

First Capital Mutual Fund

DIRECTORS' REVIEW

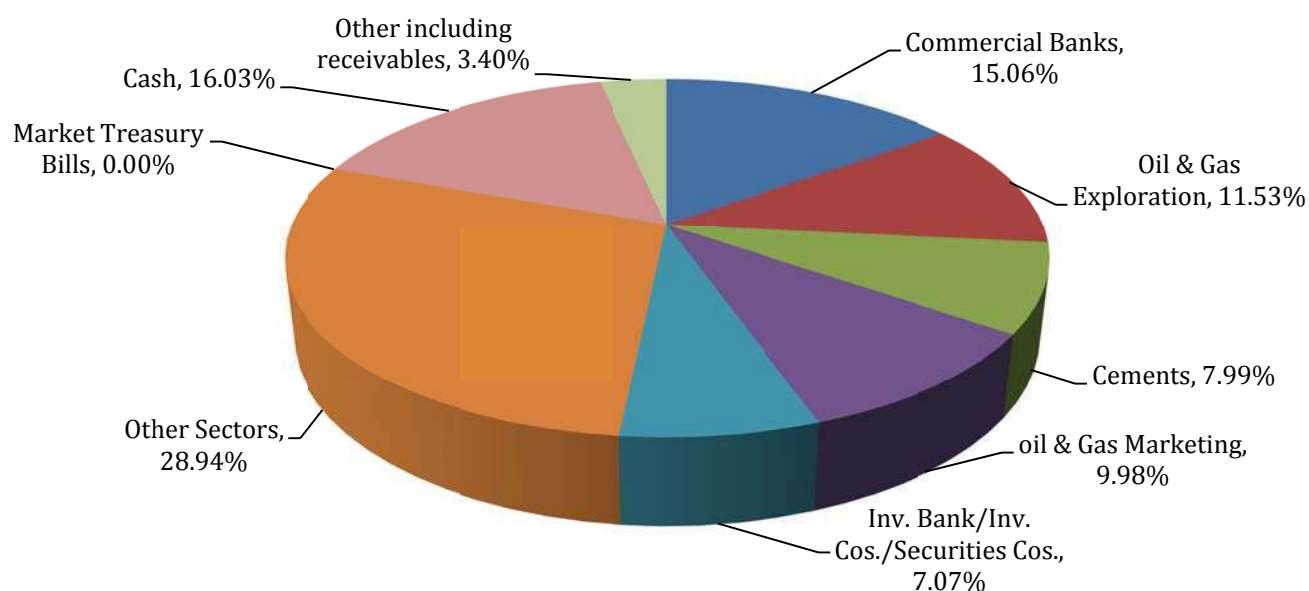
The Board of Directors of First Capital Investments Limited ("FCIL" or "Management Company") is pleased to present the reviewed financial statements of First Capital Mutual Fund ("FCMF" or "the Fund" or "the Scheme") for the half year ended December 31, 2020.

Fund's Performance

During the period under review, the Fund has reported total comprehensive gain of Rs. 30.76 million as compared to gain of Rs. 26.64 million in the corresponding period last year. Capital gain on sale of Investments is Rs. 12.77 million as compared to gain of Rs. 5.93 million in the same period last year. Dividend income has decreased to Rs. 1.73 million from Rs. 2.51 million during the period under review. The Fund has also reported unrealized appreciation on re-measurement of investments at fair value through profit of Rs. 18.28 million during half year ended December 31, 2020 as compared to profit of Rs. 18.60 million in the same period last year. The total expenses of the Fund for the period under review has increased to Rs. 2.58 million as compared to Rs. 2.12 million in the same period last year.

The Net Asset Value (NAV) per unit of FCMF has increased from Rs. 6.3463 to Rs. 8.1022, thus showing a return of 30.61% as compared to its Benchmark's (KSE-100 index) return of 27.11%. The Fund has outperformed its Benchmark by 3.50% mainly on the back of high-weight in E&P Sector, OMCs' Sector, and low weight in Banking Sector, Fertilizer sector and Power Sector as compared to benchmark. During the period under review, the Fund changed its exposure in various sectors/ scrips as per their fundamentals to generate better return for their investors. The Fund adjusted its weight in Oil & Gas sector on the back of various factors related to international oil prices and also changed the exposure in Oil & Gas, Power, Cement and Banking sectors due to their fundamentals. Going forward, the management of the Fund intends to focus on augmenting the wealth of investors through investments geared toward securing maximum returns whilst simultaneously offsetting resultant risks through efficient diversification across sectors with low correlation amongst them. The management of the company is continuously striving toward achieving this objective. The Net Assets of FCMF as at December 31, 2020 stood at Rs. 129.14 million as compared to Rs. 105.53 million as at June 30, 2020.

The asset allocation of the Fund as on 31 December 2020 is as under:



First Capital Mutual Fund

Equity Market Review

During the period under review KSE-100 index (the benchmark) has increased by 30.61% as compared to increase of 20.16% during the same period last year.

The period under review commenced with positive note and posted a handsome return of 22.30% in 1st two months, mainly on the back of decelerating Covid Pandemic's active cases and sharp increase in inflow of foreign currency in form of investments. Decrease in CPI inflation, unexpected growth in remittances which resulted in a surplus in Current Account further boost the investor's confidence.

During the month of September and October KSE-100 Index remained range bound on the back of rising political uncertainty in the country, following 11-party opposition's All Parties Conference (APC) asking for resignation of Prime Minister Imran Khan. Arrest of a key leader from the opposition party and increase in number of victims of Covid-19 also deter the investors' confidence.

During the last two months of the period the benchmark remained positive on the back of Joe Biden's Presidential win in the US, and major headway in development of a COVID-19 vaccine with Pfizer/BioNTech's and Moderna announcing efficacy of 95%. Unimpressive PDM's rally in Lahore and uptrend in economic activity as manifested by the frequently released economic data also boost the investor's confidence.

Income Distribution

The Board of Directors of the Management Company has decided to pay Rs. nil dividends per unit for the period ended December 31, 2020.

License of Asset Management Company

The License of Asset Management Company to manage First Capital Mutual Fund is valid till September 10, 2022.

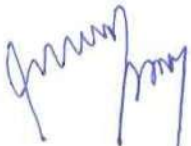
Declaration by Directors

As required under the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of Asset Management Company state that the financial statements of the Fund for the half year ended December 31, 2020 give a true and fair view of the Fund.

Acknowledgment

The Board would like to take this opportunity to thank and appreciate all the unit-holders for their continued support. The board also wishes to place on record its appreciation for the guidance and support extended by the Securities and Exchange Commission of Pakistan and Mutual Funds Association of Pakistan. Finally, the board would like to appreciate the commitment, hard work and co-operation shown by the staff and the Trustee.

**For and on behalf of the Board of
First Capital Investments Limited**



Shahzad Jawahar
Director



Imran Hafeez
Chief Executive Officer/Director

Date: February 25, 2021

Place: Lahore

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel : (92-21) 111-111-500
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TRUSTEE REPORT TO THE UNIT HOLDERS

FIRST CAPITAL MUTUAL FUND

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

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

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

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 24, 2021

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE UNIT HOLDERS OF FIRST CAPITAL MUTUAL FUND

Report on review of interim financial statements

Introduction

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

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements, are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

The financial statements of the Fund for the year ended June 30, 2020 were audited by another firm of chartered accountants who vide their report dated October 07, 2020 expressed an unmodified opinion thereon.

Further, the figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarter year ended December 31, 2020 and December 31, 2019 have not been reviewed and we do not express a conclusion on them.

The engagement partner on the review resulting in the independent auditor's report is Asad Feroze.


JUNAIDY SHOAIB ASAD
CHARTERED ACCOUNTANTS

Lahore

Dated: **25-02-2021**

First Capital Mutual Fund
Condensed Interim Statement of Assets and Liabilities (Unaudited)
As at 31 December 2020

		(Un-audited) 31 December 2020	(Audited) 30 June 2020
	Note	-----Rupees-----	
Assets			
Bank balances	6	22,456,690	475,124
Investments	7	119,853,029	122,227,197
Dividend and profit receivable - unsecured, considered good	8	219,671	80,041
Advances, deposits, prepayments and other receivables	9	6,129,455	2,486,901
Total assets		148,658,845	125,269,263
Liabilities			
Payable to First Capital Investment Limited - Management Company - against remuneration	10	4,179,872	4,117,968
- other payables		57,369	107,430
Payable to Central Depository Company of Pakistan Limited - Trustee		23,967	19,503
Payable to Securities and Exchange Commission of Pakistan		11,448	21,437
Accrued and other liabilities	11	1,503,669	1,730,520
Unclaimed dividend	12	13,745,579	13,745,579
Total liabilities		19,521,904	19,742,437
Net assets		129,136,941	105,526,826
Unit holders' fund (as per statement attached)		129,136,941	105,526,826
Contingencies and commitments	14		
(Number of units)			
Number of units in issue		15,938,463	16,627,963
-----Rupees-----			
Net assets value per unit (face value per unit Rs. 10/-)		8.1022	6.3463

The annexed notes 1 to 22 form an integral part of this condensed interim financial information.

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For First Capital Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

First Capital Mutual Fund
Condensed Interim Income Statement (Unaudited)
For the half year and quarter ended 31 December 2020

Income	Note	Half year ended		Quarter year ended	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
		-----Rupees-----		-----Rupees-----	
Capital gain on sale of investments - net		12,767,355	5,928,703	3,187,317	5,862,288
Dividend income		1,729,623	2,514,072	1,437,955	1,519,322
Income from government securities		165,090	1,310,934	161,170	654,076
Profit on bank deposits		403,212	411,279	100,509	317,666
Net unrealized appreciation / (diminution) on re-measurement of investments classified as at fair value through profit or loss	7.1	18,275,363	18,601,680	8,075,732	21,508,733
Total income		33,340,643	28,766,668	12,962,683	29,862,085
Expenses					
Remuneration to First Capital Investment Limited - Management Company	10.1	1,147,374	1,048,743	591,285	597,335
Punjab Sales Tax on Management Company's remuneration	10.2	183,580	167,799	94,606	95,574
Remuneration to Central Depository Company - Trustee		114,737	104,875	59,128	59,734
Sindh Sales Tax on remuneration of trustee		14,916	13,634	7,687	7,765
Annual fee to Securities and Exchange Commission of Pakistan		11,474	10,488	5,913	5,973
Securities transaction costs		407,658	221,659	167,181	185,822
Accounting and operational charges		57,369	46,404	29,564	26,430
Sindh Sales tax on accounting and operational charges			6,033	-	3,436
Auditors' remuneration		532,592	532,592	267,024	277,765
Annual listing fee		11,060	11,060	5,530	5,529
Fund's ranking fee		71,569	70,563	35,784	35,278
Printing and postage charges	13	-	(112,292)	-	(124,895)
Bank and settlement charges		29,313	2,303	14,476	1,589
Total operating expenses		2,581,642	2,123,861	1,278,178	1,177,335
Net income from operating activities		30,759,001	26,642,807	11,684,505	28,684,750
Net income for the period before taxation		30,759,001	26,642,807	11,684,505	28,684,750
Taxation	16	-	-	-	-
Net income for the period after taxation		30,759,001	26,642,807	11,684,505	28,684,750
Allocation of Net Income for the year					
- Net income for the period after taxation		30,759,001		11,684,505	
- Income already paid on units redeemed		(1,251,280)		(36,832)	
		29,507,721		11,647,673	
Accounting income available for distribution					
-Relating to capital gains		31,042,718		11,263,049	
-Excluding capital gains		(1,534,997)		384,624	
		29,507,721		11,647,673	

The annexed notes 1 to 22 form an integral part of this condensed interim financial information.

For First Capital Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

First Capital Mutual Fund
Condensed Interim Statement of Comprehensive Income (Unaudited)
For the half year and quarter ended 31 December 2020

	Half year ended		Quarter year ended	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
	-----Rupees-----		-----Rupees-----	
Net income / (loss) for the period before taxation	30,759,001	26,642,807	11,684,505	28,684,750
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	30,759,001	26,642,807	11,684,505	28,684,750

The annexed notes 1 to 22 form an integral part of this condensed interim financial information.

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For First Capital Investments Limited
(Management Company)

Chief Executive Officer

Signature of Chief Executive Officer

Signature of Chief Financial Officer

Chief Financial Officer

Signature of Director

Director

First Capital Mutual Fund
Condensed Interim Cash Flow Statement (Unaudited)
For the half year ended 31 December 2020

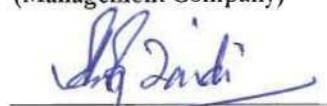
		Half year ended	
		31 December 2020	31 December 2019
		-----Rupees-----	
Cash flows from operating activities	Note		
Net income for the period before taxation		30,759,001	26,642,807
Adjustments for:			
Profit on bank deposits		(403,212)	(411,279)
Dividend income		(1,729,623)	(2,514,072)
Capital gain of sale of investments		(12,767,355)	(5,928,703)
Net unrealized diminution / (appreciation) on re-measurement of investments - at fair value through profit or loss		(18,275,363)	(18,601,680)
		(33,175,553)	(27,455,734)
Net (outflows) before working capital changes		(2,416,552)	(812,927)
Decrease / (increase) in assets:			
Investments - net		33,416,885	4,895,746
Advances, deposits, prepayments and other receivables		(3,642,554)	(7,553,655)
		29,774,331	(2,657,909)
Increase / (decrease) in liabilities:			
Payable to First Capital Investment Limited - Management Company		11,843	(212,339)
Payable to the Central Depository Company - Trustee		4,464	(40,350)
Payable to the Securities and Exchange Commission of Pakistan		(9,989)	(105,105)
Accrued and other liabilities		(226,851)	(197,169)
		(220,533)	(554,963)
Dividend received		1,626,007	2,738,791
Profit received on bank deposits		367,198	316,922
		1,993,205	3,055,713
Net cash generated from / (used in) operating activities		29,130,451	(970,086)
Cash flow from financing activities			
Payments received against issuance of units		10,000,000	6,500,000
Payments made against redemption of units		(14,648,312)	(2,091,162)
Dividend distribution		(2,500,573)	-
Net cash (used in) / generated from financing activities		(7,148,885)	4,408,838
Net increase in cash and cash equivalents		21,981,566	3,438,752
Cash and cash equivalents at beginning of the period		475,124	3,036,789
Cash and cash equivalents at end of the period	6	22,456,690	6,475,541

The annexed notes 1 to 22 form an integral part of this condensed interim financial information.

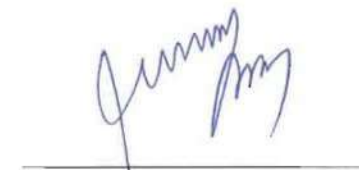


Chief Executive Officer


For First Capital Investments Limited
(Management Company)



Chief Financial Officer



Director

For the half year ended 31 December 2020

	Rupees	
Net asset value per unit at beginning of the period	6.3463	6.2298
Net asset value per unit at end of the period	8.1022	7.7917

8.

Director

1 Legal status and nature of business

First Capital Mutual Fund ("the Fund") was constituted by virtue of a scheme of arrangement for conversion of First Capital Mutual Fund Limited into an Open end scheme under a Trust deed executed between First Capital Investment Limited ("FCIL") as Management Company and Central Depository Company of Pakistan Limited ("CDC") as Trustee. The trust deed was executed on 06 August 2013 after being approved by the Securities and Exchange Commission of Pakistan ("the SECP") on 30 July 2013 in accordance with the provision of Non-Banking Finance Companies and Notified Entities Regulation, 2008 ("the NBFC Regulations").

The Management Company has been licensed by the SECP to act as an Asset Management Company under the Non Banking Finance Companies ("Establishment and Regulations") Rules, 2003 ("the NBFC Rules") through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 2nd and 3rd floor, Pace Shopping Mall, Fortress Stadium, Lahore, Pakistan. The Fund is an Open end equity scheme and offers units for public subscription on a continuous basis. The units are transferable and can be redeemed by submitting them into the Fund.

The Fund has been formed to augment the wealth of investors through investments geared towards securing maximum returns whilst simultaneously offsetting resultant risks through efficient diversification across sectors with low correlation amongst them. The Fund shall invest its assets in high quality dividend yielding stocks. While the remaining assets shall be invested in cash and / or near cash instruments.

Title of the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited (CDC) as trustee of the Fund and the Fund was previously listed on Lahore Stock Exchange (LSE) of Pakistan. However due to integration of Karachi, Lahore and Islamabad Stock Exchanges into Pakistan Stock Exchange (PSX) with effect from 11 January 2016 the Fund is now listed on PSX.

Pakistan Credit Rating Agency Limited ("PACRA") has assigned management quality rating of AM4++ to the Management Company on September 27, 2020. PACRA has also placed the ratings of First Capital Investments Limited on "Rating Watch". This rating will be reviewed by PACRA once this matter will be settled. PACRA has assigned '4 Star' (short term) and '1 Star' (long term) rating to the Fund on August 28, 2020.

2 Basis of preparation

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Act, 2017, provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984, 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 the directives issued by the SECP. Wherever provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations differ with the requirements of IFRSs, the provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations prevail.

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First Capital Mutual Fund
Notes to the Condensed Interim Financial Information (Unaudited)
For the half year ended 31 December 2020

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

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that this condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at December 31, 2020.

These condensed interim financial statements are being submitted to the unit holders as required under Regulation 38 (2) (f) of the NBFC regulations.

The comparative in the statement of assets and liabilities presented in these condensed interim financial statements for the period ended 31 December 2020 have been extracted from the audited financial statements of the Fund for the year ended 30 June 2020, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of movement in unit holders' fund are stated from unaudited condensed interim financial statements for the six months period ended 31 December 2019.

2.2 Functional and presentation currency

These condensed interim financial statements are presented in Pak Rupees which is the functional and presentation currency of the Fund and rounded to the nearest rupees except when otherwise indicated.

2.3 Basis of measurement

These financial statements have been prepared under the historical cost convention except for Investment which are carried at fair value.

3 Use of estimates and judgments

The preparation of the condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing the condensed unconsolidated interim financial statements, the significant judgments made by the management in applying accounting policies and the key sources of estimates were the same as those applied to the annual financial statements for the year ended 30 June 2020.

4 Summary of significant accounting policies

4.1 The accounting policies and the methods of computation adopted in the preparation of these condensed interim unconsolidated financial statements are same as those applied in the preparation of the annual audited financial statements for the year ended 30 June 2020.

4.2 New standards, interpretations and amendments to accounting and reporting standards that are not yet effective

The following standards, amendments and interpretations of approved accounting standards will be effective for accounting periods beginning on or after 01 January 2020 and are not expected to have significant impact on these condensed interim unconsolidated financial statements:

<u>Standard or Interpretation</u>	<u>Effective date</u>
Amendment to IFRS 3 - Business Combinations	01 January 2020
Amendment to IAS 1 - Presentation of Financial Statements	01 January 2020
Amendment to IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors	01 January 2020
Amendments to IFRS 9, IAS 39 & IFRS 7 - Financial Instrument	01 January 2020
Amendments to IFRS 16 - Leases	01 June 2020

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First Capital Mutual Fund
Notes to the Condensed Interim Financial Information (Unaudited)
For the half year ended 31 December 2020

5 Financial risk management

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

		(Unaudited) 31 December 2020	(Audited) 30 June 2020
	Note	-----Rupees-----	
6 Balances with banks			
Cash at bank			
- saving accounts	6.1	22,451,689	470,123
- current account		5,001	5,001
		<u>22,456,690</u>	<u>475,124</u>

6.1 The rate of return on these saving accounts is ranging from 5.49% to 5.55% per annum (30 June 2020: 10.25% to 11.25%) per annum.

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First Capital Mutual Fund
Notes to the Condensed Interim Financial Information (Unaudited)
For the half year ended 31 December 2020

		(Unaudited) 31 December 2020	(Audited) 30 June 2020
	Note	Rupees	
7 Investments			
At fair value through profit or loss			
Listed equity securities	7.1	119,853,029	102,231,117
Government securities - Market Treasury Bills	7.2	-	19,996,080
		<u>119,853,029</u>	<u>122,227,197</u>

7.1 Listed equity securities - at fair value through profit or loss

Shares of listed companies - Fully paid ordinary shares with a face value of Rs. 10 each except for Al-Ghazi Tractors Limited having face value of Rs. 5 each.

Name of Investee company	Number of shares				As at December 31, 2020 (Rupees)			(%) Percentage in relation to			
	As at July 01, 2020	Purchased/ entitled during the period	Bonus / Rights exercised during the period	Sold during the period	As at December 31, 2020	Carrying value	Market value	Appreciation / (Diminution)	Net assets of the Fund	Market value of total investments	Paid up capital of investee company
Inv. Bank/Inv. Companies/Securities Co.											
Escorts Investment Bank Limited	96,659	-	-	-	96,659	753,940	970,456	216,516	0.75	0.81	0.0071
First Capital Equities Limited	1,005,395	-	-	-	1,005,395	9,541,199	9,541,199	-	7.39	7.96	0.0711
Jahangir Siddiqui & Company Limited	-	1,500	-	1,500	-	-	-	-	-	-	-
	1,102,054	1,500	-	1,500	1,102,054	10,295,139	10,511,655	216,516	8.14	8.77	0.08
Commercial Banks											
Bank Alfalah Limited	56,500	-	-	-	56,500	1,896,705	1,996,145	99,440	1.55	1.67	0.0005
Bank Al Habib Limited	-	10,000	-	-	10,000	538,800	696,000	157,200	0.54	0.58	0.0001
Faysal Bank Limited	30,812	-	-	-	30,812	429,211	532,431	103,220	0.41	0.44	0.0002
Habib Bank Limited	30,300	15,000	-	-	45,300	4,799,536	5,992,284	1,192,748	4.64	5.00	0.0003
JS Bank Limited	50,000	75,000	-	84,500	40,500	231,871	260,010	28,139	0.20	0.22	0.0003
MCB Bank Limited	23,000	7,000	-	-	30,000	4,881,650	5,558,400	676,750	4.30	4.64	0.0003
Meezan Bank Limited	-	26,500	1,500	3,000	25,000	1,940,767	2,611,000	670,233	2.02	2.18	0.0002
The Bank Of Punjab	-	10,000	-	-	10,000	92,500	92,700	200	0.07	0.08	-
National Bank of Pakistan	50,000	10,000	-	60,000	-	-	-	-	-	-	-
Summit Bank Limited	-	250,000	-	250,000	-	-	-	-	-	-	-
United Bank Limited	35,000	2,000	-	-	37,000	3,836,496	4,656,820	820,324	3.61	3.89	0.0003
	275,612	405,500	1,500	397,500	285,112	18,647,536	22,395,790	3,748,254	17.34	18.70	0.0020
Insurance											
The United Insurance Company of Pakistan Limited	1,894	-	-	-	1,894	13,826	15,304	1,478	0.01	0.01	0.0001
	1,894	-	-	-	1,894	13,826	15,304	1,478	0.01	0.01	0.0001
Textile Composite											
Nishat Mills Limited	42,000	-	-	12,000	30,000	2,340,300	3,053,100	712,800	2.36	2.55	0.0009
Gul Ahmed Textile Mill Limited	5,000	-	-	5,000	-	-	-	-	-	-	-
Azgard Nine Limited	55,000	-	-	55,000	-	-	-	-	-	-	-
Nishat (Chunain) Limited	20,000	10,000	-	-	30,000	1,003,000	1,262,700	259,700	0.98	1.05	0.0012
	122,000	10,000	-	72,000	60,000	3,343,300	4,315,800	972,500	3.34	3.60	0.0021

for

Name of Investee company	Number of shares					As at December 31, 2020 (Rupees)			(%) Percentage in relation to		
	As at July 01, 2020	Purchased/ entitled during the period	Bonus / Rights exercised during the period	Sold during the period	As at December 31, 2020	Carrying value	Market value	Appreciation / (Diminution)	Net assets of the Fund	Market value of total investments	Paid up capital of investee company
Vanaspati and Allied Industries											
Unity Foods Limited	50,000	8,644	41,356	50,000	50,000	563,327	1,603,000	1,039,673	1.24	1.34	0.0005
Unity Foods Limited (LOR)	-	41,356	(41,356)	-	-	-	-	-	-	-	-
	50,000	50,000	-	50,000	50,000	563,327	1,603,000	1,039,673	1.24	1.34	0.0005
Cement											
Cherat Cement Company Limited	27,000	-	-	22,000	5,000	435,850	730,950	295,100	0.57	0.61	0.0003
D.G. Khan Cement Company Limited	38,000	-	-	23,000	15,000	1,279,950	1,718,700	438,750	1.33	1.43	0.0003
Flying Cement Company Limited	-	20,000	-	-	20,000	192,998	212,400	19,402	0.16	0.18	-
Fauji Cement Company Limited	31,500	-	-	31,500	-	-	-	-	-	-	-
Ghanibwal Cement Limited	50,000	-	-	50,000	-	-	-	-	-	-	-
Kohat Cement Company Limited	6,000	1,000	-	2,000	5,000	691,571	1,096,200	404,629	0.85	0.91	0.0002
Lucky Cement Limited	10,000	6,856	-	11,856	5,000	3,196,500	3,480,450	283,950	2.70	2.90	0.0002
Maple Leaf Cement Factory Limited	106,250	10,000	-	46,000	70,250	1,931,235	3,161,953	1,230,718	2.45	2.64	0.0006
Pioneer Cement Limited	17,000	-	-	17,000	-	-	-	-	-	-	-
Power Cement Limited	200,000	100,000	-	150,000	150,000	1,304,530	1,482,000	177,470	1.15	1.24	0.0014
Power Cement Limited- LOR	-	46,000	-	46,000	-	-	-	-	-	-	-
	485,750	183,856	-	399,356	270,250	9,032,634	11,882,653	2,850,019	9.21	9.91	0.0030
Refinery											
Attock Refinery Limited	5,000	-	-	2,500	2,500	223,300	455,125	231,825	0.35	0.38	0.0002
Pakistan Refinery Limited	25,000	60,000	25,000	50,000	60,000	1,104,600	1,427,400	322,800	1.11	1.19	0.0010
Pakistan Refinery Limited (LOR)	25,000	-	(25,000)	-	-	-	-	-	-	-	-
BYCO Petroleum Pakistan Limited	80,000	-	-	30,000	50,000	301,000	442,500	141,500	0.34	0.37	0.0001
National Refinery Limited	2,000	3,000	-	5,000	-	-	-	-	-	-	-
	137,000	63,000	-	87,500	112,500	1,628,900	2,325,025	696,125	1.80	1.94	0.0013
Power Generation & Distribution											
The Hub Power Company Limited	15,693	-	-	-	15,693	1,137,743	1,244,926	107,183	0.96	1.04	0.0001
Kor Addu Power Company Limited	15,000	75,000	-	15,000	75,000	2,222,400	2,040,000	(182,400)	1.58	1.70	0.0009
Tri-Star Power Limited	75,000	-	-	-	75,000	201,750	337,500	135,750	0.26	0.28	0.0500
	105,693	75,000	-	15,000	165,693	3,561,893	3,622,426	60,533	2.80	3.02	0.0510
Oil & Gas Marketing Companies											
Hascol Petroleum Limited	200,366	50,000	-	125,000	125,366	1,761,048	1,841,627	80,579	1.43	1.54	0.0013
Pakistan State Oil Company Limited	50,064	-	-	-	50,064	7,918,122	10,778,779	2,860,657	8.35	8.99	0.0011
Shell Pakistan Limited	-	3,000	-	3,000	-	-	-	-	-	-	-
Sui Northern Gas Pipelines Limited	26,000	24,000	-	-	50,000	2,827,300	2,221,000	(606,300)	1.72	1.85	0.0008
Sui Southern Gas Company Limited	-	-	-	-	-	-	-	-	-	-	-
	276,430	77,000	-	128,000	225,430	12,506,470	14,841,406	2,334,936	11.50	12.38	0.0032
Oil & Gas Exploration Companies											
Mari Petroleum Company Limited	3,505	180	-	2,000	1,684	2,109,622	2,256,257	146,635	1.75	1.88	0.0001
Oil & Gas Development Company Limited	39,000	29,500	-	-	68,500	7,643,890	7,108,245	(535,645)	5.50	5.93	0.0002
Pakistan Oilfields Limited	7,000	1,000	-	2,000	6,000	2,164,150	2,372,460	208,310	1.84	1.98	0.0002
Pakistan Petroleum Limited	36,500	35,000	-	11,500	60,000	5,594,433	5,419,800	(174,633)	4.20	4.52	0.0002
	86,005	65,680	-	15,500	136,184	17,512,095	17,156,762	(355,333)	13.29	14.31	0.0007

Name of Investee company	Number of shares					As at December 31, 2020 (Rupees)			(%) Percentage in relation to		
	As at July 01, 2020	Purchased/ entitled during the period	Bonus / Rights exercised during the period	Sold during the period	As at December 31, 2020	Carrying value	Market value	Appreciation / (Diminution)	Net assets of the Fund	Market value of total investments	Paid up capital of investee company
Industrial Engineering											
Aisha Steel Mills Limited	135,000	-	-	135,000	-	-	-	-	-	-	-
Amreli Steels Limited	-	10,000	-	-	10,000	530,000	482,600	(47,400)	0.37	(0.40)	0.0003
Dost Steels Limited	-	75,000	-	75,000	-	-	-	-	-	-	-
International Steels Limited	30,000	-	-	15,000	15,000	774,750	1,398,450	623,700	1.08	1.17	0.0003
Mughal Iron And Steel Industries Ltd	15,000	-	-	5,000	10,000	398,800	757,300	358,500	0.59	0.63	0.0004
	180,000	85,000	-	230,000	35,000	1,703,550	2,638,350	934,800	2.04	2.20	0.0010
Automobile Assembler											
Al-Ghazi Tractors Limited	2,000	-	-	2,000	-	-	-	-	-	-	-
Ghani Automobiles Industries Limited	125,000	-	-	125,000	-	-	-	-	-	-	-
Ghandhara Industries Limited	-	7,000	-	-	7,000	1,709,538	2,284,940	575,402	1.77	1.91	0.0016
Indus Motor Company Limited	-	1,000	-	1,000	-	-	-	-	-	-	-
Mallat Tractors Limited	5,500	-	-	5,500	-	-	-	-	-	-	-
Sazgar Engineering Works Limited	5,000	15,000	4,500	5,000	19,500	2,781,485	3,535,740	754,255	2.74	2.95	0.0054
Pak Suzuki Motor Company Limited	-	12,000	-	5,000	7,000	1,630,909	1,693,650	62,741	1.31	1.41	0.0009
	137,500	35,000	4,500	143,500	33,500	6,121,932	7,514,330	1,392,398	5.82	6.27	0.0079
Automobile Parts & Accessories											
Agriauto Industries Limited	-	1,000	-	1,000	-	-	-	-	-	-	-
Exide Pakistan Limited	-	5,000	-	5,000	-	-	-	-	-	-	-
Atlas Battery Limited	2,000	3,500	-	5,500	-	-	-	-	-	-	-
	2,000	9,500	-	11,500	-	-	-	-	-	-	-
Cables & Electricals Goods											
Pak Elektron Limited	25,000	75,000	-	100,000	-	-	-	-	-	-	-
Tpl Corp Limited	-	25,000	-	25,000	-	-	-	-	-	-	-
Waves Singer Pakistan Limited	-	15,000	-	15,000	-	-	-	-	-	-	-
	25,000	115,000	-	140,000	-	-	-	-	-	-	-
Transport											
Pakistan International Bulk Terminal Limited	20,000	-	-	20,000	-	-	-	-	-	-	-
	20,000	-	-	20,000	-	-	-	-	-	-	-
Technology & Communications											
Netsol Technologies Limited	21,000	-	-	21,000	-	-	-	-	-	-	-
Avanceon Limited	35,000	10,000	-	15,000	30,000	1,403,200	2,785,500	1,382,300	2.16	2.32	0.0014
Hum Network Limited	-	30,000	-	30,000	-	-	-	-	-	-	-
TRG Pakistan Limited - Class A	15,000	110,000	-	75,000	50,000	2,509,653	4,570,500	2,060,847	3.54	3.81	0.0009
Worldcall Telecom Limited	250,000	-	-	150,000	100,000	87,000	122,000	35,000	0.09	0.10	0.0006
	321,000	150,000	-	291,000	180,000	3,999,853	7,478,000	3,478,147	5.79	6.23	0.0029

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Name of Investee company	Number of shares					As at December 31, 2020 (Rupees)			(%) Percentage in relation to		
	As at July 01, 2020	Purchased/ entitled during the period	Bonus / Rights exercised during the period	Sold during the period	As at December 31, 2020	Carrying value	Market value	Appreciation / (Diminution)	Net assets of the Fund	Market value of total investments	Paid up capital of investee company
Fertilizer											
Engro Fertilizers Limited	20,000	-	-	-	20,000	1,205,600	1,264,600	59,000	0.98	1.06	0.0001
Engro Corporation Limited	16,100	9,900	-	6,000	20,000	5,963,586	6,147,200	183,614	4.76	5.13	0.0003
Fauji Fertilizer Bin Qasim Limited	32,000	3,000	-	5,000	30,000	486,480	759,600	273,120	0.59	0.63	0.0003
Fauji Fertilizer Bin Qasim Limited (LOR)	-	11,470	-	11,470	-	-	-	-	-	-	-
Fauji Fertilizer Company Limited	10,000	-	-	-	10,000	1,099,900	1,085,000	(14,900)	0.84	0.91	0.0001
	78,100	24,370	-	22,470	80,000	8,755,566	9,256,400	500,834	7.17	7.73	0.0008
Pharmaceuticals											
Highnoon Laboratories Limited	45	-	-	-	45	22,558	26,991	4,433	0.02	0.02	-
Perozon Laboratories Limited	-	3,000	600	-	3,600	1,254,000	1,189,404	(64,596)	0.92	0.99	0.0012
Glaxosmithkline Consumer Healthcare Pakistan Limited	2,000	-	-	2,000	-	-	-	-	-	-	-
The Searle Company Limited	8,573	-	650	3,000	6,223	1,220,809	1,550,958	330,149	1.20	1.29	0.0003
The Searle Company Limited (LOR)	-	650	(650)	-	-	-	-	-	-	-	-
	10,618	3,650	600	5,000	9,868	2,497,367	2,767,353	269,986	2.14	2.30	0.0015
Chemicals											
Agritech Limited	150,000	-	-	150,000	-	-	-	-	-	-	-
Engro Polymer & Chemical Limited	10,000	-	-	10,000	-	-	-	-	-	-	-
Descon Oxychem Limited	10,000	-	-	10,000	-	-	-	-	-	-	-
Sitara Peroxide Limited	20,000	-	-	20,000	-	-	-	-	-	-	-
	190,000	-	-	190,000	-	-	-	-	-	-	-
Synthetic & Rayon											
Tri-Star Polyester Limited	50,000	-	-	50,000	-	-	-	-	-	-	-
	50,000	-	-	50,000	-	-	-	-	-	-	-
Textile Spinning											
Service Fabrics Limited	-	100,000	-	100,000	-	-	-	-	-	-	-
	-	100,000	-	100,000	-	-	-	-	-	-	-
Foods & Personal Care Products											
Al Shaheer Corporation Limited	-	70,000	-	20,000	50,000	839,750	915,500	75,750	0.71	0.76	-
Al Shaheer Corporation Limited (LOR)	-	25,000	-	25,000	-	-	-	-	-	-	-
Fauji Foods Limited	-	45,000	-	10,000	35,000	551,500	607,950	56,450	0.47	0.51	0.0004
Treet Corporation Limited	10,170	-	-	10,000	170	3,036	5,326	2,290	-	-	-
	10,170	140,000	-	65,000	85,170	1,394,286	1,528,776	134,490	1.18	1.27	0.0004
Total as at December 31, 2020	3,666,826	1,594,056	6,600	2,434,826	2,832,655	101,577,671	119,853,029	18,275,356			
Total as at June 30, 2020	2,890,004	3,798,254	22,140	(2,991,566)	3,666,826	105,214,825	102,231,117	(2,983,708)			

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First Capital Mutual Fund

Notes to the Condensed Interim Financial Information (Unaudited)

For the half year ended 31 December 2020

7.1.1 The Finance Act 2014 brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5% is to be applied on the value of bonus shares determined on the basis of day end price on the first day of book closure. The tax is to be collected at source by the Company declaring bonus shares which shall be considered as final discharge of tax liability on such income. However, the Management Company of the fund along with other asset management companies and Mutual Fund Association of Pakistan, had filed a petition in the Honorable Sindh High Court ("the Court") to declare the amendments brought into the Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes ("CIS") as null and void and not applicable on mutual funds based on the premise of exemption given to mutual funds under clause 47B of Part IV and clause 99 of Part I of the Second Schedule of the Income Tax Ordinance, 2001. The Court has granted stay order in favor of CIS till the final outcome of the case. Accordingly, the investee companies have withheld the shares equivalent to 5% bonus shares announcement and not deposited in CIRC account of department of Income Tax. However, the Fund has included bonus shares withheld by the investee companies in its investment portfolio amounting to Rs. 0.5625 million (June 30, 2020: Rs. Rs. 0.3552 million)

7.2 Government securities - Market treasury bills

Number of shares					Balance as at 31 December 2020			(%) Percentage in relation to		
Tenure	Purchase Date	As at 01 July 2020	Purchases during the period	Disposed / matured during the period	As at 31 December 2020	Carrying value as at 31 December 2020	Market value as at 31 December 2020	Appreciation / (diminution)	Net assets of the Fund (with market value of investments)	Market value of total investments
Market treasury bills										
3 Months		20,000,000	10,000,000	30,000,000	-	-	-	-	-	-
Sub total as at 31 December 2020		20,000,000	10,000,000	30,000,000	-	-	-	-	-	-
Total as at 30 June 2020		20,000,000	80,000,000	(80,000,000)	20,000,000	19,994,223	19,996,080	1,857	18.95 ^a %	16.36 ^a %

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First Capital Mutual Fund
Notes to the Condensed Interim Financial Information (Unaudited)
For the half year ended 31 December 2020

		(Unaudited) 31 December 2020	(Audited) 30 June 2020
	Note	-----Rupees-----	
8 Dividend and profit receivable			
Dividend receivable		176,752	73,136
Profit accrued on bank deposits		42,919	6,905
		<u>219,671</u>	<u>80,041</u>
9 Advances, deposits, prepayments and other receivables			
Security deposit with the CDC & NCCPL		2,737,500	237,500
Receivable from NCCPL		1,291,162	-
Receivable against sale of investments		-	352,487
Advance tax deducted	9.1	1,818,725	1,685,638
Prepayments		70,792	-
Other receivable from Management Company		211,276	211,276
		<u>6,129,455</u>	<u>2,486,901</u>

- 9.1 The income tax of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income tax Ordinance, 2001 (ITO 2001). Further, the Fund is exempt under clause 47(B) of Part IV of Second Schedule to the ITO 2001 from withholding of tax under section 150, 151 and 233 of ITO 2001. The Federal Board of Revenue through a circular "C.No.1 (43) DG (WHT/2008-Vol.II- 66417-R dated 12 May 2015, made it mandatory to obtain exemption tax certificates under section 159 (1) of the ITO 2001 from Commissioner Inland Revenue (CIR). Prior to receiving tax exemption certificate(s) from CIR, various withholding agents have deducted advance tax under section 150 and 151 of ITO 2001. The management is confident that the same shall be adjustable against future tax liabilities, if any.

10 Remuneration payable to First Capital Investment Limited - Management Company

Remuneration of Management Company	10.1	412,765	357,983
Punjab Sales tax on Remuneration of Management Company	10.2	53,659	46,537
Federal Excise Duty on Remuneration of Management Company	10.3	3,713,448	3,713,448
		<u>4,179,872</u>	<u>4,117,968</u>

- 10.1 Under the provision of NBFC Regulations, 2008 vide SRO 1160(1)/2015 dated 25 November 2015, the Management Company of the fund is entitled to an accrued remuneration of an amount not exceeding 2% per annum of the average annual net assets of the Fund. Management Company has charged remuneration at 2% on the net assets of the Fund.
- 10.2 The Provincial Government of Punjab levied Punjab Sales Tax at the rate of 16% on the remuneration of the Management Company through the Punjab Sales Tax on Services Act, 2012 effective from July 01, 2012.
- 10.3 As per the requirement of Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16% on the remuneration of the Management Company had been applied effective from 13 June 2013. The Management Company is of the view that since the remuneration is already subject to provincial sales tax, further levy of FED may result in double taxation, which does not appear to be the spirit of the law, hence a petition was collectively led by the Mutual Fund Association of Pakistan with the Honorable Sindh High Court (SHC) on 4 September 2013.

The Honorable Sindh High Court (SHC) through its order dated 2 June 2016, in CPD-3184 of 2014 (and others) led by various taxpayers, has interalia declared that Federal Excise Act 2005 (FED Act) is on services, other than shipping agents and related services, is ultra vires to the Constitution from 01 July 2011. The Sindh High Court in its decision dated 16 July 2016 in respect of the constitutional petition led by the management companies of mutual funds maintained the previous order on the FED.



First Capital Mutual Fund
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Sindh Revenue Board and Federal Board of Revenue have led appeals before Honorable Supreme Court against the Sindh High Court's decision dated 2 June 2016, which is pending for the decision. However, after the exclusion of the mutual funds from federal statute on FED from 1 July 2016, the Fund has discontinued making the provision in this regard.

Since the appeal is pending in the Supreme Court of Pakistan, the Management Company as a matter of abundant caution has retained provision for FED on management fee aggregating to Rs. 3.713 million (June 2020: Rs. 3.713 million). Had the said provision of FED not been recorded in the books of account of the Fund, the net asset value per unit of the Fund would have been higher by Rs. 0.2330 per unit (June 2020: 0.2233 per unit).

		(Unaudited) 31 December 2020	(Audited) 30 June 2020
11	Accrued and other liabilities		
	Note	-----Rupees-----	
	Auditors' remuneration payable	654,194	802,995
	Payable against purchase of investments	-	462,166
	Listing fee payable	131,059	119,999
	Withholding and capital gain tax payable	391,126	106,234
	Legal and professional charges payable	45,000	45,000
	Fund's rating fee payable	140,360	140,360
	Transaction charges payable	46,385	-
	Other payable	95,545	53,766
		<u>1,503,669</u>	<u>1,730,520</u>
12	Unclaimed dividend		
	This mainly includes an amount of Rs. 9.51 million (30 June 2020: 9.51 million) not paid to Mr. Salman Taseer (late) due to pending adjudication for issuance of succession certificate before the Honorable Lahore High Court.		
13	Printing & Postage Charges		
	This represents impact of liabilities written back.		
14	Contingencies And Commitments		
	There were no contingencies or commitments outstanding as at 31 December 2020 (30 June 2020: Nil)		
15	Total Expense Ratio		
	Total expense ratio (all the expenses, including government, incurred during the year divided by average net assets value for the year) is 4.47% per annum (31 December 2019: 4.04% per annum). Total expense ratio (excluding government levies) is 3.98% per annum (31 December 2019: 3.55%).		
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 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realized or unrealized, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unitholders. The management intends to distribute at least 90% of the Fund's net accounting income earned by the year end, as cash dividend, to the unit holders. The Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule of the Income Tax Ordinance, 2001. Accordingly, no provision in respect of taxation has been made in these condensed interim financial statements.		
17	Earnings per unit		
	Earnings per unit (EPU) has not been disclosed as in the opinion of the management determination of commulative weighted average number of outstanding units for calculating EPU is not practicable.		



First Capital Mutual Fund
Notes to the Condensed Interim Financial Information (Unaudited)
For the half year ended 31 December 2020

18 Transactions with connected persons / related parties

Connected persons include the Management Company, the Trustee of the Fund, any person or company beneficially owning ten percent or more of the capital of the Management Company or net assets of the Fund and Directors and Key Management Personnel of the Management Company.

Transactions with related parties / connected persons are in the normal course of business and on arm's length basis.

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

18.1 Details of transactions with the connected persons / related parties during the period are as follows:

	Note	Half year ended	
		Percentage of	31 December
		Unit Holding	2020
			31 December
			2019
			-----Rupees-----
FCIL - Management Company		69.24%	
Remuneration of the Management Company	18.1.1		1,147,374
Punjab Sales Tax on Remuneration of the Management Company			183,580
Accounting and operational charges			57,369
Dividend Paid			1,407,454
Issuance of 1,426,028 (2019: 1,122,179) units			10,000,000
Redemption of 2,109,090 (2019: 271,390) units			14,600,000
CDC - Trustee		-	
Remuneration of the Trustee	18.1.1		114,737
Sindh Sales Tax on Remuneration of the Trustee			14,916
Settlement Charges inclusive of Sindh Sales Tax			15,533
Amortization of CDS fee			-
First Capital Equities Limited - Group Company		0.01%	
Dividend Paid			263
First Capital Securities Corporation - Group Company		5.87%	
Dividend Paid			137,004
Key Management Personnel of the Management Company		0.01%	
Dividend Paid			362

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

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First Capital Mutual Fund
Notes to the Condensed Interim Financial Information (Unaudited)
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	Percentage of Unit Holding	(Un audited) December 31 2020	(Audited) June 30 2020
		-----Rupees-----	
18.2 Balance outstanding as at the period end are as follows:			
FCIL - Management Company	69.24%		
Remuneration payable to the Management Company		4,179,872	4,117,968
Other Payables		57,369	107,430
Units Held: 11,036,177 (June 30, 2020: 11,719,339) Units		89,417,316	74,374,441
CDC - Trustee			
Remuneration payable inclusive of taxes thereon		23,967	19,503
Security deposit		237,500	237,500
Prepaid Fee		70,792	-
First Capital Equities Limited - Group Company	0.01%		
Units Held: 1,793 (June 30, 2020: 1,793) Units		14,528	11,380
First Capital Securities Corporation - Group Company	5.87%		
Units Held: 935,466 (June 30, 2020: 935,466) Units		7,579,336	5,936,750
Salman Taseer (Late)	12.71%		
Units Held: 2,095,028 (June 30, 2020: 2,095,028) Units		16,974,334	13,295,674
Dividend payable		9,506,510	9,506,510
Key Management Personnel of the Management Company	0.01%		
Units held: 2,363 (30 June 2020: 1,760) units		19,143	11,169

First Capital Mutual Fund
Notes to the Condensed Interim Financial Information (Unaudited)
For the half year ended 31 December 2020

19 Financial instruments - fair values and risk management

Fair value is an amount for which asset can be exchanged, or liability settled, between knowledgeable willing parties in arm's length transaction. Consequently, difference may arise between the carrying values and fair value estimates.

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

Fair value of underlying financial assets are determined based on requirement of regulation 66(a) of NBFIC Regulations, 2008 and directives if any issued by the SECP. The fair value of financial assets traded in active market i.e. listed securities are based on quoted market price at stock exchange as determined in accordance with its regulations.

The Fund measures fair value using the fair value hierarchy that reflects the significance of the inputs used in making the measurements:

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

		31 December 2020 (Un-audited)					
		Carrying amount		Fair value			
	Fair value through profit or loss	At Amotized Cost	Total	Level 1	Level 2	Level 3	Total
Note	Rupees						
7.1	119,853,029	-	119,853,029	119,853,029	-	-	119,853,029
6	-	22,456,690	22,456,690	-	-	-	-
8	-	219,671	219,671	-	-	-	-
9	-	4,239,938	4,239,938	-	-	-	-
	119,853,029	26,916,299	146,769,328	119,853,029	-	-	119,853,029
10	-	4,237,241	4,237,241	-	-	-	-
	-	23,967	23,967	-	-	-	-
	-	11,448	11,448	-	-	-	-
11	-	1,112,543	1,112,543	-	-	-	-
12	-	13,745,579	13,745,579	-	-	-	-
	-	19,130,778	19,130,778	-	-	-	-

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First Capital Mutual Fund
Notes to the Condensed Interim Financial Information (Unaudited)
For the half year ended 31 December 2020

		30 June 2020(Audited)						
		Carrying amount			Fair value			
		Fair value through profit or loss	At Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Note		Rupees						
<u>Financial assets - measured at fair value</u>								
Investments								
- Listed equity securities	7.1	102,231,117	-	102,231,117	102,231,117	-	-	102,231,117
- Government securities - Market Treasury Bills	7.2	19,996,080	-	19,996,080	19,996,080	-	-	19,996,080
<u>Financial assets - not measured at fair value</u>								
Bank balances	6	-	475,124	475,124	-	-	-	-
Dividend and profit receivable	8	-	80,041	80,041	-	-	-	-
Advances, Deposits and other receivables	9	-	801,263	801,263	-	-	-	-
	19.1	122,227,197	1,356,428	123,583,625	122,227,197	-	-	122,227,197
<u>Financial liabilities - not measured at fair value</u>								
Payable to Management Company	10	-	4,225,398	4,225,398	-	-	-	-
Payable to the Trustee		-	19,503	19,503	-	-	-	-
Payable to Securities and Exchange Commission of Pakistan		-	21,437	21,437	-	-	-	-
Accrued and other liabilities	11	-	1,624,286	1,624,286	-	-	-	-
Unclaimed dividend	12	-	13,745,579	13,745,579	-	-	-	-
	19.1	-	19,636,203	19,636,203	-	-	-	-

19.1 The Fund has not disclosed the fair values of these financial assets and liabilities as these are for short term or repriced over short term. Therefore, their carrying amounts are reasonable approximation of fair value.

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20 Impact of COVID-19

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

The COVID-19 pandemic and associated impacts on economic activity had certain effect on the operational and financial condition of the Fund for the period ended 31 December 2020 due to the subdued equity market performance because of overall slowdown in economic activity and continuity of business operations. However, to reduce the impact on the economy and business, regulators I government across the country have introduced a host of measures on both the fiscal and economic fronts from time to time.

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

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

21 General

Figures have been rounded off to the nearest Rupee.

22 Date of authorization

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on February 25, 2021.



Chief Executive Officer

For First Capital Investments Limited
(Management Company)



Chief Finance Officer



Director