



ABL Government Securities Fund

# Nine Months Report

CONDENSED INTERIM FINANCIAL INFORMATION  
FOR THE PERIOD ENDED MARCH 31, 2042



ABL Asset Management

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# ABL GOVERNMENT SECURITIES FUND

## FUND'S INFORMATION

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<b>Management Company:</b>	ABL Asset Management Company Limited Plot/Building # 14, Main Boulevard, DHA, Phase - VI, Lahore - 54810	
<b>Board of Directors</b>	Sheikh Mukhtar Ahmed Mr. Mohammad Naeem Mukhtar Mr. Muhammad Waseem Mukhtar Mr. Tahir Hassan Qureshi Mr. Pervaiz Iqbal Butt Mr. Muhammad Kamran Shahzad Mr. Alee Khalid Ghaznavi	Chairman Non-Executive Director Non-Executive Director Non-Executive Director Independent Director Independent Director CEO/Executive Director
<b>Audit Committee:</b>	Mr. Muhammad Kamran Shahzad Mr. Muhammad Waseem Mukhtar Mr. Pervaiz Iqbal Butt	Chairman Member Member
<b>Human Resource and Remuneration Committee</b>	Mr. Muhammad Waseem Mukhtar Mr. Pervaiz Iqbal Butt Mr. Alee Khalid Ghaznavi Mr. Muhammad Kamran Shahzad	Chairman Member Member Member
<b>Chief Executive Officer of The Management Company:</b>	Mr. Alee Khalid Ghaznavi	
<b>Chief Financial Officer &amp; Company Secretary:</b>	Mr. Saqib Matin	
<b>Chief Internal Auditor:</b>	Mr. Kamran Shahzad	
<b>Trustee:</b>	Central Depository Company of Pakistan Ltd. CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shakra-e-Faisal, Karachi - 74400	
<b>Bankers to the Fund:</b>	Allied Bank Limited Bank Al- Falah Limited Faysal Bank Limited JS Bank Limited Sindh Bank Limited	
<b>Auditor:</b>	M/S. A.F. Ferguson & Co. Chartered Accountants State life Building No. 1-C I.I Chundrigar Road, Karachi.	
<b>Legal Advisor:</b>	Ijaz Ahmed & Associates Suite # 7, 11th Zamzama Street Phase-V, DHA Karachi.	
<b>Registrar:</b>	ABL Asset Management Company Limited. L - 48, Defence Phase - VI, Lahore - 74500	



## REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of ABL Asset Management Company Limited, the management company of ABL Government Securities Fund (ABL-GSF), is pleased to present the Condensed Interim Financial Statements (un-audited) of ABL Government Securities Fund for the nine months ended March 31, 2020.

### ECONOMIC PERFORMANCE REVIEW – 9MFY20

The disinflation continued in the country as we witnessed national CPI dropping at 10.24%YoY in March 2020 compared to 12.40%YoY in February 2020. The inflation fell on the back of lower food and fuel prices, and the base effect. The plunged local fuel prices were a reflection of a collapse in global oil prices owing to disagreement between OPEC and Russia over production cut. The average NCPI stands at 11.53%YoY during 9MFY20 against 6.31%YoY in the SPLY. Under the current pandemic scenario, we expect the inflation to fall further at a faster pace than expected given that the lockdown has affected the economic activities in the country while the commodities' prices have collapsed globally. However, we fear that any abnormal uptick in food prices due to supply disruption may result in the trend to act in the opposite direction.

The Government has been managing the current account effectively so far as it has come down by 71%YoY to USD 2.84bn during 8MFY20. The deficit predominantly plummeted due to 15%YoY lower imports to USD 42.08bn while the exports increased by 3%YoY to USD 20.1bn during 8MFY20. Furthermore, worker remittances also rose by 5% to USD 15.1bn aiding the current account. That said, foreign exchange reserves of the country stand USD 17.4bn as at March 27, 2020; providing an import cover of ~3.02 months. On the fiscal side, during 9MFY20, provisional tax collection has reached to PKR 3.06tn against the revised target of PKR 3.52tn reflecting a shortfall of PKR 458bn with PKR 261bn shortfall in Mar'20 only. The continuing lockdown negatively impacted the tax collection in recent month and the situation is expected to persist.

Pakistan's GDP growth was reported at 3.3%YoY in FY19 dropped from 5.2% in FY18. The growth slowed down due to economic reforms and fiscal measures adopted by the government. During the period of Jul-Jan 2020, the large scale manufacturing (LSM) has significantly dented by 3.37%YoY compared to a 1.60% decline in the SPLY. The major contributors in the downfall were the Automobile (-36.07%), Iron and Steel Products (-9.25%), Coke & Petroleum Products (-10.59%) and Electronics (-8.50%). The textile sector (+0.28%) could not perform well despite competitiveness granted by the devaluation. The performance is expected to worsen in the coming months due to the corona virus outbreak halting economic activities not just in the country but in the whole world. We expect the lock down to result in GDP contraction in the 4QFY20 leading to a lower growth rate in FY20 against target of 2.4%.

Going forward, especially in the short run, the direction of the market will be set by the situation of coronavirus pandemic in the country and the resulting impact on the economy. To stimulate the economy and manage the current crises, Prime Minister of Pakistan has announced a relief package of PKR 1.2tn covering i) reduction of prices of petrol, diesel and kerosene by PKR 15 per liter, ii) allocation of PKR 150bn to provide PKR 3,000 monthly to daily wagers for the period of 4 months, iii) allocation of PKR 100bn to SME and agriculture sectors, iv) allocation of PKR 100bn to export industry to release the sales tax refunds on immediate basis, v) allocation of PKR 50bn for Utility Store Corporation (USC) so that provision of essential food items at affordable price and uninterrupted food supply chain could be ensured, vi) the full gas bill while electricity bill upto 300 units can be paid in installments over 3 months, vii) allocation of PKR

50bn for the procurement of medical equipment, viii) lower or no tax on food items such as on imports of pulses, palm oil and others, ix) allocation of PKR 100bn for emergencies induced by coronavirus outbreak, x) allocation of PKR 25bn for National Disaster Management Authority (NDMA) to purchase and procuring of kits, xi) allocation of PKR 50bn for the medical staff, and xii) expansion of shelter homes to accommodate more people. In addition to this, a construction package has also been announced allowing i) fixed tax regime to be introduced for builders and developers, ii) builders and developers not to withhold tax on purchase of building material except cement, steel and services; iii) builders and developers to be eligible to tax credit up to 10x of tax already paid while declaring net worth iv) reduced tax rate by 90% for low cost housing/ projects developed by NAPHDA, v) exemption from Section 111 of Income Tax Ordinance 2001 (till June 30, 2022) for purchase of land and constructing any structure (house, commercial building, etc.), constructing any structure on already owned land and first purchase of newly constructed property, vi) rationalization of Capital Gain Tax (CGT), vii) valuation of real estate/plot, viii) rationalization / reduction in sales tax on construction material, ix) exemption of taxes on first house, x) sales tax to be levied at PKR 50 per square foot for builders and 100 per square yard for developers by all provinces and ICT, xi) exemption from sales tax on construction services, xii) complete exemption from sales tax for low cost housing by NAPHDA or provincial housing authorities, xiii) all provincial and municipal taxes, duties, fees, levies and charges on transfer and registration of urban properties to be clubbed under one head and charged at a rate of 2% of valuation, xiv) expediting the already initiated process of fresh master plans / updating of existing master plans and zoning, xv) fully automated one window portals by all provinces / development authorities to process approvals and facilitate other client services, xvi) status of industry to construction sector, and xvii) construction of 100,000 low cost housing to be initiated in the current year with mortgage at preferably 6%. Furthermore, the state bank of Pakistan (SBP), in an emergency meeting, further slashed the policy rate by 150 bps to 11% in addition to already announced cut of 75 bps in March MPC.

## **MUTUAL FUND INDUSTRY REVIEW – 9MFY20**

Total Assets under management (AUMs) of open end mutual fund posted a substantial growth of 20% during 9MFY20 from PKR 573bn to PKR 689bn, mainly on account of massive flow in money market fund. Money market fund including conventional and Islamic, witnessed immense growth of 70% to close the period at PKR 282bn. Similarly fixed income funds both conventional and Islamic posted growth of 47.9% to close 9MFY20 at PKR 172bn. This growth in money market fixed income funds can be attributed to record high interest rates, volatile equity markets amid coronavirus and oil price war.

On the equity side, we witnessed significant reduction of ~18% in AUMs from PKR 103bn to PKR ~83bn during 9MFY20. An important thing to note is a major reduction of ~24% from PKR 111bn to PKR 84bn recorded in the month of Mar'20 after the outbreak of coronavirus. Similar trend can be seen in Islamic equity funds where AUMs reduced from PKR 54bn to PKR 40.7bn during 9MFY20 with a major fall of ~29% only in March 2020.

### **Money Market Overview 9M:**

During the period under review, money market remained volatile as SBP's stance moved from monetary tightening to easing. SBP raised interest rates in July 2019 by 100 bps to combat rising inflation and attract foreign investments in PKR denominated debt instruments. However, these plans came undone when coronavirus upended the hopes for economic revival and SBP was forced to cut interest rate by 225bps in month of March 2020. Resultantly, we have witnessed ~USD 1.8bn outflow of Hot Money only in March 2020. Consequently, PKR/USD

depreciated during the month. Pakistan investment bonds (PIBs) trading yields came down from 13.72% to 9.15%, with a significant tilt towards longer tenor instruments to lock-in higher interest rates for the future. During the year, the money market witnessed a seasonal lack of liquidity as SBP continued with frequent open market operations (OMOs). At the end of the period under review, the SBP remained a net lender of worth PKR 937bn under a single reverse repo arrangement at a cut-off rate of 11.01%. On the T-bills side, the 3-Month cut off yields decreased from 12.75% to 11.30%. During the period under review, participation in 6 & 12M remained high as the market participants' expectation for inflation started to come down, signaling start of monetary easing by SBP. The cut-offs for 12M T-bill came down by ~323bps to 10.87% whereas the bond cut off yields for 3, 5 & 10 years closed at 11.59%, 11.99% & 10.85% respectively.

## **FUND PERFORMANCE**

During the period under review, ABL Government Securities Fund posted a return of 15.12% against the benchmark return of 13.35%. AUMs of ABL GSF closed at PKR 4,106.44 million at the end of Mar'20, as compared to PKR 4,069.59 million at the end of Dec'19.

Weighted average maturity of the fund increased to 591 days at the end of Mar'20 from 187 days at the end of Dec'19, primarily due to an increase in allocation to government securities. At the end of Mar'20, exposure in cash stood at 31.07%, 22.66% in Pakistan Investment Bonds (PIB), 36.00% in Treasury Bills and 9.39% in Corporate TFC's / Sukuk's.

## **AUDITORS**

M/s. A.F. Fergusons & Co. (Chartered Accountants), have been re-appointed as auditors for the year ending June 30, 2020 for ABL Government Securities Fund (ABL-GSF).

## **FUND STABILITY RATING**

JCR-VIS Credit Rating Company Ltd. (JCR-VIS) on January 20, 2020, has upgraded the Fund Stability Rating of ABL Government Securities Fund at 'A+(f)' (Single A Plus (f)).

## **MANAGEMENT QUALITY RATING**

On December 31, 2019, JCR-VIS Credit Rating Company Limited (JCR-VIS) has reaffirmed the Management Quality Rating of ABL Asset Management Company Limited (ABL AMC) to 'AM2++' (AM-Two-Double Plus). Outlook on the assigned rating is 'Stable'.

## **OUTLOOK**

We expect the interest rates to continue to reverse (downwards) in the coming months amid decreasing international oil prices. Inflation forecast for next quarter may provide significant room for further reduction in policy rate.

In the light of above scenario, ABL GSF will continue to take active exposure in longer tenor instruments such as 3 & 5 year Bond. We expect market yields to continue to decline while the yield curve is expected to stay inverted until a substantial reduction in Policy rate is made. The fund shall position itself as a high duration portfolio with exposures concentrated towards longer tenor along with active allocation in Floating Rate Instruments.

## 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



**Director**



**Alee Khalid Ghaznavi  
Chief Executive Officer**

**Lahore, April 29, 2020**

**ABL GOVERNMENT SECURITIES FUND  
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES  
AS AT MARCH 31, 2020**

	(Un-audited) March 31, 2020	(Audited) June 30, 2019
Note	----- (Rupees in '000) -----	
<b>Assets</b>		
Bank balances	4 1,411,958	2,089,059
Investments	5 3,092,911	3,280,471
Interest / profit accrued	24,128	48,945
Deposit, prepayment and other receivable	15,707	1,490
<b>Total assets</b>	4,544,704	5,419,965
<b>Liabilities</b>		
Payable to ABL Asset Management Company Limited - Management Company	6 69,411	58,435
Payable to the Central Depository Company of Pakistan Limited - Trustee	247	268
Payable to the Securities and Exchange Commission of Pakistan Limited	511	2,051
Payable against redemption of units	887	860
Payable against purchase of investment	351,410	2,513,747
Accrued expenses and other liabilities	7 15,797	33,538
<b>Total liabilities</b>	438,263	2,608,899
<b>NET ASSETS</b>	<u>4,106,441</u>	<u>2,811,066</u>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>	<u>4,106,441</u>	<u>2,811,066</u>
<b>CONTINGENCIES AND COMMITMENTS</b>	8	
	----- (Number of units) -----	
<b>NUMBER OF UNITS IN ISSUE</b>	<u>366,361,202</u>	<u>279,372,240</u>
	----- (Rupees)-----	
<b>NET ASSET VALUE PER UNIT</b>	<u>11.2087</u>	<u>10.0621</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

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



Chief Financial Officer



Chief Executive Officer



Director



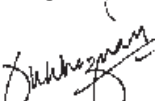
**ABL GOVERNMENT SECURITIES FUND  
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)  
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2020**

	For the nine months ended		For the Quarter ended	
	March 31,		March 31,	
	2020	2019	2020	2019
<b>Note</b>	----- (Rupees in '000) -----			
<b>Income</b>				
Income from government securities	165,003	49,414	85,481	16,412
Income from commercial paper	659	-	-	-
Income from reverse repo transactions	-	333	-	-
Income from term deposit receipts	-	3,695	-	-
Income from term finance certificates and sukuks	46,874	34,177	15,300	13,161
Profit on savings accounts	138,733	109,683	31,231	43,134
	351,269	197,302	132,012	72,707
Gain / (loss) on sale of investments - net	49,510	(8,269)	30,164	(5,743)
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	5.6	30,563	(5,267)	31,832
				3,030
	80,073	(13,536)	61,996	(2,713)
<b>Total income</b>	431,342	183,766	194,008	69,994
<b>Expenses</b>				
Remuneration of ABL Asset Management Company Limited				
- Management Company	6.1	31,962	25,148	12,414
Punjab sales tax on remuneration of the Management Company	6.2	5,114	4,024	1,986
Accounting and operational charges	6.4	5,647	2,010	992
Selling and marketing expenses	6.5	10,218	8,038	3,970
Remuneration of Central Depository Company of Pakistan Limited-Trustee		1,662	2,072	646
Sindh sales tax on remuneration of the Trustee		216	271	84
Annual fee to the Securities and Exchange Commission of Pakistan		511	1,509	198
Securities transaction costs		2,347	112	1,064
Settlement and bank charges		307	138	197
Legal & professional charges		60	81	-
Auditors' remuneration		410	399	120
Printing charges		150	100	49
Annual listing fee		21	21	7
Annual rating fee		200	200	66
<b>Total operating expenses</b>		58,825	44,123	21,793
<b>Net income for the period before taxation</b>		372,517	139,643	172,215
Taxation	9	-	-	-
<b>Net income for the period after taxation</b>		372,517	139,643	172,215
Other comprehensive income for the period		-	-	-
<b>Total comprehensive income for the period</b>		372,517	139,643	172,215
<b>Earnings per unit</b>	10			
<b>Allocation of net income for the period:</b>				
Net income for the period after taxation		372,517	139,643	172,215
Income already paid on units redeemed		(46,921)	(22,911)	(23,897)
		325,596	116,732	148,318
<b>Accounting income available for distribution:</b>				
-Relating to capital gains		80,073	-	61,996
-Excluding capital gains		245,523	116,732	86,322
		325,596	116,732	148,318

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

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

  
\_\_\_\_\_  
**Chief Financial Officer**

  
\_\_\_\_\_  
**Chief Executive Officer**

  
\_\_\_\_\_  
**Director**

**ABL GOVERNMENT SECURITIES FUND  
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND  
FOR THE NINE MONTHS ENDED MARCH 31, 2020**

	2020			2019		
	(Rupees in '000)					
	Capital Value	Un-distributed income	Total	Capital Value	Un-distributed income	Total
<b>Net assets at beginning of the period (audited)</b>	2,792,010	19,056	2,811,066	3,002,011	134,604	3,136,615
Issue of 346,985,045 (2019: 122,146,424) units						
- Capital value (at net asset value per unit at the beginning of the period)	3,491,398	-	3,491,398	1,228,925	-	1,228,925
- Element of income	156,273	-	156,273	34,214	-	34,214
Total proceeds on issuance of units	3,647,671	-	3,647,671	1,263,139	-	1,263,139
Redemption of 259,996,083 (2019: 156,081,320) units						
- Capital value (at net asset value per unit at the beginning of the period)	2,616,107	-	2,616,107	1,569,743	-	1,569,743
- Element of loss	61,785	46,921	108,706	5,361	22,911	28,272
Total payments on redemption of units	2,677,892	46,921	2,724,813	1,575,104	22,911	1,598,015
Total comprehensive income for the period	-	372,517	372,517	-	139,643	139,643
Distribution during the period						
2020: Nil (2019: Re 0.3994 per unit on July 03, 2018 Re 0.0800 per unit on August 01, 2018)	-	-	-	(18,892)	(100,099)	(118,991)
Net income / (loss) for the period less distribution	-	372,517	372,517	(23,898)	20,526	(3,372)
<b>Net assets at end of the period (un-audited)</b>	<u>3,761,789</u>	<u>344,652</u>	<u>4,106,441</u>	<u>2,666,148</u>	<u>132,219</u>	<u>2,798,367</u>
Undistributed income brought forward						
- Realised income		28,253			131,427	
- Unrealised (loss) / income		(9,197)			3,177	
		19,056			134,604	
Accounting income available for distribution						
- Relating to capital gains		80,073			-	
- Excluding capital gains		245,523			116,732	
		325,596			116,732	
Distribution during the period		-			(119,117)	
Undistributed income carried forward		344,652			132,219	
Undistributed income carried forward						
- Realised income		314,089			137,486	
- Unrealised income / (loss)		30,563			(5,267)	
		344,652			132,219	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the period			10.0621			10.5283
Net assets value per unit at end of the period			11.2087			10.6003

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

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

Chief Financial Officer

Chief Executive Officer

Director



**ABL GOVERNMENT SECURITIES FUND  
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2020**

	2020	2019
Note	------(Rupees in '000)-----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	372,517	139,643
<b>Adjustments:</b>		
Income from government securities	(165,003)	(49,414)
Income from term deposit receipts	-	(3,695)
Income from term finance certificates and sukuks	(46,874)	(34,177)
Profit on savings accounts	(138,733)	(109,683)
Income from reverse repo transactions	-	(333)
Net unrealised appreciation / (diminution) on re-measurement of classified as financial assets at fair value through profit or loss - net	(30,563)	5,267
	(381,173)	(192,035)
<b>(Increase) / decrease in assets</b>		
Deposit, prepayment and other receivable	(14,217)	(922)
<b>(Decrease) / increase in liabilities</b>		
Payable to ABL Asset Management Company Limited - Management Company	10,976	8,486
Payable to the Central Depository Company of Pakistan Limited - Trustee	(21)	(17)
Payable to the Securities and Exchange Commission of Pakistan	(1,540)	(692)
Accrued expenses and other liabilities	(17,741)	758
	(8,326)	8,535
Income received on government securities	182,133	32,563
Income received on term deposit receipts	-	3,822
Income received from reverse repo transactions	-	333
Income received on term finance certificates	42,675	29,715
Profit received on savings accounts	150,619	104,245
Net amount (paid) / received on purchase and sale of investments	(3,839,637)	(902,719)
<b>Net cash flows (used in) / generated from operating activities</b>	(3,495,409)	(776,820)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash distribution paid	-	(143,015)
Receipts from issuance of units	3,647,671	1,263,139
Payments on redemption of units	(2,724,786)	(1,596,433)
<b>Net cash used in financing activities</b>	922,885	(476,309)
<b>Net decrease in cash and cash equivalents during the period</b>	(2,572,524)	(1,253,129)
Cash and cash equivalents at the beginning of the period	4,352,342	4,913,696
<b>Cash and cash equivalents at the end of the period</b>	4.2 <u>1,779,818</u>	<u>3,660,567</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

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



Chief Financial Officer



Chief Executive Officer



Director

**ABL GOVERNMENT SECURITIES FUND  
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2020**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

1.1 ABL Government Securities Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on November 01, 2011 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 has not been revised. Furthermore, the Offering Document of the Fund has been revised through the First, Second, Third, Fourth, Fifth and Sixth Supplements dated January 12, 2012, May 31, 2012, July 30, 2013, February 10, 2014, October 01, 2014 and October 06, 2016 respectively with the approval of the Securities and Exchange Commission of Pakistan (SECP). The Securities and Exchange Commission of Pakistan (SECP) authorised constitution of the Trust Deed vide letter no. NBFC-II / ABLAMC / 439 / 2011 dated October 31, 2011 in accordance with the requirement of the Non-Banking Finance Companies and Notified Entities Regulation, 2008.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at Plot No. 14, Main Boulevard, DHA Phase 6, Lahore. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

1.2 The Fund has been categorised as an open ended income scheme by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs 10 per unit. Thereafter, the units are being offered for public subscription on a continuous basis from November 29, 2011 and are transferable and redeemable by surrendering them to the Fund.

1.3 The objective of the scheme is to deliver optimal risk adjusted returns by investing mainly in mix of short to long term Government Securities and other debt Instruments. The investment objectives and policies are explained in the Fund's offering document.

1.4 JCR-VIS Credit Rating Company Limited assigned management quality rating of AM2++ (stable outlook) to the Management Company as at December 31, 2018 and fund stability rating of A(f) to the Fund as at January 16, 2018.

1.5 The title to the assets of the Fund is held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.

**2 STATEMENT OF COMPLIANCE**

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2019.



### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT POLICIES

3.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2019.

3.2 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2019. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2019.

#### 3.3 Amendments to accounting and reporting standards that are effective in the current period

There are certain amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2019. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

#### 3.4 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards, interpretations and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting periods beginning on or after July 1, 2019. However, these are not expected to have any significant impacts on the Fund's operations and are, therefore, not detailed in these condensed interim financial statements.

4	BANK BALANCES	Note	(Un-audited)	(Audited)
			March 31, 2020	June 30, 2019
			------(Rupees in '000)-----	
	Balances with banks in savings accounts	4.1	1,411,945	2,089,059
	Balances with banks in current accounts	4.2	13	-
			<u>1,411,958</u>	<u>2,089,059</u>

4.1 This includes balance of Rs 1,051.793 million (June 30, 2019: Rs 37.764 million) maintained with Allied Bank Limited (a related party) that carries profit at 12.00% per annum (June 30, 2019: 13.4%). Other profit and loss saving accounts of the Fund carry profit rates ranging from 8.00% to 13.65% per annum (June 30, 2019: 8.00% to 13.75% per annum).

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

4.3	Cash and cash equivalents	Note	(Un-audited)	(Un-audited)
			March 31, 2020	June 30, 2019
			------(Rupees in '000)-----	
	Bank balances		1,411,958	2,089,059
	Commercial papers		-	49,662
	Treasury bills (with original maturity of three months)	5.1	367,860	2,213,621
			<u>1,779,818</u>	<u>4,352,342</u>

### 5 INVESTMENTS

#### At fair value through profit or loss

-	Government Securities - Market Treasury Bill	5.1	1,636,174	2,213,621
-	Term Finance Certificates - unlisted	5.2	281,501	286,425
-	Government Securities - Pakistan Investment Bonds	5.3	1,029,902	558,451
-	Sukuk Certificates - listed	5.4	120,078	172,312
-	Sukuk Certificates - unlisted	5.5	25,256	-
-	Commercial papers		-	49,662
			<u>3,092,911</u>	<u>3,280,471</u>

## 5.1 Government Securities - Market Treasury Bills

Tenor	Face Value (Rupees in '000)				Rupees in '000		Percentage	
	As at July 1, 2019	Purchased during the period	Disposed / matured during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Market value as a percentage of total investments	Market value as a percentage of net assets
3 Months	2,225,310	56,727,130	58,577,440	375,000	366,893	367,860	11.89%	8.96%
6 Months	-	15,293,050	15,040,000	253,050	239,932	241,399	7.80%	5.88%
12 Months	-	10,542,340	9,430,000	1,112,340	1,019,263	1,026,915	33.20%	25.01%
<b>Total</b>	<b>2,225,310</b>	<b>82,562,520</b>	<b>83,047,440</b>	<b>1,740,390</b>	<b>1,626,088</b>	<b>1,636,174</b>	<b>52.90%</b>	<b>39.84%</b>
Total - June 30, 2019					2,213,632	2,213,621	67.48%	78.75%

## 5.2 Term Finance Certificates - unlisted

Name of the Investee Company	As at July 1, 2019	Purchased during the period	Disposed / matured during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Market value as a percentage of total investment	Market value as a percentage of net assets	Investment as a percentage of total issue size	----- Number of certificates ----- Rupees in '000 ----- Percentage -----		
<b>Unlisted</b>												
<b>Commercial Bank</b>												
Bank of Punjab (Face value of Rs. 99,900 per certificate)	170	350	-	2,060	203,860	204,622	6.62%	4.98%	6.83%			
<b>Investment Companies</b>												
Jahangir Siddiqui & Company Limited - TFC X (Face value of Rs. 4,375 per certificate)	22,900	-	-	22,900	71,262	71,348	2.31%	1.74%	7.63%			
Jahangir Siddiqui & Company Limited - TFC IX (Face value of Rs. 2,500 per certificate)	6,950	-	4,000	2,950	5,531	5,531	35.22%	0.13%	1.48%			
<b>Total</b>					<b>280,653</b>	<b>281,501</b>	<b>44.15%</b>	<b>6.86%</b>	<b>15.94%</b>			
Total - June 30, 2019					293,589	286,425	8.73%	10.19%				

## 5.3 Government Securities - Pakistan Investment Bonds

Issue date	Tenor	Face value (Rupees in '000)			Rupees in '000		Market value as a percentage of total investments	Market value as a percentage of net assets	
		As at July 1, 2019	Purchased during the period	Disposed / matured during the period	As at March 31, 2020	Carrying value as at March 31, 2020			
July 12, 2018	3 years	520,800	3,259,800	3,770,600	10,000	9,413	9,635	0.31%	0.23%
December 29, 2016	3 years	-	980,000	980,000	-	-	-	0.00%	0.00%
September 19, 2019	3 years	-	7,225,000	6,805,000	420,000	402,946	444,091	13.30%	10.00%
July 18, 2013	5 years	-	-	-	-	-	-	0.00%	0.00%
April 21, 2016	5 years	60,000	-	60,000	-	-	-	0.00%	0.00%
July 12, 2018	5 years	50,000	1,215,600	1,265,600	-	-	-	0.00%	0.06%
September 19, 2019	5 years	-	8,975,000	8,375,000	600,000	599,040	606,176	19.60%	14.76%
July 12, 2018	10 years	-	10,000	10,000	-	-	-	0.00%	0.00%
September 19, 2019	10 years	-	50,000	50,000	-	-	-	0.00%	0.00%
<b>Total</b>					<b>1,011,398</b>	<b>1,029,902</b>	<b>33.30%</b>	<b>25.08%</b>	
Total - June 30, 2019					559,792	558,451	17.02%	19.86%	

## 5.4 Sukuk Certificates - listed

Name of Investee Company	As at July 1, 2019	Purchased during the period	Disposed / matured during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Market value as a percentage of total market value of investments	Market value as a percentage of net assets	Investment as a percentage of total issue size	----- Number of certificates ----- Rupees in '000 -----		
<b>Fertilizer</b>												
Dawood Hercules Corporation Limited (I) (Face value of Rs. 80,000 per certificate)	1,398	75	700	773	61,621	62,288	2.01%	15.2%	1.19%			
Dawood Hercules Corporation Limited (II) (Face value of Rs. 90,000 per certificate)	470	500	250	720	57,374	57,790	12.7%	14.1%	1.08%			
<b>Total</b>					<b>118,996</b>	<b>120,078</b>	<b>3.29%</b>	<b>2.92%</b>	<b>2.27%</b>			
Total - June 30, 2019					172,993	172,312	5.25%	6.13%	3.20%			

## 5.5 Sukuk Certificates - unlisted

Name of Investee Company	As at July 1, 2019	Purchased during the period	Disposed / matured during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Market value as a percentage of total market value of investments	Market value as a percentage of net assets	Investment as a percentage of total issue size	----- Number of certificates ----- Rupees in '000 -----		
<b>Fertilizer</b>												
The Hub Power Company Ltd. (Face value of Rs. 100,000 per certificate)	-	250	-	250	25,213	25,256	0.82%	0.62%	0.42%			
<b>Total</b>					<b>25,213</b>	<b>25,256</b>	<b>0.82%</b>	<b>0.62%</b>				
Total - June 30, 2019					-	-	-	-	-			

5.6 Unrealised (diminution) / appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss - net	Note	(Un-audited)	(Audited)
		March 31, 2020	June 30, 2019
		------(Rupees in '000)-----	
Market value of securities	5.1, 5.2, 5.3, 5.4, 5.5	3,092,911	3,280,471
Less: carrying value of securities	5.1, 5.2, 5.3, 5.4, 5.5	3,062,348	3,289,668
		<u>30,563</u>	<u>(9,197)</u>
<b>6 PAYABLE TO ABL ASSET MANAGEMENT COMPANY LIMITED - RELATED PARTY</b>			
Management fee payable	6.1	4,212	2,924
Punjab sales tax on remuneration of the Management Company	6.2	6,825	6,618
Federal excise duty on remuneration of the Management Company	6.3	41,987	41,987
Accounting and operational charges payable	6.4	5,647	1,345
Sales load payable		521	182
Selling and marketing expenses payable	6.5	10,219	5,379
		<u>69,411</u>	<u>58,435</u>

**6.1** The Management Company has charged remuneration at the rate of 1.25% (June 30, 2018: 1.25%) per annum based on the daily net assets of the Fund. The amount of remuneration is being paid monthly in arrears.

**6.2** During the period, an amount of Rs. 5.114 million (2018: Rs 4.024 million) was charged on account of sales tax on management fee levied through Punjab Sales Tax on Services Act, 2012.

**6.3** The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from July 1, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

During the year ended June 30, 2017, the SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan which is pending adjudication.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 41.987 million is being retained in the condensed interim financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision not been made, the NAV per unit of the Fund would have been higher by Re 0.115 (June 30, 2019: Re 0.150 ) per unit.

**6.4** In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

Until June 19, 2019 there was a maximum cap of 0.1% of the average annual net assets of the scheme or actual whichever is less, for allocation of such expense to the Fund. However, the SECP vide its SRO 639 dated June 20, 2019 removed the maximum cap of 0.1%.

The Management Company based on its own discretion has currently fixed a maximum capping of 0.1% of the average annual net assets of the scheme for allocation of such expenses to the Fund.

**6.5** The SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) initially for a period of three years (i.e. from January 1, 2017 till December 31, 2019). The maximum cap of selling and marketing expense was 0.4% per annum of the net assets of the Fund or actual expenses whichever is lower.

During the current period, the SECP through its circular 11 dated July 5, 2019 has revised the conditions for charging of selling and marketing expenses to a Fund. As per the revised guidelines, the maximum cap of 0.4% per annum has been lifted and now the asset management company is required to set a maximum limit for charging of such expense to the Fund and the same should be approved by the Board of Directors of the Management Company as part of annual plan. Furthermore, the time limit of three years has also been removed in the revised conditions.

Accordingly, the Management Company based on its own discretion has currently determined a capping of 0.4% which is applied to average annual net assets of the Fund for charging of selling and marketing expenses to the Fund. This has also been approved by the Board of Directors of the Management Company.

7	ACCRUED EXPENSES AND OTHER LIABILITIES	Note	(Un-audited)	(Audited)
			March 31, 2020	June 30, 2019
			------(Rupees in '000)-----	
	Auditors' remuneration payable		363	250
	Brokerage payable		2,098	238
	Rating fee payable		-	-
	Printing charges payable		168	80
	Withholding tax payable		1,248	21,050
	Provision for Sindh Workers' Welfare Fund	7.1	10,609	10,609
	Other payable		1,311	1,311
			<u>15,797</u>	<u>33,538</u>

7.1 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, was 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 MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs 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 had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, MUFAP recommended that, as a matter of abundant caution, provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the SWWF Act, 2014 (i.e. starting from May 21, 2015).

The Fund has made provision for SWWF from May 21, 2015 till June 30, 2017 amounting to Rs 10.609 million as the decision in this respect is pending to date. The Fund has not made any provision for SWWF after July 01, 2017 as the registered office of the Management Company of the Fund had been relocated from the Province of Sindh to the Province of Punjab.

Had the provision for SWWF not been recorded in these condensed interim financial statements of the Fund for the period from May 21, 2015 to June 30, 2017, the net asset value of the Fund as at March 31, 2020 would have been higher by Re 0.029 (June 30, 2019: 0.038) per unit.

## 8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2020 and June 30, 2019.

## 9 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unitholders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2019 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements during the period.

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



## 10 EARNINGS PER UNIT

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

## 11 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at March 31, 2020 is 1.73% which includes 0.17% representing government levies on the Fund such as sales taxes, annual fee payable to the SECP, etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as income scheme.

## 12 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

12.1 Connected persons include ABL Asset Management Company Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Management Company, any entity in which the Management Company, its CISs or their connected persons have material interest, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.

12.2 Transactions with connected persons are executed on an arm's length basis and essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

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

12.4 Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.

### 12.5 Detail of transactions with related parties / connected persons during the period:

	<b>(Un-audited)</b>	
	<b>Nine Months ended March 31,</b>	
	<b>2020</b>	<b>2019</b>
	<b>-----Rupees in '000-----</b>	
<b>ABL Asset Management Company Limited - Management Company</b>		
Issue of 15,645,407 (2019: 33,479,211) units	161,604	349,826
Redemption of 48,362,462 (2019: 2,376,132) units	500,000	25,000
Remuneration for the period	31,962	25,148
Punjab sales tax on remuneration	5,114	4,024
Accounting and operational charges	5,647	2,010
Selling and marketing expenses	10,218	8,038
Sales load paid	1,384	1,074
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration for the period	1,662	2,072
Sindh sales tax on remuneration	216	271
Settlement charges	29	15
<b>Allied Bank Limited</b>		
Profit on saving account	34,052	6,761
Bank charges	226	18
<b>Murree Brewery Company Limited</b>		
Issue of Nil (2019: 10,856,287) units	-	112,890
Redemption of Nil (2019: 32,698,819) units	-	334,963
<b>Coronet Foods (Private) Limited</b>		
Issue of 14,527,618 (2019: 1,269,249) units	151,721	12,846
<b>English Biscuit Manufacturers (Private) Limited</b>		
Issue of 33,510,988 (2019: 3,100,035) units	352,583	31,374

	(Un-audited)	
	Nine Months ended March 31,	
	2020	2019
	-----Rupees in '000-----	
<b>ABL Financial Planning Fund - Conservative Allocation Plan</b>		
Issue of Nil (2019: 160,511) units	-	1,624
Redemption of 119,285 (2019: 1,293,363) units	1,260	13,232
<b>ABL Financial Planning Fund - Active Allocation Plan</b>		
Issue of 1,920,344 (2019: 820,718) units	20,000	8,307
Redemption of 14,626,128 (2019: 4,156,401) units	155,452	42,630
<b>ABL Financial Planning Fund - Strategic Allocation Plan</b>		
Issue of 3,168,568 (2019: 214,767) units	33,000	2,174
Redemption of 3,168,568 (2019: 4,722,196) units	34,056	47,948
<b>DIRECTORS OF THE MANAGEMENT COMPANY</b>		
<b>Mr. Alee Khalid Ghaznavi</b>		
Issue of 764,797 (2019: Nil) units	7,891	-
Redemption of 764,718 (2019: Nil) units	7,900	-

**12.6 Details of balances outstanding at the period / year end with connected persons are as follows:**

	(Un-audited) March 31, 2020	(Audited) June 30, 2019
	-----Rupees in '000-----	
<b>ABL Asset Management Company Limited - Management Company</b>		
Remuneration charged	4,212	2,924
Punjab sales tax on remuneration	6,825	6,618
Accounting and operational charges payable	5,647	1,345
Selling and marketing charges	10,219	5,379
Sales load paid	521	182
Federal excise duty on remuneration of the Management Company	41,987	41,987
Outstanding of 576,860 (June 30, 2019: 33,293,915) units	6,466	335,007
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration paid	219	237
Sindh sales tax on remuneration	28	31
Security deposit	100	100
Balance in IPS account	98	76
<b>Allied Bank Limited</b>		
Profit on savings account	1,247	954
Bank charges	226	37
<b>English Biscuit Manufacturers (Private) Limited</b>		
Outstanding of 118,236,454 (June 30, 2019: 84,725,466) units	1,325,277	852,516
<b>Coronet Foods (Private) Limited</b>		
Outstanding of 49,216,824 (June 30, 2019: 34,689,206) units	551,657	349,046
<b>ABL Financial Planning Fund - Conservative Allocation Plan</b>		
Outstanding of 2,160,107 (June 30, 2019: 2,279,391) units	24,212	22,935
<b>ABL Financial Planning Fund - Active Allocation Plan</b>		
Outstanding of Nil (June 30, 2019: 12,705,783) units	-	127,847
<b>DIRECTORS OF THE MANAGEMENT COMPANY</b>		
<b>Mr. Alee Khalid Ghaznavi</b>		
Outstanding of 79 (June 30, 2019: Nil) units	1	0

### 13 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is 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.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the statement of assets and liabilities date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

#### 13.1 Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Fund to classify assets 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 prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at March 31, 2020 and June 30, 2019, the Fund held the following financial instruments measured at fair value:

(Un-audited)				
As at March 31, 2020				
Level 1	Level 2	Level 3	Total	
----- (Rupees in '000) -----				
<b>Financial assets 'at fair value through profit or loss'</b>				
Government Securities - Market Treasury Bill	-	1,636,174	-	1,636,174
Government securities - Pakistan Investment Bonds	-	1,029,902	-	1,029,902
Commercial paper*	-	-	-	-
Term Finance Certificates - unlisted	-	281,501	-	281,501
Sukuk Certificates - listed	-	120,078	-	120,078
Sukuk Certificates - unlisted	-	25,256	-	25,256
-	<b>3,092,911</b>	-	<b>3,092,911</b>	<b>3,092,911</b>
-----				
(Audited)				
As at June 30, 2019				
Level 1	Level 2	Level 3	Total	
----- (Rupees in '000) -----				
<b>Financial assets 'at fair value through profit or loss' - net</b>				
Term finance certificates	-	286,425	-	286,425
Sukuk certificates	-	172,312	-	172,312
Commercial paper*	-	49,662	-	49,662
Government securities - Market Treasury Bills	-	2,213,621	-	2,213,621
Government securities - Pakistan Investment Bonds	-	558,451	-	558,451
-	<b>3,280,471</b>	-	<b>3,280,471</b>	<b>3,280,471</b>
-----				

\* The valuation of commercial papers has been done based on amortisation of commercial paper to its fair value as per the guidelines given in Circular 33 of 2012 since the residual maturity of this investment is less than six months and are placed with counterparties which have high credit rating.

### 14 GENERAL

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

14.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for better presentation and disclosure. There have been no significant reclassifications during the period.

15 **DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements were authorised for issue on April 29, 2020 by the Board of Directors of the Management Company.

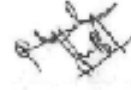
**For ABL Asset Management Company Limited  
(Management Company)**



\_\_\_\_\_  
**Chief Financial Officer**



\_\_\_\_\_  
**Chief Executive Officer**



\_\_\_\_\_  
**Director**

## مینجمنٹ کمپنی کی کوالیٹی کی درجہ بندی

31 دسمبر ، 2019 کو ، JCR-VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ (JCR-VIS) نے اے بی ایل ایسٹ مینجمنٹ کمپنی لمیٹڈ (ABL AMC) کی 'AM2 ++' (AM-two-Double Plus) کی مینجمنٹ کوالٹی ریٹنگ کی تصدیق کردی ہے۔ (اے ایم ٹو پلس) تفویض کردہ درجہ بندی پر اوٹ لک 'مستحکم' ہے۔

## اعتراف

ہم اپنے قابل قدر سرمایہ کاروں کا شکریہ ادا کرتے ہیں جنہوں نے ہم پر اعتماد کیا ہے۔ بورڈ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان ، ٹرسٹی (سنٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ) اور پاکستان اسٹاک ایکسچینج لمیٹڈ کے انتظامیہ کی ان کی مسلسل رہنمائی اور مدد کے لئے ان کا شکریہ بھی ادا کرتا ہے۔ ڈائریکٹرز انتظامی ٹیم کے ذریعہ کی جانے والی کوششوں کی بھی تعریف کرتے ہیں۔

بورڈ کی طرف سے اور بورڈ کے لئے

علی خالد غزنوی  
چیف ایگزیکٹو آفیسر

ڈائریکٹر  
لاہور ، 29 اپریل ، 2020

## منی مارکیٹ کا جائزہ 9M

زیر جائزہ اس مدت کے دوران ، منی مارکیٹ غیر مستحکم رہی کیونکہ اسٹیٹ بینک کا موقف مانیٹری سختی سے نرمی کی طرف بڑھا۔ ایس بی پی نے جولائی 2019 میں بڑھتی ہوئی افراط زر کا مقابلہ کرنے اور پی کے آر کے ممتاز قرضوں کے آلات میں غیر ملکی سرمایہ کاری کو راغب کرنے کے لئے سود کی شرحوں کو 100 بی پی ایس بڑھایا۔ تاہم ، ان منصوبوں کا خاتمہ اس وقت ہوا جب کورونا وائرس نے معاشی بحالی کی امیدوں کو ختم کیا اور مارچ 2020 کے مہینے میں اسٹیٹ بینک کو سود کی شرح کو bps225 تک کم کرنے پر مجبور کیا گیا۔ نتیجہ یہ ہوا کہ ، ہم صرف مارچ 2020 میں ہی 1.8 بلین کی ہاٹ منی کے اخراج کو دیکھ چکے ہیں۔ مہینے کے دوران PKR / USD فرسودہ ہوا۔ پاکستان انویسٹمنٹ بانڈ (پی آئی بی) کی تجارتی پیداوار 13.72 فیصد سے کم ہو کر 9.15 فیصد پر آگئی ، جس میں مستقبل میں اعلیٰ سود کی شرحوں کو لاک ان کرنے کے طویل عرصے سے طے شدہ آلات کی طرف ایک اہم جھکاؤ تھا۔ ایک سال کے دوران ، منی مارکیٹ میں موسمی استقامت کی کمی دیکھنے میں آئی کیونکہ اسٹیٹ بینک بار بار اوپن مارکیٹ آپریشن (OMOs) کے ساتھ جاری رہا۔ زیر جائزہ مدت کے اختتام پر ، اسٹیٹ بینک 11.01% کے کٹ آف ریٹ پر سنگل ریورس ریپو انتظامات کے تحت پی کے آر bn937 کے مالیت کا قرض دینے والا رہا۔ ٹی بلوں کی طرف ، 3 ماہ کی کٹوتی کی پیداوار 12.75 فیصد سے کم ہو کر 11.30 فیصد ہو گئی۔ زیر جائزہ مدت کے دوران ، 6 اور 12 ایم میں شراکت زیادہ رہی کیونکہ مارکیٹ کے شرکاء کی افراط زر کی توقع کم ہونا شروع ہو گئی ، جو ایس بی پی کے ذریعہ مالیاتی نرمی کے آغاز کا اشارہ ہے۔ 12 ایم ٹی بل کے لئے کٹ آفس 323bps کی کمی سے 10.87 فیصد پر آگیا جبکہ بانڈ میں کٹوتی کی پیداوار 3 ، 5 اور 10 سال کے لئے بالترتیب 11.59% ، 11.99% اور 10.85 فیصد پر بند ہوئی۔

## فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران ، اے بی ایل گورنمنٹ سیکیورٹیز فنڈ نے 13.35 فیصد بینچ مارک ریٹرن کے مقابلے میں 15.12 فیصد کی واپسی پوسٹ کی۔ دسمبر 20 کے آخر میں 4,069.59 PKR ملین کے مقابلے میں ، مارچ 20 کے آخر میں ABL GSF کے 4,106.44 PKR AUMs ملین پر بند ہوئے۔

فنڈ کی اوسط مقدار میں پختگی مارچ 20 کے آخر میں 591 دن ہو گئی جو دسمبر 19 کے آخر میں 187 دن تھی ، اس کی بنیادی وجہ سرکاری سیکیورٹیز کو مختص کرنے میں اضافہ تھا۔ مارچ 20 کے آخر میں ، نقد رقم 31.07% ، پاکستان انویسٹمنٹ بانڈز (PIB) میں 22.66% ، ٹریژری بلز میں 36.00% اور کارپوریٹ TFC's / Sukuk میں 9.39% رہی۔

## آڈیٹر

میسرز اے ایف فرگوسن اینڈ کمپنی (چارٹرڈ اکاؤنٹنٹس) کو ، اے بی ایل گورنمنٹ سیکیورٹیز فنڈ (اے بی ایل جی ایس ایف) کے لئے 30 جون 2020 کو ختم ہونے والے سال کے لئے دوبارہ آڈیٹر مقرر کیا گیا ہے۔

## فنڈ استحکام کی درجہ بندی

JCR-VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ (JCR-VIS) نے 20 جنوری ، 2020 کو ، اے بی ایل گورنمنٹ سیکیورٹیز فنڈ کی فنڈ استحکام کی درجہ بندی کو 'A + (f' (سنگل A Plus (f)) میں اپ گریڈ کیا ہے۔

پی کے آر bn100 کی مختص ، iv) سیلز ٹیکس کی واپسیوں کو فوری طور پر جاری کرنے کے لئے انڈسٹری کو برآمد کرنے کے لئے پی کے آر bn100 کا مختص ، v) پی کے آر bn50 کے لئے مختص یوٹیلیٹی اسٹور کارپوریشن (یو ایس سی) تاکہ مناسب قیمت پر ایشیائے خوردونوش کی فراہمی اور بلا تعطل فوڈ سپلائی چین کو یقینی بنایا جاسکے ، vi) مکمل گیس بل جبکہ 300 یونٹ تک بجلی کا بل 3 ماہ سے زائد قسطوں میں ادا کیا جاسکے گا ، vii) مختص طبی سامان کی خریداری کے لئے پی کے آر bn 50 ، viii) دالوں ، پام آئل اور دیگر کی درآمد پر کھانے کی اشیاء پر کم یا کوئی ٹیکس نہیں ، ix) کورونا وائرس پھیلنے سے متاثرہ ہنگامی صورتحال کے لئے پی کے آر bn100 کی مختص ، x) مختص نیشنل ڈیزاسٹر مینجمنٹ اتھارٹی (NDMA) کے لئے کٹس کی خریداری اور خریداری کے لئے PKR 25bn کا ، طبی عملے کے لئے PKR 50bn کی مختص ، اور xii) زیادہ لوگوں کو رکھنے کے ل to پناہ گاہوں میں توسیع۔ اس کے علاوہ ، ایک تعمیراتی پیکج کا بھی اعلان کیا گیا ہے جس میں i) بلڈروں اور ڈویلپرز ، ii) بلڈروں اور ڈویلپروں کے لئے سیمنٹ ، اسٹیل اور خدمات کے علاوہ عمارت کے سامان کی خریداری پر ٹیکس روکنے کی اجازت نہیں دی جائے گی۔ iii) بلڈرز اور ڈویلپرز پہلے ہی ادا کیے جانے والے x10 ٹیکس تک ٹیکس کے کریڈٹ کے اہل ہونے کے اہل ہوں گے جبکہ iv) نیپڈا کے تیار کردہ کم لاگت ہاؤسنگ / پروجیکٹس کے لئے ٹیکس کی شرح میں 90 فیصد کمی واقع ہو گی ، v) انکم ٹیکس آرڈیننس کے سیکشن 111 سے استثنیٰ 2001 (30 جون ، 2022 تک) زمین کی خریداری اور کسی بھی ڈھانچے (مکان ، تجارتی عمارت ، وغیرہ) کی تعمیر ، پہلے سے ملکیت شدہ اراضی پر کسی بھی ڈھانچے کی تعمیر اور نئی تعمیر شدہ پراپرٹی کی پہلی خریداری ، vi) کیپیٹل گین ٹیکس (سی جی ٹی) کی عقلیت سازی ، vii) ریئل اسٹیٹ / پلاٹ کی تشخیص ، viii) تعمیراتی سامان پر عقلیت سازی / سیلز ٹیکس میں کمی ، ix) پہلے مکان پر ٹیکسوں کی چھوٹ ، x) بلڈروں کے لئے پی کے آر 50 فی مربع فٹ پر سیلز ٹیکس عائد کیا جائے گا اور 100 فی تمام صوبوں اور آئی سی ٹی کے ذریعہ ڈویلپرز کے لئے مربع بارڈ ، xi) تعمیراتی خدمات پر سیلز ٹیکس سے چھوٹ ، xii) NAPHA یا صوبائی ہاؤسنگ اتھارٹیز کے ذریعہ کم قیمت والے مکانات پر سیلز ٹیکس سے مکمل چھوٹ ، xiii) تمام صوبائی اور میونسپل ٹیکس ، ڈیوٹی ، فیس ، شہری املاک کی منتقلی اور رجسٹریشن کے معاملات کو ایک ہی سر کے نیچے جمع کرنے اور قیمتوں کے 2٪ کی شرح سے وصول کرنے کے لئے محصولات اور چارجز ، xiv) ماسٹر پلانز کی تازہ کاری / زون ماسٹر پلانز کی تازہ کاری اور زوننگ ، xv) تمام صوبوں / ڈویلپمنٹ اتھارٹوں کے ذریعہ ونڈو پورٹلز کو مکمل طور پر خودکار بنایا جائے تاکہ منظوری پر عملدرآمد کیا جاسکے اور دیگر مؤکل خدمات ، xvi) تعمیراتی شعبے کو صنعت کی حیثیت ، اور xvii) موجودہ سال میں 100,000 کم لاگت رہائشی مکانات کی تعمیر کو ابتدائی طور پر 6 میں رہن کے ساتھ شروع کیا جائے۔ ٪ مزید برآں ، اسٹیٹ بینک آف پاکستان (ایس بی پی) نے ایک ہنگامی اجلاس میں ، پالیسی ایم پی سی میں پہلے ہی اعلان کردہ 75 بی پی ایس میں کٹوتی کے علاوہ ، پالیسی بیٹنگ کو 150 بی پی ایس تک بڑھا کر 11 فیصد کر دیا۔

## میوچل فنڈ انڈسٹری کا جائزہ -9MFY20

اوپن اینڈ میوچل فنڈ کے زیر انتظام کل اثاثوں میں 9MFY20 کے دوران PKR 573bn سے PKR 689bn تک 20 فیصد کی نمایاں اضافہ ہوا ، خاص طور پر منی مارکیٹ فنڈ میں بڑے پیمانے پر بہاؤ کی وجہ سے۔ روایتی اور اسلامی سمیت منی مارکیٹ فنڈ میں پی کے آر bn282 پر مدت کو بند کرنے کے لئے 70 فیصد کی بے پناہ اضافہ دیکھنے میں آیا۔ اسی طرح روایتی اور اسلامی دونوں فکسڈ انکم فنڈز میں 47.9 فیصد کا اضافہ ہوا جو 9 ایم ایف وائی 20 کو PKR bn172 پر بند ہوا۔ منی مارکیٹ میں طے شدہ انکم فنڈز میں اس اضافے کا سبب اعلیٰ سود کی شرح ، کورنوویرس اور تیل کی قیمت جنگ کے دوران اتار چڑھاؤ والے ایکویٹی مارکیٹوں کو ریکارڈ کرنا ہے۔

ایکوٹی کی طرف ، ہم نے 9MFY20 کے دوران PKR 103bn سے PKR 83bn تک AUMs میں ~ ٪18 کی نمایاں کمی دیکھی۔ نوٹ کرنے کی ایک اہم بات یہ ہے کہ کورونا وائرس کے پھیلنے کے بعد مارچ کے مہینے میں PKR 111bn سے PKR 84bn تک ~ ٪24 کی ایک بڑی کمی ہے۔ اسی طرح کا رجحان اسلامی ایکویٹی فنڈز میں دیکھا جاسکتا ہے جہاں 9MFY20 کے دوران PKR 54bn AUMs سے PKR 40.7bn رہ گئیں جن میں صرف مارچ 2020 میں ~ ٪29 کی کمی واقع ہوئی۔

## مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

اے بی ایل گورنمنٹ سیکیورٹیز فنڈ (اے بی ایل-جی ایس ایف) کی انتظامی کمپنی ، اے بی ایل ایسٹ مینجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز 31 مارچ 2020 کو ختم ہونے والے نو ماہ کے لئے اے بی ایل گورنمنٹ سیکیورٹیز فنڈ کے کنڈینسڈ عبوری فنانشل اسٹیٹمنٹ (غیر آڈٹ شدہ) پیش کرنے پر خوش ہیں۔

### اقتصادی کارکردگی کا جائزہ -9MFY20

ملک میں ازالہ افراط زر کا عمل جاری رہا جب ہم نے مارچ 2020 میں قومی سی پی آئی YOY %10.24 گرتے دیکھا جبکہ فروری 2020 میں یہ YOY %12.40 تھا۔ افراط زر میں کمی کی وجہ سے کم اشیائے خوردونوش اور ایندھن کی قیمتوں میں اضافہ ہوا تھا ، اور بنیادی اثر۔ اوپیک اور روس کے درمیان پیداواری کٹوتی پر اختلاف رائے کی وجہ سے ڈوبے ہوئے مقامی ایندھن کی قیمتیں عالمی سطح پر تیل کی قیمتوں میں کمی کا عکس ہیں۔ ایس پی ایل وائی میں اوسطاً این سی پی آئی %11.53 یوآن ہے جو 9MFY20 کے مقابلہ میں YOY %6.31 ہے۔ موجودہ وبائی صورتحال کے تحت ، ہم توقع کرتے ہیں کہ افراط زر توقع سے کہیں زیادہ تیز رفتار سے گزرے گا بشرطیکہ اس لاک ڈاؤن نے ملک کی معاشی سرگرمیوں کو متاثر کیا ہے جبکہ عالمی سطح پر اجناس کی قیمتیں گر رہی ہیں۔ تاہم ، ہمیں خدشہ ہے کہ سیلانے میں خلل پڑنے کی وجہ سے کھانے کی قیمتوں میں غیر معمولی اضافے کے نتیجے میں مخالف سمت پر عمل کرنے کا رجحان پیدا ہوسکتا ہے۔

حکومت موجودہ اکاؤنٹ کا مؤثر طریقے سے انتظام کر رہی ہے جب تک کہ وہ 8MFY20 کے دوران 71 فیصد YOY کی کمی سے bn2.84 ڈالر رہ گئی ہے۔ خسارہ بنیادی طور پر 15 YOY کم درآمد کی وجہ سے گھٹ گیا جس کی برآمدات 8MFY20 کے دوران %3 YOY سے bn20.1 ڈالر تک بڑھ گئی۔ مزید برآں ، کارکنوں کی ترسیلات بھی 5 فیصد اضافے سے bn15.1 امریکی ڈالر رہیں۔ اس کے مطابق ، 27 مارچ 2020 کو ملک کے زرمبادلہ کے ذخائر 17.4 بلین ڈالر ہیں۔ 3.02 2 ماہ کا درآمدی احاطہ فراہم کرنا۔ مالی معاملے میں ، 9MFY20 کے دوران ، PKR 3.52tn کے نظر ثانی شدہ ہدف کے مقابلے میں عارضی ٹیکس وصولی PKR 3.06tn تک پہنچ گئی ہے ، جو صرف مارچ 2020 میں PKR 261bn کی کمی کے ساتھ PKR 458bn کی کمی کو ظاہر کرتا ہے۔ حالیہ مہینے میں جاری لاک ڈاؤن سے ٹیکس وصولی پر منفی اثر پڑا اور توقع ہے کہ اس صورتحال کے برقرار رہنے کی امید ہے۔

مالی سال 19 میں پاکستان کی جی ڈی پی کی شرح نمو 3.3 فیصد رہی جو مالی سال 18 میں 5.2 فیصد تھی۔ معاشی اصلاحات اور حکومت کی طرف سے اختیار کیے گئے مالی اقدامات کی وجہ سے ترقی کم ہوئی۔ جولائی-جنوری 2020 کے عرصہ میں ، بڑے پیمانے پر مینوفیکچرنگ (ایل ایس ایم) نے ایس پی ایل وائی میں 1.60 فیصد کمی کے مقابلہ میں YOY3.37 یو یو کی نمایاں کمی کی ہے۔ اس گراؤ میں سب سے اہم کارندے آٹوموبائل (-07..36.0%) ، آئرن اینڈ اسٹیل پروڈکٹ (-9.25%) ، کوک اینڈ پیٹرولیم مصنوعات (-10.59%) اور الیکٹرانکس (-8.50%) تھے۔ ٹیکسٹائل سیکٹر (+0.28%) اومولین کی وجہ سے مسابقتی کے باوجود بہتر کارکردگی کا مظاہرہ نہیں کرسکا۔ توقع کی جارہی ہے کہ آنے والے مہینوں میں کارکردگی نہ صرف ملک میں بلکہ پوری دنیا میں روکنے والی اقتصادی سرگرمیوں کی وجہ سے وائرس پھیل گئی ہے۔ ہم توقع کرتے ہیں کہ لاک ڈاؤن 4QFY20 میں جی ڈی پی کے سنکچن کا نتیجہ بنے گا جس کی وجہ سے مالی سال میں 2.4 فیصد کے ہدف کے مقابلہ میں ترقی کی شرح کم ہوگی۔

آگے بڑھنے ، خاص طور پر قلیل مدت میں ، مارکیٹ میں سمت ملک میں کورونا وائرس وبائی صورتحال کی صورت حال اور معیشت پر اس کے نتیجے میں اثرات کے ذریعہ طے کی جائے گی۔ معیشت کی حوصلہ افزائی اور موجودہ بحرانوں کو سنبھالنے کے لئے ، وزیر اعظم پاکستان نے پی کے آر 1.2 ٹن کے احاطہ میں ایک ریلیف پیکیج کا اعلان کیا ہے (i) پیٹرول آر ڈیزل اور مٹی کے تیل کی قیمتوں میں 15 لیٹر تک کمی ، (ii) پی کے آر کو فراہم کرنے کے لئے پی کے آر کے مختص 3 ماہانہ روزانہ مزدوروں کو 4 ماہ کی مدت کے لئے ، (iii) ایس ایم ای اور زراعت کے شعبوں میں



















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