

# First Capital Mutual Fund

## DIRECTORS' REVIEW

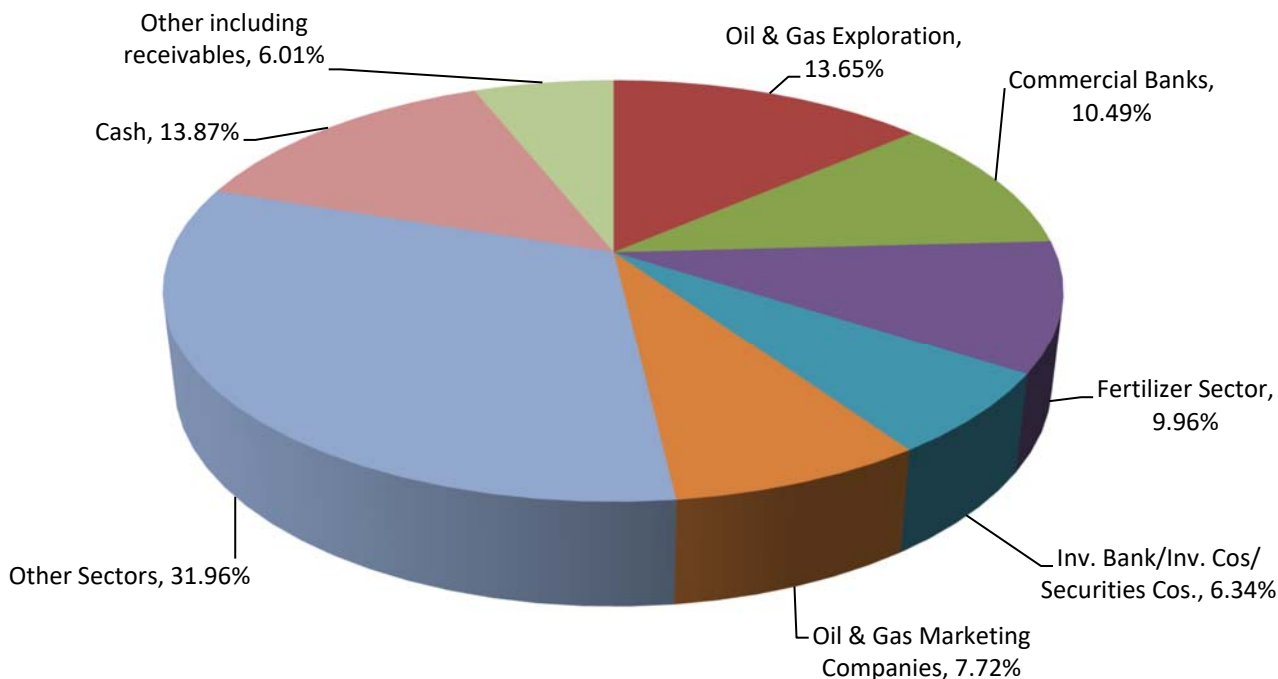
The Board of Directors of First Capital Investments Limited ("FCIL" or "Management Company") is pleased to present the un-audited financial statements of First Capital Mutual Fund ("FCMF" or "the Fund" or "the Scheme") for the nine months and quarter ended March 31, 2024.

### Fund's Performance

During the nine months period under review, the Fund has reported net profit for the period after taxation of Rs. 44.12 million as compared to loss of Rs. 3.43 million in the same period last year. Net realized gain on sale of Investments is Rs. 6.27 million as compared to gain of investments is Rs. 3.06 million in corresponding period last year. Dividend income has been recorded at Rs. 6.55 million. During the period under review, the Fund has reported net unrealized gain on re-measurement of investments of Rs. 31.53 million as compared to diminution of Rs. 12.26 million in the corresponding period last year. The total operating expense of the fund for the period under review is Rs. 3.38 million as compared to Rs. 2.86 million in the same period last year.

The Net Asset Value (NAV) per unit of FCMF has increased from Rs. 6.1193 to Rs. 9.1491, showing a profit of 49.51% as compared to its Benchmark's (KSE-100 index) return of 61.64%. Thus, the Fund has underperformed its Benchmark by 12.13%. During the period under review, the Fund changed its exposure in various sectors/ scrips as per their fundamentals to generate better return for their investors. The Fund adjusted its weight in Oil & Gas sector on the back of various factors related to international oil prices and also changed the exposure in Pharmaceuticals, Engineering and Technology & Communications sectors due to their fundamentals. Going forward, the management of the Fund intends to focus on augmenting the wealth of investors through investments geared toward securing maximum returns whilst simultaneously offsetting resultant risks through efficient diversification across sectors with low correlation amongst them. The management of the company is continuously striving toward achieving this objective. The Net Assets of FCMF as at March 31, 2024 stood at Rs. 129.97 million as compared to Rs. 91.24 million as at June 30, 2023.

The asset allocation of the Fund as on March 31, 2024 is as under:



# First Capital Mutual Fund

## Equity Market Review

The KSE-100 index has demonstrated an impressive performance, posting a notable 61.64% positive return over the nine-month period under review and reaching an all-time high, closing above 67,000 points. Despite this remarkable growth, the stock market remains enticing for investors due to several key factors.

Firstly, the successful signing of the Staff-Level Agreement (SLA) for the final tranche of the ongoing Stand-by Arrangement, coupled with efforts to secure a more extensive and longer-term program, instills confidence and unlocks potential foreign funding sources. Furthermore, the anticipation of a decline in interest rates in the upcoming monetary policy, alongside robust corporate profits surpassing estimated growth rates, creates a conducive environment for equity investments.

The market also benefits from positive trends in foreign investment, limited institutional exposure, and active corporate activities such as share repurchases and acquisitions, often at significant premiums. This combination of factors presents compelling opportunities for both domestic and international investors keen to capitalize on the dynamism of Pakistan's stock market.

## Income Distribution

The Board of Directors of the Management Company has decided to pay Rs. nil dividends per unit for the period ended March 31, 2024.

## Renewal of License of Asset Management Company

The License of Asset Management Company to manage First Capital Mutual Fund is expired on September 10, 2022. The Company has already applied for the license which is under process with Securities and Exchange Commission of Pakistan.

## Declaration by Directors

As required under the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of Asset Management Company state that the financial statements of the Fund for the nine months ended March 31, 2024 give a true and fair view of the Fund.

## Acknowledgment

The Board would like to take this opportunity to thank and appreciate all the unit-holders for their continued support. The board also wishes to place on record its appreciation for the guidance and support extended by the Securities and Exchange Commission of Pakistan and Mutual Funds Association of Pakistan. Finally, the board would like to appreciate the commitment, hard work and co-operation shown by the staff and the Trustee.

**For and on behalf of the Board of  
First Capital Investments Limited**

**Shahzad Jawahar**  
Director

**Imran Hafeez**  
Chief Executive Officer/Director

Date: April 29, 2024  
Place: Lahore

**FIRST CAPITAL MUTUAL FUND  
CONDENSED FINANCIAL STATEMENTS  
FOR QUARTER ENDED 31 MARCH 2024**

**FIRST CAPITAL MUTUAL FUND**  
**FINANCIAL STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT MARCH 31, 2024**


		March 31 2024 (Un-audited)	June 30 2023 (Audited)
	Note	-----Rupees-----	
<b>Assets</b>			
Bank Balances	6	20,874,856	26,537,239
Investments	7	120,539,146	79,630,740
Dividend and profit receivable - unsecured, considered good	8	3,233,852	686,668
Advances, deposits, prepayments and other receivables	9	5,809,787	4,524,964
<b>Total assets</b>		<b>150,457,641</b>	<b>111,379,611</b>
<b>Liabilities</b>			
Payable to First Capital Investment Limited - <i>Management Company</i>			
<i>- against remuneration</i>	10	3,966,892	3,884,171
<i>- other payables</i>		-	91,662
Payable to Central Depository Company of Pakistan Limited - Trustee	12	24,689	34,285
Payable to Securities and Exchange Commission of Pakistan	13	(9,326)	19,048
Accrued and other liabilities	14	1,580,589	1,195,406
Unclaimed dividend	15	14,919,368	14,919,368
<b>Total liabilities</b>		<b>20,482,212</b>	<b>20,143,940</b>
Contingencies and commitments	16	-	-
<b>Net Assets</b>		<b>129,975,429</b>	<b>91,235,671</b>
<b>Unit holders' fund (as per statement attached)</b>		<b>129,975,429</b>	<b>91,235,671</b>
		<b>(Number of Units)</b>	
<b>Number of units in issue</b>		<b>14,206,422</b>	<b>14,909,506</b>
		-----Rupees-----	
<b>Net asset value per unit (Face value per unit Rs. 10/-)</b>		<b>9.1491</b>	<b>6.1193</b>

The annexed notes 1 to 34 form an integral part of these condensed interim financial statements.

For First Capital Investments Limited  
(Management Company)

  
Chief Executive Officer

  
Chief Financial Officer

  
Director

**FIRST CAPITAL MUTUAL FUND  
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)  
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2024**


Note	For the Nine Months Ended March 31		For the Quarter Ended March 31	
	2024	2023	2024	2023
	-----Rupees-----			
<b>INCOME / (LOSS)</b>				
Profit on bank deposits	3,150,859	2,736,378	772,111	990,760
Dividend income	6,547,911	5,894,338	2,248,321	1,591,413
Net realised gain on sale of investments	6,268,144	3,064,515	1,192,464	13,750
Unrealised gain/diminution on re-measurement of investments at fair value through profit or loss' - net	7.1 31,537,816	(12,264,271)	2,474,806	(1,624,919)
	47,504,730	(569,040)	6,687,702	971,004
<b>EXPENSES</b>				
Remuneration to the Management Company	1,723,243	1,445,292	632,228	461,012
Punjab Sales tax on remuneration to the Management Company	275,719	231,247	101,157	73,762
Remuneration to the Trustee	172,264	144,529	63,223	46,101
Sindh Sales tax on remuneration to the Trustee	22,394	18,789	8,219	5,993
Annual fee - Securities and Exchange Commission of Pakistan	81,735	14,453	30,030	4,610
Securities transaction costs	158,131	63,902	48,919	7,204
Auditors' remuneration	742,225	747,683	688,063	245,589
Accounting and operational charges	85,773	72,265	26,333	26,333
Annual listing fee - Pakistan Stock Exchange Limited	16,393	16,514	5,484	5,424
Fund ranking fee	106,088	106,868	35,493	35,102
Bank charges	667	849	50	510
<b>Total Expenses</b>	3,384,632	2,862,391	1,204,732	908,358
<b>Net income/loss for the period before taxation</b>	44,120,098	(3,431,431)	5,482,970	62,646
Taxation	15 -	-	-	-
<b>Net income/loss for the period after taxation</b>	44,120,098	(3,431,431)	5,482,970	62,646
<b>Allocation of Net loss for the period</b>				
Net income/loss for the period after taxation	44,120,098	(3,431,431)	5,482,970	62,646
- Income already paid on units redeemed	(1,905,862)	-	(268,227)	-
	42,214,236	(3,431,431)	5,214,743	62,646
<b>Accounting income available for distribution</b>				
-Relating to capital gains	37,805,960	-	3,667,270	-
-Excluding capital gains	4,408,276	-	40,184,601	-
	42,214,236	-	43,851,871	-

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.

**For First Capital Investments Limited  
(Management Company)**

  
Chief Executive Officer

  
Chief Financial Officer

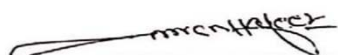
  
Director

**FIRST CAPITAL MUTUAL FUND  
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2024**

	For the Nine Months Ended March 31		For the Quarter Ended March 31	
	2024	2023	2024	2023
	-----Rupees-----			
<b>Net income/loss for the period after taxation</b>	<b>44,120,098</b>	<b>(3,431,431)</b>	<b>5,482,970</b>	<b>62,646</b>
Other comprehensive income / (loss) for the period	-	-	-	-
<b>Total comprehensive income/loss for the period</b>	<b><u>44,120,098</u></b>	<b><u>(3,431,431)</u></b>	<b><u>5,482,970</u></b>	<b><u>62,646</u></b>

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.

**For First Capital Investments Limited  
(Management Company)**



Chief Executive Officer



Chief Financial Officer



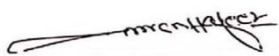
Director

**FIRST CAPITAL MUTUAL FUND  
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2024**

	For the Nine Months Ended March 31		For the Quarter Ended March 31	
	2024	2023	2024	2023
	-----Rupees-----			
<b><u>Cash flows from operating activities</u></b>				
<b>Net profit for the period before taxation</b>	<b>44,120,098</b>	(3,431,431)	5,482,970	62,646
<b>Adjustments</b>				
Profit on bank balances	(3,150,859)	(2,736,378)	(3,150,859)	(990,760)
Dividend income	(6,547,911)	(5,894,338)	(6,547,911)	(1,591,413)
Capital gain on sale of 'fair value through profit or loss' - net	(6,268,144)	(3,064,515)	(6,268,144)	(13,750)
Unrealised gain/diminution on re-measurement of investments - at fair value through profit or loss' - net	(31,537,816)	12,264,271	(2,474,806)	1,624,919
	<b>(3,384,632)</b>	(2,862,391)	(12,958,750)	(908,358)
<b>(Increase) / decrease in assets</b>				
Investments - net	(3,102,446)	6,930,150	9,034,351	(325,630)
Advances, deposits, prepayments and other receivables	(1,284,823)	(1,256,858)	(687,835)	(390,735)
	<b>(4,387,269)</b>	5,673,292	8,346,516	(716,365)
<b>(Decrease) / Increase in liabilities</b>				
Remuneration payable to Management Company	82,721	(13,915)	2,319	(4,788)
Other payable to Management Company	(91,662)	(111,874)	(146,089)	(45,780)
Remuneration payable to Trustee	(9,596)	(21,964)	226	17,120
Annual fee payable to Securities and Exchange Commission of Pakistan	(28,374)	(7,922)	(19,559)	4,610
Accrued expenses and other liabilities	385,183	(385,501)	(1,190,557)	170,219
	<b>338,272</b>	(541,176)	(1,353,660)	141,381
Dividend & Profit Received	7,151,586	7,507,815	7,151,586	1,642,311
<b>Net cash generated from / (used in) operating activities</b>	<b>(282,043)</b>	9,777,540	1,185,692	158,969
<b><u>Cash flows from financing activities</u></b>				
Receipts against issuance of units	3,000,000	15,010,000	-	15,000,000
Payments made against redemption of units	(8,380,340)	(17,192,375)	(1,073,368)	(15,692,375)
<b>Net cash (used in) / generated from financing activities</b>	<b>(5,380,340)</b>	(2,182,375)	(1,073,368)	(692,375)
<b>Net Increase / (decrease) in cash and cash equivalents during the period</b>	<b>(5,662,383)</b>	7,595,165	112,324	(533,406)
Cash and cash equivalents at the beginning of the period	26,537,239	18,523,286	20,762,532	26,651,857
<b>Cash and cash equivalents at the end of the period</b>	<b>20,874,856</b>	26,118,451	20,874,856	26,118,451

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.

**For First Capital Investments Limited  
(Management Company)**



Chief Executive Officer



Chief Financial Officer



Director

**FIRST CAPITAL MUTUAL FUND  
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2024**

	For the Year Ended March 31, 2024			For the Year Ended March 31, 2023		
	Capital Value	Undistributed Income / (loss)	Net Assets	Capital Value	Accumulated loss	Net Assets
	-----Rupees-----			-----Rupees-----		
<b>Net assets at the beginning of the period</b>	124,731,592	(33,495,921)	91,235,671	127,982,477	(31,153,045)	96,829,432
Issuance of 336,749 (2023: 4,069,456) units						
-Capital value ( at net asset value per unit at the beginning of the period)	2,060,671		2,060,671	19,937,864	-	19,937,864
-Element of income / (loss)	939,329		939,329	(4,927,864)	-	(4,927,864)
	<b>3,000,000</b>	<b>-</b>	<b>3,000,000</b>	15,010,000	<b>-</b>	15,010,000
Redemption of 1,039,835 (2023: 4,479,637) units						
-Capital value ( at net asset value per unit at the beginning of the period)	(6,474,478)		(6,474,478)	(21,966,200)	-	(21,966,200)
-Element of (income) / loss	-	(1,905,862)	(1,905,862)	4,773,825	-	4,773,825
	<b>(6,474,478)</b>	<b>(1,905,862)</b>	<b>(8,380,340)</b>	(17,192,375)	<b>-</b>	(17,192,375)
Total comprehensive income / (loss) for the period	-	44,120,098	44,120,098	-	(3,431,431)	(3,431,431)
<b>Net assets at the end of the period</b>	<b>121,257,114</b>	<b>8,718,315</b>	<b>129,975,429</b>	<b>125,800,102</b>	<b>(34,584,476)</b>	<b>91,215,626</b>
<b>Undistributed loss brought forward comprising of:</b>						
- Realised		(19,736,333)			1,555,079	
- Unrealised		(13,759,588)			(32,708,124)	
		<b>(33,495,921)</b>			<b>(31,153,045)</b>	
Total comprehensive loss for the period		42,214,236			(3,431,431)	
<b>Undistributed income/loss carried forward</b>		<b>8,718,315</b>			<b>(34,584,476)</b>	
<b>Undistributed income/loss carried forward comprising of:</b>						
- Realised		37,805,960			(22,320,205)	
- Unrealised gain / (loss)		(29,087,645)			(12,264,271)	
		<b>8,718,315</b>			<b>(34,584,476)</b>	
	----- (Rupees) -----					
Net assets value per unit at beginning of the year	<b>6.1193</b>			<b>6.3206</b>		
Net assets value per unit at end of the year	<b>9.1491</b>			<b>6.0524</b>		

The annexed notes 1 to 34 form an integral part of these condensed interim financial statements.

For First Capital Investments Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director



**First Capital Mutual Fund**  
**Notes to the Financial Statements**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2024**

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**1 Reporting entity**

- 1.1 First Capital Mutual Fund ("the Fund") was constituted by virtue of a scheme of arrangement for conversion of First Capital Mutual Fund Limited into an Open end scheme under a Trust Deed executed between First Capital Investment Limited ("FCIL") as Management Company and Central Depository Company of Pakistan Limited ("CDC") as Trustee. The Trust Deed was executed on 06 August 2013 after being approved by the Securities and Exchange Commission of Pakistan ("SECP") on 30 July 2013 in accordance with the provision of Non-Banking Finance Companies and Notified Entities Regulation, 2008 ("the NBFC Regulations").
- 1.2 The Management Company has been licensed by the SECP to act as an Asset Management Company under the Non Banking Finance Companies ("Establishment and Regulations") Rules, 2003 ("the NBFC Rules") through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 2nd and 3rd floor, PACE Shopping Mall, Fortress Stadium, Lahore, Pakistan. The Fund is an Open end equity scheme and offers units for public subscription on a continuous basis. The units are transferable and can be redeemed by submitting them into the Fund.
- 1.3 The Fund has been formed to augment the wealth of investors through investments geared towards securing maximum returns whilst simultaneously offsetting resultant risks through efficient diversification across sectors with low correlation amongst them. The Fund shall invest its assets in high quality dividend yielding stocks. While the remaining assets shall be invested in cash and / or near cash instruments.
- 1.4 Title of the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited ("CDC") as trustee of the Fund and the Fund is listed on Pakistan Stock Exchange ("PSX").
- 1.5 Pakistan Credit Rating Agency Limited ("PACRA") has assigned management quality rating of AM4++ to the Management Company on April 03, 2024. PACRA has also placed the ratings of First Capital Investments Limited on "Rating Watch" due to reasons as fully explained in note 1.6 to these financial statements. This rating will be reviewed by PACRA once this matter will be settled. PACRA has assigned '3 Star' (short term) and '3 Star' (long term) rating to the Fund on February 14, 2024.

**2 Basis of preparation**

**2.1 Statement of compliance**

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise International Financial Reporting Standards (IFRS standards) 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 and the requirements VIII A of the repealed Companies Ordinance, 1984 and the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008, (the NBFC Regulations). Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations have been followed.

**2.2 Basis of measurement**

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

**2.3 Critical accounting estimates and judgments**

The preparation of financial statements is in conformity with approved accounting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on a continuous basis. Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that period, or in the period of the revision and future periods affected.

Judgments made by the management in the application of approved accounting standards that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are as follows:

- Note 5.1 - Classification of investments
- Note 5.1 - Valuation of investments
- Note 5.1 - Impairment of financial assets and other assets

#### **2.4 Functional and presentation currency**

These financial statements are presented in Pak Rupees ("Rs."), which is the Funds' functional and presentation currency. All financial information has been rounded off to the nearest rupee, except when

### **3 Standards and amendments effective during the year**

There are a number of new standards / amendments that are effective from 01 July 2020; however, these do not have a significant effect on the Fund's financial statements.

### **4 Standards, interpretations and amendments to published approved accounting standards that are not yet effective:**

#### **4.1** The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 July 2021:

- Amendment to IFRS 17 'Insurance Contracts' – (Effective for annual periods beginning on or after 1 January 2023). IFRS 17 replaces IFRS 4, which was brought in as an interim Standard in 2004. IFRS 4 has given companies dispensation to carry on accounting for insurance contracts using national accounting standards, resulting in a multitude of different approaches. IFRS 17 solves the comparison problems created by IFRS 4 by requiring all insurance contracts to be accounted for in a consistent manner, benefiting both investors and insurance companies. Insurance obligations will be accounted for using current values instead of historical cost.

Further IASB has issued amendments to IFRS 17 to address concerns and implementation challenges that were identified after IFRS 17 Insurance Contracts was published in 2017. The main changes are:

Deferral of the date of initial application of IFRS 17 by two years to annual periods beginning on or after 1 January 2023; additional scope exclusion for credit card contracts and similar contracts that provide insurance coverage as well as optional scope exclusion for loan contracts that transfer significant insurance risk; recognition of insurance acquisition cash flows relating to expected contract renewals, including transition provisions and guidance for insurance acquisition cash flows recognised in a business combination Clarification of the application of IFRS 17 in interim financial statements allowing an accounting policy choice at a reporting entity level; clarification of the application of contractual service margin (CSM) attributable to investment-return service and investment-related service and changes to the corresponding disclosure requirements; extension of the risk mitigation option to include reinsurance contracts held and non-financial derivatives; amendments to require an entity that at initial recognition recognises losses on onerous insurance contracts issued to also recognise a gain on reinsurance contracts held; simplified presentation of insurance contracts in the statement of financial position so that entities would present insurance contract assets and liabilities in the statement of financial position determined using portfolios of insurance contracts rather than groups of insurance contracts; additional transition relief for business combinations and additional transition relief for the date of application of the risk mitigation option and the use of the fair value transition approach.

Amendment to IFRS 3 'Business Combinations' – (effective for annual period beginning on or after 01 January 2022). The IASB has issued amendments to update a reference in IFRS 3 to the 2018 Conceptual Framework for Financial Reporting instead of the 1989 Framework. At the same time, the amendments add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

- Interest Rate Benchmark Reform - Phase 2, which amended IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 is applicable for annual financial periods beginning on or after 01 January 2021. The IASB has issued amendments to introduce a practical expedient for modifications required by the reform, clarify that hedge accounting is not discontinued solely because of the IBOR reform, and introduce disclosures that allow users to understand the nature and extent of risks arising from the IBOR reform to which the entity is exposed to and how the entity manages those risks as well as the entity's progress in transitioning from IBORs to alternative benchmark rates, and how the entity is managing this transition.

- Amendments to IFRS-16- IASB has issued amendments to IFRS 16 (the amendments) to provide practical relief for lessees in accounting for rent concessions. The amendments are effective for periods beginning on or after 01 April 2021, with earlier application permitted. Under the standard's previous requirements, lessees assess whether rent concessions are lease modifications and, if so, apply the specific guidance on accounting for lease modifications. This generally involves remeasuring the lease liability using the revised lease payments and a revised discount rate. In light of the effects of the COVID-19 pandemic, and the fact that many lessees are applying the standard for the first time in their financial statements, the Board has provided an optional practical expedient for lessees. Under the practical expedient, lessees are not required to assess whether eligible rent concessions are lease modifications, and instead are permitted to account for them as if they were not lease modifications. Rent concessions are eligible for the practical expedient if they occur as a direct consequence of the COVID-19 pandemic and if all the following criteria are met:
  - the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
  - any reduction in lease payments affects only payments originally due on or before 30 June 2021; and
  - there is no substantive change to the other terms and conditions of the lease.
- Classification of liabilities as current or non-current (Amendments to IAS 1) effective for the annual period beginning on or after 01 January 2023. These amendments in the standards have been added to further clarify when a liability is classified as current. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity shall apply those amendments retrospectively in accordance with IAS 8.
- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37) effective for the annual period beginning on or after 01 January 2022 amends IAS 1 by mainly adding paragraphs which clarifies what comprise the cost of fulfilling a contract, Cost of fulfilling a contract is relevant when determining whether a contract is onerous. An entity is required to apply the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Restatement of comparative information is not required, instead the amendments require an entity to recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) effective for the annual period beginning on or after 01 January 2022. Clarifies that sales proceeds and cost of items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management e.g. when testing etc, are recognized in profit or loss in accordance with applicable Standards. The entity measures the cost of those items applying the measurement requirements of IAS 2. The standard also removes the requirement of deducting the net sales proceeds from cost of testing. An entity shall apply those amendments retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented

Annual improvements to IFRS standards 2018-2020 cycle. The new cycle of improvements addresses improvements to following approved accounting standards. The following annual improvements to IFRS standards 2018-2020 are effective for annual reporting periods beginning on or after 01 January 2022.

- IFRS 9 – The amendment clarifies that an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf, when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognize a financial liability.
- IFRS 16 – The amendment partially amends Illustrative Example 13 accompanying IFRS 16 by excluding the illustration of reimbursement of leasehold improvements by the lessor. The objective of the amendment is to resolve any potential confusion that might arise in lease incentives.
- IAS 41 – The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique

The above amendments are not likely to have an impact on the Fund's financial statements.

## 5 Summary of significant accounting policies

The accounting policies adopted for the preparation of these financial statements are the same as those applied in the preparation of the financial statements of the Fund for the year ended 30 June 2020.

The significant accounting policies applied in the preparation of these financial statements are set out below:

### 5.1 Financial assets

#### i) Classification

On initial recognition, a financial asset is classified as measured at: amortised cost, FVOCI or FVTPL.

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

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt security is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

#### Business model assessment

The Fund makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Fund's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed;
- how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Fund's stated objectives for managing the financial assets are achieved and how cash flows are realised.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

#### Assessment of whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment on debt securities, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Fund considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Fund considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Fund's claim to cash flows from specified assets (e.g. non-recourse loans); and
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates)

## ii) Subsequent measurement

The following accounting policies apply to the subsequent measurement of financial assets:

**Financial assets at FVTPL** These assets are subsequently measured at fair value. Net gains and losses, including any profit / mark-up or dividend income, are recognised in income statement.

**Financial assets at amortised cost** These assets are subsequently measured at amortised cost using the effective yield method. The amortised cost is reduced by impairment losses. Interest / mark-up income, foreign exchange gains and losses and impairment are recognised in income statement.

**Debt Securities at FVOCI** These assets are subsequently measured at fair value. Interest / mark-up income calculated using the effective yield method, foreign exchange gains and losses and impairment are recognised in income statement. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to income statement.

**Equity investments at FVOCI** These assets are subsequently measured at fair value. Dividends are recognised as income in income statement unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to income statement.

The fair value of financial assets are determined as follows:

### a) Debt securities (other than Government securities)

Debt securities are valued on the basis of rates determined by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by SECP for valuation of debt securities vide its Circular No. 33 of 2012 dated 24 October 2012. In the determination of the rates, MUFAP takes into account the holding pattern of these securities and categorises them as traded, thinly traded and non-traded securities. The circular also specifies the valuation process to be followed for each category as well as the criteria for the provisioning of non-performing debt securities.

### b) Government securities

The government securities are valued on the basis of rates published by the Financial Markets Association of Pakistan.

### c) Equity Securities

The equity securities are valued on the basis of closing quoted market prices available at the Pakistan Stock Exchange.

### iii) Reclassification

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Fund changes its business model for managing financial assets.

### iv) Impairment of financial assets at amortised cost

Provision for non performing debt securities and other exposure is made in accordance with the criteria specified in Circular No. 33 of 2012 dated October 24, 2012 issued by SECP. The provisioning policy has been duly formulated and approved by the Board of Directors of the Management Company.

### 5.1.1 Derecognition

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

### 5.1.2 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 recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

### 5.2 Cash and cash equivalents

Cash and cash equivalents comprise deposits and current accounts maintained with banks. Cash equivalents are short term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short term cash commitment rather than for investments and other purposes.

### 5.3 Financial liabilities

All financial liabilities are recognized at the time when the Fund becomes a party to the contractual provisions of the instrument. They are initially recognized at fair value and subsequently stated at amortized cost.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired.

### 5.4 Derivatives

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

### 5.5 Provisions and contingencies

Provisions are recognized when the Fund has a present, legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate. Where outflow of resources embodying economic benefits is not probable, a contingent liability is disclosed, unless the possibility of outflow is remote.

### 5.6 Taxation

#### Current tax

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 ninety percent of its accounting income for the year, as reduced by capital gains, whether realized or unrealized, is distributed amongst the unit holders, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account.

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

#### Deferred tax

The Fund provides for deferred taxation using the balance sheet liability method on all major temporary differences between the amounts used for financial reporting purposes and amounts used for taxation purposes. In addition, the Fund also records deferred tax asset on unutilized tax losses to the extent that it is probable that the related tax benefit will be realized. However, the Fund has not recognized any amount in respect of deferred tax in these financial statements as the Fund has a past practice and intends to continue the same by availing the tax exemption in future years through distributing at least ninety percent of its accounting income for the year as reduced by capital gains, whether realized or unrealized, to its unit holders every year. Further, it is also mandatory as per section 63(1) of the NBFC regulations 2008 to distribute ninety percent of aforesaid accounting income as dividend.

### 5.7 Issuance 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 day. The offer price represents the net asset value per unit as of the close of the business day plus the allowable sales load, provision for transaction costs and any provision for duties and charges, if applicable. The sales load is payable to the investment facilitators, distributors and the Management Company.

#### **5.10 Redemption of units**

Units redeemed are recorded at the redemption price, applicable to units for which the distributors / Management Company 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 back-end load, any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

#### **5.11 Unit holders' fund**

Unit holders' fund representing the units issued by the Fund, is carried at the redemption amount representing the investors' right to a residual interest in the Fund's assets.

#### **5.12 Trade date accounting**

All financial assets are recognized at the time when the Fund becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of investments are recognized at trade date i.e. the date on which the Fund commits to purchase or sell the asset.

#### **5.13 Element of Income**

Element of Income represents the difference between net assets value on the issuance or redemption date, as the case may be, of units and the Net asset Value (NAV) at the beginning of the relevant accounting period.

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 same ex-dividend net asset value of all units outstanding on accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units (refund of capital) in the same proportion as dividend bears to accounting income available for distribution. As per guideline provided by MUFAP (MUFAP Guidelines consented upon by SECP) the refund of capital is made in the form of additional units at zero price.

MUFAP, in consultation with the SECP, has specified methodology for determination of income paid on units redeemed (income already paid) during the year under which such income is paid on gross element received and is calculated from the latest date at which the Fund achieved net profitability during the year. The income already paid (Element of Income) on redemption of units during the year are taken separately in statement of movement in unitholders' fund.

#### **5.14 Net asset value per unit**

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

#### **5.15 Earnings per unit**

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

#### **5.16 Distributions**

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognized in the financial statements of the period in which such distributions are declared. Based on MUFAP's guidelines (duly consented upon by SECP) distributions for the year is deemed to comprise the portion of amount of income already paid on units redeemed and the amount of cash distribution for the year.

The distribution per unit is announced based on units that were held for the entire period. The rate of distribution is adjusted with effect of refund of capital if any based on the period of investment made during the year. Resultantly, the rate of distribution per unit may vary depending on the period of investment.

#### **5.17 Expenses**

All expenses including NAV based expenses (namely management fee, trustee fee and annual fee payable to the SECP) are recognized in the Income Statement on an accrual basis.

#### **5.18 Incomes**

- Capital gains / (losses) arising on sale of investments are included in the income statement on the date at which the transaction takes place.
- Dividend income is recognized when the right to receive the same is established i.e. on the date of book closure of the investee company / institution declaring the dividend.
- Unrealized capital gains / (losses) arising, on re-measurement of investments classified as financial assets 'at fair value through profit or loss are included in the income statement in the year in which they arise.
- Profit on bank deposits is recognized on time proportionate basis.
- Income on government securities is recognized on an accrual basis.

		(Un-audited)	(Audited)
	Note	31 March 2024	30 June 2023
-----Rupees-----			
<b>6 Bank balances</b>			
Cash at bank			
- saving accounts	6.1	20,874,856	26,537,239
- current account		-	-
		<u>20,874,856</u>	<u>26,537,239</u>

6.1 The rate of return on these saving accounts is 20.50% - 21% (30 June 2023: 12.25% - 21.00%) per annum.

		31 March	30 June
	Note	----- Rupees -----	
<b>7 Investments</b>			
<b>Financial assets at fair value through profit or loss</b>			
Listed equity securities	7.1	120,539,146	79,630,740
		<u>120,539,146</u>	<u>79,630,740</u>



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

Shares of listed companies - Fully paid ordinary shares with a face value of Rs. 10 each unless stated otherwise

Name of Investee company	Number of shares					Balances as at June 30, 2023 (Rupees)			( %) Percentage in relation to		
	As at July 01, 2023	Purchases during the period	Bonus / Rights during the period	Sales during the period	As at March 31, 2024	Carrying value	Market value	Appreciation / (Diminution)	Net assets of the Fund ( with market value of investments)	Market value of total investments	Paid up capital of investee company (with face value of investments)
<b>Inv. Banks / Inv. Cos. / Securities Cos.</b>											
ESCORTS INVESTMENT BANK LIMITED	30,000	-	-	30,000	-	-	-	-	-	-	0.00%
FIRST CAPITAL EQUITIES LIMITED - FREEZE	1,005,395	-	-	-	1,005,395	9,541,199	9,541,199	-	7.34	7.92	7.11%
	<b>1,035,395</b>	-	-	<b>30,000</b>	<b>1,005,395</b>	<b>9,541,199</b>	<b>9,541,199</b>	-	<b>7.34</b>	<b>7.92</b>	<b>7.11%</b>
<b>Banks</b>											
BANK ALFALAH LIMITED	40,000	-	-	25,000	15,000	456,600	785,550	328,950	0.60	0.65	0.01%
THE BANK OF PUNJAB	27,500	72,500	-	-	100,000	548,200	534,000	(14,200)	0.41	0.44	0.03%
FAYSAL BANK LIMITED	30,812	-	-	15,000	15,812	319,086	538,399	219,313	0.41	0.45	0.01%
HABIB BANK LIMITED	45,300	-	-	20,000	25,300	1,852,719	2,641,826	789,107	2.03	2.19	0.02%
MCB BANK LIMITED	30,000	-	-	-	30,000	3,434,100	6,097,800	2,663,700	4.69	5.06	0.03%
MEEZAN BANK LIMITED	18,975	5,000	-	3,975	20,000	1,934,407	4,272,400	2,337,993	3.29	3.54	0.01%
UNITED BANK LIMITED	37,000	-	-	32,000	5,000	587,700	911,400	323,700	0.70	0.76	0.00%
	<b>229,587</b>	<b>77,500</b>	-	<b>95,975</b>	<b>211,112</b>	<b>9,132,814</b>	<b>15,781,375</b>	<b>6,648,561</b>	<b>12.13</b>	<b>13.09</b>	<b>0.11%</b>
<b>Insurance</b>											
THE UNITED INSURANCE COMPANY OF PAKIS	1,894	-	-	-	1,894	19,508	23,864	4,356	0.02	0.02	0.01%
	<b>1,894</b>	-	-	-	<b>1,894</b>	<b>19,508</b>	<b>23,864</b>	<b>4,356</b>	<b>0.02</b>	<b>0.02</b>	<b>0.01%</b>
<b>Textile Composite</b>											
NISHAT (CHUNIAN) LIMITED	30,000	-	-	-	30,000	609,000	705,000	96,000	0.54	0.58	0.12%
NISHAT MILLS LIMITED	30,000	-	-	-	30,000	1,703,100	1,989,900	286,800	1.53	1.65	0.09%
	<b>60,000</b>	-	-	-	<b>60,000</b>	<b>2,312,100</b>	<b>2,694,900</b>	<b>382,800</b>	<b>2.07</b>	<b>2.23</b>	<b>0.21%</b>
<b>Cement</b>											
CHERAT CEMENT COMPANY LIMITED	3,800	-	-	-	3,800	457,064	578,018	120,954	0.44	0.48	0.02%
D.G. KHAN CEMENT COMPANY LIMITED	15,000	-	-	-	15,000	769,500	976,350	206,850	0.75	0.81	0.03%
FAUJI CEMENT COMPANY LIMITED	-	15,000	-	-	15,000	272,250	264,600	(7,650)	0.20	0.22	0.30%
PECTO CEMENT LIMITED	7,500	-	-	7,500	-	-	-	-	-	-	0.00%
FLYING CEMENT COMPANY LIMITED	250,000	-	-	50,000	200,000	1,108,000	1,342,000	234,000	1.03	1.11	1.02%
KOHAT CEMENT COMPANY LIMITED	3,800	-	-	-	3,800	659,186	854,924	195,738	0.66	0.71	0.00%
LUCKY CEMENT LIMITED	1,500	-	-	-	1,500	783,135	1,147,470	364,335	0.88	0.95	0.01%
MAPLE LEAF CEMENT FACTORY LIMITED	37,750	-	-	-	37,750	1,069,458	1,343,145	273,687	1.03	1.11	0.04%
PAKCEM LIMITED - FREEZE	-	-	-	-	-	1,499,617	-	(1,499,617)	-	-	-
POWER CEMENT LIMITED	112,500	38,000	-	-	150,500	625,030	796,145	171,115	0.61	0.66	0.14%
	<b>431,850</b>	<b>53,000</b>	-	<b>57,500</b>	<b>427,350</b>	<b>7,243,240</b>	<b>7,302,652</b>	<b>59,412</b>	<b>5.60</b>	<b>6.05</b>	<b>1.56%</b>
<b>Refinery</b>											
ATTOCK REFINERY LIMITED	2,500	2,500	-	3,500	1,500	381,432	577,170	195,738	0.44	0.48	0.01%
CNERGYCO PK LIMITED	70,000	-	-	20,000	50,000	142,000	221,000	79,000	0.17	0.18	0.01%
NATIONAL REFINERY LIMITED	3,000	3,500	-	-	6,500	1,359,650	1,741,350	381,700	1.34	1.44	0.08%
PAKISTAN REFINERY LIMITED	60,000	-	-	10,000	50,000	678,000	1,355,500	677,500	1.04	1.12	0.08%
	<b>135,500</b>	<b>6,000</b>	-	<b>33,500</b>	<b>108,000</b>	<b>2,561,082</b>	<b>3,895,020</b>	<b>1,333,938</b>	<b>2.99</b>	<b>3.22</b>	<b>0.18%</b>

Name of Investee company	Number of shares					Balances as at June 30, 2023 (Rupees)			(% ) Percentage in relation to		
	As at July 01, 2023	Purchases during the period	Bonus / Rights during the period	Sales during the period	As at March 31, 2024	Carrying value	Market value	Appreciation / (Diminution)	Net assets of the Fund ( with market value of investments)	Market value of total investments	Paid up capital of investee company (with face value of investments)
<b>Power Generation &amp; Distribution</b>											
THE HUB POWER COMPANY LIMITED	15,693	-	-	-	15,693	1,091,919	1,903,090	811,171	1.46	1.58	0.01%
KOT ADDU POWER COMPANY LIMITED	60,000	-	-	10,000	50,000	1,040,000	1,359,500	319,500	1.05	1.13	0.06%
K-ELECTRIC LIMITED	100,000	330,000	-	30,000	400,000	1,800,060	1,768,000	(32,060)	1.36	1.47	1.09%
NISHAT CHUNIAN POWER LIMITED	23,437	-	-	-	23,437	391,398	614,284	222,886	0.47	0.51	0.00%
	<b>199,130</b>	<b>330,000</b>	<b>-</b>	<b>40,000</b>	<b>489,130</b>	<b>4,323,377</b>	<b>5,644,874</b>	<b>1,321,497</b>	<b>4</b>	<b>5</b>	<b>1.16%</b>
<b>Oil &amp; Gas Marketing Companies</b>											
HASCOL PETROLEUM LIMITED	866	25,000	-	-	25,866	128,556	199,944	71,388	0.15	0.17	0.03%
PAKISTAN STATE OIL COMPANY LIMITED	54,064	-	-	-	54,064	6,001,645	9,328,203	3,326,558	7.18	7.74	0.12%
SUI NORTHERN GAS PIPELINES LIMITED	55,000	-	-	30,000	25,000	984,250	1,563,000	578,750	1.20	1.30	0.04%
SUI SOUTHERN GAS COMPANY LIMITED	25,000	100,000	-	75,000	50,000	692,155	524,500	(167,655)	0.40	0.44	0.06%
	<b>134,930</b>	<b>125,000</b>	<b>-</b>	<b>105,000</b>	<b>154,930</b>	<b>7,806,606</b>	<b>11,615,647</b>	<b>3,809,041</b>	<b>8.93</b>	<b>9.65</b>	<b>0.25%</b>
<b>Oil &amp; Gas Exploration Companies</b>											
Mari Petroleum Company Limited	104	2,000	-	604	1,500	2,320,952	3,805,485	1,484,533	2.93	3.16	0.01%
Oil & Gas Development Company Limited	65,500	5,000	-	5,000	65,500	5,335,150	7,968,075	2,632,925	6.13	6.61	0.02%
Pakistan Oilfields Limited	6,000	2,000	-	-	8,000	3,288,605	3,456,560	167,955	2.66	2.87	0.03%
Pakistan Petroleum Limited	57,000	-	-	7,000	50,000	2,957,000	5,307,500	2,350,500	4.08	4.40	0.02%
	<b>128,604</b>	<b>9,000</b>	<b>-</b>	<b>12,604</b>	<b>125,000</b>	<b>13,901,707</b>	<b>20,537,620</b>	<b>6,635,913</b>	<b>15.80</b>	<b>17.04</b>	<b>0.08%</b>
<b>Industrial Engineering</b>											
AISHA STEEL MILLS LIMITED	50,000	-	-	-	50,000	270,000	337,500	67,500	0.26	0.28	0.05%
AMRELI STEELS LIMITED	20,000	-	-	-	20,000	307,000	432,000	125,000	0.33	0.36	0.07%
INTERNATIONAL STEELS LIMITED	15,000	-	-	-	15,000	607,950	984,300	376,350	0.76	0.82	0.10%
ITTEFAQ IRON INDUSTRIES LIMITED	-	25,000	-	-	25,000	197,380	152,500	(44,880)	0.12	0.13	0.07%
MUGHAL IRON AND STEEL INDUSTRIES LTD	-	10,000	-	-	10,000	739,974	630,700	(109,274)	0.49	0.52	0.02%
	<b>85,000</b>	<b>35,000</b>	<b>-</b>	<b>-</b>	<b>120,000</b>	<b>2,122,301</b>	<b>2,537,000</b>	<b>414,699</b>	<b>1.96</b>	<b>2.11</b>	<b>0.31%</b>
<b>Automobile Assembler</b>											
DEWAN FAROQUE MOTORS LIMITED	-	100,000	-	-	100,000	1,768,030	1,528,000	(240,030)	1.18	1.27	2.35%
GHANDHARA INDUSTRIES LIMITED	5,000	-	-	-	5,000	402,700	795,250	392,550	0.61	0.66	0.03%
HONDA ATLAS CARS (PAKISTAN) LIMITED	-	25,000	-	25,000	-	-	-	-	-	-	0.00%
MILLAT TRACTORS LIMITED	5,701	-	-	-	5,701	2,225,157	3,335,997	1,110,840	2.57	2.77	0.04%
SAZGAR ENGINEERING WORKS LIMITED	5,000	5,000	-	-	10,000	1,354,361	3,883,100	2,528,739	2.99	3.22	0.17%
	<b>15,701</b>	<b>130,000</b>	<b>-</b>	<b>25,000</b>	<b>120,701</b>	<b>5,750,248</b>	<b>9,542,347</b>	<b>3,792,099</b>	<b>7.35</b>	<b>7.92</b>	<b>2.59%</b>
<b>Paper and board</b>											
PACKAGES LIMITED	1,750	-	-	-	1,750	680,645	979,615	298,970	0.75	0.81	0.02%
ROSHAN PACKAGES LIMITED	5,000	-	-	-	5,000	44,450	58,950	14,500	0.05	0.05	0.04%
	<b>6,750</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,750</b>	<b>725,095</b>	<b>1,038,565</b>	<b>313,470</b>	<b>0.80</b>	<b>0.86</b>	<b>0.06%</b>
<b>Cables &amp; Electrical Goods</b>											
PAK ELEKTRON LIMITED	-	100,000	-	100,000	-	-	-	-	-	-	0.00%
TPL CORP LIMITED	70,000	-	-	20,000	50,000	300,500	272,000	(28,500)	0.21	0.23	0.09%
	<b>70,000</b>	<b>100,000</b>	<b>-</b>	<b>120,000</b>	<b>50,000</b>	<b>300,500</b>	<b>272,000</b>	<b>(28,500)</b>	<b>0.21</b>	<b>0.23</b>	<b>0.09%</b>

Name of Investee company	Number of shares					Balances as at June 30, 2023 (Rupees)			(% ) Percentage in relation to		
	As at July 01, 2023	Purchases during the period	Bonus / Rights during the period	Sales during the period	As at March 31, 2024	Carrying value	Market value	Appreciation / (Diminution)	Net assets of the Fund ( with market value of investments)	Market value of total investments	Paid up capital of investee company (with face value of investments)
<b>Fertilizer</b>											
ENGRO FERTILIZERS LIMITED	20,000	5,000	-	-	25,000	2,153,100	3,668,000	1,514,900	2.82	3.04	0.02%
ENGRO CORPORATION LIMITED	22,800	-	-	-	22,800	5,925,492	8,191,584	2,266,092	6.30	6.80	0.04%
FAUJI FERTILIZER BIN QASIM LIMITED	20,000	25,000	-	-	45,000	805,160	1,234,800	429,640	0.95	1.02	0.03%
FAUJI FERTILIZER COMPANY LIMITED	10,000	5,000	-	-	15,000	1,541,899	1,893,750	351,851	1.46	1.57	0.01%
	<b>72,800</b>	<b>35,000</b>	<b>-</b>	<b>-</b>	<b>107,800</b>	<b>10,425,651</b>	<b>14,988,134</b>	<b>4,562,483</b>	<b>11.53</b>	<b>12.43</b>	<b>0.10%</b>
<b>Pharmaceuticals</b>											
CITI PHARMA LIMITED	-	25,000	-	-	25,000	692,500	579,750	(112,750)	0.45	0.48	0.58%
FEROZSONS LABORATORIES LIMITED	4,320	-	-	-	4,320	591,192	947,981	356,789	0.73	0.79	0.02%
GLAXOSMITHKLINE PAKISTAN LIMITED	3,000	-	-	-	3,000	226,110	254,460	28,350	0.20	0.21	0.01%
HIGHNOON LABORATORIES LIMITED	66	-	-	-	66	22,187	33,623	11,436	0.03	0.03	0.00%
THE SEARLE COMPANY LIMITED	14,486	21,000	-	-	35,486	1,719,035	1,855,918	136,883	1.43	1.54	0.07%
	<b>21,872</b>	<b>46,000</b>	<b>-</b>	<b>-</b>	<b>67,872</b>	<b>3,251,024</b>	<b>3,671,732</b>	<b>420,708</b>	<b>2.84</b>	<b>3.05</b>	<b>0.68%</b>
<b>Technology &amp; Communications</b>											
AIR LINK COMMUNICATION LIMITED	-	25,000	-	7,000	18,000	1,094,639	1,111,680	17,041	0.86	0.92	0.05%
AVANCEON LIMITED	9,200	11,800	-	-	21,000	1,167,102	1,076,460	(90,642)	0.83	0.89	0.06%
HUM NETWORK LIMITED	42,000	-	-	-	42,000	245,280	275,940	30,660	0.21	0.23	0.01%
NETSOL TECHNOLOGIES LIMITED	2,000	-	-	-	2,000	149,660	243,160	93,500	0.19	0.20	0.01%
PAKISTAN TELECOMMUNICATION COMPANY SYSTEMS LIMITED	-	150,000	-	50,000	100,000	1,158,000	1,827,000	669,000	1.41	1.52	0.88%
TRG PAKISTAN LIMITED - CLASS 'A'	10,000	3,000	-	8,000	5,000	453,279	346,050	(107,229)	0.27	0.29	0.01%
WORLDCALL TELECOM LIMITED	100,000	-	-	50,000	50,000	54,500	63,500	9,000	0.05	0.05	0.01%
	<b>168,200</b>	<b>194,800</b>	<b>-</b>	<b>115,000</b>	<b>248,000</b>	<b>8,547,086</b>	<b>8,797,590</b>	<b>250,504</b>	<b>6.79</b>	<b>7.30</b>	<b>1.14%</b>
<b>Foods &amp; Personal Care Products</b>											
FAUJI FOODS LIMITED	35,000	100,000	-	60,000	75,000	695,250	698,250	3,000	0.54	0.58	0.03%
TREET CORPORATION LIMITED	10,170	-	-	5,000	5,170	221,721	260,137	38,416	0.20	0.22	0.00%
UNITY FOODS LIMITED	40,000	-	-	20,000	20,000	312,600	469,400	156,800	0.36	0.39	0.02%
	<b>135,170</b>	<b>100,000</b>	<b>-</b>	<b>135,000</b>	<b>100,170</b>	<b>1,229,571</b>	<b>1,427,787</b>	<b>198,216</b>	<b>1.10</b>	<b>1.19</b>	<b>0.05%</b>
<b>Asset Allocation</b>											
TPL PROPERTIES LIMITED	67,210	-	-	37,000	30,210	376,417	336,842	(39,575)	0.26	0.28	0.05%
	<b>67,210</b>	<b>-</b>	<b>-</b>	<b>37,000</b>	<b>30,210</b>	<b>376,417</b>	<b>336,842</b>	<b>(39,575)</b>	<b>0.26</b>	<b>0.28</b>	<b>0.05%</b>
<b>Textile Spinning</b>											
Kohinoor Spinning Mills Limited	-	200,000	-	-	200,000	931,420	890,000	(41,420)	0.68	0.74	0.97%
	<b>-</b>	<b>200,000</b>	<b>-</b>	<b>-</b>	<b>200,000</b>	<b>931,420</b>	<b>890,000</b>	<b>(41,420)</b>	<b>0.68</b>	<b>0.74</b>	<b>0.97%</b>
<b>Total as at March 31, 2024</b>	<b>3,127,188</b>	<b>1,441,300</b>	<b>-</b>	<b>934,174</b>	<b>3,634,314</b>	<b>90,500,946</b>	<b>120,539,146</b>	<b>30,038,202</b>	<b>92.570</b>	<b>100.175</b>	<b>16.71%</b>
<b>Total as at June 30, 2023</b>						<b>93,390,328</b>	<b>79,630,740</b>	<b>(13,759,588)</b>			

7.1.1 During the year ended 30 June 2018, the Honourable Supreme Court of Pakistan (HSC) passed a judgement on 27 June 2018 whereby the suits which are already pending or shall be filed in future must only be continued / entertained on the condition that a minimum of 50 percent of the tax calculated by the tax authorities is deposited with the authorities. Accordingly, the CISs were required to pay minimum 50% of the tax calculated by the tax authorities for the case to remain continued. The CISs failed to deposit the minimum 50% of the tax liability and accordingly the stay got vacated automatically during the year ended 30 June 2019. After that, the CISs have filed a fresh constitutional petition via CP 4653 dated 11 July 2019. In this regard, on 15 July 2019, the Honourable High of Sindh has issued notices to the relevant parties and has ordered that no third party interest on bonus shares issued to the Funds in lieu of their investments be created in the meantime. The matter is still pending adjudication and the Funds have included these shares in their portfolio, as the management is confident that the decision of the constitutional petition will be in favour of the CISs.

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

		<b>March 31</b>	<b>June 30</b>
		<b>2024</b>	<b>2023</b>
		<b>(Un-audited)</b>	<b>(Audited)</b>
	<b>Note</b>	<b>-----Rupees-----</b>	
<b>8</b>	<b>Dividend and profit receivable</b>		
	Dividend receivable	2,340,692	223,950
	Profit accrued on bank deposits	893,160	462,718
		<u>3,233,852</u>	<u>686,668</u>
<b>9</b>	<b>Advances, deposits, prepayments and other receivables</b>		
	Advance Tax Deducted	5,003,770	4,074,189
	Other Receivables	211,276	211,276
	Prepaid listing fee	9,453	-
	Prepaid Rating Fee	277,408	1,999
	Security Deposits with CDC	237,500	237,500
		<u>5,809,787</u>	<u>4,524,964</u>
<b>10</b>	<b>Remuneration payable to First Capital Investment Limited - Management Company</b>		
	Remuneration of Management Company	10.1 218,486	147,175
	Punjab Sales tax on Remuneration of Management Company	10.2 34,958	23,548
	Federal Excise Duty on Remuneration of Management Company	10.3 3,713,448	3,713,448
		<u>3,966,892</u>	<u>3,884,171</u>
<b>10.1</b>	Under the provisions of the NBFC Regulations 2008 vide SRO 1160(1)/2015 dated 25 November 2015, the Management Company of the Fund is entitled to an accrued remuneration of an amount not exceeding 2% per annum of the average annual net assets of the Fund. Management Company has charged remuneration at 2% per annum based on the daily net assets of the Fund.		
<b>10.2</b>	The Provincial Government of Punjab levied Punjab Sales Tax at the rate of 16% on the remuneration of the Management Company through the Punjab Sales Tax on Services Act, 2012 effective from July 01, 2012.		
<b>10.3</b>	The status of Federal Excise Duty (FED) is same as disclosed in annual financial statements for the year ended 30 June 2022. Had the said provision for FED not been maintained, the net asset value of the Fund as at June 30, 2023 would have been higher by Rs 0.2614 - (June 30, 2023: Rs. 0.2491) per unit.		
<b>11</b>	<b>Other payable to First Capital Investment Limited - Management Company</b>		
	Accounting & operational charges	11.1 <u>177,700</u>	<u>91,662</u>
<b>11.1</b>	In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a collective investment scheme (CIS). Until June 19, 2019 there was a cap of 0.1% of the average annual net assets of the scheme or actual, whichever is lower, for allocation of such expense to the Fund. However, the SECP vide its SRO 639 dated June 20, 2019 removed the cap of 0.1%. Currently the Management is charging allocated expenses at the rate of 0.1% per annum.		
<b>12</b>	<b>Payable to Central Depository Company of Pakistan Limited - Trustee</b>		
	Remuneration of the Trustee	12.1 21,849	30,341
	Sindh Sales tax on remuneration of the Trustee	12.2 2,840	3,944
		<u>24,689</u>	<u>34,285</u>
<b>12.1</b>	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 Value of the Fund. The fee is paid to the Trustee monthly in arrears.		
	Based on the Trust Deed and the revised fee notification by Central Depository Company of Pakistan Limited, the tariff structure applicable to the Fund as at 30 June 2023 is as follows:		
	<b>Net Assets Value</b>		
	Upto Rs 1,000 million		<b>Tariff per annum</b>
	Exceeding Rs 1,000 million		0.20% per annum of net assets of the Fund
			Rs 2.0 million plus 0.10% per annum of net assets of the Fund, on amount exceeding Rs 1,000 million
<b>12.2</b>	The Sindh Provincial Government levied Sindh Sales Tax on the remuneration of the Trustee through Sindh Sales Tax on Services Act, 2011, effective from 01 July 2015. During the year, Sindh Sales Tax at the rate of 13% (2023: 13%) was charged on trustee remuneration.		
<b>13</b>	<b>Payable to Securities and Exchange Commission of Pakistan</b>		
	Annual fee	13.1 <u>(9,326)</u>	<u>19,048</u>
<b>13.1</b>	Under the provisions of the NBFC Regulations a CIS categorized as an equity scheme is required to pay annual fee to SECP, an amount equal to 0.095% (2023: 0.02%) of the average annual net assets of the Fund. The fee is paid monthly in arrears.		

**14 Accrued expenses and other liabilities**

Auditors' remuneration	870,827	763,102
Listing fees payable	184,164	158,318
Fund Rating Fee Payable	248,451	-
Payable to CDC	(24,172)	-
Withholding & Capital Gain Tax payable	119,463	125,926
Accounting and operational charges	177,700	-
Other payables	4,156	148,060
	<b>1,580,589</b>	<b>1,195,406</b>

**15 Unclaimed dividend**

This mainly includes an amount of Rs. 10.33 million (2023: Rs. 10.33 million) not paid to Salman Taseer (Late) due to pending adjudication for issuance of succession certificate before the Honorable Lahore High Court. Until the Honorable Court reaches a verdict in relation to his succession, the dividend can not be claimed by any party and the transmission of units can not be performed.

**16 Contingencies And Commitments**

- 16.1** Contingencies as explained in note 7.1.1.  
**16.2** Contingencies as explained in note 10.3.

**22 Total Expense Ratio**

Total expense ratio (all the expenses, including government, incurred during the year divided by average net assets value for the year) is 3.93% per annum. Total expense ratio (excluding government levies) is 3.43% per annum.

**23 Taxation**

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realized or unrealized, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unitholders. The management intends to distribute at least 90% of the Fund's net accounting income earned by the year end, as cash dividend, 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. Accordingly, no provision in respect of taxation has been made in these condensed interim financial statements.

**24 Earnings per unit**

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

**25 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS**

Connected persons include the Management Company, the Trustee of the Fund, any person or company beneficially owning ten percent or more of the capital of the Management Company or net assets of the Fund and Directors and Key Management Personnel of the Management Company as at June 30, 2023.

Transactions with related parties / connected persons are in the normal course of business and on arm's length basis.

Remuneration to the Management Company and the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations and Trust Deed respectively.

**25.1 Transactions for the period:**

	Note	(Un-audited) For the Period Ended March 31	
		2024	2023
-----Rupees-----			
<b>First Capital Investments Limited - Management Company</b>			
Remuneration of the Management Company	25.1.1	1,723,243	1,445,292
Punjab Sales Tax on Remuneration of the Management Company		275,719	231,247
Dividend Paid		-	-
Issuance of 336,749 Units (2023: Nil) units		3,000,000	-
Redemption of 987,717 units (2023: 248,069) units		7,950,000	1,500,000
<b>Central Depository Company of Pakistan Limited - Trustee</b>			
Remuneration of the Trustee		172,264	144,529
Sindh Sales Tax on Remuneration of the Trustee		22,394	18,789
Settlement Charges inclusive of Sindh Sales Tax		-	-

**25.1.1** Remuneration to the Management Company and the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations 2008 and Trust Deed.

25.2 <u>Outstanding balances as at period / year end:</u>	March 31 2024 (Un-audited)	June 30 2023 (Audited)
	-----Rupees-----	
<b>First Capital Investments Limited - Management Company</b>		
Remuneration payable inclusive of taxes thereon	3,966,892	3,884,171
Other Payables	-	91,662
Units held: 9,441,519 (June 30, 2023: 10,092,486) units	<b>86,381,401</b>	61,758,950
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration payable inclusive of taxes thereon	24,689	34,285
Security deposit	<b>237,500</b>	237,500
<b>First Capital Equities Limited - Group Company</b>		
Units held: 1,793 (June 30, 2023: 1,793) units	<b>16,404</b>	10,973
<b>First Capital Securities Corporation Limited</b>		
Units held: 935,466 (June 30, 2023: 935,466) units	<b>8,558,676</b>	5,724,400
<b>Salman Taseet (Late) - Holder of more than 10%</b>		
Units held: 2,095,028 (June 30, 2023: 2,095,028) units	<b>19,167,621</b>	12,820,103
<b>Key Management Personnel of the Management Company</b>		
Units held: 2,466 (June 30, 2023: 2,466) units	<b>22,562</b>	15,092

33 **General**

33.1 Figures have been rounded off to the nearest Rupee.

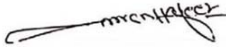
33.2 Units have been rounded off to the nearest decimal place.

33.3 Corresponding figures have been reclassified, rearranged or additionally incorporated in these condensed interim financial statements, wherever necessary to facilitate comparison and to conform with changes in presentation in the current period. No significant rearrangements or reclassifications were made in these condensed interim financial statements.

34 **DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on April 29, 2024.

**For First Capital Investments Limited  
(Management Company)**



Chief Executive Officer



Chief Financial Officer



Director