

CONTENTS

Fund's Information	1
Report of the Directors of the Management Company	2
Condensed Interim Statement of Assets and Liabilities	5
Condensed Interim Income Statement (Un-audited)	6
Condensed Interim Distribution Statement (Un-audited)	7
Condensed Interim Statement of Movement in Unit Holders' Fund (Un-audited)	8
Condensed Interim Cash Flow Statement (Un-audited)	9
Notes to the Condensed Interim Financial Statement (Un-audited)	10

ABL INCOME FUND

FUND'S INFORMATION

Management Company:	ABL Asset Management Company Limited 11 - B, Lalazar M. T. Khan Road, Karachi.	
Board of Directors	Sheikh Mukhtar Ahmed Mr. Mohammad Naeem Mukhtar Mr. Muhammad Waseem Mukhtar Mr. Tariq Mahmood Mr. Kamran Nishat Mr. Muhammad Kamran Shehzad Mr. Farid Ahmed Khan	Chairman CEO/Director
Audit Committee:	Mr. Kamran Nishat Mr. Muhammad Waseem Mukhtar Mr. Muhammad Kamran Shehzad	Chairman Member Member
Human Resource and Remuneration Committee	Mr. Muhammad Waseem Mukhtar Mr. Kamran Nishat Mr. Farid Ahmed Khan	Chairman Member Member
Chief Executive Officer of The Management Company:	Mr. Farid Ahmed Khan	
Chief Financial Officer & Company Secretary:	Mr. Saqib Matin	
Chief Internal Auditor:	Mr. Mubeen Ashraf Bhimani	
Trustee:	Central Depository Company of Pakistan Ltd. CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal, Karachi - 74400	
Bankers to the Fund:	Allied Bank Limited Bank Al- Falah Limited United Bank Limited	
Auditor:	A.F. Ferguson & Co Chartered Accountants State Life Building No. 1-C I.I. Chundrigar Road, Karachi.	
Legal Advisor:	Bawaney & Partners 3rd & 4th Floors, 68-C, Lane-13 Bokhari Commercial Area Phase-VI, DHA Karachi.	
Registrar:	ABL Asset Management Company Limited. 11 - B, Lalazar, M. T. Khan Road, Karachi.	

ABL INCOME FUND

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of ABL Asset Management Company Limited, the management company of ABL Income Fund (ABL-IF), is pleased to present the Condensed Interim Financial Statements (un-audited) of ABL Income Fund for the quarter ended September 30, 2015.

ECONOMIC PERFORMANCE REVIEW

New fiscal year started on a positive note for the economy with crude oil prices dropping a further 22.7% during the quarter after a steep 45.2% drop in FY15. Plummeting oil prices also had a soothing effect on inflation as the CPI average during the quarter nosedived to 1.64% YoY with September 2015 reading clocking-in at multi-year low of 1.32% YoY. In addition to contributing towards falling inflation, low oil prices further strengthened current account position with CAD dropping by 93% in 1QFY16 to USD 109mn compared to USD 1,631mn during the same quarter last year. During the period under review, Government of Pakistan closed another successful Eurobond issue of USD 500mn in the international market to refinance upcoming maturity of previous issue.

IMF's EFF program also continued smoothly with IMF granting waivers on fiscal and privatization benchmarks. Thanks to this forbearance, the country successfully completed the 8th review of the IMF program which paved way for another tranche of USD 500mn. As a result, foreign exchange reserves touched the highest ever tally of USD 20bn, translating into a comfortable import cover of more than five months. SBP, acknowledging of macroeconomic developments, further cut the policy rate by 50bps to 6% during the quarter setting a record low interest rates in the country.

The Rupee fell by 2.5% in 1QFY16 in response to a region-wide capitulation by almost all currencies triggered by Chinese Yuan devaluation. However, improving external account position helped stem this slide and by and large, Pak Rupee did well compared with its regional counterparts.

Government's fiscal performance remains a sore point amongst an otherwise positive macro scenario. Fiscal authorities, yet again, failed to meet their revenue collection target and fell short by PKR 48bn (PKR 600bn collected against target of PKR 648bn). In order to meet the deficit, government had to borrow a hefty amount of PKR 401bn from commercial banks, crowding private sector credit off-take.

In the backdrop of positive macroeconomic developments and continued economic reforms process, the economic outlook in the near to medium term remains stable. Govt. has assured IMF to achieve tangible results towards fulfilling its Indicative Targets (ITs) on privatization along with monetary Performance Criteria (PCs). Nonetheless, the government will have to walk the talk amidst ongoing war against terrorism, regional turmoil, and tensions with the neighbors apart from dull global economy. With almost halfway through its tenure, the government does not have much time to lose in taking politically tough decisions and carrying out economic reforms.

MUTUAL FUND INDUSTRY REVIEW

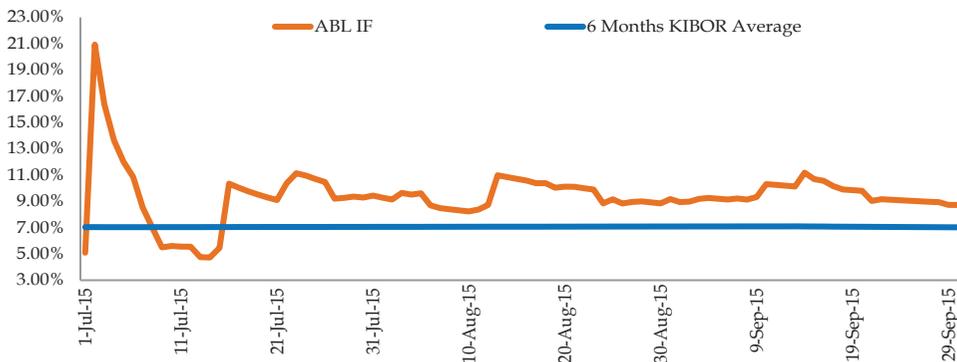
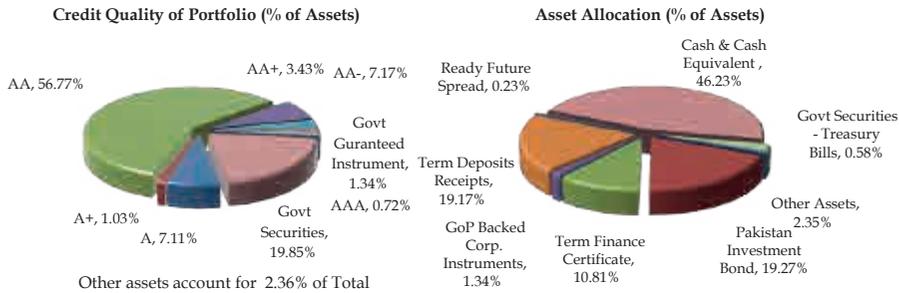
Total assets under management (AUMs) of open end mutual funds rebounded by 6% in 1QFY16 (from PKR425 billion to PKR450 billion), mainly on account of substantial flows in conventional fixed income funds. Fixed Income category improved by 29% during the quarter to PKR104 billion compared to PKR80 billion in June-15, as lucrative returns on PIBs gathered investors' attention towards government securities-oriented funds. On cumulative basis, the fixed income category (comprising of Income, Aggressive Income and Money Market funds) registered cumulative increase of 14.5% in 1QFY16 to close at PKR177 billion in September 2015 compared to PKR154 billion in June 2015. In line with conventional fixed income, Islamic Income Category also posted a handsome growth of 10.4% in AUMs to end the quarter at PKR 23 billion.

FUND PERFORMANCE

During the period under review, ABL Income Fund posted an annualized return of 8.73% against the benchmark (6 month KIBOR) return of 6.97%, depicting an outperformance of 176 bps. On CYTD basis, ABL IF yielded an annualized return of

12.05% compared to industry average of 10.48%, thus beating the peer's average return by 157 bps. Returns were boosted by valuation and trading gains on treasury bills and PIBs as SBP lowered the discount rate by another 50 bps to multi-decade low of 6.5%. During the quarter, money market traded at top levels due to decline in banking sector deposits along with Eid and tax related outflows. In addition, investors participated heavily in T-Bill and PIB auctions in an anticipation of further reduction in yields. To keep markets liquid, SBP continued its support by injecting heavy amounts (highest injection PKR 1.34 billion on 28th September) via open market operations.

During the quarter, we aggressively reduced our duration to 646 days from 974 days in June 2015 in order to book capital gains and generate liquidity for the quarter end placements with banks. Consequently, allocation in PIBs was reduced to 19.27% compared to 27.79% in June 2015. Due to attractive deposit rates at quarter end, we increased exposure in TDRs (19.17%) and bank deposits (46.24%) to 65.41% of total assets from 50.36% in June. Moreover, excess cash was utilized in spread transactions every month which also supported returns. Allocation in TFCs and Govt. backed corporate TFCs was maintained at 10.81% and 1.34% of total assets. Due to consistent performance, fund size of ABL IF increased significantly by 44% to PKR 2.8 billion in September 2015 from PKR 1.95 billion in June 30, 2015.



AUDITORS

M/s. A.F. Ferguson & Co. (Chartered Accountants), have been appointed as auditors for the year ending June 30, 2016 for ABL Income Fund (ABL-IF).

FUND STABILITY RATING

JCR-VIS Credit Rating Company Ltd. (JCR-VIS) on October 16, 2014, reaffirmed the Fund Stability Rating of ABL Income Fund at 'A+ (f)' (Single A plus (f)).

MANAGEMENT QUALITY RATING

On December 31, 2014, JCR-VIS Credit Rating Company Limited reaffirmed the Management Quality Rating of ABL Asset Management Limited (ABL AMC) at 'AM Two' (AM2). Outlook on the assigned rating is 'Stable'.



OUTLOOK

In the near term, we expect SBP to continue with its pro-growth stance and maintain the easing bias in monetary policy due to soft inflation numbers and improved macro indicators. However, possibility of further rate cuts will need to be weighed against the prospects of rising inflation numbers in 2HFY16 due to elimination of low-base effect. As per our estimates, inflation will remain close to SBP's estimate of 4.5-5% if international oil prices remain within \$50/barrel range and there is limited impact of floods on food inflation. Similarly we see rupee to remain stable owing to improved external account position along with all time high FX reserves due to inflows linked to CSF, IMF tranches and proceeds from Eurobond. However, any sharp upsurge in international commodity prices, further hike in gas tariff or any changes in the tax measures to increase revenue could have an inflationary impact on the economy.

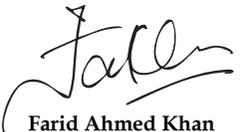
We intend to increase duration of ABL Income Fund by gradually shifting bank deposits to government bonds. Moreover, the fund will continue its strategy to increase exposure in KIBOR linked instruments and spread transactions to improve portfolio yield. We believe that move into PIBs at this juncture could pay off as market's excitement towards another rate cut could culminate into another rally for bonds.

ACKNOWLEDGEMENT

We thank our valued investors who have placed their confidence in us. The Board is also thankful to Securities & Exchange Commission of Pakistan, the Trustee (Central Depository Company of Pakistan Limited) and the management of Karachi Stock Exchange Limited for their continued guidance and support. The Directors also appreciate the efforts put in by the management team.

Karachi, October 30, 2015

For & on behalf of the Board


Farid Ahmed Khan
Chief Executive Officer

ABL INCOME FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2015

	Note	(Un-audited) September 30, 2015	(Audited) June 30, 2015
----- (Rupees in '000) -----			
ASSETS			
Bank Balances	4	1,349,466	1,021,457
Investments	5	1,474,911	949,470
Profit receivable		17,515	32,550
Security deposits dividend other receivables and prepayment		41,725	19,565
Total assets		2,883,616	2,023,042
LIABILITIES			
Payable to ABL Asset Management Company Limited - Management Company	6	15,167	12,500
Payable to the Central Depository Company of Pakistan Limited - Trustee		279	190
Payable to the Securities and Exchange Commission of Pakistan		424	1,262
Payable against redemption of units		65	2,184
Dividend payable		-	5
Accrued expenses and other liabilities	7	53,186	53,473
Total liabilities		69,121	69,614
NET ASSETS		2,814,495	1,953,428
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		2,814,495	1,953,428
CONTINGENCIES AND COMMITMENTS			
	8	----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		274,679,455	194,838,827
----- (Rupees) -----			
NET ASSET VALUE PER UNIT		10.2465	10.0259
FACE VALUE PER UNIT		10.0000	10.0000

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For ABL Asset Management Company Limited
(Management Company)


FARID AHMED KHAN
 Chief Executive Officer


MUHAMMAD KAMRAN SHEHZAD
 Director

ABL INCOME FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2015

	Note	For the Quarter ended September 30, 2015	For the Quarter ended September 30, 2014
----- (Rupees in '000) -----			
INCOME			
Capital (loss) / gain on sale of investments - net		10,722	(3,089)
Income from government securities		22,744	34,313
Income from term deposit receipts		1,258	3,873
Income from letters of placement		-	466
Income from term finance certificates / other sukus		7,571	5,038
Profit on deposits with bank		8,943	4,887
Dividend income		456	50
		51,694	45,538
Unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss - net	5.5	10,941	5,638
		219	-
Unrealised gain on revaluation of future contracts		62,854	51,176
EXPENSES			
Remuneration of ABL Asset Management Company Limited - Management Company		8,482	6,487
Sindh sales tax on remuneration of Management Company	6.1	1,378	1,130
Federal excise duty on remuneration of Management Company	6.2	1,357	1,038
Remuneration of Central Depository Company of Pakistan Limited - Trustee		694	582
Sindh sales tax on remuneration of Trustee		97	-
Annual fee - Securities and Exchange Commission of Pakistan		424	324
Brokerage and securities transaction costs		715	84
Bank charges		32	50
Auditors' remuneration		98	107
Legal and professional charges		177	-
Printing charges		63	37
Listing fee		13	13
Annual rating fee		61	54
Other expenses		188	78
Total operating expenses		13,779	9,984
Net income from operating activities		49,075	41,192
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - net		13,397	1,416
Provision for Workers' Welfare Fund	7.1	-	(852)
Net income for the period before taxation		62,472	41,756
Taxation	9	-	-
Net income for the period after taxation		62,472	41,756
Other comprehensive income		-	-
Total comprehensive income		62,472	41,756
Earnings per unit	10		

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For ABL Asset Management Company Limited
(Management Company)


FARID AHMED KHAN
 Chief Executive Officer


MUHAMMAD KAMRAN SHEHZAD
 Director

ABL INCOME FUND
CONDENSED INTERIM DISTRIBUTION STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2015

	For the Quarter ended September 30, 2015	For the Quarter ended September 30, 2014
----- (Rupees in '000) -----		
Undistributed income brought forward comprising of:		
- Realised income	14,187	6,782
- Unrealised income / (loss)	(7,876)	916
	6,311	7,698
Net income for the period after taxation	62,472	41,756
Undistributed income carried forward	68,783	49,454
Undistributed income carried forward comprising of:		
- Realised income	57,842	43,816
- Unrealised income	10,941	5,638
	68,783	49,454

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For ABL Asset Management Company Limited
 (Management Company)


FARID AHMED KHAN
 Chief Executive Officer


MUHAMMAD KAMRAN SHEHZAD
 Director

ABL INCOME FUND

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2015

	For the Quarter ended September 30, 2015	For the Quarter ended September 30, 2014
	----- (Rupees in '000) -----	
Net assets at the beginning of the period	1,953,428	1,682,107
Issue of 107,883,657 (2014: 16,231,099) units	1,096,698	167,414
Redemption of 28,043,028 (2014: 11,377,715) units	(284,706)	(115,476)
	811,992	51,938
Net element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed	(13,397)	(1,416)
Capital (loss) on sale of investments - net	10,722	(3,089)
Unrealised appreciation / diminution on re-measurement of investments classified as financial assets at fair value through profit or loss - net	10,941	5,638
Unrealised gain / loss on revaluation of future contracts	219	-
Other net income	40,590	39,207
	62,472	41,756
Net assets at the end of the period	2,814,495	1,774,385

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For ABL Asset Management Company Limited
(Management Company)


FARID AHMED KHAN
Chief Executive Officer


MUHAMMAD KAMRAN SHEHZAD
Director

ABL INCOME FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2015

Note	For the Quarter ended September 30, 2015	For the Quarter ended September 30, 2014
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income before taxation	62,472	41,756
Adjustments for non-cash charges and other items		
Unrealised (appreciation) on re-measurement of investments classified as financial assets at fair value through profit or loss - net	(10,941)	(5,638)
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed - net	(13,397)	(1,416)
Provision for Workers' Welfare Fund	-	852
Federal excise duty on remuneration of Management Company	1,357	1,038
	39,491	36,592
(Increase) / decrease in assets		
Profit receivable	15,035	4,267
Investments	(514,500)	(786,382)
Receivable against sale and maturity of investments	-	147,844
Security deposits other receivables and prepayments	(22,160)	(10,092)
	(521,625)	(644,363)
Increase / (decrease) in liabilities		
Payable to ABL Asset Management Company Limited - Management Company	1,310	1,275
Payable to the Central Depository Company of Pakistan Limited - Trustee	89	(11)
Payable to the Securities and Exchange Commission of Pakistan	(838)	(1,703)
Payable against purchase of investment	-	62,786
Payable against redemption of units	(2,119)	-
Accrued expenses and other liabilities	(291)	(986)
	(1,849)	61,361
Net cash (used) in operating activities	(483,983)	(546,410)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	1,096,698	229,161
Payments on redemption of units	(284,706)	(668,292)
Net cash (used) / generated in financing activities	811,992	(439,131)
Net increase / (decrease) in cash and cash equivalents	328,009	(985,541)
Cash and cash equivalents at the beginning of the year	1,571,457	1,200,682
Cash and cash equivalents at the end of the year	1,899,466	215,141

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For ABL Asset Management Company Limited
(Management Company)


FARID AHMED KHAN
 Chief Executive Officer


MUHAMMAD KAMRAN SHEHZAD
 Director

ABL INCOME FUND

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENT (UN-AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2015

1 LEGAL STATUS AND NATURE OF BUSINESS

ABL Income Fund (the Fund) was established under a Trust Deed executed on June 16, 2008 between ABL Asset Management Company Limited (ABL AMCL) as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed in accordance with the Non-Banking Finance Companies and Notified Entities Regulations, 2008. The Fund commenced its operations on September 20, 2008.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate issued by the SECP on December 7, 2007. The registered office of the Management Company is situated at 11-B, Lalazar, M.T Khan Road, Karachi.

The Fund is an open-ended mutual fund and is listed on the Karachi Stock Exchange (Guarantee) Limited. The units of the Fund are offered to public for subscription on a continuous basis. The units are transferable and are redeemable by surrendering them to the Fund.

The Fund has been categorised as an open-end income scheme as per the criteria laid down by the Securities and Exchange Commission of Pakistan for categorisation of Collective Investment Schemes (CISs).

The objective of the Fund is to earn superior risk adjusted rate of return by investing in a blend of short, medium and long-term instruments, both within and outside Pakistan. The Fund, in line with its investment objectives, invests primarily in money and debt markets, certificate of investments, clean placements, spread transactions and other absolute return instruments.

JCR-VIS Credit Rating Company Limited has assigned Management Quality Rating of AM2 (stable outlook) to the Management Company as at December 31, 2014 and Fund Stability Rating of A+(f) to the Fund as at October 16, 2014.

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. The 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 Regulations) Rules, 2003 (the NBFC Rules), the Non-Banking Finance and Notified Entities Regulations, 2008 (the NBFC Regulations) and the 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 the directives issued by the SECP differ with the requirements of IFRS, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements does 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 financial statements of the Fund for the period ended June 30, 2015.

3 ACCOUNTING POLICIES

The accounting policies applied for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Fund for the period ended June 30, 2015.

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

The significant judgments made by management in applying the accounting policies and the key sources of estimation of uncertainty were the same as those that applied to the financial statements as at and for the period ended June 30, 2015.

The financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the period ended June 30, 2015.

	Note	(Un-audited) September 30, 2015	(Audited) June 30, 2015
----- (Rupees in '000) -----			
4 BALANCES WITH BANKS			
Savings accounts	4.1	1,349,466	1,021,457
4.1	These savings accounts carry mark-up at rates ranging from 5.00% to 6.80% (June 30, 2015: 5.00% to 7.25%) per annum. Deposits in savings accounts include Rs. 10,514 thousand (June 30, 2015: Rs. 2,398 thousand) maintained with Allied Bank Limited, a related party.		
4.2 Cash and cash equivalents			
Balances with banks		1,349,466	1,021,457
Term deposit receipts - having original maturity of 3 months or less	5.5	550,000	-
		<u>1,899,466</u>	<u>1,021,457</u>
5 INVESTMENTS			
Financial assets at fair value through profit or loss			
Government securities			
- Market treasury bills	5.1	16,505	35,460
- Pakistan investment bonds	5.2	552,914	560,747
- Term finance certificates / other Sukuks	5.3	348,805	323,263
- Equity Investment	5.4	6,687	-
- Advance against IPO Investment		-	30,000
		<u>924,911</u>	<u>949,470</u>
Term Deposit Receipts	5.5	550,000	-
		<u>1,474,911</u>	<u>949,470</u>

5.1 Government securities - market treasury bills

Issue date	Tenor	Face Value				Balance as at September 30, 2015			Market value as a percentage of net assets	Market value as a percentage of total market value of investment
		As at July 1, 2015	Purchased during the period	Disposed of / matured during the period	As at September 30, 2015	Carrying value	Market value	Appreciation / (diminution)		
----- Rupees in '000 -----										
May 14, 2015	12 Months	37,600	-	37,600	-	-	-	-	-	-
March 19, 2015	12 Months	-	17,000	-	17,000	16,477	16,505	28	0.59%	100%
August 6, 2015	12 Months	-	1,158,000	1,158,000	-	-	-	-	-	-
February 19, 2015	06 Months	-	325,000	325,000	-	-	-	-	-	-
July 23, 2015	06 Months	-	441,000	441,000	-	-	-	-	-	-
July 9, 2015	03 Months	-	301,000	301,000	-	-	-	-	-	-
July 23, 2015	03 Months	-	123,000	123,000	-	-	-	-	-	-
June 25, 2015	03 Months	-	650,000	650,000	-	-	-	-	-	-
Total		37,600	3,015,000	3,035,600	17,000	16,477	16,505	28	0.59%	100%

5.2 Government securities - Pakistan investment bonds

Issue date	Tenor	Face Value				Balance as at September 30, 2015			Market value as a percentage of net assets	Market value as a percentage of total market value of investment
		As at July 1, 2015	Purchased during the period	Disposed of / matured during the period	As at September 30, 2015	Carrying value	Market value	Appreciation / (diminution)		
----- Rupees in '000 -----										
March 26, 2015	3 Years	150,000	437,500	587,500	-	-	-	-	-	-
July 18, 2013	3 Years	-	1,100,000	1,100,000	-	-	-	-	-	-
July 17, 2014	5 Years	100,000	-	100,000	-	-	-	-	-	-
March 26, 2015	5 Years	150,000	975,000	596,000	529,000	547,113	552,914	5,800	20%	100%
July 19, 2012	10 Years	130,000	-	130,000	-	-	-	-	-	-
March 26, 2015	10 Years	-	37,500	37,500	-	-	-	-	-	-
Total		530,000	2,550,000	2,551,000	529,000	547,113	552,914	5,800	20%	100%

5.3 Term Finance Certificates / Other Sukuks

Name of the investee company	Profit / Markup rate	Number of Certificates			Balance as at September 30, 2015				Market value as a percentage of net assets	
		As at July 1, 2015	Purchased during the period	Disposed of / matured during the period	As at September 30, 2015	Carrying value	Market value	Appreciation / (diminution)		
----- Rupees in '000 -----										
Term Finance Certificates Listed										
Askari Bank Limited - V	6 months KIBOR plus 1.20%	15,000	-	-	15,000	74,829	73,014	(1,815)	2.59%	
Bank Al Falah-V	6 months KIBOR plus 1.25%	3,984	-	-	3,984	19,930	19,786	(144)	0.70%	
Total		18,984	-	-	18,984	94,759	92,800	(1,959)	3.30%	
Term Finance Certificates Un-Listed										
Standard Chartered Bank (Pakistan) Limited - PPITFC 6	6 months KIBOR plus 0.75%	4,000	-	-	4,000	19,775	20,080	305	0.71%	
Askari Bank Limited - IV	6 months KIBOR plus 1.75%	14,200	-	-	14,200	71,539	71,539	-	-	
Soner Bank Limited - II	6 months KIBOR plus 1.75%	-	6,000	-	6,000	30,000	29,459	(541)	1.05%	
WAPDA	6 months KIBOR plus 1.00%	9,000	-	-	9,000	38,571	38,571	-	1.37%	
Total		27,200	6,000	-	33,200	159,885	159,649	(236)	3.13%	
Sukuks										
K Electric	3 months KIBOR plus 1.00%	19,077	-	-	19,077	95,385	96,356	971	3.42%	
Total		19,077	-	-	19,077	95,385	96,356	971	3.42%	
Term Finance Certificates / Other Sukuks		65,261	6,000	-	71,261	350,029	348,805	(1,224)	9.85%	

5.4 Shares of listed companies

Name of the investee company	Number of shares				Market value			Market value as a percentage of net assets	Market value as a percentage of total market value of investments
	As at 1 July 2015	Purchased during the period	Sales during the period	As at 30 September 2015	Carrying value	Market value	Appreciation / (diminution)		

(Rupees in '000)

Shares of listed companies - Fully paid ordinary shares of Rs. 10 each unless stated otherwise

Personal Goods									
Nishat Mills Limited	-	138,000	136,000	2,000	201	199	(2)	0.01%	0.04%
Nishat Chuniyan Limited	-	118,000	116,000	2,000	74	77	3	0.00%	0.01%
	-	256,000	252,000	4,000	275	276	1	0.01%	0.05%
Cement									
D.G.Khan Cement Company Limited	-	283,000	283,000	-	-	-	-	-	-
Pioneer Cement Limited	-	361,000	361,000	-	-	-	-	-	-
Cheraat Cement Company Limited	-	292,000	292,000	-	-	-	-	-	-
Fauji Cement Company Limited	-	1,100,500	909,000	191,500	6,676	6,411	(265)	0.23%	1.16%
	-	2,036,500	1,845,000	191,500	6,676	6,411	(265)	0.23%	1.16%
Chemicals									
Engro Corporation Limited	-	206,500	206,500	-	-	-	-	-	-
Engro Fertilizer Company Limited	-	165,500	165,500	-	-	-	-	-	-
Fauji Fertilizer Bin Qasim Limited	-	440,000	440,000	-	-	-	-	-	-
	-	812,000	812,000	-	-	-	-	-	-
Oil and Gas									
Pakistan State Oil Company Limited	-	97,500	97,500	-	-	-	-	-	-
	-	97,500	97,500	-	-	-	-	-	-
Commercial Banks									
Bank Al Falah Limited	-	69,500	69,500	-	-	-	-	-	-
National Bank of Pakistan	-	36,000	36,000	-	-	-	-	-	-
United Bank Limited	-	75,500	75,500	-	-	-	-	-	-
	-	181,000	181,000	-	-	-	-	-	-
Fixed Line communication									
Pakistan Telecommunication Limited	-	515,000	515,000	-	-	-	-	-	-
	-	515,000	515,000	-	-	-	-	-	-
Food Producers									
Engro Foods Limited	-	320,000	320,000	-	-	-	-	-	-
	-	320,000	320,000	-	-	-	-	-	-
Multiutilities (Gas and Water)									
Sui Southern Gas Company Limited	-	144,500	144,500	-	-	-	-	-	-
	-	144,500	144,500	-	-	-	-	-	-
Non Life Insurance									
Adamjee Insurance Company Limited	-	672,000	672,000	-	-	-	-	-	-
	-	672,000	672,000	-	-	-	-	-	-
Pharmaceuticals									
SEARLE Limited	-	96,000	96,000	-	-	-	-	-	-
Total	-	5,130,500	4,935,000	195,500	6,951	6,687	(264)	0.24%	1.21%

Note

	September 30, 2015	June 30, 2015
	550,000	-
	550,000	-

(Rupees in '000)

5.5 Term Deposit Receipts

Term deposit receipts
- having original maturity of 3 months or less

5.5.1 Term deposit receipts carry mark-up at 7.30% and 7.35% per annum and maturity on October 12, 2015 and November 06, 2015.

6 PAYABLE TO ABL ASSET MANAGEMENT COMPANY LIMITED - MANAGEMENT COMPANY

Management fee		3,079	2,110
Sindh sales tax on remuneration of Management Company	6.1	1,970	1,664
Federal Excise duty on remuneration of Management Company	6.2	10,032	8,675
Sales load		86	51
		15,167	12,500

- 6.1 The Provincial Government of Sindh levied Sindh Sales Tax at the rate of 14% (June 2015: 15%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.
- 6.2 As per the requirement of the Finance Act 2013, the Federal Excise Duty (FED) at the rate of 16% on the remuneration of the Management Company has been applied effective June 13, 2013. The Management Company is of the view that since the remuneration is already subject to the provincial sales tax as explained in note 9.2, further levy of the FED may result in double taxation, which does not appear to be the spirit of the law. The matter has been taken up collectively by the Mutual Fund Association of Pakistan where various options are being considered. As a matter of abundant caution, the Management company has made a provision with effect from June 13, 2013, aggregating to Rs. 10,032 thousand (including Rs. 1.36 million for the current period). Had the provision not being made, the Net Asset Value per unit of the Fund as at September 30, 2015 would have been higher by Rs. 0.0365 per unit (30 June 2015: 0.0738).

	Note	September 30, 2015	June 30, 2015
----- (Rupees in '000) -----			
7 ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration		358	260
Brokerage		478	117
Printing and others charges		163	200
Rating Fee		61	-
Advance against issuance of units		14,504	5,423
Payable to Workers' Welfare Fund	7.1	37,575	37,575
Withholding taxes		47	6,821
Other payable		-	3,077
		53,186	53,473

7.1 Provision for Workers' Welfare Fund

The Finance Act, 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes / mutual funds (CISs) whose income exceeds Rs. 0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher.

In this connection, a constitutional petition has been filed by certain CISs through their trustees in the Honourable High Court of Sindh (the Court), challenging the applicability of WWF to the CISs, which is pending adjudication.

During the year ended 30 June 2010, a clarification was issued by the Ministry of Labour and Manpower (the Ministry) which stated that mutual funds are not liable to contribute to WWF on the basis of their income. However, on 14 December 2010, the Ministry filed its response against the constitutional petition requesting the court to dismiss the petition. According to the legal counsel who is handling the case there is a contradiction between the aforementioned clarification issued by the Ministry and the response filed by the Ministry in court.

During the year ended 30 June 2012, the Honourable Lahore High Court (LHC) in a Constitutional petition relating to the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006 and the Finance Act, 2008 declared the said amendments as unlawful and unconstitutional. In March 2013, a large bench of Sindh High Court (SHC) in various Constitutional Petitions declared that amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006 and the Finance Act, 2008 do not suffer from any constitutional or legal infirmity. However, the Honourable High Court of Sindh has not addressed the other amendments made in WWF Ordinance 1971 about applicability of WWF to the CISs which is still pending before the court.

The Management Company believes that the aforementioned constitutional petition pending in SHC has strong grounds for decision in favour of the mutual funds. However, the management as a matter of abundant caution has recognised WWF charge and retain the provision for WWF amounting to Rs. 37.575 million. Had the same not been made the net assets value per unit of the Fund as at 30 September 2015 would have been higher by Rs. 0.1368 per unit (June 2015: Rs. 0.1929).

The Finance Act, 2015 has excluded Mutual Funds and Collective Investment Schemes from the definition of 'Industrial establishment' subject to WWF under WWF Ordinance, 1971. The provision made till June 30, 2015 has not been reversed as the above law suit is still pending in the SHC. This amendment is however applicable prospectively i.e. from tax year 2016.

8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2015 and June 30, 2015.

9 TAXATION

The Fund's income is exempt from Income Tax as per clause 99 of part I of the Second Schedule of 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 realised or unrealised is distributed amongst the unit holders. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. The management intends to distribute at least 90% of the Fund's accounting income for the year ending 30 June 2015 as reduced by capital gain (whether realised or unrealised) 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 to the Income Tax Ordinance, 2001. Accordingly, no provision for taxation has been made in this financial statements.

10 EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed as in the opinion of management the determination of cumulative weighted average number of outstanding units for calculating EPU is not practicable.

11 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS:

	Quarter ended September 30, 2015	Quarter ended September 30, 2014
	----- (Rupees in '000) -----	
11.1 Details of transactions during the period		
ABL Asset Management Company Limited - Management Company		
Bonus of nil units (Sep 2014: units)	-	20,366
Remuneration	8,482	6,487
Sindh sales tax on remuneration of the Management Company	1,378	1,130
FED On Management Fee	1,357	1,038

	Quarter ended September 30, 2015	Quarter ended September 30, 2014
	----- (Rupees in '000) -----	
Allied Bank Limited		
Mark-up income on bank deposits	212	369
Markup on TDR	-	-
Bank charges	12	24
Habib Metropolitan Bank Limited		
Mark-up income on bank deposits	-	14
Unit Holders Holding 10 Percent Or More Units Of Fund		
Issue of 27,834,115 units (Sep 2014: 12,187,243 units)	285,202	124,000
TRUSTEE		
Central Depository Company of Pakistan Limited		
Remuneration of Trustee	694	582
Sindh sales tax on remuneration of Trustee	97	-
DIRECTORS OF THE MANAGEMENT COMPANY		
Muhammad Waseem Mukhtar		
Issue of 7,661 units (Sep 2014: nil units)	77	-
	Un-audited September 30, 2015	Audited June 30, 2015
	----- (Rupees in '000) -----	

11.2 Detail of balances with related parties / connected persons as at period end:

ABL Asset Management Company Limited - Management Company		
Remuneration payable	3,079	2,110
Sindh sales tax on remuneration of the Management Company	1,970	1,664
FED On Management Fee	10,032	8,675
Sales load	86	51
Allied Bank Limited		
Balances held in savings accounts	10,514	624
Mark - up accrued on deposits	35	166
Unit Holders Holding 10 Percent Or More Units Of Fund		
Outstanding 63,809,035 units (June 2015: 35,974,920 units)	653,819	360,681
Central Depository Company of Pakistan Limited - Trustee		
Remuneration and CDC connection fee payable	245	190
Sindh sales tax on remuneration of the Trustee	34	-
Security deposits receivable	100	100

Un-audited September 30, 2015	Audited June 30, 2015
----- (Rupees in '000) -----	

DIRECTORS OF THE MANAGEMENT COMPANY

Muhammad Waseem Mukhtar

Outstanding 630,098 units (June 2015: 622,437 units)

6,456

6,240

KEY MANAGEMENT PERSONNEL

Chief Executive Officer

Outstanding 226,546 units (June 2015: 226,546 units)

2,321

2,271

12 GENERAL

12.1 Figures have been rounded off to the nearest thousand rupees.

13 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on 30 October 2015, by the Board of Directors of the Management Company.

**For ABL Asset Management Company Limited
(Management Company)**


FARID AHMED KHAN
Chief Executive Officer


MUHAMMAD KAMRAN SHEHZAD
Director