



INVESTMENTS

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786 INVESTMENTS LIMITED



786 SMART FUND

**FOR THE QUARTER ENDED
30 SEPTEMBER 2020
(UN-AUDITED)**

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CORPORATE INFORMATION

Management Company	786 Investments Limited G-3 Ground Floor, B.R.R. Tower, Hassan Ali Street, Off I.I. Chundrigar Road, Karachi - 74000 Pakistan Tel: (92-21) 32603751-54 Email: info@786investments.com Website: www.786investments.com	
Board of Directors	Ms. Shafqat Sultana Miss Tara Uzra Dawood Ms. Charmaine Hidayatullah Mr. Ahmed Salman Munir Syed Shabahat Hussain Mr. Tahir Mehmood Syed Farhan Abbas	Chairperson Chief Executive Officer Director Director Director Director Director
Chief Financial Officer & Company Secretary	Mr. Noman Shakir	
Audit Committee	Syed Shabahat Hussain Mr. Tahir Mehmood Syed Farhan Abbas	Chairman Member Member
Human Resource Committee	Ms. Shafqat Sultana Miss Tara Uzra Dawood Mr. Tahir Mehmood	Chairperson Member Member
Trustee:	MCB Financial Services Limited 4th Floor, Pardasi House, 2/1 R-Y old Queens Road, Karachi	
Auditors	Grant Thornton Anjum Rahman Chartered Accountants	
Legal Advisor	Rauf & Ghaffar Law Associates (Advocates & Consultants) Suite # 65, 5th Floor, Fareed Chamber, Abdullah Haroon Road, Saddar – Karachi, Pakistan.	
Registrars	F.D. Registrar Services (Pvt.) Ltd. Office# 1705, 17th Floor Saima Trade Tower. A, I.I. Chundrigar Road, Karachi-74000, Pakistan.	
Banker:	Dubai Islamic Bank	
Rating	PACRA: AA-(f)	



DIRECTORS' REPORT FOR THE QUARTER ENDED SEPTEMBER 30, 2020

The Board of Directors of 786 Investments Limited "786 or the Company" the Management Company of **786 Smart Fund** (Formerly Dawood Income Fund), I am pleased to present financial statements for the quarter ended September 30, 2020.

Economic Review:

The policy decisions are taken by the government after the Covid-19 Pandemic has resulted in an improvement in the macroeconomic landscape. The country recorded another current account surplus in Aug-20 on the back of a controlled trade deficit and strong remittances growth. The current account surplus along with flows from multilateral and bilateral sources has shored up our reserves to USD 19.5 billion which has helped the local currency to depict strength. The Current Account surplus for the month of Aug-20 attains to USD 297 million, taking two months of FY21 cumulative surplus to USD 805 million compared to the current account deficit of USD 1.2 billion during the same period last year.

The improvement in CAD is primarily driven by record remittance growth and decline in trade and service deficit. The focus would remain on covid-19 numbers and the policy actions taken by the government to control the fallout from the pandemic.

Going forward, we foresee tough economic environment to continue with sluggish business activities and inflationary pressures. The focus would remain on meeting FATF requirements, fiscal management and government compliance with the IMF quarterly targets.

Money Market Review:

During the month of Sep-20, SBP conducted two T-bills auctions with a target of PKR 800 billion against the maturity of PKR 1,098 billion. The government accepted a cumulative PKR of 2.8 billion. The cut-off yields were 8.20%, 8.45%, 8.99%, and 10.5498% for the 3Y, 5Y, 10Y, and 20Y tenor. The government accepted PKR 217.7 billion in the PIB Floater Auction in the month through two PIB Auctions. On the Islamic Front, government-issued Fixed Government Ijara Sukuk at 8.41% and raised PKR 5.8 billion against the target of PKR 15 billion.

During Sep-20, secondary market yields of shorter duration remained flattish while yields of longer duration bonds increased by an average of 30bps due to the status quo in the monetary policy announced during the month.

Fund Performance

As at September 30, 2020, net assets were Rs. 603.35 million as compared to Rs. 626.50 million as at June 30, 2020. The Fund's total income during the period stands at Rs. 11.081 million as opposed to income of Rs. 17.021 million. Total expenses were Rs. 3.47 million as compared to Rs. 2.74 million in the same period last year. The Net Asset Value (NAV) per unit increased from Rs. 81 to Rs. 81.89 during the period.

Acknowledgement

The Directors wish to express their gratitude to the Securities & Exchange Commission of Pakistan and other regulatory bodies for their valuable support, assistance and guidance. The Board also thanks the employees of the Asset Management Company, the Trustee for their dedication and hard work and the unit holders for their confidence in the Management.

---SD---

Director

---SD---

Shafqat Sultana
Chairperson

ڈائریکٹرز کی رپورٹ

786 سمارٹ فنڈ (سابقہ ڈاؤڈاؤ اڈا کم فنڈ) کی منجمنت کمپنی، 786 انویسٹمنٹ لمیٹڈ (786 یا ڈی کمپنی) کے بورڈ آف ڈائریکٹرز 30 ستمبر 2020 کو ختم ہونے والی سرمایہ کے مالیاتی گھنٹوارے پیش کرتے ہوئے خوش محسوس کرتے ہیں۔

اقتصادی جائزہ

کوویڈ 19 وبائی بیماری کے بعد حکومت کی طرف سے کیے گئے پالیسی فیصلوں کے نتیجے میں معاشی منظر نامے میں بہتری آئی ہے۔ ملک میں تجارتی خسارے پر کنٹرول اور ترسیلات زر کی مضبوط نمونہ کے باعث اگست 20 میں کرنٹ اکاؤنٹ سرپلس ریکارڈ کیا گیا۔ کرنٹ اکاؤنٹ سرپلس کے ساتھ ساتھ بیرونی تجارتی اور دو طرفہ ذرائع کے بہانے ہمارے ذخائر کو بڑھا کر 19.5 بلین ڈالر کر دیا ہے جس سے مقامی کرنسی کو مضبوط کرنے میں مدد ملی ہے۔ کرنٹ اکاؤنٹ سرپلس اگست 20 کے مہینے میں 297 ملین امریکی ڈالر تک پہنچ گیا ہے، مالی سال 21 کے دو ماہ کا مجموعی سرپلس 805 ملین امریکی ڈالر ہو گیا جبکہ پچھلے سال کے اسی عرصے کے دوران یہ 1.2 بلین امریکی ڈالر کرنٹ اکاؤنٹ خسارہ تھا۔

اسی اے ڈی میں بہتری بنیادی طور پر ریکارڈ ترسیلات زر کی نمو اور تجارت اور خدمات کے خسارے میں کمی کی وجہ سے ہوئی ہے۔ covid-19 کی تعداد پر توجہ مرکوز رہی اور اس وبائی بیماری سے ہونے والی خرابی کو روکنے کے لئے حکومت کی طرف سے پالیسی اقدامات اٹھائے گئے۔

آگے بڑھتے ہوئے، ہم سہ کاروباری سرگرمیوں اور ہنگامی کا باڈی جاری رہنے کے باعث سخت معاشی ماحول دیکھتے ہیں۔ ایف آئی ایف کے تقاضوں کو پورا کرنے، مالی انتظام اور آئی ایم ایف کے سرماہی اہداف کے ساتھ حکومت کی تعمیل پر توجہ مرکوز رہے گی۔

مٹی مارکیٹ کا جائزہ:

20 ستمبر مہینے کے دوران، اسٹیٹ بینک آف پاکستان نے دو بی بی بیٹا میاں منعقد کیں جس میں 1,098 بلین روپے کی بیچروٹی کے عوض 800 بلین روپے کا ہدف مقرر کیا۔ حکومت نے مجموعی 2.8 بلین روپے قبول کیے۔ 3 سال، 5 سال، 10 سال اور 20 سال کی مدت کے لئے کٹ آف پیداوار 8.20 فیصد، 8.45 فیصد، 8.99 فیصد اور 10.5498 فیصد تھی۔ حکومت نے بی بی بیٹا میاں میں 217.7 بلین روپے کی منظوری دو بی بی بیٹا میاں کے ذریعے مہینے میں دی۔ اسلامی حجاز پر حکومت نے 8.41 فیصد پر فیکڈ گورنمنٹ اجارہ سکوک جاری کیے اور 15 بلین روپے ہدف کے مقابلہ میں 5.8 بلین روپے جمع کیے۔

20 ستمبر کے دوران، ثانوی مارکیٹ میں مختصر مدت کی پیداوار خوش گوار رہی جبکہ طویل مدتی بانڈز کی پیداوار میں اوسطاً 30 بی بی ایس کا اضافہ ہوا جس کے باعث مہینے میں اعلان کردہ مانیٹری پالیسی میں جمود رہا۔

کمپنی کی کارکردگی:

30 جون 2020 کو 626.50 بلین روپے کے مقابلے 30 ستمبر 2020 کو خالص اثاثے 603.35 بلین روپے رہے۔ گزشتہ سال کی اسی مدت میں 17.02 بلین روپے آمدنی کے برعکس موجودہ مدت کے دوران فنڈ کی کل آمدنی 11.081 بلین روپے رہی۔ گزشتہ سال کی اسی مدت میں 2.74 بلین روپے کے مقابلے کل اخراجات 3.47 بلین روپے ہوئے۔ مدت کے دوران فی یونٹ خالص اثاثے کی قیمت (NAV) 81 روپے سے بڑھ کر 81.89 روپے ہو گئی۔

اتھارٹیز

منجمنت کمپنی کے بورڈ آف ڈائریکٹرز قابل قدر معاونت، مدد اور رہنمائی پر سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور پاکستان اسٹاک ایکسچینج لمیٹڈ کی انتظامیہ کے شکرگزار ہیں۔ ڈائریکٹرز عزم، لگن اور محنت پر کمپنی کے ملازمین اور انتظامیہ کا اور کمپنی میں اہتمام پر شیئرز ہولڈرز کا بھی شکریہ ادا کرتے ہیں۔

---SD---

ڈائریکٹر

---SD---

شفقت سلطانہ
چیئر پرسن

**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UNAUDITED)
AS AT 30 SEPTEMBER 2020**

		Un-Audited 30 September 2020	Audited 30 June 2020
	Note	-----Rupees-----	
Assets			
Balances with Banks	5	528,054,831	548,128,655
Investments	6	81,723,738	86,625,682
Accrued Income/Profit	7	4,336,435	5,670,500
Security Deposits	8	150,000	6,150,000
Advance Income Tax	16	7,923,448	7,923,448
Total Assets		622,188,452	654,498,285
Liabilities			
Payable to 786 Investments Limited - Management Company	9	2,445,787	2,308,585
Payable to MCB Financial Services Limited - Trustee	10	84,011	85,649
Payable to Securities and Exchange Commission of Pakistan	11	30,699	124,256
Unclaimed Dividend		920,941	5,738,576
Accrued Expenses and Other Liabilities	12	15,350,309	19,737,481
Total Liabilities		18,831,747	27,994,547
Contingencies and Commitments	13		
Net Assets		603,356,705	626,503,738
Unit Holders' Funds		603,356,705	626,503,738
		(Number)	
Number of Units in Issue	14	7,367,461	7,734,563
		(Rupees)	
Net Assets Value per Unit		81.89	81.00

The annexed notes from 1 to 19 form an integral part of these financial statements.

----SD----

Chief Executive Officer

For 786 Investments Limited
(Management Company)

----SD----

Chief Financial Officer

----SD----

Director

**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

		Quarter Ended 30 September 2020	Quarter Ended 30 September 2019
	Note	-----Rupees-----	
Income			
Income from Investments and Balances with Banks	15	11,081,428	12,829,751
Reversal of Impairment on Investment At Fair Value Through Other Comprehensive Income	6.1.1	-	4,188,789
Other Income		-	2,140
		11,081,428	17,020,680
Expenses			
Remuneration to the Management Company	9.1	2,302,325	1,603,072
Sindh Sales Tax on Remuneration to the Management Company	9.2	299,302	208,398
Accounting and Operational Charges	9.3	153,488	106,871
Remuneration to the Trustee	10.1	230,231	160,306
Sindh Sales Tax on Trustee Fee	10.2	29,931	20,839
Annual Fee to Securities & Exchange Commission of Pakistan	11	30,699	21,375
Auditor's Remuneration		114,887	143,450
Fees and Subscription		40,577	37,913
Securities Transactions Cost		28,888	3,059
Printing and Related Charges		12,603	12,603
Legal and Professional Charges		76,484	56,864
Provision for Sindh Workers' Welfare Fund	12.1	155,213	292,792
Withholding Taxes - Written Off		-	76,500
Bank Charges		336	3,009
		3,474,964	2,747,051
Net Income for the Period Before Taxation		7,606,464	14,273,629
Taxation	16	-	-
Net Income for the Period After Taxation		7,606,464	14,273,629
Allocation of Net Income for the Period			
Net Income for the Period		7,606,464	14,273,629
Income Already Paid on Units Redeemed		(121,557)	(1,293,540)
Accounting Income Available for Distribution:		7,484,907	12,980,089
Relating to Capital Gain		-	-
Excluding Capital Gain		7,484,907	12,980,089
		7,484,907	12,980,089

The annexed notes from 1 to 19 form an integral part of these financial statements.

For 786 Investments Limited
(Management Company)

----SD----
Chief Executive Officer

----SD----
Chief Financial Officer

----SD----
Director



**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

		Quarter Ended 30 September 2020	Quarter Ended 30 September 2019
Note		-----Rupees-----	
Net Income for the Period after Taxation		7,606,464	14,273,629
<i>Items That Have Been Or May Be Re-Classified Subsequently to the Income Statement</i>		-	-
Unrealized Gain on Revaluation of Investments Classified As Fair Value Through Other Comprehensive Income - Net	6.4	(901,944)	(130,840)
		(901,944)	(130,840)
Total Comprehensive Income for the Period		6,704,520	14,142,789

The annexed notes from 1 to 19 form an integral part of these financial statements.

----SD----

Chief Executive Officer

For 786 Investments Limited
(Management Company)

----SD----

Chief Financial Officer

----SD----

Director

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	30 September 2020				30 September 2019			
	-----Rupees-----				-----Rupees-----			
	Capital value	(Accumulated loss)/ Undistributed income	Unrealized (loss)/ gains on investment	Total	Capital value	(Accumulated loss)/ Undistributed income	Unrealized gains on investment	Total
Net Assets At Beginning of the Year	766,034,989	(140,531,735)	1,000,484	626,503,738	587,946,959	(142,977,620)	722,434	445,691,773
Issue of 8,863 Units (2019: 14,105 Units)								
- Capital Value (At Net Asset Value Per Unit At the Beginning of the Period)	717,893	-	-	717,893	1,134,633	-	-	1,134,633
- Element of Income	5,265	-	-	5,265	2,283	-	-	2,283
Total Proceeds on Issuance of Units	723,158	-	-	723,158	1,136,916	-	-	1,136,916
Redemption of 375,965 Units (2019: 892,695 Units)								
- Capital Value (At Net Asset Value Per Unit At the Beginning of the Period)	30,453,315	-	-	30,453,315	(71,802,645)	-	-	(71,802,645)
- Amount Paid Out of Element of Income	-	(121,557)	-	(121,557)	-	(1,293,540)	-	(1,293,540)
- Refund/Adjustment on Units As Element of Income	(60,906,468)	-	-	(60,906,468)	(654)	-	-	(654)
Total Payments on Redemption of Units	(30,453,153)	(121,557)	-	(30,574,711)	(71,803,299)	(1,293,540)	-	(73,096,839)
Net Income for the Period Before Taxation		7,606,464		7,606,464		14,273,629		14,273,629
Other Comprehensive Income			(901,944)	(901,944)			(130,840)	(130,840)
	-	7,606,464	(901,944)	6,704,520	-	14,273,629	(130,840)	14,142,789
Net Assets At End of the Period	736,304,994	(133,046,828)	98,540	603,356,705	517,280,576	(129,997,531)	591,594	387,874,639
Undistributed (Loss)/Income Brought Forward								
- Realized Loss		(140,531,735)				(142,977,620)		
- Unrealized Income		-				-		
		(140,531,735)				(142,977,620)		
Accounting Income Available for Distribution								
- Relating to Capital Gain		-				-		
- Excluding Capital Gain		7,484,907				12,980,089		
		7,484,907				12,980,089		
Distribution During the Period								
Undistributed Loss Carried Forward		(133,046,828)				(129,997,531)		
Undistributed (Loss) Carried Forward								
- Realized Loss		(133,046,828)				(129,997,531)		
- Unrealized Income		-				-		
		(133,046,828)				(129,997,531)		
Net Assets Value Per Unit At Beginning of the Year		81.00				80.43		
Net Assets Value Per Unit At End of the Period		81.89				83.19		

The annexed notes from 1 to 19 form an integral part of these financial statements.

**For 786 Investments Limited
(Management Company)**

----SD-----
Chief Executive Officer

----SD-----
Chief Financial Officer

----SD-----
Director

**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	Quarter Ended 30 September 2020	Quarter Ended 30 September 2019
Note	-----Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income for the Period Before Taxation	7,606,464	14,273,629
Adjustments For:		
Net Realized Loss on Sale of Investments	-	-
Markup/Interest Income on Bank Balances and Investments	(11,081,428)	(12,829,751)
Reversal of Impairment on Investment At Fair Value Through Other Comprehensive Income	-	(4,188,789)
Provision for Sindh Workers' Welfare Fund	155,213	292,792
Operating Loss Before Working Capital Changes	(10,926,215)	(16,725,748)
(Increase)/Decrease In Assets		
Deposits and Prepayments	6,000,000	(20,569)
Advance Income Tax	-	73,763
	6,000,000	53,194
Increase/(Decrease) In Liabilities		
Payable to the Management Company	137,202	(40,128)
Payable to the Trustee	(1,638)	(14,391)
Annual Fee Payable to Securities and Exchange Commission of Pakistan	(93,557)	(333,540)
Dividend Payable	(4,817,635)	-
Accrued Expenses and Other Liabilities	(4,542,385)	(946,170)
	(9,318,013)	(1,334,229)
Proceeds From Investments - Net	4,000,000	7,188,789
Markup/Interest Income Received on Investments and Balances With Banks	12,415,493	14,126,115
Net Cash Generated From Operating Activities	9,777,729	17,581,750
CASH FLOWS FROM FINANCING ACTIVITIES		
Amounts Received Against Issue of Units	723,158	1,136,916
Payment Made Against Redemption of Units	(30,574,711)	(73,096,839)
Dividend Paid	-	-
Net Cash Generated From Financing Activities	(29,851,553)	(71,959,923)
Net Increase In Cash and Cash Equivalents	(20,073,824)	(54,378,173)
Cash and Cash Equivalents At Beginning of the Year	548,128,655	331,391,795
Cash and Cash Equivalents At End of the Period	528,054,831	277,013,622

The annexed notes from 1 to 19 form an integral part of these financial statements.

For 786 Investments Limited
(Management Company)

----SD----
Chief Executive Officer

----SD----
Chief Financial Officer

----SD----
Director

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Dawood Income Fund (the Fund) was established under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules). The Fund was constituted under a Trust Deed executed on April 08, 2003 between 786 Investments Limited as Management Company and Bank AL-Habib Limited (BAHL) as Trustee. In June 2011, BAHL retired and MCB Financial Services Limited (MCBFSL) was appointed as the new trustee of the Fund and the name of the Fund was also changed from "Dawood Money Market Fund" to "Dawood Income Fund". These changes, after necessary regulatory approvals, were duly incorporated in the Trust Deed of the Fund by way of First Supplemental Trust Deed. On January 20, 2017, the Management Company has changed its name to 786 Investments Limited after completing regulatory formalities. The registered office of the Management Company is situated at G3, Ground floor, B.R.R Tower, Hassan Ali Street, I.I Chundrigar Road, Karachi, Pakistan.

During the year ended June 30, 2020, the name of Dawood Income Fund has been changed to 786 Smart Fund with the approval of SECP vide its letter number SCD/AMCW/786RSF/147/2018, dated October 29, 2018, in compliance of regulation 44(6) of the Non Banking Finance Companies and Notified Entities regulations 2008.

- 1.2 The Fund is an open end mutual Fund and is listed on Pakistan Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering them to the Fund.
- 1.3 The principal activity of the Fund is to make investment in spread transactions and debt based securities including government securities, commercial papers and other money market instruments and placement of Funds.
- 1.4 Title to the assets of the Fund are held in the name of MCBFSL as the Trustee of the Fund (except for term finance certificate of New Allied industries limited as mentioned in note 6.3.1 which is a non-performing term finance certificate hence being unable to be transferred until final settlement, which is held in the name of BAHL being the previous Trustee of the Fund).
- 1.5 The Fund is categorized as "Shariah complaint islamic scheme" in accordance with circular no. 07 of 2009 issued by the Securities and Exchange Commission of Pakistan (SECP).
- 1.6 The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of "AM3" to the Management Company as at December 27, 2019 and stability rating of "AA-(f)" to the Fund as at April 27, 2020.
- 1.7 During the Last Year, the SECP vide its letter reference No: SCD/AMCW/786IL/153/2019 dated December 02, 2019 granted approval under regulation 58(1)(m) of Non -Banking finance companies and notified entities regulations, 2008 (NBFC Regulations, 2008) read with circular no: 20 of June 23, 2009 for the merger of 786 Rising Star Fund (786RSF), First Dawood Mutual Fund (FDMF) with and into 786 Smart Fund (786SF) surviving scheme in terms of scheme of merger as approved by the board of directors of 786 investments limited and the unit holders of the respective scheme of merger in their general meeting held on September 23, 2019 and October 16, 2019 respectively. The merger, as per the above referred "scheme", is effective as of December 20, 2019.

2 SUMMARY OF SIGNIFICANT TRANSACTIONS AND EVENTS

Merger of the 2 Funds, Rising Star Fund and First Dawood Mutual Fund took place during the year, the details of which are disclosed in the note 2.1 of the financial statements.

2.1 MERGER

The merging schemes stood merged with and into the surviving scheme on the basis of swap ratio calculated on the basis of net asset values (NAV) of the merging and the surviving schemes at the close of the business day on December 19, 2019 (the day immediately preceding the effective date of merger). For one unit of 786 Rising Star Fund (786RSF) 1.256 units of 786 Smart Fund (786SF) were issued and for one unit of First Dawood Mutual Fund (FDMF) 0.2044 units of 786 Smart Fund (786SF) were issued. Assets and liabilities of 786 Rising Star Fund (RSF) and First Dawood Mutual Fund (FDMF) have been recorded / merged at the fair value as of the merging date.

The swap ratios for the merging Funds based on the net assets as of December 19, 2019 for every unit is as follow:

Fund Name	Previous Units	Swap ratio	Units allotted
786 Rising Star Fund	974,266	1.2566	1,224,246
First Dawood Mutual Fund	6,160,807	0.2044	1,259,050

None of the operations, resulting from the business combination are being disposed off. The whole of the undertaking 786 Rising Star Fund (786RSF) and First Dawood Mutual Funds (FDMF) which includes all assets, rights, liabilities, bank balances, obligations, mandates, undertaking, securities, contracts documents, record etc. were transferred to and vested in 786 Smart Fund (786SF) from December 20, 2019 ("Effective Date of Merger"). Accordingly, the balances as of December 19, 2019 for 786 Rising Star Fund (786RSF), First Dawood Mutual Fund (FDMF) are as follows:

Description	786 Rising Star Fund	First Dawood Mutual Fund
Assets	107,015,830	116,526,613
Less: Liabilities	(2,042,844)	(8,569,389)
Net Assets	104,972,986	107,957,224

The summarised results of the merging Funds before amalgamation for the period from June 30, 2019 to December 19, 2019 included in these condensed interim financial statements as follows:

Fund Name	786 Rising Star Fund	First Dawood Mutual Fund
Realised Income	4,973,231	2,978,495
Unrealised loss on investment - net	(1,646)	-
Total income	4,971,585	2,978,495
Total expenditure	(1,526,379)	(1,861,758)
Net Income	3,445,206	1,116,736

As a result of merger, an appropriate number of units of 786 smart fund (786SF) (based on swap ratio) were issued to those eligible persons whose names appeared in the register of unit holders of 786 Rising Star Fund (786RSF) and First Dawood Mutual Fund (FDMF) as at the close of business day on December 19, 2019 (the day immediately preceding the effective date of merger) without charge of any load by the management. Upon the allotment of units of 786 Smart Fund (786SF) to the eligible persons, all units representing their holding in 786 Rising Star Fund (786RSF) and First Dawood Mutual Fund (FDMF) stood cancelled.

3 BASIS OF PREPARATION

3.1 Statement of Compliance

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

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

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 and the requirement of the Trust Deed differ from the IFRS, the provision of and the directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and the requirement of the Trust Deed have been followed.

3.2 Basis of Measurement

These financial statements have been prepared under the historical cost convention except for investments which are valued at fair value as stated in notes 6.1, 6.2 and 6.3 below.

3.3 Functional and Presentation Currency

These financial statements are presented in Pakistani Rupees which is the Fund's functional and presentation currency. All amount have been rounded off to the nearest rupees unless otherwise indicated.

4 ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and 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 result of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis.

		Un-Audited	Audited
		30 September	30 June
		2020	2019
5 BALANCES WITH BANKS	Note	-----Rupees-----	
-Saving Accounts	5.1	<u>528,054,831</u>	<u>548,128,655</u>

5.1 Profit rates on PLS saving accounts ranges from 5% to 7% as at June 30, 2020 (June 30, 2020: 4.5% to 11%) per annum.

		Un-Audited	Audited
		30 September	30 June
		2020	2020
6 INVESTMENTS	Note	-----Rupees-----	
At Fair Value through Other Comprehensive Income			
Listed - Term Finance Certificates	6.1	-	-
Unlisted - Sukuk certificates	6.2	<u>81,723,738</u>	<u>86,625,682</u>
		<u>81,723,738</u>	<u>86,625,682</u>

6.1 At Fair Value through Other

Note

As at July 01, 2020	Acquired during the Period	Matured/ Disposed During the Period	As at September 30, 2020	Cost/ Carrying Value	Market Value	% of Total Investment
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Number of certificates

Rupees

Comprehensive Income

Listed - Term finance certificates

Face Value of Rs. 5,000/- Each

Construction and Material

Dewan Cement Company Limited	6.1.1	14,242	-	-	14,242	71,209,413	-	-
Provision Held	6.3					(71,209,413)		
						-	-	

- 6.1.1 Dewan cement limited (DCL) is classified as non-performing by MUFAP. Accordingly, the security has been fully provided in accordance with the requirements of SECP's circular No. 1 of 2009 and the board's approved provisioning policy. The Fund has entered into a compromise agreement with DCL on May, 09 2016 whereby the remaining debt will be paid in thirty one equal quarterly installments in arrears. The Fund has suspended mark-up there against.

6.2 At Fair Value through Other

As at July 01, 2020	Acquired during the Period	Matured/ Disposed During the Period	As at September 30, 2020	Cost/ Carrying Value	Market Value	% of Total Investment
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Number of Certificates

Rupees

Comprehensive Income

Unlisted - Term Finance Certificates

Face Value of Rs. 2,207/- Each

Cable and Electric Goods

New Allied Industries Limited	6.3.1	11,523	-	-	11,523	25,433,190	-	-
Provision Held	6.3					(25,433,190)		
New Allied Industries Limited	6.3.2	3,417	-	-	3,417	7,222,749	-	-
Provision Held	6.3					(7,222,749)		
						-	-	

	As at July 01, 2020	Acquired during the Period	Matured/ Disposed During the Period	As at September 30, 2020	Cost/ Carrying Value	Market Value	% of Total Investment
At Fair Value through Other Comprehensive Income	Note			Number of certificates	Rupees		
Unlisted - Sukuk Certificates							
Face Value of Rs. 1,000,000/- Each							
Cable and Electric Goods							
TPL Corporation Limited	6.3.3	15	-	15	11,250,000	11,250,000	14%
Commercial Bank							
Dubai Islamic Bank Limited	6.3.4	26	-	26	26,682,088	26,655,200	33%
Engineering							
Agha Steel Industries Limited	6.3.5	15	-	15	15,000,000	14,346,135	18%
Face Value of Rs. 100,000/- Each							
Fertilizers							
Dawood Hercules Corporation Limited	6.3.6	400	-	400	28,583,158	28,360,388	35%
Fatima Fertilizer Company Limited	6.3.7	736	-	736	1,110,436	1,112,015	1%
Face Value of Rs. 2,933/- Each							
Eden Housing Limited	6.3.8	2,933	-	2,933	2,887,171	-	-
Provision Held	6.3				(2,887,171)	-	-
Face Value of Rs. 5,000/- Each							
Amtex Limited	6.3.9	6,000	-	6,000	22,500,000	-	-
Provision Held	6.3				(22,500,000)	-	-
<i>balance Carried Forward</i>					82,625,682	81,723,738	
					Note		
					Number of certificates		
					Rupees		
<i>balance brought forward</i>							
					82,625,682	81,723,738	
Face value of Rs. 5,000/-each							
New Allied Electronics Industries (Private) Limited	6.3.11	1,000	-	1,000	5,027,500	-	-
Provision held	6.3				(5,027,500)	-	-
					82,625,682	81,723,738	

6.3 Details of non-compliant investments

The Securities & Exchange Commission of Pakistan (SECP), vide its circular No. 16 dated July 07, 2010, has prescribed certain disclosures for non-compliances, either with the minimum investment criteria specified for the category assigned to the Collective Investment Schemes or with the investment requirements of their constitutive documents.

Name of non compliant investment	Note	Type of Investment	Value of Investment before provision	Provision held if any	Value of Investment after provision	% of net assets	% of Gross Assets
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—————Rupees—————

Dewan Cement Limited - Restructured	6.1.1	Pre-IPO investment	71,209,413	(71,209,413)	-	-	-
New Allied Industries Limited	6.3.1	Term finance certificates	25,433,190	(25,433,190)	-	-	-
New Allied Industries Limited	6.3.2	Term finance certificates	7,222,749	(7,222,749)	-	-	-
New Allied Industries Limited	6.3.11	Sukuk certificates	5,027,500	(5,027,500)	-	-	-
Eden Housing Limited	6.3.8	Sukuk certificates	2,887,171	(2,887,171)	-	-	-
Amtex Limited	6.3.9	Sukuk certificates	22,500,000	(22,500,000)	-	-	-

- 6.3.1** New Allied Electronics Industries Limited defaulted on its payment of principal and mark-up due on December 25, 2008. Consequently, the security was classified as non-performing by MUFAP on January 09, 2009 and accrual on the same was suspended. This security has been fully provided in accordance with the provisioning circulars of SECP and the Board's approved provisioning policy. These TFCs are held in CDC investor account of the previous trustee and will only be transferred upon final settlement.
- 6.3.2** New Allied Electronics Industries (Private) Limited defaulted on its payment of principal and mark-up due on 25 December 2008. Consequently, the security was classified as non-performing by MUFAP on 9 January 2009 and accrual of income on the same was suspended. This security has been fully provided in accordance with the provisioning circulars issued by the SECP and the Board's approved provisioning policy.
- 6.3.3** These sukuk certificates carry profit equal to 1 year KIBOR plus 3% receivable quarterly in arrears and will mature in April 2021. The principal amount is redeemable in four six monthly installments of Rs. 0.25 million per certificate Each commencing from October 2019. These sukuk certificates are secured by hypothecation charge over the hypothecated assets of Rs. 625 million and pledge of shares of TPL Properties Limited in favour of the Trustee of the issuer for the benefit of the certificate holders.
- 6.3.4** These sukuk certificates are unsecured and carry profit equal to 6 month KIBOR plus 0.50% receivable half-yearly in arrears and will mature in July 2027.
- 6.3.5** This is the Pakistan's 1st over the counter listed sukuk issue, priced through competitive bidding process by Agha Steel Industries Limited backed by diminishing musharaka and carry profit equal to 3 month KIBOR plus 0.8% and will completely mature in October 2024. Pak Brunei Limited is appointed as trustee and the issue agent of the sukuk. These sukuk certificates are secured by hypothecation charge over the present and future fixed assets of the issuer in favour of the Trustee of the issuer for the benefit of the certificate holders.
- 6.3.6** These sukuk certificates carry profit equal to 3 month KIBOR plus 1% receivable quarterly in arrears and will mature in February 2023. The instrument is structured to redeem 60% of the issue amount during the first 4 years and remaining 40% in last two equal semi-annual installments of 20% Each. The instrument is secured against pledge of shares of Engro Corporation Limited, inclusive of 50% margin, in a designated CDC account. In the event of any sale and repurchase of security, the trustee will have a lien over subsequent cash, which is to be deposited in a specified bank account and further, floating or hypothecation charge on all present and future assets of the Company inclusive of 25% margin security.

- 6.3.7** These sukuk certificates carry profit equal to 6 month KIBOR plus 1.1% receivable semi-annually in arrears and will mature in 5 years from 28 November 2016. The principal amount is redeemable in ten equal semi-annual instalments from the Ijarah commencement date. These certificates are secured by 1st ranking hypothecation charge of all present and future fixed assets excluding land and building of the issuer with a minimum 25% margin, 1st ranking mortgage over land and building of the issuer with a minimum 25% margin, establishment of and assignment of a Debt Payment Account, assignment over all rights and benefits of the issuer under any and all project insurances and cut-through agreements for reinsurance.
- 6.3.8** Eden Housing Limited defaulted on its payment of principal and mark-up due on April 21, 2011. Consequently, the security was classified as non-performing by MUFAP on May 06, 2011 and accrual on the same was suspended. This security has been fully provided in accordance with the provisioning circulars of SECP and the Board's approved provisioning policy. These sukuks are held in CDC investor account of the Fund.
- 6.3.9** Amtex Limited (Sukuk) defaulted on its payment of principal and mark-up due on December 22, 2010. Consequently, the security was classified as non-performing by MUFAP on January 6, 2011 and accrual of income on the same was suspended. Accordingly, the security has been fully provided in accordance with the provisioning circulars issued by SECP and the board's approved provisioning policy.
- 6.3.10** New Allied Electronics Industries (Private) Limited defaulted on its payment of principal and mark-up due on 27 October 2008. Consequently, the security was classified as non-performing by MUFAP on 9 January 2009 and accrual on the same was suspended. Management has recognised full provision there against and the accrual of income has been suspended in line with provisioning policy of the Fund duly approved by the Board as per applicable SECP provisioning circulars.

6.4 Unrealized Gain on Revaluation of Investments Classified as Fair Value through Other Comprehensive Income - Net	Un-Audited	Audited
30 September	30 September	30 June
2020	2020	2020
Note	-----Rupees-----	
Fair Value of Investments	6.2 81,723,738	86,625,682
Less: Cost/Carrying Value of Investment	(82,903,732)	(56,305,130)
	(1,179,994)	30,320,552
Less: Net Unrealized gain in Fair Value of Investments - Opening	278,050	(30,042,502)
	(901,944)	278,050
	-----	-----
	-----	-----
7 ACCRUED INCOME/PROFIT		
Income form:		
- Profit and Loss Sharing (PLS) Accounts	3,128,732	2,936,634
- Sukuk Certificates	1,207,703	2,733,866
	4,336,435	5,670,500
	-----	-----
	-----	-----
8 SECURITY DEPOSITS		
Deposits - Central Depository Company		
- Deposits - Central Depository Company 786SF	100,000	100,000
- Deposits - Central Depository Company FDMF	50,000	50,000
	150,000	150,000
Deposits - National Clearing Company of Pakistan		
- Deposits - National Clearing Company 786RSF	-	2,500,000
- Deposits - National Clearing Company FDMF	-	3,500,000
	-	6,000,000
	150,000	6,150,000
	-----	-----
	-----	-----

9	PAYABLE TO 786 INVESTMENTS LIMITED - MANAGEMENT COMPANY	Note	Un-Audited	Audited
			30 September	30 June
			2020	2020
			-----Rupees-----	
	Management Remuneration	9.1	743,520	757,933
	Sindh Sales Tax Payable	9.2	117,143	119,016
	Accounting and Operational Charges			
	-786 Smart Fund	9.3	676,683	523,195
	-First Dawood Mutual Fund	9.3	731,382	731,382
	-786 Rising Star Fund	9.3	177,059	177,059
			1,585,124	1,431,636
			2,445,787	2,308,585

9.1 According to the provisions of the Trust Deed of the Fund, the Management Company has charged its remuneration at the rate of 1.5% (June 2020: 1.5%) per annum on the average annual net assets of the Fund calculated on a daily basis.

9.2 The Sindh Provincial Government has levied Sindh Sales tax at the rate of 13% (June 2020: 13%) on Management Company's remuneration.

9.3 In accordance with the provisions of the NBFC Regulations amended vide S.R.O 1160(I)/2015 dated November 25, 2015, the Management Company of the Fund is entitled for reimbursement of fee and expenses incurred by the Management Company in relation to registrar service, accounting, operation and valuation services related to the Fund maximum up to 0.1% of average annual net assets of the scheme or actual which ever is less. Accordingly, the Management Company has charged accounting and operating expenses to the Fund at a rate of 0.1% per annum of the average annual net assets of the Fund for the year ended June 30, 2020.

10	PAYABLE TO MCB FINANCIAL SERVICES LIMITED- TRUSTEE	Note	Un-Audited	Audited
			30 September	30 June
			2020	2020
			-----Rupees-----	
	Trustee Remuneration	10.1	74,344	75,795
	Sindh Sales Tax Payable on Trustee Remuneration	10.2	9,667	9,854
			84,011	85,649

10.1 According to the provisions of the Trust Deed of the 786 Smart Fund, the Trustee is entitled to monthly remuneration for services rendered to the Fund as follows:

On Net Assets:

-Up to Rs.1 billion

Rs.0.6 million or 0.15% per annum of the net assets of the Fund computed on a daily basis whichever is higher.

-Exceeding Rs.1 Billion

Rs.0.6 million plus 0.09% per annum of the net assets of the Fund computed on a daily basis exceeding Rs.1 billion.

10.2 The Sindh Provincial Government has levied Sindh sales tax at the rate of 13% (June 2019: 13%) on trustee's remuneration.

11 ANNUAL FEE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

This represents annual fee payable to SECP in accordance with SRO 714(I)/2019 dated July 1, 2019 as amended in clause "c" of Schedule II of NBFC Regulation 2008, read with regulation 62 of NBFC Regulation 2008, applicable from July 1, 2019 whereby the Fund is required to pay SECP an amount equal to 0.02% of the average daily net assets. Earlier this fee was 0.085% of the average daily net assets.

	Note	Un-Audited 30 September 2020	Audited 30 June 2020
12 ACCRUED EXPENSES AND OTHER LIABILITIES	-----Rupees-----		
Federal Excise Duty on Remuneration		6,513,679	6,513,679
Provision for Sindh Workers' Welfare Fund	12.1	7,613,822	7,458,609
Accrued Expenses	12.2	653,379	561,380
Other Liabilities		557,809	557,809
Capital Gain Tax Payable		-	261,552
Zakat Payable and Withholding Tax		11,620	4,384,452
		15,350,309	19,737,481

12.1 The Management Company has recognized SWWF charge for the period from May 21, 2015 to September 30, 2020. Had the SWWF not been provided, the net asset value of the Fund as at June 30, 2020 would have been higher by Rs 1.03 per unit (June 30, 2020: Rs 1.04 per unit).

	Note	Un-Audited 30 September 2020	Audited 30 June 2020
12.2 Accrued Expenses	-----Rupees-----		
Auditors' Remuneration Payable		432,774	340,601
Fees and Subscription		40,577	226,000
Printing and Related Expenditure Payable		44,742	40,000
Shariah and Tax Advisors Fee Payable		135,286	49,172
Other Payable		-	1,670
		653,379	657,443

13 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at September 30, 2020 and June 30, 2020.

	Note	Un-Audited 30 September 2020	Audited 30 June 2020
14 NUMBER OF UNITS IN ISSUE	-----Number of Units-----		
Total Outstanding as of July 01		7,734,563	5,541,116
Issued during the Period		8,863	5,924,775
Redemption during the Period		(375,965)	(3,731,328)
Closing Units		7,367,461	7,734,563

	Quarter Ended 30 September 2020	Quarter Ended 30 September 2019
	-----Rupees-----	
15 INCOME FROM INVESTMENTS AND BALANCES		
WITH BANKS		
Income from:		
- Sukuk Certificates	1,821,200	4,119,865
- Profit and Loss Sharing (PLS) Account	9,260,228	8,709,886
	11,081,428	12,829,751

16 ADVANCE INCOME TAX

Advance income tax pertains to one of the fund which has merged during the period (786 Rising Star Fund). The Management Company has filed return of income of the Fund for the years ended 30 June 2013, 2014 and 2015 claiming exemption from income under clause 99 of Part I to the Second Schedule of the Income Tax Ordinance, 2001 (the Ordinance). The Additional Commissioner Inland (CIR) initially raised notices and then ordered to pay tax for the above referred years by making certain addition to income of the Fund and exemption under clause 99 is available to only those collective investment schemes, which distribute not less than 90% of its accounting income year amongst unit holders on year to year basis. Further, an amount of Rs 7.9 million was withheld by tax department from the bank the Fund which is included in advance income tax on the statement of asset and liabilities. The Management Company of the Fund filed an appeal to Commissioner Inland Revenue (Appeals) (CIR Appeals) claiming that the additions made to the income by the Commissioner were erroneous and the fund has distributed more than 90% of its income for each of the three years after finalization of financial statements of the Fund after removal of suspension of the operations of the Fund. The CIR Appeals decided the appeal in favor of Management Company and remanded back the case to CIR on the grounds that income tax officer has passed impugned orders in haste without objective appreciation of relevant provisions of law and drew adverse inference on irrelevant assertions and directed CIR re-examine the case after giving appellants opportunity of being heard.

During the year ended 30 June 2018 amended tax orders under section 124(1) of the Income Tax Ordinance, 2001, for the tax years 2013, 2014 and 2015 respectively were issued by the Commissioner Inland Revenue raising Nil tax demand in respect of said years. Further, the management is pursuing the relevant authorities for the recovery of the aforementioned seized amount of Rs 7.9 million.

17 TOTAL EXPENSE RATIO

The total expense ratio (TER) of the Fund for the period ended September 30, 2020 is 2.26% which includes 0.34% representing government levies on the Fund such as federal excise duties and sales taxes, Workers' Welfare Fund, annual fee payable to the SECP, etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorized as an "Islamic Income Scheme".

18 TRANSACTIONS WITH RELATED PARTIES/CONNECTED PERSONS

Related party/connected person include 786 Investments Limited being the Management Company, other collective investment schemes managed by the Management company, MCB Financial Services Limited being the Trustee of the Fund, Directors and Officers of the Management Company, other associated undertakings and unit holder's holding more than 10% units in the Fund or any other connected person.

Remuneration payable to the Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations 2008 and the Trust Deed respectively.

The transactions with related parties are in the normal course of business and at contracted rates and terms determined in accordance with market rates.

Aggregate transactions and balances with related parties, associated undertakings and connected person which are not disclosed elsewhere in the notes are as follows:

18.1 Transactions during the Period Ended	Note	Quarter Ended	Quarter Ended
		30 September 2020	30 September 2019
		-----Rupees-----	
786 Investments Limited - Management Company			
Remuneration of the Management Company	9.1	2,302,325	1,603,072
Sales Tax on remuneration to the Management Company	9.2	299,302	208,398
Accounting and Operational Charges	9.3	153,488	106,871
Issue of Units: Nil (2019: 8,878)		-	714,618
Redemption of Units: Nil (2019: 548,779)		-	45,000,000
MCB Financial Services Limited - Trustee			
Remuneration of the Trustee	10.1	230,231	160,306
Sales Tax on Trustee fee	10.2	29,931	20,839
BRR Investment Limited (Connected person due to group company)			
Issue of Units: Nil (2019: 392)		-	31,581
Redemption of Units: Nil (2019: 197,059)		-	16,000,000
Dawood International (Private) Limited (Connected Person due to Group Company)			
Redemption of Units: 6,146 (2019: Nil)		500,000	-
First Dawood Investment Bank Limited (Connected Person due to Group Company)			
Issue of Units: Nil (2019: 1,991)		-	160,223
Redemption of Units: Nil (2019: 1,991)		-	161,617
First Dawood Investment Bank Limited -Employees Contributory Provident Fund - Employee Benefit Fund of Group Company			
Redemption of Units: 36,665 (2019: 60,167)		3,000,000	5,000,000
Directors and Key Management Personnel of the Management Company			
Redemption of Units: 73,787 (2019: 30,482)		6,000,000	2,530,922
Other Connected Persons			
Issue of Units: Nil (2019: 175)		-	14,075
Redemption of Units: 127,898 (2019: 34,512)		10,400,000	2,777,926

		Un-Audited 30 September 2020	Audited 30 June 2020
18.2 Balance as at period ended			
786 Investments Limited - Management Company			
Remuneration payable to the management company	9	743,520	757,933
Sales Tax Payable on Management Company's Remuneration	9	117,143	119,016
Accounting and Operational Charges			
-786 Smart Fund	9	676,683	523,195
-First Dawood Mutual Fund	9	731,382	731,382
-786 Rising Star Fund	9	177,059	177,059
FED Payable on Management Company's Remuneration		6,513,679	6,513,679
Units Held: 1,825,406 (June 2020: 1,825,406)		149,491,254	147,858,793
MCB financial services limited - Trustee			
Remuneration Payable to the Trustee	10	74,344	75,795
Sales Tax Payable on Trustee Fee	10	9,667	9,854
BRR Guardian Modaraba (Connected person due to group Company)			
Units Held: 396,776 (June 2020: 396,776)		32,493,855	32,139,018
First Dawood Investment Bank Limited -Employees Contributory Provident Fund- Employee Benefit Fund of Group Company			
Units Held: 444,045 (June 2020: 480,710)		36,364,960	38,937,756
Dawood Family Takaful Limited (Connected Person due to Group Company)			
Units Held: 428,963 (June 2020: 428,963)		35,129,873	34,746,251

	Un-Audited	Audited
	30 September	30 June
	2020	2020
Dawood Family Takaful Limited - Employees contributory provident fund - Associate of Management Company		
Units Held: 58,278 (June 2020: 58,278)	<u><u>4,772,655</u></u>	<u><u>4,720,537</u></u>
BRR Financial Services (Private) Limited (Connected Person due to Group Company)		
Units Held: 28,687 (June 2020: 28,687)	<u><u>2,349,321</u></u>	<u><u>2,323,666</u></u>
Dawood International (Private) Limited (Connected Person due to Group Company)		
Units Held: 103562 (June 2020: 109,708)	<u><u>8,481,183</u></u>	<u><u>8,886,417</u></u>
Directors and key management personnel of the Management Company		
Units Held: 582,672 (June 2020: 656,460)	<u><u>47,717,820</u></u>	<u><u>53,173,552</u></u>
Other connected persons		
Units Held: 1,323,812 (June 2020: 1,451,711)	<u><u>108,413,355</u></u>	<u><u>117,589,284</u></u>

18.3 The transactions with related parties/connected persons are in the normal course of business at contracted rates and terms, determined in accordance with market rates.

18 GENERAL

18.1 Figures have been rounded off to the nearest rupee.

19 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue by the board of directors of the Management Company on 29 October, 2020.

For 786 Investments Limited
(Management Company)

----SD----

Chief Executive Officer

----SD----

Chief Financial Officer

----SD----















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