

**NIT - EQUITY MARKET OPPORTUNITY FUND**  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2020**



**INDEPENDENT AUDITOR'S REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS TO THE UNIT HOLDERS OF NIT - EQUITY MARKET OPPORTUNITY FUND**

***Introduction***

We have reviewed the accompanying condensed interim statement of assets and liabilities of **NIT - Equity Market Opportunity Fund** (the Fund) as at December 31, 2020 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'), for the half year then ended. The Management Company (National Investment Trust Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2020 and December 31, 2019 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2020.

***Scope of Review***

We conducted our review in accordance with International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

***Conclusion***

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

*A Ferguson & Co*

Chartered Accountants

Engagement Partner: **Shahbaz Akbar**

Dated: February 25, 2021

Karachi

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NIT - EQUITY MARKET OPPORTUNITY FUND  
 CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES  
 AS AT DECEMBER 31, 2020


	Note	December 31, 2020 (Unaudited)	June 30, 2020 (Audited)
-----Rupees in '000-----			
<b>Assets</b>			
Balances with banks	4	359,463	228,527
Investments	5	7,567,104	6,183,020
Dividend and profit receivable		7,334	18,283
Deposit with National Clearing Company of Pakistan Limited		2,500	2,500
<b>Total assets</b>		<b>7,936,401</b>	<b>6,432,330</b>
<b>Liabilities</b>			
Payable to National Investment Trust Limited - Management Company	6	15,247	11,971
Payable to Central Depository Company of Pakistan Limited - Trustee	7	239	192
Payable to the Securities and Exchange Commission of Pakistan		729	1,262
Provision for taxation	8	3,108	3,108
Payable against purchase of investments		22,715	27,081
Accrued expenses and other liabilities	9	130,954	129,956
<b>Total liabilities</b>		<b>172,992</b>	<b>173,570</b>
<b>Net assets</b>		<b>7,763,409</b>	<b>6,258,760</b>
<b>Unit holders' fund (as per statement attached)</b>		<b>7,763,409</b>	<b>6,258,760</b>
<b>Contingencies and commitments</b>	10		
		----- (Number of units) -----	
<b>Number of units in issue</b>		<b>39,180,869</b>	<b>39,180,869</b>
		----- (Rupees) -----	
<b>Net asset value per unit</b>		<b>198.14</b>	<b>159.74</b>

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

*Alfa*

For National Investment Trust Limited  
 (Management Company)

  
 \_\_\_\_\_  
 Managing Director

  
 \_\_\_\_\_  
 Director

  
 \_\_\_\_\_  
 Director

**NIT - EQUITY MARKET OPPORTUNITY FUND  
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)  
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2020**

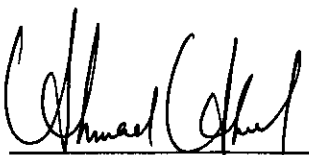
	Note	Six months period ended December 31		Quarter ended December 31	
		2020	2019	2020	2019
Rupees in '000					
<b>Income</b>					
Dividend income		124,106	183,069	91,465	97,939
Gain on sale of investments-net		542	290	542	-
Profit on bank deposits		10,819	8,592	6,039	6,520
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	5.4	1,740	2,207	833	3,493
<b>Total income</b>		<b>137,207</b>	<b>194,158</b>	<b>98,879</b>	<b>107,952</b>
<b>Expenses</b>					
Remuneration of National Investment Trust Limited - Management Company	6.1	72,952	61,318	36,979	33,709
Sindh sales tax on remuneration of the Management Company	6.2	9,484	7,971	4,808	4,382
Remuneration of Central Depository Company of Pakistan Limited - Trustee		1,245	1,070	630	581
Sindh sales tax on remuneration of the Trustee	7.1	162	139	82	75
Annual fee of the Securities and Exchange Commission of Pakistan		729	613	369	337
Allocation of expenses related to registrar services, accounting, operation and valuation services	6.3	3,623	3,062	1,827	1,676
Custodian charges of Central Depository Company of Pakistan Limited		28	10	11	6
Settlement and bank charges		198	167	128	103
Auditors' remuneration		522	460	246	230
<b>Total expenses</b>		<b>88,943</b>	<b>74,810</b>	<b>45,080</b>	<b>41,099</b>
<b>Net income from operating activities</b>		<b>48,264</b>	<b>119,348</b>	<b>53,799</b>	<b>66,853</b>
Provision for Sindh Workers' Welfare Fund	9.1	(965)	(2,387)	(965)	(1,343)
<b>Net income for the period before taxation</b>		<b>47,299</b>	<b>116,961</b>	<b>52,834</b>	<b>65,510</b>
Taxation	11	-	-	-	-
<b>Net income for the period after taxation</b>		<b>47,299</b>	<b>116,961</b>	<b>52,834</b>	<b>65,510</b>
<b>Allocation of net income for the period after taxation</b>					
Net income for the period after taxation		47,299	116,961		
Income already paid on units redeemed		-	-		
		<b>47,299</b>	<b>116,961</b>		
<b>Accounting income available for distribution:</b>					
- Relating to capital gains		2,282	2,497		
- Excluding capital gains		45,017	114,464		
		<b>47,299</b>	<b>116,961</b>		

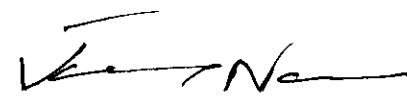
The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

*After*

For National Investment Trust Limited  
(Management Company)

  
\_\_\_\_\_  
Managing Director

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

NIT - EQUITY MARKET OPPORTUNITY FUND  
 CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)  
 FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2020

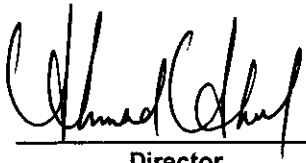
	Six months period ended		Quarter ended	
	December 31		December 31	
Note	2020	2019	2020	2019
-----Rupees in '000-----				
Net income for the period after taxation	47,299	116,961	52,834	65,510
<b>Other comprehensive income</b>				
<b>Items that will not be reclassified to the condensed interim income statement</b>				
Changes in the fair value of investments classified as financial assets at 'FVOCI'	5.5 1,622,301	1,286,222	434,594	1,719,175
<b>Total comprehensive income for the period</b>	<u>1,669,600</u>	<u>1,403,183</u>	<u>487,428</u>	<u>1,784,685</u>


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

*Alfa*

For National Investment Trust Limited  
 (Management Company)

  
 \_\_\_\_\_  
 Managing Director

  
 \_\_\_\_\_  
 Director

  
 \_\_\_\_\_  
 Director

**NIT - EQUITY MARKET OPPORTUNITY FUND  
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)  
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2020**

Six months period ended December 31							
2020				2019			
Capital value	Undistributed income	Unrealised appreciation / (diminution) on investments 'at fair value through other comprehensive income'	Total	Capital value	Undistributed income	Unrealised appreciation / (diminution) on investments 'at fair value through other comprehensive income'	Total

Rupees in '000


<b>Net assets at the beginning of the period</b>	3,822,390	985,075	1,451,295	6,258,760	3,822,390	847,157	1,506,128	6,175,675
Final distribution for the year ended June 30, 2020: (Date: July 7, 2020 @ Rs 4.21 per unit)	-	(164,951)	-	(164,951)	-	-	-	-
Final distribution for the year ended June 30, 2019 (Date: July 5, 2019 @ Rs 4.96 per unit)	-	-	-	-	-	(194,337)	-	(194,337)
Transfer of gain on disposal of investments classified as 'financial assets at fair value through other comprehensive income' to undistributed income	-	147,456	(147,456)	-	-	104,291	(104,291)	-
Total comprehensive income for the period	-	47,299	1,622,301	1,669,600	-	116,961	1,286,222	1,403,183
<b>Net assets at the end of the period</b>	<u>3,822,390</u>	<u>1,014,879</u>	<u>2,926,140</u>	<u>7,763,409</u>	<u>3,822,390</u>	<u>874,072</u>	<u>2,688,059</u>	<u>7,384,521</u>

	(Rupees in '000)	(Rupees in '000)
<b>Undistributed income brought forward</b>		
- Realized income	987,095	850,198
- Unrealized loss	(2,020)	(3,041)
	<u>985,075</u>	<u>847,157</u>
<b>Accounting income available for distribution:</b>		
- Relating to capital gains	2,282	2,497
- Excluding capital gains	45,017	114,464
	<u>47,299</u>	<u>116,961</u>
Transfer of gain on disposal of investments classified as 'financial assets at fair value through other comprehensive income' to undistributed income	147,456	104,291
Final distribution for the year ended June 30, 2020 (Date: July 7, 2020 @ Re 4.21 per unit)	(164,951)	-
Final distribution for the year ended June 30, 2019 (Date: July 5, 2019 @ Re 4.96 per unit)	-	(194,337)
Undistributed income carried forward	<u>1,014,879</u>	<u>874,072</u>
<b>Undistributed income carried forward</b>		
- Realized income	1,013,139	871,865
- Unrealized income	1,740	2,207
	<u>1,014,879</u>	<u>874,072</u>
	(Rupees)	(Rupees)
Net asset value per unit at the beginning of the period	<u>159.74</u>	<u>157.62</u>
Net asset value per unit at the end of the period	<u>198.14</u>	<u>142.92</u>

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

*Alfa*

For National Investment Trust Limited  
(Management Company)

  
Managing Director

  
Director

  
Director

NIT - EQUITY MARKET OPPORTUNITY FUND  
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)  
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2020

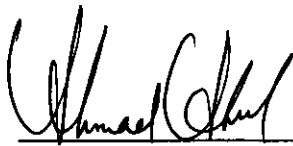
Note	Six months period ended December 31	
	2020	2019
-----Rupees in '000-----		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
	47,299	116,961
<b>Adjustments for:</b>		
Net unrealised (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit and loss'	(1,740)	(2,207)
Provision for Sindh Workers' Welfare Fund	965	2,387
	<u>46,524</u>	<u>117,141</u>
<b>Decrease / (increase) in assets</b>		
Investments - net	239,957	92,795
Dividend and profit receivable	10,949	(2,826)
	<u>250,906</u>	<u>89,969</u>
<b>(Decrease) / increase in liabilities</b>		
Payable to National Investment Trust Limited - Management Company	3,276	2,075
Payable to Central Depository Company of Pakistan Limited - Trustee	47	30
Payable to the Securities and Exchange Commission of Pakistan	(533)	(6,499)
Payable against purchase of investments	(4,366)	1,882
Accrued expenses and other liabilities	33	370
	<u>(1,543)</u>	<u>(2,142)</u>
<b>Net cash generated from operating activities</b>	<u>295,887</u>	<u>204,968</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Distribution paid	(164,951)	(194,337)
<b>Net cash used in financing activities</b>	<u>(164,951)</u>	<u>(194,337)</u>
<b>Net increase in cash and cash equivalents during the period</b>	<u>130,936</u>	<u>10,631</u>
Cash and cash equivalents at the beginning of the period	228,527	263,487
<b>Cash and cash equivalents at the end of the period</b>	<u>4</u> <u>359,463</u>	<u>274,118</u>

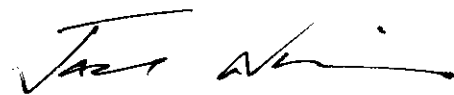
The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

*Alho*

For National Investment Trust Limited  
(Management Company)

  
\_\_\_\_\_  
Managing Director

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

**NIT - EQUITY MARKET OPPORTUNITY FUND**  
**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2020**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

1.1 The NIT - Equity Market Opportunity Fund ('the Fund') was established under a Trust Deed executed between National Investment Trust Limited as the Management Company and Central Depository Company of Pakistan Limited as the Trustee. The Fund was approved by the Securities and Exchange Commission of Pakistan (SECP) on March 18, 2009 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Trust Deed was executed on April 1, 2009. The Fund is categorized as an Equity Scheme as per the criteria for categorisation of open end collective investment schemes as specified by (SECP). The units of the Fund were initially issued at Rs. 100 per unit.

1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (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. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

1.3 The Fund is an open-ended mutual fund. Units are offered for subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. Units of the Fund comprise of the following two types:

Class A: These units are not subject to any restrictions (i.e. units can be redeemed at the option of the unit holders).

Class B: These units are issued to unit holders with a firm commitment. The redemption option for these units rests with the Management Company and the unit holders may redeem their units subject to consent of the Management Company.

At present the Fund has only Class 'B' units that were issued to the initial participants.

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.

1.5 The Management Company has been assigned a quality rating of 'AM1' by VIS on December 31, 2020, whereas PACRA has assigned an asset manager rating of 'AM2++' with 'positive outlook' to the Management Company on November 5, 2020.

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

**2 BASIS OF PREPARATION**

**2.1 Statement of compliance**

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.



2.2 The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the published audited annual financial statements of the Fund for the year ended June 30, 2020.

2.3 These condensed interim financial statements are unaudited. However, a limited scope review has been performed by the statutory auditors. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at December 31, 2020.

### 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 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 accounting 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 that were applied to the financial statements 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 financial statements as at and for the year ended June 30, 2020.

#### 3.3 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current period

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on July 1, 2020. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

#### 3.4 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards, interpretations and amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting periods beginning on or after July 1, 2021, but are considered to be not relevant or will not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

4	BALANCES WITH BANKS	Note	December 31,	June 30,
			2020	2020
			(Unaudited)	(Audited)
			-----Rupees in '000-----	
	In current accounts		1,883	15,436
	In savings accounts	4.1	357,580	213,091
			<u>359,463</u>	<u>228,527</u>

4.1 The balances in saving accounts carry profit rates ranging from 5.50% to 8.30% per annum (June 30, 2020: 7.80% to 14.40% per annum).

5	INVESTMENTS	Note	December 31,	June 30,
			2020	2020
			(Unaudited)	(Audited)
			-----Rupees in '000-----	
	<b>At fair value through profit or loss</b>			
	Listed equity securities	5.1	12,110	15,876
	<b>At fair value through other comprehensive income</b>			
	Listed equity securities	5.2	<u>7,554,994</u>	<u>6,167,144</u>
			<u>7,567,104</u>	<u>6,183,020</u>

## 5.1 Listed equity securities - at fair value through profit or loss

Name of investee companies	As at 01 July 2020	Purchased during the period	Bonus shares received during the period	Right shares purchased/ subscribed during the period	Sold during the period	As at December 31, 2020	Carrying value as at December 31, 2020	Market Value as at December 31, 2020	Market value as a percentage of net assets	Market Value as a percentage of total investments	Holding as a percentage of paid-up capital of the investee company
	(Number of shares)						Rupees in '000		%		
<b>Commercial Banks</b>											
Allied Bank Limited	34,300	-	-	-	-	34,300	2,627	2,928	0.04	0.04	0.00
MCB Bank Limited	78,700	-	-	-	35,000	43,700	7,082	8,097	0.10	0.11	0.00
							9,709	11,025	0.14	0.15	
<b>Fertilizer</b>											
Fauji Fertilizer Bin Qasim Limited	31,000	-	-	11,852	-	42,852	661	1,085	0.01	0.01	0.00
							661	1,085	0.01	0.01	
<b>Total as at December 31, 2020</b>							<b>10,370</b>	<b>12,110</b>			
<b>Total as at June 30, 2020</b>							<b>17,896</b>	<b>15,876</b>			

5.1.1 All shares are fully paid up ordinary shares of Rs 10 each.

## 5.2 Listed equity securities - at fair value through other comprehensive income

Name of investee companies	As at 01 July 2020	Purchased during the period	Bonus shares received during the period	Right shares purchased / subscribed during the period	Sold during the period	As at December 31, 2020	Carrying value as at December 31, 2020	Market Value as at December 31, 2020	Market value as a percentage of net assets	Market Value as a percentage of total investments	Holding as a percentage of paid-up capital of the investee company
	(Number of shares)						Rupees in '000		%		
<b>Investment Banks / Investment Companies / Securities Companies</b>											
Next Capital Limited	375,250	-	-	-	-	375,250	2,516	3,460	0.04	0.05	0.83
Jahangir Siddiqui and Company Limited	840,000	-	-	-	-	840,000	7,234	27,451	0.35	0.36	0.09
Pakistan Stock Exchange Limited	1,646,500	400,000	-	-	-	2,046,500	35,363	30,329	0.39	0.40	0.26
MCB-Arif Habib Saving Investments Limited	900,000	-	-	-	-	900,000	15,171	25,281	0.33	0.33	1.25
							60,284	86,521	1.11	1.14	
<b>Commercial Banks</b>											
Allied Bank Limited	1,033,314	-	-	-	-	1,033,314	91,166	88,214	1.14	1.17	0.09
Askari Bank Limited	4,448,442	-	-	-	-	4,448,442	54,996	104,049	1.34	1.38	0.35
Bank Alfalah Limited	4,884,424	-	-	-	250,000	4,634,424	80,261	163,734	2.11	2.16	0.26
Bank Al-Habib Limited	684,489	50,000	-	-	-	734,489	36,610	51,120	0.66	0.68	0.07
Bankislami Pakistan Limited	200,000	-	-	-	-	200,000	2,650	2,402	0.03	0.03	0.02
Bank Of Punjab Limited	1,257,500	-	-	-	-	1,257,500	14,911	11,657	0.15	0.15	0.05
Faysal Bank Limited	500,079	-	-	-	-	500,079	2,953	8,641	0.11	0.11	0.03
Habib Bank Limited	2,482,748	-	-	-	105,000	2,377,748	278,095	314,529	4.05	4.16	0.16
Habib Metropolitan Bank Limited	406,000	-	-	-	-	406,000	12,318	15,830	0.20	0.21	0.04
JS Bank Limited	253,000	-	-	-	-	253,000	1,712	1,624	0.02	0.02	0.02
MCB Bank Limited	1,114,476	-	-	-	-	1,114,476	188,045	206,490	2.66	2.73	0.09
National Bank Of Pakistan	3,780,731	-	-	-	200,000	3,580,731	142,607	153,828	1.98	2.03	0.17
Soneri Bank Limited	699,000	-	-	-	-	699,000	8,906	6,955	0.09	0.09	0.06
United Bank Limited	2,333,602	157,500	-	-	215,000	2,276,102	239,281	286,470	3.69	3.79	0.19
							1,154,511	1,415,543	18.23	18.71	
<b>Insurances</b>											
Adamjee Insurance Company Limited	899,580	-	-	-	-	899,580	14,788	35,371	0.46	0.47	0.73
							14,788	35,371	0.46	0.47	
<b>Textile Spinning</b>											
Amtext Limited	389,121	-	-	-	-	389,121	467	-	-	-	0.15
							467	-	-	-	
<b>Textile Composite</b>											
Nishat Chunian Limited	1,536,758	-	-	-	-	1,536,758	53,692	64,682	0.83	0.85	0.64
Gul Ahmed Textile Mills Limited	150,000	-	30,000	-	-	180,000	8,118	6,615	0.09	0.09	0.04
Nishat Mills Limited	2,407,841	35,000	-	-	396,000	2,046,841	122,267	208,307	2.68	2.75	0.58
							184,077	279,604	3.60	3.69	

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Name of investee companies	As at 01 July 2020	Purchased during the period	Bonus shares received during the period	Right shares purchased / subscribed during the period	Sold during the period	As at December 31, 2020	Carrying value as at December 31, 2020	Market Value as at December 31, 2020	Market value as a percentage of net assets	Market Value as a percentage of total investments	Holding as a percentage of paid-up capital of the investee company
	(Number of shares)				Rupees in '000						
<b>Cement</b>											
Cherat Cement Company Limited	729,583	-	-	-	110,000	619,583	34,767	90,577	1.17	1.20	0.32
D. G. Khan Cement Company Limited	3,414,932	35,000	-	-	325,000	3,124,932	159,399	358,055	4.61	4.73	0.71
Fauji Cement Company Limited	3,838,000	-	-	-	100,000	3,738,000	82,770	81,002	1.04	1.07	0.27
Kohat Cement Company Limited	124,800	-	-	-	-	124,800	7,563	27,361	0.35	0.36	0.01
Bestway Cement Limited	7,260	-	-	-	-	7,260	136	1,171	0.02	0.02	0.06
Lucky Cement Limited	1,010,418	52,560	-	-	127,221	935,757	185,608	651,371	8.39	8.61	0.00
Maple Leaf Cement Factory Limited	150,000	-	-	-	-	150,000	3,960	6,752	0.09	0.09	0.29
Thatta Cement Company Limited	1,503,000	-	-	-	225,000	1,278,000	22,575	25,662	0.33	0.34	1.28
							496,778	1,241,951	16.00	16.42	
<b>Tobacco</b>											
Pakistan Tobacco Company Limited	-	2,380	-	-	-	2,380	3,807	3,831	0.05	0.05	0.00
							3,807	3,831	0.05	0.05	
<b>Refinery</b>											
Attock Refinery Limited	468,827	-	-	-	-	468,827	43,283	85,350	1.10	1.13	0.44
National Refinery Limited	455,055	-	-	-	-	455,055	87,127	159,196	2.05	2.10	0.57
Pakistan Refinery Limited	322,931	-	-	322,931	-	645,862	8,161	15,365	0.20	0.20	0.10
							138,571	259,911	3.35	3.43	
<b>Power Generation and Distribution</b>											
Hub Power Company Limited	900,713	125,001	-	-	-	1,025,714	66,667	81,370	1.05	1.08	0.08
Lalpir Power Limited	914,055	-	-	-	-	914,055	15,675	11,718	0.15	0.15	0.24
							82,342	93,088	1.20	1.23	
<b>Oil and Gas Marketing Companies</b>											
Attock Petroleum Limited	27,777	-	-	-	-	27,777	6,840	9,295	0.12	0.12	0.03
Pakistan State Oil Company Limited	2,684,723	20,000	-	-	178,299	2,526,424	297,768	543,939	7.01	7.19	0.54
Sui Northern Gas Pipelines Limited	1,987,449	-	-	-	25,000	1,962,449	141,052	87,172	1.12	1.15	0.31
Sui Southern Gas Company Limited	1,879,937	-	-	-	-	1,879,937	49,897	27,297	0.35	0.36	0.21
							495,557	667,703	8.60	8.82	
<b>Oil and Gas Exploration Companies</b>											
Mari Petroleum Company Limited	450,227	10,000	-	-	-	460,227	52,829	616,621	7.94	8.15	0.34
Oil and Gas Development Company	2,117,501	-	-	-	150,000	1,967,501	252,404	204,168	2.63	2.70	0.05
Pakistan Oilfields Limited	607,042	-	-	-	-	607,042	159,390	240,030	3.09	3.17	0.21
Pakistan Petroleum Limited	2,795,737	-	-	-	250,000	2,545,737	218,206	229,956	2.96	3.04	0.09
							682,829	1,290,775	16.62	17.06	
<b>Engineering</b>											
Aisha Steel Mills Limited	121,000	-	-	-	121,000	-	-	-	-	-	-
Agha Steel Industries Limited	-	497,759	-	-	137,500	360,259	11,528	14,198	0.18	0.19	0.06
Amreli Steel Limited	525,500	-	-	-	25,000	500,500	23,783	24,154	0.31	0.32	0.17
Crescent Steel and Allied Products Limited	383,452	-	-	-	-	383,452	21,976	32,252	0.42	0.43	0.49
International Industries Limited	111,910	-	-	-	10,000	101,910	14,648	17,997	0.23	0.24	0.08
International Steels Limited	1,978,100	-	-	-	175,000	1,803,100	44,945	168,103	2.17	2.22	0.41
KSB Pumps Company Limited	2,000	-	-	-	-	2,000	489	777	0.01	0.01	0.02
							117,369	257,481	3.32	3.41	
<b>Automobile Assembler</b>											
Millat Tractors Limited	92,849	-	-	-	-	92,849	48,928	101,585	1.31	1.34	0.19
Indus Motor Company Limited	51,720	-	-	-	-	51,720	56,036	61,958	0.80	0.82	0.07
Honda Atlas Cars (Pakistan) Limited	50,350	-	-	-	-	50,350	15,930	16,520	0.21	0.22	0.04
Pak Suzuki Motor Company Limited	536,423	-	-	-	-	536,423	74,469	129,788	1.67	1.72	0.65
							195,363	309,851	3.99	4.10	
<b>Automobile Parts and Accessories</b>											
Thal Limited	45,900	-	-	-	-	45,900	15,340	21,696	0.28	0.29	0.06
Exide Pakistan Limited	7,300	-	-	-	-	7,300	2,920	2,738	0.04	0.04	0.09
Agriauto Industries Limited	2,500	-	-	-	-	2,500	751	586	0.01	0.01	0.01
Baluchistan Wheels Limited	4,000	-	-	-	-	4,000	538	352	0.00	0.00	0.03
The General Tyre and Rubber Company Limited	417,408	-	-	-	-	417,408	30,467	34,611	0.45	0.46	0.34
							50,016	59,983	0.78	0.80	

Name of investee companies	As at 01 July 2020	Purchased during the period	Bonus shares received during the period	Right shares purchased / subscribed during the period	Sold during the period	As at December 31, 2020	Carrying value as at December 31, 2020	Market Value as at December 31, 2020	Market value as a percentage of net assets	Market Value as a percentage of total investments	Holding as a percentage of paid-up capital of the investee company
	(Number of shares)					Rupees in '000			%		
<b>Cable and Electric Goods</b>											
Pakistan Cables Limited	14,500	-	-	-	-	14,500	2,596	1,948	0.03	0.03	0.04
Pak Elektron Limited	1,050,000	225,000	-	-	275,000	1,000,000	30,390	40,130	0.52	0.53	0.20
Siemens (Pakistan) Engineering Company Limited	50,430	5,050	-	-	-	55,480	42,798	30,247	0.39	0.40	0.67
							<u>75,784</u>	<u>72,325</u>	<u>0.94</u>	<u>0.96</u>	
<b>Transport</b>											
Pakistan International Bulk Terminal Limited	-	15,000	-	-	-	15,000	187	193	0.00	0.00	0.03
							<u>187</u>	<u>193</u>	<u>0.00</u>	<u>0.00</u>	
<b>Technology and Communication</b>											
Pakistan Telecommunication Company Limited	3,384,139	-	-	-	-	3,384,139	36,938	30,796	0.40	0.41	0.09
							<u>36,938</u>	<u>30,796</u>	<u>0.40</u>	<u>0.41</u>	
<b>Fertilizer</b>											
Engro Corporation Limited	1,841,936	20,000	-	-	50,000	1,811,936	207,397	556,917	7.17	7.36	0.31
Dawood Hercules Corporation Limited	10,000	-	-	-	-	10,000	1,119	1,215	0.02	0.02	0.00
Engro Fertilizer Limited	1,044,614	-	-	-	-	1,044,614	61,481	66,051	0.85	0.87	0.08
Fatima Fertilizer Company	980,000	-	-	-	-	980,000	23,344	28,518	0.37	0.38	0.05
Fauji Fertilizer Bin Qasim Limited	1,400,189	-	-	535,341	-	1,935,530	50,926	49,008	0.63	0.65	0.21
Fauji Fertilizer Company Limited	2,139,287	-	-	-	200,000	1,939,287	151,156	210,417	2.71	2.78	0.15
							<u>495,423</u>	<u>912,126</u>	<u>11.75</u>	<u>12.06</u>	
<b>Pharmaceuticals</b>											
Abbot Laboratories (Pakistan) Limited	41,350	-	-	-	-	41,350	34,111	31,235	0.40	0.41	0.04
AGP Limited	98,500	-	-	-	-	98,500	7,880	11,217	0.14	0.15	0.04
Ferozsons Laboratories Limited	61,500	-	12,300	-	-	73,800	11,976	24,383	0.31	0.32	0.20
Glaxosmithkline (Pakistan) Limited	208,000	-	-	-	-	208,000	34,007	39,901	0.51	0.53	0.07
Glaxosmithkline Consumer Health Pakistan Limited	11,000	-	-	-	-	11,000	1,933	2,916	0.04	0.04	0.01
The Searle Company Limited	157,727	-	-	20,347	-	178,074	47,329	44,361	0.57	0.59	0.08
							<u>137,236</u>	<u>154,033</u>	<u>1.97</u>	<u>2.04</u>	
<b>Chemical</b>											
Agritech Limited	1,475,333	-	-	-	-	1,475,333	6,831	7,539	0.10	0.10	0.38
Archroma Pakistan	22,800	-	-	-	-	22,800	10,851	12,729	0.16	0.17	0.07
ICI Pakistan Limited	33,569	-	-	-	-	33,569	4,062	25,515	0.33	0.34	0.04
							<u>21,744</u>	<u>45,783</u>	<u>0.59</u>	<u>0.61</u>	
<b>Paper and Board</b>											
Packages Limited	161,882	-	-	-	25,000	136,882	64,700	81,708	1.05	1.08	0.15
							<u>64,700</u>	<u>81,708</u>	<u>1.05</u>	<u>1.08</u>	
<b>Leather and Tanneries</b>											
Bata Pakistan Limited	6,480	1,600	-	-	-	8,080	13,265	12,377	0.16	0.16	0.11
Service Industries Limited	177,077	-	44,269	-	-	221,346	60,937	184,636	2.38	2.44	0.94
							<u>74,202</u>	<u>197,013</u>	<u>2.54</u>	<u>2.60</u>	
<b>Foods and Personal Care Products</b>											
At-Tahur Limited	504,158	-	50,415	-	-	554,573	9,626	11,180	0.14	0.15	0.38
Frieslandcampina Engro Pakistan Limited	54,900	-	-	-	-	54,900	4,409	4,517	0.06	0.06	0.01
Matco Foods Limited	259,663	-	-	-	-	259,663	6,430	6,559	0.08	0.09	0.21
Mitchell's Fruit Farms Limited	14,300	-	-	-	-	14,300	3,662	5,178	0.07	0.07	0.18
Shezan International Limited	16,170	5,100	-	-	-	21,270	8,372	7,456	0.10	0.10	0.00
Nestle Pakistan Limited	-	720	-	-	-	720	5,226	4,799	0.06	0.06	0.24
							<u>37,725</u>	<u>39,689</u>	<u>0.51</u>	<u>0.53</u>	
<b>Miscellaneous</b>											
Synthetic Products Enterprise Limited	291,720	-	13,127	-	-	304,847	8,156	13,255	0.17	0.18	0.34
							<u>8,156</u>	<u>13,255</u>	<u>0.17</u>	<u>0.18</u>	
<b>Right Certificate</b>											
Mitchell's Fruit Farms Limited	-	-	27,238	-	-	27,238	-	6,460	0.08	0.09	0.18
							<u>-</u>	<u>6,460</u>	<u>0.08</u>	<u>0.09</u>	
<b>Total as at December 31, 2020</b>							<u>4,628,854</u>	<u>7,554,994</u>			
<b>Total as at June 30, 2020</b>							<u>4,715,849</u>	<u>6,167,144</u>			

- 5.2.1 All shares are fully paid up ordinary shares of Rs.10 each except Agriauto Industries Limited and Thal Limited which have fully paid up ordinary shares of Rs 5 each.
- 5.3 Investments include shares with market value of Rs 787.008 million (June 30, 2020: 957.860 million) which have been pledged with National Clearing Company of Pakistan for guaranteeing settlement of the Fund's trades in accordance with Circular no 11 dated October 23, 2007 issued by the Securities and Exchange Commission of Pakistan.

	Note	December 31	
		2020	2019
<b>5.4 Net unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss'</b>		------(Unaudited)----- -----Rupees in '000-----	
Market value of investments	5.1	12,110	20,589
Less: Carrying value of investments	5.1	10,370	18,382
		1,740	2,207
<b>5.5 Appreciation on re-measurement of investments classified as financial assets 'at fair value through other comprehensive income'</b>			
Market value of investments	5.2	7,554,994	7,252,750
Less: Carrying cost of Investments	5.2	4,628,854	4,564,691
		2,926,140	2,688,059
Add: Changes in fair value of investments disposed of during the period		128,754	30,849
Less: Net unrealised appreciation in the fair value of investments at the beginning of the period		1,451,295	1,506,128
Amount of unrealised (appreciation) / diminution pertaining to disposed of securities		(18,702)	(73,442)
		1,432,593	1,432,686
		1,622,301	1,286,222

- 5.6 The Finance Act, 2014 introduced amendments to the Income Tax Ordinance, 2001 as a result of which companies were liable to withhold five percent of the bonus shares to be issued. The shares so withheld were only to be released if the Fund deposits tax equivalent to five percent of the value of the bonus shares issued to the Fund including bonus shares withheld, determined on the basis of day-end price on the first day of closure of books of the issuing company.

In this regard, a constitutional petition had been filed by Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs. The petition was based on the fact that because CISs are exempt from deduction of income tax under Clause 99 Part I to the Second Schedule of the Income Tax Ordinance 2001, the withholding tax provision should also not be applicable on bonus shares received by CISs. A stay order had been granted by the Honourable High Court of Sindh in favour of CISs.

On June 27, 2018, the Supreme Court of Pakistan passed a judgement whereby the suits which are already pending or shall be filed in future must only be continued / entertained on the condition that a minimum of 50 percent of the tax calculated by the tax authorities is deposited with the authorities. Accordingly, the CISs were required to pay minimum 50% of the tax calculated by the tax authorities for the case to remain continued. The CISs failed to deposit the minimum 50% of the tax liability and accordingly the stay got vacated automatically. The CISs have filed a fresh constitutional petition via CP 4653 dated July 11, 2019 and on July 15, 2019, the Honourable High Court of Sindh has issued notices to the relevant parties and has ordered that no third party interest on bonus shares issued to the Funds in lieu of their investments be created in the meantime. The matter is still pending adjudication and the Funds have included these shares in their portfolio, as the management is confident that the decision of the constitutional petition will be in favour of the CISs.

Further, the Finance Act, 2018 effective from July 1, 2018 has omitted Section 236M of Income Tax Ordinance, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold five percent of the bonus shares to be issued. Therefore, bonus shares issued to the Fund since July 1, 2018 have not been withheld by the investee companies.

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As an abundant caution, the Fund has made payment which is equivalent to 5% value of the bonus shares, determined on the basis of day-end price on the first day of book closure. The payment has been recorded as part of cost of respective investment. As at December 31, 2020, the following bonus shares of the Fund were withheld by certain companies at the time of declaration of the bonus shares.

Name of investee company	December 31, 2020 (Unaudited)			June 30, 2020 (Audited)		
	Number of bonus shares	Market value	Payment made to the investee company	Number of bonus shares	Market value	Payment made to the investee company
	—(Rupees in '000)—			—(Rupees in '000)—		
Faysal Bank Limited*	2,682	46	42	2,682	37	42
Faysal Bank Limited***	1,977	34	42	1,977	28	42
Mari Petroleum Company Limited **	4,887	6,548	-	4,887	6,044	-
The Searle Company Limited***	223	56	122	223	44	122
Synthetic Product Enterprise Limited ****	1,275	55	-	1,275	53	-
Pakistan State Oil Company Limited ****	16,307	3,511	-	16,307	2,579	-
The Searle Company Limited ****	768	191	-	768	153	-
Faysal Bank Limited ****	3,261	56	-	3,261	45	-
		10,497	206		8,983	206

\* Faysal Bank Limited has released the above mentioned bonus shares and has retained the payment.

\*\* Mari Petroleum Company Limited has returned the payment on January 14, 2015 and has not released the shares due to the court order. The amount has been recorded as liability (refer note 10).

\*\*\* Faysal Bank Limited and The Searle Company Limited have not released the bonus shares and retained the payment due to the court order.

\*\*\*\* Synthetic Products Enterprise Limited, Pakistan State Oil Company Limited, The Searle Company Limited and Faysal Bank Limited have not released the bonus shares due to court order and the Fund has recorded liability (refer note 10).

6	PAYABLE TO NATIONAL INVESTMENT TRUST LIMITED - MANAGEMENT COMPANY	Note	December 31,	June 30,
			2020 (Unaudited)	2020 (Audited)
			-----Rupees in '000-----	
	Management remuneration payable	6.1	12,899	10,101
	Sindh sales tax payable on management remuneration	6.2	1,680	1,316
	Payable against allocation of expenses related to registrar services accounting, operation and valuation services	6.3	668	554
			15,247	11,971

6.1 The Management Company has charged its remuneration at the rate of 2% (June 30, 2020: 2%) of the average net assets of the Fund during the period. The remuneration is payable to the Management Company monthly in arrears.

6.2 During the period, Sindh sales tax on management remuneration has been charged at the rate of 13% (June 30, 2020: 13%).

6.3 In accordance with Regulation 60 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).

During the period, the Management Company has charged such expenses to the Fund at the rate of 0.1% (June 30, 2020: 0.1%) of the average net assets of the Fund which has been approved by the board of directors.

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7	PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	December 31,	June 30,
			2020 (Unaudited)	2020 (Audited)
			-----Rupees in '000-----	
	Trustee remuneration payable		186	144
	Sindh sales tax payable on trustee remuneration	7.1	53	48
			<u>239</u>	<u>192</u>

7.1 During the period, Sindh sales tax at the rate of 13% (June 30, 2020: 13%) was charged on the Trustee remuneration.

## 8 PROVISION FOR TAXATION

This represents provision for taxation acquired by the Fund upon transfer of assets held under trust by the Management Company on behalf of the participants of the proposed NIT - Equity Market Opportunity Fund. The total provision transferred amounted to Rs 43.101 million out of which Rs 0.705 million and Rs. 36.275 million have been paid against tax liability for tax years 2012 and 2011 respectively.

Additional Commissioner Inland Revenue (ACIR) has passed an order under section 205(1 B) of the Income Tax Ordinance, 2001 whereby default surcharge of Rs. 3.013 million in respect of tax year 2009 has been levied. Payment of the tax demand of Rs. 3.013 million has been made by the Fund. The Fund has filed appeal before the Commissioner Inland Revenue (Appeals) on January 8, 2016 against the impugned order passed by ACIR under section 205 (1B) of the Income Tax Ordinance, 2001.

9	ACCRUED EXPENSES AND OTHER LIABILITIES	Note	December 31,	June 30,
			2020 (Unaudited)	2020 (Audited)
			-----Rupees in '000-----	
	Provision for Sindh Workers' Welfare Fund	9.1	44,253	43,288
	Provision for federal excise duty	9.2	77,739	77,739
	Auditors' remuneration payable		518	505
	Payable against bonus shares	5.6	8,328	8,328
	Brokerage expense payable		116	96
			<u>130,954</u>	<u>129,956</u>

9.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, was required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were passed through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs/mutual funds, MUFAP recommended that, as a matter of abundant caution, provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the SWWF Act, 2014 (i.e. starting from May 21, 2015).

Had the provision for SWWF not been recorded in these condensed interim financial statements for the period from May 21, 2015 to December 31, 2020, the net asset value per unit of the Fund as at December 31, 2020 would have been higher by Rs 1.13 (June 30, 2020: Rs 1.10).

9.2 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

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With effect from July 1, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

During the year ended June 30, 2017, the SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Honourable Supreme Court of Pakistan which is pending adjudication.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs. 77.739 million has been retained in these condensed interim financial statements as the matter is pending before the Honourable Supreme Court of Pakistan whereas an amount of Rs. 4.103 million has been paid to the Management Company. Had the provision not been made (and the amount is refunded by the Management Company), the net asset value per unit of the Fund would have been higher by Rs. 2.09 (June 30, 2020: Rs. 2.09).

## 10 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2020 and June 30, 2020.

## 11 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 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Management Company intends to distribute the income earned by the Fund for the year ending June 30, 2021 to the unit holders in the manner as explained above, accordingly no provision for taxation has been made in these condensed interim financial statements.

The Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Moreover, super tax introduced in the Finance Act, 2015 is also not applicable on funds as per Section 4B of the Income Tax Ordinance, 2001.

## 12 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period results is 2.46% which includes 0.31% representing Government levies on the Fund such as provision for Sindh Worker's Welfare Fund, sales tax, federal excise duties, annual fee to the SECP etc. The prescribed limit for the ratio is 4.5% (excluding Government levies) under the NBFC Regulations for a collective investment scheme categorised as an 'equity scheme'.

## 13 TRANSACTIONS WITH CONNECTED PERSONS

- 13.1 Connected persons include National Investment Trust Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Management Company, any entity in which the Management Company, its CISs or their connected persons have material interest, 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 directors and their close family members and key management personnel of the Management Company.
- 13.2 Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, other charges, sale and purchase of investments and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 13.3 Remunerations to the Management Company and the Trustee are determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.

*Alta*