

2017 ANNUAL REPORT



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Vision

Creating Investment Solutions
within everyone's reach





Mission & Core Values

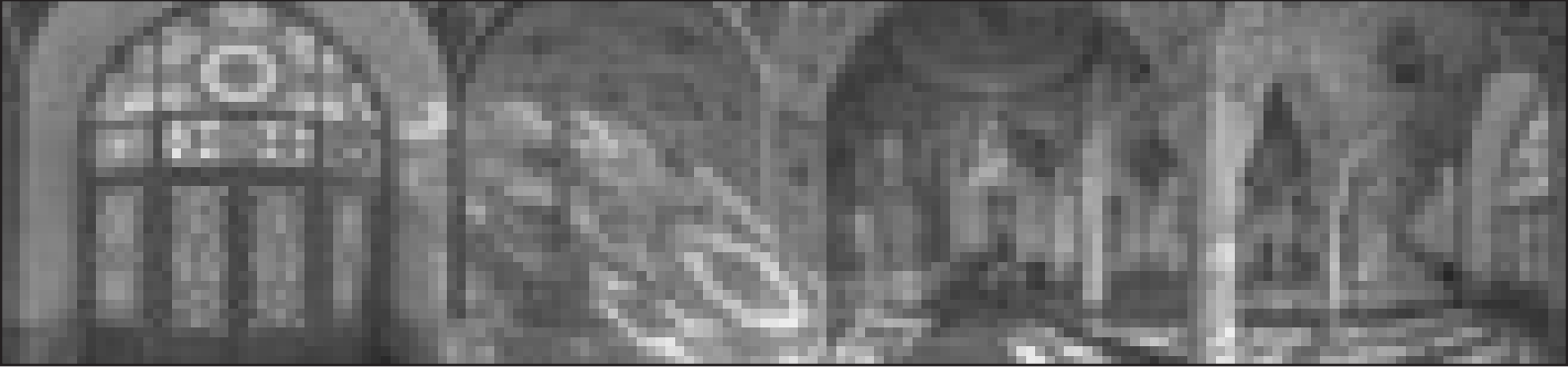
To create a conducive working environment, to attract the best talent in the Asset Management Sector. ABLAMC strives to be the 'employer of choice' for young and experienced talent.

To set the highest industry standards in terms of product ranges and innovations, in order to offer products for clients of all demographics.

To adhere to the highest industry standard for integrity and quality across all the spheres of the company.

To use technology and financial structuring to serve as a "cutting-edge" compared to the competition.

To enhance Stakeholders Value.



FUND'S INFORMATION

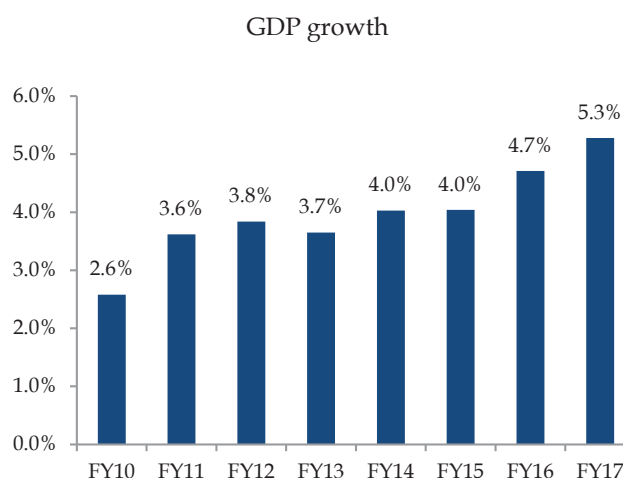
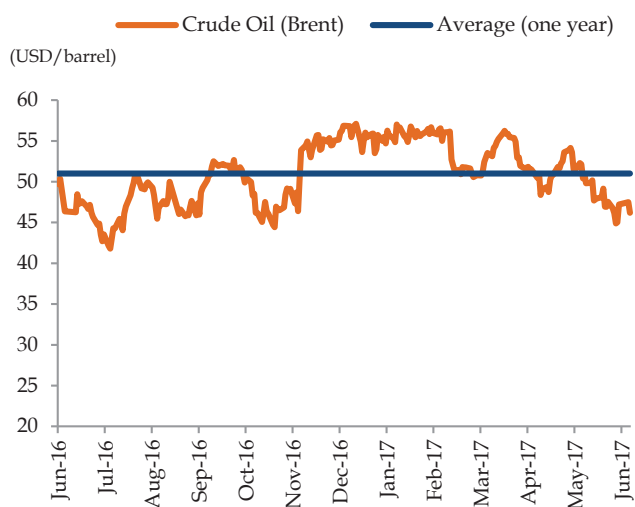
Management Company:	ABL Asset Management Company Limited 14 -MB, DHA Phase-6, Lahore.	
Board of Directors	Sheikh Mukhtar Ahmed Mr. Mohammad Naeem Mukhtar Mr. Muhammad Waseem Mukhtar Mr. Tahir Hasan Qureshi Mr. Kamran Nishat Mr. Muhammad Kamran Shehzad Mr. Alee Khalid Ghaznavi	Chairman CEO/Director
Audit 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. Alee Khalid Ghaznavi	Chairman Member Member
Chief Executive Officer of The Management Company:	Mr. Alee Khalid Ghaznavi	
Chief Financial Officer & Company Secretary:	Mr. Saqib Matin	
Chief Internal Auditor:	Mr. Kamran Shahzad	
Trustee:	Central Depository Company of Pakistan Limited. CDC-House, Shahrah-e-Faisal, Karachi	
Bankers to the Fund:	Allied Bank Limited Bank Islami Pakistan Limited Askari Bank Limited Islamic Banking Soneri Bank Limited Islamic Banking	
Auditor:	Deloitte Yousuf Adil Chartered Accountants 134-A, Abubakar Block New Garden Town, Lahore.	
Legal Advisor:	Ijaz Ahmed & Associates Advocates & Legal Consultants No. 7, 11th Zamzama Street, Phase V DHA Karachi.	
Registrar:	ABL Asset Management Company Limited. 11 - B, Lalazar, M. T. Khan Road, Karachi.	

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of ABL Asset Management Company Limited, the management company of ABL Islamic Income Fund (ABL-IIF), is pleased to present the Audited Financial Statements of ABL Islamic Income Fund for the year ended June 30, 2017.

ECONOMIC PERFORMANCE REVIEW

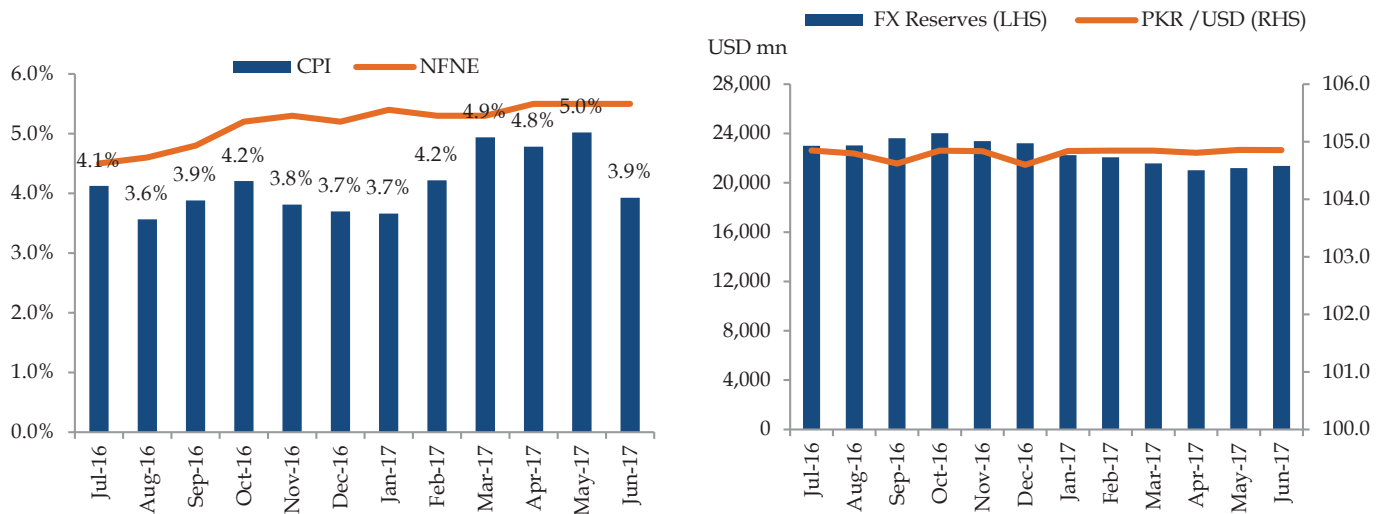
Pakistan economic performance continued its upward trajectory in FY17, posting a decade high GDP growth of 5.3% against the target of 5.7%. For the first time in history, Pakistan's economy has crossed USD300 billion mark. This tremendous growth is primarily attributed to services sector growth (5.9%) and industrial sector (5.0%); however, agricultural sector posted a growth of 3.5%. Service sector emerged as the major driver of economic growth in FY17 by surpassing the targeted growth of 5.7%. In contrast to last year's muted growth, agricultural sector rebounded to 3.5% (-0.2% in FY16) on the back of increased support price of crops, significant increase in credit to agriculture sector (PKR704.5 billion, +17.8%YoY), PKR25 billion subsidy on fertilizers, reduction in sales tax on tractors from 10% to 5% and relatively favorable weather conditions. During FY17, industrial sector recorded a growth of 5.0%, decrease of 78bpsYoY; however, Large Scale Manufacturing (LSM) posted growth of 4.6% against 3.3% last year. During the last 3 years, industrial sector growth remained consistently above 5.0%. On the other hand, inflation clocked-in at 4.2% in FY17 compared to 2.9% in the preceding year. The uptick in the inflation is due to the revival of international commodity prices, particularly oil as evident by 16%YoY increase in Brent Oil to USD50.9/barrel, and increase in domestic demand on the back of rising economic activities. Encouragingly, IMF program, albeit with some hitches, completed in FY17 where Govt., by and large, managed to meet its performance criteria in each quarter which resulted in timely disbursements of USD6.6 billion under Extended Fund Facility (EFF) program.



On the external front, current account deficit (CAD) increased by 1.5xYoY to USD12.1 billion in FY17, highest in the last nine years. This significant increase is attributable to the worsening trade account and decline in workers remittances. During the year imports jumped by 18.4% to USD53.0 billion, where major increase is due to machinery imports related to China Pakistan Economic Corridor (CPEC) related projects. Weak commodity prices, subdued global demand (especially in Eurozone) and firm domestic exchange rate compared to regional currencies (REER PKR126.4/USD) resulted in a 1.4%YoY dip in exports to USD21.7 billion during FY17 as compared to USD21.9 billion in FY16.

Moreover, 4.9%YoY increase in the services deficit as a result of lower inflows in lieu of the Coalition Support Fund (CSF) compounded the deterioration of the trade account with the trade deficit for the year widening by 39.4%YoY to USD26.9 billion compared to USD19.3 billion last year. A decline in remittances of 3.1%YoY, to USD19.3 billion due to economic slowdown in MENA region put further pressure on the current account, pushing the deficit to 4.0% of the GDP during FY17 vs. 1.7% in FY16. Moreover, insufficient investments to finance CAD, which remained higher than expectations, coupled with steady decline in workers' remittances weakened country's FX reserves from USD23.1 billion to USD21.4 billion in FY17. Despite decline in FX reserves, country managed to restrict PKR/USD at 104.8 versus 104.4 in FY16.

In order to support economic growth, State Bank of Pakistan (SBP) maintained policy rate at historic low of 5.75%, amidst benign inflationary outlook. Multiyear low interest rates and improved law & order situation translated into uptick in private sector credit offtake to clocked in at PKR747.9 billion (Up 67.6%YoY) during FY17. Similarly, total investment to GDP ratio increased to 15.8% in FY17 as compared to 15.2% in the preceding year. The total savings to GDP ratio slightly decreased to 13.1% in FY17 against 14.3% last year.



On the fiscal front, consolidated budget deficit widened to 3.9% of GDP in 9MFY17 from 3.4% of GDP in the same period last year (SPLY). Lower revenue generation served as a major drag on fiscal performance with total revenue/GDP ratio retreating to 9.4% in 9MFY17 from 10.0% in the SPLY while current expenditures registered a notable reduction from 11.5% to 10.8% of GDP. Provincial surplus clocked in at PKR138 billion or 0.4% of GDP; nevertheless, it remained well below the annual target of PKR339 billion. Pakistan's economy is all-set to see a period of sustained economic growth as the fast-track work on China Pakistan Economic Corridor (CPEC) promises to bring USD62 billion into the economy. CPEC is expected to improve bilateral trade flows and power generation and boost infrastructure buildup, providing an impetus to the economy. Furthermore, improving security situation, continuation of benign oil price outlook and improving power supply situation would bolster overall economic activity going forward. That said, key concerns remain on the external account front vis-à-vis the overvalued currency and mounting external debt.

MUTUAL FUND INDUSTRY REVIEW

Total assets under management (AUMs) of Pakistan's open end mutual fund industry posted a stellar growth of 39.9% in FY17 from PKR473 billion to PKR662 billion. This growth was led by Equity and Islamic Equity funds categories which contributed 58.2% of the growth. The Equity sector remained in the limelight due to 1) improving corporate profitability on the back of soft inflation outlook, low discount rate, improving law & order situation and 2) rally on the reclassification from MSCI FM Index to the MSCI EM Index. The industry witnessed increasing investor interest in the Islamic investment opportunities as evident from the fact that 75.1% of the total AUM growth came from Shariah compliant funds.

On cumulative basis, the fixed income category (comprising of Income, Aggressive Income and Money Market funds) registered a decline of 3.6%YoY to close at PKR156 billion in June 2017 compared to PKR162 billion in June 2016. In the fixed income market, with interest rates expected to go up, shorter duration Money Market Funds witnessed an increase of 43.2%YoY to PKR71 billion in FY17. On the other hand Islamic income funds' (comprising of Islamic Income, Islamic Money Market and Islamic Aggressive Income) AUMs increased by 49.9%YoY to PKR58 billion, largely due to increasing investor interest in Islamic investments. Since interest rates have bottomed out, any uptick in interest rates will attract investors to fixed income segment.

ISLAMIC MONEY MARKET REVIEW

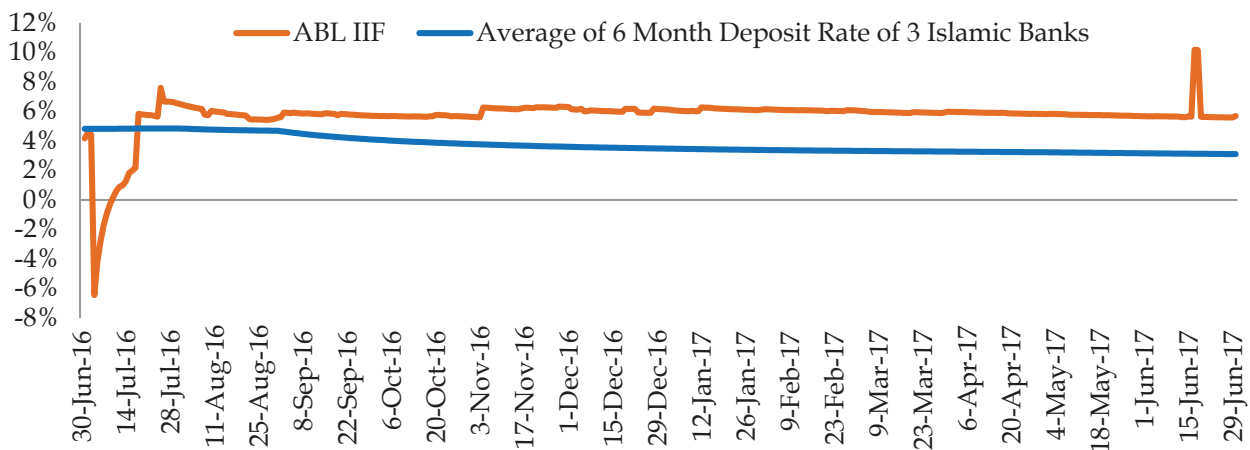
On the Islamic side, money market remained very liquid where placements were made 25-50bps below 6-months Treasury bill (T-Bills) due to massive deposit growth of 17.1%YoY (deposits as on March 30, 2017). Moreover, market share of Islamic Banking Institutions' deposits in overall banking deposits stood at 13.2% by end of March 2017. Similarly, total assets of Islamic Banking in overall banking size also increased to 11.7% by March 2017 as compared to 11.4% in June 2016. During FY17, Govt. of Pakistan (GOP) Ijarah Sukuk 15 worth PKR50 billion matured on June 25, 2017. As a result, State Bank of Pakistan (SBP) conducted Ijarah Sukuk auction on June 29, 2017 and issued Ijarah Sukuks worth PKR71 billion (PKR21 billion in excess of maturity amount) in order to help Islamic Banks to meet statutory liquidity requirements (SLR). The fresh Ijara Sukuks were issued at a fixed rate of 5.24%. This being the first Ijarah Sukuk auction since March 2016, massive participation of PKR167 billion was witnessed with bids ranging from 4.00% to 6.49%. The GOP also issued a USD1.0 billion Ijarah Sukuk in the international market at a rate of 5.5% in October 2016 to raise foreign exchange. There was an increasing trend of Corporate Sukuk issuance as Fatima Fertilizer, Meezan Bank and Pak Elektron issued Sukuks worth PKR19 billion which were oversubscribed due to limited availability of Shariah compliant instruments at attractive rates.

M2 growth for FY17 clocked-in at 13.7% compared to 13.6% in SPLY. Increase in money supply was mainly attributable to increase of 18.3% (up by PKR2,161 billion) in Net Domestic Assets (NDA) as credit to private sector improved by PKR748 billion in FY17 against PKR447 billion in SPLY. Net Foreign Assets (NFA) posted a significant decline of 40.2% to reach at PKR602 billion in FY17 from PKR1,008 billion in SPLY, due to extensive external debt servicing and expanding trade deficit. Govt. borrowing from commercial banks had increased by PKR179 billion in FY17 as compared to an increase of PKR1,278 billion in the SPLY. The Govt. borrowing from SBP increased by PKR908 billion as the completion of the IMF program allowed the Govt. more leeway.

FUND PERFORMANCE

During the year, ABL Islamic Income Fund's AUM increased by 12.81% to close at PKR 3.967 billion from PKR 3.277 billion as on June 30, 2016. ABL IIF posted an exceptional annualized return of 5.68% against the benchmark return of 3.06% thereby significantly outperforming the benchmark by 262 basis point. The Fund's outperformance was achieved through generation of higher accrual income by placement of funds in bank deposits and TDRs at lucrative rates. Active management of Government and Corporate Sukuks portfolio also added significant alpha to portfolio's core yield.

During the year, we focused on realizing on gains on the corporate Sukuk portfolio reducing the total allocation in the specific asset class from 28.20% in FY'16 to 16.70% at the end of FY'17. The fund during the year also built fresh exposure in the latest GIS issue to the extent of 10.04%, in anticipation of rising market demand and limited supply of SLR eligible Islamic instruments. At the end of the period, fund comprised of TDRs, GoP Ijarah, Corporate Sukuks and bank deposits at 8.98%, 10.04%, 16.7% and 63.69% of total assets, respectively.



DIVIDENDS

The Chief Executive Officer of ABL Asset Management Company Limited (ABL AMCL) on behalf of the Board of Directors, on June 19, 2017, has approved the Interim dividend distribution of Rs.0.4200 per unit (4.20% of the par value of Rs.10) for the period ending June 30, 2017.

COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

The Board of Directors states that:

1. Financial Statements present fairly the state of affairs, the results of operations, cash flows and the changes in unit holder's fund;
2. Proper books of accounts of the Fund have been maintained.
3. Appropriate accounting policies have been consistently applied in the preparation of the financial statements and accounting estimates are based on reasonable and prudent judgments;
4. Relevant International Accounting Standards, as applicable in Pakistan, provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 & Non-Banking Finance Companies and Notified Entities Regulations, 2008, requirements of the Trust Deed and directives issued by the Securities and Exchange Commission of Pakistan, have been followed in the preparation of the financial statements;
5. The system of internal control is sound in design and has been effectively implemented and monitored;
6. There have been no significant doubts upon the Funds' ability to continue as going concern;
7. There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations;
8. Performance table of the Fund is given on page # 13 of the Annual Report;
9. There is no statutory payment on account of taxes, duties, levies and charges outstanding other than already disclosed in the financial statements;
10. The statement as to the value of investments of Provident Fund is not applicable in the case of the Fund as employees retirement benefits expenses are borne by the Management Company;
11. There have been no trades in the units of the Fund's carried out by the Directors, CEO, CFO, CIA and the Company Secretary and their spouse excepts as disclosed below and in notes to the financial statements;

S. No	Name	Designation	Units Issued	Units Redeemed	Bonus Units	Dividend Units
1	Saqib Matin	CFO & CS	-	129,128	-	20

12. During the year, no director on the Board attended training as required under the Code. However, three directors have obtained certification under the 'Board Development Series' program, while one director is exempt from the Director Training Program under the Code. The directors are well conversant with the relevant laws applicable to the Fund and the Management Company, its policies and procedures and provisions of memorandum and articles of association and are aware of their duties and responsibilities.
13. Meetings of the Board of Directors of the Management Company are held at least once in every quarter. During the year four meetings were held. The 48th, 49th, 50th and 51st Board of Directors meetings were held on August 17, 2016, October 28, 2016, February 01, 2017 and April 21, 2017 respectively. Information in respect of attendance by the directors in the meetings is given below:

S. No.	Name of Director	Number of meetings		Leave granted	Meetings not attended
		Held	Attended		
1	Sheikh Mukhtar Ahmed	4	4	-	-
2	Mohammad Naeem Mukhtar	4	2	2	49th and 50th
3	Muhammad Waseem Mukhtar	4	4	-	-
4	Tariq Mahmood*	2	1	1	49th
5	Tahir Hasan Qureshi**	2	2	-	-
6	Kamran Nishat	4	3	1	50th
7	Muhammad Kamran Shehzad	4	4	-	-
8	Alee Khalid Ghaznavi	2	2	-	-

*Resigned on December 31, 2016

**Appointed as director as Director on w. e. f. February 03, 2017.

14. Meetings of the Board's Human Resource and Remuneration of the Management Company needs to be held at least three times in year. During the year two meeting were held. The 19th and 20th meetings of the Board's Human Resource and Remuneration Committee were held on December 15, 2016 and March 20, 2017. Information in respect of attendance by directors in the meetings is given below:

S. No.	Name of Director	Number of meetings		Leave granted	Meetings not attended
		Held	Attended		
1	Mr. Muhammad Waseem Mukhtar	2	2	-	-
2	Mr. Kamran Nishat	2	2	-	-
3	Mr. Alee Khalid Ghaznavi	2	2	-	-

15. Meetings of the Board's Audit Committee of the Management Company are held at least once in every quarter. During the year four meeting were held. The 37th, 38th, 39th and 40th meetings of the Board's Audit Committee were held on August 17, 2016, October 28, 2016, February 01, 2017 and April 21, 2017 respectively. Information in respect of attendance by directors in the meetings is given below:

S. No.	Name of Director	Number of meetings		Leave granted	Meetings not attended
		Held	Attended		
1	Mr. Kamran Nishat	4	4	-	-
2	Mr. Muhammad Waseem Mukhtar	4	4	-	-
3	Mr. M. Kamran Shehzad	4	4	-	-

S. No.	Particulars	Units Held on June 30, 2017
1	Associated Companies, undertakings and related parties	
	• ABL AMCL Staff Provident Fund	932,242
	• MCBFSL Trustee ABL IFPF-ACTIVE ALLOCATION PLAN	158,187
	• MCBFSL Trustee ABL IFPF-Conservative Allocation Plan	25,355,115
	• MCBFSL Trustee ABL IFPF-Aggressive Allocation Plan	10,498,297
	• MCBFSL Trustee ABL IFPF Strategic Allocation Plan	10,233,235
	• MCBFSL Trustee ABL IFPF Strategic Allocation Plan II	25,319,427
	• MCBFSL Trustee ABL IFPF Strategic Allocation Plan III	72,469,977
	• Millat Tractors Limited	39,669,256
	• Muller & Phipps Pakistan (Pvt) Ltd. Officers Gratuity Fund	3,887,919
	• Muller & Phipps Pakistan (Pvt) Ltd. Staff Provident Fund	3,463,347
2	Mutual Funds	
3	Directors and their spouse(s) and minor children	
4	Executives	
	• Mr. Saqib Matin	546

S. No.	Particulars	Units Held on June 30, 2017
5	Public Sector Companies and corporations	-
6	Others Corporates	62,316,392
7	Bank, DFIs, NBFCs, Insurance Companies, Takaful, Modaraba and Pension Fund	25,801,295
8	Shareholders holding five percent or more voting rights in the listed company	-

AUDITORS

M/s. Deloitte Yousuf Adil (Chartered Accountants), on the recommendation of the Audit Committee of the Board of Directors being eligible for re-appointment have been appointed as auditors for the year ending June 30, 2018 for ABL Islamic Income Fund (ABL-IIF).

FUND STABILITY RATING

JCR-VIS Credit Rating Company Ltd. (JCR-VIS) on December 30, 2016, has reaffirmed the Fund Stability Rating of ABL Income Fund to 'A(f)' (Single A (f)).

MANAGEMENT QUALITY RATING

On December 30, 2016, JCR-VIS Credit Rating Company Limited as reaffirmed the Management Quality Rating of ABL Asset Management Company Limited (ABL AMC) at 'AM2+' (AM-Two-Plus) with a 'Stable' Outlook.

OUTLOOK AND STRATEGY

While Economic growth remained on track throughout the year, risks related to CPI and Balance of Payments position pose serious challenges to the economy and may dictate the overall direction of monetary and fiscal policies in FY'18. On the external side, widening of trade deficit on account of hike in imports and declining remittances may trigger weaknesses on exchange rate front. Devaluation of PKR may trigger further widening of fiscal deficit along with adverse impact on headline inflation.

Based on the above assumptions, we believe that SBP will maintain a stable policy rate in FY18 Hence; we will maintain a low duration portfolio while optimizing the accrual base via placement of funds in floating rate instruments along with deposit placements with bank and DFIs.

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 Pakistan Stock Exchange Limited for their continued guidance and support. The Directors also appreciate the efforts put in by the management team.

For & on behalf of the Board

■ ■

ALEE KHALID GHAZNAVI
Chief Executive Officer

Lahore, August 23, 2017

FUND MANAGER REPORT

OBJECTIVE

To provide investors, with an opportunity to earn higher income over medium to long-term by investing in a diversified portfolio consisting of different Money market and debt instruments permissible under the Shariah principles.

ISLAMIC MONEY MARKET REVIEW

On the Islamic side, money market remained very liquid where placements were made 25-50bps below 6-months Treasury bill (T-Bills) due to massive deposit growth of 17.1% YoY (deposits as on March 30, 2017). Moreover, market share of Islamic Banking Institutions' deposits in overall banking deposits stood at 13.2% by end of March 2017. Similarly, total assets of Islamic Banking in overall banking size also increased to 11.7% by March 2017 as compared to 11.4% in June 2016. During FY17, Govt. of Pakistan (GOP) Ijarah Sukuk 15 worth PKR50 billion matured on June 25, 2017. As a result, State Bank of Pakistan (SBP) conducted Ijarah Sukuk auction on June 29, 2017 and issued Ijarah Sukuks worth PKR71 billion (PKR21 billion in excess of maturity amount) in order to help Islamic Banks to meet statutory liquidity requirements (SLR). The fresh Ijara Sukuks were issued at a fixed rate of 5.24%. This being the first Ijarah Sukuk auction since March 2016, massive participation of PKR167 billion was witnessed with bids ranging from 4.00% to 6.49%. The GOP also issued a USD1.0 billion Ijarah Sukuk in the international market at a rate of 5.5% in October 2016 to raise foreign exchange. There was an increasing trend of Corporate Sukuk issuance as Fatima Fertilizer, Meezan Bank and Pak Elektron issued Sukuks worth PKR19 billion which were oversubscribed due to limited availability of Shariah compliant instruments at attractive rates.

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During the year, we focused on realizing on gains on the corporate Sukuk portfolio reducing the total allocation in the specific asset class from 28.20% in FY'16 to 16.70% at the end of FY'17. The fund during the year also built fresh exposure in the latest GIS issue to the extent of 10.04%, in anticipation of rising market demand and limited supply of SLR eligible Islamic instruments.

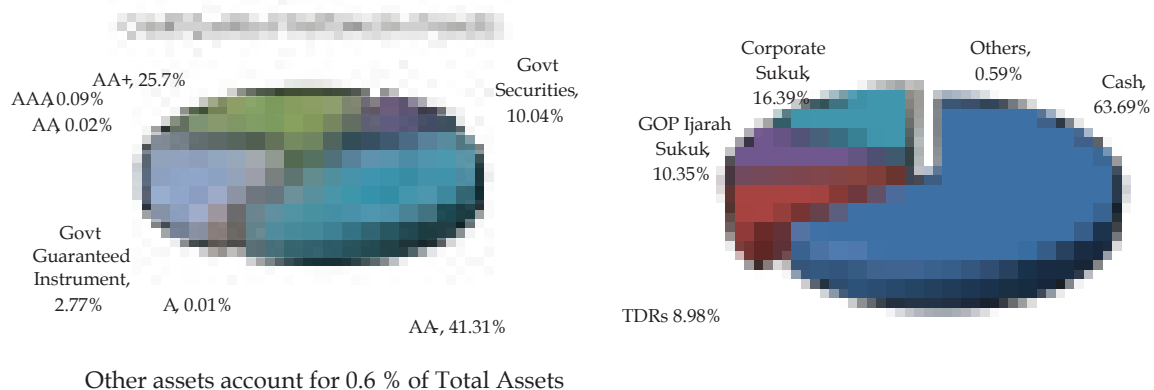
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Based on the above assumptions, we believe that SBP will maintain a stable policy rate in FY18 Hence; we will maintain a low duration portfolio while optimizing the accrual base via placement of funds in floating rate instruments along with deposit placements with bank and DFIs.

ABL Islamic Income Fund Performance	FY-2017
Yield	5.68%
Average of 6 Month Deposit Rate of 3 A rated Islamic Banks	3.06%
Weighted Average Time to Maturity of Net Assets (days)	572.5
Asset under management as at June 30,2016 (PKR mn)	3,967.79
Closing NAV per unit as on June 30,2017 (PKR) (Ex-Dividend)	10.166

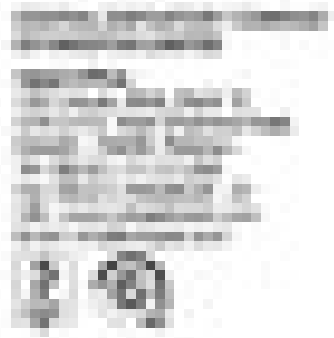


Performance Table

	(Rupees in '000)						
Net Assets	3,967,785	3,276,636	1,832,477	1,270,261	1,172,065	1,059,763	816,606
Net Income	166,526	54,160	140,976	102,044	108,078	81,995	47,735
	(Rupees per unit)						
Net Assets value	10.1660	10.0175	10.0282	10.0253	10.0086	10.0245	10.0163
Interim distribution *	0.4200	0.5946	-	0.7997	0.7246	0.8040	0.6311
Final distribution	-	-	0.8662	0.0426	0.1835	0.2458	0.2546
Final distribution date	-	-	June 12, 2015	June 23, 2014	June 28, 2013	June 25, 2012	June 29, 2011
Closing offer price	10.3185	10.1678	10.1786	10.1757	10.0086	10.0245	10.0163
Closing repurchase price	10.1660	10.0175	10.0282	10.0253	10.0086	10.0245	10.0163
Highest offer price	10.7545	10.7545	11.0292	10.3824	10.2789	10.2674	10.2607
Lowest offer price	10.1562	10.1657	10.1513	10.1518	9.9985	10.0027	10.0027
Highest repurchase price per unit	10.5956	10.5956	10.8662	10.2290	10.2789	10.2674	10.2607
Lowest repurchase price per unit	10.0061	10.0155	10.0013	10.0018	9.9985	10.0027	10.0027
	Percentage						
Total return of the fund							
- capital growth	1.48%	-0.13%	0.03%	0.46%	0.14%	0.48%	1.34%
- income distribution	4.20%	5.95%	8.66%	8.42%	9.08%	10.50%	8.86%
Average return of the fund							
First Year	5.68%	5.82%	8.69%	8.88%	9.22%	10.98%	10.20%
Second Year	5.92%	7.51%	9.17%	9.46%	10.61%	11.13%	
Third Year	7.18%	8.41%	9.75%	10.65%	11.14%		
Fourth Year	8.09%	9.19%	10.86%	11.30%			
Fifth Year	8.91%	10.36%	11.56%				
Sixth Year	8.63%	11.15%					
Seven Year / Since Inception	10.90%						
Weighted average Portfolio duration in days	573	341	36	9	38	710	30
*Interim distribution							
	2016		2014		2013		
	Date	Rate	Date	Rate	Date	Rate	
		Per Unit		Per Unit		Per Unit	
	June 21, 2016	Re 0.0345	September 27, 2013	Re 0.1868	September 24, 2012	Re 0.2788	
	June 24, 2016	Re 0.5601	December 30, 2013	Re 0.2231	December 27, 2012	Re 0.2789	
			March 27, 2014	Re 0.2290	March 22, 2013	Re 0.1669	
			May 30, 2014	Re 0.1608			
	2012		2011				
	Date	Rate	Date	Rate			
		Per Unit		Per Unit			
	September 27, 2011	Re 0.2733	September 29, 2010	Re 0.1418			
	December 26, 2011	Re 0.2665	December 30, 2010	Re 0.2326			
	March 26, 2012	Re 0.2642	March 30, 2011	Re 0.2567			

Disclaimer

Past performance is not necessarily indicative of future performance and unit prices and investment returns may go down, as well as up.



DECLARATION REGARDING THE FINANCIAL STATEMENTS

ABL ISLAMIC INCOME FUND

Report of the Directors pursuant to Regulation 28(2) and clause 1 of Particulars 17 of the Trust Deed and Articles of Association and Articles of Association, 2019

The Directors (hereinafter referred to as the "Directors") of ABL Islamic Income Fund (the "Fund") are pleased to present to you the financial statements of the Fund for the year ended 31st December 2019. The financial statements have been prepared in accordance with the provisions of the Companies Act 2006 and the provisions of the Trust Deed and Articles of Association of the Fund.

- (a) The Directors confirm that the financial statements are true and fair.
- (b) The Directors confirm that the financial statements are prepared in accordance with the provisions of the Companies Act 2006 and the provisions of the Trust Deed and Articles of Association of the Fund.
- (c) The Directors confirm that the financial statements are prepared in accordance with the provisions of the Companies Act 2006 and the provisions of the Trust Deed and Articles of Association of the Fund.

Director
ABL Islamic Income Fund
Trust Deed and Articles of Association, 2019
Financial Statements for the year ended 31st December 2019

London, 15th January 2020





Figure 10: 2017

The company's management is providing updates on the following areas: (i) the company's financial performance and (ii) the company's operations and (iii) the company's strategy.

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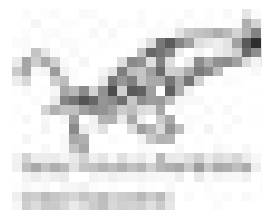
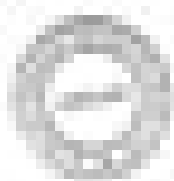
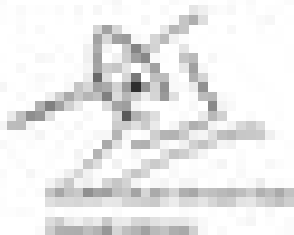
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THE ISLAMIC FINANCE INSTITUTE

THE ISLAMIC FINANCE INSTITUTE

MEMBERSHIP OF THE INSTITUTE OF CHARTERED ACCOUNTANTS IN ENGLAND AND WELSH

The Institute of Chartered Accountants in England and Wales (ICAEW) is a body corporate established under the Companies Act 2006. It is a public company limited by guarantee and is registered in England and Wales. The Institute is a member of the Chartered Accountants' Association (CAA) and is a member of the Chartered Accountants' Association of the United Kingdom (CAUK).

The Institute is a body corporate established under the Companies Act 2006. It is a public company limited by guarantee and is registered in England and Wales. The Institute is a member of the Chartered Accountants' Association (CAA) and is a member of the Chartered Accountants' Association of the United Kingdom (CAUK).

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The Institute is a body corporate established under the Companies Act 2006. It is a public company limited by guarantee and is registered in England and Wales. The Institute is a member of the Chartered Accountants' Association (CAA) and is a member of the Chartered Accountants' Association of the United Kingdom (CAUK).

MEMBERSHIP OF THE INSTITUTE OF CHARTERED ACCOUNTANTS IN ENGLAND AND WELSH

MEMBERSHIP OF THE INSTITUTE OF CHARTERED ACCOUNTANTS IN ENGLAND AND WELSH

MEMBERSHIP OF THE INSTITUTE OF CHARTERED ACCOUNTANTS IN ENGLAND AND WELSH

INVESTMENT POLICY STATEMENT

The purpose of this document is to provide a clear and concise statement of the investment objectives, strategies, and constraints of the Fund. This document is intended to be read and understood by all investors in the Fund and to serve as a guide for the Fund's investment decisions.

Investment Objectives

The primary objective of the Fund is to provide long-term capital appreciation. The Fund will invest in a diversified portfolio of securities, including equities, fixed income, and real estate, with the goal of achieving a total return that exceeds the performance of the relevant benchmark index over the long term.

Investment Strategies

The Fund will employ a diversified investment strategy, investing in a variety of securities and asset classes. The Fund will invest in both domestic and international securities, with a focus on high-quality, growth-oriented companies. The Fund will also invest in real estate, including publicly traded real estate investment trusts (REITs) and private real estate investments.

The Fund will invest in securities with a market capitalization of at least \$1 billion, with the exception of emerging market securities, which may have a market capitalization of at least \$500 million.

The Fund will invest in securities with a credit rating of at least BBB, with the exception of emerging market securities, which may have a credit rating of at least B. The Fund will also invest in securities with a duration of at least 3 years.

The Fund will invest in securities with a beta of at least 0.8, with the exception of emerging market securities, which may have a beta of at least 0.5.

The Fund will invest in securities with a price-to-earnings ratio of at least 10, with the exception of emerging market securities, which may have a price-to-earnings ratio of at least 5.

Investment Constraints

The Fund will invest in securities with a market capitalization of at least \$1 billion, with the exception of emerging market securities, which may have a market capitalization of at least \$500 million.

Abulhasan Ali Nadwi
Investment Committee

12/31/2013
Page 17 of 17

12/31/2013
Page 17 of 17

STATEMENT OF COMPLIANCE BY ABL ISLAMIC INCOME FUND WITH THE CODE OF CORPORATE GOVERNANCE FOR THE YEAR ENDED JUNE 30, 2017

This statement is being presented to comply with the Code of Corporate Governance (“the Code”) contained in Regulation No. 5.19 of the listing regulations of the Pakistan Stock Exchange Limited for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of Corporate Governance.

The Board of Directors (“the Board”) of ABL Asset Management Company Limited (“the Management Company”), an un-listed public company, manages the affairs of ABL Islamic Income Fund (“the Fund”). The Fund, being a unit trust open ended scheme, does not have its own Board of Directors. The Management Company has applied the principles contained in the Code to the Fund, whose units are listed as a security on the Pakistan Stock Exchange, in the following manner:

1. The Management Company encourages representation of independent, non-executive directors. At June 30, 2017 the Board includes:

Category	Name
Independent Directors	Mr. Kamran Nishat Mr. Muhammad Kamran Shehzad
Non-Executive Directors	Sheikh Mukhtar Ahmed Mr. Mohammad Naeem Mukhtar Mr. Muhammad Waseem Mukhtar Mr. Tahir Hasan Qureshi
Executive Director	Mr. Farid Ahmed Khan *

The independent directors meet the criteria of independence under clause 5.19.1. (b) of the Code.

2. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including the Management Company.
3. All the resident directors of the Management Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFIs or, being a broker of a stock exchange, has been declared as a defaulter by that stock exchange.
4. A casual vacancies occurring on the board on July 04, 2016 and December 30, 2016 was filled up by the directors within 90 days. During the year Mr. Alee Khalid Ghaznavi was appointed as CEO/Director and Mr. Tahir Hassan Qureshi was appointed a Non-Executive Director on the board.
5. The Management Company has prepared a ‘Code of Conduct’ and has ensured that appropriate steps have been taken to disseminate it throughout the Management Company along with its supporting policies and procedures.
6. The Board of Directors of the Management Company has developed a vision / mission statement, overall corporate strategy and significant policies of the Fund. A complete record of particulars of significant policies along with the dates on which these were approved or amended has been maintained.
7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO, other executive and non-executive directors have been taken by the Board.
8. The meetings of the Board were presided over by the Chairman and the Board met at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.

9. As at June 30, 2017, three directors have obtained certification under the 'Board Development Series' while one director is exempt from the Director Training Program under the Code. The Management Company will arrange training program for the remaining directors by June 30, 2018. The directors are well conversant with the relevant laws applicable to the Fund and the Management Company, its policies and procedures and provisions of memorandum and articles of association and are aware of their duties and responsibilities.
10. No change in the position of the Chief Financial Officer (CFO) & Company Secretary were made during this financial year. However, due to resignation of Mr. Mubeen Ashraf (Chief Internal Auditor) was occurred which was filled by the Board of the Company simultaneously.
11. The Directors' Report of the Fund for the year ended June 30, 2017 has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.
12. The financial statements of the Fund were duly endorsed by the CEO and CFO of the Management Company before approval of the Board.
13. The directors, CEO and executives do not hold any interest in the units of the Fund other than those disclosed in the Directors' Report, pattern of unit holding and notes to the financial statements.
14. The Management Company has complied with all the applicable corporate and financial reporting requirements of the Code.
15. The Board has formed an Audit Committee. It comprises of three members, all of whom are non-executive directors of the Management Company, including the Chairman of the Committee who is an independent director.
16. The meetings of the Audit Committee were held once in every quarter and prior to the approval of interim and final results of the Fund as required by the Code. The terms of reference of the Audit Committee have been approved in the meeting of the Board and the Committee has been advised to ensure compliance with those terms of reference.
17. The Board has formed Human Resource and Remuneration Committee. It comprises three members, of whom two are non-executive directors and the chairman of the Committee is a non-executive director.
18. The Board has set up an effective internal audit function within the Management Company. The internal audit team is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the Fund and they are involved in the internal audit function on a full time basis.
19. The statutory auditors of the Fund have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan (ICAP), that they or any of the partner of the firm, their spouse and minor children do not hold units of the Fund and that the firm and all its partners are in compliance with the International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by ICAP.
20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
21. The "closed period", prior to the announcement of interim / final results, and business decisions, which may materially affect the NAV of the Fund's units, was determined and intimated to directors, employees and the Stock Exchange.
22. Material / price sensitive information has been disseminated among all market participants at once through the Stock Exchange.
23. The Management Company has complied with the requirements relating to maintenance of register of persons having access to inside information by designated senior management officer in a timely manner and maintained proper record including basis for inclusion or exclusion of names of persons from the said list.
24. We confirm that all other material principles enshrined in the Code have been complied with.

For and on behalf of the Board

Karachi, August 23, 2017



ALEE KHALID GHAZNAVI
Chief Executive Officer



INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS

Report on the Financial Statements

We have audited the consolidated financial statements of **ABL Islamic Income Fund** for the year ended 31 December 2015, which comprise the Statement of Financial Position as at 31 December 2015, the Statement of Income, the Statement of Changes in Equity and the Statement of Cash Flows, and the related notes to the financial statements. Our audit was conducted in accordance with the auditing standards that applied to the audit.

Management's Responsibility for the Financial Statements

The unit holders' management is responsible for the preparation, presentation and accuracy of the consolidated financial statements. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the auditing standards that applied to the audit. These standards require us to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement.

We have conducted our audit in accordance with the auditing standards that apply to the audit. These standards require us to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error. We have not conducted a separate audit of the financial statements of the unit holders' management. Our opinion is based on the consolidated financial statements as a whole. We have not conducted a separate audit of the financial statements of the unit holders' management. Our opinion is based on the consolidated financial statements as a whole.

In accordance with the auditing standards that apply to the audit, we have issued this report to the unit holders.

Opinion

In our opinion, the consolidated financial statements of **ABL Islamic Income Fund** for the year ended 31 December 2015, present a true and fair view of the financial position, financial performance and cash flows of the unit holders, and the related notes to the financial statements.

Deloitte

**Accounting and
Tax Services**

Report of Independent Registered Public Accounting Firm

We have audited the financial statements of ABL Islamic Income Fund, which consist of the balance sheet as of December 31, 2013, and the statements of income, expenses, and net assets for the year then ended, and the related notes to the financial statements. In our opinion, the financial statements present fairly, in all material aspects, the financial position, results of operations, and net assets of ABL Islamic Income Fund as of and for the year ended December 31, 2013, in accordance with the accounting principles generally accepted in the United States of America.

**Available from 2013
Annual Report**

Deloitte LLP
New York, New York

Deloitte LLP
New York, New York

Deloitte LLP
New York, New York

ABL ISLAMIC INCOME FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2017

	Note	June 30, 2017	June 30, 2016
----- Rupees in '000 -----			
ASSETS			
Balances with banks	4	2,553,954	1,756,813
Investments	5	1,432,394	1,573,477
Security deposit	6	100	100
Profit receivable	7	23,517	14,357
Total assets		4,009,965	3,344,747
LIABILITIES			
Payable to ABL Asset Management Company Limited - Management Company	8	14,617	13,320
Payable to Central Depository Company of Pakistan Limited - Trustee	9	392	323
Payable to Securities and Exchange Commission of Pakistan	10	3,300	1,860
Dividend payable		18	32
Accrued expenses and other liabilities	11	15,613	19,299
Payable against redemption of units		8,241	33,277
Total liabilities		42,181	68,111
NET ASSETS		3,967,784	3,276,636
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		3,967,784	3,276,636
CONTINGENCIES AND COMMITMENTS			
	12		
-----Number of units -----			
NUMBER OF UNITS IN ISSUE	13	390,298,322	327,090,279
----- Rupees -----			
NET ASSET VALUE PER UNIT		10.1660	10.0175
FACE VALUE PER UNIT		10.0000	10.0000

The annexed notes from 1 to 28 form an integral part of these financial statements.

For ABL Asset Management Company Limited
(Management Company)

ALEE KHALID GHAZNAVI
Chief Executive Officer

MUHAMMAD KAMRAN SHEHZAD
Director



ABL ISLAMIC INCOME FUND

INCOME STATEMENT

FOR THE YEAR ENDED JUNE 30, 2017

	Note	June 30, 2017	June 30, 2016
Rupees in '000			
INCOME			
Profit on deposits with banks		160,628	81,902
Income from term deposit receipts		27,334	20,451
Income from sukuks		71,697	67,447
Capital gain on sale of government securities - net		17,437	9,427
		277,096	179,227
Unrealised gain / (loss) on re-measurement of investments "at fair value through profit or loss - held for trading" - net	5.2	24,074	(3,069)
Total income		301,170	176,158
EXPENSES			
Remuneration of ABL Asset Management Company Limited - Management Company	8.1	43,996	24,795
Sindh Sales Tax on remuneration of the Management Company	8.2	5,817	4,027
Federal Excise Duty on remuneration of the Management Company	8.3	-	3,967
Reimbursement of operational expenses to the Management Company	8.4	4,401	844
Remuneration of the Central Depository Company of Pakistan Limited - Trustee	9.1	4,572	2,960
Sindh Sales Tax on remuneration of the Trustee	9.2	599	421
Annual fee - Securities and Exchange Commission of Pakistan	10.1	3,300	1,860
Auditors' remuneration	14	509	439
Legal and professional charges		-	274
Printing charges		389	228
Listing fee		55	50
Annual rating fee		232	228
Shariah advisory fee		519	285
Brokerage and securities transaction costs		796	1,010
Bank and settlement charges		232	190
Total operating expenses		65,417	41,578
Net income for the year from operating activities		235,753	134,580
Element of income/ (loss) and capital gain/ (losses) included in prices of units issued less those in units redeemed - net		(74,026)	(80,420)
Reversal of Provision for Workers' Welfare Fund	11.1	9,813	-
Provision for Sindh Workers' Welfare Fund	11.1	(5,015)	-
Net income for the year before taxation		166,525	54,160
Taxation	15	-	-
Net income for the year after taxation		166,525	54,160
Other comprehensive income		-	-
Total comprehensive income for the year		166,525	54,160
Earnings per unit	16		

The annexed notes from 1 to 28 form an integral part of these financial statements.

For ABL Asset Management Company Limited
(Management Company)

ALEE KHALID GHAZNAVI
Chief Executive Officer

MUHAMMAD KAMRAN SHEHZAD
Director

ABL ISLAMIC INCOME FUND

DISTRIBUTION STATEMENT

FOR THE YEAR ENDED JUNE 30, 2017

	June 30, 2017	June 30, 2016
----- Rupees in '000 -----		
Undistributed income brought forward comprising of:		
- realised income	8,798	151
- unrealised income	(3,069)	5,002
	5,729	5,153
Element of income and capital gains included in prices of units issued less those in units redeemed - net	13,591	2,862
Net income for the year after taxation	166,525	54,160
Distribution during the year		
- Issue nil (2016: 1,006,398 bonus units on June 21, 2016)	-	(10,626)
- Cash distribution @ Re. 0.4200 per unit on June 19, 2017 (2016: Re. 0.5601 per unit on June 24, 2016)	(121,048)	(45,820)
	(121,048)	(56,446)
Undistributed income carried forward	64,797	5,729
Undistributed income carried forward comprising of:		
- realised income	40,723	8,798
- unrealised income / (loss)	24,074	(3,069)
	64,797	5,729

The annexed notes from 1 to 28 form an integral part of these financial statements.

For ABL Asset Management Company Limited
(Management Company)

ALEE KHALID GHAZNAVI
Chief Executive Officer

MUHAMMAD KAMRAN SHEHZAD
Director



ABL ISLAMIC INCOME FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2017

	June 30, 2017	June 30, 2016
Note	----- Rupees in '000 -----	
Net assets at the beginning of the year	3,276,636	1,832,477
Issue of 900,770,628 units (2016: 713,601,455 units)	9,262,491	7,308,180
Redemption of 837,562,585 units (2016: 570,249,534 units)	(8,690,846)	(5,952,781)
	571,645	1,355,399
- Issue nil (2016: 1,006,398 bonus units on June 21, 2016)	-	10,626
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed - net		
- amount representing loss and capital losses - transferred to income statement	74,026	80,420
- amount representing income and capital gains - transferred to distribution statement	(13,591)	(2,862)
	60,435	77,558
Capital gain on sale of government securities - net	17,437	9,427
Unrealised gain / (loss) on re-measurement of investments "at fair value through profit or loss - held for trading" - net	24,074	(3,069)
Other net income	125,014	47,802
	166,525	54,160
Distribution during the year		
- Issue nil (2016: 1,006,398 bonus units on June 21, 2016)	-	(10,626)
- Cash distribution @ Re. 0.4200 per unit on June 19, 2017 (2016: Re 0.5601 per unit on June 24, 2016)	(121,048)	(45,820)
	(121,048)	(56,446)
Element of income and capital gains included in prices of units issued less those in units redeemed transferred to distribution statement - net	13,591	2,862
Net assets at the end of the year	3,967,784	3,276,636
Net asset value per unit at the beginning of the year	10.0175	10.0282
Net asset value per unit at the end of the year	10.1660	10.0175

The annexed notes from 1 to 28 form an integral part of these financial statements.

For ABL Asset Management Company Limited
(Management Company)

ALEE KHALID GHAZNAVI
Chief Executive Officer

MUHAMMAD KAMRAN SHEHZAD
Director

ABL ISLAMIC INCOME FUND

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2017

Note	June 30, 2017	June 30, 2016
	Rupees in '000	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year before taxation	166,525	54,160
Adjustments for non-cash and other items:		
Profit on deposits with banks and term deposit receipts	(160,628)	(81,902)
Income from term deposit receipts	(27,334)	(20,451)
Income from sukuks	(71,697)	(67,447)
Capital gain on sale of government securities - net	(17,437)	(9,427)
Unrealised (gain) / loss on re-measurement of investments at fair value through profit or loss - held for trading - net	(24,074)	3,069
Element of loss and capital losses included in prices of units issued less those in units redeemed - net	74,026	80,420
Reversal of Provision for Workers' Welfare Fund	(9,813)	-
Provision for Sindh Workers' Welfare Fund	5,015	-
Federal Excise Duty on remuneration of the Management Company	-	3,967
	(231,942)	(91,771)
Decrease / (Increase) in assets		
Investments - net	340,594	(771,623)
Increase in liabilities		
Payable to ABL Asset Management Company Limited - Management Company	1,297	1,716
Payable to Central Depository Company of Pakistan Limited - Trustee	69	121
Payable to Securities and Exchange Commission of Pakistan	1,440	735
Accrued expenses and other liabilities	1,112	1,912
	3,918	4,484
	279,095	(804,750)
Profit received on deposits with bank and term deposit receipts	153,138	102,060
Income received from term deposit receipts	27,311	-
Profit received on sukuks	70,051	71,511
	250,500	173,571
Net cash from / (used in) operating activities	529,595	(631,179)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(121,063)	(57,185)
Receipts against issuance of units	9,262,491	7,308,180
Payments against redemption of units	(8,715,882)	(6,077,780)
Net cash from financing activities	425,546	1,173,215
Net increase in cash and cash equivalents	955,141	542,036
Cash and cash equivalents at the beginning of the year	1,958,813	1,416,777
Cash and cash equivalents at the end of the year	4.3 2,913,954	1,958,813

The annexed notes from 1 to 28 form an integral part of these financial statements.

For ABL Asset Management Company Limited
(Management Company)

ALEE KHALID GHAZNAVI
Chief Executive Officer




MUHAMMAD KAMRAN SHEHZAD
Director



ABL ISLAMIC INCOME FUND

NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED JUNE 30, 2017

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 ABL Islamic Income Fund (the Fund) was established under a Trust Deed executed on June 23, 2010 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 (NBFC Regulations). The Fund commenced its operations on July 31, 2010.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (NBFC Rules) through a certificate issued by the Securities and Exchange Commission of Pakistan (SECP) on December 7, 2007 which has expired on December 7, 2016, however, the Management Company has applied for the renewal of the said license on November 14, 2016 with SECP but the same has not been renewed till now. The registered office of the Management Company was changed from 11-B Lalazar, M.T. Khan Road, Karachi to Plot No. 14, Main Boulevard, DHA Phase 6, Lahore with effect from March 15, 2017.

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

The Fund has been categorized as an open-ended Shariah compliant (Islamic) income scheme as per the criteria laid down by the SECP for categorisation of Collective Investment Schemes (CISs).

The objective of the Fund is to invest in liquid Shariah compliant instruments like Shariah compliant government securities, cash and near cash instruments.

- 1.3 JCR-VIS Credit Rating Company has assigned management quality rating of AM2+ (stable outlook) to the Management Company and fund stability rating of A(f) to the Fund as at December 30, 2016.
- 1.4 The title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as trustee of the Fund.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These 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 (IFRSs) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations and the directives issued by the 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 IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP shall prevail.

During the year, the Companies Act, 2017 was enacted on May 30, 2017 and came into force at once. Subsequently, SECP has notified through Circular No. 17 of July 20, 2017 that companies whose financial year closes on or before June 30, 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984. Therefore, these financial statements have been prepared under the Companies Ordinance 1984.

2.2 New accounting standards / amendments and IFRS interpretations that are effective for the year ended June 30, 2017

The following standards, amendments and interpretations are effective for the year ended June 30, 2017. These standards, interpretations and the amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

Amendments to IFRS 10 'Consolidated Financial Statements', IFRS 12 'Disclosure of Interests in Other Entities' and IAS 28 'Investments in Associates and Joint Ventures' - Investment Entities: Applying the consolidation exception	Effective from accounting period beginning on or after 1 January 2016
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Amendments to IFRS 11 'Joint Arrangements' - Accounting for acquisitions of interests in joint operations	Effective from accounting period beginning on or after 1 January 2016
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Amendments to IAS 1 'Presentation of Financial Statements' - Disclosure initiative	Effective from accounting period beginning on or after 1 January 2016
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Amendments to IAS 16 'Property Plant and Equipment' and IAS 38 'Intangible Assets' - Clarification of acceptable methods of depreciation and amortization	Effective from accounting period beginning on or after 1 January 2016
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Amendments to IAS 16 'Property Plant and Equipment' and IAS 41 'Agriculture' - Measurement of bearer plants	Effective from accounting period beginning on or after 1 January 2016
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Amendments to IAS 27 'Separate Financial Statements' - Equity method in separate financial statements	Effective from accounting period beginning on or after 1 January 2016
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Certain annual improvements have also been made to a number of IFRSs.

New accounting standards / amendments and IFRS interpretations that are not yet effective for the year ended June 30, 2017

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and the amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

Amendments to IFRS 2 'Share-based Payment' - Clarification on the classification and measurement of share-based payment transactions	Effective from accounting period beginning on or after 1 January 2018
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Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures' - Sale or contribution of assets between an investor and its associate or joint venture	'Effective from accounting period beginning on or after a date to be determined. Earlier application is permitted.
Amendments to IAS 7 'Statement of Cash Flows' - Amendments as a result of the disclosure initiative	Effective from accounting period beginning on or after 1 January 2017
Amendments to IAS 12 'Income Taxes' - Recognition of deferred tax assets for unrealised losses	Effective from accounting period beginning on or after 1 January 2017
Amendments to IAS 40 'Investment Property': Clarification on transfers of property to or from investment property	Effective from accounting period beginning on or after 1 January 2018. Early application is permitted.
IFRIC 22 'Foreign Currency Transactions and Advance Consideration': Provides guidance on transactions where consideration against non-monetary prepaid asset / deferred income is denominated in foreign currency.	Effective from accounting period beginning on or after 1 January 2018. Early application is permitted.
IFRIC 23 'Uncertainty over Income Tax Treatments': Clarifies the accounting treatment in relation to determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12 'Income Taxes'.	Effective from accounting period beginning on or after 1 January 2019

Certain annual improvements have also been made to a number of IFRSs.

Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 – First Time Adoption of International Financial Reporting Standards
- IFRS 9 – Financial Instruments
- IFRS 14 – Regulatory Deferral Accounts
- IFRS 15 – Revenue from Contracts with Customers
- IFRS 16 – Leases
- IFRS 17 – Insurance Contracts

2.3 Critical accounting estimates and judgments

The preparation of the financial statements in conformity with the approved accounting standards requires management to make estimates, judgements and assumptions that affect the reported amount of assets, liabilities, income and expenses. It also requires management to exercise judgement in application of its accounting policies. The estimates, judgements and associated assumptions are based on the historical experience and various other factors that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the year in which the estimates are revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements as a whole are as follows:

- i) Classification and valuation of investment (notes 3.2.1 and 5)
- ii) Impairment of financial assets (note 3.2.5)

2.4 Accounting convention

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

2.5 Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistani Rupees which is the Fund's functional and presentation currency.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these financial statements are set out below and have been consistently applied to all the years presented unless otherwise stated.

3.1 Cash and cash equivalents

Cash and cash equivalents comprise balances with banks and other short-term highly liquid investments with original maturities of three months or less.

3.2 Financial assets

3.2.1 Classification

The Management Company determines the classification of the Fund's financial assets at initial recognition and re-evaluates this classification on a regular basis. The Management Company classifies the financial assets of the Fund in following categories:

a) Financial assets at fair value through profit or loss

These financial assets are acquired principally for the purpose of generating profit from short-term fluctuations in prices.

b) Loans and receivables

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

c) Available for sale

These are non-derivative financial assets that are designated as available for sale or are not classified as (a) financial assets at fair value through profit or loss or (b) loans and receivables. These are intended to be held for an indefinite period of time and may be sold in response to the needs for liquidity or change in price.

3.2.2 Regular way contracts

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

3.2.3 Initial recognition and measurement

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

3.2.4 Subsequent measurement

a) Financial assets at fair value through profit or loss and available for sale

Subsequent to initial recognition, financial assets classified "at fair value through profit or loss" and "available for sale" are valued as follows:

- Basis of valuation of debt securities

Debt securities (comprising any security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital and includes term finance certificates, bonds, debentures, sukuks and commercial papers etc.) are valued on the basis of rates determined by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the SECP for the valuation of debt securities. While determining the rates, MUFAP takes into account the holding pattern of these securities and categorises them as traded, thinly traded and non-traded securities. The methodology also specifies the valuation process to be followed for each category as well as the criteria for the provisioning of non-performing debt securities.

- Basis of valuation of government securities

Government securities are valued on the basis of rates published by Mutual Funds Association of Pakistan (MUFAP).

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

Net gains and losses arising from changes in the fair value of "available for sale" financial assets are taken to the other comprehensive income until these are derecognised or impaired. Upon derecognition, the cumulative gain or loss previously recognised directly in the unit holders' fund is shown as part of net income for the year.

b) Loans and receivables

Subsequent to initial recognition, financial assets classified as 'loans and receivables' are carried at amortized cost using the effective interest method.

Gains or losses are also recognised in the income statement when the financial assets carried at amortized cost are derecognised or impaired.

3.2.5 Impairment

The Management Company assesses at each reporting date whether there is an objective evidence that the Fund's financial assets or a group of financial assets are impaired. If any such indication exists, the recoverable amount of such asset is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

The amount of provision for certain debt securities is determined based on the provisioning criteria specified by the SECP. For certain other financial assets, a provision for impairment is established when there is an objective evidence that the Fund will not be able to collect all amounts due according to the original terms. The provision against the amount is made as per the provisioning policy duly formulated and approved by the Board of Directors of the Management Company. The amount of the provision is the difference between the asset's carrying value and present value of estimated future cash flows, discounted at original effective interest rate.

3.2.6 Derecognition

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

3.3 Financial liabilities

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

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

3.4 Offsetting of financial assets and financial liabilities

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

3.5 Preliminary expenses and floatation costs

Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of the operations of the Fund. These costs have been amortized over a period of five years in accordance with the requirements set out in the Trust Deed of the Fund and the NBFC Regulations.

3.6 Provisions

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

3.7 Taxation

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders (excluding distribution made by issuance of bonus units).

The Fund is also exempt from the provisions of Section 113 (minimum tax) and Section 113C (Alternative Corporate Tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

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

3.8 Proposed distributions

Distributions declared subsequent to the year-end are considered as non-adjusting events and are recognised in the year in which such distributions are declared.

3.9 Issue and redemption of units

Units issued are recorded at the offer price as per constitutive documents. The offer price is determined by the Management Company after realisation of subscription money.

The offer price represents the net asset value per unit as of the close of the business day. The Fund also recovers the allowance for sales load, provision for transaction costs and any provision for duties and charges, if applicable.

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

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

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

The Fund records that portion of the net element of income / (loss) and capital gains / (losses) relating to units issued and redeemed during an accounting year which pertains to unrealised gains / (losses) held in the unit holders' funds in separate account and any amount remaining in this reserve account at the end of an accounting period (whether gain or loss) is included in the amount available for distribution to the unitholders. The remaining portion of the net element of income / (loss) and capital gains / (losses) relating to units issued and redeemed during an accounting period is recognised in the income statement.

3.11 Net asset value per unit

The Net Asset Value (NAV) per unit, as disclosed in the statement of assets and liabilities, is calculated by dividing the net assets of the Fund by the number of units in issue at the year end.

3.12 Revenue recognition

- Realised capital gains / (losses) arising on sale of investments are included in the income statement on the date at which the sale transaction takes place.
- Unrealised gain / (loss) in the value of investments classified as 'Financial assets at fair value through profit or loss' are included in the income statement in the year in which they arise.
- Profit on bank deposits is recognised on accrual basis.
- Income on government securities, debt securities and certificate of deposits is recognised on an accrual basis, using the effective interest rate.

	Note	June 30, 2017	June 30, 2016
----- Rupees in '000 -----			
4. BALANCES WITH BANKS			
Saving accounts	4.1	2,553,569	1,708,489
Current accounts	4.2	385	48,324
		2,553,954	1,756,813

4.1 These saving accounts carry profit at rates ranging from 4.00% to 5.8% (2016: 5.00% to 6.10%) per annum. Deposits in saving accounts include Rs. 513.9 million (2016: Rs. 486.7 million) maintained with Allied Bank Limited, a related party, and carry profit at the rate of 6.00% (2016: 6.00%) per annum.

4.2 Balance in current account is maintained with Allied Bank Limited, a related party.

	Note	June 30, 2017	June 30, 2016
----- Rupees in '000 -----			
4.3 Cash and cash equivalents			
Balances with banks	4	2,553,954	1,756,813
Term deposit receipt	5.3	360,000	202,000
		2,913,954	1,958,813

5. INVESTMENTS

Financial assets at fair value through profit or loss - held for trading

- GoP Ijara Sukuks	5.1.1	402,680	428,358
- Other Sukuks	5.1.2	669,714	943,119
		1,072,394	1,371,477
Loans and receivables	5.3	360,000	202,000
		1,432,394	1,573,477

5.1 Financial assets at fair value through profit or loss - held for trading

5.1.1 GoP Ijara Sukuks

Particulars of the issue / issue date	Maturity Date	Coupon rate in %	Face Value				Balance as at June 30, 2017			Market value as a percentage of net assets	Market value as a percentage of total market value of investments
			As at July 01, 2016	Purchased during the year	Disposed off/matured during the year	As at June 30, 2017	Carrying value	Market value	Unrealized gain / (loss)		
----- Rupees in '000 -----											
GOPIS-16 / December 18, 2015	December 18, 2018	5.8946	425,000	-	425,000	-	-	-	-	-	-
GOPIS-19 / June 30, 2017	June 30, 2020	5.2400	-	400,000	-	400,000	400,000	402,680	2,680	10.15	28.11
Total - June 30, 2017			425,000	400,000	425,000	400,000	400,000	402,680	2,680	10.15	28.11
Total - June 30, 2016						428,634	428,358	(276)			

5.1.2 Other Sukuks

Particulars of the issue / issue date	Maturity Date	Coupon rate in %	Face Value				Balance as at June 30, 2017			Market value as a percentage of net assets	Market value as a percentage of total market value of investments
			As at July 01, 2016	Purchased during the year	Disposed off/matured during the year	As at June 30, 2017	Carrying value	Market value	Unrealized gain / (loss)		
----- Rupees in '000 -----											
Par value @ 5,000 each											
Engro Fertilizer / July 9, 2014	July 9, 2019	6 months KIBOR + 1.75	76,960	-	76,960	-	-	-	-	-	-
Engro Fertilizer / May 25, 2016	November 25, 2016	6 months KIBOR + 0.40	500,000	-	500,000	-	-	-	-	-	-
K-Electric / March 19, 2014	March 19, 2017	3 months KIBOR + 2.25	126,000	10,000	136,000	-	-	-	-	-	-
K-Electric / June 17, 2015	June 17, 2022	3 months KIBOR + 1.00	234,650	48,900	175,000	108,550	109,657	113,594	3,937	2.86	7.93
Fatima Fertilizer / November 28, 2016	November 28, 2021	6 months KIBOR + 1.10	-	258,000	100,950	157,050	161,061	164,105	3,044	4.14	0.11
Par value @ 1,000,000 each											
Meezan Bank Limited / September 06, 2016	September 22, 2026	6 months KIBOR + 0.5	-	564,000	188,000	376,000	377,602	392,015	14,413	9.88	0.27
Total - June 30, 2017			937,610	880,900	1,176,910	641,600	648,320	669,714	21,394	16.88	8.32
Total - June 30, 2016						424,614	945,912	943,119	(2,793)		

5.2 Unrealised (loss) / gain on re-measurement of investments classified as financial assets "at fair value through profit or loss - held for trading" - net

	Note	June 30, 2017	June 30, 2016
----- Rupees in '000 -----			
Market value of securities		1,072,394	1,371,477
Less: carrying value of securities		(1,048,320)	(1,374,546)
		24,074	(3,069)

5.3 Loans and receivables

Term deposit receipt	5.3.1	360,000	202,000
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5.3.1 It carries profit rate of 5.80% per annum (2016: 6.25%), commenced from June 30, 2017 and will mature on September 28, 2017 (2016: September 30, 2016).

		June 30, 2017	June 30, 2016
	Note	----- Rupees in '000 -----	
6. SECURITY DEPOSIT			
Central Depository Company of Pakistan Limited - Trustee		100	100
7. PROFIT RECEIVABLE			
On bank deposits		13,667	6,177
On term deposit receipt		57	34
On GoP Ijara Sukuks and on other Sukuks		9,793	8,146
		23,517	14,357
8. PAYABLE TO ABL ASSET MANAGEMENT COMPANY LIMITED - MANAGEMENT COMPANY			
Remuneration of the Management Company	8.1	3,262	2,507
Sindh Sales Tax on remuneration of the Management Company	8.2	1,757	1,586
Federal Excise Duty on remuneration of the Management Company	8.3	8,366	8,366
Sales load payable to the Management Company		-	17
Reimbursement of operational expenses to the Management Company	8.4	1,232	844
		14,617	13,320

8.1 Under the provisions of the NBFC Regulations, the Management Company of the Fund is entitled to a remuneration of an amount not exceeding 1% of the average daily net assets of the Fund. During the year, the Management Company charged 1% of the average daily net assets as management fee.

8.2 The Government of Sindh and Punjab has levied Sindh and Punjab Sales Tax at the rate of 13% (2016: 14%) and 16% (2016: 16%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011 and Punjab Sales Tax on Services Act, 2012 (as amended from time to time).

8.3 Through Finance Act 2013, Federal Excise Duty (FED) was made applicable at the rate of 16% on the remuneration of the Management Company, effective from 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 6.2, further levy of FED results in double taxation, which does not appear to be the spirit of the law.

The matter has been collectively taken up by the Management Company jointly with other asset management companies and trustees of respective collective investment schemes (CISs), through a constitutional petition filed in the Honorable Sindh High Court (SHC) during September 2013. In this respect, the SHC had issued a stay order against the recovery of FED due to which the Fund has not accrued FED w.e.f July 01, 2016 and has not made any payments since inception.

On June 30, 2016 the Honorable Sindh High Court had passed a Judgment that after 18th amendment in the Constitution of Pakistan, the Provinces alone have the legislative power to levy a tax on rendering or providing services, therefore, chargeability and collection of Federal Excise Duty after July 01, 2011 is ultra vires to the Constitution of Pakistan. On September 23, 2016 the Federal Board of Revenue (FBR) filed an appeal in the Supreme Court of Pakistan (SCP) against above judgement, which is pending adjudication.

Pending the adjudication in the SCP, the Management Company, as a matter of abundant caution, has maintained full provision for FED (since June 13, 2013) aggregating to Rs. 8.366 million. Had the provision not been made, the net asset value per unit of the Fund as at June 30, 2017 would have been higher by Re 0.0214 (2016: Re 0.0256) per unit.

Further, through Finance Act, 2016, FED on services rendered by Non-Banking Financial Institutions (NBFIs) including Asset Management Companies, which are already subject to provincial sales tax, has been withdrawn. Therefore, during the current period, provision for FED is not required.

8.4 This represents reimbursement of certain expenses to the Management Company. As per regulation 60(3)(s) of the amended NBFC Regulations dated November 25, 2015, fee and expenses pertaining to registrar services, accounting, operations and valuation services related to a Collective Investment Scheme (CIS) are chargeable to the scheme, maximum upto 0.1% of the average annual net assets or the actual cost whichever is lower. Accordingly, the Management Company has charged 0.1% of the average annual net assets, being the lower amount, to the Fund during the period.

		June 30, 2017	June 30, 2016
		----- Rupees in '000 -----	
9.	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	
	Remuneration of the Trustee	9.1	347
	Sindh Sales Tax payable on remuneration of the Trustee	9.2	45
			283
			40
			<u>392</u>
			<u>323</u>

9.1 The Trustee is entitled to a monthly remuneration for the services rendered to the Fund under the provisions of the Trust Deed as per the tariff specified therein, based on the daily net assets of the Fund. The remuneration is paid to the Trustee monthly in arrears.

Net Assets Value Tariff per annum

The tariff structure applicable to the Fund as at June 30, 2017 and June 30, 2016 was as follows:

Upto Rs. 1 billion	0.17 percent per annum of net assets value
Rs. 1 billion to Rs. 5 billion	Rs. 1.7 million plus 0.085 percent per annum of net assets exceeding Rs. 1 billion
Over Rs. 5 billion	Rs. 5.1 million plus 0.07 percent per annum of net assets exceeding Rs. 5 billion

9.2 The Government of Sindh has levied Sindh Sales Tax at the rate of 13% (2016: 14%) on the remuneration of the Trustee through the Finance Act, 2015.

		June 30, 2017	June 30, 2016
		----- Rupees in '000 -----	
10.	PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	
	Annual fee	10.1	3,300
			1,860

10.1 Under the provisions of the NBFC Regulations, a collective investment scheme categorised as 'income scheme' is required to pay an annual fee, to the SECP, equal to 0.075% (2016: 0.075%) of the average daily net assets of the scheme under Regulation 62 read with the Schedule II of the NBFC Regulations.

		June 30, 2017	June 30, 2016
		----- Rupees in '000 -----	
11.	ACCRUED EXPENSES AND OTHER LIABILITIES	Note	
	Auditors' remuneration		305
	Printing charges		150
	Provision for Workers' Welfare Fund	11.1	-
	Provision for Sindh Workers' Welfare Fund	11.1	5,015
	Withholding tax payable		10,104
	Brokerage payable		-
	Shariah advisory fee payable		39
			380
			100
			9,813
			-
			8,867
			92
			47
			<u>15,613</u>
			<u>19,299</u>

11.1 Provision for Workers' Welfare Fund (WWF) and Sindh Workers' Welfare Fund (SWWF)

The Finance Act, 2008 had introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance) as a result of which it was construed that all Collective Investment Schemes (CISs) / mutual funds whose income exceeded Rs 0.5 million in a tax year were 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 was higher. In light of this, the Mutual Funds Association of Pakistan (MUFAP) filed a constitutional petition in the Honourable Sindh High Court (SHC) challenging the applicability of WWF on CISs. Similar cases were disposed of by the Peshawar and the Lahore High Courts in which these amendments were declared unlawful and unconstitutional. However, these decisions were challenged in the Supreme Court of Pakistan.

Subsequently, the Finance Act, 2015 introduced an amendment under which CISs / mutual funds have been excluded from the definition of "industrial establishment" subject to WWF under the WWF Ordinance. Consequently, mutual funds are not subject to this levy after the introduction of this amendment which is applicable from tax year 2016. Accordingly, no further provision in respect of WWF was made with effect from July 1, 2015.

On November 10, 2016 the Supreme Court of Pakistan (SCP) has passed a judgment declaring the amendments made in the Finance Acts 2006 and 2008 pertaining to WWF as illegal citing that WWF was not in the nature of tax and could, therefore, not have been introduced through money bills. Accordingly, the aforesaid amendments have been struck down by the SCP. The Federal Board of Revenue has filed a petition in the SCP against the said judgment, which is pending hearing. While the petitions filed by the CISs on the matter are still pending before the SHC, the Mutual Funds Association of Pakistan (MUFAP) (collectively on behalf of the asset management companies and their CISs) has taken legal and tax opinions on the impact of the SCP judgement on the CISs petition before the SHC. Both legal and tax advisors consulted were of the view that the judgment has removed the very basis on which the demands were raised against the CISs. Therefore, there was no longer any liability against the CISs under the WWF Ordinance and that all cases pending in the SHC or lower appellate forums will now be disposed of in light of the earlier judgement of the SCP.

Furthermore, as a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies (including the Management Company of the Fund) whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have mutual funds excluded from the applicability of Sindh WWF.

Further, SWWF Act 2014 enacted in June 2015 requires every Industrial Establishment located in the province of Sindh and having total income of Rs. 0.5 million or more, to pay two percent of so much of its total income declared to SWWF. The said Act includes any concern engaged in the Banking or Financial Institution in the definition of "Industrial Undertaking" but does not define Financial Institution. The Management Company, based on the opinion obtained by MUFAP from its advisor who is of the view that Collective Investment Schemes (CIS) are not financial institutions, believes that SWWF is not applicable on the Fund.

In view of the above developments regarding the applicability of WWF and SWWF on CISs / mutual Funds, MUFAP has recommended the following to all its members on January 12, 2017:

- * based on legal opinion, the entire provision against the Federal WWF held by the CISs till June 30, 2015, to be reversed on January 12, 2017; and
- * as a matter of abundant caution, the provision in respect of SWWF should be made with effect from the date of enactment of the SWWF Act, 2014 (i.e. starting from May 21, 2015) on January 12, 2017.

Accordingly, on January 12, 2017 the provision for WWF was reversed and the provision for SWWF was made for the period from May 21, 2015 to January 12, 2017. Thereafter, the provision for SWWF is being made on a daily basis going forward.

The above decisions were communicated to the SECP and the Pakistan Stock Exchange Limited on January 12, 2017 and the SECP vide its letter dated February 1, 2017 has advised MUFAP that the adjustments relating to the above should be prospective and supported by adequate disclosures in the financial statements of the CISs/ mutual funds.

The total provision for SWWF till June 30, 2017 is amounting to Rs 5.015 million. Had the provision not been made the net assets value per unit of the Fund as at June 30, 2017 would have been higher by Re 0.0128 per unit.

12. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2017 and June 30, 2016.

	Note	June 30, 2017	June 30, 2016
		----- Rupees in '000 -----	
13. NUMBER OF UNITS IN ISSUE			
Total units in issue at the beginning of the year		327,090,279	182,731,960
Add: units issued during the year		900,770,628	713,601,455
Add: bonus units issued during the year		-	1,006,398
Less: units redeemed during the year		(837,562,585)	(570,249,534)
Total units in issue at the end of the year	13.1	<u>390,298,322</u>	<u>327,090,279</u>

13.1 All units carry equal rights and are entitled to dividend and share in the net asset value of the Fund.

14. AUDITORS' REMUNERATION

Annual audit fee	225	220
Half yearly review fee	105	100
Other certifications	80	60
Out of pocket expenses	99	59
	<u>509</u>	<u>439</u>

15. TAXATION

The income of the Fund is exempt from income tax as per clause 99 of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders. The management company intends to distribute through cash at least 90% of the Fund's net accounting income earned by the year end to the unit holders. Accordingly, no provision in respect of taxation has been made in this financial statements.

The Fund is also exempt from the provision of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

16. EARNINGS PER UNIT (EPU)

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

17. TOTAL EXPENSE RATIO

In accordance with the Directive 23 of 2016 dated July 20, 2016 issued by the Securities and Exchange Commission of Pakistan, the Total Expense Ratio of the Fund for the year ended June 30, 2017 is 1.60% which includes 0.33% representing government levy and SECP fee.

18. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

- 18.1** Connected person / related parties include the Management Company, its parent and the related subsidiaries of the parent, associated companies / undertakings of the Management Company, its parents and the related subsidiaries, other funds managed by the Management Company, post employment benefit funds of the Management Company, post employment benefit funds of the parent, subsidiaries and its associated undertakings. It also includes Central Depository Company of Pakistan Limited being the Trustee of the Fund and the directors and key management personnel of the Management Company.
- 18.2** Transactions with connected persons are in the normal course of business, at contracted rates and at the terms determined in accordance with market rates.
- 18.3** Remuneration to the Management Company is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.
- 18.4** Remuneration payable to the Trustee is determined in accordance with the provisions of the Trust Deed.

	June 30, 2017	June 30, 2016
	----- Rupees in '000 -----	
18.5 Transactions with connected persons / related parties		
ABL Asset Management Company Limited - Management Company		
Issue of 19,191,120 units (2016: 1,522,765 units)	195,525	16,000
Redemption of 19,191,120 units (2016: 1,522,765 units)	197,553	16,049
Remuneration for the year	43,996	24,795
Sindh Sales Tax on remuneration of the Management Company	5,817	4,027
Federal Excise Duty on remuneration of the Management Company	-	3,967
Reimbursement of operational expenses to the Management Company	4,401	844
Sales load paid	492	242
Allied Bank Limited - Holding Company of the Management Company		
Bank charges	29	35
Profit on bank deposit	30,217	6,629
ABL Government Securities Fund - Common Management		
Purchase of Meezan Bank Limited Sukuk (Face Value 374,000,000)	374,538	-
Purchase of Fatima Fertilizer Sukuk (Face Value 30,650,000)	31,263	-
Central Depository Company of Pakistan Limited - Trustee		
Remuneration	4,572	2,960
Sindh Sales Tax on remuneration of the Trustee	599	421
Settlement charges	36	78
ABL Asset Management Company Limited - Staff Provident Fund		
Issue of 445,160 units (2016: 1,506,626 units)	4,576	15,822
Redemption of 168,663 units (2016: 1,858,415 units)	1,700	19,476
MCBFSL Trustee - ABL Islamic Financial Planning Fund - Active Allocation Plan Under Common Management		
Issue of 26,841,281 units (2016: 95,728,222 units)	276,025	978,797
Bonus of Nil units (2016: 104,011 units)	-	1,098
Redemption of 61,455,772 units (2016: 61,059,555 units)	638,792	642,576
MCBFSL Trustee - ABL Islamic Financial Planning Fund - Aggressive Allocation Plan Under Common Management		
Issue of 15,385,396 units (2016: 9,047,195 units)	158,519	92,192
Bonus of Nil units (2016: 10,632 units)	-	112
Redemption of 9,444,614 units (2016: 4,500,311 units)	97,859	47,525

	June 30, 2017	June 30, 2016
	----- Rupees in '000 -----	
MCBFSL Trustee - ABL Islamic Financial Planning Fund - Conservative Allocation Plan Under Common Management		
Issue of 54,380,026 units (2016: 83,563,458 units)	558,534	856,077
Bonus of Nil units (2016: 87,406 units)	-	923
Redemption of 59,428,271 units (2016: 53,247,504 units)	610,655	557,532
MCBFSL Trustee - ABL Islamic Financial Planning Fund - Strategic Allocation Plan Under Common Management		
Issue of 928,423 units (2016: 145,680,789 units)	9,414	1,498,132
Bonus of Nil units (2016: 189,296 units)	-	1,999
Redemption of 55,208,382 units (2016: 81,356,890 units)	572,652	859,485
MCBFSL Trustee - ABL Islamic Financial Planning Fund - Strategic Allocation Plan II Under Common Management		
Issue of 115,157,779 units (2016: 145,680,789 units)	1,166,981	-
Redemption of 89,838,352 units (2016: 81,356,890 units)	935,062	-
MCBFSL Trustee - ABL Islamic Financial Planning Fund - Strategic Allocation Plan III Under Common Management		
Issue of 112,654,887 units (2016: 145,680,789 units)	1,173,376	-
Redemption of 40,184,910 units (2016: 81,356,890 units)	414,945	-
Muller & Phipps Pakistan (Pvt) Ltd. Officer Gratuity Fund - Common directorship		
Issue of 154,636 units (2016: 3,722,346 units)	1,568	37,980
Bonus of Nil units (2016: 10,937 units)	-	116
Muller & Phipps Pakistan (Pvt) Ltd. Staff Provident Fund - Common directorship		
Issue of 137,749 units (2016: 3,315,855 units)	1,397	33,764
Bonus of Nil units (2016: 9,743 units)	-	116
Millat Tractors Limited		
Issue of 78,118,225 units (2016: 1,506,626 units)	802,457	-
Redemption of 38,448,969 units (2016: 1,858,415 units)	406,013	-
KEY MANAGEMENT PERSONNEL		
Former Chief Executive Officer		
Issue of Nil units (2016: 70,027 units)	-	704
Bonus of Nil units (2016: 178 units)	-	2
Redemption of Nil units (2016: 984,636 units)	-	10,018
Dividend paid	-	46
Executives		
Issue of Nil units (2016: 1,229,246 units)	-	12,540
Bonus of Nil units (2016: 1,249 units)	-	12
Redemption of 129,128 units (2016: 1,213,277 units)	1,294	12,499
Dividend paid	-	21

	June 30, 2017	June 30, 2016
	----- Rupees in '000 -----	
18.6 Balances with connected persons / related parties		
ABL Asset Management Company Limited - Management Company		
Remuneration payable to the Management Company	3,262	2,507
Sindh Sales Tax on remuneration of the Management Company	1,757	1,586
Federal Excise Duty on remuneration of the Management Company	8,366	8,366
Sales load payable to the Management Company	-	17
Operational expenses	1,232	844
Allied Bank Limited - Holding Company of the Management Company		
Balance in current account	385	48,324
Balance in saving accounts	513,637	486,728
Profit accrued on bank deposit	2,458	2,077
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	392	323
Security deposit	100	100
ABL Asset Management Company Limited - Staff Provident Fund		
Outstanding 932,242 units (2016: 655,745 units)	9,477	6,569
MCBFSL Trustee - ABL Islamic Financial Planning Fund - Active Allocation Plan Under Common Management		
Outstanding 158,187 units (2016: 34,772,678 units)	1,608	348,335
Payable against redemption of units	-	31,400
MCBFSL Trustee - ABL Islamic Financial Planning Fund - Aggressive Allocation Plan Under Common Management		
Outstanding 10,498,297 units (2016: 4,557,516 units)	106,726	45,655
MCBFSL Trustee - ABL Islamic Financial Planning Fund - Conservative Allocation Plan Under Common Management		
Outstanding 25,355,115 units (2016: 30,403,360 units)	257,760	304,566
MCBFSL Trustee - ABL Islamic Financial Planning Fund - Strategic Allocation Plan Under Common Management		
Outstanding 10,233,235 units (2016: 64,513,195 units)	104,031	646,261
MCBFSL Trustee - ABL Islamic Financial Planning Fund - Strategic Allocation Plan II Under Common Management		
Outstanding 25,319,427 units (2016: 64,513,195 units)	257,397	-
MCBFSL Trustee - ABL Islamic Financial Planning Fund - Strategic Allocation Plan III Under Common Management		
Outstanding 72,469,977 units (2016: 64,513,195 units)	736,730	-
Muller & Phipps Pakistan (Pvt) Ltd. Officer Gratuity Fund		
Outstanding 3,887,919 units (2016: 3,733,283 units)	39,525	37,398
Muller & Phipps Pakistan (Pvt) Ltd. Staff Provident Fund		
Outstanding 3,463,347 units (2016: 3,325,598 units)	35,208	33,314
Millat Tractors Limited		
Outstanding 39,669,256 units (2016: Nil units)	403,278	-

June 30, 2017 June 30, 2016
----- Rupees in '000 -----

KEY MANAGEMENT PERSONNEL

Former Chief Executive Officer

Outstanding Nil units (2016: 60,711 units)

- 608

Executives

Outstanding 546 units (2016: 454,165 units)

6 5,549

* Prior year comparatives have not been presented for those connected persons / related parties with whom such relationship does not exist as at June 30, 2017.

19. PARTICULARS OF THE INVESTMENT COMMITTEE AND THE FUND MANAGER

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

S. No.	Name	Designation	Experience in years	Qualification
1	Alee Khalid Ghaznavi	Chief Executive Officer	16	MBA
2	Kashif Rafi	Chief Investment Officer	15	MBA-Finance
3	Saqib Matin	CFO & Company Secretary	18	ACA & APA
4	Fahad Aziz	Fund Manager - Fixed Income	11	MBA-Finance
5	Naresh Kumar	Fund Manager-Equity	8	ACCA & CFA
6	M. Abdul Hayee	Fund Manager - Equity	9	MBA-Executive & CFA
7	Wahaj Ahmed	Fund Manager-Fixed Income	6	MBA - Banking & Finance

19.1 Kashif Rafi is the Fund Manager of the Fund.

20. TRANSACTIONS WITH BROKERS / DEALERS

List of top 10 brokers by percentage of commission charged during the year ended June 30, 2017

S. No.	Particulars	Percentage
1	BMA Capital Management Ltd	30.87%
2	Next Capital Ltd	16.41%
3	JS Global Capital Ltd	10.62%
4	KASB Securities Ltd	9.80%
5	Paramount Capital (Pvt.) Ltd	9.64%
6	C & M Management (Pvt.) Ltd	8.03%
7	Vector Capital (Pvt.) Ltd	7.08%
8	Magenta Capital (Pvt.) Ltd	6.46%
9	Elixir Securities Pakistan (Pvt.) Ltd	1.08%

List of top 10 brokers by percentage of commission charged during the year ended June 30, 2016

S. No.	Particulars	Percentage
1	Invest Capital Markets Limited	19.91%
2	Elixir Securities Pakistan (Pvt.) Limited	15.66%
3	Next Capital Limited	14.43%
4	Paramount Capital (Pvt.) Limited	14.31%
5	C & M Management (Pvt.) Limited	12.49%
6	Summit Capital (Pvt.) Limited	9.01%
7	Vector Capital (Pvt.) Limited	6.71%
8	JS Global Capital Limited	2.84%
9	Currency Market Associates (Pvt.) Limited	2.32%
10	KASB Securities Limited	1.16%

21. PATTERN OF UNIT HOLDING

----- As at June 30, 2017 -----

Category	Number of unit holders	Number of units held	Net asset value of the amount invested	Percentage of total investment
Rupees in '000				
Individuals	1,001	110,193,633	1,120,231	28%
Associated entities / directors*	7	144,966,480	1,473,734	37%
Insurance companies	8	25,801,295	262,297	7%
Retirement funds	15	41,620,589	423,116	11%
Public limited companies	1	39,669,256	403,279	10%
Others	9	28,047,069	285,127	7%
	1,041	390,298,322	3,967,784	100%

----- As at June 30, 2016 -----

Category	Number of unit holders	Number of units held	Net asset value of the amount invested	Percentage of total investment
Rupees in '000				
Individuals	1,128	124,509,398	1,247,276	38%
Associated entities / directors	8	142,022,085	1,422,710	43%
Insurance companies	4	4,540,675	45,487	1%
Bank / DFIs	17	33,521,041	335,798	10%
Retirement funds	8	22,497,080	225,365	7%
Others	-	-	-	-
	1,165	327,090,279	3,276,636	100%

* This includes 3 retirement benefit funds.

22. ATTENDANCE AT MEETINGS OF THE BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The 48th, 49th, 50th and 51st Board of Directors meetings were held on August 17, 2016, October 28, 2016, February 01, 2017 and April 21, 2017, respectively. Information in respect of attendance by the directors and other persons in the meetings is given below:

S.No.	Name	Number of meetings			Meetings not attended
		Held	Attended	Leave Granted	

Directors

1	Sheikh Mukhtar Ahmed	4	4	-	
2	Mohammad Naeem Mukhtar	4	2	2	49th, 50th,
3	Muhammad Waseem Mukhtar	4	4	-	
4	Tariq Mahmood	2	1	1	49th,
5	Tahir Hasan Qureshi	2	2	-	
6	Kamran Nishat	4	3	1	50th
7	Muhammad Kamran Shehzad	4	4	-	
8	Alee Khalid Ghaznavi	2	2	-	

Other persons

9	Saqib Matin*	4	4	-	-
10	Syed Khalid Hussain**	2	2	-	-

* Mr. Saqib Matin attended the meetings as Company Secretary.

** Syed Khalid Hussain attended the meetings as Acting-CEO of ABL AMCL

23. FINANCIAL INSTRUMENTS BY CATEGORY

As at June 30, 2017, all the financial assets carried on the statement of assets and liabilities are categorised either as loans and receivables or financial assets at fair value through profit or loss. All the financial liabilities carried on the statement of assets and liabilities are categorised as other financial liabilities, i.e. liabilities at amortized cost.

Particulars	As at June 30, 2017		
	Loans and receivables	Financial assets at fair value through profit or loss	Total

-----Rupees in '000-----

Financial assets

Balances with banks	2,553,954	-	2,553,954
Investments	360,000	1,072,394	1,432,394
Profit receivable	23,517	-	23,517
Security deposit	100	-	100
	<u>2,937,571</u>	<u>1,072,394</u>	<u>4,009,965</u>

Particulars	As at June 30, 2017		
	At fair value through profit or loss	Amortised cost	Total

-----Rupees in '000-----

Financial liabilities

Payable to ABL Asset Management Company Limited - Management Company	-	14,617	14,617
Payable to Central Depository Company of Pakistan Limited - Trustee	-	392	392
Dividend payable	-	18	18
Accrued expenses and other liabilities	-	5,509	5,509
Payable against redemption of units	-	8,241	8,241
Unit holders' fund	3,967,784	-	3,967,784
	<u>3,967,784</u>	<u>28,777</u>	<u>3,996,561</u>

Particulars	As at June 30, 2016		
	Loans and receivables	Financial assets at fair value through profit or loss	Total
-----Rupees in '000-----			
Financial assets			
Balances with banks	1,756,813	-	1,756,813
Investments	202,000	1,371,477	1,573,477
Profit receivable	14,357	-	14,357
Security deposit	100	-	100
	<u>1,973,270</u>	<u>1,371,477</u>	<u>3,344,747</u>

Particulars	As at June 30, 2016		
	At fair value through profit or loss	Amortised cost	Total
-----Rupees in '000-----			
Financial liabilities			
Payable to ABL Asset Management Company Limited - Management Company	-	13,320	13,320
Payable to Central Depository Company of Pakistan Limited - Trustee	-	323	323
Dividend payable	-	32	32
Accrued expenses and other liabilities	-	619	619
Payable against redemption of units	-	33,277	33,277
Unit holders' fund	3,276,636	-	3,276,636
	<u>3,276,636</u>	<u>47,571</u>	<u>3,324,207</u>

24. FINANCIAL RISK MANAGEMENT

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

24.1 Market risk

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

The Management Company manages market risk by monitoring exposure on marketable securities by following the internal risk management policies and the investment guidelines approved by the Investment Committee and regulations laid down by SECP.

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

24.1.1 Currency risk

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

24.1.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund does not hold any variable rate instrument and is not exposed to cash flow interest rate risk except for balances in profit and loss sharing accounts the interest rate of which ranges between 4% to 6.1% per annum.

In case of 1% increase / decrease in the interest rates on profit and loss sharing accounts with banks, the net income would have increased / decreased by Rs. 25.536 million.

As at June 30, 2016, the Fund holds GoP Ijara Sukuks and Other Sukuks which exposes the Fund to interest rate risk. In case of increase / decrease in the coupon rates through out the year, with all other variables held constant, the income on these sukuks will fluctuate. In case of 100 basis points increase / decrease in the coupon rates through out the year, the net income for the year and the net assets as at June 30, 2016 would have been higher / lower by Rs. 9.254 million.

As at June 30, 2017 the Fund holds balances in saving accounts the interest rate of which in certain circumstances is 4% to 5.8%.

The composition of the Fund's investment portfolio and the MUFAP rates are expected to change over time. Therefore, the sensitivity analysis is not necessarily indicative of the effect on the Fund's net assets due to future movements in interest rates.

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

Particulars	As at June 30, 2017					Total
	Profit Rate / Coupon Rate	Exposed to Yield / Interest risk			Not exposed to Yield / Interest rate risk	
		Upto three months	More than three months and upto one year	More than one year		
	%	-----Rupees in '000-----				
On-balance sheet financial instruments						
Financial assets						
Balances with banks	4.00 - 5.80	2,553,569	-	-	385	2,553,954
Investments	5.24 - 7.25	113,594	1,318,800	-	-	1,432,394
Profit receivable		-	-	-	23,517	23,517
Security deposit		-	-	-	100	100
Sub total		2,667,163	1,318,800	-	24,002	4,009,965
Financial liabilities						
Payable to ABL Asset Management Company Limited - Management Company		-	-	-	14,617	14,617
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	392	392
Dividend payable		-	-	-	18	18
Accrued expenses and other liabilities		-	-	-	5,509	5,509
Payable against redemption of units		-	-	-	8,241	8,241
Sub total		-	-	-	28,777	28,777
On-balance sheet gap (a)		2,667,163	1,318,800	-	(4,775)	3,981,188
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a+b)		2,667,163	1,318,800	-	(4,775)	3,981,188
Cumulative interest rate sensitivity gap		2,667,163	3,985,963	3,985,963		

Particulars	As at June 30, 2016					Total
	Profit Rate / Coupon Rate	Exposed to Yield / Interest risk			Not exposed to Yield / Interest rate risk	
		Upto three months	More than three months and upto one year	More than one year		

% -----Rupees in '000-----

On-balance sheet financial instruments

Financial assets

Balances with banks	5.00 - 6.10	1,708,489	-	-	48,324	1,756,813
Investments	5.46 - 8.34	363,363	1,210,114	-	-	1,573,477
Profit receivable		-	-	-	14,357	14,357
Security deposit		-	-	-	100	100
Sub total		2,071,852	1,210,114	-	62,781	3,344,747

Financial liabilities

Payable to ABL Asset Management Company Limited - Management Company		-	-	-	13,320	13,320
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	323	323
Dividend payable		-	-	-	32	32
Accrued expenses and other liabilities		-	-	-	619	619
Payable against redemption of units		-	-	-	33,277	33,277
Sub total		-	-	-	47,571	47,571

On-balance sheet gap (a) 2,071,852 1,210,114 - 15,210 3,297,176

Off-balance sheet financial instruments - - - - -

Off-balance sheet gap (b) - - - - -

Total interest rate sensitivity gap (a+b) 2,071,852 1,210,114 - 15,210 3,297,176

Cumulative interest rate sensitivity gap 2,071,852 3,281,966 3,281,966

b) Sensitivity analysis for fixed rate instruments

The Fund currently does not have any fixed rate instruments that are impacted by market interest rates.

24.1.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer or factors affecting all similar financial instruments traded in the market. At present, the Fund is not exposed to price risk.

24.2 Credit risk

Credit risk represents the risk of a loss if the counter parties fail to perform as contracted. The Fund's credit risk is primarily attributable to its investments and balances with banks. The Fund does not foresee any credit risk with respect to GoP Ijara Sukuks since these are securities issued by State Bank of Pakistan on behalf of the Government of Pakistan. The credit risk on other financial assets is limited because the counter parties are mainly companies / financial institutions with reasonably high credit ratings. In addition, the internal risk management policies and investment guidelines (approved by Investment Committee) require the Fund to invest in debt securities that have been rated as investment grade by a well known rating agency.

24.2.1 The analysis below summarises the credit rating quality of the Fund's financial assets as at June 30, 2017:

Balances with banks by rating category

Name of the Bank	Rating Agency	Latest available published rating	Percentage of Bank Balance
Albaraka Islamic Bank Limited	PACRA	A	0.02%
Dubai Islamic Bank Pakistan Limited	JCR-VIS	A+	0.02%
United Bank Limited	JCR-VIS	AAA	0.14%
Bank Alfalah Limited	JCR-VIS	AA+	0.03%
Allied Bank Limited	PACRA	AA+	20.12%
Askari Bank Limited	PACRA	AA+	15.78%
Bank Islami Pakistan Limited	PACRA	A+	34.90%
Soneri Bank Islami Banking	PACRA	AA-	28.99%

Term deposit receipt by rating category

Name of the Bank / Investee Company	Rating Agency	Latest available published rating	Percentage of term deposit receipts
Soneri Bank Islami Banking	PACRA	AA-	100%

Sukuks other than GoP Ijara Sukuks by rating category

Name of the issuer / issue date	Rating Agency	Latest available published rating of the instruments	Percentage of Sukuks
K-Electric / June 17, 2015	MUFAP	AA+	10.59%
Fatima Fertilizer / November 28, 2016	MUFAP	AA-	15.30%
Meezan Bank Limited / September 06, 2016	MUFAP	AA-	36.56%

There are no financial assets that are past due or impaired.

Concentration of credit risk

Concentration of risk arises when a number of financial instruments or contracts are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. The Fund's portfolio of the financial instruments is mainly held with various banks, securities issued by the State Bank of Pakistan on behalf of the Government of Pakistan and certain privately placed sukuks.

24.2.2 Liquidity risk

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

The Fund is exposed to daily cash redemptions at the option of unit holders. The Fund's approach to manage liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions without incurring unacceptable losses or risking damage to the Fund's reputation. The Fund's policy is therefore to invest the majority of its assets in investments that are traded in an active market and can be readily realised and are considered readily realisable.

The Fund has the ability to borrow in the short term to ensure settlements. The maximum amount available to the Fund from the borrowing would be limited to fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund. The facility would bear interest at commercial rates. However, no borrowing was obtained by the Fund during the current year.

In order to manage the Fund's overall liquidity, the Fund has the ability to withhold daily redemption requests in excess of ten percent of units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withheld any redemptions during the year.

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

Particulars	As at June 30, 2017			
	Upto three months	More than three months and upto one year	More than one year	Total

-----Rupees in '000-----

Liabilities

Payable to ABL Asset Management Company Limited - Management Company	14,617	-	-	14,617
Payable to Central Depository Company of Pakistan Limited - Trustee	392	-	-	392
Dividend payable	18	-	-	18
Accrued expenses and other liabilities	5,509	-	-	5,509
Payable against redemption of units	8,241	-	-	8,241
Unit holders' fund	3,967,784	-	-	3,967,784
	3,996,561	-	-	3,996,561

Particulars	As at June 30, 2016			
	Upto three months	More than three months and upto one year	More than one year	Total

-----Rupees in '000-----

Liabilities

Payable to ABL Asset Management Company Limited - Management Company	13,320	-	-	13,320
Payable to Central Depository Company of Pakistan Limited - Trustee	323	-	-	323
Dividend payable	32	-	-	32
Accrued expenses and other liabilities	619	-	-	619
Payable against redemption of units	33,277	-	-	33,277
Unit holders' fund	3,276,636	-	-	3,276,636
	3,324,207	-	-	3,324,207

25. FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS 13 "Fair Value Measurement" defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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.

The fair value of financial assets and liabilities traded in active market are based on the quoted market price at the close of trading on the period end date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from the carrying values as the items are either short-term in nature or periodically repriced.

Fair value hierarchy

IFRS 13 requires the Fund to classify financial instruments using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

Investment of the Fund carried at fair value are categorised as follows:

	As at June 30, 2017			
	Level 1	Level 2	Level 3	Total
Assets	----- Rupees in '000 -----			
Investment in securities - financial assets at fair value through profit or loss - held for trading				
- GoP Ijara Sukuks	-	402,680	-	402,680
- Other Sukuks	-	669,714	-	669,714
	As at June 30, 2016			
	Level 1	Level 2	Level 3	Total
Assets	----- Rupees in '000 -----			
Investment in securities - financial assets at fair value through profit or loss - held for trading				
- GoP Ijara Sukuks	-	428,358	-	428,358
- Other Sukuks	-	943,119	-	943,119

26. UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. The unit holders of the Fund are entitled to distributions and to payment of a proportionate share based on the Fund's net asset value per unit as of the close of the business day less any back end load, provision for transaction costs and any provision for duty and charge, if applicable. The relevant movements are shown on the statement of movement in unit holders' fund.

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

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

In accordance with the risk management policies, the Fund endeavors to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption requests. Such liquidity is augmented by short-term borrowings or disposal of investments, where necessary.

As required under the NBFC Regulations, every open end scheme shall maintain minimum fund size (i.e. net assets of the Fund) of Rs. 100 million at all times during the life of scheme. The Fund has maintained and complied with the requirements of minimum fund size during the year.

27. GENERAL

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

27.2 Corresponding figures have been rearranged and reclassified, where necessary, for the purpose of better presentation. No significant rearrangement or reclassification were made in these financial statements.

28. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on August 23, 2017 by the Board of Directors of the Management Company.

For ABL Asset Management Company Limited
(Management Company)

■ ■
ALEE KHALID GHAZNAVI
Chief Executive Officer


MUHAMMAD KAMRAN SHEHZAD
Director

	میوچل فنڈز	2
	ڈائریکٹرز اور ان کے شریک حیات اور نابالغ بچے	3
	ایگزیکٹوز	4
546	• جناب ثاقب متین	
-	پبلک سیفٹ کی کمپنیاں اور کارپوریشنز	5
62,316,392	دیگر کارپوریشنز	6
25,801,295	پینک، ڈی ایف آئیز، این بی ایف سیز، انشورنس کمپنیاں، مکافل، مضاربہ اور پینشن فنڈ	7
-	شیئر ہولڈرز جو پانچ فیصد یا زائد ہولڈنگ کے حامل ہیں لسٹڈ کمپنی میں ووٹ دینے کا حق رکھتے ہیں	8

آڈیٹرز

میسرز اے ایف فرگوسن اینڈ کمپنی (چارٹرڈ اکاؤنٹینٹس) کو اہل ہونے کی بنیاد پر بورڈ آف ڈائریکٹرز کی آڈٹ کمیٹی کی سفارشات پر 30 جون 2018 کو ختم ہونے والے سال کے لئے اے بی ایل اسلامک انکم فنڈ (اے بی ایل - آئی آئی ایف) کے آڈیٹرز کی حیثیت سے دوبارہ مقرر کیا جا رہا ہے۔

فنڈ کے استحکام کی ریٹنگ

جے سی آر - وی آئی ایس کریڈٹ ریٹنگ کمپنی لمیٹڈ (JCR-VIS) نے 30 دسمبر 2016 کو اے بی ایل انکم فنڈ کے فنڈ کے استحکام کی ریٹنگ کی 'A(f)' (سنگل اے (ایف)) پر دوبارہ توثیق کی ہے۔

بینجمنٹ کو الٹی ریٹنگ

30 دسمبر 2016 کو جے سی آر - وی آئی ایس کریڈٹ ریٹنگ کمپنی لمیٹڈ نے اے بی ایل ایسیٹ مینجمنٹ کمپنی لمیٹڈ (اے بی ایل - اے ایم سی) کی بینجمنٹ کو الٹی ریٹنگ کی 'AM2+' (اے - ٹو - پلس) مع "مستحکم" آڈٹ لک پر دوبارہ توثیق کی ہے۔

آڈٹ لک اور حکمت عملی

اگرچہ اقتصادی شرح نمو کا سلسلہ پورے سال برقرار رہا ہے مگر پی آئی آئی سے متعلق خطرات اور ادائیگیوں کے بیٹلس کی صورت حال معیشت کے لئے سخت چیلنجز کا سبب بنی رہی اور یہ مالی سال 18ء میں بھی مانیٹری اور مالیاتی پالیسیوں کی مجموعی سمت پر دباؤ برقرار رکھ سکتی ہے۔ بیرونی جانب درآمدات میں مہنگائی کے ضمن میں تجارتی خسارہ بڑھ جانے اور زرتزیل میں کمی آنے سے زرمبادلہ کی شرح کے محاذ پر کمزوری ظاہر ہو سکتی ہے۔ پاک روپے کی قدر میں کمی مالیاتی خسارہ کو مزید بڑھانے کے ساتھ افراط زر کی مرکزی سطح پر برے اثرات مرتب کرے گی۔

مذکورہ بالا مستحکم مفروضوں کی بنیاد پر ہم یقین کرتے ہیں کہ اسٹیٹ بینک آف پاکستان مالی سال 18ء میں مستحکم پالیسی ریٹ برقرار رکھے گا لہذا ہم ایک مختصر مدت کا پورٹ فولیو رکھیں گے جبکہ فلوئنگ ریٹ انسٹرومنٹس میں فنڈ کی پلیسمنٹ کے ذریعے حقیقی بنیاد پر توجہ دینے کے ساتھ بینک اور ڈی ایف آئیز کے پاس ڈپازٹس جمع رکھنے پر بھرپور توجہ دی جائے گی۔

اعتراف

ہم اپنے معزز انویسٹرز کے شکر گزار ہیں جنہوں نے ہم پر اعتماد ظاہر کیا۔ بورڈ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، ٹی سی (سینٹرل ڈپازٹری کمیٹی آف پاکستان لمیٹڈ) اور پاکستان اسٹاک ایکسچینج لمیٹڈ کی انتظامیہ کا بھی ان کی مستقل رہنمائی اور تعاون پر مشکور ہے۔ ڈائریکٹرز انتظامی ٹیم کی جانب سے کی گئی کاوشوں پر انہیں بھی خراج تحسین پیش کرتے ہیں۔

برائے اور منجانب بورڈ

علی خالد غزنوی
چیف ایگزیکٹو آفیسر

لاہور، 23 اگست 2017

14- انتظامی کمیٹی کے بورڈ کی ہیومن ریسورس اورری میونریشن کمیٹی کے اجلاس سال میں کم از کم تین مرتبہ منعقد کرنا ضروری ہے۔ سال کے دوران 12 اجلاس منعقد ہوئے۔ بورڈ کی ہیومن ریسورس اورری میونریشن کمیٹی کا 19 واں اور 20 واں اجلاس 15 دسمبر 2016 اور 20 مارچ 2017 کو منعقد کیا گیا۔ اجلاسوں میں ڈائریکٹرز کی جانب سے شرکت کے سلسلے میں تفصیل ذیل میں درج ہے۔

نمبر شمار	ڈائریکٹر کا نام	اجلاسوں کی تعداد		چھٹی منظور کی گئی	اجلاسوں میں عدم شرکت
		منعقد ہوئے	شرکت کی گئی		
1	جناب محمد وسیم مختار	2	2	-	-
2	جناب کامران نشاط	2	2	-	-
3	جناب علی خالد غزنوی	2	2	-	-

15- انتظامی کمیٹی کے بورڈ کی آڈٹ کمیٹی کے اجلاس ہر سہ ماہی میں کم از کم ایک بار منعقد کرنا ضروری ہے۔ سال کے دوران چار اجلاس منعقد کئے گئے۔ بورڈ کی آڈٹ کمیٹی کا 37 واں، 38 واں، 39 واں اور 40 واں اجلاس بالترتیب 17 اگست 2016، 28 اکتوبر 2016، یکم فروری 2017 اور 21 اپریل 2017 کو منعقد کیا گیا۔ اجلاسوں میں ڈائریکٹرز کی جانب سے شرکت کے سلسلے میں تفصیل ذیل میں درج ہے۔

نمبر شمار	ڈائریکٹر کا نام	اجلاسوں کی تعداد		چھٹی منظور کی گئی	اجلاسوں میں عدم شرکت
		منعقد ہوئے	شرکت کی گئی		
1	جناب کامران نشاط	4	4	-	-
2	جناب محمد وسیم مختار	4	4	-	-
3	جناب ایم کامران شہزاد	4	4	-	-

16- اے بی ایل اسلامک انکم فنڈ میں ہولڈنگ کے طریقہ کار کے بارے میں کوڈ آف کارپوریٹ گورننس کی جانب سے درکار تفصیلات ذیل میں دی جا رہی ہیں۔

نمبر شمار	تفصیلات	30 جون 2017 کو موجودہ پونٹس
1	ایسوسی ایٹڈ کمپنیاں، انڈر ٹیکنگ اور منسلک پارٹیاں	
	• اے بی ایل اے ایم سی ایل اسٹاف پراویڈنٹ فنڈ	932,242
	• MCBFSL ٹرسٹی اے بی ایل IFPF - ایکٹو ایلوکیشن پلان	158,187
	• MCBFSL ٹرسٹی اے بی ایل IFPF - کنزرویٹو ایلوکیشن پلان	25,355,115
	• MCBFSL ٹرسٹی اے بی ایل IFPF - ایگریسیو ایلوکیشن پلان	10,498,297
	• MCBFSL ٹرسٹی اے بی ایل IFPF - اسٹریٹیجک ایلوکیشن پلان	10,233,235
	• MCBFSL ٹرسٹی اے بی ایل IFPF - اسٹریٹیجک ایلوکیشن پلان II	25,319,427
	• MCBFSL ٹرسٹی اے بی ایل IFPF - اسٹریٹیجک ایلوکیشن پلان III	72,469,977
	• ملت ٹریڈنگز لمیٹڈ	39,669,256
	• مولرا اینڈ فیس پاکستان (پرائیویٹ) لمیٹڈ، آفیسرز گریجویٹ فنڈ	3,887,919
	• مولرا اینڈ فیس پاکستان (پرائیویٹ) لمیٹڈ، اسٹاف پراویڈنٹ فنڈ	3,463,347

- 5- اندرونی کنٹرول کا نظام مستحکم طور پر تشکیل دیا گیا ہے اور موثر طور پر نافذ العمل اور زیر نگرانی رہتا ہے۔
- 6- اس امر میں کوئی شبہ نہیں کہ فنڈز میں آگے بڑھنے کی صلاحیت مکمل طور پر موجود ہے۔
- 7- کارپوریٹ گورننس کے بہترین طریقہ کار سے کہیں انحراف نہیں کیا گیا جیسا کہ لسٹنگ ریگولیشنز میں تفصیل سے درج ہے۔
- 8- فنڈ کی کارکردگی کا جدول سالانہ رپورٹ کے صفحہ نمبر۔۔۔۔۔ پر درج ہے۔
- 9- کسی واجب الادا انکیسز، ڈیویڈنڈ، لیویز اور چارجز کے ضمن میں کوئی قانونی ادائیگی نہیں ماسوائے ان کے جن کو مالیاتی حسابات میں پہلے ہی واضح کیا جا چکا ہے۔
- 10- پراویڈنٹ فنڈ کی سرمایہ کاریوں کی مالیت کے طور پر حسابات فنڈ کی صورت میں نافذ العمل نہیں ہے کیونکہ ملازمین کی سبکدوشی پر مراعات کے اخراجات انتظامی کمیٹی کی ذمہ داری ہوتے ہیں۔
- 11- ڈائریکٹرز، سی ای او، سی ایف او، سی آئی اے اور کمیٹی سیکریٹری اور ان کے شریک حیات کی جانب سے فنڈ کے یونٹس میں کوئی خرید و فروخت نہیں کی گئی ماسوائے جیسا کہ ذیل میں اور مالیاتی حسابات میں واضح کر دیا گیا ہے۔

نمبر شمار	نام	عہدہ	جاری کردہ یونٹس	ری ڈیم کرائے گئے یونٹس	یونٹس یونٹس	منافع منقسمہ کے یونٹس
1	ثاقب متین	سی ایف او اینڈ سی ایس	-	129,128	-	20

- 12- سال کے دوران بورڈ کے کسی ڈائریکٹر نے ٹریڈنگ میں شرکت نہیں کی جیسا کہ کوڈ کے تحت ضروری ہے۔ تاہم تین ڈائریکٹرز نے ”بورڈ ڈیولپمنٹ سیریز“ پروگرام کے تحت سرٹیفیکیشن حاصل کی جبکہ ایک ڈائریکٹر کوڈ کے تحت ڈائریکٹر ٹریڈنگ پروگرام سے مستثنیٰ ہے۔ ڈائریکٹرز فنڈ کے لئے نافذ العمل تمام متعلقہ قوانین انتظامی کمیٹی کے ضوابط، اس کی پالیسیوں اور طریقہ کار سمیت میمورنڈم اور آرٹیکلز آف ایسوسی ایشن کی شقوق سے بخوبی آگاہ ہونے کے ساتھ اپنے فرائض اور ذمہ داریوں سے واقف ہیں۔
- 13- انتظامی کمیٹی کے بورڈ آف ڈائریکٹرز کے اجلاس ہر سہ ماہی میں کم از کم ایک بار منعقد ہوتے ہیں۔ سال کے دوران چار اجلاس منعقد کئے گئے۔ بورڈ آف ڈائریکٹرز کا 48 واں، 49 واں، 50 واں اور 51 واں اجلاس بالترتیب 17 اگست 2016، 28 اکتوبر 2016، یکم فروری 2017 اور 21 اپریل 2017 کو منعقد ہوا۔ ان اجلاسوں میں ڈائریکٹرز کی جانب سے شرکت کی تفصیل ذیل میں درج ہے۔

نمبر شمار	ڈائریکٹر کا نام	اجلاسوں کی تعداد		چھٹی منظور کی گئی	اجلاسوں میں عدم شرکت
		منعقد ہوئے	شرکت کی گئی		
1	شیخ مختار احمد	4	4	-	-
2	محمد نعیم مختار	4	2	2	49 واں اور 50 واں
3	محمد وسیم مختار	4	4	-	-
4	طارق محمود*	2	1	1	49 واں
5	طاہر حسن قریشی**	2	2	-	-
5	کامران نشاٹ	4	3	1	50 واں
6	محمد کامران شہزاد	4	4	-	-
7	علی خالد غزنوی	2	2	-	-

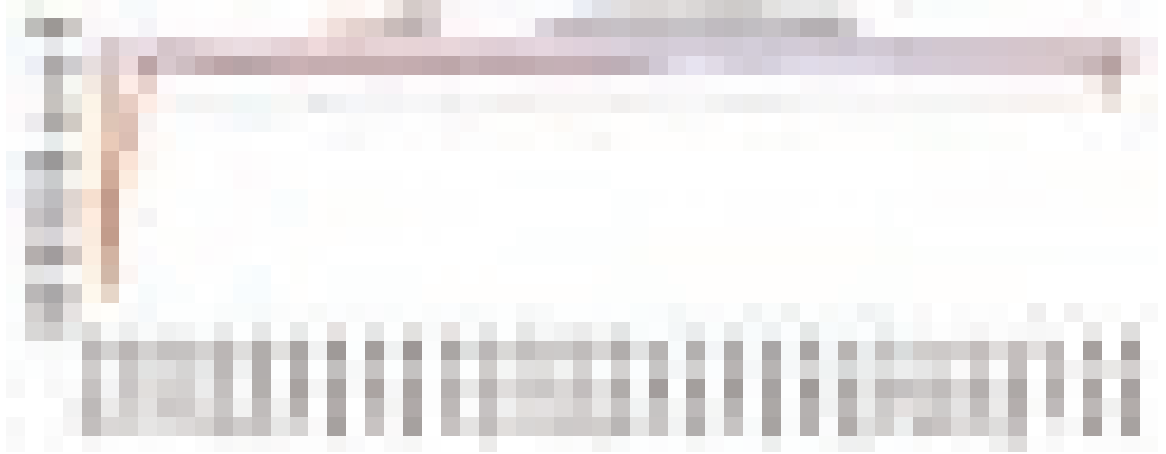
*31 دسمبر 2016 کو مستعفی ہو گئے

**3 فروری 2017 سے بحیثیت ڈائریکٹر مقرر کیا گیا

فنڈ کی کارکردگی

سال کے دوران اے بی ایل اسلامک انکم فنڈ کے اے یو ایم (AUM) 12.81 فیصد تک بڑھ کر 3.967 ارب پاک روپے پر بند ہوئے جو 30 جون 2016 کے مطابق 3.277 ارب پاک روپے پر تھے۔ اے بی ایل آئی آئی ایف نے 3.06 فیصد کے نیچے مارک منافع کے برخلاف 5.68 فیصد کا ایک امتیازی سالانہ منافع ظاہر کیا جس کے ذریعے 262 بنیادی پوائنٹس تک نیچے مارک کی غیر معمولی کارکردگی ظاہر ہوتی ہے۔ فنڈ کی بہتر کارکردگی بینک ڈپازٹس میں فنڈ کو برقرار رکھنے اور پرکشش نرخوں پر ٹی ڈی آرز کے ذریعے بلند تر حاصل کردہ آمدنی کی جزییشن کے ذریعے حاصل کی گئی۔ حکومت کی متحرک انتظامیہ اور کارپوریٹ سیکورس پورٹ فولیو بھی پورٹ فولیو کی بنیادی پیداوار میں اہم کردار رہا۔

سال کے دوران ہم نے خصوصی ایسیٹ کلاس میں مجموعی ایلوکیشن کو کم کرتے ہوئے کارپوریٹ سیکورس پورٹ فولیو پر فوائد کو تسلیم کرنے پر توجہ مرکوز رکھی اور خصوصی ایسیٹ کلاس کو مالی سال 16ء کے 28.20 فیصد سے کم کر کے مالی سال 17ء کے اختتام پر 16.70 فیصد پر لائے سال کے دوران فنڈ نے 10.04 فیصد کے پھیلاؤ تک تازہ ترین پی آئی ایس اجرام میں فریش ایکسپوزر بھی تیار کیا جو بڑھتی ہوئی مارکیٹ کی طلب اور ایس ایل آر کی ایل اسلامی انسٹرومنٹس کی محدود فراہمی کے امکان پر تھا۔



منافع منقسمہ

اے بی ایل ایسیٹ مینجمنٹ کمپنی لمیٹڈ (اے بی ایل اے ایم سی ایل) کے چیف ایگزیکٹو آفیسر نے بورڈ آف ڈائریکٹرز کی جانب سے 19 جون 2017 کو مدت ختم 30 جون 2017 کے لئے 0.4200 روپے فی یونٹ (10 روپے کی مجموعی مالیت کا 4.20 فیصد) کے عبوری منافع کی تقسیم کی منظوری دی ہے۔

کارپوریٹ گورننس کے ضابطے پر عملدرآمد

بورڈ آف ڈائریکٹرز واضح کرتے ہیں کہ:

- 1- مالیاتی حسابات شفاف طور پر کاروباری معاملات، آپریشنز کے نتائج، کیش فلوز اور یونٹ ہولڈرز کے فنڈ میں تبدیلیوں کو ظاہر کرتے ہیں۔
- 2- فنڈ کے حسابات کی باقاعدہ کتب تیار کی گئی ہیں۔
- 3- اکاؤنٹنگ کی درست پالیسیاں مالیاتی حسابات اور اکاؤنٹنگ کے تخمینہ جات کی تیاری میں مستقل طور پر لاگو کی گئی ہیں اور یہ موزوں اور محتاط فیصلوں پر مبنی ہیں۔
- 4- پاکستان میں مروجہ متعلقہ بین الاقوامی اکاؤنٹنگ اسٹینڈرڈز، نان-بینکنگ فنانس کمپنیز (اسٹیبلشمنٹ اینڈ ریگولیشنز) رولز 2003 اور نان-بینکنگ فنانس کمپنیز و نوٹیفائیڈ اینٹی ٹریڈ ریگولیشنز 2008 کی شقیں، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے جاری کردہ ٹرسٹ ڈیڈ اور ہدایات پر مالیاتی حسابات کی تیاری کے لئے مکمل عملدرآمد کیا گیا ہے۔

میوچل فنڈ انڈسٹری کا جائزہ

پاکستان کی اوپن اینڈ میوچل فنڈ انڈسٹری کی مینجمنٹ کے تحت مجموعی اثاثہ جات (AUMs) نے مالی سال 2017 میں 39.9 فیصد کی مستحکم شرح نمو ظاہر کی اور بڑھ کر 473 ارب پاک روپے سے 662 ارب پاک روپے ہو گئے۔ یہ گروتھ ایکویٹی اور اسلامک ایکویٹی فنڈز کی کٹیگری کے ذریعے ممکن ہوئی جس نے شرح نمو میں 58.2 فیصد کی شراکت کی۔ ایکویٹی کا شعبہ مرکز نگاہ بنا رہا جس کی وجہ سے 1) سافٹ افراط زر کے آؤٹ لک، کم شرح سود، امن وامان کی صورت حال میں بہتری کے باعث کارپوریٹ منافع جات میں بہتری اور 2) MSCI FM انڈیکس سے MSCI EM انڈیکس تک ری کلاسیفیکیشن پر ریلی تھی۔ صنعت میں اسلامک سرمایہ کاری کے مواقع میں انویسٹری بڑھتی ہوئی دلچسپی دیکھی گئی جیسا کہ اس حقیقت سے واضح ہے کہ مجموعی اے یو ایم (AUM) کی شرح نمو کا 75.1 فیصد شریعت کمپلائنس فنڈز سے حاصل کیا گیا۔

مجموعی بنیاد پر فکسڈ انکم کٹیگری (آکم، ایگریسیو انکم اور منی مارکیٹ فنڈز پر مشتمل) نے 3.6% YoY کی کمی رجسٹرڈ کی اور جون 2017 میں 156 ارب پاک روپے پر بند ہوئے جو اس کے مقابلے میں جون 2016 میں 162 ارب پاک روپے تھے۔ فکسڈ انکم مارکیٹ میں شرح سود متوقع طور پر بڑھنے کے ساتھ مختصر مدت کی منی مارکیٹ کے فنڈز مالی سال 2017 میں 43.2% YoY تک اضافے کے ساتھ 71 ارب پاک روپے ہو گئے۔ دوسری جانب اسلامک انکم فنڈز (اسلامک انکم، اسلامک منی مارکیٹ اور اسلامک ایگریسیو انکم پر مشتمل) کے اے یو ایم (AUMs) YoY 49.9% تک بڑھ کر 58 ارب پاک روپے تک بڑھ گئے جس کی بڑی وجہ اسلامی سرمایہ کاریوں میں انویسٹری بڑھتی ہوئی دلچسپی تھی۔ چونکہ شرح سود میں کمی رونما ہوئی ہے اس لئے شرح سود میں کوئی بھی بہتری سرمایہ کاروں کے لئے فکسڈ انکم کے شعبے میں پرکشش ترغیب کا باعث ہوگی۔

اسلامک منی مارکیٹ کا جائزہ

اسلامی حوالے سے منی مارکیٹ انتہائی لیکویڈ سطح پر رہی جہاں پر YoY 17.1% کی وسیع تر ڈپازٹ شرح نمو (ڈپازٹس برطابق 30 مارچ 2017) کے باعث 6 ماہ کے ٹریڈری بل (T-Bills) سے چھٹی سطح پر 25-50 bps پر موجود رہے۔ مزید برآں اسلامک بینکنگ انسٹی ٹیوشنز کے ڈپازٹس کا مارکیٹ شیئر مجموعی بینکنگ ڈپازٹس میں مارچ 2017 کے اختتام پر 13.2 فیصد پر موجود تھا۔ اسی طرح مجموعی بینکاری کے حجم میں اسلامی بینکاری کے مجموعی اثاثہ جات بھی مارچ 2017 تک 11.7 فیصد تک بڑھ گئے جو کہ جون 2016 میں 11.4 فیصد تھے۔ مالی سال 17ء کے دوران حکومت پاکستان (GoP) نے 25 جون 2017 کو 150 ارب پاک روپے مالیت کے اجارہ سکوک 15 کو مچھوڑا۔ جس کے نتیجے میں اسٹیٹ بینک پاکستان (ایس بی پی) نے 29 جون 2017 کو اجارہ سکوک کا نیا مینٹننس کیا ہے اور اجارہ سکوکس مالیت 71 ارب پاک روپے (مچھوڑی کی رقم کے 21 ارب پاک روپے اضافی) جاری کئے تاکہ اسٹیٹ پوٹری لیکویڈیٹی ریکوائزمنٹس (statutory liquidity requirements) یعنی قانونی لیکویڈیٹی کی شرائط (SLR) کو پورا کرنے کے لئے اسلامی بینکوں کی مدد کی جاسکے۔ تازہ ترین اجارہ سکوکس 5.24 فیصد کے فکسڈ ریٹ پر جاری کئے گئے تھے۔ یہ مارچ 2016 سے پہلا اجارہ سکوک نیلام تھا جس میں 4.00 فیصد سے 6.49 فیصد کی رینج میں پیشکشوں کے ساتھ 167 ارب پاک روپے کی بڑی شراکت کی گئی تھی۔ حکومت پاکستان نے اکتوبر 2016 میں 5.5 فیصد کی شرح پر بین الاقوامی مارکیٹ میں 1.0 ارب امریکی ڈالر کے اجارہ سکوک جاری کئے تاکہ غیر ملکی زرمبادلہ میں اضافہ کیا جاسکے۔ یہ کارپوریٹ سکوک کے اجراء کا بڑھتا ہوا رجحان تھا جیسا کہ فاطمہ فریڈاٹرز، میزبان بینک اور پاک الیکٹرون نے 19 ارب پاک روپے مالیت کے سکوکس جاری کئے جو پرکشش نرخوں پر شریعت کے مطابق انسٹرومنٹس کی محدود دستیابی کے باعث اوور سبسکرائبڈ ہو گئے۔

مالی سال 2017 کے لئے M2 گروتھ 13.7 فیصد ظاہر کی گئی اس کے مقابلے میں گزشتہ سال کی اسی مدت میں یہ 13.6 فیصد تھی۔ رقم کی فراہمی میں اضافہ بنیادی طور پر نیٹ ڈومیسٹک ایسیٹس (NDA) میں 18.3 فیصد اضافے (2,161 ارب پاک روپے) سے منسوب ہے جیسا کہ نجی شعبے کے لئے کریڈٹ مالی سال 2017 میں 748 ارب پاک روپے تک بڑھ گیا جو گزشتہ مالی سال کی اسی مدت 447 ارب پاک روپے تھا۔ نیٹ فارن ایسیٹس (NFA) 40.2 فیصد کی نمایاں کمی ظاہر کرتے ہوئے مالی سال 2017 میں 602 ارب پاک روپے پر جا پہنچے جو گزشتہ مالی سال کی اسی مدت میں 1,008 ارب پاک روپے تھے اور اس کی وجہ وسیع تر بیرونی قرضہ جاتی سروس اور تجارتی خسارے میں اضافہ تھا۔ تجارتی بینکوں سے سرکاری قرضے مالی سال 2017 میں 179 ارب پاک روپے تک بڑھ گئے جو گزشتہ مالی سال کے دوران 1,278 ارب پاک روپے تھے۔ اسٹیٹ بینک آف پاکستان سے حکومتی قرضے میں 908 ارب پاک روپے تک اضافہ ہوا کیونکہ آئی ایم ایف پروگرام کی تکمیل پر حکومت کو مزید سہولت میسر آ گئی تھی۔

کموڈٹی نرخوں عالمی سطح پر طلب (بالخصوص یوروزون میں) اور دیگر علاقائی کرنسیوں کے مقابلے میں مستحکم مقامی زرمبادلہ کی شرح (دوبارہ 126.4 پاک روپے/ امریکی ڈالر) کے نتیجے میں YoY 1.4% کی شرح سے برآمدات کم ہو کر مالی سال 2017 میں 21.7 ارب امریکی ڈالر رہ گئیں جو مالی سال 2016 میں 21.9 ارب امریکی ڈالر تھیں۔ مزید برآں سروسز خسارے میں YoY 4.9% اضافہ ہوا جس کی وجہ کولیشن سپورٹ فنڈ (CSF) کے تبادلے میں کمتر انفلووز کے سبب ٹریڈ اکاؤنٹ کی صورتحال کا خراب ہونا اور سال کے لئے ٹریڈ خسارہ YoY 39.4% تک بڑھ کر 26.9 ارب امریکی ڈالر ہو جانا تھا جو اس کے مقابلے میں گزشتہ سال 19.3 ارب امریکی ڈالر تھا۔ زرتریل میں YoY 3.1% تک کمی آئی اور یہ 19.3 ارب امریکی ڈالر رہا جس کی وجہ MENA ریجن میں اقتصادی سرگرمیوں کا سست ہو جانا تھا جس سے کرنٹ اکاؤنٹ پر مزید داؤ بڑھا اور مالی سال 2017 کے دوران جی ڈی پی کا خسارہ 4.0 فیصد ہو گیا جو مالی سال 2016 میں 1.7 فیصد تھا۔ مزید برآں کرنٹ اکاؤنٹ خسارہ میں فنانس کے لئے ناکافی سرمایہ کاریاں، جو توقعات سے زیادہ بلند سطح پر رہیں اور اس کے ساتھ بیرون ملک محنت کشوں کے زرتریل میں مسلسل کمی نے ملک کے غیر ملکی زرمبادلہ کے ذخائر کو 23.1 ارب امریکی ڈالر سے کم کرتے ہوئے مالی سال 2017 میں 21.4 ارب امریکی ڈالر پر پہنچا دیا۔ زرمبادلہ کے ذخائر میں کمی کے باوجود ملک میں امریکی ڈالر کے مقابلے میں پاک روپے کی شرح 104.8 روپے پر مستحکم رہی جو مالی سال 2016 میں 104.4 روپے تھی۔

اقتصادی ترقی میں معاونت کی غرض سے اسٹیٹ بینک آف پاکستان (ایس پی پی) نے شدید افراط زر پیش نظر ہونے کے باوجود پالیسی ریٹ کو 5.75% کی تاریخی کم سطح پر برقرار رکھا۔ کثیر سالہ کمترین شرح سود اور امن و امان کی بہتر ہوتی صورتحال نے نجی شعبے کے کریڈٹ کو استحکام پہنچایا اور یہ مالی سال 2017 کے دوران 747.9 ارب پاک روپے (YoY 67.6% اضافہ) رہا۔ اسی طرح جی ڈی پی کے لئے مجموعی سرمایہ کاری کا تناسب مالی سال 2017 میں 15.8 فیصد تک بڑھ گیا جو گزشتہ سال 15.2 فیصد تھا۔ جی ڈی پی کے مجموعی بچت کا تناسب معمولی حد تک کم ہو کر مالی سال 2017 میں 13.1 فیصد ہو گیا جو گزشتہ سال 14.3 فیصد پر تھا۔



مالیاتی محاذ پر مجموعی بچت خسارہ بڑھ کر مالی سال 2017 کے 9 ماہ میں جی ڈی پی کا 3.9 فیصد ہو گیا جو گزشتہ سال کی اسی مدت (SPLY) میں جی ڈی پی کا 3.4 فیصد تھا۔ کمترین ریویو جزییشن نے مالیاتی کارکردگی پر اہم اثرات ظاہر کئے اس کے ساتھ مجموعی ریویو/ جی ڈی پی تناسب مالی سال 2017 کے 9 ماہ میں 9.4 فیصد تک پیچھے ہٹ گیا جو گزشتہ مالی سال کی اس مدت میں 10.0 فیصد پر تھا جبکہ موجودہ اخراجات قابل ذکر کمی کے ساتھ جی ڈی پی کے 11.5 فیصد سے کم ہو کر 10.8 فیصد ہو گئے۔ صوبائی سرپلس 138 ارب پاک روپے یا جی ڈی پی کا 0.4 فیصد ظاہر ہوا۔ اس کے باوجود یہ 339 ارب پاک روپے کے سالانہ ہدف سے کم پر برقرار رہا۔ پاکستان کی معیشت مستقبل طور پر اقتصادی استحکام کے دور سے گزرنے کے لئے تیار ہے کیونکہ چائنا پاکستان اکنامک کوریڈور (CPEC) پر تیزی سے کام جاری ہونے کے باعث معیشت میں 62 ارب امریکی ڈالر کی سرمایہ کاری متوقع ہے۔ سی پیک سے متوقع طور پر باہمی ٹریڈ فلوز اور پاور جزییشن کے ساتھ انفراسٹرکچر کو قابل قدر فروغ حاصل ہوگا جس سے معیشت کو نمایاں استحکام ملے گا۔ مزید برآں امن و امان کی بہتر صورتحال، تیل کی قیمتوں میں متوقع استحکام اور پاور سپلائی میں بہتری سے مجموعی طور پر اقتصادی سرگرمیاں تیزی سے فروغ پائیں گی۔ جائزے کے مطابق بیرونی اکاؤنٹ کے محاذ پر کرنسی کی قدر میں کمی اور بیرونی قرضے کا داؤ باعث تشویش رہیں گے۔

مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

اے بی ایل اسلامک انکم فنڈ (اے بی ایل-آئی ایف) کی انتظامی کمپنی اے بی ایل ایسیٹ مینجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز 30 جون 2017 کو ختم ہونے والے سال کے لئے اے بی ایل اسلامک انکم فنڈ کے آڈٹ شدہ مالیاتی حسابات پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

اقتصادی کارکردگی کا جائزہ

پاکستان کی اقتصادی کارکردگی نے پیشقدمی کرتے ہوئے مالیاتی سال 2017 میں ترقی کا سفر جاری رکھا اور 5.7 فیصد کے ہدف کے مقابلے میں 5.3 فیصد کی شرح سے مکمل دہائی کی سب سے بلند ترقی ڈی پی گروتھ حاصل کی۔ ملک کی تاریخ میں پہلی بار پاکستان کی معیشت 300 ارب امریکی ڈالر کے نشان کو عبور کر گئی۔ یہ زبردست شرح نمو بنیادی طور پر سروسز سیکٹر کی گروتھ (5.9 فیصد) اور صنعتی سیکٹر (5.0 فیصد) سے منسوب کی جاسکتی ہے جبکہ زرعی شعبے نے 3.5 فیصد کی شرح نمو ظاہر کی۔ سروس سیکٹر 5.7 فیصد کی ہدف شدہ شرح نمو کو عبور کرتے ہوئے مالی سال 2017 میں اقتصادی ترقی کے لحاظ سے اہم ترین شعبہ کی حیثیت سے ابھر کر سامنے آیا۔ گزشتہ سال کی خاموش شرح نمو کے مقابلے میں زرعی شعبہ فصلوں کی امدادی قیمت میں اضافے، زرعی شعبے کے لئے قرضوں میں اضافے کر دینے (704.5 ارب پاک روپے، +17.8% YoY)، کھادوں پر 25 ارب پاک روپے کی سبسڈی، ٹریڈرز پر سبزیوں میں 10 فیصد سے 5 فیصد تک کمی اور اس سے منسلک موافق موہمی صورتحال کے باعث دوبارہ بہتری کی جانب گامزن ہوتے ہوئے 3.5 فیصد پر آگیا (مالی سال 2016 میں -0.2 فیصد پر تھا)۔ مالی سال 2017 کے دوران صنعتی شعبے نے 5.0 فیصد کی شرح نمو ظاہر کی اور 78 bps YoY کی کمی دیکھنے میں آئی جبکہ لارج اسکیل میڈیونیکس (LSM) (بڑے پیمانے پر تیار کرنے والے شعبے) نے گزشتہ سال کے 3.3 فیصد کے برخلاف 4.6 فیصد کی شرح نمو ظاہر کی۔ گزشتہ تین سالوں کے دوران صنعتی شعبے کی شرح نمو بدستور 5 فیصد سے زائد پر برقرار رہے۔ دوسری جانب افراط زر کی شرح مالی سال 2017 میں 4.2 فیصد پر رہی جو گزشتہ سال 2.9 فیصد پر تھی۔ افراط زر میں تیزی کی وجہ بین الاقوامی ایشیائے ضروریہ کے نرخوں کی بحالی تھی۔ بالخصوص آئل، جیسا کہ برینٹ آئل YoY 16% اضافے کے ساتھ 50.9 امریکی ڈالر فی بیرل ہو گیا اور بڑھتی ہوئی معاشی سرگرمیوں کے باعث مقامی طلب میں اضافے کے باعث افراط زر کی شرح بڑھی۔ حوصلہ افزا امرچندر کاؤٹوں کے باوجود آئی ایم ایف کا پروگرام تھا، جو مالی سال 2017 میں مکمل ہو گیا جہاں حکومت نے وسیع طور پر ایک سہ ماہی میں اپنی کارکردگی پر پورا اترتے ہوئے اس کا بند و بست کیا جس کے نتیجے میں ایکسٹینڈڈ فنڈ فیسیلیٹی (EFF) پروگرام کے تحت 6.6 ارب امریکی ڈالر کی بروقت تقسیم ہوئی۔



بیرونی محاذ پر کرنٹ اکاؤنٹ خسارہ (CAD) 1.5x YoY تک بڑھ کر مالی سال 2017 میں 12.1 ارب امریکی ڈالر ہو گیا جو گزشتہ 9 سالوں کے دوران بلند ترین ہے۔ اس غیر معمولی اضافے کی وجہ ٹریڈ اکاؤنٹ کی بدترین صورتحال اور بیرون ملک محنت کشوں کی جانب سے بھیجی جانے والی زر ترسیل میں کمی تھی۔ سال کے دوران درآمدات 18.4 فیصد بڑھ کر 53.0 ارب امریکی ڈالر ہو گئی جس کی بڑی وجہ پاک چائنا اقتصادی راہداری (CPEC) سے منسلک پروڈیکٹس کے لئے متعلقہ مشینری کی درآمد تھی۔ کمزور



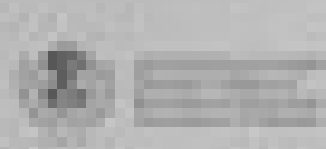
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