

# Annual Report

ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020



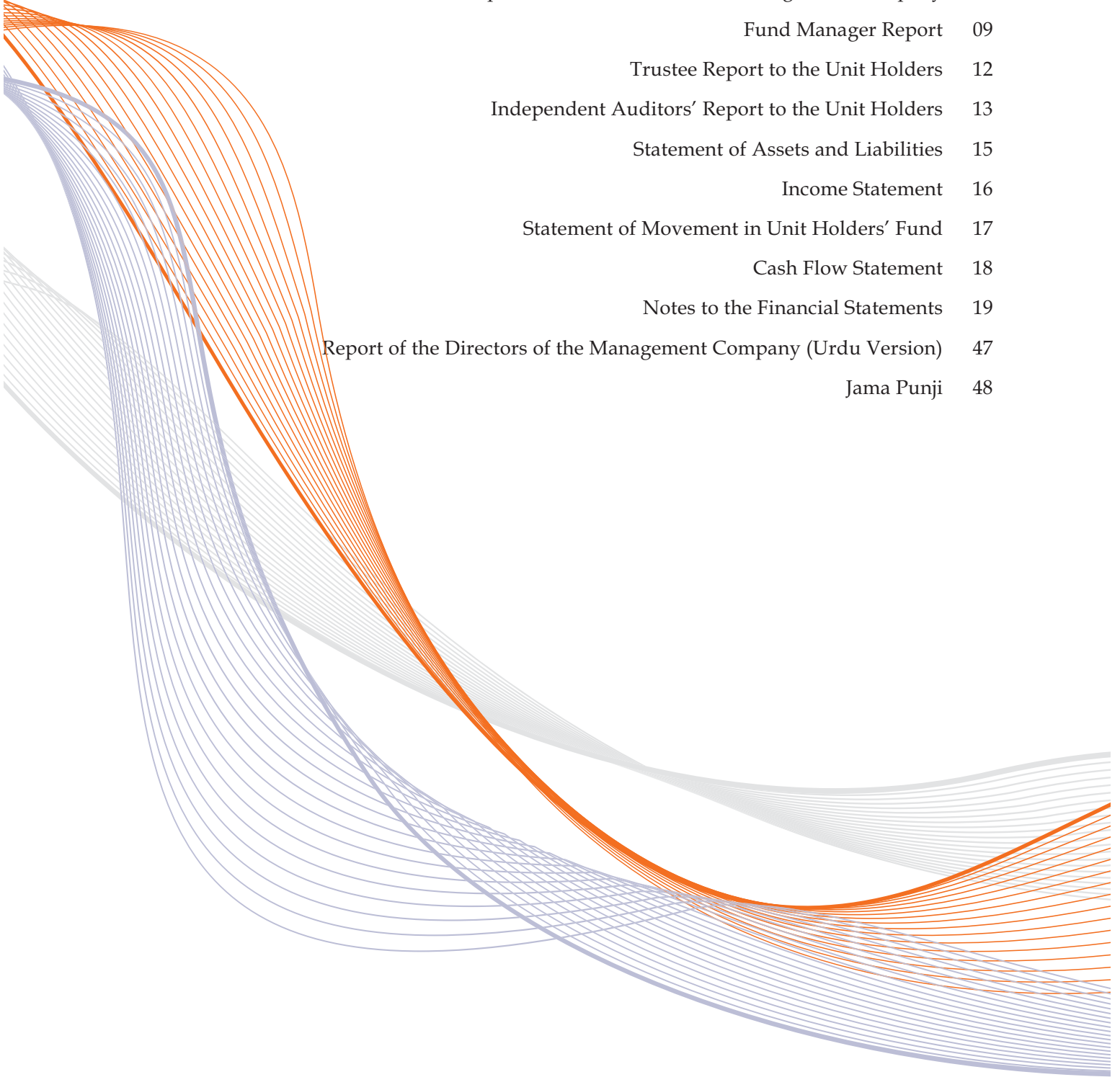
ABL Asset Management

Discover the potential

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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

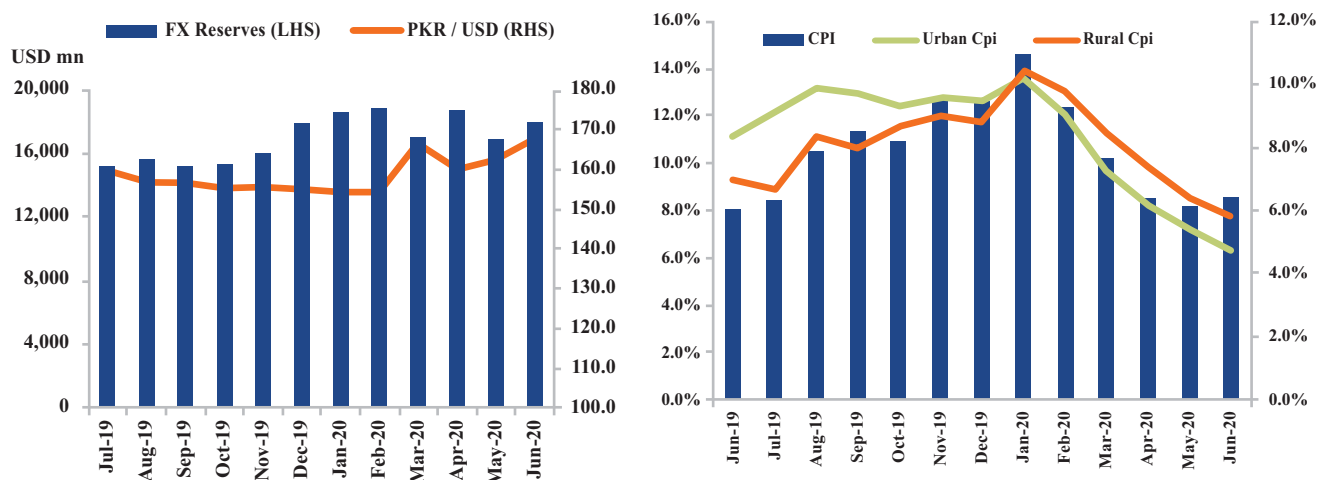
<b>Management Company:</b>	ABL Assel Management Company Limited Plot/Building # 14, Main Boulevard, DHA, Phase - VI, Lahore - 54810	
<b>Board of Directors</b>	Sheikh Mukhtar Ahmed Mr. Mohammad Naem Mukhtar Mr. Muhammad Waseem Mukhtar Mr. Tahir Hassan Qureshi Mr. Pervaiz Iqbal Butt Mr. Muhammad Kamran Shehzad Mr. Alee Khalid Ghaznavi	Chairman Non-Executive Director Non-Executive Director Non-Executive Director Independent Director Independent Director CEO/ Director
<b>Audit Committee:</b>	Mr. Muhammad Kamran Shehzad 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 Shehzad	Chairman Member Member Member
<b>Chief Executive Officer of The Management Company:</b>	Mr. Alec Khalid Ghaznavi	
<b>Chief Financial Officer &amp; Company Secretary:</b>	Mr. Saqib Matin	
<b>Chief Internal Auditor:</b>	Mr. Kamran Shehzad	
<b>Trustee:</b>	Central Depository Company of Pakistan Limited CDC-House, Shahrah-e-Faisal, Karachi	
<b>Bankers to the Fund:</b>	Allied Bank Limited Bank Al-Falah Limited United Bank Limited Habib Bank Limited	
<b>Auditor:</b>	<b>Deloitte Yousuf Adil</b> Chartered Accountants 134-A, Abubakar Block New Garden Town, Lahore	
<b>Legal Advisor:</b>	Ijaz Ahmed & Associates Advocates & Legal Consultants No. 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

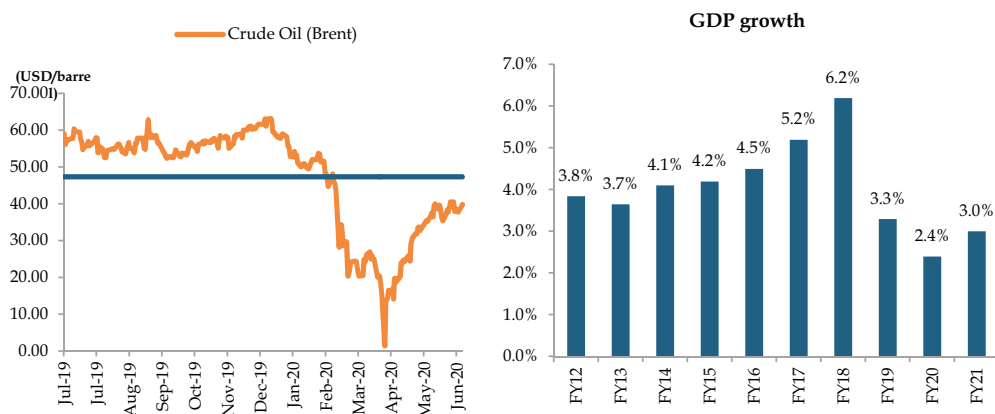
The Board of Directors of ABL Asset Management Company Limited, the management company of ABL Voluntary Pension Scheme (ABL-VPS), is pleased to present the Audited Financial Statements of ABL Voluntary Pension Scheme for the year ended on June 30, 2020.

### ECONOMIC PERFORMANCE REVIEW

Lockdown coupled with supply side issues created inflationary pressure in the country as we witnessed a CPI of 8.59%YoY in Jun'20 after achieving 11-month low inflation of 8.22%YoY in May'20. On a monthly basis, inflation inched up by 0.81% compared to 0.32% increase in the preceding month. The food prices witnessed a sharp increase during the month. The average NCPI for FY20 clocked-in at 10.76%YoY against 6.80%YoY in the SPLY. That said, we estimate the average NCPI for FY21 to settle around 7.3%YoY.



The curtailment in current account deficit (CAD) paved the way to a stable BOP position; coming down by 74%YoY to USD 3.28bn during 11MFY20. The imports dropped by 20%YoY to USD 46.63bn while the budgeted by a mere 7%YoY, despite global lockdown, to USD 25.99bn during 11MFY20. However, worker remittances reported an increase of 6%YoY to reach at USD 23.12bn. Threat to worker remittances seems to be over in our view as economic activity is picking up around the globe. However, the CAD may increase in coming months primarily due to higher oil import bill owing to rising international oil prices and permission granted by the Govt. to import furnace oil to cater power demand in the country. Foreign exchange reserves of the country stand at USD 18.79bn as at July 03, 2020; providing an import cover of ~3.09 months. To fight the pandemic, various international institutions including IMF, ADP, WB and the Paris Club along with friendly countries have come forward to help Pakistan resulting in stabilize reserves. On the fiscal side, during FY20, provisional tax collection has reached to PKR 3.98tn, reflecting an increase of ~4%YoY. During the month of Jun'20, tax collection stood at PKR 420bn against its revised target of PKR 398bn.



Pakistan has reported a negative GDP growth -0.4%YoY in FY20 plunging from 3.3%YoY in FY19. The pandemic has severely affected the economic activities in the 2QCY20; thereby economy could not sustain the positive growth. During the period of Jul-Apr 2020, the large scale manufacturing (LSM) decimated significantly by 8.96%YoY compared to a 2.82% decline in the SPLY. The major contributors to decline were the Textile (-8.68%), Coke and Petroleum Products (21.15%), Iron and Steel Products (-15.68%), Automobile (-41.90%), Pharmaceuticals (-5.31%), and Electronics (-19.74%). Envisaging the condition of the industry and the economy, the government decided to pursue a smart lockdown where all major industries have been allowed to operate. We expect this to avoid GDP contraction in the next financial year; however, the growth rate is not expected to be impressive.

Going forward, especially in the short run, the direction of the market will be set by the upcoming results and the situation of coronavirus pandemic in the country; and its impact on the economy. The incentives announced by the government to support the industry are expected to materialize in the rest of CY20. The prominent ones are the grace period on debt principal to help manage the cash flows while the construction package to boost economic activities; and to create jobs in the country. Apart from these, the policy rate has been reduced substantially to 7%, another big relief to leveraged industries and consumers.

## MUTUAL FUND INDUSTRY REVIEW

Total Assets under management (AUMs) of open end mutual fund posted a substantial growth of 38% during FY20 from PKR 572bn to PKR 788bn, mainly on account of massive inflow in money market fund and fixed income fund. Money market fund including conventional and Islamic, witnessed immense growth of 92% to close the period at PKR 318bn. AUMs of fixed income fund both conventional and Shariah compliant swelled by 66% during the said period. This growth can primarily be attributed to investor's appetite for earning high profits in contractionary monetary policy environment during 9MFY20. In contrast to fixed income, equity market AUMs have declined by 5% during this period. Lock down in country and incremental number of cases of coronavirus makes investor wary regarding investment in risky assets. Turbulence in equity market due to COVID-19 and uncertainty in international oil prices during FY20 contributed in decreasing AUMs of equity funds.

## OBJECTIVE

The objective of ABL Income Fund is to earn superior risk adjusted rate of return by investing in a blend of short, medium and long term debt instruments, both within and outside Pakistan.

## FIXED INCOME MARKET REVIEW

During the period under review money market remained volatile, as SBP's stance moved from monetary tightening

Pakistan has reported a negative GDP growth -0.4%YoY in FY20 plunging from 3.3%YoY in FY19. The pandemic has severely affected the economic activities in the 2QCY20; thereby economy could not sustain the positive growth. During the period of Jul-Apr 2020, the large scale manufacturing (LSM) decimated significantly by 8.96%YoY compared to a 2.82% decline in the SPLY. The major contributors to decline were the Textile (-8.68%), Coke and Petroleum Products (21.15%), Iron and Steel Products (-15.68%), Automobile (-41.90%), Pharmaceuticals (-5.31%), and Electronics (-19.74%). Envisaging the condition of the industry and the economy, the government decided to pursue a smart lockdown where all major industries have been allowed to operate. We expect this to avoid GDP contraction in the next financial year; however, the growth rate is not expected to be impressive. Going forward, especially in the short run, the direction of the market will be set by the upcoming results and the situation of coronavirus pandemic in the country; and its impact on the economy. The incentives announced by the government to support the industry are expected to materialize in the rest of CY20. The prominent ones are the grace period on debt principal to help manage the cash flows while the construction package to boost economic activities; and to create jobs in the country. Apart from these, the policy rate has been reduced substantially to 7%, another big relief to leveraged industries and consumers.

## **MUTUAL FUND INDUSTRY REVIEW**

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Turbulence in equity market due to COVID-19 and uncertainty in international oil prices during FY20 contributed in decreasing AUMs of equity funds.

## **EQUITY MARKET REVIEW**

Pakistan equity market was hanging in the balance during FY20 as the market had moved up marginally by 1.5%YoY and closed at 34,422. In 1HFY20, KSE-100 showed a tremendous performance and bounced back as one of the best market in the world and surged by almost 36% but in 2HFY20, the market witnessed the worst drop after the announcement of lockdown in the country. Before the COVID-19 outbreak, the government was proactively taking measures to support the economy by curtailing CAD, raising tax collection, IMF bailout package, strengthening forex reserve, to name a few. Though, after the outbreak of COVID-19, economic activities were halted amid the lockdown in the country and KSE-100 had lost almost 23% (8,752points) in a single month (Mar'20) but afterward market had recovered by 18% on the back of construction package and other inducements by government in the 4QFY20. After almost two months of smart lockdown, economy started to reopen as the government and other institutions were proactively taking measure to revive the economy including i) 625bps reduction in the policy rate and other incentives by SBP ii) corona relief package of PKR 1.3tn by government iii) PKR 50bn package to support agriculture, and iv) no extra burden of taxes in federal budget FY21.

The average traded volume increased by 26.6%YoY and value declined by 3.5%YoY to 196.5 million and USD45.5 million, respectively. Foreigners remained net seller of USD284.8 million worth of shares. On the local front, Individual investors and Insurance companies remained at the forefront with net buying of worth USD213.2 million



and USD127.6 million, respectively whereas, Banks/DFI sold USD54.5 million worth of shares. After the incredible first half, the market witnessed the bearish run due to COVID-19 pandemic where the major index dragged by commercial banks, oil & gas exploration companies, tobacco and Power Generation & Distribution, each contributed 1275, 481, 363 and 339 points respectively. Going forward, we believe the market will rebound with the ease down in economic activities and consumer spending. The government has taken significant measures to support the economy including construction package, amnesty scheme, tax exemptions, and Naya Pakistan housing scheme which would create a positive impact for different sectors especially the construction sector. Now, investors are hopeful about the reports of early progress in developing treatments for the COVID-19 and we expect a sharp recovery in the market during 2HFY21. KSE-100 index is trading at an attractive level of 2021E P/E of 7.8x and offering a healthy dividend yield of 6.1%.

## **MONEY MARKET REVIEW**

During the period under review money market remained volatile, as SBP's stance moved from monetary tightening to easing. SBP raised interest rates in Jul'19 by 100 bps to combat 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 by the circumstances to cut interest rate by 625ps.

Pakistan investment bonds (PIBs) trading yields came down from 13.72% to 8.69%, with this the yield curve finally moved into normal slope. 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 1,041 billion under a single reverse repo arrangement at a cut-off rate of 7.03%.

On the T-bills side, the 3-Month cut off yields decreased from 12.75% to 7.09%. During the period under review participation in 6 & 12M remained high as the market participants' expectation for inflation started to come down as SBP started cutting interest rates. The cut-offs for 12M T-bill came down by ~608bps to 7.05% whereas the bond cut off yields for 3, 5 & 10 years closed at 7.35%, 8.11% & 8.69% respectively.

## **FUND PERFORMANCE**

Our VPS is systematically classified into 3 sub fund categories based on the risk appetite of our long-term investors i.e. ("Debt Sub fund", "Money Market Sub Fund" & "Equity Sub Fund").

### **Debt Sub Fund**

Debt Sub fund performed well, yielding a since inception return of 13.26%, whereas the fund posted YTD return of 15.54%. The fund was invested 58.94% in T-bills, 12.49% in Corporate Sukuk, 15.95% in PIBs and 6.41% in Cash at June'20.

### **Money Market Sub Fund**

During FY'20 ABL PF Money market fund generated a return of 11.95%. The fund generated gains by actively trading in T-bills. At Jun'20, fund had 99.27% exposure in T-bills while cash at bank stood at 0.69%.

### **Equity Sub Fund**

The fund posted a negative return of 0.20% during the year under review. PF-ESF was invested 96.32% in equities

at 30th June'20. Major exposure of the fund was in Commercial Banks at 23.22% and Oil and Gas Exploration companies at 25.52%.

## AUDITORS

The existing auditors, Deloitte Yousuf Adil (Chartered Accountants), have completed their statutory period of three years. Therefore rotation is required.

M/s A.F. Ferguson & Co. (Chartered Accountants), have been appointed as auditors for the year ending June 30, 2021 for ABL Pension Fund (ABL-PF).

## 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

The KSE-100 index remained under pressure especially during second half of FY20 mainly owing to COVID-19 pandemic. However, the smart lockdown imposed by the sitting govt. all over the country eased off the build-up of new cases recently. In order to provide the much-needed support to the deteriorating economy the incumbent govt. declared the massive rate cuts during past couple of monetary policy announcements. Specific focus on construction sector from the government and pace-up in civil/engineering works on mega dam projects are expected to boost the economic activity across the board. Low international commodities prices have provided the respite to the external account and are expected to keep the inflation in check - most probably in single digit - for next fiscal year. Going forward, the market is expected to improve gradually, however the full swing will remain dependent on the successful implementation of structural reforms by the PTI govt. and effective vaccine announcement to curtail the impact of prevalent pandemic all over the world.

## 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**  
**Lahore, August 18, 2020**



**Alee Khalid Ghaznavi**  
**Chief Executive Officer**



## FUND MANAGER REPORT

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### OBJECTIVE

To provide a secure source of savings and regular income after retirement to the Participants.

### EQUITY MARKET OVERVIEW

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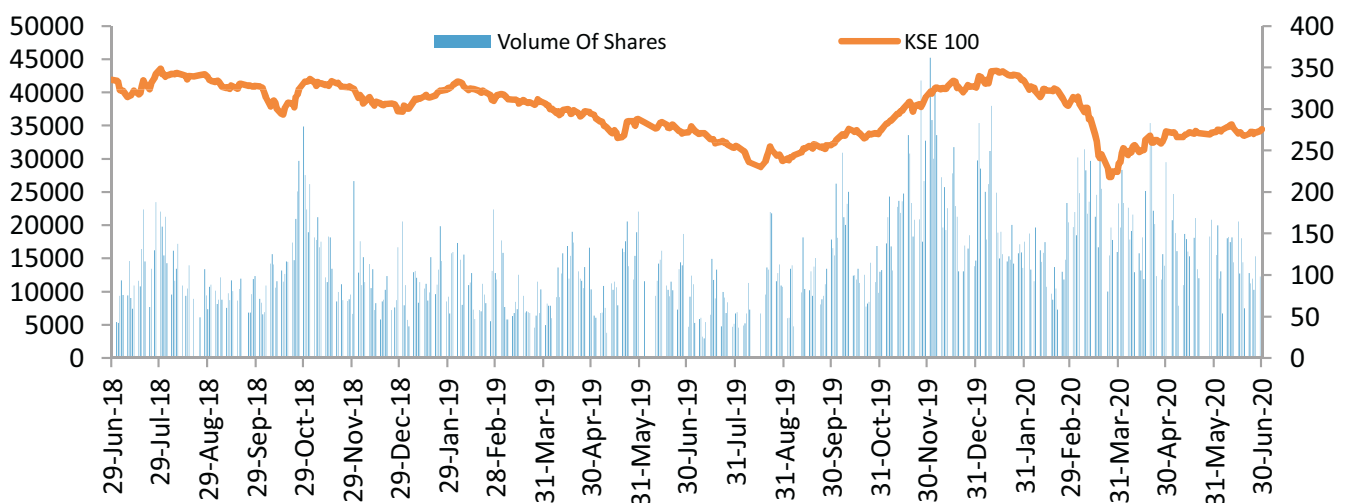
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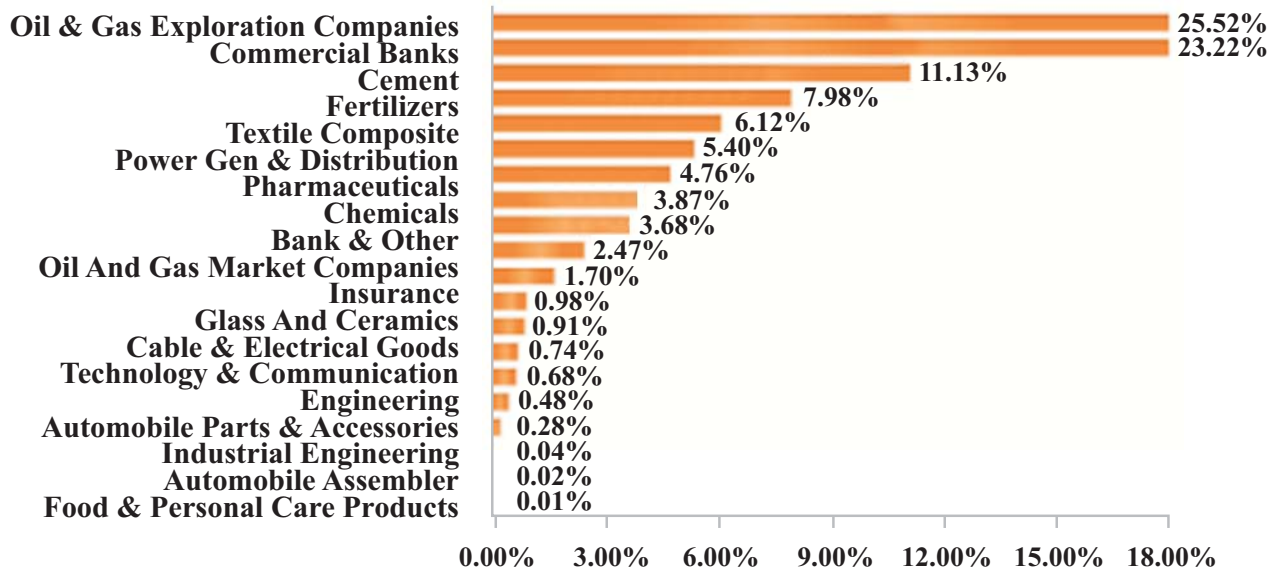
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## SECTOR ALLOCATION (% OF TOTAL ASSETS)



## OUTLOOK

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**CENTRAL DEPOSITORY COMPANY  
OF PAKISTAN LIMITED**

**Head Office**

CDC House, 99-B, Block 'B'  
S.M.C.H.S. Main Shakra-e-Faisal  
Karachi - 74400. Pakistan.  
Tel: (92-21) 111-111-500  
Fax: (92-21) 34326021 - 23  
URL: www.cdcpakistan.com  
Email: info@cdcpak.com



**TRUSTEE REPORT TO THE PARTICIPANTS**

**ABL PENSION FUND**

**Report of the Trustee pursuant to Rule 31(h) of the Voluntary Pension System Rules, 2005**

We, Central Depository Company of Pakistan Limited, being the Trustee of ABL Pension Fund (the Fund) are of the opinion that ABL Asset Management Company Limited being the Pension Fund Manager of the Fund has in all material respects managed the Fund during the year ended June 30, 2020 in accordance with the provisions of the constitutive documents of the Fund and the Voluntary Pension System Rules, 2005.

**Abdul Samad**  
Chief Operating Officer  
Central Depository Company of Pakistan Limited

Karachi: October 01, 2020



## INDEPENDENT AUDITORS' REPORT TO THE PARTICIPANTS OF THE ABL PENSION FUND

We have audited the annexed financial statements comprising:-

- i. Statement of assets and liabilities;
- ii. Income Statement and statement of comprehensive income;
- iii. Cash flow statement; and
- iv. Statement of movement in participants' sub fund;

of **ABL Pension Fund** (the Fund) as at June 30, 2020 together with the notes forming part thereof, for the year then ended.

It is the responsibility of ABL Asset Management Company Limited (the Pension Fund Manager) to establish and maintain a system of internal controls; and prepare and present the financial statements of the Fund in conformity with the International Accounting Standards notified by Security and Exchange Commission of Pakistan under the Companies Act, 2017 and technical releases issued by the Institute of Chartered Accountants of Pakistan from time to time and the requirements of the Voluntary Pensions System Rules, 2005. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:-

- a) the financial statements prepared for the year ended June 30, 2020 have been properly drawn in accordance with the relevant provisions of the Trust Deed and the Voluntary Pension System Rules, 2005 including the guidelines thereunder;
- b) a true and fair view is given of the disposition of the Fund as at June 30, 2020 and the transactions of the Fund for the year then ended in accordance with approved accounting standards as applicable in Pakistan;
- c) the allocation and reallocation of units of the sub-funds for all the participants have been made according to the Voluntary Pension System Rules, 2005;
- d) the cost and expenses debited to the Fund and apportionment of expenses between sub-funds are as specified in the constitutive documents of the Fund;

Member of  
**Deloitte Touche Tohmatsu Limited**

- e) the financial statements prepared are in agreement with the Fund's books and records;
- f) we were able to obtain all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of the audit; and
- g) No zakat was deductible at source under the Zakat and Usher Ordinance, 1980.

*Deloitte Yousuf Adil*  
Chartered Accountants

**Engagement Partner**  
Rana M. Usman Khan

**Place:** Lahore  
**Date:** August 18, 2020

Member of  
Deloitte Touche Tohmatsu Limited



**ABL PENSION FUND  
STATEMENT OF ASSETS AND LIABILITIES  
AS AT JUNE 30, 2020**

	Note	June 30, 2020				June 30, 2019			
		Equity	Debt	Money Market	Total	Equity	Debt	Money Market	Total
		Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund	
		Rupees				Rupees			
<b>ASSETS</b>									
Balances with banks	4	3,268,448	7,940,508	791,328	12,000,284	8,327,654	20,036,348	36,605,539	64,969,541
Investments	5	97,125,775	115,207,751	115,819,031	328,152,557	77,743,566	63,684,380	43,955,164	185,383,110
Dividend receivable		292,738	-	-	292,738	195,695	-	-	195,695
Income receivable	6	23,233	745,912	813	769,958	52,595	902,955	341,463	1,297,013
Receivable against sale of securities		-	-	-	-	655,005	-	-	655,005
Deposits and other receivables	7	124,388	143,195	54,238	321,821	124,388	124,510	50,751	299,649
<b>Total assets</b>		<b>100,834,582</b>	<b>124,037,366</b>	<b>116,665,410</b>	<b>341,537,358</b>	<b>87,098,903</b>	<b>84,748,193</b>	<b>80,952,917</b>	<b>252,800,013</b>
<b>LIABILITIES</b>									
Payable to the Pension Fund Manager	8	382,844	414,954	381,431	1,179,229	364,135	361,450	328,022	1,053,607
Payable to the Trustee	9	13,862	16,839	15,988	46,689	12,038	11,627	10,785	34,450
Payable to the Auditors		63,000	63,000	63,000	189,000	50,000	50,000	50,000	150,000
Payable to the Securities and Exchange Commission of Pakistan	10	25,685	27,554	30,151	83,390	31,660	25,468	21,491	78,619
Payable against purchase of equity securities		-	-	-	-	2,389,700	-	-	2,389,700
Accrued expenses and other liabilities	11	738,347	194,486	113,029	1,045,862	741,055	194,486	113,029	1,048,570
<b>Total liabilities</b>		<b>1,223,738</b>	<b>716,833</b>	<b>603,599</b>	<b>2,544,170</b>	<b>3,588,588</b>	<b>643,031</b>	<b>523,327</b>	<b>4,754,946</b>
<b>NET ASSETS</b>		<b>99,610,844</b>	<b>123,320,533</b>	<b>116,061,811</b>	<b>338,993,188</b>	<b>83,510,315</b>	<b>84,105,162</b>	<b>80,429,590</b>	<b>248,045,067</b>
<b>PARTICIPANTS' SUB FUNDS (AS PER STATEMENT ATTACHED)</b>		<b>99,610,844</b>	<b>123,320,533</b>	<b>116,061,811</b>	<b>338,993,188</b>	<b>83,510,315</b>	<b>84,105,162</b>	<b>80,429,590</b>	<b>248,045,067</b>
<b>NUMBER OF UNITS IN ISSUE</b>	15	<b>788,431</b>	<b>693,779</b>	<b>814,975</b>		<b>659,682</b>	<b>546,908</b>	<b>632,461</b>	
<b>NET ASSET VALUE PER UNIT</b>		<b>126.3406</b>	<b>177.7520</b>	<b>142.4115</b>		<b>126.5918</b>	<b>153.7829</b>	<b>127.1692</b>	
<b>Contingencies and commitments</b>	12								

The annexed notes 1 to 26 form an integral part of these financial statements.

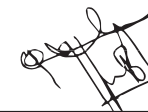
For ABL Asset Management Company Limited  
(Pension Fund Manager)



Saqib Matin  
Chief Financial Officer



Alee Khalid Ghaznavi  
Chief Executive Officer



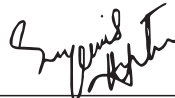
Pervaiz Iqbal Butt  
Director


**ABL PENSION FUND**  
**INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED JUNE 30, 2020**

Note	For the year ended June 30, 2020				For the year ended June 30, 2019			
	Equity	Debt	Money Market	Total	Equity	Debt	Money Market	Total
	Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund	
	-----Rupees-----				-----Rupees-----			
<b>INCOME</b>								
Financial income	789,951	12,545,096	12,823,079	26,158,126	435,657	7,468,122	6,285,007	14,188,786
Unrealised (diminution) / appreciation on remeasurement of investments classified as 'financial assets at fair value through profit or loss' - net	(6,155,209)	2,851,055	540,211	(2,763,943)	(13,748,302)	(615,246)	(4,780)	(14,368,328)
Capital (loss)/ gain on sale of investments	(446,754)	1,082,243	1,029,258	1,664,747	(8,746,952)	284,388	(24,367)	(8,486,931)
Dividend income	4,264,708	-	-	4,264,708	4,431,618	-	-	4,431,618
<b>Total Income</b>	<b>(1,547,304)</b>	<b>16,478,394</b>	<b>14,392,548</b>	<b>29,323,638</b>	<b>(17,627,979)</b>	<b>7,137,264</b>	<b>6,255,860</b>	<b>(4,234,855)</b>
<b>EXPENSES</b>								
Remuneration of the Pension Fund Manager	1,356,158	1,461,511	1,587,095	4,404,764	1,440,270	1,157,637	976,886	3,574,793
Remuneration of the Trustee	135,320	145,851	158,373	439,544	143,703	115,519	97,488	356,710
Annual fee of the Securities and Exchange Commission of Pakistan	25,689	27,556	30,143	83,388	31,708	25,468	21,491	78,667
Punjab sales tax on remuneration of the Pension Fund Manager	216,986	233,842	253,935	704,763	230,439	185,222	156,301	571,962
Sindh sales tax on remuneration of the Trustee	17,592	18,962	20,589	57,143	18,682	15,018	12,675	46,375
Auditors' remuneration	76,000	76,000	76,000	228,000	57,500	57,500	57,500	172,500
Security transaction charges	548,358	111,164	1,627	661,149	260,182	18,566	1,060	279,808
Bank charges	4,391	47,111	24,365	75,867	14,350	11,212	10,712	36,274
Legal and professional charges	50,318	50,318	50,318	150,954	81,222	81,222	81,222	243,666
Printing and other expenses	31,851	31,831	33,591	97,273	16,131	16,128	16,131	48,390
<b>Total operating expenses</b>	<b>2,462,663</b>	<b>2,204,146</b>	<b>2,236,036</b>	<b>6,902,845</b>	<b>2,294,187</b>	<b>1,683,492</b>	<b>1,431,466</b>	<b>5,409,145</b>
<b>Net (loss)/ income for the year before taxation</b>	<b>(4,009,967)</b>	<b>14,274,248</b>	<b>12,156,512</b>	<b>22,420,793</b>	<b>(19,922,166)</b>	<b>5,453,772</b>	<b>4,824,394</b>	<b>(9,644,000)</b>
Taxation	-	-	-	-	-	-	-	-
<b>Net (loss)/ income for the year after taxation</b>	<b>(4,009,967)</b>	<b>14,274,248</b>	<b>12,156,512</b>	<b>22,420,793</b>	<b>(19,922,166)</b>	<b>5,453,772</b>	<b>4,824,394</b>	<b>(9,644,000)</b>
Other comprehensive income for the year	-	-	-	-	-	-	-	-
<b>Total comprehensive (loss)/ income for the year</b>	<b>(4,009,967)</b>	<b>14,274,248</b>	<b>12,156,512</b>	<b>22,420,793</b>	<b>(19,922,166)</b>	<b>5,453,772</b>	<b>4,824,394</b>	<b>(9,644,000)</b>
<b>Earning / (loss) Per Unit</b>								

The annexed notes 1 to 26 form an integral part of these financial statements.

For ABL Asset Management Company Limited  
(Pension Fund Manager)

  
Saqib Matin  
Chief Financial Officer

  
Alee Khalid Ghaznavi  
Chief Executive Officer

  
Pervaiz Iqbal Butt  
Director

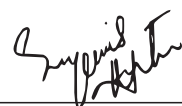
**ABL PENSION FUND  
STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUND  
FOR THE YEAR ENDED JUNE 30, 2020**

Note	For the year ended June 30, 2020				For the year ended June 30, 2019			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	-----Rupees-----				-----Rupees-----			
Net assets at the beginning of the year	83,510,315	84,105,162	80,429,590	248,045,067	101,377,223	77,125,254	55,550,750	234,053,227
Issue of units *	33,317,624	38,310,786	50,578,588	122,206,998	11,765,511	12,349,699	24,847,707	48,962,917
Redemption of units *	(13,207,128)	(13,369,663)	(27,102,879)	(53,679,670)	(9,710,253)	(10,823,563)	(4,793,261)	(25,327,077)
	20,110,496	24,941,123	23,475,709	68,527,328	2,055,258	1,526,136	20,054,446	23,635,840
Net capital gain on sale of investments	(446,754)	1,082,243	1,029,258	1,664,747	(8,746,952)	284,388	(24,367)	(8,486,931)
Unrealised (diminution)/ appreciation on remeasurement of investments classified as financial assets at fair value through profit or loss	(6,155,209)	2,851,055	540,211	(2,763,943)	(13,748,302)	(615,246)	(4,780)	(14,368,328)
Other net income for the year	2,591,996	10,340,950	10,587,043	23,519,989	2,573,088	5,784,630	4,853,541	13,211,259
	(4,009,967)	14,274,248	12,156,512	22,420,793	(19,922,166)	5,453,772	4,824,394	(9,644,000)
<b>Net assets at the end of the year</b>	<b>99,610,844</b>	<b>123,320,533</b>	<b>116,061,811</b>	<b>338,993,188</b>	<b>83,510,315</b>	<b>84,105,162</b>	<b>80,429,590</b>	<b>248,045,067</b>

\* Total number of units issued and redeemed during the period is disclosed in note 15 of these financial statements.

The annexed notes 1 to 26 form an integral part of these financial statements.

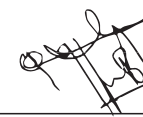
**For ABL Asset Management Company Limited  
(Pension Fund Manager)**



**Saqib Matin**  
Chief Financial Officer



**Alee Khalid Ghaznavi**  
Chief Executive Officer



**Pervaiz Iqbal Butt**  
Director

**ABL PENSION FUND  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED JUNE 30, 2020**

Note	For the year ended June 30, 2020				For the year ended June 30, 2019			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	Rupees				Rupees			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>								
Net (loss)/ income for the year	(4,009,967)	14,274,248	12,156,512	22,420,793	(19,922,166)	5,453,772	4,824,394	(9,644,000)
<b>Adjustments for non cash &amp; other items</b>								
Unrealised diminution / (appreciation) on remeasurement of investments classified as financial assets at fair value through profit or loss - net	6,155,209	(2,851,055)	(540,211)	2,763,943	13,748,302	615,246	4,780	14,368,328
Dividend income	(4,264,708)	-	-	(4,264,708)	(4,431,618)	-	-	(4,431,618)
	<b>1,890,501</b>	<b>(2,851,055)</b>	<b>(540,211)</b>	<b>(1,500,765)</b>	<b>9,316,684</b>	<b>615,246</b>	<b>4,780</b>	<b>9,936,710</b>
	(2,119,466)	11,423,193	11,616,301	20,920,028	(10,605,482)	6,069,018	4,829,174	292,710
<b>Decrease / (Increase) in assets</b>								
Income receivable	29,362	157,042	340,650	527,054	(34,836)	(657,344)	(262,500)	(954,680)
Receivable against sale of investments	655,005	-	-	655,005	(655,005)	-	-	(655,005)
Deposits and other receivables	-	(18,685)	(3,487)	(22,172)	-	39,363	17,262	56,625
	<b>684,367</b>	<b>138,357</b>	<b>337,163</b>	<b>1,159,887</b>	<b>(689,841)</b>	<b>(617,981)</b>	<b>(245,238)</b>	<b>(1,553,060)</b>
<b>(Decrease) / Increase in liabilities</b>								
Payable against purchase of investments	(2,389,700)	-	-	(2,389,700)	818,735	-	-	818,735
Payable to the Pension Fund Manager	18,709	53,504	53,409	125,622	(19,716)	6,003	31,346	17,633
Payable to the Trustee	1,824	5,212	5,203	12,239	(1,919)	649	3,054	1,784
Payable to the Auditors	13,000	13,000	13,000	39,000	-	-	-	-
Payable to the Securities and Exchange Commission of Pakistan	(5,975)	2,086	8,660	4,771	(1,018)	(436)	4,595	3,141
Accrued expenses and other liabilities	(2,708)	1	-	(2,707)	21,148	(25,001)	(25,001)	(28,854)
	<b>(2,364,850)</b>	<b>73,803</b>	<b>80,272</b>	<b>(2,210,775)</b>	<b>817,230</b>	<b>(18,785)</b>	<b>13,994</b>	<b>812,439</b>
Dividend received	4,167,665	-	-	4,167,665	4,370,905	-	-	4,370,905
Investments net	(25,537,418)	(82,138,180)	(65,288,620)	(172,964,218)	2,475,992	4,498,234	(4,780)	6,969,446
<b>Net cash (used in) / from operating activities</b>	<b>(25,169,702)</b>	<b>(70,502,827)</b>	<b>(53,254,884)</b>	<b>(148,927,413)</b>	<b>(3,631,196)</b>	<b>9,930,486</b>	<b>4,593,150</b>	<b>10,892,440</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>								
Receipts on issuance of units	33,317,624	38,310,786	50,578,588	122,206,998	11,765,511	12,349,699	24,847,707	48,962,917
Payments on redemption of units	(13,207,128)	(13,369,663)	(27,102,879)	(53,679,670)	(9,710,253)	(10,823,563)	(4,793,261)	(25,327,077)
<b>Net cash from financing activities</b>	<b>20,110,496</b>	<b>24,941,123</b>	<b>23,475,709</b>	<b>68,527,328</b>	<b>2,055,258</b>	<b>1,526,136</b>	<b>20,054,446</b>	<b>23,635,840</b>
<b>Net (decrease) / increase in cash and cash equivalents during the year</b>	<b>(5,059,206)</b>	<b>(45,561,704)</b>	<b>(29,779,175)</b>	<b>(80,400,085)</b>	<b>(1,575,938)</b>	<b>11,456,622</b>	<b>24,647,596</b>	<b>34,528,280</b>
Cash and cash equivalents at beginning of the year	8,327,654	53,502,212	80,560,703	142,390,569	9,903,592	42,045,590	55,913,107	107,862,289
<b>Cash and cash equivalents at end of the year</b>	<b>3,268,448</b>	<b>7,940,508</b>	<b>50,781,528</b>	<b>61,990,484</b>	<b>8,327,654</b>	<b>53,502,212</b>	<b>80,560,703</b>	<b>142,390,569</b>

The annexed notes 1 to 26 form an integral part of these financial statements.

**For ABL Asset Management Company Limited  
(Pension Fund Manager)**



**Saqib Matin**  
Chief Financial Officer



**Alee Khalid Ghaznavi**  
Chief Executive Officer



**Pervaiz Iqbal Butt**  
Director

**ABL PENSION FUND**  
**STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT JUNE 30, 2020**

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**1 LEGAL STATUS AND NATURE OF BUSINESS**

**1.1** ABL Pension Fund ("the Fund") has been established under the Voluntary Pension Scheme Rules, 2005 (VPS Rules) via a Trust Deed dated March 19, 2014 executed between ABL Asset Management Company Limited (ABL AMC) as the Pension Fund Manager and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Fund was authorised by the Securities & Exchange Commission of Pakistan (SECP) as a pension fund on July 7, 2014. The Pension Fund Manager has been licensed to act as a Pension Fund Manager under the VPS Rules through a certificate of registration issued by the SECP.

**1.2** The Fund commenced its operations from August 20, 2014. The Fund is a Voluntary Pension Fund and offers units for public subscription on a continuous basis. The units are non-transferable except in the circumstances mentioned in the Voluntary Pension System Rules, 2005 and can be redeemed by surrendering them to the Fund. Further, as per the offering document, the Fund shall not distribute any income from the Fund whether in cash or otherwise.

**1.3** The objective of the Fund is to provide a secure source of savings and retirement income to individuals. It is a portable pension scheme allowing individuals the flexibility of contributions and portfolio customization through allocation of such contributions in equity and fixed income investment avenues suited to their specific needs and risk profile.

**1.4** At present, the Fund consists of the following three Sub-Funds. The investment policy for each of the sub-funds are as follows:

**a) ABL Pension Fund - Equity Sub-Fund (ABLPF - ESF)**

The Equity Sub-Fund shall have an average minimum investment in listed shares of ninety percent (90%) of its Net Asset Value (NAV). Investment in equity securities of a single company shall not exceed 10% of the net assets value of the Equity Sub Fund, provided that exposure in companies belonging to a single sector as classified by the Stock Exchange shall not exceed 30% of the net assets of the Equity Sub Fund or the index weight, whichever is higher, subject to maximum of 35% of the net assets of the Equity Sub Fund. Any un-invested surplus may be invested in Government treasury bills or Government securities having less than one year time to maturity.

**b) ABL Pension Fund - Debt Sub-Fund (ABLPF - DSF)**

The Debt Sub-Fund shall invest atleast 25% of the net assets of the Debt Sub Fund in debt securities issued by the Federal Government. The weighted average time to maturity of securities held in the portfolio of Debt Sub Fund shall not exceed 5 years. Exposure to securities issued by companies in a single sector shall not exceed 20% (30% in case of the banking sector) of the net assets of the debt sub fund. The objective of the Fund is to provide income along with capital preservation.

**c) ABL Pension Fund - Money Market Sub-Fund (ABLPF - MMSF)**

The weighted average time to maturity of the net assets of the Money Market Sub-fund shall not exceed 90 days, provided that time to maturity of any asset in the portfolio of the Money Market Sub-fund shall not exceed 6 months.

**1.5** The Fund offers four types of allocation schemes, as prescribed by the SECP under the VPS Rules vide its Circular no. 36 of 2009 dated December 10, 2009 to the participants of the Fund namely High Volatility, Medium Volatility, Low Volatility and Lower Volatility. The participant has the option to suggest a minimum percentage of allocation to the above allocation schemes (subject to the minimum percentages prescribed in the offering document). Based on the minimum allocation, the investment amount of the investors is allocated to the above stated sub-funds. The units held by the participants in the Sub-Funds can be redeemed on or before their retirement and in case of disability or death subject to conditions laid down in the offering document, the VPS Rules and the Income Tax Ordinance, 2001. According to the Trust Deed, there shall be no distribution from the Sub-Funds, and all income earned by the Sub-Funds shall be accumulated and retained in the Fund.

**1.6** Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as a Trustee of the Fund.

**2 BASIS OF PREPARATION**

**2.1 Statement of Compliance**

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

- International Financial Reporting Standards (IFRS standards) issued by International Accounting Standards Board (IASB) as notified under Companies Act, 2017 (the Act);
- The requirements of the Trust Deed, the Voluntary Pension System Rules, 2005 (VPS Rules) and the directives issued by the Securities and the Exchange Commission of Pakistan (SECP)

Where the provisions of the Trust Deed, the VPS Rules or the directives issued by the SECP differ from the IFRS Standards, the provisions of the Trust Deed, the VPS Rules, 2005 or of the said directives have been followed."

## 2.2 New accounting standards / amendments and IFRS interpretations that are effective for the year ended June 30, 2020

The following standards, amendments and interpretations are effective for the year ended June 30, 2020. 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.

### Standards or Interpretations

### "Effective from accounting period beginning on or after:"

Amendments to IAS 28 'Investments in Associates and Joint Ventures' Amendments regarding long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied.	January 01, 2019
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'.	January 01, 2019
IFRS 16 'Leases': This standard will supersede IAS 17 'Leases', IFRIC 4, SIC 15 and SIC 27 upon its effective date.	January 01, 2019
Amendments to IAS 19 'Employee Benefits' - Amendments regarding plan amendments, curtailments or settlements.	January 01, 2019
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding prepayment features with negative compensation and modifications of financial liabilities.	January 01, 2019
IFRS 14 'Regulatory deferral accounts.	July 01, 2019
Annual improvements to IFRS standards 2015-2017 cycle amendments to:	
- IFRS 3 -- Business Combinations;	
- IFRS 11 -- Joint Arrangements;	January 01, 2019
- IAS 12 -- Income Taxes; and	
- IAS 23 -- Borrowing Costs.	

### New accounting standards / amendments and IFRS interpretations that are not yet effective

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.

### Standards or Interpretations

### "Effective from accounting period beginning on or after:"

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.	January 01, 2020
Amendments to IFRS 3 'Business Combinations' - Amendments regarding the definition of business.	January 01, 2020
Amendments to IAS 39, IFRS 7 and IFRS 9 – The amendments will affect entities that apply the hedge accounting requirements of IFRS 9 or IAS 39 to hedging relationships directly affected by the interest rate benchmark reform.	January 01, 2020
Amendments to IAS 1 'Presentation of Financial Statements' and IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Amendments regarding the definition of material.	January 01, 2020
Amendment to IFRS 16 'Leases' - Provide lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification.	June 01, 2020
Amendments to IAS 1 'Presentation of Financial Statements' regarding Classification of Liabilities as Current or Non-Current.	January 01, 2022

## Standards or Interpretations

"Effective from accounting period beginning on or after:"

Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' regarding the costs to include when assessing whether a contract is onerous.

January 01, 2022

Amendments to IAS 16 'Property, Plant and Equipment', prohibiting a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use.

January 01, 2022

Amendments to the Conceptual Framework for Financial Reporting, including amendments to references to the Conceptual Framework in IFRS Standards.

January 01, 2022

Annual improvements to IFRS standards 2018-2020 cycle amendments to:

- IFRS 1 -- First-time Adoption of International Financial Reporting Standards;
- IFRS 9 -- Financial Instruments;
- IFRS 16 -- Leases; and
- IAS 41 -- Agriculture.

January 01, 2022

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; and
- IFRS 17 -- Insurance Contracts

## 2.3 Basis of measurement

### 2.3.1 Critical accounting estimates and judgments

The preparation of the financial statements in conformity with the approved accounting standards requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, income and expenses. It also requires the management to exercise the judgment in the application of its accounting policies. The estimates, judgments and associated assumptions are based on the historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and underlying assumptions are reviewed on an ongoing basis. The revisions to the accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

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

- i) Classification and valuation of financial assets (notes 3.2 and 5)
- ii) Impairment of financial assets (note 3.3)

### 2.3.2 Accounting convention

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

## 2.4 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 and are presented in Pakistani Rupees which is the Fund's functional and presentation currency.

## 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

### 3.1 Cash and cash equivalents

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

### 3.2 Classification of financial instruments

The Fund classify and measure its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets.

Regular purchases and sales of investments are recognised on the trade date – the date on which the Fund commits to purchase or sell the investment. Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred in the statement of comprehensive income.

Fund's portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The contractual cash flows of the Fund's debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all investments and derivatives are measured at FVTPL. Short sales are held for trading and are consequently classified as financial liabilities at FVTPL. Derivative contracts that have a negative fair value are presented as liabilities at FVTPL. The Fund recognizes financial instruments at fair value upon initial recognition. Purchases and sales of financial assets are recognized at their trade date.

The Fund's obligations for net assets attributable to holders of redeemable units are presented at the redemption amount, which approximates their fair value. All other financial assets and liabilities are measured at amortized cost, which approximates their fair value. Under this method, financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the effective rate of interest.

Investments at fair value for financial statement purposes are determined as follows:

#### **Basis of valuation of debt securities**

The investment of the Fund in 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.) is 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 valuation of debt securities. In the determination of the rates the MUFAP takes into account the holding pattern of these securities and categorises them as traded, thinly traded and non-traded securities. The circular 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**

The investment of the Fund in government securities is valued on the basis of rates published on the MUFAP website.

#### **Basis of Valuation of Equity Securities**

The investment of the Fund in equity securities is valued on the basis of quoted market price available at the stock exchanges.

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

#### **Transfers between levels of the fair value hierarchy**

Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting period.

### 3.3 Impairment

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized. The applicability of impairment requirement for debt securities on mutual funds is deferred in accordance with the notification SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 issued by SECP.

### 3.4 Derecognition

Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and when the Funds have transferred substantially the risks and rewards of ownership of the assets. Financial liabilities are derecognized when the obligation specified in the contract is discharged, cancelled or expired. Realized gains and losses are recognized based on the average cost method and included in the statements of comprehensive income in the period in which they occurred.

### 3.5 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 amortised cost.



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

### **3.6 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 to realise the assets and settle the liabilities simultaneously.

### **3.7 Formation cost**

Formation cost represent expenditure incurred prior to the commencement of the operations of the Fund. These costs are being amortised over a period of three years in accordance with the requirements set out in the Trust Deed of the Fund. These expenses were paid for by the Pension Fund Manager and are payable to them by the Fund.

### **3.8 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 the obligation can be made. Provisions, if any, are regularly reviewed and adjusted to reflect the current best estimate.

### **3.9 Taxation**

The income of the Fund is exempt from taxation under clause 57 (3) (viii) of the Part I of the Second Schedule of the Income Tax Ordinance, 2001.

### **3.10 Revenue recognition**

- 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 appreciation / (diminution) in the value of investments classified as 'Financial assets at fair value through profit or loss' are included in the income statement in the period which they arise.
- Interest is recognised on a time-proportionate basis using the effective interest method. Interest income includes interest from cash and cash equivalents. Interest from financial assets at fair value through profit or loss includes interest from debt securities.
- Dividend income is recognised when the rights to receive the dividend are established

### **3.11 Expenses**

- The Pension Fund Manager's remuneration and the trustee's remuneration is charged to the Sub-Funds in proportion to the net assets of the Sub-Funds.
- Security transaction charges, bank charges, borrowing / financial costs, taxes applicable to the income, and other costs are charged to the pertinent Sub-Funds.
- Audit fees, legal and related costs, annual fees payable to the Commission are charged to the Sub-Funds in proportion to the net assets of the Sub-Funds.

### **3.12 Issue, Allocation, Reallocation and Redemption of Units**

Contributions received from the participants are allocated to the Sub-Funds on the basis of the allocation scheme selected by each participant out of the allocation schemes offered by the pension fund manager. The net asset value (NAV) per unit of each Sub-Fund is determined at the close of each business day, according to the procedure outline in the VPS Rules and is applicable for allocation of units in each Sub-Fund for all the contribution amount realised and credited in collection account of the fund during the business hours' in that business day.

The Pension Fund Manager makes reallocation of the units between the Sub-Funds at least once a year to ensure that the allocations of the units of all the participants are according to the allocation scheme selected by the participants.

All the Sub-Funds units are automatically redeemed in the close of the dealing day at which the retirement date falls or death of a participant has been confirmed. The participant may also withdraw from the scheme prior to retirement. The redemption from the respective Sub-Fund is made on the Net Asset Value per unit prevailing at the close of the dealing day on which the request is received, subject to deduction of zakat and taxes, as applicable.

In case of partial withdrawals, units are redeemed on a pro rata basis by ensuring that the remaining units are in accordance with the allocation scheme last selected by the participants.

Proceeds received on redemptions / paid on issuance of units are reflected in the participant's Sub-Fund. The voluntary pension system rules, 2005 specify that distribution of dividend shall not be allowed for

pension funds and return to unit holders is, therefore, only possible through redemption of units which is based on Net Asset Value (NAV). Hence, the management believes that creation of income equalization mechanism through separate recording of "element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed" is not required.

### 3.13 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 sub fund by the number of units in circulation at the year end of respective sub fund.

### 3.14 Transaction costs

Transaction costs are costs incurred to acquire financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents, advisers, brokers and dealers. Transaction costs, when incurred, are immediately recognised in profit or loss as an expense.

4	BALANCES WITH BANKS	Note	June 30, 2020				June 30, 2019			
			Equity	Debt	Money Market	Total	Equity	Debt	Money Market	Total
			Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund	
			-----Rupees-----				-----Rupees-----			
	Saving accounts	4.1 & 4.2	3,268,448	7,940,508	791,328	12,000,284	8,327,654	20,036,348	36,605,539	64,969,541

4.1 Deposits in saving accounts include aggregate balance of Rs. 11,440,548 (June 30, 2019: 37,212,478) with Allied Bank Limited, a related party and carry markup rate of 6.00% (June 30, 2019: 13.40%) per annum.

4.2 These savings accounts carry markup at rates ranging from 4.00% to 6.00% (June 30, 2019: 8.00% to 13.75%) per annum.

4.3	Cash & cash equivalent		June 30, 2020				June 30, 2019			
			Equity	Debt	Money Market	Total	Equity	Debt	Money Market	Total
			Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund	
			-----Rupees-----				-----Rupees-----			
	Balances with banks	4	3,268,448	7,940,508	791,328	12,000,284	8,327,654	20,036,348	36,605,539	64,969,541
	Investment in treasury bills (original maturity less than 3 months)	5.4	-	-	49,990,200	49,990,200	-	33,465,864	43,955,164	77,421,028
			<b>3,268,448</b>	<b>7,940,508</b>	<b>50,781,528</b>	<b>61,990,484</b>	<b>8,327,654</b>	<b>53,502,212</b>	<b>80,560,703</b>	<b>142,390,569</b>

5	INVESTMENTS	Note	June 30, 2020				June 30, 2019			
			Equity	Debt	Money Market	Total	Equity	Debt	Money Market	Total
			Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund	
			-----Rupees-----				-----Rupees-----			
	<b>Financial assets 'at fair value through profit or loss'</b>									
	Listed equity securities	5.1	97,125,775	-	-	97,125,775	77,743,566	-	-	77,743,566
	Government securities - Pakistan Investment Bonds	5.2	-	19,779,909	-	19,779,909	-	14,213,520	-	14,213,520
	Government securities - Treasury Bills	5.3 & 5.4	-	73,112,958	115,819,031	188,931,989	-	33,465,864	43,955,164	77,421,028
			-	92,892,867	115,819,031	208,711,898	-	47,679,384	43,955,164	91,634,548
	Corporate Sukuk Bonds and Term Finance Certificate	5.6	-	15,488,673	-	15,488,673	-	11,038,823	-	11,038,823
	Commercial paper		-	6,826,211	-	6,826,211	-	4,966,173	-	4,966,173
			<b>97,125,775</b>	<b>115,207,751</b>	<b>115,819,031</b>	<b>328,152,557</b>	<b>77,743,566</b>	<b>63,684,380</b>	<b>43,955,164</b>	<b>185,383,110</b>

## 5.1 Listed equity securities

Shares of listed companies - fully paid ordinary shares with a face value of Rs 10 each except for the shares of Thall Limited which have face value of Rs. 5.

Name of Sector / Investee Company	As at July 01, 2019	Purchased during the year	Bonus received during the year	Sold during the year	As at June 30, 2020	Carrying Value as at June 30, 2020	Market value as at June 30, 2020	Appreciation / (Diminution)	Market value as a percentage of net assets of the Sub-Fund	Market value as a percentage of total investment of the Sub-Fund	Market value as a percentage of paid up capital of investee company
	------(Number of shares)-----					------(Rupees)-----			------%age-----		
<b>COMMERCIAL BANKS</b>											
Habib Bank limited	42,695	69,200	-	48,100	63,795	7,443,079	6,179,822	(1,263,257)	6.20%	6.36%	0.42%
MCB Bank Limited	2,300	19,719	-	15,800	6,219	1,059,478	1,007,913	(51,565)	1.01%	1.04%	0.09%
Bank Al-Falah Limited	131,900	54,000	-	185,000	900	38,823	30,213	(8,610)	0.03%	0.03%	0.00%
Bank Al-Habib Limited	31,000	81,000	-	21,500	90,500	6,756,784	4,733,150	(2,023,634)	4.75%	4.87%	0.43%
Meezan Bank Limited	60,170	53,500	-	56,000	57,670	4,359,748	3,970,580	(389,168)	3.99%	4.09%	0.34%
The Bank of Punjab	147,000	202,500	-	155,000	194,500	1,989,013	1,633,800	(355,213)	1.64%	1.68%	0.06%
Bank Islami Pakistan Limited	-	100,000	-	50,000	50,000	680,000	378,000	(302,000)	0.38%	0.39%	0.03%
Allied Bank Limited	-	20,000	-	20,000	-	-	-	-	0.00%	0.00%	0.00%
United Bank Limited	30,300	33,200	-	10,500	53,000	7,158,894	5,478,080	(1,680,814)	5.50%	5.64%	0.45%
						<b>29,485,819</b>	<b>23,411,558</b>	<b>(6,074,261)</b>	<b>23.50%</b>		
<b>TEXTILE COMPOSITE</b>											
Kohinoor Textile Mills Limited	30,000	40,000	-	22,000	48,000	1,595,400	1,704,480	109,080	1.71%	1.75%	0.57%
Nishat Chunian Limited	39,000	-	-	39,000	-	-	-	-	0.00%	0.00%	0.00%
Gul Ahmed Textile Mills Limited	-	13,000	-	-	13,000	575,900	372,190	(203,710)	0.37%	0.38%	0.09%
Feroze1888 Mills Limited	-	12,500	-	-	12,500	1,274,112	1,022,500	(251,612)	1.03%	1.05%	0.27%
Interloop Limited	-	10,500	-	-	10,500	541,365	461,160	(80,205)	0.46%	0.47%	0.05%
Nishat Mills Limited	29,000	61,500	-	57,000	33,500	2,828,481	2,613,335	(215,146)	2.62%	2.69%	0.74%
						<b>6,815,258</b>	<b>6,173,665</b>	<b>(641,593)</b>	<b>6.19%</b>		
<b>CEMENT</b>											
Cherat Cement Company Limited	5,500	66,000	550	48,000	24,050	1,701,226	2,096,439	395,213	2.10%	2.16%	0.11%
D.G. Khan Cement Company Limited	-	14,000	-	14,000	-	-	-	-	0.00%	0.00%	0.00%
Fauji Cement Company Limited	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%
Kohat Cement Company Limited	-	62,000	-	52,500	9,500	1,009,761	1,305,775	296,014	1.31%	1.34%	0.04%
Lucky Cement Limited	1,250	15,000	-	9,000	7,250	3,324,178	3,346,455	22,277	3.36%	3.45%	0.10%
Maple Leaf Cement Factory Limited	-	199,500	4,674	158,000	46,174	1,074,837	1,199,601	124,764	1.20%	1.24%	0.11%
Pioneer Cement Limited	-	88,000	-	36,000	52,000	2,088,339	3,278,080	1,189,741	3.29%	3.38%	0.14%
						<b>9,198,341</b>	<b>11,226,350</b>	<b>2,028,009</b>	<b>11.26%</b>		
<b>POWER GENERATION &amp; DISTRIBUTION</b>											
The Hub Power Company Limited	81,360	57,500	-	69,500	69,360	5,842,956	5,028,600	(814,356)	5.05%	5.18%	0.60%
Pakgen Power Limited	-	60,000	-	25,000	35,000	567,000	420,350	(146,650)	0.42%	0.43%	0.11%
K-Electric Limited	220,000	-	-	220,000	-	-	-	-	0.00%	0.00%	0.00%
						<b>6,409,956</b>	<b>5,448,950</b>	<b>(961,006)</b>	<b>5.47%</b>		

Name of Sector / Investee Company	As at July 01, 2019	Purchased during the year	Bonus received during the year	Sold during the year	As at June 30, 2020	Carrying Value as at June 30, 2020	Market value as at June 30, 2020	Appreciation / (Diminution)	Market value as a percentage of net assets of the Sub-Fund	Market value as a percentage of total investment of the Sub-Fund	Market value as a percentage of paid up capital of investee company
	------(Number of shares)-----					------(Rupees)-----			------%age-----		
<b>OIL &amp; GAS MARKETING COMPANIES</b>											
Hascol Petroleum Limited (Note 5.1.1)	1,012	1,787	-	-	2,799	87,313	38,066	(49,247)	0.04%	0.04%	0.00%
Sui Northern Gas Pipelines Limited	17,100	86,000	-	95,500	7,600	554,110	414,960	(139,150)	0.42%	0.43%	0.01%
Hi-Tech Lubricants Limited	-	500	-	-	500	14,500	15,140	640	0.02%	0.02%	0.01%
Pakistan State Oil Company Limited	12,700	50,600	460	51,000	12,760	2,304,559	2,018,122	(286,437)	2.03%	2.08%	0.05%
						<b>2,960,482</b>	<b>2,486,288</b>	<b>(474,194)</b>	<b>2.51%</b>		
<b>OIL &amp; GAS EXPLORATION COMPANIES</b>											
Mari Petroleum Company Limited	7,690	2,200	557	4,500	5,947	5,682,528	7,354,358	1,671,830	7.38%	7.57%	0.61%
Oil & Gas Development Company Limited	58,300	84,600	-	57,000	85,900	9,434,254	9,363,100	(71,154)	9.40%	9.64%	0.02%
Pakistan Oilfields Limited	1,860	8,469	-	9,201	1,128	300,048	395,511	95,463	0.40%	0.41%	0.01%
Pakistan Petroleum Limited	42,185	134,000	5,797	82,700	99,282	9,949,157	8,615,692	(1,333,465)	8.65%	8.87%	0.04%
						<b>25,365,987</b>	<b>25,728,661</b>	<b>362,674</b>	<b>25.83%</b>		
<b>INV. BANKS / INV. COS. / SECURITIES COS.</b>											
Arif Habib Limited	-	66,500	-	66,500	-	-	-	-	0.00%	0.00%	0.00%
						<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>		
<b>CABLE &amp; ELECTRICAL GOODS</b>											
Pak Elektron Limited	-	40,000	-	-	40,000	944,150	917,200	(26,950)	0.92%	0.94%	0.02%
						<b>944,150</b>	<b>917,200</b>	<b>(26,950)</b>	<b>0.92%</b>		
<b>INSURANCE</b>											
Adamjee Insurance Company Limited	-	30,000	-	-	30,000	1,329,000	993,300	(335,700)	1.00%	1.02%	0.03%
IGI Holdings Limited	-	12,000	-	8,000	4,000	679,992	723,840	43,848	0.73%	0.75%	0.05%
						<b>2,008,992</b>	<b>1,717,140</b>	<b>(291,852)</b>	<b>1.73%</b>		
<b>CHEMICAL</b>											
ICI Pakistan Limited	850	1,500	-	600	1,750	968,159	1,215,743	247,584	1.22%	1.25%	0.13%
Descon Oxychem Limited	-	500	-	-	500	7,940	14,925	6,985	0.01%	0.02%	0.01%
AkzoNobel Pakistan Limited	-	3,000	-	3,000	-	-	-	-	0.00%	0.00%	0.00%
Lotte Chemical Pakistan Ltd	90,000	100,000	-	120,000	70,000	818,936	696,500	(122,436)	0.70%	0.72%	0.05%
Ittehad Chemicals Limited	-	500	-	-	500	10,225	13,175	2,950	0.01%	0.01%	0.02%
Nimir Resins Limited	-	500	-	-	500	3,725	3,090	(635)	0.00%	0.00%	0.00%
Sitara Chemical Industries Limited	-	4,000	-	-	4,000	1,044,399	1,108,440	64,041	1.11%	1.14%	5.17%
Engro Polymer & Chemicals Limited	98,699	134,000	-	198,500	34,199	1,047,105	854,291	(192,814)	0.86%	0.88%	0.09%
						<b>3,900,489</b>	<b>3,906,164</b>	<b>5,675</b>	<b>3.91%</b>		
<b>AUTOMOBILE ASSEMBLER</b>											
Millat Tractors Limited	-	50	6	-	56	36,000	39,545	3,545	0.04%	0.04%	0.01%
Sazgar Engineering Works Limited	-	100	65	-	165	22,650	20,557	(2,093)	0.02%	0.02%	0.01%
						<b>58,650</b>	<b>60,102</b>	<b>1,452</b>	<b>0.06%</b>		

Name of Sector / Investee Company	As at July 01, 2019	Purchased during the year	Bonus received during the year	Sold during the year	As at June 30, 2020	Carrying Value as at June 30, 2020	Market value as at June 30, 2020	Appreciation / (Diminution)	Market value as a percentage of net assets of the Sub-Fund	Market value as a percentage of total investment of the Sub-Fund	Market value as a percentage of paid up capital of investee company
	------(Number of shares)-----					------(Rupees)-----			------%age-----		
<b>AUTOMOBILE PARTS &amp; ACCESSORIES</b>											
Thal Limited	-	3,000	-	1,500	1,500	524,720	487,410	(37,310)	0.49%	0.50%	0.12%
General Tyre & Rubber Company of Pakistan Limited	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%
						<b>524,720</b>	<b>487,410</b>	<b>(37,310)</b>	<b>0.49%</b>		
<b>FERTILIZER</b>											
Engro Fertilizers Limited	54,000	108,000	-	114,000	48,000	2,905,180	2,893,440	(11,740)	2.90%	2.98%	0.02%
Engro Corporation Limited	20,360	19,000	-	27,700	11,660	3,360,712	3,415,447	54,735	3.43%	3.52%	0.07%
Fauji Fertilizer Company Limited	-	83,809	-	68,000	15,809	1,641,840	1,738,832	96,992	1.75%	1.79%	0.01%
						<b>7,907,732</b>	<b>8,047,719</b>	<b>139,987</b>	<b>8.08%</b>		
<b>PHARMACEUTICALS</b>											
The Searle Company Limited (Note 5.1.1)	520	10,300	-	2,000	8,820	1,409,273	1,757,209	347,936	1.76%	1.81%	0.08%
AGP Limited	-	9,000	-	-	9,000	1,015,200	987,660	(27,540)	0.99%	1.02%	0.04%
Abbott Laboratories (Pakistan) Limited	-	1,500	-	1,500	-	-	-	-	0.00%	0.00%	0.00%
GlaxoSmithKline Pakistan Limited	-	11,800	-	-	11,800	2,063,420	2,054,144	(9,276)	2.06%	2.11%	0.06%
						<b>4,487,893</b>	<b>4,799,013</b>	<b>311,120</b>	<b>4.81%</b>		
<b>MISCELLANEOUS</b>											
Shifa International Hospitals Limited	-	100	-	-	100	22,400	23,336	936	0.02%	0.02%	0.00%
Synthetic Products Limited	-	500	20	-	520	9,645	21,622	11,977	0.02%	0.02%	0.02%
						<b>32,045</b>	<b>44,958</b>	<b>12,913</b>	<b>0.04%</b>		
<b>FOOD &amp; PERSONAL CARE PRODUCTS</b>											
Al Shaheer Corporation Limited	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%
At-Tahur Limited	-	500	50	-	550	8,645	9,477	832	0.01%	0.98%	0.01%
						<b>8,645</b>	<b>9,477</b>	<b>832</b>	<b>0.01%</b>		
<b>ENGINEERING</b>											
International Steels Limited	-	20,000	-	20,000	-	-	-	-	0.00%	0.00%	0.00%
Crescent Steel & Allied Products Limited	-	500	-	-	500	21,445	22,750	1,305	0.02%	0.02%	0.00%
International Industries Limited	-	10,000	-	10,000	-	-	-	-	0.00%	0.00%	0.00%
Amreli Steels Limited	-	30,000	-	22,500	7,500	275,250	244,800	(30,450)	0.25%	0.25%	0.01%
Dost Steels Limited	-	500	-	-	500	2,725	1,525	(1,200)	0.00%	0.00%	0.00%
Mughal Iron & Steel Industries Limited	-	61,500	-	45,000	16,500	739,105	658,020	(81,085)	0.66%	0.68%	0.26%
						<b>1,038,525</b>	<b>927,095</b>	<b>(111,430)</b>	<b>0.93%</b>		
<b>TECHNOLOGY &amp; COMMUNICATION</b>											
Systems Limited	-	6,000	-	6,000	-	-	-	-	0.00%	0.00%	0.00%
Pakistan Telecommunication Company Limited	-	100,000	-	100,000	-	-	-	-	0.00%	0.00%	0.00%
Netsol Technologies Limited 20,000	-	-	-	5,000	15,000	988,350	745,650	(242,700)	0.75%	0.77%	0.08%
						<b>988,350</b>	<b>745,650</b>	<b>(242,700)</b>	<b>0.75%</b>		
<b>GLASS &amp; CERAMICS</b>											
Ghani Glass Limited	-	500	-	-	500	20,250	20,575	325	0.02%	0.02%	0.00%
Tariq Glass Industries Limited	-	10,000	5,000	-	15,000	1,124,700	967,800	(156,900)	0.97%	1.00%	0.09%
Ghani Value Glass Limited	-	500	-	500	-	-	-	-	0.00%	0.00%	0.00%
						<b>1,144,950</b>	<b>988,375</b>	<b>(156,575)</b>	<b>0.99%</b>		
<b>Total as at June 30, 2020</b>						<b>103,280,984</b>	<b>97,125,775</b>	<b>(6,155,209)</b>	<b>96.56%</b>		

5.1.1 The Finance Act 2014 introduced amendments to the Income Tax Ordinance 2001. As a result of these amendments, companies are liable to withhold bonus shares at the rate of 5 percent. These shares will be released upon payment of tax by shareholders. The value of tax will be computed on the basis of day-end price on the first day of book closure.

In this regard, a constitution petition has been filed by the Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received, which is pending adjudication. The petition is based on the fact that because VPS are exempt from deduction of income tax under Clause 99 Part I to the Second Schedule of the Income Tax Ordinance 2001, the withholding tax provision should not be applicable on bonus shares received. A stay order has been granted by the High Court of Sindh in favour of VPS.

As at June 30, 2020, the following bonus shares of the Fund were withheld by certain companies at the time of bonus declaration. The Fund has included these shares in its portfolio, as the management believes that the decision of the constitutional petition will be in favour of the CISs.

Name of the company	June 30, 2020		June 30, 2019	
	Bonus shares			
	Number	Market value	Number	Market value
Hascol Petroleum Company Limited	567	7,711	567	38,908
The Searle Company Limited	339	67,539	339	49,684
Pakistan State Oil	173	27,362	144	24,427
		<u>102,612</u>		<u>113,019</u>

5.2 Debt Sub Fund Government Securities - Pakistan Investment Bonds

Tenure	As at July 01, 2019	Purchased during the year	Disposed during the year	Matured during the year	As at June 30, 2020	Cost of holding as at June 30, 2020	Market value as at June 30, 2020	Appreciation / (Diminution)	Market value as a percentage of total investment of the Sub-Fund	Market value as a percentage of net assets of the Sub-Fund
	-----Face Value-----					-----Rupees-----			-----%age-----	
3 years	16,000,000	394,500,000	399,500,000	-	11,000,000	10,565,554	11,361,581	796,027	10%	9%
5 years	-	783,000,000	775,000,000	-	8,000,000	8,188,931	8,418,328	229,397	7%	7%
10 years	-	140,000,000	140,000,000	-	-	-	-	-	0%	0%
<b>Total as at June 30, 2020</b>	<b>16,000,000</b>	<b>1,317,500,000</b>	<b>1,314,500,000</b>	<b>-</b>	<b>19,000,000</b>	<b>18,754,485</b>	<b>19,779,909</b>	<b>1,025,424</b>	<b>17%</b>	<b>16%</b>

5.3 Debt Sub Fund - Government Securities - Treasury Bills

Tenure	As at July 01, 2019	Purchased during the year	Disposed during the year	Matured during the year	As at June 30, 2020	Cost of holding as at June 30, 2020	Market value as at June 30, 2020	Appreciation / (Diminution)	Market value as a percentage of total investment of the Sub-Fund	Market value as a percentage of net assets of the Sub-Fund
	-----Face Value-----					-----Rupees-----			-----%age-----	
3 Months	33,500,000	934,100,000	730,000,000	237,600,000	-	-	-	-	0%	0%
6 Months	-	146,000,000	125,000,000	-	21,000,000	20,479,462	20,638,253	158,791	18%	17%
12 Months	-	381,300,000	326,300,000	-	55,000,000	50,949,569	52,474,705	1,525,136	46%	43%
<b>Total as at June 30, 2020</b>	<b>33,500,000</b>	<b>1,461,400,000</b>	<b>1,181,300,000</b>	<b>237,600,000</b>	<b>76,000,000</b>	<b>71,429,031</b>	<b>73,112,958</b>	<b>1,683,927</b>	<b>64%</b>	<b>60%</b>

5.4 Money Market Sub Fund - Government Securities - Treasury Bills

Tenure	As at July 01, 2019	Purchased during the year	Disposed during the year	Matured during the year	As at June 30, 2020	Cost of holding as at June 30, 2020	Market value as at June 30, 2020	Appreciation / (Diminution)	Market value as a percentage of total investment of the Sub-Fund	Market value as a percentage of net assets of the Sub-Fund
	-----Face Value-----				-----Rupees-----			-----%age-----		
3 Months	44,000,000	791,400,000	409,500,000	375,900,000	50,000,000	49,978,947	49,990,200	11,253	43%	41%
6 Months	-	397,000,000	330,000,000	-	67,000,000	65,299,873	65,828,831	528,958	57%	53%
<b>Total as at June 30, 2020</b>	<b>44,000,000</b>	<b>1,188,400,000</b>	<b>739,500,000</b>	<b>375,900,000</b>	<b>117,000,000</b>	<b>115,278,820</b>	<b>115,819,031</b>	<b>540,211</b>	<b>100%</b>	<b>94%</b>

5.5 Debt Sub Fund - Corporate Sukuk and Term Finance Certificate

Investee Company	Tenure	As at July 01, 2019	Purchased during the year	Disposed during the year	Matured during the year	As at June 30, 2020	Cost of holding as at June 30, 2020	Market value as at June 30, 2020	Appreciation / (Diminution)	Market value as a percentage of total investment of the Sub-Fund	Market value as a percentage of net assets of the Sub-Fund
		-----Number of units-----				-----Rupees-----			-----%age-----		
Meezan Bank Limited - Tier II	10 Years	2	-	-	-	2	1,999,952	2,050,000	50,048	1.78%	1.66%
Bank of Punjab	10 Years	35	-	-	-	35	3,461,709	3,429,420	(32,289)	2.98%	2.78%
Dawood Hercules Corporation Limited SUKUK 16-NOV-2017	5 Years	15	-	-	-	15	1,045,560	1,060,428	14,868	0.92%	0.86%
Dawood Hercules Corporation Limited SUKUK 01-MAR-2018	5 Years	15	-	-	-	15	1,197,000	1,221,869	24,869	1.06%	0.99%
Fatima Fertilizer Company Limited	5 Years	89	-	-	-	89	135,224	134,278	(946)	0.12%	0.11%
Engro Polymer & Chemicals Limited	7 Years	10	-	-	-	10	1,004,688	1,015,480	10,792	0.88%	0.82%
The Hub Power Company Limited	4 Years	-	50	-	-	50	5,000,000	5,107,240	107,240	4.43%	4.14%
JS Bank Limited	7 Years	300	-	-	-	300	1,502,835	1,469,958	(32,877)	1.28%	1.19%
<b>Total as at June 30, 2020</b>		<b>466</b>	<b>50</b>	<b>-</b>	<b>-</b>	<b>516</b>	<b>15,346,969</b>	<b>15,488,673</b>	<b>141,705</b>	<b>13.45%</b>	<b>12.55%</b>

5.6 Commercial Papers

Particulars of the issue / issue date	Issue date	Maturity Date	Face value			Balance as at June 30, 2020			Market value as a percentage of net assets	Market value as a percentage of total market value of investments
			As at July 01, 2019	Purchased during the year	Disposed off / matured during the year	As at June 30, 2020	Carrying value	Market value		
			-----Rupees-----							
Hub Power Company Limited	23-Apr-19	22-Jul-19	5,000,000	-	5,000,000	-	-	-	0.00%	0.00%
K- Electric Limited	28-Aug-19	28-Feb-20	-	5,000,000	5,000,000	-	-	-	0.00%	0.00%
K- Electric Limited	10-Mar-20	10-Sep-20	-	7,000,000	-	7,000,000	6,826,221	6,826,221	5.54%	5.93%
			<b>5,000,000</b>	<b>12,000,000</b>	<b>10,000,000</b>	<b>7,000,000</b>	<b>6,826,221</b>	<b>6,826,221</b>	<b>5.54%</b>	<b>5.93%</b>

		June 30, 2020				June 30, 2019			
		Equity	Debt	Money Market	Total	Equity	Debt	Money Market	Total
		Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund	
<b>6</b>	<b>INCOME RECEIVABLE</b>	-----Rupees-----				-----Rupees-----			
	Income receivable on bank deposits	23,233	34,465	813	58,511	52,595	192,475	341,463	586,533
	Income receivable on government securities	-	499,810	-	499,810	-	613,544	-	613,544
	Income receivable on corporate sukuk	-	211,637	-	211,637	-	96,936	-	96,936
		<b>23,233</b>	<b>745,912</b>	<b>813</b>	<b>769,958</b>	<b>52,595</b>	<b>902,955</b>	<b>341,463</b>	<b>1,297,013</b>
<b>7</b>	<b>DEPOSITS AND OTHER RECEIVABLES</b>								
	Security deposit with Central Depository Company of Pakistan Limited	100,000	138,365	-	238,365	100,000	119,354	-	219,354
	Deposit in IPS account	-	4,830	8,082	12,912	-	5,156	4,595	9,751
	Advance tax	24,388	-	46,156	70,544	24,388	-	46,156	70,544
		<b>124,388</b>	<b>143,195</b>	<b>54,238</b>	<b>321,821</b>	<b>124,388</b>	<b>124,510</b>	<b>50,751</b>	<b>299,649</b>
<b>8</b>	<b>PAYABLE TO THE PENSION FUND MANAGER</b>								
	Remuneration to the Pension Fund Manager	122,659	149,007	141,543	413,209	106,531	102,883	95,500	304,914
	Sales Tax on remuneration of the Pension Fund Manager	49,875	54,035	49,669	153,579	47,294	46,655	42,303	136,252
	Federal Excise Duty on remuneration of the Pension Fund Manager	210,310	211,912	190,219	612,441	210,310	211,912	190,219	612,441
		<b>382,844</b>	<b>414,954</b>	<b>381,431</b>	<b>1,179,229</b>	<b>364,135</b>	<b>361,450</b>	<b>328,022</b>	<b>1,053,607</b>

In accordance with the provisions of the VPS Rules, the Pension Fund Manager is entitled to remuneration for its services for a fee not exceeding 1.50% of the net assets of each Sub-Funds. Currently, the Pension Fund Manager fee is charged at the rate of 1.50% (June 30, 2019: 1.50%) of the daily net assets of the Sub-Funds which is paid monthly in arrears.

- 8.2** Management fee payable by the Fund to the Management Company is subject to Punjab sales tax at the rate of 16% (June 30, 2019: 16%) through the Punjab Sales Tax on Services Act, 2012.
- 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 8.2, further levy of FED results in double taxation, which does not appear to be the spirit of the law. The matter was collectively taken up by the Management Company, along with other asset management companies and trustees of collective investment schemes (CISs), through a constitutional petition filed in the Honorable Sindh High Court (SHC) during September 2013. The SHC has issued a stay order against the recovery of FED and therefore the Fund have not made any payments of FED since its application. 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 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. The Management Company, as a matter of abundant caution, has maintained full provision for FED aggregating to Rs. 0.612 million. Had the provision not been made, the net asset value per unit of the Fund as at June 30, 2020 would have been higher by Re.0.2667, Re. 0.3054 and Re. 0.2334 per unit in Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund respectively. 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.

		June 30, 2020				June 30, 2019			
		Equity	Debt	Money Market	Total	Equity	Debt	Money Market	Total
		Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund	
<b>9</b>	<b>PAYABLE TO THE TRUSTEE</b>	-----Rupees-----				-----Rupees-----			
	Trustee Fee	12,267	14,901	14,154	41,322	10,653	10,289	9,550	30,492
	Sindh Sales Tax on remuneration of the trustee fee	1,595	1,938	1,834	5,367	1,385	1,338	1,235	3,958
		<b>13,862</b>	<b>16,839</b>	<b>15,988</b>	<b>46,689</b>	<b>12,038</b>	<b>11,627</b>	<b>10,785</b>	<b>34,450</b>





Further, the Government of Sindh also introduced levy of the Sindh Workers' Welfare Fund (SWWF) through the Sindh Workers' Welfare Act, 2014. The Mutual Fund Association of Pakistan, in the previous years based on opinion obtained from the tax consultants, concluded that SWWF is not applicable on mutual funds. MUFAP also wrote to the Sindh Revenue Board (SRB) that mutual funds are not establishments and are pass through vehicles; therefore, they do not have any worker and, as a result, no SWWF is payable by them. SRB responded that some funds are included in definition of financial institutions in the Financial Institutions (Recovery of Finance) Ordinance, 2001, SWWF is payable by them. MUFAP has taken up the matter with the concerned ministry [Sindh Finance Ministry] for appropriate resolution of the matter.

Considering the above developments, the Management Company assessed the position of the Fund with regard to reversal of provision of WWF and recognition of provision of SWWF, and decided that:

- \* 'The Sindh Workers' Welfare Fund (SWWF) should be recognized from July 01, 2014, and
- \* 'Provision computed for SWWF should be adjusted against provision of WWF, as the SCP declared WWF unlawful. It was also decided that if any further provision is required, then it should be recognized in books of the Fund. If provision of WWF is in excess of provision required for SWWF, the remaining provision of WWF should be carried forward unless further clarification is received from the MUFAP.

As a result, the Management Company assessed that no further provision is required for SWWF and additional provision of WWF should be carried forward till the matter is cleared.

In the wake of the aforesaid developments, the MUFAP called its Extraordinary General Meeting (EOGM) on January 11, 2017, wherein the MUFAP recommended to its members that effective from January 12, 2017, Workers' Welfare Fund (WWF) recognised earlier should be reversed in light of the decision made by the Supreme Court of Pakistan; and Sindh Workers' Welfare Fund (SWWF) should be recognized effective from May 21, 2015.

MUFAP also communicated the above-mentioned decisions to the Securities and Exchange of Commission (SECP) through its letter dated January 12, 2017, and the SECP through its letter dated February 01, 2017, advised that the adjustment should be prospective and supported by adequate disclosures.

As at June 30, 2020 the provision in relation to SWWF amounted Rs 0.887 million (June 30, 2019: Rs 0.887 million) is being retained in financial statement of the Fund till the final decision in respect of SWWF.

Had the provision for SWWF not been recorded in these financial statements of the Fund for the period from May 21, 2015 to June 30, 2017, the net asset value per unit of the ABLPF - ESF, ABLPF - DSF and ABLPF - MMSF as at June 30, 2020 would have been higher by Re. 0.7987, Re. 0.2443 and Re. 0.1080 per unit (June 30, 2019: Re. 0.9545, Re. 0.3099 and Re. 0.1392) respectively.

## 12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2020 and June 30, 2019 other than those mentioned in respective areas.

## 13 TAXATION

No provision for taxation has been made for the year ended June 30, 2020, in view of the exemption available to the Fund under clause 57(3)(viii) of Part-1 of the second schedule to the Income Tax Ordinance, 2001. The Fund is also exempt from the provision of minimum tax (section 113) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

## 14 EARNINGS PER UNIT (EPU)

Earnings per unit are calculated based on the number of units outstanding at the year end as in the opinion of the management, the determination of the cumulative weighted average number of outstanding units for calculating EPU is not practicable.

	June 30, 2020				June 30, 2019			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
<b>15 NUMBER OF UNITS IN ISSUE</b>	-----Number of units-----				-----Number of units-----			
Total units in issue at the beginning of the year	659,682	546,908	632,461	1,839,051	647,465	538,026	469,546	1,655,037
Add: issue of units during the year								
- Directly by participants	237,503	231,841	384,730	854,074	79,996	83,037	202,241	365,274
Less: units redeemed during the year								
- Directly by participants	(108,754)	(84,970)	(202,216)	(395,940)	(67,779)	(74,155)	(39,326)	(181,260)
Total units in issue at the end of the year	<b>788,431</b>	<b>693,779</b>	<b>814,975</b>	<b>2,297,185</b>	<b>659,682</b>	<b>546,908</b>	<b>632,461</b>	<b>1,839,051</b>

		-----June 30, 2020-----						
		Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total
		Units	Rupees	Units	Rupees	Units	Rupees	Rupees
16	<b>CONTRIBUTION TABLE</b>							
	Individuals	237,503	33,317,624	231,841	38,310,786	384,730	50,578,588	122,206,998

		-----June 30, 2019-----						
		Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total
		Units	Rupees	Units	Rupees	Units	Rupees	Rupees
	Individuals	79,996	11,765,511	83,037	12,349,699	202,241	24,847,707	48,962,917

		For the year ended June 30, 2020				For the year ended June 30, 2019			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		----- Rupees -----							
17	<b>FINANCIAL INCOME</b>								
	Profit on investments								
	- Profit on Pakistan Investment Bonds	-	2,206,716	-	2,206,716	-	1,358,229	-	1,358,229
	- Profit on Treasury Bills	-	6,565,180	11,276,883	17,842,063	-	4,036,952	4,217,481	8,254,433
	- Profit on Corporate Sukuk Bonds and TFCs	-	1,975,021	-	1,975,021	-	1,077,561	-	1,077,561
	- Markup on Commercial Papers	-	670,162	-	670,162	-	111,146	-	111,146
	- Participation Fee	-	48,624	-	48,624	-	10,780	-	10,780
	Profit on bank balances	789,951	1,079,393	1,546,196	3,415,540	435,657	873,454	2,067,526	3,376,637
		<b>789,951</b>	<b>12,545,096</b>	<b>12,823,079</b>	<b>26,158,126</b>	<b>435,657</b>	<b>7,468,122</b>	<b>6,285,007</b>	<b>14,188,786</b>

18	<b>UNREALISED (DIMINUTION) / APPRECIATION / ON REMEASUREMENT OF INVESTMENTS CLASSIFIED AS FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>								
	Market value of investment	97,125,775	108,381,540	115,819,031	321,326,346	77,743,566	58,718,207	43,955,164	180,416,937
	Less: carrying value of investment	(103,280,984)	(105,530,485)	(115,278,820)	(324,090,289)	(91,491,868)	(59,333,453)	(43,959,944)	(194,785,265)
		<b>(6,155,209)</b>	<b>2,851,055</b>	<b>540,211</b>	<b>(2,763,943)</b>	<b>(13,748,302)</b>	<b>(615,246)</b>	<b>(4,780)</b>	<b>(14,368,328)</b>

19	<b>AUDITORS' REMUNERATION</b>								
	Annual statutory audit fee	50,000	50,000	50,000	150,000	50,000	50,000	50,000	150,000
	Punjab sales tax on audit fee	8,000	8,000	8,000	24,000	2,500	2,500	2,500	7,500
	Out of pocket expenses	18,000	18,000	18,000	54,000	5,000	5,000	5,000	15,000
		<b>76,000</b>	<b>76,000</b>	<b>76,000</b>	<b>228,000</b>	<b>57,500</b>	<b>57,500</b>	<b>57,500</b>	<b>172,500</b>

**20 TRANSACTIONS WITH CONNECTED PERSONS**

**20.1** Connected persons / related parties 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, Allied Bank Limited, retirement funds of Allied Bank Limited, Ibrahim Agencies (Private) Limited being entities under common management and / or directorship, directors and key management personnel of the Management Company and any person or Company beneficially owning directly or indirectly 10 percent or more of the units in issue / net asset of the Fund.

**20.2** Transactions with connected persons are in the normal course of business, at contracted rates and at the terms determined in accordance with market rates.

**20.3** Remuneration to the Pension Fund Manager is determined in accordance with the provisions of the Voluntary Pension Schemes and the Trust Deed.

20.4 Remuneration of the Trustee is determined in accordance with the provisions of the Trust Deed.

20.5 Details of transactions with connected persons / related parties during the year are as follows:

	June 30, 2020				June 30, 2019			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	-----Rupees-----				-----Rupees-----			
<b>ABL Asset Management Company Limited - the Pension Fund Manager</b>								
Remuneration	1,356,158	1,461,511	1,587,095	4,404,764	1,440,270	1,157,637	976,886	3,574,793
Sales Tax on Remuneration of the Pension Fund Manager	216,986	233,842	253,935	704,763	230,439	185,222	156,301	571,962
<b>Central Depository Company of Pakistan Limited - the Trustee</b>								
Trustee fee	135,320	145,851	158,373	439,544	143,703	115,519	97,488	356,710
Sindh Sales Tax on Remuneration of the Trustee	17,592	18,962	20,589	57,143	18,682	15,018	12,675	46,375
<b>Allied Bank Limited</b>								
Bank charges	2,183	37,134	19,030	58,347	13,993	6,753	7,741	28,487
Profit on bank deposits	674,649	1,037,544	1,297,535	3,009,728	354,906	583,026	631,704	1,569,636

20.6 Details of balances with connected persons / related parties as at year end are as follows:

	June 30, 2020				June 30, 2019			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	-----Rupees-----				-----Rupees-----			
<b>ABL Asset Management Company Limited - Pension Fund Manager</b>								
Remuneration payable	122,659	149,007	141,543	413,209	106,531	102,883	95,500	304,914
Sales Tax on Remuneration of Pension Fund Manager	49,875	54,035	49,669	153,579	47,294	46,655	42,303	136,252
Federal Excise Duty on Remuneration of Pension Fund Manager	210,310	211,912	190,219	612,441	210,310	211,912	190,219	612,441
Number of units held: 300,000 (June 30, 2019: 300,000) units in each Sub-Fund	37,902,180	53,325,600	42,723,450	133,951,230	37,977,540	46,134,870	38,150,760	122,263,170
<b>Central Depository Company of Pakistan Limited - Trustee</b>								
Trustee fee payable	12,267	14,901	14,154	41,322	10,653	10,289	9,550	30,492
Sindh Sales Tax payable on Remuneration of the Trustee	1,595	1,938	1,834	5,367	1,385	1,338	1,235	3,958
Security deposit	100,000	138,365	-	238,365	100,000	119,354	-	219,354
Deposit in IPS account	-	4,830	8,082	12,912	-	5,156	4,595	9,751
<b>Allied Bank Limited</b>								
Balances in savings accounts	2,938,311	7,826,903	675,334	11,440,548	5,729,208	15,653,399	15,829,871	37,212,478
Profit receivable	23,233	34,465	813	58,511	48,660	165,049	157,209	370,918
<b>DIRECTOR OF THE PENSION FUND MANAGER</b>								
<b>Alee Khalid Ghaznavi (Chief Executive Officer)</b>								
Number of Units held:								
- 9,850 (June 30, 2019: 9,850) units	1,244,455	-	-	1,244,455	1,246,929	-	-	1,246,929
- 2,682 (June 30, 2019: 2,682) units	-	476,731	-	476,731	-	412,446	-	412,446

21 FINANCIAL INSTRUMENTS BY CATEGORY

As at June 30, 2020, all the financial assets carried on the statement of financial position are categorised either at amortised cost or at fair value through profit or loss. All the financial liabilities carried on the statement of financial position are categorised at fair value through profit or loss or amortised cost.

-----June 30, 2020-----										
Particulars	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Total
	Amortised cost	At fair value through profit or loss	Sub total	Amortised cost	At fair value through profit or loss	Sub total	Amortised cost	At fair value through profit or loss	Sub total	
-----Rupees-----										
<b>Financial assets</b>										
Balances with banks	3,268,448	-	3,268,448	7,940,508	-	7,940,508	791,328	-	791,328	12,000,284
Investments	-	97,125,775	97,125,775	-	115,207,751	115,207,751	-	115,819,031	115,819,031	328,152,557
Dividend receivable	292,738	-	292,738	-	-	-	-	-	-	292,738
Income receivable	23,233	-	23,233	745,912	-	745,912	813	-	813	769,958
Deposits and other receivables	100,000	-	100,000	143,195	-	143,195	-	-	-	243,195
	<b>3,684,419</b>	<b>97,125,775</b>	<b>100,810,194</b>	<b>8,829,615</b>	<b>115,207,751</b>	<b>124,037,366</b>	<b>792,141</b>	<b>115,819,031</b>	<b>116,611,172</b>	<b>341,458,732</b>

-----June 30, 2020-----										
Particulars	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Total
	At fair value through profit or loss	Amortised cost	Sub total	At fair value through profit or loss	Amortised cost	Sub total	At fair value through profit or loss	Amortised cost	Sub total	
-----Rupees-----										
<b>Financial liabilities</b>										
Payable to the Pension Fund Manager	-	382,844	382,844	-	414,954	414,954	-	381,431	381,431	1,179,229
Payable to the Trustee	-	13,862	13,862	-	16,839	16,839	-	15,988	15,988	46,689
Payable to the Auditors	-	63,000	63,000	-	63,000	63,000	-	63,000	63,000	189,000
Accrued expenses and other liabilities	-	108,653	108,653	-	24,999	24,999	-	24,999	24,999	158,651
Participants' sub fund	99,610,844	-	99,610,844	123,320,533	-	123,320,533	116,061,811	-	116,061,811	338,993,188
	<b>99,610,844</b>	<b>568,359</b>	<b>100,179,203</b>	<b>123,320,533</b>	<b>519,792</b>	<b>123,840,325</b>	<b>116,061,811</b>	<b>485,418</b>	<b>116,547,229</b>	<b>340,566,757</b>

-----June 30, 2019-----

Particulars	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Total
	Amortised cost	At fair value through profit or loss	Sub total	Amortised cost	At fair value through profit or loss	Sub total	Amortised cost	At fair value through profit or loss	Sub total	
-----Rupees-----										
<b>Financial assets</b>										
Balances with banks	8,327,654	-	8,327,654	20,036,348	-	20,036,348	36,605,539	-	36,605,539	64,969,541
Investments	-	77,743,566	77,743,566	-	63,684,380	63,684,380	-	43,955,164	43,955,164	185,383,110
Dividend receivable	195,695	-	195,695	-	-	-	-	-	-	195,695
Income receivable	52,595	-	52,595	902,955	-	902,955	341,463	-	341,463	1,297,013
Deposits and other receivables	100,000	-	100,000	124,510	-	124,510	-	-	-	224,510
	<u>8,675,944</u>	<u>77,743,566</u>	<u>86,419,510</u>	<u>21,063,813</u>	<u>63,684,380</u>	<u>84,748,193</u>	<u>36,947,002</u>	<u>43,955,164</u>	<u>80,902,166</u>	<u>252,069,869</u>

-----June 30, 2019-----

Particulars	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Total
	At fair value through profit or loss	Amortised cost	Sub total	At fair value through profit or loss	Amortised cost	Sub total	At fair value through profit or loss	Amortised cost	Sub total	
-----Rupees-----										
<b>Financial liabilities</b>										
Payable to the Pension Fund Manager	-	364,135	364,135	-	361,450	361,450	-	328,022		1,053,607
Payable to the Trustee	-	12,038	12,038	-	11,627	11,627	-	10,785	10,785	34,450
Payable to the Auditors	-	50,000	50,000	-	50,000	50,000	-	50,000	50,000	150,000
Accrued expenses and other liabilities	-	111,361	111,361	-	24,998	24,998	-	24,999	24,999	161,358
Participants' sub fund	83,510,315	-	83,510,315	84,105,162	-	84,105,162	80,429,590	-	80,429,590	248,045,067
	<u>83,510,315</u>	<u>537,534</u>	<u>84,047,849</u>	<u>84,105,162</u>	<u>448,075</u>	<u>84,553,237</u>	<u>80,429,590</u>	<u>413,806</u>	<u>80,843,396</u>	<u>249,444,482</u>

22 FINANCIAL RISK MANAGEMENT

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

## 22.1 Market risk

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

The Pension Fund Manager manages the market risk through diversification of the investment portfolio by exposures and by following the internal guidelines established by the investment committee.

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

### 22.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign currency exchange rates. At present, the Fund is not exposed to currency risk as all the transactions are carried out in Pakistani Rupees.

### 22.1.2 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 certain saving accounts, the interest rate of which in certain circumstances ranged between 4.00% to 6.00% (June 30, 2019: 8.00% to 13.75%) per annum.

#### b) Sensitivity analysis for fixed rate instruments

Fixed rates instruments held as at June 30, 2020 include market treasury bills, Pakistan Investment Bonds and Corporate Sukuk Bonds. The Fund's income from these investments is substantially independent of changes in market interest rates, except for changes if any as a result of fluctuation in respective fair values.

Market treasury bills, Pakistan Investment Bonds and Corporate Sukuk Bonds which are classified as financial assets at fair value through profit or loss expose the Fund to fair value interest rate risk. In case of 100 basis points increase / decrease in rates announced by the Financial Market Association on June 30, 2020, with all other variables held constant, the net income for the year and the net assets would be lower/higher by Rs 2.2 million.

The composition of the aforementioned Fund's investment portfolio and rates announced by the Financial Market Association 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.

### 22.1.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from the interest risk or the currency risk) whether those changes are caused by the factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market. The Fund's price risk generally arises on equity securities.

The Fund manages this risk by limiting its investment exposure in the following ways:

- Through diversification of investment portfolio
- Placing limits on individuals and aggregate exposures in accordance with the internal risk management policies and regulations laid down by the SECP.

The Fund's investments in equity securities are publicly traded and are valued at the rates quoted on the relevant stock exchanges.

In case of 10% change in KSE 100 index on June 30, 2020, with all other variables held constant, net income for the period would increase / decrease by Rs. 0.971 million as a result of gains / losses on equity securities classified as at fair value through profit or loss.

The analysis is based on the assumption that the equity index had increased / decreased by 5% with all other variables held constant and all the Sub-Funds equity instruments moved according to historical correlation with the index. This represents the Pension Fund Manager's best estimate of a reasonable possible shift in the KSE 100 index, having regard to historical volatility of the index. The composition of the Sub-Fund investment's portfolio and the correlation thereof to the KSE 100 index, is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2020 is not necessarily indicative of the effect on the Sub-Fund's net assets of the future movements in the level of the KSE 100 index.

## 22.2 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 balances with banks and investment in corporate sukuk and term finance certificates. The Fund does not foresee any issue with these balances as the counter parties are financial institutions and listed entity with reasonable high credit ratings. The Fund does not foresee any credit risk with respect to its investment in government securities since these represent the interests of the Government of Pakistan. The internal risk management policies and investment guidelines (approved by the Investment Committee) require the Fund to invest in securities that have been rated as investment grade by a well known rating agency.

22.2.1 The analysis below summarises the available published credit ratings of the Fund's financial assets as at June 30, 2020:

### ABL Pension Fund - Equity Sub Fund

Name of the bank	Rating agency	Published rating	Percentage of Bank Balance
<b>Balances with banks by rating category</b>			
Allied Bank Limited	PACRA	AAA	89.90%
Bank Al Falah Limited	PACRA	AA+	10.10%

### ABL Pension Fund - Debt Sub Fund

Name of the bank	Rating agency	Published rating	Percentage of Bank Balance
<b>Balances with banks by rating category</b>			
Allied Bank Limited	PACRA	AAA	98.62%
Bank Al Falah Limited	PACRA	AA+	1.12%
Sindh Bank Limited	VIS	A+	0.06%
Zarai Taraqiati Bank Limited	VIS	AAA	0.20%
<b>Balances with listed and unlisted entities by rating category</b>			
<b>Sukuk</b>			
Meezan Bank Limited - Tier II	VIS	AA-	19.75%
The Bank of Punjab	PACRA	AA-	33.03%
Dawood Hercules Corporation Limited SUKUK 16-NOV-2017	PACRA	AA	10.21%
Dawood Hercules Corporation Limited SUKUK 01-MAR-2018	PACRA	AA	11.77%
Fatima Fertilizer Company Limited	PACRA	AA-	1.29%
Engro Polymer & Chemicals Limited	VIS	AA+	9.78%
JS Bank Limited	PACRA	A+	14.16%
<b>Commercial Paper</b>			
K- Electric Limited	PACRA	A1+	100.00%

### ABL Pension Fund - Money Market Sub Fund

Name of the bank	Rating agency	Published rating	Percentage of Bank Balance
<b>Balances with banks by rating category</b>			
Zarai Taraqiati Bank Limited	VIS	AAA	3.05%
Allied Bank Limited	PACRA	AAA	85.77%
Bank Al Falah Limited	PACRA	AA+	5.97%
Sindh Bank Limited	VIS	A+	0.83%
JS Bank Limited	PACRA	AA-	4.39%



A portion of the investment is invested by the Fund in market treasury bills which are auctioned by the State Bank of Pakistan and are available for investment / trade through secondary market.

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

#### Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial instruments is mainly held with / invested in various banks and securities issued by the State Bank of Pakistan on behalf of Government of Pakistan. The Fund has invested a significant portion of bank balance in Allied Bank Limited, a related party.

#### 22.3 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 the terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily cash redemptions, if any which may create liquidity risk. 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 disposed of. The Fund's investments are considered readily realisable.

In order to manage the Fund's overall liquidity, the Fund also has the ability to withhold daily redemption requests in excess of ten percent of the 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 withhold any redemptions during the period.

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 dates. The amounts in the table are the contractual undiscounted cash flows.

Particulars	As at June 30, 2020				As at June 30, 2019			
	Upto three months	More than three months and upto one year	More than one year	Total	Upto three months	More than three months and upto one year	More than one year	Total
	-----Rupees-----				-----Rupees-----			
<b>Liabilities</b>								
<b>ABL Pension Fund - Equity Sub Fund</b>								
Payable to the Pension Fund Manager	122,659	-	-	122,659	106,531	-	-	106,531
Payable to the Trustee	12,267	-	-	12,267	10,653	-	-	10,653
Payable to the Auditors	50,000	-	-	50,000	50,000	-	-	50,000
Accrued expenses and other liabilities	108,653	-	-	108,653	111,361	-	-	111,361
	<u>293,579</u>	-	-	<u>293,579</u>	<u>278,545</u>	-	-	<u>278,545</u>
<b>ABL Pension Fund - Debt Sub Fund</b>								
Payable to the Pension Fund Manager	149,007	-	-	149,007	102,883	-	-	102,883
Payable to the Trustee	14,901	-	-	14,901	10,289	-	-	10,289
Payable to the Auditors	50,000	-	-	50,000	50,000	-	-	50,000
Accrued expenses and other liabilities	24,999	-	-	24,999	24,998	-	-	24,998
	<u>238,907</u>	-	-	<u>238,907</u>	<u>188,170</u>	-	-	<u>188,170</u>
<b>ABL Pension Fund - Money Market Sub Fund</b>								
Payable to the Pension Fund Manager	141,543	-	-	141,543	95,500	-	-	95,500
Payable to the Trustee	14,154	-	-	14,154	9,550	-	-	9,550
Payable to the Auditors	50,000	-	-	50,000	50,000	-	-	50,000
Accrued expenses and other liabilities	24,999	-	-	24,999	24,999	-	-	24,999
	<u>230,696</u>	-	-	<u>230,696</u>	<u>180,049</u>	-	-	<u>180,049</u>

## 22.4 FAIR VALUE OF FINANCIAL INSTRUMENTS

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:

- Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities.
- 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).
- Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

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

	As at June 30, 2020				As at June 30, 2019			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	Rupees				Rupees			
<b>ASSETS</b>								
<b>ABL Pension Fund - Equity Sub Fund</b>								
Investment in securities - financial assets at fair value through profit or loss								
- Listed equity securities	97,125,775	-	-	97,125,775	77,743,566	-	-	77,743,566
<b>ABL Pension Fund - Debt Sub Fund</b>								
Investment in securities - financial assets at fair value through profit or loss								
- Government securities - Pakistan Investment Bonds	-	19,779,909	-	19,779,909	-	14,213,520	-	14,213,520
- Government securities - Treasury Bills	-	73,112,958	-	73,112,958	-	33,465,864	-	33,465,864
- Corporate Sukuks and Term Finance Certificates	-	15,488,673	-	15,488,673	-	11,038,823	-	11,038,823
	-	108,381,540	-	108,381,540	-	58,718,207	-	58,718,207
<b>ABL Pension Fund - Money Market Sub Fund</b>								
Investment in securities - financial assets at fair value through profit or loss								
- Government securities - Treasury Bills	-	115,819,031	-	115,819,031	-	43,955,164	-	43,955,164
- Government securities - Pakistan Investment Bonds	-	-	-	-	-	-	-	-
- Corporate Sukuks	-	-	-	-	-	-	-	-
	-	115,819,031	-	115,819,031	-	43,955,164	-	43,955,164
	97,125,775	224,200,571	-	321,326,346	77,743,566	102,673,371	-	180,416,937

## 23 PARTICIPANTS' SUB FUND RISK MANAGEMENT

The participants' sub fund is represented by the net assets attributable to participant / redeemable units. The participants of the Fund are entitled to payment of a proportionate share based on the Fund's net asset value per unit on the redemption date. The relevant movements are shown on the statement of movement in participants' sub funds.

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

The Fund's objectives when managing funds received are to safeguard its ability to continue as a going concern so that it can continue to provide returns for participants 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 being augmented by short-term borrowings or disposal of investments where necessary.

24 FINANCIAL PERFORMANCE

24.1 Equity Sub-Fund

Particulars	Equity Sub-Fund	Equity Sub-Fund	Equity Sub-Fund	Equity Sub-Fund	Equity Sub-Fund
	2020	2019	2018	2017	2016
	-----Rupees-----				
Net income	(4,009,967)	(19,922,166)	(18,846,238)	23,196,784	5,768,498
Capital (loss) / gain on sale of investments - net	(446,754)	(8,746,952)	(8,287,243)	9,303,318	(717,146)
Unrealised gain on re-measurement of investments classified as financial assets - at fair value through profit or loss - net	(6,155,209)	(13,748,302)	(13,106,867)	12,480,896	4,963,374
Dividend income	4,264,708	4,431,618	4,335,196	3,618,574	2,949,701
Financial income	789,951	435,657	437,802	317,007	216,871
Net asset value per unit as at June 30	126.3406	126.5918	156.5757	187.0000	142.0000
Total Net Assets as at June 30	99,610,844	83,510,315	101,377,223	109,651,361	67,136,479
Total contributions received - Gross	33,317,624	11,765,511	24,708,583	23,609,843	13,301,771

24.2 Debt Sub-Fund

Particulars	Debt Sub-Fund	Debt Sub-Fund	Debt Sub-Fund	Debt Sub-Fund	Debt Sub-Fund
	2020	2019	2018	2017	2016
	-----Rupees-----				
Net income	14,274,248	5,453,772	2,859,048	3,261,510	6,156,590
Capital gain on sale of investments - net	1,082,243	284,388	(111,153)	531,475	3,082,236
Unrealised gain on re-measurement of investments classified as financial assets at fair value through profit or loss - net	2,851,055	(615,246)	(140,288)	376,673	871,575
Financial income	12,545,096	7,468,122	4,858,509	3,890,313	3,664,536
Net asset value per unit as at June 30	177.7520	153.7829	143.3484	138.0000	132.0000
Total Net Assets as at June 30	123,320,533	84,105,162	77,125,254	80,251,601	70,481,838
Total contributions received - Gross	38,310,786	12,349,699	13,041,907	12,487,641	18,734,583

24.3 Money Market Sub-Fund

Particulars	Money Market Sub-Fund	Money Market Sub-Fund	Money Market Sub-Fund	Money Market Sub-Fund	Money Market Sub-Fund
	2020	2019	2018	2017	2016
	-----Rupees-----				
Net income	12,156,512	4,824,394	1,956,864	2,069,941	1,648,096
Capital gain on sale of investments - net	1,029,258	(24,367)	46,122	(457)	106,641
Unrealised gain on re-measurement of investments classified as financial assets at fair value through profit or loss - net	540,211	(4,780)	(11,042)	(567)	88,553
Financial income	12,823,079	6,285,007	3,139,362	3,276,129	3,204,302
Net asset value per unit as at June 30	142.4115	127.1692	118.3073	113.9265	110.0000
Total Net Assets as at June 30	116,061,811	80,429,590	55,550,750	53,595,240	66,152,846
Total contributions received - Gross	50,578,588	24,847,707	13,798,699	17,415,919	22,346,483

24.4 Highest and lowest issue price of units issued during the year

	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund	
	Lowest issue price	Highest issue price	Lowest issue price	Highest issue price	Lowest issue price	Highest issue price
	----- (Rupees) -----					
For the year ended June 30, 2020	106.1700	129.8900	141.3200	177.8100	127.2500	142.4100
For the year ended June 30, 2019	123.9200	163.5000	143.2000	153.8000	118.3600	153.8000

25 DATE OF AUTHORISATION FOR ISSUE

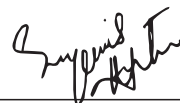
These financial statements were authorised for issue on August 18, 2020 by the Board of Directors of the Pension Fund Manager.

26 GENERAL

26.1 Figures have been rounded off to the nearest rupee.

26.2 Corresponding figures have been rearranged or reclassified, where necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in these financial statements.

For ABL Asset Management Company Limited  
(Pension Fund Manager)



Saqib Matin  
Chief Financial Officer



Alee Khalid Ghaznavi  
Chief Executive Officer



Pervaiz Iqbal Butt  
Director

## آؤٹ لک

خاص طور پر COVID-19 وبائی امراض کی وجہ سے مالی سال 20 کے دوسرے نصف حصے کے دوران خاص طور پر KSE-100 انڈیکس دباؤ میں رہا۔ تاہم، حکومت کی طرف سے مسلط سمارٹ لاک ڈاؤن کی وجہ سے حال ہی میں پورے ملک میں نئے کیسوں کی تشکیل میں کمی پیدا ہوگئی ہے۔ حکومت کی جانب سے پالیسی کے اعلانات میں بڑے پیمانے پر شرح میں کمی کا اعلان کیا تاکہ بگڑتی ہوئی معیشت کو مطلوبہ امداد فراہم کی جا سکے۔ حکومت کی جانب سے تعمیراتی شعبے پر خصوصی توجہ اور میگا ڈیم منصوبوں پر سول / انجینئرنگ کے کاموں میں تیزی لانے کی توقع سے معاشی سرگرمی کو فروغ ملے گا۔ کم بین الاقوامی اجناس کی قیمتوں نے بیرونی اکاؤنٹ کو مہلت مہیا کردی ہے اور توقع ہے کہ اگلے مالی سال کے لئے مہنگائی کو روکنے کا امکان ہے۔ توقع ہے کہ مارکیٹ میں بتدریج بہتری آئے گی، تاہم تحریک انصاف کی حکومت کی طرف سے پوری قوت ساختی اصلاحات کے کامیاب نفاذ پر منحصر رہے گی۔ اور پوری دنیا میں وبائی امراض کے اثرات کو کم کرنے کے موثر ویکسین کی یسرفت کی خبروں کے بارے میں پر امید ہیں۔

## اعتراف

ہم اپنے قابل قدر سرمایہ کاروں کا شکریہ ادا کرتے ہیں جنہوں نے ہم پر اعتماد کیا ہے۔ بورڈ سیکوریٹیز اینڈ ایکسچینج کمیشن آف پاکستان، ٹرسٹی (سینٹرل 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

ڈائریکٹر

لاہور، 18 اگست، 2020

علی خالد غزنوی  
چیف ایگزیکٹو آفیسر

ٹی بلوں کی طرف ، 3 ماہ کی گنتی کی پیداوار 12.75% سے کم ہو کر 7.09% ہوگئی۔ جائزہ لینے کے دوران 6 اور 12 ایم میں شرکت زیادہ رہی کیونکہ مارکیٹ کے شرکاء کی افراط زر کی توقع کم ہونا شروع ہوگئی کیونکہ ایس بی پی نے سود کی شرحوں کو کم کرنا شروع کیا۔ 12 ایم ٹی بل کے لئے کٹ آفس 608bps کی کمی سے 7.05 فیصد پر آگیا جبکہ بانڈ میں 3 ، 5 اور 10 سال کی کٹ پیداوار بالترتیب 7.35% ، 8.11% اور 8.69% پر بند ہوئی۔

## فنڈ کی کارکردگی

ہمارے طویل مدتی سرمایہ کاروں کی بھلائی کی بنیاد پر اے بی ایل وی پی ایس کو منظم طریقے سے 3 ذیلی فنڈز میں درجہ بند کیا گیا ہے۔ "ڈیبٹ سب فنڈ" "منی مارکیٹ سب فنڈ" ، اور "ایکوئیٹی سب فنڈ"۔

## ڈیبٹ سب فنڈ

ڈیبٹ سب فنڈ نے عمدہ کارکردگی کا مظاہرہ کیا ، شروعات کے بعد سے 13.26% کا ریٹرن پوسٹ کیا ، جبکہ فنڈ نے سالانہ 15.54% کا ریٹرن پوسٹ کیا۔ جون 2020 میں فنڈ میں ٹی بلوں میں 58.94% ، کارپوریٹ سکوک میں 12.49% ، PIBs میں 15.95% اور نقد میں 6.41% کی سرمایہ کاری کی گئی تھی۔

## منی مارکیٹ سب فنڈ

مالی سال 2020 کے دوران PF منی مارکیٹ فنڈ نے 11.95% کارپوریٹ پوسٹ کیا۔ فنڈ نے ٹی بلوں میں فعال طور پر تجارت کرکے فائدہ حاصل کیا۔ جون 20 میں ، فنڈز نے ٹی بلوں میں 99.27 فیصد جبکہ بینک میں نقد 0.69 فیصد سرمایہ کاری کی ۔

## ایکوئیٹی سب فنڈ

جائزے کے تحت فنڈ نے سال کے دوران 0.20 فیصد کا منفی ریٹرن پوسٹ کیا۔ 30 جون 20 کو PF-ESF نے ایکویٹی میں 96.32% کی سرمایہ کاری کی تھی۔ فنڈ کی بڑی نمائش کمرشل بینکوں میں 23.22% اور تیل و گیس ایکسپلوریشن کمپنیوں میں 25.52 فیصد تھی۔

## آڈیٹر

موجودہ آڈیٹرز ، میسرز ڈیلونٹ یوسف عادل سلیم اینڈ کمپنی (چارٹرڈ اکاؤنٹنٹس) نے اپنی قانونی مدت پانچ سال پوری کردی ہے۔ لہذا تبدیلی کی ضرورت ہے۔

میسرز اے ایف فرگوسن اینڈ کمپنی (چارٹرڈ اکاؤنٹنٹس) ، کو 30 جون ، 2021 کو ختم ہونے والے سال کے لئے اے بی ایل پنشن فنڈ (ABL-PF) کے لئے بطور آڈیٹر مقرر کیا گیا ہے۔

## 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 (AM-two-Double Plus) (AM2++) کی مینجمنٹ کوالٹی ریٹنگ کی تصدیق کردی ہے۔ (اے ایم ٹو پلس پلس) تفویض کردہ درجہ بندی پر آؤٹ لک 'مستحکم' ہے۔

## اسٹاک مارکیٹ کا جائزہ

مالی سال 20 کے دوران پاکستان ایکویٹی مارکیٹ میں توازن برقرار رہا جب مارکیٹ 1.5 فیصد YoY سے معمولی حد تک بڑھ چکی تھی اور 34,422 پر بند ہوئی تھی۔ 20HFY1 میں ، کے ایس ای 100 نے زبردست کارکردگی کا مظاہرہ کیا اور دنیا کی بہترین مارکیٹ میں سے ایک کے طور پر واپس باؤنس کیا اور اس میں تقریباً 36% کا اضافہ ہوا لیکن 20HFY2 میں ، ملک میں لاک ڈاؤن کے اعلان کے بعد مارکیٹ میں بدترین کمی دیکھنے میں آئی۔ COVID-19 پھیلنے سے پہلے ، حکومت CAD کو کم کر کے ، ٹیکس کی وصولی میں اضافہ ، آئی ایم ایف بیل آؤٹ پیکیج ، غیر ملکی کرنسی کے ذخائر کو تقویت دے کر ، معیشت کی مدد کے لئے اقدامات کر رہی تھی۔ اگرچہ ، کوویڈ 19 کے پھیلنے کے بعد ، ملک میں لاک ڈاؤن کے درمیان معاشی سرگرمیاں رک گئیں اور کے ایس ای 100 ایک ہی مہینے میں (مارچ 20) تقریباً 23 فیصد (8,752 پوائنٹس) کھو چکی تھی لیکن اس کے بعد مارکیٹ میں 18 فیصد کی تیزی آچکی ہے۔ 20QFY4 میں حکومت کی طرف سے تعمیراتی پیکیج اور دیگر مراعات کی پشت پر۔ قریب دو ماہ کے سمارٹ لاک ڈاؤن کے بعد ، معیشت دوبارہ کھلنا شروع ہوگئی کیونکہ حکومت اور دیگر ادارے معیشت کو بحال کرنے کے لئے عملی اقدامات اٹھا رہے ہیں جس میں (i) پالیسی کی شرح میں 625bps کمی اور ایس بی پی کے ذریعہ دیگر مراعات (ii) PKR 1.3tn کے کورونا ریلیف پیکیج (iii) زراعت کی مدد کے لئے 50bn PKR پیکیج ، اور (iv) وفاقی بجٹ مالی سال 21 میں ٹیکسوں کا کوئی اضافی بوجھ نہیں۔

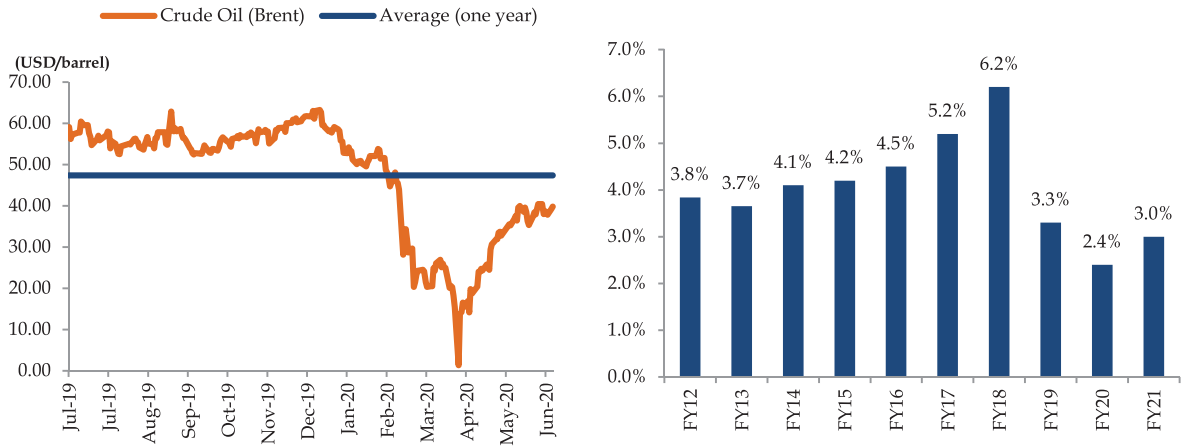
اوسط تجارت والے حجم میں 26.6% YoY کا اضافہ ہوا اور قیمت 3.5% YoY سے بالترتیب 196.5 ملین اور USD45.5 ملین رہ گئی۔ غیر ملکی 284.8 ملین ڈالر کے حصص کا خالص فروخت کنندہ رہے۔ مقامی محاذ پر ، انفرادی سرمایہ کار اور انشورنس کمپنیاں بالترتیب 213.2 ملین ڈالر اور 1212.66 ملین ڈالر کی خالص خریداری کے ساتھ سرفہرست رہیں ، جبکہ بینکوں / DFI نے 455 ملین ڈالر کے حصص فروخت کیے۔ ناقابل یقین پہلی ششماہی کے بعد ، مارکیٹ کوویڈ 19 وبائی بیماری کی وجہ سے مندی کا شکار رہا ، جس میں تجارتی بینکوں ، تیل و گیس کی تلاش کمپنیوں ، تمباکو اور بجلی پیدا کرنے اور تقسیم کے ذریعہ گھریلو اہم انڈیکس نے 1275 ، 481 ، 363 اور 339 پوائنٹس کا حصہ ڈالا۔ بالترتیب آگے بڑھتے ہوئے ، ہمیں یقین ہے کہ اقتصادی سرگرمیوں اور صارفین کے اخراجات میں آسانی کے ساتھ منڈی میں تیزی آئے گی۔ حکومت نے معیشت کی مدد کے لئے اہم اقدامات اٹھائے ہیں جن میں تعمیراتی پیکیج ، ایمنسٹی اسکیم ، ٹیکس چھوٹ ، اور نیا پاکستان ہاؤسنگ اسکیم شامل ہے جو مختلف شعبوں خصوصاً تعمیراتی شعبے کے لئے مثبت اثرات مرتب کرے گی۔ اب ، سرمایہ کار COVID-19 کے علاج معالجے میں ابتدائی پیشرفت کی خبروں کے بارے میں پر امید ہیں اور ہم 2021E P/E کی پرکشش سطح پر تجارت کر رہا ہے اور 6.1 of کی صحت مند منافع بخش پیداوار کی پیش کش کر رہا ہے۔

## منی مارکیٹ کا جائزہ

زیر جائزہ اس عرصے کے دوران منی مارکیٹ غیر مستحکم رہی ، کیوں کہ اسٹیٹ بینک کا مؤقف مانیٹری سختی سے نرمی کی طرف بڑھا۔ مہنگائی سے نمٹنے اور PKR کے ممتاز قرضوں کے آلات میں غیر ملکی سرمایہ کاری کو راغب کرنے کے لئے ایس بی پی نے جولائی 19 میں 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 ایس بی پی کو حالات سے مجبور کیا گیا کہ وہ شرح سود کو 625 پی ایس تک کم کرے۔

پاکستان انویسٹمنٹ بانڈز (پی آئی بی) کی تجارتی پیداوار 13.72 فیصد سے کم ہو کر 8.69 فیصد ہوگئی ، اس کے ساتھ ہی پیداوار کا رخ عام طور پر ڈھل گیا۔ ایک سال کے دوران ، منی مارکیٹ میں موسمی استقامت کی کمی دیکھنے میں آئی کیونکہ اسٹیٹ بینک بار بار اوپن مارکیٹ کاموں (OMOs) کے ساتھ جاری رہا۔ زیر جائزہ مدت کے اختتام پر ، اسٹیٹ بینک ایک ریورس ریپو انتظامات کے تحت 7.03% کے کٹ آف ریٹ پر پی کے آر 1,041 بلین کے خالص قرض خواہ رہا۔

## GDP growth



پاکستان نے مالی سال 20 میں جی ڈی پی کی منفی نمو -0.4% YYY کی اطلاع دی ہے جو مالی سال 19 میں 3.3% YOY سے ڈوب رہی ہے۔ وبائی مرض نے QCY202 میں معاشی سرگرمیوں کو بری طرح متاثر کیا ہے۔ اس طرح معیشت مثبت نمو کو برقرار نہیں رکھ سکی۔ جولائی-اپریل 2020 کے عرصہ میں ، بڑے پیمانے پر مینوفیکچرنگ (LSM) نے SPLY میں 2.82 فیصد کمی کے مقابلہ میں 8.96% YoY کی نمایاں کمی کی۔ ٹیکسٹائل (-8.68%) ، کوک اور پٹرولیم مصنوعات (-21.15%) ، آئرن اینڈ اسٹیل مصنوعات (-15.68%) ، آٹوموبائل (-41.90%) ، دواسازی (-5.31%) ، اور الیکٹرانکس (جنوری میں کمی کو بڑھانے والے اہم شراکت کار تھے۔ -19.74%)۔ صنعت اور معیشت کی حالت کا جائزہ لیتے ہوئے ، حکومت نے سمارٹ لاک ڈاؤن کرنے کا فیصلہ کیا جہاں تمام بڑی صنعتوں کو چلانے کی اجازت دی گئی ہے۔ ہم توقع کرتے ہیں کہ اگلے مالی سال میں یہ جی ڈی پی کے سکڑنے سے بچ سکے گا۔ تاہم ، شرح نمو کے متاثر کن ہونے کی توقع نہیں کی جارہی ہے۔

آگے بڑھتے ہوئے ، خاص طور پر قلیل مدت میں ، مارکیٹ کی سمت آنے والے نتائج اور ملک میں کورونا وائرس وبائی صورتحال کی طرح طے کرے گی۔ اور اس کا اثر معیشت پر پڑتا ہے۔ توقع کی جا رہی ہے کہ حکومت کی جانب سے صنعت کو سپورٹ کرنے کے لئے جو مراعات دی گئیں وہ باقی CY20 میں بھی پوری ہوجائیں گی۔ نمایاں چیز یہ کہ قرض کے پرنسپل پر اضافی رعایتی مدت ملنا جو نقد بہاؤ کو سنبھالنے میں مدد کریں گے جبکہ معاشی سرگرمیوں کو فروغ دینے کے لئے تعمیراتی پیکج۔ اور ملک میں روزگار کے مواقع پیدا کرنا۔ ان کے علاوہ ، پالیسی کی شرح کو کافی حد تک کم کر کے 7% فیصد کر دیا گیا ہے ، جو صنعتوں اور صارفین کو ایک اور بڑی راحت ہے۔

## میوچل فنڈ انڈسٹری کا جائزہ

اوپن اینڈ میوچل فنڈ کے زیر انتظام کل اثاثوں میں مالی سال 20 کے دوران bn572 PKR سے bn788 PKR تک 38% کی نمایاں نمو رہی ، خاص طور پر منی مارکیٹ فنڈ اور فکسڈ انکم فنڈ میں بڑے پیمانے پر آمدنی کی وجہ سے روایتی اور اسلامی سمیت منی مارکیٹ فنڈ میں پی کے آر bn318 سال کے اختتام پر 92% رہی اور اس میں تحاشا اضافہ دیکھنے میں آیا۔ روایتی اور شرعی دونوں کے مطابق فکسڈ انکم فنڈ کی AUMs نے اس مدت کے دوران 66% تک اضافہ کیا۔ اس نمو کو بنیادی طور پر 9MFY20 کے دوران معاہدہ مندانہ مالیاتی پالیسی ماحول میں اعلیٰ منافع حاصل کرنے کے لئے سرمایہ کاروں کی بھوک کی وجہ قرار دیا جاسکتا ہے۔ مقررہ آمدنی کے برعکس ، اس مدت کے دوران ایکویٹی مارکیٹ AUMs میں 5% کمی واقع ہوئی ہے۔ ملک میں لاک ڈاؤن اور کورونا وائرس کے بڑھتے ہوئے معاملات سے سرمایہ کار پر خطرناٹوں میں ہونے والی سرمایہ کاری سے محتاط رہتا ہے۔ کوویڈ-19 کی وجہ سے ایکویٹی مارکیٹ میں ہنگامہ خیزی اور مالی سال 20 کے دوران تیل کی بین الاقوامی قیمتوں میں غیر یقینی صورتحال نے ایکویٹی فنڈز کی گھٹتی آے ای ایم میں اہم کردار ادا کیا۔

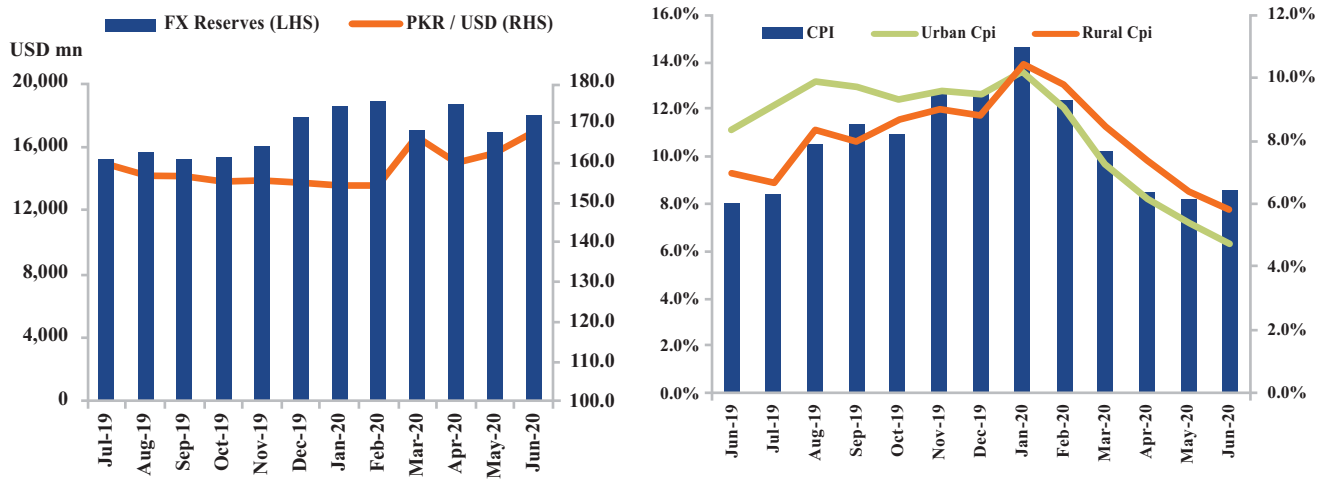


## مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

اے بی ایل پنشن فنڈ (اے بی ایل-پی ایف) کی انتظامیہ کمپنی، اے بی ایل ایسٹ مینجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز 30 جون، 2020 کو ختم ہونے والے سال کے لئے اے بی ایل پنشن فنڈ کے آڈٹ شدہ فنانشل اسٹیٹمنٹ پیش کرنے پر خوشی محسوس کرتے ہیں۔

### اقتصادی کارکردگی کا جائزہ

سپلائی کے ضمنی مسائل کے ساتھ لاک ڈاؤن نے ملک میں افراط زر کا دباؤ پیدا کیا کیونکہ جون 2010 میں ہم نے 11 ماہ میں کم شرح افادیت YoY %8.22 حاصل کرنے کے بعد جون 20 میں YoY %8.59 کی سی پی آئی دیکھی۔ مئی 20 میں ماہانہ بنیاد پر، افراط زر میں 0.81% کا اضافہ ہوا ہے جبکہ اس سے پچھلے مہینے میں 0.32 فیصد اضافہ ہوا تھا۔ ماہ کے دوران ایشیائی خوردونوش کی قیمتوں میں زبردست اضافہ دیکھا گیا۔ مالی سال 20 کے اوسط IPCN نے SPLY میں YoY %6.80 کے مقابلے میں YoY %10.76 پر کلک کیا۔ ہم تخمینہ رکھتے ہیں کہ مالی سال 21 کے لئے اوسط NCPI %7.3 YOY رہیں گے۔



کرنٹ اکاؤنٹ خسارے میں کمی (سی اے ڈی) نے ایک مستحکم BOP پوزیشن کی راہ ہموار کر دی۔ 11MFY20 کے دوران YoY %74 کی کمی سے bn3.28 ڈالر تک آیا۔ درآمدات YoY %20 کی کمی سے 46.63 بلین ڈالر رہ گئیں جبکہ عالمی سطح پر لاک ڈاؤن کے باوجود صرف 7 فیصد YOY کی طرف سے MFY2011 کے دوران bn25.99 ڈالر کی قیمت میں کمی ریکارڈ کی گئی۔ تاہم، کارکنوں کی ترسیلات زر میں YoY %6 کا اضافہ ہوا جس کی قیمت bn23.12 ڈالر تک پہنچ گئی۔ ہمارے خیال میں کارکنوں کی ترسیلات زر کو خطرہ ختم ہوتا ہے کیونکہ پوری دنیا میں معاشی سرگرمیاں بڑھ رہی ہیں۔ تاہم، تیل کی بین الاقوامی قیمتوں میں اضافے اور ملک میں بجلی کی طلب کو پورا کرنے کے لئے فرنس ائل درآمد کرنے کی حکومت کی جانب سے دی گئی اجازت کی وجہ سے تیل کی درآمدی زیادہ بل کی وجہ سے سی اے ڈی آنے والے مہینوں میں بڑھ سکتی ہے۔ 03 جولائی 2020 کو ملک کے زرمبادلہ کے ذخائر 18.79 بلین ڈالر ہیں۔ جو 3.09 ماہ کا درآمدی احاطہ فراہم کرتا ہے۔ وبائی مرض سے لڑنے کے لئے، آئی ایم ایف، اے ڈی پی، ڈبلیو بی اور دوست ممالک کے ساتھ ساتھ پیرس کلب سمیت متعدد بین الاقوامی ادارے، پاکستان کی مدد کے لئے آگے آئے ہیں جس کے نتیجے میں ذخائر مستحکم ہوئے ہیں۔ مالی سال کی بات ہے تو، مالی سال 20 کے دوران، عارضی ٹیکس وصولی 3.98tn PKR تک پہنچ گئی ہے، جو %4 YoY کے اضافے کی عکاسی کرتی ہے۔ جون 20 کے مہینے کے دوران، ٹیکس وصولی 398bn PKR کے ترمیم شدہ ہدف کے مقابلے میں 420bn PKR پر رہی۔

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