

ALHAMRA ISLAMIC PENSION FUND

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Vision

“To be the most coveted Savings and Investment company,
while leading the effort to make the saving
population and industry grow”

Mission

“To be the preferred Savings and Investment Manager in Pakistan
by being best in class in customer services
and maximizing stakeholders’ value”

Core Values

HONESTY

We ensure to build trust through responsible actions and honest
relationships with our colleagues, customers and stakeholders

INTEGRITY

We work with integrity in everything we do, and embody our principles
when working with stakeholders as well as internal and external customers.
We assure to promote the integrity for the ultimate benefit for everyone

ETHICS

As a trusted custodian of customer funds, we are committed to
conforming to the highest level of ethical standards in the workplace
that involves putting customer interest first and maintaining
our stakeholders trust in the Company

PROFESSIONALISM

We value everyone and treat our external and internal
customers and our stakeholders with respect, dignity and professionalism

FUND'S INFORMATION

Management Company	MCB Investment Management Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
Board of Directors	Mr. Haroun Rashid Mr. Shoaib Mumtaz Mr. Khawaja Khalil Shah Mr. Ahmed Jahangir Mr. Manzar Mushtaq Mr. Fahd Kamal Chinoy Syed Savail Meekal Hussain Ms. Mavra Adil Khan	Chairman Director Chief Executive Officer Director Director Director Director Director
Audit Committee	Syed Savail Meekal Hussain Mr. Ahmed Jahangir Mr. Manzar Mushtaq	Chairman Member Member
Human Resource & Remuneration Committee	Mr. Fahd Kamal Chinoy Mr. Ahmed Jahangir Mr. Shoaib Mumtaz Ms. Mavra Adil Khan Mr. Khawaja Khalil Shah	Chairman Member Member Member Member
Credit Committee	Mr. Ahmed Jahangir Mr. Manzar Mushtaq Syed Savail Meekal Hussain Mr. Khawaja Khalil Shah	Member Member Member Member
Chief Executive Officer	Mr. Khawaja Khalil Shah	
Chief Operating Officer & Chief Financial Officer	Mr. Muhammad Asif Mehdi Rizvi	
Company Secretary	Mr. Altaf Ahmad Faisal	
Trustee	Central Depository Company of Pakistan Ltd. CDC House, 99-B, Block 'B'S.M.C.H.S Main Shahra-e-Faisal Karachi Tel: (92-21) 111-111-500 Fax: (92-21) 34326053 Web: www.cdcpakistan.com	
Bankers	MCB Bank Limited Habib Metropolitan Bank Limited United Bank Limited Faysal Bank Limited MCB Islamic Bank Limited Habib Bank Limited	National Bank of Pakistan Askari Bank Limited Bank Islamic Pakistan Limited Meezan Bank Limited Dubai Islamic Bank Limited Soneri Bank Limited
Auditors	Yousuf Adil Chartered Accountants Cavish Court, A-35, Block 7 & 8 KCHSU, Shahrah-e-Faisal, Karachi-75350.	
Legal Advisor	Bawane & Partners 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
Rating	AM1 Asset Manager Rating assigned by PACRA	
Transfer Agent	MCB Investment Management Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	

REPORT OF THE DIRECTORS OF THE PENSION FUND MANAGER FOR THE YEAR ENDED JUNE 30, 2024

Dear Investor,

On behalf of the Board of Directors, I am pleased to present **Alhamra Islamic Pension Fund** accounts review for the year ended June 30, 2024.

Economy Review

Fiscal year 2024 marked a period of macroeconomic recovery for Pakistan, averting a looming default brought about by continued economic mismanagement. This turnaround was primarily attributed to Pakistan entering a new IMF program after several months of delay. The government secured a much-needed Stand-by Arrangement (SBA) facility of USD 3.0 billion from the IMF in June 23, and managed to receive timely rollovers from friendly countries. It also showed unwavering commitment to remain compliant with the IMF targets and as a result government was able to successfully complete the program.

The caretaker government took office in August 2023 and immediately faced speculative pressure on the currency, causing it to spike to a record high of 307 in the interbank market. Exchange rate in informal market reached a higher of near 330 PKR/USD reflecting an increase of speculative activity and rampant uncertainty. The government took decisive steps against smuggling of dollar, abuse of Afghan Transit and illegal money dealers in September 2023, which spurred a rapid recovery in the exchange rate. This helped in improving confidence and narrower spreads in open and interbank rates. The authorities also placed mechanisms to strictly monitor exchange rate payments to manage the overall external balance. Combination of both administration measures and steps to discipline external and fiscal accounts helped restore overall stability. The USD PKR close the year at 278.3 appreciating by 2.6% since the start of the year.

Country posted a current account deficit (CAD) of USD 464 million in the first eleven months of the fiscal year 2024 (11MFY24) declining by 88% YoY compared to a deficit of USD 3.8 billion in the corresponding period last year. Narrowing trade deficit was the major contributor towards improving CAD as 11.3% increase in exports coupled with an 2.3% drop in imports led to a 17.0% contraction in the trade deficit. The country's external position improved with SBP's foreign exchange reserves increasing to USD 9.4 billion as of June 2024 compared to USD 4.4 billion at the end of last fiscal year. This was on account of flows from the IMF, friendly countries and multilateral sources.

Headline inflation represented by CPI averaged 23.9% during the fiscal year 2024 compared to 29.0% last year. Inflation remained on the higher side as massive currency depreciation in the prior periods led to surge in food and energy prices. The government also hiked electricity base tariff and gas prices to comply with the IMF conditions, which led to further inflationary pressures. The SBP reduced the policy rate by 150bps to 20.5% in the last monetary policy of the year held on June 10, 2024. The monetary policy noted a significant decline in inflation, resulting in a substantially positive real interest rate, which justifies initiating a monetary easing cycle.

The country's GDP grew by 2.4% in the financial year 2023-24 as compared to -0.2% last year. Agriculture grew by 6.3%, Services and industrial sector witnessed a paltry increase of 1.2% each. Historic high interest rates coupled with political uncertainty were the major culprits behind the subdued industrial and services output. On the fiscal side, FBR tax collection

REPORT OF THE DIRECTORS OF THE PENSION FUND MANAGER FOR THE YEAR ENDED JUNE 30, 2024

increased by 29.6% in FY24 to PKR 9,285 billion, missing the target by a modest PKR 130 billion.

Equity Market Review

The stock market witnessed exuberance in fiscal year 2024, as the benchmark KSE-100 increased by staggering 89.2% or 36,992 points, to close at all time high of 78,445 points. This also makes Pakistan the best performing market in the world with USD return of 94.4% in the year.

The bullish momentum continued throughout the year was on account of improvement in macroeconomic indicators after Pakistan entered into the new IMF program. Market participants also cheered the successful completion of all IMF reviews under SBA. Moreover, the successful conclusion of elections in February 2024 brought long due clarity amongst investors. In addition, reaffirmation by the incumbent government to continue structural reforms, along with the intention to enter a longer IMF program, further uplifted sentiment. Lastly, the strength of the local currency post-crackdown on currency smuggling and hoarding, strong corporate profitability, increase in taxes on other asset classes in the budget FY25, and start of monetary easing with 150bps cut, all contributed to the sustainable rally.

During FY24, Foreign investors, Insurance, and Corporates were net buyers with an inflow of USD 141 million, USD 126 million and USD 36 million, respectively. While major selling was witnessed from Banks and Mutual Funds with outflow of USD 141 million and USD 48 million, respectively. During FY24, average trading volumes for KSE-All Index saw an increase of 140.4% to 461 million shares compared to about 191 million shares in the same period last year. Similarly, the average trading value during the period saw a rise of 118.5% over previous year to near USD 55 million.

Banking, Fertilizer, and E&P sector were the major contributors to the index gain adding 13,262/5,074/4,300 points, respectively. Banking sector witnessed broad based rally as entry into the IMF program diminished the probability of local debt restructuring besides strong profitability. Fertilizer sector performed due to better than expected dividends while E&P rallied due to the news of clearance of gas circular debt, which would improve the sector cash flows.

Fund Performance

Debt Fund

The debt sub-fund generated a return of 20.63% during the period under review. The sub-fund's exposure in GoP Ijarah Sukuk was at 32.7% while exposure in cash stood at 55.2%.

The Net Assets of the Fund as at June 30, 2024 stood at Rs. 820.10 million as compared to Rs. 452.72 million as at June 30, 2023 registering an increase of 81.15%.

The Net Asset Value (NAV) per unit as at June 30, 2024 was Rs. 363.0 as compared to opening NAV of Rs. 300.93 per unit as at June 30, 2023 registering an increase of Rs. 62.07 per unit.

Money Market Fund

The money market sub-fund generated a return of 22.16% during the period under review. The sub-fund's exposure in cash stood at 27.2%.

REPORT OF THE DIRECTORS OF THE PENSION FUND MANAGER FOR THE YEAR ENDED JUNE 30, 2024

The Net Assets of the Fund as at June 30, 2024 stood at Rs. 1330.03 million as compared to Rs. 727.98 million as at June 30, 2023 registering an increase of 82.70%.

The Net Asset Value (NAV) per unit as at June 30, 2024 was Rs. 335.84 as compared to opening NAV of Rs. 274.91 per unit as at June 30, 2023 registering an increase of Rs. 60.93 per unit.

Equity Fund

The Equity sub-fund generated a return of 92.09% while the KMI-30 posted a return of 78.7%. The sub-fund exposure in equities remained at 92.9% at the end of the period.

The Net Assets of the Fund as at June 30, 2024 stood at Rs. 728.25 million as compared to Rs. 433.70 million as at June 30, 2023 registering an increase of 67.91%.

The Net Asset Value (NAV) per unit as at June 30, 2024 was Rs. 1015.53 as compared to opening NAV of Rs. 528.67 per unit as at June 30, 2023 registering an increase of Rs. 486.86 per unit.

Economy & Market – Future Outlook

Pakistan GDP is expected to rebound to 3.5% in FY25 after a disappointing performance last year where the GDP increased by only 2.4%. The outlook for industrial output is relatively optimistic with an expected growth of 4.0% compared to 1.2% last year. Macroeconomic stability, stable currency and decline in interest rates will help revive the industrial and service sector growth. Agriculture performance is likely to remain on the lower side due to high base effect.

A new staff-level loan agreement has been reached between Pakistan and the International Monetary Fund (IMF) under which the country will receive USD 7.0 billion over 37 months. The final approval of the loan will be given by the IMF Executive Board. Successful continuation of the IMF program is a key positive as it will allow us to tap funding from bilateral and multilateral sources. However, our external position still remains precarious due to debt outflows and our inability to raise funds through international Eurobond or Sukuk. Thus, we would continue to run a sustainable current account this year to stave off external concerns. We expect a CAD of USD 1.0 billion (0.2% of GDP) in FY25 as policy of consolidation is likely to continue under the IMF umbrella.

The USD PKR is expected to remain stable as the government is focusing on improving current account deficit on the back of recovery in export and remittances. Entry into the new IMF program will also increase visibility on the external funding. We expect USD/PKR to close the fiscal year around PKR 311.

The inflation reading has started to come down due to base effect and relatively stable currency. The headline inflation number in June 2024 clocked of 12.6% compared to a high of 38.0% in May 2023. The core inflation also registered a significant slowdown, clocking at 14.1% which is a low of 23 months. The inflation reading is expected to decline to single digits in 1H FY25. Keeping in view the inflationary trends, external and fiscal position we expect interest rate to decline to 14-15% by June 25.

From the capital market perspective particularly equities, the market is still trading at cheap valuations. Market cap to GDP ratio is at 9.8%, a discount of 48% from its historical average of 18.9%. Similarly, Earning Yield minus Risk Free Rate is close to 7.2%, compared to the

REPORT OF THE DIRECTORS OF THE PENSION FUND MANAGER FOR THE YEAR ENDED JUNE 30, 2024

historical average of 3.0% signifying a deep discount at which the market is trading. The resolution of challenges on external account will help to unlock market potential. We believe a micro view of sectors and stocks will remain important and investment selection should focus on companies, which trade at a deep discount to their intrinsic value. The market is currently trading at PER of 4.7x, while offering a dividend yield of 11.2%.

For debt holders, we expect Money Market Funds to continue to seamlessly mirror policy rates throughout the year. Investors with a mid to long term view can benefit from Bond and Income Funds where higher duration will create opportunities for capital gains in the wake of Interest rate outlook. We have added government bonds in Income Funds to benefit from the expected monetary easing in the near term.

Mutual Fund Industry Review

The Net Assets of the open-end mutual funds industry increased by about 64.6% during FY24 to PKR 2,574 billion. Total money market funds grew by about 45.0% since June 2023. Within the money market sphere, conventional funds showed a growth of 33.0% to PKR 629 billion while Islamic funds increased by 58.2% to PKR 679 billion. In addition, the total fixed Income funds increased by about 104.7% since June 2023 to PKR 756 billion while Equity and related funds increased by 52.3% to PKR 255 billion.

In terms of the segment share, Money Market funds were the leader with a share of around 50.8%, followed by Income funds with 37.3% and Equity and Equity related funds having a share of 9.9% as at the end of June 30, 2024.

Mutual Fund Industry Outlook

Both Bonds and Equities are likely to do well in the next year on the back of cut in interest rates. During the year, significant interest of investors is already visible in Income Funds while equity fund is likely to see inflows post new IMF agreement. Relatively High interest rates during the period would encourage sustained flows in the money market funds as they are ideal for investors with a short-term horizon and low risk profile.

Our operations remained seamless and given our competitive edge in digital access and online customer experience, we are prepared to get benefits of the growing number of investors available online.

The increased focus of provincial and federal government on unsustainable pension payments and a push for contributory pension schemes is a long term positive for the industry. During the year, Pension Schemes for KPK Government Employees were successfully implemented. Punjab Govt. has also shown interest in adopting a contributory retirement scheme and likely to adopt Pension Schemes for new employees from the current year. Similarly, federal government has also highlighted the need for contributory structure in the current year Budget speech which shall help accelerate the adoption of voluntary pension schemes in public and private sector.

REPORT OF THE DIRECTORS OF THE PENSION FUND MANAGER FOR THE YEAR ENDED JUNE 30, 2024

MANAGEMENT COMPANY

On April 18, 2023, MCB Bank Limited (MCB), being the parent company of MCB-Arif Habib Savings and Investments Limited, has acquired 21,664,167 (30.09%) shares of MCB-Arif Habib Savings & Investment Limited (MCB-AH) from Arif Habib Corporation Limited (AHCL). By virtue of this transaction MCB Bank Limited's shareholding in MCB-AH has increased from 36,956,768 (51.33%) shares to 58,620,935 (81.42%) and AHCL no longer holds any shares in MCB-AH.

Consequently, members of the Company in an Extra Ordinary General Meeting (EOGM) held on July 07, 2023 have resolved via special resolution that the name of the Company be changed from MCB-Arif Habib Savings and Investments Limited to MCB Investment Management Limited and Securities and Exchange Commission of Pakistan (SECP) has approved the change in name on August 15, 2023.

EXTERNAL AUDITORS

The Fund's external auditor's **M/s. Yousuf Adil Chartered Accountants** have retired after completion of audit for Financial Year ended June 30, 2024. The Audit Committee has recommended re-appointment of **M/s. Yousuf Adil Chartered Accountants** as external auditors of the Fund for financial year ending June 30, 2025 and the Board has also endorsed the recommendation of the Audit Committee. **M/s. Yousuf Adil Chartered Accountants** has also expressed their willingness to act as the Fund's external auditors.

ACKNOWLEDGMENT

The Board is thankful to the Fund's valued investors, the Securities and Exchange Commission of Pakistan and the Trustees of the Fund for their continued cooperation and support. The Directors also appreciate the efforts put in by the management team.

On behalf of Directors,



Khawaja Khalil Shah
Chief Executive Officer
September 25, 2024

اعتراف

بورڈ فنڈ کے قابل قدر سرمایہ کاروں، سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور فنڈ کے ٹرسٹیز کا مسلسل تعاون کا شکریہ ادا کرتا ہے۔ ڈائریکٹرز نے انتظامیہ کی ٹیم کی کوششوں کو بھی سراہا۔

ڈائریکٹرز کی جانب سے،



خواجہ خلیل شاہ

چیف ایگزیکٹو آفیسر

25 ستمبر 2024

مینجمنٹ کمپنی

18 اپریل 2023 کو ایم سی بی-عارف حبیب سیونکس اینڈ انویسٹمنٹس لمیٹڈ (MCB-AH) کی کمپنی ایم سی بی بینک (MCB) نے عارف حبیب کارپوریشن لمیٹڈ (AHCL) سے ایم سی بی-عارف حبیب سیونکس اینڈ انویسٹمنٹس لمیٹڈ کے 21,664,167 (30.09 فیصد) حصص حاصل کر لیے ہیں۔ اس پیش رفت کے بعد MCB کی MCB-AH میں حصص یافتگی 36,956,935 (81.42 فیصد) ہو گئی ہے اور AHCL اب MCB-AH میں حصص کا حامل نہیں ہے۔

نتیجاً، کمپنی کے اراکین نے 07 جولائی 2023 کو منعقدہ ایک غیر معمولی جنرل میننگ (EOGM) میں خصوصی قرارداد کے ذریعے فیصلہ کیا کہ کمپنی کا نام ایم سی بی-عارف حبیب سیونکس اینڈ انویسٹمنٹس لمیٹڈ سے ایم سی بی انویسٹمنٹ مینجمنٹ لمیٹڈ میں تبدیل کر دیا جائے اور سیورٹیز ایکسچینج کمیشن آف پاکستان (SECP) نے 15 اگست 2023 کو نام میں تبدیلی کی منظوری دے دی ہے۔

بیرونی آڈیٹرز

فنڈ کے بیرونی آڈیٹر ایم ایس یوسف عادل چارٹرڈ اکاؤنٹنٹس 30 جون 2024 کو ختم ہونے والے مالی سال کے آڈٹ کی تکمیل کے بعد اپنا کام مکمل کر چکے ہیں۔ آڈٹ کمیٹی نے سفارش کی ہے کہ ایم ایس یوسف عادل چارٹرڈ اکاؤنٹنٹس کا 30 جون 2025 کو ختم ہونے والے مالی سال کے لیے فنڈ کے بیرونی آڈیٹرز کے طور پر دوبارہ انتخاب کیا جائے اور بورڈ نے بھی آڈٹ کمیٹی کی سفارش کی توثیق کی ہے۔ ایم ایس یوسف عادل چارٹرڈ اکاؤنٹنٹس نے بھی فنڈ کے بیرونی آڈیٹرز کے طور پر کام کرنے پر آمادگی ظاہر کی ہے۔

پر توجہ مرکوز کرنی چاہیے، جو اپنی اصل قیمت پر گہری رعایت پر تجارت کرتی ہیں۔ مارکیٹ فی الحال 4.7x PER پر ٹریڈ کر رہی ہے، جبکہ 11.2 فیصد کی منافع بخش پیداوار پیش کر رہی ہے۔

قرض ہولڈرز کے لیے، ہم توقع کرتے ہیں کہ منی مارکیٹ فنڈز سال بھر پالیسی کی شرحوں کی بغیر کسی رکاوٹ کے آئینہ دار ہوتے رہیں گے۔ وسط سے طویل مدتی نقطہ نظر کے حامل سرمایہ کار بانڈ اور انکم فنڈز سے فائدہ اٹھا سکتے ہیں جہاں زیادہ مدت سود کی شرح کے نقطہ نظر کے تناظر میں سرمائے میں اضافے کے مواقع پیدا کرے گی۔ ہم نے انکم فنڈز میں سرکاری بانڈز شامل کیے ہیں تاکہ قریب کی مدت میں متوقع مالیاتی نرمی سے فائدہ اٹھایا جاسکے۔

میوچل فنڈ انڈسٹری کا جائزہ

اوپن اینڈ میوچل فنڈز انڈسٹری کے خالص اثاثے مالی سال 2024 کے دوران تقریباً 64.6 فیصد بڑھ کر 2,574 بلین روپے ہو گئے۔ جون 2023 کے بعد سے کل منی مارکیٹ فنڈز میں تقریباً 45.0 فیصد اضافہ ہوا۔ منی مارکیٹ کے دائرے میں، روایتی فنڈز نے 33.0 فیصد اضافے سے بڑھ کر 629 PKR بلین ہو گئے جبکہ اسلامک فنڈز 58.2 فیصد بڑھ کر 679 PKR بلین ہو گئے۔ اس کے علاوہ، کل فیکسڈ انکم فنڈز جون 2023 سے تقریباً 104.7 فیصد بڑھ کر 756 PKR بلین ہو گئے جبکہ ایکویٹی اور متعلقہ فنڈز 52.3 فیصد اضافے سے 255 PKR بلین ہو گئے۔

سیگمنٹ شیئر کے لحاظ سے، منی مارکیٹ فنڈز تقریباً 50.8 فیصد کے شیئر کے ساتھ سرفہرست تھے، اس کے بعد انکم فنڈز 37.3% کے ساتھ اور ایکویٹی اور ایکویٹی سے متعلق فنڈز کا حصہ 9.9 فیصد کے ساتھ 30 جون 2024 کا اختتام ہوا۔

میوچل فنڈ انڈسٹری آؤٹ لک

سود کی شرح میں کمی کی وجہ سے بانڈز اور ایکویٹیز دونوں اگلے سال میں اچھی کارکردگی کا مظاہرہ کریں گے۔ سال کے دوران، انکم فنڈز میں سرمایہ کاروں کی نمایاں دلچسپی پہلے ہی نظر آ رہی ہے جبکہ ایکویٹی فنڈز میں آئی ایم ایف کے نئے معاہدے کے بعد آمد کا امکان ہے۔ اس مدت کے دوران نسبتاً زیادہ شرح سود منی مارکیٹ کے فنڈز میں مسلسل بہاؤ کی حوصلہ افزائی کرے گی کیونکہ یہ مختصر مدت کے افق اور کم رسک پروفائل والے سرمایہ کاروں کے لیے مثالی ہیں۔

ہمارے کام بغیر کسی رکاوٹ کے رہے اور ڈیجیٹل رسائی اور آن لائن کسٹمرز کے تجربے میں مسابقتی برتری کے پیش نظر، ہم آن لائن دستیاب سرمایہ کاروں کی بڑھتی ہوئی تعداد کے فوائد حاصل کرنے کے لیے تیار ہیں۔

ساتھ صنعتی پیداوار کے لیے آؤٹ لک نسبتاً پر امید ہے۔ معاشی استحکام، مستحکم کرنسی اور شرح سود میں کمی سے صنعتی اور سروس سیکٹر کی نمو کو بحال کرنے میں مدد ملے گی۔ اعلیٰ بنیاد کے اثر کی وجہ سے زراعت کی کارکردگی پختی طرف رہنے کا امکان ہے۔

پاکستان اور انٹرنیشنل مانیٹری فنڈ (آئی ایم ایف) کے درمیان عملے کی سطح پر قرض کا نیا معاہدہ طے پا گیا ہے جس کے تحت ملک کو 37 ماہ کے دوران 7.0 بلین امریکی ڈالر ملیں گے۔ قرض کی حتمی منظوری آئی ایم ایف کا ایگزیکٹو بورڈ دے گا۔ آئی ایم ایف پروگرام کا کامیاب تسلسل ایک اہم مثبت ہے کیونکہ یہ ہمیں دو طرفہ اور کثیر جہتی ذرائع سے فنڈنگ حاصل کرنے کی اجازت دے گا۔ تاہم، قرضوں کے اخراج اور بین الاقوامی یورو بانڈ یا سکوک کے ذریعے فنڈز اکٹھا کرنے میں ہماری ناکامی کی وجہ سے ہماری بیرونی پوزیشن اب بھی غیر یقینی ہے۔ اس طرح، ہم بیرونی خدشات کو دور کرنے کے لیے اس سال ایک پائیدار کرنٹ اکاؤنٹ چلاتے رہیں گے۔ ہمیں مالی سال 25 میں 1.0 USD بلین (GDP کا 0.2%) کی CAD کی توقع ہے کیونکہ IMF کی چھتری کے تحت استحکام کی پالیسی جاری رہنے کا امکان ہے۔

PKR USD کے مستحکم رہنے کی توقع ہے کیونکہ حکومت برآمدات اور ترسیلات زر میں بحالی کی پشت پر کرنٹ اکاؤنٹ خسارے کو بہتر بنانے پر توجہ دے رہی ہے۔ آئی ایم ایف کے نئے پروگرام میں داخلے سے بیرونی فنڈنگ کی نمائش میں بھی اضافہ ہوگا۔ ہمیں توقع ہے کہ PKR/USD مالی سال کو 311 PKR پر بند کرے گا۔

بنیادی اثر اور نسبتاً مستحکم کرنسی کی وجہ سے افراط زر کی شرح میں کمی آنا شروع ہو گئی ہے۔ جون 2024 میں ہیڈ لائن افراط زر کی تعداد مئی 2023 میں 38.0 فیصد کی بلند ترین سطح کے مقابلے میں 12.6 فیصد تک پہنچ گئی۔ بنیادی افراط زر میں بھی نمایاں کمی درج کی گئی، جو 14.1 فیصد پر پہنچ گئی جو کہ 23 ماہ کی کم ترین سطح ہے۔ 1HFY25 میں افراط زر کی ریڈنگ سنگل ہندسوں تک گرنے کی توقع ہے۔ افراط زر کے رجحانات، بیرونی اور مالیاتی پوزیشن کو مد نظر رکھتے ہوئے ہم توقع کرتے ہیں کہ 25 جون تک شرح سود 14-15 فیصد تک گر جائے گی۔

کینپٹل مارکیٹ کے نقطہ نظر سے خاص طور پر ایکویٹیز، مارکیٹ اب بھی سستی قیمتوں پر ٹریڈ کر رہی ہے۔ مارکیٹ کیپ ٹو جی ڈی پی کا تناسب 9.8 فیصد پر ہے، جو اس کی تاریخی اوسط 18.9 فیصد سے 48 فیصد کی چھوٹ ہے۔ اسی طرح، ارنگ پیبلڈ مائنس رسک فری ریٹ 7.2 فیصد کے قریب ہے، جو کہ 3.0 فیصد کی تاریخی اوسط کے مقابلے میں ایک گہری رعایت کی نشاندہی کرتا ہے جس پر مارکیٹ ٹریڈ کر رہی ہے۔ بیرونی اکاؤنٹ پر چیلنجز کا حل مارکیٹ کی صلاحیت کو کھولنے میں مدد کرے گا۔ ہمیں یقین ہے کہ سیکٹرز اور اسٹاکس کا ایک مائیکرو ویو اہم رہے گا اور سرمایہ کاری کے انتخاب کو ان کمپنیوں

30 جون 2023 اور پنگ میٹ اثاثہ (NAV) کی قیمت فی یونٹ 300.93 روپے تھی جب کہ 30 جون 2024 کو یہ فی یونٹ 363 روپے رہی جو 62.07 روپے فی یونٹ کے اضافے کو ظاہر کرتی ہے۔

منی مارکیٹ فنڈ

منی مارکیٹ کے ذیلی فنڈ نے زیر جائزہ مدت کے دوران 22.16 فیصد کا ریٹرن دیا۔ ذیلی فنڈ کی سرمایہ کاری کیش میں 27.2 فیصد رہی۔

30 جون 2023 تک فنڈ کے خالص اثاثے 727.98 ملین روپے تھے جب کہ 30 جون 2024 کو یہ 1330.03 ملین روپے رہے جو 82.70 فیصد کے اضافے کو ظاہر کرتے ہیں۔

30 جون 2023 اور پنگ میٹ اثاثہ (NAV) کی قیمت فی یونٹ 274.91 روپے تھی جب کہ 30 جون 2024 کو یہ فی یونٹ 335.84 روپے رہی جو 60.93 روپے فی یونٹ کے اضافے کو ظاہر کرتی ہے۔

ایکویٹی فنڈ

ایکویٹی سب فنڈ نے 92.09 فیصد کا ریٹرن دیا جبکہ KMI-30 نے 78.7 فیصد کا ریٹرن دیا۔ اس مدت کے اختتام پر ایکویٹیز میں ذیلی فنڈ کی سرمایہ کاری 92.9 فیصد رہی۔

30 جون 2023 تک فنڈ کے خالص اثاثے 433.70 ملین روپے تھے جب کہ 30 جون 2024 کو یہ 728.25 ملین روپے رہے جو 67.91 فیصد کے اضافے کو ظاہر کرتے ہیں۔

30 جون 2023 اور پنگ میٹ اثاثہ (NAV) کی قیمت فی یونٹ 528.67 روپے تھی جب کہ 30 جون 2024 کو یہ فی یونٹ 1015.53 روپے رہی جو 486.86 روپے فی یونٹ کے اضافے کو ظاہر کرتی ہے۔

معیشت اور مارکیٹ - مستقبل کا آؤٹ لک

پاکستان کی جی ڈی پی گزشتہ سال کی مایوس کن کارکردگی جہاں جی ڈی پی میں صرف 2.4 فیصد اضافہ ہوا تھا اس سال FY24 میں 3.5 فیصد تک واپس آنے کی توقع ہے۔ گزشتہ سال 1.2 فیصد کے مقابلے میں 4.0 فیصد کی متوقع نمو کے

ایم ایف پروگرام میں داخل ہونے کے ارادے سے جذبات میں مزید اضافہ ہوا۔ آخر میں، کرنسی کی اسمگلنگ اور ذخیرہ اندوزی کے خلاف کریک ڈاؤن کے بعد مقامی کرنسی کی طاقت، مضبوط کارپوریٹ منافع، بجٹ FY25 میں دیگر اگلا شہ جات پرنٹسوں میں اضافہ اور 150bps کی کٹوتی کے ساتھ مالیاتی نرمی کا آغاز، سبھی نے پائیدار ریلی میں حصہ ڈالا۔

مالی سال 24 کے دوران، غیر ملکی سرمایہ کار، انشورنس، اور کارپوریٹس بالترتیب 141 USD ملین، 126 USD ملین اور 36 USD ملین کے خالص خریدار تھے۔ جبکہ بینکوں اور میوچل فنڈز سے بالترتیب 141 USD ملین اور 48 USD ملین کی بڑی فروخت دیکھی گئی۔

FY24 کے دوران KSE-ALL INDEX کے لیے اوسط تجارتی حجم میں گزشتہ سال کی اسی مدت میں تقریباً 191 ملین شیئرز کے مقابلے میں 140.4 فیصد اضافے سے 461 پر جا پہنچی۔ اسی طرح، اس مدت کے دوران اوسط تجارتی قدر میں پچھلے سال کے مقابلے میں 118.5 فیصد اضافہ ہوا جو 55 ملین امریکی ڈالر کے قریب پہنچ گیا۔

بینکنگ، فریٹلائزر، اور ای اینڈ پی سیکٹر انڈیکس کے اضافے میں بالترتیب 13,262 / 5,074 / 4,300 پوائنٹس کا اضافہ کرنے والے اہم شراکت دار تھے۔ بینکنگ سیکٹر میں وسیع الہیاد ریلی دیکھنے میں آئی کیونکہ آئی ایم ایف پروگرام میں داخلے نے مضبوط منافع کے علاوہ مقامی قرضوں کی تنظیم نو کے امکانات کو کم کر دیا۔ کھاد کے شعبے نے متوقع منافع سے بہتر کارکردگی کا مظاہرہ کیا جبکہ گیس سرکیور ڈیٹ کی منظوری کی خبروں کی وجہ سے ای اینڈ پی میں تیزی آئی، جس سے سیکٹر کیش فلو میں بہتری آئے گی۔

فنڈ کی کارکردگی

ڈیٹ فنڈ

ڈیٹ فلی فنڈ نے زیر جائزہ مدت کے دوران 20.63 فیصد کا ریٹرن دیا۔ GoP اجراج سکوک میں فلی فنڈ کی سرمایہ کاری 32.7 فیصد تھی جبکہ کیش میں سرمایہ کاری 55.2 فیصد تھی۔

30 جون 2023 تک فنڈ کے خالص اثاثے 452.72 ملین روپے تھے جب کہ 30 جون 2024 کو یہ 820.10 ملین روپے رہے جو 81.15 فیصد کے اضافے کو ظاہر کرتے ہیں۔

مقابلے میں ملک کی بیرونی صورتحال میں بہتری کو ظاہر کرتے ہیں۔ یہ آئی ایم ایف، دوست ممالک اور کثیر جہتی ذرائع سے آنے والے بہاء کی وجہ سے تھا۔

مالی سال 2024 کے دوران CPI کی طرف سے پیش کردہ ہیڈ لائن افراط زر کی اوسط 23.9 فیصد رہی جو گزشتہ سال 29.0 فیصد تھی۔ افراط زر کی شرح بلندی پر رہی کیونکہ سابقہ ادوار میں کرنسی کی قدر میں زبردست کمی کی وجہ سے توانائی اور خوراک کی قیمتوں میں اضافہ ہوا۔ حکومت نے آئی ایم ایف کی شرائط پر عمل کرنے کے لیے بجلی کے بنیادی ٹیرف اور گیس کی قیمتوں میں بھی اضافہ کیا، جس سے مہنگائی کا دباؤ مزید بڑھ گیا۔ اسٹیٹ بینک نے 10 جون 2024 کو منعقدہ سال کی آخری مانیٹری پالیسی میں پالیسی ریٹ کو 150bps سے کم کر کے 20.5 فیصد کر دیا۔ مانیٹری پالیسی نے افراط زر میں نمایاں کمی کو نوٹ کیا، جس کے نتیجے میں کافی حد تک مثبت حقیقی سود کی شرح ہوئی، جو مانیٹری سائیکل شروع کرنے کا جواز فراہم کرتی ہے۔

مالی سال 2023-24 میں ملک کی جی ڈی پی میں گزشتہ سال -0.2 فیصد کے مقابلے میں 2.4 فیصد اضافہ ہوا۔ زراعت میں 6.3 فیصد اضافہ ہوا، خدمات اور صنعتی شعبے میں ہر ایک میں 1.2 فیصد کا معمولی اضافہ ہوا۔ دبے ہوئے صنعتی اور خدمات کی پیداوار کے پیچھے سیاسی غیر یقینی صورتحال کے ساتھ تاریخی بلند شرح سود سب سے بڑے مجرم تھے۔ مالیاتی پہلو پر، FBR ٹیکس وصولی مالی سال 24 میں 29.6 فیصد بڑھ کر 9,285 بلین روپے تک پہنچ گئی، جس سے ہدف میں 130 بلین روپے کی معمولی کمی واقع ہوئی۔

ایکویٹی مارکیٹ کا جائزہ

مالی سال 2024 میں اسٹاک مارکیٹ میں جوش و خروش دیکھا گیا، کیونکہ بینچ مارک KSE-100 حیرت انگیز طور پر 89.2 فیصد یا 36,992 پوائنٹس کے اضافے سے 78,445 پوائنٹس کی بلند ترین سطح پر بند ہوا۔ یہ پاکستان کو سال میں 94.4 فیصد امریکی ڈالر کی واپسی کے ساتھ دنیا کی بہترین کارکردگی کا مظاہرہ کرنے والی مارکیٹ بھی بناتا ہے۔

پاکستان کے نئے آئی ایم ایف پروگرام میں داخل ہونے کے بعد میکرو اکنامک اشاریوں میں بہتری کی وجہ سے تیزی کی رفتار سال بھر جاری رہی۔ مارکیٹ کے شرکاء نے SBA کے تحت IMF کے تمام جائزوں کی کامیاب تکمیل پر بھی خوشی کا اظہار کیا۔ مزید برآں، فروری 2024 میں انتخابات کے کامیاب اختتام نے سرمایہ کاروں کے درمیان طویل واضح وضاحت کی۔ مزید برآں، موجودہ حکومت کی طرف سے ڈھانچہ جاتی اصلاحات جاری رکھنے کی تصدیق کے ساتھ ساتھ ایک طویل آئی

پیارے سرمایہ کار،

بورڈ آف ڈائریکٹرز کی جانب سے مجھے الحمد للہ اسلامک پنشن فنڈ کے 30 جون 2024 کو ختم ہونے والے سال کے اکاؤنٹس کا جائزہ پیش کرنے پر خوشی ہے۔

معیشت کا جائزہ

مالی سال 2024 پاکستان کے لیے میکرو اکنامک بحالی کا ایک دور تھا، جس نے مسلسل معاشی بدانتظامی کی وجہ سے ہونے والے ڈیفالٹ کو روک دیا۔ یہ تبدیلی بنیادی طور پر پاکستان کے کئی ماہ کی تاخیر کے بعد آئی ایم ایف کے نئے پروگرام میں داخل ہونے کی وجہ سے تھی۔ حکومت نے 23 جون میں IMF سے 3.0 USD بلین کی انتہائی ضروری اسٹینڈ بائی آرینجمنٹ (SBA) کی سہولت حاصل کی، اور دوست ممالک سے بروقت رول اوور حاصل کرنے میں کامیاب ہوئی۔ اس نے آئی ایم ایف کے اہداف کی تعمیل کرنے کے لیے غیر متزلزل عزم کا بھی اظہار کیا اور اس کے نتیجے میں حکومت نے اس پروگرام کو کامیابی سے مکمل کر لیا۔

نگراں حکومت نے اگست 2023 میں اقتدار سنبھالا اور فوری طور پر کرنسی پر قیاس آرائی کے دباؤ کا سامنا کرنا پڑا، جس کی وجہ سے یہ انٹر بینک مارکیٹ میں 307 کی بلند ترین سطح پر پہنچ گئی۔ غیر رسمی مارکیٹ میں زر مبادلہ کی شرح 330 USD / PKR کے قریب پہنچ گئی جو قیاس آرائیوں کی سرگرمیوں میں اضافے اور غیر یقینی صورتحال کی عکاسی کرتی ہے۔ حکومت نے ستمبر 2023 میں ڈالر کی اسمگلنگ، افغان ٹرانزٹ کے غلط استعمال اور غیر قانونی کرنسی ڈیلرز کے خلاف فیصلہ کن اقدامات کیے، جس سے شرح مبادلہ میں تیزی سے بحالی ہوئی۔ اس سے اعتماد کو بہتر بنانے میں مدد ملی اور اوپن اور انٹر بینک ریٹ میں اسپرڈ کو کم کیا گیا۔ حکام نے مجموعی بیرونی توازن کو منظم کرنے کے لیے شرح مبادلہ کی ادائیگیوں کی سختی سے نگرانی کرنے کے لیے میکانزم بھی بنائے۔ انتظامیہ کے اقدامات اور بیرونی اور مالی کھاتوں کے نظم و ضبط کے اقدامات دونوں کے امتزاج نے مجموعی استحکام کو بحال کرنے میں مدد کی۔ PKR USD سال کے آغاز سے 2.6 فیصد اضافے کے ساتھ 278.3 پر سال کا اختتام ہوا۔

ملک نے مالی سال 2024 (11MFY24) کے پہلے گیارہ مہینوں میں 464 بلین امریکی ڈالر کا کرنٹ اکاؤنٹ خسارہ (CAD) پوسٹ کیا جو گزشتہ سال کی اسی مدت میں 3.8 USD بلین کے خسارے کے مقابلے میں 88 فیصد کم ہے۔ تجارتی خسارہ کم ہونا CAD کو بہتر بنانے میں اہم کردار ادا کرنے والا تھا کیونکہ برآمدات میں 11.3 فیصد اضافہ اور درآمدات میں 2.3 فیصد کمی سے تجارتی خسارے میں 17.0 فیصد کمی واقع ہوئی۔ جون 2024 تک اسٹیٹ بینک کے زرمبادلہ کے ذخائر بڑھ کر 9.4 بلین امریکی ڈالر ہو گئے جو کہ گزشتہ مالی سال کے اختتام پر 4.4 بلین امریکی ڈالر کے

REPORT OF THE PENSION FUND MANAGER FOR THE YEAR ENDED JUNE 30, 2024

Fund Type and Category

Alhamra Islamic Pension Fund (ALHIPF) is an open-end shariah complaint voluntary pension scheme.

Investment Objective:

The investment objective of the fund is to seek steady returns with a moderate risk for investors by investing in a portfolio of equity, short medium-term debt and money market instruments.

Investment Strategy:

ALHIPF is a flexible savings cum investments plan under the voluntary pension system which facilitates all individuals who are Pakistani nationals, to save for their retirement in a systematic way, and allows special tax rebate on the contributions under this system. The investors have a choice between various allocation schemes that PIPF offers, each of which is invested in different proportions in the three sub funds: Equity, debts and Money markets. Equity sub fund invests up to 90% of its assets in equity securities. Sector/stock selection is done on the basis of fundamental outlook and DCF valuations and meeting shariah compliance criteria. Debt sub fund invests in Sukuk and other shariah complaint debt instruments of duration of less than 5 years. Money market sub fund invests in short dated shariah complaint money market instruments.

Manager's Review

Equity Sub- Fund

The Equity sub-fund generated a return of 92.09%. The sub-fund decreased equity exposure from 95.6% to 92.9% during the period. It was mainly invested in Cement and Commercial Banks.

The Net Assets of the Fund as at June 30, 2024 stood at Rs. 728.25 million as compared to Rs. 433.70 million as at June 30, 2023 registering an increase of 67.9%. The Net Asset Value (NAV) per unit as at June 30, 2024 was Rs. 1015.53 as compared to opening NAV of Rs. 528.67 per unit as at June 30, 2023 registering an increase of Rs. 486.86 per unit.

Money Market Sub-Fund

The money market sub-fund generated a return of 22.16% during the period under review. The sub-fund's exposure in cash stood at 27.2% while it was 65.8% invested in Ijarah Sukuk.

The Net Assets of the Fund as at June 30, 2024 stood at Rs. 1330.03 million as compared to Rs. 727.98 million as at June 30, 2023 registering an increase of 82.7%. The Net Asset Value (NAV) per unit as at June 30, 2024 was Rs. 335.84 as compared to opening NAV of Rs. 274.91 per unit as at June 30, 2022 registering an increase of Rs. 60.93 per unit.

Debt Sub-fund

The debt sub-fund generated a return of 20.63% during the period under review. The sub-fund's exposure in GoP Ijarah Sukuk was at 32.7%, While exposure in cash stood at 55.2%.

The Net Assets of the Fund as at June 30, 2024 stood at Rs. 820.10 million as compared to Rs. 452.72 million as at June 30, 2023 registering an increase of 81.2%. The Net Asset Value (NAV) per unit as at June 30, 2024 was Rs. 363.00 as compared to opening NAV of Rs. 300.93 per unit as at June 30, 2023 registering an increase of Rs. 62.07 per unit.

REPORT OF THE PENSION FUND MANAGER FOR THE YEAR ENDED JUNE 30, 2024

Asset Allocation (MM sub-fund) as on June 30, 2024 (% of Total Assets)

ALHIPF -Money Market (%age of Total Assets)	Jun-24
Cash	27.2%
GoP Ijara Sukuk	65.8%
Others including receivables	3.3%
Sukuks	3.7%

Asset Allocation (Debt sub-fund) as on June 30, 2024 (% of Total Assets)

ALHIPF-Debt (%age of Total Assets)	Jun-24
Cash	55.2%
GoP Ijara Sukuk	32.7%
Others including receivables	2.4%
Sukuks	1.2%
Government Backed/ Guaranteed Securities	8.5%

Asset Allocation (Equity sub-fund) as on June 30, 2024 (% of Total Assets)

ALHIPF-Equity (%age of Total Assets)	Jun-24
Cement	19.3%
Commercial Banks	11.7%
Power Generation & Distribution	10.9%
Pharmaceuticals	10.9%
Oil & Gas Exploration Companies	10.2%
Other Equity sector	30.0%
Cash	5.9%
Other including receivables	1.2%

Syed Abid Ali

Fund Manager

TRUSTEE REPORT TO THE PARTICIPANTS

CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED

Head Office:

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



TRUSTEE REPORT TO THE PARTICIPANTS

ALHAMRA ISLAMIC PENSION FUND

Report of the Trustee pursuant to Regulation 67D in conjunction with Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Alhamra Islamic Pension Fund (the Fund) are of the opinion that MCB Investment Management Limited being the Pension Fund Manager has in all material respects managed the Fund during the year ended June 30, 2024 in accordance with the provisions of the constitutive documents of the Fund, the Voluntary Pension System Rules, 2005 and the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

Further, in our opinion, the management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework.

Abdul Samad
Chief Operating Officer
Central Depository Company of Pakistan Limited

Karachi, September 10, 2024



REPORT OF THE SHARIAH ADVISORY BOARD

Karachi: September 23, 2024

REPORT OF THE SHARIAH ADVISORY BOARD

Alhamdulillah, We the Shariah Advisory Board of Alhamra Islamic Pension Fund (the Fund), are issuing this report in accordance with the offering document of the Fund. The scope of the report is to express an opinion on the Shariah compliance of the Fund's activities.

It is the responsibility of M/s MCB Investment Management Limited (MCBIM), the management company of the fund, to establish and maintain a system of internal controls to ensure compliance with Shariah guidelines. Our responsibility is to express an opinion, based on our review of the representation made by the management, to the extent where such compliance can be objectively verified.

For Equity Sub Fund, we have advised a criteria for screening equities in the local stock market, on the basis of the following: (1) Nature of business (2) Interest bearing debt in relation to the total assets, (3) Illiquid assets in the relation to the total assets, (4) Investment in non-Shariah compliant activities to total assets, (5) Income from non-complaint investment to Gross revenues and (6) Net liquid assets per share vs. share price.

For Debt & Money Market Sub Funds, we have prescribed a criteria and procedures to be followed in ensuring Shariah compliance in every investment.

As part of our mandate as Shariah Advisor, we have reviewed the following, during the period;

- The modes of investment of the Fund's property and its compliance with the Shariah guidelines.
- Shariah compliance of new investment avenues proposed by MCBIM.

In the light of the above scope, we hereby certify that all the provisions of the scheme and investments made by the Fund (including all three sub funds) for the year ended 30th June 2024 are in compliance with the Shariah principles.

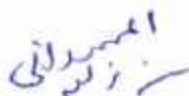
The pension fund manager has been directed to set aside as charity the amount earned as interest from conventional banks and investments made by the fund where investee companies have earned a part of their income from non-complaint sources (e.g. interest income etc). In such cases, the management company has been directed to set aside as charity such proportion of the income from investee companies in order to purify the earnings of the Fund.

During the year an amount of Rupees 726,433 was recorded as charity expense. The total amount of charity payable as at June 30, 2024 amounts to Rs. 726,433.

May Allah bless us with Tawfeeq to accomplish these cherished tasks, make us successful in this world and in the Hereafter, and forgive our mistakes.



Dr Muhammad Zubair Usmani
(Shariah Advisor)



Dr Ejaz Ahmed Samadani
(Shariah Advisor)

For and on behalf of Shariah Advisory Board



402 Progressive Center
Shariah-e-Faisal,
Karachi, Pakistan.

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Web: www.uhy-hncp.com

Independent Assurance Report on Compliance with the Shariah Governance Regulations, 2023

To the participants of Alhamra Islamic Pension Fund (the Fund)

1. Introduction

We have undertaken a reasonable assurance engagement that the Securities and Exchange Commission of Pakistan (SECP) in terms of its Shariah Governance Regulations, 2023 (the Regulations) and Alhamra Islamic Pension Fund's offering document have required - External Shariah Audit of **Alhamra Islamic Pension Fund (the Fund)** for assessing compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles for the year ended June 30, 2024. This engagement was conducted by a multidisciplinary team including assurance practitioners and independent Shariah scholar(s).

2. Applicable Criteria

The criteria for the assurance engagement, against which the underlying subject matter (financial arrangements, contracts, and transactions having Shariah implications for the year ended June 30, 2024) is assessed, comprise the Shariah principles and rules as defined in the Regulations and reproduced as under.

- i. Legal and regulatory framework administered by the Commission;
- ii. Shariah standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), as notified by Commission;
- iii. Islamic Financial Accounting Standards, developed by the Institute of Chartered Accountants of Pakistan, as notified by the Commission;
- iv. Guidance and recommendations of the Shariah advisory committee, as notified by Commission; and
- v. Approvals, rulings or pronouncements of the Shariah supervisory board or the Shariah advisor of the Islamic financial institution, in line with (i) to (iv) above

The above criteria were evaluated for their implications on the financial statements of the Fund for the year ended June 30, 2024, which are annexed.

3. Management's Responsibility for Shariah Compliance

Management is responsible to ensure that the financial arrangements, contracts, and transactions having Shariah implications, entered into by the Fund with its customers, other financial institutions, and stakeholders, and related policies and procedures, are, in substance and in their legal form, in compliance with the requirements of Shariah rules and principles. The management is also responsible for the design, implementation, and maintenance of appropriate internal control procedures with respect to such compliance and maintenance of relevant accounting records.

A member of UHY International, a network of independent accounting and consulting firms.

Lahore Office: 193-A, Shah Jahan, Lahore - 54000, (Pakistan)

Islamabad Office: West Lower Ground, Pak Plaza (19-A) F-7/4-H-2 Road, Blue Area, Islamabad (Pakistan)





4. Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

The firm applies International Standard on Quality Control 1 "Quality Control for Firms That Perform Audits and Reviews of Historical Financial Information, And Other Assurance and Related Services Engagements" and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

5. Our Responsibility and Summary of the Work Performed

Our responsibility in connection with this engagement is to express an opinion on the compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles, in all material respects, for the year ended June 30, 2024, based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000, 'Assurance Engagements other than audits or reviews of historical financial statements', issued by the International Auditing and Assurance Standards Board.

That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles is free from material misstatement.

The procedures selected by us for the engagement depended on our judgment, including the assessment of the risks of material non-compliance with the Shariah principles. In making those risk assessments, we considered and tested the internal control relevant to the Fund's compliance with the Shariah principles in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. We have designed and performed necessary verification procedures on various financial arrangements, contracts, and transactions having Shariah implications and related policies and procedures based on judgmental and systematic samples with regard to the compliance of Shariah principles (criteria specified in para 2 above).

We believe that the evidence we have obtained through performing our procedures was sufficient and appropriate to provide a basis for our opinion.

7. Conclusion

Based on our reasonable assurance engagement, we report that in our opinion, Fund's financial arrangements, contracts, and transactions for the year ended June 30, 2024 are in compliance with the Shariah principles (criteria specified in para 2 above), in all material respects.

UHY Hassan Naeem & Co,
Chartered Accountants
Engagement Partner: Arslan Ahmed
Dated: September 27, 2024

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Yousuf Adil
Chartered Accountants

Cavish Court, A-35, Block 7 & 8
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INDEPENDENT AUDITOR'S REPORT TO THE PARTICIPANTS OF ALHAMRA ISLAMIC PENSION FUND

Report on the audit of the financial statements

Opinion

We have audited the financial statements of **Alhamra Islamic Pension Fund** (the Fund), which comprise the statement of assets and liabilities as at June 30, 2024, and the income statement and statement of other comprehensive income, the statement of movement in participants' sub funds, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory 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 MCB Investment Management Limited (the Fund Manager) 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.

Information other than the financial statements and auditor's report thereon

The Fund Manager is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

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 Fund Manager and Board of Directors of the Fund Manager for the financial statements

The Fund Manager 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 Fund Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Indigeneous Correspondent Firm to
Gibson's Touche Tomlinson Limited

AUDITOR'S REPORT TO THE PARTICIPANTS

 **YOUSUF ADIL**

Yousuf Adil
Chartered Accountants

In preparing the financial statements, Fund Manager 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 Fund Manager either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of Directors of the Fund Manager are responsible for overseeing the Fund's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund Manager's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Fund Manager.
- Conclude on the appropriateness of management'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 Fund Manager 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.

Report on other legal and regulatory requirements

Based on our audit, we further report that in our opinion:

- a) the financial statements prepared for the year ended June 30, 2024 have been properly drawn in accordance with the relevant provisions of the Trust Deed and the Voluntary Pension System Rules, 2005 including the guidelines thereunder;



Independent Chartered Accountant Firm 22
Baitulla Taushe Takhmatou Limited

AUDITOR'S REPORT TO THE PARTICIPANTS

 **YOUSUF ADIL**

Yousuf Adil
Chartered Accountants

- b) the allocation and reallocation of units of the sub-funds for all the participants have been made according to the Voluntary Pension System Rules, 2005;
- c) the cost and expenses debited to the Fund and apportionment of expenses between sub-funds are as specified in the constitutive documents of the Fund;
- d) a true and fair view is given of the disposition of the fund as at June 30, 2024 and of the transactions of the fund for the period then ended;

The engagement partner on the audit resulting in this independent auditor's report is Hena Sadiq.


Chartered Accountants

Place: Karachi

Date: October 02, 2024

UDIN: AR202410057YQz01LIVN

Independent Correspondent Firm to:
Peshwa Trustee Tahawwur Limited

STATEMENT OF ASSETS AND LIABILITIES AS AT JUNE 30, 2024

	June 30, 2024				June 30, 2023			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total (Rupees in '000)	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Assets								
4 Bank Balances	43,742	456,103	361,979	861,824	3,106	137,363	420,449	580,918
5 Investments	687,462	351,028	877,577	1,916,067	422,719	239,213	188,732	850,664
6 Profit receivable	-	13,608	26,192	39,800	-	10,142	21,286	31,408
Advance against IPO	-	-	50,000	50,000	-	60,000	90,000	150,000
Receivable against sale of investments	-	-	-	-	12,434	-	-	12,434
Advances, deposits and other receivables	7,988	6,401	17,672	32,061	3,892	8,037	10,115	22,044
Total assets	739,192	827,140	1,333,420	2,899,752	442,151	454,755	730,562	1,627,468
Liabilities								
8 Payable to pension fund manager	893	852	1,198	2,943	615	465	460	1,540
9 Payable to trustee	78	87	141	306	54	54	85	193
10 Payable to Securities and Exchange Commission of Pakistan	235	230	390	855	215	172	233	620
Payable against purchase of investments	6,696	-	-	6,696	4,025	-	-	4,025
Payable against redemption of units	-	4,292	342	4,634	-	-	341	341
Accrued expenses and other liabilities	3,036	1,580	1,322	5,938	3,542	1,344	1,462	6,348
Total liabilities	10,938	7,041	3,393	21,372	8,451	2,035	2,581	13,067
Net assets	728,254	820,099	1,330,027	2,878,380	433,700	452,720	727,981	1,614,401
Participants' sub funds (as per statement attached)	728,254	820,099	1,330,027		433,700	452,720	727,981	
	(Number of units)				(Number of units)			
12	717,120	2,259,239	3,960,274		520,354	1,504,425	2,648,105	
	(Rupees)				(Rupees)			
Net assets value per unit	1,015,5300	363,0000	335,8400		526,6700	300,9300	274,9100	
14 Contingencies and commitments								

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

For MCB Investment Management Limited
(Pension Fund Manager)



Chief Executive Officer



Director

INCOME STATEMENT FOR THE YEAR ENDED JUNE 30, 2024

	June 30, 2024				June 30, 2023			
	Equity		Debt		Money Market		Debt	
	Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	Market	Sub-Fund	Sub-Fund
Note	Total				Total			
	(Rupees in '000)				(Rupees in '000)			
Income								
Profit on								
- Government securities	-	36,954	115,179	152,133	-	17,272	17,272	35,232
- Sukuk certificates	-	29,893	21,733	51,626	-	8,065	8,065	33,109
- Bank deposits	1,442	44,691	59,345	105,478	1,476	68,070	68,070	95,797
Dividend income	34,916	-	-	34,916	33,908	-	-	33,908
Net capital gain / (loss) on sale of investments	153,044	1,641	5,672	160,357	(1,273)	-	-	(1,273)
Unrealised gain / (loss) on remeasurement of investments - net	194,434	2,991	4,115	201,540	(21,809)	(681)	(681)	(21,173)
Other income	-	-	-	-	-	2,980	2,980	2,980
Total income	383,836	116,170	206,044	706,050	12,302	95,707	95,707	175,580
Expenses								
Remuneration of pension fund manager	8,806	6,545	7,886	23,237	8,067	4,636	3,773	16,478
Sindh Sales Tax on remuneration of pension fund manager	1,145	851	1,025	3,021	1,049	603	490	2,142
Remuneration of trustee	726	711	1,205	2,642	712	570	773	2,055
Sales Tax on remuneration of trustee	94	92	157	343	93	74	100	267
Annual fee to Securities and Exchange Commission of Pakistan (SECP)	235	230	390	855	215	172	233	620
Auditors' remuneration	215	197	403	815	257	206	276	741
Custody and settlement charges	539	434	14	987	473	379	5	857
Brokerage and settlement charges	1,985	12	63	2,060	1,810	6	20	1,835
Legal and professional charges	48	47	76	171	-	-	-	-
Printing and stationery	15	15	24	54	-	-	-	-
Donation and charity	726	-	-	726	1,090	-	-	1,090
Bank charges	25	89	120	234	23	35	36	94
Total expenses	14,559	9,223	11,363	35,145	13,786	6,863	5,708	26,178
Net income / (loss) for the year before taxation	369,277	106,947	194,681	670,905	(1,486)	50,886	90,000	149,402
Taxation	-	-	-	-	-	-	-	-
Net income / (loss) for the year	369,277	106,947	194,681	670,905	(1,486)	50,886	90,000	149,402
Earning per unit								

The annexed notes from 1 to 28 form an integral part of these financial statements.

For MCB Investment Management Limited
(Pension Fund Manager)



Chief Executive Officer



Director

STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2024

	June 30, 2024				June 30, 2023			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total (Rupees in '000)	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Net income / (loss) for the year after taxation	369,277	106,947	194,681	670,906	(1,486)	60,888	90,000	149,402
Other comprehensive income
Total comprehensive income / (loss) for the year	369,277	106,947	194,681	670,906	(1,486)	60,888	90,000	149,402

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



Chief Executive Officer

For MCB Investment Management Limited
(Pension Fund Manager)



Director

**STATEMENT OF MOVEMENT IN PARTICIPANTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2024**

	June 30, 2024				June 30, 2023			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total (Rupees in '000)	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Net assets at the beginning of the year	433,700	452,720	727,981	1,614,401	597,520	411,979	440,659	1,450,158
Amount received on issuance of units	458,727	626,786	1,063,647	2,149,160	204,324	239,903	806,144	1,050,971
Amount paid on redemption of units	(533,450)	(366,354)	(656,282)	(1,556,086)	(367,258)	(280,050)	(408,822)	(1,035,130)
	(74,723)	260,432	407,365	593,074	(162,334)	(20,147)	197,322	14,841
Net income for the year	369,277	106,947	194,681	670,905	(1,466)	80,968	90,000	149,402
Net assets at the end of the year	728,254	820,099	1,330,027	2,878,380	433,700	452,720	727,981	1,614,401

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



Chief Executive Officer

For MCB Investment Management Limited
(Pension Fund Manager)



Director

CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2024

	June 30, 2024			June 30, 2023		
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
Note	Total			Total		
	(Rupees in '000)			(Rupees in '000)		
CASH FLOWS FROM OPERATING ACTIVITIES						
Net income / (loss) before taxation	369,277	108,947	194,881	670,905	60,868	90,000
Adjustments for non cash items:						
Profit/loss on bank deposits and investments	(1,442)	(111,538)	(198,257)	(309,237)	(69,254)	(95,386)
Dividend income	(34,916)	-	-	(34,916)	-	-
Unrealised (gain)/loss on remeasurement of investments	(194,434)	(2,991)	(4,115)	(201,540)	1,883	881
- at fair value through profit or loss	(153,044)	(1,641)	(5,672)	(160,357)	-	-
Net capital (gain) / loss on sale of investments	(383,836)	(118,170)	(208,044)	(706,050)	(67,571)	(95,707)
Decrease / (Increase) in assets						
Investments	97,840	(47,183)	(639,058)	(588,401)	105,553	(239,574)
Advances, deposits and other receivables	(4,096)	1,636	(7,557)	(10,017)	(7,884)	(9,887)
	93,744	(45,547)	(646,815)	(598,418)	104,768	(249,461)
(Decrease) / Increase in liabilities						
Payable to the pension fund manager	278	387	738	1,403	90	266
Payable to the trustee	24	33	56	113	3	32
Payable to the Securities and Exchange Commission of Pakistan	20	58	157	235	28	101
Payable against Redemption of units	-	4,292	1	4,293	-	341
Accrued expenses and other liabilities	(506)	236	(140)	(410)	(252)	477
	(184)	5,006	812	5,834	(131)	1,217
Dividend received	34,916	-	-	34,916	-	-
Profit received on bank deposits and investments	1,442	108,072	191,331	300,845	64,262	80,982
Net cash generated from / (used in) operating activities	115,359	58,308	(465,835)	(282,168)	(92,571)	(172,885)
CASH FLOWS FROM FINANCING ACTIVITIES						
Amount received from issuance of units	458,727	628,786	1,083,847	2,149,160	236,903	505,144
Amount paid on redemption of units	(533,450)	(386,354)	(856,282)	(1,556,086)	(260,050)	(408,822)
Net cash (used in) / generated from financing activities	(74,723)	260,432	407,365	593,074	(20,147)	197,322
Net Increase / (decrease) in cash and cash equivalents	40,636	318,740	(58,470)	300,966	(35,685)	(24,353)
Cash and cash equivalents at beginning of the year	3,106	137,363	420,449	560,918	38,291	395,096
Cash and cash equivalents at end of the year	43,742	456,103	361,979	861,884	3,106	420,449

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

For MCB Investment Management Limited
(Pension Fund Manager)



Chief Executive Officer



Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Alhamra Islamic Pension Fund (the Fund) was established under a Trust Deed executed between MCB-Arif Habib Savings and Investments Limited (now MCB Investment Management Limited) as Pension Fund Manager and Muslim Commercial Financial Services (Private) Limited (MCFSL) as Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on May 24, 2007 and was executed on June 04, 2007 under the Voluntary Pension System Rules, 2005 (the VPS Rules). Habib Metropolitan Bank Limited (HMBL) was appointed as the new Trustee in place of MCFSL through a revised Trust Deed dated June 16, 2011 which was approved by SECP on July 07, 2011. Central Depository Company of Pakistan Limited was appointed as the new Trustee in place of HMBL through a revised Trust Deed dated July 21, 2014 which was approved by SECP on July 23, 2014. Due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" the Fund is required to be registered under the said Act. Accordingly, on August 12, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.
- 1.2 MCB Investment Management Limited has been licensed to act as a Pension Fund Manager under the VPS Rules through a certificate of registration issued by the SECP. The registered office of the Pension Fund Manager is located at 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.3 In April 2023, MCB Bank Limited acquired the entire shareholding of Arif Habib Corporation Limited (AHCL) in MCB Arif Habib Savings and Investments Limited after which the shareholding of MCB Bank Limited has increased from 51.33% to 81.42% in the Company and AHCL no longer holds any shares in the Company. Consequently, members of the Company in an Extra Ordinary General Meeting (EOGM) held on July 7, 2023 resolved via special resolution that the name of the Company be changed from MCB Arif Habib Savings and Investments Limited to MCB Investment Management Limited.
- 1.4 The Fund is an open-end pension fund consisting of three sub-funds namely; Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund. Units are offered for public subscription on a continuous basis. The number of units of any sub-fund purchased out of contributions depends on the Allocation Scheme selected by the respective Participant out of the allocation schemes offered by the Pension Fund Manager.
- 1.5 Pakistan Credit Rating Agency Limited (PACRA) has maintained quality rating of 'AM1' dated October 06, 2023 to the Pension Fund Manager.
- 1.6 Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.

2. BASIS OF PREPARATION

- 2.1 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 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 VIIIA of the repealed Companies Ordinance, 1984; and
 - The requirements of the Trust Deed, Voluntary Pension System Rules, 2005 (VPS Rules) and the directives issued by the SECP.

Wherever the requirements of the Trust Deed, the VPS Rules or the directives issued by the SECP differ with the requirements of IFRS, the requirements of the Trust Deed, the VPS Rules (2005) or the requirements of the said directives prevail.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

2.2 New amendments 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

2.3 Standard and amendments to IFRS that are not yet effective

The following standard and amendments are effective for accounting periods, beginning on or after the date mentioned against each of them. These amendments and 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 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current along with Non-current liabilities with Covenants	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' and 'IFRS 7 'Financial instruments disclosures' - Supplier Finance Arrangements	January 01, 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 June 2020 and December 2021 Amendments to IFRS 17)	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

2.4 Critical accounting estimates and judgements

The preparation of the financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the management to make estimates, judgements and assumptions that affect the reported amounts of assets and liabilities, income and expenses. It also requires the management to exercise judgment in the application of its accounting policies. The estimates, judgements and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and underlying assumptions are reviewed on an ongoing basis.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

The areas involving a degree of judgment or complexity, or areas where estimates and assumptions are significant to the financial statements are as follows:

- Classification and measurement of financial assets (notes 3.1.1.1 and 5)
- Impairment of financial assets (note 3.1.1.3)
- Taxation (notes 3.4 and 17)
- Classification and measurements of financial liabilities (note 3.1.2)
- Contingencies and Commitments (note 14)
- Provisions (note 3.3)

The revisions to accounting estimates are recognised in the year in which the estimate is 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.

2.5 Basis of measurement

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

2.6 Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistan Rupees which is the Fund's functional and presentation currency. Amounts presented in the financial statements have been rounded off to the nearest thousand rupees, unless otherwise stated.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES INFORMATION

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

3.1 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. 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.

3.1.1 Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

3.1.1.1 Classification and measurement of financial assets

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the entity's business model for managing them.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. For purposes of subsequent measurement, financial assets are classified in following categories:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in the income statement when the asset is derecognised, modified or impaired.

Financial assets at fair value through other comprehensive income (debt instruments)

For debt instruments at fair value through other comprehensive income (OCI), interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the income statement and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is reclassified to the income statement.

Financial assets at fair value through profit or loss (debt instruments)

Debt instruments that do not meet the amortised cost criteria or the fair value through other comprehensive income criteria are classified as at fair value through profit or loss. In addition, debt instruments that meet either the amortised cost criteria or the fair value through other comprehensive income criteria may be designated as at fair value through profit or loss upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Fund can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses from changes in fair value are recognised in other comprehensive income and are accumulated in the investments revaluation reserve. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to undistributed income. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Dividends are recognised as income in the income statement when the right of payment has been established, except when the Fund benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI.

The Fund elected not to classify irrevocably any of the equity investments under this category on initial recognition.

Financial assets designated at fair value through profit or loss (equity instruments)

Equity investments which the Fund had not irrevocably elected to classify at fair value through OCI are classified as at fair value through profit or loss. Financial assets at fair value through profit or loss are carried in the statement of assets and liabilities at fair value with net changes in fair value recognised in the the income statement.

Dividends on equity investments are recognised as income in the income statement when the right of payment has been established.

The Fund elected to classify all of the equity investments at fair value through profit or loss on initial recognition.

3.1.1.2 Fair value measurement principles

The fair value of financial instruments is determined as follows:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

Basis of valuation of government debt securities:

The government securities not listed on a stock exchange and traded in the interbank market are valued at the average rates quoted on a widely used electronic quotation system (PKISRV) which are based on the remaining tenor of the securities. Moreover, listed government securities traded on Pakistan Stock Exchange (PSX) are valued at rates quoted on PSX.

Basis of valuation of debt securities:

The fair value of debt securities (other than government securities) is based on the value determined and announced by Mutual Funds association of Pakistan (MUFAP) in accordance with the criteria laid down in Circular No. 1 of 2009 and Circular No. 33 of 2012 issued by Securities and Exchange Commission of Pakistan (SECP). 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 aforementioned 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.

The Fund applies discretion on the effective yield as per the allowable limits in the above mentioned Circulars after taking into account aspects such as Liquidity Risk, Sector Specific Risk and Issuer Class Risk.

The allowable limits for rated securities for duration upto 2 years is +200/-100 bps and over 2 years is +150/-50 bps. For unrated securities the allowable limits +50 bps.

Basis of valuation of equity instruments:

The fair value of equity instruments is determined by using closing rate of securities at day end available on the Pakistan Stock Exchange's website.

3.1.1.3 Impairment of financial assets

Pension Fund Manager assesses at each reporting date whether there is objective evidence that the Fund's financial assets or a group of financial assets are impaired. If any such indication exists, the recoverable amount of such assets is estimated. An impairment loss is recognised whenever the carrying value of an asset exceeds its recoverable amount.

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. Therefore, the Fund will not be subject to the impairment provisions of IFRS 9 until further instruction.

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 ECLs, 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.

However, majority of the assets of the Fund exposed to credit risk pertain to counter parties which have high credit rating or where credit risk has not been increased since initial recognition. Therefore, management believes that the impact of ECL would be very minimal and hence, the same has not been accounted for in these financial statements.

3.1.1.4 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Fund's statement of assets and liabilities) when:

- the rights to receive cash flows from the asset have expired; or
- the Fund has transferred its rights to receive cash flows from the asset and substantially all the risks and rewards of the asset;

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

3.1.2 Financial liabilities

3.1.2.1 Classification and measurement of financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest rate method or at fair value through profit or loss.

Financial liabilities are measured at amortised cost, unless they are required to be measured at fair value through profit or loss (such as instruments held for trading or derivatives) or the Fund has opted to measure them at fair value through profit or loss.

3.1.2.2 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the income statement.

3.1.3 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.2 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.

3.3 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 the obligation can be made. Provisions, if any, are regularly reviewed and adjusted to reflect the current best estimate.

3.4 Taxation

The income of the Fund is exempt from income tax under Clause 57(3)(viii) of Part I of the Second Schedule to the Income Tax Ordinance, 2001. 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.

3.5 Issue and redemption of units

Contribution received in the individual pension account after deduction of applicable front end fee is used to purchase the units of Sub-Funds according to the Allocation Scheme selected by the participant. The units are allotted at the net asset value notified by the Pension Fund Manager at the close of the business day for each Sub-Fund on the date on which funds are actually realised against application. The front end fee is payable to the Pension Fund Manager.

The Pension Fund Manager makes reallocation of the Sub-Fund units between the Sub-Funds at least once a year to ensure that the allocation of the Sub-Fund units of all the participants are according to the Allocation Schemes selected by the participants. In case of withdrawal before retirement, units are redeemed at the net asset value of each of the sub-fund as of the close of the business day on which such request is received by the Fund before the cut off time. Redemption of units is recorded on acceptance of application for redemption.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

In case of retirement of the participant, units are redeemed at the net asset value of each of the Sub-Fund as of the close of the business day on which retirement age is reached.

In case of change of Pension Fund Manager, units are redeemed at the net asset value of each of the sub-fund as of the close of the business day corresponding to the date of change specified by the participant.

3.6 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 issue at the year end.

3.7 Revenue recognition

- Gain or loss on sale of investment is accounted for in the income statement in the period in which it arises.
- Unrealised gain / loss arising on remeasurement of investments classified as 'at fair value through profit or loss' is included in the income statement in the period in which it arises.
- Interest income on bank balances, term deposits, placements, debt and government securities and other money market placements is recognised on an accrual basis.
- Dividend income is recognised when the right to receive the dividend is established.
- Income / profit from investments in term finance certificates / sukuks, MTS transactions and government securities is recognised on a time proportionate basis using effective interest rate method.
- Profit on bank balances is recognised on a time proportionate basis using bank's approved rates.

3.8 Expenses

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

3.9 Basis of allocation of expenses to each sub-fund

- Remuneration to the Pension Fund Manager, Trustee and annual fee to the SECP is allocated to each sub-fund on the basis of the net assets of the sub-fund
- Expenses specifically incurred by a sub-fund, such as custody and settlement charges, fees and subscription and bank charges are charged to that sub-fund
- Auditors' remuneration and legal and professional charges are allocated on the basis of the proportionate net assets of each sub-fund.

3.10 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

		June 30, 2024			
		Equity	Debt	Money	
		Sub-Fund	Sub-Fund	Market	
				Sub-Fund	Total
Note		(Rupees in '000)			
4. BANK BALANCES					
Current accounts	4.1	1,698	1,927	1,055	4,680
Savings accounts	4.2	42,044	454,176	360,924	857,144
		43,742	456,103	361,979	861,824

		June 30, 2023			
		Equity	Debt	Money	
		Sub-Fund	Sub-Fund	Market	
				Sub-Fund	Total
Note		(Rupees in '000)			
Current accounts	4.1	701	2,184	2,997	5,882
Savings accounts	4.2	2,405	135,179	417,452	555,036
		3,106	137,363	420,449	560,918

4.1 These include a balance of Rs. 1.68 million (2023: Rs. 0.61 million) in Equity Sub-Fund, Rs. 1.71 million (2023: Rs. 1.76 million) in Debt Sub-Fund and Rs. 0.81 million (2023: Rs. 2.57 million) in Money Market Sub-Fund held with MCB Bank Limited, a related party.

4.2 These carry profit at the rates of ranging from 16% to 19.6% (2023: 10% to 20.25%) per annum. These include a balance of Rs. 34.066 million (2023: Rs. 1.41 million) at the rate of 16% in Equity Sub-Fund, Rs. Nil (2023: Rs. Nil) in Debt Sub-Fund and Rs. Nil (2023: Rs. Nil) in Money Market Sub-Fund, held with MCB Islamic Bank Limited, a related party.

		June 30, 2024			
		Equity	Debt	Money	
		Sub-Fund	Sub-Fund	Market	
				Sub-Fund	Total
Note		(Rupees in '000)			
5. INVESTMENTS					
At fair value through profit or loss					
Listed equity securities	5.1	687,462	-	-	687,462
GoP Ijarah Sukuk Bonds					
- Unlisted	5.2	-	227,503	383,622	611,125
- Listed	5.2	-	43,343	493,955	537,298
Debt securities - Sukuks	5.3	-	80,182	-	80,182
		687,462	351,028	877,577	1,916,067

		June 30, 2023			
		Equity	Debt	Money	
		Sub-Fund	Sub-Fund	Market	
				Sub-Fund	Total
Note		(Rupees in '000)			
At fair value through profit or loss					
Listed equity securities	5.1	422,719	-	-	422,719
GoP Ijarah Sukuk Bonds (Unlisted)	5.2	-	138,872	188,732	327,604
Debt securities - Sukuks	5.3	-	100,341	-	100,341
		422,719	239,213	188,732	850,664

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

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

Equity Sub-Fund

Name of the Investee Company	As at July 01, 2023	Purchased during the year	Bonus / right issue during the year	Sold during the year	As at June 30, 2024	As at June 30, 2024			Market value as a percentage of net assets of the sub-fund	Percentage of paid-up capital of the investee company
						Carrying value	Market value	Unrealised (loss) / gain		
Shares of listed companies - fully paid ordinary shares of Rs.10 each unless stated otherwise										
Automobile assembler										
Pak Suzuki Motor Company Limited	-	20,000	-	20,000	-	-	-	-	-	-
Automobile parts and accessories										
Thai Limited*	25,500	-	-	25,500	-	-	-	-	-	-
Cable & Electrical Goods										
Pak Electron Limited	200,000	680,000	-	200,000	680,000	17,364	16,803	(562)	2.31	0.08
						17,364	16,803	(562)	2.31	0.08
Cement										
Cherst Cement Company Limited	80,000	22,764	-	102,764	-	-	-	-	-	-
Fauji Cement Company Limited	2,600,000	446,000	-	1,846,000	1,200,000	15,393	27,492	12,099	3.78	0.05
Kohat Cement Company Limited	50,000	-	-	50,000	-	-	-	-	-	-
Lucky Cement Limited	64,000	64,300	-	46,200	82,100	51,664	74,443	22,778	10.22	0.03
Maple Leaf Cement Factory Limited	900,000	704,000	-	842,000	762,000	24,521	28,956	4,435	3.98	0.07
D.G Khan Cement Limited	265,000	151,000	-	416,000	-	-	-	-	-	-
Pioneer Cement Limited	30,000	86,000	-	45,000	71,000	8,800	11,974	3,174	1.64	0.03
Gharbwal Cement Limited	300,000	-	-	300,000	-	-	-	-	-	-
						100,377	142,865	42,487	19.62	0.18
Chemical										
Archroma Pakistan Limited	-	15,300	-	-	15,300	7,292	5,355	(1,937)	0.74	0.00
Dyneema Pakistan Limited*	35,000	-	-	-	35,000	4,410	7,693	3,483	1.08	0.19
Ittehad Chemicals Limited	-	125,000	-	-	125,000	6,188	5,693	(296)	0.81	0.13
Lucky Core Industries Limited	-	8,000	-	-	8,000	5,280	7,436	2,156	1.02	0.01
						23,170	26,577	3,406	1.92	0.19
Commercial banks										
Meezan Bank Limited	302,500	208,500	-	239,000	272,000	32,656	65,114	32,458	8.94	0.02
Faysal Bank Limited	450,000	392,555	-	437,555	405,000	9,404	21,238	11,834	2.92	0.03
						42,060	86,352	44,293	11.86	0.04
Engineering										
Mughal Iron & Steel Industries Limited	230,000	266,500	-	421,500	75,000	4,409	6,975	2,566	0.96	0.02
International Steel Limited	-	187,000	-	187,000	-	-	-	-	-	-
Aisha Steel Mill Limited	363,000	-	-	363,000	-	-	-	-	-	-
						4,409	6,975	2,566	0.96	0.02

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

Name of the Investee Company	As at July 01, 2023	Purchased during the year	Bonus / right issue during the year	Sold during the year	As at June 30, 2024			Market value as a percentage of net assets of the sub-fund	Percentage of paid-up capital of the investee company
					As at June 30, 2024	Carrying value	Market value	Unrealised (loss) / gain	
									(%)
Fertilizer									
Engro Corporation Limited	100,000	-	-	-	100,000	-	-	-	-
Engro Fertilizer Limited	150,000	-	-	-	150,000	-	-	-	-
Fauji Fertilizer Bin Qasim Limited	350,000	735,500	-	529,437	556,063	15,385	19,724	4,339	2.71
						15,385	19,724	4,339	2.71
Food and personal care products									
Al-Tahur Limited	250,160	300,000	-	250,160	300,000	4,489	4,203	(286)	0.58
National Foods Limited*	70,000	-	-	9,000	81,000	6,002	10,657	4,655	1.48
The Organic Meat Company Limited	215,470	233,000	-	446,470	-	-	-	-	-
						10,491	14,860	4,369	2.04
Glass and ceramics									
Shabbir Tiles & Ceramics Limited*	203,000	563,500	-	300,000	486,500	6,018	8,764	746	0.93
Tariq Glass Industries Limited	-	56,000	-	25,000	31,000	2,775	3,613	838	0.50
						8,793	10,377	1,584	1.42
Miscellaneous									
Shifa International Hospitals	40,039	5,000	-	-	45,039	5,563	6,603	1,040	0.91
Synthetic Products Limited	200,000	352,995	-	200,000	352,995	5,324	5,620	296	0.77
						10,887	12,223	1,336	1.68
Oil and gas exploration companies									
Mari Petroleum Company Limited	17,000	6,372	-	19,122	6,250	9,877	16,952	7,075	2.33
Oil and Gas Development Company Limited	285,000	222,000	-	263,000	244,000	25,378	33,030	7,652	4.54
Pakistan Petroleum Limited	225,000	423,000	-	433,000	215,000	18,984	25,179	6,195	3.46
						54,239	75,161	20,922	10.32
Oil and gas marketing companies									
Attock Petroleum Limited	-	23,000	-	23,000	-	-	-	-	-
Sul North Gas Pipeline Limited	-	135,000	-	-	135,000	8,686	8,568	(118)	1.18
						8,686	8,568	(118)	1.18
Paper and board									
Century Paper & Board Mills Limited	72,000	28,000	-	100,000	-	-	-	-	-
Packages Limited	14,000	15,210	-	8,400	23,810	9,425	12,748	3,324	1.75
						9,425	12,748	3,324	1.75
Pharmaceuticals									
AGP Pakistan Limited	40,000	128,000	-	9,000	159,000	11,310	14,697	3,376	2.02
Glaxosmithkline Pakistan Limited	-	109,000	-	-	109,000	10,738	15,679	4,941	2.15
Citl Pharma limited	200,000	203,648	-	44,000	359,648	8,135	10,250	2,115	1.41
Ferozsons Laboratories Limited	16,500	26,641	-	-	43,141	8,581	10,760	2,178	1.48
Haleon Pakistan Limited	38,500	30,000	-	14,500	54,000	8,244	16,058	7,814	2.20
Highnoon Laboratories Limited	24,897	6,000	-	12,900	17,997	6,319	12,842	6,524	1.76
						53,327	80,275	26,948	11.02
Power generation and distribution									
The Hub Power Company Limited	250,000	301,000	-	203,000	348,000	30,085	56,752	26,667	7.79
Lalpur Power Limited	-	390,000	-	-	390,000	9,678	9,914	236	1.36
Nahat Chunlian Power Limited	-	455,000	-	-	455,000	12,737	13,627	890	1.87
						52,500	80,293	27,793	11

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

Name of the Investee Company	As at July 01, 2023	Purchased during the year	Bonus / right issue during the year	Sold during the year	As at June 30, 2024	As at June 30, 2024			Market value as a percentage of net assets of the sub-fund	Percentage of paid-up capital of the investee company
						Carrying value	Market value	Unrealised (loss) / gain		
----- (Number of shares) ----- (Rupees in '000) ----- (%) -----										
Refinery										
Attock Refinery Limited	-	36,000	-	17,500	18,500	4,498	6,504	2,006	0.89	0.02
						4,498	6,504	2,006	0.89	0.02
Technology and communications										
Systems Limited	66,000	104,300	-	60,400	109,900	44,566	45,971	1,405	6.31	0.04
						44,566	45,971	1,405	6.31	0.04
Textile composite										
Interloop Limited	382,500	216,000	-	238,500	360,000	15,817	25,498	9,681	3.50	0.03
Kohinoor Textile Mills Limited	200,970	-	-	200,970	-	-	-	-	-	-
Nishat Chunian Limited	200,000	-	-	200,000	-	-	-	-	-	-
Nishat Mills Limited	100,000	284,000	-	162,800	221,400	17,031	15,686	(1,346)	2.15	0.06
						32,848	41,184	8,336	5.66	0.09
Total as at June 30, 2024						493,027	687,462	194,434		
Total as at June 30, 2023						444,528	422,719	(21,809)		

*These have a face value of Rs. 5 per share

Following shares have been pledged with National Clearing Company of Pakistan Limited (NCCPL) as security against settlement of the Sub-Fund's trades in terms of Circular No. 11 dated October 23, 2007 issued by SECP:

	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
----- (Number of shares) ----- (Rupees in '000) -----				
The Hub Power Company Limited	50,000	50,000	8,154	3,479
Maple Leaf Cement Company Limited	50,000	50,000	1,900	1,417
Pakistan Petroleum Limited	25,000	25,000	2,928	1,479
Systems Limited	10,000	-	4,183	-
	135,000	125,000	17,165	6,375

5.1.1 As at June 30, 2024, the bonus shares of the Equity Sub - Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs. 0.184 million (June 2023: Rs. 0.285 million).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

5.2 Government of Pakistan - GoP Ijarah Sukuk Bonds

Name of security	Issue date	Maturity date	Face value			As at June 30, 2024		Market value as a percentage of net asset of the sub fund
			As at July 01, 2023	Purchased during the year	Sold / matured during the year	Carrying value	Market value / (loss)	
(Rupees in '000)								
Debt Sub-Fund								
Unlisted								
GoP Ijarah Sukuk - 5 years - (Variable)	June 24, 2020	June 24, 2025	90,000	-	90,000	-	-	-
GoP Ijarah Sukuk - 5 years - (Variable)	July 29, 2020	July 29, 2025	50,000	-	50,000	-	-	-
GoP Ijarah Sukuk - 5 years - (Variable)	December 04, 2023	December 04, 2028	-	100,000	100,000	-	-	-
GoP Ijarah Sukuk - 5 years - (Fixed)*	December 04, 2023	December 04, 2028	-	150,000	100,000	50,230	50,665	435
GoP Ijarah Sukuk - 5 years - (Fixed)*	January 24, 2024	January 24, 2029	-	50,000	-	50,000	50,000	6.10
GoP Ijarah Sukuk - 3 years - (Fixed)*	June 28, 2023	June 28, 2028	-	50,000	-	50,000	49,819	6.31
GoP Ijarah Sukuk - 3 years - (Fixed)*	December 04, 2023	December 04, 2026	-	75,000	75,000	75,000	75,083	9.18
GoP Ijarah Sukuk - 3 years - (Variable)	December 04, 2023	December 04, 2024	-	25,000	25,000	-	-	-
GoP Ijarah Sukuk - 1 year - (Fixed)	October 09, 2023	October 09, 2024	-	250,000	250,000	-	-	-
GoP Ijarah Sukuk - 1 year - (Variable)	September 20, 2023	September 20, 2024	-	250,000	250,000	-	-	-
Total as at June 30, 2024			-	50,000	100	49,900	43,343	236
Total as at June 30, 2023			-	-	-	43,107	43,343	236
Total as at June 30, 2023			-	-	-	267,956	270,546	2,889
Total as at June 30, 2023			-	-	-	139,640	139,872	(768)
Money Market Sub-Fund								
Unlisted								
GoP Ijarah Sukuk - 5 years - (Variable)*	June 24, 2020	June 24, 2025	40,000	-	-	40,000	39,818	86
GoP Ijarah Sukuk - 5 years - (Variable)	July 29, 2020	July 29, 2025	180,000	-	150,000	-	-	-
GoP Ijarah Sukuk - 5 years - (Variable)	December 04, 2023	December 04, 2028	-	100,000	100,000	-	-	-
GoP Ijarah Sukuk - 5 years - (Fixed)*	December 04, 2023	December 04, 2028	-	100,000	25,000	75,000	75,998	998
GoP Ijarah Sukuk - 3 years - (Fixed)*	December 04, 2023	December 04, 2026	-	75,000	75,000	-	-	-
GoP Ijarah Sukuk - 3 years - (Fixed)*	December 04, 2023	December 04, 2026	-	75,000	-	75,000	75,083	83
GoP Ijarah Sukuk - 1 year - (Variable)	March 08, 2023	March 08, 2024	-	75,000	75,000	-	-	-
GoP Ijarah Sukuk - 1 year - (Variable)	May 22, 2023	May 22, 2024	-	308,300	308,300	-	-	-
GoP Ijarah Sukuk - 1 year - (Variable)	June 28, 2023	June 28, 2024	-	100,000	100,000	-	-	-
GoP Ijarah Sukuk - 1 year - (Variable)*	August 07, 2023	August 07, 2024	-	598,500	455,000	141,500	141,585	85
GoP Ijarah Sukuk - 1 year - (Variable)	September 20, 2023	September 20, 2024	-	250,000	250,000	-	-	-
GoP Ijarah Sukuk - 1 year - (Fixed)	December 04, 2023	December 04, 2024	-	25,000	25,000	-	-	-
GoP Ijarah Sukuk - 1 year - (Fixed)	April 17, 2023	April 17, 2024	-	50,000	50,000	-	-	-
GoP Ijarah Sukuk - 1 year - (Fixed)	June 28, 2023	June 28, 2024	-	25,000	25,000	-	-	-
GoP Ijarah Sukuk - 1 year - (Fixed)*	August 07, 2023	August 07, 2024	-	145,000	100,000	45,000	45,014	5
GoP Ijarah Sukuk - 1 year - (Fixed)*	October 09, 2023	October 09, 2024	-	258,000	250,000	8,000	6,040	39
Total as at June 30, 2024			-	25,000	-	25,000	22,064	11
Total as at June 30, 2023			-	50,000	-	50,000	43,194	236
Total as at June 30, 2023			-	500,000	-	500,000	425,878	2,572
Total as at June 30, 2023			-	-	-	491,136	493,955	2,819
Total as at June 30, 2024			-	-	-	873,463	877,577	4,115
Total as at June 30, 2023			-	-	-	169,413	168,732	(681)

* These carry effective yield of ranging between from: 15.48% to 18.49% per annum (2023); 17.65% to 21.82% in Debt Sub-Fund and 15.75% to 22.49% per annum (2023); 17.65% to 21.82% in Money Market Sub-Fund.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

5.3 Debt securities - Sukuks

Debt Sub-Fund

Name of security	Note	Issue date	Number of certificates			As at June 30, 2024			Market value as percentage of net assets of sub-funds
			As at July 01, 2023	Purchased during the year	Sold / matured during the year	As at June 30, 2024	Carrying Value	Market value	
..... (Rupees in '000) %									
Ghani Chemical Industries Limited		February 02, 2017	40	-	-	40	-	-	-
Meezan Bank Limited - Tier II (2nd Issue)		January 09, 2020	10	-	-	10	10,067	10,098	30
Pakistan Energy Sukuk - II	5.3.2	May 21, 2020	14,000	-	-	14,000	70,014	70,084	70
Meezan Bank Limited		December 16, 2021	20	-	-	20	-	-	-
Total as at June 30, 2024							80,081	80,182	100
Total as at June 30, 2023							101,256	100,341	(915)

5.3.1 Significant terms and conditions of sukuk outstanding at the year end are as follows:

Name of security	Note	Number of certificates	Face / redemption value (Rupees)		Interest rate per annum	Maturity	Secured / unsecured	Rating
			Per certificate	Total				
<u>Debt Sub-Fund</u>								
<u>Un-listed</u>								
Meezan Bank Limited - Tier II (2nd Issue)		10	1,000,000	10,000,000	6M KIBOR + 0.90%	January 08, 2030	Unsecured	AAA
<u>Listed</u>								
Pakistan Energy Sukuk - II	5.3.2	14,000	5,000	70,000,000	6M KIBOR - 0.10%	May 21, 2030	Unsecured	Unrated

5.3.2 This is secured by Government of Pakistan and measured at their initial investment value, as their market values are not available.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

		June 30, 2024				
		Equity	Debt	Money		
		Sub-Fund	Sub-Fund	Market		
				Sub-Fund	Total	
		(Rupees in '000)				
5.4	Unrealised gain / (loss) on re-measurement of investments at fair value through profit or loss - net	Note				
	Market value of investments	5.1, 5.2 & 5.3	687,462	351,028	877,577	1,916,067
	Carrying value of investments	5.1, 5.2 & 5.3	493,026	348,037	873,462	1,714,525
			194,436	2,991	4,115	201,542

		June 30, 2023			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		(Rupees in '000)			
Market value of investments	5.1, 5.2 & 5.3	422,719	239,213	188,732	850,664
Carrying value of investments	5.1, 5.2 & 5.3	444,528	240,896	189,413	874,837
		(21,809)	(1,683)	(681)	(24,173)

		June 30, 2024			
		Equity	Debt	Money	
		Sub-Fund	Sub-Fund	Market	
				Sub-Fund	Total
		(Rupees in '000)			
6.	PROFIT RECEIVABLE				
	Profit receivables on bank accounts and other deposits	-	6,957	5,785	12,742
	Profit receivables on GOP ijara sukuks	-	4,981	18,101	23,082
	Profit receivables on TFC and sukuks	-	1,670	2,306	3,976
		-	13,608	26,192	39,800

		June 30, 2023			
		Equity	Debt	Money	
		Sub-Fund	Sub-Fund	Market	
				Sub-Fund	Total
		(Rupees in '000)			
	Profit receivables on bank accounts and other deposits	-	2,012	7,087	9,099
	Profit receivables on GOP ijara sukuks	-	4,076	11,265	15,341
	Profit receivables on TFC and sukuks	-	4,054	2,914	6,968
		-	10,142	21,266	31,408

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

7. ADVANCES, DEPOSITS AND OTHER RECEIVABLES

Security deposit with Central Depository Company of Pakistan Limited (CDC)
Security deposit with National Clearing Company of Pakistan Limited (NCCPL)
Advance tax
Other receivables
Receivable against bonus share withheld
Receivable against collection account

June 30, 2024			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees in '000)			
201	200	200	601
2,500	-	-	2,500
93	117	10	220
28	36	16	80
285	-	-	285
4,881	6,048	17,446	28,375
7,988	6,401	17,672	32,061

Security deposit with Central Depository Company of Pakistan Limited (CDC)
Security deposit with National Clearing Company of Pakistan Limited (NCCPL)
Advance tax
Other receivables
Receivable against bonus share withheld
Receivable against collection account

June 30, 2023			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees in '000)			
201	200	200	601
2,500	-	-	2,500
114	117	10	241
29	36	16	81
285	-	-	285
763	7,684	9,889	18,336
3,892	8,037	10,115	22,044

8. PAYABLE TO PENSION FUND MANAGER

Remuneration payable
Sindh Sales Tax payable on remuneration payable

Note

8.1

8.2

June 30, 2024			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees in '000)			
790	754	1,060	2,604
103	98	138	339
893	852	1,198	2,943

Remuneration payable
Sindh Sales Tax payable on remuneration payable

Note

8.1

8.2

June 30, 2023			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees in '000)			
544	412	407	1,363
71	53	53	177
615	465	460	1,540

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

- 8.1 This represents remuneration of the Pension Fund Manager at the rate of 1.5% of average net asset for Equity sub fund (2023: 1.5%), 1.5% of average net asset for Debt sub fund (2023: 1.13%) and 1.5% of average net asset for money market sub fund (2023: 0.72%).
- 8.2 This represents Sales Tax on remuneration payable at the rate of 13% (2023: 13%).

		June 30, 2024				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
		(Rupees in '000)				
9.	PAYABLE TO THE TRUSTEE	Note				
	Remuneration payable	9.1	69	77	125	271
	Sales Tax on remuneration payable	9.2	9	10	16	35
			78	87	141	306

		June 30, 2023			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		(Rupees in '000)			
Remuneration payable	9.1	48	48	75	171
Sales Tax on remuneration payable	9.2	6	6	10	22
		54	54	85	193

- 9.1 The Central Depository Company of Pakistan Limited is entitled to remuneration at the rate of 0.15% per annum of the net assets value of the Fund where the net assets are upto Rs.1 billion. The rates applicable for Trustee's remuneration on net assets exceeding Rs.1 billion are as follows:

Net Assets	Tariff per annum
Upto Rs.1 billion	Rs.0.3 million or 0.15% per annum of Net Assets whichever is higher
Rs.1 billion to Rs.3 billion	Rs.1.5 million plus 0.10% per annum of Net Assets exceeding Rs.1 billion
Rs.3 billion to Rs.6 billion	Rs.3.5 million plus 0.08% per annum of Net Assets exceeding Rs.3 billion
Over Rs.6 billion	Rs.5.9 million plus 0.06% per annum of Net Assets exceeding Rs.6 billion

- 9.2 Sales Tax at the rate of 13% (2023: 13%) on the remuneration of the Trustee is applied under the provisions of Sindh Sales Tax on Services Act, 2011.

10. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

This represents annual SECP fee at the rate of one twenty-fifth of one percent (2023: one twenty-fifth of one percent) of average annual net assets of each sub-fund, revised as per SRO 260(I)/2019 dated December 24, 2019.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

		June 30, 2024			
		Equity	Debt	Money	
		Sub-Fund	Sub-Fund	Market	Total
		(Rupees in '000)			
Note					
11. ACCRUED EXPENSES AND OTHER LIABILITIES					
Provision for Federal Excise Duty on remuneration of Pension Fund Manager	11.1	1,451	1,032	548	3,031
Donation / charity payable		726	-	-	726
Auditors' remuneration		247	158	275	680
Withholding tax payable		283	368	480	1,131
Printing charges payable		11	11	18	40
Brokerage payable		318	11	1	330
		3,036	1,580	1,322	5,938

		June 30, 2023			
		Equity	Debt	Money	
		Sub-Fund	Sub-Fund	Market	Total
		(Rupees in '000)			
Note					
Provision for Federal Excise Duty on remuneration of Pension Fund Manager	11.1	1,451	1,032	548	3,031
Donation / charity payable		1,090	-	-	1,090
Auditors' remuneration		222	150	176	548
Withholding tax payable		658	162	737	1,557
Brokerage payable		121	-	1	122
		3,542	1,344	1,462	6,348

11.1 Provision for Federal Excise Duty on remuneration of Pension Fund Manager

The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from June 13, 2013. As the asset management services rendered by the Management Company of the Fund were already subject to provincial sales tax on services levied by the Sindh Revenue Board, which is being charged to the Fund, the Fund Manager was of the view that further levy of FED was not justified.

On September 04, 2013, a Constitutional Petition was filed in the Honourable Sindh High Court (SHC) jointly by various Asset Management Companies, together with their representatives of Collective Investment Schemes through their trustees, challenging the levy of FED.

During the previous year, the SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan which is pending adjudication.

With effect from July 01, 2016, FED on services provided or rendered by Non-Banking Financial Institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Pension Fund Manager with effect from July 01, 2016. However, being prudent the provision for FED made prior to this period has been maintained by the Fund which at June 30, 2024 aggregates to Rs. 1.45 million (2023: Rs. 1.45 million), Rs. 1.03 million (2023: Rs. 1.03 million), and Rs. 0.55 million (2023: Rs. 0.55 million) in Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund respectively as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been recorded in the financial statements of the Sub-Funds, the net assets value of the Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund as at June 30, 2024 would have been higher by Rs. 2.02 per unit (2023: Rs. 1.77 per unit), Rs. 0.46 per unit (2023: Rs. 0.69 per unit) and Rs. 0.14 per unit (2023: Rs. 0.21 per unit) respectively.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

12. NUMBER OF UNITS IN ISSUE

	June 30, 2024			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Units)			
Total units outstanding at beginning of the year	820,354	1,504,425	2,648,105	4,972,884
Add: Units issued during the year	571,237	1,837,850	3,473,753	5,882,840
Less: Units redeemed during the year	(674,471)	(1,083,037)	(2,161,584)	(3,919,092)
Total units in issue at the end of the year	717,120	2,259,238	3,960,274	6,936,632

	June 30, 2023			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Units)			
Total units outstanding at beginning of the year	1,132,519	1,575,321	1,864,222	4,572,062
Add: Units issued during the year	385,462	860,884	2,354,784	3,601,130
Less: Units redeemed during the year	(697,627)	(931,780)	(1,570,901)	(3,200,308)
Total units in issue at the end of the year	820,354	1,504,425	2,648,105	4,972,884

13. CONTRIBUTION TABLE

	June 30, 2024						
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total
	Units	(Rupees in '000)	Units	(Rupees in '000)	Units	(Rupees in '000)	(Rupees in '000)
Opening balance	820,354	433,700	1,504,425	452,720	2,648,105	727,981	1,614,401
Issue of units	571,237	458,727	1,837,850	626,786	3,473,753	1,063,647	2,149,160
Redemption of units	(674,471)	(533,450)	(1,083,037)	(366,354)	(2,161,584)	(656,282)	(1,556,086)
Closing balance	717,120	358,977	2,259,238	713,152	3,960,274	1,135,346	2,207,475

	June 30, 2023						
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total
	Units	(Rupees in '000)	Units	(Rupees in '000)	Units	(Rupees in '000)	(Rupees in '000)
Opening balance	1,132,519	597,520	1,575,321	411,979	1,864,222	440,659	1,450,158
Issue of units	385,462	204,924	860,884	239,903	2,354,784	606,144	1,050,971
Redemption of units	(697,627)	(367,258)	(931,780)	(260,050)	(1,570,901)	(408,822)	(1,036,130)
Closing balance	820,354	435,186	1,504,425	391,832	2,648,105	637,981	1,464,999

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

14. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2024 and June 30, 2023.

15. AUDITORS' REMUNERATION

Audit fee
Half yearly review fee
Out of pocket expenses

June 30, 2024			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees in '000)			

140	125	295	560
42	40	44	126
18	17	34	69
200	182	373	755
15	15	30	60
215	197	403	815

Sales Tax

June 30, 2023			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees in '000)			

148	120	174	442
68	54	60	182
22	17	23	62
238	191	257	686
19	15	21	55
257	206	278	741

Audit fee
Half yearly review fee
Out of pocket expenses

Sales Tax

16. CASH AND CASH EQUIVALENTS

Bank balances

Note

5

June 30, 2024			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees in '000)			

43,742	456,103	361,979	861,824
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June 30, 2023			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees in '000)			

3,106	137,363	420,449	560,918
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Bank balances

17. TAXATION

The income of Alhamra Islamic Pension Fund is exempt from tax under clause 57(3)(viii) of Part I of the Second Schedule to the Income Tax Ordinance, 2001. Further through Finance Act, 2011, effective from July 01, 2011, pension funds are included in the list of entities on which the provisions of section 113 regarding minimum tax shall not apply.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

18. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTY

Related parties / connected persons of the Fund include the Pension Fund Manager, other collective investment schemes managed by the Pension Fund Manager, MCB Bank Limited being the Holding Company of the Pension Fund Manager, the Trustee, directors, key management personnel and other associated undertakings and connected persons. Connected persons also include any person beneficially owning directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, other charges, sale and purchase of investments and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

Remuneration payable to the Pension Fund Manager and the Trustee is determined in accordance with the provision of the VPS Rules and constitutive documents of the Fund respectively.

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

18.1 Details of transactions other than units of the Fund with related parties / connected persons during the period

	June 30, 2024			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Rupees in '000)			
MCB Investment Management Limited - Pension Fund Manager				
Remuneration (include indirect taxes)	9,951	7,396	8,911	26,258
Central Depository Company of Pakistan Limited - Trustee				
Remuneration (include indirect taxes)	820	803	1,362	2,985
Settlement charges	65	9	14	88
MCB Islamic Bank Limited				
Profit on Bank deposit	1,030	-	-	1,030
MCB Bank Limited				
Bank charges	20	38	36	94
	June 30, 2023			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Rupees in '000)			
MCB Investment Management Limited - Pension Fund Manager				
Remuneration (include indirect taxes)	9,116	5,241	4,263	18,621
Central Depository Company of Pakistan Limited - Trustee				
Remuneration (include indirect taxes)	805	644	873	2,321
Settlement charges	39	5	5	49
MCB Islamic Bank Limited				
Profit on Bank deposit	142	-	-	142
MCB Bank Limited				
Bank charges	10	21	26	57
Arif Habib Limited - Brokerage House*				
Brokerage expense	35	-	-	35

* This is no longer related party after April 18, 2023 due to disposal of Shares by Arif Habib Corporation in MCB-Arif Habib Savings and Investments Limited.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

		June 30, 2024			
		Equity	Debt	Money	
		Sub-Fund	Sub-Fund	Market	Total
		Sub-Fund			
		(Rupees in '000)			
18.2	Details of balances with related parties / connected persons as at period end				
	MCB Investment Management Limited - Pension Fund Manager				
	Remuneration payable	790	754	1,060	2,604
	Sindh Sales Tax payable on remuneration	103	98	138	339
	Investment in seed capital of				
	- Equity Sub-Fund: 197,668 (June 2023: 305,160) units	200,738	-	-	200,738
	- Debt Sub-Fund: 289,051 (June 2023: 289,051) units	-	104,926	-	104,926
	- Money Market Sub-Fund: 281,918 (June 2023: 281,918) units	-	-	94,679	94,679
	Central Depository Company of Pakistan Limited - Trustee				
	Remuneration payable	69	77	125	271
	Sindh Sales Tax payable on remuneration	9	10	16	35
	Security deposit	201	200	200	601
	Receivable against collection account	4,881	6,048	17,446	28,375
	MCB Islamic Bank Limited				
	Bank balance	34,066	-	-	34,066
	MCB Bank Limited				
	Bank balance	1,683	1,713	815	4,211
		June 30, 2023			
		Equity	Debt	Money	
		Sub-Fund	Sub-Fund	Market	Total
		Sub-Fund			
		(Rupees in '000)			
	MCB Investment Management Limited - Pension Fund Manager				
	Remuneration payable	544	412	407	1,363
	Sindh Sales Tax payable on remuneration	71	53	53	177
	Investment in seed capital of				
	- Equity Sub-Fund: 305,160 (June 2022: 305,160) units	161,329	-	-	161,329
	- Debt Sub-Fund: 289,051 (June 2021: 289,051) units	-	86,984	-	86,984
	- Money Market Sub-Fund: 281,918 (June 2021: 281,918) units	-	-	77,502	77,502
	Receivable against collection account	763	7,684	9,889	18,336
	Central Depository Company of Pakistan Limited - Trustee				
	Remuneration payable	48	48	75	171
	Sindh Sales Tax payable on remuneration	6	6	10	22
	Security deposit	201	200	200	601
	MCB Islamic Bank Limited				
	Bank balance	1,406	-	-	1,406
	MCB Bank Limited				
	Bank balance	609	1,760	2,569	4,938

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

18.3 Participant Fund

June 30, 2024					
As at July 01, 2023	Issued for cash	Redeemed	As at June 30, 2024	As at July 01, 2023	As at June 30, 2024
(Units)			(Rupees in '000)		

Key management personnel

Equity Sub-Fund	43,118	100,322	(102,797)	40,642	22,795	80,565	(80,933)	41,273
Debt Sub-Fund	1,010	33,260	(16,366)	17,903	304	11,277	(11,097)	18,181
Money Market Sub-Fund	48,360	206,405	(190,542)	64,223	13,295	64,931	(48,669)	65,220

June 30, 2023					
As at July 01, 2022	Issued for cash	Redeemed	As at June 30, 2023	As at July 01, 2022	As at June 30, 2023
(Units)			(Rupees in '000)		

Key management personnel

Equity Sub-Fund	60,030	84,962	(101,875)	43,118	31,672	44,553	(53,531)	22,795
Debt Sub-Fund	5,350	14,187	(18,527)	1,010	1,399	7,138	(9,299)	304
Money Market Sub-Fund	17,996	58,040	(27,676)	48,360	4,254	15,464	(7,018)	13,295

* The unit holder also holds 10% or more of the units in the Sub-Funds.

19. 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 reporting date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from book value.

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

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

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

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

As at June 30, 2024 and June 30, 2023 the Fund held the following instruments measured at fair values:

As at June 30, 2024						
	Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3
(Rupees in '000)						
Financial assets measured at fair value						
Equity Sub-Fund						
Listed equity securities	687,462	-	687,462	687,462	-	-
Debt Sub-Fund						
GoP Ijarah Sukuk Bonds						
- Unlisted	227,503	-	227,503	227,503	-	-
- Listed	43,343	-	43,343	43,343	-	-
Debt securities - Sukuks	80,182	-	80,182	-	80,182	-
Money Market Sub-Fund						
GoP Ijarah Sukuk Bonds						
- Unlisted	383,622	-	383,622	383,622	-	-
- Listed	493,955	-	493,955	493,955	-	-
	1,916,067	-	1,916,067	1,835,885	80,182	-
Financial assets not measured at fair value						
Equity Sub-Fund						
Bank Balances	-	43,742	43,742			
Profit receivable	-	-	-			
Advance against IPO	-	-	-			
Advances, deposits and other receivables	-	7,610	7,610			
Debt Sub-Fund						
Bank Balances	-	456,103	456,103			
Profit receivable	-	13,608	13,608			
Advance against IPO	-	-	-			
Advances, deposits and other receivables	-	6,284	6,284			
Money Market Sub-Fund						
Bank Balances	-	361,979	361,979			
Profit receivable	-	26,192	26,192			
Advance against IPO	-	50,000	50,000			
Advances, deposits and other receivables	-	17,662	17,662			
	-	983,180	983,180			

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

As at June 30, 2024

	Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)							
Financial liabilities not measured at fair value							
Equity Sub-Fund							
Payable to pension fund manager	-	790	790				
Payable to trustee	-	69	69				
Payable against purchase of investments	-	6,696	6,696				
Accrued expenses and other liabilities	-	1,284	1,284				
Debt Sub-Fund							
Payable to pension fund manager	-	754	754				
Payable to trustee	-	77	77				
Payable against Redemption of units	-	4,292	4,292				
Accrued expenses and other liabilities	-	168	168				
Money Market Sub-Fund							
Payable to pension fund manager	-	1,060	1,060				
Payable to trustee	-	125	125				
Payable against Redemption of units	-	342	342				
Accrued expenses and other liabilities	-	274	274				
	-	15,931	15,931				

As at June 30, 2023

	Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)							
Financial assets measured at fair value							
Equity Sub-Fund							
Listed equity securities	-	422,719	422,719	422,719	-	-	422,719
Debt Sub-Fund							
GoP Ijarah Sukuk Bonds	-	138,872	138,872	138,872	-	-	138,872
- Unlisted	-	100,341	100,341	80,541	19,800	-	100,341
Debt securities - Sukuks	-	188,732	188,732	188,732	-	-	188,732
Money Market Sub-Fund							
	-	850,664	850,664	830,864	19,800	-	850,664

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

As at June 30, 2023

	Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)							
Financial assets not measured at fair value							
Equity Sub-Fund							
Bank Balances	-	3,106	3,106				
Profit receivable	-	-	-				
Receivable against sale of investments	-	12,434	12,434				
Advances, deposits and other receivables	-	3,493	3,493				
Debt Sub-Fund							
Bank Balances	-	137,363	137,363				
Profit receivable	-	10,142	10,142				
Advance against IPO	-	60,000	60,000				
Advances, deposits and other receivables	-	7,920	7,920				
Money Market Sub-Fund							
Bank Balances	-	420,449	420,449				
Profit receivable	-	21,266	21,266				
Advance against IPO	-	90,000	90,000				
Advances, deposits and other receivables	-	10,105	10,105				
	-	776,278	776,278				
Financial liabilities not measured at fair value							
Equity Sub-Fund							
Payable to pension fund manager	-	544	544				
Payable to trustee	-	48	48				
Payable against purchase of investments	-	4,025	4,025				
Accrued expenses and other liabilities	-	1,417	1,417				
Debt Sub-Fund							
Payable to pension fund manager	-	412	412				
Payable to trustee	-	48	48				
Accrued expenses and other liabilities	-	139	139				
Money Market Sub-Fund							
Payable to pension fund manager	-	407	407				
Payable to trustee	-	75	75				
Payable against Redemption of units	-	341	341				
Accrued expenses and other liabilities	-	164	164				
	-	7,619	7,619				

During the year ended June 30, 2024, there were no transfers between level 1 and level 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

20 FINANCIAL RISK MANAGEMENT

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

The Fund's activities expose it to a variety of financial risks: market risk (including currency risk, profit rate and other price risk), credit risk and liquidity risk. Risk of the Fund are being managed by the Pension Fund Manager in accordance with the approved policies of the investment committee which provide broad guidelines for management of above mention risks. The Board of Directors of Pension Fund Manager has overall responsibility for the establishment and oversight of the Fund's risk management framework.

The Fund's primary financial assets comprise of balances with banks, at fair value through profit and loss investments, comprising of Shariah compliant investments, in equity securities of listed companies; Government of Pakistan Ijarah Sukuks; Certificates of Investment and other Islamic investment instrument. The Fund also has dividend receivable, profit receivable, deposits and other receivables. The Fund's principal financial liabilities include remuneration payable to Pension Fund Manager, Trustee and SECP and accrued and other liabilities.

20.1 Market risk

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

The Pension Fund Manager manages market risk by monitoring exposure on marketable securities by following the internal risk management policies and investment guidelines approved by the Board of Directors of Pension Fund Manager and regulations laid down by the SECP and the VPS Rules.

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

20.1.1 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 all transactions were carried out in Pakistan Rupee.

20.1.2 Profit rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market profit rates. As of June 30, 2024, the Fund is exposed to such risk on its bank balances and GoP Ijarah sukuks.

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

		June 30, 2024			June 30, 2023		
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
Note		(Rupees in '000)					
Variable rate instruments (financial asset)							
Bank balances	4	42,044	454,176	360,924	2,405	135,179	417,452
Investment in GoP Ijarah sukuks	5	-	-	181,489	-	138,872	188,732
Investment in Debt securities	5	-	80,182	-	-	100,341	-
		42,044	534,358	542,413	2,405	374,392	606,184
Fixed rate instruments (financial assets)							
Investment in GoP Ijarah sukuks	5	-	270,846	696,088	-	-	-

a) Sensitivity analysis for variable rate instruments

Presently, the Debt Sub-Fund holds KIBOR based profit bearing debt securities sukuks certificates and Money Market Sub-Fund holds KIBOR based profit bearing GoP Ijarah Sukuks exposing the Fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in KIBOR and in rates announced by MUFAP (Mutual Funds Association of Pakistan) on the last repricing date of these sukuks, with all other variables held constant, the net assets of the Fund and net income for the year would have been higher / lower by Rs. 0.802 million (2023: Rs. 2.392 million) in Debt Sub-Fund and Rs. 1.815 million (2023: Rs. 1.887 million) in Money Market Sub-Fund.

The Fund is also exposed to profit rate risk on bank deposits. In case of 100 basis points increase / decrease in KIBOR at year end, the net assets attributable to unit holders of the Fund and net income for the year would be higher / lower by Rs. 8.57 million (2023: Rs. 5.55 million).

b) Sensitivity analysis for fixed rate instruments

As at June 30, 2024, the Fund holds GoP Ijarah Sukuks in Debt Sub-Fund and Money Market Sub-Fund which are fixed rate instruments exposing the Fund to fair value interest rate risk. In case of 100 basis points increase / decrease in rates announced by the Financial Market Association of Pakistan (FMAP) on June 30, 2024, the net income for the year and net assets would be lower / higher by Rs. 2.708 million (2023: nil) in Debt Sub Fund and Rs. 6.961 million (2023: nil) in Money Market Sub-Fund.

Profit rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date. The composition of the Fund investment may change over time. Accordingly, the sensitivity analysis prepared as at June 30, 2024 is not necessarily indicative of the impact on the Fund's net assets of future movements in interest rates.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

20.1.3 Price risk

Price risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market prices (other than those arising from currency risk or interest rate risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market.

The Equity Sub-Fund is exposed to equity price risk because of equity securities held by the Equity Sub-Fund and classified on the Statement of Assets and Liabilities as 'at fair value through profit or loss'. To manage its price risk arising from investment in equity securities, the Equity Sub-Fund's investment policy, as restricted by the VPS Rules, limits investments in listed shares of one company to not more than 10% of Sub-Fund net assets and investment in listed securities of a particular company have also been restricted to 10% of paid-up capital of investee company. Moreover, the sector limits have been restricted to 35% of the net assets of the Sub-Fund.

In case of 5% increase / decrease in KSE 100 index on June 30, 2024, the net assets relating to the Equity Sub-Fund and total net assets of the Fund would increase / decrease by Rs. 34.37 million (2023: Rs. 21.14 million) as a result of gains / losses on equity securities classified as at fair value through profit or loss.

The analysis is based on the assumption that the equity index had increased / decreased by 5% with all other variables held constant and all the Sub-Fund's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the KSE 100 index, having regard to the historical volatility of the index. The composition of the Sub-Fund's investment portfolio and the correlation thereof to the KSE index, is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2024 is not necessarily indicative of the effect on the Sub-Fund's net assets of future movements in the level of KSE 100 index.

20.2 Credit risk

Credit risk represents the risk of loss if counterparties fail to perform as contracted. The Fund's credit risk is primarily attributable to its investment in debt securities. The Fund is also exposed to counter party credit risks on balances with banks and profit receivable. The credit risk on these funds is limited because the counterparties are financial institutions with reasonably high credit ratings. In addition, the internal risk management policies and investment guidelines (approved by the Board) require the Fund to invest in debt securities that have been rated as investment grade by a well known rating agency.

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

Credit risk from balances with banks and Debt securities sukuks (Note 5.3.1) is managed by financial department in accordance with the Fund's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are approved by the Board of Directors of Pension Fund Manager. The limits are set to minimise the concentration of risk and therefore mitigate financial loss through potential counterparty failure. Risk attributable to investment in government securities is limited as these are guaranteed by the Federal Government.

The Fund's maximum exposure to credit risk related to receivables at June 30, 2024 and June 30, 2023 is the carrying amounts of following financial assets.

	June 30, 2024					
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund	
	Balance as per statement of assets and liabilities	Maximum exposure	Balance as per statement of assets and liabilities	Maximum exposure	Balance as per statement of assets and liabilities	Maximum exposure
(Rupees in '000)						
Bank balances	43,742	43,742	456,103	-	361,979	361,979
Investments	687,462	-	351,028	80,182	877,577	-
Advance against IPO	-	-	-	-	50,000	50,000
Profit receivable	-	-	13,608	8,627	26,192	8,091
Deposits and other receivables	7,988	7,610	6,401	6,284	17,672	17,662
	739,192	51,352	827,140	95,093	1,333,420	437,732

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

June 30, 2023					
Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund	
Balance as per statement of assets and liabilities	Maximum exposure	Balance as per statement of assets and liabilities	Maximum exposure	Balance as per statement of assets and liabilities	Maximum exposure
(Rupees in '000)					
Bank balances	3,106	3,106	137,363	137,363	420,449
Investments	422,719	-	239,213	100,341	188,732
Advance against IPO	-	-	60,000	60,000	90,000
Receivable against sale of investments	12,434	12,434	-	-	-
Profit receivable	-	-	10,142	6,066	21,266
Deposits and other receivables	3,892	3,493	8,037	6,284	10,115
	442,151	19,033	454,755	310,054	730,562
					530,555

All deposits with NCCPL and CDC are highly rated and risk of default is considered minimal.

Difference in the balance as per statement of asset and liabilities and maximum exposure is due to the fact that investments in government securities in Debt Sub-Fund of Rs. 270.46 million (2023: Rs. 138.87 million) and Money Market Sub-Fund of Rs. 877.58 million (2023: Rs. 188.73 million) and profit receivable from these securities in Debt Sub-Fund of Rs. 4.98 million (2023: Rs. 4.1 million) and in Money Market Sub-Fund of Rs. 18.10 million (2023: Rs. 11.26 million) are not exposed to credit risk.

The analysis below summaries the credit rating quality of the Fund's financial assets as at June 30, 2024 and June 30, 2023.

	June 30, 2024	June 30, 2023
	----- (%) -----	
Bank balances by rating category		
AA+/A1+	1.32	1.21
A+/A1	0.20	-
AAA/A1+	4.34	1.25
AA/A-1+	94.10	97.24
AA-/A1+	0.04	0.06
A/A-1	-	0.25
Sukuks by rating category		
A	-	0.46
Un-rated	87.41	69.78
AAA	12.59	29.77
unrated	-	39.40

The maximum exposure to credit risk before any credit enhancement as at June 30, 2024 is the carrying amount of the financial assets.

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 broadly diversified and transactions are entered into with diverse credit-worthy counterparties thereby mitigating any significant concentration of credit risk.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

20.3 Liquidity risk

Liquidity risk is the risk that the Fund may encounter difficulty in raising funds to meet its obligations and commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset at close to its fair value. The Pension Fund Manager manages liquidity risk by continuously analyzing the maturities of financial assets and financial liabilities. Since the Unit Holders invest in the Funds with a long-term objective, possibility of a significant redemption pressure is limited.

The table below analyses the Sub-funds' financial liabilities into relevant maturity groupings based on the remaining period at the statement of assets and liabilities date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	As at June 30, 2024									
	Equity Sub-Fund					Debt Sub-Fund				
	More than one month and upto three months					More than one month and upto three months				
	Upto one month	More than one month and upto three months	More than one year	Upto one month	More than one month and upto three months	More than one year	Upto one month	More than one month and upto three months	More than one year	More than one year
Financial Assets										
Bent Balances	861,824	43,742	-	456,103	-	-	361,979	-	-	-
Investments	1,916,067	887,462	-	-	-	43,343	307,885	186,599	539,899	151,079
Profit receivable	39,800	-	-	13,608	-	-	26,192	-	-	-
Advance against IPO	-	-	-	-	-	-	50,000	-	-	-
Receivable against sale of investments	-	-	-	-	-	-	-	-	-	-
Deposits and other receivables	31,556	7,610	-	6,284	-	-	17,862	-	-	-
Sub total	2,899,247	738,814	-	475,995	-	43,343	307,885	186,599	539,899	151,079
Financial Liabilities										
Payable to Pension Fund Manager	2,604	790	-	754	-	-	1,060	-	-	-
Payable to Trustee	271	69	-	77	-	-	125	-	-	-
Payable against purchase of investments	6,896	6,896	-	-	-	-	-	-	-	-
Payable against redemption of units	4,634	-	-	4,292	-	-	342	-	-	-
Accrued expenses and other liabilities	1,728	1,055	229	22	146	-	19	255	-	-
Sub total	15,931	8,610	229	5,145	146	-	1,646	255	-	-
Cumulative liquidity risk sensitivity gap	8,610	8,639	8,639	5,145	5,291	5,291	5,291	1,801	1,801	1,801
	As at June 30, 2023									
	Equity Sub-Fund					Debt Sub-Fund				
	More than one month and upto three months					More than one month and upto three months				
	Upto one month	More than one month and upto three months	More than one year	Upto one month	More than one month and upto three months	More than one year	Upto one month	More than one month and upto three months	More than one year	More than one year
Financial Assets										
Bent Balances	560,918	3,106	-	137,363	-	-	420,449	-	-	-
Investments	853,864	422,719	-	-	-	-	259,213	-	-	188,732
Profit receivable	31,408	-	-	10,142	-	-	21,266	-	-	-
Advance against IPO	150,000	-	-	60,000	-	-	90,000	-	-	-
Receivable against sale of investments	12,434	-	-	-	-	-	-	-	-	-
Deposits and other receivables	21,518	3,463	-	7,920	-	-	10,115	-	-	-
Sub total	1,626,842	441,762	-	215,425	-	-	259,213	541,820	-	188,732
Financial Liabilities										
Payable to Pension Fund Manager	1,363	544	-	412	-	-	407	-	-	-
Payable to Trustee	171	48	-	48	-	-	75	-	-	-
Payable against purchase of investments	4,025	4,025	-	-	-	-	-	-	-	-
Payable against Redemption of units	-	-	-	-	-	-	341	-	-	-
Accrued and other liabilities	2,268	1,433	208	150	139	-	177	163	-	-
Sub total	8,168	6,050	208	610	139	-	1,000	163	-	-
Cumulative liquidity risk sensitivity gap	6,050	8,258	8,258	6,256	749	749	1,000	1,163	1,163	1,163

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

Yield / effective interest rate	As at June 30, 2024													
	Total	Equity Sub-Fund				Debt Sub-Fund				Money Market Sub-Fund				
		Exposed to yield / interest rate risk		Not exposed to yield / interest rate risk		Exposed to yield / interest rate risk		Not exposed to yield / interest rate risk		Exposed to yield / interest rate risk		Not exposed to yield / interest rate risk		
		Upto three months	More than three months and up to one year	Upto three months	More than one year	Upto three months	More than one year	Upto three months	More than one year	Upto three months	More than one year	Upto three months	More than one year	
(Rupees in '000)														
Financial assets														
Bank balances	19.8	861,824	42,044	-	-	1,698	454,176	-	-	1,927	380,524	-	-	1,055
Investments	15.49 - 22.49	1,916,067	-	-	-	887,482	-	-	43,343	307,885	-	-	151,078	-
Advance against IPO		50,000	-	-	-	-	-	-	-	-	539,899	-	50,000	-
Profit receivable		39,800	-	-	-	-	-	-	-	-	-	-	-	26,192
Deposits and other receivables		31,556	-	-	-	7,510	-	-	-	-	6,254	-	-	17,862
		2,899,247	42,044	-	-	896,770	454,176	43,343	307,885	21,819	547,523	539,899	201,078	44,909
Financial liabilities														
Payable to Pension Fund Manager		2,604	-	-	-	790	-	-	-	-	-	-	-	1,060
Payable to Trustee		271	-	-	-	89	-	-	-	-	77	-	-	125
Payable against purchase of investments		6,996	-	-	-	6,996	-	-	-	-	-	-	-	-
Payable against Redemption of units		4,634	-	-	-	-	-	-	-	4,292	-	-	-	342
Accrued expenses and other liabilities		1,726	-	-	-	1,254	-	-	-	-	168	-	-	274
		15,931	-	-	-	8,539	-	-	-	5,291	-	-	-	1,801
On-balance sheet gap		2,883,316	42,044	-	-	887,931	454,176	43,343	307,885	16,528	547,523	539,899	201,078	43,108
Total profit sensitivity gap		42,044	-	-	-	887,931	454,176	43,343	307,885	16,528	547,523	539,899	201,078	43,108
Cumulative profit rate sensitivity gap		42,044	42,044	-	-	729,975	454,176	497,519	805,204	821,732	847,523	1,067,422	1,255,501	1,331,609

There is no off-balance sheet financial instrument that exist as at year ended June 30, 2024

Yield / effective interest rate	Total	June 30, 2023												
		Equity Sub-Fund				Debt Sub-Fund				Money Market Sub-Fund				
		Exposed to yield / interest rate risk		Not exposed to yield / interest rate risk		Exposed to yield / interest rate risk		Not exposed to yield / interest rate risk		Exposed to yield / interest rate risk		Not exposed to yield / interest rate risk		
		Upto three months	More than three months and up to one year	Upto three months	More than three months and up to one year	Upto three months	More than three months and up to one year	Upto three months	More than three months and up to one year	Upto three months	More than three months and up to one year	Upto three months	More than three months and up to one year	
(Rupees in '000)														
On-balance sheet financial instruments														
Financial assets														
Bank balances	6.55 - 15.5	660,918	2,405	-	-	701	135,179	-	-	2,184	417,452	-	-	2,997
Investments	7.47 - 16.17	850,884	-	-	-	422,719	-	-	239,213	-	-	188,732	-	-
Advance against IPO		150,000	-	-	-	-	-	-	60,000	-	-	90,000	-	-
Receivable against sale of investments		12,434	-	-	-	12,434	-	-	-	-	-	-	-	-
Profit receivable		31,438	-	-	-	-	-	-	-	10,142	-	-	-	21,298
Deposits and other receivables		21,833	-	-	-	3,778	-	-	-	7,920	-	-	-	10,105
		1,627,227	2,405	-	-	439,832	135,179	-	289,213	20,246	417,452	-	278,732	34,388
Financial liabilities														
Payable to the Pension Fund Manager		1,383	-	-	-	544	-	-	-	412	-	-	-	407
Payable to the Trustee		171	-	-	-	48	-	-	-	48	-	-	-	75
Payable against purchase of investments		4,025	-	-	-	4,025	-	-	-	-	-	-	-	-
Payable against Redemption of units		341	-	-	-	-	-	-	-	-	-	-	-	341
Accrued and other liabilities		1,718	-	-	-	1,417	-	-	-	139	-	-	-	164
		7,818	-	-	-	8,034	-	-	-	598	-	-	-	987
On-balance sheet gap		1,619,409	2,405	-	-	433,598	135,179	-	289,213	19,847	417,452	-	278,732	33,381
Total profit sensitivity gap		2,405	-	-	-	433,598	135,179	-	289,213	19,847	417,452	-	278,732	33,381
Cumulative profit rate sensitivity gap		2,405	2,405	-	-	436,503	135,179	135,179	434,392	454,338	417,452	-	895,164	729,595

There is no off-balance sheet financial instrument that exist as at year ended June 30, 2023.

21. Financial Instruments by category

Financial Assets
Bank balances
Investments
Advance against IPO
Profit receivable
Debits and other receivables

Financial Liabilities
Payable to the Pension Fund Manager
Payable to the Trustee
Payable against purchase of investments
Payable against redemption of units
Accrued expenses and other liabilities

Financial Assets
Bank balances
Investments
Advance against IPO
Receivable against sale of investments
Profit receivable
Debitals and other receivables

Financial Liabilities

Payable to the Pension Fund Manager

Payable to the Trustee

Payable against purchase of investments

Payable against redemption of units

Accrued and other liabilities

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

22. PERFORMANCE TABLE

	Equity Sub-Fund				
	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
	(Rupees in '000)				
Performance Information					
Net income after taxation	369,277	(1,486)	(121,415)	195,214	57,874
Realised capital gain / (loss)	153,044	(1,273)	(41,349)	102,054	28,420
Unrealised gain / (loss)	194,434	(21,809)	(102,942)	85,437	10,182
Dividend income	36,358	35,384	31,769	28,679	24,622
Net assets value per unit	1,015.53	528.67	527.60	639.22	420.40
Transactions in securities					
- Purchases	530,471	446,230	380,981	613,079	340,883
- Sales	613,206	560,309	417,563	615,646	255,448
Total contribution received	458,727	204,924	295,272	247,866	179,098

	Debt Sub-Fund				
	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
	(Rupees in '000)				
Performance Information					
Net income after taxation	106,947	60,888	28,817	19,453	25,246
Realised capital (loss) / gain	1,641	-	(991)	143	(2,125)
Unrealised gain / (loss)	2,991	(1,683)	(168)	1,198	334
Profit income	111,538	69,254	35,520	1,341	31,382
Net assets value per unit	363.00	300.93	261.52	242.52	212.58
Transactions in securities					
- Purchases	1,076,372	69,800	148,107	366,378	176,322
- Sales	961,366	5,168	100,537	215,482	48,193
Total contribution received	626,786	239,903	180,537	156,816	144,104

	Money Market Sub-Fund				
	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
	(Rupees in '000)				
Performance Information					
Net income after taxation	194,681	90,000	28,603	13,077	17,472
Realised capital (loss) / gain	5,672	-	(312)	31	(788)
Unrealised gain / (loss)	4,115	(681)	2	116	69
Profit income	196,257	92,727	33,339	17,445	19,111
Net assets value per unit	335.84	274.91	236.38	218.36	154.33
Transactions in securities					
- Purchases	2,712,966	149,400	98,070	320,917	75,748
- Sales	1,865,487	-	39,949	70,844	34,416
Total contribution received	1,063,647	606,144	348,584	173,923	149,795

Lowest and highest issue price of units during the year

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund	
Lowest Issue price	Highest Issue price	Lowest Issue price	Highest Issue price	Lowest Issue price	Highest Issue price
(Rupees)					
528.62	1,023.18	301.08	363.00	275.04	335.84

23. PARTICIPANTS' FUND RISK MANAGEMENT

The Fund's capital is represented by redeemable units of the sub-funds. They are entitled to payment of a proportionate share based on the sub-fund's net asset value per unit on the redemption date. The relevant movements are shown on the statement of movement in Participants' sub-funds. In accordance with the risk management policies, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption. Since the Participants invest in the Funds with a long-term objective, possibility of a significant redemption pressure is limited, such liquidity being augmented (by short-term borrowings or disposal of investments where necessary). During the year no such borrowing was exercised.

All units, including the core units, and fractions thereof represent an undivided share in the pertinent sub-funds of the fund and rank pari passu as to their rights in the net assets and earnings of such sub-fund and are not tradable or transferable. Each participant has a beneficial interest in the sub-fund proportionate to the units held by such participant in such sub-fund.

24. GENERAL

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

25. CORRESPONDING FIGURES

Corresponding figures have been re-classified, re-arranged or additionally incorporated in these financial statements, wherever necessary to facilitate comparison and to conform with changes in presentation in the current year. No significant rearrangements or reclassifications were made in these financial statements.

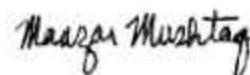
26. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Pension Fund Manager on September 25, 2024.

For MCB Investment Management Limited
(Pension Fund Manager)



Chief Executive Officer



Director