



ABL ISLAMIC PENSION FUND
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

Annual REPORT



ABL Asset Management

Discover the potential

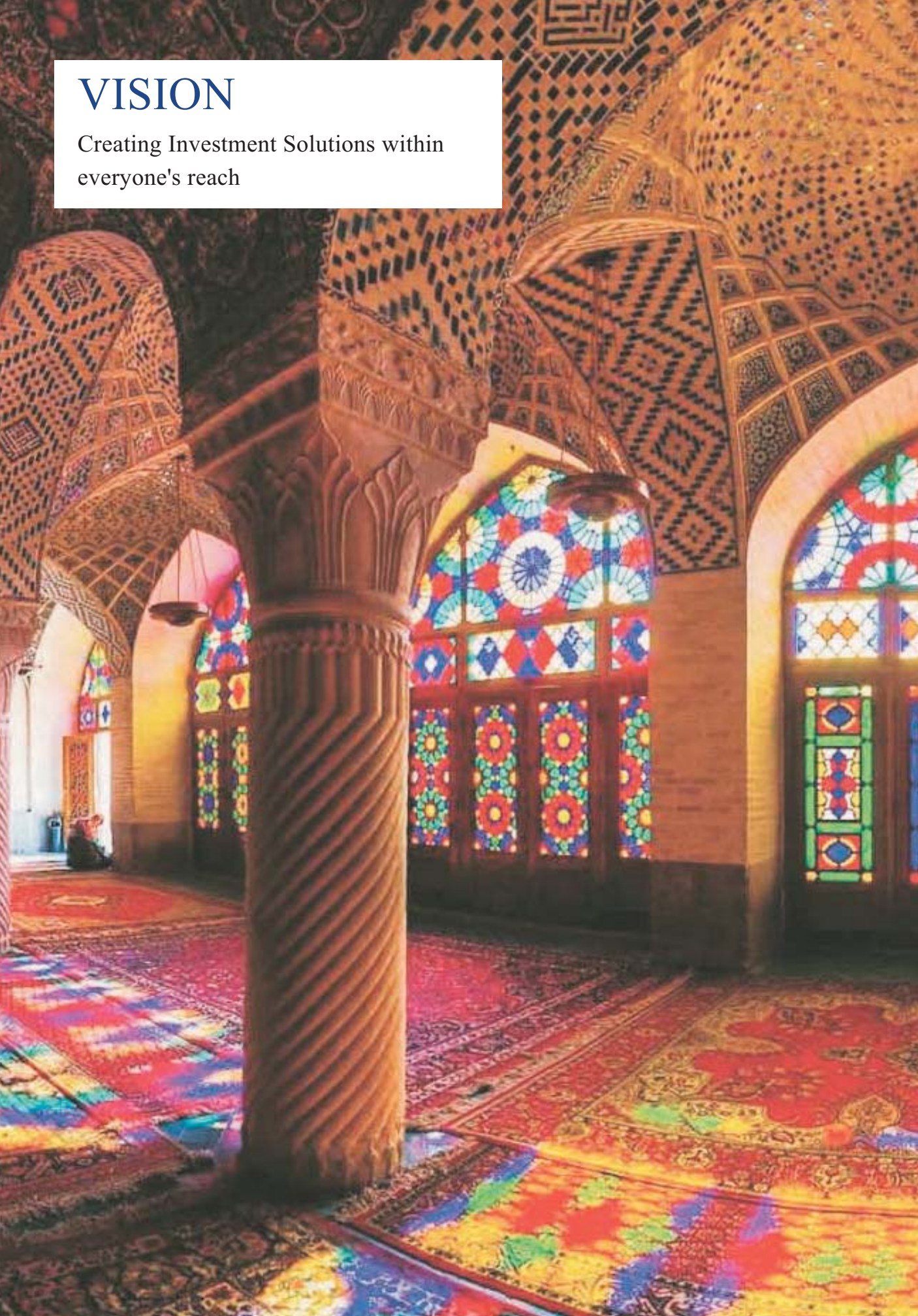


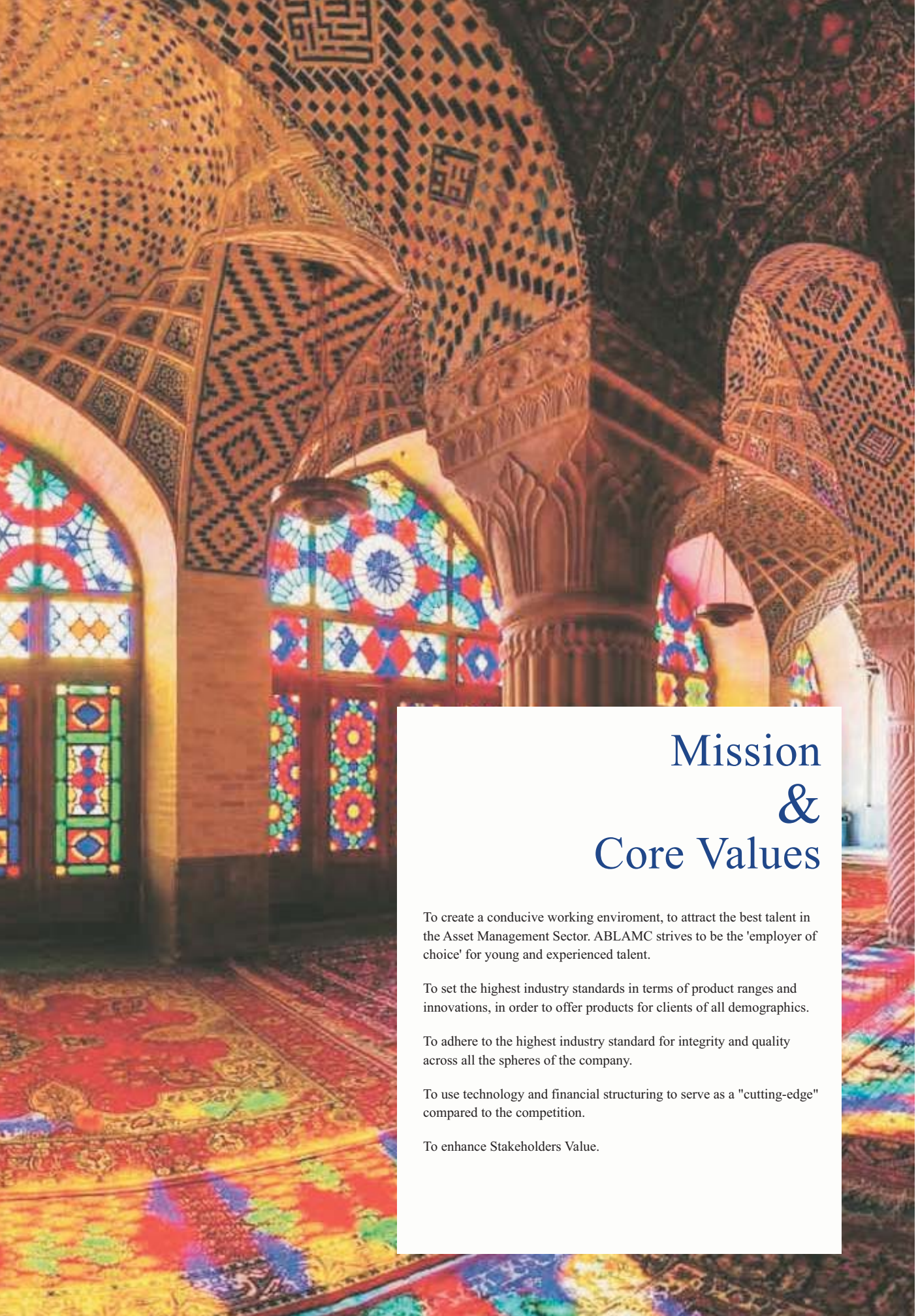
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VISION

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

| | | |
|--|---|--|
| Management Company: | ABL Asset Management Company Limited Plot / Building # 14 -Main Boulevard, DHA Phase - VI, Lahore - 54810 | |
| Board of Directors: | Sheikh Mukhtar Ahmed Mr. Mohammad Naeem Mukhtar Mr. Muhammad Waseem Mukhtar Mr. Aizid Razzaq Gill Mr. Pervaiz Iqbal Butt Mr. Muhammad Kamran Shehzad Ms. Saira Shahid Hussain | Chairman Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director |
| Audit Committee: | Mr. Muhammad Kamran Shehzad Mr. Muhammad Waseem Mukhtar Mr. Pervaiz Iqbal Butt | Chairman Member Member |
| Human Resource and Remuneration Committee | Mr. Muhammad Waseem Mukhtar Mr. Muhammad Kamran Shehzad Mr. Pervaiz Iqbal Butt Mr. Alee Khalid Ghaznavi | Chairman Member Member Member |
| Board's Risk Management Committee | Mr. Muhammad Kamran Shehzad Mr. Pervaiz Iqbal Butt Mr. Alee Khalid Ghaznavi | Chairman Member Member |
| Board Strategic Planning & Monitoring Committee | Mr. Muhammad Waseem Mukhtar Mr. Muhammad Kamran Shehzad Mr. Pervaiz Iqbal Butt Mr. Alee Khalid Ghaznavi | Chairman Member Member Member |
| Chief Executive Officer of The Management Company: | Mr. Alee Khalid Ghaznavi | |
| Chief Financial Officer & Company Secretary: | Mr. Saqib Matin | |
| Chief Internal Auditor: | Mr. Kamran Shahzad | |
| Trustee: | Central Depository Company of Pakistan Limited CDC - House, Shara-e-Faisal, Karachi. | |
| Bankers to the Fund: | Allied Bank Limited Bank Islami Pakistan Limited United Bank Limited | |
| Auditors: | M/s. A.F. Ferguson & Co. Chartered Accountants State Life Building No. 1-C I.I. Chundrigar Road, Karachi | |
| Legal Advisor: | Ijaz Ahmed & Associates Advocates & Legal Consultants No. 7, 11th Zamzama Street, Phase V DHA Karachi. | |
| Registrar: | ABL Asset Management Company Limited L - 48, DHA Phase - VI, Lahore - 74500 | |

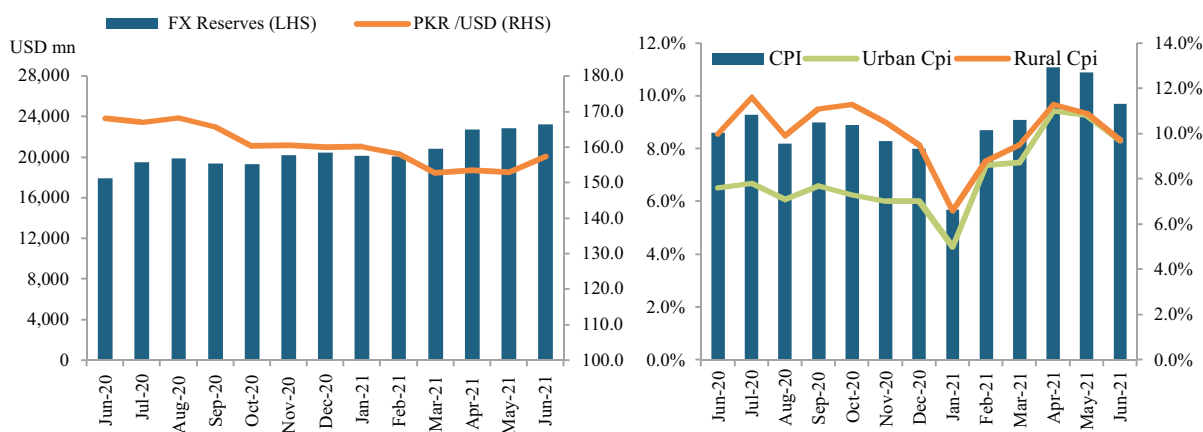


REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of ABL Asset Management Company Limited, the management company of ABL Voluntary Pension Scheme (Islamic) (VPS-Islamic), is pleased to present the Audited Financial Statements of ABL Voluntary Pension Scheme-Islamic for the year ended on June 30, 2021.

ECONOMIC PERFORMANCE REVIEW

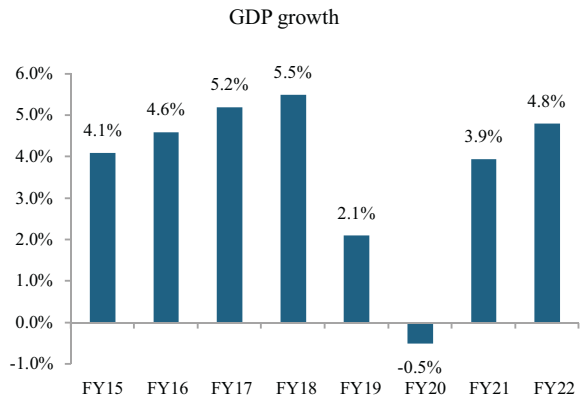
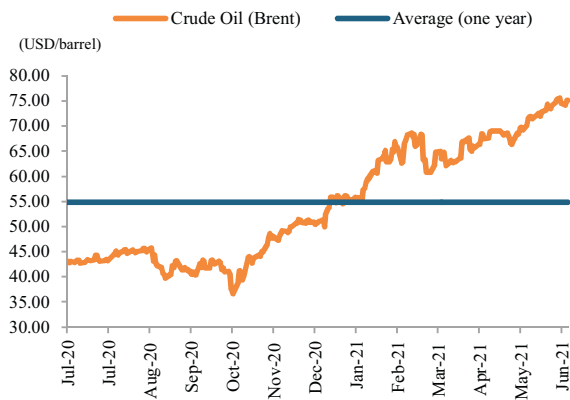
The average inflation for FY21 has concluded at ~8.90%YoY, within SBP's target range of 7-9%YoY, as compared to 10.76%YoY in the same period last year (SPLY). The indices cumulatively grew by 9.35%YoY during the period while the food; housing, water, electricity & gas; transport, and clothing & footwear indices contributed mainly in the said increase as they cumulatively increased by 3.58%YoY, 2.10%YoY, 0.98%YoY, and 0.82%YoY, respectively. Going ahead, we estimate next year (FY22) inflation to come down to ~7.20%, indicating no risk of a rate hike shortly, or at least during CY21. Nevertheless, fluctuation in the international commodity prices pose risk to the estimate.



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MUTUAL FUND INDUSTRY REVIEW

Total assets under management (AUMs) of the open-end mutual fund industry posted an immense growth of 36% during FY21 (from PKR 789 billion to PKR 1073 billion), mainly on account of substantial flows in equity market funds due to insatiable appetite for risky asset class amid the revival of economic activities in the country. Equity market funds, including conventional and Islamic, witnessed a huge growth of 42% to close the period at PKR 243 billion. Similarly, the total money market and fixed income funds' AUMs swelled by 49% and 27% to PKR 475 billion and PKR 245 billion, respectively.

ISLAMIC EQUITY MARKET REVIEW

During FY21, KMI 30 index exhibited tremendous performance and posted a massive return of 39% and closed at 76,621. This highest market return after FY13 can be attributed to the number of Positive developments such as monetary easing at the beginning of the year, Current account surplus, robust remittance growth, healthy tax collection, and successful initiation of coronavirus vaccine. Market sentiment was tested many times during the year, including political unrest amid the alliance of opposition parties under the banner of the Pakistan democratic movement and the reemergence of Covid-19 waves. Economic revival remained the key theme throughout the FY21, aiding bullish climate to the index.

Average traded volume swelled by 68% YoY while value surged by 79% YoY to 129mn and USD 45mn respectively. Foreigners sold worth of USD 387mn shares during the said period. On the local front, individuals, companies, and other organizations remained at the forefront with net buying worth USD 332mn, USD 138mn, and USD 45mn respectively. Positive index contribution was led by Cement (6,904pts) due to higher demand and pricing stability which has augmented margins and hence profitability. The second major contributor was fertilizer (2,111) due to better margin in the absence of GIDC and higher price of fertilizer Products particularly dia ammonium phosphates. On the flip side, the Paper & Board and Investment Companies sector negatively impact the index by declining 130 and 119 points respectively.

Going forward, we believe the market will perform due to better macro indicators, a pro-growth budget, and an aggressive vaccination drive in the country. The market is trading at a TTM P/E multiple of 6.8x and dividend yield of 7.0%.

ISLAMIC MONEY MARKET REVIEW

Key interest rates throughout the year remained unchanged with policy rate maintained at 7.00%. Interest rates were maintained as a part of accommodative policy measures to ensure revival of growth.

While the interest rates remained unchanged, frequent changes were witnessed in primary market cut-off yields for both T-bills & PIBs. The yield curve remained normal steep due to widening of spreads between shorter & medium tenor instruments. As a result, expansion in KIBOR spreads was also witnessed. During the year 6M KIBOR increased from 7.03% to 7.61%.

On Short term Islamic side, Issuers like K-Electric & HUBCO continued to float commercial papers at spreads of 50 to 100 bps over KIBOR while the short term deposit rates hovered between 6.50% - 7.25% percent. Increased activity was also witnessed in Bai-Muajjal market with placement rates between 6.75% - 7.25% for 1 to 3 month placement.

During the year, GoP issued PKR 52.7 billion worth of Long Term Ijara Sukuks at Fixed rates between 8.37% & 9.45%.

FUND PERFORMANCE

Our Islamic 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

The fund posted an annualized return of 4.81% during the period under review. The Islamic Debt Sub Fund was mainly invested in GoP Ijarah Sukuk i.e. 31.44%, investment in Corporate Sukuk stood at 11.66%, while Cash stood at 55.54% at the end of June 2021.

Money Market Sub Fund

The fund posted an annualized return of 4.48% during the period under review. The Fund mainly kept its investment as cash, closed at 86.73%, Investment in GoP Ijarah Sukuk and other assets comprised of 12.62% and 0.65% respectively.

Equity Sub Fund

The fund posted an annualized return of 45.03% during the year under review. The Fund was invested 85.13% in equities at end of the period with major exposure in Oil and gas exploration 27.50% and Cement 17.64%.

AUDITORS

M/s A.F. Ferguson & Co. (Chartered Accountants), have been re-appointed as auditors for the year ending June 30, 2022 for ABL Islamic Pension Fund (ABL-IPF).

MANAGEMENT QUALITY RATING

On December 31, 2020: VIS Credit Rating Company Limited (VIS) has maintained the Management Quality Rating (MQR) of ABL Asset Management Company (ABL AMC) at 'AM2++' (AM-Two-Double Plus). Outlook on the assigned rating has been revised from 'Stable' to 'Positive'.

OUTLOOK

Equity:

Earnings growth has averaged more than 50%yoy across the last 3qtrs, and is expected to remain strong on a yoy basis in 2QCY21 (Autos and Cements may show a sequential decline). We find it unlikely that lockdowns will be in place for an extended period. As a result, corporate profitability should continue on an upward trend. Encouragingly, daily Covid vaccinations are now 1mn per day and c 25% of the adult population is either fully or partially vaccinated. Valuations are still at a significant discount to the mean. We think SBP will remain dovish

particularly after the reassurance offered in the July 2021 MPS where even in the face of worsening CAD, SBP will first rely on the exchange rate to act as the initial line of defense. This is likely to cheer the Pakistan Equity market and reinvigorate cyclical sector stocks, which have been stuck in a lull period since end-May 2021. The next major triggers for the market are (i) resumption of the IMF program and implementation of necessary reforms, (ii) and meaningful decline in Covid cases amid successful vaccinations.

Islamic Money Market:

Despite improving economic numbers and business confidence uncertainty created by the on-going fourth Covid-19 wave in Pakistan and the global spread of new variants resulted in a continued emphasis on supporting the recovery through accommodative monetary policy. As a result policy rate remained unchanged throughout the year at 7%. Going forward we expect the interest rates to be maintained at the current level of 7.00% at least till the end of the second quarter of FY22.

The Fund will maintain its strategy of investment in freshly issued Islamic instruments by Corporates, GoP and its entities. In order to generate alpha over bank deposit rates the fund will keep investing in high yield instruments with a tenor of 3-6 months including but not limited to Corporate Sukuks and Islamic CP's.

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.



Director
Lahore, August 25, 2021



Alee Khalid Ghaznavi
Chief Executive Officer



REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

OBJECTIVE

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

EQUITY MARKET REVIEW

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PERFORMANCE TABLE

Equity Sub Fund

| Particulars | 2021 | 2020 | 2019 | 2018 | 2017 |
|---|----------|----------|----------|----------|----------|
| Net income | 31,100 | (31) | (15,601) | (11,723) | 21,717 |
| Capital gain / (loss) on sale of investments - net | 24,584 | 117 | (6,306) | (5,634) | 11,653 |
| Unrealised appreciation / (diminution) on re-measurement of investments classified as | | | | | |
| 'financial assets at fair value through profit or loss'-net | 5,269 | (1,327) | (10,990) | (7,872) | 9,149 |
| Dividend income | 3,934 | 2,738 | 3,314 | 3,680 | 3,073 |
| Financial income | 338 | 469 | 378 | 148 | 305 |
| Net asset value per unit as at June 30 | 191.6927 | 132.1723 | 131.6929 | 165.0000 | 186.9568 |
| Total Net Assets as at June 30 | 117,743 | 63,769 | 62,218 | 77,947 | 96,793 |
| Total contributions received - Gross | 29,283 | 13,369 | 3,150 | 7,347 | 7,863 |
| Lowest issue price of units issued during the year | 135.2361 | 101.3136 | 128.0617 | 151.1528 | 145.6471 |
| Highest issue price of units issued during the year | 199.4070 | 166.9084 | 169.1935 | 189.7243 | 213.7954 |

Debt Sub Fund

| Particulars | 2021 | 2020 | 2019 | 2018 | 2017 |
|---|----------|----------|----------|----------|----------|
| Net income | 2,751 | 4,745 | 1,683 | 577 | 2,118 |
| Capital gain on sale of investments - net | (15) | 521 | (48) | (55) | - |
| Unrealised appreciation / (diminution) on re-measurement of investments classified as | | | | | |
| 'financial assets at fair value through profit or loss'-net | 44 | (428) | (524) | (590) | 752 |
| Financial income | 3,980 | 6,044 | 3,429 | 2,403 | 2,454 |
| Net asset value per unit as at June 30 | 135.5435 | 129.3181 | 119.7513 | 115.7500 | 114.3121 |
| Total Net Assets as at June 30 | 61,335 | 69,929 | 54,200 | 48,305 | 52,247 |
| Total contributions received - Gross | 7,100 | 19,052 | 4,771 | 2,428 | 7,244 |
| Lowest issue price of units issued during the year | 129.5403 | 119.5018 | 115.0086 | 113.8398 | 109.3272 |
| Highest issue price of units issued during the year | 135.6940 | 129.7127 | 120.2136 | 115.8620 | 114.4614 |

Money Market Sub Fund

| Particulars | 2021 | 2020 | 2019 | 2018 | 2017 |
|---|----------|----------|----------|----------|----------|
| Net income | 3,103 | 4,051 | 1,352 | 628 | 1,118 |
| Capital gain on sale of investments - net | - | 516 | 13 | (1) | - |
| Unrealised appreciation / (diminution) on re-measurement of investments classified as | | | | | |
| 'financial assets at fair value through profit or loss'-net | 12 | (300) | (516) | (135) | 158 |
| Financial income | 4,527 | 5,149 | 2,807 | 1,721 | 1,792 |
| Net asset value per unit as at June 30 | 131.0797 | 125.4557 | 117.1034 | 113.1327 | 111.2596 |
| Total Net Assets as at June 30 | 76,535 | 65,074 | 42,873 | 38,634 | 36,265 |
| Total contributions received - Gross | 15,623 | 23,539 | 4,547 | 2,423 | 852 |
| Lowest issue price of units issued during the year | 125.5741 | 116.7976 | 112.9460 | 111.1826 | 107.7875 |
| Highest issue price of units issued during the year | 131.0797 | 126.3161 | 117.7177 | 113.1511 | 111.3047 |

**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 ISLAMIC 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 Islamic 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, 2021 in accordance with the provisions of the constitutive documents of the Fund and the Voluntary Pension System Rules, 2005.


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, September 28, 2021



بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



September 29, 2021

The purpose of this report is to provide an opinion on the Shariah Compliance of the Fund's investment and operational activities with respect to Shariah guidelines provided.

It is the core responsibility of the Management Company to operate the Fund and invest the amount of money in such a manner which is in compliance with the Shariah principles as laid out in the Shariah guidelines. In the capacity of the Shariah Advisor, our responsibility lies in providing Shariah guidelines and ensuring compliance with the same by review of activities of the fund. We express our opinion based on the review of the information, provided by the management company, to an extent where compliance with the Shariah guidelines can be objectively verified.

Our review of Fund's activities is limited to enquiries of the personnel of Management Company and various documents prepared and provided by the management company.

Keeping in view the above; we certify that:

On the basis of information provided by the management company, during the year an amount has been identified to be accrued to charity account due to the impure income arising out of the operations and investments of the Unit Trust Scheme. Further discussion with regards to strengthening the Shariah compliance mechanism for all the Unit Trust Schemes is under discussion with the management, all other operations of the fund for the year ended June 30, 2021 comply with the provided Shariah guidelines. Therefore, it is resolved that investments in ABL Islamic Pension Fund (ABL-IPF) managed by ABL Asset Management Company are halal and in accordance with Shariah principles.

May Allah (SWT) bless us and forgive our mistakes and accept our sincere efforts in accomplishment of cherished tasks and keep us away from sinful acts.

For and on behalf of Shariah Supervisory Council of Al-Hilal Shariah Advisors (Pvt.) Limited.

Mufti Irshad Ahmad Aijaz
Member Shariah Council



Faraz Younus Bandukda, CFA
Chief Executive

Al-Hilal Shariah Advisors (Pvt) Limited

807 8th Floor Horizon Tower, Khayban-e-Saadi, Block - 3 Clifton,
Karachi, Pakistan. Tel : +92-21-35305931-37. Web: www.alhilalsa.com



AUDITOR'S REPORT TO THE PARTICIPANTS OF ABL ISLAMIC PENSION FUND

We have audited the annexed financial statements comprising:

- i. Statement of Assets and Liabilities;
- ii. Income Statement;
- iii. Cash Flow Statement; and
- iv. Statement of Movement in Participants' Sub-Funds

of ABL Islamic Pension Fund (the Fund) as at and for the year ended June 30, 2021 together with the notes to and forming part thereof for the year then ended.

It is the responsibility of the Pension Fund Manager to establish and maintain a system of internal control and prepare and present the financial statements of the Fund in conformity with the accounting and reporting standards as applicable in Pakistan and the requirements of the Voluntary Pension 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 as applicable in Pakistan. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. 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 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, 2021 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, 2021 and of the transactions of the Fund for the year then ended;
- 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;
- e) proper books and records have been kept by the Fund and 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 Ushr Ordinance, 1980.

Other Matter

The financial statements of the Fund for the year ended June 30, 2020 were audited by another firm of Chartered Accountants who had expressed an unmodified opinion thereon vide their report dated August 18, 2020.

A.F. Ferguson & Co.
Chartered Accountants
Engagement Partner: **Noman Abbas Sheikh**
Date: September 28, 2021
Karachi

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>

■ KARACHI ■ LAHORE ■ ISLAMABAD

ABL ISLAMIC PENSION FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2021

| | | 2021 | | | |
|--|----|-----------------------------|---------------|-----------------------|---------|
| | | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |
| | | ----- Rupees in '000 ----- | | | |
| Assets | | | | | |
| Bank balances | 4 | 16,415 | 34,138 | 66,662 | 117,215 |
| Investments | 5 | 101,743 | 26,626 | 9,712 | 138,081 |
| Dividend and profit receivable | 6 | 391 | 504 | 455 | 1,350 |
| Deposits and other receivables | 7 | 158 | 522 | 130 | 810 |
| Receivable against sale of investments | | 813 | - | - | 813 |
| Total assets | | 119,520 | 61,790 | 76,959 | 258,269 |
| Liabilities | | | | | |
| Payable to ABL Asset Management Company Limited - Pension Fund Manager | 8 | 420 | 274 | 273 | 967 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | 9 | 16 | 8 | 10 | 34 |
| Payable to the Securities and Exchange Commission of Pakistan | 10 | 23 | 15 | 17 | 55 |
| Accrued expenses and other liabilities | 11 | 1,318 | 158 | 124 | 1,600 |
| Total liabilities | | 1,777 | 455 | 424 | 2,656 |
| Net assets | | 117,743 | 61,335 | 76,535 | 255,613 |
| Participants' Sub - Funds (as per statement attached) | | 117,743 | 61,335 | 76,535 | 255,613 |
| Contingencies and commitments | 12 | | | | |
| | | ----- Number of units ----- | | | |
| Number of units in issue | 13 | 614,226 | 452,513 | 583,881 | |
| | | ----- Rupees ----- | | | |
| Net asset value per unit | | 191.6927 | 135.5435 | 131.0797 | |

The annexed notes 1 to 25 and annexure 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 ISLAMIC PENSION FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2021**

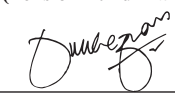
| | | 2020 | | | |
|--|----|-----------------------------|---------------|-----------------------|---------|
| | | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |
| | | ----- Rupees in '000 ----- | | | |
| Assets | | | | | |
| Bank balances | 4 | 2,750 | 37,527 | 55,411 | 95,688 |
| Investments | 5 | 62,144 | 32,064 | 9,700 | 103,908 |
| Dividend and profit receivable | 6 | 41 | 493 | 246 | 780 |
| Deposits and other receivables | 7 | 158 | 347 | 133 | 638 |
| Total assets | | 65,093 | 70,431 | 65,490 | 201,014 |
| Liabilities | | | | | |
| Payable to ABL Asset Management Company Limited - Pension Fund Manager | 8 | 344 | 312 | 262 | 918 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | 9 | 9 | 10 | 9 | 28 |
| Payable to the Securities and Exchange Commission of Pakistan | 10 | 18 | 18 | 17 | 53 |
| Accrued expenses and other liabilities | 11 | 953 | 162 | 128 | 1,243 |
| Total liabilities | | 1,324 | 502 | 416 | 2,242 |
| Net assets | | 63,769 | 69,929 | 65,074 | 198,772 |
| Participants' Sub - Funds (as per statement attached) | | 63,769 | 69,929 | 65,074 | 198,772 |
| Contingencies and commitments | 12 | | | | |
| | | ----- Number of units ----- | | | |
| Number of units in issue | 13 | 482,466 | 540,751 | 518,704 | |
| | | ----- Rupees ----- | | | |
| Net asset value per unit | | 132.1723 | 129.3181 | 125.4557 | |

The annexed notes 1 to 25 and annexure 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

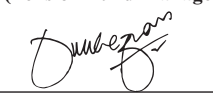
ABL ISLAMIC PENSION FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2021

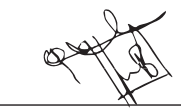
| | | 2021 | | | |
|-----------------|--|-----------------|---------------|-----------------------|---------------|
| | | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |
| | | Rupees in '000 | | | |
| Income | | | | | |
| | Profit earned | 338 | 3,979 | 4,526 | 8,843 |
| | Dividend income | 3,934 | - | - | 3,934 |
| | Gain / (loss) on sale of investments - net | 24,584 | (15) | - | 24,569 |
| | Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net | 5,269 | 44 | 12 | 5,325 |
| | Total income | <u>34,125</u> | <u>4,008</u> | <u>4,538</u> | <u>42,671</u> |
| Expenses | | | | | |
| | Remuneration of ABL Asset Management Company Limited - Pension Fund Manager | 1,413 | 888 | 1,043 | 3,344 |
| | Punjab Sales Tax on remuneration of the Pension Fund Manager | 226 | 142 | 167 | 535 |
| | Remuneration of Central Depository Company of Pakistan Limited - Trustee | 142 | 89 | 104 | 335 |
| | Sindh Sales Tax on remuneration of the Trustee | 18 | 12 | 14 | 44 |
| | Annual fees to the Securities and Exchange Commission of Pakistan | 23 | 15 | 17 | 55 |
| | Auditors' remuneration | 59 | 59 | 59 | 177 |
| | Securities transaction cost | 727 | - | 3 | 730 |
| | Legal and professional charges | - | - | - | - |
| | Printing charges | 25 | 25 | 25 | 75 |
| | Charity expense | 356 | - | - | 356 |
| | Settlement and bank charges | 36 | 28 | 4 | 68 |
| | Total operating expenses | <u>3,025</u> | <u>1,258</u> | <u>1,436</u> | <u>5,719</u> |
| | Net income for the year before taxation | <u>31,100</u> | <u>2,750</u> | <u>3,102</u> | <u>36,952</u> |
| | Taxation | - | - | - | - |
| | Net income for the year after taxation | <u>31,100</u> | <u>2,750</u> | <u>3,102</u> | <u>36,952</u> |
| | Other comprehensive income for the year | - | - | - | - |
| | Total comprehensive income for the year | <u>31,100</u> | <u>2,750</u> | <u>3,102</u> | <u>36,952</u> |
| | Earnings / (loss) per unit | | | | |

The annexed notes 1 to 25 and annexure 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 ISLAMIC PENSION FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2021

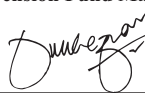
| | | | | | 2020 | | | | |
|--|------|---------|-------|-------|-----------------|---------------|-----------------------|-------|--|
| | | | | | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total | |
| | | | | | Rupees in '000 | | | | |
| Note | | | | | | | | | |
| Income | | | | | | | | | |
| Profit earned | 15 | 469 | 6,006 | 5,148 | 11,623 | | | | |
| Dividend income | | 2,738 | - | - | 2,738 | | | | |
| Other income | | - | 38 | - | 38 | | | | |
| Gain on sale of investments - net | | 117 | 521 | 516 | 1,154 | | | | |
| Unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net | 5.5 | (1,327) | (428) | (300) | (2,055) | | | | |
| Total income | | 1,997 | 6,137 | 5,364 | 13,498 | | | | |
| Expenses | | | | | | | | | |
| Remuneration of ABL Asset Management Company Limited - Pension Fund Manager | 8.1 | 960 | 939 | 876 | 2,775 | | | | |
| Punjab Sales Tax on remuneration of the Pension Fund Manager | 8.2 | 154 | 150 | 140 | 444 | | | | |
| Remuneration of Central Depository Company of Pakistan Limited - Trustee | 9.1 | 104 | 102 | 95 | 301 | | | | |
| Sindh Sales Tax on remuneration of the Trustee | 9.2 | 14 | 13 | 12 | 39 | | | | |
| Annual fees to the Securities and Exchange Commission of Pakistan | 10 | 18 | 18 | 17 | 53 | | | | |
| Auditors' remuneration | 16 | 76 | 76 | 76 | 228 | | | | |
| Securities transaction cost | | 425 | 3 | - | 428 | | | | |
| Legal and professional charges | | 50 | 50 | 50 | 150 | | | | |
| Charity expense | | 193 | - | - | 193 | | | | |
| Printing charges | | 33 | 33 | 33 | 99 | | | | |
| Settlement and bank charges | | 1 | 8 | 16 | 25 | | | | |
| Total operating expenses | | 2,028 | 1,392 | 1,315 | 4,735 | | | | |
| Net (loss) / income for the year before taxation | | (31) | 4,745 | 4,049 | 8,763 | | | | |
| Taxation | 3.6 | - | - | - | - | | | | |
| Net (loss) / income for the year after taxation | | (31) | 4,745 | 4,049 | 8,763 | | | | |
| Other comprehensive income for the year | | - | - | - | - | | | | |
| Total comprehensive (loss) / income for the year | | (31) | 4,745 | 4,049 | 8,763 | | | | |
| Earnings / (loss) per unit | 3.11 | | | | | | | | |

The annexed notes 1 to 25 and annexure 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



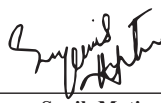
Pervaiz Iqbal Butt
 Director

**ABL ISLAMIC PENSION FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2021**

| | 2021 | | | |
|--|----------------------------|---------------|-----------------------|----------------|
| | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |
| | ----- Rupees in '000 ----- | | | |
| Net assets at the beginning of the year | 63,769 | 69,929 | 65,074 | 198,772 |
| Issuance of units | 29,283 | 7,100 | 15,624 | 52,007 |
| Redemption of units | (6,409) | (18,444) | (7,265) | (32,118) |
| | 22,874 | (11,344) | 8,359 | 19,889 |
| Gain / (loss) on sale of investments - net | 24,584 | (15) | - | 24,569 |
| Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net | 5,269 | 44 | 12 | 5,325 |
| Other income for the year - net | 1,247 | 2,721 | 3,090 | 7,058 |
| Total comprehensive income for the year | 31,100 | 2,750 | 3,102 | 36,952 |
| Net assets at the end of the year | 117,743 | 61,335 | 76,535 | 255,613 |

The annexed notes 1 to 25 and annexure 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 ISLAMIC PENSION FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2021**

| | 2020 | | | |
|--|----------------------------|---------------|-----------------------|----------------|
| | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |
| | ----- Rupees in '000 ----- | | | |
| Net assets at the beginning of the year | 62,218 | 54,200 | 42,873 | 159,291 |
| Issuance of units | 13,369 | 19,053 | 23,540 | 55,962 |
| Redemption of units | (11,787) | (8,069) | (5,388) | (25,244) |
| | 1,582 | 10,984 | 18,152 | 30,718 |
| Gain on sale of investments - net | 117 | 521 | 516 | 1,154 |
| Unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net | (1,327) | (428) | (300) | (2,055) |
| Other income for the year - net | 1,179 | 4,652 | 3,833 | 9,664 |
| Total comprehensive (loss) / income for the year | (31) | 4,745 | 4,049 | 8,763 |
| Net assets at the end of the year | 63,769 | 69,929 | 65,074 | 198,772 |

The annexed notes 1 to 25 and annexure 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



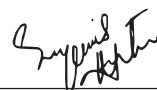
Pervaiz Iqbal Butt
Director

**ABL ISLAMIC PENSION FUND
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2021**

| Note | 2021 | | | |
|--|-----------------|-----------------|-----------------------|----------------|
| | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |
| | Rupees in '000 | | | |
| | 31,100 | 2,750 | 3,102 | 36,952 |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Net income for the year before taxation | | | | |
| Adjustments for: | | | | |
| Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net | (5,269) | (44) | (12) | (5,325) |
| Profit earned | (338) | (3,979) | (4,526) | (8,843) |
| Dividend income | (3,934) | - | - | (3,934) |
| | 21,559 | (1,273) | (1,436) | 18,850 |
| (Increase) / decrease in assets | | | | |
| Deposits and other receivables | - | (175) | 3 | (172) |
| Increase / (decrease) in liabilities | | | | |
| Payable to ABL Asset Management Company Limited - Pension Fund Manager | 76 | (38) | 11 | 49 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | 7 | (2) | 1 | 6 |
| Payable to the Securities and Exchange Commission of Pakistan | 5 | (3) | - | 2 |
| Accrued expenses and other liabilities | 365 | (4) | (4) | 357 |
| | 453 | (47) | 8 | 414 |
| Profit received | 299 | 3,968 | 4,317 | 8,584 |
| Dividend received | 3,623 | - | - | 3,623 |
| Net amount (paid) / received on purchase and sale of investments | (35,143) | 5,482 | - | (29,661) |
| Net cash (used in) / generated from operating activities | (9,209) | 7,955 | 2,892 | 1,638 |
| CASH FLOW FROM FINANCING ACTIVITIES | | | | |
| Receipts from issuance of units | 29,283 | 7,100 | 15,624 | 52,007 |
| Payments against redemption of units | (6,409) | (18,444) | (7,265) | (32,118) |
| Net cash generated from / (used in) financing activities | 22,874 | (11,344) | 8,359 | 19,889 |
| Net increase / (decrease) in cash and cash equivalents | 13,665 | (3,389) | 11,251 | 21,527 |
| Cash and cash equivalents at the beginning of the year | 2,750 | 37,527 | 55,411 | 95,688 |
| Cash and cash equivalents at the end of the year | 16,415 | 34,138 | 66,662 | 117,215 |

The annexed notes 1 to 25 and annexure 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 ISLAMIC PENSION FUND
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2021**

| | | 2020 | | | |
|--|---|-----------------|---------------|-----------------------|----------|
| | | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |
| | | Rupees in '000 | | | |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | |
| Net (loss) / income for the year before taxation | | (31) | 4,745 | 4,049 | 8,763 |
| Adjustments for: | | | | | |
| Unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net | | 1,327 | 428 | 300 | 2,055 |
| Profit earned | | (469) | (6,006) | (5,148) | (11,623) |
| Dividend income | | (2,738) | - | - | (2,738) |
| | | (1,911) | (833) | (799) | (3,543) |
| Increase in assets | | | | | |
| Deposits and other receivables | | - | (225) | (94) | (319) |
| Increase in liabilities | | | | | |
| Payable to ABL Asset Management Company Limited - Pension Fund Manager | | 1 | 45 | 34 | 80 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | | (2) | 2 | 2 | 2 |
| Payable to the Securities and Exchange Commission of Pakistan | | (6) | 1 | 4 | (1) |
| Accrued expenses and other liabilities | | 16 | 13 | 13 | 42 |
| | | 9 | 61 | 53 | 123 |
| Profit received | | 486 | 6,240 | 5,511 | 12,237 |
| Dividend received | | 2,950 | - | - | 2,950 |
| Net amount (paid) / received on purchase and sale of investments | | (7,622) | (10,485) | 7,298 | (10,809) |
| Net cash (used in) / generated from operating activities | | (6,088) | (5,242) | 11,969 | 639 |
| CASH FLOW FROM FINANCING ACTIVITIES | | | | | |
| Receipts from issuance of units | | 13,369 | 19,053 | 23,540 | 55,962 |
| Payments against redemption of units | | (11,787) | (8,069) | (5,388) | (25,244) |
| Net cash generated from financing activities | | 1,582 | 10,984 | 18,152 | 30,718 |
| Net (decrease) / increase in cash and cash equivalents | | (4,506) | 5,742 | 30,121 | 31,357 |
| Cash and cash equivalents at the beginning of the year | | 7,256 | 31,785 | 25,290 | 64,331 |
| Cash and cash equivalents at the end of the year | 4 | 2,750 | 37,527 | 55,411 | 95,688 |

The annexed notes 1 to 25 and annexure 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 ISLAMIC PENSION FUND
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 ABL Islamic Pension Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on March 19, 2014 between ABL Asset Pension Fund Manager Limited as the Pension Fund Manager and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The offering document of the Fund has been revised through the First, Second and Third Supplements dated January 26, 2015, February 11, 2015 and March 24, 2016 with the approval of the Securities and Exchange Commission of Pakistan (SECP). The Securities and Exchange Commission of Pakistan (SECP) authorised constitution of the Fund as a Pension Fund dated July 7, 2014 in accordance with the requirements of the Voluntary Pension Scheme Rules, 2005.

The Pension Fund Manager of the Fund has been licensed to act as a Pension Fund Manager under the Voluntary Pension Scheme Rules, 2005 (the VPS Rules) through a certificate of registration issued by the SECP. The registered office of the Pension Fund Manager is situated at Plot No. 14, Main Boulevard, DHA Phase 6, Lahore.

- 1.2 The units of the Fund are offered to the public for 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 or dividend from the Fund whether in cash or otherwise from any of the Sub-Funds.
- 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 customisation through allocation of such contributions in equity and fixed income investment avenues suited to their specific needs and risk profile.
- 1.4 The title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.
- 1.5 The Fund consists of three sub-funds namely, ABL Islamic Pension Fund Equity Sub-Fund (Equity Sub-Fund), ABL Islamic Pension Fund Debt Sub-Fund (Debt Sub-Fund) and ABL Islamic Pension Fund Money Market Sub-Fund (Money Market Sub-Fund) (collectively the "Sub-Funds"). Investment policy for each of the sub-funds is as follows:

ABL Islamic Pension Fund - Equity Sub-Fund

Assets of an Equity Sub-Fund shall be invested in equity securities which are listed on the Stock Exchange or in securities of which the application for listing has been approved by the Stock Exchange. At least ninety percent (90%) of Net Assets of an Equity Sub-Fund shall remain invested in listed equity securities based on rolling average investment of last ninety days calculated on daily basis. Investments may be made in equity securities of any single company up to fifteen percent (15%) of net assets of an Equity Sub-Fund or paid-up capital of that single company, whichever is lower. The Pension Fund Manager may invest up to thirty five percent (35%) of net assets of equity sub-fund or the Index Weight, whichever is higher; subject to maximum forty percent (40%) of net assets of Equity Sub-Fund in equity securities of companies belonging to a single sector as classified by the Stock Exchange. The Pension Fund Manager may invest any surplus (un-invested) funds in government securities having less than one year time to maturity or keep as deposits with scheduled commercial banks which are rated not less than "A" by a rating agency registered with the Commission. The Pension Fund Manager shall not deposit more than ten per cent (10%) of Net Assets of the Equity Sub-fund in a single bank.

ABL Islamic Pension Fund - Debt Sub-Fund

The Debt Sub-Fund shall consist of debt securities and such other assets as specified herein below. The weighted average time to maturity of securities held in the portfolio of a Debt Sub-Fund, excluding government securities, shall not exceed five (5) years. At least twenty five per cent (25%) Net Assets of the Debt Sub-Fund shall be invested in government securities not exceeding 90 days' maturity or deposit with scheduled commercial banks having not less than "A plus" rating. Exposure to securities issued by companies of a single sector shall not exceed twenty five percent (25%). Deposits in a single bank shall not exceed ten per cent (10%) of Net Assets of the Debt Sub-Fund. Investments may be made in debt securities of any single company up to fifteen percent (15%) of net assets of a Debt Sub-Fund or issue size of that debt security, whichever is lower.

ABL Islamic Pension Fund - Money Market Sub-Fund

The weighted average time to maturity of net assets of a Money Market Sub-Fund shall not exceed one year. Time to maturity of any asset in the portfolio of Money Market Sub-Fund shall not exceed six (6) months. There shall be no limit with respect to investment in the Federal Government securities. Investments may be made in debt securities of any single company up to fifteen percent (15%) of net assets of a Money Market Sub-Fund or issue size of that debt security, whichever is lower. At least ten per cent (10%) Net Assets of the Money Market Sub-Fund shall be invested in debt securities issued by the Federal Government or or keep as deposits with scheduled commercial banks which are rated not less than "AA" by a rating agency registered with the Commission.

- 1.6 The Fund offers four types of allocation schemes, as prescribed by the SECP under VPS Rules 2005 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 an 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 Funds are allocated to the above stated Sub-Funds. The allocation to the sub-funds has to be done at the date of the opening of the participant's pension account and on an anniversary date thereafter.
- 1.7 During the current year, the Trust Act, 1882 has been repealed due to promulgation of provincial trust acts as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration and annual renewal requirements under the relevant trust acts have been introduced. The Pension Fund Manager in consultation with the MUFAP and the Trustee is currently deliberating upon the requirements of the newly enacted provincial trust acts and their implication on 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. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIII A of the repealed Companies Ordinance, 1984; and
- Voluntary Pension System Rules, 2005 (the VPS Rules) and the requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the VPS rules and the requirements of the Trust Deed differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the VPS rules and requirements of the Trust Deed have been followed.

2.2 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current year:

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2020. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these financial statements.

2.3 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective:

The following amendments to published accounting and reporting standards would be effective from the dates mentioned below against the respective amendments:

| Standards, interpretations and amendments | Effective date (accounting periods beginning on or after) |
|--|---|
| - IAS 1 - 'Presentation of financial statements' (amendment) | January 1, 2023 |
| - IAS 8 - 'Accounting policies, change in accounting estimates and errors' (amendment) | January 1, 2023 |

The Management is currently in the process of assessing the full impact of these amendments on the financial statements of the Fund.

2.3.1 There are certain other standards, amendments and interpretations that are mandatory for the Fund's accounting period beginning on or after July 1, 2021 but are considered not to be relevant or will not have any significant effect on the Fund's operations and are, therefore, not disclosed in these financial statements.

2.4 Critical accounting estimates and judgments

The preparation of financial statements in conformity with the accounting and reporting standards requires the management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgments and associated assumptions are based on historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The estimates and judgments that have a significant effect on the financial statements of the Fund relate to classification and valuation of financial assets (notes 3.2 and 5), provision for taxation (note 3.6), provision for Federal Excise Duty (note 8.3) and provision for SWWF (note 11.1).

2.5 Accounting convention

These financial statements have been prepared under the historical cost convention except that investments have been carried at fair values.

2.6 Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistan Rupee, 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 applied consistently to all the years presented unless otherwise stated.

3.1 Cash and cash equivalents

These comprise balances with banks in savings and current accounts and other short-term highly liquid investments with original maturities of three months or less.

3.2 Financial assets

3.2.1 Initial recognition and measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried 'at fair value through profit or loss'. Financial assets carried 'at fair value through profit or loss' are initially recognised at fair value and transaction costs are recognised in the Income Statement.

3.2.2 Classification and subsequent measurement

Debt instruments

IFRS 9 has provided a criteria for debt securities whereby these debt securities are either classified as:

- at amortised cost
- at fair value through other comprehensive income "(FVOCI)"
- at fair value through profit or loss "(FVPL)"
based on the business model of the entity.

However, IFRS 9 also provides an option whereby securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, to be recognised at FVPL. The debt sub-fund and money market sub-fund primarily invest in debt securities and their performance is measured on a fair value basis. Hence, the management has classified the debt securities invested through debt sub-fund and money market sub-fund as FVPL.

Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective and are instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

All equity investments are required to be measured in the 'Statement of Assets and Liabilities' at fair value, with gains and losses recognised in the Income Statement, except where an irrevocable election has been made at the time of initial recognition to measure the investment at FVOCI. The equity sub-fund is required to invest at least 90 percent of its assets in equity securities and the management has not opted for the irrevocable option. Therefore, the equity sub-fund investments in equity securities are being classified as FVPL.

The dividend income for equity securities classified under FVPL is recognised in the Income Statement.

3.2.3 Impairment

The Fund assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets (other than debt instruments) carried at amortised cost and FVOCI. The Fund recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

3.2.4 Impairment on debt securities

Provision for non-performing debt securities is made on the basis of time-based criteria as prescribed by the SECP and based on management's assessment made in line with its provisioning policy approved by the Board of Directors of the Pension Fund Manager in accordance with the guidelines issued by the SECP. Impairment losses recognised on debt securities can be reversed through the Income Statement.

3.2.5 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset. Regular way purchases / sales of assets require delivery of securities within two days from the transaction date as per the stock exchange regulations.

3.2.6 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Any gain or loss on derecognition of financial assets is taken to the Income Statement.

3.3 Financial liabilities

3.3.1 Classification and subsequent measurement

Financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair values and subsequently stated at amortised cost.

3.3.2 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss on derecognition of financial liabilities is taken to the Income Statement.

3.4 Offsetting of financial assets and financial liabilities

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

3.5 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 obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

3.6 Taxation

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

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

3.7 Revenue recognition

- Gains / (losses) on sale of investments are recorded in the Income Statement on the date on which the transaction takes place.
- Profit on savings account with banks is recognised on an accrual basis.
- Dividend income is recognised when the Fund's right to receive the dividend is established.
- Unrealised gains / (losses) arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are recorded in the period in which these arise.
- Income on sukuk certificates, Islamic commercial papers and government securities is recognised on time proportion basis using the effective yield method.

3.8 Expenses

All expenses chargeable to the Fund including remuneration of the Pension Fund Manager and Trustee and annual fee of the SECP are recognised in the Income Statement on an accrual basis.

3.9 Issue, allocation, reallocation and redemption of units

Contribution received in the individual pension account after deduction of applicable front end fee is used to purchase the units of sub-funds of the pension fund according to the allocation scheme selected by the participant. The units are allotted at the net asset value notified by the Pension Fund Manager at the close of the business day for each sub-fund on the date on which funds are actually realised against application. The front end fee is payable to the distributors and the Pension Fund Manager.

The Pension Fund Manager makes reallocation of the sub-fund units between the sub-funds at least once a year to ensure that the allocation of the sub-fund units of all the participants are according to the allocation schemes selected by the participants. In case of withdrawal before retirement, units are redeemed at the net asset value of each of the Sub-Fund as of the close of the business day on which such request is received by the distributor before the cut off time. Redemption of units is recorded on acceptance of application for redemption.

In case of retirement of the participant, units are redeemed at the net asset value of each of the sub-fund as of the close of the business day on which retirement age is reached.

A participant can transfer his individual pension account with the Pension Fund Manager to another Pension Fund Manager or from one pension fund to another pension fund. Units are redeemed at the net asset value of each of the sub-fund as of the close of the business day corresponding to the date of change specified by the participant in accordance with the VPS Rules.

3.10 Net asset value per unit

The net asset value (NAV) per unit for each sub-fund, 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 issue of the respective sub-fund at the year end.

3.11 Earnings / (loss) per unit

Earnings / (loss) per unit is calculated by dividing the net income / (loss) of the year after taxation of each sub-fund by the weighted average number of units outstanding during the year for the respective sub-fund.

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

3.12 Foreign currency translation

Transactions denominated in foreign currencies are accounted for in Pakistani Rupees at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates for monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement.

4 BANK BALANCES

| | | 2021 | | | |
|---|---|-----------------|---------------|-----------------------|---------|
| | | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |
| Note | | Rupees in '000 | | | |
| Balances with banks in savings accounts | 4.1 | 16,415 | 34,138 | 66,662 | 117,215 |
| | | 2020 | | | |
| | | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |
| | | Rupees in '000 | | | |
| Balances with banks in savings accounts | 4.1 | 2,750 | 37,527 | 55,411 | 95,688 |
| 4.1 | This includes a balance of Rs 15.421 million (2020: Rs 2.394 million), Rs 15.833 million (2020: Rs 16.189 million) and Rs 20.219 million (2020: Rs 16.546 million) in Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund respectively maintained with Allied Bank Limited (a related party) that carries profit at the rate of 6.85% (2020: 5.00%) per annum. Other profit and loss accounts of the Fund carry profit rates ranging from 6.50% to 6.90% (2020: 5.00% to 12.50%) per annum . | | | | |

5 INVESTMENTS

At fair value through profit or loss

Listed equity securities
 GOP Ijarah Sukuks
 Corporate sukuk certificates
 Islamic commercial papers

| 2021 | | | |
|---------------------------------|----------------|-----------------------|----------------|
| Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |
| Note ----- Rupees in '000 ----- | | | |
| 5.1 | 101,743 | - | 101,743 |
| 5.2 | - | 19,424 | 29,136 |
| 5.3 | - | 7,202 | 7,202 |
| 5.4 | - | - | - |
| | <u>101,743</u> | <u>26,626</u> | <u>138,081</u> |

At fair value through profit or loss

Listed equity securities
 GOP Ijarah Sukuks
 Corporate sukuk certificates
 Islamic commercial papers

| 2020 | | | |
|---------------------------------|---------------|-----------------------|----------------|
| Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |
| Note ----- Rupees in '000 ----- | | | |
| 5.1 | 62,144 | - | 62,144 |
| 5.2 | - | 19,400 | 29,100 |
| 5.3 | - | 8,763 | 8,763 |
| 5.4 | - | 3,901 | 3,901 |
| | <u>62,144</u> | <u>32,064</u> | <u>103,908</u> |

5.1 Listed equity securities - Equity Sub-Fund

Ordinary shares having face value of Rs. 10 each unless stated otherwise.

| Name of the Investee Company | As at July 1, 2020 | Purchased during the year | Bonus / right shares received during the year | Sold during the year | As at June 30, 2021 | Carrying value as at June 30, 2021 | Market value as at June 30, 2021 | Appreciation / (diminution) | Market value as a percentage of total investments | Market value as a percentage of net assets | Paid-up value of shares held as a percentage of total paid-up capital of the Investee Company |
|------------------------------|--------------------|---------------------------|---|----------------------|---------------------|------------------------------------|----------------------------------|-----------------------------|---|--|---|
|------------------------------|--------------------|---------------------------|---|----------------------|---------------------|------------------------------------|----------------------------------|-----------------------------|---|--|---|

----- Number of shares held ----- ----- Rupees in '000 ----- ----- % -----

COMMERCIAL BANKS

| | | | | | | | | | | | |
|-----------------------------|--------|--------|-------|--------|--------|--------------|--------------|--------------|--------------|--------------|-------|
| Meezan Bank Limited | 67,800 | 14,000 | 6,280 | 21,000 | 67,080 | 4,609 | 7,280 | 2,671 | 7.16% | 6.18% | 0.01% |
| BankIslami Pakistan Limited | 30,000 | - | - | 30,000 | - | - | - | - | - | - | - |
| | | | | | | <u>4,609</u> | <u>7,280</u> | <u>2,671</u> | <u>7.16%</u> | <u>6.18%</u> | |

Balance carried forward

TEXTILE COMPOSITE

| | | | | | | | | | | | |
|--------------------------------|--------|--------|---|--------|--------|--------------|--------------|------------|--------------|--------------|-------|
| Kohinoor Textile Mills Limited | 61,000 | 98,000 | - | 98,500 | 60,500 | 3,738 | 4,550 | 812 | 4.47% | 3.86% | 0.02% |
| Feroze 1888 Mills Limited | 10,000 | - | - | 10,000 | - | - | - | - | - | - | - |
| Interloop Limited | 10,000 | 87,000 | - | 40,500 | 56,500 | 3,997 | 3,957 | (40) | 3.89% | 3.36% | 0.01% |
| Nishat Mills Limited | 35,000 | 41,000 | - | 76,000 | - | - | - | - | - | - | - |
| | | | | | | <u>7,735</u> | <u>8,507</u> | <u>772</u> | <u>8.36%</u> | <u>7.22%</u> | |

| Name of the Investee Company | As at July 1, 2020 | Purchased during the year | Bonus / right shares received during the year | Sold during the year | As at June 30, 2021 | Carrying value as at June 30, 2021 | Market value as at June 30, 2021 | Apprecia-tion / (diminu-tion) | Market value as a percentage of total investments | Market value as a percentage of net assets | Paid-up value of shares held as a percentage of total paid-up capital of the Investee Company |
|---|-----------------------------------|---------------------------|---|----------------------|---------------------|------------------------------------|----------------------------------|-------------------------------|---|--|---|
| | ----- Number of shares held ----- | | | | | ----- Rupees in '000 ----- | | | ----- % ----- | | |
| CEMENT | | | | | | | | | | | |
| Cherat Cement Company Limited | 6,000 | 19,000 | - | 14,000 | 11,000 | 1,715 | 1,951 | 236 | 1.92% | 1.66% | 0.01% |
| D.G. Khan Cement Company Limited | - | 10,000 | - | 10,000 | - | - | - | - | - | - | - |
| Fauji Cement Company Limited | - | 65,000 | - | 65,000 | - | - | - | - | - | - | - |
| Kohat Cement Limited | 3,500 | 52,700 | - | 42,000 | 14,200 | 2,808 | 2,932 | 124 | 2.88% | 2.49% | 0.01% |
| Lucky Cement Limited *** | 7,300 | 16,600 | - | 10,700 | 13,200 | 10,056 | 11,397 | 1,341 | 11.20% | 9.68% | - |
| Maple Leaf Cement Factory Limited | 23,000 | 150,000 | - | 93,000 | 80,000 | 3,648 | 3,758 | 110 | 3.69% | 3.19% | 0.01% |
| Pioneer Cement Limited | 25,000 | 68,500 | - | 85,500 | 8,000 | 842 | 1,049 | 207 | 1.03% | 0.89% | 0.00% |
| Gharibwal Cement Limited | - | 30,000 | - | 30,000 | - | - | - | - | - | - | - |
| Power cement limited | 65,000 | - | - | 65,000 | - | - | - | - | - | - | - |
| | | | | | | 19,069 | 21,087 | 2,018 | 20.72% | 17.91% | |
| OIL & GAS MARKETING COMPANIES | | | | | | | | | | | |
| Pakistan State Oil Company Limited *** | 11,760 | 44,000 | - | 53,177 | 2,583 | 586 | 579 | (7) | 0.57% | 0.49% | - |
| Attock Petroleum Limited | 60 | 3,000 | - | 3,060 | - | - | - | - | - | - | - |
| Sui Northern Gas Pipelines Limited | 4,300 | 120,000 | - | 65,701 | 58,599 | 2,573 | 2,847 | 274 | 2.80% | 2.42% | 0.01% |
| Hi-Tech Lubricants Limited | - | 17,500 | - | 17,500 | - | - | - | - | - | - | - |
| Hascol Petroleum Limited *** | 890 | - | - | 356 | 534 | 7 | 5 | (2) | - | - | - |
| | | | | | | 3,166 | 3,431 | 265 | 3.37% | 2.91% | |
| OIL & GAS EXPLORATION COMPANIES | | | | | | | | | | | |
| Mari Petroleum Company Limited | 4,631 | 4,300 | - | 1,850 | 7,081 | 10,198 | 10,793 | 595 | 10.61% | 9.17% | 0.01% |
| Oil and Gas Development Company Limited *** | 57,200 | 144,000 | - | 61,500 | 139,700 | 14,122 | 13,276 | (846) | 13.05% | 11.28% | - |
| Pakistan Oilfields Limited | - | 2,000 | - | 2,000 | - | - | - | - | - | - | - |
| Pakistan Petroleum Limited *** | 66,848 | 81,500 | - | 47,000 | 101,348 | 9,089 | 8,800 | (289) | 8.65% | 7.47% | - |
| | | | | | | 33,409 | 32,869 | (540) | 32.31% | 27.92% | |
| POWER GENERATION & DISTRIBUTION | | | | | | | | | | | |
| The Hub Power Company Limited *** | 68,178 | 20,000 | - | 30,000 | 58,178 | 4,457 | 4,635 | 178 | 4.56% | 3.94% | - |
| Kot Addu Power Company | - | 63,000 | - | 63,000 | - | - | - | - | - | - | - |
| K - Electric Limited * | 125,000 | 100,000 | - | 225,000 | - | - | - | - | - | - | - |
| | | | | | | 4,457 | 4,635 | 178 | 4.56% | 3.94% | |
| CABLE & ELECTRICAL GOODS | | | | | | | | | | | |
| Pak Elektron Limited | 54,000 | 105,000 | - | 159,000 | - | - | - | - | - | - | - |
| Waves Singer Pakistan Limited | - | 87,000 | - | 87,000 | - | - | - | - | - | - | - |
| | | | | | | - | - | - | - | - | - |
| INSURANCE | | | | | | | | | | | |
| IGI Holdings Limited | - | 1,700 | - | 1,700 | - | - | - | - | - | - | - |

| Name of the Investee Company | As at July 1, 2020 | Purchased during the year | Bonus / right shares received during the year | Sold during the year | As at June 30, 2021 | Carrying value as at June 30, 2021 | Market value as at June 30, 2021 | Apprecia-tion / (diminu-tion) | Market value as a percentage of total investments | Market value as a percentage of net assets | Paid-up value of shares held as a percentage of total paid-up capital of the Investee Company |
|--|-----------------------------------|---------------------------|---|----------------------|---------------------|------------------------------------|----------------------------------|-------------------------------|---|--|---|
| | ----- Number of shares held ----- | | | | | ----- Rupees in '000 ----- | | | ----- % ----- | | |
| CHEMICALS | | | | | | | | | | | |
| Lotte Chemical Pakistan Limited | 100,000 | 130,000 | - | 230,000 | - | - | - | - | - | - | - |
| Engro Polymer and Chemicals Limited | 36,699 | 193,000 | - | 151,500 | 78,199 | 3,554 | 3,694 | 140 | 3.63% | 3.14% | 0.01% |
| I.C.I. Pakistan Limited | 2,030 | - | - | 2,030 | - | - | - | - | - | - | - |
| Ghani Global Holdings Limited | - | 55,000 | - | 55,000 | - | - | - | - | - | - | - |
| | | | | | | 3,554 | 3,694 | 140 | 3.63% | 3.14% | |
| AUTOMOBIE ASSEMBLER | | | | | | | | | | | |
| Honda Atlas Cars (Pakistan) Limited *** | - | 17,500 | - | 15,000 | 2,500 | 926 | 864 | (62) | 0.85% | 0.73% | - |
| Pak Suzuki Motor Company Limited | - | 10,000 | - | 10,000 | - | - | - | - | - | - | - |
| | | | | | | 926 | 864 | (62) | 0.85% | 0.73% | |
| AUTOMOBILE PARTS & ACCESSORIES | | | | | | | | | | | |
| Thal Limited ** | 1,000 | - | - | 1,000 | - | - | - | - | - | - | - |
| Balance brought forward | | | | | | 76,925 | 82,367 | 5,442 | | | |
| FERTILIZER | | | | | | | | | | | |
| Engro Fertilizers Limited | 36,100 | 7,500 | - | 43,600 | - | - | - | - | - | - | - |
| Engro Corporation Limited *** | 15,540 | 15,000 | - | 22,800 | 7,740 | 2,308 | 2,280 | (28) | 2.24% | 1.94% | - |
| Fauji Fertilizer Company Limited | 14,500 | 71,500 | - | 86,000 | - | - | - | - | - | - | - |
| | | | | | | 2,308 | 2,280 | (28) | 2.24% | 1.94% | |
| PHARMACEUTICALS | | | | | | | | | | | |
| The Searle Company Limited *** | 6,834 | 434 | - | 3,000 | 4,268 | 838 | 1,036 | 198 | 1.02% | 0.88% | - |
| AGP Limited | 6,000 | - | - | 6,000 | - | - | - | - | - | - | - |
| Abbott Laboratories (Pakistan) Limited *** | - | 2,500 | - | 1,000 | 1,500 | 929 | 1,189 | 260 | 1.17% | 1.01% | - |
| GlaxoSmithKline (Pakistan) Limited | 8,800 | 2,000 | - | 10,800 | - | - | - | - | - | - | - |
| IBL HealthCare Limited | - | 12,000 | - | - | 12,000 | 1,536 | 1,334 | (202) | 1.31% | 1.13% | 0.02% |
| Hightnoon Laboratories Limited *** | - | 600 | 60 | - | 660 | 322 | 396 | 74 | 0.39% | 0.34% | - |
| | | | | | | 3,625 | 3,955 | 330 | 3.89% | 3.36% | |
| MISCELLANEOUS | | | | | | | | | | | |
| Synthetic Products Enterprises Limited | - | 22,500 | 1,013 | 23,513 | - | - | - | - | - | - | - |
| FOOD & PERSONAL CARE PRODUCTS | | | | | | | | | | | |
| Unity Foods Limited *** | - | 494,000 | - | 459,000 | 35,000 | 1,722 | 1,558 | (164) | 1.53% | 1.32% | - |

| Name of the Investee Company | As at July 1, 2020 | Purchased during the year | Bonus / right shares received during the year | Sold during the year | As at June 30, 2021 | Carrying value as at June 30, 2021 | Market value as at June 30, 2021 | Apprecia-tion / (diminu-tion) | Market value as a percentage of total investments | Market value as a percentage of net assets | Paid-up value of shares held as a percentage of total paid-up capital of the Investee Company |
|--|-----------------------------------|---------------------------|---|----------------------|---------------------|------------------------------------|----------------------------------|-------------------------------|---|--|---|
| | ----- Number of shares held ----- | | | | | ----- Rupees in '000 ----- | | | ----- % ----- | | |
| ENGINEERING | | | | | | | | | | | |
| International Steels Limited | - | 30,000 | - | - | 30,000 | 2,992 | 2,802 | (190) | 2.75% | 2.38% | 0.01% |
| International Industries Limited | - | 8,000 | - | 8,000 | - | - | - | - | - | - | - |
| Amreli Steels Limited | - | 11,000 | - | 11,000 | - | - | - | - | - | - | - |
| Mughal Iron and Steel Industries Limited | 7,000 | 76,000 | 3,040 | 70,000 | 16,040 | 1,544 | 1,675 | 131 | 1.65% | 1.42% | 0.01% |
| Agha Steel Industries Limited | - | 45,000 | - | 45,000 | - | - | - | - | - | - | - |
| Aisha Steel Mills Limited | - | 373,000 | - | 266,000 | 107,000 | 2,762 | 2,665 | (97) | 2.62% | 2.26% | 0.01% |
| | | | | | | 7,298 | 7,142 | (156) | 7.02% | 6.06% | |
| TECHNOLOGY & COMMUNICATION | | | | | | | | | | | |
| System Limited | 2,700 | - | - | 2,700 | - | - | - | - | - | - | - |
| Avanceon Limited | - | 29,000 | - | 29,000 | - | - | - | - | - | - | - |
| TRG Pakistan Limited *** | - | 27,600 | - | 21,000 | 6,600 | 1,148 | 1,098 | (50) | 1.08% | 0.93% | - |
| | | | | | | 1,148 | 1,098 | (50) | 1.08% | 0.93% | |
| GLASS & CERAMICS | | | | | | | | | | | |
| Tariq Glass Industries Limited | 21,750 | 22,000 | 62 | 36,500 | 7,312 | 742 | 778 | 36 | 0.76% | 0.66% | 0.01% |
| Shabbir Tiles and Ceramics Limited | - | 90,000 | - | 90,000 | - | - | - | - | - | - | - |
| | | | | | | 742 | 778 | 36 | 0.76% | 0.66% | |
| REFINERY | | | | | | | | | | | |
| Attock Refinery Limited | - | 29,000 | - | 19,000 | 10,000 | 2,706 | 2,565 | (141) | 2.52% | 2.18% | 0.01% |
| Pakistan Refinery Limited | - | 55,000 | - | 55,000 | - | - | - | - | - | - | - |
| | | | | | | 2,706 | 2,565 | (141) | 2.52% | 2.18% | |
| PAPER & BOARD | | | | | | | | | | | |
| Century Paper and Board Mills Limited | - | 5,000 | - | 5,000 | - | - | - | - | - | - | - |
| | | | | | | - | - | - | - | - | - |
| TRANSPORT | | | | | | | | | | | |
| Pakistan International Bulk Terminal Limited | - | 107,000 | - | 107,000 | - | - | - | - | - | - | - |
| | | | | | | - | - | - | - | - | - |
| Total as at June 30, 2021 | | | | | | 96,474 | 101,743 | 5,269 | 100.00% | 86.40% | |
| Total as at June 30, 2020 | | | | | | 63,471 | 62,144 | (1,327) | 100.00% | 97.46% | |

* Ordinary shares have a face value of Rs. 3.5 each

** Ordinary shares have a face value of Rs. 5 each

*** Nil figures due to rounding off difference

5.1.1 The Finance Act, 2014 introduced amendments to the Income Tax Ordinance 2001 as a result of which companies are liable to withhold five percent of the bonus shares to be issued. The shares so withheld shall only be released if the Fund deposit tax equivalent to five percent of the value of the bonus shares issued to the Fund including bonus shares withheld, determined on the basis of day-end price on the first day of closure of books of the issuing company.

In this regard, a constitutional petition had been filed by Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs. The petition was based on the fact that because CISs 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 also not be applicable on bonus shares received by CISs. A stay order had been granted by the High Court of Sindh (HCS) in favour of CISs.

During the year ended June 30, 2018, the Supreme Court of Pakistan passed a judgement on June 27, 2018 whereby the suits which are already pending or shall be filed in future must only be continued / entertained on the condition that a minimum of 50 percent of the tax calculated by the tax authorities is deposited with the authorities. Accordingly, CISs were required to pay minimum 50% of the tax calculated by the tax authorities for the case to remain continued. The CISs failed to deposit the minimum 50% of the tax liability and accordingly the stay got vacated automatically during the year ended June 30, 2019. During the year ended June 30, 2020, CISs have filed a fresh constitutional petition via CP 4653 dated July 11, 2019 the Honourable High Court of Sindh. In this regard, on July 15, 2019, the Honourable High Court of Sindh has issued notices to the relevant parties and has ordered that no third party interest on bonus shares issued to the Funds in lieu of their investments be created in the meantime. The matter is still pending adjudication and the Funds have included these shares in their portfolio, as the management is confident that the decision of the constitutional petition will be in favour of CISs.

Further, the Finance Act, 2018 effective from July 1, 2018 has omitted Section 236M of Income Tax Ordinance, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold five percent of the bonus shares to be issued. Therefore, bonus shares issued to the Fund during the year were not withheld by the investee companies.

As at June 30, 2021, the following bonus shares of the Fund have been withheld by certain companies at the time of declaration of bonus shares.

| Name of the Company | 2021 | | 2020 | |
|------------------------------------|------------------|----------------------------------|------------------|----------------------------------|
| | Bonus shares | | | |
| | Number of shares | Market value as at June 30, 2021 | Number of shares | Market value as at June 30, 2020 |
| | Rupees in '000 | | Rupees in '000 | |
| The Searle Company Limited | 495 | 120 | 495 | 99 |
| Pakistan State Oil Company Limited | 180 | 40 | 180 | 28 |
| Hascol Petroleum Limited | 534 | 5 | 534 | 7 |
| Government Securities | | 165 | | 134 |

5.2.1 Debt Sub - Fund

| Name of the security | Profit payments | Issue date | Maturity date | Profit rate | As at July 1, 2020 | Purchases during the year | Sales during the year | As at June 30, 2021 | Carrying value as at June 30, 2021 | Market value as at June 30, 2021 | Unrealised appreciation/ (diminution) | Percentage in relation to | |
|---|-----------------|----------------|----------------|-----------------------------------|--------------------|---------------------------|-----------------------|---------------------|------------------------------------|----------------------------------|---------------------------------------|---------------------------|----------------------------------|
| | | | | | | | | | | | | Net assets of the Fund | Total market value of investment |
| | | | | | | | | | | | | % | |
| GoP Ijarah Sukuk Certificates - XX (note 5.2.1.1) | Semi-annually | April 30, 2020 | April 30, 2025 | Weighted average 6 months T-Bills | 4,000 | - | - | 4,000 | 19,400 | 19,424 | 24 | 31.67% | 72.95% |
| Total as at June 30, 2021 | | | | | | | | | 19,400 | 19,424 | 24 | 31.67% | 72.95% |
| Total as at June 30, 2020 | | | | | | | | | 20,000 | 19,400 | (600) | 27.74% | 60.50% |

5.2.2 Money Market Sub - Fund

| Name of the security | Profit payments | Issue date | Maturity date | Profit rate | As at July 1, 2020 | Purchases during the year | Sales / redemptions during the year | As at June 30, 2021 | Carrying value as at June 30, 2021 | Market value as at June 30, 2021 | Unrealised appreciation/ (diminution) | Percentage in relation to | |
|---|-----------------|----------------|----------------|-----------------------------------|--------------------|---------------------------|-------------------------------------|---------------------|------------------------------------|----------------------------------|---------------------------------------|---------------------------|----------------------------------|
| | | | | | | | | | | | | Net assets of the Fund | Total market value of investment |
| | | | | | | | | | | | | ----- % ----- | |
| GoP Ijarah Sukuk Certificates - XX (note 5.2.2.1) | Semi-annually | April 30, 2020 | April 30, 2025 | Weighted average 6 months T-Bills | 2,000 | - | - | 2,000 | 9,700 | 9,712 | 12 | 12.69% | 100.00% |
| Total as at June 30, 2021 | | | | | | | | | 9,700 | 9,712 | 12 | 12.69% | 100.00% |
| Total as at June 30, 2020 | | | | | | | | | 10,000 | 9,700 | (300) | 14.91% | 100.00% |

5.4 Sukuk Certificates

Debt Sub Fund

| Name of the security | Profit payments / principal redemptions | Maturity date | Profit rate | As at July 1, 2020 | Purchases during the year | Sales / redemptions during the year | As at June 30, 2021 | Carrying value as at June 30, 2021 | Market value as at June 30, 2021 | Unrealised appreciation/ (diminution) | Percentage in relation to | | |
|---|---|--------------------|--|--------------------|---------------------------|-------------------------------------|---------------------|------------------------------------|----------------------------------|---------------------------------------|----------------------------|-----------------------------------|---------------|
| | | | | | | | | | | | Net Assets of the Sub-Fund | Total market value of investments | |
| | | | | | | | | | | | ----- % ----- | | |
| FERTILIZER | | | | | | | | | | | | | |
| Engro Polymer and Chemicals Limited (AA, PACRA, traded) (Face value of Rs 100,000 per certificate) | Quarterly / Semi-annually | July 11, 2026 | 3 months KIBOR plus base rate of 0.90% | 10 | - | - | 10 | 1,015 | 1,021 | 6 | 1.66% | 3.83% | |
| Fatima Fertilizer Company Limited (AA-, PACRA, non-traded) (Face value of Rs 500 per certificate) | Semi-annually | November 28, 2021 | 6 months KIBOR plus base rate 1.10% | 60 | - | - | 60 | 31 | 30 | (1) | 0.05% | 0.11% | |
| COMMERCIAL BANKS | | | | | | | | | | | | | |
| Meezan Bank Limited - Tier II Sukuk (AA, VIS, non-traded) (Face value of Rs 1,000,000 per certificate) | Semi-annually / At maturity | September 22, 2026 | 6 months KIBOR plus base rate of 0.50% | 2 | - | - | 2 | 2,050 | 2,071 | 21 | 3.38% | 7.78% | |
| POWER GENERATION & DISTRIBUTION | | | | | | | | | | | | | |
| The Hub Power Company Limited (AA+, PACRA, non-traded) (Face value of Rs 100,000 per certificate) | Quarterly / Semi-annually | August 22, 2023 | 3 months KIBOR plus base rate of 1.90% | 40 | - | - | 40 | 4,086 | 4,080 | (6) | 6.65% | 15.32% | |
| INVESTMENT BANKS / SECURITIES COMPANIES | | | | | | | | | | | | | |
| Dawood Hercules Corporation Limited I (AA, PACRA) | Quarterly / Semi-annually | November 16, 2022 | 3 months KIBOR plus base rate of 1.00% | 10 | - | 10 | - | - | - | - | - | - | |
| Dawood Hercules Corporation Limited II (AA, PACRA) | Quarterly / Semi-annually | March 1, 2023 | 3 months KIBOR plus base rate of 1.00% | 200 | - | 200 | - | - | - | - | - | - | |
| Total as at June 30, 2021 | | | | | | | | | 7,182 | 7,202 | 20 | 11.74% | 27.04% |
| Total as at June 30, 2020 | | | | | | | | | 8,591 | 8,763 | 172 | 12.53% | 27.33% |

5.4 Islamic commercial papers

5.4.1 Debt Sub-Fund

| Name of Investee Company | Face value (Rupees in '000) | | | Rupees in '000 | | | Market value as a percentage of net assets | Market value as a percentage of total investments |
|--|-----------------------------|---------------------------|---------------------------------------|---------------------|------------------------------------|----------------------------------|--|---|
| | As at July 1, 2020 | Purchased during the year | Disposed of / matured during the year | As at June 30, 2021 | Carrying value as at June 30, 2021 | Market value as at June 30, 2021 | | |
| K-Electric Limited ICP-7 (A-1+, PACRA) | 4,000 | - | 4,000 | - | - | - | - | - |
| K-Electric Limited ICP-13 (A-1+, VIS) | - | 4,000 | 4,000 | - | - | - | - | - |
| Total as at June 30, 2021 | | | | | | | | |
| Total as at June 30, 2020 | | | | | 3,901 | 3,901 | 5.58% | 12.17% |

5.5 Unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net

| | | 2021 | | | |
|-------------------------------------|--------------------------|-----------------|---------------|-----------------------|---------|
| | | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |
| | | Rupees in '000 | | | |
| Market value of investments | Note 5.1, 5.2, 5.3 & 5.4 | 101,743 | 26,626 | 9,712 | 138,081 |
| Less: carrying value of investments | Note 5.1, 5.2, 5.3 & 5.4 | 96,474 | 26,582 | 9,700 | 132,756 |
| | | 5,269 | 44 | 12 | 5,325 |
| | | 2020 | | | |
| | | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |
| | | Rupees in '000 | | | |
| Market value of investments | Note 5.1, 5.2, 5.3 & 5.4 | 62,144 | 32,064 | 9,700 | 103,908 |
| Less: carrying value of investments | Note 5.1, 5.2, 5.3 & 5.4 | 63,471 | 32,492 | 10,000 | 105,963 |
| | | (1,327) | (428) | (300) | (2,055) |

6 DIVIDEND AND PROFIT RECEIVABLE

| | | 2021 | | | |
|-----------------------|--|-----------------|---------------|-----------------------|-------|
| | | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |
| | | Rupees in '000 | | | |
| Profit receivable on: | | | | | |
| Bank balances | | 61 | 173 | 346 | 580 |
| Sukuk certificates | | - | 331 | 109 | 440 |
| | | 61 | 504 | 455 | 1,020 |
| Dividend receivable | | 330 | - | - | 330 |
| | | 391 | 504 | 455 | 1,350 |

Profit receivable on:
Bank balances
Sukuk certificates

Dividend receivable

| 2020 | | | |
|-----------------|---------------|-----------------------|-------|
| Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |

Rupees in '000

| | | | |
|----|-----|-----|-----|
| 22 | 88 | 133 | 243 |
| - | 405 | 113 | 518 |
| 22 | 493 | 246 | 761 |
| 19 | - | - | 19 |
| 41 | 493 | 246 | 780 |

7 DEPOSITS AND OTHER RECEIVABLES

Security deposit with Central Depository Company of
Pakistan Limited *
Balance in IPS account *
Advance tax

Note

| 2021 | | | |
|-----------------|---------------|-----------------------|-------|
| Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |

Rupees in '000

| | | | |
|-----|-----|-----|-----|
| 100 | 100 | - | 200 |
| - | 178 | 83 | 261 |
| 58 | 244 | 47 | 349 |
| 158 | 522 | 130 | 810 |

Security deposit with Central Depository Company of
Pakistan Limited *
Balance in IPS account *
Advance tax

| 2020 | | | |
|-----------------|---------------|-----------------------|-------|
| Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |

Rupees in '000

| | | | |
|-----|-----|-----|-----|
| 100 | 100 | - | 200 |
| - | 98 | 86 | 184 |
| 58 | 149 | 47 | 254 |
| 158 | 347 | 133 | 638 |

* related party balances

- 7.1 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151 and 150. However, withholding taxes on dividend, profit on bank deposits and profit on debt securities paid to the Fund were deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated May 12, 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholders. The aggregate tax withheld on dividends, profit on bank deposits and profit on debt securities amounts to Rs 0.349 million (2020: Rs 0.254 million).

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Pension Fund Manager) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. A petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Pension Fund Manager and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgment of the SHC. Pending resolution of the matter, the amount of withholding taxes deducted on dividends, profit on bank deposits and profit on debt securities have been shown as other receivable as at June 30, 2021 as, in the opinion of the management, the amount of tax deducted at source will likely be refunded.

□8 PAYABLE TO ABL ASSET MANAGEMENT COMPANY LIMITED - PENSION FUND MANAGER

| | 2021 | | | |
|---|-----------------|---------------|-----------------------|------------|
| | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |
| | Rupees in '000 | | | |
| Remuneration payable to the Pension Fund Manager | 145 | 73 | 90 | 308 |
| Punjab Sales Tax on remuneration of the Pension Fund Manager | 23 | 12 | 14 | 49 |
| Provision for Federal Excise Duty and related Sindh Sales tax on remuneration of the Pension Fund Manager | 252 | 189 | 169 | 610 |
| | <u>420</u> | <u>274</u> | <u>273</u> | <u>967</u> |

| | 2020 | | | |
|---|-----------------|---------------|-----------------------|------------|
| | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |
| | Rupees in '000 | | | |
| Remuneration payable to the Pension Fund Manager | 79 | 86 | 80 | 245 |
| Punjab Sales Tax on remuneration of the Pension Fund Manager | 13 | 14 | 13 | 40 |
| Provision for Federal Excise Duty and related Sindh Sales tax on remuneration of the Pension Fund Manager | 252 | 189 | 169 | 610 |
| Sales load payable | - | 23 | - | 23 |
| | <u>344</u> | <u>312</u> | <u>262</u> | <u>918</u> |

- 8.1 In accordance with the provisions of the Voluntary Pension Scheme Rules, the Pension Fund Manager is entitled to remuneration for its services by way of an annual management fee not exceeding 1.50% (2020: 1.50%) of net assets of each Sub-Fund calculated on daily basis. During the year, the Pension Fund Manager has charged its remuneration at the rate of 1.50% of daily net assets of the Sub-Funds. The remuneration is payable to the Pension Fund Manager monthly in arrears.
- 8.2 During the year, an aggregate amount of Rs 0.535 million (2020: 0.444 million) was charged on account of sales tax on the management fee levied through the Punjab Sales Tax on Services Act, 2012 at the rate of 16% (2020:16%).
- 8.3 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Pension Fund Manager and sales load was applicable with effect from June 13, 2013. The Pension Fund Manager was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Pension Fund Manager together with various other asset management companies challenging the levy of FED.

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Pension Fund Manager with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED made for the period from August 20, 2014 till June 30, 2016 amounting to Rs 0.252 million, Rs 0.189 million and Rs 0.169 million is being retained for Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund respectively in these financial statements as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the Net Asset Value of the Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund as at June 30, 2021 would have been higher by Re. 0.4103 (2020: Re. 0.5223), Re. 0.4177 (2020: Re. 0.3495) and Re. 0.2894 (2020: Re. 0.3258) per unit respectively.

9 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE - RELATED PARTY

Trustee fee payable
Sindh Sales Tax payable on trustee remuneration

| 2021 | | | | |
|----------------------------|---------------|-----------------------|-----------|-----------|
| Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total | |
| ----- Rupees in '000 ----- | | | | |
| 9.1 | 14 | 7 | 9 | 30 |
| 9.2 | 2 | 1 | 1 | 4 |
| | <u>16</u> | <u>8</u> | <u>10</u> | <u>34</u> |

Trustee fee payable
Sindh Sales Tax payable on trustee fee

| 2020 | | | | |
|----------------------------|---------------|-----------------------|----------|-----------|
| Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total | |
| ----- Rupees in '000 ----- | | | | |
| 9.1 | 8 | 9 | 8 | 25 |
| 9.2 | 1 | 1 | 1 | 3 |
| | <u>9</u> | <u>10</u> | <u>9</u> | <u>28</u> |

9.1 The Trustee is entitled to a monthly remuneration for services rendered to the Sub-Funds under the provisions of the Trust Deed as per the tariff specified therein which is charged in proportion to the net assets of the pertinent Sub-Fund at the following rates:

| Net assets (Rs.) | Fee |
|--|---|
| - up to Rs. 1,000 million | Rs. 0.3 million or 0.15% per annum of net assets, whichever is higher |
| - exceeding Rs 1,000 million and upto Rs 3,000 million | Rs. 1.5 million plus 0.10% per annum of net assets on amount exceeding Rs 1,000 million |
| - exceeding Rs 3,000 million and upto Rs 6,000 million | Rs. 3.5 million plus 0.08% per annum of net assets on amount exceeding Rs 3,000 million |
| - exceeding Rs 6,000 million | Rs. 5.9 million plus 0.06% per annum of net assets on amount exceeding Rs 6,000 million |

9.2 During the year, an aggregate amount of Rs 0.044 million (2020: Rs 0.039 million) @ 13% (2020: 13%) was charged on account of sales tax on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011.

10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Annual fee payable

| 2021 | | | | |
|----------------------------|---------------|-----------------------|-------|----|
| Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total | |
| ----- Rupees in '000 ----- | | | | |
| 10.1 | 23 | 15 | 17 | 55 |

Annual fee payable

| 2020 | | | | |
|----------------------------|---------------|-----------------------|-------|----|
| Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total | |
| ----- Rupees in '000 ----- | | | | |
| 10.1 | 18 | 18 | 17 | 53 |

10.1 In accordance with the Voluntary Pension System Rules, 2005, each sub-fund is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP).

During the year ended June 30, 2020, the SECP vide SRO No. 1620(I)/2019 dated December 24, 2019, revised the rate of annual fee to one fortieth of one percent (0.025%) of average annual net assets of the Fund, applicable on all Voluntary Pension Schemes. Previously, the rate of annual fee applicable to Voluntary Pension Schemes was one thirtieth of one percent (0.033%) of average annual net assets of the Fund. Accordingly, the Fund has charged SECP fee at the following rates:

| Rate applicable for the year ended June 30, 2021 | Rate applicable from July 1, 2019 to December 23, 2019 | Rate applicable from December 24, 2019 to June 30, 2020 |
|--|--|---|
| 0.025% of average annual net assets | 0.033% of average annual net assets | 0.025% of average annual net assets |

11 ACCRUED EXPENSES AND OTHER LIABILITIES

| | Note | 2021 | | | |
|--|------|-----------------|---------------|-----------------------|--------------|
| | | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |
| ----- Rupees in '000 ----- | | | | | |
| Auditors' remuneration payable | | 59 | 59 | 59 | 177 |
| Brokerage fee payable | | 245 | - | - | 245 |
| Printing charges payable | | 25 | 25 | 25 | 75 |
| Charity payable | | 356 | - | - | 356 |
| Provision for Sindh Workers' Welfare Fund (SWWF) | 11.1 | 633 | 74 | 40 | 747 |
| | | <u>1,318</u> | <u>158</u> | <u>124</u> | <u>1,600</u> |

| | Note | 2020 | | | |
|--|------|-----------------|---------------|-----------------------|--------------|
| | | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |
| ----- Rupees in '000 ----- | | | | | |
| Auditors' remuneration payable | | 63 | 63 | 63 | 189 |
| Brokerage fee payable | | 39 | - | - | 39 |
| Printing charges payable | | 25 | 25 | 25 | 75 |
| Charity payable | | 193 | - | - | 193 |
| Provision for Sindh Workers' Welfare Fund (SWWF) | 11.1 | 633 | 74 | 40 | 747 |
| | | <u>953</u> | <u>162</u> | <u>128</u> | <u>1,243</u> |

11.1 As a consequence of the 18th amendment to the Constitution of Pakistan, the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh in May 2015 as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, was required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies / pension fund managers and their VPSs / CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have VPSs / CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on VPSs / CISs / mutual funds, the MUFAP recommended that as a matter of abundant caution, provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the SWWF Act, 2014 (i.e. starting from May 21, 2015).

The Fund has made provision for SWWF from May 21, 2015 till June 30, 2017 amounting to Rs 0.633 million, Rs 0.074 million and Rs 0.040 million for Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund respectively as the decision in this respect is pending to date. The Fund has not made any provision for SWWF after July 1, 2017 as the registered office of the Pension Fund Manager of the Fund has been relocated from the Province of Sindh to the Province of Punjab.

Subsequent to the year ended June 30, 2021, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds / voluntary pension schemes do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds, for the period from May 21, 2015 to June 30, 2021, on August 13, 2021. The SECP has also given its concurrence for prospective reversal of provision for SWWF.

Had the provision for SWWF been reversed in these financial statements, the net asset value of the Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund per unit would have been higher by Rs. 1.0306 (2020: Rs. 1.3120), Re. 0.1635 (2020: Re. 0.1368) and Re. 0.0685 (2020: Re 0.0771) respectively.

12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2021 and June 30, 2020.

13 NUMBER OF UNITS IN ISSUE

Total units in issue at the beginning of the year

Add: Issuance of units during the year

Less: Units redeemed during the year

Total units in issue at the end of the year

| 2021 | | | |
|------------------------------------|----------------|-----------------------|------------------|
| Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |
| -----Number of units in issue----- | | | |
| 482,466 | 540,751 | 518,704 | 1,541,921 |
| 169,682 | 53,030 | 122,259 | 344,971 |
| (37,922) | (141,268) | (57,082) | (236,272) |
| <u>614,226</u> | <u>452,513</u> | <u>583,881</u> | <u>1,650,620</u> |

Total units in issue at the beginning of the year

Add: Issuance of units during the year

Less: Units redeemed during the year

Total units in issue at the end of the year

| 2020 | | | |
|------------------------------------|----------------|-----------------------|------------------|
| Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |
| -----Number of units in issue----- | | | |
| 472,446 | 452,607 | 366,109 | 1,291,162 |
| 99,561 | 153,050 | 196,181 | 448,792 |
| (89,541) | (64,906) | (43,586) | (198,033) |
| <u>482,466</u> | <u>540,751</u> | <u>518,704</u> | <u>1,541,921</u> |

14 CONTRIBUTION TABLE

Individuals

| 2021 | | | | | |
|-----------------|----------------|---------------|----------------|-----------------------|----------------|
| Equity Sub-Fund | | Debt Sub-Fund | | Money Market Sub-Fund | |
| Units | Rupees in '000 | Units | Rupees in '000 | Units | Rupees in '000 |
| 169,682 | 29,283 | 53,030 | 7,100 | 122,259 | 15,624 |

Individuals

| 2020 | | | | | |
|-----------------|----------------|---------------|----------------|-----------------------|----------------|
| Equity Sub-Fund | | Debt Sub-Fund | | Money Market Sub-Fund | |
| Units | Rupees in '000 | Units | Rupees in '000 | Units | Rupees in '000 |
| 99,561 | 13,369 | 153,050 | 19,052 | 196,181 | 23,539 |

15 **PROFIT EARNED**

Profit earned on:

Savings accounts
Sukuk certificates
Islamic commercial papers

| 2021 | | | |
|----------------------------|---------------|-----------------------|--------------|
| Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |
| ----- Rupees in '000 ----- | | | |
| 338 | 1,765 | 3,901 | 6,004 |
| - | 1,964 | 625 | 2,589 |
| - | 250 | - | 250 |
| <u>338</u> | <u>3,979</u> | <u>4,526</u> | <u>8,843</u> |

Profit earned on:

Savings accounts
Sukuk certificates
Islamic commercial papers

| 2020 | | | |
|----------------------------|---------------|-----------------------|---------------|
| Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |
| ----- Rupees in '000 ----- | | | |
| 469 | 3,036 | 3,907 | 7,412 |
| - | 2,524 | 1,241 | 3,765 |
| - | 446 | - | 446 |
| <u>469</u> | <u>6,006</u> | <u>5,148</u> | <u>11,623</u> |

16 **AUDITORS' REMUNERATION**

Annual audit fee
Sindh sales tax on audit fee
Out of pocket expenses

| 2021 | | | |
|----------------------------|---------------|-----------------------|------------|
| Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |
| ----- Rupees in '000 ----- | | | |
| 50 | 50 | 50 | 150 |
| 4 | 4 | 4 | 12 |
| 5 | 5 | 5 | 15 |
| <u>59</u> | <u>59</u> | <u>59</u> | <u>177</u> |

Annual audit fee
Half yearly review of condensed interim financial statements
Punjab sales tax on audit fee
Out of pocket expenses

| 2020 | | | |
|----------------------------|---------------|-----------------------|------------|
| Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |
| ----- Rupees in '000 ----- | | | |
| 50 | 50 | 50 | 150 |
| 10 | 10 | 10 | 30 |
| 8 | 8 | 8 | 24 |
| 8 | 8 | 8 | 24 |
| <u>76</u> | <u>76</u> | <u>76</u> | <u>228</u> |

17 **TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES**

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

- 17.2 Transactions with connected persons are executed on an arm's length basis and essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 17.3 Remuneration to the Pension Fund Manager of the Fund is determined in accordance with the provisions of the VPS Rules, 2005.
- 17.4 Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the VPS Rules, 2005 and the Trust Deed.
- 17.5 The details of transactions carried out by the Fund with connected persons during the period and balances with them as at year end are as follows:

| 2021 | | | |
|-----------------|---------------|-----------------------|-------|
| Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |

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

ABL Asset Management Company Limited -

Pension Fund Manager

| | | | | |
|--|--------|--------|--------|--------|
| Remuneration of the Pension Fund Manager | 1,413 | 888 | 1,043 | 3,344 |
| Punjab Sales Tax on remuneration of the Pension Fund Manager | 226 | 142 | 167 | 535 |
| Outstanding 300,000 units - Equity Sub-Fund | 57,508 | - | - | 57,508 |
| Outstanding 300,000 units - Debt Sub-Fund | - | 40,663 | - | 40,663 |
| Outstanding 300,000 units - Money Market Sub-Fund | - | - | 39,324 | 39,324 |

Central Depository Company of Pakistan

Limited - Trustee

| | | | | |
|--|-----|-----|-----|-----|
| Remuneration of the Trustee | 142 | 89 | 104 | 335 |
| Sindh Sales Tax on remuneration of the Trustee | 18 | 12 | 14 | 44 |
| Security deposit | 100 | 100 | - | 200 |
| Balance in IPS account | - | 178 | 83 | 261 |

Allied Bank Limited

| | | | | |
|--------------------------------------|-----|-----|-----|-------|
| Profit on savings account | 307 | 734 | 850 | 1,891 |
| Bank charges | 27 | 19 | 4 | 50 |
| Profit receivable on savings account | 60 | 76 | 95 | 231 |

| 2020 | | | |
|-----------------|---------------|-----------------------|-------|
| Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |

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

ABL Asset Management Company Limited - Pension Fund Manager

| | | | | |
|--|--------|--------|--------|--------|
| Remuneration of the Pension Fund Manager | 960 | 939 | 876 | 2,775 |
| Punjab Sales Tax on remuneration of the Pension Fund Manager | 154 | 150 | 140 | 444 |
| Outstanding 300,000 units - Equity Sub-Fund | 39,652 | - | - | 39,652 |
| Outstanding 300,000 units - Debt Sub-Fund | - | 38,795 | - | 38,795 |
| Outstanding 300,000 units - Money Market Sub-Fund | - | - | 37,637 | 37,637 |

Central Depository Company of Pakistan Limited - Trustee

| | | | | |
|--|-----|-----|----|-----|
| Remuneration of the Trustee | 104 | 102 | 95 | 301 |
| Sindh Sales Tax on remuneration of the Trustee | 14 | 13 | 12 | 39 |
| Security deposit | 100 | 100 | - | 200 |
| Balance in IPS account | - | 98 | 86 | 184 |

Allied Bank Limited

| | | | | |
|--------------------------------------|-----|-----|-----|-----|
| Profit on savings account | 245 | 200 | 110 | 555 |
| Bank charges | - | 3 | 6 | 9 |
| Profit receivable on savings account | 17 | 17 | 3 | 37 |

17.6 Other balances due to / from related parties / connected persons are included in the respective notes to the financial statements.

18. FINANCIAL INSTRUMENTS BY CATEGORY

| Particulars | 2021 | | | | | | | | | Total |
|--|-------------------|--------------------------------------|----------------|-------------------|--------------------------------------|---------------|-----------------------|--------------------------------------|---------------|----------------|
| | Equity Sub-Fund | | | Debt Sub-Fund | | | Money Market Sub-Fund | | | |
| | At amortised cost | At fair value through profit or loss | Sub total | At amortised cost | At fair value through profit or loss | Sub total | At amortised cost | At fair value through profit or loss | Sub total | |
| ----- Rupees in '000 ----- | | | | | | | | | | |
| Financial assets | | | | | | | | | | |
| Bank balances | 16,415 | - | 16,415 | 34,138 | - | 34,138 | 66,662 | - | 66,662 | 117,215 |
| Investments | - | 101,743 | 101,743 | - | 26,626 | 26,626 | - | 9,712 | 9,712 | 138,081 |
| Dividend and profit receivable | 391 | - | 391 | 504 | - | 504 | 455 | - | 455 | 1,350 |
| Deposits and other receivables | 100 | - | 100 | 278 | - | 278 | 83 | - | 83 | 461 |
| Receivable against sale of investments | 813 | - | 813 | - | - | - | - | - | - | 813 |
| | <u>17,719</u> | <u>101,743</u> | <u>119,462</u> | <u>34,920</u> | <u>26,626</u> | <u>61,546</u> | <u>67,200</u> | <u>9,712</u> | <u>76,912</u> | <u>257,920</u> |
| Financial liabilities | | | | | | | | | | |
| Payable to ABL Asset Management Company Limited - Pension Fund Manager | 420 | - | 420 | 274 | - | 274 | 273 | - | 273 | 967 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | 16 | - | 16 | 8 | - | 8 | 10 | - | 10 | 34 |
| Accrued expenses and other liabilities | 685 | - | 685 | 84 | - | 84 | 84 | - | 84 | 853 |
| | <u>1,121</u> | <u>-</u> | <u>1,121</u> | <u>366</u> | <u>-</u> | <u>366</u> | <u>367</u> | <u>-</u> | <u>367</u> | <u>1,854</u> |

| Particulars | 2020 | | | | | | | | | Total |
|--|-------------------|--------------------------------------|---------------|-------------------|--------------------------------------|---------------|-----------------------|--------------------------------------|---------------|----------------|
| | Equity Sub-Fund | | | Debt Sub-Fund | | | Money Market Sub-Fund | | | |
| | At amortised cost | At fair value through profit or loss | Sub Total | At amortised cost | At fair value through profit or loss | Sub Total | At amortised cost | At fair value through profit or loss | Sub Total | |
| Rupees in '000 | | | | | | | | | | |
| Financial assets | | | | | | | | | | |
| Bank balances | 2,750 | - | 2,750 | 37,527 | - | 37,527 | 55,411 | - | 55,411 | 95,688 |
| Investments | - | 62,144 | 62,144 | - | 32,064 | 32,064 | - | 9,700 | 9,700 | 103,908 |
| Dividend and profit receivable | 41 | - | 41 | 493 | - | 493 | 246 | - | 246 | 780 |
| Deposits and other receivables | 100 | - | 100 | 198 | - | 198 | 86 | - | 86 | 384 |
| | <u>2,891</u> | <u>62,144</u> | <u>65,035</u> | <u>38,218</u> | <u>32,064</u> | <u>70,282</u> | <u>55,743</u> | <u>9,700</u> | <u>65,443</u> | <u>200,760</u> |
| Financial liabilities | | | | | | | | | | |
| Payable to ABL Asset Management Company Limited - Pension Fund Manager | 344 | - | 344 | 312 | - | 312 | 262 | - | 262 | 918 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | 9 | - | 9 | 10 | - | 10 | 9 | - | 9 | 28 |
| Accrued expenses and other liabilities | 320 | - | 320 | 88 | - | 88 | 88 | - | 88 | 496 |
| | <u>673</u> | <u>-</u> | <u>673</u> | <u>410</u> | <u>-</u> | <u>410</u> | <u>359</u> | <u>-</u> | <u>359</u> | <u>1,442</u> |

19 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of participants' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Pension Fund Manager, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Pension Fund Manager supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

19.1 Market risk

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

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

Market risk comprises of three types of risk: currency risk, yield / profit rate risk and price risk.

(i) Yield / profit rate risk

Yield / profit 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. As of June 30, 2021, the Fund is exposed to such risk on bank balances, investments in sukuk certificates and commercial papers. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund holds KIBOR based sukuk certificates and bank balances which expose the Fund to cash flow profit rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net income for the year and net assets of the Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund would have been higher / lower by Rs 0.165 million (2020: Rs. 0.028 million), Rs 0.413 million (2020: Rs 0.463 million) and Rs 0.667 million (2020: Rs 0.554 million) respectively.

b) Sensitivity analysis for fixed rate instruments

As at June 30, 2021, the Fund holds GOP Ijarah sukuk certificates which are classified as financial assets at fair value through profit or loss' exposing the Fund to fair value profit rate risk. In case of 100 basis points increase / decrease in rates announced by the Financial Markets Association of Pakistan for GOP Ijarah sukus and with all other variables held constant, the net income for the year and net assets of the Debt Sub-Fund and Money Marker Sub-Fund would have been lower / higher by Rs 0.194 million (2020: Rs 0.233 million) and Rs 0.097 million (2020: Rs 0.097 million) respectively.

The composition of the Fund's investment portfolio, KIBOR rates and the rates announced by the Financial Markets Association of Pakistan are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2021 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

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

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2021 can be determined as follows:

ABL Pension Fund - Equity Sub-Fund

| | 2021 | | | | | 2020 | | | | | | |
|--|--------------------------|---------------------------------------|---|--------------------|---|---------|----------------------------|---------------------------------------|---|--------------------|---|-------|
| | Effective profit / yield | Exposed to yield / interest rate risk | | | Not exposed to yield / interest rate risk | Total | Effective profit / yield | Exposed to yield / interest rate risk | | | Not exposed to yield / interest rate risk | Total |
| | | Upto three months | More than three months and up to one year | More than one year | | | | Upto three months | More than three months and up to one year | More than one year | | |
| | | ----- Rupees in '000 ----- | | | | | ----- Rupees in '000 ----- | | | | | |
| Financial assets | | | | | | | | | | | | |
| Bank balances | 6.50% - 6.90% | 16,415 | - | - | - | 16,415 | 2,750 | - | - | - | 2,750 | |
| Investments | | - | - | - | 101,743 | 101,743 | - | - | - | 62,144 | 62,144 | |
| Dividend and interest receivable | | - | - | - | 391 | 391 | - | - | - | 41 | 41 | |
| Deposits and other receivables | | - | - | - | 100 | 100 | - | - | - | 100 | 100 | |
| Receivable against sale of investments | | - | - | - | 813 | 813 | - | - | - | - | - | |
| | | 16,415 | - | - | 103,047 | 119,462 | 2,750 | - | - | 62,285 | 65,035 | |
| Financial liabilities | | | | | | | | | | | | |
| Payable to ABL Asset Management Company Limited - Pension Fund Manager | | - | - | - | 420 | 420 | - | - | - | 344 | 344 | |
| Payable to Central Depository Company of Pakistan Limited - Trustee | | - | - | - | 16 | 16 | - | - | - | 9 | 9 | |
| Accrued expenses and other liabilities | | - | - | - | 685 | 685 | - | - | - | 320 | 320 | |
| | | - | - | - | 1,121 | 1,121 | - | - | - | 673 | 673 | |
| On-balance sheet gap | | 16,415 | - | - | 101,926 | 118,341 | 2,750 | - | - | 61,612 | 64,362 | |
| Total interest rate sensitivity gap | | 16,415 | - | - | | | 2,750 | - | - | | | |
| Cumulative interest rate sensitivity gap | | 16,415 | 16,415 | 16,415 | | | 2,750 | 2,750 | 2,750 | | | |

ABL Pension Fund - Debt Sub-Fund

| Effective profit / yield | 2021 | | | | | Effective profit / yield | 2020 | | | | | |
|--|---------------------------------------|---|--------------------|---|------------|--------------------------|---------------------------------------|---|--------------------|---|------------|---------------|
| | Exposed to yield / interest rate risk | | | Not exposed to yield / interest rate risk | Total | | Exposed to yield / interest rate risk | | | Not exposed to yield / interest rate risk | Total | |
| | Upto three months | More than three months and up to one year | More than one year | | | | Upto three months | More than three months and up to one year | More than one year | | | |
| Rupees in '000 | | | | | | Rupees in '000 | | | | | | |
| Financial assets | | | | | | Financial assets | | | | | | |
| Bank balances | 6.50% - 6.90% | 34,138 | - | - | - | 34,138 | 5.00% - 12.50% | 37,527 | - | - | - | 37,527 |
| Investments | 6.63% - 9.36% | 7,172 | 19,454 | - | - | 26,626 | 5.24% - 15.81% | 3,901 | - | 28,163 | - | 32,064 |
| Dividend and interest receivable | | - | - | - | 504 | 504 | | - | - | - | 493 | 493 |
| Deposits and other receivables | | - | - | - | 278 | 278 | | - | - | - | 198 | 198 |
| | | 41,310 | 19,454 | - | 782 | 61,546 | | 41,428 | - | - | 691 | 70,282 |
| Financial liabilities | | | | | | Financial liabilities | | | | | | |
| Payable to ABL Asset Management Company Limited - Pension Fund Manager | | - | - | - | 274 | 274 | | - | - | - | 312 | 312 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | | - | - | - | 8 | 8 | | - | - | - | 10 | 10 |
| Accrued expenses and other liabilities | | - | - | - | 84 | 84 | | - | - | - | 88 | 88 |
| | | - | - | - | 366 | 366 | | - | - | - | 410 | 410 |
| On-balance sheet gap | | 41,310 | 19,454 | - | 416 | 61,180 | | 41,428 | - | - | 281 | 69,872 |
| Total interest rate sensitivity gap | | 41,310 | 19,454 | - | | | | 41,428 | - | - | | |
| Cumulative interest rate sensitivity gap | | 41,310 | 60,764 | 60,764 | | | | 41,428 | 41,428 | 41,428 | | |

ABL Pension Fund - Money Market Sub-Fund

| Effective profit / yield | 2021 | | | | | Effective profit / yield | 2020 | | | | | |
|--|---------------------------------------|---|--------------------|---|------------|--------------------------|---------------------------------------|---|--------------------|---|-------------|---------------|
| | Exposed to yield / interest rate risk | | | Not exposed to yield / interest rate risk | Total | | Exposed to yield / interest rate risk | | | Not exposed to yield / interest rate risk | Total | |
| | Upto three months | More than three months and up to one year | More than one year | | | | Upto three months | More than three months and up to one year | More than one year | | | |
| Rupees in '000 | | | | | | Rupees in '000 | | | | | | |
| Financial assets | | | | | | Financial assets | | | | | | |
| Bank balances | 6.50% - 6.90% | 66,662 | - | - | - | 66,662 | 5.00% - 12.50% | 55,411 | - | - | - | 55,411 |
| Investments | 6.63% | - | 9,712 | - | - | 9,712 | 5.24% - 6.63% | - | 9,700 | - | - | 9,700 |
| Dividend and interest receivable | | - | - | - | 455 | 455 | | - | - | - | 246 | 246 |
| Deposits and other receivables | | - | - | - | 83 | 83 | | - | - | - | 86 | 86 |
| | | 66,662 | 9,712 | - | 538 | 76,912 | | 55,411 | - | - | 332 | 65,443 |
| Financial liabilities | | | | | | Financial liabilities | | | | | | |
| Payable to ABL Asset Management Company Limited - Pension Fund Manager | | - | - | - | 273 | 273 | | - | - | - | 262 | 262 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | | - | - | - | 10 | 10 | | - | - | - | 9 | 9 |
| Accrued expenses and other liabilities | | - | - | - | 84 | 84 | | - | - | - | 88 | 88 |
| | | - | - | - | 367 | 367 | | - | - | - | 359 | 359 |
| On-balance sheet gap | | 66,662 | 9,712 | - | 171 | 76,545 | | 55,411 | - | - | (27) | 65,084 |
| Total interest rate sensitivity gap | | 66,662 | 9,712 | - | | | | 55,411 | - | - | | |
| Cumulative interest rate sensitivity gap | | 66,662 | 76,374 | 76,374 | | | | 55,411 | 55,411 | 55,411 | | |

(ii) 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 exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

(iii) 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 profit rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Fund is exposed to equity price risk on investments held by the Fund and classified as 'at fair value through profit or loss'. To manage its price risk arising from investments in equity securities, the Fund diversifies its portfolio within the eligible stocks prescribed in the Trust Deed and the VPS Rules, 2005.

In case of 5% increase / decrease in KMI Meezan Index (KMI 30) on June 30, 2021, with all other variables held constant, the total comprehensive income / loss of the Equity Sub-Fund for the year would decrease / increase by Rs 5.087 million (2020: Rs 3.107 million) and the net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on equity securities classified as financial assets at fair value through profit or loss.

The analysis is based on the assumption that equity index had increased / decreased by 5% with all other variables held constant and all the Fund's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the KMI 30 Index having regard to the historical volatility of the index. The composition of the Fund's investment portfolio and the correlation thereof to the KMI 30 Index is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2021 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of the KMI 30 Index.

19.2 Liquidity risk

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

The Fund is exposed to redemptions of its redeemable units on a regular basis. The Fund's approach to managing 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. The Fund's policy is, therefore, to invest the majority of its assets either in short term instruments or in investments that are traded in an active market and can be readily disposed and are considered readily realisable in order to maintain liquidity.

In order to manage the Fund's overall liquidity, the Fund may also 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 year.

The table below summarises the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity date. However, assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month.

ABL Islamic Pension Fund - Equity Sub-Fund

| 2021 | | | | | | |
|----------------|---|--|--|-------------------|--|-------|
| Within 1 month | More than one month and upto three months | More than three months and upto one year | More than one year and upto five years | More than 5 years | Financial instruments with no fixed maturity | Total |

Rupees in '000

Financial assets

Bank balances
Investments
Dividend and profit receivable
Deposits and other receivables
Receivable against sale of investments

| | | | | | | |
|--------|---|---|---|---|---------|---------|
| 16,415 | - | - | - | - | - | 16,415 |
| - | - | - | - | - | 101,743 | 101,743 |
| 391 | - | - | - | - | - | 391 |
| - | - | - | - | - | 100 | 100 |
| 813 | - | - | - | - | - | 813 |
| 17,619 | - | - | - | - | 101,843 | 119,462 |

Financial liabilities

Payable to ABL Asset Management Company Limited - Pension Fund Manager
Payable to Central Depository Company of Pakistan - Trustee
Accrued expenses and other liabilities

| | | | | | | |
|-------|----|---|---|---|---|-------|
| 420 | - | - | - | - | - | 420 |
| 16 | - | - | - | - | - | 16 |
| 626 | 59 | - | - | - | - | 685 |
| 1,062 | 59 | - | - | - | - | 1,121 |

Net financial assets

| | | | | | | |
|--------|------|---|---|---|---------|---------|
| 16,557 | (59) | - | - | - | 101,843 | 118,341 |
|--------|------|---|---|---|---------|---------|

| 2020 | | | | | | |
|----------------|---|--|--|-------------------|--|-------|
| Within 1 month | More than one month and upto three months | More than three months and upto one year | More than one year and upto five years | More than 5 years | Financial instruments with no fixed maturity | Total |

Rupees in '000

Financial assets

Bank balances
Investments
Dividend and profit receivable
Deposits and other receivables

| | | | | | | |
|-------|---|---|---|---|--------|--------|
| 2,750 | - | - | - | - | - | 2,750 |
| - | - | - | - | - | 62,144 | 62,144 |
| 41 | - | - | - | - | - | 41 |
| - | - | - | - | - | 100 | 100 |
| 2,791 | - | - | - | - | 62,244 | 65,035 |

Financial liabilities

Payable to ABL Asset Management Company Limited - Pension Fund Manager
Payable to Central Depository Company of Pakistan - Trustee
Accrued expenses and other liabilities

| | | | | | | |
|-----|----|---|---|---|---|-----|
| 344 | - | - | - | - | - | 344 |
| 9 | - | - | - | - | - | 9 |
| 257 | 63 | - | - | - | - | 320 |
| 610 | 63 | - | - | - | - | 673 |

Net financial assets

| | | | | | | |
|-------|------|---|---|---|--------|--------|
| 2,181 | (63) | - | - | - | 62,244 | 64,362 |
|-------|------|---|---|---|--------|--------|

Debt Sub-Fund

| 2021 | | | | | | |
|--|---|--|--|-------------------|--|---------------|
| Within 1 month | More than one month and upto three months | More than three months and upto one year | More than one year and upto five years | More than 5 years | Financial instruments with no fixed maturity | Total |
| ----- Rupees in '000 ----- | | | | | | |
| Bank balances | 34,138 | - | - | - | - | 34,138 |
| Investments | - | - | 1,050 | 23,250 | 2,326 | 26,626 |
| Dividend and profit receivable | 504 | - | - | - | - | 504 |
| Deposits and other receivables | 178 | - | - | - | 100 | 278 |
| | 34,820 | - | 1,050 | 23,250 | 2,326 | 61,546 |
| Financial liabilities | | | | | | |
| Payable to ABL Asset Management Company Limited - Pension Fund Manager | 274 | - | - | - | - | 274 |
| Payable to Central Depository Company of Pakistan - Trustee | 8 | - | - | - | - | 8 |
| Accrued expenses and other liabilities | 25 | 59 | - | - | - | 84 |
| | 307 | 59 | - | - | - | 366 |
| Net financial assets | 34,513 | (59) | 1,050 | 23,250 | 2,326 | 61,180 |

| 2020 | | | | | | |
|--|---|--|--|-------------------|--|---------------|
| Within 1 month | More than one month and upto three months | More than three months and upto one year | More than one year and upto five years | More than 5 years | Financial instruments with no fixed maturity | Total |
| ----- Rupees in '000 ----- | | | | | | |
| Bank balances | 37,527 | - | - | - | - | 37,527 |
| Investments | - | - | 5,422 | 23,577 | 3,065 | 32,064 |
| Dividend and profit receivable | 493 | - | - | - | - | 493 |
| Deposits and other receivables | 98 | - | - | - | 100 | 198 |
| | 38,118 | - | 5,422 | 23,577 | 3,065 | 70,282 |
| Financial liabilities | | | | | | |
| Payable to ABL Asset Management Company Limited - Pension Fund Manager | 312 | - | - | - | - | 312 |
| Payable to Central Depository Company of Pakistan - Trustee | 10 | - | - | - | - | 10 |
| Accrued expenses and other liabilities | 25 | 63 | - | - | - | 88 |
| | 347 | 63 | - | - | - | 410 |
| Net financial assets | 37,771 | (63) | 5,422 | 23,577 | 3,065 | 69,872 |

Money Market Sub-Fund

Financial assets

Bank balances
Investments
Dividend and profit receivable
Deposits and other receivables

| 2021 | | | | | | |
|----------------|---|--|--|-------------------|--|-------|
| Within 1 month | More than one month and upto three months | More than three months and upto one year | More than one year and upto five years | More than 5 years | Financial instruments with no fixed maturity | Total |

Rupees in '000

| | | | | | | |
|--------|---|---|-------|---|---|--------|
| 66,662 | - | - | - | - | - | 66,662 |
| - | - | - | 9,712 | - | - | 9,712 |
| 455 | - | - | - | - | - | 455 |
| 83 | - | - | - | - | - | 83 |
| 67,200 | - | - | 9,712 | - | - | 76,912 |

Financial liabilities

Payable to ABL Asset Management Company Limited - Pension Fund Manager
Payable to Central Depository Company of Pakistan - Trustee
Accrued expenses and other liabilities

| | | | | | | |
|-----|----|---|---|---|---|-----|
| 273 | - | - | - | - | - | 273 |
| 10 | - | - | - | - | - | 10 |
| 25 | 59 | - | - | - | - | 84 |
| 308 | 59 | - | - | - | - | 367 |

Net financial assets

| | | | | | | |
|--------|------|---|-------|---|---|--------|
| 66,892 | (59) | - | 9,712 | - | - | 76,545 |
|--------|------|---|-------|---|---|--------|

Financial assets

Bank balances
Investments
Dividend and profit receivable
Deposits and other receivables

| 2020 | | | | | | |
|----------------|---|--|--|-------------------|--|-------|
| Within 1 month | More than one month and upto three months | More than three months and upto one year | More than one year and upto five years | More than 5 years | Financial instruments with no fixed maturity | Total |

Rupees in '000

| | | | | | | |
|--------|---|---|-------|---|---|--------|
| 55,411 | - | - | - | - | - | 55,411 |
| - | - | - | 9,700 | - | - | 9,700 |
| 246 | - | - | - | - | - | 246 |
| 86 | - | - | - | - | - | 86 |
| 55,743 | - | - | 9,700 | - | - | 65,443 |

Financial liabilities

Payable to ABL Asset Management Company Limited - Pension Fund Manager
Payable to Central Depository Company of Pakistan - Trustee
Accrued expenses and other liabilities

| | | | | | | |
|-----|----|---|---|---|---|-----|
| 262 | - | - | - | - | - | 262 |
| 9 | - | - | - | - | - | 9 |
| 25 | 63 | - | - | - | - | 88 |
| 296 | 63 | - | - | - | - | 359 |

Net financial assets

| | | | | | | |
|--------|------|---|-------|---|---|--------|
| 55,447 | (63) | - | 9,700 | - | - | 65,084 |
|--------|------|---|-------|---|---|--------|

19.3 Credit risk

19.3.1 Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due. The table below analyses the Fund's maximum exposure to credit risk:

Equity Sub-Fund

Bank balances
Investments
Dividend and profit receivable
Deposits and other receivables
Receivable against sale of investments

| 2021 | | 2020 | |
|--|---------------------------------|--|---------------------------------|
| Balance as per statement of assets and liabilities | Maximum exposure to credit risk | Balance as per statement of assets and liabilities | Maximum exposure to credit risk |
| ----- Rupees in '000 ----- | | | |
| 16,415 | 16,415 | 2,750 | 2,750 |
| 101,743 | - | 62,144 | - |
| 391 | 391 | 41 | 41 |
| 100 | 100 | 100 | 100 |
| 813 | - | - | - |
| <u>119,462</u> | <u>16,906</u> | <u>65,035</u> | <u>2,891</u> |

Debt Sub-Fund

Bank balances
Investments
Dividend and profit receivable
Deposits and other receivables

| 2021 | | 2020 | |
|--|---------------------------------|--|---------------------------------|
| Balance as per statement of assets and liabilities | Maximum exposure to credit risk | Balance as per statement of assets and liabilities | Maximum exposure to credit risk |
| ----- Rupees in '000 ----- | | | |
| 34,138 | 34,138 | 37,527 | 37,527 |
| 26,626 | 7,202 | 32,064 | - |
| 504 | 504 | 493 | 493 |
| 278 | 278 | 198 | 198 |
| <u>61,546</u> | <u>42,122</u> | <u>70,282</u> | <u>38,218</u> |

Money Market Sub-Fund

Bank balances
Investments
Dividend and profit receivable
Deposits and other receivables

| 2021 | | 2020 | |
|--|---------------------------------|--|---------------------------------|
| Balance as per statement of assets and liabilities | Maximum exposure to credit risk | Balance as per statement of assets and liabilities | Maximum exposure to credit risk |
| ----- Rupees in '000 ----- | | | |
| 66,662 | 66,662 | 55,411 | 55,411 |
| 9,712 | 8,763 | 9,700 | - |
| 455 | 455 | 246 | 246 |
| 83 | 83 | 86 | 86 |
| <u>76,912</u> | <u>75,963</u> | <u>65,443</u> | <u>55,743</u> |

The maximum exposure to credit risk before any credit enhancement as at June 30, 2021 is the carrying amount of the financial assets other than investment in equity securities, investment in government securities and receivable against sale of equity securities.

19.3.2 Credit quality of financial assets

The Fund's significant credit risk (excluding credit risk relating to settlement of equity securities) arises mainly on account of its placements in banks and mark-up accrued thereon and investments in sukuk certificates and commercial papers. The credit rating profile of balances with banks and investment in debt securities is as follows:

Rating

Bank Balances

AAA
AA+
AA
A+

Sukuk certificates

AA+
AA
AA-

Bank Balances

AAA
AA+
AA
A+

Sukuk certificates

AA+
AA
AA-

Islamic commercial papers

A-1+

| 2021 | | |
|--|---------------|-----------------------|
| % of financial assets exposed to credit risk | | |
| Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund |
| 13.78% | 55.73% | 49.41% |
| 0.01% | 0.01% | 0.02% |
| - | - | 19.15% |
| - | 0.01% | 18.55% |
| - | - | - |
| - | 6.63% | - |
| - | 5.02% | - |
| - | 0.05% | - |
| 13.79% | 67.45% | 87.13% |

| 2020 | | |
|--|---------------|-----------------------|
| % of financial assets exposed to credit risk | | |
| Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund |
| 4.24% | 53.24% | 47.97% |
| 0.01% | 0.26% | 0.22% |
| - | - | 19.67% |
| - | 0.01% | 17.01% |
| - | - | - |
| - | 6.63% | - |
| - | 5.02% | - |
| - | 0.05% | - |
| - | - | - |

| 2020 | | |
|--|---------------|-----------------------|
| % of financial assets exposed to credit risk | | |
| Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund |
| - | 5.81% | - |
| - | 6.52% | - |
| - | 0.13% | - |
| - | - | - |
| - | 5.55% | - |
| 4.25% | 71.52% | 84.87% |

20 FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

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

Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Fund to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

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

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

As at June 30, 2021 and June 30, 2020, the Fund held the following financial instruments measured at fair values:

Equity Sub-Fund

At fair value through profit or loss

Listed equity securities

| 2021 | | | |
|----------------------------|---------|---------|---------|
| Level 1 | Level 2 | Level 3 | Total |
| ----- Rupees in '000 ----- | | | |
| 101,743 | - | - | 101,743 |

Debt Sub-Fund

At fair value through profit or loss

GOP Ijarah Sukuks

Corporate sukuk certificates

| | | | |
|---|--------|---|--------|
| - | 19,424 | - | 19,424 |
| - | 7,202 | - | 7,202 |
| - | 26,626 | - | 26,626 |

Money Market Sub-Fund

At fair value through profit or loss

GOP Ijarah Sukuks

| | | | |
|---|-------|---|-------|
| - | 9,712 | - | 9,712 |
|---|-------|---|-------|

Equity Sub-Fund

At fair value through profit or loss

Listed equity securities

| 2020 | | | |
|----------------------------|---------|---------|--------|
| Level 1 | Level 2 | Level 3 | Total |
| ----- Rupees in '000 ----- | | | |
| 62,144 | - | - | 62,144 |

Debt Sub-Fund

At fair value through profit or loss

GOP Ijarah Sukuks

Corporate sukuk certificates

Islamic commercial papers

| | | | |
|---|--------|---|--------|
| - | 19,400 | - | 19,400 |
| - | 8,763 | - | 8,763 |
| - | 3,901 | - | 3,901 |
| - | 32,064 | - | 32,064 |

Money Market Sub-Fund

At fair value through profit or loss

GOP Ijarah Sukuks

| | | | |
|---|-------|---|-------|
| - | 9,700 | - | 9,700 |
|---|-------|---|-------|

22 PARTICIPANTS' SUB-FUND RISK MANAGEMENT

The Participants' Fund is represented by redeemable units. These units are entitled to payment of a proportionate share, based on the Fund's net asset value per unit on the redemption date.

The Fund has no restrictions on the subscription and redemption of units. There is no specific capital requirement which is applicable to the Fund.

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 endeavours 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.

All units, including the core units, and fractions thereof represent an undivided share in the pertinent sub-funds of the Fund and rank parri passu as their rights in the net assets and earning of the sub-fund are not tradable or transferable. Each participant has a beneficial interest in the sub-fund proportionate to the units held by such participant in such sub-fund.

23 CORRESPONDING FIGURES

Corresponding figures have been re-classified, re-arranged or additionally incorporated in these financial statements, wherever necessary to facilitate comparison and to conform with changes in presentation in the current year. No significant rearrangements or reclassifications were made in these financial statements.

24 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Pension Fund Manager on August 25, 2021.

25 GENERAL

25.1 Figures have been rounded off to the nearest thousand Rupee unless otherwise stated.

For ABL Asset Management Company Limited (Pension Fund Manager)



Saqib Matin
Chief Financial Officer



Alee Khalid Ghaznavi
Chief Executive Officer



Pervaiz Iqbal Butt
Director

اعتراف

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

بورڈ کی طرف سے اور بورڈ کے لئے



ڈائریکٹر

لاہور، 25 اگست، 2021



علی خالد غزنوی
چیف ایگزیکٹو آفیسر

میسرز اے ایف فرگوسن اینڈ کمپنی (چارٹرڈ اکاؤنٹنٹس) ، کو 30 جون ، 2022 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 کوالٹی کی درجہ بندی

31 دسمبر ، 2020 کو ، JCR-VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ (JCR-VIS) نے اے بی ایل ایسٹ مینجمنٹ کمپنی لمیٹڈ (ABL AMC) کی 'AM2 ++' (AM-two-Double Plus) کی مینجمنٹ کوالٹی ریٹنگ کی تصدیق کر دی ہے۔ (اے ایم ٹو پلس پلس) تفویض کردہ درجہ بندی پر اوٹ لک 'مستحکم' ہے۔

اوٹ لک

ایکویٹی

گزشتہ 3 چوتھائی میں آمدنی میں اوسطاً 50 فیصد سے زیادہ اضافہ ہوا ہے ، اور توقع ہے کہ 2021QCY21 میں سالانہ بنیاد پر مضبوط رہے گا ہمیں اس بات کا کوئی امکان نہیں ہے کہ لاک ڈاؤن ایک طویل مدت تک رہے گا۔ نتیجے کے طور پر ، کارپوریٹ منافع کو اوپر کے رجحان پر جاری رکھنا چاہیے۔ حوصلہ افزا بات یہ ہے کہ روزانہ کوویڈ کی ویکسینیشن فی دن 1 ملین ہے اور 25 فیصد بالغ آبادی کو مکمل یا جزوی طور پر ویکسین دی گئی ہے۔ قیمتیں اب بھی وسط میں نمایاں رعایت پر ہیں۔ ہمارے خیال میں ایس بی پی خاص طور پر جولائی 2021 ایم پی ایس میں پیش کردہ یقین دہانی کے بعد دوشیز رہے گا جہاں سی اے ڈی کی حالت خراب ہونے کے باوجود ، اسٹیٹ بینک دفاع کی ابتدائی لائن کے طور پر کام کرنے کے لیے پہلے زر مبادلہ کی شرح پر انحصار کرے گا۔ اس سے پاکستان ایکویٹی مارکیٹ کو خوش کرنے اور سائیکلیکل سیکٹر کے اسٹاک کو دوبارہ زندہ کرنے کا امکان ہے ، جو مئی 2021 کے آخر سے ایک سست دور میں پھنسے ہوئے ہیں۔ مارکیٹ کے اگلے بڑے محرکات یہ ہیں کہ (i) آئی ایم ایف پروگرام کی دوبارہ شروعات اور ضروری اصلاحات کا نفاذ ، (ii) اور کامیاب ویکسینیشن کے درمیان کوویڈ کیسز میں معنی خیز کمی۔

اسلامی منی مارکیٹ

معاشی تعداد میں بہتری اور کاروباری اعتماد کی غیر یقینی صورتحال کے باوجود پاکستان میں جاری چوتھی کوویڈ 19 کی لہر اور نئی شکلوں کے عالمی پھیلاؤ کے نتیجے میں رہائشی مالیاتی پالیسی کے ذریعے بحالی کی حمایت پر مسلسل زور دیا گیا۔ نتیجے کے طور پر پالیسی کی شرح سال بھر میں بغیر کسی تبدیلی کے 7 فیصد رہی۔ آگے بڑھتے ہوئے ہم توقع کرتے ہیں کہ شرح سود 7.00 فیصد کی موجودہ سطح پر کم از کم مالی سال 22 کی دوسری سہ ماہی کے اختتام تک برقرار رہے گی۔

اے بی ایل اسلامی انکم فنڈ کارپوریٹس ، جی او پی اور اس کے اداروں کی طرف سے تازہ جاری کردہ اسلامی آلات میں سرمایہ کاری کی اپنی حکمت عملی کو برقرار رکھے گا۔ بینک ڈپازٹ ریٹ پر الفای پیدا کرنے کے لیے فنڈ 3-6 ماہ کی مدت کے ساتھ اعلیٰ پیداوار والے آلات میں سرمایہ کاری کرتا رہے گا جس میں ہائی موجل لین دین اور اسلامی سی سی پی تک محدود نہیں ہے۔

آگے بڑھتے ہوئے ، ہمیں یقین ہے کہ مارکیٹ بہتر میکرو انڈیکٹرز ، ترقی کا حامی بجٹ ، اور ملک میں ویکسینیشن کی جارحانہ مہم کی وجہ سے کارکردگی کا مظاہرہ کرے گی۔ مارکیٹ x6.8 کے TTM P/E ملٹیپل پر تجارت کر رہی ہے اور 7.0% کی منافع بخش پیداوار ہے۔

اسلامی منی مارکیٹ کا جائزہ

سال بھر میں کلیدی شرح سود میں کوئی تبدیلی نہیں کی گئی اور پالیسی کی شرح 7.00% پر برقرار ہے۔ شرح سود کو ترقی کے احیاء کو یقینی بنانے کے لیے مناسب پالیسی اقدامات کے ایک حصے کے طور پر برقرار رکھا گیا۔

اگرچہ شرح سود میں کوئی تبدیلی نہیں کی گئی ، ٹی بل اور پی آئی بی دونوں کے لیے پرائمری مارکیٹ کٹ آف پیداوار میں بار بار تبدیلیاں دیکھی گئیں۔ چھوٹے اور درمیانے درجے کے آلات کے درمیان پھیلاؤ کو وسیع کرنے کی وجہ سے پیداوار کا وکر عام کھڑا رہا۔ اس کے نتیجے میں ، KIBOR اسپریڈز میں توسیع بھی دیکھی گئی۔ سال کے دوران 6M KIBOR 7.03% سے بڑھ کر 7.61% ہو گیا۔

قلیل مدتی اسلامی پہلو پر ، K-Electric اور HUBCO جیسے جاری کرنے والے 6M KIBOR 40 سے 80 bps کے درمیان اسپریڈ پر اسلامی کمرشل پیپرز جاری کرتے رہے جبکہ قلیل مدتی ڈپازٹ کی شرح 6.50% - 7.25% کے درمیان رہی۔ بانی موجل مارکیٹ میں بڑھتی ہوئی سرگرمیوں کا مشاہدہ کیا گیا جہاں 1 سے 3 ماہ کی جگہ کے لیے پلیسمنٹ کی شرح 6.75% - 7.25% کے درمیان ہے۔

سال کے دوران ، GoP نے 52.7 بلین روپے کے طویل المیعاد اجارہ سکوکس 8.37% اور 9.45% کے درمیان مقررہ شرح پر جاری کیے۔

فنڈ کی کارکردگی

ہمارے طویل مدتی سرمایہ کاروں کی بھلائی کی بنیاد پر اے بی ایل اسلامی 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

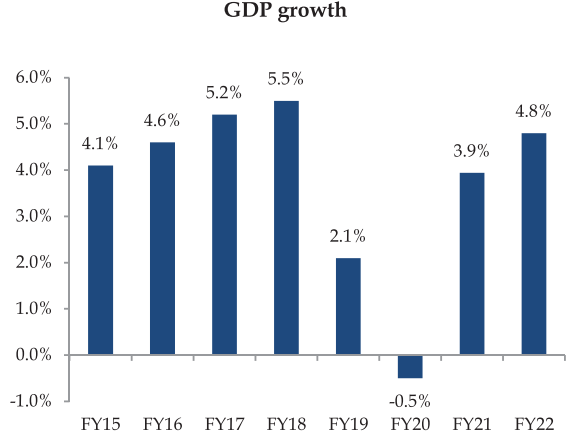
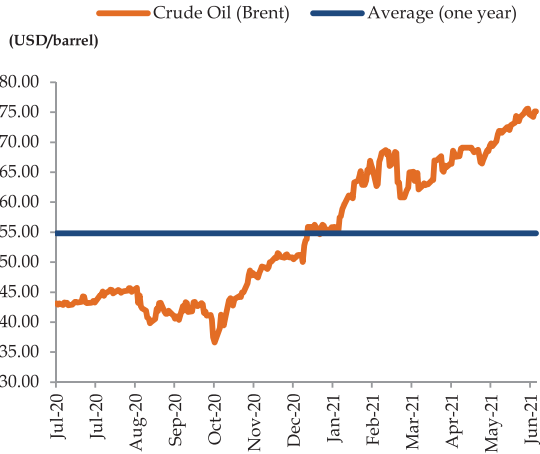
جائزے کے تحت فنڈ میں سالانہ 4.81 فیصد منافع موصول ہوا۔ ڈیبٹ سب فنڈ میں بنیادی طور پر جی او پی اجارہ سکوک یعنی 31.44 فیصد میں سرمایہ کاری کی گئی تھی ، مدت کے اختتام پر ، کارپوریٹ سکوک میں سرمایہ کاری 11.66 فیصد تک محدود رہی ، جبکہ نقد میں سرمایہ کاری 55.54 فیصد رہا۔

منی مارکیٹ سب فنڈ

اس فنڈ میں جائزہ کے دوران 4.48 فیصد سالانہ منافع موصول ہوا۔ فنڈ نے بنیادی طور پر اپنی سرمایہ کاری کو نقد رقم کے طور پر رکھا 86.73 فیصد مدت کے اختتام پر ، جی او پی اجارہ سکوک اور دیگر اثاثوں میں بالترتیب 12.62 فیصد اور 0.65 فیصد پر مشتمل سرمایہ کاری رہی۔

ایکوئیٹی سب فنڈ

جائزے کے تحت فنڈ میں سال کے دوران 45.03 فیصد سالانہ منافع موصول ہوا۔ فنڈ نے اس مدت کے اختتام پر 85.13 فیصد ایکویٹی میں سرمایہ کاری کی جس کے ساتھ تیل اور گیس کی تلاش کے سیکٹرز میں 27.50 فیصد اور سیمنٹ کے سیکٹرز میں 17.64 فیصد سرمایہ کاری رہی۔



میوچل فنڈ انڈسٹری کا جائزہ

اوپن اینڈ میوچل فنڈ انڈسٹری کے زیر انتظام مجموعی اثاثوں (اے یو ایم) نے مالی سال 21 کے دوران 36 فیصد اضافہ کیا (789 ارب روپے سے 1073 ارب روپے)، بنیادی طور پر ایکویٹی مارکیٹ فنڈز میں خاطر خواہ بہاؤ کی وجہ سے ملک میں معاشی سرگرمیوں کی بحالی کے درمیان خطرناک اثاثہ کلاس۔ ایکویٹی مارکیٹ فنڈز، بشمول روایتی اور اسلامی فنڈز، 42 فیصد کی بہتری کے ساتھ 243 ارب روپے دیکھا گیا۔ اسی طرح کل منی مارکیٹ اور فکسڈ انکم فنڈز کی اے یو ایم 49 فیصد اور 27 فیصد بڑھ کر بالترتیب 475 ارب روپے اور 245 ارب روپے ہو گئی۔

اسلامی اسٹاک مارکیٹ جائزہ

مالی سال 21 کے دوران، کے ایم آئی 30 انڈیکس نے زبردست کارکردگی کا مظاہرہ کیا اور 39 فیصد کی زبردست واپسی کی اور 76,621 پر بند ہوا۔ مالی سال 13 کے بعد مارکیٹ کی یہ سب سے زیادہ واپسی مثبت پیش رفتوں کی تعداد سے منسوب کی جاسکتی ہے جیسے سال کے آغاز میں مالیاتی نرمی، کرنٹ اکاؤنٹ سرپلس، مضبوط ترسیلات زر میں اضافہ، صحت مند ٹیکس وصولی، اور کورونا وائرس ویکسین کا کامیاب آغاز۔ پاکستان کے جمہوری تحریک کے بینر تلے اپوزیشن جماعتوں کے اتحاد اور کوویڈ 19 کی لہروں کے دوبارہ شامل ہونے کے درمیان سیاسی جذبات سمیت سال کے دوران کئی بار مارکیٹ کے جذبات کا تجربہ کیا گیا۔ مالی سال 21 کے دوران معاشی بحالی کلیدی موضوع رہی، جس نے انڈیکس میں تیز آب و ہوا کی مدد کی۔

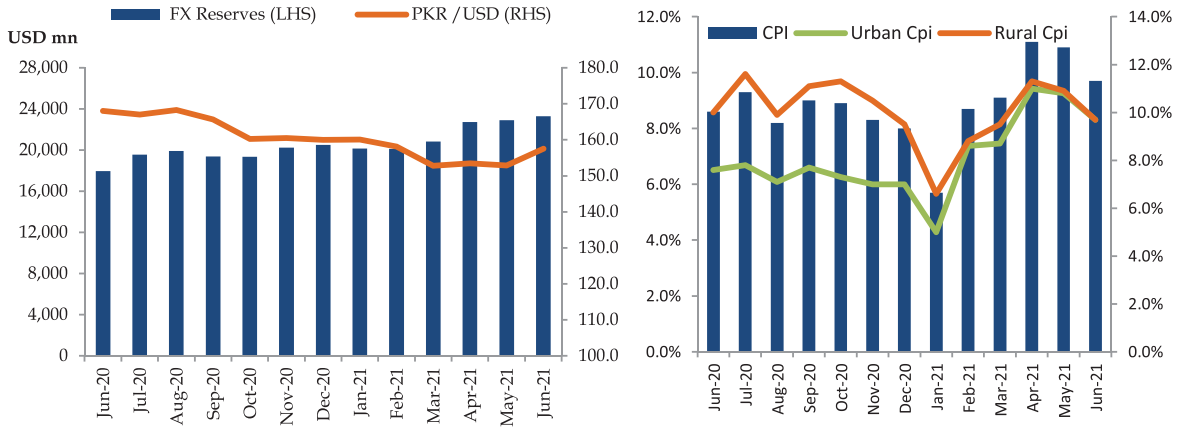
اوسط تجارتی حجم 68 YoY تک بڑھ گیا جبکہ قیمت YoY79 بڑھ کر بالترتیب 129 ملین اور 45 ملین ڈالر ہو گئی۔ غیر ملکوں نے مذکورہ مدت کے دوران 387 ملین ڈالر مالیت کے شیئر فروخت کیے۔ مقامی محاذ پر، افراد، کمپنیاں اور دیگر تنظیمیں بالترتیب 332 ملین ڈالر، 138 ملین ڈالر اور 45 ملین امریکی ڈالر کی خالص خریداری کے ساتھ سرفہرست رہیں۔ مثبت انڈیکس شراکت سیمنٹ (6,904 پوائنٹس) کی قیادت میں زیادہ مانگ اور قیمتوں کے استحکام کی وجہ سے تھی جس نے مارجن کو بڑھایا اور اسی وجہ سے منافع میں اضافہ ہوا۔ GIDC کی عدم موجودگی میں بہتر مارجن اور کھاد کی مصنوعات خاص طور پر دیا امونیم فاسفیٹ کی زیادہ قیمت کی وجہ سے دوسرا بڑا حصہ کھاد (2,111) تھا۔ دوسری طرف، پیپر اینڈ بورڈ اور انویسٹمنٹ کمپنیز سیکٹر بالترتیب 130 اور 119 پوائنٹس کی کمی سے انڈیکس پر منفی اثر ڈالتے ہیں۔

مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

اے بی ایل اسلامی پنشن فنڈ (اے بی ایل - آئی پی ایف) کی انتظامیہ کمپنی ، اے بی ایل ایسٹ مینجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز 30 جون ، 2021 کو ختم ہونے والے سال کے لئے اے بی ایل اسلامی پنشن فنڈ کے آڈٹ شدہ فنانشل اسٹیٹمنٹ پیش کرنے پر خوشی محسوس کرتے ہیں۔

اقتصادی کارکردگی کا جائزہ

مالی سال 21 کے لیے اوسط افراط زر YoY 8.90 پر اختتام پذیر ہوا ہے ، جو کہ SBP کی ہدف 7-9 YoY کے اندر ہے ، جبکہ گزشتہ سال کی اسی مدت (SPLY) میں YoY 10.76 تھا۔ خوراک کے دوران انڈیکس میں مجموعی طور پر 9.35 فیصد سالانہ اضافہ ہوا۔ رہائش ، پانی ، بجلی اور گیس نقل و حمل ، اور کپڑے اور جوتے کے انڈیکس نے بنیادی طور پر مذکورہ اضافے میں حصہ لیا کیونکہ ان میں مجموعی طور پر بالترتیب YoY 3.58 ، YoY 2.10 ، 0.98 YoY اور YoY 0.82 اضافہ ہوا۔ آگے بڑھتے ہوئے ، ہم اندازہ لگاتے ہیں کہ اگلے سال (مالی سال 22) افراط زر 7.20 تک آجائے گا ، جو اشارہ کرتا ہے کہ شرح میں اضافے کا کوئی خطرہ نہیں ، یا کم از کم CY21 کے دوران۔ بہر حال ، بین الاقوامی اشیاء کی قیمتوں میں اتار چڑھاؤ اندازے کے لیے خطرہ ہے۔



بیلنس آف پیمینٹ (بی او پی) کے محاذ پر ، پاکستان نے مئی 21 کے دوران 632 ملین ڈالر کا کرنٹ اکاؤنٹ خسارہ (سی اے ڈی) پوسٹ کیا جبکہ پچھلے مہینے میں 188 ملین امریکی ڈالر کا تھا ، جس سے کل کرنٹ اکاؤنٹ کی پوزیشن 11MFY21 کے لیے 153 امریکی ڈالر سے زائد رہ گئی SPLY کے دوران 4.33 بلین امریکی ڈالر کے خسارے کے خلاف - CAD میں ماہانہ اضافے کی بنیادی وجوہات برآمدات اور ترسیلات زر میں کمی تھی۔ برآمدات ~ 6.88% MoM سے کم ہو کر 2.62 بلین ڈالر رہ گئی ہیں جبکہ درآمدات صرف 0.14% MoM سے گھٹ کر 5.54 بلین ڈالر رہ گئی ہیں جس سے تجارتی خسارہ بڑھ گیا ہے۔ مجموعی طور پر ملک کی برآمدات اور درآمدات بالترتیب 28.51 بلین ڈالر (YoY %9.56) اور 54.15 بلین امریکی ڈالر (YoY %12.37) تک پہنچ گئی ہیں۔ ورکرز کی ترسیلات زر گزشتہ ماہ کے 2.78 بلین ڈالر کے مقابلے میں 2.50 بلین امریکی ڈالر رہ گئی جو کہ 10.33 فیصد ایم او ایم ہے۔ مجموعی طور پر 11MFY21 کے لیے ترسیلات زر 26.74 بلین امریکی ڈالر تک پہنچ گئی ہیں جو کہ 29.43 فیصد سالانہ ہے۔ آخر کار ، اسٹیٹ بینک میں زرمبادلہ کے ذخائر 16.12 بلین امریکی ڈالر تھے ، 25 جون ، 2021 تک ، 3.27 ماہ کا مجموعی درآمدی احاطہ فراہم کرتے ہیں۔

مالی لحاظ سے ، ایف بی آر مالی سال 21 کے دوران PKR 4.72 ٹریلین جمع کرنے میں کامیاب رہا جبکہ PKR 4.69 کے نظر ثانی شدہ ہدف کو PKR 30 billion سے بڑھا دیا۔



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