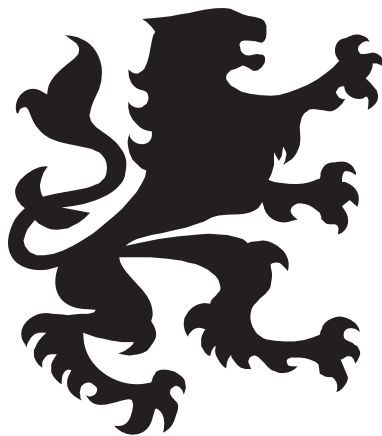


# LAKSON INCOME FUND

Quarterly Report (September 30, 2024)



**LAKSON INVESTMENTS**

WE MANAGE YOUR MONEY, AS WE MANAGE OUR OWN

## **CONTENTS**

Fund's Information	1
Review Report of the Directors of the Management Company (English)	3
Review Report of the Directors of the Management Company (Urdu)	6
Condensed Interim Statement of Assets and Liabilities	10
Condensed Interim Income Statement	11
Condensed Interim Statement of Comprehensive Income	12
Condensed Interim Statement of Movement in Unit Holders' Fund	13
Condensed Interim Cash Flow Statement	14
Notes to and forming part of the Condensed Interim Financial Information	15

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## ===== **Vision** =====

To be a top quartile provider of investment solutions to both individuals and institutions. Through the success of our clients and employees we seek to build sustainable and long-term shareholder value, and to be an employer of choice in the asset management industry.

## ===== **Mission** =====

To deliver superior performance as measured by market share parameters, high-quality service and a portfolio of innovative yet tailored products across a range of investment disciplines and distribution channels.

To provide a fulfilling, stimulating and supportive environment for our employees that fosters their personal growth and facilitates our productivity as a team.

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## **Fund's Information**

**Management Company**

Lakson Investments Limited  
Head Office  
Lakson Square, Building No.2,  
Sarwar Shaheed Road,  
Karachi-74200, Pakistan.  
Phone: (9221) 3840.0000  
Fax: (9221) 3568.1653  
Web site: [www.li.com.pk](http://www.li.com.pk)  
E-mail: [info@li.com.pk](mailto:info@li.com.pk)

**Board of Directors of  
the Management Company**

Mr. Iqbal Ali Lakhani - Chairman  
Mr. Babar Ali Lakhani - Chief Executive Officer  
Mr. Jamil Ahmed Mughal  
Mr. Amin Mohammed Lakhani

**Chief Financial Officer**

Mr. Junaid Arshad

**Company Secretary  
of the Management Company**

Ms. Nobia Shams

**Audit Committee**

Mr. Amin Mohammed Lakhani  
Mr. Iqbal Ali Lakhani  
Mr. Jamil Ahmed Mughal

**Human Resource and  
Remuneration Committee**

Mr. Iqbal Ali Lakhani - Chairman  
Mr. Babar Ali Lakhani

**Trustee**

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

**Auditors**

Yousuf Adil Chartered Accountants  
Cavish Court, A-35 Shahrah-e-Faisal,  
K.C.H.S.U Block 7 & 8 Bangalore Town,  
Karachi, Pakistan.

**Bankers to the Fund**

AlBaraka Bank Pakistan Limited  
Allied Bank Limited  
Askari Bank Limited  
Bank Alfalah Limited  
Dubai Islamic Bank Limited  
Faysal Bank Limited  
Finca Microfinance Bank Limited  
Habib Bank Limited  
Habib Metropolitan Bank Limited  
JS Bank Limited  
Mobilink Microfinance Bank Limited  
National Bank of Pakistan  
NRSP Microfinance Bank Limited  
Silk Bank Limited  
Sindh Bank Limited  
Telenor Microfinance Bank Limited  
U Microfinance Bank Limited  
United Bank Limited

**Legal Adviser**

Fazleghani Advocates  
F-72/I, Block 8, KDA-5,  
Kehkashan, Clifton,  
Karachi, Pakistan.

**Registrar**

Lakson Investments Limited  
Lakson Square Building No.2,  
Sarwar Shaheed Road,  
Karachi-74200, Pakistan

**Distributor**

Adam Securities  
Amir Noorani  
BMA Capital Management Limited  
Elixir Securities Pvt Limited  
Ismail Iqbal Securities  
Metro Capital Pvt Limited  
Pearl Securities Pvt Limited  
Pyramid Financial Consultants  
Rabia Fida  
Topline Securities Pvt Limited  
Vector Capital Pvt Limited

**Rating**

A+(f) Fund Stability Rating by PACRA  
AM2+ : Asset Manager Rating by PACRA

**LAKSON INCOME FUND**  
**REVIEW REPORT OF THE DIRECTORS' OF THE MANAGEMENT COMPANY**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

The Board of Directors of Lakson Investments Limited, the Management Company of the Lakson Income Fund ("LIF") is pleased to submit its review report together with Condensed Interim Financial Information for the period ended September 30, 2024.

**Fund Objective**

The investment objective of the Scheme is to provide competitive total returns through investment in a diversified portfolio of fixed income securities. The Scheme shall invest in various fixed income securities with a mix of short term, medium term, and longer-term maturities depending on the assessment by the Management Company of interest rate trends and prospective returns.

**Principal Activities**

The Fund is an open-end income fund and is listed on Pakistan Stock Exchange Limited. LIF invests in Investment-grade Debt Securities, Government Securities, Certificate of Investments, Clean Placements, Term Deposit Receipts, and other fixed income instruments. The overall duration of the portfolio is kept below 4 years while at least 25% of Net Assets are kept in the form of cash or Treasury Bills of maximum 90 days maturity. LIF is managed through a team-driven, top-down process utilizing active sector rotation, duration and yield curve management. Economic conditions are constantly monitored to forecast interest rate changes. The added value for LIF comes from identifying opportunities to shift investments between various maturities and between different instruments. LIF is allowed to borrow up to 15% of Net Assets to meet redemptions however LIF did not utilize this facility during the period under review.

**Fund Performance**

The LIF posted an annualized return of 37.55% in the 1QFY25 against the benchmark return of 16.95% p.a. The LIF outperformed by 20.6%. Asset allocation was concentrated mainly in cash at 4.1%, Commercial Paper at 1.2%, TFCs at 1%, Tbills at 61.9%, PIBs at 28.0% and others at 3.7%. The weighted average maturity (WAM) of the LIF portfolio stands at 473 days and fund size as of September 30, 2024 is PKR 12,890 mln.

**Earning per Unit (EPU)**

EPU has not been disclosed as we feel the determination of weighted average units for calculating EPU is not practicable for open end funds

**Economic Review**

Pakistan's economic trajectory remained positive in the third quarter of 2024, building upon the reforms initiated under the IMF Stand-by-Agreement in 2023. A key milestone was the approval of a 37-month Extended Fund Facility (EFF) from the IMF, providing a much-needed boost to the country's foreign exchange reserves. The current account deficit narrowed significantly during this period, even turning into a surplus in August due to increased remittances and a decline in trade deficits. Exports grew by 7% year-on-year, while imports rose by 14%. Remittances from overseas Pakistanis surged by 44%.

A combination of stable currency improved the current account balance, and support from international lenders led to a 26-month high in foreign exchange reserves, reaching \$9.5 billion in September.

The State Bank of Pakistan (SBP) continued its monetary easing policy, reducing the interest rate by 300 basis points to 17.5%. This decision was supported by a faster-than-expected decline in inflation, which fell to an average of 10.4% in July-August 2024 from 27.8% in the same period last year. In August, Pakistan achieved single-digit inflation for the first time in three years, primarily due to lower food prices, a stable currency, and declining international oil prices.

In recognition of positive developments, Moody's Ratings upgraded Pakistan's sovereign rating to Caa2 from Caa3, marking the first upgrade in nine years. The agency cited improved macroeconomic conditions, government liquidity, and external positions as key factors behind the rating increase.

### **Equity Market Review**

The KSE-100 index continued its upward trajectory in the third quarter of 2024, delivering a 3.4% return and bringing its year-to-date performance to 30%. The index reached a new all-time high of 82,248 points in September, buoyed by anticipation of the IMF's approval for the \$7 billion EFF. While foreign investors were net sellers during the quarter, with a net outflow of \$21.8 million, domestic investors, including mutual funds and individuals, stepped in to absorb the selling pressure. Mutual funds and individuals combined were net buyers with an inflow of \$66 million. Average trading volumes declined slightly in U.S. dollar terms but increased in terms of shares traded.

Sector-wise, pharmaceuticals, transport, and fertilizer outperformed the broader market, driven by strong corporate earnings and investor interest in high-dividend-yielding stocks. The power sector underperformed due to negative news regarding potential revisions to power companies' capacity purchase agreements.

### **Fixed Income Market Review**

The quarter ending September 2024 was characterized by significant volatility in the fixed income market, driven by strategic monetary policy adjustments and evolving inflation expectations. As we move forward, market participants will closely monitor the SBP's decisions and the implications for government securities, particularly as the next MPC meeting approaches. The potential for further rate cuts will continue to shape the investment landscape, making it a crucial period for fixed-income investors.

### **Future Outlook**

As we move into the fourth quarter of 2024, Pakistan's economic outlook appears cautiously optimistic, with real GDP growth expected to gradually rebound to 4.5% over FY25–27. This recovery will be supported by reduced fiscal drag, ongoing reforms, and improving financial conditions. The country's tight monetary and fiscal policies are anticipated to sustain disinflation, with inflation projected to align with the State Bank of Pakistan's target range of 5–7% by FY26, following a decline from a peak of 38% in May 2023 to 9.6% in August 2024.

The FY25 budget targets a primary surplus of 1% of GDP, aiming for a rise to 2% by the end of the program through enhanced revenue collection and tax measures. This fiscal consolidation is crucial for improving debt sustainability, with the current account deficit expected to remain modest at around 1% of GDP. Additionally, gross reserves are projected to increase to USD 22.5 billion by FY28, supported by multilateral disbursements. Structural reforms focusing on state-owned enterprises, governance, and trade liberalization will be essential for enhancing productivity and supporting long-term growth. Overall, while challenges remain, targeted policies and reforms position Pakistan for a gradual recovery and improved economic resilience in the coming quarters.

**Acknowledgement**

The Board is thankful to its valued investors, the Securities & Exchange Commission of Pakistan, the State Bank of Pakistan, the Trustee of the Fund – Central Depository Company of Pakistan Limited and the management of the Pakistan Stock Exchange Limited for their continued cooperation and support. The Directors of the Management Company also acknowledge the efforts put in by the team of the Management Company for the growth and the prudent management of the Fund.

For and on Behalf of the Board



**Chief Executive Officer**



**Director**

Dated: October 28, 2024



## لیکسن انکم فنڈ

30 ستمبر 2024ء کو ختم ہونے والی مدت کے لیے

مینجمنٹ کمپنی کے ڈائریکٹرز کی جائزہ رپورٹ

لیکسن انکم فنڈ ("LIF") کی مینجمنٹ کمپنی، لیکسن انویسٹمنٹس لمیٹڈ کے بورڈ آف ڈائریکٹرز کے لیے 30 ستمبر 2024ء کو ختم ہونے والی مدت کے لیے اپنی جائزہ رپورٹ مع مختصر عبوری مالیاتی معلومات پیش کرنا باعث مسرت ہے۔

### فنڈ کا مقصد

اس اسکیم کی سرمایہ کاری کا مقصد فلسفہ انکم سیکیورٹیز کے متنوع پورٹ فولیو میں سرمایہ کاری کے ذریعے مسابقتی مجموعی منافع جات فراہم کرنا ہے۔ یہ اسکیم مختصر مدتی، وسط مدتی اور طویل مدتی میچورٹیز کے امتزاج کے ساتھ مختلف فلسفہ انکم سیکیورٹیز میں سرمایہ کاری کرے گی، جس کا انحصار مینجمنٹ کمپنی کی جانب سے شرح سود کے رجحانات اور ممکنہ منافع کے تخمینے پر ہوگا۔

### نمایاں سرگرمیاں

LIF ایک اوپن اینڈ انکم فنڈ ہے اور پاکستان اسٹاک ایکسچینج لمیٹڈ میں لسٹڈ ہے۔ LIF انویسٹمنٹ گریڈ ڈیٹ سیکیورٹیز، گورنمنٹ سیکیورٹیز، سٹریٹفیکس آف انویسٹمنٹس، Clean Placements، ٹرم ڈپازٹ ریسیٹس اور دیگر فلسفہ انکم انسٹرومنٹس میں سرمایہ کاری کرتا ہے۔ پورٹ فولیو کا مجموعی دورانیہ 4 سال سے کم رکھا جاتا ہے اور خالص اثاثوں کا کم از کم 25% کیش یا زیادہ سے زیادہ 90 دن کی میچورٹی والے ٹریژری بلز کی شکل میں رکھا جاتا ہے۔ LIF کا نظم و نسق فعال سیٹلر گردش، دورانیہ اور yield curve management سے استفادہ کرتے ہوئے ٹیم کے بل بوتے پر پیش قدمی کرنے والے ٹاپ ڈاؤن پروسس کے ذریعے چلایا جاتا ہے۔ شرح سود میں تبدیلیوں کی پیش گوئی کے لیے معاشی صورت حال کی مسلسل نگرانی کی جاتی ہے۔ LIF کی قدر و قیمت میں اضافہ مختلف میچورٹیز اور مختلف انسٹرومنٹس کے درمیان سرمایہ کاری کو منتقل کرنے کے مواقع کی نشاندہی سے ہوتا ہے۔ LIF کوریڈر پمپشنز کی تکمیل کے لیے خالص اثاثوں کے 15% تک قرض لینے کی اجازت ہے، تاہم LIF نے اس سہولت کو زیر جائزہ مدت کے دوران استعمال نہیں کیا۔

### فنڈ کی کارکردگی

LIF نے سالانہ بینچ مارک منافع 16.95% کے مقابلے میں مالی سال 2025ء کی پہلی سہ ماہی میں 37.55% سالانہ منافع حاصل کیا۔ LIF نے 20.6% بہتر کارکردگی کا مظاہرہ کیا۔ اثاثوں کی تفویض بنیادی طور پر 4.1% کیش میں، 1.2% کمرشل

پیپر میں، 1% ٹی ایف سیز میں، 61.9% ٹی بلز میں، 28% پی آئی بیز میں اور 3.7% دیگر میں مرکوز رہی۔ LIF پورٹ فولیو کی تخمینہ شدہ اوسط میچورٹی 473 دن ہے جبکہ 30 ستمبر 2024ء کے مطابق فنڈ کا حجم 12,890 ملین روپے ہے۔

### فی یونٹ آمدنی (EPU)

فی یونٹ آمدنی (EPU) ظاہر نہیں کی گئی، کیوں کہ ہم محسوس کرتے ہیں کہ EPU شمار کرنے کے لیے موزوں اوسط یونٹس کا تعین اوپن اینڈ فنڈز کے لیے قابل عمل نہیں ہے۔

### معاشی جائزہ

2024ء کی تیسری سہ ماہی میں پاکستان کی معاشی سمت مثبت رہی جس کی بنیاد 2023 میں آئی ایم ایف اسٹینڈ بائی ایگریمنٹ کے تحت شروع کی گئی اصلاحات پر مبنی ہے۔ ایک اہم سنگ میل آئی ایم ایف سے 37 ماہ کی توسیعی فنڈ سہولت (ای ایف ایف) کی منظوری تھی، جس سے ملک کے زرمبادلہ کے ذخائر میں انتہائی ضروری اضافہ ہوا۔ اس عرصے کے دوران کرنٹ اکاؤنٹ خسارہ نمایاں طور پر کم ہوا، یہاں تک کہ ترسیلات زر میں اضافے اور تجارتی خسارے میں کمی کی وجہ سے اگست میں سرپلس میں تبدیل ہو گیا۔ برآمدات میں سال بہ سال 7 فیصد اضافہ ہوا جبکہ درآمدات 14 فیصد بڑھیں۔ بیرون ملک مقیم پاکستانیوں کی ترسیلات زر میں 44 فیصد اضافہ ہوا۔ مستحکم کرنسی اور بین الاقوامی قرض دہندگان کی جانب سے مدد کے امتزاج سے کرنٹ اکاؤنٹ بیلنس میں بہتری آئی اور زرمبادلہ کے ذخائر 26 ماہ کی بلند ترین سطح پر پہنچ گئے جو ستمبر میں 9.5 ارب ڈالر تک جا پہنچے تھے۔

اسٹیٹ بینک آف پاکستان (ایس بی پی) نے مانیٹری نرمی کی پالیسی جاری رکھتے ہوئے شرح سود میں 300 بیس پوائنٹس کی کمی کر کے اسے 17.5 فیصد کر دیا۔ اس فیصلے کو افراط زر میں توقع سے زیادہ تیزی سے کمی سے مدد ملی، جو جولائی تا اگست 2024 میں اوسطاً 10.4 فیصد تک گر گئی جو گزشتہ سال کے اسی عرصے میں 27.8 فیصد تھی۔ اگست میں، پاکستان نے تین سال میں پہلی بار افراط زر کی سنگل ڈیجٹ شرح حاصل کی، جس کی بنیادی وجہ کھانے پینے کی اشیاء کی قیمتوں میں کمی، مستحکم کرنسی اور تیل کی بین الاقوامی قیمتوں میں کمی ہے۔ مثبت پیش رفت کے اعتراف میں موڈیز ریٹنگز نے پاکستان کی خود مختار ریٹنگ کو "CAA3" سے بڑھا کر "CAA2" کر دیا، جو 9 سال میں پہلی اپ گریڈ ہے۔ ایجنسی نے درجہ بندی میں بہتری کے پس پردہ اہم عوامل کے طور پر بہتر میکرو اکنامک حالات، سرکاری لیکویڈیٹی اور بیرونی پوزیشنوں کا حوالہ دیا۔

### ایکویٹی مارکیٹ کا جائزہ

کے ایس ای 100 انڈیکس نے 2024 کی تیسری سہ ماہی میں بھی اپنی ترقی کا سفر جاری رکھا، اس نے 3.4 فیصد منافع دیا اور اس

کی ”سال بہ تاحال“ (year-to-date) کارکردگی 30 فیصد تک پہنچ گئی۔ آئی ایم ایف کی جانب سے 7 ارب ڈالر کے ”ای ایف ایف“ کی منظوری کی توقع کے سبب انڈیکس ستمبر میں 82 ہزار 248 پوائنٹس کی نئی بلند ترین سطح پر پہنچ گیا تھا جبکہ سہ ماہی کے دوران 21.8 ملین ڈالر کے خالص اخراج (نیٹ آؤٹ فلو) کے ساتھ غیر ملکی سرمایہ کار، خالص فروخت کنندہ (نیٹ سیلرز) تھے، میوچل فنڈز اور افراد سمیت ملکی سرمایہ کاروں نے فروخت کے دباؤ کو جذب کرنے کے لئے مداخلت کی۔ میوچل فنڈز اور افراد مشترکہ طور پر 66 ملین ڈالر کی سرمایہ کاری کے ساتھ خالص خریدار (نیٹ بائرز) تھے۔ امریکی ڈالر کے لحاظ سے اوسط تجارتی حجم میں قدرے کمی واقع ہوئی لیکن خرید و فروخت ہونے والے حصص کے لحاظ سے اضافہ ہوا۔

سیکٹر کے لحاظ سے فارماسیوٹیکل، ٹرانسپورٹ اور فریٹلائزر نے وسیع تر مارکیٹ کے مقابلے میں بہتر کارکردگی کا مظاہرہ کیا، جس کی وجہ مستحکم کارپوریٹ آمدنی اور زیادہ منافع دینے والے حصص میں سرمایہ کاروں کی دلچسپی ہے۔ پاور کمپنیوں کے کیپیسٹی پر چیز معاہدوں پر ممکنہ نظر ثانی سے متعلق منفی خبروں کی وجہ سے بجلی کے شعبے نے کمتر کارکردگی کا مظاہرہ کیا۔

### فلسفہ انکم مارکیٹ کا جائزہ

ستمبر 2024 کو ختم ہونے والی سہ ماہی کے دوران فلسفہ انکم مارکیٹ میں نمایاں اتار چڑھاؤ کی نشاندہی کی گئی، جس کی وجہ اسٹریٹجک مانیٹری پالیسی ایڈجسٹمنٹس اور افراط زر کی بڑھتی ہوئی توقعات تھیں۔ جیسے جیسے ہم آگے بڑھیں گے، مارکیٹ کے شرکاء اسٹیٹ بینک کے فیصلوں اور حکومتی سیکورٹیز کے لیے ان کے مضمرات پر گہری نظر رکھیں گے، خاص طور پر جب ”ایم پی سی“ کا اگلا اجلاس قریب آ رہا ہے۔ شرح سود میں مزید کمی کے امکانات سرمایہ کاری کے منظر نامے کو تشکیل دیتے رہیں گے، جس کی وجہ سے فلسفہ آمدنی والے سرمایہ کاروں کے لئے یہ ایک اہم وقت بن جائے گا۔

### مستقبل کا منظر نامہ

جیسا کہ ہم 2024 کی چوتھی سہ ماہی میں داخل ہو رہے ہیں، پاکستان کا معاشی منظر نامہ محتاط طور پر امید افزا دکھائی دیتا ہے، مالی سال 2025-2027 کے دوران جی ڈی پی کی حقیقی نمو بتدریج 4.5 فیصد تک بڑھنے کی توقع ہے۔ اس بحالی کو مالی مشکلات میں کمی، جاری اصلاحات اور مالی حالات میں بہتری سے مدد ملے گی۔ ملک کی سخت مالیاتی اور زرعی پالیسیوں کے سبب افراط زر میں کمی کا سلسلہ برقرار رہنے کا امکان ہے اور مالی سال 2026 تک افراط زر کی شرح اسٹیٹ بینک آف پاکستان کے 5-7 فیصد کے ہدف کی حد کے مطابق رکھنے کی توقع ہے، افراط زر مئی 2023 میں 38 فیصد کی بلند ترین سطح سے کم ہو کر اگست 2024 میں 9.6 فیصد پر آ گئی تھی۔

مالی سال 2025 کے بجٹ میں جی ڈی پی کے ایک فیصد کے پرائمری سرپلس کا ہدف رکھا گیا ہے، جس کا مقصد محصولات کی زائد وصولی اور ٹیکس اقدامات کے ذریعے پروگرام کے اختتام تک 2 فیصد تک اضافہ کرنا ہے۔ یہ مالیاتی استحکام قرضوں کی پائیداری کو بہتر بنانے کے

لئے اہم ہے، کرنٹ اکاؤنٹ خسارہ، جی ڈی پی کے تقریباً 1 فیصد تک، کم رہنے کی توقع ہے۔ مزید برآں مالی سال 2028ء تک کثیرالجهتی وصولیوں کی مدد سے مجموعی زرمبادلہ ذخائر بڑھ کر 22.5 ارب ڈالر تک پہنچنے کا امکان ہے۔ پیداواری صلاحیت بڑھانے اور طویل مدتی ترقی میں معاونت کے لئے سرکاری ملکیت کے اداروں، گورننس اور تجارت کو آزاد بنانے کے عمل (ٹریڈ لبرلائزیشن) پر مرکوز ڈھانچا جاتی (اسٹرکچرل) اصلاحات ضروری ہوں گی۔ مجموعی طور پر، اگرچہ چیلنجز بدستور موجود ہیں، اہدائی پالیسیاں اور اصلاحات پاکستان کو بتدریج بحالی اور آنے والی سہ ماہیوں کے دوران بہتر معاشی لچک دکھانے کی پوزیشن میں لے آئی ہیں۔

اظہار تشکر

بورڈ اپنے قابل قدر سرمایہ کاروں، سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اسٹیٹ بینک آف پاکستان، فنڈ کے ٹرسٹی سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ اور پاکستان اسٹاک ایکسچینج لمیٹڈ کی انتظامیہ کا ان کے مسلسل تعاون اور مدد پر شکریہ ادا کرتا ہے۔ مینجمنٹ کمپنی کے ڈائریکٹرز فنڈ کی ترقی اور دانشمندانہ انتظام و انصرام کے لیے مینجمنٹ کمپنی کی ٹیم کی کاوشوں کا بھی اعتراف کرتے ہیں۔

برائے و مخانب بورڈ

ڈائریکٹر

چیف ایگزیکٹو آفیسر

تاریخ: 28 اکتوبر 2024ء

**LAKSON INCOME FUND**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT SEPTEMBER 30, 2024**

		September 30 2024 (Unaudited)	June 30, 2024 (Audited)
	Note	(Rupees)	
<b>ASSETS</b>			
Bank balances	6	534,785,564	930,814,808
Investments	7	12,255,968,947	6,859,617,046
Mark-up accrued		113,813,441	57,315,139
Deposits, prepayments and other receivables		16,685,547	16,585,124
Receivable against sale of units		-	1,806,952
<b>TOTAL ASSETS</b>		<b>12,921,253,498</b>	<b>7,866,139,069</b>
<b>LIABILITIES</b>			
Payable to the Management Company	8	22,188,957	25,063,189
Payable to the Trustee		859,306	451,182
Annual fee payable to Securities and Exchange Commission of Pakistan		747,731	399,228
Accrued expenses and other liabilities	9	7,424,754	54,652,200
<b>TOTAL LIABILITIES</b>		<b>31,220,748</b>	<b>80,565,799</b>
<b>NET ASSETS</b>		<b>12,890,032,750</b>	<b>7,785,573,270</b>
<b>UNIT HOLDERS' FUND (as per statement of movement in unit holders' fund)</b>		<b>12,890,032,750</b>	<b>7,785,573,270</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	10		
		(Number of units)	
Number of units in issue		118,514,677	76,371,595
		(Rupees)	
Net assets value per unit		108.7631	101.9433

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

**For Lakson Investments Limited**  
**(Management Company)**



**CHIEF EXECUTIVE OFFICER**



**CHIEF FINANCIAL OFFICER**



**DIRECTOR**

**LAKSON INCOME FUND**  
**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

		Quarter Ended September 30,	
		2024	2023
		(Rupees)	
<b>INCOME</b>			
Realized gain / (loss) on sale of investment at fair value through profit or loss - net		12,785,676	(810,936)
Unrealised (loss) / gain on appreciation of investments classified as financial asset at fair value through profit or loss' - net		244,091,058	(32,787,301)
		<u>256,876,734</u>	<u>(33,598,237)</u>
<b>Markup on:</b>			
- Bank balances calculated using effective interest method		51,432,456	1,870,130
- Government and other debt securities using effective interest method		392,188,272	32,533,892
		<u>443,620,728</u>	<u>34,404,022</u>
Income from Margin Trading System		-	84,226
		<u>700,497,463</u>	<u>890,011</u>
<b>EXPENSES</b>			
Remuneration to the Management Company	8.1	29,487,783	473,852
Sindh Sales tax on remuneration to the Management Company	8.2	4,422,775	61,994
Remuneration to the Trustee		2,099,681	132,401
Annual fee to the Securities and Exchange Commission of Pakistan		1,826,366	117,169
SECP Supervisory fee		644	644
Auditors' remuneration		185,184	170,476
Fees and subscription		322,067	325,897
Brokerage expenses		313,659	6,331
Printing charges		10,672	7,367
Bank and settlement charges		167,850	118,191
		<u>38,836,681</u>	<u>1,414,321</u>
<b>Net income / (loss) from operating activities</b>		<u>661,660,782</u>	<u>(524,310)</u>
<b>Net income / (loss) for the period before taxation</b>		<u>661,660,782</u>	<u>(524,310)</u>
Taxation	11	-	-
<b>Net income / (loss) for the period after taxation</b>		<u>661,660,782</u>	<u>(524,310)</u>
<b>Allocation of Net Income for the period:</b>			
Net income for the year after taxation		661,660,782	-
Income already paid on units redeemed		(15,291,978)	-
		<u>646,368,803</u>	<u>-</u>
<b>Accounting income available for distribution</b>			
'Relating to capital gains		254,448,158	-
'Excluding capital gains		391,920,645	-
<b>Accounting income available for distribution</b>		<u>646,368,803</u>	<u>-</u>

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

**For Lakson Investments Limited**  
**(Management Company)**



**CHIEF EXECUTIVE OFFICER**



**CHIEF FINANCIAL OFFICER**



**DIRECTOR**

**LAKSON INCOME FUND**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

	<b>Quarter Ended September 30,</b>	
	<b>2024</b>	<b>2023</b>
	<b>(Rupees)</b>	
<b>Net income / (loss) for the period after taxation</b>	<b>661,660,782</b>	<b>(524,310)</b>
Other comprehensive income	-	-
<b>Total comprehensive income for the period</b>	<b><u>661,660,782</u></b>	<b><u>(524,310)</u></b>

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

**For Lakson Investments Limited**  
**(Management Company)**



**CHIEF EXECUTIVE OFFICER**



**CHIEF FINANCIAL OFFICER**



**DIRECTOR**

**LAKSON INCOME FUND**  
**CONDENSED STATEMENT OF MOVEMENT IN UNIT HOLDERS'S FUND (UN-AUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

	Quarter Ended September 30					
	2024			2023		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	(Rupees)					
Net assets at beginning of the period	7,716,872,574	68,700,696	7,785,573,270	531,233,960	45,021,864	576,255,824
Issuance of 47,254,569 units (2023: 1,678,053 units)						
-Capital Value	4,817,286,690	-	4,817,286,690	171,122,145	-	171,122,145
-Element of Income /(loss)	161,885,768	-	161,885,768	(2,843,214)	-	(2,843,214)
	4,979,172,458	-	4,979,172,458	168,278,931	-	168,278,931
Redemption of 5,111,486 units (2023: 411 units)						
-Capital Value	(521,081,782)	-	(521,081,782)	(41,960)	-	(41,960)
-Element of Income /(loss)	0	(15,291,978)	(15,291,978)	2,622	-	2,622
	(521,081,782)	(15,291,978)	(536,373,760)	(39,337)	-	(39,337)
Total comprehensive income for the period	-	661,660,782	661,660,782	-	(524,310)	(524,310)
Net assets as at end of the period	12,174,963,250	715,069,499	12,890,032,750	699,473,554	44,497,554	743,971,107
Undistributed income brought forward						
- Realized income		88,522,967			46,702,062	
- Unrealized income		(19,822,271)			(1,680,198)	
		68,700,696			45,021,864	
Accounting income / (loss) available for distribution						
Relating to capital gains		254,448,158			-	
Excluding capital gains		391,920,645			-	
		646,368,803			-	
Undistributed income / (loss) at end of the period		715,069,499			44,497,554	
Undistributed income / (loss) carried forward comprises of:						
- Realized income		470,978,441			77,284,855	
- Unrealized income		244,091,058			(32,787,301)	
		715,069,499			44,497,554	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the period			101.9433			101.9766
Net assets value per unit at end of the period			108.7631			101.5174

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

For Lakson Investments Limited  
(Management Company)

  
**CHIEF EXECUTIVE OFFICER**

  
**CHIEF FINANCIAL OFFICER**

  
**DIRECTOR**



**LAKSON INCOME FUND**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

	Quarter Ended September 30,	
	2024	2023
	(Rupees)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income / (loss) for the period before taxation	661,660,782	(524,310)
<b>Adjustments for non-cash charges and other items:</b>		
Unrealised appreciation in the fair value of investments classified as 'held for trading' - net	(244,091,058)	32,787,301
	417,569,724	32,262,991
<b>(Decrease) / Increase in assets</b>		
Investments - net	(5,152,260,843)	(44,749,763)
Mark-up receivable	(56,498,302)	(2,922,575)
Deposits, prepayments and other receivables	(100,422)	1,651,721
Receivable against sale of units	1,806,952	-
	(5,207,052,615)	(46,020,618)
<b>(Decrease) in liabilities</b>		
Payable to the Management Company	(2,874,232)	31,527
Payable to the Trustee	408,124	8,870
Annual fee payable to Securities and Exchange Commission of Pakistan	348,503	(176,623)
Accrued expenses and other liabilities	(47,227,446)	(1,957,828)
	(49,345,051)	(2,094,054)
<b>Net cash generated / (used in) operating activities</b>	<b>(4,838,827,942)</b>	<b>(15,851,780)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash received from issue of units	4,979,172,458	168,278,931
Cash paid on redemption of units	(536,373,760)	(39,337)
<b>Net cash (used in) / generated from financing activities</b>	<b>4,442,798,698</b>	<b>168,239,594</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(396,029,244)</b>	<b>152,387,913</b>
Cash and cash equivalents at the beginning of the period	930,814,808	39,589,225
<b>Cash and cash equivalents at the end of the period</b>	<b>534,785,564</b>	<b>191,977,138</b>

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

**For Lakson Investments Limited**  
**(Management Company)**



**CHIEF EXECUTIVE OFFICER**



**CHIEF FINANCIAL OFFICER**



**DIRECTOR**

**LAKSON INCOME FUND**  
**NOTES TO THE CONDENSED INTERIM**  
**FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

**1. LEGAL STATUS AND NATURE OF BUSINESS**

The Lakson Income Fund (the "Fund") was established under the Trust Deed executed on August 18, 2009 between the Lakson Investments Limited as its Management Company and the Central Depository Company of Pakistan Limited (CDC) as its Trustee. The Fund has been registered as a Notified Entity on September 18, 2009 by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations). The Management Company of the Fund has been licensed by SECP to undertake Asset Management and Investment Advisory Services as a Non-Banking Finance Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The registered office of the Management Company is located at 14-Ali Block, New Garden Town, Lahore.

The Fund is an open end mutual fund and is listed on Lahore Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.

The Fund is categorised as "Income Scheme" as per the Circular 07 of 2009 issued by Securities and Exchange Commission of Pakistan (SECP) and it primarily invests in Government securities, certificates of investment, certificates of deposits, term deposit receipts, commercial papers, reverse repo, preference shares, spread transactions and corporate debt securities, etc. subject to the guidelines issued by SECP from time to time.

Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.

The Pakistan Credit Rating Agency Limited (PACRA) has maintained A+(f) (Fund Stability Rating) dated August 28, 2024 and has also maintained asset manager rating of the Company to AM2+ (stable outlook), on August 23, 2024.

**2. BASIS OF PREPARATION**

**2.1 Statement of compliance**

These condensed interim 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,

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

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

The comparative Statement of Assets and Liabilities presented in these condensed interim financial information as at 30 September has been extracted from the audited financial statements of the Company for the year ended 30 June 2024, whereas the comparative profit and loss account, statement of comprehensive income, the cash flow statement and statement of changes in equity for the quarter ended 30 September 2024 have been extracted from the unaudited condensed interim financial information for the quarter ended 30 September 2023.

**2.2** This condensed interim financial information do not include all the information required for a complete set of annual financial statements and should be read in conjunction with the latest annual financial statements as at and for the year ended 30 June 2024. However, selected explanatory notes are included to explain events and transactions that are significant.

**2.3** This condensed interim financial information is being submitted to the unit holders as required under Regulation 38 (g) of the Non-Banking Finance Companies and notified Entities Regulations, 2008 (NBFC Regulations) and are unaudited.

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2024.

**2.4 Basis of measurement**

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

**2.5 Functional And Presentation Currency**

These financial statements are presented in Pakistan Rupees, which is the Fund's functional and presentation currency. All amount have been rounded off to the nearest of rupees, unless otherwise indicated.

**2.6 Critical accounting estimates and judgements**

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements as at and for the year ended June 30, 2024.

**3 SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial informations are the same as those applied in the preparation of the financial statements as at and for the year ended June 30, 2024.

**4 SIGNIFICANT JUDGEMENTS AND ESTIMATES**

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial informations are the same as those applied in the preparation of the financial statements as at and for the year ended June 30, 2024.

**5 FINANCIAL RISK MANAGEMENT**

The Fund financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements for the year ended June 30, 2024.

		September 30 2024 (Unaudited)	June 30, 2024 (Audited)
	Note	(Rupees)	
<b>6</b>	<b>BANK BALANCES</b>		
Local currency			
In profit and loss sharing accounts	6.1	509,778,091	930,807,334
In current accounts		25,007,474	7,474
		<u>534,785,564</u>	<u>930,814,808</u>
<b>6.1</b>	These represents profit and loss account maintained with banks carrying profit rates ranging from 17.25% to 18% (June 30, 2024: 18% to 20.50%) per annum.		
<b>7</b>	<b>INVESTMENTS</b>		
<b>Financial assets classified as fair value through profit or loss</b>			
<b>Government Securities</b>			
-Market Treasury Bills	7.1	8,004,724,583	5,302,426,751
-Pakistan Investment Bonds	7.2	3,619,699,600	922,832,400
		11,624,424,183	6,225,259,151
-Term Finance Certificates - Unlisted	7.3	130,924,600	131,165,737
		130,924,600	131,165,737
<b>Financial assets classified at amortised cost</b>			
-Short term sukuk	7.4	154,685,233	173,325,720
-Certificate of Deposit	7.5	345,934,930	329,866,438
		500,620,164	503,192,158
		<u>12,255,968,947</u>	<u>6,859,617,046</u>

**7.1 Market Treasury Bills ( Face Value of Rs. 100 each)**

							Balance as at September 30, 2024			Market value as a percentage of net assets of Fund	Market value as a percentage of total investments
Name of security	Date of issue	Date of maturity	Number of holdings at the beginning of the period	Acquired during the period	Disposed / matured during the period	Number of holdings at the end of the period	Carrying value	Market value	Unrealised (diminution)/ appreciation		
----- (Rupees) -----											
Treasury Bills - 03 months	2-May-24	25-Jul-24	720,000	-	720,000	-	-	-	-	-	-
Treasury Bills - 03 months	30-May-24	22-Aug-24	5,000,000	-	5,000,000	-	-	-	-	-	-
Treasury Bills - 03 months	13-Jun-24	5-Sep-24	5,000,000	-	5,000,000	-	-	-	-	-	-
Treasury Bills - 03 months	8-Aug-24	31-Oct-24	-	3,500,000	-	3,500,000	344,790,750	345,118,200	327,450	2.68%	2.82%
Treasury Bills - 03 months	11-Jul-24	3-Oct-24	-	6,000,000	5,000,000	1,000,000	99,898,643	99,903,500	4,857	0.78%	0.82%
Treasury Bills - 03 months	22-Aug-24	14-Nov-24	-	2,500,000	-	2,500,000	244,939,738	245,228,750	289,012	1.90%	2.00%
Treasury Bills - 06 months	4-Apr-24	3-Oct-24	-	3,000,000	-	3,000,000	299,695,771	299,710,500	14,729	2.33%	2.45%
Treasury Bills - 06 months	5-Sep-24	6-Mar-25	-	5,000,000	-	5,000,000	465,390,286	470,557,000	5,166,714	3.65%	3.84%
Treasury Bills - 06 months	7-Feb-24	8-Aug-24	-	1,500,000	1,500,000	-	-	-	-	-	-
Treasury Bills - 01 Year	11-Jan-24	10-Jan-25	4,550,000	-	4,550,000	-	-	-	-	-	-
Treasury Bills - 01 Year	28-Dec-23	27-Dec-24	1,020,000	7,640,900	1,020,000	7,640,900	733,443,014	737,332,032	3,889,018	5.72%	6.02%
Treasury Bills - 01 Year	2-May-24	2-May-25	7,000,000	-	-	7,000,000	635,795,536	646,641,800	10,846,264	5.02%	5.28%
Treasury Bills - 01 Year	18-Apr-24	18-Apr-25	7,250,000	-	5,000,000	2,250,000	205,978,227	208,971,000	2,992,773	1.62%	1.71%
Treasury Bills - 01 Year	30-May-24	30-May-25	11,600,000	-	-	11,600,000	1,040,302,613	1,061,323,440	21,020,827	8.23%	8.66%
Treasury Bills - 01 Year	13-Jun-24	13-Jun-25	18,000,000	-	-	18,000,000	1,601,026,351	1,638,748,800	37,722,449	12.71%	13.37%
Treasury Bills - 01 Year	5-Sep-24	4-Sep-25	-	15,000,000	5,000,000	10,000,000	872,266,292	889,024,000	16,757,708	6.90%	7.25%
Treasury Bills - 01 Year	19-Oct-23	17-Oct-24	-	6,030,000	-	6,030,000	598,139,169	598,484,736	345,567	4.64%	4.88%
Treasury Bills - 01 Year	22-Aug-24	21-Aug-25	-	2,500,000	-	2,500,000	217,965,168	223,282,500	5,317,332	1.73%	1.82%
Treasury Bills - 01 Year	25-Jul-24	24-Jul-25	-	2,750,000	-	2,750,000	240,857,267	247,900,125	7,042,858	1.92%	2.02%
Treasury Bills - 01 Year	30-Nov-23	28-Nov-24	-	3,000,000	-	3,000,000	291,816,000	292,498,200	682,200	2.27%	2.39%
Total as at September 30, 2024							7,892,304,823	8,004,724,583	112,419,760	62.10%	65.31%
Total as at June 30, 2024							5,285,335,262	5,302,426,751	17,091,489	68.11%	77.26%

**7.2 Pakistan Investment Bonds ( Face Value of Rs. 100 each)**

Name of security	Date of issue	Date of maturity	Number of holdings at the beginning of the period	Acquired during the period	Disposed / matured during the period	Number of holdings at the end of the period	Balance as at September 30, 2024			Market value as a percentage of net assets of Fund	Market value as a percentage of total investments
							Carrying value	Market value	Unrealised (diminution)/ appreciation		
----- (Rupees) -----											
Pakistan Investment Bond - 5 Year	19-Oct-23	19-Oct-28	1,000,000	16,000	16,000	1,000,000	96,936,222	97,460,000	523,778	0.76%	0.80%
Pakistan Investment Bond - 5 Year	14-Dec-23	14-Dec-28	3,580,000	-	-	3,580,000	345,081,028	349,443,800	4,362,772	2.71%	2.85%
Pakistan Investment Bond - 5 Year	21-Sep-23	21-Sep-28	5,000,000	10,000,000	5,000,000	10,000,000	980,199,996	978,800,000	(1,399,996)	7.59%	7.99%
Pakistan Investment Bond - 5 Year	17-Jan-24	17-Jan-29	-	10,000,000	2,500,000	7,500,000	723,313,827	792,583,500	69,269,673	6.15%	6.47%
Pakistan Investment Bond - 5 Year	20-Sep-24	20-Sep-29	-	5,000,000	4,000,000	1,000,000	102,133,127	106,585,900	4,452,773	0.83%	0.87%
Pakistan Investment Bond - 5 Year	27-Jun-24	26-Jun-29	-	5,000,000	5,000,000	-	-	-	-	-	-
Pakistan Investment Bond - 3 Year	4-Jul-23	4-Jul-26	-	10,000,000	-	10,000,000	959,469,013	986,160,000	26,690,987	7.65%	8.05%
Pakistan Investment Bond - 3 Year	15-Feb-24	15-Feb-27	-	5,000,000	2,000,000	3,000,000	287,494,616	308,666,400	21,171,784	2.39%	2.52%
Total as at September 30, 2024							3,494,627,830	3,619,699,600	125,071,770	28.08%	29.53%
Total as at June 30, 2024							932,251,037	922,832,400	(9,418,637)	11.85%	13.45%

7.3 Term Finance Certificates - Un-listed ( Face Value of Rs. 100,000 each)

Name of security	Issue Date	Rate	----- (Number of certificates) -----				Balance as at September 30, 2024			Market value as a percentage of net assets	Market value as a percentage of total investments
			Number of holdings at the beginning of the period	Acquired during the period	Disposed / matured during the period	Number of holdings at the end of the period	Carrying value	Market value	Unrealised (diminution) / appreciation		
----- (Rupees) -----											
Performing											
Samba Bank Limited TFC	01-Mar-21	19.26%	360	-	-	360	36,166,240	35,949,600	(216,640)	0.28%	0.29%
Jahangir Siddiqui Bank Limited	28-Dec-21	22.16%	250	-	-	250	24,980,000	24,975,000	(5,000)	0.19%	0.20%
NRSP Micro Finance Bank	09-Jul-21	23.19%	700	-	-	700	70,000,000	70,000,000	-	0.54%	0.57%
Total as at September 30, 2024							131,146,240	130,924,600	(221,640)	1.02%	1.07%
Total as at June 30, 2024							131,049,683	131,165,737	116,054	1.68%	1.91%

Name of security	Note	Issue Date	Rate	Number of holdings at the beginning of the period	Acquired during the period	Disposed / matured during the period	Number of holdings at the end of the period	Carrying value as at July 01, 2024	Impairment Carrying value as at Sep 30, 2024	Carrying value as at Sep 30, 2024	Market value as a percentage of net assets	Market value as a percentage of total investments
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----- (Number of certificates) -----

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

#### Non-performing

Silk Bank Limited PPTFC - 08 years  
(face value of Rs. 5,000 each)

7.3.1 10-Aug-17 12.58% 16,000 - - 16,000

- - - - -

#### Total as at September 30, 2024

- - - - -

Total as at June 30, 2024

31,968,000 (31,968,000) - - -

- 7.3.1** This represents unlisted term finance certificates issued by Silk Bank Limited. Total size of the issue is Rs. 2,000 million and the term of the TFCs is eight years commencing from the date of issue of TFCs which was August 2017 and ending on August 2025. Profit on the instrument shall be payable semi-annually in arrears on the outstanding balance and the first such profit payment shall fall due 6 months from the issue date and subsequently every six months thereafter. Profit rate shall be the average six months KIBOR + 1.85% per annum. The instrument will be structured to redeem 0.14% of the issue amount during the first 7 years and remaining 99.86% in the last two semi annual instalments of 49.93% each. The instrument is unsecured and subordinated to all other indebtedness of the Bank. The latest available rating of the instrument is BBB+ rated on Dec 23, 2021, after that there is no credit rating available as the TFC in non- performing.

During the year ended June 30, 2022 the issuer defaulted the coupon payment which was due on February 10, 2022, as a result the investment was classified as non-performing asset on February 25, 2022 and the markup income / coupon was suspended accordingly. As per the requirements of Circular No. 33 of 2012 issued by the SECP on October 24, 2012, the profit accrued upto February 10, 2022 was reversed and an unrealised loss of Rs. 6.88 million and a provision of Rs. 9.1 million (Total amount of Rs. 15.98 million), which is 20% of outstanding principal amount of Rs. 79.93 million was recorded as an unrealised loss in year ended June 30, 2022 till June 30, 2023, further provision of Rs. 31.97 million was recorded, which is 40% of principal amount followed by an another provision of Rs. 31.97 million during the year ended June 30, 2024, which is remaining 40% of the principal amount.

- 7.3.2** The Securities and Exchange Commission of Pakistan (SECP), vide its circular No. 16 date July 07, 2010 prescribed certain disclosures for the schemes holding investments that were non-compliant either with the minimum investment criteria specified for category assigned to such schemes or with the investment requirement of their consecutive documents. The Securities and Exchange Commission of Pakistan vide circular 7 of 2009 dated March 6, 2009 required all Asset Management Companies to classify funds under their management on the basis of categorization criteria a laid down in the circular. Lakson Asset Management Limited (the Management Company) classified Lakson Income Fund (the Fund) as an 'Income Scheme' in accordance with the said circular. As at Sep 30, 2024, the Fund is compliant with all the requirements of the said circular except for clause 9 (v) which requires the rating of any security in the portfolio shall not be lower than the investment grade. The following are the details of non-compliant investments held by the Fund:

Name of Non-compliant investment	Note	Type of Investment	Value of investment before provision	Provision held (if any)	Value of Investment after provision	Investment as percentage of Net Assets
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----- (Rupees) -----

Silk Bank Limited

7.3.1 Term Finance Certificate 70,827,654 (70,827,654)

- -

7.4

**Sukuk Certificates - Face Value of Rs. 1000,000**  
**At amortised cost**

Name of security	Profit payments	Date of Maturity	Mark-up rate	Holding as at July 01, 2024	Purchases during the period	Disposed / matured during the period	Holding as at September 30, 2024	Carrying value as at September 30, 2024	Carrying value as a percentage of total investments	Carrying value as a percentage of net assets	Face value as percentage of size of the issue
				----- (units) -----			(Rupees)		----- (%) -----		
Ismail Industries Limited	Semi-annually	Aug 13, 2024	6 months KIBOR plus base rate of 0.5%	160	-	160	-	-	-	-	-
Ismail Industries Limited	Semi-annually	Feb 20, 2025	6 months KIBOR plus base rate of 0.15%	-	100	-	100	102,244,137	0.83%	0.79%	-
K- Electric Limited	Semi-annually	Jan 03, 2025	6 months KIBOR plus base rate of 0.15%	-	50	-	50	52,441,096	0.43%	0.41%	-
<b>Total as at September 30, 2024</b>								<b>154,685,233</b>	<b>1.26%</b>	<b>1.20%</b>	<b>0.00%</b>
Total as at June 30, 2024								173,325,720	2.53%	2.23%	0.04%

7.5

**Certificated of Deposit**

Name of security	Note	Placement Date	Maturity Date	Term (Number of Days)	Mark-up Rate	Holding as at July 01, 2024	Purchases during the period	Disposed / matured during the period	Holding as at September 30, 2024	Carrying value as at September 30, 2024	Carrying value as % of total investments	Carrying value as % of net assets
									(Rupees)		(%)	
Orix Leasing Private Company Limited		12-Jan-24	13-Jan-25	367	21.25%	300,000,000	-	-	300,000,000	345,934,930	2.82%	2.68%
<b>Total as at September 30, 2024</b>									<b>300,000,000</b>	<b>345,934,930</b>	<b>2.82%</b>	<b>2.68%</b>
Total as at June 30, 2024									300,000,000	329,866,438	4.81%	4.24%



		September 30 2024 (Unaudited)	June 30, 2024 (Audited)
	Note	(Rupees)	
<b>8</b>	<b>PAYABLE TO THE MANAGEMENT COMPANY</b>		
Remuneration payable	8.1	3,168,344	5,767,642
Sindh Sales Tax on remuneration to Management Company	8.2	475,253	750,187
Federal Excise Duty on remuneration to Management Company	8.3	18,545,360	18,545,360
		<u>22,188,957</u>	<u>25,063,189</u>

- 8.1 As per regulation 61 of the NBFC and Notified Entities Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of the management fee as disclosed in the Offering Document subject to the total expense ratio limit. As per offering document, the Management Company can charge management fee up to 1.5% of average annual net assets of the fund, calculated on daily basis. The effective management fee rate for the period ended September 30, 2024 is 0.31% of average annual net assets calculated on daily basis.
- 8.2 The Sindh Revenue Board has levied Sindh Sales Tax (SST) at the rate of 15% (June 30, 2024: 13%) on the remuneration of management company through Sindh Sales Tax on Services Act, 2011 effective from July 01, 2024.
- 8.3 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from July 1, 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. During the year ended 30 June 2017, 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.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 01, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 18.54 million (June 30, 2024: 18.54 million) including SST @ 13%, and is being retained in these financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED & SST not been made, the net asset value of the Fund as at September 30, 2024 would have been higher by Re. 0.16 (June 30, 2024: Re.0.24) per unit.

		September 30 2024 (Unaudited)	June 30, 2024 (Audited)
	Note	(Rupees)	
<b>9</b>	<b>ACCRUED EXPENSES AND OTHER LIABILITIES</b>		
Auditors' remuneration		131,132	418,214
Brokerage payable		504,444	371,021
NCCPL payable		319,612	254,522
Printing and stationery payable		10,136	8,089
Dividend payable		-	661,824
Withholding tax payable		796,527	47,418,053
PACRA rating fee payable		740,800	598,373
Others		4,922,104	4,922,104
		<u>7,424,754</u>	<u>54,652,200</u>

## 10 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at September 30, 2024

## 11 TAXATION

The Fund's income is exempt from Income Tax as per clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. The Fund is also exempt from the provisions of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Since the Management Company has distributed the income earned by the Fund during the year to the unit holders in the manner as explained above, no provision for taxation has been made in these financial statements..

## 12 TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS

Connected persons / related parties include Lakson Investments Limited being the Management Company, Central Depository Company of Pakistan Limited (CDC) being the trustee and the custodian, SIZA Services (Private) Limited being holding company of the Management Company, associated companies of the Management Company, key management personnel and other funds being managed by the Management Company, staff retirement benefits of related parties and other entities having more than 10% holding in the units of the Fund as at September 30, 2024.

Remuneration to the Management Company and the Trustee is determined in accordance with the provisions of NBFC Regulations and the Trust Deed respectively. Other transactions are in normal course of business, at contracted rates and terms determined in accordance with the market rates.

Transactions and balances with related parties other than those disclosed elsewhere are as follows:

	September 30 2024 (Unaudited) (Rupees)	June 30, 2024 (Audited)
<b>12.1 Details of balance with related parties / connected persons for the period ended</b>		
<b>Lakson Investments Limited - Management Company</b>		
Remuneration payable	3,168,344	5,767,642
Sindh Sales Tax payable on Management Company's remuneration*	475,253	750,187
Federal Excise Duty	18,545,360	18,545,360
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration payable	747,781	399,276
Sindh Sales Tax payable on Trustee remuneration*	111,525	51,906
Security deposit	100,000	100,000
	September 30, 2024 (Unaudited) (Rupees)	2023
<b>12.2 Details of transaction with related parties / connected persons during the period ended</b>		
<b>Lakson Investments Limited - Management Company</b>		
Remuneration to the Management Company	29,487,783	473,852
Sindh Sales Tax on Remuneration to the Management Company	4,422,775	61,994
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration to the Trustee	1,826,366	117,169
Sindh Sales Tax on Remuneration to the Trustee	273,315	15,232

12.3 Details of transaction and balances with directors, key management personnel, employees, associated company/ undertaking of the Mangement Company and connected person are as follows:

	Quarter Ended September 30, 2024							
	-----Number of units-----				-----Rupees-----			
	Number of units as at July 01, 2024	Units issued during the period	Units redeemed during the period	Number of units as at September 30, 2024	Balance as at July 01, 2024	Units issued during the period	Units redeemed during the period	Balance as at September 30, 2024
Lakson Investments Limited - Management Company	386,925	-	-	386,925	39,444,373	-	-	42,083,122
Directors, Chief Executive and their spouse and minors	33,640,341	2,976,623	1,087,522	35,529,443	3,429,407,425	310,867,468	113,000,000	3,864,292,312
Other key management personnel	60,815	9	43,974	16,850	6,199,682	918	4,500,000	1,832,613
<b>Associated companies</b>								
Accuray Surgical Limited Employees Contributory Provident Fund	160,133	43,360	63,714	139,779	16,324,519	4,575,000	6,655,426	15,202,772
Accuray Surgicals Limited	1,075,303	-	-	1,075,303	109,619,917	-	-	116,953,268
Alan Private Limited	141,944	-	-	141,944	14,470,281	-	-	15,438,313
Century Insurance Co. Ltd., GF	252,312	12,402	-	264,714	25,721,525	1,267,000	-	28,791,149
Century Insurance Company Limited Employees Contributory Provident Fund Trust	215,797	30,342	32,961	213,178	21,999,034	3,200,000	3,475,000	23,185,866
Century Paper & Board Mills Limited ECPFT	2,801,946	693,929	710,335	2,785,540	285,639,601	73,200,000	74,810,000	302,963,940
Century Paper & Board Mills Limited EGF	2,691,573	634,164	641,512	2,684,225	274,387,849	66,900,000	67,568,000	291,944,664
Colgate Palmolive Pakistan Limited	14,710,123	16,980,661	-	31,690,784	1,499,598,469	1,791,760,500	-	3,446,787,894
Colgate Palmolive Pakistan Limited ECPFT	2,626,896	615,780	655,529	2,587,147	267,794,424	64,950,000	69,063,000	281,386,148
Colgate Palmolive Pakistan Limited EGF	3,244,793	646,100	746,998	3,143,895	330,784,941	67,975,000	78,370,200	341,939,809
Cyber Internet Services (Pvt.) Ltd. Empl. CPFT	1,545,920	287,374	243,644	1,589,651	157,596,204	30,270,000	25,700,000	172,895,324
Hasanali & Gulbanoo Lakhani Foundation	173,708	-	-	173,708	17,708,416	-	-	18,893,073
Hasanali Karabhai Foundation ECPF Trust	33,302	-	1,645	31,657	3,394,901	-	171,500	3,443,091
Lakson Business Solutions Limited Employees Contributory Provident Fund Trust	6,644	-	-	6,644	677,265	-	-	722,573
Lakson Investments Limited ECPFT	179,185	7,217	-	186,402	18,266,692	764,500	-	20,273,680
Merit Packaging Limited Employees Contributory Provident Fund Trust	260,115	37,928	41,932	256,110	26,516,983	4,000,000	4,420,000	27,855,356
Merit Packaging Limited Employees Gratuity Fund	143,756	60,684	64,164	140,276	14,654,949	6,400,000	6,769,000	15,256,871
Premier Fashions Private Limited	65,678	4,633,180	-	4,698,858	6,695,401	480,000,000	-	511,062,323
Siza Commodities Private Limited	1,168,532	-	-	1,168,532	119,123,976	-	-	127,093,129
Siza Foods Private Limited Employees Contributory Provident Fund Trust	1,193,031	355,572	331,095	1,217,507	121,621,472	37,500,000	34,867,000	132,419,872
Siza Private Limited	-	3,254,407	-	3,254,407	-	347,338,902	-	353,959,341
Siza Services Private Limited	3,778,545	-	-	3,778,545	385,197,351	-	-	410,966,273
Siza Services Private Limited Employees Countributory Provident Fund Trust	142,774	1,882	10,450	134,205	14,554,803	200,000	1,100,000	14,596,544
Sybrid (Private) Limited ECPFT	271,605	55,943	59,756	267,793	27,688,302	5,900,000	6,292,000	29,125,955
Sybrid Private Limited	832	-	-	832	84,860	-	-	90,537
Cyber Internet Services Pvt Limited	-	4,650,326	-	4,650,326	12,595,351	495,314,635	-	505,783,915
NayaPay (Pvt) Limited Employee Contributory Provident Fund	123,553	-	-	123,553	-	-	-	13,437,954
Century Paper & Board Mills Limited	-	4,740,154	-	4,740,154	-	500,000,000	-	515,553,868

Quater Ended September 30, 2023								
-----Number of units-----				-----Rupees-----				
Number of units as at July 01, 2023	Units issued during the period	Units redeemed during the period	Number of units as at September 30, 2023	Balance as at July 01, 2023	Units issued during the period	Units redeemed during the period	Balance as at September 30, 2023	
Lakson Investments Limited - Management Company	2,436,757	-	-	2,436,757	248,492,201	-	-	247,373,242
Directors, Chief Executive and their spouse and minors	644,155	75	-	644,229	65,688,718	7,489	-	65,400,500
<b>Associated companies</b>								
Accuray Surgical Limited Employees Contributory Provident Fund	24,507	13,849	-	38,357	2,499,186	1,387,000	-	3,893,866
Alan Private Limited	30,959	-	-	30,959	3,157,136	-	-	3,142,919
Century Insurance Co. Ltd., GF	40,998	24,563	-	65,561	4,180,796	2,460,000	-	6,655,553
Century Insurance Company Limited Employees Contributory Provident Fund Trust	37,421	23,964	-	61,385	3,816,040	2,400,000	-	6,231,620
Century Paper & Board Mills Limited ECPFT	397,677	263,354	-	661,031	40,553,743	26,375,000	-	67,106,188
Century Paper & Board Mills Limited EGF	375,309	274,323	-	649,632	38,272,743	27,500,000	-	65,948,943
Colgate Palmolive Pakistan Limited ECPFT	362,676	234,648	-	597,324	36,984,504	23,500,000	-	60,638,773
Colgate Palmolive Pakistan Limited EGF	413,366	433,326	-	846,693	42,153,710	43,550,000	-	85,954,044
Cyber Internet Services (Pvt.) Ltd. Empl. CPFT	205,515	139,790	-	345,305	20,957,701	14,000,000	-	35,054,449
Hasanali & Gulbanoo Lakhani Foundation	153,318	-	393	152,925	15,634,832	-	39,437	15,524,522
Hasanali Karabhai Foundation ECPF Trust	5,546	2,027	-	7,573	565,595	203,000	-	768,819
Lakson Business Solutions Limited Employees Contributory Provident Fund Trust	5,975	-	-	5,975	609,292	-	-	606,548
Lakson Investments Limited ECPFT	24,210	17,374	-	41,584	2,468,841	1,740,000	-	4,221,477
Merit Packaging Limited Employees Contributory Provident Fund Trust	38,745	22,616	-	61,361	3,951,081	2,265,000	-	6,229,209
Merit Packaging Limited Employees Gratuity Fund	24,816	49,282	-	74,098	2,530,669	4,980,000	-	7,522,260
Siza Foods Private Limited Employees Contributory Provident Fund Trust	216,283	138,292	-	354,575	22,055,758	13,850,000	-	35,995,515
Siza Services Private Limited Employees Countributory Provident Fund Trust	18,396	12,731	-	31,127	1,875,931	1,275,000	-	3,159,890
Sybrid (Private) Limited ECPFT	41,010	26,111	-	67,121	4,182,070	2,615,000	-	6,813,937
Sybrid Private Limited	733	-	-	733	74,732	-	-	74,395

### 13 TOTAL EXPENSE RATIO (TER)

As per the SECP circular vide direction no. 23 dated July 20, 2016 and as referred in Regulations 60 (5) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the "Regulations"), Total Expense Ratio (TER) calculated inclusive of Sindh Sales Tax and SECP fee is 1.59% as of September 30, 2024 and this includes 0.27% representing Government levies and SECP fee etc. As per NBFC Regulation the total expense ratio of the Income Scheme shall be capped up to 2.5% (excluding government levies).

### 14 FAIR VALUE OF FINANCIAL INSTRUMENTS

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.

Underlying the definition of fair value is the presumption that the Asset Management Company 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.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13, 'Fair Value Measurements' requires the Fund to classify fair value measurements 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:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2); and
- Inputs for the assets or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

September 30, 2024 (Un-audited)				
	Level 1	Level 2	Level 3	Total
	-----Rupees-----			
<b>Financial assets classified as fair value through profit or loss</b>				
- Market Treasury Bills	-	8,004,724,583	-	8,004,724,583
- Pakistan Investment Bonds	3,619,699,600	-	-	3,619,699,600
-Term Finance Certificates - Listed	130,924,600	-	-	130,924,600
	<u>3,750,624,200</u>	<u>8,004,724,583</u>	<u>-</u>	<u>11,755,348,783</u>
June 30, 2024 (Audited)				
	Level 1	Level 2	Level 3	Total
	-----Rupees-----			
<b>Financial assets classified as fair value through profit or loss</b>				
- Market Treasury Bills	-	5,302,426,751	-	5,302,426,751
- Pakistan Investment Bonds	922,832,400	-	-	922,832,400
-Term Finance Certificates - Listed	131,165,737	-	-	131,165,737
	<u>1,053,998,137</u>	<u>5,302,426,751</u>	<u>-</u>	<u>6,356,424,888</u>

**15 GENERAL**

15.1 The corresponding figures have been re-arranged wherever necessary

15.2 Figures have been rounded off to the nearest rupee

**16 DATE OF AUTHORIZATION OF ISSUE**

This condensed interim financial statements were authorized for issue by Board of Directors of the Management Company on October 28, 2024.

**For Lakson Investments Limited  
(Management Company)**



**CHIEF EXECUTIVE OFFICER**



**CHIEF FINANCIAL OFFICER**



**DIRECTOR**



A Lakson Group Company

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