



**INVESTMENTS**

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**786 INVESTMENTS LIMITED**



**786 SMART FUND**

**FOR THE QUARTER ENDED  
SEPTEMBER 30, 2024  
(UN-AUDITED)**

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## CORPORATE INFORMATION

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<b>Management Company</b>	786 Investments Limited G-3 B.R.R. Tower, Hassan Ali Street, Off I.I. Chundrigar Road, Karachi - 74000 Pakistan Tel: (92-21) 32603751-54 Email: info@786investments.com Website: www.786investments.com	
<b>Board of Directors</b>	Mr. Ahmed Salman Munir Miss Tara Uzra Dawood Syed Shababat Hussain Mr. Naveed Ahmed Syed Musharaf Ali Mr. Iqbal Shafiq Mr. Ahmer Zia Sarwar	Chairperson Chief Executive Officer Director Director Director Director
<b>Chief Financial Officer &amp; Company Secretary</b>	Mr. Noman Shakir	
<b>Audit Committee</b>	Syed Shababat Hussain Mr. Naveed Ahmed Syed Musharaf Ali	Chairman Member Member
<b>Human Resource Committee</b>	Mr. Ahmed Salman Munir Miss Tara Uzra Dawood Mr. Naveed Ahmed	Chairperson Member Member
<b>Trustee:</b>	Digital Custodian Compaany Limited (formerly: MCB Financial Services Limited) 4th Floor, Pardasi House, 2/1 R-Y old Queens Road, Karachi	
<b>Auditors</b>	Reanda Haroon Zakaria & Company Chartered Accountants	
<b>Legal Advisor</b>	Rauf & Ghaffar Law Associates (Advocates & Consultants) Suite # 65, 5th Floor, Fareed Chamber, Abdullah Haroon Road, Saddar – Karachi, Pakistan.	
<b>Registrars</b>	F.D. Registrar Services (Pvt.) Ltd. Office# 1705, 17th Floor Saima Trade Tower. A, I.I. Chundrigar Road, Karachi-74000, Pakistan.	
<b>Banker:</b>	Dubai Islamic Bank Limited BankIslami Pakistan Limited	
<b>Rating</b>	PACRA: AA-(f)	



## DIRECTORS' REPORT FOR THE QUARTER ENDED SEPTEMBER 30, 2024

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The Board of Directors of 786 Investments Limited, hereinafter referred to as '786' or 'the Company,' which serves as the Management Company of 786 Smart Fund (786 SF), is pleased to present the un-audited financial statements for the three-month period ended September 30, 2024.

### **Economic & Money Market Review**

The global economy is showing signs of recovery, with growth prospects improving beyond earlier projections. However, challenges remain, including core inflation, elevated interest rates, and geopolitical uncertainties. The government's decisive actions to combat hoarding and stabilize foreign exchange markets have successfully helped bring inflation under control, suggesting that interest rates may have reached their peak. As of September 27, 2024, Pakistan's total liquid foreign exchange reserves stood at USD 15.98 billion, with the State Bank of Pakistan (SBP) holding USD 10.70 billion and commercial banks holding USD 5.28 billion.

### **Fund's Performance**

786 SF is categorized as a Shariah Compliant Income Fund, with the objective of delivering competitive returns through investments in Shariah-compliant debt securities and money market instruments, while being restricted from investing in equities. The Fund's weighted average time to maturity must not exceed four years, excluding government securities.

As of September 30, 2024, net assets were PKR 807.80 million, a decrease from PKR 879.23 million as of June 30, 2024. The Net Asset Value (NAV) per unit increased from PKR 83.53 to PKR 87.77 during the period, resulting in a fiscal year-to-date (FYTD) return of 20.17% for 2025, outperforming its benchmark FYTD return of 10.82% for the same period. The Fund's performance is net of management fees and other expenses.

The Fund's total income for the period was PKR 69.80 million, compared to PKR 62.76 million in the previous year. Total expenses amounted to PKR 7.08 million, up from PKR 6.18 million in the same period last year, resulting in net income of PKR 62.71 million, compared to PKR 56.58 million in the prior year.

### **Acknowledgement**

The Directors express their gratitude to the Securities & Exchange Commission of Pakistan and other regulatory bodies for their valuable support, assistance, and guidance. The Board also extends its appreciation to the employees of the Asset Management Company and the Trustee for their dedication and hard work. Furthermore, the Directors thank the unit holders for their continued confidence in the Management.

On behalf of the board of  
786 Investments Limited

Chairperson

Director

Date: 24-Oct-2024

Place: Karachi

## ڈائریکٹرز کی رپورٹ

786 سمارٹ فنڈ (786 SF) کی ہیجمنٹ کمیٹی، 786 انویسٹمنٹ لمیٹڈ (786 یا دی کمپنی) کے بورڈ آف ڈائریکٹرز 30 ستمبر 2024 کو ختم ہونے والی سہ ماہی کے غیر نظر ثانی شدہ کنڈیٹسڈ عبوری مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

### اقتصادی اور مٹی مارکیٹ کا جائزہ

عالمی معیشت میں بحالی کے آثار دکھائی دے رہے ہیں، بنمو کے امکانات پہلے کے اندازوں سے بہتر ہیں۔ تاہم، مشکلات بدستور موجود ہیں، جن میں بنیادی افراط زر، زیادہ شرح سود، اور جغرافیائی سیاسی غیر یقینی صورتحال شامل ہیں۔ ذخیرہ اندوزی کی روک تھام اور زرمبادلہ کی منڈیوں کو مستحکم کرنے کے لئے حکومت کے فیصلہ کن اقدامات سے افراط زر کو کامیابی سے قابو میں لایا گیا ہے، جس سے یہ ظاہر ہوتا ہے کہ شرح سود ورج پھینچ گئی ہے۔ 27 ستمبر 2024 تک، پاکستان کے مجموعی لیکو پڈ زرمبادلہ کے ذخائر 15.98 بلین ڈالر تھے جن میں اسٹیٹ بینک آف پاکستان (ایس بی پی) کے پاس 10.70 بلین ڈالر اور کمرشل بینکوں کے پاس 5.28 بلین ڈالر تھے۔

### فنڈ کی کارکردگی:

786 SF کی شریعہ کمپلائٹ آف فنڈ کے طور پر درجہ بندی کی گئی ہے۔ اس کا مقصد شریعہ کمپلائٹ ڈیٹ سیکورٹیز اور مٹی مارکیٹ انسٹرومنٹس میں سرمایہ کاری کے ذریعے مسابقتی منافع فراہم کرنا ہے۔ تاہم فنڈ ایکویٹی میں سرمایہ کاری کی اجازت نہیں دیتا ہے۔ اس کے علاوہ، فنڈ کی بیچورٹی کی اوسط مدت، گورنمنٹ سیکورٹیز کے علاوہ، 4 سال سے زائد نہیں ہونی چاہئے۔

30 جون 2024 کو 879.23 ملین روپے کے مقابلے 30 ستمبر 2024 کو خالص اثاثے 807.80 ملین روپے رہے۔ موجودہ مدت کے دوران خالص اثاثہ کی قیمت (NAV) فی یونٹ 83.53 روپے سے بڑھ کر 87.77 روپے ہوئی، جس کے نتیجے میں مالی سال 2025 کے لئے 2017 فی صد کارڈ پر (FYTD) ملا، جو اسی مدت کے لئے 10.82 فیصد سالانہ کے پیج مارک منافع کی بہتر کارکردگی کو ظاہر کرتا ہے۔ فنڈ کی یہ کارکردگی ہیجمنٹ فیسیوں اور دیگر اخراجات کے بعد خالص ہے۔

فنڈ کی مجموعی آمدنی گزشتہ سال کی اسی مدت میں 62.76 ملین روپے کے مقابلے موجودہ مدت کے دوران 69.80 ملین روپے رہی۔ کل اخراجات گزشتہ سال کی اسی مدت میں 6.18 ملین روپے کے مقابلے موجودہ مدت میں 69.80 ملین روپے تھے، جس کے نتیجے میں خالص آمدنی گزشتہ سال کی اسی مدت میں 56.58 ملین روپے کے مقابلے موجودہ مدت میں 62.71 ملین روپے ہے۔

### اظہار تشکر

ڈائریکٹرز سیکورٹیز اینڈ اینڈریجسٹری کمیشن آف پاکستان (SECP) اور دیگر ریگولیٹری اداروں کے قابل قدر تعاون، مدد اور رہنمائی کے لیے ان کا شکریہ ادا کرتے ہیں۔ بورڈ اثاثہ ہیجمنٹ کمیٹی کے ملازمین، ہر سٹی کا ان کی گمن اور محنت کے لیے، اور یونٹ ہولڈرز کا ہیجمنٹ پر ان کے اعتماد کے لیے بھی شکریہ ادا کرتے ہیں۔

مہتاب بورڈ

786 انویسٹمنٹ لمیٹڈ

ڈائریکٹرز

بیچور پرنٹ

مقام: کراچی

تاریخ: 24 اکتوبر 2024ء



**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UNAUDITED)  
AS AT SEPTEMBER 30, 2024**

		<i>Un-Audited September 30, 2024</i>	<i>Audited June 30, 2024</i>
	<i>Note</i>	<i>-----Rupees-----</i>	
<b>Assets</b>			
Balances with banks	5	478,997,464	14,314,976
Investments	6	327,499,000	840,335,000
Accrued income/profit	7	13,915,638	47,774,624
Security deposits	8	150,000	150,000
<b>Total Assets</b>		<b>820,562,102</b>	<b>902,574,600</b>
<b>Liabilities</b>			
Payable to 786 Investments Limited - Management Company	9	2,242,605	2,900,986
Payable to Digital Custodian Company Limited - Trustee	10	170,009	152,248
Payable to Securities and Exchange Commission of Pakistan	11	83,273	72,682
Unclaimed dividend		2,871,961	3,288,598
Accrued expenses and other liabilities	12	7,392,724	16,930,162
<b>Total Liabilities</b>		<b>12,760,572</b>	<b>23,344,676</b>
<b>Contingencies and Commitments</b>	13		
<b>Net Assets</b>		<b>807,801,530</b>	<b>879,229,924</b>
<b>Unit Holders' Funds</b>		<b>807,801,530</b>	<b>879,229,924</b>
<i>(Number)</i>			
<b>Number of units in issue</b>	14	<b>9,203,305</b>	<b>10,526,352</b>
<i>(Rupees)</i>			
<b>Net assets value per unit</b>		<b>87.7730</b>	<b>83.53</b>

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

----SD----

Chief Executive Officer

For 786 Investments Limited  
(Management Company)

----SD----

Chief Financial Officer

----SD----

Director

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

		<i>Quarter Ended</i>	
		<i>September 30,</i>	<i>September 30,</i>
		<i>2024</i>	<i>2023</i>
	<i>Note</i>	<i>----- Rupees -----</i>	
<b>Income</b>			
Income from investments and balances with banks	15	<b>64,342,091</b>	58,566,329
Reversal of impairment on investment at fair value through other comprehensive income	6.1.1	<b>4,188,789</b>	4,188,789
Other Income		<b>1,267,329</b>	-
		<b>69,798,209</b>	62,755,118
<b>Expenses</b>			
Remuneration to the management company	9.1	<b>4,909,690</b>	4,266,502
Sindh sales tax on remuneration to the management company	9.2	<b>736,450</b>	554,645
Accounting and operational charges	9.3	<b>327,318</b>	284,433
Remuneration to the trustee	10	<b>444,041</b>	426,650
Sindh sales tax on trustee fee	10	<b>66,569</b>	55,465
Annual fee to Securities and Exchange Commission of Pakistan	11	<b>245,484</b>	212,743
Auditor's remuneration		<b>162,350</b>	151,950
Fees and subscription		<b>6,931</b>	54,822
Securities transactions cost		<b>58,395</b>	36,863
Printing and related charges		<b>12,099</b>	12,099
Legal and professional charges		<b>111,165</b>	111,081
Bank charges		<b>3,365</b>	12,459
		<b>7,083,857</b>	6,179,712
<b>Net income for the period before taxation</b>		<b>62,714,352</b>	56,575,406
Taxation		-	-
<b>Net income for the period after taxation</b>		<b>62,714,352</b>	56,575,406
<b>Allocation of net income for the period</b>			
Net income for the period		<b>62,714,352</b>	56,575,406
Income already paid on units redeemed		<b>(33,576,938)</b>	(10,065,377)
<b>Accounting income available for distribution:</b>		<b>29,137,414</b>	46,510,029
Relating to capital gain		-	-
Excluding capital gain		<b>29,137,414</b>	46,510,029
		<b>29,137,414</b>	46,510,029

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

For 786 Investments Limited  
(Management Company)

---SD---  
Chief Executive Officer

---SD---  
Chief Financial Officer

---SD---  
Director



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

		<i>Quarter Ended</i>	
		<i>September 30,</i>	<i>September 30,</i>
		<b>2024</b>	<b>2023</b>
<i>Note</i>		<i>----- Rupees -----</i>	
Net income for the period after taxation		<b>62,714,352</b>	56,575,406
Unrealized Gain / (loss) on revaluation of investments classified as fair value through other comprehensive income - net	6.4	<b>1,362,800</b>	(1,124,248)
		<b>1,362,800</b>	(1,124,248)
<b>Total comprehensive income for the period</b>		<b>64,077,152</b>	55,451,158

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

For 786 Investments Limited  
(Management Company)

---SD---  
\_\_\_\_\_  
Chief Executive Officer

---SD---  
\_\_\_\_\_  
Chief Financial Officer

---SD---  
\_\_\_\_\_  
Director



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

	September 30, 2024				September 30, 2023			
	Capital Value	(Accumulated Loss) / Undistributed Income	Unrealized (Loss) on Investment	Total	Capital Value	(Accumulated Loss)/ Undistributed Income	Unrealized Gains on Investment	Total
	Rupees				Rupees			
<b>Net assets at beginning of the year</b>	1,177,926,075	(300,182,312)	1,486,161	879,229,924	934,791,485	(215,207,470)	1,486,161	721,070,176
<b>Issue of 8,286,736 units</b> <b>(2023: 6,722,601 units)</b>								
- Capital value (at net asset value per unit at the beginning of the period)	692,162,847	-	-	692,162,847	553,990,766	-	-	553,990,766
- Element of income	8,580,984	-	-	8,580,984	3,101,738	-	-	3,101,738
<b>Total proceeds on issuance of units</b>	700,743,831	-	-	700,743,831	557,092,504	-	-	557,092,504
<b>Redemption of 9,609,782 units</b> <b>(2023: 7,172,283 units)</b>								
- Capital value (at net asset value per unit at the beginning of the period)	(802,672,438)	-	-	(802,672,438)	(591,047,758)	-	-	(591,047,758)
- Amount paid out of element of income	-	(33,576,938)	-	(33,576,938)	-	(10,065,377)	-	(10,065,377)
- Refund/adjustment on units as element of income	(1)	-	-	(1)	(13,294,551)	-	-	(13,294,551)
<b>Total payments on redemption of units</b>	(802,672,439)	(33,576,938)	-	(836,249,377)	(604,342,308)	(10,065,377)	-	(614,407,686)
Net income for the period before taxation	-	62,714,352	-	62,714,352	-	56,575,406	-	56,575,406
Other comprehensive loss	-	-	1,362,800	1,362,800	-	-	(1,124,248)	(1,124,248)
	-	62,714,352	1,362,800	64,077,152	-	56,575,406	(1,124,248)	55,451,158
<b>Net assets at end of the period</b>	<b>1,075,997,467</b>	<b>(271,044,898)</b>	<b>2,848,961</b>	<b>807,801,530</b>	<b>887,541,681</b>	<b>(168,697,441)</b>	<b>361,913</b>	<b>719,206,153</b>
<b>Undistributed (loss)/income brought forward</b>								
- Realized loss		(271,044,898)				(168,697,441)		
- Unrealized income		-				-		
		(271,044,898)				(168,697,441)		
<b>Accounting income available for distribution</b>								
- Relating to capital gain		-				-		
- Excluding capital gain		29,137,414				46,510,029		
		29,137,414				46,510,029		
Distribution during the period		-				-		
Undistributed loss carried forward		(241,907,484)				(122,187,412)		
<b>Undistributed (loss) carried forward</b>								
- Realized loss		(241,907,484)				(122,187,412)		
		(241,907,484)				(122,187,412)		
Net assets value per unit at beginning of the year		83.53				82.41		
Net assets value per unit at end of the period		87.77				86.65		

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

**For 786 Investments Limited  
(Management Company)**

---SD---  
Chief Executive Officer

---SD---  
Chief Financial Officer

---SD---  
Director

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

	<i>Quarter Ended</i>	
	<i>September 30,</i>	<i>September 30,</i>
	<i>2024</i>	<i>2023</i>
<i>Note</i>	<i>----- Rupees -----</i>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Net Income for the Period Before Taxation</b>	<b>62,714,352</b>	<b>56,575,406</b>
<b>Adjustments For:</b>		
Profit on bank balances and investments	<b>(64,342,091)</b>	<b>(58,566,329)</b>
Reversal of impairment on investment at fair value through other Comprehensive income	<b>(4,188,789)</b>	<b>(4,188,789)</b>
<b>Operating Loss Before Working Capital Changes</b>	<b>(68,530,880)</b>	<b>(62,755,118)</b>
<b>Increase in Assets</b>		
Advance income tax	<b>-</b>	<b>-</b>
	<b>-</b>	<b>-</b>
<b>Increase/(Decrease) in Liabilities</b>		
Payable to 786 Investments Limited - Management Company	<b>(658,381)</b>	<b>(428,406)</b>
Payable to Digital Custodian Company Limited - Trustee	<b>17,761</b>	<b>17,061</b>
Payable to Securities and Exchange Commission of Pakistan	<b>10,591</b>	<b>(108,728)</b>
Unclaimed dividend	<b>(416,637)</b>	<b>-</b>
Accrued expenses and other liabilities	<b>(9,537,438)</b>	<b>(136,898)</b>
	<b>(10,584,104)</b>	<b>(656,971)</b>
Proceeds from investments - net	<b>518,387,589</b>	<b>(9,528,734)</b>
Profit received on investments and balances with banks	<b>98,201,077</b>	<b>27,531,325</b>
<b>Net cash Used in from operating activities</b>	<b>600,188,034</b>	<b>11,165,908</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Amounts received against issue of units	<b>700,743,831</b>	<b>557,092,504</b>
Payment made against redemption of units	<b>(836,249,377)</b>	<b>(614,407,686)</b>
Dividend paid	<b>-</b>	<b>-</b>
<b>Net cash (used in) / generated from financing Activities</b>	<b>(135,505,546)</b>	<b>(57,315,182)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>464,682,488</b>	<b>(46,149,274)</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>14,314,976</b>	<b>72,439,135</b>
<b>Cash and cash equivalents at end of the period</b>	<b>478,997,464</b>	<b>26,289,861</b>

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

----SD----

Chief Executive Officer

For 786 Investments Limited  
(Management Company)

----SD----

Chief Financial Officer

----SD----

Director

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2024

### 1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Dawood Income Fund (the Fund) was established under a Restated Trust Deed executed on April 08, 2003 between 786 Investments Limited as Management Company and Bank AL-Habib Limited (BAHL) as Trustee. In June 2011, BAHL retired and Digital Custodian Company Limited was appointed as the new trustee of the Fund and the name of the Fund was also changed from "Dawood Money Market Fund" to "Dawood Income Fund". These changes, after necessary regulatory approvals, were duly incorporated in the Trust Deed of the Fund by way of First Supplemental Trust Deed. On January 20, 2017, the Management Company has changed its name to 786 Investments Limited after completing regulatory formalities.
- 1.2 The Management Company of the Fund has been registered as a Non-Banking Finance Company (NBFC) under the NBFC Rules, 2003 and has obtained the requisite license from the SECP to undertake Asset Management Services. The registered office of the Management Company is situated at G3, B.R.R Tower, Hassan Ali Street, I.I Chundrigar Road, Karachi, Pakistan.
- The Management Company of the Fund has been registered as a Non-Banking Finance Company (NBFC) under the NBFC Rules, 2003 and has obtained the requisite license from the SECP to undertake Asset Management Services. The registered office of the Management Company is situated at G3, B.R.R Tower, Hassan Ali Street, I.I Chundrigar Road, Karachi, Pakistan.
- 1.3 The Fund is an open end mutual Fund and is listed on Pakistan Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering them to the Fund.
- 1.4 The objective of the Fund is to provide competitive risk adjusted returns to its investors by investing in a diversified portfolio of long, medium and short term Shariah compliant debt instruments while taking into account liquidity considerations.
- 1.5 Title to the assets of the Fund are held in the name of Digital Custodian Company Limited as the Trustee of the Fund (except for term finance certificate of New Allied industries limited as mentioned in note 5.3.1 which is a non-performing term finance certificate hence being unable to be transferred until final settlement, which is held in the name of BAHL being the previous Trustee of the Fund).
- 1.6 The Fund is categorized as "Shariah complaint islamic scheme" as per the criteria laid down by the SECP for categorization of open-end Collective Investment Schemes (CIS).
- 1.7 The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of "AM3" to the Management Company as at December 22, 2023 and stability rating of "AA-(f)" to the Fund as at October 18, 2023.
- 1.8 The funds are required to be registered under the "Sindh Trusts Act, 2020" (the Sindh Trust Act). Due to the enactment of the Sindh Trusts Act, 2020 (as amended by the Sindh Trusts (Amendment) Act, 2021), trusts, including collective investment and private funds, which are considered specialized trusts, must be registered with the Assistant Director of Industries and Commerce (Trust Wing), Government of Sindh, under Section 12A of the Sindh Trusts Act, 2020. Accordingly, on September 21, 2023, the Trust Deed of the fund was registered under the Sindh Trust Act.

### 1.9 Significant events or transactions

There are no significant events or transactions during the period.

### 2 BASIS OF PREPARATION

#### 2.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprises of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of the directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non Banking Finance Companies (Establishment and Regulation) Rules 2003 (the NBFC Rules), Non Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of 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 the 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 the requirements of the Trust Deed have been followed.

## 2.2 Basis of measurement

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

## 2.3 Functional and presentation currency

These financial statements are presented in Pakistani Rupees which is the Fund's functional and presentation currency.

## 3 ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis.

## 4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied unless otherwise stated.

		<i>Un-Audited</i>	<i>Audited</i>
	<i>Note</i>	<b>September 30,</b>	<b>June 30,</b>
		<b>2024</b>	<b>2024</b>
		----- Rupees -----	
<b>5</b>	<b>BALANCES WITH BANKS</b>		
	- Saving accounts	5.1 <u><b>478,997,464</b></u>	<u>14,314,976</u>
5.1	These saving accounts carry profit at rates ranging from 16% to 17% (June 30, 2024: 18.50% to 20.25%) per annum.		
<b>6</b>	<b>INVESTMENTS</b>		
	<b>At fair value through other comprehensive income</b>		
	Listed - Term finance certificates	6.1 -	-
	Unlisted - Sukuk certificates	6.2 <u><b>327,499,000</b></u>	<u>840,335,000</u>
		<u><b>327,499,000</b></u>	<u>840,335,000</u>

6.1 At fair value through other comprehensive income

	As at July 01, 2024	Purchases during the period	Matured/ Disposed During the period	As at Sept 30, 2024	Cost/ Carrying Value	Market Value	% of Total Investment
Note	----- Number of Certificates -----			----- Rupees -----			

**Listed - Term finance certificates**  
face value of Rs. 5,000/-each

**Construction and material**

Dewan cement company limited	6.1.1	3,351	-	838	2,513	12,566,367	-	-
Provision held	6.3					(12,566,367)	-	-

- 6.1.1 Dewan Cement Limited (DCL) is classified as non-performing by MUFAP. Accordingly, the security has been fully provided in accordance with the requirements of SECP's circular No. 1 of 2009 and the board's approved provisioning policy. The Fund has entered into a compromise agreement with DCL on May, 09 2016 whereby the remaining debt will be paid in thirty one equal quarterly installments in arrears. The Fund has recognized reversal of impairment amounting to Rs. 4.188 millions on receipt basis in current period. The Fund has suspended profit there against.

**Un-Audited**  
**September 30,**  
**2024**

*Audited*  
*June 30,*  
*2024*

6.2 At fair value through other comprehensive income

----- Rupees -----

Cost / Carrying Value of Investment	<b>326,136,200</b>	478,045,287
Less: Net unrealized gain in fair value of investments-closing	<b>1,362,800</b>	-
Fair value of investments	<b>327,499,000</b>	478,045,287

	As at July 01, 2024	Purchases during the period	Sold / Matured During the Period	As at Sept 30, 2024	Cost/ Carrying Value	Market Value	% of Total Investment
Note	----- Number of certificates -----			----- Rupees -----			

**Unlisted - term finance certificates**  
face value of Rs. 5,000/- each

**Cable and electric goods**

New Allied Industries Limited	6.3.1	11,523	-	-	11,523	25,433,190	-	-
Provision held	6.3	-	-	-	-	(25,433,190)	-	-
New Allied Industries Limited	6.3.2	3,417	-	-	3,417	7,222,749	-	-
Provision held	6.3	-	-	-	-	(7,222,749)	-	-

**At fair value through other comprehensive income**

**Unlisted - Sukuk certificates**  
face value of Rs. 1,000,000/- each

**Engineering**

Agha Steel Industries Limited	6.3.3	15	-	-	15	8,160,000	8,160,000	2%
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**SMART FUND**

	As at July 01, 2024	Purchases during the period	Sold / Matured During the Period	As at Sept 30, 2024	Cost/ Carrying Value	Market Value	% of Total Investment		
Note	----- Number of certificates -----			----- Rupees -----					
<b>Commercial Bank</b>									
Dubai Islamic Bank Limited	6.3.4	-	44	-	44	43,001,200	44,264,000	14%	
Bankislami Pakistan Limited		635	-	-	635	3,175,000	3,175,000	1%	
<b>Power Generation &amp; Distribution</b>									
<b>Face value of Rs. 100,000/- each</b>									
K-Electric Company Limited - Sukuk (23-11-22)	6.3.5	-	1,000	-	1,000	101,800,000	101,900,000	31%	
<b>Face value of Rs. 1,000,000/- each</b>									
K-Electric Limited - STS 24		125	-	125	-	-	-	0%	
<b>Steel and Allied</b>									
Mughal Iron & Steel Industries Limited Sukuk (27-12-23)	6.3.6	170	-	-	170	170,000,000	170,000,000	52%	
<b>Pharmaceutical Allied (others)</b>									
OBS Pharma (Private) Limited	6.3.7	115	90	205	-	-	-	-	
<b>Technology and communication</b>									
Pakistan Telecommunication Limited - STS II	6.3.8	110	-	110	-	-	-	-	
Pakistan Telecommunication Limited - STS III		104	-	104	-	-	-	-	
<b>Technology and communication</b>									
Pakistan Elecron Limited	6.3.9	205	60	265	-	-	-	-	
<b>Face value of Rs. 5,000/- each</b>									
Eden Housing Limited	6.3.10	2,933	-	-	2,933	2,887,171	-	-	
Provision held	6.3	-	-	-	-	(2,887,171)	-	-	
<b>Face value of Rs. 5,000/- each</b>									
Amtex limited	6.3.11	6,000	-	-	6,000	22,500,000	-	-	
Provision held	6.3	-	-	-	-	(22,500,000)	-	-	
<b>Face value of Rs. 5,000/- each</b>									
New Allied Electronics Industries (Private) Limited	6.3.12	1,000	-	-	1,000	5,027,500	-	-	
Provision held	6.3	-	-	-	-	(5,027,500)	-	-	
					326,136,200		327,499,000		

**6.3 Details of non-compliant investments**

The Securities & Exchange Commission of Pakistan (SECP), vide its circular No. 16 dated July 07, 2010, has prescribed certain disclosures for non-compliances, either with the minimum investment criteria specified for the category assigned to the Collective Investment Schemes or with the investment requirements of their constitutive documents.

Name of non compliant investment	Note	Type of Investment	Value of	Provision	Value of	% of	% of
			Investment before provision	held if any	Investment after provision	net assets	Gross Assets
			----- Rupees -----				
Dewan Cement Limited - Restructured	6.1.1	Pre-IPO investment	12,566,367	(12,566,367)	-	-	-
New Allied Industries Limited	6.3.1	Term finance certificates	25,433,190	(25,433,190)	-	-	-
New Allied Industries Limited	6.3.2	Term finance certificates	7,222,749	(7,222,749)	-	-	-
New Allied Industries Limited	6.3.12	Sukuk certificates	5,027,500	(5,027,500)	-	-	-
Eden Housing Limited	6.3.10	Sukuk certificates	2,887,171	(2,887,171)	-	-	-
Amtex Limited	6.3.11	Sukuk certificates	22,500,000	(22,500,000)	-	-	-
Agha Steel Industries Limited	6.3.3	Sukuk certificates	10,200,000	(2,040,000)	8,160,000	1.01%	0.99%

**6.3.1** New Allied Electronics Industries Limited defaulted on its payment of principal and mark-up due on December 25, 2008. Consequently, the security was classified as non-performing by MUFAP on January 09, 2009 and accrual on the same was suspended. This security has been fully provided in accordance with the provisioning circulars of SECP and the Board's approved provisioning policy. These TFCs are held in CDC investor account of the previous trustee and will only be transferred upon final settlement.

**6.3.2** New Allied Electronics Industries (Private) Limited defaulted on its payment of principal and mark-up due on 25 December 2008. Consequently, the security was classified as non-performing by MUFAP on 9 January 2009 and accrual of income on the same was suspended. This security has been fully provided in accordance with the provisioning circulars issued by the SECP and the Board's approved provisioning policy.

**6.3.3** Sukuk certificates of Agha Steel Industries Limited are carried at their cost as they are not valued by MUFAP.

**6.3.4** The Dubai Islamic Bank Limited's sukuk certificates are unsecured and carry a profit equal to 6-month KIBOR plus 0.70%, which is receivable half-yearly in arrears. These certificates will mature in 2 December 2032.

**6.3.5** The K-Electric Company Limited - Sukuk (23-11-22) are unsecured and offer a profit equivalent to 3-month KIBOR plus 1.70%. This profit is payable quarterly in arrears. Additionally, the principal amount will be repaid in 20 equally distributed quarterly installments, starting from 23 February 2025, and continuing until the maturity date of 23 November 2029. These certificates will mature in 23 November 2029.

The K-Electric Limited Short-Term Sukuk 24 are unsecured and offer a profit equal to 6-month KIBOR plus 0.20%, which is payable semi-annually in arrears. These certificates have matured in 28 September 2024.

**6.3.6** The sukuk certificates issued by The Mughal Iron & Steel Industries Limited are unsecured and bear a profit rate equivalent to 3-month KIBOR plus 0.145%, payable quarterly in arrears. The maturity date for these certificates is 27 March 2025.

**6.3.7** The OBS Pharma (Private) are unsecured and offer a profit equal to 6-month KIBOR plus 1.40%, which is payable semi-annually in arrears. These certificates have matured in 29 August 2024.

**6.3.8** The Pakistan Telecommunication Limited - Short Term Sukuk II are unsecured and offer a profit equal to 6-month KIBOR plus 0.15%, which is payable semi-annually in arrears. These certificates have matured in 17 July 2024.

The Pakistan Telecommunication Limited - Short Term Sukuk III are unsecured and offer a profit equal to 6-month KIBOR plus 0.15%, which is payable semi-annually in arrears. These certificates have matured in 19 September 2024.

**6.3.9** The Pakistan Elekron Limited are unsecured and offer a profit equal to 6-month KIBOR plus 1%, which is payable semi-annually in arrears. These certificates have matured in 27 September 2024.

- 6.3.10** Eden Housing Limited defaulted on its payment of principal and mark-up due on April 21, 2011. Consequently, the security was classified as non- performing by MUFAP on May 06, 2011 and accrual on the same was suspended. This security has been fully provided in accordance with the provisioning circulars of SECP and the Board's approved provisioning policy. These sukuks are held in CDC investor account of the Fund.
- 6.3.11** Amtex Limited (Sukuk) defaulted on its payment of principal and mark-up due on December 22, 2010. Consequently, the security was classified as non-performing by MUFAP non January 6, 2011 and accrual of income on the same was suspended. Accordingly, the security has been fully provided in accordance with the provisioning circulars issued by SECP and the board's approved provisioning policy.
- 6.3.12** New Allied Electronics Industries (Private) Limited defaulted on its payment of principal and mark-up due on 27 October 2008. Consequently, the security was classified as non-performing by MUFAP on 9 January 2009 and accrual on the same was suspended. Management has recognised full provision there against and the accrual of income has been suspended in line with provisioning policy of the Fund duly approved by the Board as per applicable SECP provisioning circulars.

	<i>Un-Audited</i>	<i>Audited</i>
	<b>September 30,</b>	<b>June 30,</b>
	<b>2024</b>	<b>2024</b>
<b>Note</b>	<b>----- Rupees -----</b>	

**6.4 Unrealized gain on revaluation of investments classified as fair value through other comprehensive income - net**

Fair value of investments	6.2	<b>327,499,000</b>	840,335,000
Less: Cost/Carrying Value of Investment		<b>(326,136,200)</b>	<u>(839,864,239)</u>
		<b>1,362,800</b>	470,761
Less: Net unrealized gain in fair value of investments - Opening		<u>-</u>	<u>(470,761)</u>
		<b><u>1,362,800</u></b>	<b><u>-</u></b>

- 9.1** According to the provisions of the Trust Deed of the Fund, the Management Company has charged its remuneration at the rate of 1.5% (June 2024: 1.5%) per annum on the average annual net assets of the Fund calculated on a daily basis.
- 9.2** The Sindh Provincial Government has levied Sindh Sales tax at the rate of 15% (June 2024: 13%) on Management Company's remuneration.
- 9.3** In accordance with the provisions of the NBFC Regulations amended vide S.R.O 1160(I)/2015 dated November 25, 2015, the Management Company of the Fund is entitled for reimbursement of fee and expenses incurred by the Management Company in relation to registrar service, accounting, operation and valuation services related to the Fund maximum up to 0.1% of average annual net assets of the scheme or actual which ever is less. Accordingly, the Management Company has charged accounting and operating expenses to the Fund at a rate of 0.1% per annum of the average annual net assets of the Fund for the period ended September 30, 2024.

		<i>Un-Audited</i>	<i>Audited</i>
		<b>September 30,</b>	<b>June 30,</b>
		<b>2024</b>	<b>2024</b>
<b>10 PAYABLE TO DIGITAL CUSTODIAN COMPANY LIMITED - TRUSTEE</b>	<b>Note</b>	<b>----- Rupees -----</b>	
Trustee Remuneration	10.1	<b>147,866</b>	134,733
Sindh sales tax payable on Trustee remuneration	10.2	<b>22,143</b>	17,515
		<b><u>170,009</u></b>	<b><u>152,248</u></b>



**10.1** According to the provisions of the Trust Deed of the 786 Smart Fund, the Trustee is entitled to monthly remuneration for services rendered to the Fund as follows:

**On net assets:**

- Up to Rs.1 billion Rs.0.6 million or 0.15% per annum of the net assets of the Fund computed on a daily basis whichever is higher.
- Exceeding Rs.1 Billion Rs.0.6 million plus 0.09% per annum of the net assets of the Fund computed on a daily basis exceeding Rs.1 billion.

**10.2** The Sindh Provincial Government has levied sindh sales tax at the rate of 15% (June 2024: 13%) on trustee's remuneration.

**11 ANNUAL FEE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**

This represents the annual fee payable to SECP as amended in clause 'c' of Schedule II of the Non-Banking Financial Companies (NBFC) Regulation 2008, read in conjunction with regulation 62 of the NBFC Regulation 2008. This fee became applicable from July 1, 2023, and it mandates that the Fund must remit to SECP an amount equal to 0.075% of the average daily net assets. This payment is due within fifteen days following the conclusion of each calendar month of the Collective Investment Scheme.

Previously, the applicable fee was 0.02% of the average daily net assets, and it was payable within three months after the close of the accounting year /financial year.

		<i>Un-Audited</i> <b>September 30,</b> <b>2024</b>	<i>Audited</i> <b>June 30,</b> <b>2024</b>
<b>12 ACCRUED EXPENSES AND OTHER LIABILITIES</b>	<b>Note</b>	<b>----- Rupees -----</b>	
Federal Excise Duty on Remuneration	12.1	<b>6,513,679</b>	6,513,679
Accrued expenses	12.2	<b>866,645</b>	659,850
Other liabilities		<b>780</b>	-
Capital gain tax payable		-	4,016,372
Zakat payable and withholding tax		<b>11,620</b>	5,740,261
		<b><u>7,392,724</u></b>	<b><u>16,930,162</u></b>

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

On September 4, 2013, a Constitutional Petition was filed in the Honorable Sindh High Court (SHC) jointly by various asset management companies, together with their representative Collective Investment Schemes through their trustees, challenging the levy of FED.

On July 16, 2016, the SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan which is pending adjudication.

With effect from July 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.

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 1, 2016. However, the provision for FED made prior to this period has been maintained by the Fund which at June 30, 2024 aggregates to Rs. 6.51 million (2023: Rs. 6.51 million). Had the provision for FED not been recorded in the financial statements of the Fund, the net assets value of the Fund as at September 30, 2024 would have been higher by Re. 0.71 per unit (June 30, 2024: Re. 0.62 per unit).

	<i>Un-Audited</i> <b>September 30,</b> <b>2024</b>	<i>Audited</i> <b>June 30,</b> <b>2024</b>
<b>12.2 Accrued expenses</b>	<b>----- Rupees -----</b>	
Auditors' remuneration payable	<b>516,950</b>	357,327
PSX fee payable	<b>61,931</b>	55,000
Printing and related expenditure payable	<b>35,099</b>	17,848
Shariah and tax advisors fee payable	<b>252,665</b>	227,250
	<b>866,645</b>	<b>657,425</b>

**13 CONTINGENCIES AND COMMITMENTS**

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

	<i>Un-Audited</i> <b>September 30,</b> <b>2024</b>	<i>Audited</i> <b>June 30,</b> <b>2024</b>
<b>14 NUMBER OF UNITS IN ISSUE</b>	<b>----- Number of Units -----</b>	
Total outstanding as of July 01	<b>10,526,352</b>	8,750,090
Issued during the period	<b>8,286,736</b>	36,170,150
Redemption during the period	<b>(9,609,782)</b>	(34,393,888)
Closing units	<b>9,203,305</b>	<b>10,526,352</b>

	<i>Un-Audited</i> <b>September 30,</b> <b>2024</b>	<i>Un-Audited</i> <b>September 30,</b> <b>2023</b>
<b>15 INCOME FROM INVESTMENTS AND BALANCES WITH BANKS</b>	<b>----- Rupees -----</b>	
<i>Income from:</i>		
- Sukuk certificates	<b>47,277,319</b>	40,477,079
- Profit and loss sharing (PLS) account	<b>17,064,772</b>	18,089,250
- Commercial Paper	<b>-</b>	-
	<b>64,342,091</b>	<b>58,566,329</b>

**16 TOTAL EXPENSE RATIO**

The total expense ratio (TER) of the Fund for the period ending on September 30, 2024, is 2.16%, which includes 0.32% representing government levies on the Fund, such as federal excise duties and sales taxes, as well as the annual fee payable to the SECP, among other expenses. This ratio is within the maximum limit of 2.5% (June 2024: 2.5%) prescribed under the NBFC Regulations for a collective investment scheme categorised as a Shariah Compliant income scheme.

## 17 TAXATION

The Fund's income is exempt from income tax as per clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income available for distribution for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders by way of cash dividend. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulation, 2008, the Fund is required to distribute 90% of the net accounting income available for distribution other than capital gains to the unit holders in cash. The Fund is also exempt from the provision of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Since the management has distributed the income available for distribution by the Fund to the unit holders in cash in the manner as explained above accordingly, no provision for taxation has been made in these financial statements.

## 18 TRANSACTIONS WITH RELATED PARTIES/CONNECTED PERSONS

Related party/connected person include 786 Investments Limited being the Management Company, other collective investment schemes managed by the Management company, Digital Custodian Company Limited formerly (MCB Financial Services Limited) being the Trustee of the Fund, Directors and Officers of the Management Company, other associated undertakings and unit holder's holding more than 10% units in the Fund or any other connected person.

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

The transactions with related parties are in the normal course of business and at contracted rates and terms determined in accordance with market rates.

Aggregate transactions and balances with related parties, associated undertakings and connected person which are not disclosed elsewhere in the notes are as follows:

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

	For the period ended September 30, 2024									
	As at July 01, 2024	Issued for cash	Refund of capital units	Re-Invest	Redeemed	As at September 30, 2024	As at July 01, 2024	Issued for cash	Redeemed	As at September 30, 2024
	----- Units -----					----- Rupees -----				
<b>Associated Companies / Undertakings:</b>										
786 Investments Limited - Management Company	2,739,190	11,436	-	-	200,941	2,549,686	228,795,251	1,000,000	17,500,000	223,793,566
BRR Guardian Limited (Associate of Management Company)	436,920	-	-	-	-	436,920	36,494,441	-	-	38,349,778
First Dawood Properties Limited (Associate of Management Company)	-	57,105	-	-	-	57,105	-	5,000,000	-	5,012,312
First Dawood Investment Bank Limited - Employees Contributory Provident Fund-Employee Benefit Fund of Group Company	721,377	232,674	-	-	389,749	564,302	60,254,191	20,000,000	34,000,000	49,530,507
LADIESFUND Energy (Private) Limited (Connected Person due to Management Company)	988,333	-	-	-	189,039	799,294	82,552,136	-	16,000,000	70,156,432
Dawood Family Takaful Limited (Associate of Management Company)	-	7,578,971	-	-	7,578,971	-	-	640,000,000	663,351,026	-
Directors and key management personnel of the Management Company	1,774,742	98,491	-	-	17,254	1,855,979	148,238,165	8,563,807	1,500,000	162,904,836

	For the period ended September 30, 2023									
	As at July 01, 2023	Issued for cash	Refund of capital units	Re- Invest	Redeemed	As at September 30, 2023	As at July 01, 2023	Issued for cash	Redeemed	As at September 30, 2023
	----- Units -----					----- Rupees -----				
<i>Associated Companies / Undertakings:</i>										
786 Investments Limited - Management Company	2,495,416	-	-	-	23,426	<b>2,471,990</b>	205,640,238	-	2,000,000	<b>214,190,770</b>
BRR Guardian Limited (Associate of Management Company)	436,920	-	-	-	-	<b>436,920</b>	36,005,353	-	-	<b>37,857,850</b>
First Dawood Investment Bank Limited - Employees Contributory Provident Fund- Employee Benefit Fund of Group Company	310,495	298,969	-	-	-	<b>609,464</b>	25,587,055	25,000,000	-	<b>52,808,317</b>
LADIESFUND Energy (Private) Limited (Connected Person due to Management Company)	772,632	-	-	-	-	<b>772,632</b>	63,670,447	-	-	<b>66,946,330</b>
Dawood Family Takaful Limited (Associate of Management Company)	-	6,047,469	-	-	5,927,018	<b>120,451</b>	-	500,000,000	511,368,365	<b>10,436,731</b>
Directors and key management personnel of the Management Company	1,219,318	-	-	-	-	<b>1,219,318</b>	100,480,554	-	-	<b>105,650,339</b>

**Un-Audited**      *Audited*  
**September 30,**      *June 30,*  
**2024**                      *2024*

### 18.2 Transactions during the Period Ended

**Note**

----- Rupees -----

#### **786 Investments Limited - Management Company**

Remuneration of the management company	9.1	<b>4,909,690</b>	4,266,502
Sales tax on remuneration to the management company	9.2	<b>736,450</b>	554,645
Accounting and operational charges	9.3	<b>327,318</b>	284,433

#### **Digital Custodian Company Limited - Trustee**

Remuneration of the Trustee	10.1	<b>444,041</b>	426,650
Sales tax on Trustee fee	10.2	<b>66,569</b>	55,465

### 18.3 Balance as at period ended

#### **786 Investments Limited - Management Company**

Remuneration payable to the management company	9	<b>1,665,478</b>	1,457,616
Sales tax payable on management company's remuneration	9	<b>249,818</b>	189,490
Accounting and operational charges	9	<b>327,309</b>	1,253,880
FED payable on management company's remuneration		<b>6,513,679</b>	6,513,679

#### **Digital Custodian Company Limited - Trustee**

Remuneration payable to the Trustee	10	<b>147,866</b>	134,733
Sales tax payable on Trustee fee	10	<b>22,143</b>	17,515

18.4 The transactions with related parties/connected persons are in the normal course of business at contracted rates and terms, determined in accordance with market rates.

## 19 GENERAL

Figures have been rounded off to the nearest rupee.



**20 DATE OF AUTHORISATION FOR ISSUE**

These financial statements were authorized for issue by the board of directors of the Management Company on \_\_\_\_\_.

**For 786 Investments Limited  
(Management Company)**

\_\_\_\_SD\_\_\_\_  
\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_SD\_\_\_\_  
\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_SD\_\_\_\_  
\_\_\_\_\_  
**Director**



**BOOK POST**



If undelivered, please return to:

**786 SMART FUND**  
**G-3, B.R.R. Tower,**  
**Hassan Ali Street,**  
**Off I.I. Chundrigar Road,**  
**Karachi - 74000 Pakistan**



**Managed By:**  
**786 Investments Limited**  
**Trustee: MCB Financial Services Limited**  
G-3, B.R.R. Tower, Hassan Ali Street,  
Off I.I. Chundrigar Road, Karachi - 74000 Pakistan  
Tel: (92-21) 32603751-54  
Email: [info@786investments.com](mailto:info@786investments.com)  
Website: [www.786investments.com](http://www.786investments.com)