



**NIT Income Fund
Condensed Interim Financial
Statements (Unaudited)
for the nine months ended
31 March 2020**

**NIT - INCOME FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT MARCH 31, 2020**

| | Note | March 31, 2020 (Unaudited) | June 30, 2019 (Audited) |
|--|------|----------------------------------|-------------------------------|
| -----Rupees in '000----- | | | |
| ASSETS | | | |
| Bank balances | 4 | 1,642,867 | 2,409,365 |
| Investments | 5 | 2,256,222 | 1,526,986 |
| Advance against subscription of TFC Investments | | - | 46,375 |
| Receivable against Marginal Trading System | | - | 17,901 |
| Advance Tax | | 64,368 | 64,368 |
| Profit receivables | | 36,945 | 56,781 |
| Security deposits | | 350 | 350 |
| Receivable against Redemption of Term Finance Certificate | | - | 64,252 |
| Total assets | | 4,000,752 | 4,186,378 |
| LIABILITIES | | | |
| Payable to National Investment Trust Limited - Management Company | 6 | 4,374 | 5,020 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | 7 | 266 | 416 |
| Annual fee payable to the Securities and Exchange Commission of Pakistan | 8 | 588 | 3,461 |
| Payable against redemption of units | | 46,347 | - |
| Payable against MTS Investments | | - | 2,941 |
| Accrued expenses and other liabilities | 9 | 51,329 | 44,302 |
| Dividend Payable | | 506 | 461 |
| Total liabilities | | 103,410 | 56,601 |
| NET ASSETS | | 3,897,342 | 4,129,777 |
| UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED) | | 3,897,342 | 4,129,777 |
| CONTINGENCIES AND COMMITMENTS | 10 | | |
| -----Number of units----- | | | |
| NUMBER OF UNITS IN ISSUE | | 353,506,758 | 375,211,674 |
| -----Rupees----- | | | |
| NET ASSET VALUE PER UNIT | | 11.0248 | 11.0065 |

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

For National Investment Trust Limited
(Management Company)


Managing Director


Director


Director


Chief Financial Officer

NIT - INCOME FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE NINE AND THREE MONTHS PERIOD ENDED MARCH 31, 2020

| | | Nine months period ended | | Three months period ended | |
|--|------|--------------------------|----------------|---------------------------|----------------|
| | | 2020 | 2019 | 2020 | 2019 |
| | | (Unaudited) | | (Unaudited) | |
| | | (Restated) | | (Restated) | |
| | | Rupees in '000 | | | |
| INCOME | | | | | |
| | Note | | | | |
| Income from government securities | | 123,981 | 78,220 | 43,128 | 4,947 |
| Income from Term Finance Certificates | | 127,732 | 78,068 | 38,564 | 33,811 |
| Income from Certificates of Investment | | - | 12,335 | - | 3,584 |
| Income from letters of placement | | - | 10,873 | - | 9,981 |
| Income from Marginal Trading System | | 234 | 15,342 | - | 5,281 |
| Profit on bank balances | | 134,000 | 121,526 | 36,136 | 56,982 |
| Amortisation of (premium) on Term Finance Certificates - net | | - | (957) | - | (270) |
| Gain / (Loss) on sale of investments-net | | 28,351 | (3,073) | 6,451 | (13) |
| Net unrealised (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss' | 5.8 | 38,708 | 11,910 | 44,385 | 346 |
| Other income | | 303 | 341 | 123 | - |
| Total income | | 453,309 | 324,585 | 168,787 | 114,649 |
| EXPENSES | | | | | |
| Impairment Loss on Term Finance Certificate | | 64,252 | 25,368 | - | 14,511 |
| Remuneration of National Investment Trust Limited - Management Company | 6.1 | 33,429 | 32,156 | 10,383 | 11,457 |
| Sindh sales tax on Management Company's remuneration | 6.2 | 4,346 | 4,180 | 1,350 | 1,489 |
| Remuneration of Central Depository Company of Pakistan Limited - Trustee | | 2,205 | 3,646 | 692 | 1,121 |
| Sindh Sales Tax on Remuneration of Trustee | | 287 | 474 | 90 | 146 |
| Annual fee - Securities and Exchange Commission of Pakistan | | 588 | 2,655 | 185 | 804 |
| Central Depository Charges | | 5 | 8 | 2 | 2 |
| Allocation of expenses related to registrar services accounting, operations and valuation services | 6.3 | 2,991 | 3,535 | 942 | 1,073 |
| Laga and Levy Charges | | 26 | 1,705 | - | 497 |
| Settlement and bank charges | | 139 | 152 | 85 | 26 |
| Securities transaction costs | | 533 | 278 | 189 | 50 |
| Auditors' remuneration | | 688 | 632 | 228 | 135 |
| Legal & professional charges | | - | 1,480 | - | 450 |
| Annual listing fee | | 40 | 35 | - | - |
| Printing charges | | 72 | 88 | 68 | 79 |
| Total expenses | | 109,971 | 76,719 | 14,584 | 32,166 |
| Net income from operating activities | | 343,338 | 247,866 | 154,203 | 82,483 |
| Provision for Sindh Workers' Welfare Fund | 9.1 | (6,868) | (4,719) | (3,084) | (1,643) |
| Net income for the period before taxation | | 336,470 | 243,147 | 151,119 | 80,840 |
| Taxation | 11 | - | - | - | - |
| Net income for the period | | 336,470 | 243,147 | 151,119 | 80,840 |
| Allocation of net income for the period | | | | | |
| Net income for the period | | 336,470 | 243,147 | | |
| Income already paid on units redeemed | | (36,359) | (36,231) | | |
| | | <u>300,111</u> | <u>206,916</u> | | |
| Accounting income available for distribution: | | | | | |
| -Relating to capital gains | | 29,030 | 8,837 | | |
| -Excluding capital gains | | 271,081 | 198,079 | | |
| | | <u>300,111</u> | <u>206,916</u> | | |

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

For National Investment Trust Limited
(Management Company)


Managing Director


Director


Director


Chief Financial Officer

NIT - INCOME FUND
 CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
 FOR THE NINE AND THREE MONTHS PERIOD ENDED MARCH 31, 2020

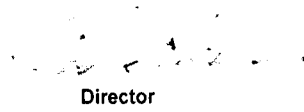
| | Nine months period ended | | Three months period ended | |
|--|-------------------------------|----------------|---------------------------|---------------|
| | 2020 | 2019 | 2020 | 2019 |
| | (Unaudited) | | | |
| | (Restated) | | (Restated) | |
| | Note -----Rupees in '000----- | | | |
| Net income for the period | 336,470 | 243,147 | 151,119 | 80,840 |
| Other comprehensive income | - | - | - | - |
| Total comprehensive income for the period | 336,470 | 243,147 | 151,119 | 80,840 |

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

For National Investment Trust Limited
 (Management Company)


 Managing Director


 Director


 Director


 Chief Financial Officer

NIT - INCOME FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

| | March 31, | | | | | | |
|---|------------------|----------------------|-------------------------|------------------|----------------------|--|-------------------------|
| | 2020 | | | 2019 | | | |
| | Capital value | Undistributed income | Total | Capital value | Undistributed income | Unrealised appreciation / (diminution) 'fair value through other comprehensive income' investments | Total |
| (Unaudited) | | | | | | | |
| Rupees in '000 | | | | | | | |
| Net assets at the beginning of the period | 3,792,761 | 337,016 | 4,129,777 | 5,240,956 | 334,755 | (1,824) | 5,573,887 |
| Change in accounting policy on adoption of IFRS 9 | - | - | - | - | (1,824) | 1,824 | - |
| Net assets at the beginning of the period - restated | 3,792,761 | 337,016 | 4,129,777 | 5,240,956 | 332,931 | - | 5,573,887 |
| Issue of 46,970,368 units (2019: 37,094,059 units) | | | | | | | |
| Capital value | 474,589 | | 474,589 | 343,026 | | | 343,026 |
| Element of income | 34,506 | | 34,506 | 7,813 | | | 7,813 |
| Amount received on issuance of units | 509,095 | - | 509,095 | 350,839 | - | - | 350,839 |
| Issue of 1,737,465 units in lieu of refund of capital | 17,582 | - | 17,582 | - | - | - | - |
| Redemption of 90,887,767 units (2019: 185,587,499 units) | | | | | | | |
| Capital value | (918,330) | | (918,330) | (1,351,689) | | | (1,351,689) |
| Element of income / (loss) | (9,460) | (36,359) | (45,819) | (3,981) | (36,231) | - | (40,212) |
| Amount paid / payable on redemption of units | (927,790) | (36,359) | (964,149) | (1,910,529) | (36,231) | - | (1,946,760) |
| Total comprehensive income / (loss) for the period | - | 336,470 | 336,470 | - | 243,147 | - | 243,147 |
| Issue of 20,475,018 units under CIP (2018: 17,290,368 units) | 207,195 | - | 207,195 | 177,579 | - | - | 177,579 |
| Final distribution for the year ended June 30, 2019: Rs 0.9025 per unit [(Date of Distribution: 5 July 2019)](2018: 0.5746 per unit [(Date of Distribution: 5 July 2018)]) | - | (321,046) | (321,046) | - | (257,164) | - | (257,164) |
| Refund of Capital | (17,582) | - | (17,582) | - | - | - | - |
| Net assets at the end of the period | 3,581,261 | 316,081 | 3,897,342 | 3,858,845 | 282,683 | - | 4,141,528 |
| Net assets at the end of the period | | | | | | | |
| Undistributed income brought forward | | | | | | | |
| -Realized income | | 337,016 | | | 334,755 | | |
| -Unrealized income | | | | | | | |
| | | <u>337,016</u> | | | <u>334,755</u> | | |
| Change in accounting policy on adoption of IFRS 9 | | | | | (1,824) | | |
| Undistributed income brought forward - restated | | <u>337,016</u> | | | <u>332,931</u> | | |
| Accounting income available for distribution | | | | | | | |
| -Relating to capital gains | | 29,030 | | | 8,837 | | |
| -Excluding capital gains | | 271,081 | | | 198,079 | | |
| | | <u>300,111</u> | | | <u>206,916</u> | | |
| Final distribution for the year ended June 30, 2019: Rs 0.9025 per unit [(Date of Distribution: 5 July 2019)](2018: 0.5746 per unit [(Date of Distribution: 5 July 2018)]) | | (321,046) | | | (257,164) | | |
| Undistributed income carried forward | | <u>316,081</u> | | | <u>282,683</u> | | |
| Undistributed income carried forward comprising | | | | | | | |
| -Realized income | | 316,081 | | | 282,683 | | |
| -Unrealized income | | | | | | | |
| | | <u>316,081</u> | | | <u>282,683</u> | | |
| Net assets value per unit at beginning of the period | | | (Rupees) <u>11,0065</u> | | | | (Rupees) <u>10,8371</u> |
| Net assets value per unit at end of the period | | | <u>11,0248</u> | | | | <u>10,8097</u> |

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

For National Investment Trust Limited
(Management Company)


Managing Director


Director


Director


Chief Financial Officer

**NIT - INCOME FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

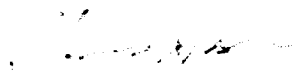
| | March 31, | |
|---|----------------------------|-------------------------|
| | 2020 | 2019 |
| | ----- (Unaudited) ----- | |
| | (Restated) | |
| | ----- Rupees in '000 ----- | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net income for the period before taxation | 336,470 | 243,147 |
| Adjustments: | | |
| Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' | (38,708) | (11,910) |
| | <u>297,762</u> | <u>231,237</u> |
| (Increase) / decrease in assets | | |
| Investments | (690,528) | 101,369 |
| Profit receivables | 19,836 | (27,790) |
| Security deposits | - | 3,850 |
| Receivable against Marginal Trading System | 17,901 | 292,643 |
| Receivable against advance tax | - | 15,123 |
| Receivable against Redemption/subscription of investments | 64,252 | (74,333) |
| Receivable against subscription | 46,375 | - |
| | <u>(542,164)</u> | <u>310,862</u> |
| Increase / (decrease) in liabilities | | |
| Payable to National Investment Trust Limited - Management Company | (646) | 204 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | (150) | (93) |
| Annual fee payable to the Securities and Exchange Commission of Pakistan | (2,873) | (1,151) |
| Payable on redemption of units | 46,347 | (1,051) |
| Payable against MTS Investments | (2,941) | - |
| Accrued expenses and other liabilities | 7,027 | 6,729 |
| | <u>46,764</u> | <u>4,638</u> |
| Net cash (used in) / generated from operating activities | (197,638) | 546,738 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Receipts from issue of units-including CIP | 716,290 | 528,418 |
| Payments on redemption of units | (964,149) | (1,946,760) |
| Distribution paid | (321,001) | (257,278) |
| Net cash generated / (used in) from financing activities | (568,860) | (1,675,620) |
| Net increase in cash and cash equivalents during the period | (766,498) | (1,128,882) |
| Cash and cash equivalents at the beginning of the period | 2,409,365 | 3,084,799 |
| Cash and cash equivalents at the end of the period | <u>1,642,867</u> | <u>1,955,917</u> |

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

**For National Investment Trust Limited
(Management Company)**


Managing Director


Director


Director


Chief Financial Officer

NIT - INCOME FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 NIT - Income Fund (the "Fund") was established under a Trust Deed executed on 17 September 2009 between National Investment Trust Limited ("NITL"), as Management Company, and Central Depository Company of Pakistan Limited ("CDC"), as Trustee. The Fund was approved by the Securities and Exchange Commission of Pakistan ("SECP") vide its letter no. NBFC-II/NITL/1026/2009 dated 20 November 2009 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 ("NBFC Rules"). The Fund is categorized as an Income Scheme as per the criteria for categorisation of open end collective investment scheme as specified by Securities and Exchange Commission of Pakistan (SECP) and other allied matters.
- 1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 6th floor, National Bank of Pakistan Building, I. I. Chundrigar Road, Karachi.
- 1.3 The Fund is an open-ended mutual fund and is listed on Pakistan Stock Exchange (PSX). 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 units of the Fund were initially offered for public subscription at par from 15 February 2010 to 19 February 2010 (both days inclusive). Prior to the public offer, units were offered and issued to core investors and pre IPO investors at par value of Rs. 10. Subsequent to the initial period i.e., after 19 February 2010 units are being offered in accordance with the basis specified in the offering document.
- 1.4 The objective of the Fund is to generate competitive stream of return with moderate level of risk for its unit holders, by investing primarily in fixed income securities / instruments.
- 1.5 Pakistan Credit Rating Agency Limited (PACRA) has assigned "AA-(f)" rating to the Fund and has assigned an asset manager rating of "AM2++" to the Management Company.
- 1.6 Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of compliance

- 2.1.1 This condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Act, 2017 along with part and the requirements VIII A of the repealed Companies Ordinance, 1984 and the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008, (the NBFC Regulations). Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations have been followed.
- 2.1.2 This condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the annual financial statements of the Fund as at and for the year ended 30 June 2019.
- 2.1.3 This condensed interim financial information is being submitted to the unit holders as required under Regulation 38 (2)(f) of the Non-Banking Finance Companies and notified Entities Regulations, 2008 (NBFC Regulations).

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT POLICIES

3.1 The accounting policies adopted and the methods of computation of the of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2019

3.2 The preparation of the condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgements made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements of the Fund as at and for the year ended June 30, 2018. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2019.

4 BANK BALANCES

These represent balances with banks in savings accounts carrying rates ranging from 4.00% to 14.35% per annum (30 June 2019: 4.00% to 13.60% per annum)

| 5 INVESTMENTS | Note | March 31, 2020 | June 30, |
|--|------|------------------|------------------|
| | | (Unaudited) | 2019 |
| -----Rupees in '000----- | | | |
| Fair value through profit or loss | | | |
| Government securities: | | | |
| -Market Treasury Bills | 5.1 | 635,808 | 49,693 |
| -Pakistan Investment Bonds | 5.1 | 548,935 | 44,417 |
| Term finance certificates - unlisted | 5.2 | 706,747 | 735,989 |
| Sukuk - Listed | 5.3 | 182,795 | 183,916 |
| Sukuk - Unlisted | 5.4 | 12,825 | 18,285 |
| Privately Placed Short term Sukuk-unlisted | 5.5 | 121,230 | 250,000 |
| Commercial Paper | 5.6 | 47,882 | 244,686 |
| | | <u>2,256,222</u> | <u>1,526,986</u> |

5.1 Market Treasury Bills

| Issue date | Tenor | Face value | | | Balance as at 31 March 2020 | | Market value as a percentage of net assets | Market value as a percentage of total investments | |
|------------------------------|-----------|-------------------|-----------------------------|-----------------------------------|-----------------------------|----------------|--|---|--------------|
| | | As at 1 July 2019 | Purchased during the period | Sales / matured during the period | As at 31 March 2020 | Carrying value | | | Market value |
| (Rupees in '000) | | | | | | | | | |
| Market Treasury Bills | | | | | | | | | |
| April 25, 2019 | 3 Months | 50,000 | - | 50,000 | - | - | - | - | |
| May 23, 2019 | 3 Months | - | 50,000 | 50,000 | - | - | - | - | |
| July 18, 2019 | 3 Months | - | 2,500,000 | 2,500,000 | - | - | - | - | |
| October 24, 2019 | 6 Months | - | 500,000 | 500,000 | - | - | - | - | |
| August 12, 2019 | 12 Months | - | 300,000 | 300,000 | - | - | - | - | |
| August 29, 2019 | 12 Months | - | 500,000 | 500,000 | - | - | - | - | |
| September 12, 2019 | 12 Months | - | 500,000 | 500,000 | - | - | - | - | |
| October 10, 2019 | 12 Months | - | 500,000 | 500,000 | - | - | - | - | |
| October 24, 2019 | 12 Months | - | 500,000 | - | 500,000 | 468,410 | 471,418 | 12.10 | |
| November 7, 2019 | 12 Months | - | 2,000,000 | 250,000 | 1,750,000 | 163,144 | 164,390 | 4.22 | |
| Total - 31 March 2020 | | 50,000 | 7,350,000 | 5,150,000 | 2,250,000 | 631,554 | 635,808 | 16.32 | 28.18 |

5.1 Pakistan Investment Bond

| Issue date | Tenor | Face value | | | Balance as at 31 March 2020 | | Market value as a percentage of net assets | Market value as a percentage of total investments | |
|------------------------------|----------|-------------------|-----------------------------|-----------------------------------|-----------------------------|----------------|--|---|--------------|
| | | As at 1 July 2019 | Purchased during the period | Sales / matured during the period | As at 31 March 2020 | Carrying value | | | Market value |
| (Rupees in '000) | | | | | | | | | |
| July 12, 2018 | 3 Years | 50,000 | 175,000 | 225,000 | - | - | - | - | |
| July 12, 2018 | 5 Years | - | 125,000 | 125,000 | - | - | - | - | |
| September 19, 2019 | 3 Years | - | 1,000,000 | 550,000 | 450,000 | 419,950 | 443,669 | 11.38 | |
| September 19, 2019 | 5 Years | - | 350,000 | 350,000 | - | - | - | - | |
| September 19, 2019 | 10 Years | - | 100,000 | - | 100,000 | 90,155 | 105,267 | 2.70 | |
| Total - 31 March 2020 | | 50,000 | 1,750,000 | 1,250,000 | 550,000 | 510,105 | 548,935 | 14.08 | 24.33 |

5.2 Term finance certificates - unlisted

| Name of the investee company | Number of certificates | | | Balance as at 31 March 2020 | | Market value as a percentage of net assets | Market value as a percentage of total investments | |
|-----------------------------------|------------------------|-----------------------------|-----------------------------------|-----------------------------|----------------|--|---|--------------|
| | As at 1 July 2019 | Purchased during the period | Sales / matured during the period | As at 31 March 2020 | Carrying value | | | Market value |
| (Rupees in '000) | | | | | | | | |
| JS Bank Limited | 12,000 | - | - | 12,000 | 60,188 | 57,591 | 1.48 | |
| Bank Al-Falah Limited (5th issue) | 52,003 | - | - | 52,003 | 259,287 | 258,330 | 6.63 | |
| Habib Bank Limited | 1,550 | - | - | 1,550 | 152,310 | 154,210 | 3.96 | |
| Bank Al-Habib Limited | 25,000 | - | - | 25,000 | 124,950 | 124,950 | 3.21 | |
| Bank Al-Habib Limited | 28,125 | - | 9,000 | 19,125 | 94,517 | 91,848 | 2.36 | |
| KASHF Foundation | - | 20 | - | 20 | 20,000 | 19,818 | 0.51 | |
| Total - 31 March 2020 | 118,678 | 20 | 9,000 | 109,698 | 711,251 | 706,747 | 18.15 | 31.32 |

5.3 Sukuks - Listed

| | | | | | | | | |
|-----------------------------------|--------------|-----------|----------|--------------|----------------|----------------|-------------|-------------|
| Dawood Hercules Corporation Ltd | 1,750 | - | - | 1,750 | 139,759 | 140,462 | 3.60 | 6.23 |
| Fatima Fertilizer Company Limited | 3,678 | - | - | 3,678 | 7,427 | 7,368 | 0.19 | 0.33 |
| Masood Textile Mills Limited | - | 35 | - | 35 | 35,000 | 34,965 | 0.90 | 1.55 |
| Total - 31 March 2020 | 5,428 | 35 | - | 5,463 | 182,186 | 182,795 | 4.69 | 8.11 |

5.4 Sukuks - unlisted

| | | | | | | | | |
|------------------------------|------------|----------|----------|------------|---------------|---------------|-------------|-------------|
| Ghani Gases Corporation Ltd | 285 | - | - | 285 | 14,535 | 12,825 | 0.33 | 0.57 |
| Total - 31 March 2020 | 285 | - | - | 285 | 14,535 | 12,825 | 0.33 | 0.57 |

5.5 Privately Placed Short term Sukuk-unlisted

| | | | | | | | | |
|------------------------------|---------------|--------------|---------------|--------------|----------------|----------------|-------------|-------------|
| Hub Power Company Limited | 50,000 | - | 50,000 | - | - | - | - | - |
| Hub Power Company Limited | - | 1,200 | - | 1,200 | 120,000 | 121,230 | 3.11 | 5.37 |
| Total - 31 March 2020 | 50,000 | 1,200 | 50,000 | 1,200 | 120,000 | 121,230 | 3.11 | 5.37 |

5.6 Commercial Paper

| | | | | | | | | |
|------------------------------|---------------|----------------|----------------|---------------|---------------|---------------|-------------|-------------|
| Hascol Petroleum Limited | 150 | - | 150 | - | - | - | - | - |
| Hub Power Company Limited | 96,000 | - | 96,000 | - | - | - | - | - |
| Hub Power Company Limited | - | 100,000 | 100,000 | - | - | - | - | - |
| K-Electric Limited | - | 50,000 | 50,000 | - | - | - | - | - |
| TPL Corporation Limited | - | 50,000 | 50,000 | - | - | - | - | - |
| TPL Trakker Limited | - | 50,000 | - | 50,000 | 47,882 | 47,882 | 1.23 | 2.12 |
| Total - 31 March 2020 | 96,150 | 250,000 | 296,150 | 50,000 | 47,882 | 47,882 | 1.23 | 2.12 |

5.7 Significant terms and conditions of term finance certificates outstanding at the period end are as follows:

| Name of security | Number of certificates | Unredeemed face value (Rupees) | Mark-up rate (per annum) | Issue date | Tenor | Secured / (Unsecured) | Rating |
|---|------------------------|--------------------------------|--------------------------|-------------------|----------|-----------------------|--------|
| Unlisted term finance certificates | | | | | | | |
| Bank Al-Falah Limited TFC-5 | 52,003 | 4,986 | 6-months KIBOR + 1.25% | 20 February 2013 | 8 years | Unsecured | AA |
| Habib Bank Limited | 1,550 | 99,840 | 6-months KIBOR + 0.5% | 19 February 2016 | 10 years | Unsecured | AAA |
| Bank Al-Habib Limited (5th issue) | 28,125 | 4,992 | 6-months KIBOR + 0.75% | 17 March 2016 | 10 years | Unsecured | AA |
| Bank Al-Habib Limited | 25,000 | 4,998 | 6-months KIBOR + 1% | 06 December 2018 | 10 years | Unsecured | AA |
| JS Bank Limited | 12,000 | 4,994 | 6-months KIBOR + 1.40% | 14 December 2016 | 7 years | Unsecured | A+ |
| KASH Foundation | 20 | 1,000,000 | 3-months KIBOR + 2.25% | 30 September 2019 | 4 years | Unsecured | A |
| Listed Sukuk | | | | | | | |
| Fatima Fertilizer Company Limited | 3,678 | 2,000 | 6-months KIBOR + 1.10% | 28 November 2016 | 5 years | Secured | AA- |
| Dawood Hercules Corporation Ltd | 1,750 | 80,000 | 3-months KIBOR + 1.00% | 01 March 2018 | 5 years | Secured | AA |
| Unlisted Sukuk | | | | | | | |
| Ghani Gasses Limited | 285 | 50,000 | 3-months KIBOR + 1.00% | 02 February 2017 | 6 years | Secured | A |
| Privately Placed Short term Sukuk-unlisted | | | | | | | |
| Masood Textile Mills Limited | 35 | 1,000,000 | 3-months KIBOR + 2.00% | 17 December 2019 | 5 years | Secured | A |
| Hub Power Company Limited | 1,200 | 100,000 | 3-months KIBOR + 1.00% | 22 August 2019 | 4 years | Unsecured | AA+ |

| 5.8 | Net unrealised (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss' | Note | March 31 | |
|-----|--|------|--|--|
| | | | 2020 ------(Unaudited)----- (Restated) | 2019 -----Rupees in '000----- (Restated) |
| | Market value of investments | | 2,256,222 | 2,026,732 |
| | Less: Carrying value of investments | | (2,217,514) | (2,014,822) |
| | | | <u>38,708</u> | <u>11,910</u> |

| 6 | PAYABLE TO NATIONAL INVESTMENT TRUST LIMITED - MANAGEMENT COMPANY | Note | March 31, 2020 | June 30, 2019 |
|---|---|------|--------------------------|---------------|
| | | | (Unaudited) | (Audited) |
| | | | -----Rupees in '000----- | |
| | On account of: | | | |
| | -Management remuneration | 6.1 | 3,554 | 4,130 |
| | -Sindh Sales Tax | 6.2 | 462 | 537 |
| | -Allocation of expenses related to registrar services 'accounting, operation and valuation services | 6.3 | 358 | 353 |
| | | | <u>4,374</u> | <u>5,020</u> |

6.1 The Management Company has charged its remuneration at the rate of 10% of gross earnings of the Fund subject to upper cap of 1.25 % and lower cap of 0.5% of the average annual net assets of the Fund. (30 June 2019; 10% of gross earnings of the Fund subject to upper cap of 1.25 % and lower cap of 0.5% of the average annual net assets of the Fund).

6.2 During the period, Sindh Sales Tax at the rate of 13% (30 June 2019: 13%) was charged on the management remuneration.

6.3 SECP vide SRO 639 dated 20 June 2019 has removed the maximum cap of 0.1%. Accordingly, the Management Company can now charge actual expenses related to registrar services, accounting, operations and valuation services to the CIS with effect from 20 June 2019.

| 7 | PAYABLE TO THE CENTRAL DEPOSITORY 'COMPANY OF PAKISTAN LIMITED - TRUSTEE | Note | March 31, 2020 | June 30, 2019 |
|---|---|------|--------------------------|---------------|
| | | | (Unaudited) | (Audited) |
| | | | -----Rupees in '000----- | |
| | Trustee remuneration | | 235 | 368 |
| | Sindh Sales Tax on trustee remuneration | 7.2 | 31 | 48 |
| | | | <u>266</u> | <u>416</u> |

7.1 The Trustee has revised its tariff structure with a flat rate of 0.075% p.a. of net assets w.e.f 1st July 2019.

7.2 During the period, Sindh Sales Tax at the rate of 13% (30 June 2019: 13%) was charged on trustee remuneration.

8 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

SECP vide S.R.O 685(1)/2019 dated: 28th June 2019 has revised rate of annual fee at 0.02% (30 June 2019: 0.075% of average annual net assets) of net assets is applicable on all categories of Collective Investment schemes, the Fund has charged SECP Fee accordingly w.e.f 1st July 2019.

| 9 ACCRUED EXPENSES AND OTHER LIABILITIES | Note | March 31, 2020 (Unaudited) | June 30, 2019 (Audited) |
|---|------|-------------------------------|----------------------------|
| -----Rupees in '000----- | | | |
| Provision for Sindh workers' welfare fund | 9.1 | 26,638 | 19,770 |
| Federal Excise Duty | 9.2 | 20,799 | 20,799 |
| Auditors' remuneration | | 765 | 532 |
| Legal & professional charges | | 1,194 | 1,194 |
| Printing charges | | 1 | 25 |
| Brokerage | | 122 | 83 |
| Capital gains tax | | 1,420 | 1,892 |
| MTS Charges payable | | 2 | 4 |
| Withholding tax | | 18 | 3 |
| Mutual Fund Rating Fee | | 370 | - |
| | | <u>51,329</u> | <u>44,302</u> |

9.1 The status of Sindh workers' welfare fund (SWWF) is same as disclosed in annual financial statements for the year ended 30 June 2019. The provision for SWWF is being made on a daily basis. Had the SWWF not been provided, the NAV per unit of the Fund would have been higher by Rs. 0.0420 (30 June 2019: Rs. 0.0527).

9.2 The status of Federal Excise Duty (FED) is same as disclosed in annual financial statements for the year ended 30 June 2019. Since the appeal is pending in the Supreme Court of Pakistan, the Management Company as a matter of abundant caution has retained provision for FED on management fee aggregating to Rs. 22.379 million out of which Rs. 1.580 million have been paid to the management company. Had the provision not been made, the Net Asset Value per unit of the Fund would have been higher by Rs. 0.0633 (30 June 2019: Rs. 0.0596) per unit.

10 CONTINGENCIES AND COMMITMENTS

10.1 The Fund received a show-cause notice dated January 3, 2018 alleging that the Fund is not eligible to claim income tax exemption under clause (99) contained in Part I of Second Schedule to the Ordinance as it did not allegedly distribute at least 90% of its income for tax year 2017 to its unit holders by way of dividend. The notice was duly responded by tax advisor of the Fund vide letter dated January 10, 2018. However, the Assistant Commissioner Inland Revenue (ACIR) proceeded with passing an order dated January 30, 2018.

The Fund filed an Appeal with the Commissioner Inland Revenue - Appeals (CIRA) on February 21, 2018 against the ACIR's order, on the contention that the ACIR had erred in construing that the amount of dividend reinvested by the unit holders in units of the Fund under Cumulative Investment Plan is not to be considered while determining whether the Fund distributed at least 90% of its income to unitholders. The CIRA passed an order dated April 25, 2018 upholding the ACIR's action of rejecting the exemption claim.

The impugned tax demand of Rs. 64.368 million arising from the order has already been collected by the tax authority by way of attachment of bank account which is treated as advance tax. The Fund filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) on April 26, 2018 against the CIRA's decision. During the current period, the ATIR has passed an order dated November 22, 2018 whereby, the contention of the Fund has been accepted and the matter has been disposed of. Since the order by ATIR has been made in favour of the Fund and management based on the advice of its tax consultant believes that the matter will be decided in favour of the Fund therefore, no provision has been made in these condensed interim financial statements.

10.2 There were no commitments outstanding as at March 31, 2020 and June 30, 2019.

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 at least 90% of accounting income, the income distributed through bonus shares, units or certificates as the as the case may be, 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 / loss to the unit holders. The Fund has not recorded any tax liability in respect of income relating to the current period as the Management Company intends to distribute in cash at least 90 percent of the Fund's accounting income for the year ending 30 June 2020 as reduced by capital gains (whether realised or unrealised) to its unit holders in the form of cash.

12 TOTAL EXPENSE RATIO

Total expense ratio (all the expenses, including government levies, incurred during the period divided by average net asset value for the period) is 1.78 % per annum. Total expense ratio (excluding government levies) is 1.37 % per annum.

13 TRANSACTIONS WITH CONNECTED PERSONS

13.1 Connected persons include National Investment Trust Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund and the directors and officers of the Management Company and the Trustee and unit holders holding 10 percent or more units of the Fund.

13.2 The transactions with connected persons are in the normal course of business, at contracted terms determined in accordance with the market rates.

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

- 13.4 The details of significant transactions carried out by the Fund with connected persons and balances with them at the period end are as follows:

| Transactions during the period: | Nine months period ended | | Three months period ended | |
|---|--------------------------|---------|---------------------------|---------|
| | 2020 | 2019 | 2020 | 2019 |
| | ------(Unaudited)----- | | ------(Unaudited)----- | |
| | -----Rupees in '000----- | | -----Rupees in '000----- | |
| National Investment Trust Limited - Management Company | | | | |
| Issue 11,764 units (2019: 4,797,387 units) | 123 | 50,387 | 43 | 50,387 |
| Issue 12,639,772 units under CIP (2019: 7,850,518 units) | 127,907 | 80,628 | - | 80,628 |
| Additional units: 120,125 as refund of capital (2019: 485,659 units) | | - | - | - |
| 13,091,275 Units redeemed (2019: 18,814,420 units) | 140,000 | 200,000 | 100,000 | 100,000 |
| Management fee for the period | 33,429 | 32,156 | 10,383 | 11,457 |
| Sindh sales tax on management fee | 4,346 | 4,180 | 1,350 | 1,489 |
| Allocation of expenses related to registrar services, accounting, operation and valuation services | 2,991 | 3,535 | 942 | 1,073 |
| Central Depository Company of Pakistan Limited - Trustee | | | | |
| Trustee fee for the period | 2,205 | 3,646 | 692 | 1,121 |
| CDC charges | 5 | 8 | 2 | 2 |
| National Investment Trust Limited - Provident Fund | | | | |
| Issue 121,388 units under CIP (2019: 336,163 units) | 1,228 | 3,353 | - | 3,353 |
| Additional units: 71 as refund of capital (2018: Nil units) | - | - | - | - |
| Redemption of 10,597 units (2019: 10,597 units) | - | 110 | - | 110 |
| National Investment Trust Limited - Pension Fund | | | | |
| Issue 1,379,350 units under CIP (2019: 904,770 units) | 13,959 | 9,292 | - | 9,292 |
| Additional units: 706 as refund of capital (2018: Nil units) | - | - | - | - |
| Chief Operating Officer | | | | |
| Issue 118,709 units under CIP (2019: 73,110 units) | 1,201 | 751 | - | 751 |
| Additional units: 57 as refund of capital (2018: Nil units) | - | - | - | - |
| Fund Manager | | | | |
| Issue 42 units under CIP (2018: 26 units) | 0.43 | 0.27 | - | 0.27 |

| Amounts outstanding as at the end of the period/year | March 31, 2020 | June 30, 2019 |
|---|--------------------------|---------------|
| | (Unaudited) | (Audited) |
| | -----Rupees in '000----- | |
| National Investment Trust Limited - Management Company | | |
| 167,762,739 units held (June 30, 2019: 168,082,336 units) | 1,849,551 | 1,849,998 |
| Management fee payable | 3,554 | 4,130 |
| Sindh Sales Tax | 462 | 537 |
| Allocation of expenses related to registrar services, accounting, operation and valuation services | 358 | 353 |
| Central Depository Company of Pakistan Limited - Trustee | | |
| Trustee fee payable | 235 | 368 |
| Sindh Sales Tax on Trustee Remuneration | 31 | 48 |
| National Investment Trust Limited - Provident Fund | | |
| 2,066,650 units held (June 30, 2019: 1,945,191 units) | 22,784 | 21,410 |
| National Investment Trust Limited - Pension Fund | | |
| 23,482,467 units held (June 30, 2019: 22,102,411 units) | 258,890 | 243,270 |
| Chief Operating Officer | | |
| 1,685,336 units held (June 30, 2019: 1,566,570 units) | 18,580 | 17,242 |
| Fund Manager | | |
| 597 units held (June 30, 2019: 555 units) | 6 | 6 |

14 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on 29-04-2020 by the Board of Directors of the Management Company.

15 GENERAL

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

For National Investment Trust Limited
(Management Company)


Managing Director


Director


Director


Chief Financial Officer