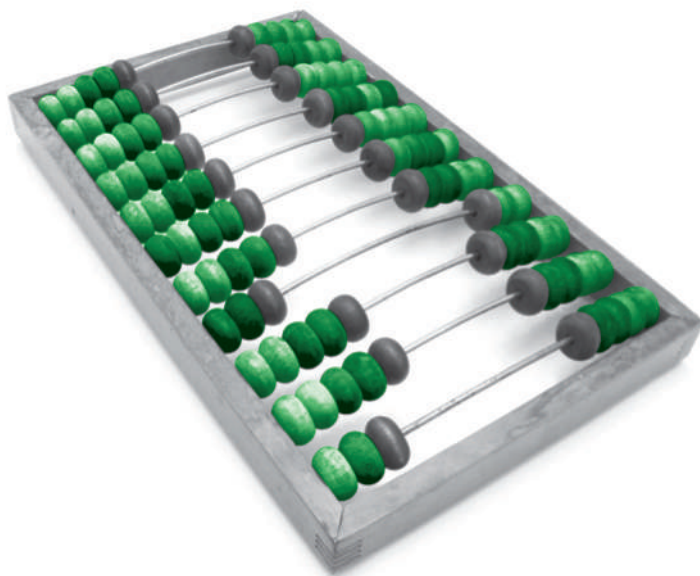


Faysal Asset Management

Islamic Savings Growth Fund

Condensed Interim Financial Statement
For The Nine Months And Quarter Ended March 31, 2021 (Un-audited)



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FUND INFORMATION

Management Company

Faysal Asset Management Limited

Board of Directors of the Management Company

Mr. Salman Ahmed Usmani, Chairman
Mr. Osman Asghar Khan, Director
Mr. Mian Salman Ali, Director
Syed Muhammad Fraz Zaidi, Director
Mr. Tahir Yaqoob Bhatti, Director
Mr. Nadir Rehman, Director
Mr. Khaldoon Bin Latif, Director/CEO

Chief Executive Officer

Mr. Khaldoon Bin Latif

Chief Financial Officer Company Secretary of the Management Company

Mr. Faisal Ali Khan

Audit Committee

Mr. Osman Asghar Khan, Chairman
Mr. Mian Salman Ali, Member
Syed Muhammad Fraz Zaidi, Member

HR Committee

Mr. Nadir Rehman, Chairman
Mr. Salman Ahmed Usmani, Member
Mr. Osman Asghar Khan, Member

Trustee to the Fund

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

Bankers to the Fund

Dubai Islamic Bank Pakistan Limited
Al-Baraka Bank Limited
Bank Islami Pakistan Limited
Faysal Bank Limited (Islamic Banking)
Bank Al-Falah (Islamic Banking)
Habib Bank Limited (Islamic Banking)
United Bank Limited (Islamic Banking)
Silk Bank Limited (Islamic Banking)

Auditors

A.F. Ferguson & Co. Chartered Accountants

Legal Advisor

Mohsin Tayebaly & Co.
2nd Floor, Dime Centre,
BC-4 Block-9, KDA-5,
Clifton, Karachi.

Registrar

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

MISSION AND VISION

To provide world class investment management and advisory services for the benefit of clientele looking to maximize their financial returns while minimizing risk.

To amplify our client-centricity by inspiring innovation, championing customer service, generating competitive returns, and honoring the utmost ethical and professional standards.

MISSION STATEMENT

Faysal Islamic Saving Growth Funds seeks to provide maximum possible preservation of capital and a responsible Shariah compliant return to its units holder.

Condensed Interim Statement of Assets and Liabilities

As at March 31, 2021

		March 31 2021 (Un-audited)	June 30 2020 (Audited)
	Note	(Rupees)	(Rupees)
Assets			
Balances with banks	4	1,744,992,337	1,009,936,498
Investments	5	1,786,305,727	1,237,437,158
Advances, deposits, prepayments and other receivables		101,553,295	23,579,678
Total assets		<u>3,632,851,359</u>	<u>2,270,953,334</u>
Liabilities			
Payable to Faysal Asset Management Limited - Management Company	6	12,255,534	8,412,353
Payable to Central Depository Company of Pakistan Limited - Trustee		250,859	154,839
Annual fee payable to the Securities and Exchange Commission of Pakistan		503,995	354,982
Accrued and other liabilities	7	22,937,434	20,782,859
Payable against redemption of units		803,586	-
Total liabilities		<u>36,751,408</u>	<u>29,705,033</u>
Net assets		<u>3,596,099,951</u>	<u>2,241,248,301</u>
UNIT HOLDERS' FUND (AS PER THE STATEMENT ATTACHED)		<u>3,596,399,951</u>	<u>2,241,248,301</u>
Contingencies and commitments	8		
		'----- (Number of units) -----	
Number of units in issue		<u>33,184,523</u>	<u>21,721,875</u>
		----- (Rupees) -----	
Net assets value per unit		<u>108.37</u>	<u>103.18</u>

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

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Condensed Interim Income Statement

For The Nine Months Ended March 31, 2021

Note	Nine months ended March 31,		Quarter ended March 31,	
	2021	2020	2021	2020
	----- (Rupees) -----		----- (Rupees) -----	
Income				
Profit earned on debt securities	126,676,569	64,433,849	45,285,200	15,738,800
Income on commercial papers	-	6,150,527	(3,266,096)	3,069,467
Profit on balances with banks	67,944,076	97,710,300	20,020,474	38,487,892
Realised gain on sale of investments - net	4,045,324	1,145,848	3,917,724	349,431
Other Income	300,000	-	-	-
Unrealised diminution on re-measurement of investments classified as 'at fair value through profit or loss' - net	5.5 (202,696)	(5,737,285)	(400,769)	(327,208)
Total income	198,763,273	163,703,239	65,556,533	57,318,382
Operating expenses				
Remuneration of Faysal Asset Management Limited - Management Company	6.1 11,554,430	13,854,886	3,622,253	2,938,951
Sindh sales tax on remuneration of the Management Company	6.2 1,502,076	1,801,135	470,893	382,063
Selling and marketing charges	6.4 9,969,931	2,347,522	3,639,564	2,347,522
Allocated expenses	6.3 1,418,478	-	404,395	-
Remuneration to Central Depository Company of Pakistan Limited - Trustee	1,890,080	944,419	606,594	328,081
Sindh sales tax on remuneration of the Trustee	246,114	122,774	79,261	42,650
Auditor's remuneration	554,850	375,648	182,250	125,216
Annual fee to the Securities and Exchange Commission of Pakistan	504,021	251,845	161,758	87,489
Legal and professional charges	168,840	-	168,840	-
Fees and subscription	20,643	197,094	6,780	73,698
Transaction charges	1,028,341	369,841	736,007	123,996
Printing charges	18,632	-	6,120	-
Bank charges	3,410	51,241	11	31,662
Other expenses	20,371	-	17,759	-
Total operating expenses	28,900,217	20,316,405	10,102,485	6,481,328
Net profit from operating activities	169,863,056	143,386,834	55,454,048	50,837,054
Provision for Sindh Workers' Welfare Fund	7.1 (3,391,265)	(2,867,737)	(1,103,085)	(1,016,741)
Net profit for the period before taxation	166,471,791	140,519,097	54,350,963	49,820,313
Taxation	10 -	-	-	-
Net profit for the period after taxation	166,471,791	140,519,097	54,350,963	49,820,313
Allocation of net profit for the period:				
Net profit for the period after taxation	166,471,791	140,519,097	54,350,963	49,820,313
Income already paid on units redeemed	(52,237,280)	(19,220,790)	(36,245,403)	(9,115,540)
	114,234,511	121,298,307	18,105,560	40,704,773
Accounting income available for distribution				
- Relating to capital gains	3,842,628	-	3,516,955	22,223
- Excluding capital gains	110,391,883	121,298,307	14,588,605	40,682,550
	114,234,511	121,298,307	18,105,560	40,704,773

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

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Condensed Interim Statement of Comprehensive Income

For The Nine Months Ended March 31, 2021

	Nine months ended March 31,		Quarter ended December 31,	
	2021	2020	2021	2020
	----- (Rupees) -----		----- (Rupees) -----	
Net profit for the period after taxation	166,471,791	140,519,097	54,350,963	49,820,313
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>166,471,791</u>	<u>140,519,097</u>	<u>54,350,963</u>	<u>49,820,313</u>

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

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Condensed Interim Statement of Movement in Unit Holders' Fund

For The Nine Months Ended March 31, 2021

	Nine months ended March 31, 2021			Nine months ended March 31, 2020		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees)			(Rupees)		
Net assets at beginning of the period	2,211,878,655	29,369,646	2,241,248,301	1,618,264,561	25,105,987	1,643,370,548
Issuance of 99,237,922 units (2020: 8,235,216 units)						
- Capital value (at net assets value per unit at beginning of the period)	10,239,368,811		10,239,368,811	847,976,111	-	847,976,111
- Element of income	117,241,420		117,241,420	31,349,129	-	31,349,129
Total proceeds on issuance of units	10,356,610,231	-	10,356,610,231	879,325,240	-	879,325,240
Redemption of 87,775,274 units (2020: 8,031,668 units)						
- Capital value (at net assets value per unit at beginning of the period)	(9,056,652,822)	-	(9,056,652,822)	(827,020,396)	-	(827,020,396)
- Element of Income	(59,040,270)	(52,237,280)	(111,277,550)	(7,440,748)	(19,220,790)	(26,661,538)
Total payments on redemption of units	(9,115,693,092)	(52,237,280)	(9,167,930,372)	(834,461,144)	(19,220,790)	(853,681,934)
Total comprehensive income for the period	-	166,471,791	166,471,791	-	140,519,097	140,519,097
Net assets at end of the period	<u>3,452,795,794</u>	<u>143,604,157</u>	<u>3,596,399,951</u>	<u>1,663,128,657</u>	<u>146,404,294</u>	<u>1,809,532,951</u>
Accumulated income brought forward						
- Realised income		31,568,089			25,552,103	
- Unrealised income / (loss)		<u>(2,198,443)</u>			<u>(446,116)</u>	
		29,369,646			25,105,987	
Accounting income available for distribution						
- Relating to capital gains		3,842,628			-	
- Excluding capital gains		<u>110,391,883</u>			<u>121,298,307</u>	
		114,234,511			121,298,307	
Undistributed income carried forward		<u>143,604,157</u>			<u>146,404,294</u>	
Undistributed income carried forward:						
- Realised income		143,806,853			152,141,579	
- Unrealised (loss) / income		<u>(202,696)</u>			<u>(5,737,285)</u>	
		<u>143,604,157</u>			<u>146,404,294</u>	
		(Rupees)			(Rupees)	
Net assets value per unit at the beginning of the period		<u>103.18</u>			<u>102.97</u>	
Net assets value per unit at the end of the period		<u>108.37</u>			<u>111.95</u>	

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

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Condensed Interim Cash Flows Statement

For The Nine Months Ended March 31, 2021

	Nine months ended March 31,	
	2021	2020
Note	----- (Rupees) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit for the period before taxation	166,471,791	140,519,097
Adjustments for		
Realised gain loss on sale of investments - net	(4,045,324)	(1,145,848)
Unrealised loss on re-measurement of investments classified as 'at fair value through profit or loss' - net	202,696	5,737,285
Provision of Sindh Workers' Welfare Fund	3,391,265	2,867,737
	166,020,428	147,978,271
(Increase) / Decrease in assets		
Investments	(545,025,941)	116,205,190
Advances, deposits, prepayments and other receivables	(77,973,617)	3,285,919
Preliminary expenses and floatation cost	-	-
	(622,999,558)	119,491,109
Increase / (Decrease) in liabilities		
Payable to Faysal Asset Management Limited - Management Company	3,843,181	264,501
Payable to Central Depository Company of Pakistan Limited - Trustee	96,020	(67,197)
Annual fee payable to the Securities and Exchange Commission of Pakistan	149,013	(582,144)
Accrued and other liabilities	(1,236,690)	(3,734,161)
Payable against redemption of units	803,586	-
	3,655,110	(4,119,001)
Net cash (used in) / generated from operating activities	(453,324,020)	263,350,380
CASH FLOWS FROM FINANCING ACTIVITIES		
Amounts received against issuance of units	10,356,610,231	879,325,240
Payments made against redemption of units	(9,167,930,372)	(853,681,934)
Dividends paid	-	(14,548,795)
Net cash generated from financing activities	1,188,679,859	11,094,511
Net increase in cash and cash equivalents during the period	735,355,839	274,444,891
Cash and cash equivalents at beginning of the period	1,009,936,498	769,534,958
Cash and cash equivalents at end of the period	1,745,292,337	1,043,979,849

4

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

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Notes to and forming part of the Condensed Interim Financial Statements

For The Nine Months Ended March 31, 2021

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Faysal Islamic Savings Growth Fund (the Fund) is an open-ended collective investment scheme established through a Trust Deed under the Trust Act, 1882, entered into on April 22, 2009 between Faysal Asset Management Limited (FAML) as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The investment activities and administration of the Fund are managed by the Management Company.

The Management Company of the Fund has been licensed by the SECP to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 through a certificate of registration issued by the Securities and Exchange Commission of Pakistan (SECP). The registered office of the Management Company is situated at 7th Floor, Faysal House, ST-02, Main Shahrah-e-Faisal, Karachi, Pakistan. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

- 1.2** The Fund has been categorised as a 'Shariah Compliant Islamic Income Scheme' by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs.100 per unit. Thereafter, the units are being offered for public subscription on a continuous basis from June 15, 2010 and are transferable and redeemable by surrendering them to the Fund.
- 1.3** According to the Trust Deed, the objective of the Fund is to provide a reasonable rate of return along with maximum possible preservation of capital by investing in Shariah compliant money market and debt securities having good credit quality rating and liquidity. The investment objectives and policies are explained in the Fund's offering document.
- 1.4** The Management Company has been assigned a quality rating of 'AM2' by VIS Credit Rating Company Limited dated March 31, 2021 (June 30, 2020: 'AM2' dated February 18, 2020). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes. Furthermore, VIS Credit Rating Company Limited has reaffirmed the stability rating of "A+(f)" [2019: A+(f)" dated May 13, 2019] of the Fund on October 5, 2020.
- 1.5** The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

Notes to and forming part of the Condensed Interim Financial Statements

For The Nine Months Ended March 31, 2021

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

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

- 2.2** In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2021.

Notes to and forming part of the Condensed Interim Financial Statements

For The Nine Months Ended March 31, 2021

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

3.1 The accounting policies applied and the methods of computations 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 these condensed interim financial statements is 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 these condensed interim financial statements, the significant judgments made by the management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements 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 of the Fund for the year ended June 30, 2020.

3.3 Amendments to the published accounting and reporting standards that are effective in the current period

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

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

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

		March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
	Note	----- (Rupees) -----	
4 BALANCES WITH BANKS			
PLS accounts	4.1	<u>1,744,992,337</u>	<u>1,009,936,498</u>

Notes to and forming part of the Condensed Interim Financial Statements

For The Nine Months Ended March 31, 2021

4.1 These savings accounts carry mark-up at rates ranging from 5.5% to 7.85% (June 30, 2020: 6.50% to 8.80%) per annum. Deposits in savings accounts also include Rs. 766.112 million (June 30, 2020: Rs. 789.517 million) maintained with Faysal Bank Limited, a related party, and carry mark-up at the rate of 6.50% (June 30, 2020: 6.55%) per annum.

		March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
		----- (Rupees) -----	-----
5	INVESTMENTS	Note	
	At fair value through profit or loss		
	Listed Equity Securities-Ready	5.1	27,342,700 -
	Listed Equity Securities-Future		5,414,786
	Corporate Sukuk Certificates	5.2	839,953,758 894,239,964
	GOP Ijarah Sukuk certificates	5.3	711,032,000 150,405,000
	Certificates of musharika		202,562,484 192,792,194
			<u>1,786,305,727</u> <u>1,237,437,158</u>

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

Name of the Investee Company	Note	As at July 01, 2020	Purchased during the period	Bonus / right shares received during the period	Disposed off during the period	As at March 31, 2021	Carrying Value as at March 31, 2021	Market Value as at March 31, 2021	Unrealised gain / (loss) on revaluation	Market Value as a percentage of	
		Number of shares					(Rupees)			Net assets of the Fund	Total Investments of the Fund
										%	%
Automobile Assembler											
Ghandhara Industries Limited		-	118,500	-	118,500.00	-	-	-	-	-	-
Ghandhara Nissan Limited		-	124,000	-	124,000.00	-	-	-	-	-	-
Pak Suzuki Motor Company Limited		-	6,000	-	6,000.00	-	-	-	-	-	-
							-	-	-	-	-
Foods & Personal Care Products											
Unity Foods Limited		-	4,294,000	-	4,294,000	-	-	-	-	-	-
							-	-	-	-	-
Technology & Communications											
Netsol Technologies Limited		-	548,000		414,000	134,000.00	32,498,765	27,342,700	(5,156,065)	0.76	1.53
							32,498,765	27,342,700	(5,156,065)	0.76	1.53
Refinery											
Attock Refinery Limited		-	15,500	-	15,500	-	-	-	-	-	-
							-	-	-	-	-
Total as at March 31, 2021							<u>32,498,765</u>	<u>27,342,700</u>	<u>(5,156,065)</u>	<u>0.76</u>	<u>1.53</u>
Total as at June 30, 2020							<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Notes to and forming part of the Condensed Interim Financial Statements

For The Nine Months Ended March 31, 2021

5.2 Corporate Sukuk Certificates - 'at fair value through profit or loss'

Name of the security	Profit payments / principal redemption s	Maturity date	Profit rate	As at July 1, 2020	Purchases during the period	Sold/ Matured during the period	As at March 31, 2021	Carrying value as at March 31, 2021	Market value as at March 31, 2021	Unrealised appreciation / (diminution) as at March 31, 2021	Percentage in relation to	
				Number of certificates				(Rupees)			Net assets of the Fund	Total market value of investment
----- % -----												
FERTILIZER												
Dawood Hercules Corporation Limited - I (AA, PACRA, traded) (Face value of 60,000 per certificate)	Quarterly / Semi-annually	November 16, 2022	3 months KIBOR plus base rate of 1.00%	1,160	-	1,160	-	-	-	-	0.00	0.00
Dawood Hercules Corporation Limited - II (AA, PACRA, traded) (Face value of 70,000 per certificate)	Quarterly / Semi-annually	March 1, 2023	3 months KIBOR plus base rate of 1.00%	600	-	600	-	-	-	-	0.00	0.00
OIL & GAS MARKETING COMPANIES												
Byco Petroleum Limited (AAA, PACRA, non-traded) (Face value of 58,333 per certificate)	Quarterly	January 18, 2023	3 months KIBOR plus base rate of 1.05%	500	-	-	500	29,239,582	29,126,065	(113,517)	0.81	1.63
POWER GENERATION & DISTRIBUTION												
The Hub Power Company Limited (AA+, PACRA, non-traded) (Face value of 100,000 per certificate)	Semi-annually	March 19, 2024	12 months KIBOR plus base rate of 1.00%	2,000	500	-	2,500	251,350,000	255,500,000	4,150,000	7.10	14.30
The Hub Power Company Limited (AA+, PACRA, traded) (Face value of 100,000 per certificate)	Quarterly / Semi-annually	August 22, 2023	3 months KIBOR plus base rate of 1.90%	500	-	500	-	-	-	-	0.00	0.00
Pakistan Energy Sukuk - II (AAA, PACRA, traded) (Face value of 5,000 per certificate)	Semi-annually / At maturity	May 21, 2030	6 months KIBOR minus base rate of 1.00%	60,000	-	40,000	20,000	100,000,000	100,800,000	800,000	2.80	5.64
Hub Power Holding Limited (Face value of 100,000 per certificate)	Semi-annually / At maturity	November 12, 2025	6 months KIBOR minus base rate of 2.50%	-	3,500	-	3,500	300,379,182	300,379,182	-	8.35	16.82
TECHNOLOGY AND COMMUNICATION												
TPL Corporation Limited (A+, PACRA, non-traded) (Face value of 750,000 per certificate)	Quarterly	April 13, 2022	12 months KIBOR plus base rate of 3.00%	98	2	-	100	66,666,666	66,666,666	-	1.85	3.73
CHEMICALS												
Ghani Chemical Industries Limited (A-, PACRA, non-traded) (Face value of 50,000 per certificate)	Quarterly	February 2, 2024	3 months KIBOR plus base rate of 1.00%	564	-	-	564	24,630,864	24,227,221	(403,643)	0.67	1.36
MISCELLANEOUS												
International Brands Limited (AA, VIS, traded) (Face value of 64,353 per certificate)	Monthly	May 5, 2022	3 months KIBOR plus base rate of 0.50%	1,200	-	-	1,200	62,689,880	63,254,624	564,744	1.76	3.54
Total as at March 31, 2021								834,956,175	839,953,758	4,997,584	23.36	47.02
Total as at June 30, 2020								896,843,407	894,239,964	(2,603,443)	0.40	0.72

5.3. GOP Ijarah Sukuk certificates - 'at fair value through profit or loss'

Name of the security	Profit payments / principal redemptions	Maturity date	Profit rate	As at July 1, 2020	Purchases during the period	Sales during the period	As at March 31, 2021	Carrying value as at March 31, 2021	Market value as at March 31, 2021	Unrealised appreciation / (diminution)	Percentage in relation to	
				Number of certificates				(Rupees)			Net assets of the Fund	Total market value of investment
GOP Ijarah Sukuk Certificates	Semi-annually / At maturity	May 29, 2025	Weighted average 6 months T-Bills	150,000,000	560,000,000	-	710,000,000	716,491,001	711,032,000	(5,459,001)	19.77	39.80
Total as at March 31, 2021								716,491,001	711,032,000	(5,459,001)	19.77	39.80
Total as at June 30, 2020								150,000,000	150,405,000	405,000	0.07	0.12

Notes to and forming part of the Condensed Interim Financial Statements

For The Nine Months Ended March 31, 2021

5.4. Certificates of musharakah - 'at fair value through profit or loss'

Name of Investee Company	Profit rate	Maturity date	----- Face value (Rupees) -----				----- (Rupees) -----		Unrealised appreciation / (diminution) as at March 31, 2021	Market value as a percentage of total investments	Market value as a percentage of net assets
			As at July 1, 2020	Purchased during the period	Disposed off / matured during the period	As at March 31, 2021	Carrying value as at March 31, 2021	Market value as at March 31, 2021			
----- % -----											
ORIX Modaraba	6.85%	April 7, 2021	190,000,000	-	-	190,000,000	202,562,483	202,562,484	1	5.63	11.34
Total as at March 31, 2021							202,562,483	202,562,484	1	5.63	11.34
Total as at June 30, 2020							190,000,000	190,000,000	-	0.15	0.08

5.5. Unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'

	Note	March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
Market value of investments		1,786,305,727	1,234,644,964
Carrying value of investments		1,786,508,424	1,236,843,407
		<u>(202,696)</u>	<u>(2,198,443)</u>

6. PAYABLE TO FAYSAL ASSET MANAGEMENT LIMITED - THE MANAGEMENT COMPANY

	Note	March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
----- (Rupees) -----			
Remuneration of the Management Company	6.1	1,477,609	913,508
Sindh sales tax on remuneration of the Management Company	6.2	192,090	118,756
Allocated expenses payable	6.3	1,418,479	558,850
Selling and marketing expenses payable	6.4	3,470,725	3,355,881
Sales load payable		5,696,631	3,465,358
		<u>12,255,534</u>	<u>8,412,353</u>

6.1 As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the offering document subject to the total expense ratio limit.

Keeping in view the maximum allowable threshold, the Management Company has charged remuneration at the following rates:

From July 1, 2020 to July 21, 2020	From July 22, 2020 to July 26, 2020	From July 27, 2020 to August 23, 2020	From August 24, 2020 to February 18, 2021	From February 19, 2021 to March 31, 2021
0.50% of average annual net assets	1.00% of average annual net assets	0.60% of average annual net assets	0.40% of average annual net assets	0.50% of average annual net assets

The remuneration is payable to the Management Company monthly in arrears.

Notes to and forming part of the Condensed Interim Financial Statements

For The Nine Months Ended March 31, 2021

- 6.2** During the period, Sindh sales tax on management remuneration has been charged at the rate of 13% (June 30, 2020: 13%).
- 6.3** In accordance with Regulation 60 of the NBFC Regulations, 2008, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

During the year ended June 30, 2020, the Board of Directors of the Management Company, in its 106th meeting held on April 17, 2020, had given Management Company the discretion for charging allocated expenses on the Fund as it may decide. The Management Company has, therefore, charged allocated expenses keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations, 2008 at the following rates:

From July 1, 2020 to July 21, 2020	From July 22, 2020 to March 31, 2021
0.15% of average annual net assets	0.05% of average annual net assets

- 6.4** The SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) upto a maximum limit approved by the Board of Directors of the Management Company as part of annual plan.

Accordingly, the Management Company has charged selling and marketing expenses based on its discretion (duly authorised by the Board of Directors) while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations, 2008 at the following rates:

From July 1, 2020 to July 21, 2020	From July 22, 2020 to November 22, 2020	From November 23, 2020 to March 31, 2021
0.70% of average annual net assets	0.30% of average annual net assets	0.45% of average annual net assets

7. ACCRUED AND OTHER LIABILITIES	Note	March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
		----- (Rupees) -----	
Provision for Sindh Workers' Welfare Fund	7.1	11,552,613	8,161,353
Provision for Federal Excise Duty and related			
Sindh Sales Tax on management fee	7.2	5,271,869	5,271,869
Auditors' remuneration payable		519,045	486,271
Transaction charges payable		984,129	210,078
Withholding, capital gain tax payable & Zakat payable		1,149,267	6,075,113
Legal and professional charges payable		313,119	144,279
Printing charges payable		121,523	142,755
Listing Fee		2,143	-
Other payable		3,023,726	291,141
		<u>22,937,434</u>	<u>20,782,859</u>

Notes to and forming part of the Condensed Interim Financial Statements

For The Nine Months Ended March 31, 2021

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

Had the provision for SWWF not been recorded in these condensed interim financial statements of the Fund, the net asset value of the Fund as at March 31, 2021 would have been higher by Re. 0.3481 per unit (June 30, 2020: Re. 0.38 per unit).

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

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

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

Notes to and forming part of the Condensed Interim Financial Statements

For The Nine Months Ended March 31, 2021

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs. 5.272 million (June 30, 2020: Rs. 5.272 million) is being retained in these condensed interim financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED and related Sindh sales tax not been made, the net asset value of the Fund as at March 31, 2021 would have been higher by Re 0.1589 (June 30, 2020: Re 0.24) per unit.

8. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2021 and June 30, 2020.

9 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the period ended March 31, 2021 is 1.28% which includes 0.22% representing government levies, Sindh Workers' Welfare Fund, the SECP fee, etc. The same is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an income scheme.

10 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 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the NBFC Regulations, 2008, the Fund is required to distribute not less than 90 percent of its accounting income for the period derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2021 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

11 EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed in these condensed interim financial statements as, in the opinion of the management, determination of weighted average number of outstanding units for calculating EPU is not practicable.

Notes to and forming part of the Condensed Interim Financial Statements

For The Nine Months Ended March 31, 2021

12 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

12.1 Connected persons and related parties include Faysal Asset Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Management Company, Faysal Asset Management Limited - Staff Provident Fund, Faysal Asset Management Limited - Staff Gratuity Fund, Faysal Bank Limited, Faysal Bank Limited - Staff Provident Fund, Faysal Bank Limited - Staff Gratuity Fund and other entities under common management and / or directorship and the directors and officers of the Management Company and the Trustee, key management personnel, other associated undertakings and unit holders holding more than 10 percent or more units / net assets of the Fund.

12.2 Transactions with connected persons are executed on an arm's length basis and essentially comprise of sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

12.3 The details of transactions carried out by the Fund with connected persons during the period and balances with them as at period / year end are as follows:

	Nine months ended March 31	
	2021	2020
	(Un-audited)	(Un-audited)
	----- (Rupees) -----	
Faysal Asset Management Limited (the Management Company)		
Remuneration of the Management Company	11,554,430	13,854,886
Sindh sales tax on remuneration of the Management Company	1,502,076	1,801,135
Allocated expenses	1,418,478	-
Selling and marketing expenses	9,969,931	2,347,522
Units issued: 3,137,256 units (2020: Nil units)	325,948,836	-
Units redeemed: 3,137,256 units (2020: Nil units)	326,465,382	-
Faysal Bank Limited (Group company / Associated company)		
Profit on balance with bank	30,049,564	7,906,732
Bank charges	1,393	-
Units redeemed: Nil units (2020: 1,747,064 units)	-	180,000,000
Central Depository Company of Pakistan Limited (the Trustee)		
Remuneration to Central Depository Company of Pakistan Limited - the Trustee	1,890,080	944,419
Sindh sales tax on remuneration of the Trustee	246,114	122,774
CDC-Trustee Faysal Islamic Financial Planning Fund - Faysal Shariah Capital Preservation Plan III		
Units issued: 6,015,978 units (2020: Nil units)	625,000,000	-
Units redeemed: 6,015,978 units (2020: Nil units)	625,601,598	-
Unit Holders holding 10% or more units		
Units issued: Nil units (2020: 2,602 units)	-	284,612

* Unit holders also holds 10% ore more units in the Fund

Notes to and forming part of the Condensed Interim Financial Statements

For The Nine Months Ended March 31, 2021

	March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
	----- (Rupees) -----	
Amounts / balances outstanding as at period end:		
Faysal Asset Management Limited - Management Company		
Remuneration payable to the Management Company	1,477,609	913,508
Sindh sales tax on remuneration payable to the Management Company	192,090	118,756
Allocated expenses payable	1,418,479	558,850
Selling and marketing expenses payable	3,470,725	3,355,881
Sales load	5,696,631	3,465,358
Faysal Bank Limited (Group company / Associated company)		
Balance with bank	766,112,124	789,517,367
Profit receivable on balance with bank	8,443,395	2,810,694
Units in issue: 1,821,335 units (June 30, 2020: 1,821,335 units)	197,378,074	187,925,345
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable to the Trustee	221,641	137,026
Sindh sales tax on remuneration of the Trustee	29,218	17,813
Security deposit	100,000	100,000
Faysal Bank Limited - Staff Provident Fund *		
Units in issue: 4,233,425 units (June 30, 2020: 4,233,524 units)	458,787,051	436,815,042
Faysal Bank Limited - Staff Gratuity Fund		
Units in issue: 2,194,914 units (June 30, 2020 : 2,194,914 units)	237,862,824	226,471,220

* Unit holders also holds 10% ore more units in the Fund

13 FAIR VALUE MEASUREMENT

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. Consequently, differences can arise between carrying values and the fair value estimates.

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.

Financial assets which are tradable in an open market are revalued at the market prices prevailing at the reporting date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

Notes to and forming part of the Condensed Interim Financial Statements

For The Nine Months Ended March 31, 2021

13.1 Fair value hierarchy

International Financial Reporting Standard 13, 'Fair value measurement' requires the Fund to classify assets 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:

- Level 1: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities.
- Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at March 31, 2021 and June 30, 2020, the Fund held the following financial instruments measured at fair value:

As at March 31, 2021			
Un-audited			
Level 1	Level 2	Level 3	Total
----- (Rupees) -----			

Financial assets 'at fair value through profit or loss'

Listed equity securities	27,342,700	-	-	27,342,700
Corporate sukuk certificates	-	839,953,758	-	839,953,758
GOP Ijarah sukuk certificates	-	711,032,000	-	711,032,000
Certificates of musharakah*	-	202,562,484	-	202,562,484
	<u>27,342,700</u>	<u>1,753,548,241</u>	<u>-</u>	<u>1,780,890,941</u>

As at June 30, 2020			
Audited			
Level 1	Level 2	Level 3	Total
----- (Rupees) -----			

Financial assets 'at fair value through profit or loss'

Corporate sukuk certificates	-	894,239,964	-	894,239,964
GOP Ijarah sukuk certificates	-	150,405,000	-	150,405,000
Certificates of musharakah*	-	192,792,194	-	192,792,194
	<u>-</u>	<u>1,237,437,158</u>	<u>-</u>	<u>1,237,437,158</u>

Notes to and forming part of the Condensed Interim Financial Statements

For The Nine Months Ended March 31, 2021

- * The carrying value of these securities approximate their fair value since these are short term in nature and are placed with counter parties which have high credit ratings.

14 CORRESPONDING FIGURES

Corresponding figures have been re-classified and re-arranged in these condensed interim financial statements, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications have been made in these condensed interim financial statements during the period, except for the following:

Reclassification from the statement of assets and liabilities	Reclassification to the statement of assets and liabilities	June 30, 2020 (Rupees)
Investments - at fair value through profit or loss	Deposits, prepayments and other receivables	2,792,194

15 GENERAL

15.1 Figures have been rounded off to the nearest rupee.

15.2 Impact of COVID-19

The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts. The Securities and Exchange Commission of Pakistan (SECP) had provided the following relaxation to CISs operating in Pakistan for classification of debt security for a specified period of time commencing from April 9, 2020 and expired on March 31, 2021.

- The timeline for classification of debt security as non performing has been extended from 15 days to 180 days overdue.

The Management Company is closely monitoring the situation and has invoked required actions to ensure safety and security of the staff and an uninterrupted service to the customers. Business Continuity Plans (BCP) for respective areas are in place and tested. The Management Company has significantly enhanced monitoring for all cyber security risk during these times from its information security protocols. The remote work capabilities were enabled for critical staff and related risk and control measures were assessed to make sure they are fully protected using virtual private network ("VPN") connections. Further, the Management Company has also ensured that its remote access systems are sufficiently resilient to any unwanted cyber-attacks.

The Management Company has made an assessment of COVID-19 on the credit risk and liquidity risk and believes that there is no significant impact on the Fund.

Notes to and forming part of the Condensed Interim Financial Statements

For The Nine Months Ended March 31, 2021

16 DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on 19 April 2021 by the Board of Directors of the Management Company.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Head Office

West wing, 7th Floor, Faysal House, ST-02,
Shahrah-e-Faisal, Karachi, Pakistan.

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