

An Open-end Income Fund primarily investing in portfolio of fixed income securities; NIT-IF offers a high degree of security to investors and is an ideal Fund for investors seeking competitive stream of returns with moderate level of risk.



NIT - INCOME FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT MARCH 31, 2015

	Note	March 31, 2015 (Unaudited) -----Rupees in '000-----	June 30, 2014 (Audited)
ASSETS			
Bank balances	6	330,092	235,042
Investments	7	3,959,910	2,959,584
Receivable against Marginal Trading System		-	81,185
Profit Receivable	8	79,118	82,278
Security deposit		350	350
Preliminary expenses and floatation costs		-	554
Total assets		4,369,470	3,358,993
LIABILITIES			
Payable to National Investment Trust Limited - Management Company	9	5,742	9,176
Payable to Central Depository Company of Pakistan Limited - Trustee		392	310
Annual fee payable to the Securities and Exchange Commission of Pakistan		2,007	2,555
Payable against redemption of units		2	79
Accrued expenses and other liabilities	10	42,446	61,269
Total liabilities		50,589	73,389
NET ASSETS		4,318,881	3,285,604
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		4,318,881	3,285,604
CONTINGENCIES AND COMMITMENTS			
NUMBER OF UNITS IN ISSUE	11	377,773,603	321,581,340
		-----Rupees-----	
NET ASSET VALUE PER UNIT		11.4325	10.2170

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

For National Investment Trust Limited
(Management Company)

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director

NIT - INCOME FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2015

	Note	Nine-months ended March 31, 2015	Quarter ended March 31, 2014	Quarter ended March 31, 2015	Quarter ended March 31, 2014
INCOME					
Income from government securities		219,353	186,091	71,165	58,009
Profit on bank balances		29,054	8,401	22,109	3,522
Income from Term Finance Certificates		36,652	37,784	9,809	9,872
Income from Certificates of Investment		6,185	854	-	-
Income from letters of placement		164	13,320	-	8,586
Income from Marginal Trading System		1,988	485	-	485
Amortisation of premium/Discount on Term Finance Certificates - net		6,208	757	1,684	(145)
Capital gain on sale of investments		9,613	7,787	3,766	327
Reversal of Impairment		45,632	-	-	-
Total income		354,849	255,479	108,533	80,656
EXPENSES					
Remuneration of National Investment Trust Limited - Management Company		33,400	32,152	12,279	10,305
Sindh sales tax on Management Company's remuneration		5,814	6,012	2,139	1,897
Federal excise duty on Management Company's remuneration		5,344	5,491	1,952	1,629
Remuneration of Central Depository Company of Pakistan Limited - Trustee		2,928	2,825	1,050	911
Annual fee - Securities and Exchange Commission of Pakistan		2,007	1,929	741	618
Provisioning on non -performing TFC - net		9,933	25,644	-	19,426
Custodian charges of Central Depository Company of Pakistan Limited		110	153	6	148
Laga and Levy Charges		173	51	1	51
Amortisation of preliminary expenses and floatation costs		554	645	122	209
Settlement and bank charges		199	212	63	51
Securities transaction costs		189	146	25	26
Listing fee		120	120	-	-
Auditors' remuneration		462	229	28	26
Printing charges		293	75	25	25
Rating fee		-	182	-	182
Total expenses		61,526	75,866	18,431	35,504
Net income from operating activities		293,323	179,613	90,102	45,152
Element of income / (loss) and capital gains / (loss) included in prices of units issued less those in units redeemed - net		42,682	(16,281)	35,111	(9,449)
Provision for contribution to Workers' Welfare Fund	10.1	(6,758)	(3,267)	(2,542)	(714)
Net income for the period before taxation		329,247	160,065	122,671	34,989

NIT - INCOME FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2015

	Note	Nine-months ended March 31,		Quarter ended March 31,	
		2015	2014	2015	2014
Taxation	12	-	-	-	-
Net income for the period after taxation		<u>329,247</u>	<u>160,065</u>	<u>122,671</u>	<u>34,989</u>
Earning per unit-basic and diluted	Rupees 13	<u>0.9969</u>	<u>0.4868</u>	<u>0.3456</u>	<u>0.1116</u>

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

For National Investment Trust Limited
(Management Company)

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director

NIT - INCOME FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2015

	Note	Nine-months ended March 31,		Quarter ended March 31,	
		2015	2014	2015	2014
Net income for the period after taxation		329,247	160,065	122,671	34,989
Other comprehensive income					
Unrealised appreciation / (diminution) on re-measurement of investments classified as 'available for sale'	7.6	112,697	3,674	50,028	1,288
Total comprehensive income for the period		<u>441,944</u>	<u>163,739</u>	<u>172,699</u>	<u>36,277</u>

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

For National Investment Trust Limited
(Management Company)

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director

NIT - INCOME FUND
CONDENSED INTERIM DISTRIBUTION STATEMENT (UNAUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2015

	Nine-months ended March 31,	
	2015	2014
	-----Rupees in '000-----	
Undistributed income brought forward- realized	66,534	399,089
Final distribution for the year ended June 30, 2014: Nil (2013: Rs 1.0590 per unit)		
- Cash Distribution	-	(57,531)
- Units under CIP	-	(2,399)
- Bonus Units	-	(285,777)
Element of income and capital gains included in prices of units issued less those in units redeemed - net	17,298	1,300
Net income for the period after taxation	329,247	160,065
Undistributed income carried forward-realized	<u>413,079</u>	<u>214,747</u>

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

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

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director

NIT - INCOME FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT
IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2015

	Nine-months ended March 31,	
	2015	2014
	-----Rupees in '000-----	
Net assets at the beginning of the period	3,285,604	3,680,444
Issue of 95,279,150 units (2014: 51,681,648 units)	1,056,811	537,342
Redemption of 39,086,887 units (2014: 107,582,506 units)	(422,796)	(1,122,749)
	634,015	(585,407)
Issue of Nil units (2014: 27,975,380 units) as bonus units	-	285,777
Issue of Nil units (2014: 234,802 units) under Cumulative Investment	-	2,399
	3,919,619	3,383,213
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - net - amount representing loss transferred to income statement	(42,682)	16,281
Net unrealised appreciation on remeasurement of investments classified as 'available for sale' - net	112,697	3,674
Capital gain on sale of investments	9,613	7,787
Other net income for the period	319,634	152,278
Total comprehensive income for the period	441,944	163,739
Final distribution for the year ended June 30, 2014: Nil (2013: Rs 1.0590 per unit)		
- Cash Distribution	-	(57,531)
- Units under CIP	-	(2,399)
- Bonus Units	-	(285,777)
Net assets at the end of the period	<u>4,318,881</u>	<u>3,217,526</u>

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

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

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director

NIT - INCOME FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2015

	Nine-months ended March 31,	
	2015	2014
	-----Rupees in '000-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	329,247	160,065
Adjustments:		
Amortisation of preliminary expenses and floatation costs	554	645
Element of income and capital gains included in prices of units issued less those in units redeemed - net	(42,682)	16,281
	<u>287,119</u>	<u>176,991</u>
(Increase) / decrease in assets		
Investments	(887,629)	387,915
Profit Receivable	3,160	(36,533)
Security Deposit		(250)
Receivable against Sale of units		(13,507)
Receivable against Marginal Trading System	81,185	-
	<u>-</u>	<u>-</u>
	(803,284)	337,625
Increase / (decrease) in liabilities		
Payable to National Investment Trust Limited - Management Company	(3,434)	373
Payable to Central Depository Company of Pakistan Limited - Trustee	82	(22)
Annual fee payable to the Securities and Exchange Commission of Pakistan	(548)	(486)
Payable on redemption of units	(77)	9,302
Accrued expenses and other liabilities	(18,823)	7,267
	<u>(22,800)</u>	<u>16,434</u>
Net cash (used in) / generated from operating activities	(538,965)	531,050
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issue of units	1,056,811	537,342
Distribution paid	-	(2,399)
Payments on redemption of units	(422,796)	(1,122,749)
Net cash generated from / (used in) financing activities	634,015	(587,806)
Net increase in cash and cash equivalents during the period	95,050	(56,756)
Cash and cash equivalents at the beginning of the period	235,042	86,598
Cash and cash equivalents at the end of the period	<u>330,092</u>	<u>29,842</u>

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

For National Investment Trust Limited
(Management Company)

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director

NIT - INCOME FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL
STATEMENTS
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2015

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. 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 "A+(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 of the company for the nine months period ended March 31, 2015 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 Ordinance, 1984, the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (The NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations). In case where requirements differ, the provision of or directives issued under the Companies Ordinance, 1984, the NBFC Rules and 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 financial statements of the Fund as at and for the year ended 30 June 2014.
- 2.1.3** This condensed interim financial information is being submitted to the unit holders as required under Regulation 38 (g) of the Non-Banking Finance Companies and notified Entities Regulations, 2008 (NBFC Regulations).

2.4 Functional and presentation currency

This condensed interim financial information is presented in Pak Rupees, which is the Fund's functional and presentation currency. All financial information presented in Pak Rupees has been rounded off to the nearest thousand of rupees except otherwise stated.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation followed for the preparation of information are the same as those applied in preparing the financial statements as at and for the year ended 30 June 2014.

NIT - INCOME FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2015

4 ESTIMATES AND JUDGEMENTS

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

The significant judgements made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended 30 June 2014.

5 FINANCIAL RISK MANAGEMENT

The Fund's financial risk management objectives and policies are consistent with that disclosed in the financial statements as at and for the year ended 30 June 2014.

6 BANK BALANCES

In current accounts
 In saving accounts

Note	March 31, 2015 (Unaudited)	June 30, 2014 (Audited)
-----Rupees in '000-----		
	163	177
6.1	329,929	234,865
	<u>330,092</u>	<u>235,042</u>

6.1 These accounts carry rates ranging from 7% to 10.25% per annum (June 30, 2014: 7% to 9.6% p.a.).

7 INVESTMENTS

Available for sale

Government securities:
 -Market Treasury Bills
 -Pakistan Investment Bonds
 Term finance certificates - listed
 Term finance certificates - unlisted
 Certificates of investment

Note	March 31, 2015 (Unaudited)	June 30, 2014 (Audited)
-----Rupees in '000-----		
7.1	974,643	838,217
	2,694,406	1,393,707
7.2 & 7.4	202,994	271,850
7.3 & 7.4	87,867	155,810
7.5	-	300,000
	<u>3,959,910</u>	<u>2,959,584</u>

7.1 Investment in government securities - Available for sale

Issue date	Tenor	Face value				Balance as at 31 March 2015		Market value as a percentage of net assets	Market value as a percentage of total investments
		As at 1 July 2014	Purchased during the period	Sales / matured during the period	As at 31 March 2015	Carrying value	Market value		
(Rupees in '000)									
(%)									
Market Treasury Bills									
May 15, 2014	3 Months	250,000	-	250,000	-	-	-	-	-
June 12, 2014	3 Months	400,000	-	400,000	-	-	-	-	-
July 10, 2014	3 Months	-	310,000	310,000	-	-	-	-	-
July 24, 2014	3 Months	-	270,000	270,000	-	-	-	-	-
August 7, 2014	3 Months	-	210,000	210,000	-	-	-	-	-
September 4, 2014	3 Months	-	400,000	400,000	-	-	-	-	-
October 16, 2014	3 Months	-	250,000	250,000	-	-	-	-	-
October 30, 2014	3 Months	-	500,000	500,000	-	-	-	-	-
November 13, 2014	3 Months	-	400,000	400,000	-	-	-	-	-
March 5, 2015	3 Months	-	187,500	-	187,500	185,146	185,117	4.29	4.67
March 19, 2015	3 Months	-	300,000	-	300,000	295,399	295,291	6.84	7.46
May 15, 2014	6 Months	50,000	250,000	300,000	-	-	-	-	-
October 30, 2014	6 Months	-	300,000	-	300,000	298,061	298,009	6.90	7.53
July 12, 2013	12 Months	150,000	-	150,000	-	-	-	-	-
March 20, 2014	12 Months	-	75,000	75,000	-	-	-	-	-
January 22, 2015	12 Months	-	110,000	-	110,000	103,404	103,340	2.39	2.61
March 19, 2015	12 Months	-	100,000	-	100,000	93,067	92,886	2.15	2.35
Total - 31 March 2015		850,000	3,662,500	3,515,000	997,500	975,078	974,643	22.57	24.62

NIT - INCOME FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2015

Issue date	Tenor	Face value				Balance as at 31 March 2015		Market value as a percentage of net assets	Market value as a percentage of total investments
		As at 1 July 2014	Purchased during the period	Sales / matured during the period	As at 31 March 2015	Carrying value	Market value		
(Rupees in '000)									
(%)									
Pakistan Investment Bond									
July 19, 2012	10 years	150,000	125,000	150,000	125,000	140,162	143,431	3.32	3.62
July 17, 2014	10 years	-	100,000	-	100,000	113,937	115,974	2.69	2.93
July 18, 2013	05 years	125,000	-	125,000	-	-	-	-	-
July 17, 2014	05 years	-	290,000	-	290,000	301,870	320,235	7.41	8.09
March 26, 2015	05 years	-	50,000	-	50,000	51,292	51,256	1.19	1.29
July 18, 2013	03 years	1,145,000	830,000	100,000	1,875,000	1,861,455	1,949,040	45.13	49.22
July 17, 2014	03 years	-	367,500	260,000	107,500	109,118	114,471	2.65	2.89
Total - 31 March 2015		1,420,000	1,762,500	635,000	2,547,500	2,577,834	2,694,406	62.39	68.04

7.2 Term finance certificates - listed

All certificates have a face value of Rs. 5,000 each.

Name of the investee company	As at 1 July 2014	Purchased during the period	Sales / matured during the period	As at 31 March 2015	Balance as at 31 March 2015		Market value as a percentage of net assets	Market value as a percentage of total investments	
					Carrying value	Market value			
(Rupees in '000)									
(%)									
Commercial banks									
Askari Bank Limited	November 18, 2009	16,000	-	-	16,000	80,354	75,133	1.74	1.90
Summit Bank Limited	October 27, 2011	20,000	-	-	20,000	99,862	99,726	2.31	2.52
		36,000	-	-	36,000	180,216	174,860	4.05	4.42
Fertilizer									
Engro Fertilizer Limited	December 17, 2009	8,000	-	-	8,000	28,913	28,135	0.65	0.71
Electricity									
K-Electric Limited AZM Sukuk 1	March 19, 2014	15,000	-	15,000	-	-	-	-	-
K-Electric Limited AZM Sukuk 2	March 19, 2014	5,000	-	5,000	-	-	-	-	-
		20,000	-	20,000	-	-	-	-	-
Total - 31 March 2015		64,000	-	20,000	44,000	209,129	202,994	4.70	5.13

7.3 Term finance certificates - unlisted

All certificates have a face value of Rs. 5,000 each.

Name of the investee company	As at 1 July 2014	Purchased during the period	Sales / matured during the period	As at 31 March 2015	Balance as at 31 March 2015		Market value as a percentage of net assets	Market value as a percentage of total investments	
					Carrying value	Market value			
(Rupees in '000)									
(%)									
Commercial banks									
Bank Al-Falah Limited (Fixed)	December 2, 2009	7,000	-	-	7,000	35,053	39,063	0.90	0.99
Bank Al-Falah Limited (Floating)	December 2, 2009	5,250	-	-	5,250	26,338	27,114	0.63	0.68
Bank Al-Habib Limited	June 15, 2009	10,000	-	10,000	-	-	-	-	-
Bank Al-Habib Limited	June 30, 2011	7,000	-	3,000	4,000	19,972	21,690	0.50	0.55
Total - 31 March 2015		29,250	-	13,000	16,250	81,362	87,867	2.03	2.22

7.4 Significant terms and conditions of term finance certificates outstanding at the year 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
Listed term finance certificates							
Askari Bank Limited	16,000	4,991	6-months KIBOR + 2.95%	18 November 2009	10 years	Unsecured	AA-
Engro Fertilizers Limited	8,000	3,600	6-months KIBOR + 2.40%	17 December 2009	7 years	Secured	AA-
Summit Bank Limited	20,000	4,993	6-months KIBOR + 3.25%	27 October 2011	7 years	Unsecured	-
K-Electric Limited Sukuk 1	15,000	5,000	6-months KIBOR + 1%	19 March 2014	13 months	Unsecured	A+
K-Electric Limited Sukuk 2	5,000	5,000	6-months KIBOR + 2.25%	19 March 2014	3 years	Unsecured	A+

NIT - INCOME FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL
STATEMENTS

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2015

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 (Fixed)	7,000	4,990	15.00%	02 December 2009	8 years	Unsecured	AA-
Bank Al-Falah Limited (Floating)	5,250	4,990	6-months KIBOR + 2.50%	02 December 2009	8 years	Unsecured	AA-
Bank Al-Habib Limited (3rd issue)	10,000	4,980	15.50%	15 June 2009	8 years	Unsecured	AA
Bank Al-Habib Limited (4th issue)	7,000	4,993	15.00%	30 June 2011	10 years	Unsecured	AA

7.5 Certificate of Investment

Name of the investee company	Number of certificates				Balance as at 31 March 2015		Market value as a percentage of net assets	Market value as a percentage of total investments
	As at 1 July 2014	Purchased during the period	Sales / matured during the period	As at 31 March 2015	Carrying value	Market value		
Pak Libya Holding Company (Private) Limited	300,000	-	300,000	-	-	-	-	
Total - 31 March 2015	300,000	-	300,000	-	-	-	-	

7.6 Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'available for sale'

	March 31	
	2015	2014
	(Unaudited)	
	Rupees in '000	
Market value of investments	3,959,910	3,193,615
Less: Carrying value of investments - net of impairment	(3,843,402)	(3,173,046)
	116,508	20,569
Less: Net unrealised (appreciation) on re-measurement of investments at beginning of the year	3,811	16,895
	112,697	3,674

8 PROFIT RECEIVABLE

Profit Receivable on:	March 31, 2015 (Unaudited)	June 30, 2014 (Audited)
	Rupees in '000	
- term finance certificates	13,909	5,412
- Pakistan investment bonds	56,870	72,375
- certificate of investment	-	1,944
- saving accounts	8,339	1,658
- marginal trading system	-	882
- others	-	7
	79,118	82,278

9 PAYABLE TO NATIONAL INVESTMENT TRUST LIMITED - MANAGEMENT COMPANY

On account of:	March 31, 2015 (Unaudited)	June 30, 2014 (Audited)
	Rupees in '000	
-management remuneration	3,732	3,539
-Sindh Sales Tax	1,473	656
-Preliminary expenses and formation cost	-	4,484
-sales load	537	497
	5,742	9,176

10 ACCRUED EXPENSES AND OTHER LIABILITIES

	March 31, 2015 (Unaudited)	June 30, 2014 (Audited)
	Rupees in '000	
Provision for workers' welfare fund	30,081	23,323
Federal Excise Duty	10,944	5,600
Auditors' remuneration	260	397
Printing charges	175	25
Brokerage	62	384
Settlement charges	20	15

NIT - INCOME FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL
STATEMENTS

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2015

Zakat
 Capital gains tax
 Withholding tax
 Dividend
 Legal and professional charges payable

	March 31, 2015 (Unaudited)	June 30, 2014 (Audited)
	Rupees in '000	
	-	175
	593	159
	4	210
	272	30,895
	35	86
	42,446	61,269

10.1 PROVISION FOR WORKERS' WELFARE FUND

The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes / mutual funds (CISs) whose income exceeds Rs. 0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a constitutional petition has been filed by certain CISs through their trustees in the Honorable High Court of Sindh (the Court), challenging the applicability of WWF to the CISs, which is pending adjudication.

During the year ended June 30, 2011, a clarification was issued by the Ministry of Labour and Manpower (the Ministry) which stated that mutual funds are not liable to contribute to WWF on the basis of their income. However, on December 14, 2010, the Ministry filed its response against the constitutional petition requesting the Court to dismiss the petition. According to the legal counsel who is handling the case there is a contradiction between the aforementioned clarification issued by the Ministry and the response filed by the Ministry in Court.

During the year ended June 30, 2012, the Honorable Lahore High Court (LHC) in a Constitutional Petition relating to the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006, and the Finance Act, 2008, had declared the said amendments as unlawful and unconstitutional. In March 2013, a larger bench of the Sindh High Court (SHC) passed an order declaring that the amendments introduced in the WWF Ordinance, 1971 through the Finance Act 2006 and 2008 respectively do not suffer from any constitutional or legal infirmity. However, the Honourable High Court of Sindh has not addressed the other amendments made in the WWF Ordinance 1971 about applicability of WWF to the CISs which is still pending before the Court. Without prejudice to the above, the Management Company, as a matter of abundant caution, has decided to retain the provision for WWF amounting to Rs 30.081 million (including Rs 6.758 million for the period) in these financial statements. Had the same not been made the net asset value per unit of the Fund would have been higher by Rs 0.08 per unit.

As per requirement of Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16% on the remuneration of the Management Company has been applied effective 13 June 2013. The Management Company is of view that since the remuneration is already subject to provincial sales tax, further levy of FED may result in double taxation, which does not appear to be the spirit of the law. The matter has been taken up collectively by the mutual Fund Association of Pakistan where various options are being considered. The High court of Sindh in its order dated 09 September 2013 granted stay to the various funds for the recovery of FED. As a matter of abundant caution, the Management Company has made a provision with effect from 13 June 2013, aggregating to Rs. 10.944 million. Had the provision not been made, the net assets value (NAV) per unit of the Fund as at 31 March 2015 would have been higher by Rs. 0.03 per unit.

11 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2015 (June 30, 2014: Nil)

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. The Fund has not recorded provision for taxation as the management company intends to distribute at least ninety percent of the Fund's accounting income, if any, for the current year as reduced by capital gains, whether realised or unrealised, to its unit holders. The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11(A) of part IV of the second schedule to the Income Tax Ordinance, 2001.

NIT - INCOME FUND
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FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2015

13 EARNINGS PER UNIT - BASIC AND DILUTED	(Unaudited)			
	Nine-months ended March 31, 2015	Quarter ended March 31, 2014	Quarter ended March 31, 2015	Quarter ended March 31, 2014
	-----Rupees in '000-----			
Net income after taxation	329,247	160,065	122,671	34,989
	Number of units			
Weighted average number of units outstanding during the period	330,275,414	328,831,270	354,904,142	313,567,918
	-----Rupees per unit-----			
Earnings per unit	0.9969	0.4868	0.3456	0.1116

14 TRANSACTIONS WITH CONNECTED PERSONS

- 14.1** Connected persons include National Investment Trust Limited, other collective investment schemes managed by the Management Company and directors and officers of the Management Company and the Trustee.
- 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 is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.
- 14.4** Remuneration payable to the Trustee is determined in accordance with the provisions of the Trust Deed.
- 14.5** The details of significant transactions carried out by the Fund with connected person and balances with them at period end are as follows:

Transactions during the period:	Nine months ended March 31,		Quarter ended March 31,	
	2015	2014	2015	2014
	(Unaudited)			
	-----Rupees in '000-----			
National Investment Trust Limited - Management Company				
Issue of 4,484,345 units (2013: NIL)	50,000	-	50,000.00	-
Issue of bonus units: NIL (2013: 7,083,977 units)	-	72,365	-	-
Sales Load	40	31	22	17
Management fee for the period	33,400	32,152	12,279	10,305
Sindh sales tax on management fee	5,814	6,012	2,139	1,897
Central Depository Company of Pakistan Limited - Trustee				
Trustee fee for the period	2,928	2,825	1,050	911
CDC charges	110	153	6	148

14.6 Amounts outstanding as at the end of the period

	March 31, 2015	June 30, 2014
	(Unaudited)	(Audited)
	-----Rupees in '000-----	
National Investment Trust Limited - Management Company		
129,426,417 units held (June 30, 2014: 124,942,072 units)	1,479,668	1,378,986
Management fee payable	3,732	3,539
Sindh Sales Tax	1,473	656
Preliminary expenses and formation cost	-	4,484
Sales load payable	537	497
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	392	310
Security Deposit	100	100
National Investment Trust Limited - Provident Fund		
5,924,448 units held (June 30, 2014: 5,924,448 units)	67,731	60,530

NIT - INCOME FUND
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	March 31, 2015 (Unaudited)	June 30, 2014 (Audited)
	-----Rupees in '000-----	
National Investment Trust Limited - Pension Fund		
17,301,228 units held (June 30, 2014: 17,301,228 units)	197,796	176,767
Chief Operating Officer		
1,092,029 units held (June 30, 2014: 1,092,029 units)	12,485	11,157
Fund Manager		
528 units held (June 30, 2014: 528 units)	6	5
Head of MD's Secretariat and Personnel		
29,911 units held (June 30, 2014: 29,911 units)	342	306

15 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on **April 16, 2015** by the Board of Directors of the Management Company.

16 GENERAL

- 16.1** Figures have been rounded off to the nearest thousand rupees unless otherwise stated.

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

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director

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