



**NIT Islamic Equity Fund
Condensed Interim Financial
Statements (Unaudited)
for the Quarter Ended
30 September 2020**

**NIT ISLAMIC EQUITY FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020**

	Note	September 30, 2020 (Unaudited)	June 30, 2020 (Audited)
-----Rupees in '000-----			
ASSETS			
Bank balances	4	187,727	109,899
Investments	5	3,268,455	2,909,191
Dividend and profit receivables	6	16,194	2,700
Security deposits		2,600	2,600
Total assets		3,474,976	3,024,390
LIABILITIES			
Payable to National Investment Trust Limited - Management Company	7	16,172	15,023
Payable to Central Depository Company of Pakistan Limited - Trustee	8	423	364
Payable to Securities and Exchange Commission of Pakistan	9	172	597
Payable against redemption of units		1,028	7
Accrued expenses and other liabilities	10	41,137	37,954
Dividend Payable		716	305
Total liabilities		70,464	62,906
NET ASSETS		3,404,512	2,961,484
Unit holders' fund (as per statement attached)		3,404,512	2,961,484
Contingencies and commitments	11		
		(Number of units)	
Number of units in issue		399,377,641	400,185,081
		------(Rupees)-----	
Net asset value per unit		8.52	7.40

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

For National Investment Trust Limited

(Management Company)


Managing Director


Director


Director


Chief Financial Officer

**NIT ISLAMIC EQUITY FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

Note	September 30	
	2020	2019
	----- (Unaudited) -----	
	----- Rupees in '000 -----	
INCOME		
	18,225	38,866
	947	-
	1,796	(2,683)
	2,730	2,797
	23,698	38,980
EXPENSES		
	17,156	13,527
	2,230	1,758
	1,577	923
	1,110	928
	144	121
	172	135
	856	679
	10	3
	92	-
	191	179
	-	252
	126	166
	471	903
	24,173	19,602
	(475)	19,378
	-	(388)
	(475)	18,990
	-	-
	(475)	18,990
Allocation of net loss for the period after taxation		
	(475)	18,990
	-	(4)
	(475)	18,850
	-	-
	-	18,850
	-	18,850

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


Managing Director


Director


Director


Chief Financial Officer

**NIT ISLAMIC EQUITY FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	Note	September 30	
		2020	2019
		----- (Unaudited) -----	
		----- Rupees in '000 -----	
Net (loss) / income for the period		(475)	18,990
Other comprehensive income / (loss)			
Items that will not be reclassified to income statement			
(Loss) on sale of investments classified as 'fair value through other comprehensive income' (FVOCI)		(12,022)	(18,060)
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'fair value through other comprehensive income' (FVOCI)	5.4	523,246	(215,572)
Changes in fair value through other comprehensive income (FVOCI)		511,224	(233,632)
Total comprehensive income / (loss) for the period		<u>510,749</u>	<u>(214,642)</u>

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

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


Managing Director


Director


Director


Chief Financial Officer

NIT ISLAMIC EQUITY FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	SEPTEMBER 30,							
	2020					2019		
Note	Value	Undistributed income	Unrealised appreciation / (diminution) 'at fairvalue through other comprehensive income' investments	Total	Value	Undistributed income	Unrealised appreciation / (diminution) 'at fairvalue through other comprehensive income' investments	Total
	(Unaudited)							
	Rupees in '000							
Net assets at the beginning of the period	4,006,601	(212,321)	(832,796)	2,961,484	4,124,655	(63,010)	(1,015,819)	3,045,826
Issue of 41,960,479 units (2019: 14,671,752 units)								
Value	304,633			304,633	105,637			105,637
Element of income / (loss)	51,519			51,519	(9,076)			(9,076)
Amount received on issuance of units	356,152	-	-	356,152	96,561	-	-	96,561
Issue of 7,811 units in lieu of refund of capital (2019: 111,054 units)	57	-	-	57	809	-	-	809
Redemption of 47,876,445 units (2019: 22,706,678 units)								
Value	(347,583)			(347,583)	(163,488)			(163,488)
Element of (loss) / income	(57,395)			(57,395)	13,328	(140)		13,188
Amount paid / payable on redemption of units	(404,978)	-	-	(404,978)	(150,160)	(140)	-	(150,300)
Total comprehensive income / (loss) for the period		(475)	511,224	510,749	-	18,990	(233,632)	(214,642)
Issue of 5,106,585 units under CIP (2019: 6,701,761 units)	37,074	-	-	37,074	48,387	-	-	48,387
Final distribution for the year ended June 30, 2020: Rs 0.14 per unit [(Date of Distribution: 7 July 2020)](2019: 0.19 [(Date of Distribution: 5 July 2019)])		(55,969)	-	(55,969)		(77,486)	-	(77,486)
Refund of Capital	(57)	-	-	(57)	(809)	-	-	(809)
Net assets at the end of the period	3,994,849	(268,765)	(321,572)	3,404,512	4,119,443	(121,646)	(1,249,451)	2,748,346
Undistributed income brought forward-realized		(212,321)				(63,010)		
-Realized								
-Unrealized								
Accounting income available for distribution								
-Relating to capital gains						18,850		
-Excluding capital gains						18,850		
Final distribution for the year ended June 30, 2020: Rs 0.14 per unit [(Date of Distribution: 7 July 2020)](2019: 0.19 [(Date of Distribution: 5 July 2019)])		(55,969)				(77,486)		
Net Loss for the period		(475)						
Accumulated (loss) carried forward -realized		(268,765)				(121,646)		
Accumulated (loss) carried forward comprising								
-Realized		(270,561)				(121,646)		
-Unrealized		1,796				-		
		(268,765)				(121,646)		
Net assets value per unit at beginning of the period					(Rupees) 7.40			(Rupees) 7.39
Net assets value per unit at end of the period					8.52			6.69

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

For National Investment Trust Limited
(Management Company)


Managing Director


Director


Director


Chief Financial Officer

**NIT ISLAMIC EQUITY FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	2020	2019
	-----Rupees in '000-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) / income for the period before taxation	(475)	18,990
Adjustments:		
Amortization of preliminary expenses and flotation costs	-	252
	<u>(475)</u>	<u>19,242</u>
(Increase) / decrease in assets		
Investments	151,960	42,179
Advance against IPO subscription	-	-
Dividend and other receivables	(13,494)	(37,223)
	<u>138,466</u>	<u>4,956</u>
Increase / (decrease) in liabilities		
Payable to National Investment Trust Limited - Management Company	1,149	(2,954)
Payable to Central Depository Company of Pakistan Limited - Trustee	59	(44)
Fee payable to Securities and Exchange Commission of Pakistan	(425)	(3,326)
Payable against redemption of units	1,021	2,515
Payable against purchase of investments	2,160	-
Accrued expenses and other liabilities	3,183	1,548
	<u>7,147</u>	<u>(2,261)</u>
Net cash flow generated from operating activities	<u>145,138</u>	<u>21,937</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received on sales of units	393,226	96,556
Payment against redemption of units	(404,978)	(150,300)
Dividend paid	(55,558)	(28,708)
Net cash flow (used in) financing activities	<u>(67,310)</u>	<u>(82,452)</u>
Net increase / (decrease) in cash and cash equivalents during the period	<u>77,828</u>	<u>(60,515)</u>
Cash and cash equivalents at the beginning of the period	109,899	180,232
Cash and cash equivalents as at the end of the period	<u><u>187,727</u></u>	<u><u>119,717</u></u>

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

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


Managing Director


Director


Director


Chief Financial Officer

NIT ISLAMIC EQUITY FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 The NIT Islamic Equity Fund (the Fund) was established under a Trust Deed executed between National Investment Trust Limited (NITL) as Management Company and Central Depository Company of Pakistan as trustee. The Fund was approved by the Securities and Exchange Commission of Pakistan on 03 February 2015 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and the trust deed was executed on 24 February 2015. The fund is categorized as an Equity Scheme as per the criteria for categorisation of open and 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 classified as a Non-Banking Finance Company (NBFC) under the NBFC Rules, 2003 and has obtained the requisite license from the Securities and Exchange Commission of Pakistan (SECP) to undertake Asset Management Services. 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 end mutual fund and is listed on Pakistan Stock Exchange (PSX). Units are offered for subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.
- 1.4 The objective of the Fund is to invest in the equity market when there is an opportunity to invest the funds in a gainful manner and such investment is for the benefit of the fund based on long term perspective to provide the unit holders safe and halal income on their investment. Under the Trust Deed all conducts and acts of the fund are based on Shariah. The management company has appointed Mufti Zeeshan Ali Aziz as Shariah Advisor to the NIT Islamic Equity Fund to ensure that the activities of the fund are in compliance with the Principles of Shariah.
- 1.5 Pakistan Credit Rating Agency Limited (PACRA) 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

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.

- 2.1.1 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 2020.
- 2.1.2 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 SIGNIFICANT ACCOUNTING 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, 2020.

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 judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements of the Fund as at and for the year ended June 30, 2020. 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, 2020.

4 BANK BALANCES

These represent balances with banks in savings accounts carrying mark-up rates ranging from 5.50 % to 7.50 % per annum. (30 June 2020: 6.50% to 13.00 % per annum)

5 INVESTMENTS

		September 30, 2020	June 30, 2020
		(Unaudited)	(Audited)
		-----Rupees in '000-----	
At fair value through profit or loss			
Investment in Listed equity securities	5.1	6,344	8,246
At fair value through other comprehensive income			
Investment in Listed equity securities	5.2	3,262,111	2,900,945
		<u>3,268,455</u>	<u>2,909,191</u>

5.1- Investment - at fair value through profit or loss -Listed Equity Securities

Name of Investee Companies	As at 01 July 2020	Purchases during the period	Bonus shares received during the period	Right shares purchased/ subscribed during the period	Sale during the period	As at September 30, 2020	Cost/ Carrying value as at September 30, 2020	Market Value as at September 30, 2020	Market Value as a percentage of Net Assets	Market Value as a percentage of Investment	Percentage of paid-up capital of the investee company held
	(Number of Shares)					Rupees In '000		%			
TEXTILE COMPOSITE											
Nishat Mills Limited	17,900	-	-	-	-	17,900	1,396	1,809	0.05	0.06	0.01
	17,900	-	-	-	-	17,900	1,396	1,809	0.05	0.06	
CEMENT											
Pioneer Cement Limited	100,000	-	-	-	50,000	50,000	3,152	4,535	0.13	0.14	0.02
	100,000	-	-	-	50,000	50,000	3,152	4,535	0.13	0.14	
OIL & GAS MARKETING COMPANIES											
Sui Northern Gas Pipeline Limited	10,000	-	-	-	10,000	-	-	-	-	-	-
	10,000	-	-	-	10,000	-	-	-	-	-	-
Grand Total	127,900	-	-	-	60,000	67,900	4,548	6,344	0.19	0.19	

5.2- Investments- at fair value through other comprehensive income

Name of Investee Companies	As at 01 July 2020	Purchases during the period	Bonus shares received during the period	Right shares purchased/ subscribed during the period	Sale during the period	As at September 30, 2020	Cost/ Carrying value as at September 30, 2020	Market Value as at September 30, 2020	Market Value as a percentage of Net Assets	Market Value as a percentage of Investment	Percentage of paid-up capital of the investee company held
	(Number of Shares)					Rupees In '000		%			
COMMERCIAL BANKS											
Meezan Bank Limited	1,560,772	-	153,077	-	30,000	1,683,849	94,170	138,429	4.06	4.24	0.21
BankIslami Pakistan	50,000	-	-	-	-	50,000	641	516	0.02	0.02	0.00
	1,610,772	-	153,077	-	30,000	1,733,849	94,810	138,945	4.08	4.25	
TEXTILE COMPOSITE											
Nishat Mills Limited	380,100	-	-	-	-	380,100	52,557	38,417	1.13	1.18	0.11
	380,100	-	-	-	-	380,100	52,557	38,417	1.13	1.18	
SUGAR & ALLIED INDUSTRIES											
Cherat Cement Company Limited	309,490	-	-	-	50,000	259,490	27,024	30,298	0.89	0.93	0.13
D. G. Khan Cement Co. Limited	1,009,000	25,000	-	-	150,000	884,000	94,831	91,149	2.68	2.79	0.20
Fauji Cement Company Limited	2,603,500	-	-	-	100,000	2,503,500	57,205	49,770	1.46	1.52	0.18
Lucky Cement Limited	560,750	-	-	-	50,000	510,750	289,732	330,491	9.70	10.11	0.16
	4,482,740	25,000	-	-	350,000	4,157,740	468,792	501,708	14.73	15.35	
POWER GENERATION & DISTRIBUTION											
Hub Power Company Limited	2,794,884	50,000	-	-	-	2,844,884	272,708	223,210	6.55	6.83	0.22
	2,794,884	50,000	-	-	-	2,844,884	272,708	223,210	6.55	6.83	
OIL & GAS MARKETING COMPANIES											
Pakistan State Oil Co. Limited	625,454	-	-	-	92,500	532,954	115,343	106,697	3.13	3.26	0.11
Sui Northern Gas Pipelines Limited	1,049,100	-	-	-	15,000	1,034,100	110,960	63,918	1.88	1.96	0.16
Sui Southern Gas Co. Limited	1,764,000	-	-	-	-	1,764,000	64,717	29,812	0.88	0.91	0.20
	3,438,554	-	-	-	107,500	3,331,054	291,020	200,427	5.88	6.13	
OIL & GAS EXPLORATION COMPANIES											
Oil & Gas Development Company	2,660,700	-	-	-	-	2,660,700	388,711	275,649	8.09	8.43	0.06
Mari Petroleum Company Limited	150,100	-	-	-	-	150,100	189,658	205,565	6.03	6.29	0.11
Pakistan Oilfields Limited	429,520	-	-	-	-	429,520	188,523	180,970	5.31	5.54	0.15
Pakistan Petroleum Limited	2,385,240	-	-	-	150,000	2,235,240	300,801	205,776	6.04	6.30	0.08
	5,625,560	-	-	-	150,000	5,475,560	1,067,692	867,959	25.48	26.56	
ENGINEERING											
International Industries Limited	116,230	-	-	-	10,000	106,230	25,410	15,397	0.45	0.47	0.08
International Steels Limited	715,100	-	-	-	50,000	665,100	83,441	51,239	1.50	1.57	0.15
Amreli Steel Limited	100,500	-	-	-	-	100,500	5,126	4,399	0.13	0.13	0.03
	931,830	-	-	-	60,000	871,830	113,976	71,035	2.09	2.17	
AUTOMOBILE ASSEMBLER											
Honda Atlas Cars Limited	82,900	-	-	-	10,000	72,900	23,065	18,877	0.55	0.58	0.05
Indus Motor Company Limited	99,390	-	-	-	19,900	79,490	103,035	101,758	2.99	3.11	0.10
Millat Tractors Limited	37,777	-	-	-	-	37,777	30,338	32,687	0.96	1.00	0.08
Pak Suzuki Motor Company Limited	10,700	-	-	-	-	10,700	4,740	2,156	0.06	0.07	0.01
	230,767	-	-	-	29,900	200,867	161,178	155,477	4.56	4.76	
AUTOMOBILE PARTS & ASSEMBLER											
Agriauto Industries Limited	150,000	-	-	-	15,000	135,000	34,506	32,535	0.96	1.00	0.47
General Tyre And Rubber Company Of Pakistan Limited	228,624	-	-	-	-	228,624	21,271	15,316	0.45	0.47	0.19
Thal Limited	121,800	-	-	-	10,000	111,800	42,067	46,993	1.38	1.44	0.14
	500,424	-	-	-	25,000	475,424	97,844	94,843	2.78	2.90	
CABLE & ELECTRIC GOODS											
Pak Elektron Limited	1,426,500	125,000	-	-	125,000	1,426,500	49,595	47,160	1.38	1.44	0.29
Pakistan Cables Limited	249,250	-	-	-	-	249,250	51,897	34,337	1.01	1.05	0.70
	1,675,750	125,000	-	-	125,000	1,675,750	101,492	81,497	2.39	2.49	
FERTILIZER											
Dawood Hercules Corporation Limited	48,000	-	-	-	-	48,000	5,825	5,947	0.17	0.18	0.01
Engro Corporation Limited	697,610	-	-	-	25,000	672,610	186,262	202,476	5.94	6.19	0.12
Engro Fertilizer Limited	1,857,000	-	-	-	-	1,857,000	111,629	112,943	3.32	3.46	0.14
Fatima Fertilizer Company	509,500	-	-	-	-	509,500	19,059	15,122	0.44	0.46	0.02
Fauji Fertilizer Company Limited	75,600	-	-	-	-	75,600	6,093	8,164	0.24	0.25	0.01
	3,187,710	-	-	-	25,000	3,162,710	328,868	344,652	10.12	10.54	
PHARMACEUTICALS											
Abbot Laboratories (Pakistan) Limited	61,950	-	-	-	-	61,950	43,809	47,493	1.39	1.45	0.06
AGP Limited	84,500	-	-	-	-	84,500	6,760	9,211	0.27	0.28	0.03
Ferozsons Laboratories Limited	63,950	-	-	-	-	63,950	12,453	25,431	0.75	0.78	0.21
Glaxosmithkline (Pak) Limited	302,700	-	-	-	-	302,700	61,692	55,585	1.63	1.70	0.10
Glaxosmithkline Consumer Health Care Pak. Limited	35,370	-	-	-	-	35,370	-	10,245	0.09	0.31	0.03
Searle Pakistan Limited	540,160	-	-	-	30,000	510,160	153,027	130,759	3.84	4.00	0.24
	1,088,630	-	-	-	30,000	1,058,630	277,741	278,724	7.97	8.53	
PAPER & BOARD											
Packages Limited	189,800	-	-	-	20,000	169,800	100,164	85,296	2.50	2.61	0.19
	189,800	-	-	-	20,000	169,800	100,164	85,296	2.50	2.61	
LEATHER & TANNERIES											
Bata Pakistan Limited	5,120	-	-	-	-	5,120	9,728	8,622	0.25	0.26	0.07
Service Industries Limited	130,733	-	32,683	-	-	163,416	76,125	123,659	3.63	3.78	0.70
	135,853	-	32,683	-	-	168,536	85,853	132,280	3.88	4.05	
FOOD & PERSONAL CARE PRODUCTS											
At-Tahur Limited	504,158	-	-	-	-	504,158	9,625	10,663	0.31	0.33	0.34
Mitchell'S Fruit Farms Limited	32,550	-	-	-	-	32,550	8,626	11,103	0.33	0.34	0.41
Shezan International Limited	85,085	-	-	-	-	85,085	38,716	25,876	0.76	0.79	0.97
	621,793	-	-	-	-	621,793	56,966	47,642	1.40	1.46	
Grand Total	26,895,167	200,000	185,760	-	952,400	26,328,527	3,571,661	3,262,111	95.54	99.81	

5.2.1 Investments include shares with market value of Rs. 88.326 million (30 June 2020: Rs 76.547 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular no. 11 dated 23 October 2007 issued by the Securities and Exchange Commission of Pakistan.

5.2.2 All Shares have a nominal face value of Rs. 10 each except for shares of Agriautos Industries Limited and Thal Limited which have a face value of Rs. 5.

	September 30	
	2020	2019
5.3 Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	------(Unaudited)-----	
	-----Rupees in '000-----	
Market value of investments	6,344	21,581
Less: Carrying value of investments	(4,548)	(24,264)
	<u>1,796</u>	<u>(2,683)</u>

	September 30	
	2020	2019
5.4 Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'at fair value through other comprehensive income'	------(Unaudited)-----	
	-----Rupees in '000-----	
Market value of investments	3,262,111	2,624,842
Less: Carrying value of investments	3,571,661	3,856,233
	<u>(309,550)</u>	<u>(1,231,391)</u>
Less: Net unrealised appreciation / (diminution) in the fair value of investments at the beginning of the period	<u>(832,796)</u>	1,015,819
	<u><u>523,246</u></u>	<u><u>(215,572)</u></u>

5.5 Finance Act 2014 has introduced tax on bonus shares issued by the Companies. Most Equity Funds including NI(UT) Fund have challenged the applicability of withholding tax provision on bonus shares before Honorable High Court of Sindh ("the Court") on various legal grounds and have sought relief from the Court. The Court, in its order dated 25 November 2014, has granted interim relief by passing the restraining order whereby the Defendants, (issuers of the Bonus shares) have refrained from deducting and /or transferring 5% withholding tax on Bonus shares issued by them.

As an abundant caution, The Fund has made payments which is equivalent to 5% value of the respective bonus shares, determined on the basis of day-end price on the first day of book closure. These payments have been recorded as part of cost of respective investments. Detail is as follows.

	5% (No. of Bonus shares)	Market value as on 30 September 2020	Payment made to the investee companies
		-----Rupees in '000-----	
Searle Pakistan Limited*	4,947	1,268	2,485
Searle Pakistan Limited**	1,329	341	-
Pakistan State Oil Company Limited**	4,748	951	-
Searle Pakistan Limited**	3,755	962	-
		<u>3,522</u>	<u>2,485</u>

* Searle Pakistan Limited has not released the bonus shares and retained the payment due to court order.

** Searle Pakistan Limited and Pakistan State Oil Company Limited has not demanded the payment due to filing of petition by the Fund and have not released the shares due to court order.

6 DIVIDEND & PROFIT RECEIVABLES	September 30, 2020	June 30, 2020
	(Unaudited)	(Audited)
	-----Rupees in '000-----	
Dividend Receivable	15,083	2,017
Profit receivable on saving accounts	1,110	683
	<u>16,193</u>	<u>2,700</u>

7	PAYABLE TO NATIONAL INVESTMENT TRUST LIMITED 'MANAGEMENT COMPANY	September 30, 2020 (Unaudited)	June 30, 2020 (Audited)	
On account of:		-----Rupees in '000-----		
-	Management remuneration	7.1	5,879	4,844
-	Sindh Sales Tax	7.2	764	630
-	Preliminary expenses and floatation costs		5,000	5,000
-	Allocation of expenses related to registrar services accounting, operation and valuation services	7.3	302	252
-	Selling & Marketing Expense	7.4	1,577	1,647
-	Others		2,650	2,650
		<u>16,172</u>	<u>15,023</u>	

7.1 The Management Company has charged its remuneration at the rate of 2.00 percent per annum (30 June 2020: 2.00 percent per annum) of average net assets of fund.

7.2 Sindh Sales Tax at the rate of 13% (30 June 2020: 13%) is charged on the management remuneration.

7.3 In accordance with Regulation 60(3)(S) of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

Until 19 June 2019 there was a maximum cap of 0.1% of the average annual net assets of the scheme or actual whichever is less, for allocation of such expenses to the Fund. However, the SECP vide its SRO 639 dated 20 June 2019 removed the maximum cap of 0.1%.

The Management Company, based on its own discretion, has currently fixed a maximum capping of 0.1 percent of the average annual net assets of the scheme for allocation of such expenses to the Fund.

7.4 The SECP allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) initially for a period of three years (i.e. from 1 January 2017 till 31 December 2019). The maximum cap of selling and marketing expense was 0.4% per annum of the net assets of the Fund or actual expenses whichever is lower.

During the current year, the SECP through its circular 11 dated 5 July 2019 has revised the conditions for charging of selling and marketing expenses to the Fund. As per the revised guidelines, the maximum cap of 0.4% per annum has been lifted and now the Management Company is required to set a maximum limit for charging of such expenses to the Fund and the same should be approved by the Board as part of annual plan. Furthermore, the time limit of three years has also been removed in the revised conditions.

Accordingly, the Management Company has charged such expenses to the Fund during the period subject to the limit approved by the Board of Directors.

8	PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	September 30, 2020 (Unaudited)	June 30, 2020 (Audited)
		-----Rupees in '000-----	
	Trustee remuneration	374	322
	Sindh Sales Tax	8.1	49
		<u>423</u>	<u>364</u>

8.1 Sindh Sales Tax at the rate of 13% (30 June 2020: 13%) is charged on trustee remuneration.

9 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

In accordance with the NBFC Regulations, a collective investment scheme classified as a Equity Scheme is required to pay as annual fee to the Securities and Exchange Commission of Pakistan an amount equal to 0.02% (June 30, 2020: 0.02%) of average annual net assets of the Fund.

10	ACCRUED EXPENSES & OTHER LIABILITIES	September 30, 2020 (Unaudited)	June 30, 2020 (Audited)	
		-----Rupees in '000-----		
	Provision for Sindh Workers' Welfare Fund	10.1	11,544	11,544
	Federal Excise Duty	10.2	21,295	21,295
	Auditors' remunerartion		565	374
	Charity payable		3,368	835
	Zakat		21	19
	Capital gain tax		632	231
	Withholding Tax		9	-
	Shariah advisory Fee		47	19
	Brokerage Charges		134	115
	Payable against bonus shares		3,522	3,522
		<u>41,137</u>	<u>37,954</u>	

10.1 The status of Sindh workers' welfare fund (SWWF) is same as disclosed in annual financial statements for the year ended 30 June 2020. 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 Re. 0.03 (30 June 2020: Re. 0.03) per unit.

10.2 The status of Federal Excise Duty (FED) is same as disclosed in annual financial statements for the year ended 30 June 2020. 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. 21,295. Had the provision not been made, the Net Asset Value per unit of the Fund would have been higher by Re. 0.05 (30 June 2020: Re. 0.05) per unit.

11 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2020 and September 30, 2020.

12 TAXATION

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than ninety percent of its 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 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 2021 as reduced by capital gains (whether realised or unrealised) to its unit holders in the form of cash.

13 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 2.73% per annum. Total expense ratio (excluding government levies) is 2.44% per annum.

14 TRANSACTIONS WITH CONNECTED PERSONS

14.1 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.

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

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

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

Details of the transactions with connected persons are as follows:

Transactions during the period	September 30	
	2020	2019
	-----Rupees in '000-----	
National Investment Trust Limited -Management Company		
Issue of 1,801,720 units under CIP (2019: 2,404,943 units)	13,080	17,364
Management participation fee	17,156	13,527
Sindh Sales Tax on Management Fee	2,230	1,758
Selling and Marketing Expenses	1,577	923
Allocation of expenses related to registrar services, accounting, operation and valuation services	856	679
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee	1,110	928
Sindh Sales Tax on remuneration of Trustee	144	121
Central Depository Charges	10	3
Directors and key management personnel		
Issue of 8,108 units under CIP (2019: 16,988 units)	59	123
Nil units issued (2019: 76,614 units)	-	503
Additional units: 524 as refund of capital (2019: 8 units)	-	-
Nil units redeemed (2019: 193,013 units)	-	1,200
	September 30, 2020	June 30, 2020
	(Unaudited)	(Audited)
	-----Rupees in '000-----	
Amounts outstanding as at period / year end		
National Investment Trust Limited - Management Company		
111,721,777 units held (June 30, 2020: 109,920,057 units)	951,870	813,408
Management remuneration payable	5,879	4,844
Sindh Sales Tax payable	764	630
Selling and Marketing Expenses	1,577	1,647
Payable against allocation of expenses related to registrar services, accounting, operation and valuation services	302	252
Preliminary expenses and floatation costs payable	5,000	5,000
Other payable	2,650	2,650
Central Depository Company of Pakistan Limited - Trustee		
Trustee remuneration	374	322
Sindh Sales Tax	49	42
Directors and key management personnel		
528,042 units held (June 30, 2020: 519,594 units)	4,499	3,845


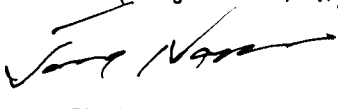
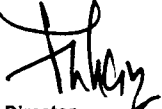

15 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on 29 October 20 by the Board of Directors of the Management Company.

16 GENERAL

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

For National Investment Trust Limited
(Management Company)

 Managing Director	 Director	 Director	 Chief Financial Officer
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