



**ABL ISLAMIC DEDICATED STOCK FUND**  
ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023

# Annual **REPORT**



**ABL Asset Management**

Discover the potential



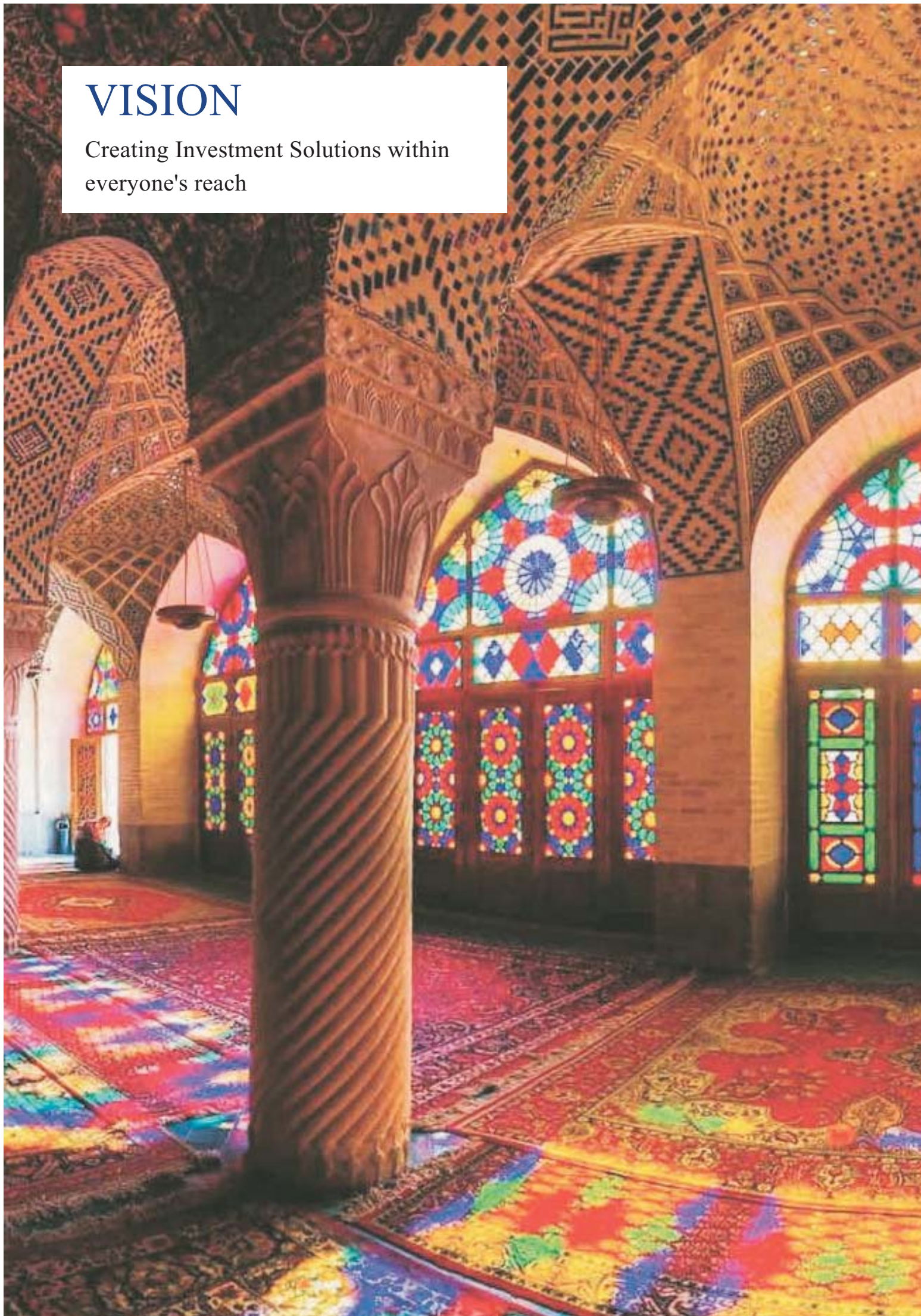
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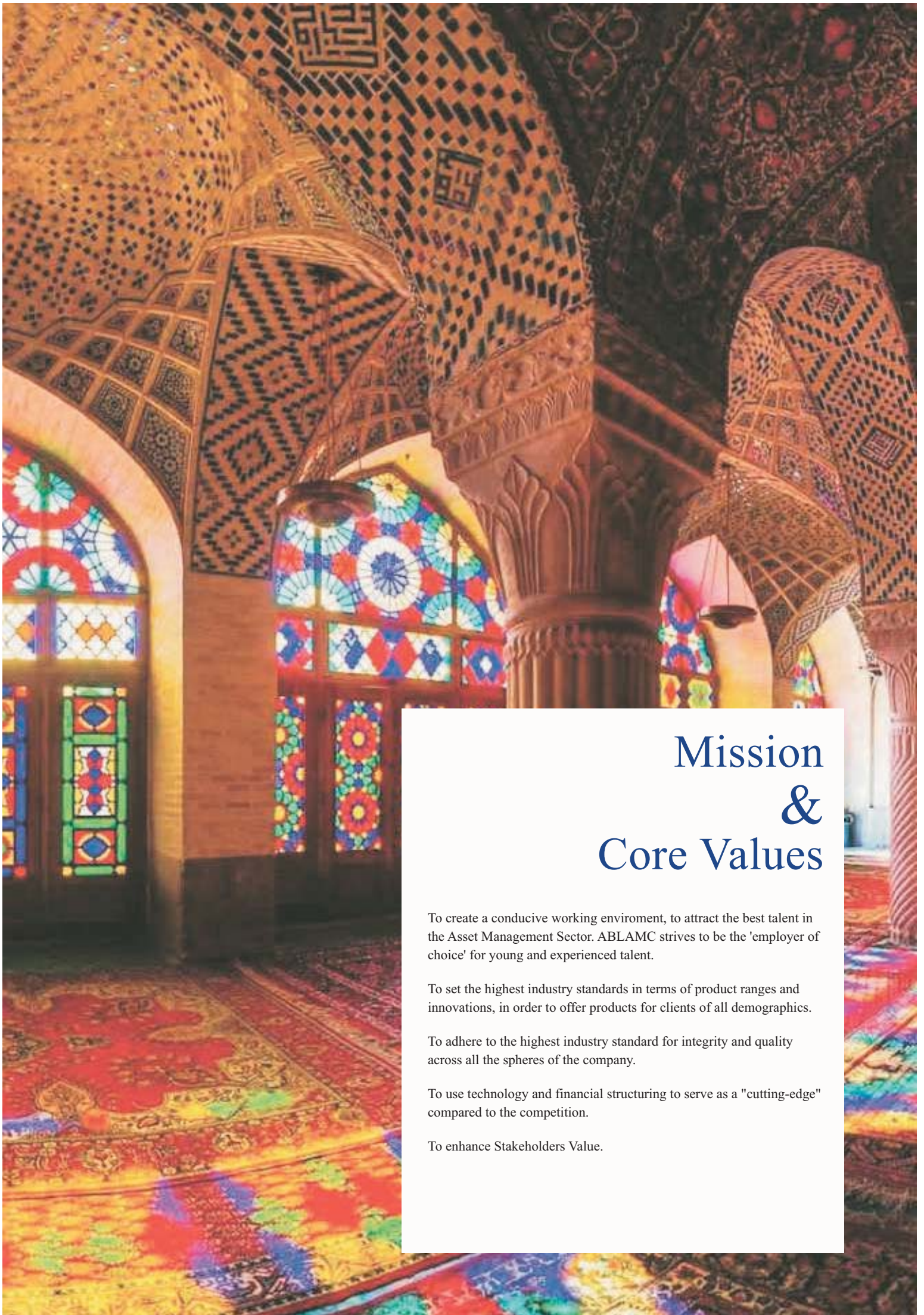


# VISION

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 Ms. Saira Shahid Hussain Mr. Pervaiz Iqbal Butt Mr. Muhammad Kamran Shehzad	Chairman Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Independent Director Independent 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. Naveed Nasim	Chairman Member Member Member
Board's Risk Management Committee	Mr. Muhammad Kamran Shehzad Mr. Pervaiz Iqbal Butt Mr. Naveed Nasim	Chairman Member Member
Board Strategic Planning & Monitoring Committee	Mr. Muhammad Waseem Mukhtar Mr. Muhammad Kamran Shehzad Mr. Pervaiz Iqbal Butt Mr. Naveed Nasim	Chairman Member Member Member
Chief Executive Officer of The Management Company:	Mr. Naveed Nasim	
Chief Financial Officer & Company Secretary:	Mr. Saqib Matin	
Chief Internal Auditor:	Mr. Kamran Shehzad	
Trustee:	Digital Custodian Company Limited 4th Floor, Perdesi House, Old Queen's Road, Karachi, 74200	
Bankers to the Fund:	Allied Bank Limited Bank Islami Pakistan Limited Dubai Islamic Bank Limited	
Auditor:	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	

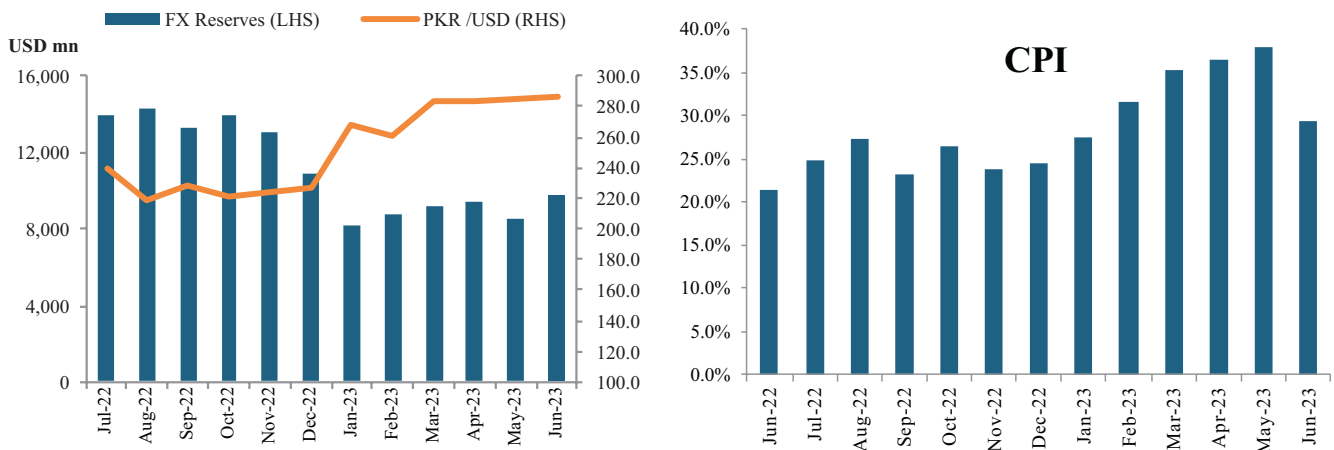


## REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

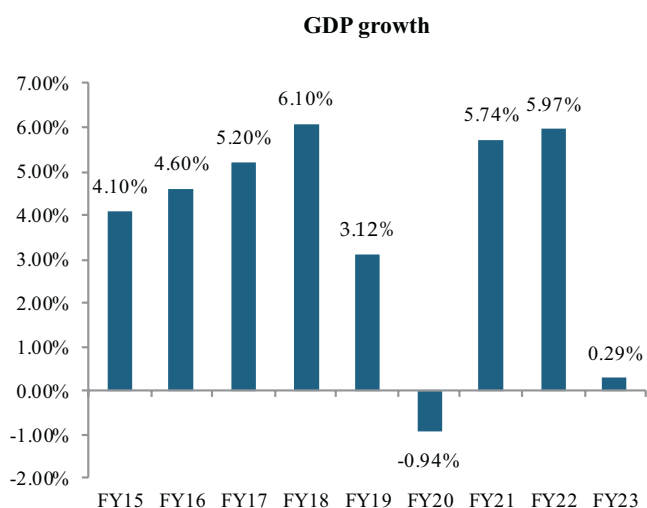
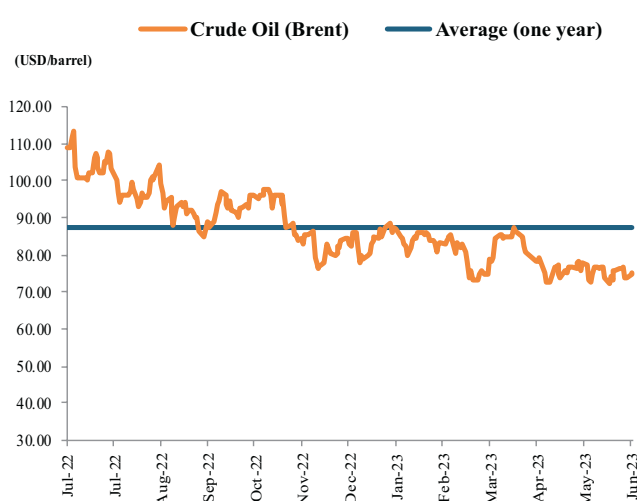
The Board of Directors of ABL Asset Management Company Limited, the management company of ABL Islamic Dedicated Stock Fund (ABL-IDSF), is pleased to present the Audited Financial Statements of ABL Islamic Stock Fund for the year ended June 30, 2023.

### ECONOMIC PERFORMANCE REVIEW

The economic landscape has been marred by a series of severe macroeconomic imbalances, twin deficit, an unprecedented flood, supply shocks, political instability and global economic slowdown. As a result, the overall economic growth for FY23 has been hampered with a mere 0.3% year on year growth rate. However, it is worth noticing that the agriculture and services sector contributed positively in this meagre economic growth trajectory by posting growth of 1.6% and 0.9% respectively whereas, performance of industrial sector remained dismal, exhibiting negative growth of 2.9% during the same period. The lackluster performance of industrial growth was primarily driven by restrictive import policy amidst dwindling foreign exchange reserves. The limitations imposed on the import of industrial raw material remained obstacles in production process, negatively impacting large-scale manufacturing. The per capita income has witnessed a decline from USD 1765 to USD 1568 in FY23. This deceleration can be ascribed to depreciation of PKR relative to USD and contraction of gross domestic product (GDP).



Throughout FY23, the consumer price index (CPI) has presented worrisome picture with the average inflation rate reaching 29.0%YoY against the 12.1%YOY in the corresponding period last year. This significant increase in price has been observed across various sectors, including transportation, housing, and food. The historic high inflation attributed to several factors such as hike in energy tariffs, elevated fuel prices, depreciating PKR relative to USD and supply shocks resulting from an unprecedented flood in the country. Reflection of aforementioned factors observed in food index which contributed most in headline inflation. Looking ahead, we anticipate that full year inflation would remain in double digits. The thesis is premised on expected hike in electricity & gas tariff to fulfill the IMF requirement which would directly or indirectly push up the CPI index. Furthermore, anticipated depreciation of PKR due to market based exchange rate and lifting of import ban may also contribute to an upward trend in price level.



On the balance of payment front, the country has achieved a significant improvement by posting a cumulative deficit of USD 2.9bn against the deficit of USD 15.2bn in the same period last year. This reduction in the current account deficit can be primarily attributed to a 35.1% year-on-year decline in the trade deficit, which has been achieved through measures aimed at curtailing imports. Furthermore, remittances have decreased by 15.8% amounting to USD 27bn. It is noteworthy that a substantial disparity remained between the exchange rates in the interbank and open market, allowing foreigners the opportunity to exchange currency at the open market rate resultantly, remittance have declined. Foreign exchange reserves of country stood at USD 9.1bn as of June 30, 2023 providing total import cover of ~ 2 months.

### MUTUAL FUND INDUSTRY REVIEW FY23

Total assets under management (AUMs) of the open-end mutual fund industry posted a growth of 29% during FY23 (from PKR 1274 billion to PKR 1643 billion), mainly on account of substantial flows in money market and fixed income funds due to rising interest rates, alongside rising T-bills and PIBs yields. Equity market funds, including Conventional and Islamic, witnessed a decline of 29% to close the period at PKR 130.4 billion. Although, the total money market and fixed income funds' AUMs increased by 35% and 46% to PKR 917 billion and PKR 438 billion, respectively.

### ISLAMIC EQUITY MARKET REVIEW

During FY23, the KMI-30 index showed a meager performance, posting an increase of 2.88%YoY, and closed at 70,748 points. Overall the economic and political situation remained frail during the concerned period. Initially, the government seemed unable to fully revive the IMF program which caused serious concerns among investors. Several indicators reached at record levels e.g. policy rate at 22%, CPI for the month of May'23 at 38% and PKR continuously lost its value and closed the period at 286.5PKR/USD. However, after making continuous efforts Pakistan was successful in achieving a significant breakthrough by signing a Standby Arrangement with IMF worth USD 3bn on last day of the fiscal year which provided a sigh of relief to the economy.

Average traded volume increased by ~6%YoY while the value decreased by ~38%YoY to 56 million and ~USD 13 million, respectively. Foreigners bought worth ~USD 1 million shares during the said period. On the local front, mutual funds and insurance companies, remained on the forefront with a net selling of worth ~USD 144 million, and ~USD 124 million, respectively.

Sectors contributing to the index strength were Fertilizers, and Cement adding 2,281, and 1,220 points, respectively. On the flip side, Oil & Gas Marketing Companies, and Chemical sectors negatively impacted the index subtracting 868 and 840 points, respectively.

Going forward, we believe that a successful follow through on IMF's stand by arrangement, dissolution/completion of assemblies' tenor in August and general elections afterwards will remain a key focus in determining the market's fate.

## SECTOR OVERVIEW

### AUTOMOBILE SECTOR

Pakistan automobile sector has seen a decline of around 59% YOY in sales of passenger cars clocking in at 96,812 units in FY23 as compared with 234,180 units in FY22. YOY sales volumes for listed players INDU, HCAR, and PSMC decreased by 58%, 57% and 57% respectively in the said period. This sharp decline in FY23 is due to import restrictions, high interest rates, and extremely high prices of cars amid spiraling inflation and PKR depreciation. Going forward, we believe that the industry will observe similar trends in auto sales unless the economic situation is reversed.

### Oil and Gas Sector

The oil and gas exploration sector's earnings for FY23 are expected to show a reasonable jump due to the sharp Pak Rupee depreciation against the greenback, which augmented these companies' revenues and resulted in hefty exchange gains. However, oil and gas production declined by 6% and 4% YoY, respectively due to natural decline at major fields such as Mela, Nashpa, KPD-TAY, Adhi, Uch, Sui, Qadirpur, Maramzai, and Mardenkhel. Furthermore, due to the shortage of FX reserves held by SBP, the companies faced issues importing equipment, spare parts, and other materials to undertake drilling activity, resulting in lower wells being spud during the year. Meanwhile, the overdue receivables related to the circular debt of companies settlement will re-rate multiples. In addition to this, the MARI completed its Sachal Gas Processing Complex Project in FY23, which is now adding 150 mmcfd of gas.

### Banking Sector

The banking sector outperformed KSE100 by 2.03% (total return 1.15%) during 1HCY23. In terms of profitability, during 2QCY23, the banking sector is expected to post jump in YoY earnings driven by higher NIMs amid policy rate hikes and strong balance sheet growth.

Improved NIMs are anticipated through a higher yield on investment, primarily from floater bonds and T-bills, along with a higher yield on advances, given the record high yields and KIBOR.

However, it is important to note that an increase in the super tax rate in FY24 budget, from 4% to 10% will have an adverse impact on the overall profitability banking sector. This will result in QoQ decline in earnings of banks.

Banking industry's advances were up by 3.1% QoQ by Jun'23 end, lower than deposit growth of 8.2% QoQ, which took the overall ADR of the banking sector to 47.8%.

IDR of the banking sector remained at 81.9% as at Jun'23 as banks focused on secured returns through government papers.

Average lending rate during the period inched higher to 19.4% by May'23 (up by a 693 bps YoY).

Going forward, we expect banks to continue investing in high-yielding bonds along with the prudent lending approach to support asset yields.

Besides, banks may witness slight jump in FX income amid currency volatility (2QCY23 avg.: -0.77%).



The OpEx is also going to remain high due to increased inflationary pressure (CPI 2QCY23 avg.: 34.6% vs. 1QCY23 avg. 31.5%).

## **POWER SECTOR**

The power sector exhibited significant underperformance when compared to KSE-100 index, as it posted negative return 19.0%YoY, in contrast to the marginal reduction of benchmark by 0.2%YoY. The lackluster performance of power sector can primarily be attributed to liquidity issues faced by independent power producers, stemming from the mounting circular debt. According to reports, circular debt of power sector has reached to PKR~2.6tn and getting increase of ~50-55bn on monthly basis. Looking ahead, power sector may benefit from the conditions imposed by IMF regarding curtailment of further pile up of circular debt by increasing electricity tariff.

## **FERTILIZER SECTOR**

During FY23, the fertilizer sector exhibited an underperformance relative to benchmark, as it recorded a negative return of 9.6% against the decline of benchmark of 0.2%. This dismal performance of the sector could be attributed to decline in offtakes of fertilizer products, witnessed from the numbers reported by the National Fertilizer Development Center (NFDC). Urea offtakes declined by 7.0% YoY and DAP offtakes declined by 29.0% YoY during the same period. Higher prices particularly DAP amidst devastating flood in the country remained primary reasons of less usage of fertilizer products by farmers. Although commodity prices in international market have cooled down to some extent, they still provide room for domestic players to increase price to pass on the impact of expected hike in gas price to fulfill the IMF requirement.

## **TECHNOLOGY & COMMUNICATION**

The technology sector demonstrated outstanding performance by surpassing the benchmark, achieving a positive return of 11.4% year-on-year, while the benchmark experienced a negative return of 0.2% year-on-year. This remarkable outperformance can be attributed to the advantages derived from the technology sector's export-oriented business model, which benefited significantly from the appreciation of the US dollar relative PKR.

## **CEMENT**

Cement sector exhibited tremendous performance by posting positive return of 12.2%YoY compared to benchmark negative return of 0.2%YoY. This remarkable performance could be attributed to the increased investment in cement stocks driven by cheap valuation which coincided with decline in coal price in international market. As we look ahead, construction sector may remain under pressure due to election year, which often introduces uncertainties and may lead to cautious spending in the construction industry. Furthermore, there is an anticipated reduction in the Public Sector Development Program (PSDP) as part of the measures to meet the conditions set by the IMF.

## **FUND PERFORMANCE**

For the Year ended FY23, ABL-IDSF delivered a negative return of 0.13% against the benchmark return of 2.88%, reflecting an underperformance of 3.01%. During the year under review, ABL Islamic Dedicated Stock Fund's AUM decreased by 86% and stood at Rs. 95.4 million on 30th June'23 as compared to Rs. 667.3 million on 30th June'22.

## **ADDITIONAL MATTERS**

1. The detail of Directors of the Management Company is disclosed in this Annual Report.
2. Financial Statements present fairly the state of affairs, the results of operations, cash flows and the changes in unit holder's fund;
3. Proper books of accounts of the Fund have been maintained.
4. Appropriate accounting policies have been consistently applied in the preparation of the financial statements and accounting estimates are based on reasonable and prudent judgments;

5. Relevant International Accounting Standards, as applicable in Pakistan, provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 & Non-Banking Finance Companies and Notified Entities Regulations, 2008, requirements of the Trust Deed and directives issued by the Securities and Exchange Commission of Pakistan, have been followed in the preparation of the financial statements;
6. The system of internal control is sound in design and has been effectively implemented and monitored;
7. There have been no significant doubts upon the Funds' ability to continue as going concern;
8. Performance table of the Fund is given on page # 12 of the Annual Report;
9. There is no statutory payment on account of taxes, duties, levies and charges outstanding other than already disclosed in the financial statements;
10. The statement as to the value of investments of Provident Fund is not applicable in the case of the Fund as employee's retirement benefits expenses are borne by the Management Company;
11. The pattern of unit holding as at June 30, 2023 is given in note No. 25 of the Financial Statements.

#### **AUDITORS**

M/s. A.F. Fergusons & Co. (Chartered Accountants), have been appointed as auditors for the year ending June 30, 2024 for ABL Islamic Dedicated Stock Fund (ABL-IDSF).

#### **MANAGEMENT QUALITY RATING**

On October 26, 2022: The Pakistan Credit Rating Agency Limited (PACRA) has upgraded the Management Quality Rating (MQR) of ABL Asset Management Company (ABL AMC) at 'AM1' (AM-One). Outlook on the assigned rating is 'Stable'.

#### **OUTLOOK**

Market remained under intense pressure during FY23 due to multiple factors including, skyrocketing prices of commodities in the international market, devastating floods in the country, dwindling foreign exchange reserves and political instability. All these aforementioned factors contributed in pushing up the CPI index as it reached historic high level. Furthermore, adoption of contractionary monetary policy by central bank kept the performance of equity market in check. Going forward, we expect equity market to perform as the commodity prices have cooled down in the international market amidst anticipated recession worldwide. Moreover, expected domestic political stability after the elections will also create a positive momentum.

#### **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 (Digital Custodian Company Limited) and the management of Pakistan Stock Exchange Limited for their continued guidance and support. The Directors also appreciate the efforts put in by the management team.

For and on behalf of the Board



**Director**

**Lahore, August 24 , 2023**



**Naveed Nasim**

**Chief Executive Officer**





## FUND MANAGER REPORT

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### OBJECTIVE

To provide capital appreciation to investors of 'Fund of Funds' schemes by investing in Shariah compliant equity securities.

### EQUITY MARKET REVIEW

During FY23, the KMI-30 index showed a meager performance, posting an increase of 2.88%YoY, and closed at 70,748 points. Overall the economic and political situation remained frail during the concerned period. Initially, the government seemed unable to fully revive the IMF program which caused serious concerns among investors. Several indicators reached at record levels e.g. policy rate at 22%, CPI for the month of May'23 at 38% and PKR continuously lost its value and closed the period at 286.5PKR/USD. However, after making continuous efforts Pakistan was successful in achieving a significant breakthrough by signing a Standby Arrangement with IMF worth USD 3bn on last day of the fiscal year which provided a sigh of relief to the economy.

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## OUTLOOK

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## PERFORMANCE TABLE

	June 2023	June 2022	June 2021	June 2020	June 2019	June 2018
	------(Rupees in '000)-----					
Net Assets	95,404	667,305	490,468	419,512	687,542	1,692,567
Net Income / (loss)	(18,356)	(156,432)	149,474	(18,420)	(196,076)	(379,205)
	------(Rupees per unit)-----					
Net Assets value	7.0271	7.0359	8.7185	6.7397	7.0038	8.4308
Interim distribution*	-	-	-	-	-	-
Final distribution	-	-	0.5192	-	-	0.2048
Distribution date final	-	-	June 27, 2021	-	-	August 07, 2017
Closing offer price	7.0271	7.0359	8.7185	6.7397	7.0038	8.4308
Closing repurchase price	7.0271	7.0359	8.7185	6.7397	7.0038	8.4308
Highest offer price	7.5355	9.0095	9.6206	8.6307	8.7322	10.5261
Lowest offer price	6.4145	6.8669	6.8983	5.0918	6.7925	7.9804
Highest repurchase price per unit	7.5355	9.0095	9.6206	8.6307	8.7322	10.5261
Lowest repurchase price per unit	6.4145	6.8669	6.8983	5.0918	6.7925	7.9804
	-----Percentage-----					
Total return of the fund						
- capital growth	-0.13%	-19.30%	31.79%	-3.77%	-16.93%	-18.45%
- income distribution	-	-	5.19%	-	-	2.05%
Average return of the fund						
First Year	-0.13%	-19.30%	36.98%	-3.77%	-16.93%	-16.40%
Second Year	-19.35%	10.61%	31.81%	-20.06%	-30.55%	-
Third Year	10.40%	6.37%	9.50%	-33.17%	-	-
Fourth Year	6.31%	-11.58%	-8.46%	-	-	-
Fifth Year	-11.74%	-26.12%	-	-	-	-
Sixth Year	-26.17%	-	-	-	-	-
Since inception	-24.11%	-24.02%	-5.85%	-31.26%	-28.57%	-14.01%

### Disclaimer

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





#MonetizeYourAssets

## REPORT OF THE TRUSTEE TO THE UNIT HOLDERS

### ABL ISLAMIC DEDICATED STOCK FUND

#### Report of the Trustee Pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

ABL Islamic Dedicated Stock Fund, an open-end Scheme established under a Trust Deed dated November 16, 2016 executed between ABL Asset Management Company Limited, as the Management Company and Digital Custodian Company Limited, as the Trustee. The Securities & Exchange Commission of Pakistan (SECP) approved the appointment of Digital Custodian Company Limited as the trustee of fund on 10<sup>th</sup> November 2016.

1. ABL Asset Management Company Limited, the Management Company of ABL Islamic Dedicated Stock Fund has, in all material respects, managed ABL Islamic Dedicated Stock Fund during the year ended June 30, 2023 in accordance with the provisions of the following:
  - (i) Investment limitations imposed on the Asset Management Company and the Trustee under the trust deed and other applicable laws;
  - (ii) the valuation or pricing is carried out in accordance with the deed and any regulatory requirement;
  - (iii) the creation and cancellation of units are carried out in accordance with the deed;
  - (iv) and any regulatory requirement

Dabeer Khan  
Manager Compliance  
Digital Custodian Company Limited

Karachi: August 30, 2023

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+92 21 3241 9770



**Al-Hilal**  
— Shariah Advisors —

September 19, 2023



الحمد لله رب العالمين، والصلاة والسلام على سيد الأنبياء والمرسلين، وعلى آله وصحبه أجمعين، وبعد

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:

We have reviewed all the investment and operational activities of the fund including all transactions and found them to comply with the Shariah guidelines. On the basis of information provided by the management company, all operations of the fund for the year ended June 30, 2023 comply with the provided Shariah guidelines. Therefore, it is resolved that investments in ABL Islamic Dedicate Stock Fund managed by ABL Asset Management Limited 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.

والله أعلم بالصواب، وصلى الله على نبينا محمد وعلى آله وصحبه وبارك وسلم

For and on behalf 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**  
Suite 807, 8<sup>th</sup> Floor, Horizon Towers, Corn 2/6, Khayaban-e-Saadi,  
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ABL Islamic Dedicated Stock Fund

 ABL Asset Management  
Discover the potential





**INDEPENDENT REASONABLE ASSURANCE REPORT TO THE UNIT HOLDERS OF ABL ISLAMIC CASH FUND ON THE STATEMENT OF COMPLIANCE WITH THE SHARIAH PRINCIPLES**

**Introduction**

We were engaged by the Board of Directors of **ABL Asset Management Company Limited** (the Management Company) to report on the Management Company's assessment of compliance with the Shariah Principles of **ABL Islamic Cash Fund** (the Fund), as set out in the annexed Statement of Compliance with the Shariah Principles (the Statement) prepared by the Management Company for the year ended June 30, 2023, in the form of an independent reasonable assurance conclusion about whether the annexed statement reflects, in all material respects the status of compliance of the Fund with the Shariah Principles as specified in the Offering Document and the guidelines issued by the Shariah Advisor. Our engagement was conducted by a team of assurance practitioners.

**Applicable Criteria**

The criteria for the assurance engagement against which the annexed Statement has been assessed comprises of the Shariah Principles as specified in the Offering Document and the guidelines issued by the Shariah Advisor (the Shariah Principles).

**Management's Responsibility for Shariah Compliance**

The Management Company of the Fund is responsible for preparation of the annexed Statement that is free from material misstatement. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation of the annexed Statement that is free from material misstatement, whether due to fraud or error. It also includes ensuring the overall compliance of the Fund with the Shariah Principles.

**Our Independence and Quality Control**

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The Firm applies International Standard on Quality Control (ISQC) 1, "Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements" and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

**Our responsibility and summary of work performed**

Our responsibility is to examine the annexed Statement and to report thereon in the form of an independent reasonable assurance conclusion based on the evidence obtained. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000, "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" issued by the International Auditing and Assurance Standards Board. That Standard requires that we plan and perform our procedures to obtain reasonable assurance about whether the annexed statement reflects the status of compliance of the Fund with the Shariah Principles as specified in the Offering Document and the guidelines issued by the Shariah Advisor, in all material respects.

ATB

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The procedures selected depend on our judgment, including the assessment of the risks of material non-compliances with the Shariah Principles, whether due to fraud or error. In making those risk assessments, we have considered internal control relevant to the Fund's compliance with the Shariah Principles, in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing a conclusion as to the effectiveness of the Management Company's internal control over the Fund's compliance with the Shariah Principles. A system of internal control, because of its nature, may not prevent or detect all instances of non-compliance with Shariah Principles, and consequently cannot provide absolute assurance that the objective of compliance with the Shariah Principles, will be met. Also, projection of any evaluation of effectiveness to future periods is subject to the risk that the controls may become inadequate or fail.

The procedures performed primarily comprised the following:

- checking compliance of specific guidelines relating to charity, maintaining bank accounts and for making investments of the Fund.
- checking that the Shariah Advisor has certified that the operations of the Fund, its investments and placements made during the year ended June 30, 2023 are in compliance with the Shariah Principles.

We believe that the evidences we have obtained through performing our procedures were sufficient and appropriate to provide a basis for our conclusion.

#### Conclusion

Based on the procedures performed during our reasonable assurance engagement, we report that in our opinion, the annexed Statement presents fairly, in all material respects, the status of the Fund's compliance with the Shariah Principles specified in the Offering Document and in the guidelines issued by the Shariah Advisor for the year ended June 30, 2023.

*A.F. Ferguson & Co.*

A.F. Ferguson & Co.

Chartered Accountants

Dated: September 27, 2023

Karachi





**INDEPENDENT AUDITOR'S REPORT**

**To the Unit holders of ABL Islamic Dedicated Stock Fund**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the financial statements of ABL Islamic Dedicated Stock Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2023, and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2023, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	<p><b>Net Asset Value</b> (Refer note 5 to the annexed financial statements)</p> <p>The investments constitute the most significant component of the net asset value (NAV). The investments of the Fund as at June 30, 2023 amounted to Rs. 91.554 million.</p> <p>The existence and proper valuation of investments for the determination of NAV of the Fund as at June 30, 2023 was considered a high risk area and therefore we considered this as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>tested the design and operating effectiveness of the key controls for valuation of investments.</li> <li>obtained independent confirmations for verifying the existence of the investment portfolio as at June 30, 2023 and traced balances in these confirmations with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed.</li> <li>re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies.</li> </ul>

*AFCO*

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### **Other Matter**

The financial statements of the Fund for the year ended June 30, 2022 were audited by another firm of Chartered Accountants who had expressed an unmodified opinion thereon vide their report dated September 29, 2022.

### **Other Information**

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Board of Directors of the Management Company for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of directors of the management company is responsible for overseeing the Fund's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.





- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with board of directors of the management company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide board of directors of the management company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with board of directors of the management company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

Based on our audit, we further report that in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is **Noman Abbas Sheikh**.



A.F. Ferguson & Co.  
Chartered Accountants  
Karachi

Dated: September 27, 2023

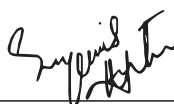
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**ABL ISLAMIC DEDICATED STOCK FUND**  
**STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT JUNE 30, 2023**

	2023	2022
Note	-----Rupees in '000-----	
<b>Assets</b>		
Bank balances	4 819	18,441
Investments	5 91,554	653,413
Dividend and profit receivable	6 79	3,277
Deposits and other receivable	7 6,545	5,485
Receivable against issuance and conversion of units	17	-
<b>Total assets</b>	99,014	680,616
<b>Liabilities</b>		
Payable to ABL Asset Management Company Limited - Management Company	8 1,323	4,354
Payable to Digital Custodian Company Limited - Trustee	9 24	55
Payable to the Securities and Exchange Commission of Pakistan	10 88	143
Payable against redemption and conversion of units	132	3,000
Payable against purchase of investments - net	-	27
Accrued expenses and other liabilities	11 2,043	5,732
<b>Total liabilities</b>	3,610	13,311
<b>NET ASSETS</b>	<u>95,404</u>	<u>667,305</u>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>	<u>95,404</u>	<u>667,305</u>
<b>CONTINGENCIES AND COMMITMENTS</b>		
	12	
	-----Number of units-----	
<b>NUMBER OF UNITS IN ISSUE</b>	<u>13,576,566</u>	<u>94,843,374</u>
	-----Rupees-----	
<b>NET ASSET VALUE PER UNIT</b>	<u>7.0271</u>	<u>7.0359</u>

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

For ABL Asset Management Company Limited  
(Management Company)



Saqib Matin  
Chief Financial Officer



Naveed Nasim  
Chief Executive Officer



Pervaiz Iqbal Butt  
Director

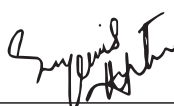


**ABL ISLAMIC DEDICATED STOCK FUND  
INCOME STATEMENT  
FOR THE YEAR ENDED JUNE 30, 2023**

	2023	2022
Note	Rupees in '000	
<b>Income</b>		
Profit on savings accounts with banks	2,471	2,619
Dividend income	34,325	35,495
Loss on sale of investments	(31,354)	(73,129)
Unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	5.2 (3,103)	(89,524)
	(34,457)	(162,653)
<b>Total income / (loss)</b>	2,339	(124,539)
<b>Expenses</b>		
Remuneration of ABL Asset Management Company Limited - Management Company	8.1 8,817	14,270
Punjab Sales Tax on remuneration of the Management Company	8.2 1,411	2,283
Accounting and operational charges	8.3 441	714
Selling and marketing expenses	8.4 4,055	6,915
Remuneration of Digital Custodian Company Limited - Trustee	9.1 440	643
Sindh Sales Tax on remuneration of the Trustee	9.2 57	84
Annual fee to the Securities and Exchange Commission of Pakistan	10.1 88	143
Brokerage expense	3,895	6,816
Auditors' remuneration	13 616	457
Annual listing fee	-	472
Amortisation of floatation costs	-	97
Shariah advisory fee	358	358
Printing charges	100	124
Legal and professional charges	401	62
Settlement and bank charges	16	8
<b>Total operating expenses</b>	20,695	33,446
Reversal of Provision for Sindh Workers' Welfare Fund	-	1,553
<b>Net loss for the year before taxation</b>	(18,356)	(156,432)
Taxation	15 -	-
<b>Net loss for the year after taxation</b>	(18,356)	(156,432)
<b>Loss per unit</b>	16 -	-
<b>Allocation of net income for the year</b>		
Net income for the year after taxation	-	-
Income already paid on units redeemed	-	-
	-	-
<b>Accounting income available for distribution:</b>		
- Relating to capital gains	-	-
- Excluding capital gains	-	-
	-	-

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

For ABL Asset Management Company Limited  
(Management Company)



Saqib Matin  
Chief Financial Officer



Naveed Nasim  
Chief Executive Officer



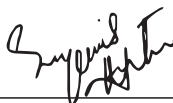
Pervaiz Iqbal Butt  
Director

**ABL ISLAMIC DEDICATED STOCK FUND  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED JUNE 30, 2023**

	2023	2022
	----- Rupees in '000 -----	
<b>Net loss for the year after taxation</b>	(18,356)	(156,432)
Other comprehensive income for the year	-	-
<b>Total comprehensive loss for the year</b>	<u>(18,356)</u>	<u>(156,432)</u>

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

For ABL Asset Management Company Limited  
(Management Company)



Saqib Matin  
Chief Financial Officer



Naveed Nasim  
Chief Executive Officer



Pervaiz Iqbal Butt  
Director



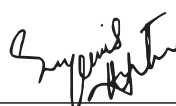


**ABL ISLAMIC DEDICATED STOCK FUND  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED JUNE 30, 2023**

	2023	2022
Note	----- Rupees in '000 -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss for the year before taxation	(18,356)	(156,432)
<b>Adjustments for:</b>		
Profit on savings accounts with banks	(2,471)	(2,619)
Dividend income	(34,325)	(35,495)
Amortisation of preliminary expenses and floatation costs	-	97
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	5.2 3,103	89,524
	(33,693)	51,507
<b>Increase in assets</b>		
Deposits and other receivable	(1,060)	-
<b>(Decrease) / increase in liabilities</b>		
Payable to ABL Asset Management Company Limited - Management Company	(3,031)	(13)
Payable to the Digital Custodian Company Limited - Trustee	(31)	9
Payable to the Securities and Exchange Commission of Pakistan	(55)	43
Accrued expenses and other liabilities	(3,689)	613
	(6,806)	652
	(59,915)	(104,273)
Profit received on saving accounts	2,495	2,664
Dividend received	37,499	32,755
Net amount received / (paid) on purchase and sale of investments	558,729	(252,036)
<b>Net cash generated from / (used in) operating activities</b>	538,808	(320,890)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts from issuance and conversion of units	263,983	1,200,250
Payments against redemption and conversion of units	(820,413)	(863,981)
<b>Net cash (used in) / generated from financing activities</b>	(556,430)	336,269
<b>Net (decrease) / increase in cash and cash equivalents</b>	(17,622)	15,380
Cash and cash equivalents at the beginning of the year	18,441	3,061
<b>Cash and cash equivalents at the end of the year</b>	4 819	18,441

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

For ABL Asset Management Company Limited  
(Management Company)



Saqib Matin  
Chief Financial Officer



Naveed Nasim  
Chief Executive Officer



Pervaiz Iqbal Butt  
Director



# ABL ISLAMIC DEDICATED STOCK FUND

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED JUNE 30, 2023

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#### 1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 ABL Islamic Dedicated Stock Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on November 17, 2016 between ABL Asset Management Company Limited (ABL AMCL) as the Management Company and MCB Financial Services Limited (MCBFSL) as the Trustee. The offering document of the Fund has been revised through the First supplement dated June 25, 2021 with the approval of the Securities and Exchange Commission of Pakistan (SECP). The Securities and Exchange Commission of Pakistan (SECP) authorised constitution of the Trust Deed vide letter no. AMCW / ABLAMC / 305 / 2016 dated November 10, 2016 in accordance with the requirement of the Non-Banking Finance Companies and Notified Entities Regulation, 2008.

During the year ended June 30, 2021, the Trust Act, 1882 had been repealed due to the promulgation of Provincial Trust Act namely "The Punjab Trusts Act, 2020" (the Punjab Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Consequently, the Fund was required to be registered under the Punjab Trust Act. Accordingly, on June 22, 2023, the Fund has been registered as a Trust under the Punjab Trust Act and has been issued a Trust Registration Certificate.

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

1.3 The Fund has been categorised as a Shariah compliant equity scheme by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009. The units of the Fund were initially offered for public subscription at a par value of Rs 10 per unit. Thereafter, the units are being offered for public subscription on a continuous basis and are transferable and redeemable by surrendering them to the Fund.

1.4 The objective of ABL Islamic Dedicated Stock Fund is to provide capital appreciation to investors of 'Fund of Funds' schemes by investing in Shariah compliant equity securities.

1.5 The Pakistan Credit Rating Agency Limited (PACRA) has reaffirmed an asset manager rating of AM1 as at June 22, 2023 (2022: AM2++ on October 26, 2022) to the Management Company. The rating reflects the Management Company's experienced management team, structured investment process and sound quality of systems and processes.

1.6 The titles to the assets of the Fund are held in the name of Digital Custodian Company Limited as the Trustee of the Fund.

#### 2 BASIS OF PREPARATION

##### 2.1 Statement of compliance

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

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

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

##### 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 accounting period beginning on July 1, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been disclosed in these financial statements.

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

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2023. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these financial statements.

### 2.4 Critical accounting estimates and judgments

The preparation of the financial statements in conformity with the accounting and reporting standards requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities and income and expenses. It also requires the management to exercise judgment in the application of the Fund's accounting policies. The estimates and associated assumptions are based on historical experience and various other factors, including expectation of future events, that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying value of assets and liabilities. These estimates and 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 the 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).

### 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 the financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistani 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

##### 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 investments at FVOCI. The management considers its investment in equity securities being managed as a group of assets hence has classified as FVPL. Accordingly, the irrevocable option has not been considered.

The dividend income for equity securities classified under FVOCI are to be recognised in the Income Statement. However, any surplus / (deficit) arising as a result of subsequent movement in the fair value of equity securities classified as FVOCI is to be recognised in other comprehensive income and is not recycled to the Income Statement on derecognition.



### 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 at FVOCI. The Fund recognises loss allowances 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 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.

### 3.2.5 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 the risks and rewards of ownership. Any gain or loss on derecognition of financial assets is taken to the Income Statement.

### 3.3 Financial liabilities

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.

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 Net asset value per unit

The Net Asset Value (NAV) per unit as disclosed in the 'Statement of Assets and Liabilities' is calculated by dividing the net assets of the Fund by the number of units in circulation at the year end.

### 3.7 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the Management Company / distributors during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and provision of any duties and charges if applicable. The sales load is payable to the Management Company / distributors.

Units redeemed are recorded at the redemption price applicable to units for which the Management Company / distributors receive redemption applications during business hours of that day. The redemption price is equal to NAV as of the close of the business day, less an amount as the Management Company may consider to be an appropriate provision of duties and charges.

### 3.8 Distributions to unit holders

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the year in which such distributions are declared and approved by the Board of Directors of the Management Company.

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

Element of income represents the difference between net asset value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Further, the element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders' fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

### 3.10 Revenue recognition

- Gains / (losses) arising on sale of investments are recorded at the date at which the transaction takes place;
- 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;
- Profit on bank balances is recognised on an accrual basis; and
- Dividend income is recognised when the Fund's right to receive the same is established i.e. on the commencement of date of book closure of the investee company declaring the dividend.

### 3.11 Expenses

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

### 3.12 Taxation

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

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

### 3.13 Loss per unit

Loss per unit is calculated by dividing the net loss for the year after taxation of the Fund by the weighted average number of units outstanding during the year. The determination of loss per unit is not practicable as disclosed in note 17.

### 3.14 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	Note	2023 ----- Rupees in '000 -----	2022 ----- Rupees in '000 -----
	Balances with banks in:			
	Savings accounts	4.1	310	15,150
	Current account	4.2	509	3,291
			<u>819</u>	<u>18,441</u>
4.1	This includes a balance of Rs 0.012 million (2022: Rs 0.051 million) maintained with Allied Bank Limited (a related party) that carries profit at the rate of 15.00% (2022: 14.75%). Other savings accounts of the Fund carry profit rates ranging from 15.00% to 22.8% (2022: 10.15% to 14.75%) per annum.			
4.2	This represents balance maintained with Allied Bank Limited (a related party).			
5	INVESTMENTS	Note	2023 ----- Rupees in '000 -----	2022 ----- Rupees in '000 -----
	<b>At fair value through profit or loss</b>			
	Listed equity securities	5.1	<u>91,554</u>	<u>653,413</u>

## 5.1 Listed equity securities

Name of the investee company	As at July 1, 2022	Purchased during the year	Bonus / right shares received during the year	Sold during the year	As at June 30, 2023	Carrying value as at June 30, 2023	Market value as at June 30, 2023	Unrealised (diminution) / appreciation as at June 30, 2023	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			%		
<b>OIL AND GAS MARKETING COMPANIES</b>											
Pakistan State Oil Company Limited (Note 5.1.2)	168,598	130,000	-	293,500	5,098	817	566	(251)	0.59%	0.62%	0.01%
Shell Pakistan Limited	-	52,000	-	52,000	-	-	-	-	-	-	-
Attock Petroleum Limited	21,500	6,000	875	22,000	6,375	1,957	1,914	(43)	2.01%	2.09%	0.15%
Sui Northern Gas Pipelines Limited	300,084	383,500	-	658,000	25,584	1,170	1,007	(163)	1.06%	1.10%	0.02%
						3,944	3,487	(457)	3.65%	3.81%	
<b>OIL AND GAS EXPLORATION COMPANIES</b>											
Oil and Gas Development Company Limited (Note 5.1.3)	796,500	365,000	-	1,082,702	78,798	6,556	6,146	(410)	1.06%	6.71%	0.01%
Pakistan Oilfields Limited	14,800	88,400	-	95,300	7,900	3,319	3,174	(145)	3.33%	3.47%	0.11%
Pakistan Petroleum Limited (Note 5.1.3)	1,076,648	552,000	-	1,541,000	87,648	5,993	5,184	(809)	5.43%	5.66%	0.02%
Mari Petroleum Company Limited (Note 5.1.3)	45,752	4,500	-	44,736	5,516	9,555	8,355	(1,200)	8.76%	9.13%	0.63%
						25,423	22,859	(2,563)	18.57%	24.97%	
<b>FERTILIZERS</b>											
Engro Corporation Limited	137,407	84,090	-	196,500	24,997	6,429	6,496	67	6.81%	7.10%	0.11%
Engro Fertilizer Limited	181,500	775,000	-	884,700	71,800	5,952	5,926	(26)	6.21%	6.47%	0.04%
Fatma Fertilizer Company Limited	-	200,000	-	200,000	-	-	-	-	-	-	-
						12,381	12,422	41	13.02%	13.57%	
<b>ENGINEERING</b>											
International Steels Limited	3,500	23,000	-	26,500	-	-	-	-	-	-	-
Mughal Iron & Steel Industries Limited	198,154	26,000	-	198,154	26,000	1,314	1,259	(55)	1.32%	1.38%	0.04%
Amreli Steel Limited	500	100,000	-	100,500	-	-	-	-	-	-	-
						1,314	1,259	(55)	1.32%	1.38%	
<b>CEMENT</b>											
Kohat Cement Company Limited	175,160	80,000	-	210,507	44,653	6,113	7,746	1,633	8.12%	8.46%	0.39%
Maple Leaf Cement Factory Limited (Note 5.1.3)	1,140,000	1,045,000	-	2,060,833	124,167	3,354	3,518	164	3.69%	3.84%	0.03%
Pioneer Cement Limited	3,000	367,500	-	370,500	-	-	-	-	-	-	-
Attock Cement Pakistan Limited	-	100,000	-	100,000	-	-	-	-	-	-	-
Fauji Cement Company Limited *	-	293,500	23,875	264,875	52,500	647	617	(30)	0.65%	0.67%	-
D.G. Khan Cement Company Limited	879	287,000	-	267,879	20,000	1,043	1,026	(17)	1.08%	1.12%	0.02%
Cherat Cement Company Limited	111,900	206,831	-	301,200	17,531	2,174	2,109	(65)	2.21%	2.30%	0.11%
Lucky Cement Limited	101,909	49,800	-	139,500	12,209	5,834	6,374	540	6.68%	6.96%	0.20%
						19,165	21,390	2,226	22.42%	23.35%	
<b>PAPER &amp; BOARD</b>											
Century Paper & Board Mills Limited	100	128,000	22,338	129,000	21,438	782	605	(177)	0.63%	0.66%	0.02%
						782	605	(177)	0.63%	0.66%	
<b>AUTOMOBILE ASSEMBLER</b>											
Millat Tractors Limited	325	1,700	850	325	2,550	859	995	136	1.04%	1.09%	0.05%
						859	995	136	1.04%	1.09%	
<b>TECHNOLOGY &amp; COMMUNICATION</b>											
Systems Limited	93,834	83,200	-	160,332	16,702	6,266	6,736	470	7.06%	7.36%	0.23%
Octopus Digital Limited *	924	73,500	63	74,424	63	4	2	(2)	-	-	-
Avanceon Limited *	105,625	200,000	18	305,625	18	1	1	-	-	-	-
						6,271	6,739	468	7.06%	7.36%	
<b>TEXTILE COMPOSITE</b>											
Nishat Mills Limited	95,400	288,000	-	372,400	11,000	654	624	(30)	0.65%	0.68%	0.02%
Interloop Limited	969	152,497	6,690	140,200	19,956	820	704	(116)	0.74%	0.77%	0.01%
Crescent Textile Mills Limited	16,500	-	-	16,500	-	-	-	-	-	-	-
Kohinoor Textile Mills Limited	140,000	-	-	140,000	-	-	-	-	-	-	-
						1,474	1,328	(146)	1.39%	1.45%	
<b>AUTOMOBILE PARTS &amp; ACCESORIES</b>											
Thal Limited	50	-	-	50	-	-	-	-	-	-	-
						-	-	-	-	-	-
<b>PHARMACEUTICALS</b>											
The Searle Company Limited (note 5.1.2)	52,746	-	686	50,677	2,755	240	106	(134)	0.11%	0.12%	-
Citi Pharma Limited	216,000	170,000	-	356,000	30,000	977	640	(337)	0.67%	0.70%	0.03%
Haleon Pakistan Limited	22,900	-	-	22,900	-	-	-	-	-	-	-
Abbott Laboratories (Pakistan) Limited	1,800	-	-	-	1,800	1,178	666	(512)	0.70%	0.73%	0.07%
Ferozsons Laboratories Limited	20	35,000	7,004	37,900	4,124	989	564	(425)	0.59%	0.62%	0.13%
GlaxoSmithKline Pakistan Limited	1,500	-	-	1,500	-	-	-	-	-	-	-
						3,384	1,976	(1,408)	2.07%	2.17%	
<b>POWER GENERATION &amp; DISTRIBUTION</b>											
The Hub Power Company Limited (Note 5.1.3)	647,849	563,000	-	1,095,500	115,349	7,862	8,026	164	8.41%	8.77%	0.06%
Kot Addu Power Company Limited	-	300,000	-	300,000	-	-	-	-	-	-	-
Nishat Chunian Power Limited	-	422,000	-	422,000	-	-	-	-	-	-	-
K-Electric Limited	-	2,000,000	-	2,000,000	-	-	-	-	-	-	-
						7,862	8,026	164	8.41%	8.77%	



Name of the investee company	As at July 1, 2022	Purchased during the year	Bonus / right shares received during the year	Sold during the year	As at June 30, 2023	Carrying value as at June 30, 2023	Market value as at June 30, 2023	Unrealised (diminution) / appreciation as at June 30, 2023	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)			%		
<b>COMMERCIAL BANKS</b>											
Meezan Bank Limited (Note 5.1.3)	419,326	176,000	45,432	569,362	71,396	7,567	6,166	(1,401)	6.46%	6.73%	0.03%
Faysal Bank Limited	-	450,000	-	450,000	-	-	-	-	-	-	-
BankIslami Pakistan Limited	-	225,000	-	225,000	-	-	-	-	-	-	-
						7,567	6,166	(1,401)	6.46%	6.73%	
<b>FOOD AND PERSONAL CARE PRODUCTS</b>											
Al Shaheer Corporation Limited	939	-	-	939	-	-	-	-	-	-	-
Unity Foods Limited	420,000	576,000	-	926,000	70,000	1,070	1,094	24	1.15%	1.19%	0.01%
The Organic Meat Company Limited	-	175,000	17,062	171,500	20,562	451	427	(24)	0.45%	0.47%	0.03%
National Foods Limited (note 5.1.1)	-	19,000	-	7,000	12,000	1,020	1,181	161	1.24%	1.29%	0.10%
At-Tahir Limited	150,000	-	15,000	127,000	38,000	659	625	(34)	0.66%	0.68%	0.03%
						3,201	3,328	127	3.49%	3.63%	
<b>CHEMICAL</b>											
Ghani Global Holdings Limited	393	250,000	39	250,432	-	-	-	-	-	-	-
Lotte Chemical Pakistan Limited	-	100,000	-	100,000	-	-	-	-	-	-	-
Descon Oxychem Limited	-	50,000	-	50,000	-	-	-	-	-	-	-
Engro Polymer and Chemicals Limited	6,500	95,000	-	101,500	-	-	-	-	-	-	-
						-	-	-	-	-	-
<b>REFINERY</b>											
National Refinery Limited	-	25,000	-	25,000	-	-	-	-	-	-	-
Attock Refinery Limited	103,000	145,000	-	248,000	-	-	-	-	-	-	-
						-	-	-	-	-	-
<b>CABLE AND ELECTRICAL GOODS</b>											
Pak Elektron Limited	-	175,000	-	175,000	-	-	-	-	-	-	-
						-	-	-	-	-	-
<b>TRANSPORT</b>											
Pakistan National Shipping Corporation	-	97,000	-	97,000	-	-	-	-	-	-	-
						-	-	-	-	-	-
<b>MISCELLANEOUS</b>											
Pakistan Aluminium Beverage Cans Limited	-	200,000	-	200,000	-	-	-	-	-	-	-
						-	-	-	-	-	-
<b>LEATHER &amp; TANNERIES</b>											
Service GlobalFootwear Limited	180,000	-	-	180,000	-	-	-	-	-	-	-
						-	-	-	-	-	-
<b>PROPERTY</b>											
TPL Properties Limited	-	335,000	33,500	368,500	-	-	-	-	-	-	-
						-	-	-	-	-	-
<b>GLASS &amp; CERAMICS</b>											
Tariq Glass Industries Limited	62,240	20,000	8,060	76,000	14,300	1,030	974	(56)	1.02%	1.06%	0.06%
Shabbir Tiles & Ceramics Limited	213,000	-	-	213,000	-	-	-	-	-	-	-
						1,030	974	(56)	1.02%	1.06%	
<b>Total as at June 30, 2023</b>						<b>94,657</b>	<b>91,554</b>	<b>(3,101)</b>	<b>90.57%</b>	<b>100.00%</b>	
<b>Total as at June 30, 2022</b>						<b>742,937</b>	<b>653,413</b>	<b>(89,524)</b>	<b>97.92%</b>	<b>100.00%</b>	

\* Nil figure due to rounding off

**5.1.1** All shares have a face value of Rs. 10 each except for the shares of National Foods Limited which have a nominal value of Rs. 5 each.

**5.1.2** The Finance Act, 2014 introduced amendments to the Income Tax Ordinance 2001 as a result of which companies were liable to withhold five percent of the bonus shares to be issued. The shares so withheld were only to be released if the Fund deposits 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 book closure 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 Honourable High Court of Sindh in favour of CISs.

During the year ended June 30, 2018, the Supreme Court of Pakistan passed a judgment 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, the 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 2019. During the year ended June 30, 2020, the CISs had filed a fresh constitutional petition via CP 4653 dated July 11, 2019. In this regard, on July 15, 2019, the Honourable High of Sindh had issued notices to the relevant parties and had 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 the 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, 2023, 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	2023		2022	
	Number of shares withheld	Market value as at June 30, 2023	Number of shares withheld	Market value as at June 30, 2022
	Rupees in '000		Rupees in '000	
The Searle Company Limited	2,755	106	2,204	240
Pakistan State Oil Company Limited	5,098	566	5,098	876
		<u>672</u>		<u>1,116</u>

5.1.3 The above investments includes shares of the following companies which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 of 2007 dated October 23, 2007 issued by the SECP. The details of shares which have been pledged are as follows:

Name of the Company	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
	(Numbers of shares)		(Rupees in '000)	
Mari Petroleum Company Limited	5,000	7,573	19,000	33,055
Meezan Bank Limited	70,000	6,046	230,000	25,985
Maple Leaf Cement Factory Limited	100,000	2,833	250,000	6,838
Oil and Gas Development Company Limited	75,000	5,850	525,000	41,302
The Hub Power Company Limited	100,000	6,958	200,000	13,634
Pakistan Petroleum Limited	75,000	4,436	400,000	27,004
	<u>425,000</u>	<u>33,696</u>	<u>1,624,000</u>	<u>147,818</u>

5.2 Unrealised diminution on re-measurement of investments classified as financial assets at fair value through profit or loss	Note	2023	2022
		----- Rupees in '000 -----	
Market value of investments	5.1	91,554	653,413
Carrying value of investments	5.1	<u>(94,657)</u>	<u>(742,937)</u>
		<u>(3,103)</u>	<u>(89,524)</u>
<b>6 DIVIDEND AND PROFIT RECEIVABLE</b>			
Profit receivable		79	103
Dividend receivable		-	3,174
		<u>79</u>	<u>3,277</u>
<b>7 DEPOSITS AND OTHER RECEIVABLE</b>			
Security deposit with:			
Central Depository Company of Pakistan Limited		103	103
National Clearing Company of Pakistan Limited		2,500	2,500
Advance tax	7.1	<u>3,942</u>	<u>2,882</u>
		<u>6,545</u>	<u>5,485</u>

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 150 and 151. However, withholding tax on profit on savings accounts and dividends paid to the Fund has been deducted by various withholding agents based on the interpretation issued by FBR vide its 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 withholder. The tax withheld on profit on savings accounts and dividends amounts to Rs 3.942 million (2022: Rs 2.882 million).

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the 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 (SCP) by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the SCP granted the petitioners leave to appeal from the initial judgment of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on profit on savings accounts and dividends has been shown as advance tax under assets as at June 30, 2023 as, in the opinion of the management, the amount of tax deducted at source is likely to be refunded.

8	PAYABLE TO ABL ASSET MANAGEMENT COMPANY LIMITED - MANAGEMENT COMPANY - RELATED PARTY	Note	2023	2022
			-----Rupees in '000-----	
	Remuneration payable	8.1	159	1,077
	Punjab Sales Tax payable on remuneration of the Management Company	8.2	25	172
	Accounting and operational charges payable	8.3	32	365
	Selling and marketing expenses payable	8.4	774	2,740
	Other payable		333	-
			<u>1,323</u>	<u>4,354</u>

8.1 As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 2% (2022: 2%) per annum of the average annual net assets of the Fund during the year ended June 30, 2023. The remuneration is payable to the Management Company monthly in arrears.

8.2 During the year, an amount of Rs. 1.411 million (2022: Rs 2.283 million) was charged on account of sales tax on remuneration of the Management Company levied through the Punjab Sales Tax on Services Act, 2012 at the rate of 16% (2022: 16%).

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

The Management Company, based on its own discretion, has charged such expenses at the rate of 0.1% (2022: 0.1%) of the average annual net assets of the Fund during the year ended June 30, 2023, subject to total expense charged being lower than actual expense incurred.

8.4 In accordance with Circular 11 dated July 5, 2019 with respect to charging selling and marketing expenses, the Management Company, based on its own discretion, has charged selling and marketing expenses at the following rates during the year ended June 30, 2023 while keeping in view the overall return and total expense ratio limit of the Fund as defined under the NBFC Regulations, subject to total expense charged being lower than actual expense incurred:

Rates applicable from July 1, 2021 to June 30, 2022	Rates applicable from July 1, 2022 to September 30, 2022	Rates applicable from October 1, 2022 to December 31, 2022	Rates applicable from January 1, 2023 to June 30, 2023
0.75% of average daily net assets of the fund	0.75% of average daily net assets of the fund	1.2% of average daily net assets of the fund	0.75% of average daily net assets of the fund

9	PAYABLE TO DIGITAL CUSTODIAN COMPANY LIMITED - TRUSTEE - RELATED PARTY	Note	2023	2023
			-----Rupees in '000-----	
	Remuneration payable	9.1	21	49
	Sindh Sales Tax payable on remuneration of the Trustee	9.2	3	6
			<u>24</u>	<u>55</u>

9.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed as follows:

Net assets (Rs.)	Fee
- Up to Rs. 1,000 million	0.10% per annum of net assets.
- On exceeding Rs 1,000 million and up to Rs. 5,000 million	Rs. 1 million plus 0.05% per annum of net assets on amount exceeding Rs. 1,000 million.
- On exceeding Rs 5,000 million	Rs. 3 million plus 0.045% per annum of net assets on amount exceeding Rs. 5,000 million.

9.2 During the year, an amount of Rs. 0.057 million (2022: Rs. 0.084) was charged on account of sales tax on remuneration of the Trustee levied through the Sindh Sales Tax on Services Act, 2011 at the rate of 13% (2022: 13%).



10	<b>PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN</b>	Note	2023	2022
			-----Rupees in '000-----	

	Annual fee payable	10.1	<u>88</u>	<u>143</u>
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10.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan at the rate of 0.02% (2022: 0.02%) per annum of the daily net assets of the Fund.

11	<b>ACCRUED EXPENSES AND OTHER LIABILITIES</b>	Note	2023	2022
			-----Rupees in '000-----	

	Auditors' remuneration payable		404	339
	Printing charges payable		45	100
	Brokerage payable		20	478
	Legal fee payable		7	6
	Shariah advisory fee payable		30	30
	Charity payable	11.1	<u>1,537</u>	<u>4,779</u>
			<u>2,043</u>	<u>5,732</u>

11.1 According to the instructions of the Shariah Advisor, income earned by the Fund from prohibited sources should be donated to charitable purposes.

During the year ended June 30, 2023, non-Shariah compliant income amounting to Rs. 1.537 million (2022: Rs. 4.779 million) was charged as an expense in the books of the Fund. This will be distributed as charity after the approval of the Shariah Advisor. The dividend income is recorded net of amount given as charity.

## 12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2023 and June 30, 2022.

13	<b>AUDITORS' REMUNERATION</b>	2023	2022
		-----Rupees in '000-----	

	Annual audit fee		300	212
	Half yearly review of condensed interim financial statements		200	140
	Fee for other certifications		24	39
	Out of pocket expenses		<u>50</u>	<u>35</u>
			574	426
	Sales tax		<u>42</u>	<u>31</u>
			<u>616</u>	<u>457</u>

## 14 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2023 is 4.71% (2022: 4.68%) which includes 0.44% (2022: 0.45%) representing government levies on the Fund such as sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an 'Equity Scheme'.

## 15 TAXATION

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

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

## 16 LOSS PER UNIT

Loss per unit has not been disclosed in these financial statements as, in the opinion of the management, the determination of the cumulative weighted average number of outstanding units for calculating loss per unit is not practicable.

## 17 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

- 17.1 Connected persons / related parties include ABL Asset Management Company Limited being the Management Company, Digital Custodian Company Limited being the Trustee, other collective investment schemes being managed by the Management Company, any entity in which the Management Company, its CISs or their connected persons have material interest, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.
- 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 sales load, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 17.3 Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations.
- 17.4 Remuneration to the Trustee is determined in accordance with the provisions of the Trust Deed.
- 17.5 Accounting and operational charges and selling and marketing expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.

- 17.6 The details of transactions carried out by the Fund with connected persons during the year and balances with them as at year end are as follows:

Transactions during the year	2023	2022
	-----Rupees in '000-----	
<b>ABL Asset Management Company Limited - Management Company</b>		
Remuneration of the Management Company	8,817	14,270
Punjab Sales Tax on remuneration of the Management Company	1,411	2,283
Accounting and operational charges	441	714
Selling and marketing expenses	4,055	6,915
<b>Digital Custodian Company Limited - Trustee</b>		
Remuneration of the Trustee	440	643
Sindh Sales Tax on remuneration of the Trustee	57	84
<b>Allied Bank Limited</b>		
Profit on savings account	8	211
Bank charges	9	-
<b>ABL Islamic Financial Planning Fund (Active Allocation Plan)</b>		
Issue of Nil (2022: 12,065,381) units	-	100,000
Redemption of 16,338,164 (2022: 22,905,114) units	112,830	187,675
<b>ABL Islamic Financial Planning Fund (Conservative Allocation Plan)</b>		
Issue of Nil (2022: 749,929) units	-	6,100
Redemption of 798,543 (2022: Nil) units	5,641	-
<b>ABL Islamic Financial Planning Fund (Aggressive Allocation Plan)</b>		
Issue of Nil (2022: 432,066) units	-	3,550
Redemption of 323,234 (2022: 626,511) units	2,275	5,113
<b>ABL Islamic Financial Planning Fund (Strategic Allocation Plan)</b>		
Issue of 478,822 (2022: 6,867,711) units	3,500	57,800
Redemption of 663,997 (2022: 17,127,280) units	4,775	133,650
<b>ABL Islamic Financial Planning Fund (Strategic Allocation Plan - III)</b>		
Issue of Nil (2022: 1,513,573) units	-	12,800
Redemption of 1,506,822 (2022: 1,324,440) units	10,725	10,910
<b>ABL Islamic Financial Planning Fund (Capital Preservation Plan - I)</b>		
Issue of 15,968,252 (2022: 91,265,195) units	118,000	768,000
Redemption of 55,267,828 (2022: 57,390,420) units	382,559	478,318

	2023	2022
	-----Rupees in '000-----	
<b>ABL Islamic Financial Planning Fund (Capital Preservation Plan - II)</b>		
Issue of 19,611,632 (2022: 31,601,262) units	142,500	252,000
Redemption of 42,426,925 (2022: 6,533,952) units	298,740	51,315
<b>Amounts / balances outstanding as at year end</b>		
<b>ABL Asset Management Company Limited - Management Company</b>		
Remuneration payable	159	1,077
Punjab Sales Tax payable on remuneration of the Management Company	25	172
Accounting and operational charges payable	32	365
Selling and marketing expenses payable	774	2,740
Other payable	333	-
<b>Digital Custodian Company Limited - Trustee</b>		
Remuneration payable to the Trustee	21	49
Sindh Sales Tax payable on remuneration of the Trustee	3	6
<b>Allied Bank Limited</b>		
Balances with bank	521	3,342
<b>ABL Islamic Financial Planning Fund (Active Allocation Plan)</b>		
Outstanding 5,496,101 (June 30, 2022: 21,834,265) units	38,622	153,624
<b>ABL Islamic Financial Planning Fund (Conservative Allocation Plan)</b>		
Outstanding Nil (June 30, 2022: 798,543) units	-	5,618
<b>ABL Islamic Financial Planning Fund (Aggressive Allocation Plan)</b>		
Outstanding 98,431 (June 30, 2022: 421,665) units	692	2,967
<b>ABL Islamic Financial Planning Fund (Strategic Allocation Plan)</b>		
Outstanding 1,684,422 (June 30, 2022: 1,869,597) units	11,837	13,154
<b>Amounts / balances outstanding as at year end</b>		
<b>ABL Islamic Financial Planning Fund (Strategic Allocation Plan - III)</b>		
Outstanding 735,588 (June 30, 2022: 2,242,410) units	5,169	15,777
<b>ABL Islamic Financial Planning Fund (Capital Preservation Plan - I)</b>		
Outstanding 3,310,007 (June 30, 2022: 42,609,583) units	23,260	299,797
<b>ABL Islamic Financial Planning Fund (Capital Preservation Plan - II)</b>		
Outstanding 2,252,018 (June 30, 2022: 25,067,311) units	15,825	176,371

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

18 FINANCIAL INSTRUMENTS BY CATEGORY

	2023		
	At amortised cost	At fair value through profit or loss	Total
	-----Rupees in '000-----		
<b>Financial assets</b>			
Bank balances	819	-	819
Investments	-	91,554	91,554
Dividend and profit receivable	79	-	79
Deposits and other receivable	2,603	-	2,603
Receivable against issuance and conversion of units	17	-	17
	<u>3,518</u>	<u>91,554</u>	<u>95,072</u>



	2022		
	At amortised cost	At fair value through profit or loss	Total
----- Rupees in '000 -----			
<b>Financial assets</b>			
Bank balances	18,441	-	18,441
Investments	-	653,413	653,413
Dividend and profit receivable	3,277	-	3,277
Deposits and other receivable	2,603	-	2,603
	<u>24,321</u>	<u>653,413</u>	<u>677,734</u>
----- Rupees in '000 -----			
<b>Financial liabilities</b>			
Payable to ABL Asset Management Company Limited - Management Company		1,323	4,354
Payable to Digital Custodian Company Limited - Trustee		24	55
Payable against redemption and conversion of units		132	3,000
Payable against purchase of investments - net		-	27
Accrued expenses and other liabilities		2,043	5,732
		<u>3,522</u>	<u>13,168</u>

## 19 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' 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 Management Company, 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 Management Company 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 Management Company 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 risks: yield / profit rate risk, currency 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 profit rates. As of June 30, 2023, the Fund is exposed to such risk on its balances with banks. 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 balances with banks 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 loss for the year would have been lower / higher and net assets of the Fund would have been higher / lower by Rs. 0.003 million (2022: Rs. 0.151 million).

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

As at June 30, 2023, the Fund does not hold any fixed rate instrument that may expose the Fund to fair value profit rate risk.

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

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2023 can be determined as follows:

-----2023-----					
Effective yield / profit rate (%)	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
	Up to three months	More than three months and up to one year	More than one year		
----- Rupees in '000 -----					
<b>Financial assets</b>					
Bank balances	310	-	-	509	819
Investments	-	-	-	91,554	91,554
Dividend and profit receivable	-	-	-	79	79
Deposits	-	-	-	2,603	2,603
Receivable against issuance and conversion of units	-	-	-	17	17
	310	-	-	94,762	95,072
<b>Financial liabilities</b>					
Payable to ABL Asset Management Company Limited - Management Company	-	-	-	1,323	1,323
Payable against redemption and conversion of units	-	-	-	132	132
Payable to Digital Custodian Company Limited - Trustee	-	-	-	24	24
Accrued expenses and other liabilities	-	-	-	2,043	2,043
	-	-	-	3,522	3,522
<b>On-balance sheet gap</b>	310	-	-	91,240	91,550
<b>Total profit rate sensitivity gap</b>	310	-	-		
<b>Cumulative profit rate sensitivity gap</b>	310	310	310		

-----2022-----					
Effective yield / profit rate (%)	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
	Up to three months	More than three months and up to one year	More than one year		
----- Rupees in '000 -----					
<b>Financial assets</b>					
Bank balances	15,150	-	-	3,291	18,441
Investments	-	-	-	653,413	653,413
Dividend and profit receivable	-	-	-	3,277	3,277
Deposits	-	-	-	2,603	2,603
	15,150	-	-	662,584	677,734
<b>Financial liabilities</b>					
Payable to ABL Asset Management Company Limited - Management Company	-	-	-	4,354	4,354
Payable to Digital Custodian Company Limited - Trustee	-	-	-	55	55
Payable against redemption and conversion of units	-	-	-	3,000	3,000
Payable against purchase of investments - net	-	-	-	27	27
Accrued expenses and other liabilities	-	-	-	5,732	5,732
	-	-	-	13,168	13,168
<b>On-balance sheet gap</b>	15,150	-	-	649,416	664,566
<b>Total profit rate sensitivity gap</b>	15,150	-	-		
<b>Cumulative profit rate sensitivity gap</b>	15,150	15,150	15,150		

#### (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. The NBFC Regulations also limit individual equity securities exposure to no more than 15% of net assets and issued capital of the investee company and sector exposure limit to 40% of the net assets.

In case of 5% increase / decrease in KMI Index (KMI 30) on June 30, 2023, with all other variables held constant, the total comprehensive loss of the Fund for the year would decrease / increase by Rs. 4.578 million (2022: Rs. 32.671 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 the 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, 2023 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 obligation in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily settlement of equity securities and daily redemptions at the option of unit holders. 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 in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

As per the NBFC Regulations, 2008, the Fund can borrow in the short-term to ensure settlement the maximum limit of which is fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund. However, no borrowing was required to be obtained by the Fund during the current year.

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 summaries 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 year to the contractual maturity dates. However, the assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month:

	-----2023-----						
	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 instrument with no fixed maturity	Total
	----- Rupees in '000 -----						
<b>Financial assets</b>							
Bank balances	819	-	-	-	-	-	819
Investments	-	-	-	-	-	91,554	91,554
Dividend and profit receivable	79	-	-	-	-	-	79
Deposits	-	-	-	-	-	2,603	2,603
Receivable against issuance and conversion of units	17	-	-	-	-	-	17
	915	-	-	-	-	94,157	95,072
<b>Financial liabilities</b>							
Payable to ABL Asset Management Limited - Management Company	1,323	-	-	-	-	-	1,323
Payable against redemption and conversion of units	132	-	-	-	-	-	132
Payable to Digital Custodian Company Limited - Trustee	24	-	-	-	-	-	24
Accrued expenses and other liabilities	1,639	404	-	-	-	-	2,043
	3,118	404	-	-	-	-	3,522
<b>Net financial (liabilities) / assets</b>	(2,203)	(404)	-	-	-	94,157	91,550



	-----2022-----						Total
	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 instrument with no fixed maturity	
	----- Rupees in '000 -----						
<b>Financial assets</b>							
Bank balances	18,441	-	-	-	-	-	18,441
Investments	-	-	-	-	-	653,413	653,413
Dividend and profit receivable	3,277	-	-	-	-	-	3,277
Deposits	-	-	-	-	-	2,603	2,603
	21,718	-	-	-	-	656,016	677,734
<b>Financial liabilities</b>							
Payable to ABL Asset Management Limited - Management Company	4,354	-	-	-	-	-	4,354
Payable to Digital Custodian Company Limited - Trustee	55	-	-	-	-	-	55
Payable against redemption and conversion of units	3,000	-	-	-	-	-	3,000
Payable against purchase of investments	27	-	-	-	-	-	27
Accrued expenses and other liabilities	5,393	339	-	-	-	-	5,732
	12,829	339	-	-	-	-	13,168
<b>Net financial assets / (liabilities)</b>	<b>8,889</b>	<b>(339)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>656,016</b>	<b>664,566</b>

### 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:

	2023		2022	
	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 -----			
Bank balances	819	819	18,441	18,441
Investments	91,554	-	653,413	-
Dividend and profit receivable	79	79	3,277	3,277
Deposits and other receivable	2,603	2,603	2,603	2,603
Receivable against issuance and conversion of units	17	17	-	-
	<b>95,072</b>	<b>3,518</b>	<b>677,734</b>	<b>24,321</b>

The maximum exposure to credit risk before any credit enhancement as at June 30, 2023 is the carrying amount of the financial assets. Investment in equity securities, however, is not exposed to credit risk and have been excluded from the above analysis.

There is a possibility of default by participants or failure of the financial market / stock exchanges, the depositories, the settlements or clearing systems, etc. Settlement risk on equity securities is considered minimal because of inherent controls established in the settlement process. The Fund's policy is to enter into financial contracts in accordance with internal risk management policies and instruments guidelines approved by the Investment Committee.

### 19.3.2 Credit quality of financial assets

The Fund's significant credit risk arises mainly on account of its placements in banks and profit accrued thereon. The credit rating profile of bank balances and its accrued profit is as follows:

Rating	% of financial assets exposed to credit risk	
	2023	2022
<b>Bank balances and profit accrued thereon</b>		
AAA	0.63%	2.14%
AA-	0.23%	1.06%
A	0.09%	-
	<b>0.94%</b>	<b>3.20%</b>

### 19.3.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic and industry factors similarly affect groups of counter parties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. As transactions are entered with credit worthy parties and are within the regulatory limits, therefore any significant concentration of credit risk is mitigated.

All financial assets of the Fund as at June 30, 2023 and June 30, 2022 are unsecured and are not impaired.

## 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 reporting 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, 2023, and June 30, 2022 the Fund held the following financial instruments measured at fair value:

	2023			
	Level 1	Level 2	Level 3	Total
	----- Rupees in '000-----			
<b>Financial assets</b>				
Listed equity securities	91,554	-	-	91,554
	-----			
	2022			
	Level 1	Level 2	Level 3	Total
	----- Rupees in '000-----			
<b>Financial assets</b>				
Listed equity securities	653,413	-	-	653,413
	-----			

## 21 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. These units are entitled to dividends and to payment of a proportionate share based on the Fund's Net Asset Value per unit on the redemption date. The relevant movements are shown on the 'Statement of Movement in Unit Holders' Fund'.

The Fund has no restriction on the subscription and redemption of units. As required under the NBFC Regulations, 2008 every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs 100 million at all times during the life of the scheme. The Fund has historically maintained and complied with the requirement of minimum fund size at all times except for the period from May 23, 2023 to June 6, 2023 and from June 8, 2023 to June 30, 2023.

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

In accordance with the risk management policies as stated in note 19, the Fund endeavors to invest the subscriptions received in appropriate investment avenues while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by disposal of investments or short-term borrowings, where necessary.

22 UNIT HOLDING PATTERN OF THE FUND

Category	2023			2022		
	Number of unit holders	Investment amount	Percentage of total	Number of unit holders	Investment amount	Percentage of total
		(Rupees in '000)			(Rupees in '000)	
Associated companies & directors	6	95,404	100%	7	667,305	100%
	6	95,404	100%	7	667,305	100%

23 LIST OF TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

2023		2022	
Name of broker	Percentage of commission	Name of broker	Percentage of commission paid
Topline Securities Limited	12.78%	AKD Securities Limited	11.33%
Alfalah CLSA Securities (Private) Limited	12.77%	Alfalah CLSA Securities (Private) Limited	10.47%
AKD Securities Limited	10.22%	Arif Habib Limited	0.0904
Ismail Iqbal Securities (Private) Limited	9.14%	Topline Securities Limited	8.58%
Intermarket Securities Limited	8.82%	Ismail Iqbal Securities (Private) Limited	7.80%
Optimus Capital Management (Private) Limited	8.71%	JS Global Capital Limited	7.44%
EFG Hermes (Pakistan) Limited	8.63%	Optimus Capital Management (Private) Limited	6.93%
Akik Capital (Private) Limited	6.99%	EFG Hermes Pakistan Limited	6.47%
Insight Securities (Private) Limited	6.69%	Inter Market Securities Limited	6.29%
Adam Securities Limited	6.24%	Insight Securities (Private) Limited	4.97%

24 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

Following are the details in respect of members of the Investment Committee of the Fund:

Name	Designation	Qualification	Overall experience (in years)
Mr. Naveed Nasim	Chief Executive Officer	MBA	24
Mr. Saqib Matin	CFO & Company Secretary	FCA & FPFA	24
Mr. Wajeeh Haider	Acting Head of Risk Management	M. Econ.	11
Mr. Fahad Aziz	Head of Fixed Income	MBA	17
Mr. Amjad Hussain	Senior Fund Manager - Equity	BS Hons. & CFA	10
Mr. Kamran Anwar	Fund Manager - Equity	MBA	7
Mr. Muhammad Abdul Hayee	Head of Research	MBA & CFA	15
Mr. Abdul Rehman Tahir	Fund Manager - Fixed Income	MBA & CFA	12

25 NAME AND QUALIFICATION OF THE FUND MANAGER

Name	Designation	Qualification	Other Funds managed by the Fund Manager
Kamran Anwar	Fund Manager - Equity	MBA	Allied Finergy Fund

26 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The 72nd, 73rd, 74th and 75th meeting of the Board of Directors were held on August 24, 2022, October 26, 2022, February 14, 2023 and April 28, 2023, respectively. Information in respect of attendance by the directors and other persons in the meetings is given below:

S.No.	Name	Number of meetings			Meetings not attended
		Held	Attended	Leave granted	
1	Sheikh Mukhtar Ahmed	4	4	-	-
2	Mohammad Naeem Mukhtar	4	3	1	73rd
3	Muhammad Waseem Mukhtar	4	4	-	-
4	Mr. Aizid Razzaq Gill	4	4	-	-
5	Ms. Saira Shahid Hussain	4	4	-	-
6	Muhammad Kamran Shehzad	4	4	-	-
7	Pervaiz Iqbal Butt	4	4	-	-
8	Alee Khalid Ghaznavi *	2	2	-	-
9	Naveed Nasim**(Chief Executive Officer)	2	2	-	-
<b>Other persons</b>					
10	Saqib Matin ***	4	4	-	-

\* Mr. Alee Khalid Ghaznavi resigned from the position of Chief Executive Officer (CEO) with effect from January 25, 2023.

\*\* Mr. Naveed Nasim was appointed as the Chief Executive Officer (CEO) with effect from February 1, 2023.

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

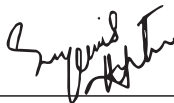
## 27 GENERAL

27.1 Figures have been rounded off to the nearest thousand Rupees, unless otherwise stated.

## 28 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on **August 24, 2023** by the Board of Directors of the Management Company.

For ABL Asset Management Company Limited  
(Management Company)



Saqib Matin  
Chief Financial Officer



Naveed Nasim  
Chief Executive Officer



Pervaiz Iqbal Butt  
Director





## DISCLOSURE OF PROXY VOTING

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	Resolutions	For	Against	Abstain	Reason for Abstaining
Number	4	4	-	-	-
(%ages)	100	100	-	-	-

The proxy voting policy of the CIS is available on the website of the AMC and detailed information regarding actual proxies voted by the AMC in respect of the CIS is also available without charge, upon request, to all unit holders.

## آڈیٹر

میسرز اے ایف فرگوسن اینڈ کمپنی (چارٹرڈ اکاؤنٹنٹ) کو، اے بی ایل اسلامک ڈیڈیکٹڈ اسٹاک فنڈ (اے بی ایل - آئی ڈی ایس ایف) کے لئے 30 جون 2024 کو ختم ہونے والے سال کے لئے دوبارہ آڈیٹر مقرر کیا گیا ہے۔

## میجمنٹ کمپنی کی کوالٹی کی درجہ بندی

26 اکتوبر 2022 کو: پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے ABL ایسیٹ میجمنٹ کمپنی (ABL AMC) کی میجمنٹ کو ایلٹی ریٹنگ (MQR) کو 'AM-One' (AM1) پر اپ گریڈ کر دیا ہے۔ تفویض کردہ درجہ بندی پر آؤٹ لک 'مستحکم' ہے۔

## آؤٹ لک


بین الاقوامی منڈی میں اشیاء کی آسمان چھوتی قیمتوں، ملک میں تباہ کن سیلاب، غیر ملکی زر مبادلہ کے ذخائر میں کمی اور سیاسی عدم استحکام سمیت متعدد عوامل کی وجہ سے مالی سال 23 کے دوران مارکیٹ شدید دباؤ کا شکار رہی۔ ان تمام متذکرہ بالا عوامل نے سی پی آئی انڈیکس کو تاریخی بلندی تک پہنچنے میں اہم کردار ادا کیا۔ مزید برآں، مرکزی بینک کی جانب سے سسٹمک منیجمنٹ پالیسی کو اپنانے سے ایکویٹی مارکیٹ کی کارکردگی کو کنٹرول میں رکھا گیا۔ آگے بڑھتے ہوئے، ہم توقع کرتے ہیں کہ ایکویٹی مارکیٹ پر فارم کرے گی کیونکہ دنیا بھر میں متوقع کساد بازاری کے درمیان بین الاقوامی مارکیٹ میں اشیاء کی قیمتیں ٹھنڈی ہو گئی ہیں۔ مزید یہ کہ انتخابات کے بعد متوقع ملکی سیاسی استحکام بھی ایک مثبت رفتار پیدا کرے گا۔

## 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 (ڈیجیٹل کسٹوڈین کمپنی 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

  
نویس  
چیف ایگزیکٹو آفیسر

لاہور، 24 اگست، 2023

  
ABL Islamic Dedicated Stock Fund

 ABL Asset Management  
Discover the potential

میں کوئلے کی قیمت میں کمی کے ساتھ ہے۔ جیسا کہ ہم آگے دیکھتے ہیں، انتخابی سال کی وجہ سے تعمیراتی شعبہ دباؤ میں رہ سکتا ہے، جو اکثر غیر یقینی صورتحال کو متعارف کرواتا ہے اور تعمیراتی صنعت میں محتاط اخراجات کا باعث بن سکتا ہے۔ مزید برآں، آئی ایم ایف کی طرف سے مقرر کردہ شرائط کو پورا کرنے کے اقدامات کے حصے کے طور پر پبلک سیکٹر ڈویلپمنٹ پروگرام (PSDP) میں متوقع کمی ہے۔

### فنڈ کی کارکردگی

مالی سال 23 کو ختم ہونے والے سال کے لیے، اے بی ایل اسلامک ڈیڈیکٹڈ سٹاک فنڈ نے 2.88% کے بیچ مارک ریٹرن کے مقابلے میں 0.13% کا منفی ریٹرن دیا، جو کہ 3.01% کی کم کارکردگی کو ظاہر کرتا ہے۔ زیر نظر سال کے دوران، اے بی ایل اسلامک ڈیڈیکٹڈ سٹاک فنڈ کی AUM میں 86% کمی واقع ہوئی اور وہ 30 جون 22 کو 667.3 ملین کے مقابلے میں 30 جون 23 کو 95.4 ملین روپے ہو گئی۔

### اضافی معاملات

1. انتظامیہ کمپنی کے ڈائریکٹرز کی تفصیل اس سالانہ رپورٹ میں ظاہر کی گئی ہے۔
2. مالی بیانات معاملات کی منصفانہ حالت، پیش کردہ کارروائیوں، نقد بہاؤ اور یونٹ ہولڈر کے فنڈ میں بدلاؤ پیش کرتے ہیں۔
3. فنڈ کے اکاؤنٹس کی مناسب کتابیں برقرار رکھی گئیں۔
4. مالی بیانات کی تیاری میں مناسب اکاؤنٹنگ پالیسیاں مستقل طور پر لاگو ہوتی ہیں اور محاسبہ کا تخمینہ معقول اور محتاط فیصلوں پر مبنی ہوتا ہے۔
5. متعلقہ بین الاقوامی اکاؤنٹنگ معیارات، جیسا کہ پاکستان میں لاگو ہوتا ہے، غیر بیکاری فنانس کمپنیوں (اسٹیبلشمنٹ اینڈ ریگولیشن) رولز 2003 اور نان بینکنگ فنانس کمپنیوں اور مطلع شدہ اداروں کے ضوابط، 2008 کی دفعات، ٹرسٹ ڈیڈ کی شرائط اور جاری کردہ ہدایات مالیاتی بیانات کی تیاری میں سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی پیروی کی گئی ہے۔
6. اندرونی کنٹرول کا نظام ڈیزائن میں مستحکم ہے اور اس کو موثر انداز میں لاگو اور نگرانی کیا گیا ہے۔
7. فنڈ کی تشویش کی حیثیت سے جاری رکھنے کی اہلیت پر کوئی خاص شبہات نہیں ہیں۔
8. فنڈ کی کارکردگی کا جزو سالانہ رپورٹ کے صفحہ # 12 پر دیا گیا ہے۔
9. ٹیکسوں، ڈیوٹیوں، محصولات اور محصولات اور مالی معاوضوں میں پہلے ہی انکشاف کے علاوہ دیگر معاوضوں کی وجہ سے کوئی قانونی ادائیگی نہیں ہے۔
10. پروویڈنٹ فنڈ کی سرمایہ کاری کی قیمت کے بارے میں بیان فنڈ کے معاملے میں لاگو نہیں ہوتا ہے کیونکہ ملازمین کی ریٹائرمنٹ کے فوائد کے اخراجات انتظامیہ کمپنی برداشت کرتی ہے۔
11. 30 جون، 2023 کو یونٹ ہولڈنگز کا بیٹرن مالیاتی گوشوارے کے نوٹ نمبر 25 میں دیا گیا ہے۔

اس کے علاوہ، کرنسی کے اتار چڑھاؤ (QCY232 اوسط: -0.77%) کے درمیان بینک FX آمدنی میں معمولی اضافہ دیکھ سکتے ہیں۔

بڑھتی ہوئی افراط زر کے دباؤ کی وجہ سے OpEx بھی بلند رہنے والا ہے (CPI 2QCY23 اوسط: 34.6% بمقابلہ QCY231 اوسط 31.5%)۔

### پاور سیکٹر

KSE-100 انڈیکس کے مقابلے میں پاور سیکٹر نے نمایاں کم کارکردگی کا مظاہرہ کیا، کیونکہ اس نے YoY %19.0 منفی ریٹرن پوسٹ کیا، اس کے برعکس بینچ مارک کی YoY %0.2 کی معمولی کمی۔ پاور سیکٹر کی ناقص کارکردگی کو بنیادی طور پر خود مختار پاور پروڈیوسرز کو درپیش لیکویڈیٹی کے مسائل سے منسوب کیا جاسکتا ہے، جو بڑھتے ہوئے گردش قرضے سے پیدا ہوتا ہے۔ رپورٹس کے مطابق، پاور سیکٹر کا گردش قرضہ 2.6tn PKR تک پہنچ گیا ہے اور ماہانہ بنیادوں پر 50-55bn کا اضافہ ہو رہا ہے۔ آگے دیکھتے ہوئے، بجلی کا شعبہ بجلی کے نرخوں میں اضافہ کر کے گردش قرضوں کے مزید ڈھیر کو کم کرنے کے حوالے سے آئی ایم ایف کی طرف سے عائد کردہ شرائط سے فائدہ اٹھا سکتا ہے۔

### کھاد کا شعبہ

FY23 کے دوران، کھاد کے شعبے نے بینچ مارک کے مقابلے میں کم کارکردگی کا مظاہرہ کیا، کیونکہ اس نے 0.2% کے بینچ مارک کی کمی کے مقابلے میں 9.6% کی منفی واپسی ریکارڈ کی۔ اس شعبے کی اس مایوس کن کارکردگی کی وجہ کھاد کی مصنوعات کی خریداری میں کمی کو قرار دیا جاسکتا ہے، جس کا مشاہدہ نیشنل فریٹلائزر ڈویلپمنٹ سینٹر (NFDC) کے ذریعہ رپورٹ کردہ نمبروں سے ہوتا ہے۔ اسی مدت کے دوران یورپا کی خریداری میں 7.0% YoY اور DAP کی خریداری میں 29.0% کی کمی واقع ہوئی۔ ملک میں تباہ کن سیلاب کے درمیان خاص طور پر ڈی اے پی کی زیادہ قیمتیں کسانوں کی طرف سے کھاد کی مصنوعات کے کم استعمال کی بنیادی وجوہات رہی ہیں۔ اگرچہ بین الاقوامی منڈی میں اجناس کی قیمتیں کسی حد تک ٹھنڈی ہو چکی ہیں، لیکن وہ اب بھی گھریلو کھلاڑیوں کو قیمتوں میں اضافے کی گنجائش فراہم کرتی ہیں تاکہ آئی ایم ایف کی ضرورت کو پورا کرنے کے لیے گیس کی قیمتوں میں متوقع اضافے کے اثرات سے گزر سکیں۔

### ٹیکنالوجی اور کمیونیکیشن

ٹیکنالوجی کے شعبے نے بینچ مارک سے آگے نکل کر شاندار کارکردگی کا مظاہرہ کیا، سال بہ سال 11.4% کی مثبت واپسی حاصل کی، جبکہ بینچ مارک نے سال بہ سال 0.2% کی منفی واپسی کا تجربہ کیا۔ اس قابل ذکر کارکردگی کو ٹیکنالوجی کے شعبے کے برآمدی کاروباری ماڈل سے حاصل ہونے والے فوائد سے منسوب کیا جاسکتا ہے، جس نے امریکی ڈالر کی نسبت PKR کی قدر میں نمایاں فائدہ اٹھایا۔

### سیمنٹ

سیمنٹ سیکٹر نے YoY %0.2 کے بینچ مارک منفی منافع کے مقابلے میں YoY %12.2 کی مثبت واپسی پوسٹ کر کے زبردست کارکردگی کا مظاہرہ کیا۔ اس قابل ذکر کارکردگی کی وجہ سیمنٹ اسٹاک میں سرمایہ کاری میں اضافہ ہوا ہے جس کی وجہ سستی قیمت ہے جو بین الاقوامی منڈی



اور PKR کی قدر میں کمی کے درمیان کاروں کی انتہائی بلند قیمتوں کی وجہ سے ہے۔ آگے بڑھتے ہوئے، ہمیں یقین ہے کہ صنعت آٹو سیلز میں اسی طرح کے رجحانات کا مشاہدہ کرے گی جب تک کہ معاشی صورتحال کو تبدیل نہیں کیا جاتا۔

**آئل اینڈ گیس سیکٹر**

مالی سال 23 کے لیے تیل اور گیس کی تلاش کے شعبے کی آمدنی میں گرین بیک کے مقابلے میں پاکستانی روپے کی شدید گراؤٹ کی وجہ سے معقول اضافہ متوقع ہے، جس نے ان کمپنیوں کی آمدنی میں اضافہ کیا اور اس کے نتیجے میں بھاری زر مبادلہ میں اضافہ ہوا۔ تاہم، میلہ، ناشپا، KPD-TAY، ادھی، اچ، سوئی، قادر پور، مرمرئی، اور مردن خیل جیسے بڑے شعبوں میں قدرتی کمی کی وجہ سے تیل اور گیس کی پیداوار میں بالترتیب 6% اور 4% سالانہ کمی واقع ہوئی۔ مزید برآں، SBP کے پاس موجود FX ذخائر کی کمی کی وجہ سے، کمپنیوں کو ڈرلنگ کی سرگرمی کے لیے آلات، اسپیر پارٹس، اور دیگر مواد درآمد کرنے میں مسائل کا سامنا کرنا پڑا، جس کے نتیجے میں سال کے دوران نچلے کنومیں پھٹ گئے۔ دریں اثنا، کمپنیوں کے تصفیے کے گردشی قرضے سے متعلق واجب الادا وصولیوں کی دوبارہ شرح ملٹی پلس ہوگی۔ اس کے علاوہ، MARI نے FY23 میں اپنا سچل گیس پروسیسنگ کمپلیکس پروجیکٹ مکمل کیا، جس میں اب 150 mmcf/d گیس شامل ہو رہی ہے۔

**بینکنگ سیکٹر**

بینکنگ سیکٹر نے HCY231 کے دوران KSE100 کو 2.03% (کل واپسی 1.15%) سے بہتر کارکردگی کا مظاہرہ کیا۔

منافع کے لحاظ سے، QCY232 کے دوران، پالیسی کی شرح میں اضافے اور مضبوط بیلنس شیٹ کی نمو کے درمیان بینکنگ سیکٹر سے سالانہ آمدنی میں اضافہ متوقع ہے۔

بہتر NIMs کی توقع سرمایہ کاری پر زیادہ پیداوار کے ذریعے کی جاتی ہے، بنیادی طور پر فلوٹر بانڈز اور T-Bills سے، اور ایڈوائس پر زیادہ پیداوار کے ساتھ، ریکارڈ زیادہ پیداوار اور KIBOR کے پیش نظر۔

تاہم، یہ نوٹ کرنا ضروری ہے کہ مالی سال 24 کے بجٹ میں سپر ٹیکس کی شرح میں 4% سے 10% تک اضافے کا مجموعی منافع بخش بینکنگ سیکٹر پر منفی اثر پڑے گا۔ اس کے نتیجے میں بینکوں کی آمدنی میں QoQ میں کمی آئے گی۔

بینکنگ انڈسٹری کی ترقی میں جون 23 کے آخر تک QoQ میں 3.1% اضافہ ہوا، جو کہ 8.2% QoQ کی ڈپازٹ گروتھ سے کم ہے، جس نے بینکنگ سیکٹر کی مجموعی ADR کو 47.8% تک پہنچا دیا۔

بینکنگ سیکٹر کا IDR جون 23 تک 81.9 فیصد رہا کیونکہ بینکوں نے سرکاری کاغذات کے ذریعے محفوظ منافع پر توجہ مرکوز کی۔

اس مدت کے دوران قرض دینے کی اوسط شرح مئی 23 تک بڑھ کر 19.4 فیصد تک پہنچ گئی (693 bps سال سے زیادہ)۔

آگے بڑھتے ہوئے، ہم توقع کرتے ہیں کہ بینک اثاثوں کی پیداوار کو سپورٹ کرنے کے لیے سمجھدار قرض دینے کے طریقہ کار کے ساتھ زیادہ پیداوار والے بانڈز میں سرمایہ کاری جاری رکھیں گے۔

## میوچل فنڈ انڈسٹری کا جائزہ

اوپن اینڈ میوچل فنڈ انڈسٹری کے کل اثاثوں کے زیر انتظام (AUMs) میں مالی سال 23 کے دوران 29 فیصد اضافہ ہوا (1274 بلین روپے سے 1643 بلین تک)، بنیادی طور پر کرنسی مارکیٹ میں کافی بہاؤ اور فکسڈ انکم فنڈز میں اضافے کی وجہ سے شرح سود، بڑھتے ہوئے ٹی بلز اور پی آئی بی کی پیداوار کے ساتھ۔ ایکویٹی مارکیٹ فنڈز، بشمول روایتی اور اسلامی، میں 29% کی کمی دیکھی گئی جو اس مدت کو 130.4 بلین روپے پر بند کرتی ہے۔ اگرچہ، کل منی مارکیٹ اور فکسڈ انکم فنڈز کے AUMs بالترتیب 35% اور 46% بڑھ کر 917 بلین روپے اور 438 بلین ہو گئے۔

## اسلامی اسٹاک مارکیٹ کا جائزہ

مالی سال 23 کے دوران، KMI-30 انڈیکس نے معمولی کارکردگی دکھائی، جو کہ 2.88% YoY کا اضافہ ہوا، اور 70,748 پوائنٹس پر بند ہوا۔ متعلقہ مدت کے دوران مجموعی طور پر معاشی اور سیاسی صورتحال کمزور رہی۔ ابتدائی طور پر، حکومت آئی ایم ایف پروگرام کو مکمل طور پر بحال کرنے میں ناکام نظر آتی ہے جس کی وجہ سے سرمایہ کاروں میں شدید تشویش پائی جاتی ہے۔ کئی اشارے ریکارڈ کی سطح پر پہنچ گئے جیسے پالیسی ریٹ 22%، مئی 23 کے مہینے کے لیے 38% CPI پر اور PKR مسلسل اپنی قدر رکھو بیٹھا اور مدت 286.5 USD / PKR پر بند ہوئی۔ تاہم، مسلسل کوششوں کے بعد پاکستان نے مالی سال کے آخری دن آئی ایم ایف کے ساتھ 3 ارب امریکی ڈالر کے اسٹینڈ بائی آرینجمنٹ پر دستخط کر کے ایک اہم پیش رفت حاصل کرنے میں کامیابی حاصل کی جس سے معیشت کو راحت کی سانس ملی۔

اوسط تجارت کے حجم میں 6% YoY اضافہ ہوا جبکہ قیمت 38% YoY کی کمی سے بالترتیب 56 ملین اور 13 USD ملین ہو گئی۔ غیر ملکیوں نے مذکورہ مدت کے دوران 1 USD ملین کے شیئرز خریدے۔ مقامی محاذ پر، میوچل فنڈز اور انشورنس کمپنیاں، بالترتیب 144 ملین امریکی ڈالر اور 124 ملین امریکی ڈالر کی خالص فروخت کے ساتھ سب سے آگے رہیں۔

انڈیکس کی مضبوطی میں حصہ ڈالنے والے شعبے فریڈاٹرز تھے اور سیمنٹ نے بالترتیب 2,281 اور 1,220 پوائنٹس کا اضافہ کیا۔ دوسری طرف، تیل اور گیس کی مارکیٹنگ کمپنیوں، اور کیمیکل سیکٹرز نے بالترتیب 868 اور 840 پوائنٹس کو گھٹا کر انڈیکس پر منفی اثر ڈالا۔ آگے بڑھتے ہوئے، ہم سمجھتے ہیں کہ IMF کے مؤقف پر کامیاب پیروی، اگست میں اسمبلیوں کی مدت کی تحلیل / مکمل ہونے اور اس کے بعد ہونے والے عام انتخابات مارکیٹ کی قسمت کا تعین کرنے میں کلیدی توجہ رہیں گے۔

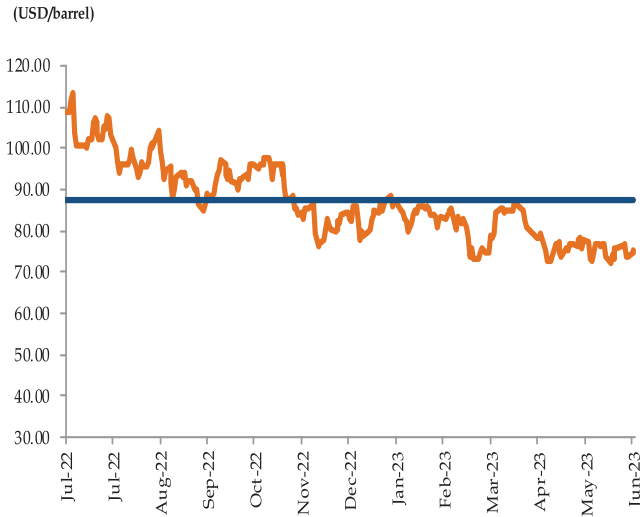
## سیکٹرز کا جائزہ

### آٹو موبائل سیکٹر

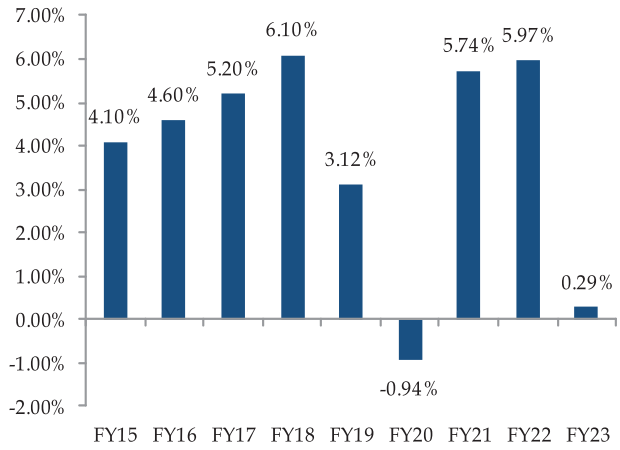
پاکستان آٹو موبائل سیکٹر میں سال 22 میں 234,180 یونٹس کے مقابلے میں FY23 میں مسافر کاروں کی فروخت میں تقریباً 59% کی کمی دیکھنے میں آئی ہے جو کہ 96,812 یونٹس رہی۔ درج کردہ پلیئرز HCAR، INDU اور PSMC کے YOY سیلز والیوم میں مذکورہ مدت میں بالترتیب 58%، 57% اور 57% کی کمی واقع ہوئی۔ FY23 میں یہ زبردست کمی درآمدی پابندیوں، بلند شرح سود، اور بڑھتی ہوئی افراط زر

پورے FY23 کے دوران، کنزیومر پرائس انڈیکس (CPI) نے تشویشناک تصویر پیش کی ہے جس میں افراط زر کی اوسط شرح 29.0% YOY تک پہنچ گئی ہے جو پچھلے سال کی اسی مدت میں 12.1% YOY تھی۔ قیمت میں یہ نمایاں اضافہ نقل و حمل، رہائش اور خوراک سمیت مختلف شعبوں میں دیکھا گیا ہے۔ تاریخی بلند افراط زر کئی عوامل سے منسوب ہے جیسے توانائی کے نرخوں میں اضافہ، ایندھن کی قیمتوں میں اضافہ، USD کے مقابلے میں PKR کی قدر میں کمی اور ملک میں غیر معمولی سیلاب کے نتیجے میں سپلائی کے جھٹکے۔ فوڈ انڈیکس میں مشاہدہ کیے گئے مذکورہ عوامل کی عکاسی جس نے ہیڈ لائن افراط زر میں سب سے زیادہ حصہ ڈالا۔ آگے دیکھتے ہوئے، ہم توقع کرتے ہیں کہ پورے سال کی افراط زر دوہرے ہندسوں میں رہے گی۔ یہ مقالہ آئی ایم ایف کی ضرورت کو پورا کرنے کے لیے بجلی اور گیس کے نرخوں میں متوقع اضافے پر مبنی ہے جس سے براہ راست یا بالواسطہ سی پی آئی انڈیکس میں اضافہ ہوگا۔ مزید برآں، مارکیٹ پر مبنی شرح مبادلہ کی وجہ سے PKR کی متوقع قدر میں کمی اور درآمدی پابندی کے خاتمے سے قیمت کی سطح میں اضافے کے رجحان میں بھی حصہ ڈال سکتا ہے۔

— Crude Oil (Brent) — Average (one year)



GDP growth



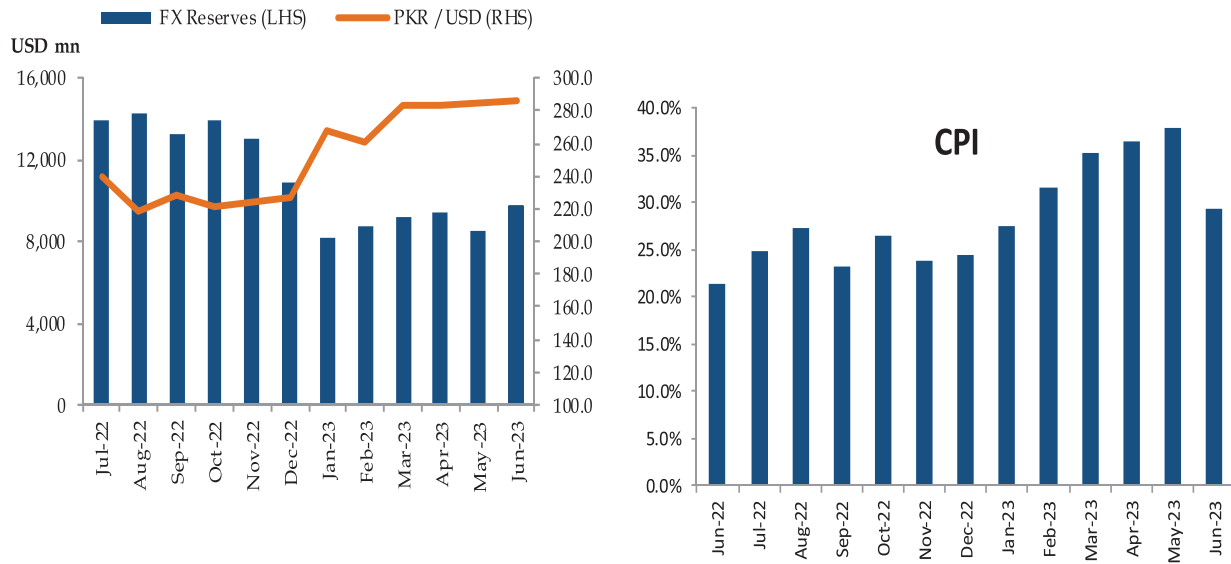
ادائیگی کے توازن کے محاذ پر، ملک نے گزشتہ سال کی اسی مدت میں USD 15.2bn کے خسارے کے مقابلے میں USD 2.9bn کا مجموعی خسارہ پوسٹ کر کے نمایاں بہتری حاصل کی ہے۔ کرنٹ اکاؤنٹ خسارے میں اس کمی کو بنیادی طور پر تجارتی خسارے میں 35.1 فیصد سال بہ سال کمی سے منسوب کیا جاسکتا ہے، جو درآمدات کو کم کرنے کے لیے اقدامات کے ذریعے حاصل کیا گیا ہے۔ مزید برآں، ترسیلات زر میں 15.8 فیصد کمی واقع ہوئی ہے جو کہ USD 27bn تک پہنچ گئی ہے۔ یہ بات قابل ذکر ہے کہ انٹرنیٹ اور اوپن مارکیٹ میں زر مبادلہ کی شرحوں کے درمیان کافی تفاوت برقرار ہے، جس سے غیر ملکیوں کو اوپن مارکیٹ ریٹ پر کرنسی کے تبادلے کا موقع ملا جس کے نتیجے میں ترسیلات زر میں کمی آئی ہے۔ ملک کے زر مبادلہ کے ذخائر 30 جون 2023 تک 9.1 بلین امریکی ڈالر تھے جو 2 ماہ کا کل درآمدی احاطہ فراہم کرتے ہیں۔

## مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

اے بی ایل اسلامک ڈیڈیکٹڈ اسٹاک فنڈ (اے بی ایل - آئی ڈی ایس ایف) کی انتظامیہ کمپنی، اے بی ایل ایسٹ مینجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز 30 جون، 2022 کو ختم ہونے والے سال کے لئے اے بی ایل اسلامک ڈیڈیکٹڈ اسٹاک فنڈ کے آڈٹ شدہ فنانشل اسٹیٹمنٹ پیش کرنے پر خوشی محسوس کرتے ہیں۔

### اقتصادی کارکردگی کا جائزہ

معاشی منظر نامے کو شدید معاشی عدم توازن، جڑواں خسارہ، ایک بے مثال سیلاب، سپلائی کے جھٹکے، سیاسی عدم استحکام اور عالمی معاشی سست روی نے متاثر کیا ہے۔ نتیجتاً، مالی سال 23ء کے لیے مجموعی اقتصادی نمو صرف 0.3 فیصد سالانہ شرح نمو کے ساتھ متاثر ہوئی ہے۔ تاہم، یہ بات قابل توجہ ہے کہ زراعت اور خدمات کے شعبے نے بالترتیب 1.6% اور 0.9% کی نمو کے ذریعے اس معمولی اقتصادی ترقی کی رفتار میں مثبت کردار ادا کیا جبکہ اسی عرصے کے دوران صنعتی شعبے کی کارکردگی مایوس کن رہی، جس میں 2.9% کی منفی نمو ظاہر ہوئی۔ صنعتی ترقی کی ناقص کارکردگی بنیادی طور پر غیر ملکی زر مبادلہ کے کم ہوتے ذخائر کے درمیان محدود درآمدی پالیسی کی وجہ سے تھی۔ صنعتی خام مال کی درآمد پر عائد پابندیاں پیداواری عمل میں رکاوٹیں بنی ہوئی ہیں، جس سے بڑے پیمانے پر مینوفیکچرنگ پر منفی اثر پڑتا ہے۔ FY23 میں فی کس آمدنی USD 1765 سے کم ہو کر USD 1568 تک پہنچ گئی ہے۔ اس کمی کو امریکی ڈالر کی نسبت PKR کی قدر میں کمی اور مجموعی گھریلو پیداوار (GDP) کے سکڑاؤ سے منسوب کیا جاسکتا ہے۔







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