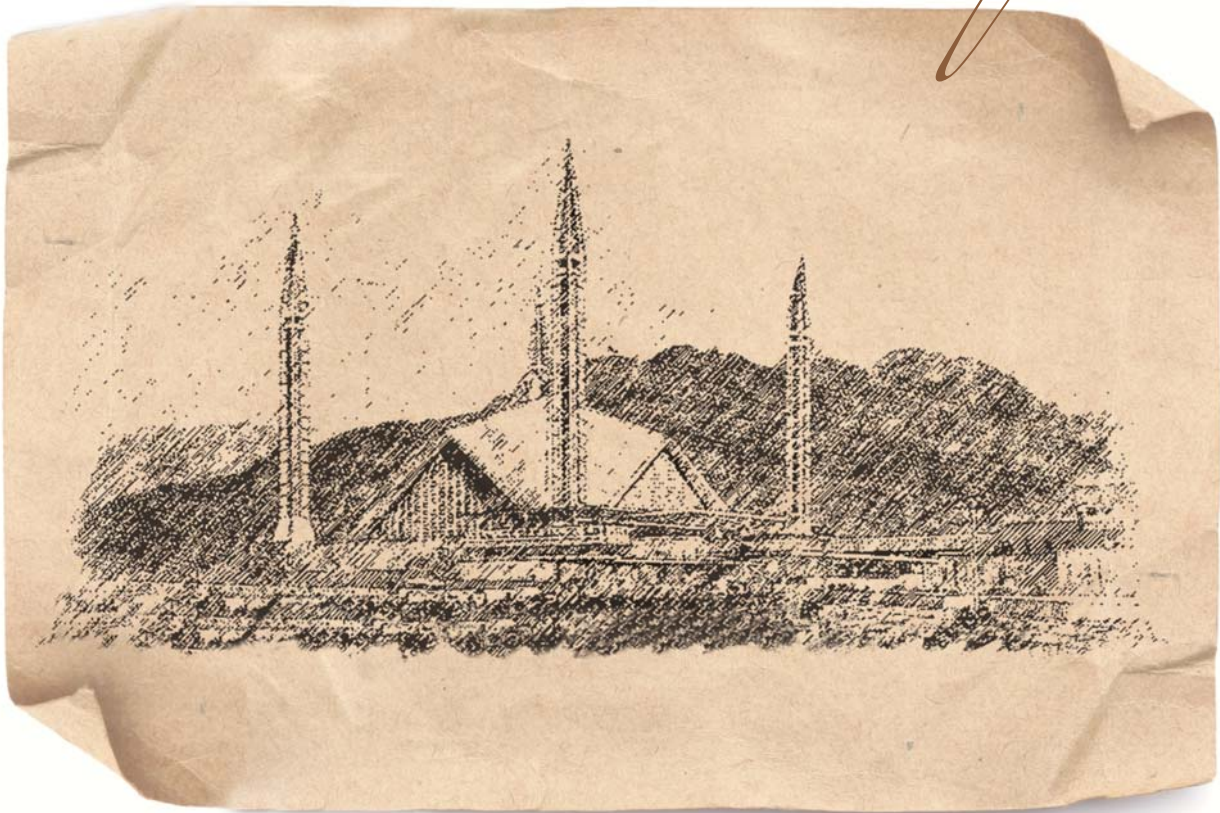




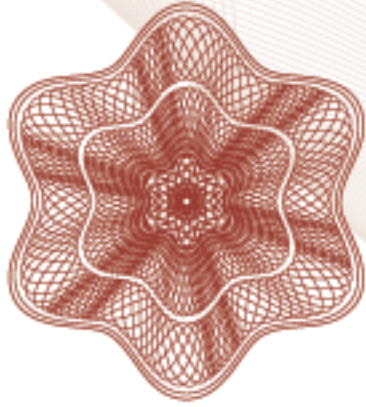
## NI(U)T

The National Investment (Unit) Trust is Pakistan's largest and oldest Mutual Fund. As on June 30, 2009, NIUT had funds under management of around Rs. 28 billion invested in over 430 listed companies and had approximately 56,000 unit holders. NITL's distribution network comprises of 19 NIT branches, various authorized bank branches all over Pakistan and Arab Emirates Investment Bank (AEIB) in Dubai (UAE). The Trust constituted under the Trust Deed dated November 12, 1962, executed between National Investment Trust Ltd (NITL) as Management Company and National Bank of Pakistan as Trustee.

# Shah Faisal Mosque



*Issued on 27 May, 2006 contains the most famous landmark of the capital city the Shah Faisal Mosque, one of the world's largest mosque covering an area of 5,000 square meters with a capacity of 300,00 worshippers. Built in 1986 with the funding by the Saudi government at a cost of over 130 million Saudi riyals. King Faisal bin Abdul Aziz was instrumental in the finances, and both the mosque and the road leading to it were named after him after his assassination in 1975.*



# Corporate Information

**Trustee**

National Bank of Pakistan

**Auditor**

A.F Ferguson & CO.  
*Chartered Accountants*

**Bankers**

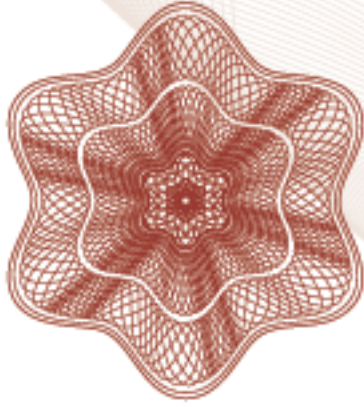
National Bank of Pakistan  
MCB Bank Ltd  
Habib Bank Ltd  
Standard Chartered Bank (Pakistan) Ltd  
Habib Metropolitan Bank Ltd  
Faysal Bank Ltd  
Askari Bank Ltd  
Soneri Bank Ltd  
United Bank Ltd

Allied Bank Ltd  
The Bank of Punjab  
Meezan Bank Ltd  
Bank Al Habib Ltd  
Bank Al Falah Ltd  
NIB Bank Ltd  
Silk Bank Ltd  
RBS Ltd  
Arif Habib Bank Ltd

# Islamia College



*Issued on 26 February 2007 features the famous educational institution of North-West Frontier Province the Islamia College of Peshawar. It was opened on 1st October 1913 by Nawab Sir Sahibzada Abdul Qayyum and Sir George Roos-Keppel. The college primarily educates its students in arts, humanities and sciences. It was a constituent college of the university of Peshawar now Islamia college is a university since 2008.*



# *Fund Manager's Report*

## **NI(U)T Objective**

The core objective of NIT is to maximize return for Unit holders, provide a regular stream of current income through dividends, while long term growth is achieved by the management of diversified portfolio and investments into growth and high yielding equity securities.

## **Profile of Investment Manager**

National Investment Trust Ltd. (NITL) is the first Asset Management Company of Pakistan, formed in 1962. NITL manages the largest and oldest mutual fund of the country i.e. National Investment (Unit) Trust with approximately Rs. 50 Billion assets under management (22.462 billion for NI(U)T-LOC and 27.731 billion for NI(U)T) with 19 NIT branches spread across the country. With the launching of two new Funds namely NIT-Equity Market Opportunity Fund & NIT-State Enterprise Fund during the fiscal year 2008-09 the size of total Funds under management has increased to approximately Rs. 70 billion. The Board of Directors of NITL consists of representatives of leading financial institutions, prominent industrialists and nominee of Govt. of Pakistan. The company has been assigned an asset manager rating of "AM2-" by Pakistan Credit Rating Agency (PACRA), which denotes strong capacity to manage the risks inherent in asset management and the asset manager meets high investment management industry standards and benchmarks. All Investment decisions are taken by the Investment Committee of NITL.

# FUND MANAGER REPORT

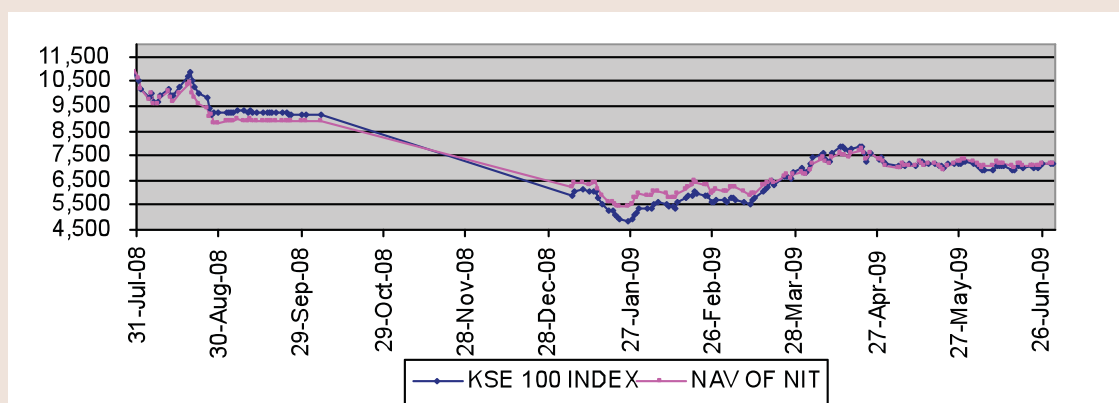
## Fund Information (NI(U)T):

• Launch date	12th November 1962	• Minimum Investment:	Rs. 5,000
• Type	Open End Equity Fund	• Management Fee:	1.00%
• Fund Manager	Manzoor Ahmed	• Front End Load:	2.50%
• Fund Size as on June 30, 2009	Rs. 27.731 Billion	• Back End Load:	1.00%
• Par Value	Rs. 10	• Auditors:	A.F. Ferguson & Company Chartered Accountants
• NAV/unit	Rs. 27.14	• Trustee:	National Bank of Pakistan
• Benchmark	KSE 100 Index	• Fund Rating: (Normal & Long term) (Ratings based on 30th June 2008)	3- Star Ranking (Normal) 4- Star Ranking (Long Term) (PACRA)

## Fund Performance Analysis:

	2008-09	2007-08
Beginning Net Assets (Rs. in billion)	45.59	50.95
Beginning NAV /unit (Rs.) (Ex Div)	46.38	56.11
Ending Net Assets (Rs. in billion)	27.73	45.59
Ending NAV/unit (Rs.)	27.14	52.88
Cash Distribution / unit (Rs.)	3.25	6.50
Dividend Yield (%)	7.01	11.58
Capital Growth (%)	(48.49)	(17.34)
Total Return (%)	(41.48)	(5.76)
Maximum Funds under management during the year (Rs. in billion)	37.61	55.81

## Relative Performance of NAV vs. KSE 100



During the period under review NI(U)T has outperformed the benchmark of KSE-100 Index by 0.24% where Net Asset Value of NIT unit declined by 41.48% from Rs. 46.38 as on June 30, 2008 (Ex- Dividend) to Rs. 27.14 as on June 30, 2009 against a decline of 41.72% in KSE-100 index during the same period.

## 5 Year Performance of Fund

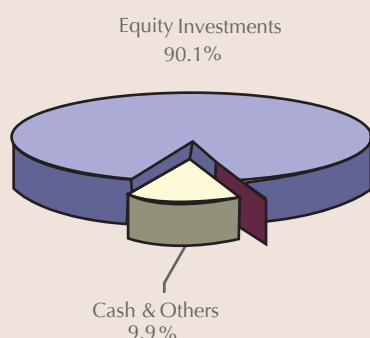
	FY 05	FY 06	FY 07	FY 08	FY 09	5 Year Average Return
NI(U)T (%)	35.7%	28.2%	44.8%	-5.76%	-41.48%	12.29%
KSE 100 (%)	41.1%	34.1%	37.9%	-10.8%	-41.72%	12.12%
Dividend Per Unit (Rs.)	3.30	5.80	6.20	6.50	3.25	

\*FY 05, 06, & 07 returns are based on consolidated information of NI(U)T & LOC Funds

The above table indicates that NI(U)T Fund provided a 5-year average return of 12.29% as compared to 5-year average return of 12.12% by its benchmark of KSE-100 index. Thus on average the Fund outperformed its benchmark by 0.17% during the last 5 year period. NI(U)T has a remarkable history of regularly paying dividend over the entire 47 years life of the Trust, therefore in spite of the fact that the outgoing year proved to one of the most difficult years in the history of stock market and the mutual funds industry, NI(U)T Fund did not disappoint its unit holders and declared a cash dividend of Rs. 3.25 per unit for the year ended June 30, 2009. The payment of dividend @ Rs. 3.25 per unit would involve a total payout of Rs. 3,321 million among its unit holders. We would like to mention here that no adjustment is made for dividends in KSE-100 while the total return of NIT over the years is after adjustment of dividend payouts.

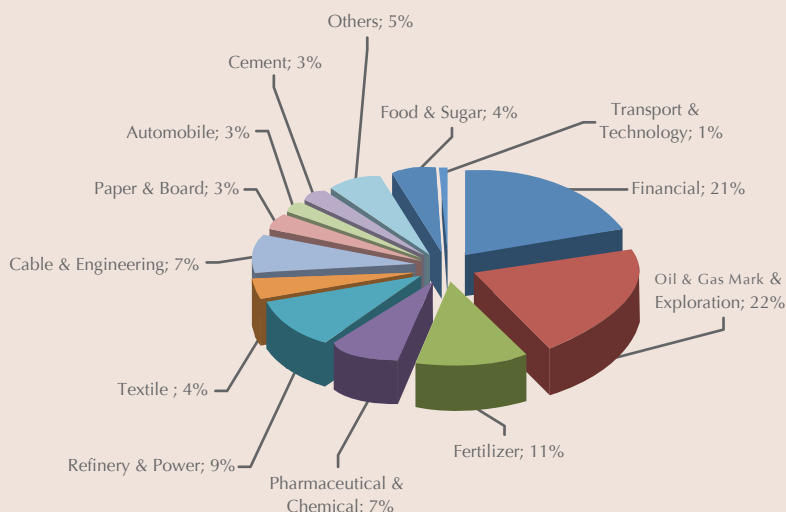
## Asset Allocation

As compared to the previous year there has not been any significant change in the asset allocation of NI(U)T Fund and it remained invested in Equities up to 90.1% as depicted in the pie chart below.



## Sector Wise Break up of Equity Portfolio

Sector-wise break up of Fund's equity portfolio is given below:



In the outgoing fiscal year stock market mostly remained in the grip of bearish spell. Trading volumes remained abysmally low particularly due to the floor on individual stocks prices for more than 3 months. These conditions of the market coupled with the fact that in order to provide safe exit to the small investors NI(U)T had to participate in the special bailout sessions, which did not provide adequate space for any significant sectoral restructuring of the portfolio. However where ever possible NI(U)T tried to shift or at least maintain its exposure in the sectors which were perceived to be outperforming in the period ahead.

## FUND MANAGER REPORT

During the year NI(U)T continued to remain heavily invested in oil & gas marketing & exploration sector with 22% exposure in this sector however exposure in this sector slightly reduced from 24% last year mainly because of the decline in the overall market capitalization of the sector and offloading of stocks from this sector for booking capital gains during the year.

Refinery & Power sectors were the other areas where NI(U)T increased its allocation from 7% to 9% on the back of promising sector fundamentals.

This year NI(U)T further increased its exposure in Fertilizer sector from 8% to 11% on the expectation of better dividend yields and steady prospects of growth.

It may be important to mention that Fund's holding in PSO & SNGPL which constitutes about 12.67% of the portfolio continued to remain frozen under the directive of Government of Pakistan.

### Top Ten Holdings

Top ten holdings of the Fund's portfolio as on June 30th 2009 are as follows:

<b>Pakistan State Oil</b>	<b>National Refinery Ltd.</b>
<b>Fauji Fertilizer Co. Ltd.</b>	<b>Glaxo Smith Kline</b>
<b>Bank Al-Habib</b>	<b>Pakistan Petroleum Ltd.</b>
<b>Habib Metropolitan Bank</b>	<b>Packages Ltd.</b>
<b>Siemens Engineering</b>	<b>Attock Refinery Ltd.</b>

<b>Categorization of Unit Holders By Size--- (JUNE 2009)</b>	<b>(Units in million)</b>	
<b>CATEGEORY</b>	<b>NI(U)T UNITS</b>	<b>% OF HOLDING</b>
Institutional Investors	673	65.85%
Individual	349	34.15%
<b>TOTAL:</b>	<b>1,022</b>	<b>100.00%</b>

### Fund Performance Review

The fiscal year 2008-09 happened to be one of the most difficult years in the history of the capital markets of Pakistan. The KSE-100 index recorded a massive decline of 41.72% to close at 7,162 points, Aggregate market capitalization shrank by 53% to US\$26bn as on 30th June 2009 from US\$55.2bn as on 30th June 2008. During the year the average daily volume drastically trimmed to 105 million shares as compared to 241 million shares in FY 2007-08.

The bearish trend that began in the last quarter of the fiscal year 07-08 spilled into the first quarter of the FY 2008-09. Rapidly deteriorating economic indicators coupled with rising political uncertainty further intensified the bearish sentiments. In an effort to stabilize the market during the depressed times NIT-Equity Market Opportunity Fund was launched with the support of major financial institutions on 25th July 2008 under the management of NIT. However, the rally on the back of launching of this Fund proved to be short lived as the aggravating economic conditions coupled with major political developments including the resignation of President on August 18th halted the upward drive of the market. Consequently, a floor was imposed on individual stock prices on August 27, 2008 at the index level of 9,144.

The Stock market of Pakistan remained virtually shut during the entire floor period as volumes shrank dramatically making it hard for investors to exit. Consequently, Pakistan's market was removed from the MSCI Emerging Market Index in Dec 2008.

After 110 days of extremely lackluster performance of the Karachi Stock Exchange, the floor mechanism was finally removed on December 15, 2008. The market started to adjust for long overdue downward correction on account of global financial crisis and different negative events happened during the floor period amid massive selling particularly from the foreign investors. Resultantly, the KSE 100 index declined as much as 47.34% to 4,815 points on January 26, 2009.

In order to ward off the systemic risk created in the equity market by forced sales and margin calls, the Government of Pakistan decided to launch the State Enterprises Fund under the management of NIT for the specific purpose of buying stocks of eight companies in which the GOP has a sizeable shareholding and thereby providing necessary liquidity in the market. NIT State Enterprise Fund launched its operations on 13th January 2009 which greatly helped in restoring the confidence of investors and lead the market to rise by 64.31% at 7,912 points on April 20, 2009 from its lowest level. NIT-SEF succeeded in putting the market back on track. Adjusting for positive and negative factors taking place in the subsequent period finally, the fiscal year 2008-09 ended with the benchmark KSE-100 index closing at 7,162 points.

During the year (July 08 to June 09), the KSE-100 index declined by 41.72% whereas the NAV of your Fund declined by 41.48% showing an out performance of 0.24%.



Despite the fact that the outgoing Fiscal Year 2008-09 happened to be one of the most challenging and difficult years in the history of Pakistan's equity market, your Fund NI(U)T maintained its tradition of paying good dividend to its unit holders by declaring a cash dividend of Rs. 3.25 per unit for the year ended June 30, 2009.

### **Economic Review:**

In the backdrop of unprecedented economic meltdown across the world coupled with indigenous political and law and order conditions the economy lost its growth momentum of past 6 years. Despite this economy achieved a GDP growth rate of 2% mainly on the back of agriculture sector which contributes 22% of the GDP.

Agriculture sector has depicted a stellar growth of 4.7% as compared to 1.1% witnessed last year and target of 3.5% for the year FY08-09. The Manufacturing being the second largest sector of the economy and contributes 18.4% of GDP. During July-March 2008-09 Large-scale manufacturing (LSM) depicted contraction of 7.7% as against expansion of 4.0% in the last year and 5.5% target for the year owing to acute energy shortage, security environment and high interest rates. Services sector grew by 3.6% as against the target of 6.1% and last year's actual growth of 6.6%.

The external sector has been an area of concern but towards the end of fiscal year it started to show definite signs of improvement on the back of remittances from overseas Pakistanis which reached \$ 7.8 billion in FY 2008-09 as against \$6.4 billion in corresponding period last year. The country's Current Account Deficit improved further, bringing the full year deficit to USD 8.8bn, significantly lower than USD 13.8bn recorded in the corresponding period of previous year. The economy remained under inflationary pressure with inflation touching the highest level of 25% in the month of August, 2008 before it started to ease off in the subsequent months. The rupee witnessed a substantial depreciation of around 20% during the year.

Foreign direct investment (private) stood at \$3.7 billion during the current fiscal year as against \$5.4 billion in the same period last year thereby showing a substantial decline of 31%. Private portfolio investment on the other hand showed a net outflow of \$510 million as against a net inflow of \$19 million during the comparable period of last year.

The IMF package of USD 7.6 billion has provided a lifeline to the economy during this difficult period. Almost all economic indicators have started to improve significantly. The year ahead can be safely regarded as a year of recovery which is expected to impact the stock market positively. Accordingly your Fund is expected to post a fairly good return for its investors for the year 2009-10.

*(Economic data source: Economic Survey of Pakistan & SBP Website)*

### **Other Disclosures under NBFC Regulations 2008:**

The Fund Manager hereby makes the following disclosures as required under the NBFC Regulations 2008;

- a. The Management Company or any of its delegates did not receive any soft commission (goods & services) from any of its brokers / dealers by virtue of transactions conducted by the Fund.
- b. There was no unit split undertaken during the year.



# *Report of the Trustee*

National Investment Trust Limited (NITL), the Management Company of National Investment (Unit) Trust, has in all material respects managed NI(U)T during the period July 01st, 2008 to June 30th, 2009 in accordance with the provision of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and the Non-Banking Finance Companies and Notified Entities Regulation, 2008.

Sd/-

(Muzaffar S. Khan)  
Vice President / Wing Head

Sd/-

(Aamir Sattar)  
SVP / Divisional Head

For National Bank of Pakistan  
August 19th, 2009

# Auditors' Report

## INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS

We have audited the accompanying financial statements of **National Investment (Unit) Trust**, which comprise the statement of assets and liabilities as at June 30, 2009, and the related income statement, distribution statement, cash flow statement and statement of movement in unit holders' funds for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### Management Company's Responsibility For The Financial Statements

The Management Company of the Fund is responsible for the preparation and fair presentation of these financial statements in accordance with approved accounting standards as applicable in Pakistan. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the auditing standards as applicable in Pakistan. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements give a true and fair view of the state of the Fund's affairs as at June 30, 2009 and of its financial performance, cash flows and transactions for the year then ended in accordance with approved accounting standards as applicable in Pakistan.

### Other Matters

In our opinion, the financial statements have been prepared in accordance with the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The financial statements of National Investment (Unit) Trust for the year ended June 30, 2008 were audited by another firm of Chartered Accountants who had expressed an unqualified opinion thereon vide their report dated July 19, 2008.

Dated: 10 August 2009  
Karachi

Sd/-

Chartered Accountants  
Engagement Partner: Rashid A. Jafer

# STATEMENT OF ASSETS AND LIABILITIES

## As at June 30, 2009

	Note	2009	2008
———— Rupees in '000 ————			
<b>Assets</b>			
Bank balances	4	2,181,130	3,473,180
Receivable from selling banks		715	18,191
Receivable from National Investment Trust Limited - Management Company	5	368,705	206,975
Investments	6	27,109,864	45,720,924
Loans and receivables	7	-	35,872
Dividend and other receivables	8	432,647	343,145
Deposit with National Clearing Company of Pakistan Limited		2,500	2,500
<b>Total assets</b>		<b>30,095,561</b>	<b>49,800,787</b>
<b>Liabilities</b>			
Short-term finances	9	1,000,000	2,850,000
Payable to selling banks		-	1,979
Payable to National Investment Trust Limited - Management Company	10	1,113,986	1,144,992
Fee payable to Securities and Exchange Commission of Pakistan	11	28,091	45,585
Creditors, accrued and other liabilities	12	13,836	22,526
Unclaimed distribution	13	208,853	150,442
Total liabilities		2,364,766	4,215,524
<b>Net assets</b>		<b>27,730,795</b>	<b>45,585,263</b>
Unit holders' funds (as per statement attached)		27,730,795	45,585,263
Contingencies and commitments	14		
		(Number of units in '000)	
Number of units in issue	15	1,021,933	861,992
Net asset value per unit		27.14	52.88
		(Rupees)	

The annexed notes from 1 to 29 and Annexures 1 to 3 form an integral part of these financial statements.

For National Investment Trust Limited  
(Management Company)

Sd/-  
\_\_\_\_\_  
Managing Director

Sd/-  
\_\_\_\_\_  
Director

Sd/-  
\_\_\_\_\_  
Director

Sd/-  
\_\_\_\_\_  
S.V.P. / Divisional Head  
For National Bank of Pakistan (Trustee)

# INCOME STATEMENT

## For the year ended June 30, 2009

	Note	2009	2008
		Rupees in '000	
			Restated
<b>Income</b>			
Dividend income		1,746,328	1,777,651
Capital gains		641,779	559,173
Profit on bank deposits		66,620	403,660
Profit on investment in Term Finance Certificates		2,359	14,421
Income on issue and repurchase of units		42,392	258,624
Other income		13,683	5,137
		<u>2,513,161</u>	<u>3,018,666</u>
Unrealised diminution on remeasurement of investments classified as financial assets at fair value through profit or loss - net	6.5	(2,145,020)	(114,829)
		<u>368,141</u>	<u>2,903,837</u>
<b>Expenses</b>			
Impairment loss on equity securities classified as 'available for sale'	6.8	16,621,853	–
Management participation fee	10.1	277,308	455,853
Annual fee - Securities and Exchange Commission of Pakistan	11	28,091	45,585
Custodian charges of Central Depository Company of Pakistan Limited		4,450	7,784
Securities transaction costs		2,399	7,183
Settlement and bank charges		145	53
Financial charges		297,984	90,900
Legal and professional charges		757	412
Impairment loss on loans and receivables		395	–
Impairment loss on other receivables		75,180	1,464
Others		5,426	–
		<u>17,313,988</u>	<u>609,234</u>
Net (loss) / income from operations		(16,945,847)	2,294,603
Element of income and capital gains included in prices of units issued less those in units redeemed		3,917,516	1,530,301
(Loss) / income before taxation		(13,028,331)	3,824,904
Taxation	16	–	–
(Loss) / income after taxation		(13,028,331)	3,824,904
Earnings per unit	17		(Rupees)
With unrealised diminution on remeasurement of investments classified as financial assets at fair value through profit or loss		(12.75)	4.44
Without unrealised diminution on remeasurement of investments classified as financial assets at fair value through profit or loss and impairment loss on securities classified as 'available for sale'		5.62	4.57

The annexed notes from 1 to 29 and Annexures 1 to 3 form an integral part of these financial statements.

For National Investment Trust Limited  
(Management Company)

Sd/-  
Managing Director

Sd/-  
Director

Sd/-  
Director

Sd/-  
S.V.P. / Divisional Head  
For National Bank of Pakistan (Trustee)

# DISTRIBUTION STATEMENT

## For the year ended June 30, 2009

	Note	2009	2008
		———— Rupees in '000 ————	
			Restated
Undistributed income brought forward - as restated	3.9	27,351,047	28,596,120
Final distribution for the year ended June 30, 2008: Rs 6.5 per unit (2007: Rs. 6.2 per unit)		(5,602,950)	(5,069,977)
(Loss) / income after taxation for the year		(13,028,331)	3,824,904
Undistributed income carried forward		8,719,766	27,351,047

The annexed notes from 1 to 29 and Annexures 1 to 3 form an integral part of these financial statements.

For National Investment Trust Limited  
(Management Company)

Sd/-

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

Sd/-

\_\_\_\_\_  
Director

Sd/-

\_\_\_\_\_  
Director

Sd/-

\_\_\_\_\_  
S.V.P. / Divisional Head  
For National Bank of Pakistan (Trustee)

# STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND

## For the year ended June 30, 2009

Note	2009	2008
	Rupees in '000	
		Restated
Net assets at the beginning of the year	45,585,263	50,950,121
Issue of 157,727,683 units (2008 : 281,466,247 units)	4,871,229	15,930,063
Redemption of 45,129,250 units (2008 : 268,667,178 units)	(1,368,720)	(15,792,617)
Issue of 47,342,274 units under Cumulative Investment Plan (2008 : 31,454,917 units)	3,502,509	137,446
	2,014,414	1,835,394
	51,102,186	52,922,961
Element of (income) and capital (gains) included in prices of units issued less those in units redeemed - transferred to income statement	(3,917,516)	(1,530,301)
Net unrealised diminution in fair value of securities classified as 'available for sale' - note 6.6	(822,594)	(4,562,324)
Capital gains	641,779	559,173
Unrealised diminution on remeasurement of investments classified as financial assets at fair value through profit or loss - net	(2,145,020)	(114,829)
Other net (loss) / income for the year	(11,525,090)	3,380,560
Final distribution for the year ended June 30, 2008: Rs 6.5 per unit (2007: Rs 6.2 per unit)	(5,602,950)	(5,069,977)
	(18,631,281)	(1,245,073)
Net assets at the end of the year	27,730,795	45,585,263

The annexed notes from 1 to 29 and Annexures 1 to 3 form an integral part of these financial statements.

For National Investment Trust Limited  
(Management Company)

Sd/-  
Managing Director

Sd/-  
Director

Sd/-  
Director

Sd/-  
S.V.P. / Divisional Head  
For National Bank of Pakistan (Trustee)

# CASH FLOW STATEMENT

## For the year ended June 30, 2009

	Note	2009	2008
———— Rupees in '000 ————			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
(Loss) / income after taxation		(13,028,331)	3,824,904
<b>Adjustments:</b>			
Unrealised diminution on remeasurement of investments classified as financial assets at fair value through profit or loss - net		2,145,020	114,829
Element of (income) and capital (gains) included in prices of units issued less those in units redeemed		(3,917,516)	(1,530,301)
Impairment loss on equity securities classified as 'available for sale'		16,621,853	—
Provision against loans and receivables		395	—
Provision against doubtful receivables		75,180	1,464
Management participation fee		277,308	455,853
		<u>2,173,909</u>	<u>2,866,749</u>
<b>(Increase) / decrease in assets</b>			
Receivable from National Investment Trust Limited - Management Company		(161,730)	576,904
Loans and receivables		35,477	4,405,063
Investments		(978,407)	(3,792,232)
Dividend and other receivables		(164,682)	(191,193)
Deposit with National Clearing Company of Pakistan Limited		—	(2,500)
		<u>(1,269,342)</u>	<u>996,042</u>
<b>Increase / (decrease) in liabilities</b>			
Payable to National Investment Trust Limited - Management Company		(79,228)	320,327
Fee payable to Securities and Exchange Commission of Pakistan		(17,494)	7,631
Creditors, accrued and other liabilities		(8,690)	(1,246)
		<u>(105,412)</u>	<u>326,712</u>
Management participation fee paid		—	(523,379)
<b>Net cash inflow from operating activities</b>		<u>799,155</u>	<u>3,666,124</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Net receipts / (payments) made against sales / (redemption) of units		3,288,920	(28,586)
Dividend paid		(3,530,125)	(3,179,433)
<b>Net cash outflow on financing activities</b>		<u>(241,205)</u>	<u>(3,208,019)</u>
<b>Net (decrease) / increase in cash and cash equivalents during the year</b>		<u>557,950</u>	<u>458,105</u>
Cash and cash equivalents at the beginning of the year		623,180	165,075
<b>Cash and cash equivalents as at the end of the year</b>		<u><u>1,181,130</u></u>	<u><u>623,180</u></u>
<b>Cash and cash equivalents as at the end of the year</b>			
Bank balances	4	2,181,130	3,473,180
Short-term finances	9	(1,000,000)	(2,850,000)
		<u><u>1,181,130</u></u>	<u><u>623,180</u></u>

The annexed notes from 1 to 29 and Annexures 1 to 3 form an integral part of these financial statements.

For National Investment Trust Limited  
(Management Company)

Sd/-  
\_\_\_\_\_  
Managing Director

Sd/-  
\_\_\_\_\_  
Director

Sd/-  
\_\_\_\_\_  
Director

Sd/-  
\_\_\_\_\_  
S.V.P. / Divisional Head  
For National Bank of Pakistan (Trustee)



# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

## For the year ended June 30, 2009

### 1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 The National Investment (Unit) Trust (NI(UT)), was established under a Trust Deed executed between National Investment Trust Limited (NITL) as Management Company and National Bank of Pakistan (NBP) as Trustee. The Trust Deed was executed on November 12, 1962, and was amended vide Supplemental Trust Deed dated June 26, 1968, June 7, 1981, November 27, 1998, November 12, 2002, December 31, 2003 and January 18, 2007. The functions of the Fund are governed by the Trust Deed and the National Investment (Unit) Trust Ordinance, 1965.

1.2 For facilitating the sale and transfer of the management rights of the Management Company to manage NI(UT), the Board of Directors of NITL decided to split National Investment (Unit) Trust into two Funds with effect from April 1, 2007. Accordingly, the segment pertaining to LOC Holders has formed the National Investment (Unit) Trust – LOC Holders' Fund whereas the segment pertaining to Non-LOC Holders has been retained under National Investment (Unit) Trust.

At the time of split the assets and liabilities of National Investment (Unit) Trust were allocated between the two segments in proportion to the number of units held by LOC Holders and Non-LOC Holders respectively, as in March 31, 2007 ensuring that quantitative and qualitative equivalence was maintained and that the rights and entitlements of all unit holders, in particular small unit holders, were not infringed upon.

Further, both Funds for the purpose of the Trust Deed are to be considered as NI(UT) and the terms of the Trust Deed would apply mutatis mutandis to these Funds till the time these separate Funds have been reorganised and restructured as separate open end mutual funds and management rights have been transferred pursuant to management right transfer agreement to be executed upon privatisation / sale.

Up to June 30, 2008, the segments pertaining to LOC Holders and Non-LOC Holders were presented and disclosed separately as part of the financial statements of National Investment (Unit) Trust as the scheme of unbundling was to become effective and binding upon signing of the scheme by both the Management Company and the Trustee. The certificate in respect of the Scheme of Unbundling and Splitting of National Investment (Unit) Trust into two Funds was signed by both the Management Company and the Trustee on July 10, 2008 to give effect to the splitting. Under the terms of the scheme each Fund is deemed to be an independent Trust and constitutes an independent investment scheme. Accordingly, separate financial statements in respect of both National Investment (Unit) Trust and National Investment (Unit) Trust – LOC Holders' Fund have been prepared by the Management Company for the year ended June 30, 2009.

1.3 The Privatisation Commission, Government of Pakistan has invited expressions of interest for the sale of the rights to manage the Fund which exists solely with the Management Company, NITL. The Trustee, National Bank of Pakistan and the Management Company hold the rights and privileges of the Unit Holders to be paramount. Till date, the Privatisation Commission is engaged in the process of privatisation.

1.4 The Management Company of the Fund has been classified as a Non-Banking Finance Company (NBFC) under the NBFC Rules, 2003 and has obtained the requisite license from the Securities and Exchange Commission of Pakistan (SECP) to undertake Asset Management Services. The Fund has been granted exemptions from application of certain provisions of the NBFC Rules and Notified Entities Regulations till privatisation.

1.5 Pakistan Credit Rating Agency Limited (PACRA) has assigned "3-star" rating (normal) based on the performance during the twelve months ended June 30, 2008 and "4-star" long term rating based on the performance during the thirty six months ended June 30, 2008.

The Management Company has been assigned management rating "AM2-" by PACRA.

### 2 BASIS OF PREPARATION

#### 2.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by SECP differ with the requirements of IFRS, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by SECP prevail.

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

## For the year ended June 30, 2009

### **2.2 Standards, interpretations and amendments to published approved accounting standards that are effective in the current year**

The SECP vide SRO 411(1) / 2008 dated April 28, 2008 notified the adoption of IFRS 7 'Financial Instruments: Disclosures' which is mandatory for entities whose accounting periods begin on or after the date of notification. IFRS 7 has superseded IAS 30 and the disclosure requirements of IAS 32. Adoption of this standard has only impacted the format and extent of disclosures presented in these financial statements. There are other standards, amendments and interpretations that were mandatory for accounting periods beginning on or after July 1, 2008 but were considered not to be relevant or did not have any significant effect on the Fund's operations.

### **2.3 Standards, interpretations and amendments to published accounting standards that are not yet effective**

IAS 1 (Revised), 'Presentation of financial statements' (effective for annual periods beginning on or after January 1, 2009), was issued in September 2007. The revised standard requires an entity to present, in a statement of changes in equity, all owner changes in equity. All non-owner changes in equity (i.e. comprehensive income) will be required to be presented separately from owner changes in equity, either in one statement of comprehensive income or in two statements (a separate income statement and a statement of comprehensive income). When the entity applies an accounting policy retrospectively or makes retrospective restatement or reclassifies items in the financial statements, they will be required to present a restated financial position (balance sheet) as at beginning of the comparative period in addition to the current requirement to present the balance sheet as at the end of the current and the comparative period. The adoption of this standard is not expected to have a significant impact on the presentation of the financial statements.

IAS 32 (Amendment), 'Financial Instruments: Presentation', and IAS 1 (Amendment), 'Presentation of financial statements - Puttable financial instruments and obligations arising on liquidation' (effective from January 1, 2009). The amended standards require entities to classify puttable financial instruments and instruments, or components of instruments that impose on the entity an obligation to deliver to another party a pro rata share of the net assets of the entity only on liquidation as equity, provided the financial instruments have particular features and meet specific conditions, including that all financial instruments in the class of instruments that is subordinate to all other instruments have identical features. This amendment is not expected to have a significant effect on the financial statements of the Fund.

IAS 38 (Amendment), 'Intangible assets' (effective from January 1, 2009). The amended standard states that a prepayment may only be recognised in the event that payment has been made in advance of obtaining right of access of goods or receipt of services. This amendment is not expected to have a significant effect on the Fund's financial statements.

There are other amendments to the approved accounting standards and interpretations that are mandatory for accounting periods beginning on or after January 1, 2009 but are considered not to be relevant or to have any significant effect on the Fund's operations and are therefore not detailed in these financial statements.

### **2.4 Critical accounting estimates and judgments**

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Fund's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Fund's financial statements or where judgment was exercised in application of accounting policies principally relate to classification and valuation of investments (note 3.1 and note 6).

### **2.5 Accounting convention**

These financial statements have been prepared under the historical cost convention except that certain investments have been carried at fair value.

### **2.6 Functional and presentation currency**

These financial statements are presented in Pak Rupees, which is the Fund's functional and presentation currency.

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

## For the year ended June 30, 2009

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied unless otherwise stated.

#### 3.1 Financial assets

##### 3.1.1 Classification

The Fund classifies its financial assets in the following categories: loans and receivables, at fair value through profit or loss, available for sale and held to maturity. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

##### a) Loans and receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

##### b) Financial assets at fair value through profit or loss

Financial assets that are acquired principally for the purpose of generating profit from short-term fluctuations in prices are classified as held for trading in the 'Financial assets at fair value through profit or loss' category.

##### c) Held to maturity

These are securities with fixed or determinable payments and fixed maturity that the Fund has the positive intent and ability to hold to maturity.

##### d) Available for sale

Available for sale financial assets are those non-derivative financial assets that are designated as available for sale or are not classified as (a) loans and receivables, (b) held to maturity investments or (c) financial assets at fair value through profit or loss.

##### 3.1.2 Regular way contracts

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Fund commits to purchase or sell the asset.

##### 3.1.3 Initial recognition and measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement.

##### 3.1.4 Subsequent measurement

Subsequent to initial recognition, financial assets designated by the management as at fair value through profit or loss and available for sale that comprise of equity securities are valued on the basis of quoted market prices available at the stock exchange.

Mutual fund units are valued by reference to the net asset values (redemption prices) declared by the respective funds.

Investments in unquoted equity securities are carried at lower of investment price or their breakup value as per latest audited accounts.

Net gains and losses arising on changes in the fair value of financial assets carried at fair value through profit or loss are taken to the income statement.

Net gains and losses arising on changes in fair value of available for sale financial assets are taken to unit holders' fund until these are derecognised or impaired. At this time, the cumulative gain or loss previously recognised directly in unit holders' fund is transferred to the income statement.

Subsequent to initial recognition financial assets classified as 'Loans and receivables' and 'Held to maturity' are carried at amortised cost using the effective interest method.

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

## For the year ended June 30, 2009

Gain or loss is also recognised in the income statement when financial assets carried at amortised cost are derecognised or impaired, and through the amortisation process.

### 3.1.5 Impairment

"The Fund assesses at each balance sheet date whether there is objective evidence that the financial asset or a group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered, among other indicators, as an indicator that the securities are impaired. If any such evidence exists for available for sale financial assets, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss is reclassified from unit holders' fund to income statement. Impairment losses recognised on equity instruments are not reversed through the income statement.

For financial assets classified as 'loans and receivables' and 'held to maturity', a provision for impairment is established when there is objective evidence that the Fund will not be able to collect all amounts due according to the original terms. The amount of the provision is determined based on the provisioning criteria specified by SECP.

### 3.1.6 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

### 3.1.7 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the Statement of Assets and Liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the assets and settle the liabilities simultaneously.

## 3.2 Cash and cash equivalents

Cash and cash equivalents include stamps in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and which are subject to insignificant changes in value, net of short-term finances.

## 3.3 Derivatives

Derivative instruments are initially recognised at fair value and subsequent to initial measurement each derivative instrument is remeasured to its fair value and the resultant gain or loss is recognised in the income statement.

## 3.4 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. They are initially recognised at fair value and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.

## 3.5 Provisions

Provisions are recognised when the Fund has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

## 3.6 Taxation

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. The Fund has incurred a net loss for the year. Accordingly, no tax liability has been recorded for the current year.

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

## For the year ended June 30, 2009

The Fund provides for deferred taxation using the balance sheet liability method on all major temporary differences between the amounts used for financial reporting purposes and amounts used for taxation purposes. In addition, the Fund also records deferred tax asset on unutilised tax losses to the extent that it is no longer probable that the related tax benefit will be realised. However, the Fund has not recognised any amount in respect of deferred tax in these financial statements as the Fund intends to continue availing the tax exemption in future years by distributing at least ninety percent of its accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders every year.

### 3.7 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the distributors during business hours on that date. The offer price represents the net asset value per unit as of the close of the business day plus the allowable sales load, provision for transaction costs and any provision for duties and charges, if applicable. The sales load is payable to the investment facilitators, distributors and the Management Company. Transaction costs are recorded as the income of the Fund.

Units redeemed are recorded at the redemption price, applicable to units for which the distributors receive redemption requests during business hours of that day. The redemption price represents the net asset value per unit as of the close of the business day less any back-end load, any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

### 3.8 Proposed dividend and transfer between reserves

Dividends declared and transfers between reserves made subsequent to the balance sheet date are considered as non-adjusting events and are recognised in the financial statements in the period in which such dividends are declared / transfers are made.

### 3.9 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

An equalisation account called the 'element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed' is created, in order to prevent the dilution of per unit income and distribution of income already paid out on redemption.

During the year the Fund has changed its accounting policy used to determine and present the element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed in the financial statements. As per the new policy the full amount of element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed during an accounting period would be recognised in the income statement.

Previously, only the element of income / (loss) which related to realised capital gains / (losses) and income / (losses) was recognised in the income statement. The remaining element was not separately recognised and it used to remain in the capital account. As a result, this amount was not available for distribution to unit holders of the Fund and was only available to the unit holders at the time of encashment of their units.

The change in accounting policy relating to the element of income / (loss) and capital gains / (losses) has been made, as in the management's opinion, the new policy would result in the financial statements providing more relevant information about the effects of transactions.

The change in accounting policy has been applied retrospectively and comparative information has been restated in accordance with the requirements of IAS 8 (Accounting Policies, Changes in Accounting Estimates and Errors). Had the afore-mentioned change in accounting policy not taken place the effects would have been as follows:

	2009	2008
	———— Rupees in '000 ————	
<b>Income statement</b>		
Element of income / (loss) included in prices of units issued less those in units redeemed would have been higher / (lower) by	(3,817,847)	(1,593,132)
Net income for the year would have been higher / (lower) by	(3,817,847)	(1,593,132)
Earnings per unit would have been higher / (lower) by	(3.74)	(1.85)
<b>Distribution statement</b>		
Opening balance of undistributed income would have been higher / (lower) by	(4,725,777)	(3,132,645)
Closing balance of undistributed income would have been higher / (lower) by	(8,543,624)	(4,725,777)

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

## For the year ended June 30, 2009

The change in policy did not have any effect on the net assets value (NAV) of the Fund of either the current or prior periods as summarised below:

	Capital account	Surplus on revaluation of AFS investments	Undistributed income	Total
<b>Net assets of the Fund at June 30, 2007:</b>				
----- Rupees in '000 -----				
Balances as recorded previously	11,310,028	14,176,618	25,463,475	50,950,121
Effect of change in accounting policy as explained above	(3,132,645)	-	3,132,645	-
Balance at June 30, 2007 as restated	<u>8,177,383</u>	<u>14,176,618</u>	<u>28,596,120</u>	<u>50,950,121</u>
<b>Net assets of the Fund at June 30, 2008:</b>				
----- Rupees in '000 -----				
Balances as recorded previously	13,345,699	9,614,294	22,625,270	45,585,263
Effect of change in accounting policy as explained above	(4,725,777)	-	4,725,777	-
Balance at June 30, 2008 as restated	<u>8,619,922</u>	<u>9,614,294</u>	<u>27,351,047</u>	<u>45,585,263</u>

### 3.10 Borrowing costs

Borrowings costs directly attributable to the acquisition of qualifying assets (one that takes substantial period of time to get ready for use or sale) are capitalised as part of the cost of the asset. Other borrowing costs are taken to the income statement in the period in which they are incurred. Currently, the Fund does not have any qualifying asset.

### 3.11 Revenue recognition

Realised capital gains / (losses) arising on sale of investments are included in the Income Statement on the date at which the transaction takes place.

Unrealised capital gains / (losses) arising on marking to market of investments classified as ' Financial assets at fair value through profit or loss ' are included in the Income Statement in the period in which they arise.

Income from investment in morabaha arrangements, term finance certificates and other redeemable capital is recognised on accrual basis, except where recovery is doubtful in which case it is credited to suspense account.

Dividend income is recognised when the right to receive the payment is established.

Profit on bank deposits and placements is recognised on accrual basis.

Income on issue and repurchase of units is recognised when the units are issued and redeemed at the transaction date.

### 3.12 Net asset value per unit

The net asset value (NAV) per unit, as disclosed on the Statement of Assets and Liabilities, is calculated by dividing the net assets of the Fund by the number of units in issue at the year end.

## 4 BANK BALANCES

	Note	2009 ----- Rupees in '000 -----	2008 ----- Rupees in '000 -----
In current accounts			
In deposit accounts	4.1	276,797	258,164
Stamps in hand	4.2	1,904,317	3,215,000
		16	16
		<u>2,181,130</u>	<u>3,473,180</u>

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

## For the year ended June 30, 2009

- 4.1 The above include an amount of Rs 224.256 million (2008: Rs 166.068 million) relating to unclaimed distribution.
- 4.2 Deposit accounts carry return at the rates ranging from 5% to 14.5% (2008: 8% to 10%) per annum.

### 5 RECEIVABLE FROM NATIONAL INVESTMENT TRUST LIMITED - MANAGEMENT COMPANY

	Note	2009	2008
Rupees in '000			
On account of sale of units		328,994	179,061
Others		39,711	27,914
		<u>368,705</u>	<u>206,975</u>

### 6 INVESTMENTS

#### At fair value through profit or loss - held for trading

Investment in shares / units of mutual funds 6.1 3,663,955 4,511,985

#### Available for sale

Investment in shares / units of mutual funds 6.1 23,445,909 41,202,399

#### Held to maturity

- Morabaha arrangements 6.1 26,661 26,661

- Participation term certificates 5,172 5,172

- Term finance certificates 6,357 14,593

Less: Provision for impairment loss on held to maturity investments 6.7 38,190 46,426

(38,190) (39,886)

- 6,540

27,109,864 45,720,924

6.1 The investment portfolio of the Fund specifying the movement in portfolio during the year since the preceding accounting period, the carrying value and market value of the investments held and the value of each holding as a percentage of the net asset value and total investments of the Fund has been set out in Annexure 1 to 3 to these financial statements.

6.2 As at June 30, 2009 the market value of securities given as collateral against short-term finances amounted to Rs 2,526.79 million (2008: Rs 5,778.055 million).

6.3 The market value of securities pledged with National Clearing Company of Pakistan Limited as collateral against trading facility in the stock exchange amounted to Rs 652.485 million (2008: Rs 1,265.115 million).

6.4 The investment portfolio of the Fund includes shares of Pakistan State Oil Company Limited and Sui Northern Gas Pipelines Limited, that have been frozen by the Government of Pakistan (GoP) for sale in the equity market due to their proposed privatisation.

#### 6.5 Net unrealised diminution on re-measurement of investments classified as 'at fair value through profit or loss' - held for trading

	2009	2008
Rupees in '000		
Market value of investments	3,663,955	4,511,985
Less: Carrying value of securities	5,808,975	4,626,814
	<u>(2,145,020)</u>	<u>(114,829)</u>

#### 6.6 Net unrealised diminution on re-measurement of investments classified as 'available for sale'

Market value of investments	23,445,909	41,202,399
Less: Carrying value of securities - net of impairment	14,654,209	31,588,105
	<u>8,791,700</u>	<u>9,614,294</u>

Less: Net unrealised appreciation in fair value of investments at the beginning of year	9,614,294	14,176,618
	<u>(822,594)</u>	<u>(4,562,324)</u>

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

## For the year ended June 30, 2009

### 6.7 Movement in provision for impairment loss on held to maturity investments

	2009	2008
	Rupees in '000	
Opening balance	39,886	42,763
Charge for the year	-	-
Reversals during the year	(1,696)	(2,877)
Closing balance	<u>38,190</u>	<u>39,886</u>

### 6.8 Impairment against equity securities classified as available for sale

During the year, based on a scrip wise analysis of the deficit arising on revaluation of quoted shares, closed end mutual funds and open end mutual funds classified as 'available for sale', it has been determined that an amount of Rs 16,621.853 million should be charged to the income statement as impairment loss. This impairment loss has been fully recognised and the charge has been reflected in the income statement of the Fund.

### 7 LOANS AND RECEIVABLES

	Note	2009	2008
		Rupees in '000	
Term Finance Certificates	7.1	395	35,872
Less: Provision for impairment loss on Term Finance Certificates		(395)	-
		<u>-</u>	<u>35,872</u>

7.1 The Term Finance Certificates (TFCs) carry interest at the rate of Nil % (2008: 10% to 12%) per annum.

### 8 DIVIDEND AND OTHER RECEIVABLES

	2009	2008
	Rupees in '000	
Dividend receivable	148,717	155,218
Profit on term finance certificates	14,943	16,139
Less: Provision for doubtful receivable	(14,943)	(9,112)
	-	7,027
Profit on morabaha arrangements	25,254	25,254
Less: Provision against profit on morabaha arrangements	(25,254)	(25,254)
	-	-
Mark-up receivable on bank deposits and placements	448	30,592
Receivable against sale of investments	202,523	-
Advance against pre IPO-investment	150,000	150,000
Less: Provision for doubtful receivables	(69,047)	-
	80,953	150,000
Other receivables	2,997	2,991
Less: Provision for doubtful receivables	(2,991)	(2,683)
	6	308
	<u>432,647</u>	<u>343,145</u>

### 9 SHORT-TERM FINANCES

From banking companies - secured	1,000,000	2,750,000
From banking companies - unsecured	-	100,000
	<u>1,000,000</u>	<u>2,850,000</u>

9.1 This represents short-term financing obtained from a commercial bank (2008: various commercial banks). The rate of mark-up ranges from 14.23% to 14.5% per annum (2008: 9.78% to 17%). These finances are repayable by July 2009 and are secured by pledge of marketable securities as mentioned in note 6.2 of these financial statements.



# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

## For the year ended June 30, 2009

### 10 PAYABLE TO NATIONAL INVESTMENT TRUST LIMITED - MANAGEMENT COMPANY

On account of :

	Note	2009	2008
-----Rupees in '000-----			
- repurchase of units		6,862	235,948
- management participation fee	10.1	733,161	455,853
- others	10.2	373,963	453,191
		<u>1,113,986</u>	<u>1,144,992</u>

10.1 National Investment Trust Limited - NITL (Management Company) is entitled to receive management participation fee on account of services rendered to the Trust. Management participation fee is charged at 1% of the average funds under management during the year subject to a maximum of 1% of the value of the Trust on June 30 each year.

10.2 Others include preliminary charges on sale of units amounting to Rs 298.466 million (2008: Rs 394.767 million).

### 11 FEE PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

Under the provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations), a collective investment scheme is required to pay as annual fee to the SECP, an amount equal to 0.095 percent of the average annual net assets of the Fund with effect from November 21, 2008. Previously, annual fee of an amount equal to one tenth of one percent of the average annual net assets of the Fund was payable to SECP under the provisions of the Non Banking Finance Companies and Notified Entities Regulation, 2007.

### 12 CREDITORS, ACCRUED AND OTHER LIABILITIES

	2009	2008
-----Rupees in '000-----		
Excess dividend received	3,857	2,049
Mark-up payable	3,150	13,830
Distribution not claimed by unit holders	1,300	1,300
Others	5,529	5,347
	<u>13,836</u>	<u>22,526</u>

### 13 UNCLAIMED DISTRIBUTION

As at each accounting date, the amount of cash required to effect distribution of profits among holders of registered and bearer units, is transferred to a special account titled distribution account. The aggregate balance in such accounts for the years 1997-98 and earlier in case of distribution to registered unit holders and 1999-2000 and earlier in case of distribution to bearer unit holders exceeds the liability for unclaimed distribution by approximately Rs. 14.224 million (2008:15.501 million). This amount represents payments of dividend out of accounts other than the relevant distribution account and is included as part of the deposited property of the Fund.

### 14 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2009.

### 15 NUMBER OF UNITS IN ISSUE

	Registered	Bearer	Total 2009	Total 2008
----- (Number of units) -----				
Total outstanding at the beginning of the year	832,931,845	29,060,395	861,992,240	817,738,254
Add: Sales during the year	157,727,683	-	157,727,683	281,466,247
Units issued under Cumulative Investment Plan (CIP) during the year	47,342,274	-	47,342,274	31,454,917
Conversion of bearer units into registered	145,100	(145,100)	-	-
	<u>1,038,146,902</u>	<u>28,915,295</u>	<u>1,067,062,197</u>	<u>1,130,659,418</u>
Less: Repurchases during the year	(45,019,095)	(110,155)	(45,129,250)	(268,667,178)
Total units in issue at the end of the year	<u>993,127,807</u>	<u>28,805,140</u>	<u>1,021,932,947</u>	<u>861,992,240</u>

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

## For the year ended June 30, 2009

### 15.1 Pattern Of Unit Holding Pattern of unit holding at June 30, 2009

Category	Number of unit holders	Investment Amount	Percentage
Individuals	54,553	9,472,828	34.16%
Associated companies / directors	3	12,423	0.04%
Insurance companies	26	1,959,508	7.07%
Bank / DFIs	47	1,444,127	5.21%
NBFCs	40	327,283	1.18%
Retirement funds	548	10,027,326	36.16%
Public Limited companies	9	904,779	3.26%
Others	594	3,582,521	12.92%
	<u>55,820</u>	<u>27,730,795</u>	<u>100%</u>

### Pattern of unit holding at June 30, 2008

Category	Number of unit holders	Investment Amount	Percentage
Individuals	52,585	15,791,250	34.64%
Associate companies / directors	2	526	0.00%
Insurance companies	30	3,585,467	7.87%
Bank / DFIs	46	1,598,967	3.51%
NBFCs	37	480,481	1.05%
Retirement funds	540	17,899,342	39.27%
Public Limited companies	9	14,013	0.03%
Others	577	6,215,217	13.63%
	<u>53,826</u>	<u>45,585,263</u>	<u>100%</u>

### 16 TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 if not less than 90 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. No provision for taxation for the current year has been made in these financial statements as the Fund has incurred a loss during the year ended June 30, 2009 and the management believes that the condition of distribution is only relevant where the Fund earns accounting profit and not otherwise.

### 17 EARNINGS PER UNIT

	2009	2008
	Rupees in '000	
Net (loss) / income with unrealised diminution on remeasurement of investments classified as financial assets at fair value through profit or loss	<u>(13,028,331)</u>	<u>3,824,904</u>
Net income without unrealised diminution on remeasurement of investments classified as financial assets at fair value through profit or loss and impairment loss on securities classified as 'available for sale'	<u>5,738,542</u>	<u>3,939,733</u>
	---Number of units in '000---	
Units outstanding as at June 30	<u>1,021,933</u>	<u>861,992</u>
	-----Rupees per unit-----	
Net (loss) / income with unrealised diminution on remeasurement of investments classified as financial assets at fair value through profit or loss	<u>(12.75)</u>	<u>4.44</u>
Net income without unrealised diminution on remeasurement of investments classified as financial assets at fair value through profit or loss and impairment loss on securities classified as 'available for sale'	<u>5.62</u>	<u>4.57</u>

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

## For the year ended June 30, 2009

### 18 FINANCIAL INSTRUMENTS BY CATEGORY

	2009				Total
	Loans and receivables	At fair value through profit or loss	Available for sale	Held to maturity	
	Rupees in '000				
<b>Assets</b>					
Bank balances	2,181,130	-	-	-	2,181,130
Receivable from selling banks	715	-	-	-	715
Receivable from National Investment Trust Limited - Management Company	368,705	-	-	-	368,705
Investments	-	3,663,955	23,445,909	-	27,109,864
Loans and receivables	-	-	-	-	-
Dividend and other receivable	432,647	-	-	-	432,647
Deposit with National Clearing Company of Pakistan Limited	2,500	-	-	-	2,500
	<u>2,985,697</u>	<u>3,663,955</u>	<u>23,445,909</u>	<u>-</u>	<u>30,095,561</u>

	2009		
	Liabilities at fair value through profit or loss	Others	Total
	Rupees in '000		
<b>Liabilities</b>			
Short-term finances	-	1,000,000	1,000,000
Payable to National Investment Trust Limited - Management Company	-	1,113,986	1,113,986
Creditors, accrued and other liabilities	-	13,836	13,836
Unclaimed distribution	-	208,853	208,853
	<u>-</u>	<u>2,336,675</u>	<u>2,336,675</u>

	2008				Total
	Loans and receivables	At fair value through profit or loss	Available for sale	Held to maturity	
	Rupees in '000				
<b>Assets</b>					
Bank balances	3,473,180	-	-	-	3,473,180
Receivable from selling banks	18,191	-	-	-	18,191
Receivable from National Investment Trust Limited - Management Company	206,975	-	-	-	206,975
Investments	-	4,511,985	41,202,399	6,540	45,720,924
Loans and receivables	35,872	-	-	-	35,872
Dividend and other receivable	343,145	-	-	-	343,145
Deposit with National Clearing Company of Pakistan Limited	2,500	-	-	-	2,500
	<u>4,079,863</u>	<u>4,511,985</u>	<u>41,202,399</u>	<u>6,540</u>	<u>49,800,787</u>

	2008		
	Liabilities at fair value through profit or loss	Others	Total
	Rupees in '000		
<b>Liabilities</b>			
Short-term finances	-	2,850,000	2,850,000
Payable to selling banks	-	1,979	1,979
Payable to National Investment Trust Limited - Management Company	-	1,144,992	1,144,992
Creditors, accrued and other liabilities	-	22,526	22,526
Unclaimed distribution	-	150,442	150,442
	<u>-</u>	<u>4,169,939</u>	<u>4,169,939</u>



# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

## For the year ended June 30, 2009

### 20 FINANCIAL RISK MANAGEMENT

The Fund's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

#### 20.1 Market risk

Market risk is the risk that the fair value or the future cash flows of a financial instrument may fluctuate as a result of changes in market prices.

The Management Company manages market risk through diversification of the investment portfolio by exposures and by following the internal guidelines established by the investment committee.

Market risk comprises of three types of risk: currency risk, interest rate risk and other price risk.

##### 20.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund, at present is not exposed to currency risk as all transactions are carried out in Pak Rupees.

##### 20.1.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As the Fund has no significant interest-bearing assets, the Fund's income and operating cash flows are substantially independent of changes in market interest rates.

Yield+ / interest rate sensitivity position for on balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off balance sheet instruments is based on settlement date.

— As at June 30, 2009 —						
	Effective Interest rate (in percentage)	Exposed to interest rate risk			Not exposed to interest rate risk	Total
		Up to three months	More than three months and up to one year	More than one year		
<b>On-balance sheet financial instruments</b>						
Rupees in '000						
<b>Financial Assets</b>						
Bank balances	5-14.5	1,904,317	-	-	276,813	2,181,130
Receivable from selling banks		-	-	-	715	715
Receivable from National Investment Trust Limited - Management Company		-	-	-	368,705	368,705
Investments		-	-	-	27,109,864	27,109,864
Loans and receivables		-	-	-	-	-
Dividend and other receivables		-	-	-	432,647	432,647
Deposit with National Clearing Company of Pakistan Limited		-	-	-	2,500	2,500
		1,904,317	-	-	28,191,244	30,095,561
<b>Financial Liabilities</b>						
Short-term finances	14.23-14.5	1,000,000	-	-	-	1,000,000
Payable to selling banks		-	-	-	-	-
Payable to National Investment Trust Limited - Management Company		-	-	-	1,113,986	1,113,986
Creditors, accrued and other liabilities		-	-	-	13,836	13,836
Unclaimed distribution		-	-	-	208,853	208,853
		1,000,000	-	-	1,336,675	2,336,675
<b>On-balance sheet gap</b>		904,317	-	-	26,854,569	27,758,886
<b>Off-balance sheet financial instruments</b>		-	-	-	-	-
<b>Off-balance sheet gap</b>		-	-	-	-	-
<b>Total interest rate sensitivity gap</b>		904,317	-	-	26,854,569	27,758,886
<b>Cumulative interest rate sensitivity gap</b>		904,317	904,317	904,317		

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

## For the year ended June 30, 2009

As at June 30, 2008						
Effective Interest rate (in percentage)	Exposed to interest rate risk			Not exposed to interest rate risk	Total	
	Up to three months	More than three months and up to one year	More than one year			
Rupees in '000						
<b>On-balance sheet financial instruments</b>						
<b>Financial Assets</b>						
Bank balances	8-10	3,215,000	–	–	258,180	3,473,180
Receivable from selling banks		–	–	–	18,191	18,191
Receivable from National Investment Trust Limited						
– Management Company		–	–	–	206,975	206,975
Investments	10.5-13.06	–	–	6,540	45,714,384	45,720,924
Loans and receivables	10.5-13.06	35,872	–	–	–	35,872
Dividend and other receivables		–	–	–	343,145	343,145
Deposit with National Clearing Company of Pakistan Limited	–	–	–	–	2,500	2,500
		3,250,872	–	6,540	46,543,375	49,800,787
<b>Financial Liabilities</b>						
Short-term finances	9.78-17	2,850,000	–	–	–	2,850,000
Payable to selling banks		–	–	–	1,979	1,979
Payable to National Investment Trust Limited						
– Management Company		–	–	–	1,144,992	1,144,992
– Management Company		–	–	–	22,526	22,526
– Management Company		–	–	–	150,442	150,442
		2,850,000	–	–	1,319,939	4,169,939
<b>On-balance sheet gap</b>		400,872	–	6,540	45,223,436	45,630,848
<b>Off-balance sheet financial instruments</b>						
Off-balance sheet gap		–	–	–	–	–
<b>Total interest rate sensitivity gap</b>		400,872	–	6,540	45,223,436	45,630,848
<b>Cumulative interest rate sensitivity gap</b>		400,872	400,872	407,412		

### 20.1.3 Price Risk

The Fund is exposed to equity price risk because of investments held by the Fund and classified on the Statement of Assets and Liabilities as available for sale and at fair value through profit or loss. To manage its price risk arising from investments in equity securities, the Fund diversifies its portfolio. The NBFC Regulations also limit individual equity securities to no more than 10% of net assets, or issued capital of the investee company and sector exposure limit to 25% of net assets. However, relaxation in this regard has been obtained from the regulators.

In case of 5% increase / (decrease) in KSE 100 index on June 30, 2009, net loss for the year would increase / (decrease) and net assets of the Fund would increase / (decrease) by Rs. 97.161 million (June 30, 2008: Rs. 111.282 million) as a result of gains / losses on equity securities at fair value through profit or loss. Other components of equity and net assets of the Fund would increase / decrease by Rs 603.567 million (June 30, 2008: Rs. 1,088.547 million) as a result of gains / (losses) on equity securities included in KSE 100 index classified as available for sale.

The analysis is based on the assumption that the equity index had increased / decreased by 5% with all other variables held constant and all the Fund's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the KSE 100 index, having regard to the historical volatility of the index. The composition of the Fund's investment portfolio and the correlation thereof to the KSE index, is expected to change over time. Accordingly, the sensitivity analysis prepared is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of KSE 100 index.

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

## For the year ended June 30, 2009

### 20.2 Credit Risk

Credit risk represents the risk of a loss if the counter parties fail to perform as contracted. Credit risk arises from deposits with banks and financial institutions, receivable from selling banks, receivable from management company, investment in debt securities, credit exposure arising as a result of dividends receivable on equity securities and receivable against sale of investments. For banks and financial institutions, only reputed parties are accepted. Credit risk on dividend receivable is minimal due to statutory protection. All transactions in listed securities are settled / paid for upon delivery using the central clearing company. The risk of default is considered minimal due to inherent systematic measures taken therein.

The Fund's policy is to enter into financial contracts in accordance with the internal risk management policies and investment guidelines approved by the Investment Committee. The Fund does not expect to incur material credit losses on its financial assets.

The maximum exposure to credit risk before any credit enhancement as at June 30, 2009 is the carrying amount of the financial assets. Investments in equity securities, however, are not exposed to credit risk.

#### Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial instruments is broadly diversified and transactions are entered into with diverse credit-worthy counterparties thereby mitigating any significant concentrations of credit risk.

### 20.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous.

The Fund is exposed to the daily settlement of equity securities and to daily cash redemptions, if any. Its policy is therefore to invest the majority of its assets in investments that are traded in an active market and can be readily disposed of. The Fund's listed securities are considered readily realisable, as they are listed on the Karachi Stock Exchange.

The Fund has the ability to borrow in the short term to ensure settlement. The maximum amount available to the Fund from the borrowing would be limited to fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund. The facility would bear interest at commercial rates.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the year except due to imposition of 'floor' in the stock market from October 6, 2008, under SECP circular No.23 of 2008 dated October 7, 2008. On removal of the 'floor' on December 15, 2008, the Management Company continued the suspension due to persistent inadequate trading volumes and lack of price discovery in the equity market. From January 5, 2009, the Management Company had withdrawn the suspension in dealing in the Fund and all outstanding investment and redemption forms were then processed.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

The maturity profile of the Fund's financial liabilities based on contractual maturities is given below

	As at June 30, 2009			
	Total	Upto three months	Over three months and upto one year	Over one year
	Rupees in '000			
<b>Liabilities</b>				
Short-term finances	1,000,000	1,000,000	-	-
Payable to selling banks	-	-	-	-
Payable to National Investment Trust Limited -Management Company	1,113,986	1,113,986	-	-
Creditors, accrued and other liabilities	13,836	13,836	-	-
Unclaimed distribution	208,853	208,853	-	-
	<u>2,336,675</u>	<u>2,336,675</u>	<u>-</u>	<u>-</u>

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

## For the year ended June 30, 2009

	As at June 30, 2008			
	Total	Upto three months	Over three months and upto one year	Over one year
	Rupees in '000			
<b>Liabilities</b>				
Short-term finances	2,850,000	2,850,000	-	-
Payable to selling banks	1,979	1,979	-	-
Payable to National Investment Trust Limited -Management Company	1,144,992	1,144,992	-	-
Creditors, accrued and other liabilities	22,526	22,526	-	-
Unclaimed distribution	150,442	150,442	-	-
	<u>4,169,939</u>	<u>4,169,939</u>	<u>-</u>	<u>-</u>

### 21 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. They are entitled to dividends and to payment of a proportionate share based on the Fund's net asset value per share on the redemption date. The relevant movements are shown on the statement of movement in unit holders' funds.

The Fund has no restrictions or specific capital requirements on the subscription and redemption of units.

The Fund's objectives when managing unit holders' funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns for unit holders and to maintain a strong base of assets to meet unexpected losses or opportunities.

In accordance with the risk management policies as stated in note 20, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption requests, such liquidity being augmented by short-term borrowings or disposal of investments where necessary.

### 22 FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of investments categorized as at fair value through profit or loss and available for sale is based on the closing market prices quoted on the respective stock exchanges. In the opinion of the management the fair value of the remaining financial assets and liabilities are not significantly different from their carrying values since assets and liabilities are essentially short-term in nature.

### 23 TRANSACTIONS WITH TOP TEN BROKERS / DEALERS

#### List of top ten brokers by percentage of commission paid for the year ended June 30, 2009

- (i) JS Global Capital Limited
- (ii) Arif Habib Limited
- (iii) AKD Securities Limited
- (iv) Cassim Investment (Pvt) Limited
- (v) BMA Capital Management Limited
- (vi) KASB Securities Limited
- (vii) Global Securities Pakistan Limited
- (viii) Amin Tai Securities (Pvt) Limited
- (ix) Alfalah Securities (Pvt) Limited
- (x) Invest Capital Investment Bank Ltd.

#### List of top ten brokers by percentage of commission paid for the year ended June 30, 2008

- (i) AKD Securities Limited
- (ii) Arif Habib Limited
- (iii) JS Global Capital Limited
- (iv) Amin Tai Securities (Pvt) Limited
- (v) Javed Omer Vohra & Co. Limited
- (vi) Cassim Investments (Pvt) Limited
- (vii) KASB Securities Limited
- (viii) BMA Capital Management Limited
- (ix) Taurus Securities Limited
- (x) Alfalah Securities (Pvt) Limited



# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

## For the year ended June 30, 2009

### 24 PARTICULARS OF INVESTMENT COMMITTEE AND FUND MANAGER

Details of members of the investment committee of the Fund are as follow:

2009				
	Designation		Qualification	Experience in years
1	Tariq Iqbal Khan	Chairman and Managing Director	CA	40
2	Shahid Anwar	Head of MD's Secretariat and Personnel	MBA	32
3	Manzoor Ahmed	Head of Asset Management	MBA	20
4	Firasat Ali	Head of Marketing	MA (Economics)	34
5	Aamir Amin	Head of Finance	CA	12

**24.1** Mr. Manzoor Ahmed is the Manager of the Fund. Other funds beings managed by the Fund Manager are as follows:

- National Investment (Unit) Trust - LOC Holders' Fund
- NIT-State Enterprise Fund

### 25 ATTENDANCE AT MEETINGS OF BOARD OF DIRECTORS

The 263rd, 264th, 265th, 266th, 267th, 268th, 269th, 270th, 271st, 272nd and 273rd Board meetings were held on July 01, 2008, July 19, 2008, August 4, 2008, August 11, 2008, August 28, 2008, October 20, 008 , December 5, 2008, February 10, 2009, February 27, 2009, April 29, 2009, and May 20,2009 respectively. Information in respect of attendance by Directors in the meetings is given below:

	Name of Director	Number of meetings			Meetings not attended
		Held	Attended	Leave granted	
1	Mr. Tariq Iqbal Khan*	9	9	-	-
2	Mr. Muhammad Nawaz Tishna**	2	2	-	-
3	Mr. Abdul Hamid Adamjee	11	1	10	263rd to 264th & 266th to 273rd meeting
4	Mian Tajammal Hussain	11	10	1	267th meeting
5	Mr. S. Ali Raza	11	9	2	265th, 272nd meeting
6	Ms. Rukhsana Saleem	11	6	5	265th, 268-269th & 271-272nd meeting
7	Mr. Jamal Nasim	11	10	1	271st meeting
8	Mr. Aftab Ahmad Khan	11	5	6	266th & 269th to 273rd meeting
9	Mr. Bahauddin Khan***	8	8	-	-
10	Ms. Nazrat Bashir****	4	3	1	271st meeting
11	Mr. Muhammad Iqbal Hussain*****	7	5	2	268th & 269th meeting

\* Mr. Tariq Iqbal Khan, resumed his charge as Chairman & Managing Director, NIT w.e.f July 22, 2008 after availing of 87 days leave.

\*\* Acting Managing Director, Mr. Muhammad Nawaz Tishna, relinquished charge on July 22, 2008.

\*\*\* Mr. Bahauddin Khan, represents United Bank Limited, Joined the Board of NIT on August 4, 2008.

\*\*\*\*Ms. Nazrat Bashir, Co-opted as nominee director of MOF, GOP on the Board of NIT w.e.f February 10, 2009.

\*\*\*\*\*Mr. Muhammad Iqbal Hussain ceased as nominee director of MOF, GOP on the Board of NIT w.e.f February 10, 2009.

### 26 CORRESPONDING FIGURES

As more fully explained in note 1.2 of the financial statements, up to June 30, 2008 the segment pertaining to LOC Holders and Non-LOC Holders were both presented and disclosed as part of the financial statements of National Investment (Unit) Trust.

Significant restatements relate to the change in accounting policy for element of income and capital gains as explained in note 3.9 of these financial statements.

In addition undistributed income at June 30, 2007 had inadvertently been understated in the distribution statement for the year ended June 30, 2008 by approximately Rs 229.747 million. However, there was no impact on the net asset value of the Fund resulting from such overstatement as the balance had been appropriately reflected in the statement of movement in unit holders' fund.

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

## For the year ended June 30, 2009

### 27 NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors of the Management Company have approved a distribution of Rs 3.25 per unit (2008: Rs 6.5 per unit) for the year ended June 30, 2009.

### 28 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on 10 August, 2009 by the Board of Directors of the Management Company.

### 29 GENERAL

29.1 Figures have been rounded off to the nearest thousand Rupees.

29.2 The bifurcation of undistributed income into realised and unrealised income at the beginning and end of the year as required by the NBFC Regulations has not been disclosed as such bifurcation is not practicable.

For National Investment Trust Limited  
(Management Company)

Sd/  
\_\_\_\_\_  
Managing Director

Sd/  
\_\_\_\_\_  
Director

Sd/  
\_\_\_\_\_  
Director

Sd/  
\_\_\_\_\_  
S.V.P. / Divisional Head  
For National Bank of Pakistan (Trustee)

# INVESTMENT IN MARKETABLE SECURITIES - 'AT FAIR VALUE THROUGH PROFIT OR LOSS'

As at June 30, 2009

Name of the Investee Company	Number of shares					Balance as at June 30, 2009			Percentage in relation to		
	As at July 1, 2008	Purchases during the year	Bonus / rights issue	Merger / Demerger Effects / Adjustments	Sales during the year	As at June 30, 2009	Carrying value	Market value	Market value as a percentage of net assets	Market value as a percentage of total investment	Paid up capital of the investee Company
Rupees in '000'											
<b>CLOSE END MUTUAL FUNDS</b>											
Pakistan Strategic Allocation Fund	1,238,865	-	-	-	-	1,238,865	11,410	4,249	0.02	0.02	0.41
PICIC Energy Fund	1,477,772	-	-	-	-	1,477,772	11,069	6,650	0.02	0.02	1.48
PICIC Growth Fund	37,442	-	-	-	-	37,442	890	315	-	-	0.01
	<b>2,754,079</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,754,079</b>	<b>23,369</b>	<b>11,214</b>	<b>0.04</b>	<b>0.04</b>	
<b>MODARABAS</b>											
Al-Zamin Leasing Modaraba	2,312,127	-	-	-	-	2,312,127	18,705	9,249	0.03	0.03	7.49
B,F, Modaraba	387,617	-	29,071	21	-	416,709	1,357	708	-	-	6.10
B,R,R, Guardian Modaraba	3,006,274	-	-	-	-	3,006,274	21,435	8,117	0.03	0.03	3.85
Crescent Standard Modaraba	185,214	-	-	-	-	185,214	443	102	-	-	0.93
First Al-Noor Modaraba	1,034,440	-	-	-	-	1,034,440	4,034	3,569	0.01	0.01	4.93
First Elite Capital Modaraba	925,620	-	-	-	-	925,620	3,638	1,962	0.01	0.01	8.16
First Equity Modaraba	1,780,110	-	-	-	-	1,780,110	5,251	1,782	0.01	0.01	3.39
First Fidelity Leasing Modaraba	1,028,078	-	-	-	-	1,028,078	5,130	2,673	0.01	0.01	3.89
First IBL Modaraba	1,426,774	-	-	-	-	1,426,774	14,696	7,776	0.03	0.03	7.07
First Prudential Modaraba	341,251	-	-	-	-	341,251	1,450	382	-	-	0.39
First Punjab Modaraba	1,168,034	-	-	-	-	1,168,034	8,527	1,986	0.01	0.01	3.43
First Tri-Star Modaraba	297,278	-	-	-	-	297,278	1,796	1,216	-	-	1.40
First UDL Modaraba	1,714,625	-	-	-	-	1,714,625	8,179	6,018	0.02	0.02	6.50
KASB Modaraba	687,745	-	-	-	-	687,745	5,605	2,132	0.01	0.01	2.43
KASB Modaraba - Right	1,650,588	-	-	(1,650,588)	-	-	-	-	-	-	-
Modaraba Al-Mal	144,310	-	-	-	-	144,310	709	216	-	-	0.78
Standard Chartered Modaraba	3,152,598	-	-	-	-	3,152,598	37,831	29,477	0.11	0.11	6.95
Unicap Modaraba	349,197	-	-	-	-	349,197	196	87	-	-	2.56
	<b>21,591,880</b>	<b>-</b>	<b>29,071</b>	<b>(1,650,567)</b>	<b>-</b>	<b>19,970,384</b>	<b>138,982</b>	<b>77,432</b>	<b>0.28</b>	<b>0.28</b>	
<b>LEASING COMPANIES</b>											
Al-Zamin Leasing Corporation Limited	129,420	-	-	-	-	129,420	479	242	-	-	0.26
Askari Leasing Limited	114,709	-	17,206	-	-	131,915	3,408	3,216	0.01	0.01	0.25
Capital Assets Leasing Corporation Limited	36	-	-	-	-	36	-	-	-	-	0.00
English Leasing Limited	707,261	-	-	-	-	707,261	7,588	1,047	-	-	8.84
National Asset Leasing Corporation	265,013	-	-	-	-	265,013	164	27	-	-	2.78
Natover Lease and Refinance Limited	729,349	-	-	-	-	729,349	5,105	5,105	0.02	0.02	8.31
Network Leasing Corporation Limited	246,295	-	-	(246,295)	-	-	-	-	-	-	-
Saudi Pak Leasing Company Limited	133,185	-	-	-	-	133,185	919	265	-	-	0.29
Standard Chartered Leasing Limited	773,924	-	-	-	-	773,924	8,513	1,556	0.01	0.01	0.79
	<b>3,099,192</b>	<b>-</b>	<b>17,206</b>	<b>(246,295)</b>	<b>-</b>	<b>2,870,103</b>	<b>26,156</b>	<b>11,458</b>	<b>0.04</b>	<b>0.04</b>	
<b>INVESTMENT BANKS / COMPANIES / SECURITIES</b>											
First Dawood Investment Bank Limited	99,469	-	9,947	-	-	109,416	6,958	336	-	-	0.17
JS Investments Limited	34,480	-	-	-	-	34,480	3,278	584	-	-	0.03
Trust Investment Bank Limited	55	-	-	-	-	55	2	1	-	-	0.00
	<b>134,004</b>	<b>-</b>	<b>9,947</b>	<b>-</b>	<b>-</b>	<b>143,951</b>	<b>10,238</b>	<b>921</b>	<b>-</b>	<b>-</b>	
<b>COMMERCIAL BANKS</b>											
Allied Bank Limited	19,613	75,000	9,461	-	-	104,074	5,362	3,913	0.01	0.01	0.01
Askari Bank Limited	556,290	-	139,073	-	-	695,363	22,357	10,625	0.04	0.04	0.14
Bank Al Habib Limited	2,354,362	-	647,449	-	-	3,001,811	99,401	76,516	0.28	0.28	0.49
Bank Alfalah Limited	578,326	452,800	708,899	-	-	1,740,025	46,276	18,355	0.07	0.07	0.13
Faysal Bank Limited	1,517,503	43,500	234,150	-	-	1,795,153	54,374	17,377	0.06	0.06	0.29
Habib Bank Limited	-	79,900	19,980	-	-	99,880	13,954	8,251	0.03	0.03	0.01
Habib Metropolitan Bank Limited	355,671	-	88,917	-	-	444,588	14,643	11,030	0.04	0.04	0.06
JS Bank Limited	-	72,000	-	-	-	72,000	811	434	-	-	0.01
The Bank of Punjab	221,430	-	-	-	-	221,430	6,893	2,431	0.01	0.01	0.04
KASB Bank Limited	-	-	-	492	-	492	702	5	-	-	0.00
MCB Bank Limited	-	60,200	6,020	-	-	66,220	16,608	10,266	0.04	0.04	0.01
Meezan Bank Limited	112	-	9	-	-	121	3	1	-	-	0.00
National Bank of Pakistan	1,035,530	1,288,600	452,826	-	-	2,816,956	304,432	188,821	0.68	0.70	0.26
NIB Bank Limited	18,892,042	200,000	-	-	-	19,092,042	216,599	90,687	0.33	0.33	0.47
Samba Bank Limited	1,777,740	-	-	-	-	1,777,740	18,755	5,298	0.02	0.02	0.20
Silkoank Limited	2,698,371	-	-	-	-	2,698,371	40,890	14,898	0.05	0.05	0.30
Sonari Bank Limited	2,342,566	-	515,365	-	-	2,857,931	58,189	31,323	0.11	0.12	0.57
United Bank Limited	-	321,100	32,110	-	-	353,210	24,465	13,524	0.05	0.05	0.03
	<b>32,409,556</b>	<b>2,573,100</b>	<b>2,850,259</b>	<b>492</b>	<b>-</b>	<b>37,833,407</b>	<b>944,704</b>	<b>503,455</b>	<b>1.82</b>	<b>1.85</b>	
<b>TEXTILE SPINNING</b>											
D,S, Industries Limited	883,102	-	-	-	-	883,102	44,782	2,729	0.01	0.01	1.47
Din Textile Mills Limited	18,943	-	-	-	-	18,943	451	245	-	-	0.10
Gadoon Textile Mills Limited	513,399	-	-	-	-	513,399	29,058	8,225	0.03	0.03	2.19
Maqbool Textile Mills Limited	245,873	-	-	-	-	245,873	3,934	3,366	0.01	0.01	1.46
Premium Textile Mills Limited	2,216	-	-	-	-	2,216	67	65	-	-	0.04
Sail Textile Mills Limited	46,244	-	-	-	-	46,244	462	185	-	-	0.18
	<b>1,709,777</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,709,777</b>	<b>78,754</b>	<b>14,815</b>	<b>0.05</b>	<b>0.05</b>	
<b>TEXTILE COMPOSITE</b>											
Azgard Nine Limited	434	100,000	43,869	-	-	144,303	4,604	3,195	0.01	0.01	0.04
Blessed Textile Mills Limited	32,018	-	-	-	-	32,018	2,241	1,273	-	-	0.50
Fateh Textile Mills Limited	58,125	-	-	-	-	58,125	31,969	27,223	0.10	0.10	4.65
Gul Ahmed Textile Mills Limited	742,421	-	111,363	-	-	853,784	34,151	33,161	0.12	0.12	1.55
Kohinoor Mills Limited	1,682,229	-	-	-	-	1,682,229	36,203	8,078	0.03	0.03	3.26
Kohinoor Textile Mills Limited	71,577	-	-	-	-	71,577	993	316	-	-	0.05
Mehmood Textile Mills Limited	75,128	-	-	-	-	75,128	9,692	5,409	0.02	0.02	0.75
Nishat (Chunian) Limited	432,033	-	43,203	-	-	475,236	10,373	4,092	0.01	0.02	0.57
Nishat (Chunian) Limited - Convertible Preference Shares	-	-	237,618	-	-	237,618	2,376	2,376	0.01	0.01	0.57
Nishat Mills Limited	600,665	620,000	610,332	-	-	1,830,997	104,892	69,248	0.25	0.26	0.76
Sapphire Fibres Limited	322,552	-	-	-	-	322,552	83,847	27,417	0.10	0.10	1.84
Sapphire Textile Mills Limited	571,112	-	-	-	-	571,112	77,386	39,407	0.14	0.15	2.84
The Crescent Textile Mills Limited	190,058	-	-	-	-	190,058	11,122	4,656	0.02	0.02	0.39
	<b>4,758,352</b>	<b>720,000</b>	<b>1,046,385</b>	<b>492</b>	<b>-</b>	<b>6,524,737</b>	<b>409,849</b>	<b>225,551</b>	<b>0.81</b>	<b>0.84</b>	
<b>WOOLEN</b>											
Bannu Woollen Mills Limited	374,490	-	-	-	-	374,490	19,279	5,082	0.02	0.02	

# INVESTMENT IN MARKETABLE SECURITIES - 'AT FAIR VALUE THROUGH PROFIT OR LOSS' As at June 30, 2009

Name of the Investee Company	Number of shares					Balance as at June 30, 2009			Percentage in relation to		
	As at July 1, 2008	Purchases during the year	Bonus / rights issue	Merger / Demerger Effects / Adjustments	Sales during the year	As at June 30, 2009	Carrying value	Market value	Market value as a percentage of net assets	Market value as a percentage of total investment	Paid up capital of the investee Company
Rupees in '000'											
<b>SYNTHETIC AND RAYON</b>											
Dewan Salman Fibre Limited	1,766,986	-	-	-	-	1,766,986	8,747	2,633	0.01	0.01	0.48
Galtron (Industries) Limited	738	-	-	-	-	738	61	45	-	-	0.00
Ibrahim Fibres Limited	18,530	-	-	-	-	18,530	973	552	-	-	0.01
Pakistan Synthetics Limited	2,656,283	-	-	-	-	2,656,283	18,328	16,150	0.06	0.06	4.74
Rupal Polyester Limited	202,223	-	-	-	-	202,223	8,493	5,955	0.02	0.02	0.59
	<b>4,644,760</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,644,760</b>	<b>36,602</b>	<b>25,335</b>	<b>0.09</b>	<b>0.09</b>	
<b>JUTE</b>											
Thal Limited (Rs 5 / share)	4,901	-	1,960	-	-	6,861	961	531	0.00	0.00	
<b>SUGAR AND ALLIED INDUSTRIES</b>											
Habib-ADM Limited (Rs 5 / share)	119,017	-	-	-	-	119,017	1,366	1,910	0.01	0.01	
<b>CEMENT</b>											
AFAbbas Cement Industries Limited	788,148	-	-	-	-	788,148	9,032	5,517	0.02	0.02	0.43
Attock Cement Pakistan Limited	26,838	-	-	-	-	26,838	2,070	1,885	0.01	0.01	0.04
Cherat Cement Company Limited	56,488	-	-	-	-	56,488	1,530	764	-	-	0.06
D.G. Khan Cement Company Limited	202,493	1,950,000	430,499	-	-	2,582,992	123,687	76,586	0.28	0.28	0.65
Lucky Cement Limited	264,626	1,087,600	-	-	-	1,352,226	105,709	79,146	0.29	0.29	0.42
Maple Leaf Cement Factory Limited	922,806	-	-	-	-	922,806	10,068	3,931	0.01	0.01	0.25
	<b>2,261,399</b>	<b>3,037,600</b>	<b>430,499</b>	<b>-</b>	<b>-</b>	<b>5,729,498</b>	<b>252,096</b>	<b>167,829</b>	<b>0.61</b>	<b>0.61</b>	
<b>TOBACCO</b>											
Pakistan Tobacco Company Limited	29,714	-	-	-	-	29,714	3,477	2,165	0.01	0.01	
<b>REFINERY</b>											
Attock Refinery Limited	385,945	1,000,000	277,189	-	-	1,663,134	285,490	207,542	0.75	0.77	1.95
National Refinery Limited	204,864	201,000	-	-	-	405,864	108,377	89,298	0.32	0.33	0.51
Pakistan Refinery Limited	21,616	-	-	-	-	21,616	3,272	1,941	0.01	0.01	0.06
	<b>612,425</b>	<b>1,201,000</b>	<b>277,189</b>	<b>-</b>	<b>-</b>	<b>2,090,614</b>	<b>397,139</b>	<b>298,781</b>	<b>1.08</b>	<b>1.11</b>	
<b>POWER GENERATION &amp; DISTRIBUTION</b>											
Karachi Electric Supply Company Limited (Rs 3.5 / unit)	9,170,161	-	-	-	-	9,170,161	50,161	24,301	0.09	0.09	0.20
Karachi Electric Supply Company Limited - Right	-	-	2,842,750	-	-	2,842,750	-	-	-	-	0.06
Kohinoor Energy Limited	660,867	-	-	-	-	660,867	17,943	19,165	0.07	0.07	0.39
Kot Addu Power Company Limited	908,329	-	-	-	-	908,329	42,691	38,386	0.14	0.14	0.06
The Hub Power Company Limited	1,261,059	42,000	-	-	-	1,303,059	37,104	35,300	0.13	0.13	0.11
	<b>12,000,416</b>	<b>42,000</b>	<b>2,842,750</b>	<b>-</b>	<b>-</b>	<b>14,885,166</b>	<b>147,899</b>	<b>117,152</b>	<b>0.43</b>	<b>0.43</b>	
<b>OIL &amp; GAS MARKETING COMPANIES</b>											
Pakistan State Oil Company Limited	623,674	105,000	-	-	-	728,674	297,999	155,681	0.56	0.57	0.42
Shell Pakistan Limited	1,835	-	458	12	-	2,305	765	516	-	-	0.00
Sui Northern Gas Pipelines Limited	11,867	29,200	-	-	-	41,067	1,667	1,312	-	-	0.01
Sui Southern Gas Company Limited	5,546,967	-	-	-	-	5,546,967	155,648	77,668	0.28	0.29	0.63
	<b>6,184,343</b>	<b>134,200</b>	<b>458</b>	<b>12</b>	<b>-</b>	<b>6,319,013</b>	<b>456,079</b>	<b>236,167</b>	<b>0.84</b>	<b>0.86</b>	
<b>OIL AND GAS EXPLORATION COMPANIES</b>											
Mari Gas Company Limited	84,299	-	-	-	-	84,299	22,721	12,546	0.05	0.05	0.23
Oil & Gas Development Company Limited	1,967,631	2,434,200	-	-	-	4,401,831	538,112	346,160	1.25	1.28	0.10
Pakistan Oilfields Limited	231,426	355,400	107,365	-	-	694,191	180,700	101,282	0.37	0.37	0.29
Pakistan Petroleum Limited	2,468,062	96,200	254,626	-	-	2,818,888	626,770	534,292	1.93	1.97	0.34
	<b>4,751,418</b>	<b>2,885,800</b>	<b>361,991</b>	<b>-</b>	<b>-</b>	<b>7,999,209</b>	<b>1,367,673</b>	<b>994,280</b>	<b>3.60</b>	<b>3.67</b>	
<b>ENGINEERING</b>											
Crescent Steel & Allied Products Limited	15,088	-	1,508	-	-	16,596	931	298	-	-	0.03
International Industries Limited	42,360	-	8,472	-	-	50,832	5,314	2,292	0.01	0.01	0.05
	<b>57,448</b>	<b>-</b>	<b>9,980</b>	<b>-</b>	<b>-</b>	<b>67,428</b>	<b>6,245</b>	<b>2,590</b>	<b>0.01</b>	<b>0.01</b>	
<b>AUTO ASSEMBLERS</b>											
Al-Ghazi Tractors Limited	496	-	-	-	-	496	135	80	-	-	0.00
Dewan Farooque Motors Limited	5,418	-	-	-	-	5,418	37	9	-	-	0.01
Hinopak Motors Limited	9,152	-	-	-	-	9,152	5,125	1,405	0.01	0.01	0.07
Honda Alfas Cars (Pakistan) Limited	389,158	-	-	-	-	389,158	14,644	5,001	0.02	0.02	0.27
Millat Tractors Limited	9,845	-	2,461	-	-	12,306	2,619	3,436	0.01	0.01	0.05
Pak Suzuki Motor Company Limited	1,090	-	-	-	-	1,090	131	74	-	-	0.00
	<b>415,159</b>	<b>-</b>	<b>2,461</b>	<b>-</b>	<b>-</b>	<b>417,620</b>	<b>22,691</b>	<b>10,005</b>	<b>0.04</b>	<b>0.04</b>	
<b>CABLE AND ELECTRICAL GOODS</b>											
Pak Elektron Limited	673,698	-	-	-	-	673,698	37,727	16,512	0.06	0.06	0.69
Pak Elektron Limited - Convertible Preference Shares (loaded)	307,869	-	-	-	-	307,869	3,079	3,079	0.01	0.01	0.32
Pak Elektron Limited - Non Convertible Preference Shares (unloaded)	923,607	-	-	-	-	923,607	9,236	9,236	0.03	0.03	0.95
Siemens Pakistan Engineering Company Limited	34,713	-	-	-	-	34,713	48,800	35,338	0.13	0.13	0.42
	<b>1,939,887</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,939,887</b>	<b>98,842</b>	<b>64,165</b>	<b>0.23</b>	<b>0.23</b>	
<b>TRANSPORT &amp; COMMUNICATION</b>											
Pakistan International Airlines Corporation - (A)	2,381,038	-	-	29,112	-	2,410,150	11,905	8,002	0.03	0.03	0.11
<b>TECHNOLOGY &amp; COMMUNICATION</b>											
CalImate Telpis Telecom Limited (Under winding up through court)	83	-	-	-	-	83	-	-	-	-	0.00
Pakistan Telecommunication Company Limited	1,253,184	18,000	-	-	-	1,271,184	49,051	21,915	0.08	0.08	0.03
Southern Networks Limited (Under winding up through court)	301,260	-	-	-	-	301,260	1,765	404	-	-	0.60
Telecard Limited	449,735	-	-	-	-	449,735	2,860	778	-	-	0.01
Worldcall Telecom Limited	310,591	-	-	-	-	310,591	4,510	776	-	-	0.01
	<b>2,314,853</b>	<b>18,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,332,853</b>	<b>58,186</b>	<b>23,873</b>	<b>0.08</b>	<b>0.10</b>	
<b>FERTILIZER</b>											
Dawood Hercules Chemicals Limited	243,380	-	24,338	-	-	267,718	94,797	34,404	0.12	0.13	0.24
Engro Chemical Pakistan Limited	225,163	194,500	167,865	-	-	587,528	112,362	75,456	0.27	0.28	0.20
Fauji Fertilizer Bin Qasim Limited	542,590	880,500	-	-	-	1,423,090	42,269	25,174	0.09	0.09	0.15
Fauji Fertilizer Company Limited	2,257,188	447,700	993,708	-	-	3,698,596	352,432	321,593	1.16	1.19	0.55
	<b>3,268,321</b>	<b>1,522,700</b>	<b>1,185,911</b>	<b>-</b>	<b>-</b>	<b>5,976,932</b>	<b>601,860</b>	<b>456,627</b>	<b>1.64</b>	<b>1.69</b>	
<b>PHARMACEUTICALS</b>											
Abbott Laboratories (Pakistan) Limited	77,509	-	-	-	-	77,509	13,750	6,216	0.02	0.02	0.08
Glaxosmithkline Pakistan Limited	84,253	-	-	-	-	84,253	14,323	10,094	0.04	0.04	0.05
Hightnoon Laboratories Limited	98,717	-	-	-	-	98,717	5,572	3,010	0.01	0.01	0.60
	<b>260,479</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>260,479</b>	<b>33,645</b>	<b>19,320</b>	<b>0.07</b>	<b>0.07</b>	

# INVESTMENT IN MARKETABLE SECURITIES - 'AT FAIR VALUE THROUGH PROFIT OR LOSS' As at June 30, 2009

Name of the Investee Company	Number of shares					Balance as at June 30, 2009			Percentage in relation to		
	As at July 1, 2008	Purchases during the year	Bonus / rights issue	Merger / Demerger Effects / Adjustments	Sales during the year	As at June 30, 2009	Carrying value	Market value	Market value as a percentage of net assets	Market value as a percentage of total investment	Paid up capital of the investee Company
Rupees in '000'											
<b>CHEMICALS</b>											
BOC Pakistan Limited	66,660	-	-	-	-	66,660	14,570	7,666	0.03	0.03	0.27
ICI Pakistan Limited	319,681	8,500	-	-	-	328,181	52,814	46,027	0.17	0.17	0.24
Pakistan PTA Limited	3,515,471	-	-	-	-	3,515,471	14,870	10,054	0.04	0.04	0.23
Sitara Chemical Industries Limited	19,585	-	-	-	-	19,585	4,944	3,055	0.01	0.01	0.10
	<b>3,921,397</b>	<b>8,500</b>	-	-	-	<b>3,929,897</b>	<b>87,198</b>	<b>66,802</b>	<b>0.25</b>	<b>0.25</b>	
<b>PAPER &amp; BOARD</b>											
Century Paper & Board Mills Limited	52,518	-	-	-	-	52,518	2,626	693	-	0.01	0.07
Packages Limited	4,545	4,600	-	-	-	9,145	2,035	1,436	0.01	0.01	0.01
Security Papers Limited	29,010	-	5,802	-	-	34,812	2,224	1,741	0.01	0.01	0.08
	<b>86,073</b>	<b>4,600</b>	<b>5,802</b>	-	-	<b>96,475</b>	<b>6,885</b>	<b>3,870</b>	<b>0.02</b>	<b>0.03</b>	
<b>VANASPATI AND ALLIED INDUSTRIES</b>											
Wazir Ali Industries Limited	102	-	-	-	-	102	2	1	-	-	0.00
<b>LEATHER AND TANNERIES</b>											
Service Industries Limited	1,681,975	-	-	-	-	1,681,975	249,773	178,340	0.54	0.66	13.06
<b>FOOD AND PERSONAL CARE PRODUCTS</b>											
Nestle Pakistan Limited	2,796	-	-	-	-	2,796	4,584	3,053	0.01	0.01	0.01
Unilever Pakistan Limited (Rs 50 / share)	589	-	-	-	-	589	1,384	1,149	-	-	0.00
Unilever Pakistan Limited - Preference Shares	123	-	-	-	-	123	289	237	-	-	0.00
	<b>3,508</b>	-	-	-	-	<b>3,508</b>	<b>6,257</b>	<b>4,439</b>	<b>0.01</b>	<b>0.01</b>	
<b>GLASS AND CERAMICS</b>											
Ghani Glass Limited	1,008,094	-	50,404	-	-	1,058,498	113,773	60,334	0.22	0.22	
<b>MISCELLANEOUS</b>											
Pakistan Services Limited	210,756	-	-	-	-	210,756	113,807	23,826	0.09	0.09	0.65
Tri-Pack Films Limited	477,758	6,600	-	-	-	484,358	83,283	48,383	0.16	0.18	1.61
	<b>688,514</b>	<b>6,600</b>	-	-	-	<b>695,114</b>	<b>197,090</b>	<b>72,209</b>	<b>0.25</b>	<b>0.27</b>	
<b>Total</b>	<b>115,466,571</b>	<b>12,154,100</b>	<b>9,122,273</b>	<b>(1,867,246)</b>	-	<b>134,875,698</b>	<b>5,808,975</b>	<b>3,663,955</b>	<b>13.21</b>	<b>13.52</b>	

# INVESTMENT IN MARKETABLE SECURITIES - 'AVAILABLE FOR SALE'

## As at June 30, 2009

Name of the Investee Company	Number of units / shares					Balance as at June 30, 2009			Percentage in relation to		
	As at July 1, 2008	Purchases during the year	Bonus / rights issue	Merger / Demerger Effects / Adjustments	Sales during the year	As at June 30, 2009	Carrying value	Market value	Market value as a percentage of net assets	Market value as a percentage of total investment	Paid up capital of the investee Company
Rupees in '000'											
<b>OPEN END MUTUAL FUNDS</b>											
AKD Income Fund	108,691	-	-	-	-	108,691	4,926	4,849	0.02	0.02	-
Faysal Savings Growth Fund	50,624	-	-	-	-	50,624	5,000	5,122	0.02	0.02	-
First Habib Income Fund	124,994	-	-	-	-	124,994	12,315	12,499	0.05	0.05	-
HBL Income Fund	379,225	-	-	-	-	379,225	36,345	39,591	0.14	0.15	-
HBL Multi Asset Fund	750,000	-	-	-	-	750,000	75,000	75,000	0.27	0.28	-
HBL Stock Fund	264,573	-	-	-	-	264,573	26,457	26,457	0.10	0.10	-
IGI Income Fund	127,430	-	-	-	-	127,430	12,500	12,743	0.05	0.05	-
	<b>1,805,537</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,805,537</b>	<b>173,143</b>	<b>176,261</b>	<b>0.65</b>	<b>0.67</b>	
<b>CLOSE END MUTUAL FUNDS</b>											
Al Meezan Mutual Fund Limited	2,866,385	-	-	-	-	2,866,385	10,262	14,905	0.05	0.05	2.98
Asian Stocks Fund Limited	344,813	-	-	-	-	344,813	1,430	1,431	0.01	0.01	-
Dominion Stock Fund Limited	157,629	-	-	-	-	157,629	118	123	-	-	3.15
First Capital Mutual Fund Limited	143,097	-	-	-	-	143,097	341	341	0.01	-	0.48
Golden Arrow Selected Stocks Fund Limited (Rs 5 / unit)	3,864	-	483	616	-	4,963	-	-	-	-	0.00
Investec Mutual Fund Limited	172,406	-	-	-	-	172,406	88	112	-	-	1.72
JS Growth Fund	9,787,430	-	-	-	-	9,787,430	29,167	37,388	0.13	0.14	3.08
JS Large Cap Fund	1,369,104	-	-	-	-	1,369,104	3,149	4,258	0.02	0.02	0.42
JS Value Fund Limited	1,148,487	42,123	-	-	-	1,190,610	5,298	5,298	0.02	0.02	1.00
Pakistan Premier Fund Limited	690,063	32,393	-	-	-	722,456	1,459	2,962	0.01	0.01	0.43
PIIC Growth Fund	6,415,342	14,016	-	-	-	6,429,358	35,341	54,007	0.19	0.20	2.27
PIIC Investment Fund	10,108,128	-	-	-	-	10,108,128	20,519	38,512	0.14	0.14	3.56
	<b>33,206,748</b>	<b>88,532</b>	<b>483</b>	<b>616</b>	<b>-</b>	<b>33,296,379</b>	<b>107,772</b>	<b>159,337</b>	<b>0.58</b>	<b>0.59</b>	
<b>MODARABAS</b>											
Al-Zamin Leasing Modaraba	1,429,009	-	-	-	-	1,429,009	5,716	5,716	0.02	0.02	4.63
B.R.R. Guardian Modaraba	1,858,028	-	-	-	-	1,858,028	5,017	5,017	0.02	0.02	2.38
First Habib Bank Modaraba	5,035,756	-	-	-	-	5,035,756	15,258	19,690	0.07	0.07	12.68
First Habib Modaraba (Rs 5 / certificate)	1,584,070	-	-	-	-	1,584,070	8,982	9,140	0.03	0.03	0.79
First Paramount Modaraba	38,322	-	-	-	-	38,322	-	-	-	-	0.65
First Tawakkal Modaraba	474,032	-	-	-	-	474,032	-	-	-	-	1.83
LTV Capital Modaraba (Rs 5 / certificate)	321	-	-	-	-	321	-	-	-	-	0.00
Standard Chartered Modaraba	1,948,462	-	-	-	-	1,948,462	13,269	18,218	0.07	0.07	4.29
	<b>12,368,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,368,000</b>	<b>48,242</b>	<b>57,781</b>	<b>0.21</b>	<b>0.21</b>	
<b>LEASING COMPANIES</b>											
Al-Zamin Leasing Corporation Limited	1,898,388	-	-	-	-	1,898,388	2,324	3,550	0.01	0.01	3.93
Askari Leasing Limited	1,050,007	-	157,501	22	-	1,207,530	33,057	29,440	0.11	0.11	2.33
Dadsbhoy Leasing Limited	370,674	-	-	-	-	370,674	-	-	-	-	4.93
Orix Leasing Pakistan Limited	2,524,853	-	378,727	-	-	2,903,580	23,228	23,229	0.08	0.09	3.83
Saudi Pak Leasing Company Limited	2,972,567	-	-	-	-	2,972,567	5,915	5,915	0.02	0.02	6.58
Security Leasing Corporation Limited	447,026	-	-	-	-	447,026	885	885	0.01	-	1.23
	<b>9,263,515</b>	<b>-</b>	<b>536,228</b>	<b>22</b>	<b>-</b>	<b>9,799,765</b>	<b>66,009</b>	<b>63,019</b>	<b>0.23</b>	<b>0.23</b>	
<b>INVESTMENT BANKS / COMPANIES / SECURITIES</b>											
Arif Habib Investments Limited	-	143,589	-	-	-	143,589	2,874	2,873	0.01	0.01	0.48
Arif Habib Limited	-	35,268	-	-	-	35,268	2,636	2,359	0.01	0.01	0.12
Arif Habib Securities Limited	-	1,101,895	-	-	-	1,101,895	30,457	30,456	0.11	0.11	0.29
Bankers Equity Limited (Under winding up through court)	3,408,091	-	-	-	-	3,408,091	-	-	-	-	-
Dawood Capital Management Limited	603,484	-	60,348	-	-	663,832	2,882	3,618	0.01	0.01	4.43
Dawood Equities Limited	-	2,306	-	-	-	2,306	9	9	-	-	0.01
Equity Participation Limited	4,925	-	-	-	-	4,925	-	-	-	-	-
First Capital Securities Corporation Limited	2,063,324	-	1,114,194	-	-	3,177,518	7,281	33,078	0.12	0.12	1.27
First Dawood Investment Bank Limited	2,387,408	-	238,740	-	-	2,626,148	8,063	8,062	0.03	0.03	4.19
First National Equities Limited	-	65,227	-	-	-	65,227	525	525	-	-	0.11
IGI Investment Bank Limited	7,682,579	-	-	-	-	7,682,579	24,200	32,113	0.12	0.12	3.62
Industrial Development Bank of Pakistan	1,970	-	-	-	-	1,970	208	208	-	-	-
Innovative Investment Bank Limited	35,227	-	-	-	-	35,227	-	352	-	-	0.19
Invest & Finance Securities Limited	-	695	-	-	-	695	2	4	-	-	0.00
Investec Securities Limited	98,518	-	-	-	-	98,518	63	85	-	-	0.60
Islamic Investment Bank Limited	139,990	-	-	-	-	139,990	-	-	-	-	0.71
Jahangir Siddiqui & Company Limited	-	393,701	-	-	-	393,701	9,130	9,130	0.03	0.03	0.05
Javed Omer Vohra & Company Limited	1,520,953	102,558	152,095	-	-	1,775,606	10,594	23,917	0.09	0.09	3.49
JS Investments Limited	-	7,302	-	-	-	7,302	123	124	-	-	0.01
Pervez Ahmed Securities Limited	-	230,884	-	-	-	230,884	833	1,221	0.01	-	0.30
Prudential Investment Bank Limited	326,292	-	-	-	-	326,292	-	-	-	-	3.26
Security Investment Bank Limited	2,277,688	-	-	-	-	2,277,688	6,810	6,810	0.02	0.03	4.43
	<b>20,550,459</b>	<b>2,083,425</b>	<b>1,565,377</b>	<b>-</b>	<b>-</b>	<b>24,199,261</b>	<b>106,690</b>	<b>154,944</b>	<b>0.56</b>	<b>0.56</b>	
<b>COMMERCIAL BANKS</b>											
Allied Bank Limited	1,688,025	-	188,802	-	-	1,856,827	52,869	69,817	0.25	0.26	0.26
Arif Habib Bank Limited	400,000	397,569	44,440	4	-	842,013	4,736	5,886	0.02	0.02	0.17
Askari Bank Limited	14,200,260	-	3,550,065	1,897	-	17,752,222	206,898	271,254	0.98	1.00	3.50
Atlas Bank Limited	16,766,336	-	-	-	-	16,766,336	55,664	56,838	0.20	0.21	3.35
Bank Al Habib Limited	41,159,300	-	11,318,807	324	-	52,478,431	1,023,633	1,337,675	4.82	4.93	8.60
Bank Islami Pakistan Limited	-	599,368	-	-	-	599,368	3,583	3,818	0.01	0.01	0.11
Faysal Bank Limited	7,583,700	-	1,137,555	-	-	8,721,255	84,421	84,422	0.30	0.31	1.43
Habib Bank Limited	907,449	-	181,489	-	-	1,088,938	67,932	93,714	0.34	0.35	0.12
Habib Metropolitan Bank Limited	40,121,219	-	10,030,304	641	-	50,152,164	1,056,393	1,244,275	4.49	4.59	6.66
Indus Bank Limited (Under winding up through court)	147	-	-	-	-	147	-	-	-	-	-
JS Bank Limited	20,140,632	884,609	-	-	-	21,025,241	100,206	126,782	0.46	0.47	3.43
KASB Bank Limited	457,776	1,000,000	-	-	-	1,457,776	13,635	15,044	0.05	0.06	0.36
Mehran Bank Limited	738,590	-	-	-	-	738,590	-	-	-	-	-
Myobank Limited	110	-	-	-	-	110	-	-	-	-	0.00
National Bank of Pakistan	3,493,098	200,000	698,619	-	-	4,391,717	190,934	294,377	1.06	1.09	0.41
NIB Bank Limited	10,258,990	350,000	-	-	-	10,608,990	49,853	50,393	0.18	0.19	0.26
Samba Bank Limited	10,250,000	202,500	-	-	-	10,452,500	31,148	31,148	0.11	0.11	1.19
Silkbank Limited	3,047,384	-	-	-	-	3,047,384	15,287	16,486	0.06	0.06	0.34
Soneri Bank Limited	46,965,663	-	10,332,445	-	-	57,298,108	516,623	627,987	2.26	2.32	11.42
United Bank Limited	891,020	-	89,102	-	-	980,122	32,888	37,529	0.14	0.14	0.09
	<b>219,069,699</b>	<b>3,634,046</b>	<b>37,551,628</b>	<b>2,866</b>	<b>-</b>	<b>260,258,239</b>	<b>3,506,683</b>	<b>4,367,445</b>	<b>15.73</b>	<b>16.12</b>	

# INVESTMENT IN MARKETABLE SECURITIES - 'AVAILABLE FOR SALE'

## As at June 30, 2009

Name of the Investee Company	Number of units / shares					Balance as at June 30, 2009		Percentage in relation to		
	As at July 1, 2008	Purchases during the year	Bonus / rights issue	Merger / Demerger Effects / Adjustments	Sales during the year	As at June 30, 2009	Carrying value	Market value	Market value as a percentage of net assets	Market value as a percentage of total investment
Rupees in '000'										
<b>INSURANCE</b>										
Union Insurance Company of Pakistan Limited	306	-	-	-	-	306	-	8	-	-
<b>TEXTILE SPINNING</b>										
Accord Textile Mills Limited	458,109	-	-	-	-	458,109	-	-	-	4.93
Adl Textile Mills Limited	93,592	-	-	-	-	93,592	-	833	0.01	1.21
Atsar Textile Mills	64,184	-	-	-	-	64,184	-	-	-	-
Al-Qaim Textile Mills Limited	358,753	-	-	-	-	358,753	-	-	-	4.81
Allawasya Textile & Finishing Mills Limited	49	-	-	-	-	49	4	5	-	0.01
Asim Textile Mills Limited	1,142,712	-	-	-	-	1,142,712	-	-	-	7.53
Awan Textile Mills Limited	213,390	-	-	-	-	213,390	-	-	-	2.46
Azam Textile Mills Limited	620,655	-	-	-	-	620,655	-	-	-	4.68
Babri Cotton Mills Limited	70,006	-	-	-	-	70,006	392	392	0.01	2.42
Baig Spinning Mills Limited (Under voluntary winding up)	51,106	-	-	-	-	51,106	35	51	-	0.56
Bawany Textile Mills Limited	84,233	-	-	-	-	84,233	-	-	-	-
Brothers Textile Mills Limited	617,961	-	-	-	-	617,961	-	-	-	6.31
Central Cotton Limited	34,948	-	-	-	-	34,948	-	-	-	-
Chakwal Spinning Mills Limited	754,008	-	-	-	-	754,008	-	-	-	1.89
Crescent Fibres Limited	852,681	-	-	-	-	852,681	-	5,244	0.02	0.02
Crescent Spinning Mills Limited	727,080	-	-	-	-	727,080	-	-	-	4.80
D. M. Textile Mills Limited	336,614	-	-	-	-	336,614	1,431	1,431	0.01	0.01
D.S. Industries Limited	-	44,780	-	-	-	44,780	138	138	-	0.07
Dar es Salaam Textile Mills Limited	266,787	-	-	-	-	266,787	760	760	0.01	3.33
Data Textiles Limited	618,595	-	-	-	-	618,595	-	-	-	6.24
Dewan Khalid Textile Mills Limited	279,486	-	-	-	-	279,486	1,118	1,118	-	4.92
Dewan Mushtaq Textile Mills Limited	240,424	-	-	-	-	240,424	2,601	4,294	0.02	0.02
Din Textile Mills Limited	281,239	-	-	-	-	281,239	3,847	3,631	0.01	0.01
Elliott Spinning Mills Limited	706,880	-	-	-	-	706,880	7,509	6,998	0.03	0.03
Faisal Spinning Mills Limited	1,527	-	-	-	-	1,527	47	47	-	0.02
Fatima Enterprises Limited	628,671	-	-	-	-	628,671	5,468	10,719	0.04	0.04
Fazal Cloth Mills Limited	1,105,611	-	-	-	-	1,105,611	13,415	17,977	0.06	0.07
Fazal Textile Mills Limited	67,755	-	-	-	-	67,755	1,232	24,053	0.09	0.09
Gadoon Textile Mills Limited	1,335,356	-	-	-	-	1,335,356	21,392	21,392	0.08	0.08
Ghaffar Textile Mills Limited	45,835	-	-	-	-	45,835	-	-	-	-
Globe Textile Mills Limited	65,972	-	-	-	-	65,972	346	610	-	0.40
Gulistan Spinning Mills Limited	241,393	-	24,139	-	-	265,532	1,129	1,129	0.01	1.58
Gulistan Textile Mills Limited	621,241	-	46,593	-	-	667,834	6,011	6,011	0.02	0.02
Gulshan Spinning Mills Limited	828,694	-	82,869	27	-	911,590	4,558	4,558	0.02	0.02
Haji Mohammed Ismail Mills Limited	147	-	-	-	-	147	-	-	-	0.00
Hajra Textile Mills Limited	518,063	-	-	-	-	518,063	-	-	-	3.77
Harum Textile Mills Limited	58,248	-	-	-	-	58,248	-	-	-	0.62
Ideal Spinning Mills Limited	658,396	-	-	-	-	658,396	1,251	1,251	0.01	6.64
Indus Dyeing & Manufacturing Company Limited	525,295	-	-	-	-	525,295	5,510	25,713	0.09	0.09
J. A. Textile Mills Limited	677,361	-	-	-	-	677,361	-	-	-	5.38
J. K. Spinning Mills Limited	324,568	-	-	-	-	324,568	373	373	-	4.64
Junaid Cotton Mills Limited	37,436	-	-	-	-	37,436	-	-	-	1.50
Karim Cotton Mills Limited	110,562	-	-	-	-	110,562	-	-	-	9.34
Khalid Siraj Textile Mills Limited	700,498	-	-	-	-	700,498	-	-	-	6.55
Kohat Textile Mills Limited	38,569	-	-	-	-	38,569	30	30	-	0.19
Kohinoor Cotton Limited	62,553	-	-	-	-	62,553	-	-	-	-
Kohinoor Spinning Mills Limited	602,327	-	-	-	-	602,327	-	-	-	0.46
Lafayette Industries Synthetics Limited	92,360	-	-	-	-	92,360	-	-	-	-
Landmark Spinning Industries Limited	447,937	-	-	-	-	447,937	-	-	-	3.69
Maqbool Textile Mills Limited	1,420,216	-	-	-	-	1,420,216	14,849	19,443	0.07	0.07
Mehr Dastgir Textile Mills	49,259	-	-	-	-	49,259	-	-	-	0.54
Mohib Textile Mills Limited	159,813	-	-	-	-	159,813	-	-	-	-
Nagina Cotton Mills Limited	2,546	-	-	-	-	2,546	-	-	-	0.01
Naveed Textile Mills Limited	70,637	-	-	-	-	70,637	-	-	-	-
Norrie Textile Mills Limited	136,496	-	-	4	-	136,500	-	-	-	2.81
Nusrat Textile Mills	306,342	-	-	-	-	306,342	-	-	-	-
Olympia Spinning & Weaving Mills Limited	42,855	-	-	-	-	42,855	77	77	-	0.36
Olympia Textile Mills Limited	358,359	-	-	-	-	358,359	-	-	-	3.32
Premium Textile Mills Limited	807,307	-	-	-	-	807,307	8,803	23,816	0.09	0.09
Punjab Cotton	56,155	-	-	-	-	56,155	-	-	-	-
Qayyum Spinning Mills Limited	73,149	-	-	-	-	73,149	-	-	-	0.61
Ravi Textile Mills Limited	346,636	-	-	-	-	346,636	-	-	-	-
Reliance Cotton Spinning Mills Limited	382,250	-	-	83,388	-	465,638	3,824	11,174	0.04	0.04
Resham Textile Industries Limited	212,405	-	-	-	-	212,405	-	-	-	0.59
Ruby Textile Mills Limited	610,664	-	-	-	-	610,664	-	-	-	1.56
Saif Textile Mills Limited	1,965,871	-	-	-	-	1,965,871	7,863	7,863	0.03	0.03
Satex Spinning Mills Limited	358,212	-	-	-	-	358,212	-	-	-	4.84
Sajjad Textile Mills Limited	316,932	-	-	-	-	316,932	-	-	-	1.49
Saffi Textile Mills Limited	104,645	-	-	-	-	104,645	956	2,411	0.01	0.01
Sally Textile Mills Limited	348,279	-	-	-	-	348,279	-	348	-	3.97
Salman Noman Enterprises Limited	292,746	-	-	-	-	292,746	-	706	-	7.36
Sana Industries Limited	270,721	-	-	-	-	270,721	3,925	3,993	0.01	0.01
Sargodha Spinning Mills Limited	588,202	-	-	-	-	588,202	-	506	-	1.89
Sariow Spinning Mills Limited	648,933	-	-	-	-	648,933	-	-	-	4.89
Service Industries Limited	162,908	-	-	-	-	162,908	-	-	-	3.66
Shadab Textile Mills Limited	94,207	-	-	-	-	94,207	-	-	-	3.14
Shaheen Cotton Mills Limited	217	-	-	-	-	217	-	-	-	0.00
Shahpur Textile Mills Limited	890,850	-	-	-	-	890,850	-	-	-	6.37
Shahyar (O.E.)	78,469	-	-	-	-	78,469	-	-	-	-
Shahyar Textile Mill	222,109	-	-	-	-	222,109	-	-	-	-
Shehzad Textile Mills Limited	2,610	-	-	-	-	2,610	-	5	-	0.02
Siltaq International Limited	108,222	-	-	-	-	108,222	-	-	-	3.59
Sind Fine Textile Mills Limited	78,011	-	-	-	-	78,011	-	-	-	2.28
Sunrays Textile Mills Limited	271,565	-	-	-	-	271,565	2,741	5,974	0.02	0.02
Sunshine Cotton Mills Limited	426,521	-	-	-	-	426,521	-	-	-	5.43

# INVESTMENT IN MARKETABLE SECURITIES - 'AVAILABLE FOR SALE'

## As at June 30, 2009

Name of the Investee Company	Number of units / shares					Balance as at June 30, 2009			Percentage in relation to		
	As at July 1, 2008	Purchases during the year	Bonus / rights issue	Merger / Demerger Effects / Adjustments	Sales during the year	As at June 30, 2009	Carrying value	Market value	Market value as a percentage of net assets	Market value as a percentage of total investment	Paid up capital of the investee Company
Rupees in '000'											
Tariq Cotton Mills Limited	43,101	-	-	-	-	43,101	-	-	-	-	6.16
Tata Textile Mills Limited	2,094,285	-	-	-	-	2,094,285	18,725	16,754	0.06	0.06	12.09
Zafar Textile Limited	66,844	-	-	-	-	66,844	-	-	-	-	-
	<b>33,139,416</b>	<b>44,780</b>	<b>153,601</b>	<b>83,419</b>	<b>-</b>	<b>33,421,216</b>	<b>140,360</b>	<b>231,828</b>	<b>0.87</b>	<b>0.83</b>	
<b>TEXTILE WEAVING</b>											
Amazai Textile Mills Limited	20,299	-	-	-	-	20,299	-	-	-	-	0.48
Apex Fabrics Limited	284,101	-	-	-	-	284,101	-	-	-	-	4.93
Ayaz Textile Mills Limited	210,188	-	-	-	-	210,188	-	-	-	-	2.46
Crown Textile Limited	317,647	-	-	-	-	317,647	-	-	-	-	-
Hakkim Textile Mills Limited	257,368	-	-	-	-	257,368	-	-	-	-	4.77
ICC Textiles Limited	164,870	-	-	-	-	164,870	198	199	-	-	1.85
Iti Textile Mills Limited	163,151	-	-	-	-	163,151	-	-	-	-	2.46
Kohinoor Looms Limited	169,648	-	-	-	-	169,648	-	-	-	-	1.57
Nakshbandi Industries Limited	115,407	-	-	-	-	115,407	863	1,258	0.01	-	0.15
Nakshbandi Industries Limited - Right	139,642	-	65,781	(139,642)	-	65,781	-	-	-	-	0.09
Pearl Fabrics	229,970	-	-	-	-	229,970	-	-	-	-	-
Prosperity Weaving Mills Limited	1,083	-	-	-	-	1,083	-	6	-	-	0.00
Sadon Textile Mills Limited	985	-	-	-	-	985	-	-	-	-	-
Saleem Denim (Kaytex Mills) Limited	162,160	-	-	-	-	162,160	-	-	-	-	4.16
Samin Textiles Limited	139,945	-	-	-	-	139,945	805	793	-	-	1.05
Service Fabrics Limited	1,349,180	-	-	-	-	1,349,180	-	-	-	-	8.56
Shahajit Textile Limited	475,726	-	-	-	-	475,726	4,370	7,274	0.03	0.03	4.92
Sunrise Textile Mills Limited	15,024	-	-	-	-	15,024	-	-	-	-	-
Yousaf Weaving Mills Limited	1,188,621	-	-	-	-	1,188,621	1,248	4,041	0.01	0.01	2.97
	<b>5,405,015</b>	<b>-</b>	<b>65,781</b>	<b>(139,642)</b>	<b>-</b>	<b>5,331,154</b>	<b>7,484</b>	<b>13,570</b>	<b>0.05</b>	<b>0.04</b>	
<b>TEXTILE COMPOSITE</b>											
(Colony) Sarhad Textile Mills Limited	328,879	-	-	-	-	328,879	-	329	-	-	8.22
Adamjee Industries	121	-	-	-	-	121	-	-	-	-	-
Ahmad Hassan Textile Mills Limited	913,009	-	-	-	-	913,009	10,966	25,564	0.09	0.09	6.34
Alfi Textile Mills Limited	320,085	-	-	-	-	320,085	-	-	-	-	8.21
Arj Garment Accessories Limited	67,780	-	-	-	-	67,780	356	542	-	-	1.10
Aswan Tentage Limited	168,712	-	-	-	-	168,712	-	-	-	-	-
Azgard Nine Limited	740,572	-	323,481	-	-	1,064,053	14,424	23,558	0.08	0.09	0.28
Bahawalpur Textile Mills Limited	64,258	-	-	-	-	64,258	-	-	-	-	6.43
Blessed Textile Mills Limited	23,152	-	-	-	-	23,152	650	920	-	-	0.36
Colony Mills Limited	1,521,599	-	-	-	-	1,521,599	2,736	8,201	0.03	0.03	0.62
Crescent Knitwear Limited	81,277	-	-	-	-	81,277	-	-	-	-	-
Dawood Lawrencepur Limited	401,124	3,338	20,872	1,843	(192,408)	234,769	6,004	8,142	0.03	0.03	0.46
Fateh Sports Wear Limited	45,219	-	-	-	-	45,219	-	-	-	-	3.82
Fateh Textile Mills Limited	35,925	-	-	-	-	35,925	20,482	16,825	0.06	0.06	2.87
Gul Ahmed Textile Mills Limited	458,853	-	68,828	-	-	527,681	20,657	20,495	0.07	0.08	0.94
Haliz Textile Mills Limited	7,585	-	-	-	-	7,585	-	118	-	-	0.63
International Knitwear Limited	110,832	-	-	-	-	110,832	-	1,518	0.01	0.01	3.69
Ishaq Textile Mills Limited	443,946	-	-	-	-	443,946	1,656	1,656	0.01	0.01	4.80
Jubilee Spinning & Weaving Mills Limited	130	-	-	-	-	130	-	-	-	-	0.00
Kaiser Arts & Krafts Mills Limited	36,944	-	-	-	-	36,944	-	-	-	-	0.43
Kohinoor Industries Limited	334,468	-	-	-	-	334,468	-	401	-	-	1.10
Kohinoor Mills Limited	2,859,830	-	-	-	-	2,859,830	13,899	13,899	0.05	0.05	5.82
Kohinoor Textile Mills Limited	3,161,234	-	-	-	-	3,161,234	13,972	13,973	0.05	0.05	2.17
Marr Fabrics Limited	118,221	-	-	-	-	118,221	-	-	-	-	4.93
Masood Textile Mills Limited	1,012,914	-	-	-	-	1,012,914	17,030	17,979	0.06	0.07	3.38
Mian Textile Industries Limited	736,078	-	-	-	-	736,078	368	368	-	-	3.33
Muhammad Farooq Textile Mills Limited	1,860,277	-	-	-	-	1,860,277	2,604	2,604	0.01	0.01	9.85
Nishat (Chunian) Limited	2,200,000	58,973	220,000	270	-	2,479,243	21,346	21,346	0.08	0.08	3.00
Nishat (Chunian) Limited - Convertible Pref. Shares	-	-	1,239,757	-	-	1,239,757	12,398	12,398	0.04	0.05	3.00
Nishat Mills Limited	3,356,441	-	1,678,220	-	-	5,034,661	117,812	190,411	0.69	0.70	2.08
Parmount Spinning Mills Limited	1,500,026	-	112,502	7	-	1,612,535	11,288	11,288	0.04	0.04	11.24
Quetta Textile Mills Limited	19,005	-	-	-	-	19,005	290	656	-	-	0.81
Quetta Textile Mills Limited - Right	-	-	-	60,055	-	60,055	-	-	-	-	1.92
Redco Textiles Limited	786,569	-	-	-	-	786,569	-	-	-	-	1.21
Reliance Weaving Mills Limited	592,645	-	-	-	-	592,645	2,074	2,074	0.01	0.01	1.92
Sapphire Fibres Limited	199,354	-	-	-	-	199,354	16,945	16,945	0.06	0.06	1.14
Sapphire Textile Mills Limited	352,976	-	-	-	-	352,976	24,355	24,355	0.09	0.09	1.76
Schon Textiles Limited	258,610	-	-	-	-	258,610	-	-	-	-	6.57
Shams Textile Mills Limited	1,211,998	-	-	-	-	1,211,998	6,908	6,908	0.02	0.03	14.03
Suraj Cotton Mills Limited	389,555	-	-	-	-	389,555	4,947	4,947	0.02	0.02	2.16
Taj Textile Mills Limited	1,409,947	-	-	-	-	1,409,947	-	987	-	-	4.22
Tawakkal Garments Industries Limited	118,664	-	-	-	-	118,664	-	-	-	-	0.98
The Crescent Textile Mills Limited	1,870,010	-	-	-	-	1,870,010	45,816	45,815	0.17	0.17	3.80
Zahur Cotton Mills Limited	485,694	-	-	-	-	485,694	-	-	-	-	4.93
Zahur Textile Mills Limited	412,147	-	-	-	-	412,147	-	-	-	-	0.55
	<b>31,016,665</b>	<b>62,311</b>	<b>3,663,660</b>	<b>62,175</b>	<b>(192,408)</b>	<b>34,612,403</b>	<b>389,983</b>	<b>495,222</b>	<b>1.77</b>	<b>1.84</b>	
<b>WOOLEN</b>											
Moonlite (Pak) Limited	115,477	-	-	-	-	115,477	973	1,184	-	-	-
<b>SYNTHETIC AND RAYON</b>											
Adil Polypropylene Limited	136,201	-	-	-	-	136,201	-	-	-	-	2.46
Al-Abid Silk Mills Limited	954,306	-	-	-	-	954,306	19,630	19,630	0.07	0.07	9.96
Dewan Salman Fibre Limited	4,000,000	192,737	-	-	-	4,192,737	5,911	6,247	0.02	0.02	1.14
Ibrahim Fibres Limited	1,800,000	-	-	-	-	1,800,000	53,658	53,658	0.19	0.20	0.58
Indus Polyester Company Limited (Under voluntary winding up)	4	-	-	-	-	4	-	-	-	-	0.00
Karm Silk Mills Limited	19,223	-	-	-	-	19,223	-	-	-	-	1.87
Polyron Limited (under winding up through court)	147	-	-	-	-	147	-	-	-	-	0.00
Rupali Polyester Limited	1,400,000	-	-	-	-	1,400,000	45,622	41,230	0.15	0.15	4.11
Sunshine Cloth Mills Limited	440,918	-	-	-	-	440,918	-	-	-	-	-
Tri-Star Polyester Limited	629,772	-	-	-	-	629,772	-	-	-	-	2.93
	<b>9,380,571</b>	<b>192,737</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,573,308</b>	<b>124,821</b>	<b>120,765</b>	<b>0.43</b>	<b>0.44</b>	



# INVESTMENT IN MARKETABLE SECURITIES - 'AVAILABLE FOR SALE'

## As at June 30, 2009

Name of the Investee Company	Number of units / shares					Balance as at June 30, 2009			Percentage in relation to		
	As at July 1, 2008	Purchases during the year	Bonus / rights issue	Merger / Demerger Effects / Adjustments	Sales during the year	As at June 30, 2009	Carrying value	Market value	Market value as a percentage of net assets	Market value as a percentage of total investment	Paid up capital of the investee Company
Rupees in '000'											
<b>JUTE</b>											
Amin Fabrics Limited	80,493	-	-	-	(80,493)	-	-	-	-	-	-
Crescent Jute Products Limited	1,488,808	-	-	-	-	1,488,808	-	-	-	-	6.27
Mehran Jute Mills Limited	121,543	-	-	-	-	121,543	-	-	-	-	3.96
Thal Limited (Rs 5 / share)	1,250,337	-	500,134	167	-	1,750,638	125,958	135,587	0.49	0.50	4.11
	<b>2,941,181</b>	<b>-</b>	<b>500,134</b>	<b>167</b>	<b>(80,493)</b>	<b>3,360,989</b>	<b>125,958</b>	<b>135,587</b>	<b>0.49</b>	<b>0.50</b>	
<b>SUGAR &amp; ALLIED INDUSTRIES</b>											
Abdullah Shah Ghazi Sugar Mills	1,513,288	-	-	-	(1,513,288)	-	-	-	-	-	-
Adam Sugar Mills Limited	268	-	-	-	-	268	-	-	-	-	0.00
AI - Abbas Sugar Mills Limited	1,427,183	-	-	-	-	1,427,183	13,539	97,048	0.35	0.36	8.22
AI - Noor Sugar Mills Limited	2,296,656	-	-	-	-	2,296,656	-	42,488	0.15	0.16	12.37
Baba Farid Sugar Mills Limited	107	-	-	-	-	107	1	1	-	-	0.00
Bawany Sugar Mills Limited	27,523	-	-	-	-	27,523	-	-	-	-	0.32
Chashma Sugar Mills Limited	942,227	-	-	-	-	942,227	3,062	3,835	0.01	0.01	3.53
Chashma Sugar Mills Limited - Right	471,113	-	-	(471,113)	-	-	-	-	-	-	-
Colony Sugar Mills Limited	335,682	-	-	-	-	335,682	-	5,707	0.02	0.02	0.34
Crescent Sugar Mills And Distillery Limited	1,048,579	-	-	-	-	1,048,579	5,505	5,505	0.02	0.02	4.91
Dewan Sugar Mills Limited	2,415,432	-	-	-	-	2,415,432	4,299	6,039	0.02	0.02	6.62
Faran Sugar Mills Limited	2,668,982	-	-	-	-	2,668,982	36,797	31,494	0.11	0.12	12.33
Habib Sugar Mills Limited (Rs 5 / share)	6,212,761	-	2,070,713	207	-	8,283,681	40,933	213,719	0.77	0.79	17.26
Husein Sugar Mills Limited	1,282	-	-	-	-	1,282	-	-	-	-	0.01
Kohinoor Sugar Mills Limited	719,955	-	-	-	-	719,955	7,199	7,200	0.03	0.03	6.60
Mian Muhammed Sugar Mills Limited	172,406	-	-	-	-	172,406	-	-	-	-	1.17
Mirpurkhas Sugar Mills Limited	819,932	-	-	-	-	819,932	-	49,196	0.18	0.18	12.83
Mirza Sugar Mills Limited	49	-	-	-	-	49	-	-	-	-	0.00
Noon Sugar Mills Limited	20,274	-	-	-	-	20,274	262	469	-	-	0.14
Pangrio Sugar Mills Limited	779,820	-	-	-	-	779,820	-	-	-	-	7.19
Saleem Sugar Mills Limited	8,761	-	-	-	-	8,761	-	-	-	-	1.75
Saleem Sugar Mills Limited 6% Pref, Shares (Rs 100 / share)	198	-	-	-	-	198	-	-	-	-	0.02
Sanghar Sugar Mills Limited	1,063,616	-	-	-	-	1,063,616	-	-	-	-	8.90
Shahmurad Sugar Mills Limited	2,417,910	-	-	-	-	2,417,910	-	-	-	-	11.45
Shahtaj Sugar Mills Limited	801,695	-	-	-	-	801,695	13,394	78,566	0.28	0.29	6.21
Shakarganj Mills Limited	7,194,553	-	-	-	-	7,194,553	36,694	36,692	0.13	0.14	10.35
Tandianwala Sugar Mills Limited	35,220	-	-	-	-	35,220	141	414	-	-	0.03
The Premier Sugar Mills & Distillery Company Limited	73,463	-	-	-	-	73,463	3,047	2,584	0.01	0.01	1.96
	<b>33,468,935</b>	<b>-</b>	<b>2,070,713</b>	<b>(470,906)</b>	<b>(1,513,288)</b>	<b>33,555,454</b>	<b>164,873</b>	<b>580,957</b>	<b>2.08</b>	<b>2.15</b>	
<b>CEMENT</b>											
AI-Abbas Cement Industries Limited	-	14,821	-	-	-	14,821	42	104	-	-	0.01
Cherat Cement Company Limited	12,699,288	-	-	-	-	12,699,288	144,900	171,821	0.62	0.63	13.29
D.G. Khan Cement Company Limited	535,982	-	107,196	-	-	643,178	13,544	19,070	0.07	0.07	0.21
Dewan Cement Limited	4,799,762	121,662	-	-	-	4,921,424	13,534	13,534	0.05	0.05	1.38
Fecto Cement Limited	1,570,478	-	-	-	-	1,570,478	24,594	24,594	0.09	0.09	3.44
Javedan Cement Limited	35	-	-	-	-	35	-	4	-	-	0.00
Kohat Cement Company Limited	223,185	-	22,318	-	-	245,503	1,787	1,787	0.01	0.01	0.19
Lafarge Pakistan Cement Limited	20,715,094	-	-	-	-	20,715,094	55,931	55,931	0.20	0.21	1.58
Lucky Cement Limited	6,387,763	200,000	-	-	(3,050,000)	3,537,763	113,285	207,065	0.75	0.76	1.09
Maple Leaf Cement Factory Limited	2,606,440	-	-	-	-	2,606,440	10,686	11,103	0.04	0.04	0.70
Mustahkam Cement Limited	556,389	-	122,450	-	-	678,839	5,235	5,235	0.02	0.02	4.52
Mustahkam Cement Limited - Right	122,450	-	-	(122,450)	-	-	-	-	-	-	-
Pioneer Cement Limited	1,271,563	14,881	-	-	-	1,286,444	17,470	17,470	0.06	0.06	0.64
Punjab Building	443,845	-	-	-	-	443,845	-	-	-	-	-
Thatta Cement Company Limited	-	275	-	-	-	275	4	5	-	-	0.00
Zeal Pak Cement Factory Limited	486,248	-	-	-	-	486,248	-	224	-	-	0.11
	<b>52,418,502</b>	<b>351,639</b>	<b>251,964</b>	<b>(122,450)</b>	<b>(3,050,000)</b>	<b>49,849,655</b>	<b>401,012</b>	<b>527,947</b>	<b>1.91</b>	<b>1.94</b>	
<b>TOBACCO</b>											
Pakistan Tobacco Company Limited	1,807,339	-	-	-	-	1,807,339	131,665	131,665	0.47	0.49	
<b>REFINERY</b>											
Attock Refinery Limited	3,356,322	-	671,264	12	-	4,027,598	241,213	502,604	1.81	1.85	4.72
National Refinery Limited	4,274,528	-	-	-	-	4,274,528	406,765	940,482	3.39	3.47	5.35
Pakistan Refinery Limited	1,575,000	-	-	-	-	1,575,000	141,435	141,435	0.51	0.52	4.50
	<b>9,205,850</b>	<b>-</b>	<b>671,264</b>	<b>12</b>	<b>-</b>	<b>9,877,126</b>	<b>789,413</b>	<b>1,584,521</b>	<b>5.71</b>	<b>5.84</b>	
<b>POWER GEN &amp; DISTRIBUTION</b>											
Karachi Electric Supply Company Limited (Rs 3.5 / share)	5,667,614	-	-	-	-	5,667,614	11,732	15,019	0.05	0.06	0.14
Karachi Electric Supply Company Limited - Right	-	1,756,960	-	-	-	1,756,960	-	-	-	-	-
Kohinoor Energy Limited	410,390	-	-	-	-	410,390	7,900	11,901	0.04	0.04	0.24
Kohinoor Power Company Limited	276,343	-	13,817	-	-	290,160	2,170	2,170	0.01	0.01	2.30
Kot Addu Power Company Limited	1,231,503	-	-	-	-	1,231,503	38,867	52,043	0.19	0.19	0.14
S. G. Power Limited	323,376	-	-	-	-	323,376	233	453	-	-	1.81
Sitara Energy Limited	256,117	-	-	-	-	256,117	5,007	5,007	0.02	0.02	1.34
The Hub Power Company Limited	16,987,105	-	-	-	(2,276,500)	14,710,605	207,273	398,510	1.44	1.47	1.27
	<b>25,152,448</b>	<b>-</b>	<b>1,770,777</b>	<b>-</b>	<b>(2,276,500)</b>	<b>24,646,725</b>	<b>273,182</b>	<b>485,103</b>	<b>1.75</b>	<b>1.79</b>	
<b>OIL AND GAS MARKETING COMPANIES</b>											
Pakistan State Oil Company Limited	13,114,137	-	-	-	(300,000)	12,814,137	1,105,863	2,737,740	9.87	10.10	7.47
Shell Gas LPG (Pakistan) Limited	1,534,033	-	-	-	-	1,534,033	33,779	81,304	0.29	0.30	6.81
Sui Northern Gas Pipelines Limited	16,894,303	-	-	-	-	16,894,303	109,283	539,773	1.95	1.99	3.08
Sui Southern Gas Company Limited	10,069,822	-	-	-	-	10,069,822	105,835	140,978	0.51	0.52	1.50
	<b>41,612,295</b>	<b>-</b>	<b>-</b>	<b>(300,000)</b>	<b>-</b>	<b>41,312,295</b>	<b>1,354,760</b>	<b>3,499,795</b>	<b>12.62</b>	<b>12.91</b>	
<b>OIL AND GAS EXPLORATION COMPANIES</b>											
Mari Gas Company Limited	1,564,571	2,136	-	-	-	1,566,707	155,027	233,173	0.84	0.86	4.26
Oil & Gas Development Company Limited	4,778,472	340,000	-	-	(1,250,000)	3,868,472	197,744	304,217	1.10	1.12	0.09
Pakistan Oilfields Limited	3,293,213	200,000	678,643	-	(1,004,000)	3,167,856	328,004	462,190	1.67	1.70	1.34
Pakistan Petroleum Limited	2,607,381	200,000	270,737	-	(2,049,000)	1,029,118	105,965	195,059	0.70	0.72	0.12
	<b>12,243,637</b>	<b>742,136</b>	<b>949,380</b>	<b>-</b>	<b>(4,303,000)</b>	<b>9,632,153</b>	<b>786,740</b>	<b>1,194,639</b>	<b>4.31</b>	<b>4.40</b>	
<b>ENGINEERING</b>											
Balochistan Tower	74,114	-	-	-	-	74,114	-	-	-	-	-
Bojan Castings Limited	259,535	-	25,953	51,951	-	337,439	4,850	7,424	0.03	0.03	4.27
Crescent Steel & Allied Products Limited	3,516,240	23,381	351,624	-	-	3,891,245	66,269	69,926	0.25	0.26	6.89
Dedex Etemit Limited	5,832	-	-	-	-	5,832	151	461	-	-	0.05
Dost Steels Limited	-	29,656	-	-	-	29,656	158	158	-	-	0.04
Huffaz Seamless Pipe Industries Limited	644,922	-	193,476	-	-	838,398	6,759	25,471	0.09	0.09	2.46

# INVESTMENT IN MARKETABLE SECURITIES - 'AVAILABLE FOR SALE'

## As at June 30, 2009

Name of the Investee Company	Number of units / shares					Balance as at June 30, 2009			Percentage in relation to		
	As at July 1, 2008	Purchases during the year	Bonus / rights issue	Merger / Demerger Effects / Adjustments	Sales during the year	As at June 30, 2009	Carrying value	Market value	Market value as a percentage of net assets	Market value as a percentage of total investment	Paid up capital of the investee Company
Rupees in '000'											
International Industries Limited	8,720,233	-	1,744,046	-	-	10,464,279	471,834	471,834	1.70	1.74	10.47
Karachi Pipe	156,102	-	-	-	-	156,102	-	-	-	-	-
KSB Pumps Company Limited	1,365,145	-	136,514	-	-	1,501,659	31,743	109,997	0.40	0.41	11.38
Metropolitan Steel Corporation Limited	98,518	-	-	-	-	98,518	-	1,684	0.01	0.01	0.32
Nowshera Engineering	26,057	-	-	-	-	26,057	-	-	-	-	-
Quality Steel Works Limited	3,422	-	-	-	-	3,422	-	-	-	-	0.19
RCD Ball Bearing	19,716	-	-	-	-	19,716	-	-	-	-	-
Taxila Engineering Company Limited	206,888	-	-	-	-	206,888	-	-	-	-	4.87
<b>AUTOMOBILE ASSEMBLERS</b>	<b>15,096,724</b>	<b>53,037</b>	<b>2,451,613</b>	<b>51,951</b>	<b>-</b>	<b>17,653,325</b>	<b>581,764</b>	<b>686,955</b>	<b>2.48</b>	<b>2.54</b>	
Atlas Honda Limited	126,961	-	19,044	-	-	146,005	645	13,758	0.05	0.05	0.27
Ghandara Nissan Limited	2,688,711	-	-	-	-	2,688,711	14,385	14,385	0.05	0.05	5.97
Ghandara Industries Limited	259,577	-	-	-	-	259,577	1,943	1,939	0.01	0.01	1.21
Ghani Automobile Industries Limited	147	-	-	-	-	147	-	1	-	-	0.00
Hinopak Motors Limited	500,000	-	-	-	-	500,000	76,750	76,750	0.28	0.28	4.03
Honda Atlas Cars (Pakistan) Limited	3,600,000	19,831	-	-	-	3,619,831	41,700	46,515	0.17	0.17	2.53
Indus Motor Company Limited	873,608	-	-	-	-	873,608	94,105	94,105	0.34	0.35	1.11
Millat Tractors Limited	250,000	-	62,500	12	-	312,512	41,848	87,266	0.31	0.32	1.33
Pak Suzuki Motor Company Limited	2,084,415	-	-	-	-	2,084,415	141,532	141,532	0.51	0.52	2.53
Saif Nadeem Kawasaki Motors Limited	4,482	-	-	-	-	4,482	-	4	-	-	0.17
<b>AUTOMOBILE PARTS &amp; ACCESSORIES</b>	<b>10,386,901</b>	<b>19,831</b>	<b>81,544</b>	<b>12</b>	<b>-</b>	<b>10,488,288</b>	<b>412,908</b>	<b>476,255</b>	<b>1.72</b>	<b>1.75</b>	
Agriauto Industries Limited (Rs 5 / share)	1,087,217	-	217,443	-	-	1,304,660	9,755	42,584	0.15	0.16	4.53
Atlas Engineering Limited	25,164	-	-	-	-	25,164	-	251	-	-	0.10
Automotive Battery Limited	295,554	-	-	(295,554)	-	-	-	-	-	-	-
Baluchistan Wheels Limited	1,592,160	-	-	-	-	1,592,160	48,873	44,580	0.16	0.16	11.94
Bela Engineering Limited	266,145	-	-	-	-	266,145	-	-	-	-	7.83
Exide Pakistan Limited	356,153	-	-	32,839	-	388,992	15,429	62,628	0.23	0.23	7.20
Rex Baren Battery	56,155	-	-	-	-	56,155	-	-	-	-	-
Taga Pakistan Limited	96,055	-	-	-	-	96,055	-	-	-	-	3.69
The General Tyre & Rubber Company Of Pakistan Limited	3,765,976	-	-	-	-	3,765,976	38,225	38,225	0.14	0.14	6.30
<b>CABLE AND ELECTRICAL GOODS</b>	<b>7,540,579</b>	<b>-</b>	<b>217,443</b>	<b>(262,715)</b>	<b>-</b>	<b>7,495,307</b>	<b>112,282</b>	<b>188,268</b>	<b>0.68</b>	<b>0.69</b>	
Asjo Electronics	39,407	-	-	-	-	39,407	-	-	-	-	-
Casspak Industries Limited	54,184	-	-	-	-	54,184	-	-	-	-	2.46
Greaves Aircondition	59,110	-	-	-	-	59,110	-	-	-	-	-
Hyderabad Electronic	98,518	-	-	-	-	98,518	-	-	-	-	0.60
Johnson & Phillips (Pakistan) Limited	574,324	-	-	-	-	574,324	-	10,051	0.04	0.04	10.54
Pak Elektron Limited	6,235,940	286,104	-	-	-	6,522,044	148,181	159,855	0.58	0.59	6.72
Pakistan Cables Limited	1,598,934	-	159,893	-	-	1,758,827	11,873	59,870	0.22	0.22	8.19
Pakistan Telephone Cables Limited	91,424	-	-	-	-	91,424	279	279	-	-	0.44
Punjab Lamp	108,468	-	-	-	-	108,468	-	-	-	-	-
Refrigerators Manufacturer Company of Pakistan Limited	26	-	-	-	-	26	-	-	-	-	-
Siemens Pakistan Engineering Company Limited	983,658	-	-	-	-	983,658	1,001,364	1,001,364	3.61	3.69	11.93
Singer Pakistan Limited	6	-	1	2	-	9	-	-	-	-	0.00
<b>TRANSPORT</b>	<b>9,843,999</b>	<b>286,104</b>	<b>159,894</b>	<b>2</b>	<b>-</b>	<b>10,289,999</b>	<b>1,161,697</b>	<b>1,231,419</b>	<b>4.45</b>	<b>4.54</b>	
Pakistan National Shipping Corporation	436,564	-	-	-	-	436,564	4,483	20,151	0.07	0.07	0.33
Par Islamic Shipping	1,136	-	-	-	-	1,136	-	-	-	-	0.02
<b>TECHNOLOGY AND COMMUNICATIONS</b>	<b>437,700</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>437,700</b>	<b>4,483</b>	<b>20,151</b>	<b>0.07</b>	<b>0.07</b>	
Eye Television Network Limited	-	9,159	-	-	-	9,159	258	263	-	-	0.02
Netsol Technologies Limited	-	442,877	-	-	-	442,877	7,910	7,910	0.03	0.03	0.57
Pak Datacom Limited	143,119	-	-	-	-	143,119	2,538	9,947	0.04	0.04	1.83
Pakistan Telecommunication Company Limited	6,099,384	-	-	-	-	6,099,384	103,020	105,153	0.36	0.39	0.16
TRG Pakistan Limited - Class (A)	492,590	586,151	-	-	-	1,078,741	1,456	1,456	0.01	0.01	0.28
<b>FERTILIZERS</b>	<b>6,735,093</b>	<b>1,038,187</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,773,280</b>	<b>115,182</b>	<b>124,729</b>	<b>0.46</b>	<b>0.47</b>	
Dawood Hercules Chemicals Limited	194,822	-	19,482	-	-	214,304	27,540	27,540	0.10	0.10	0.20
Engro Chemical Pakistan Limited	1,420,312	-	568,124	1	(726,300)	1,262,137	104,993	162,096	0.58	0.60	0.24
Fauji Fertilizer Bin Qasim Limited	650,000	-	-	-	-	650,000	8,385	11,499	0.04	0.04	0.07
Fauji Fertilizer Company Limited	21,438,774	300,000	7,997,039	-	(3,450,000)	26,285,813	1,132,117	2,285,551	8.24	8.43	3.87
<b>PHARMACEUTICALS</b>	<b>23,703,908</b>	<b>300,000</b>	<b>8,584,645</b>	<b>1</b>	<b>(4,176,300)</b>	<b>28,412,254</b>	<b>1,273,035</b>	<b>2,486,686</b>	<b>8.96</b>	<b>9.17</b>	
Abbott Laboratories (Pakistan) Limited	2,593,029	-	-	-	-	2,593,029	207,961	207,961	0.75	0.77	2.65
Ferozsons Laboratories Limited	823,762	-	164,752	-	-	988,514	1,878	155,197	0.56	0.57	5.69
Glaxosmithkline Pakistan Limited	6,335,730	-	-	-	-	6,335,730	481,136	759,084	2.74	2.80	3.71
Highnoon Laboratories Limited	320,624	-	-	1	-	320,625	3,639	9,776	0.04	0.04	1.94
Otsuka Pakistan Limited	105,217	-	-	-	-	105,217	1,617	3,756	0.01	0.01	1.05
Sanofi Aventis Pakistan Limited	229,461	-	-	-	-	229,461	21,056	25,050	0.09	0.09	2.38
Searle Pakistan Limited	786,207	501	-	5	-	786,713	21,204	35,048	0.13	0.13	2.95
Wyeth Pakistan Limited (Rs 100 / share)	111,574	-	-	-	-	111,574	43,914	140,695	0.51	0.52	0.78
<b>CHEMICALS</b>	<b>11,305,604</b>	<b>501</b>	<b>164,752</b>	<b>6</b>	<b>-</b>	<b>11,470,863</b>	<b>782,405</b>	<b>1,336,567</b>	<b>4.63</b>	<b>4.93</b>	
Bawany Air Products Limited	74,314	-	-	-	-	74,314	248	264	-	-	1.09
Berger Paints Pakistan Limited	278,378	-	-	-	-	278,378	6,360	17,399	0.06	0.06	3.40
BOC Pakistan Limited	900,000	681	-	-	-	900,681	101,616	103,578	0.37	0.38	3.60
Buxly Paints Limited	175,218	-	-	-	-	175,218	2,525	5,607	0.02	0.02	12.17
Clariant Pakistan Limited	1,552,291	-	-	86	-	1,552,377	18,444	173,214	0.62	0.64	5.69
Data Agro Limited	98,518	-	-	-	-	98,518	-	-	-	-	2.46
Dynea Pakistan Limited (Rs 5 / share)	1,787,610	-	-	-	-	1,787,610	17,623	18,234	0.07	0.07	9.47
ICI Pakistan Limited	278,351	-	-	(150,000)	-	128,351	8,819	18,001	0.06	0.07	0.09
Leiner Pak Gelatine Limited	27,277	-	-	-	-	27,277	354	1,049	0.01	0.01	0.36
Nimir Resins Limited (Rs 5 / share)	513,395	-	-	-	-	513,395	-	1,586	0.01	0.01	0.23
Pakistan Gum & Chemicals Limited	97,057	-	-	-	-	97,057	1,449	3,509	0.01	0.01	2.28
Pakistan PTA Limited	5,049,259	-	-	-	-	5,049,259	8,028	14,441	0.05	0.05	0.33
Sardar Chemical Industries Limited	147,777	-	-	-	-	147,777	-	288	-	-	2.46
Sind Alkalis Limited	704,745	-	-	-	-	704,745	-	-	-	-	9.42
Sitara Chemical Industries Limited	662,495	-	-	-	-	662,495	91,909	103,349	0.37	0.38	3.25
Sitara Peroxide Limited	-	104,322	-	-	-	104,322	1,678	1,924	0.01	0.01	0.19
Wah Nobel Chemicals Limited	636,624	-	-	-	-	636,624	10,157	37,211	0.13	0.14	7.07
<b>12,983,309</b>	<b>105,003</b>	<b>-</b>	<b>86</b>	<b>(150,000)</b>	<b>-</b>	<b>12,938,398</b>	<b>269,210</b>	<b>499,654</b>	<b>1.79</b>	<b>1.85</b>	

# INVESTMENT IN MARKETABLE SECURITIES - 'AVAILABLE FOR SALE'

## As at June 30, 2009

Name of the Investee Company	Number of units / shares					Balance as at June 30, 2009		Percentage in relation to			
	As at July 1, 2008	Purchases during the year	Bonus / rights issue	Merger / Demerger Effects / Adjustments	Sales during the year	As at June 30, 2009	Carrying value	Market value	Market value as a percentage of net assets	Market value as a percentage of total investment	Paid up capital of the Investee Company
Rupees in '000'											
<b>PAPER AND BOARDS</b>											
Adamjee Paper	269,806	-	-	-	-	269,806	-	-	-	-	-
Balochistan Particle Board Limited (Rs 5 / share)	781,130	-	-	-	-	781,130	-	-	-	-	13.02
Central Forest Products Limited	147,777	-	-	-	-	147,777	-	-	-	-	4.93
Century Paper & Board Mills Limited	5,500,015	-	-	-	-	5,500,015	72,545	72,545	0.26	0.27	7.78
Cherat Papersack Limited	193	-	48	-	-	241	3	9	-	-	0.00
Chilya C Board	43,200	-	-	-	-	43,200	-	-	-	-	-
Dadabhoj Sack Limited	49,259	-	-	-	-	49,259	-	-	-	-	1.23
Merit Packaging Limited	594,909	-	89,236	-	-	684,145	3,169	18,465	0.07	0.07	14.42
Packages Limited	4,569,383	-	-	-	-	4,569,383	370,989	717,576	2.59	2.65	5.42
Pak Paper Corporation	103,848	-	-	-	-	103,848	-	-	-	-	2.77
Pakistan Paper Products Limited	193,001	-	96,500	279	-	289,780	568	14,987	0.05	0.06	7.73
Premier Board	29,998	-	-	-	-	29,998	-	-	-	-	-
Security Papers Limited	1,500,000	-	300,000	-	-	1,800,000	90,000	90,000	0.32	0.33	4.37
	<b>13,782,519</b>	<b>-</b>	<b>485,784</b>	<b>279</b>	<b>-</b>	<b>14,268,582</b>	<b>537,274</b>	<b>913,582</b>	<b>3.29</b>	<b>3.38</b>	
<b>VANASPATI AND ALLIED INDUSTRIES</b>											
Al-Hussany Industries Limited	61,573	-	-	-	-	61,573	-	-	-	-	2.46
Fazal Vegetable Ghee Mills Limited	42,005	-	-	-	-	42,005	-	-	-	-	2.10
Kakakhel Pakistan Limited	457	-	-	-	(457)	-	-	-	-	-	-
Morafco Industries Limited	57,409	-	-	-	-	57,409	-	-	-	-	10.10
Pak Ghee Industries Limited	58,618	-	-	-	-	58,618	-	-	-	-	2.66
Punjab Oil Mills Limited	195,333	-	97,666	-	-	292,999	3,222	14,943	0.05	0.06	9.57
Suraj Ghee Industries Limited	54,324	-	-	-	-	54,324	-	-	-	-	5.67
	<b>469,719</b>	<b>-</b>	<b>97,666</b>	<b>-</b>	<b>(457)</b>	<b>566,928</b>	<b>3,222</b>	<b>14,943</b>	<b>0.05</b>	<b>0.06</b>	
<b>LEATHER AND TANNERIES</b>											
Bata Pakistan Limited	1,090,234	-	-	-	-	1,090,234	58,348	644,328	2.32	2.38	14.42
Fateh Industries Limited	23,062	-	-	-	-	23,062	-	-	-	-	1.15
H-Shaikh	113,022	-	-	-	-	113,022	-	-	-	-	-
	<b>1,226,318</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,226,318</b>	<b>58,348</b>	<b>644,328</b>	<b>2.32</b>	<b>2.38</b>	
<b>FOOD AND PERSONAL CARE PRODUCTS</b>											
IBL Health Care Limited	-	-	295,437	-	-	295,437	-	4,027	0.01	0.01	1.48
Mitchell's Fruit Farms Limited	562,203	-	-	-	-	562,203	31,373	27,447	0.10	0.10	11.15
Mubarik Dairies Limited	55,416	-	-	-	-	55,416	-	-	-	-	1.98
Nestle Pakistan Limited	98,000	-	-	-	-	98,000	107,014	107,014	0.39	0.39	0.22
Shezan International Limited	1,141,177	-	-	-	-	1,141,177	70,520	132,377	0.48	0.49	19.02
Treet Corporation Limited	355,064	-	-	-	-	355,064	8,280	88,766	0.32	0.33	8.49
Unilever Pakistan Limited (Rs 50 / share)	111,000	-	-	-	-	111,000	200,657	216,462	0.78	0.80	0.83
Uqab Breeding Farms Limited	139,748	-	-	-	-	139,748	-	-	-	-	5.27
Zulfqar Industries Limited	281,702	-	28,170	-	-	309,872	4,866	19,615	0.07	0.07	6.40
	<b>2,744,310</b>	<b>-</b>	<b>323,607</b>	<b>-</b>	<b>-</b>	<b>3,067,917</b>	<b>422,710</b>	<b>595,708</b>	<b>2.15</b>	<b>2.19</b>	
<b>Balochistan Glass Limited</b>											
Balochistan Glass Limited	591,534	-	-	-	-	591,534	1,627	2,295	0.01	0.01	0.69
Emco Industries Limited	330,731	-	424,198	-	-	754,929	32,757	4,847	0.02	0.02	2.16
Emco Industries Limited - Right	424,198	-	-	(424,198)	-	-	-	-	-	-	-
Ghani Glass Limited	623,052	-	31,153	-	-	654,205	-	37,290	0.13	0.14	0.74
Ghulam Muhammad Dadabhoj Pudable	49,259	-	-	-	-	49,259	4,152	-	-	-	0.99
Karam Ceramics Limited	358,232	-	-	-	-	358,232	3,582	4,657	0.02	0.02	2.46
Medi Glass Limited	295,554	-	-	-	-	295,554	-	-	-	-	3.89
Regal Ceramics Limited	89,947	-	-	-	-	89,947	-	-	-	-	1.23
Shabbir Tiles & Ceramics Limited (Rs 5 / share)	1,607,245	-	1,928,694	-	-	3,535,939	31,842	49,503	0.18	0.18	4.80
Shabbir Tiles & Ceramics Limited-Right (Rs 5 / share)	1,607,245	-	-	(1,607,245)	-	-	-	-	-	-	-
	<b>5,976,997</b>	<b>-</b>	<b>2,384,045</b>	<b>(2,031,443)</b>	<b>-</b>	<b>6,329,599</b>	<b>73,960</b>	<b>98,592</b>	<b>0.36</b>	<b>0.37</b>	
<b>MISCELLANEOUS</b>											
Adamjee Floorings	59,110	-	-	-	-	59,110	-	-	-	-	-
Arag Industries Limited	189,220	-	-	-	-	189,220	-	-	-	-	-
Dadabhoj Construction Technology Limited	69,085	-	-	-	-	69,085	-	-	-	-	2.97
Grays of Cambridge (Pakistan) Limited	70,202	-	-	-	-	70,202	4,072	4,072	0.01	0.02	4.30
Gypsum Corporation	165,017	-	-	-	-	165,017	-	-	-	-	-
Hashmi Can Company Limited	160,986	-	-	-	-	160,986	-	-	-	-	9.86
National Match Industries	26,452	-	-	-	-	26,452	-	-	-	-	-
National Construction Overseas	24,629	-	-	-	-	24,629	-	-	-	-	-
Pace (Pakistan) Limited	-	525,716	-	-	-	525,716	2,933	2,933	0.01	0.01	0.24
Pakistan Services Limited	893,795	-	-	-	-	893,795	101,044	101,044	0.36	0.37	2.75
Syed Match Company Limited	14,777	-	-	-	-	14,777	148	163	-	-	4.93
Tawakkal Limited	113,264	-	-	-	-	113,264	-	-	-	-	0.81
Tri-pack Films Limited	375,625	2,466	-	-	-	378,091	37,769	37,769	0.14	0.14	1.26
Turbo Tea Limited	170,879	-	-	-	-	170,879	-	-	-	-	1.71
United Brands Limited	8,016	-	-	-	-	8,016	-	513	-	-	0.67
United Distributors Pakistan Limited	357,591	-	53,639	15	-	411,245	-	-	-	-	6.48
	<b>2,698,648</b>	<b>528,182</b>	<b>53,639</b>	<b>15</b>	<b>-</b>	<b>3,280,484</b>	<b>145,966</b>	<b>146,494</b>	<b>0.52</b>	<b>0.54</b>	
	<b>679,103,923</b>	<b>9,530,451</b>	<b>64,755,622</b>	<b>(2,825,527)</b>	<b>(16,042,446)</b>	<b>734,522,023</b>	<b>14,654,209</b>	<b>23,445,909</b>	<b>84.55</b>	<b>86.48</b>	

# INVESTMENT IN SECURITIES

## For the year ended June 30, 2009

S No	Name	-----At cost-----			% age of net assets
		Opening	Redemptions during the year	Closing	
<b>INVESTMENT IN SECURITIES CLASSIFIED AS - 'HELD TO MATURITY'</b>					
<b>Investment under Morabaha Arrangements</b>					
1	Textile Management (Private) Limited	2,031	-	2,031	0.01
2	Pak China Fertilizers Limited	13,300	-	13,300	0.05
3	Quaidabad Woolen Mills Limited	11,330	-	11,330	0.04
	Total	26,661	-	26,661	0.10
	Less : Provision for impairment loss	(26,661)	-	(26,661)	(0.10)
		-	-	-	-
<b>Participation Term Certificates</b>					
1	Adamjee Paper & Board Mills Limited	5,172	-	5,172	0.02
	Less : Provision for impairment loss	(5,172)	-	(5,172)	(0.02)
		-	-	-	-
<b>Term Finance Certificates and Redeemable Capital</b>					
1	Adamjee Paper & Board Mills Limited	4,002	-	4,002	0.01
2	Al-Zamin Leasing Modaraba	1,675	(1,675)	-	-
3	Brothers Steel Mills Limited	965	-	965	0.00
4	Naimat Basal Oil & Gas Securitization Company Limited	4,867	(4,865)	2	0.00
5	Pakistan Telecommunication Limited (PTC) / BEL	3,084	(1,696)	1,388	0.01
	Total	14,593	(8,236)	6,357	0.02
	Less : Provision for impairment loss	(8,053)	1,696	(6,357)	(0.02)
		6,540	(6,540)	-	-
<b>LOANS AND RECEIVABLES</b>					
1	Bank Alfalah Limited - 1	2,918	(2,918)	-	-
2	Pakistan International Airlines Corporation	29,308	(29,308)	-	-
3	Crescent Standard Investment Bank (Pacific Leasing)	3,646	(3,251)	395	0.00
		35,872	(35,477)	395	0
	Less : Provision for impairment loss	-	-	(395)	(0.00)
		35,872	(35,477)	-	0.00

## PERFORMANCE TABLE

### Last 3 Years

		JUNE 09	JUNE 08	JUNE 07
Total Net Asset Value	(Rs. In 000's)	24,409,513	39,982,315	45,880,114
Net Asset Value per Unit	(Rs./ unit)	23.89	46.38	56.11
Highest Issue Price During the Year	(Rs./ unit)	43.90	66.30	64.05
Lowest Repurchase Price During the Year	(Rs./ unit)	20.40	48.70	41.45
Total Return of the Fund		(41.48)	(5.76)	44.67
Capital Growth		(48.49)	(17.34)	30.27
Income Distributions		7.01	11.58	14.40
Distribution Per Unit		3.25	6.50	6.20
Average Annual Return		(0.86)	19.46	44.67

**Note :** All investments in Mutual Funds and securities are subject to Market Risks. Our target return / dividend range can not be guaranteed. NIT's unit price is neither guaranteed nor administered/ managed. It is based on Net Asset Value (NAV) and the NAV of NIT units may go up or down depending upon the factors and forces affecting the Stock Market. Past performance in not indicative of future results.