

LAKSON INCOME FUND

Half Yearly Report (December 31, 2020)



LAKSON INVESTMENTS

WE MANAGE YOUR MONEY, AS WE MANAGE OUR OWN

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Fund's Information

Management Company

Lakson Investments Limited
Head Office
Lakson Square, Building No.2,
Sarwar Shaheed Road,
Karachi-74200, Pakistan.
Phone: (9221) 3840.0000
Fax: (9221) 3568.1653
Web site: www.li.com.pk
E-mail: info@li.com.pk

Board of Directors of the Management Company

Mr. Iqbal Ali Lakhani - Chairman
Mr. Babar Ali Lakhani - Chief Executive Officer
Mr. Jamil Ahmed Mughal
Mr. Amin Mohammed Lakhani
Mr. Jacques John Visser
Ms. Roxanne Davies
Ms. Gaithe Ali (upto 18-February-2021)
Ms. Kathleen Kennedy Townsend

Chief Financial Officer & Company Secretary of the Management Company

Mr. Salman Shafiq Hashmi

Audit Committee

Mr. Jacques John Visser - Chairman
Mr. Amin Mohammed Lakhani
Mr. Iqbal Ali Lakhani
Mr. Jamil Ahmed Mughal

Human Resource and Remuneration Committee

Ms. Gaithe Ali - Chairperson (upto 18-February-2021)
Mr. Babar Ali Lakhani
Mr. Iqbal Ali Lakhani

Trustee

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block-B, S.M.C.H.S,
Main Shahra-e-Faisal,
Karachi, Pakistan.

Auditors

KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No.2,
Beaumont Road,
Karachi - 75530, Pakistan

Bankers to the Fund

AlBaraka Bank Pakistan limited
Allied Bank Limited
Askari Bank Limited
Bank Al-Falah Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
FINCA Microfinance Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
National Bank of Pakistan
MCB Bank Limited
Silk Bank Limited
Sindh Bank Limited
Soneri Bank Limited
Telenor Microfinance Bank Limited
United Bank Limited
U Microfinance Bank Limited
NRSP Microfinance Bank Limited
Mobilink Microfinance Bank Limited

Legal Adviser

Fazleghani Advocates
F-72/I, Block 8, KDA-5,
Kehkashan, Clifton,
Karachi, Pakistan.

Registrar

Lakson Investments Limited
Lakson Square, Building No.2,
Sarwar Shaheed Road,
Karachi-74200, Pakistan

Distributors

Adam Securities
Amir Noorani
BMA Capital Management Limited
Elixir Securities (Pvt.) Limited
Ismail Iqbal Securities
Metro Capital Pvt. Limited
Pearl Securities Pvt. Limited
Rabia Fida
Topline Securities (Pvt.) Limited
Vector Capital (Pvt.) Limited
Pyramid Financial Consultants

Rating by PACRA

A+(f) : Fund Stability Rating
AM2+ : Asset Manager Rating

Review Report of the Directors of the Management Company For the half year ended December 31, 2020

The Board of Directors of Lakson Investments Limited, the Management Company of the Lakson Income Fund ("LIF") is pleased to submit its review report together with Condensed Interim Financial Statements for the half year ended December 31, 2020.

Fund Objective

The investment objective of the Scheme is to provide competitive total returns through investment in a diversified portfolio of fixed income securities. The Scheme shall invest in various fixed income securities with a mix of short term, medium term, and longer-term maturities depending on the assessment by the Management Company of interest rate trends and prospective returns.

Principal activities

The Fund is an open-end income fund and is listed on Pakistan Stock Exchange Limited. LIF invests in Investment-grade Debt Securities, Government Securities, Certificate of Investments, Clean Placements, Term Deposit Receipts, and other fixed income instruments. The overall duration of the portfolio is kept below 4 years while at least 25 % of Net Assets are kept in the form of cash or Treasury Bills of maximum 90 days maturity. LIF is managed through a team-driven, top-down process utilizing active sector rotation, duration, and yield curve management. Economic conditions are constantly monitored to forecast interest rate changes. The added value for LIF comes from identifying opportunities to shift investments between various maturities and between different instruments. LIF is allowed to borrow up to 15% of Net Assets to meet redemptions however LIF did not utilize this facility during the period under review.

Development and Fund performance

The LIF yielded an annualized return of 6.70% in the 1HFY21 against the benchmark return of 7.35% p.a. The LIF underperformed by 65bps. As of December 31, 2020, the LIF portfolio was invested 38.8% in cash, 11.3% in TFCs/Sukuks, 17.8% in PIBs, 5.0% in TDR, and 27.1% in others while the weighted average maturity of the LIF portfolio stood at 588 days. The fund size of the LIF As of December 31, 2020 is PKR 3,907 million.

Earning per Unit (EPU)

EPU has not been disclosed as we feel the determination of weighted average units for calculating EPU is not practicable for open end funds.

Economic Review

CPI in 1HFY21 averaged 8.7%, ranging on the higher end of SBP's short term 7-9% range. In the monetary policy during November, SBP kept the policy rate unchanged at 7.0% (the last cut took place in June 2020). The current account balance in 1HFY21 was a surplus of US\$1,131mn, compared to a deficit of US\$2,032mn in 1HFY20. Remittances have remained above the USD2bn mark in Jul-Dec'20 led by crackdown on informal channels and travel restrictions. LSM index growth in 5MFY21 has been recorded at 7.4%. Monthly gains were driven by Food, Beverages & Tobacco (+58%) and Automobile (+45%) while Paper & board and Chemicals have also posted double digit growth. On Covid-19, Pakistan approved AstraZeneca vaccine in December for emergency use.

Fixed Income Market Review

GoP raised cumulative PKR9.5tn in T-Bill auctions during CY20 vs. PKR18.5tn in CY19. The decline in treasuries during the earlier part of CY20 was mostly led by an outflow in the Special Convertible Rupee Account (SCRA) in 1HCY20 driven by declining interest rates (down 625bps to 7%) and PKR slippage. Participation also began to lose steam once expectations of a rate cut solidified shifting more towards the longer end of treasury instruments (12M T-Bills) in the early part of 2020. As interest rates came off, yields dropped sharply after inverting in 2HCY19. T-Bill yields for 3M, 6M and 12M tenors dropped to c. 6.5% in June before rising to 7.17%/7.20% and 7.29% for 3M/6M and 12M tenor in Dec'20 (having risen from 13.49%/13.29% and 13.13% in Dec'19). Recent rise in cut off yields has been led by expectations of rise in interest rates. PIBs witnessed participation of PKR964bn in CY20 vs. PKR2.2tn SPLY. Cut-off yields dropped to 8.50%, 9.53%, 9.99% for 3YR/5YR and 10YR tenors from 11.75%/11.19% and 11.0% in Dec'19.

Future Outlook

We think the rally should continue where corporate profitability has bottomed and can only bounce from here, valuations are still at a significant discount to the mean (forward P/E of 7.4x vs. 9.0x mean) particularly as foreign selling is expected to lose steam in 2021. We think SBP will remain dovish and will not look to increase interest rates rapidly however, high inflation turnout (9% or more), together with strong demand trends and high financial stability, may trigger a rate hike. This may lead to profit taking in high leverage stocks. Several structural reforms are underway, where circular debt settlement and tax reforms may spearhead resumption of the US\$6bn IMF Program. This should provide a boost to sentiments particularly as remittances normalize (from current pace of over US\$2bn/month) which may cause some slippage in the current account. Rollout of AstraZeneca's Covid-19 vaccine, SinoPharm and Sputnik vaccines should ease jitters arising from the ongoing second wave of infections. The next major triggers for the market are (i) resumption of the IMF program and implementation of necessary reforms, (ii) success in the upcoming talks with the FATF, and (iii) procurement of vaccine and iv) Senate elections.

Acknowledgement

The Board is thankful to its valued investors, the Securities and Exchange Commission of Pakistan, the State Bank of Pakistan, the Trustee of the Fund-Central Depository Company of Pakistan Limited and the management of the Pakistan Stock Exchange Limited for their continued cooperation and support. The Directors of the Management Company also acknowledge the efforts put in by the team of the Management Company for the growth and the prudent management of the Fund.

For and on Behalf of the Board

Chief Executive Officer

Director

Dated: February 18, 2021

لیکسن انکم فنڈ

31 دسمبر 2020 کو ختم ہونے والے نصف سال کے لیے

میںجمنٹ کمپنی کے ڈائریکٹرز کی جائزہ رپورٹ

لیکسن انویسٹمنٹس لمیٹڈ کا پورڈ آف ڈائریکٹرز لیکسن انکم فنڈ ("LIF") کی میںجمنٹ کمپنی 31 دسمبر 2020 کو ختم ہونے والے نصف سال کے لیے اپنی جائزہ رپورٹ مع عبوری مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس کرتا ہے۔

فنڈ کا مقصد

اس اسکیم کی انویسٹمنٹ کا مقصد فکسڈ انکم سیکورٹیز، کے متنوع پورٹ فولیو میں انویسٹمنٹ کے ذریعے مسابقتی مجموعی منافع جات فراہم کرنا ہے۔ یہ اسکیم میںجمنٹ کمپنی کی طرف سے انٹرسٹ ریٹ ٹریڈنگ اور ممکنہ منافع جات کے حوالے سے میںجمنٹ کمپنی کی تشخیص کے لحاظ سے مختصر مدتی، وسط مدتی اور طویل مدتی میچورٹیز کے امتزاج کے ساتھ مختلف فکسڈ انکم سیکورٹیز میں سرمایہ کاری کرے گی۔

فنڈ کا تعارف

LIF ایک اوپن اینڈ انکم فنڈ ہے جو انویسٹ گریڈ ڈیٹ سیکورٹیز، گورنمنٹ سیکورٹیز، مرٹیلٹیٹس آف انویسٹمنٹس، Clean Placements، بڑم ڈپازٹس، ریٹیل سٹیٹس اور دیگر فکسڈ انکم انسٹرومنٹس میں سرمایہ کاری کرتا ہے۔ پورٹ فولیو کا مجموعی دورانیہ 4 سال سے کم رکھا جاتا ہے اور خالص اثاثوں کا کم از کم 25% کیش یا زیادہ سے زیادہ 90 دن کی میچورٹی والے ٹریڈری بلز کی شکل میں رکھا جاتا ہے۔ LIF کا نظم و نسق ٹیم کے بل پر پیش قدمی کرنے والی، اوپر سے نیچے تک شعبوں کی توازن سے استعمال کے عمل کو استعمال کرنے والی، دورانیے اور پیداوار میں توازن پر یقین رکھنے والی میںجمنٹ چلاتی ہے۔ انٹرسٹ ریٹ میں تبدیلیوں کی پیش گوئی کے لیے معاشی صورت حال کی مسلسل نگرانی کی جاتی ہے۔ LIF کی قدر و قیمت میں اصل اضافہ مختلف میچورٹیز اور مختلف انسٹرومنٹس کے درمیان انویسٹمنٹس کی منتقلی کے مواقع کی شناخت سے آتا ہے۔ LIF کو ریڈی میٹیشنز کی تکمیل کے لیے خالص اثاثوں کے 15 فی صد تک قرض لینے کی اجازت ہے، تاہم LIF نے اس سہولت کو زیر جائزہ مدت کے دوران استعمال نہیں کیا۔

پیش رفت اور کارکردگی کا جائزہ

LIF نے سالانہ بیچ مارک منافع 7.35% کے مقابلے میں مالی سال 2021 کے پہلے نصف میں 6.70% سالانہ منافع پیش کیا۔ LIF کی کارکردگی 65 بنیادی پوائنٹس کم رہی۔ 31 دسمبر 2020 کے مطابق LIF پورٹ فولیو نے کیش میں 38.8%، TFCs/صلوک میں 11.3% PIBs، 17.8% TDR، 5.0% اور دیگر میں 27.1% سرمایہ کاری کی۔ جبکہ LIF پورٹ فولیو کی تخمینہ شدہ اوسط میچورٹی 588 دن ہے۔ 31 دسمبر 2020 کے مطابق LIF کے فنڈ کا حجم 3,907 ملین روپے ہے۔

فی شیئر آمدنی (EPU)

فی شیئر آمدنی (EPU) ظاہر نہیں کی گئی ہے کیوں کہ ہم محسوس کرتے ہیں کہ EPU شمار کرنے کے لیے موزوں اوسط پوائنٹس کا تعین اوپن اینڈ فنڈز کے لیے

قابل عمل نہیں ہے۔

معاشی جائزہ

مالی سال 2021 کے پہلے نصف میں سی پی آئی کی اوسط 8.7 فیصد ہے، جو ایس پی 500 کی قلیل مدتی حد 9-7 کی اوپری حد کے قریب ہے۔ نومبر کے دوران مائٹری پالیسی میں، اسٹیٹ بینک نے پالیسی کی شرح کو بغیر تبدیلی کے 7.0% پر رکھا (آخری کٹوتی جون 2020 میں ہوئی تھی)۔ کرنٹ اکاؤنٹس کے بیلنس میں مالی سال 2020 کے پہلے نصف میں 2,032 ملین امریکی ڈالر کے خسارے کے مقابلے میں مالی سال 2021 کے پہلے نصف میں 1,131 ملین امریکی ڈالر کا اضافہ ہوا ہے۔ غیر رسمی چینلز کے خلاف کریک ڈاؤن اور سفری پابندیوں کے نتیجے میں جولائی دسمبر 2020 میں ترسیلات زر 2 ارب ڈالر کے نشان سے زیادہ رہیں۔ مالی سال 2021 کے پہلے پانچ ماہ میں ایل ایس ایم اینڈیکس میں 7.4% نمو ریکارڈ کی گئی ہے۔ خوردنی اشیاء، مشروبات اور تباکو (+58%) اور آٹوموبائل (+45%) ماہانہ نفع جات میں اضافے کا محرک بنے جبکہ پینر اینڈ بورڈ اور کیمیکلز نے بھی دوہرے ہندسوں میں نمودار کرائی، کوویڈ-19 کے حوالے سے، پاکستان نے دسمبر میں ہنگامی استعمال کے لیے ایسٹرا زینیکا (AstraZeneca) ویکسین کی منظوری دی۔

فلسفہ انکم مارکیٹ کا جائزہ

حکومت پاکستان نے سال 2019 کے دوسرے نصف میں 18.5 ٹریلین روپے کے مقابلے میں سال 2020 کے پہلے نصف میں T بلیز کی نیلامیوں سے مجموعی طور پر 9.5 ٹریلین روپے اکٹھے کیے۔ سال 2020 کے ابتدائی حصے کے دوران میں مالی ذخائر میں کمی کی سب سے بڑی وجہ شرح سود میں کمی (625 بنیادی پوائنٹس کی کمی کے ساتھ 7% تک) کے نتیجے میں سال 2020 کی پہلی سہ ماہی میں اسٹیبل کنورٹبل روپیہ اکاؤنٹ (SCRA) سے سرمایہ کا اخراج اور روپے کی قدر میں گراؤ تھی۔ کٹوتی کی توقعات مستحکم ہونے سے بھی سرمایہ کاری کا زور ٹوٹا جو 2020 کے ابتدائی حصے میں طویل مدتی مالیاتی تسکات (12 ماہ کے ٹی بلیز) کی طرف زیادہ منتقل ہونے لگی۔ سال 2019 کے دوسرے نصف میں واپسی کے بعد جیسے ہی شرح سود میں کمی آئی۔ منافع تیزی سے گئے۔ دسمبر 2020 میں 3/6 ماہ اور 12 ماہ کی مدتوں کے لیے ٹی بلیز کے منافع جات 7.20%/7.17% اور 7.29% تک اضافے سے پہلے جون میں 3 ماہ، 6 ماہ اور 12 ماہ کے لیے ٹی بلیز کے منافع جات 6.5% تک گر گئے (جودسمبر 2019 میں 13.29%/13.49% اور 13.13% تھے)۔ حتمی منافع جات میں حالیہ اضافہ شرح سود میں اضافے کی توقعات کا نتیجہ ہے۔ گزشتہ سال اسی مدت میں 2.2 ٹریلین روپے کے مقابلے میں سال 2020 میں PIB میں 964 ارب روپے سرمایہ کاری دیکھنے میں آئی۔ دسمبر 2019 میں 3 سالہ، 5 سالہ اور 10 سالہ میعادوں کے لیے حتمی منافع جات 11.19%/11.75% اور 11.0% سے 8.50%، 9.53% اور 9.99% تک گر گئے۔

مستقبل کی توقعات

ہمارا خیال ہے کہ تیزی جاری رہتی چاہیے جہاں کاروباری منافع اپنی ٹھنڈی ترین سطح چھو چکا ہے اور اوپر یہاں سے بلند ہو سکتا ہے۔ مالیاتی قدریں اب بھی اوسط (9.4x) اوسط مقابلہ 7.4x کا فارورڈ پی/ای) کے مقابلے میں نمایاں رعایت پر ہیں خاص طور پر جیسا کہ 2021 میں غیر ملکی فروخت کا زور ٹوٹنے کی توقع ہے۔ ہمیں لگتا ہے کہ اسٹیٹ بینک بدستور ٹھنڈی پر قائم رہے گا اور سودی شرح میں تیزی سے اضافہ کرنا نظر نہیں آ رہا تاہم افراط زر کی شرح میں اضافہ (9% یا اس سے زیادہ) طلب کے مستحکم رجحانات اور عملی مالی استحکام کے ساتھ شرح سود میں اضافے کا سبب بن سکتا ہے۔ نتیجتاً زیادہ گنجائش والے اسٹاکس میں



منافع کمانے کا سبب بن سکتا ہے۔

متعدد ساختی اصلاحات جاری ہیں، جہاں گردشی قرضوں کے تصفیے اور ٹیکس اصلاحات 6 ارب ڈالر کے آئی ایم ایف پروگرام کی بحالی میں مرکزی کردار ادا کر سکتی ہیں۔ اس سے جذبات کو تقویت ملنا چاہیے، خاص طور پر جب ترسیلات زر معمول پر آجائیں (موجودہ رفتار 2 ارب ڈالر/مہینہ سے زائد سے) جس کی وجہ سے کرنٹ اکاؤنٹ میں کچھ گراؤ آسکتی ہے۔ انٹرنیٹریک، سائٹوفارم اور سپونٹنک کوویڈ 19-ویکسین سامنے لانے سے انٹیکشن کی جاری دوسری لہر سے پیدا ہونے والے اندیشے کم ہو جانے چاہئیں۔ مارکیٹ کے لئے اگلے اہم محرکات یہ ہیں (i) آئی ایم ایف پروگرام کا دوبارہ آغاز اور ضروری اصلاحات کا نفاذ (ii) ایف اے ٹی ایف کے ساتھ آئندہ بات چیت میں کامیابی، اور (iii) ویکسین کی خریداری اور (iv) سینیٹ انتخابات۔

انٹہارتشکر

یہ بورڈ اپنے قابل قدر انویسٹرز، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اسٹیٹ بینک آف پاکستان، ہنڈل کے ٹرسٹی، سینٹرل ڈیپازٹری کمیٹی آف پاکستان لمیٹڈ اور پاکستان اسٹاک ایکسچینج لمیٹڈ کا، ان کے مسلسل تعاون اور مدد پر شکر گزار ہے۔ مینجمنٹ کمیٹی کے ڈائریکٹرز ہنڈل کی ترقی اور دانش مندانہ انتظام و انصرام کے لیے مینجمنٹ کمیٹی کی ٹیم کی محنت اور کادشوں کا بھی اعتراف کرتے ہیں۔

برائے دشمنان بورڈ

ڈائریکٹر

چیف ایگزیکٹو آفیسر

تاریخ: 18 فروری 2021

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shakra-e-Faisal
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

LAKSON INCOME FUND

**Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance
Companies and Notified Entities Regulations, 2008**

We Central Depository Company of Pakistan Limited, being the Trustee of Lakson Income Fund (the Fund) are of the opinion that Lakson Investments Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2020 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

As already highlighted in our previous trustee report dated September 29, 2020 the fund continue to hold investment of Rs.70.984 million in TFC of Silk Bank Limited having rating of BBB+ as of December 31, 2020 which is lower than the minimum rating allowed under the Constitutive Document of the Fund. However, at the time of purchase, this term finance certificate was compliant with the minimum rating allowed under the Constitutive Document of the Fund. The matter has also been reported to the commission.


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 22, 2021



INDEPENDENT AUDITOR'S REVIEW REPORT

To the unit holders of Lakson Income Fund

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of Lakson Income Fund ("the Fund") as at 31 December 2020 and the related condensed interim income statement, condensed interim statement of movement in unit holders' fund, condensed interim statement of cash flows and notes to the condensed interim financial information for the six-month period then ended (here-in-after referred to as the "condensed interim financial information"). Management Company is responsible for the preparation and presentation of the condensed interim financial information in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

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 information 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 as applicable in Pakistan 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 information is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

The figures of the condensed interim financial information for the quarter ended 31 December 2020, have not been reviewed and we do not express a conclusion thereon.

The engagement partner on the engagement resulting in this independent auditors' review report is Aryn Pirani.

Date:

Karachi

KPMG Taseer Hadi & Co.
Chartered Accountants
Aryn Pirani

**Condensed Interim Statement of Assets and Liabilities
As at December 31, 2020**

Assets	Note	December 31, 2020 (Unaudited) ----- (Rupees) -----	June 30, 2020 (Audited) -----
Bank balances	7	1,473,669,608	883,217,038
Investments	8	1,851,079,248	2,118,193,674
Receivable against Margin Trading System	9	531,366,398	-
Profit receivable	10	39,612,547	85,055,513
Deposits, prepayments and other receivables	11	127,402,279	17,626,909
Total assets		<u>4,023,130,080</u>	<u>3,104,093,134</u>
Liabilities			
Payable to the Management Company	12	21,881,775	19,119,396
Remuneration payable to the Trustee		215,158	370,256
Annual fee payable to Securities and Exchange Commission of Pakistan		301,061	494,383
Payable against purchase of Investments		2,831,634	-
Accrued expenses and other liabilities	13	91,206,940	23,575,211
Total liabilities		<u>116,436,568</u>	<u>43,559,246</u>
Contingencies and commitments	15		
Net assets		<u>3,906,693,512</u>	<u>3,060,533,888</u>
Unit holders' fund		<u>3,906,693,512</u>	<u>3,060,533,888</u>
		(Number of units)	
Number of units in issue		<u>37,488,189</u>	<u>30,344,640</u>
		(Rupees)	
Net assets value per unit		<u>104.2113</u>	<u>100.8591</u>

The annexed notes from 1 to 20 form an integral part of these condensed interim financial information.

For Lakson Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

Condensed Interim Income Statement (Unaudited)
For the half year and quarter ended December 31, 2020

	Note	Half year ended		Quarter ended	
		December 31, 2020	2019	December 31, 2020	2019
Income		------(Rupees)-----			
Markup income		135,190,029	170,740,114	63,893,867	85,418,431
Income from Margin Trading System		1,256,417	-	1,242,882	-
Gain / (loss) on sale of investments - net		(7,623,982)	14,397,546	(7,741,890)	14,306,456
Unrealised gain / (loss) on re-measurement of investments classified as financial asset at fair value through profit or loss - net	8.1, 8.2, 8.3, 8.4, 8.5, 8.6, 8.7 and 8.8	(8,420,513)	594,382	12,265,246	(9,488,622)
		120,401,951	185,732,042	69,660,105	90,236,265
Expenses					
Remuneration to the Management Company		15,684,099	18,063,192	7,935,912	9,003,485
Sindh Sales tax on remuneration to the Management Company		2,038,932	2,348,215	1,031,668	1,170,453
Remuneration to the Trustee		1,275,850	1,020,570	629,432	501,657
Annual fee to the Securities and Exchange Commission of Pakistan		301,086	240,843	148,539	120,047
SECP Supervisory Fee		1,257	1,256	629	627
Auditors' remuneration		270,418	150,190	193,744	76,810
Fees and subscription		462,882	688,890	303,170	445,050
Printing charges		-	-	-	-
Brokerage, custody, settlement and bank charges		1,153,984	326,261	1,006,917	168,520
		21,188,508	22,839,417	11,250,011	11,486,649
Net income from operating activities		99,213,443	162,892,625	58,410,094	78,749,616
Sindh Workers' Welfare Fund (SWWF)		(1,984,269)	(3,257,853)	(1,168,202)	(1,122,729)
Net income for the period before taxation		97,229,174	159,634,773	57,241,892	77,626,887
Taxation	16	-	-	-	-
Net income for the period after taxation		97,229,174	159,634,773	57,241,892	77,626,887
Allocation of net income for the period after taxation					
Net income for the period after taxation		97,229,174	159,634,773	57,241,892	77,626,887
Income already paid on units redeemed		(10,208,317)	(8,743,531)	(9,217,494)	(4,307,916)
		87,020,857	150,891,242	48,024,398	73,318,971
Accounting income available for distribution					
- Relating to capital gains		-	14,991,928	3,847,834	5,469,253
- Excluding capital gains		87,020,857	135,899,314	44,176,564	67,849,718
		87,020,857	150,891,242	48,024,398	73,318,971

The annexed notes from 1 to 20 form an integral part of these condensed interim financial information.

For Lakson Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

**Condensed Interim Statement of Comprehensive Income (Unaudited)
For the half year and quarter ended December 31, 2020**

	Half year ended December 31,		Quarter ended December 31,	
	2020	2019	2020	2019
	------(Rupees)-----			
Net income for the period after taxation	97,229,174	159,634,773	57,241,892	77,626,887
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>97,229,174</u>	<u>159,634,773</u>	<u>57,241,892</u>	<u>77,626,887</u>

The annexed notes from 1 to 20 form an integral part of these condensed interim financial information.

**For Lakson Investments Limited
(Management Company)**

Chief Executive Officer

Chief Financial Officer

Director

**Condensed Interim Statement of Movement In Reserve Or Unit Holders' Fund (Unaudited)
For the half year ended December 31, 2020**

	Half year ended 31 December 2020		Half year ended 31 December 2019	
	Capital value	Undistributed income	Capital value	Undistributed income
Net assets at beginning of the period	3,031,746,212	28,787,675	2,217,147,832	33,932,319
	----- (Rupees) -----			
Issuance of 36,946,118 units (2020: 4,749,584 units)		3,060,533,888		2,251,080,151
- Capital value	3,776,352,221	-	479,777,618	-
- Element of income	75,695,724	3,726,352,221	11,634,173	-
	3,802,047,945	3,802,047,945	491,411,791	-
Redemption of 29,802,569 units (2019: 5,072,402 units)		(3,005,550,578)	(512,393,203)	(512,393,203)
- Capital value	(37,358,600)	(47,566,917)	(9,409,255)	(18,152,786)
- Element of income	(3,042,909,178)	(3,053,117,495)	(521,802,458)	(6,743,531)
	-	97,229,174	-	159,634,773
Total comprehensive income for the period		97,229,174		159,634,773
Net assets at end of the period	3,790,889,980	115,808,532	2,186,757,165	184,823,561
		3,906,693,512		2,371,580,726
Undistributed income brought forward		21,964,401		48,989,915
- Realised gain at beginning of the period		6,823,274		(15,057,596)
- Unrealised income at beginning of the period		28,787,675		33,932,319
Accounting income available for distribution		87,020,857		14,991,928
Relating to capital gains		87,020,857		135,899,314
Excluding capital gains		-		(150,891,242)
Total comprehensive income for the period		87,020,857		14,991,928
Undistributed income carried forward		115,808,532		184,823,561
Represented by:				
- Realised gain at beginning of the period		124,229,045		184,229,179
- Unrealised income at end of the period		(8,420,513)		594,382
		115,808,532		184,823,561
Net assets value per unit at beginning of the period		100.8591		101.0159
Net assets value per unit at end of the period		104.2113		107.9876

The annexed notes from 1 to 20 form an integral part of these condensed interim financial information.

**For Lakson Investments Limited
(Management Company)**

Chief Executive Officer

Chief Financial Officer

Director

Condensed Interim Statement of Cash Flows (Unaudited)
For the half year ended December 31, 2020

	Half year ended	
	December 31,	
	2020	2019
	(Rupees)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period	97,229,174	159,634,773
Adjustments for:		
Unrealised gain on re-measurement of investments classified as financial asset at fair value through profit or loss -net	8,420,513	(594,382)
	105,649,687	159,040,391
Decrease / (increase) in assets		
Investments - net	258,693,913	(448,139,405)
Receivable against Margin Trading System	(531,366,398)	-
Profit receivable	45,442,966	(26,909,110)
Deposits, prepayments and other receivables	(109,775,370)	(1,979,013)
	(337,004,889)	(477,027,528)
Increase / (decrease) in liabilities		
Payable to the Management Company	2,762,379	129,445
Payable to the Trustee	(155,098)	(95,338)
Annual fee payable to Securities and Exchange Commission of Pakistan	(193,322)	(2,184,446)
Payable against purchase of investments	2,831,634	-
Accrued expenses and other liabilities	67,631,729	2,792,564
	72,877,322	642,225
Net cash used in operating activities	(158,477,880)	(317,344,912)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash received from issue of units	3,802,047,945	491,411,791
Cash paid on redemption of units	(3,053,117,495)	(530,545,988)
Net cash generated / (used in) from financing activities	748,930,450	(39,134,198)
Net increase / (decrease) in cash and cash equivalent during the period	590,452,570	(356,479,110)
Cash and cash equivalent at the beginning of the period	883,217,038	1,319,573,643
Cash and cash equivalent at the end of the period	1,473,669,608	963,094,533

The annexed notes from 1 to 20 form an integral part of these condensed interim financial information.

For Lakson Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

**Notes to and forming part of the Condensed Interim
Financial Information (Unaudited)
For the half year ended December 31, 2020**

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Lakson Income Fund (the "Fund") was established under the Trust Deed executed on August 18, 2009 between the Lakson Investments Limited as its Management Company and the Central Depository Company of Pakistan Limited (CDC) as its Trustee. The Fund has been registered as a Notified Entity on September 18, 2009 by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations). The Management Company of the Fund has been licensed by SECP to undertake Asset Management and Investment Advisory Services as a Non-Banking Finance Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The registered office of the Management Company is located at 14-Ali Block, New Garden Town, Lahore, while the head office is in the Lakson Square Building No. 2, Karachi.

1.2 The Fund is an open end mutual fund and is listed on Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.

1.3 The Fund is categorised as "Income Scheme" as per the Circular 07 of 2009 issued by Securities and Exchange Commission of Pakistan (SECP) and it primarily invests in Government securities, certificates of investment, certificates of deposits, term deposit receipts, commercial papers, reverse repo, preference shares, spread transactions and corporate debt securities, etc. subject to the guidelines issued by SECP from time to time.

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

1.4 The Pakistan Credit Rating Agency Limited (PACRA) has maintained A+(f) (Fund Stability Rating) to the Fund on 16 October 2020 and has also maintained asset manager rating of the Company to AM2+ (stable outlook), on 28 August 2020 (2019: AM2+ as on 29 August 2019).

1.5 During the current period, the Trust Act, 1882 has been repealed due to promulgation of provincial trust acts as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration and annual renewal requirements under the relevant trust acts have been introduced. The Management Company in consultation with MUFAP and the Trustee is currently deliberating upon the requirements of the newly enacted provincial trust acts and their implication on the Fund.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Accounting Standard (IAS) 34 'Interim Financial Reporting issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017 along with part VIII A of the repealed Companies Ordinance, 1984; and

- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), 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 and the NBFC Regulations differ from the IFRS, the provision of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations have been followed.

- 2.2 The comparative statement of assets & liabilities presented in these condensed interim financial information as at 30 June 2020 has been extracted from the audited financial statements of the Company for the year ended 30 June 2020, whereas the comparative income statement, statement of comprehensive income, the cash flow statement and statement of movement in unitholders' fund for the six months period ended 31 December 2019 have been extracted from the unaudited condensed interim financial information for the period then ended.
- 2.3 These condensed interim financial information do not include all the information required for a complete set of annual financial statements and should be read in conjunction with the latest annual financial statements as at and for the year ended 30 June 2020. However, selected explanatory notes are included to explain events and transactions that are significant.
- 2.4 These condensed interim financial information are 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) and are unaudited. However, a limited scope review has been carried out by the auditors in accordance with the requirements of clause 5.19.13 of the Pakistan Stock Exchange Limited (PSX) Rule Book.
- 2.5 In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company declare that these condensed interim financial information give a true and fair view of the state of the Fund's affairs as at 31 December 2020.

2.6 Basis of measurement

These condensed interim financial statement have been prepared under the historical cost convention, except that investments are stated at fair values and amortised cost.

2.7 Functional and presentation currency

These condensed interim financial information are presented in Pak Rupees, which is the fund's functional and presentation currency.

3 IMPACT OF COVID-19

In March 2020, the World Health Organization ("WHO") declared the outbreak of the novel coronavirus (known as COVID-19) as a global pandemic. The rapid spread of the virus has caused governments around the world to implement stringent measures to help control its spread, including, without limitation, quarantines, stay-at-home or "shelter-in-place" orders, social-distancing mandates, travel restrictions, and closures or reduced operations for businesses, governmental agencies, schools and other institutions. The industry, along with global economic conditions generally, has been significantly disrupted by the pandemic.

The COVID-19 pandemic and associated impacts on economic activity had certain effect on the operational and financial condition of the Fund for the period ended 31 December 2020 due to increase in overall credit risk pertaining to the corporate debt instruments' portfolios of mutual funds, subdued equity market performance due to overall slowdown in economic

activity and continuity of business operations. However, to reduce the impact on the economy and business, regulators / government across the country have introduced a host of measures on both the fiscal and economic fronts from time to time.

The management of the Fund is closely monitoring the situation, and in response to the developments, the management has taken action to ensure the safety of its employees and other stakeholders, and initiated a number of initiatives.

The Management Company of the Fund expects that going forward these uncertainties would reduce as the impact of COVID-19 on overall economy subsides and have concluded that there is no impact on current financial statements of the Fund.

4 SIGNIFICANT ACCOUNTING POLICIES AND THEIR IMPACT OF NEW ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS THEREON

4.1 The accounting policies applied in this condensed interim financial information are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended 30 June 2020 and for the year ended 30 June 2019 (the latter in relation to margin financing and future derivative contracts).

4.2 New standards, interpretations and amendments adopted by the fund

There are certain new and amended standards, interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after 1 July 2020 but are considered not to be relevant or do not have any significant effect on the fund's operations and therefore are not detailed in these condensed interim financial information.

4.3 Standards, interpretations and amendments to published approved accounting standards that are not yet effective.

In addition certain IFRS, amendments and interpretations to approved accounting standards are not yet effective. However, these are not likely to have any effect on the Fund's financial statements.

5 USE OF ESTIMATES AND JUDGEMENTS

The preparation of these condensed interim financial information in conformity with accounting and reporting standards as applicable in Pakistan requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The significant judgements made by the Management in applying the Fund's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements as at and for the year ended 30 June 2020.

6. FINANCIAL RISK MANAGEMENT

The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Fund for the year ended 30 June 2020.

7	BANK BALANCES	Note	December 31, 2020 (Unaudited) (Rupees)	June 30, 2020 (Audited)
	In local currency			
	- In profit and loss sharing accounts	7.1	1,473,662,134	883,209,564
	- In current accounts		7,474	7,474
			<u>1,473,669,608</u>	<u>883,217,038</u>

7.1 These represent profit and loss account maintained with banks carrying profit rates ranging from 5.50% to 9.00% (30 June 2020: 6.50% to 11.10%) per annum.

8 INVESTMENTS

At fair value through profit or loss

Government securities				
	- Market Treasury Bills	8.1	149,625,900	-
	- Pakistan Investment Bonds	8.2	704,368,622	1,061,556,310
	Term Finance Certificates - Listed	8.3	74,865,000	73,293,517
	Term Finance Certificates - Unlisted	8.4	244,375,664	254,068,170
	Sukuk Certificates - Listed	8.5	126,813,527	146,176,617
	Listed Equity Securities (Spread Transactions)	8.6	351,030,535	-
			<u>1,651,079,248</u>	<u>1,535,094,614</u>

At amortised cost

	Term Deposit Receipts	8.7	200,000,000	430,000,000
	Commercial Papers	8.8	-	153,099,060
			<u>200,000,000</u>	<u>583,099,060</u>
			<u>1,851,079,248</u>	<u>2,118,193,674</u>

8.1 Market Treasury Bills

At fair value through profit or loss

	-----Number of treasury bills-----				Balance as at December 31, 2020			Market value as percentage of net assets of the Fund	Market value as percentage of total investment
	Number of holdings at the beginning of the period	Acquired during the period	Disposed / matured during the period	Number of holdings at end of the period	Carrying value	Market value	Unrealized (diminution)		
					------(Rupees)-----			-----Percentage (%)-----	
Treasury Bills - 03 months (face value of Rs. 100,000 each)	-	28,980	28,980	-	-	-	-	-	-
Treasury Bills - 06 months (face value of Rs. 100,000 each)	-	13,580	12,580	1,000	99,750,945	99,750,600	(345)	2.55%	5.39%
Treasury Bills - 12 months (face value of Rs. 100,000 each)	-	13,720	13,220	500	49,875,038	49,875,300	262	1.28%	2.69%
Total as at 31 December 2020					<u>149,625,983</u>	<u>149,625,900</u>	<u>(83)</u>	<u>3.83%</u>	<u>8.08%</u>
Total as at 30 June 2020					-	-	-	-	-

8.1.1 These Treasury Bills have been pledged with National Clearing Company of Pakistan Limited against exposure margin for MTS trades, Ready trades and Deliverable future contracts (DFC).

8.2 Government securities - Pakistan Investments Bonds - at fair value through profit or loss

Note	-----Number of Pakistan Investment Bond -----				Balance as at December 31, 2020			Market value as percentage of net assets of the Fund	Market value as percentage of total investment	
	Number of holdings at the beginning of the period	Acquired during the period	Disposed / matured during the period	Number of holdings at end of the period	Carrying value	Market value	Unrealized (diminution)			
										------(Rupees)-----
3 years Pakistan Investment Bond (face value of Rs. 100,000 each)	8.2.1	4,750	-	2,435	2,315	238,217,101	235,525,322	(2,691,779)	6.03%	12.72%
3 years Pakistan Investment Bond (face value of Rs. 100,000 each)	8.2.2	-	650	-	650	64,547,535	64,395,500	(152,035)	1.65%	3.48%
5 years Pakistan Investment Bond (face value of Rs. 100,000 each)	8.2.3	3,250	500	1,750	2,000	208,434,074	203,967,800	(4,466,274)	5.22%	11.02%
10 years Pakistan Investment Bond (face value of Rs. 100,000 each)		250	-	250	-	-	-	-	0.00%	0.00%
10 years Pakistan Investment Bond (face value of Rs. 100,000 each)	8.2.4	2,000	-	-	2,000	201,685,490	200,480,000	(1,205,743)	5.13%	10.83%
Total as at 31 December 2020						712,884,200	704,368,622	(8,515,831)	18.03%	38.05%
Total as at 30 June 2020						1,055,045,252	1,061,556,310	6,511,058	34.69%	50.12%

8.2.1 This represents investment in Pakistan Investment Bond (PIB) with fixed rate coupon carrying an effective profit rate of 8.04% (30 June 2020: 8.11%) per annum and having maturity on 19 September 2022. The coupon is paid semi-annually. The face value of PIB - Fixed rate is Rs. 231.5 million (30 June 2020: 475 million).

8.2.2 This represents investment in Pakistan Investment Bond (PIB) with fixed rate coupon carrying an effective profit rate of 10.22% per annum and having maturity on 22 January 2021. The coupon is paid semi-annually. The face value of PIB - Fixed rate is Rs.65 million (30 June 2020: Nil).

8.2.3 This represents investment in Pakistan Investment Bond (PIB) with fixed rate coupon carrying an effective profit rate of 8.37% (30 June 2020: 8.28%) per annum and having maturity on 19 September 2024. The coupon is paid semi-annually. The face value of PIB - Fixed rate is Rs. 200 million (30 June 2020: 325 million).

8.2.4 This represents investment in Pakistan Investment Bond (PIB) with floating rate coupon carrying an effective profit rate of 7.03% (30 June 2020: 13.96%) per annum and having maturity on 25 July 2029. The coupon is paid semi-annually. The face value of PIB - Fixed rate is Rs. 200 million (30 June 2020: 200 million).

8.3 Term Finance Certificates - listed

Name of Security	Note	-----Number of certificates-----				Balance as at December 31, 2020			Market value as percentage of net assets of the Fund	Market value as percentage of total investment	Face value as percentage of size of the issue
		Number of holdings at the beginning of the period	Acquired during the period	Disposed / matured during the period	Number of holdings at end of the period	Carrying value	Market value	Unrealized appreciation / (diminution)			
Commercial Banks											
HBL Tier-II TFCs 10 years (face value of Rs. 100,000 each)	8.3.1	750	-	-	750	73,278,517	74,865,000	1,586,483	1.92%	4.04%	0.75%
Total as at 31 December 2020						73,278,517	74,865,000	1,586,483	1.92%	4.04%	0.75%
Total as at 30 June 2020						73,698,295	73,293,517	(404,777)	2.39%	3.46%	0.65%

8.3.1 These represents investment in listed Term Finance Certificates (TFCs) of Habib Bank Limited and carry a rate of mark-up equal to the base rate of 6 months Karachi Inter Bank Offer Rate (KIBOR) per annum plus margin of 0.50%. The instrument is payable in semi-annual installment of Rs. 15,000 each commencing from 19 August 2016 upto 24 February 2025 while the remaining two semi-annual installments are payable at Rs. 37.365 million. These term finance certificates are unsecured and the rating of the instrument is AA+.

8.4 Term Finance Certificates - Un-listed

Note	-----Number of certificates-----			Balance as at December 31, 2020			Market value as percentage of net assets of the Fund	Market value as percentage of total investment	Face value as percentage of size of the issue			
	Number of holdings at the beginning of the period	Acquired during the period	Disposed / matured during the period	Number of holdings at end of the period	Carrying value before revaluation	Market value after revaluation				Unrealized appreciation / (diminution)		
							(Rupees)					
Commercial Bank												
	Silk Bank Limited PPTFC - 08 years (face value of Rs. 5,000 each)	8.4.1	16,000	-	-	16,000	71,762,656	70,984,904	(777,752)	1.82%	3.83%	4.00%
	BAHL Tier-II TFCs 10 years (face value of Rs. 5,000 each)	8.4.2	28,000	-	-	28,000	136,447,326	135,867,060	(580,266)	3.48%	7.34%	0.00%
Investment Company												
	Jahangir Siddiqui Company Limited PPTFC (face value of Rs. 5,000 each)	8.4.3	15,000	-	-	15,000	36,447,188	37,523,700	1,076,512	0.96%	2.03%	5.00%
Total as at 31 December 2020							244,657,170	244,375,664	(281,506)	6.27%	13.20%	9.00%
Total as at 30 June 2020							256,138,291	254,068,170	(2,070,122)	8.31%	11.99%	10.62%

8.4.1 This represents investment in unlisted Term Finance Certificates (TFCs) issued by Silk Bank Limited. Total size of the issue is Rs. 2,000 million and the term of the TFCs is eight years commencing from the date of issue of TFCs which was August 2017 and ending on August 2025. Profit on the instrument shall be payable semi-annually in arrears on the outstanding balance and the first such profit payment shall fall due 6 months from the issue date and subsequently every six months thereafter. Profit rate shall be the average six months KIBOR + 1.85% per annum. The instrument is structured to redeem 0.14% of the issue amount during the first 7 years and remaining 99.86% in the last two semi annual instalments of 49.93% each. The instrument is unsecured and subordinated to all other indebtedness of the Bank. The rating of the instrument is BBB+.

8.4.1.1 The Securities & Exchange Commission of Pakistan (SECP) vide circular No. 16 of 2010 dated July 7, 2010, prescribed specific disclosures for the scheme holding investments that are non-compliant either with the minimum investment specified for the category assigned to such schemes or with investment requirements of their constitutive documents.

Name of non-compliant investment	Non-compliance of clause	Type of investment	Value of investment before provision	Provision held, if any	Value of investment after provision	% of Net Assets	% of Gross Assets
Silkbank Limited - PPTFC - 08 years (face value of Rs. 5,000 each)	Rating is below minimum investment grade of A- as prescribed in clause No. 2.4 of the offering document	Term finance certificates	70,984,904	-	70,984,904	1.82%	1.76%

At the time of purchase, this term finance certificate was in compliance with the aforementioned circular. However, subsequently it was downgraded to BBB+ from A-. The Management Company of the Fund has also received letter from SECP dated 5 October 2020 advising them to endeavor to regularize the non-compliance as soon as possible. Arrangements have been made to dispose off these investments.

8.4.2 This represents investment in unlisted Term Finance Certificates (TFCs) issued by Bank AL Habib Limited and carry rate of mark-up equal to the base rate of 6 months Karachi Inter Bank Offer Rate (KIBOR) per annum (plus margin of 1.40%) receivable semi-annually in arrears with no floor or cap and will mature in July 2022. The principal is redeemable in 8 equal semi annually installments effective from 6 June 2020. These term finance certificates are unsecured. The rating of the instrument is AA+.

8.4.3 This represents investment in unlisted Term Finance Certificates (TFCs) issued by Jahangir Siddiqui Company Limited and carry rate of mark-up equal to the base rate of 6 months Karachi Inter Bank Offer Rate (KIBOR) per annum (plus margin of 1.40%) receivable semi-annually in arrears with no floor or cap and will mature in July 2022. The principal is redeemable in 8 equal semi annually installments effective from 19 July 2018. These term finance certificates are unsecured. The rating of the instrument is AA.

8.5 Sukuk Certificates

Investment Company	Note	-----Number of certificates-----				Balance as at December 31, 2020			Market value as percentage of net assets of the Fund	Market value as percentage of total investment	Face value as percentage of size of the issue
		Number of holdings at the beginning of the period	Acquired during the period	Disposed / matured during the period	Number of holdings at end of the period	Carrying value before revaluation	Market value after revaluation	Unrealized appreciation / (diminution)			
Dawood Hercules Corporation Limited (face value of Rs. 100,000 each)	8.5.1	420	-	-	420	25,491,971	25,476,091	(15,880)	0.65%	1.38%	0.70%
Dawood Hercules Corporation Limited - 05 Years (Face value of 100,000 each)	8.5.2	1,430	-	-	1,430	102,184,826	101,337,436	(847,390)	2.59%	5.47%	2.38%
Total as at 31 December 2020						127,676,797	126,813,527	(863,270)	3.25%	6.85%	3.08%
Total as at 30 June 2020						143,389,503	146,176,617	2,787,114	4.78%	6.90%	2.40%

8.5.1 This represent sukuk certificates having face value 100,000 issued by Dawood Hercules Corporation Limited having issue size of Rs. 6,000 million and carrying an effective profit rate of 3 months Karachi Inter-bank Offer Rate (KIBOR) per annum plus margin of 1.0% per annum receivable quarterly in arrears. The principal is redeemable in eight semi-annual instalments starting from the eighteenth (18th) month from the date of issue. These sukuk certificates are secured by way of first pari passu charge against ordinary shares of Engro Corporation Limited with 50% margin and charge over all of the assets of investee company with a 25% margin. The rating of the instrument is AA.

8.5.2 This represent sukuk certificates having face value 100,000 issued by Dawood Hercules Corporation Limited having issue size of Rs. 6,000 million and carrying an effective profit rate of 3 months Karachi Inter-bank Offer Rate (KIBOR) per annum plus margin of 1.0% per annum receivable quarterly in arrears. The principal is redeemable in eight semi-annual instalments starting from the eighteenth (18th) month from the date of issue. These sukuk certificates are secured by way of first pari passu charge against ordinary shares of Engro Corporation Limited with 50% margin and charge over all of the assets of investee company with a 25% margin. The rating of the instrument is AA.

8.6 Listed Equity Securities (Spread Transactions)

Shares of listed companies - fully paid up ordinary shares of Rs. 10 each unless stated otherwise

Note	(Number of Shares)			Balance as at December 31, 2020			Market value as percentage of net assets	Market value as percentage of total investment	
	Number of holdings at the beginning of the period	Acquired during the period	Disposed / matured during the period	Number of holdings at end of the period	Carrying value before revaluation	Market value after revaluation			Unrealized gain
Commercial Banks									
	-	48,000	-	48,000	6,375,914	6,349,440	(26,474)	0.16%	0.34%
Cement									
	-	27,000	-	27,000	1,190,490	1,215,270	24,780	0.03%	0.07%
Refinery									
	-	4,650,500	3,027,500	1,623,000	34,386,346	38,611,170	4,224,824	0.99%	2.09%
Cable and Electrical Goods									
	-	7,500	-	7,500	299,170	300,975	1,805	0.01%	0.02%
Transport									
	-	15,500	-	15,500	196,330	199,330	3,000	0.01%	0.01%
Technology and Communications									
	-	20,500	-	20,500	1,869,435	1,903,425	33,990	0.05%	0.10%
	-	113,000	-	113,000	20,893,665	22,410,160	1,516,495	0.57%	1.21%
	-	2,779,500	535,500	2,244,000	171,325,521	205,124,040	33,798,519	5.25%	11.08%
Fertilizers									
	-	1,000,000	-	1,000,000	23,460,000	25,320,000	1,860,000	0.65%	1.37%
Pharma & Bio Tech									
	-	157,500	100,000	57,500	14,092,953	14,330,725	237,772	0.37%	0.77%
Vanaspathi and Allied Industries									
	-	3,585,000	2,485,000	1,100,000	31,299,727	35,266,000	3,966,273	0.90%	1.91%
Oil & Gas Marketing Companies									
	-	243,000	243,000	-	-	-	-	-	-
Total as at 31 December 2020					305,389,551	351,030,535	45,640,984	8.99%	18.96%
Total as at 30 June 2020									
Loss on future contracts (derivative contracts)							(45,987,290)		(346,306)

8.7 Term Deposit Receipts

Note	December 31, 2020 (Unaudited)	June 30, 2020 (Audited)
	(Rupees)	
- U-Microfinance Bank Limited	8.7.1 200,000,000	200,000,000
- Mobilink Microfinance Bank Limited	-	230,000,000
	<u>200,000,000</u>	<u>430,000,000</u>

8.7.1 This Term deposit has been deposited at a coupon of 14.25% having maturity on 27 October 2021.

8.7 Commercial Paper

Note	----- (Number of Commercial Papers) -----			Balance as at December 31, 2020			Market value as percentage of net assets of the Fund	Market value as percentage of total investment
	Number of holdings at the beginning of the period	Disposed / matured during the period	Number of holdings at end of the period	Carrying value	Market value	Unrealized appreciation		
				----- (Rupees) -----			----- Percentage (%) -----	
K-Electric CP-3 (6 Months)	1,160,000	1,160,000	-	-	-	-	-	-
K-Electric CP-1 (6 Months)	400,000	400,000	-	-	-	-	-	-
Total as at 31 December 2020								
Total as at 30 June 2020				153,099,060	153,099,060	-	5.00%	7.23%

9 RECEIVABLE AGAINST MARGIN TRADING SYSTEM

This represents the amount receivable under the margin trading of eligible listed equity securities which are to be settled within maximum 60 days. The balance carries mark-up ranging from 9.51% to 15.44% per annum. The balance is due for maturity.

10 PROFIT RECEIVABLE

Note	December 31, 2020 (Unaudited)	June 30, 2020 (Audited)
	(Rupees)	
Profit / return receivable on:		
- Term Deposit Receipts	7,632,540	36,016,444
- Profit and loss sharing bank accounts	4,272,261	899,351
- Term Finance Certificates	7,191,270	13,275,104
- Government securities - Pakistan Investment Bonds	18,752,893	33,659,308
- Sukuk certificates	946,473	1,205,306
- Margin trading system	817,110	-
	<u>39,612,547</u>	<u>85,055,513</u>

11 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Security deposits:		
- Central Depository Company of Pakistan Limited	100,000	100,000
- National Clearing Company of Pakistan Limited	2,750,000	2,750,000
Cash margins:		
- National Clearing Company of Pakistan Limited	117,984,360	10,049,367
Advance tax	6,307,116	4,635,614
Prepayments and other receivables	260,803	91,928
	<u>127,402,279</u>	<u>17,626,909</u>

12 PAYABLE TO THE MANAGEMENT COMPANY

Remuneration payable to the Management Company	12.1	2,952,581	505,654
Sindh Sales Tax on remuneration to Management Company	12.2	2,752,119	2,434,016
Federal Excise Duty on remuneration to Management Company	12.3	16,177,075	16,177,075
Sale Load Payable to Management Company		-	2,651
		<u>21,881,775</u>	<u>19,119,396</u>

- 12.1 The Management Company is entitled to remuneration for services rendered to the Fund under the provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, of an amount not exceeding 1.5% per annum of the average annual net assets of the Fund. However, The Management Company is currently charging a fee at the rate of 1.04% of the actual daily net assets of the fund. Remuneration is paid to Management Company in arrears on a monthly basis.
- 12.2 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% (30 June 2020: 13%) on Management Company's remuneration. Above liability includes Rs. 2,368,285 (30 June 2018: Rs. 2,368,285) accrued on Federal Excise Duty (FED) on the management remuneration as more fully explained in note 12.3 below. Had the provision relating to FED not been made, Net Asset Value per unit of the Fund as at 31 December 2020 would have been higher by 0.0632 (30 June 2020: 0.0780) per unit. This amount is payable to management company for onward payment to the Government.
- 12.3 As per the requirements of the Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16 percent on the remuneration of the Management Company has been applied effective from 13 June 2013. The Management Company is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED may result in double taxation, which does not appear to be the spirit of the law, hence, a petition was collectively filed by the Mutual Fund Association of Pakistan with the Sindh High Court (SHC) on 4 September 2013.

While disposing the above petition through order dated 16 July 2016, the SHC declared the said provisions to be ultra vires and as a result no FED is payable with effect from 01 July 2016. However, the tax authorities subsequently filed appeal against the decision of the SHC in the Supreme Court of Pakistan, which is pending for the decision.

Furthermore, the Finance Act 2016 also introduced an amendment to the Federal Excise Act, 2005 whereby FED was withdrawn on services of different industries including Non-Banking Financial Institutions, which are already subject to provisional sales tax.

However, since the appeal is pending in the Supreme Court of Pakistan, the Management Company, as a matter of abundant caution, is carrying provision for FED for the period up to 30 June 2016 aggregating to Rs.16.177 million. Had the provision not been made, NAV per unit of the Fund as at 31 December 2020 would have been higher by Re. 0.43 (30 June 2020: Re. 0.06) per unit. The amount is payable to the management company for onwards payment, if any, to the Government.

		December 31, 2020 (Unaudited)	June 30, 2020 (Audited)
		(Rupees)	
13.	ACCRUED EXPENSES AND OTHER LIABILITIES		
	Auditors' remuneration	240,141	147,869
	Payable to Sindh Workers' Welfare Fund	13.1 22,411,122	20,426,852
	Brokerage payable	99,796	55,457
	NCCPL payable	23,877	34,153
	CDC Charges Payable	56,933	-
	Printing and stationary payable	20,550	20,550
	Withholding tax payable	88,550	418,481
	Advance against sale of units	22,250,000	-
	Derivative liability on future contracts	45,987,290	-
	CGT payable on redemption of units	-	2,261,578
	PACRA rating fee payable	-	138,500
	Others	28,681	71,771
		<u>91,206,940</u>	<u>23,575,211</u>

- 13.1 Provision for Sindh Workers' Welfare Fund is being made on a daily basis pursuant to MUFAP's recommendation to all its members on 12 January 2017 against the backdrop of the Sindh Revenue Board (SRB) letter to certain mutual funds in January 2016 whereby SRB directed the mutual funds to register and pay Sindh Workers Welfare Fund (SWWF) for the accounting year closing on or after 31 December 2013. This is on the premise that mutual funds are included in the definition of financial institutions in the Financial Institutions (Recovery of Finance) Ordinance, 2001 hence WWF is payable by them. Though MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF, but as a matter of abundant caution management has recorded SWWF with effect from the date of the applicability of the SWWF Act, 2014 (i.e. with effect from 01 July 2014).

Total provision for SWWF till 31 Dec 2020 is Rs. 22.411 million (June 30, 2020 :Rs.20.427 million). Had the provision not been made, Net Asset Value per unit of the Fund as at 31 December 2020 would have been higher by Re. 0.5978 (30 June 2020: Re. 0.6732) per unit.

14 TOTAL EXPENSE RATIO

Securities and Exchange Commission of Pakistan (SECP) vide its Directive No. SCD/PRDD/Direction/18/2016 dated 20 July 2016, required that Collective Investment Scheme (CIS) shall disclose Total Expense Ratio (TER) in the periodic financial statements of CIS / the Fund. TER of the Fund for the six month period ended 31 December 2020 is 1.54% which includes 0.30% representing government levies (comprising of Workers Welfare Fund and SECP fee, etc.). As per NBFC Regulation the total expense ratio of the income scheme shall be capped up to 2.5% (30 June 2020: 2.5%).

15 CONTINGENCIES AND COMMITMENTS

The Fund had no contingency or commitment at the period end except as those mentioned elsewhere in these condensed interim financial information.

16 TAXATION

The Fund is exempt from taxation under clause 99 of the Part I of the 2nd Schedule of the Income Tax Ordinance, 2001, subject to the condition that not less than 90% of its accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the year, the income distributed through bonus units 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 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. The management intends to distribute at least 90% of the income earned (if any) during the year by the Fund to the unit holders and for the reason, no provision for tax has been made in these condensed interim financial information.

17 TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS

Connected persons / related parties include Lakson Investments Limited being the Management Company, Central Depository Company of Pakistan Limited (CDC) being the trustee and the custodian, SIZA services (Private) Limited being holding company of the management company, Siza Services (Private) Limited being holding company of the Management Company, associated companies of the Management Company, key management personnel and other funds being managed by the Management Company, staff retirement benefits of related parties and other entities having more than 10% holding in the units of the Fund as at December 31, 2020. funds of the above related parties / connected persons.

Remuneration to the Management Company and Trustee are determined in accordance with the provisions of the NBFC Regulations and the Trust Deed of the Fund. Units issued / redeemed are recorded at the rates applicable on the date of issuance / redemption.

Transactions and balances with related parties other than those disclosed elsewhere are as follows:

	December 31, 2020 (Unaudited)	June 30, 2020 (Audited)
	(Rupees)	
17.1 Details of balances with related parties / connected persons at the period end		
Lakson Investments Limited - Management Company of the Fund		
Remuneration for the period	<u><u>2,952,581</u></u>	<u><u>505,654</u></u>
Sindh sales tax and Federal Excise Duty on remuneration of Management Company	<u><u>18,929,194</u></u>	<u><u>18,611,091</u></u>
Central Depository Company of Pakistan Limited - Trustee of the Fund		
Remuneration for the period	<u><u>215,158</u></u>	<u><u>370,256</u></u>
Security Deposit	<u><u>100,000</u></u>	<u><u>100,000</u></u>
17.2 Other transactions during the period		
Lakson Investments Limited - Management Company of the Fund		
Remuneration for the period	<u><u>15,684,099</u></u>	<u><u>18,063,192</u></u>
Sindh sales tax and Federal Excise Duty on remuneration of Management Company	<u><u>2,038,932</u></u>	<u><u>2,348,215</u></u>
Dividend Paid	<u><u>-</u></u>	<u><u>13,637</u></u>
Central Depository Company of Pakistan Limited - Trustee of the Fund		
Remuneration for the period	<u><u>1,275,850</u></u>	<u><u>1,020,570</u></u>
Settlement charges	<u><u>55,345</u></u>	<u><u>171,357</u></u>

17.3 Details of transactions and balances with directors, key management personnel, employees, associated company/ undertakings of the Management Company and connected person are as follows:

	Half Year ended December 31, 2020							
	Number of Units			Rupees				
	Number of units as at July 01, 2020	Units issued during the period	Units redeemed during the period	Number of units as at December 31, 2020	Balance as at July 01, 2020	Units issued during the period	Units redeemed during the period	Balance as at Dec 31, 2020 (Investment at current NAV)
Lakson Investments Limited - Management Company	1,297,806	2,639,617	-	3,937,423	130,895,564	275,000,000	-	410,323,939
Directors, Chief Executive and their spouse and minors	15,525,959	5,143,191	2,587,084	18,082,066	1,565,934,252	534,523,411	264,662,150	1,884,355,600
Other key management personnel	-	4,815	4,815	-	-	500,000	501,150	-
Associated companies								
Accury Surgical Limited Employees Contributory Provident Fund	-	26,276	-	26,276	-	2,730,973	-	2,738,247
Alan (Private) Limited	25,365	-	-	25,365	2,558,341	-	-	2,643,372
Century Insurance Co. Ltd., GF	-	58,421	-	58,421	-	6,071,946	-	6,088,117
Century Insurance Company Limited Employees Contributory Provident Fund Trust	-	82,129	-	82,129	-	8,536,071	-	8,558,804
Century Paper & Board Mills Limited ECPF	-	602,804	-	602,804	-	62,652,091	-	62,818,948
Century Paper & Board Mills Limited EGF	-	500,505	-	500,505	-	52,019,764	-	52,158,304
Colgate Palmolive (Pakistan) Limited	4,214,489	-	1,955,355	2,259,134	425,069,600	-	200,000,000	235,027,290
Colgate Palmolive Pakistan Limited ECPF	-	565,305	-	565,305	-	58,754,740	-	58,911,216
Colgate Palmolive Pakistan Limited EGF	-	670,695	-	670,695	-	69,708,386	-	69,894,035
Cyber Internet Services (Pvt.) Ltd. Empl. CPFT	-	458,570	-	458,570	-	47,667,176	-	47,788,191
Gam Corporation Private Limited Employees Contributory Provident Fund	-	432,023	-	432,023	-	44,902,062	-	45,021,645
Hasanali & Gulbano Lakhani Foundation	45,974	34,842	-	80,816	4,636,918	3,621,295	-	8,421,972
Lakson Business Solution Limited-ECPF	5,066	-	-	5,066	510,915	-	-	527,896
Lakson Investments Limited ECPF	-	73,304	-	73,304	-	7,618,782	-	7,639,072
Merit Packaging Limited Employees Contributory Provident Fund Trust	-	98,588	-	98,588	-	10,246,689	-	10,273,979
Merit Packaging Limited Employees Gratuity Fund	-	49,209	-	49,209	-	5,114,488	-	5,128,109
Siza Foods Private Limited Employees Contributory Provident Fund Trust	-	352,970	-	352,970	-	36,685,779	-	36,783,481
Siza Services Private Limited Employees Contributory Provident Fund Trust	-	67,671	-	67,671	-	7,033,353	-	7,052,084
Sybird (Private) Limited	600	-	-	600	60,558	-	-	62,570
Sybird (Private) Limited ECPF	-	55,952	-	55,952	-	5,814,687	-	5,830,882
Connected person due to holding more than 10% units	-	-	-	-	-	-	-	-
English Biscuit Manufacturers (Private) Limited	4,269,789	-	-	4,269,789	430,647,086	-	-	444,960,273

	Half Year ended December 31, 2019							
	Number of Units			Rupees				
	Number of units as at July 01, 2019	Units issued during the period	Units redeemed during the period	Number of units as at December 31, 2019	Balance as at July 01, 2019	Units issued during the period	Units redeemed during the period	Balance as at December 31, 2019
Lakson Investments Limited - Management Company	905,336	-	-	905,336	91,453,292	-	-	91,765,020
Directors, Chief Executive and their spouse and minors	7,677,422	1,842,238	1,886,162	7,693,498	775,541,693	188,000,000	197,585,769	824,323,089
Other key management personnel								
Associated companies / undertakings of the Management Company								
SIZA (Private) Limited	860,228	15,386	-	875,614	86,896,734	1,606,295	-	94,555,495
Premier Fashions (Private) Limited	739,077	9,962	-	749,039	74,658,512	1,040,042	-	80,886,925
Alan (Private) Limited	22,692	-	-	22,692	2,292,231	-	-	2,450,432
Colgate Palmolive (Pakistan) Limited	3,770,174	-	-	3,770,174	380,847,511	-	-	407,132,032
Hasanali & Gulbano Lakhani Foundation	384,768	-	348,231	36,536	38,867,663	-	35,500,000	3,945,473
SIZA Services (Private) Limited	992,415	-	-	992,415	100,249,708	-	-	107,168,528
Sybird (Private) Limited	536	-	-	536	54,194	-	-	57,934
Lakson Business Solution Limited-ECPFT	4,617	-	-	4,617	466,423	-	-	498,614
Connected person due to holding more than 10% units								
English Biscuit Manufacturers (Private) Limited	3,819,644	-	-	3,819,644	385,844,776	-	-	412,474,188
Coronet Foods (Private) Limited	2,539,888	-	-	2,539,888	256,569,072	-	-	274,276,409

18 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end 'date. The quoted market prices used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices 'represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13, 'Fair Value Measurements' requires the Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Unobservable inputs for the asset or liability (level 3).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

		December 31, 2020 (Un-Audited)						
		Carrying amount			Fair Value			
	Mandatory at Fair Value through profit or loss	Amortized cost	Other Financial Liabilities	Total	Level 1	Level 2	Level 3	Total
(Rupees)								
On-balance sheet financial instruments								
Financial assets measured at fair value								
Investments		1,651,079,248	-	1,651,079,248	552,709,062	1,098,370,186	-	1,651,079,248
Financial assets not measured at fair value								
Bank balances		-	1,473,669,608	1,473,669,608	-	-	-	-
Mark-up receivable		-	39,612,547	39,612,547	-	-	-	-
Investments		-	200,000,000	200,000,000	-	-	-	-
17.1		-	1,713,282,155	1,713,282,155	-	-	-	-
Financial liabilities not measured at fair value								
Payable to the Management Company		-	-	21,881,775	21,881,775	-	-	-
Payable to the Trustee		-	-	215,158	215,158	-	-	-
Accrued expenses and other liabilities		-	-	68,707,268	68,707,268	-	-	-
		-	-	90,804,201	90,804,201	-	-	-

June 30, 2020 (Audited)							
Carrying amount				Fair Value			
Mandatory at Fair Value through profit or loss	Amortized cost	Other Financial Liabilities	Total	Level 1	Level 2	Level 3	Total
(Rupees)							
On-balance sheet financial instruments							
Financial assets measured at fair value							
Investments	1,535,094,614	-	1,535,094,614	552,709,062	982,385,552	-	1,535,094,614
Financial assets not measured at fair value							
Term deposit receipt	430,000,000	-	430,000,000	-	-	-	-
Commercial paper	153,099,060	-	153,099,060	-	-	-	-
Bank balances	883,217,038	-	883,217,038	-	-	-	-
Mark-up receivable	85,055,513	-	85,055,513	-	-	-	-
Deposits and other receivables	17,626,909	-	17,626,909	-	-	-	-
18.1	-	1,568,998,520	-	1,568,998,520	-	-	-
Financial liabilities not measured at fair value							
Payable to the Management Company	-	-	19,119,396	19,119,396	-	-	-
Payable to the Trustee	-	-	370,256	370,256	-	-	-
Accrued expenses and other liabilities	-	-	2,729,878	2,729,878	-	-	-
	-	-	22,219,530	22,219,530	-	-	-

18.1 The Fund has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are reasonable approximation of their fair values.

19 GENERAL

These condensed interim financial information are unaudited and have been reviewed by the auditors. Furthermore, the figures for the three months period ended 31 December 2020 in these condensed interim financial information, wherever appearing, have not been reviewed by the auditors.

20 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue on February 18, 2021 by the Board of Directors of the Management Company.



A Lakson Group Company

Lakson Investments Limited
Lakson Square, Building No. 2,
Sarwar Shaheed Road,
Karachi-74200, Pakistan
T +92.21 3840.0000
F +92.21 3568.1653

Lakson Investments (DIFC) Limited
Level 15, Gate Building
DIFC, P.O. Box 507054
Dubai, U.A.E.
T +971.4 401.9284
F +971.4 401.9578
(Regulated by the DFSA)