



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



**NIT - GOVERNMENT BOND FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020**

	September 30, 2020	June 30, 2020
Note	(Unaudited)	(Audited)
	-----Rupees in '000-----	
ASSETS		
Bank balances	4 501,224	923,489
Investments	5 3,315,600	3,385,066
Profit and other receivable	6 25,313	118,070
Deposit with Central Depository Company of Pakistan	100	100
Total assets	3,842,237	4,426,725
LIABILITIES		
Payable to National Investment Trust Limited - Management Company	7 2,961	3,305
Payable to Central Depository Company of Pakistan Limited - Trustee	8 781	703
Payable to Securities and Exchange Commission of Pakistan	9 200	780
Payable against redemption of units	2,777	7
Accrued expenses and other liabilities	9 65,743	65,017
Dividend Payable	5,400	2,338
Total liabilities	77,862	72,150
NET ASSETS	3,764,375	4,354,575
Unit holders' fund (as per statement attached)	3,764,375	4,354,575
Contingencies	11	
	Number of units	
Number of units in issue	382,437,404	381,114,231
	-----Rupees-----	
Net asset value per unit	9.8431	11.4259

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

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


Managing Director

 
Director Director



Chief Financial Officer

**NIT - GOVERNMENT BOND FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	Note	September 30,	
		2020	2019
INCOME			
Income from government securities		73,697	83,849
Profit on bank deposits		6,719	30,830
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	5.3	(56,924)	8,194
Gain / (loss) on sale of investments -net		(362)	5,351
Total income		23,130	128,224
EXPENSES			
Remuneration of National Investment Trust Limited - Management Company	7.1	7,262	8,264
Sindh Sales Tax on remuneration to Management Company	7.2	944	1,074
Remuneration of Central Depository Company of Pakistan Limited - Trustee		751	650
Sindh Sales Tax on remuneration of Trustee	8.2	98	85
Annual fee - Securities and Exchange Commission of Pakistan		200	173
Allocation of expenses related to registrar services, accounting, operation and valuation services	7.3	1,082	869
Auditors' remuneration		366	237
Legal & Professional Charges		455	-
Settlement and bank charges		27	20
Listing fee		10	40
Total expenses		11,251	11,564
Net income from operating activities		11,879	116,660
Provision for Sindh Workers' Welfare Fund	10.1	(238)	(2,333)
Net income for the period before taxation		11,641	114,327
Taxation	12	-	-
Net income for the period		11,641	114,327
Allocation of net income for the period after taxation			
Net income for the period		11,641	114,327
Income already paid on units redeemed		(1,658)	(991)
		9,983	113,336
Accounting income available for distribution:			
-Relating to capital gains		-	13,449
-Excluding capital gains		9,983	99,887
		9,983	113,336

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

For National Investment Trust Limited
(Management Company)


Managing Director


Director


Director


Chief Financial Officer

**NIT - GOVERNMENT BOND 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 income for the period	11,641	114,327
Other comprehensive income for the period	-	-
Total comprehensive income for the period	11,641	114,327

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

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


 Managing Director


 Director


 Director


 Chief Financial Officer

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

Note	September 30,					
	2020			2019		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Unaudited)					
	Rupees in '000					
Net assets at the beginning of the period	3,860,563	494,012	4,354,575	3,284,273	255,992	3,540,265
Issue of 65,783,703 units (2019: 13,883,025 units)						
Capital value	645,200		645,200	136,653		136,653
Element of income / (loss)	2,822		2,822	3,833		3,833
Amount received on issuance of units	648,022	-	648,022	140,486	-	140,486
Issue of 7,753,682 units in lieu of refund of capital (2019: 319,644 units)	76,047	-	76,047	3,152	-	3,152
Redemption of 102,443,671 units (2019: 6,940,385 units)						
Capital value	(1,004,758)	-	(1,004,758)	(68,315)	-	(68,315)
Element of income / (loss)	660	(1,658)	(998)	(271)	(991)	(1,262)
Amount paid / payable on redemption of units	(1,004,098)	(1,658)	(1,005,756)	(68,586)	(991)	(69,577)
Total comprehensive income for the period	-	11,641	11,641	-	114,327	114,327
Issue of 30,229,460 units under CIP (2019: 14,857,361 units)	296,488	-	296,488	146,497	-	146,497
Final distribution for the year ended June 30, 2020: Rs 1.6180 per unit [(Date of Distribution: 7 July 2020)](2019: 0.8845 per unit [(Date of Distribution: 5 July 2019)])	-	(540,595)	(540,595)	-	(288,744)	(288,744)
Refund of capital	(76,047)	-	(76,047)	(3,152)	-	(3,152)
Net assets at the end of the period	3,800,975	(36,600)	3,764,375	3,502,670	80,584	3,583,254
Net assets at the end of the period						
Undistributed income brought forward						
-Realized income		494,012			255,992	
-Unrealized income		-			-	
		494,012			255,992	
Accounting income available for distribution						
-Relating to capital gains		-			13,449	
-Excluding capital gains		9,983			99,887	
		9,983			113,336	
Final distribution for the year ended June 30, 2020: Rs 1.6180 per unit [(Date of Distribution: 7 July 2020)](2019: 0.8845 per unit [(Date of Distribution: 5 July 2019)])		(540,595)			(288,744)	
Undistributed income carried forward		(36,600)			80,584	
Undistributed income carried forward comprising						
-Realized income		(36,600)			80,584	
-Unrealized income		-			-	
		(36,600)			80,584	
				(Rupees)		(Rupees)
Net assets value per unit at beginning of the period				11.4259		10.7277
Net assets value per unit at end of the period				9.8431		10.1759

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

For National Investment Trust Limited
(Management Company)


Managing Director


Director


Director


Chief Financial Officer

**NIT - GOVERNMENT BOND FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	September 30,	
	2020	2019
	(Unaudited)	
	Rupees in '000	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	11,641	114,327
(Increase) / decrease in assets		
Investments	69,466	510,057
Accrued income	92,757	(9,129)
	162,223	500,928
Increase / (decrease) in liabilities		
Payable to National Investment Trust Limited - Management Company	(344)	(238)
Payable to Central Depository Company of Pakistan Limited - Trustee	78	(13)
Payable to Securities and Exchange Commission of Pakistan	(580)	(2,654)
Payable against redemption of units	2,770	915
Accrued expenses and other liabilities	726	2,603
	2,650	559,453
Net cash generated from operating activities	176,514	1,174,708
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received on issue of units-including CIP	944,510	286,983
Payments against redemption of units	(1,005,756)	(69,577)
Distribution paid	(537,533)	(285,676)
Net cash (used in) financing activities	(598,779)	(68,270)
Net increase in cash and cash equivalents during the period	(422,265)	1,106,438
Cash and cash equivalents at the beginning of the period	923,489	953,154
Cash and cash equivalents at the end of the period	501,224	2,059,592

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

For National Investment Trust Limited
(Management Company)


Managing Director


Director


Director


Chief Financial Officer

NIT - GOVERNMENT BOND 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 - Government Bond 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 Limited (CDC) as Trustee. The Fund was approved by the Securities and Exchange Commission of Pakistan (SECP) vide its letter no. NBFC-II/NITL/896/2009 dated September 24, 2009 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and the Trust Deed was executed on September 4, 2009. The Fund is categorized as Income Scheme as per criteria for categorization of open end collective investment scheme as specified by Securities and Exchange Commission of Pakistan (SECP) and other allied matters. The units of the Fund were initially issued at Rs. 10 per unit.

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-ended mutual fund and is listed on Pakistan Stock Exchange. 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 16 November 2009 to 18 November 2009 (both days inclusive)

1.4 Pakistan Credit Rating Agency Limited (PACRA) has assigned "AA (f)" rating to the Fund and has assigned an asset manager rating of "AM2++" to the Management Company.

1.5 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 government securities.

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

2 BASIS OF PREPARATION

2.1 Statement of compliance

2.1.1 This condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Act, 2017 along with part and the requirements VIII 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 VIIIA 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 VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations have been followed.

2.1.2 These condensed interim financial statements do 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.

2.1.3 This condensed interim financial information is being submitted to the unit holders as required under Regulation 38 (2)(f) of the Non-Banking Finance Companies and notified Entities Regulations, 2008 (NBFC Regulations).

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

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 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.

4 BANK BALANCES

These represent balances with banks in savings accounts carrying rates ranging from 5.50% to 8.3% per annum .(30 June 2020: 5.4% to 14.50% per annum)

	Note	September 30,2020	June 30, 2020
		(Unaudited)	(Audited)
		-----Rupees in '000-----	
5 INVESTMENTS			
Fair value through profit or loss			
Government securities:			
- Market Treasury Bills	5.1	1,155,471	1,894,348
- Pakistan Investment Bonds	5.2	2,160,129	1,490,718
		<u>3,315,600</u>	<u>3,385,066</u>

5.1 Market Treasury Bills

Issue date	Tenor	Face value			Balance as at		Market value as a percentage of net assets	Market value as a percentage of total investments	
		As at 1 July 2020	Purchases during the period	Sales / matured during the period	As at 30 September 2020	Carrying value			Market value
----- (Rupees in '000) -----									
April 23, 2020	3 Months	200,000		200,000	-	-	-	-	
April 23, 2020	6 Months	375,000		375,000	-	-	-	-	
April 9, 2020	12 Months	150,000			150,000	144,631	3.84	4.36	
February 27, 2020	12 Months	200,000		200,000	-	-	-	-	
May 7, 2020	12 Months	300,000			300,000	287,690	7.64	8.68	
April 23, 2020	12 Months	375,000			375,000	360,594	9.58	10.88	
March 26, 2020	12 Months	375,000			375,000	362,555	9.63	10.93	
							-	-	
Total - 30 September 2020		<u>1,975,000</u>	<u>-</u>	<u>775,000</u>	<u>1,200,000</u>	<u>1,156,975</u>	<u>1,155,471</u>	<u>30.69</u>	<u>34.85</u>

5.2 Pakistan Investment Bonds

September 19, 2019	3 Years	825,000	500,000	1,325,000	1,370,015	1,347,117	35.79	40.63	
September 19, 2019	5 Years	387,500	150,000	537,500	564,510	545,793	14.50	16.46	
September 19, 2019	10 Years	212,500		212,500	230,837	217,039	5.77	6.55	
June 18, 2020	3 Years	-	50,000	50,000	50,187	50,180	1.33	1.51	
							-	-	
Total - 30 September 2020		<u>1,425,000</u>	<u>700,000</u>	<u>-</u>	<u>2,125,000</u>	<u>2,215,549</u>	<u>2,160,129</u>	<u>57.39</u>	<u>65.15</u>

		September 30	
		2020	2019
		------(Unaudited)-----	
		-----Rupees in '000-----	
5.3	Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'fair value through profit or loss'		
	Market value of investments	3,315,600	2,046,071
	Less: Carrying value of investments	(3,372,524)	(2,037,877)
		<u>(56,924)</u>	<u>8,194</u>
6	PROFIT AND OTHER RECEIVABLES	September 30, 2020	June 30, 2020
		(Unaudited)	(Audited)
		-----Rupees in '000-----	
	Profit on savings accounts	2,142	2,430
	WHT receivable on NSB markup amount	15,625	15,625
	Accrued mark-up on Pakistan Investment Bonds	7,546	37,400
	Advance tax	-	62,615
		<u>25,313</u>	<u>118,070</u>
6.1	The Fund received a show-cause notice dated January 3, 2018 alleging that the Fund is not eligible to claim income tax exemption under clause (99) contained in Part I of Second Schedule to the Ordinance as it did not allegedly distribute at least 90% of its income for tax year 2017 to its unit holders by way of dividend. The notice was duly responded by the tax advisor of the Fund vide letter dated January 10, 2018. However, the Assistant Commissioner Inland Revenue (ACIR) proceeded with passing an order dated January 30, 2018.		
	The Fund filed an Appeal with the Commissioner Inland Revenue - Appeals (CIRA) on February 21, 2018 against the ACIR's order, on the contention that the ACIR had erred in construing that the amount of dividend reinvested by the unit holders in units of the Fund under Cumulative Investment Plan is not to be considered while determining whether the Fund distributed at least 90% of its income to unitholders. The CIRA passed an order dated April 25, 2018 upholding the ACIR's action of rejecting the exemption claim.		
	The impugned tax demand of Rs. 62.615 million arising from the order had already been collected by the tax authorities by way of attachment of bank account which has been treated as advance tax. The Fund filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) on April 26, 2018 against the CIRA's. The ATIR has passed an order dated November 22, 2018 whereby, the contention of the Fund has been accepted and the matter has been disposed of. Consequently, The Tax Department has refunded the amount on September 03, 2020.		
7	PAYABLE TO NATIONAL INVESTMENT TRUST LIMITED - MANAGEMENT COMPANY	September 30, 2020	June 30, 2020
		(Unaudited)	(Audited)
		-----Rupees in '000-----	
	On account of:		
	- Management remuneration	2,264	2,597
	- Sindh Sales Tax	295	338
	- Allocation of expenses related to registrar services, accounting, operation and valuation services	402	370
		<u>2,961</u>	<u>3,305</u>
7.1	The Management Company has charged its remuneration at the rate of 10% of gross earning of the fund on a daily basis, subject to the minimum of 0.5% and maximum of 1 % of average annual net assets of the 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 during the period		
8	PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	September 30, 2020	June 30, 2020
		(Unaudited)	(Audited)
		-----Rupees in '000-----	
	Trustee remuneration	691	622
	Sindh Sales Tax	90	81
		<u>781</u>	<u>703</u>
8.1	The Trustee is entitled to a monthly remuneration for services rendered to the fund under the provisions of the Trust Deed. Accordingly, the fund has charged Trustee remuneration at the rate of 0.075% per annum during the period.		
8.2	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 is required to pay 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 AND OTHER LIABILITIES	September 30, 2020	June 30, 2020	
	(Unaudited)	(Audited)	
	-----Rupees in '000-----		
Provision for Sindh Workers' Welfare Fund	10.1	31,333	31,095
Federal Excise Duty	10.2	29,849	29,849
Capital gain tax		143	1,321
Auditors' remuneration		894	528
Legal and Professional Charges		2,537	2,082
Printing charges		54	72
Brokerage		2	68
Withholding Tax		921	-
Zakat Payable		-	2
PSX Listing Fee		10	-
		<u>65,743</u>	<u>65,017</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 Rs. 0.0819 (30 June 2020: Rs. 0.0816).

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. 31.872 million out of which Rs. 2.023 million have been paid to the management company. Had the provision not been made, the Net Asset Value per unit of the Fund would have been higher by Rs. 0.0780 (30 June 2020: Rs. 0.0836) per unit.

11 CONTINGENCIES AND COMMITMENTS

11.1 NIT - Government Bond Fund had received a show cause notice dated December 23, 2013 whereby the Federal Board of Revenue considers that the tax return filed for the tax year 2011 (deemed assessment order) is erroneous and prejudicial to the interest of revenue since the Fund has not made the required distribution and the Fund was asked to provide the required information. The issue of notice was in line with the various notices issued to several other mutual funds and on the same grounds orders have been passed for the certain mutual funds. The tax department considers that distribution of bonus shares should not be included in the calculation of distribution of 90% of declared profit required to claim exemption from the income tax. The reasons cited for this view are that tax has not been deducted on bonus units and the bonus issue is only exempt from tax where it results in increase in capital.

The tax advisor of the NIT-GBF submitted the basis for considering distribution by way of bonus units for the purpose of tax exemption. However, Additional Commissioner Revenue through the notice no. ACIR/AUDIT RANGE/ ZONE

-/RTO/KH/2014/331 did not accept the basis and stated that the distribution of profit by the Fund to its unit holders can not include issuance of bonus units. Consequently, the Fund failed to distribute ninety percent of its income for the tax year 2011, therefore falling outside the ambit of clause (99) of Part I of Second Schedule to the Income Tax Ordinance, 2001.

However, the Fund has submitted its reply in respect of above stated notice on the grounds that as clause (99) of Part I of Second Schedule to the Income Tax Ordinance, 2001 which provides for tax exemption in respect of mutual funds does not specifically provides any mode of distribution of profit nor places any restriction on distribution by way of bonus units, whereas under clause (100) which provides for tax exemption for Modarabas has specifically mentioned that distribution by way of bonus shares would not be considered as distribution in calculation of 90% distribution to claim exemption from tax. The Fund has consistently made distributions by way of issue of bonus units and this practice is also consistent with mutual fund industry.

The Finance Act 2014, effective from 01 July 2014, included a specific proviso in clause (99) similar to clause (100) where it has been specified that issue of bonus units would not be considered for calculating 90% distribution required to claim exemption from tax.

Several asset management companies on behalf of the mutual funds have filed a petition in the Sindh High Court against the demands raised in this respect and have obtained a stay order against the payment of tax demand. The Commissioner (Appeals) in case of certain mutual funds has annulled the order passed u/s 122(1) of the Income Tax Ordinance and has given decision in favor of the Funds on the same ground. Income tax department has filed appeals before Appellate Tribunal in these cases which are pending.

12 TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders. Provided that for the purpose of determining distribution of at least 90% of accounting income, the income distributed through bonus shares, units or certificates as the 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 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 year divided by average net asset value for the period) is 1.15 % per annum. Total expense ratio (excluding government levies) is 1.00 % 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 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:

14.5 Details of the transactions with connected persons are as follows:

	September 30,	
	2020	2019
	(Unaudited)	
	-----Rupees in '000-----	
National Investment Trust Limited - Management Company		
Issue of units: Nil (2019: 10,431 units)	-	106
Issue of 17,660,613 units under CIP (2019: 9,118,339 units)	173,214	89,909
Additional units: 2,834,432 as refund of capital (2019: 7,360 units)	-	-
Redemption of 26,000,000 units (2018: Nil units)	255,864	-
Remuneration of the Management Company	7,262	8,264
Sindh Sales Tax on Management remuneration	944	1,074
Allocation of expenses related to registrar services, accounting, operation and valuation services	1,082	869
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee	751	650
Sindh Sales Tax on Trustee Remuneration	98	85
National Investment Trust Limited - Employees Provident Fund		
Issue of 244,967 units under CIP (2019: 125,313 units)	2,403	1,236
Additional units: 217 as refund of capital (2019: Nil units)	-	-
National Investment Trust Limited - Employees Pension Fund		
Issue of 2,323,057 units under CIP (2019: 1,188,679 units)	22,783	11,721
Additional units: 2,060 as refund of capital (2019: Nil units)	-	-
National Investment Trust Limited - Employees Benevolent Fund		
Issue of 280,810 units under CIP (2019: 157,653 units)	2,754	1,554
Additional units: 273 as refund of capital (2019: Nil units)	-	-
Redemption of 209,516 units (2018: Nil units)	-	-
Chief Operating Officer		
Issue of 193,300 units under CIP (2019: 97,684 units)	1,896	963
Additional units: 169 as refund of capital (2019: Nil units)	-	-
Head of Fixed Income		
Issue of 107 units under CIP (2019: 54 units)	1	0.5
Additional units: 0.0934 as refund of capital (2019: Nil units)	-	-
Head of Research		
Issue of 46 units under CIP (2019: 6 units)	0.4	0.05
Additional units: 0.0096 as refund of capital (2019: Nil units)	-	-

14.6 Amounts outstanding as at period end:

	September 30, 2020 (Unaudited)	June 30, 2020 (Audited)
	-----Rupees in '000-----	
National Investment Trust Limited - Management Company		
Units held 137,622,833 (June 30, 2020: 143,127,589 units)	1,354,635	1,635,362
Management fee payable	2,264	2,597
Sindh Sales Tax payable	295	338
Allocation of expenses related to registrar services, accounting, operation and valuation services	402	370
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	691	282
Sindh Sales Tax on Trustee remuneration of Trustee	90	37
Security Deposit	100	100
National Investment Trust Limited - Employees' Provident Fund		
2,367,822 units held (June 30, 2020: 2,122,638 units)	23,307	24,253
National Investment Trust Limited - Employees' Pension Fund		
22,454,427 units held (June 30, 2020: 20,129,310 units)	221,021	229,995
National Investment Trust Limited - Employees Benevolent Fund		
2,714,447 units held (June 30, 2020: 2,433,364 units)	26,719	27,803
Bank Al Habib Limited		
48,615,258 units held (June 30, 2020: 48,615,258 units)	478,526	521,530
Chief Operating Officer		
1,573,004 units held (June 30, 2020: 1,379,535 units)	15,483	15,762
Head of Fixed Income		
869 units held (June 30, 2020: 762 units)	8	9
Head of Research		
372 Units held (June 30, 2020: 326 units)	3	4

15 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on 20 October 2020 by the Board of Directors of the Management Company.

16 GENERAL

Figures have been rounded off to the nearest thousand rupees.

For National Investment Trust Limited
(Management Company)


Managing Director


Director


Director


Chief Financial Officer