

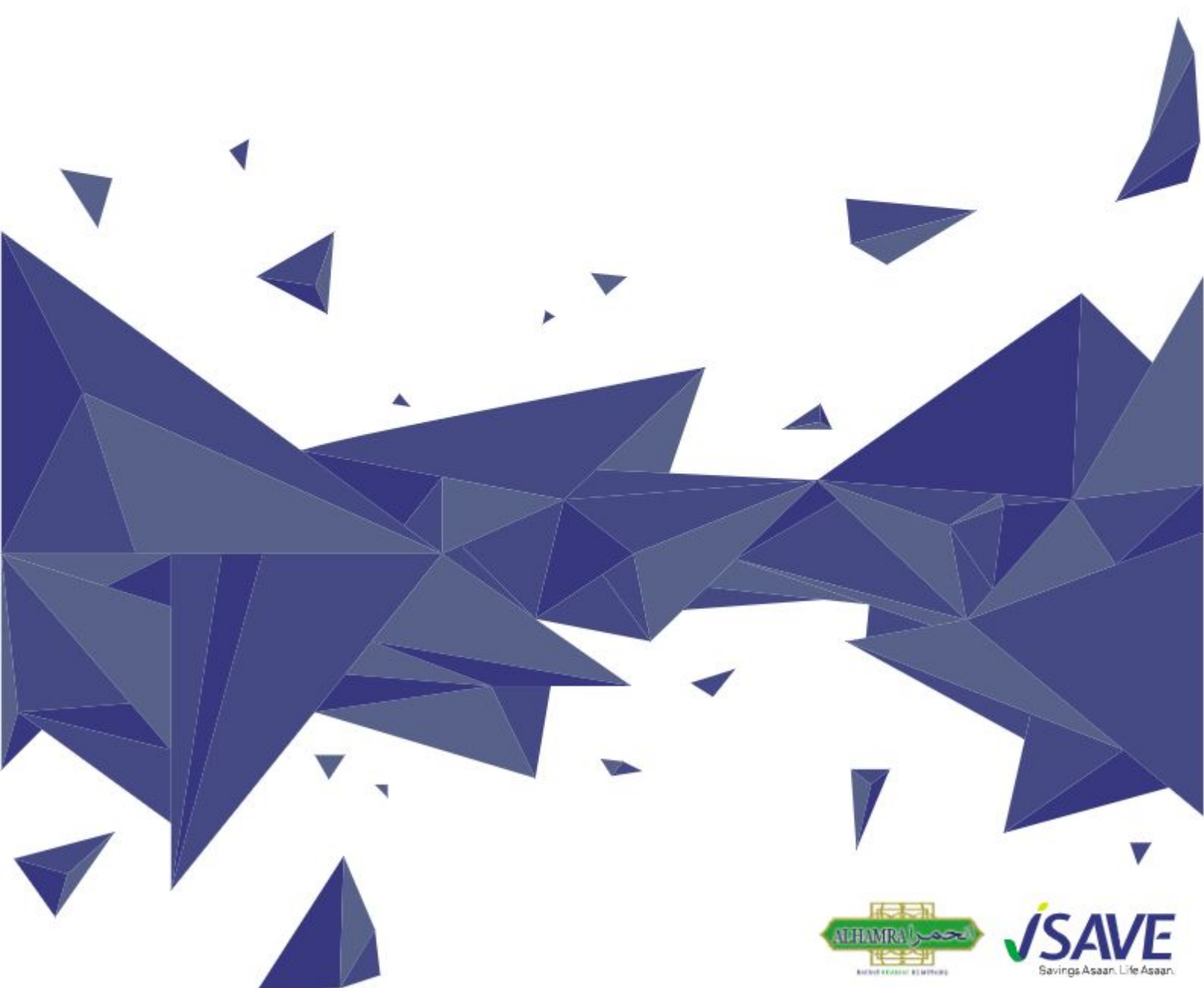


MCB FUNDS  
Investments for Life

# QUATERLY REPORT

SEPTEMBER  
**2024**  
(UNAUDITED)

Funds Under Management of  
MCB Investment Management Limited



# **PAKISTAN CASH MANAGEMENT FUND**

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## FUND'S INFORMATION

<b>Management Company</b>	<b>MCB Investment Management Limited</b> Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
<b>Board of Directors</b>	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
<b>Audit Committee</b>	Syed Savail Meekal Hussain Mr. Ahmed Jahangir Mr. Manzar Mushtaq	Chairman Member Member
<b>Human Resource &amp; Remuneration Committee</b>	Mr. Fahd Kamal Chinoy Mr. Ahmed Jahangir Mr. Shoaib Mumtaz Ms. Mavra Adil Khan Mr. Khawaja Khalil Shah	Chairman Member Member Member Member
<b>Credit Committee</b>	Mr. Ahmed Jahangir Mr. Manzar Mushtaq Syed Savail Meekal Hussain Mr. Khawaja Khalil Shah	Member Member Member Member
<b>Chief Executive Officer</b>	Mr. Khawaja Khalil Shah	
<b>Chief Operating Officer &amp; Chief Financial Officer</b>	Mr. Muhammad Asif Mehdi Rizvi	
<b>Company Secretary</b>	Mr. Altaf Ahmad Faisal	
<b>Trustee</b>	<b>Digital Custodian Company Limited</b> 4th Floor, Pardesi House, Old Queens Road, Karachi, Pakistan Ph: (92-21) 32419770 Fax: (92-21) 32416371 Web: www.digitalcustodian.com	
<b>Bankers</b>	MCB Bank Limited Habib Metropolitan Bank Limited Bank Al-Falah Limited Allied Bank Limited Bank Al-Habib Limited Zarai Taraqiat Bank Limited Habib Bank Limited Faysal Bank Limited	
<b>Auditors</b>	<b>Yousuf Adil</b> Chartered Accountants Cavish Court, A-35, Block 7 & 8 KCHSU, Shahrah-e-Faisal, Karachi-75350.	
<b>Legal Advisor</b>	<b>Bawane &amp; Partners</b> 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
<b>Rating</b>	<b>AM1</b> Asset Manager Rating assigned by PACRA	
<b>Transfer Agent</b>	<b>MCB Investment Management Limited</b> Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	



## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2024

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Dear Investor,

On behalf of the Board of Directors, I am pleased to present **Pakistan Cash Management Fund** accounts review for the quarter ended September 30, 2024.

### **Economy Review**

The new fiscal year began on a positive note with the government securing a staff-level agreement with the IMF for a 37-month Extended Fund Facility (EFF) worth approximately USD 7.0 billion. However, the formal approval was delayed due to the government's struggle to secure debt rollovers from friendly countries. After Pakistan fulfilled all preconditions the IMF Executive Board approved the program on September 27, 2024. Subsequently, the State Bank of Pakistan (SBP) received the first tranche of USD 1.0 billion, bolstering foreign exchange reserves and strengthening the currency as the USD/PKR parity appreciated by 0.2% in the quarter to close at 277.7.

The country posted a current account deficit (CAD) of USD 171mn in the first two months of the fiscal year 2025 (2MFY25) declining by 81% YoY compared to a deficit of USD 893mn in the corresponding period last year. The major contributor towards improving CAD was the remittances inflows which skyrocketed by 44.0% to USD 1.8bn. Trade Deficit increased by 21.7% YoY as exports rose by 7.2% while imports increased by 13.8% from a low base. The country's external position improved with SBP's foreign exchange reserves increasing to USD 10.7bn as of Sep-24 end compared to USD 9.4bn at the end of last fiscal year. This was on account of flows from IMF and multilateral sources.

Headline inflation represented by CPI averaged 9.2% during 1QFY25 compared to 29.0% in the corresponding period last year. This sharp decline was driven by the currency's stability over the past nine months, a substantial drop in food prices aligning with global trends, and a reduction in international oil prices, which eased local fuel costs. Additionally, the base effect further contributed to the lower inflation figures.

As per the revised numbers the country's GDP grew by 2.5% in the financial year 2023-24 as compared to -0.2% last year. Agriculture grew by 6.4%, Services sector grew by 2.2% while industrial sector witnessed a decline of 1.2%. Historic high interest rates and inflation coupled with political uncertainty were the major culprits behind the subdued industrial and services output. On the fiscal side, FBR tax collection increased by 25.2% in 1QFY25 to PKR 2,556 billion, missing the target by PKR 96 billion.

### **FUND PERFORMANCE**

During the period under review, the fund generated an annualized return of 19.93% as against its benchmark return of 18.39%.

The fund's exposure remained majorly tilted towards T-Bills at period end.

The Net Assets of the Fund as at September 30, 2024 stood at Rs. 11,768 million as compared to Rs. 26,970 million as at June 30, 2024 registering a decrease of 56.4%.

The Net Asset Value (NAV) per unit as at September 30, 2024 was Rs. 50.5802 as compared to 50.4678 at June 30, 2024 registering an increase of 0.1124 per unit.



## **REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

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### **Economy & Market – Future Outlook**

Pakistan's GDP growth is projected to inch up to 2.8% in FY25, compared to 2.5% last year. The industrial and services sectors are expected to expand by 3.5% and 3.0%, respectively, driven by a gradual recovery in demand and the base effect. However, agricultural growth is likely to remain modest at 1.9%, constrained by the high base effect and flood-related damage to the cotton crop.

The new IMF program is a key positive as it will allow us to tap funding from bilateral and multilateral sources. We expect SBP reserves to increase to USD 12.7bn by year end on the back of flows from friendly countries, IMF and multilateral agencies. However, our external position still remains precarious as we are unlikely to issue international Eurobond or Sukuk owing to the challenging global conditions. The proceeds from FDI and RDA are also likely to remain muted owing to the current economic challenges. Thus, we would have to ensure a sustainable current account this year to stave off external concerns. We expect a CAD of USD 0.6bn (0.1% of GDP) in FY25 as policy of consolidation is likely to continue under the IMF umbrella. We are of the view that improvement in exports and remittances and increased comfort on the external side after entering into the IMF program will keep currency stable in the near term. We expect marginal currency depreciation this year with USD/PKR expected to close Jun-25 around 289.4.

The inflation reading has started to come down due to base effect and relatively stable currency. The headline inflation number in September 2024 clocked of 6.9% compared to a high of 38.0% in May 2023. This was the lowest reading in the last 44 months. The core inflation also remained on a declining trajectory, clocking at 10.4% (29 months low). We expect inflation to further decelerate in the coming months as base effect will become more pronounced. We anticipate CPI to average around 6.8% in FY25 compared to 23.9% in FY24. As the real interest rate remains significantly positive we foresee further interest cuts, expecting policy rate to decline around 13.0% by June 25.

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 further monetary easing in the near term.

### **Mutual Fund Industry Review**

The Net Assets of the open-end mutual funds industry increased by about 13.9% during 1QFY25 to PKR 2,931bn. Total money market funds grew by about 0.2% since Jun-24. Within the money market sphere, conventional funds showed a growth of 19.4% to PKR 751bn while Islamic funds declined by 17.7% to PKR 559bn. In addition, the total fixed Income and Fixed Rate funds increased by about 35.1% since Jun-24 to PKR 1,298bn while Equity and related funds increased by 5.6% to PKR 270bn.

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2024

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In terms of the segment share, Money Market funds were the leader with a share of around 44.7%, followed by Income and fixed return funds with 44.3% and Equity and Equity related funds having a share of 9.2% as at the end of Sep-24.

### **Mutual Fund Industry Outlook**

Interest rates trajectory and expectations of further monetary easing shall continue to attract inflows in longer tenor instrument linked funds including Sovereign Funds and Income Funds. Money market funds should also benefit from higher liquidity as they are ideal for investors with a short-term horizon and low risk profile. With improved external account post agreement with IMF, long-term investors may look to add equity exposure at these highly attractive levels. 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.

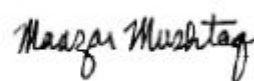
### **ACKNOWLEDGMENT**

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  
October 21, 2024



**Manzar Mushtaq**  
Director  
October 21, 2024



## ڈائریکٹرز رپورٹ

سیگمنٹ شیئر کے لحاظ سے، منی مارکیٹ فنڈز تقریباً 44.7 فیصد کے شیئر کے ساتھ سرفہرست تھے، اس کے بعد انکم اور فکسلڈ ریٹرن فنڈز 44.3 فیصد کے ساتھ اور ایکویٹی اور ایکویٹی سے متعلقہ فنڈز کا حصہ ستمبر 24 کے آخر تک 9.2 فیصد تھا۔

### میوچل فنڈ انڈسٹری آؤٹ لک

شرح سود کی رفتار اور مزید مالیاتی نرمی کی توقعات طویل مدتی انسٹرومنٹ سے منسلک فنڈز بشمول Sovereign Funds اور Income Funds میں آمد کو راغب کرتی رہیں گی۔ منی مارکیٹ فنڈز کو بھی زیادہ لیکویڈیٹی سے فائدہ اٹھانا چاہیے کیونکہ یہ قلیل مدتی افق اور کم رسک پروفائل والے سرمایہ کاروں کے لیے مثالی ہیں۔ IMF کے ساتھ بہتر ایکسٹرنل اکاؤنٹ پوسٹ ایگریمنٹ کے ساتھ، طویل مدتی سرمایہ کاران انتہائی پرکشش سطحوں پر ایکویٹی میں سرمایہ کاری کرنے کی کوشش کریں گے۔ ہمارے کام بغیر کسی رکاوٹ کے جاری 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۔

### اعتراف

بورڈ فنڈ کے قابل قدر سرمایہ کاروں، سیکورٹیز 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،

*Mazhar Mushtaq*

منظر مشتاق

ڈائریکٹر

21 اکتوبر، 2024

*خواجہ خلیل شاہ*

خواجہ خلیل شاہ

چیف ایگزیکٹو آفیسر

21 اکتوبر، 2024



FDI اور RDA سے حاصل ہونے والی آمدنی کا بھی موجودہ معاشی چیلنجوں کی وجہ سے خاموش رہنے کا امکان ہے۔ اس طرح، ہمیں بیرونی خدشات کو دور کرنے کے لیے اس سال ایک پائیدار کرنٹ اکاؤنٹ کو یقینی بنانا ہوگا۔ ہم FY25 میں USD 0.6 بلین (GDP کا 0.1 فیصد) کی CAD کی توقع کرتے ہیں کیونکہ IMF کی چھتری کے تحت استحکام کی پالیسی جاری رہنے کا امکان ہے۔ ہمارا خیال ہے کہ برآمدات اور ترسیلات زر میں بہتری اور آئی ایم ایف پروگرام میں داخل ہونے کے بعد بیرونی طرف سے استحکام میں اضافہ ہوگا اور قریب مدت میں کرنسی کو مستحکم رکھے گا۔ ہمیں توقع ہے کہ اس سال کرنسی کی قدر میں معمولی کمی PKR/USD کو جون 2025 کے قریب 289.4 پر بند کرے گی۔

بنیادی اثر اور نسبتاً مستحکم کرنسی کی وجہ سے افراط زر کی شرح میں کمی آنا شروع ہو گئی ہے۔ ستمبر 2024 میں ہیڈ لائن افراط زر کی تعداد مئی 2023 میں 38.0 فیصد کی بلند ترین شرح کے مقابلے میں 6.9 فیصد تک پہنچ گئی۔ یہ پچھلے 44 مہینوں میں سب سے کم ریڈنگ تھی۔ بنیادی افراط زر بھی گرتی ہوئی رفتار پر رہا، جو 10.4 فیصد (29 ماہ کی کم ترین سطح) پر پہنچ گیا۔ ہمیں توقع ہے کہ آنے والے مہینوں میں افراط زر مزید کم ہو جائے گا کیونکہ بنیادی اثر مزید واضح ہو جائے گا۔ ہم توقع کرتے ہیں کہ مالی سال 24 میں 23.9 فیصد کے مقابلے میں مالی سال 25 میں CPI اوسطاً 6.8 فیصد رہے گا۔ چونکہ حقیقی شرح سود نمایاں طور پر مثبت رہتی ہے، ہم مزید سود میں کٹوتیوں کی پیش گوئی کرتے ہیں، جون 2025 تک پالیسی کی شرح تقریباً 13.0 فیصد کم ہونے کی توقع رکھتے ہیں۔

قرض ہولڈرز کے لیے، ہم توقع کرتے ہیں کہ منی مارکیٹ فنڈز سال بھر میں بغیر کسی رکاوٹ کے پالیسی شرحوں کے آئینہ دار 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 حکومتی بانڈز شامل کیے ہیں تاکہ مستقبل قریب میں متوقع مزید مالیاتی نرمی سے فائدہ اٹھایا جاسکے۔

#### میوچل فنڈ انڈسٹری کا جائزہ

اوپن اینڈ میوچل فنڈز انڈسٹری کے خالص اثاثے 1QFY25 کے دوران تقریباً 13.9 فیصد بڑھ کر 2,931 PKR بلین ہو گئے۔ 24 جون سے کل منی مارکیٹ فنڈز میں تقریباً 0.2 فیصد اضافہ ہوا۔ منی مارکیٹ کے دائرے میں، روایتی فنڈز 19.4 فیصد اضافے کی وجہ سے 751 PKR بلین ہو گئے جبکہ اسلامی فنڈز نے 17.7 فیصد کمی کی وجہ سے 559 PKR بلین ہو گئے۔ مزید برآں، کل فکسڈ انکم اور فکسڈ ریٹ فنڈز جون 24 سے تقریباً 35.1 فیصد بڑھ کر 1,298 بلین ہو گئے جبکہ ایکویٹی اور متعلقہ فنڈز 5.6 فیصد بڑھ کر 270 PKR بلین ہو گئے۔

## ڈائریکٹر رپورٹ

میں 2.5 فیصد اضافہ ہوا۔ زراعت میں 6.4 فیصد اضافہ ہوا، خدمات کے شعبے میں 2.2 فیصد اضافہ ہوا جبکہ صنعتی شعبے میں 1.2 فیصد کمی دیکھی گئی۔ صنعتی اور خدمات کے آؤٹ پٹ میں کمی کے پیچھے تاریخی بلند شرح سود اور مہنگائی کے ساتھ سیاسی غیر یقینی صورتحال سب سے بڑے مجرم تھے۔ مالیاتی پہلو پر، FBR کی ٹیکس وصولی 1QFY25 میں 25.2 فیصد بڑھ کر 2,556 بلین روپے ہو گئی، جو ہدف 96 ارب روپے سے کم ہے۔

### فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران، فنڈ نے 18.39 فیصد بینچ مارک ریٹرن کے مقابلے میں 19.93 فیصد کار ریٹرن دیا۔

مدت کے اختتام میں فنڈ کی سرمایہ کاری بڑی حد تک ٹی بلز کی طرف جھکی رہی۔

30 جون 2024 تک فنڈ کے خالص اثاثے 26,970 بلین روپے تھے جب کہ 30 ستمبر 2024 کو یہ 11,768 بلین روپے رہے جو 56.4 فیصد کمی کو ظاہر کرتے ہیں۔

30 جون 2024 اوپننگ نیٹ اثاثہ (NAV) کی قیمت فی یونٹ 50.4678 روپے تھی جب کہ 30 ستمبر 2024 کو یہ فی یونٹ 50.5802 روپے رہی جو 0.1124 روپے فی یونٹ کے اضافے کو ظاہر کرتی ہے۔

### معیشت اور مارکیٹ - مستقبل کا آؤٹ لک

پاکستان کی جی ڈی پی کی شرح نمو FY 25 میں 2.8 فیصد تک رہنے کا امکان ہے، جو کہ گزشتہ سال 2.5 فیصد تھی۔ صنعتی اور خدمات کے شعبوں میں پالترتیب 3.5 فیصد اور 3.0 فیصد کی توسیع متوقع ہے، جس کی وجہ طلب میں بتدریج بحالی اور بنیادی اثر ہے۔ تاہم، زرعی نمو 1.9 فیصد پر معمولی رہنے کا امکان ہے، جو کہ اعلیٰ بنیادی اثر اور کپاس کی فصل کو سیلاب سے متعلقہ نقصانات کی وجہ سے محدود ہے۔

آئی ایم ایف کا نیا پروگرام کلیدی مثبت ہے کیونکہ یہ ہمیں دو طرفہ اور کثیر جہتی ذرائع سے فنڈنگ حاصل کرنے کی اجازت دیتا ہے۔ ہم توقع کرتے ہیں کہ دوست ممالک، آئی ایم ایف اور کثیر جہتی ایجنسیوں کی جانب سے آنے والے بہاؤ کی وجہ سے سال کے آخر تک SBP کے ذخائر بڑھ کر 12.7 بلین ہو جائیں گے۔ تاہم، ہماری بیرونی پوزیشن اب بھی غیر یقینی ہے کیونکہ ہم چیلنجنگ عالمی حالات کی وجہ سے بین الاقوامی یورو بانڈ یا سکوک جاری کرنے کا امکان نہیں رکھتے ہیں۔

پیارے سرمایہ کار،

بورڈ آف ڈائریکٹرز کی جانب سے، مجھے پاکستان کیش مینجمنٹ فنڈ کے 30 ستمبر 2024 کو ختم ہونے والی سہ ماہی کے اکاؤنٹس کا جائزہ پیش کرتے ہوئے خوشی ہو رہی ہے۔

### معیشیت کا جائزہ

نئے مالی سال کا آغاز مثبت ہوا جب حکومت نے IMF کے ساتھ 37 ماہ کے توسیعی فنڈ سہولت (EFF) کے لیے تقریباً 7.0 بلین امریکی ڈالر کا اسٹاف لیول معاہدہ کیا۔ تاہم، حکومت کی جانب سے دوست ممالک سے قرضوں کی واپسی کے لیے جدوجہد کی وجہ سے رسمی منظوری میں تاخیر ہوئی۔ پاکستان کی جانب سے تمام پیشگی شرائط پوری کرنے کے بعد IMF کے ایگزیکٹو بورڈ نے 27 ستمبر 2024 کو پروگرام کی منظوری دی۔ اس کے بعد، اسٹیٹ بینک آف پاکستان (SBP) کو 1.0 بلین امریکی ڈالر کی پہلی قسط موصول ہوئی، جس سے زرمبادلہ کے ذخائر میں اضافہ ہوا اور کرنسی کو PKR/USD کے طور پر مضبوط کیا گیا جس کی برابری سہ ماہی میں 0.2 فیصد سے بڑھ کر 277.7 پر بند ہوئی۔

ملک نے مالی سال 2025 (2MFY25) کے پہلے دو مہینوں میں 171 USD بلین کا کرٹ اکاؤنٹ خسارہ (CAD) پوسٹ کیا جس میں گزشتہ سال کی اسی مدت میں 893 USD بلین کے خسارے کے مقابلے میں 81 فیصد YoY کی کمی واقع ہوئی۔ CAD کو بہتر بنانے میں سب سے بڑا حصہ ترسیلات زر کا تھا جو 44.0 فیصد اضافے سے 1.8 USD بلین تک پہنچ گیا۔ تجارتی خسارے میں سالانہ 21.7 فیصد اضافہ ہوا جیسا کہ برآمدات میں 7.2 فیصد اضافہ ہوا جبکہ کم بنیاد درآمدات میں 13.8 فیصد اضافہ ہوا۔ SBP کے زرمبادلہ کے ذخائر گزشتہ مالی سال کے آخر میں 9.4 USD بلین کے مقابلے میں ستمبر 2024 کے آخر تک بڑھ کر 10.7 USD بلین تک پہنچے جو ملک کی بیرونی پوزیشن میں بہتری کا سبب بنے۔ یہ آئی ایم ایف اور کثیر جہتی ذرائع سے آنے والے بہاؤ کی وجہ سے تھا۔

QFY25 کے دوران CPI کی طرف سے پیش کردہ ہیڈ لائن افراط زر کی اوسط 9.2 فیصد رہی جو پچھلے سال کی اسی مدت میں 29.0 فیصد تھی۔ اس تیزی سے گراؤ کی وجہ گزشتہ نو مہینوں کے دوران کرنسی کے استحکام، عالمی رجحانات کے مطابق خوراک کی قیمتوں میں خاطر خواہ کمی، اور تیل کی بین الاقوامی قیمتوں میں کمی، جس سے ایندھن کی مقامی قیمتوں میں نرمی آئی ہے۔ مزید برآں، بنیادی اثر نے افراط زر کے کم اعداد و شمار میں مزید حصہ ڈالا۔

نظر ثانی شدہ اعداد کے مطابق مالی سال 2024-2023 میں ملک کی جی ڈی پی میں گزشتہ سال -0.2 فیصد کے مقابلے



# CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2024

	Note	Un-Audited September 30, 2024 ----- (Rupees in '000) -----	Audited June 30, 2024
<b>ASSETS</b>			
Balances with banks	4	806,157	15,900,249
Investments	5	10,947,910	11,053,642
Advances, prepayments and profit receivable		40,821	86,092
<b>Total assets</b>		<b>11,794,888</b>	<b>27,039,983</b>
<b>LIABILITIES</b>			
Payable to MCB Investment Management Limited -Management Company - net	6.	12,434	37,153
Payable to the Digital Custodian Company Limited		575	566
Payable to the Securities and Exchange Commission of Pakistan		691	1,367
Accrued and other liabilities	8	13,571	31,205
<b>Total liabilities</b>		<b>27,271</b>	<b>70,291</b>
<b>NET ASSETS</b>		<b>11,767,617</b>	<b>26,969,692</b>
<b>Unit holders' fund (as per statement attached)</b>		<b>11,767,617</b>	<b>26,969,692</b>
<b>Contingencies and commitments</b>	9		
<b>NUMBER OF UNITS IN ISSUE</b>			
		<b>232,652,788</b>	<b>534,394,054</b>
<b>NET ASSET VALUE PER UNIT</b>			
		<b>50.5802</b>	<b>50.4678</b>

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

For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

# CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2024

	For the quarter ended	
Note	September 30, 2024	September 30, 2023
	----- (Rupees in '000) -----	
<b>INCOME</b>		
Profit on bank deposits	84,474	72,155
Capital gain on sale of investments - net	20,799	102,683
Income from government securities	505,806	799,704
Income from Sukuk Certificates	10,078	-
Unrealised appreciation / (diminution) on remeasurement of investments classified as financial assets at fair value through profit or loss - net	40,329	(1,745)
Income on letter of Placements and term deposit receipt	15,331	81,321
<b>Total income</b>	<b>676,817</b>	<b>1,054,118</b>
<b>EXPENSES</b>		
Remuneration of the Management Company	36,171	41,342
Sales tax on remuneration of the Management Company	5,426	5,374
Allocated expenses (including indirect taxes)	499	1,172
Marketing And Selling Expense	-	16,943
Remuneration of the Digital Custodian Company Limited Trustee	1,500	1,516
Sales tax on remuneration of the Trustee	225	197
Annual fee to Securities and Exchange Commission of Pakistan	2,418	3,639
Auditors' remuneration	179	173
Brokerage, settlement and bank charges	967	1,133
Legal and other professional charges	87	79
Fee and Subscription	148	135
Printing and stationery	25	25
<b>Total expenses</b>	<b>47,645</b>	<b>71,728</b>
<b>Net income for the period before taxation</b>	<b>629,172</b>	<b>982,390</b>
Taxation	10 -	-
<b>Net income for the period after taxation</b>	<b>629,172</b>	<b>982,390</b>
<b>Allocation of net income for the period:</b>		
Net income for the period after taxation	629,172	982,390
Income already paid on units redeemed	(154,098)	-
	<b>475,074</b>	<b>982,390</b>
<b>Accounting income available for distribution:</b>		
- Relating to capital gains	50,904	100,938
- Excluding capital gains	424,170	881,452
	<b>475,074</b>	<b>982,390</b>

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

For MCB Investment Management Limited  
(Management Company)

  
\_\_\_\_\_  
Chief Executive Officer

  
\_\_\_\_\_  
Chief Financial Officer

  
\_\_\_\_\_  
Director

**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

	For the quarter ended	
	September 30, 2024	September 30, 2023
	----- (Rupees in '000) -----	
<b>Net income for the period after taxation</b>	<b>629,172</b>	<b>982,390</b>
Other comprehensive income for the period	-	-
<b>Total comprehensive income for the period</b>	<b><u>629,172</u></b>	<b><u>982,390</u></b>

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

For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director



# CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2024

	September 30, 2024			September 30, 2023		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
(Rupees in '000)						
<b>Net assets at beginning of the year</b>	26,955,761	13,931	26,969,692	17,466,010	13,931	17,479,941
Issuance of 167,338,011 (2023: 803,660,705) units						
- Capital value (at ex-net assets value per unit at beginning of the period)	8,445,198		8,445,198	40,559,005		40,559,005
	8,445,198		8,445,198	40,559,005		40,559,005
Redemption of 469,079,277 (2023: 826,830,923) units						
- Capital value (at ex-net assets value per unit at beginning of the period)	23,673,399		23,673,399	41,728,338		41,728,338
- Element of income	-	154,098	-	-	-	-
	23,673,399	154,098	23,673,399	41,728,338	-	41,728,338
Total comprehensive income for the period	-	629,172	629,172	-	982,390	982,390
Total Distribution for the period	-	(603,046)	(603,046)	-	(982,390)	(982,390)
Total distributions during the period	-	(603,046)	(603,046)	-	(982,390)	(982,390)
<b>Net assets at end of the period</b>	<b>11,727,560</b>	<b>(114,041)</b>	<b>11,767,617</b>	<b>16,296,677</b>	<b>13,931</b>	<b>16,310,608</b>
<b>Undistributed income / (loss) brought forward</b>						
- Realised	15,273			39,901		
- Unrealised	(1,342)			(25,970)		
	13,931			13,931		
Accounting income available for distribution:						
- Relating to capital gains	50,904			102,683		
- Excluding capital gains	424,170			879,707		
	475,074			982,390		
Distributions during the period	(603,046)			(982,390)		
<b>Undistributed income carried forward</b>	<b>(114,041)</b>			<b>13,931</b>		
<b>Undistributed income carried forward:</b>						
- Realised	(154,370)			15,676		
- Unrealised	40,329			(1,745)		
	(114,041)			13,931		
	(Rupees)			(Rupees)		
<b>Net assets value per unit at beginning of the period</b>	<b>50.4678</b>			<b>50.4678</b>		
<b>Net assets value per unit at end of the period</b>	<b>50.5802</b>			<b>50.4678</b>		

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

For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

# CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2024

Note	For the quarter ended	
	September 30, 2024	September 30, 2023
	----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period after taxation	629,172	982,390
<b>Adjustments for:</b>		
Unrealised appreciation /(diminution) on re-measurement of investments at fair value through profit or loss - net	(40,329)	1,745
	588,843	984,135
<b>Decrease / (Increase) in assets</b>		
Investments - net	195,364	12,780,146
Advances, prepayments and profit receivable	45,271	37,542
	240,635	12,817,688
<b>(Decrease) / increase in liabilities</b>		
Payable to MCB Investment Management Limited - Management Company	(24,719)	(1,391)
Payable to the Digital Custodian Company Limited	9	18
Payable to the Securities and Exchange Commission of Pakistan	(676)	(2,032)
Payable against purchase of investment	-	(3,818,782)
Accrued and other liabilities	(17,634)	2,160
	(43,020)	(3,820,027)
<b>Net cashflow generated from operating activities</b>	786,458	9,981,796
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts from issuance of units net of refund of capital	8,445,198	40,559,005
Payments on redemption of units	(23,673,399)	(41,728,338)
Dividend paid	(603,046)	(982,390)
<b>Net cash used in financing activities</b>	(15,831,247)	(2,151,723)
<b>Net (decrease) / increase in cash and cash equivalents during the period</b>	(15,044,789)	7,830,073
Cash and cash equivalents at beginning of the period	15,900,249	3,647,425
<b>Cash and cash equivalents at end of the period</b>	11 855,460	11,477,498

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

For MCB Investment Management Limited  
(Management Company)

  
Chief Executive Officer

  
Chief Financial Officer

  
Director

## NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2024

### 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Pakistan Cash Management Fund (the Fund) was established under a Trust Deed executed between Arif Habib Investments Limited (now MCB Investment Management Limited) as Management Company and Habib Metropolitan Bank Limited as Trustee on February 08, 2008. The draft Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) vide its letter dated February 01, 2008 consequent to which the Trust Deed was executed on February 08, 2008. MCB Financial Services Limited has been appointed as trustee of the fund with effect from July 21, 2014. The Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on August 13, 2021 the above-mentioned Trust Deed had been registered under the Sindh Trust Act.
- 1.3 The Management Company of the Fund obtained the requisite license from the Securities and Exchange Commission of Pakistan (SECP) to undertake asset management services under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The registered office of the Management Company is situated at 2nd Floor, Adamjee House, I.I Chundrigar Road, Karachi, Pakistan.
- 1.4 The Fund is an open-ended mutual fund and has been categorised as "money market scheme" and is listed on the Pakistan Stock Exchange Limited. The Fund primarily invests in market treasury bills, short term Government instruments and reverse repurchase transactions against government securities.
- 1.5 Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.
- 1.6 The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of 'AM1' dated October 04, 2024 to the Management Company and has assigned stability rating of 'AA+(f)' dated September 06, 2024 to the Fund.
- 1.6 Title to the assets of the Fund is held in the name of Digital Custodian Company Limited as Trustee of the Fund.

### 2. BASIS OF PREPARATION

#### 2.1 Statement of compliance

- 2.1.1 This condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:
- International Financial Reporting Standards (IFRSs) 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
  - Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (The NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (The NBFC Regulations) and the requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, Part VIIIA of the repealed Companies Ordinance, 1984, the NBFC rules, the NBFC Regulations and requirements of the Trust Deed differ from the International Accounting Standard (IAS) 34, Interim Financial Reporting, the provisions of and directives issued under the Companies Act, 2017, Part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.



## NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2024

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- 2.1.2** This condensed interim financial information does not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the financial statements for the year ended 30 June 2024. The comparative in the statement of assets and liabilities presented in the condensed interim financial information as at 30 September 2024 have been extracted from the audited financial statements of the Fund for the year ended 30 June 2024, whereas the comparatives in the condensed interim income statement, condensed interim cash flow statement, condensed interim distribution statement and condensed interim statement of movement in unit holders' funds are stated from unaudited condensed interim financial information for the quarter ended 30 September 2023.
- 2.1.3** The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information is unaudited.
- 2.1.5** In compliance with schedule V of the NBFC Regulations the Directors of the Management Company, hereby declare that this condensed interim financial statement give a true and fair view of the state of affairs of the Fund.
- 2.1.6** This condensed interim financial information is presented in Pak Rupees which is the functional and presentation currency of the Fund
- 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT POLICIES**
- 3.1** The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2024. Amendments to certain existing standards and interpretations on approved accounting standards effective during the period were not relevant to the Fund's operations and did not have any impact on the accounting policies of the Fund and therefore not disclosed in this condensed interim financial information.
- 3.2** The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2023. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Funds for the year ended June 30, 2024.

# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2024

	Note	(Unaudited) September 30, 2024 (Rupees in '000)	(Audited) June 30, 2024 (Rupees in '000)
<b>4 BALANCES WITH BANKS</b>			
In current account		56	56
In deposit accounts	4.1	806,101	15,900,193
		<b>806,157</b>	<b>15,900,249</b>

4.1 These includes balance of Rs. 8.31 million (June 30, 2024: Rs. 9.137 million) maintained with MCB Bank Limited (a related party) that carries profit at 16% per annum (June 2024: 19.00% per annum). Other saving accounts of the Fund carry profit rates ranging from 19.50% to 21.25% per annum (June 2024: 19.00% to 21.10% per annum).

		(Unaudited) September 30, 2024 (Rupees in '000)	(Audited) June 30, 2024 (Rupees in '000)
<b>5 INVESTMENTS</b>			
Investments at fair value through profit or loss			
Government securities - Market treasury bills	5.1.1	10,410,215	11,053,642
Government securities - GOP Ijara Sukuk	5.1.2	87,695	-
Corporate Sukuk Certificates		450,000	-
Letter of Placements		-	-
		<b>10,947,910</b>	<b>11,053,642</b>

## 5.1.1 Government securities - Market treasury bills

Issues	Issue Date	Face value				As at September 30, 2024			Market value as a percent- age of net assets	Market value as a percent-age of total investments
		At July 01, 2024	Purchased during the period	Sales / matured during the period	As at September 30, 2024	Carrying value	Market value	(Unrealized) / appreciation		
(Rupees in '000)										
<b>*Treasury bills</b>										
- 3 months	August 22, 2024	-	250,000	250,000	-	-	-	-	0.00%	0.00%
- 3 months	July 11, 2024	-	1,890,000	1,890,000	-	-	-	-	0.00%	0.00%
- 3 months	May 2, 2024	-	1,000,000	1,000,000	-	-	-	-	0.00%	0.00%
- 3 months	August 8, 2024	-	350,000	300,000	50,000	49,256	49,303	47	0.42%	0.45%
- 3 months	May 16, 2024	-	1,000,000	1,000,000	-	-	-	-	0.00%	0.00%
- 3 months	June 13, 2024	4,500,000	-	4,500,000	-	-	-	-	0.00%	0.00%
<b>*Treasury bills</b>										
- 6 months	June 13, 2024	250,000	-	250,000	-	-	-	-	0.00%	0.00%
- 6 months	August 8, 2024	-	670,000	350,000	320,000	301,030	303,873	2,843	2.58%	2.78%
- 6 months	August 22, 2024	-	500,000	25,000	475,000	445,008	448,808	3,800	3.81%	4.10%
- 6 months	January 11, 2024	18,000	-	18,000	-	-	-	-	0.00%	0.00%
- 6 months	May 30, 2024	760,350	-	750,000	10,350	10,039	10,090	51	0.09%	0.09%
- 6 months	July 25, 2024	-	250,000	250,000	-	-	-	-	0.00%	0.00%
- 6 months	September 5, 2024	-	1,545,000	-	1,545,000	1,440,397	1,452,688	12,291	12.34%	13.27%
- 6 months	July 11, 2024	-	1,540,000	1,500,000	40,000	38,037	38,379	342	0.33%	0.35%
<b>*Treasury bills</b>										
- 12 months	January 11, 2024	-	5,010,000	4,000,000	1,010,000	960,096	969,069	8,973	8.24%	8.85%
- 12 months	October 19, 2023	-	8,405,000	5,200,000	3,205,000	3,180,513	3,180,732	219	27.03%	29.05%
- 12 months	November 30, 2023	400,000	23,000	-	423,000	410,554	412,377	1,823	3.50%	3.77%
- 12 months	December 28, 2023	-	2,602,000	2,500,000	102,000	97,627	98,383	756	0.84%	0.90%
- 12 months	November 16, 2023	1,390,000	371,100	361,100	1,400,000	1,368,721	1,372,354	3,633	11.68%	12.54%
- 12 months	November 2, 2023	3,340,500	763,000	2,000,000	2,103,500	2,070,781	2,074,159	3,378	17.63%	18.95%
- 12 months	December 14, 2023	-	500,000	500,000	-	-	-	-	0.00%	0.00%
- 12 months	January 25, 2024	-	200,000	200,000	-	-	-	-	0.00%	0.00%
- 12 months	July 13, 2023	47,000	-	47,000	-	-	-	-	0.00%	0.00%
<b>As at September 30, 2024</b>						<b>10,372,059</b>	<b>10,410,215</b>	<b>38,156</b>		
<b>As at June 30, 2024</b>						<b>10,131,010</b>	<b>10,129,328</b>	<b>(1,682)</b>		

## 5.1.2 Government securities - GOP Ijara Sukuk

Issues	Issue Date	Face value				As at September 30, 2024			Market value as a percent- age of net assets	Market value as a percent-age of total investments
		At July 01, 2024	Purchased during the period	Sales / matured during the period	As at September 30, 2024	Carrying value	Market value	(Discount-View) / appreciation		
(Rupees in '000)										
GOP Ijara-Fixed	August 16, 2024	-	50,000	-	50,000	43,992	44,355	363	0.38%	0.41%
GOP Ijara-Fixed	December 11, 2023	44,625	-	-	44,625	43,206	43,340	134	0.37%	0.40%
GOP Ijara-Fixed	September 18, 2024	-	250,000	250,000	-	-	-	-	0.00%	0.00%
GOP Ijara-Fixed	March 15, 2024	1,000,000	-	1,000,000	-	-	-	-	0.00%	0.00%
GOP Ijara-Variable	August 7, 2023	-	947,000	947,000	-	-	-	-	0.00%	0.00%
As at September 30, 2024						87,198	87,695	497		
As at June 30, 2024						923,974	924,314	340		

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

**5.1.3 Corporate Sukuk Certificates**

Name of Investee Company	Issue Date	Maturity Date	Profit rate	As at July 1, 2024	Purchased during the period	Matured during the period	As at September 30, 2024	Carrying Value	Market Value	Market Value as a percentage of total Investments
Ismail Industries Limited	20-Aug-24	20-Feb-25	1 month KIBOR+0.15%	-	450,000	-	450,000	450,000	450,000	4.11%
<b>Total as at September 30, 2024</b>								<b>450,000</b>	<b>450,000</b>	
<b>Total as at June 30, 2024</b>								-	-	

**5.1.4 Letter of Placements**

Name of Investee Company	Rating of Investee Company	Issue date	Profit rate	Face value			Carrying value	Market value	Market value as a percentage of total Investments
				As at July 1, 2024	Purchased during the period	Matured during the period			
Pak Oman Investment Company Limited	AAA	11-Jul-24	20.20%	-	720,000	720,000	-	-	0.00%
Pak Brunei Investment Company Limited	AAA	11-Jul-24	20.10%	-	1,050,000	1,050,000	-	-	0.00%
<b>Total as at September 30, 2024</b>									
<b>Total as at June 30, 2024</b>									



# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2024

	Note	(Unaudited) September 30, 2024 — (Rupees in '000) —	(Audited) June 30, 2024
<b>6. PAYABLE TO MANAGEMENT COMPANY</b>			
Remuneration payable to Management Company	6.1	10,378	16,372
Sindh Sales Tax payable on remuneration of Management Company	6.2	1,557	2,128
Allocated expenses payable (including indirect taxes)	6.3	499	1,458
Sale load payable		-	11
Selling and marketing payable		-	17,184
		<u>12,434</u>	<u>37,153</u>

6.1 As per the amendment in the offering document, the management company with effect from September 01, 2024 has charged management fee at the rate up to 1.75% of Net Assets of the scheme, calculated on a daily basis. Previously, the fund has charged management fee at the rate up to 10% of daily gross earnings of the scheme, calculated on a daily basis. The remuneration is paid to the Management Company on a monthly basis in arrears.

6.2 During the period, sales tax on management remuneration has been increased from 13% to 15%.

6.3 The Management Company has charged allocated expenses to the fund to the extent as it has think expedient on its discretion subject to not being higher than actual expenses. During the period, sales tax on allocated expenses has been charged at the rate of 15%.

## 7. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

	Note	(Unaudited) September 30, 2024 — (Rupees in '000) —	(Audited) June 30, 2024
Payable to the Securities and Exchange Commission of Pakistan		<u>691</u>	<u>1,367</u>
		<u>691</u>	<u>1,367</u>

7.1 In accordance with the NBFC Regulations 2008, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP). Accordingly, the fund has charged SECP fee at the rate of 0.075% of average Net Assets of the scheme, calculated on daily basis. The fee is paid to the commission on monthly basis in arrears.

	Note	(Unaudited) September 30, 2024 — (Rupees in '000) —	(Audited) June 30, 2024
<b>8. ACCRUED AND OTHER LIABILITIES</b>			
Provision for Federal Excise Duty payable on remuneration of the Management Company	7.1	11,933	11,933
Brokerage payable		437	120
Auditors' remuneration payable		651	472
Dividend Payable		-	17,786
Payable to legal advisor		33	39
Other payables		517	855
		<u>13,571</u>	<u>31,205</u>

7.1 There is no change in the status of Federal Excise Duty as reported in the annual financial statements of the Fund for the year ended June 30, 2024. Had the provision for FED not been made, the Net Asset Value of the Fund as at September 30, 2024 would have been higher by Re 0.05 (June 30, 2024: Rs 0.02) per unit.

## 9. CONTINGENCIES AND COMMITMENTS

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

## 10. TAXATION

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

	Note	(Unaudited) September 30, 2024 — (Rupees in '000) —	(Audited) June 30, 2024
<b>11. CASH AND CASH EQUIVALENTS</b>			
Bank Balances	4	806,157	15,900,249
Treasury bill - 3 months	5.1.1	49,303	4,341,533
		<u>855,460</u>	<u>20,241,782</u>

# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2024

## 12 TOTAL EXPENSE RATIO

The total expense ratio of the Fund from July 1, 2024 to September 30, 2024 is 1.48% (September 30, 2023: 1.47%) and this includes 0.26% (September 30, 2023: 0.2%) representing government levies on the Fund such as sales taxes, federal excise duties, annual fee to the SECP, etc.

## 13 TRANSACTIONS AND BALANCES OUTSTANDING WITH CONNECTED PERSONS / OTHER RELATED PARTIES

Related parties / connected persons of the Fund include the Management Company, other collective investment schemes managed by the Management Company, MCB Bank Limited being the Holding Company of the Management Company, 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 to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations and Trust Deed.

Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.

Details of transactions and balances at year end with related parties / connected persons are as follows:

### 13.1 Details of transactions with connected persons are as follows:

#### MCB Investment Management Limited - Management Company

	For the quarter ended September 30, 2024	September 30, 2023
Remuneration (including indirect taxes)	41,597	46,716
Allocated expenses (including indirect taxes)	499	1,172
Marketing And Selling Expense	-	16,943

#### Group / associated companies

##### MCB Bank Limited

Mark up on bank deposits	-	1,085
Bank charges	4	1

##### Digital Custodian Company Limited - Trustee

Remuneration (including indirect taxes)	1,725	1,713
Settlement Charges	29	-

September 30,  
2024

June 30,  
2024

(Rupees in '000)

### 13.2 Amounts outstanding at period end

#### MCB Investment Management Limited - Management Company

Remuneration payable	16,378	16,372
Sales tax on remuneration payable	1,557	2,128
Payable against allocated expenses (including indirect taxes)	499	1,458
Payable against Marketing And Selling expense	-	17,184
Sale Load Payable	-	11

#### Group / associated companies

##### MCB Bank Limited

Balances with bank	8,311	9,137
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##### Digital Custodian Company Limited - Trustee

Remuneration payable	500	501
Sales tax on remuneration payable	75	65

# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2024

## 13.3 Transactions during the period with connected persons / related parties in units of the Fund:

	September 30, 2024						
	As at July 01, 2024	Issued for cash	Redeemed	As at September 30, 2024	As at July 01, 2024	Issued for cash	Redeemed
	Units				(Rupees in '000)		
<b>Associated company</b>							
Pakistan Cables Ltd. Employees Provident Fund	239,193	11,200	-	250,393	12,072	565	-
Security General Insurance Company Ltd	11,062	394	-	11,396	555	20	-
<b>Key management personnel *</b>	-	99	99	-	-	5	5
<b>Unit holders holding 10% or more units *</b>	132,406,673	145,617,372	91,672,010	186,352,035	6,682,273	7,348,988	4,626,485

\* This reflects the position of related party / connected person status as at September 30, 2024

	September 30, 2023						
	As at July 01, 2023	Issued for cash	Redeemed	As at September 30, 2023	As at July 01, 2023	Issued for cash	Redeemed
	Units				(Rupees in '000)		
<b>Associated company</b>							
Pakistan Cables Ltd. Employees Provident Fund	21,196	1,120	-	22,316	1,070	57	-
Security General Insurance Company Ltd	9,284	420	-	9,704	469	21	-
Security General Insurance Co. Ltd- Employees Provident Fund Trust	210,286	11,245	-	221,531	10,613	568	-
Nishat Paper Products Company Limited Staff Provident Fund Trust	126,985	1,539	128,524	-	6,409	5,094	-
Nishat Power Limited	-	36,924,438	36,924,438	-	-	1,863,495	1,863,495
Pakistan Power Limited	68,750,653	192,111,781	260,862,433	1	3,469,694	9,695,459	13,165,153
<b>Key management personnel *</b>	1,180	343,202	344,382	-	60	17,321	17,380
<b>Unit holders holding 10% or more units *</b>	-	254,228,964	184,166,433	70,062,531	-	12,830,376	9,294,475

\* This reflects the position of related party / connected person status as at September 30, 2023.

## 14 FAIR VALUE MEASUREMENTS

Fair value is 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. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the statement of assets and liabilities date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

### Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Fund to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

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

## 15 Total Distribution

An amendment to the offering document, effective from September 27, 2024, revised the definition of a business day of the Fund. Under the amended definition, a business day is now any day on which banks are open in Pakistan. Previously, a business day was defined as any calendar day within the financial year of the Fund, with the condition that physical forms would be accepted within the cut-off timing when banks are open for business in Pakistan. Moreover, after the amendment, the Fund is no longer required to distribute dividends to unit holders on a daily basis.

During the quarter ended September 30, 2024, the Management Company, on behalf of the Fund, distributed and reinvested dividends on a daily basis from July 01, 2024, to September 26, 2024, with a cumulative amount of Rs. 603.046 million.

## 16 GENERAL

16.1 Figures have been rounded off to the nearest thousand rupees unless otherwise specified.

16.2 Corresponding figures have been reclassified and rearranged in these condensed interim financial statements, wherever necessary, for the purpose of better presentation. However, no significant rearrangements or reclassifications were made in these condensed interim financial statements to report.

## 17 DATE OF AUTHORISATION FOR ISSUE

These Financial Statements were authorised for issue on October 21, 2024 by the Board of Director of the Management Company

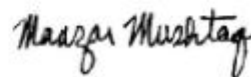
For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director



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