



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN
SPECIALIZED COMPANIES DIVISION
FUND MANAGEMENT DEPARTMENT

No. SCD/AMCW/ /2024/ 256

March 27, 2025

Circular No. 9 of 2025

Subject: Disclosure Requirements by Collective Investment Schemes in Fund Manager Report.

In order to enhance transparency and to enable the unitholders/investors for making informed investment decisions, the Securities and Exchange Commission of Pakistan (the "Commission") in exercise of powers conferred in terms of Section 282B(3) of the Companies Ordinance, 1984 read with Regulation 38 and Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, hereby specifies following additional requirements for the Asset Management Companies (AMCs) when disclosing information in the Fund Manager Report (FMR):

- A.** For all categories of Collective Investment Schemes (CIS):
1. All expenses (as mentioned in Regulation 60(6) of NBFC & NE Regulations, 2008) shown as percentage of net assets, should depict the actual charge for the respective period instead of maximum allowable limit in Regulations or constitutive documents.
 2. A disclosure statement regarding the Sales Load shall be included in the FMR as follows: "Please be advised that the Sales Load (including Front-End Load, Back-End Load and Contingent Load) up to 3.00% or 1.5%, as may be applicable, may be charged on the investment and/or upon redemption of funds, at the discretion of the Management Company."
 3. Monthly Portfolio Turnover ratio for the CIS shall be included.
 4. Monthly Information Ratio of the portfolio of CIS shall be included.
- B.** For categories of CIS with Fixed Income securities, quantitative measures of Yield to Maturity, Modified Duration and Macaulay's duration shall be included.
- C.** For categories of CIS with Equity securities, quantitative measures of Beta and Standard Deviation shall be included.
- D.** For Fixed return/term funds, comparative of benchmark return and committed return shall be included.
- E.** Additional requirements for FMR of Exchange Traded Funds include following:
1. Description of the Index.
 2. Historic comparison of tracking difference.
 3. For Debt/fixed income ETFs, credit ratings of the securities and rationale by the management explaining the change in the index, if any, shall be included.
 4. Quantitative measures mentioned in Clauses B and C above, as applicable.



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MUFAP shall establish a standardized methodology for calculating the quantitative measures outlined above, subject to approval of the SECP. This methodology shall be finalized and provided by MUFAP within 30 days from the issuance of this Circular.

The disclosures specified herein shall be adopted by AMCs immediately upon receiving approval of the methodology by MUFAP from SECP.

A handwritten signature in black ink, appearing to read 'Zeeshan Khattak', is positioned above the name of the Commissioner.

**Zeeshan Rehman Khattak
Commissioner**