000) -----	2023 ----- (Rupees in '000) -----
INCOME			
Capital gain on sale of investments classified at 'fair value through profit or loss'		12,540	347
Net unrealised gain / (loss) on re-measurement of investments classified at 'fair value through profit or loss'	6.5	296,704	(44,884)
Dividend income		60,737	44,605
Profit on bank deposits		2,450	1,550
Total income		372,431	1,618
EXPENSES			
Remuneration of AKD Investment Management Limited - Management Company	9.1	4,606	3,195
Sindh sales tax on remuneration of Management Company	9.2	599	415
Expenses allocated by Management Company	9.3	610	426
Remuneration of Central Depository Company of Pakistan Limited - Trustee	10.1	1,230	852
Sindh sales tax on remuneration of Trustee	10.2	160	111
Fee to the Securities and Exchange Commission of Pakistan	11.1	584	85
Auditor's remuneration	16	347	381
Brokerage		331	127
Legal and professional		226	216
Settlement and bank charges		82	150
Fee and subscription		265	358
Total expenses		9,040	6,316
Net income / (loss) for the year before taxation		363,391	(4,698)
Taxation	17	-	-
Net income / (loss) for the year		363,391	(4,698)
Allocation of income for the year			
Net income for the year after taxation		363,391	-
Income already paid on units redeemed		(11,184)	-
		352,207	-
Accounting income available for distribution			
Relating to capital gain		309,244	-
Excluding capital gains		42,963	-
		352,207	-
Earnings per unit	18		

The annexed notes from 1 to 29 form an integral part of these financial statements.

MA

**For AKD Investment Management Limited
(Management Company)**

[Signature]
Chief Executive Officer

[Signature]
Acting Chief Financial Officer

[Signature]
Director

AKD INDEX TRACKER FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024

Net income / (loss) for the year after taxation

Other comprehensive income for the year

Total comprehensive income for the year

2024	2023
----- (Rupees in '000) -----	
363,391	(4,698)
-	-
<u>363,391</u>	<u>(4,698)</u>

The annexed notes from 1 to 29 form an integral part of these financial statements.

MA

For AKD Investment Management Limited
(Management Company)


Chief Executive Officer


Acting Chief Financial Officer


Director

**AKD INDEX TRACKER FUND
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2024**

	Note	2024 ----- (Rupees in '000) -----	2023 ----- (Rupees in '000) -----
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income / (loss) for the year before taxation		363,391	(4,698)
Adjustments for non cash items and other items:			
Net unrealised gain / (loss) on re-measurement of investments classified 'at fair value through profit or loss'	6.5	(296,704)	44,884
Capital gain on sale of investments		(12,540)	(347)
Dividend income		(60,737)	(44,605)
Profit on bank deposits		(2,450)	(1,550)
		<u>(9,040)</u>	<u>(6,316)</u>
Increase in assets			
Deposits and other receivables		-	(14)
(Decrease) / increase in liabilities			
Payable to AKD Investment Management Limited - Management Company		237	(5)
Payable to Central Depository Company of Pakistan Limited - Trustee		188	-
Payable to Securities and Exchange Commission of Pakistan		22	(7)
Accrued expenses and other liabilities		1,277	(3)
		<u>1,724</u>	<u>(15)</u>
Investments - net		(93,979)	(36,281)
Dividend received		60,864	44,652
Profit on bank deposits received		2,145	1,493
Net cash (used in) / generated from operating activities		<u>(38,286)</u>	<u>3,519</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Amount received on issue of units		436,052	60,471
Payment against redemption of units		(333,739)	(53,719)
Distribution paid		(71,804)	-
Net cash generated from financing activities		<u>30,509</u>	<u>6,752</u>
Net (decrease) / increase in cash and cash equivalents during the year		<u>(7,777)</u>	<u>10,271</u>
Cash and cash equivalents at beginning of the year		20,543	10,272
Cash and cash equivalents at end of the year	5	<u>12,766</u>	<u>20,543</u>

The annexed notes from 1 to 29 form an integral part of these financial statements.

MP

For AKD Investment Management Limited
(Management Company)

[Signature]
Chief Executive Officer

[Signature]
Acting Chief Financial Officer

[Signature]
Director

**AKD INDEX TRACKER FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2024**

	2024			2023		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)					
Net assets at beginning of the year	372,484	50,400	422,884	372,497	55,098	427,595
Issue of 23,198,886 (2023: 4,857,232) units						
- Capital value	288,362	-	288,362	61,069	-	61,069
- Element of loss	147,690	-	147,690	(598)	-	(598)
Total proceeds on issuance of units	436,052	-	436,052	60,471	-	60,471
Redemption of 17,869,231 (2023: 4,856,476) units						
- Capital value	(222,115)	-	(222,115)	(61,060)	-	(61,060)
- Element of income	(93,675)	(11,184)	(104,859)	576	-	576
Total payments on redemption of units	(315,790)	(11,184)	(326,974)	(60,484)	-	(60,484)
Total comprehensive income for the year	-	363,391	363,391	-	(4,698)	(4,698)
Interim distribution declared on June 21, 2024 @ Rs. 2	-	(66,510)	(66,510)	-	-	-
Refund of capital	(5,337)	-	(5,337)	-	-	-
	(5,337)	(66,510)	(71,847)	-	-	-
Net assets at end of the year	487,409	336,097	823,506	372,484	50,400	422,884
Undistributed income brought forward						
- Realised income		95,284			143,474	
- Unrealised (loss)		(44,884)			(88,376)	
		50,400			55,098	
Accounting income available for distribution						
- Relating to capital gains	309,244			-		
- Excluding capital gains	42,963			-		
	352,207			-		
Net loss for the year after taxation		-			(4,698)	
Interim distribution declared on June 21, 2024 @ Rs. 2		(66,510)				
Undistributed income carried forward		336,097			50,400	
Undistributed income carried forward						
- Realised income		39,393			95,284	
- Unrealised gain / (loss)		296,704			(44,884)	
		336,097			50,400	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the year			12.43			12.57
Net assets value per unit at end of the year			20.93			12.43

The annexed notes from 1 to 29 form an integral part of these financial statements.

MA

**For AKD Investment Management Limited
(Management Company)**

[Signature]
Chief Executive Officer

[Signature]
Acting Chief Financial Officer

[Signature]
Director

AKD INDEX TRACKER FUND
NOTES COMPRISING MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2024

1. LEGAL STATUS AND NATURE OF BUSINESS

AKD Index Tracker Fund ("The Fund") was established under a Trust Deed, dated January 03, 2005 which was amended by a supplemental trust deed dated May 02, 2007 executed between AKD Investment Management Limited (AKDIML) as Asset Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on May 02, 2007 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on April 12, 2007 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) as an open-ended mutual fund. The Fund commenced its operations from October 11, 2005.

The Management Company of the Fund has been registered as a Non-Banking Finance Company (NBFC) under the NBFC Rules and has obtained a requisite license from 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.

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

The Fund is categorised as Index Tracker Scheme as per circular 7 of 2009 by SECP. As per the circular, the Fund shall strive to remain fully invested in accordance with the stated index (i.e. KSE-100 index), however, under no circumstances shall it be invested less than 85% of its net assets in securities covered in the index or its subsets during the year based on monthly average investment calculated on daily basis. The units invested amount shall be kept in cash and / or near cash instrument where near cash instrument include deposits with bank (excluding TDRs), and treasury bills not exceeding 90 days maturity.

The title to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as Trustee of the Fund.

The Management Company has been assigned a quality rating of "AM3++" by the Pakistan Credit Rating Agency Limited (PACRA) on June 27, 2024. Due to specialised nature of the Fund, performance rating has not been taken, as the comparable benchmark is not available.

The Fund has registered on August 23, 2021 with assistant director of industries and commerce (Trust Wing) Government of Sindh under Section 12 of the Sindh Trusts Act, 2020.

2. BASIS OF PRESENTATION

2.1 Statement of compliance

2.1.1 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 requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, along with part VIIIA of the repealed companies ordinance 1984; and the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, along with part VIIIA of the repealed companies ordinance 1984; and the NBFC Rules, the NBFC Regulations have been followed.

2.1.2 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 33 of 2012 for impairment of debt securities.



2.2 Basis of measurement

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

2.3 Functional and presentation currency

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

2.4 Critical accounting estimates, judgements and changes therein

The preparation of the financial statements in conformity with the accounting and reporting standards requires the management to make estimates, judgements and assumptions that affect the reported amount of assets, liabilities, income and expenses. It also requires the management to exercise judgement in application of its accounting policies. The estimates, judgements 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 judgements 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 judgment or complexity, or areas where estimates and assumptions are significant to the financial statements as a whole are as follows:

- (i) Classification and valuation of financial assets (note 4.1.1)
- (ii) Impairment of financial assets (note 4.1.5); and
- (iii) Provisions (note 4.3)
- (iv) Contingencies and commitments (note 13)
- (v) Taxation (notes 4.4 and 17)

3. AMENDMENTS TO ACCOUNTING STANDARDS

3.1 Amendments to accounting standards that are effective for the year ended June 30, 2024

The following amendments are effective for the year ended June 30, 2024. These amendments are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

Amendments to IAS 1 'Presentation of Financial Statements' and IFRS practice statement 2 - Disclosure of accounting policies

Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of accounting estimates

Amendments to IAS 12 'Income Taxes' - deferred tax related to assets and liabilities arising from a single transaction

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

Due to the adoption of Amendments to IAS 1 'Presentation of Financial Statements' - Disclosure of accounting policies effective from January 01, 2023, the word 'significant' has been replaced with 'material' as reflected in related note of accounting policies (note 4). Although the amendments did not result in any changes to the accounting policies themselves.

3.2 New standard and amendments to accounting standards that are not yet effective

The following amendments or new accounting standards are effective for accounting periods, beginning on or after the date mentioned against each of them. These amendments to accounting standards and new standard are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

**Effective from accounting period
beginning on or after**

Amendments to IFRS 16 'Leases' - Clarification on how seller-lessee subsequently measures sale and leaseback transactions

January 1, 2024

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Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current along with Non-current liabilities with Covenants January 1, 2024

Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: Disclosures' - Supplier Finance Arrangements January 1, 2024

Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Clarification on how entity accounts when there is long term lack of Exchangeability January 01, 2025

IFRS 17 - 'Insurance Contracts' (including the amendments made in June 2020 and December 2021) January 01, 2026

Amendments IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments: Disclosures' - Classification and measurement of financial instruments January 01, 2026

Other than the aforesaid amendments, IASB has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 – First Time Adoption of International Financial Reporting Standards
- IFRS 18 – Presentation and Disclosures in Financial Statements
- IFRS 19 – Subsidiaries without Public Accountability: Disclosures

4. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies set out below have been applied consistently to all periods presented in these financial statements.

4.1 Financial instruments

4.1.1 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).

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.

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, the Fund may irrevocably elect to present subsequent changes in fair value in other comprehensive income (OCI), only dividend income is recognised in the income statement. This election is made on an investment-by-investment basis.

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Financial assets at FVTPL

All other financial assets are classified at FVTPL (for example: equity held for trading and debt securities not classified either as AC or FVOCI).

In addition, on initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirement 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.

4.1.2 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.

4.1.3 Subsequent measurement of financial assets

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.

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 the 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.

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.

4.1.4 Fair value measurement principles and provision

The fair value of financial instruments is determined as follows:

Basis of valuation of equity securities

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.

4.1.5 Impairment

For financial assets other than debt securities measured at amortised cost, IFRS 9 requires recognition of impairment based on expected credit loss (ECL) model. Under IFRS 9, the Fund is required to measure loss allowance equal to an amount equal to lifetime ECL or 12 months ECL based on credit risk.

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 2.1.2 of these financial statements, the Fund follows requirements of circular 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 losses recognised on debt securities can be reversed through the income statement.

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As allowed under circular no. 33 of 2012 dated October 24, 2012 issued by the SECP, the Management Company 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 Company on its website.

4.1.6 Classification and measurement of financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest rate 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 period. 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 period, to the amortised cost of a financial liability.

4.1.7 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.

4.1.8 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.

4.1.9 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.

4.2 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 which are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value.

4.3 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.

4.4 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 accumulated losses and 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 accumulated losses and capital gains, whether realised or unrealised, to its unit holders.

4.5 Dividend distribution and appropriations

Dividend distributions and appropriations are recorded in the period in which these are approved by the Board of Directors of the Management Company. Based on Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

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

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

4.6 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.

4.7 Element of income / loss 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 period. Further, the element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend 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.

4.8 Net asset value per unit

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

4.9 Revenue recognition

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

4.10 Expenses

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

		2024	2023
	Note	----- (Rupees in '000) -----	
5. BANK BALANCES			
Savings accounts	5.1	<u>12,766</u>	<u>20,543</u>
5.1	Mark-up rates on these accounts range from 18% to 20.50% (2023: 13% to 19.5%) per annum.		
		2024	2023
	Note	----- (Rupees in '000) -----	
6. INVESTMENTS			
At fair value through profit or loss			
Listed equity securities	6.1	<u>818,616</u>	<u>415,393</u>

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6.1 Listed equity securities

Name of investee company	Face value per share	As at July 01, 2023	Purchases during the year	Bonus / right issue	Sales during the year	As at June 30, 2024	Balance as at June 30, 2024			Market Value as a percentage of Investments	Market value as percentage of net assets	Market Value as a Percentage of paid up capital of the investee company held
							Carrying cost	Market Value	Appreciation / (diminution)			
(Rupees)												
-----Number of shares / certificates-----												
Fully paid ordinary shares / certificates												
Automobile Assembler												
Atlas Honda Limited	10	3,120	-	-	3,120	-	-	-	-	-	-	-
Honda Atlas Cars (Pakistan) Limited	10	7,270	-	-	7,270	-	-	-	-	-	-	-
Indus Motor Company Limited	10	3,899	625	-	-	4,524	4,515	7,148	2,633	0.87	0.87	0.91
Millat Tractors Limited	10	24,759	5,326	-	1,520	28,565	11,958	18,170	6,212	2.22	2.21	0.95
Pak Suzuki Motor Company Limited	10	5,632	-	-	5,632	-	-	-	-	-	-	-
							16,473	25,318	8,845			
Automobile Parts & Accessories												
Thal Limited	5	10,771	2,140	-	645	12,266	2,391	5,929	3,538	0.72	0.72	1.46
Cable & Electrical Goods												
Pak Elektron Limited	10	116,393	17,000	-	-	133,393	1,428	3,296	1,868	0.40	0.40	0.04
Property												
Javedan Corporation Limited	10	29,500	9,500	-	-	39,000	1,489	1,367	(122)	0.17	0.17	0.04
Cement												
Cherat Cement Company Limited	10	32,685	8,600	-	2,100	39,185	5,020	6,392	1,372	0.78	0.78	0.33
D.G. Khan Cement Company Limited	10	59,727	12,600	-	-	72,327	3,987	6,529	2,542	0.80	0.79	0.15
Fauji Cement Company Limited	10	233,525	53,500	-	-	287,025	3,694	6,576	2,882	0.80	0.80	0.03
Kohat Cement Company Limited (Note 6.4)	10	16,800	3,100	-	-	19,900	3,653	4,984	1,331	0.61	0.61	0.25
Lucky Cement Limited (Note 6.4)	10	31,464	8,320	-	9,962	29,822	17,239	27,041	9,802	3.30	3.28	0.92
Maple Leaf Cement Factory Limited	10	135,487	38,500	-	20,000	153,987	4,727	5,852	1,125	0.71	0.71	0.06
Bestway Cement Limited	10	-	9,500	-	-	9,500	1,646	2,131	485	0.26	0.26	0.04
Pioneer Cement Limited	10	31,800	5,700	-	3,800	33,700	3,148	5,684	2,536	0.69	0.69	0.25
							43,114	65,189	22,075			
Chemical												
Archroma Pakistan Limited	10	2,150	-	-	2,150	-	-	-	-	-	-	-
Colgate-Palmolive (Pakistan) Limited	10	6,748	1,600	-	350	7,998	9,538	9,757	219	1.19	1.18	0.40
Engro Polymer & Chemicals Limited	10	91,197	9,600	-	24,887	75,910	3,220	3,410	190	0.42	0.41	0.04
Lucky Core Industries Limited	10	3,738	650	-	-	4,388	2,734	4,079	1,345	0.50	0.50	0.44
Lotte Chemical Pakistan Limited	10	103,000	30,000	-	36,765	96,235	2,378	1,701	(677)	0.21	0.21	0.01
							17,870	18,947	1,077			
Close - End Mutual Fund												
HBL Growth Fund - Class A	10	62,512	-	-	-	62,512	293	436	143	0.05	0.05	0.02

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Name of investee company	Face value per share	As at July 01, 2023	Purchases during the year	Bonus / right issue	Sales during the year	As at June 30, 2024	Balance as at June 30, 2024			Market Value as a percentage of investments	Market value as percentage of net assets	Market Value as a Percentage of paid up capital of the investee of the company held
							Carrying cost	Market Value	Appreciation / (diminution)			
(Rupees)												
-----Number of shares / certificates-----												
(Rupees in '000)												
----- (%) -----												
Commercial Banks												
Allied Bank Limited	10	30,839	4,500	-	-	35,339	2,438	3,894	1,456	0.48	0.47	0.03
Askari Bank Limited	10	108,544	29,500	-	-	138,044	1,961	3,110	1,149	0.38	0.38	0.02
Bank Al Habib Limited (Note 6.4)	10	207,232	78,440	-	21,682	263,990	14,497	29,615	15,118	3.62	3.60	0.27
Bank Alfalah Limited	10	176,534	87,200	-	26,500	237,234	8,336	16,137	7,801	1.97	1.96	0.10
Faysal Bank Limited	10	102,680	18,000	-	-	120,680	2,674	6,329	3,655	0.77	0.77	0.04
Habib Bank Limited (Note 6.4)	10	208,233	29,700	-	40,529	197,404	15,512	24,484	8,972	2.99	2.97	0.17
Habib Metropolitan Bank Limited	10	134,748	22,900	-	-	157,648	5,380	10,826	5,446	1.32	1.31	0.10
MCB Bank Limited (Note 6.4)	10	118,908	34,872	-	13,100	140,680	17,977	31,937	13,960	3.90	3.88	0.27
Meezan Bank Limited (Note 6.4)	10	128,152	33,996	-	10,200	151,948	16,023	36,375	20,352	4.44	4.42	0.20
National Bank of Pakistan	10	137,938	32,500	-	-	170,438	3,743	6,332	2,589	0.77	0.77	0.03
Standard Chartered Bank (Pakistan) Limited	10	51,348	9,000	-	-	60,348	1,436	3,722	2,286	0.45	0.45	0.01
The Bank of Punjab Limited	10	355,015	71,500	-	-	426,515	1,648	2,077	429	0.25	0.25	0.01
BankIslami Pakistan Limited	10	-	96,500	-	45,000	51,500	912	1,146	234	0.14	0.14	0.01
United Bank Limited (Note 6.4)	10	140,279	43,047	-	17,200	166,126	22,058	42,568	20,510	5.20	5.17	0.35
							114,595	218,552	103,957			
Engineering												
International Industries Limited	10	18,750	-	-	-	18,750	1,373	3,670	2,297	0.45	0.45	0.28
International Steels Limited	10	43,500	4,000	-	-	47,500	2,068	4,016	1,948	0.49	0.49	0.09
Mughal Iron and Steel Industries Limited	10	22,205	4,000	-	-	26,205	1,556	2,437	881	0.30	0.30	0.07
							4,997	10,123	5,126			
Fertilizer												
Engro Corporation Limited (Note 6.4)	10	82,261	19,990	-	11,215	91,036	24,568	30,289	5,721	3.70	3.68	0.56
Engro Fertilizers Limited (Note 6.4)	10	170,325	44,500	-	11,000	203,825	18,702	33,880	15,178	4.14	4.11	0.25
Fatima Fertilizer Company Limited	10	85,634	11,500	-	30,236	66,898	2,026	3,453	1,427	0.42	0.42	0.02
Fauji Fertilizer Bin Qasim Limited	10	122,802	28,200	-	-	151,002	2,180	5,356	3,176	0.65	0.65	0.04
Fauji Fertilizer Company Limited (Note 6.4)	10	200,483	50,224	-	13,300	237,407	24,450	38,788	14,338	4.74	4.71	0.30
							71,926	111,766	39,840			
Food & Personal Care Products												
Frieslandcampina Engro Pakistan Limited	10	19,724	4,000	-	-	23,724	1,579	1,661	82	0.20	0.20	0.02
Murree Brewery Company Limited	10	3,072	-	-	-	3,072	891	1,487	596	0.18	0.18	0.54
National Foods Limited	5	19,902	2,300	-	-	22,202	2,328	3,879	1,551	0.47	0.47	0.33
Unilever Pakistan Foods Limited	10	85	19	-	-	104	2,339	1,924	(415)	0.23	0.23	3.02
Rafhan Maize Products Company Limited	10	200	20	-	-	220	1,858	1,670	(188)	0.20	0.20	1.81
Nestle Pakistan Limited	10	644	714	-	600	758	5,114	5,423	309	0.66	0.66	1.20
Unity Foods Limited	10	125,471	34,200	-	26,900	132,771	2,298	4,003	1,705	0.49	0.49	0.03
							16,407	20,047	3,640			

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Name of investee company	Face value per share	As at July 01, 2023	Purchases during the year	Bonus / right issue	Sales during the year	As at June 30, 2024	Balance as at June 30, 2024			Market Value as a percentage of investments	Market value as percentage of net assets	Market Value as a Percentage of paid up capital of the investee company held
							Carrying cost	Market Value	Appreciation / (diminution)			
(Rupees)							(Rupees in '000)			----- (%) -----		
Glass & Ceramics												
Ghani Glass Limited	10	85,505	12,500	-	-	98,005	2,542	2,554	12	0.31	0.31	0.03
Tariq Glass Industries Limited	10	17,500	4,400	-	-	21,900	1,625	2,552	927	0.31	0.31	0.15
							4,167	5,106	939			
Insurance												
Adamjee Insurance Company Limited	10	59,240	17,300	-	-	76,540	1,920	2,749	829	0.34	0.33	0.08
EFU General Insurance Limited	10	15,537	3,500	-	-	19,037	1,651	1,622	(29)	0.20	0.20	0.08
							3,571	4,371	800			
Inv. Banks / Inv. Cos. / Securities Cos.												
Dawood Hercules Corporation Limited (Note 6.4)	10	96,596	22,230	-	4,500	114,326	12,149	18,398	6,249	2.25	2.23	0.38
Pakistan Stock Exchange Limited	10	126,000	27,000	-	-	153,000	1,213	1,960	747	0.24	0.24	0.02
							13,362	20,358	6,996			
Jute												
Crescent Jute Products Limited – Freeze (Note 6.3)	10	500	-	-	500	-	-	-	-	-	-	-
Leather & Tanneries												
Service Industries Limited	10	4,830	2,800	-	-	7,630	2,676	7,255	4,579	0.89	0.88	1.54
Miscellaneous												
Pakistan Services Limited	10	5,440	1,255	-	-	6,695	5,361	5,600	239	0.68	0.68	1.72
Pakistan Aluminium Beverage Cans Limited	10	25,000	5,000	-	-	30,000	1,483	2,216	733	0.27	0.27	0.06
Shifa International Hospitals Limited	10	8,866	-	-	500	8,366	1,025	1,226	201	0.15	0.15	0.19
							7,869	9,042	1,173			
Modarabas												
First Habib Modaraba	5	40,500	-	-	20,250	20,250	148	324	176	0.04	0.04	0.03
Oil & Gas Exploration Companies												
Mari Petroleum Company Limited	10	7,578	1,719	-	380	8,917	14,663	24,186	9,523	2.95	2.94	1.81
Oil & Gas Development Company Limited (Note 6.2 & 6.4)	10	183,137	47,748	-	12,000	218,885	18,985	29,630	10,645	3.62	3.60	0.07
Pakistan Oilfields Limited (Note 6.4)	10	37,234	8,020	-	1,550	43,704	17,844	21,412	3,568	2.62	2.60	0.75
Pakistan Petroleum Limited (Note 6.4)	10	191,400	55,155	-	19,900	226,655	15,805	26,544	10,739	3.24	3.22	0.10
							67,297	101,772	34,475			
Oil & Gas Marketing Companies												
Attock Petroleum Limited	10	8,487	1,100	-	1,600	7,987	2,464	3,085	621	0.38	0.37	0.25
Pakistan State Oil Company Limited	10	59,195	12,360	-	1,800	69,755	8,383	11,594	3,211	1.42	1.41	0.25
Shell Pakistan Limited	10	13,702	4,100	-	-	17,802	2,112	2,387	275	0.29	0.29	0.11
Sui Northern Gas Pipelines Limited	10	81,570	12,600	-	-	94,170	4,068	5,977	1,909	0.73	0.73	0.09
							17,027	23,043	6,016			

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Name of investee company	Face value per share	As at July 01, 2023	Purchases during the year	Bonus / right issue	Sales during the year	As at June 30, 2024	Balance as at June 30, 2024			Market Value as a percentage of investments	Market value as percentage of net assets	Market Value as a Percentage of paid up capital of the investee company held
							Carrying cost	Market Value	Appreciation / (diminution)			
(Rupees)												
-----Number of shares / certificates-----												
(Rupees in '000)												
----- (%) -----												
Paper & Board												
Century Paper & Board Mills Limited	10	36,214	11,000	-	-	47,214	1,374	1,414	40	0.17	0.17	0.04
Packages Limited	10	8,893	600	-	1,000	8,493	3,381	4,547	1,166	0.56	0.55	0.51
							4,755	5,961	1,206			
Pharmaceuticals												
Abbott Laboratories (Pakistan) Limited	10	5,664	1,390	-	-	7,054	2,878	5,170	2,292	0.63	0.63	0.53
AGP Limited	10	21,376	5,500	-	-	26,876	1,615	2,483	868	0.30	0.30	0.09
GlaxoSmithKline Pakistan Limited	10	13,273	7,585	-	-	20,858	1,734	3,000	1,266	0.37	0.36	0.09
Highnoon Laboratories Limited	10	6,157	1,900	-	460	7,597	2,783	5,421	2,638	0.66	0.66	1.02
The Searle Company Limited	10	47,635	20,500	14,829	6,000	76,964	3,309	4,396	1,087	0.54	0.53	0.09
							12,319	20,470	8,151			
Power Generation & Distribution												
The Hub Power Company Limited (Note 6.4)	10	276,265	80,905	-	29,800	327,370	26,467	53,387	26,920	6.52	6.48	0.41
K-Electric Limited	3.5	712,648	220,000	-	70,000	862,648	1,775	3,994	2,219	0.49	0.49	0.00
Nishat Chumian Power Limited	10	-	62,550	-	-	62,550	1,651	1,873	222	0.23	0.23	0.05
Nishat Power Limited	10	-	50,000	-	-	50,000	1,613	1,977	364	0.24	0.24	0.06
Pakgen Power Limited	10	-	47,000	-	-	47,000	1,737	4,113	2,376	0.50	0.50	0.11
Saif Power Limited	10	-	56,000	-	-	56,000	979	1,032	53	0.13	0.13	0.03
Kot Addu Power Company Limited	10	124,104	21,300	-	-	145,404	3,203	4,814	1,611	0.59	0.58	0.05
							37,425	71,190	33,765			
Real Estate Investment Trust												
Dolmen City REIT	10	155,500	31,500	-	-	187,000	2,621	3,076	455	0.38	0.37	0.01
Refinery												
Attock Refinery Limited	10	12,143	2,100	-	-	14,243	2,815	5,008	2,193	0.61	0.61	0.47
Cnergyco PK Limited	10	413,300	70,000	-	-	483,300	1,399	1,861	462	0.23	0.23	0.00
National Refinery Limited	10	6,700	1,600	-	-	8,300	1,445	2,203	758	0.27	0.27	0.28
							5,659	9,072	3,413			
Sugar & Allied Industries												
JDW Sugar Mills Limited	10	1,500	-	-	1,500	-	-	-	-	-	-	-
Habib Sugar Mills Limited	10	-	16,500	-	-	16,500	1,240	1,032	(208)	0.13	0.13	0.14
							1,240	1,032	(208)			
Synthetics And Rayon												
Ibrahim Fibres Limited	10	3,790	1,000	-	-	4,790	1,353	1,916	563	0.23	0.23	0.06
Technology & Communication												
Avanceon Limited	10	29,612	5,500	3,511	-	38,623	1,663	2,086	423	0.25	0.25	0.05
Pakistan Telecommunication Company Limited	10	157,017	24,000	-	-	181,017	1,263	2,174	911	0.27	0.26	0.00
Systems Limited	10	54,110	10,713	-	6,411	58,412	23,659	24,434	775	2.98	2.97	0.84
Air Link Communication Limited	10	31,300	-	-	31,300	-	-	-	-	-	-	-
TRG Pakistan Limited - Class 'A'	10	109,295	19,900	-	3,200	125,995	11,245	7,816	(3,429)	0.95	0.95	0.14
							37,830	36,510	(1,320)			

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Name of investee company	Face value per share	As at July 01, 2023	Purchases during the year	Bonus / right issue	Sales during the year	As at June 30, 2024	Balance as at June 30, 2024			Market Value as a percentage of investments	Market value as percentage of net assets	Market Value as a Percentage of paid up capital of the investee company held
							Carrying cost	Market Value	Appreciation / (diminution)			
(Rupees)												
-----Number of shares / certificates-----												
(Rupees in '000)												
----- (%) -----												
Textile Composite												
Gul Ahmed Textile Mills Limited	10	48,144	-	-	48,144	-	-	-	-	-	-	-
Interloop Limited	10	78,520	14,000	-	-	92,520	3,784	6,553	2,769	0.80	0.80	0.05
Kohinoor Textile Mills Limited	10	22,895	-	-	7,114	15,781	803	1,309	506	0.16	0.16	0.05
Nishat Mills Limited	10	39,972	3,500	-	-	43,472	2,563	3,080	517	0.38	0.37	0.09
							7,150	10,942	3,792			
Textile Spinning												
Gadoon Textile Mills Limited	10	2,000	-	-	-	2,000	487	348	(139)	0.04	0.04	0.12
Textile Weaving												
Yousaf Weaving Mills Limited	10	9,500	-	-	-	9,500	24	30	6	0.00	0.00	0.00
Tobacco												
Pakistan Tobacco Company Limited	10	3,370	550	-	-	3,920	2,941	4,349	1,408	0.53	0.53	0.17
Transport												
Pakistan International Bulk Terminal Limited	10	222,435	-	-	-	222,435	914	1,372	458	0.17	0.17	0.01
Vanaspati & Allied Industries												
Punjab Oil Mills Limited	10	720	-	-	-	720	73	80	7	0.01	0.01	0.10
Woollen												
Bannu Woollen Mills Limited	10	1,000	-	-	-	1,000	22	27	5	0.00	0.00	0.03
June 30, 2024							521,912	818,616	296,704			
June 30, 2023							460,277	415,393	(44,883)			

6.2 These include 100,000 (2023: 100,000) shares of Oil and Gas Development Company Limited as pledged with National Clearing Company of Pakistan Limited as on June 30, 2024.

6.3 Crescent Jute Product Limited has been suspended due to non-compliance of Clause 5.11.1.(b)(i) of the PSX Regulations.

6.4 These investments held by the Fund exceeded the maximum limit prescribed by the regulation 55 of the NBFC Regulations. The said regulation states that the weight of the security invested into shall not exceed the weight of the security in the index or its subset. Arrangements have been made to adjust these investments with the weight prescribed in the NBFC Regulations.

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		2024	2023
	Note	----- (Rupees in '000) -----	
6.5	Net unrealised gain / (loss) on re-measurement of investments classified at 'fair value through profit or loss'		
Market value of investments	6.1	818,616	415,393
Carrying value of investments	6.1	(521,912)	(460,277)
		<u>296,704</u>	<u>(44,884)</u>

7. DIVIDEND AND PROFIT RECEIVABLE ON BANK DEPOSITS

Dividend receivables	-	127
Profit receivable on bank deposits	454	149
	<u>454</u>	<u>276</u>

8. DEPOSITS AND OTHER RECEIVABLES

Security deposits		
- National Clearing Company of Pakistan Limited	2,500	2,500
- Central Depository Company of Pakistan Limited	100	100
Advance tax	8.1	80
	<u>2,680</u>	<u>2,680</u>

- 8.1** As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151 and 150 of Income Tax Ordinance, 2001. However, uptill year ended June 30, 2022, withholding tax on profit on debt and dividend 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.

		2024	2023
	Note	----- (Rupees in '000) -----	
9. PAYABLE TO AKD INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY			
Management fee	9.1	448	260
Sindh sales tax on management fee	9.2	58	34
Expenses allocated by the Management Company	9.3	60	35
Federal excise duty on management fee	9.4	1,357	1,357
		<u>1,923</u>	<u>1,686</u>

- 9.1** As per the offering document the Management Company has charged remuneration at the rate of 0.75% per annum (2023: 0.75%) of the average daily net assets. The remuneration is paid to the Management Company on a monthly basis in arrears.

- 9.2** 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.

- 9.3** The Management Company has charged expenses at the rate of 0.1% (2023: 0.1%) per annum of the average annual net assets of the Fund.

- 9.4** As per the requirements of the Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16% (2023: 16%) on the remuneration of the Management Company was applied with effect from June 13, 2013. The Management Company is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED results in double taxation, which does not appear to be the spirit of the law. The matter was collectively taken up by the Management Company jointly with other Asset Management Companies and Trustees of respective Collective Investment Schemes (CISs), through a Constitutional Petition filed in the Sindh High Court (SHC) during September 2013. In this respect, the SHC had issued a stay order against the recovery of FED due to which the Fund has not made any payments for FED since June 13, 2013.

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On June 30, 2016, the Sindh High Court had passed a judgment that after 18th amendment in the Constitution of Pakistan, the Provinces alone have the legislative power to levy a tax on rendering or providing services, therefore, chargeability and collection of FED after July 01, 2011 is ultra vires to the Constitution of Pakistan. On September 23, 2016, the Federal Board of Revenue (FBR) filed an appeal in the Supreme Court of Pakistan (SCP) against above judgement, which is pending adjudication. Management Company, as a matter of abundant caution, has maintained full provision for FED aggregating to Rs. 1.357 million (2023 : Rs. 1.357 million) until the matter is resolved. Had the provision not been retained, the net asset value per unit of the Fund as at June 30, 2024 would have been higher by Re. 0.034 per unit (2023: Re. 0.040 per unit).

Through Finance Act, 2016, FED on services rendered by Non-Banking Financial Institutions (NBFIs) including Asset Management Companies, which are already subject to provincial sales tax, has been withdrawn.

Therefore, provision for FED has not been recorded in these financial statements from July 01, 2016 onwards.

	Note	2024 ----- (Rupees in '000) -----	2023 ----- (Rupees in '000) -----
10. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE			
Trustee fees	10.1	237	69
CDS Charges		-	2
Sindh sales tax on trustee fee	10.2	31	9
		<u>268</u>	<u>80</u>

- 10.1** 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.

Net assets upto Rs. 1 billion

Rs. 0.7 million or 0.2% per annum of the daily average net assets of the Fund, whichever is higher.

Net assets exceeding Rs. 1 billion

Rs. 2 million plus 0.10% per annum of the daily average net assets of the Fund exceeding Rs. 1 billion.

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

	Note	2024 ----- (Rupees in '000) -----	2023 ----- (Rupees in '000) -----
11. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN			
Fee payable to SECP	11.1	<u>107</u>	<u>85</u>

- 11.1** Effective from July 1, 2023 as amended through SRO 592 dated May 17, 2023, a Collective Investment Scheme (CIS) is required to pay fee to the Securities and Exchange Commission of Pakistan (SECP) on monthly basis at the rate of 0.095% of average Net Assets of Collective Investment Scheme calculated on daily basis.

Till June 30, 2023, an annual fee at the rate of 0.02% of average Net Assets of Collective Investment Scheme was payable by the Fund.

	2024 ----- (Rupees in '000) -----	2023 ----- (Rupees in '000) -----
12. ACCRUED EXPENSES AND OTHER LIABILITIES		
Auditor's remuneration	362	315
Brokerage payable	253	16
Withholding tax payable	929	8
Printing charges payable	-	150
Others	3,397	3,175
	<u>4,941</u>	<u>3,664</u>

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13. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments outstanding as at June 30, 2024 and June 30, 2023 except disclosed in note 9.4.

14. NUMBER OF UNITS IN ISSUE

	2024 ----- (Numbers) -----	2023 ----- (Numbers) -----
Opening units in issue	34,009,959	34,009,203
Units issued during the year	23,198,886	4,857,232
Less: Units redeemed	(17,869,231)	(4,856,476)
Total units in issue at the end of the year	39,339,614	34,009,959

15. TOTAL EXPENSE RATIO

The total expense ratio of the Fund is 1.47% (2023: 1.48%) which includes 0.22% (2023: 0.14%) representing government levies on the Fund such as sales taxes, annual fee payable to the SECP, etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a Collective Investment Scheme categorised as a "Index Scheme".

16. AUDITOR'S REMUNERATION

	2024 ----- (Rupees in '000) -----	2023 ----- (Rupees in '000) -----
Annual audit fee	212	193
Half yearly fee	61	55
Income certification	-	60
Other certification	19	20
Out of pocket	29	25
	321	353
Sindh sales tax	26	28
	347	381

17. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by accumulated losses and capital gains, whether realised or unrealised, is distributed amongst the unit holders by way of cash dividend. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulation, 2008, the Fund is required to distribute atleast 90% of the net accounting income other than unrealised capital gains to the unit holders in cash. During the year, Management Company has distributed cash dividend of at least 90% of the aforementioned accounting income to the unit holders. Accordingly, no provision for taxation has been recognised in these financial statements.

18. 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.

19. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Related parties / connected persons of the Fund include the Management Company, other collective investment schemes managed by the Management Company, the Trustee, AKD Securities Limited, directors, officers, key management personnel, other associated undertakings and unit holders holding more than 10% units of the Fund.

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 Fund.

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

	2024	2023
	----- (Rupees in '000) -----	
19.1 Details of transactions with connected persons / related parties during the year		
AKD Investment Management Limited - Management Company of the Fund		
Remuneration of Management Company	4,606	3,195
Sindh sales tax on remuneration of Management Company	599	415
Expenses allocated by the Management company	610	426
Sales load	2	15
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee	1,230	852
Central Depository Service charges	77	129
Sindh sales tax on trustee fee	160	111
Mr. Aqeel Karim Dhedhi - Chairman of the Group		
Dividend paid	1	-
Units issued 32 (2023: Nil)	1	-
National Bank of Pakistan Employees Pension Fund (having invested more than 10% in the units of the Fund)		
Dividend paid	62,422	-
Units issued 2,978,060 (2023: Nil)	62,422	-
19.2 Balances outstanding at year end		
AKD Investment Management Limited - Management Company of the Fund		
Remuneration payable	448	260
Allocated expenses by management company payable	60	35
Sindh sales tax payable on Management Company's remuneration	58	34
Federal Excise Duty payable on Management Company's remuneration	1,357	1,357
Sales load payable	-	2
Central Depository Company of Pakistan - Trustee		
Remuneration payable	237	69
Security deposit	100	100
CDS charges payable	-	2
Sales tax on trustee fee payable	31	9
Payable to AKD Islamic Income Fund (AKDISIF)	-	6,765
Mr. Aqeel Karim Dhedhi - Chairman of the Group		
Number of units outstanding : 422 (2023 : 390)	9	5
National Bank of Pakistan Employees Pension Fund (having invested more than 10% in the units of the Fund)		
Number of units outstanding : 34,188,872 (2023 : 31,210,812)	715,573	388,079

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20. FINANCIAL INSTRUMENTS BY CATEGORY

As at June 30, 2024 and June 30, 2023, the financial assets and liabilities carried on the statement of assets and liabilities are categorised as follows:

	2024 ----- (Rupees in '000')-----	2023 ----- (Rupees in '000')-----
Financial assets		
At fair value through profit or loss		
Investments	818,616	415,393
At amortised cost		
Bank balances	12,766	20,543
Dividend and profit receivable on bank deposits	454	276
Deposits	2,600	2,600
	<u>834,436</u>	<u>438,812</u>
Financial liabilities		
At amortised cost		
Payable to AKD Investment Management Limited - Management Company	1,923	1,686
Payable to Central Depository Company of Pakistan Limited - Trustee	268	80
Accrued expenses and other liabilities	4,012	10,421
Payable against redemption of units	-	6,765
Dividend payable	3,771	3,728
	<u>9,974</u>	<u>22,680</u>

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

21.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of 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 Securities and Exchange Commission of Pakistan.

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

21.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund, at present is not exposed to currency risk as its operations are geographically restricted to Pakistan and all transactions are carried out in Pakistan Rupees.

21.1.2 Yield / interest 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 June 30, 2024, the Fund is exposed to fair value interest rate risk on its bank balances.

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a) **Sensitivity analysis for variable rate instruments**

At the reporting date the Fund has bank balances in savings accounts on which profit rate is 18% to 20.5% that could expose the Fund to cash flow interest rate risk. The net income for the year would have increased / (decreased) by Rs. 0.128 million (2023: Rs.0.205 million) had the interest rates on profit and loss sharing accounts accounts with the banks increased / (decreased) by 100 basis points.

b) **Sensitivity analysis for fixed rate instruments**

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

Exposure to interest rate risk and maturity

Interest 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.

As at June 30, 2024						
Particulars	Effective interest rate	Exposed to interest rate risk			Not exposed to interest rate risk	Total
		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						
Investments		-	-	-	818,616	818,616
Financial assets at amortised cost						
Bank balances	18 - 20.5	12,766	-	-	-	12,766
Dividend and profit receivable on bank deposits		-	-	-	454	454
Deposits		-	-	-	2,600	2,600
		12,766	-	-	3,054	15,820
Sub total		12,766	-	-	821,670	834,436
Financial liabilities at amortised cost						
Payable to AKD Investment Management Limited - Management Company		-	-	-	1,923	1,923
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	268	268
Accrued expenses and other liabilities		-	-	-	4,012	4,012
Dividend payable		-	-	-	3,771	3,771
		-	-	-	9,974	9,974
Sub total		-	-	-	9,974	9,974
On-balance sheet gap		12,766	-	-	811,696	824,462
Cumulative interest rate sensitivity gap		12,766	12,766	12,766	824,462	

As at June 30, 2023						
Particulars	Effective interest rate	Exposed to interest rate risk			Not exposed to interest rate risk	Total
		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						
Investments		-	-	-	415,393	415,393
Financial assets at amortised cost						
Bank balances	13 to 19.5	20,543	-	-	-	20,543
Dividend and profit receivable on bank deposits		-	-	-	276	276
Deposits		-	-	-	2,600	2,600
		20,543	-	-	2,876	23,419
Sub total		20,543	-	-	418,269	438,812
Financial liabilities at amortised cost						
Payable to AKD Investment Management Limited - Management Company		-	-	-	1,686	1,686
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	80	80
Accrued expenses and other liabilities		-	-	-	3,664	3,664
Payable against redemption of units		-	-	-	6,765	6,765
Dividend payable		-	-	-	3,728	3,728
Sub total		-	-	-	15,923	15,923
On-balance sheet gap		20,543	-	-	402,346	422,889
Cumulative interest rate sensitivity gap		20,543	20,543	20,543	422,889	

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21.1.3 Price risk

Other price risk is the risk that the fair value of the financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factor specific to an individual investment, its issuer or factors affecting all instruments traded in the market.

The Fund also manages its exposure to price risk by analysing the investment portfolio by industrial sectors and benchmarking the sector weighting to that of the KSE 100 Index. The Fund's policy is to concentrate the investment portfolio in sectors where management believes that the Fund can maximise the returns derived for the level of risk to which the Fund is exposed. The table below is a summary of the significant sector concentrations within the equity portfolio.

Sector wise portfolio	As at June 30, 2024	
	Fund's equity portfolio	KSE-100 benchmark portfolio
	-----%-----	
Automobile Assembler	3.07	3.11
Automobile Parts & Accessories	0.72	0.72
Cable & Electrical Goods	0.40	0.43
Cement	7.92	7.90
Chemical	2.30	2.36
Close - End Mutual Fund	0.05	0.07
Commercial Banks	26.54	26.42
Engineering	1.23	1.31
Fertilizer	13.57	13.40
Food & Personal Care Products	2.43	2.57
Glass & Ceramics	0.62	0.64
Insurance	0.53	0.54
Inv. Banks / Inv. Cos. / Securities Cos.	2.47	2.45
Leather & Tanneries	0.88	0.91
Miscellaneous	1.10	1.16
Modarabas	0.04	0.06
Oil & Gas Exploration Companies	12.36	12.24
Oil & Gas Marketing Companies	2.80	2.84
Paper & Board	0.72	0.75
Pharmaceuticals	2.49	2.54
Power Generation & Distribution	8.64	8.74
Property	0.17	0.19
Real Estate Investment Trust	0.37	0.37
Refinery	1.10	1.15
Sugar & Allied Industries	0.13	0.13
Synthetics And Rayon	0.23	0.25
Technology & Communication	4.43	4.49
Textile Composite	1.33	1.39
Textile Spinning	0.04	0.06
Textile Weaving	0.00	0.01
Tobacco	0.53	0.57
Transport	0.17	0.20
Vanaspati & Allied Industries	0.01	0.01
Woollen	0.00	0.00

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Sector wise portfolio	As at June 30, 2023	
	Fund's equity portfolio	KSE-100 benchmark portfolio
	-----%-----	
Automobile Assembler	3.63	3.70
Automobile Parts & Accessories	0.41	0.44
Cable & Electrical Goods	0.25	0.27
Cement	8.70	8.86
Chemical	4.15	4.30
Close - End Mutual Fund	0.07	0.08
Commercial Banks	20.19	20.07
Engineering	1.00	1.00
Fertilizer	13.99	14.23
Food & Personal Care Products	3.26	2.85
Glass & Ceramics	0.80	0.81
Insurance	0.63	0.64
Inv. Banks / Inv. Cos. / Securities Cos.	2.50	2.55
Leather & Tanneries	0.30	0.33
Miscellaneous	1.52	1.57
Modarabas	0.07	0.09
Oil & Gas Exploration Companies	12.31	12.40
Oil & Gas Marketing Companies	3.29	3.39
Paper & Board	1.06	1.09
Pharmaceuticals	1.94	2.07
Power Generation & Distribution	5.45	5.52
Property	0.27	0.29
Real Estate Investment Trust	0.50	0.51
Refinery	1.01	1.08
Sugar & Allied Industries	0.12	0.14
Synthetic & Rayon	0.25	0.29
Technology & Communication	8.22	8.30
Textile Composite	1.67	1.75
Textile Spinning	0.12	0.14
Textile Weaving	0.01	0.01
Tobacco	0.57	0.59
Transport	0.22	0.21
Vanaspati & Allied Industries	0.48	0.02
Woollen	0.01	0.01

The Fund has exposure to equity price risk arising from its investments in equity securities. The Fund manages its price risk arising from investment in the equity securities by diversifying its portfolio within the eligible limits prescribed in the Fund's Constitutive Documents, the NBFC Regulations and circulars issued by SECP from time to time. The Fund's equity investments are concentrated in the sectors given in note 6.1.

At June 30, 2024, the fair value of equity securities exposed to price risk is disclosed in note 6.1.

The sensitivity of the profit for the year and the unit holders' fund to an increase or decrease of 5% in the fair values of the Fund's equity securities is discussed below. This level of change is considered to be reasonably possible based on observation of current market conditions. The sensitivity analysis is based on the Fund's equity securities at reporting date, with all other variables held constant.

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	2024	2023
	----- (Rupees in '000') -----	
Effect due to increase / decrease		
Investment and net assets	<u>40,931</u>	<u>20,770</u>
Income statement	<u>40,931</u>	<u>20,770</u>

21.2 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 deposits with banks and financial institutions and credit exposure arising as a result of dividend receivable (if any) on equity securities.

Management of credit risk

For banks and financial institutions, the Fund keeps deposits with reputed financial institutions with reasonably high credit ratings. Credit risk on account of dividend receivable is minimal due to the statutory protection. All transactions in listed securities are settled / paid for upon delivery using the system of National Clearing Company of Pakistan Limited. The risk of default in these transactions is considered minimal due to inherent systematic measures taken therein. The Fund's policy is to enter into financial contracts in accordance with the investment guidelines approved by the Investment Committee, its Trust Deed and the requirements of the NBFC rules and the regulations and the guidelines given by the SECP from time to time.

The maximum exposure to credit risk before considering any collateral as at June 30, 2024 and June 30, 2023 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) -----			
Balances with banks	12,766	12,766	20,543	20,543
Investments	818,616	-	415,393	-
Dividend and profit receivable on bank deposit	454	454	276	276
Security deposits	2,600	2,600	2,600	2,600
	<u>834,436</u>	<u>15,820</u>	<u>438,812</u>	<u>23,419</u>

The analysis below summaries the credit rating quality of the Fund's financial assets with banks as at June 30, 2024.

Bank balances by rating category	Rating Agency	2024		2023	
		Rupees in '000'	%	Rupees in '000'	%
AA+/A1+	PACRA	7,665	60.04	15,512	86.00
AAA/A1+	PACRA	2,226	17.44	2,156	13.34
AA/A1+	PACRA	2,740	21.46	2,740	0.37
AAA/A1+	PACRA	58	0.45	58	-
AAA/A-1+	PACRA	77	0.60	77	0.28
		<u>12,766</u>	<u>100.00</u>	<u>20,543</u>	<u>100.00</u>
Profit receivable on bank deposits					
AA+/A1+	PACRA	<u>454</u>	<u>100%</u>	<u>149</u>	<u>100%</u>

Above ratings are on the basis of available ratings assigned by PACRA and VIS Credit Rating Company Limited as of June 30, 2024.

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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, Fund estimates that loss allowance on balance with bank at the end of the reporting period at an amount equal to Lifetime 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 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.

21.3 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 daily 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 period at the reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	As at June 30, 2024				Total
	Within one month	Over one to three months	Over three to twelve months	Over one to five years	
	Rupees in '000				
Financial liabilities (excluding unit holders fund)					
Payable to AKD Investment Management Limited - Management Company	1,923	-	-	-	1,923
Payable to Central Depository Company of Pakistan Limited - Trustee	268	-	-	-	268
Accrued expenses and other liabilities	4,012	-	-	-	4,012
Dividend payable	3,771	-	-	-	3,771
	9,974	-	-	-	9,974

As at June 30, 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 (excluding unit holders fund)					
Payable to AKD Investment Management Limited - Management Company	1,686	-	-	-	1,686
Payable to Central Depository Company of Pakistan Limited - Trustee	80	-	-	-	80
Accrued expenses and other liabilities	3,664	-	-	-	3,664
Payable against redemption of units	6,765	-	-	-	6,765
Dividend payable	3,728	-	-	-	3,728
	15,923	-	-	-	15,923

22. 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 restrict redemptions; and
- 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.

23. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the close of trading i.e. period 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.

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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).

	2023			
	Level 1	Level 2	Level 3	Total
	----- Rupees in '000 -----			
Assets				
Listed equity securities	818,616	-	-	818,616

	2023			
	Level 1	Level 2	Level 3	Total
	----- Rupees in '000 -----			
Assets				
Listed equity securities	415,393	-	-	415,393

There were no transfers between various levels of fair value hierarchy during the year.

24. TOP TEN BROKERS / DEALERS BY PERCENTAGE OF COMMISSION CHARGED

S.No	Particulars	June 30, 2024 ----- % -----
1	Topline Securities (Private) Limited	21.54
2	Alfalsh CLSA Securities (Private) Limited	20.86
3	Aba Ali Habib Securities (Private) Limited	16.59
4	Vector Securities (Private) Limited	12.79
5	Next Capital Limited	10.52
6	Shajarpak Securities (Private) Limited	7.69
7	Pearl Securities Limited	7.17
8	Creative Capital Securities (Private) Limited	2.85

S.No	Particulars	June 30, 2023 ----- % -----
1	Aba Ali Habib Securities (Private) Limited	18.79
2	Summit Capital (Private) Limited	1.18
3	Vector Securities (Private) Limited	17.14
4	Topline Securities (Private) Limited	5.96
5	AKD Securities Limited	14.71
6	Next Capital Limited	14.27
7	Investment Managers Securities (Private) Limited	6.55
8	Creative Capital Securities (Private) Limited	4.88
9	Pearl Securities Limited	14.07
10	Integrated Equities Limited	2.44

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25. PARTICULARS OF THE INVESTMENT COMMITTEE AND THE 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	Experience in years
1	Mr. Imran Motiwala	Chief Executive Officer	B.Sc. (Marketing)	31
2	Mr. Muhammad Yaqoob	Chief Operating Officer and Company Secretary	MBA (Finance), CFA Charter holder	20
3	Ms. Anum Dhedhi	Chief Investment Officer	B.Sc. (Financial Economics)	13
4	Mr. Danish Aslam	Senior Fund Manager	BS (Accounting & Finance), CFA	6
5	Mr. Raheel Farooque	Senior Manager Operation	MBA (Finance)	21

Ms. Anum Dhedhi is the Manager of the Fund. She is also managing AKD Opportunity Fund, AKD Islamic Stock Fund and Golden Arrow Stock Fund.

26. PATTERN OF UNIT HOLDING

As at June 30, 2024			
	Unit Holders	Number of units held	% of total units
Individuals	635	4,492,629	11.42%
Retirement Funds	1	34,188,872	86.91%
Corporates	6	90,378	0.23%
Others	2	567,735	1.44%
	644	39,339,614	100%

As at June 30, 2023			
	Unit Holders	Number of units held	% of total units
Individuals	630	2,235,027	6.57%
Retirement Funds	1	31,210,812	91.77%
Corporates	1	17,740	0.05%
Others	6	546,380	1.61%
	638	34,009,959	100%

27. ATTENDANCE AT MEETINGS OF THE BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

During the year 97th, 98th, 99th, 100th and 101 board meetings were held on July 05, 2023, September 22, 2023, October 31, 2023, March 29, 2024 and April 30, 2024 respectively. Information in respect of attendance by Directors in these meetings is given below:

Name of Director	Number of meetings held	Attended	Leave granted	Meeting not attended
1 Mr. Abdul Karim Memon*	2	2	-	-
2 Mr. Imran Motiwala	5	5	-	-
3 Ms. Anum Dhedhi	5	4	1	September 22, 2023
4 Mr. Hasan Ahmed	5	5	-	-
5 Ms. Aysa Ahmed	5	5	-	-
6 Mr. Ali Wahab Siddiqui	5	5	-	-
7 Mr. Abid Hussain	5	4	1	September 22, 2023
8 Mr. Khalid Mahmood**	3	3	-	-

* Resigned on October 10, 2023.

**Appointed on October 10, 2023

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28. GENERAL

28.1 Figures have been rounded off to the nearest thousand Rupees.

28.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison and better presentation.

29. DATE OF AUTHORISATION FOR ISSUE

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

MA

For AKD Investment Management Limited
(Management Company)


Chief Executive Officer


Acting Chief Financial Officer


Director

**AKD INDEX TRACKER FUND
PERFORMANCE TABLE**

	2024	2023	2022
Total net assets value (Rs '000)*	823,506	422,884	427,595
Net assets value per unit - (Rs)*	20.93	12.43	12.57
Selling price as at June 30 (Rs)*	21.15	12.56	12.70
Repurchase price as at June 30 (Rs)*	20.93	12.43	12.57
Highest selling price (Rs)	23.29	13.33	14.81
Lowest selling price (Rs)	13.37	11.68	12.50
Highest repurchase price (Rs)	23.05	13.18	14.65
Lowest repurchase price (Rs)	13.23	11.55	12.37
Return of the Fund			
- capital growth (Rs '000)	400,622	(4,711)	(51,380)
- income distribution (including refund of capital) (Rs '000)*	-	-	-
Distribution per unit (Rs.)			
Interim			
- Gross (2024: announced on June 21, 2024)	2.00	-	-
Final	-	-	-
Average Annual Return (Percentage)			
- Last one year	84.42	-1.10	-12.18
- Last two year	35.05	-6.81	8.71
- Last three year	17.00	5.34	5.66

* Final distributions for the year 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.

AKD Index Tracker Fund
Proxy details issued by Fund
For the year ended June 30, 2024

As per the requirement of Non-Banking Finance Companies and Notified Entities Regulations, 2008, The Board of Directors of AKD Investment Management Limited (the Management Company of the Fund) has formulated Proxy Voting Policy, which is available on Management Company's website (www.akdinvestment.com).

During the year, the Management Company on behalf of the Fund participated in 5 shareholders' meetings. Moreover, details of summarized proxies voted are as follows:

AKDITF	Resolutions	For	Against	Abstain	Reason for Abstaining
Number	13	13	0	0	-
(%ages)	100	100	0	0	-

Detailed information regarding actual proxies voted by the Management Company on behalf of the Fund will be provided to the unit holders without any charges upon request.