



**ISLAMIC PENSION FUND**  
ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2019

# Annual **REPORT**



**ABL Asset Management**

Discover the potential

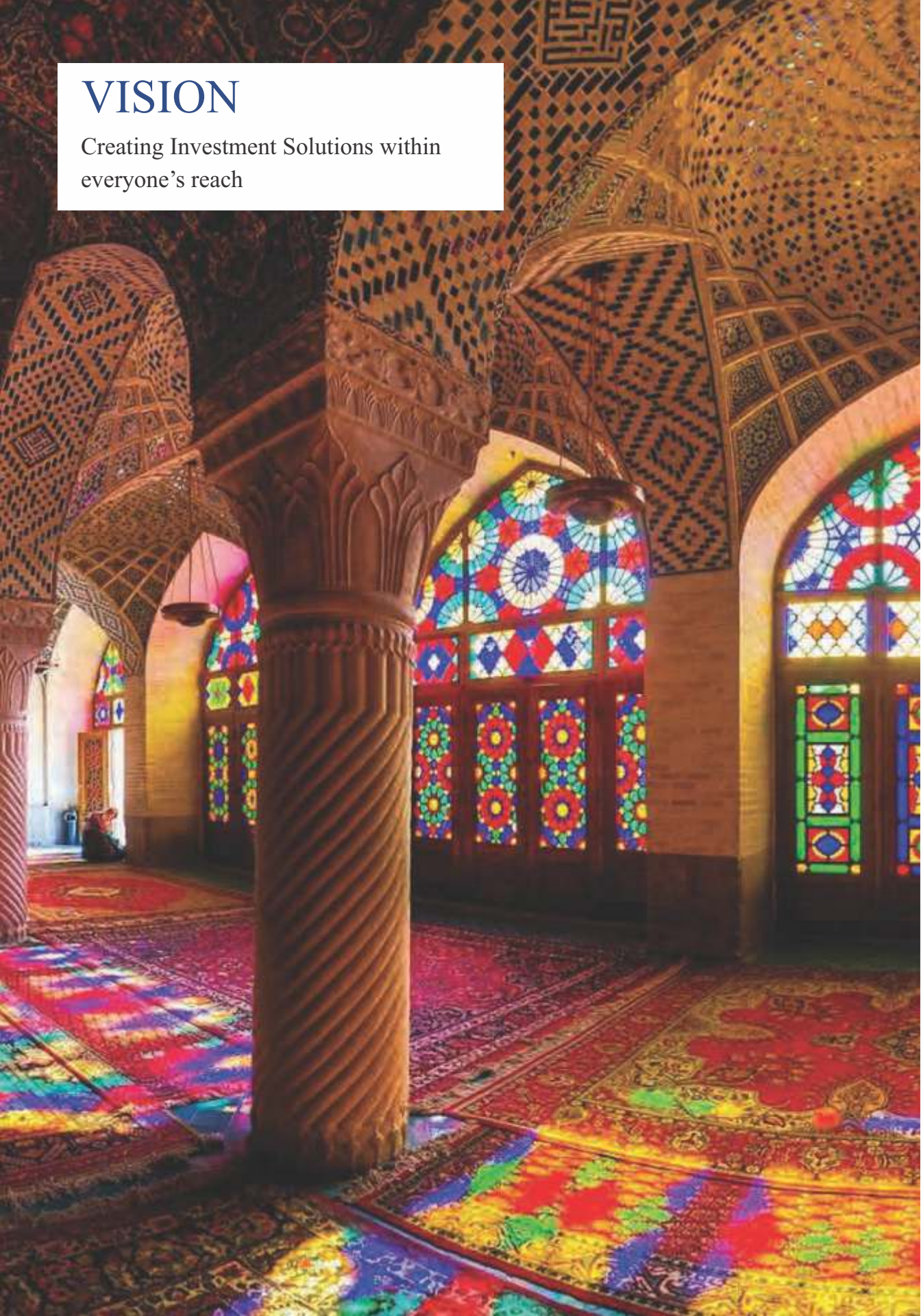


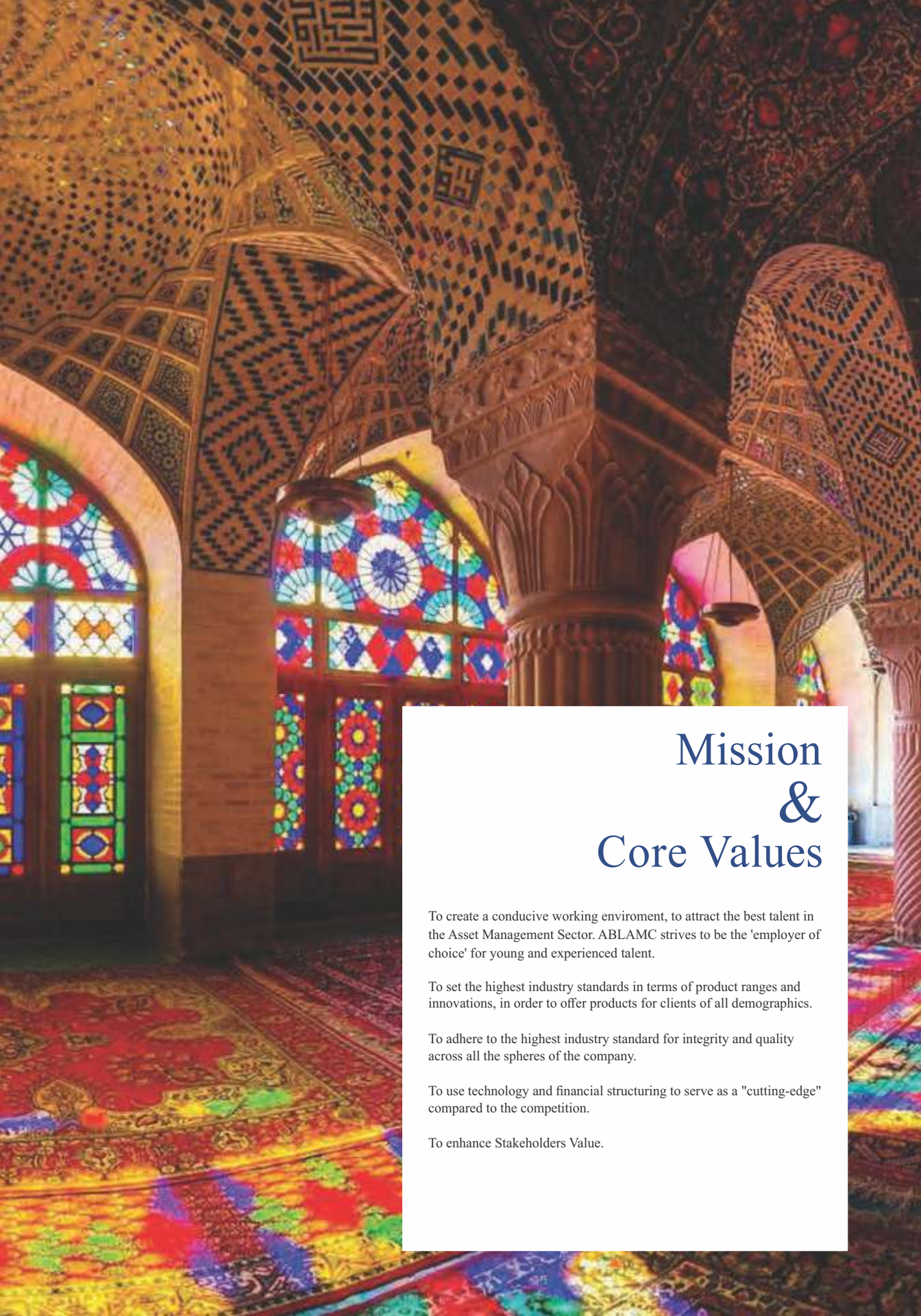
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# VISION

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

<b>Management Company:</b>	ABL Asset Management Company Limited Plot/Building # 14, Main Boulevard, DHA, Phase - VI, Lahore - 54810	
<b>Board of Directors</b>	Sheikh Mukhtar Ahmed Mr. Mohammad Naeem Mukhtar Mr. Muhammad Waseem Mukhtar Mr. Tahir Hassan Qureshi Mr. Pervaiz Iqbal butt Mr. Muhammad Kamran Shehzad Mr. Alee Khalid Ghaznavi	Chairman      CEO/ Director
<b>Audit Committee:</b>	Mr. Muhammad Kamran Shehzad Mr. Muhammad Waseem Mukhtar Mr. Pervaiz Iqbal butt	Chairman Member Member
<b>Human Resource and Remuneration Committee</b>	Mr. Muhammad Waseem Mukhtar Mr. Pervaiz Iqbal butt Mr. Alee Khalid Ghaznavi Mr. Muhammad Kamran Shehzad	Chairman Member Member Member
<b>Chief Executive Officer of The Management Company:</b>	Mr. Alee Khalid Ghaznavi	
<b>Chief Financial Officer &amp; Company Secretary:</b>	Mr. Saqib Matin	
<b>Chief Internal Auditor:</b>	Mr. Kamran Shehzad	
<b>Trustee:</b>	Central Depository Company of Pakistan Limited. CDC-House, Shahrah-e-Faisal, Karachi	
<b>Bankers to the Fund:</b>	Allied Bank Limited Bank Askari Bank Limited United Bank Limited	
<b>Auditor:</b>	Deloitte Yousuf Adil Chartered Accountants 134-A, Abubakar Block New Garden Town, Lahore.	
<b>Legal Advisor:</b>	Ijaz Ahmed & Associates Advocates & Legal Consultants No. 7, 11th Zamzama Street, Phase V DHA Karachi.	
<b>Registrar:</b>	ABL Asset Management Company Limited. L - 48, Defence Phase - VI, Lahore - 74500	



## REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of ABL Asset Management Company Limited, the management company of ABL Islamic Pension Fund (ABL-IPF), is pleased to present the Audited Financial Statements of ABL Islamic Pension Fund for the year ended on June 30, 2019.

### ECONOMIC PERFORMANCE REVIEW

The outgoing year was an election year where a new political setup came into power. While the initiatives of the new government seemed to serve a noble cause, the seemingly haphazard approach to policy making created a tense environment for all stakeholders of the economy. On the external front, FY19 Current Account of Balance of Payment showed a marked improvement where the deficit stood at USD 13,587 million as compared to USD 19,897 million during the same period last year. Despite a 31.7% PKR/USD devaluation over FY19 following 16% in FY18, exports remained stunted; declining by 1.8% during FY19 while imports also dropped by 8.8%. Apart from the improvement in trade deficit, 9.7% higher remittances from overseas Pakistanis (USD 21,842 million during FY19) added to the relief. However, a continued plunge in the country's foreign exchange reserves, where SBP import cover dropped to around 1.6 months (from 4 months and 2.1 months for FY17 and FY18, respectively), took them to USD 14.4 billion as compared to USD 16.4 billion last year. This includes foreign assistances received from Saudi Arabia, China, and UAE during the latter half of FY19. Apart from arranging alternate sources for funding the external account, an IMF package of USD 6.0 billion during the next 39 months, has now been negotiated, that would potentially unleash the potential of further assistance of USD 38.0 billion from multilateral and bilateral sources over the course of the IMF program.



Pakistan's GDP growth slowed down to 3.2% in FY19 from 5.2% in FY18. This was majorly led by 0.3% contraction in the Manufacturing sector, which itself was a result of sharp monetary and fiscal tightening measures undertaken by the PTI government. Major slowdown was seen in Construction & Allied and Consumer related sectors. Poor cotton crop also dragged the Agriculture segment growth to only 0.9% YoY compared to 3.8% YoY in FY18.

Inflation averaged 7.3% during FY19 compared to 3.9% in FY18 (3.6% average for prior 3 years), where it averaged 8.6% in 2HFY19. Major reasons for the uptick in CPI readings were (i) PKR/USD depreciation of 31.7%, (ii) sharp increases in power and gas tariffs, and (iii) stronger Food inflation at the end of the year. Core inflation, however, was less volatile and averaged 7.9% YoY during the year. In response to (i) strong uptick in inflation, (ii) still-high current account deficit, and (iii) pre-program conditions of IMF, the State Bank of Pakistan (SBP) increased the policy rate by 575bps during the year.



Fiscal deficit remained high at 7.3% of GDP during FY19 because of limited growth in tax revenue while most of the savings were eroded by higher debt servicing. Tax collection in FY19 remained at PKR 3,762 billion against PKR 3,842 billion collected last year, reflecting a decrease of 2.1% YoY. Despite the announcement of amnesty scheme, FBR seems lagged behind its revised tax collection target of PKR 4,150 billion, reflecting a shortfall of PKR 388 billion. The fiscal deficit matter is also being addressed in the recently announced FY20 budget with focus placed on enhancing revenues to PKR 5,500 billion by broadening the tax base.

### MUTUAL FUND INDUSTRY REVIEW

Total Assets under Management (AUMs) of Pakistan’s open-end mutual fund industry continued the declining trend as they posted a decrease of 14%YoY in FY19 from PKR 668 billion to PKR 571 billion, followed by 1.7%YoY decline in FY18. This reduction was predominantly led by the Islamic and conventional Equity categories which slide by 26% and 40%, respectively. Sluggish equity market performance and higher interest rates environment shifted the investor interest in the money market funds, as AUMs under the Islamic money market funds increased by 76% in FY19.

On a cumulative basis, the Equity category (comprising of Equity and Islamic Equity funds) registered a decrease of 32%YoY to close at PKR 165 billion in FY19 compared to PKR 242 billion in FY18. Deteriorating macro-economic situation amid external account pressure, higher interest rates, spiking inflation and hefty PKR/USD devaluation led the weak stock market performance. As a result, conventional equity fund witnessed a fall of 26%YoY to clock-in at PKR 103 billion. Similarly, the Islamic equity funds closed at PKR 62.8 billion after a drop of 40%YoY.

On a cumulative basis, the fixed income category (comprising of income, aggressive income and money market funds) registered a marginal increase of 0.22%YoY to close at PKR 191 billion in FY19 compared to PKR 190.8 billion in FY18. Rising interest rates tend the investors to focus on shorter duration money market funds which witnessed an increase of 9%YoY to PKR 135 billion in FY19 compared to PKR 123 billion in FY18. On the other hand, Islamic income funds AUMs (comprising of Islamic income, Islamic money market and Islamic aggressive income) increased by 38%YoY to PKR 91 billion in FY19 compared to PKR 66 billion in FY18, largely due to increasing investor interest in Islamic investments.

### ISLAMIC EQUITY MARKET REVIEW

Pakistan stock market (PSX) showed negative performance in FY19 for another year against continued positive returns for the previous 8 years. KMI-30 index (benchmark for Shariah compliant funds) declined by 23% to close the year at 54,118 points. This lackluster performance was largely attributable to political and economic uncertainty during the election year. Monetary tightening (575bps hike during

FY19), massive PKR/USD devaluation (31.7%) and economic indiscipline compelled foreign investors to remain net sellers in the local bourse with net outflows of USD 355.9 million in FY19. On the other hand, individuals came out as the major ally of the market with net buying of USD 165.6 million. The major laggards among KMI-30 stocks were PPL/LUCKY/POL, contributing 1,836.91/1,229.3/1,179.7, respectively, to the index fall. In contrast, DAWH & Engro Corp. supported the index by positively contributing 350 and 37 points to the index change. Decline in oil prices due to US-China trade war triggered the underperformance for E&P sector while the banking sector underperformed due to one off pension charges, provision against the foreign portfolio of advances and super tax charge on profits of 2017. Moreover, persistent rise in input cost (higher coal prices coupled with sharp PKR depreciation) along with pricing indiscipline were major reasons behind the underperformance of the cement sector. On the trading front, average daily volumes of KMI-30 index increased by 19% to reach 53.48 million shares in FY19 against 44.8 million shares last year. Moving ahead, we expect the market to stabilize as Pakistan has entered the IMF program and will get around USD 38 billion from different multi-lateral agencies in the next 3 years to support its economy. Pakistan Stock Exchange (PSX) closed the period at P/E of 6.3x, and a dividend yield (DY) of 7.3%.

## ISLAMIC MONEY MARKET REVIEW

On the Islamic side, money market remained very liquid due to massive deposit growth of 10.7%YoY (deposits as on March 30, 2019). Moreover, market share of Islamic Banking Institutions' deposits in overall banking deposits stood at 15.6% by the end of March 2019. Similarly, total assets of Islamic Banking in overall banking size also increased to 15% by March 2019 as compared to 13.5% in March 2018. During the period under review, the money market maintained an upward trajectory amid frequent hikes in key interest rates. As a result, the market maintained a shorter duration and avoided heavy participation in longer duration instruments. Upward revision in utility prices and reduction/withdrawal of government subsidies along with considerable devaluation of PKR against USD added to inflation. As a result, SBP raised the policy rate by 575bps with six intervals in contrast to the 75bps in the SPLY. The policy rate increased from 6.5% to 12.25% in May 2019 where 150bps increase was witnessed in 4QFY19 alone.

Inflation clocked in at ~7.32%YoY for FY19 as compared to ~3.9%YoY in FY18. The higher inflation was the result of higher transport, housing, electricity, gas and food prices. While the headline inflation remained in check during the year, pressure on the external side continued to disrupt the position of Pak Rupee in the international market raising concerns regarding spike in inflation.

Pakistan investment bonds (PIBs) trading yields went up ranging from 469bps to 719bps, with a significant tilt towards shorter tenor instruments. During the year, money market witnessed a seasonal lack of liquidity as SBP continued with frequent open market operations (OMOs). At the end of the year, the SBP remained a net lender of worth PKR 702 billion under single reverse repo arrangement at a cut-off rate 12.38%.

On the T-bills side, the 3-Month cut off yields increased from 6.26% to 12.75%. During the year, participation in 6 & 12 Month T-bills remained subdued due to the continuous rise in interest rates. The cut off rates for 6 Months however increased from 6.85% to 12.80% whereas the bond cut off yields for 3, 5 & 10 years closed at 13.70%, 13.80% & 13.60% respectively.

## FUND PERFORMANCE

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

### Debt Sub fund



The fund posted an annualized return of 3.46% during the year under review. The Debt Sub Fund was mainly invested in GoP Ijarah Sukuk i.e. 30.78% at the end of the period, investment in Corporate Sukuk was confined to 9.50%, while cash and the other assets were 58.19% and 1.53% respectively.

### **Money Market Sub Fund**

The fund posted an annualized return of 3.51% during the period under review. The Fund mainly kept its investment as cash at banks 58.59%, at the end of the period, investment in GoP Ijarah Sukuk and other assets was comprised of 40.01% and 1.41% respectively.

### **Equity Sub Fund**

The fund posted a negative return of 19.97% during the year under review. The Fund was invested 87.39% in equities at end of the period with major exposure in Oil & Gas Exploration 27.39% and Fertilizer Sectors 17.34%.

### **AUDITORS**

M/s. Deloitte Yousuf Adil (Chartered Accountants), have been re-appointed as auditors for the year ending June 30, 2019 for ABL Islamic Pension Fund (ABL-IPF).

### **MANAGEMENT QUALITY RATING**

On December 31, 2018, JCR-VIS Credit Rating Company Limited (JCR-VIS) has reaffirmed the Management Quality Rating of ABL Asset Management Company Limited (ABL AMC) to 'AM2++' (AM-Two-Double Plus) from 'AM2+' (AM Two Plus). Outlook on the assigned rating is 'Stable'.

### **OUTLOOK**

We expect equities to remain range bound given persistent monetary tightening being observed since start of current calendar year. Continuous monitoring in IMF program to have check on borrowings from SBP for budgetary support, projected increase in utility prices (Gas & Electricity) and ambitious tax revenue target of amounting PKR 5.5 trillion etc. would keep pressure on economic growth. However, healthy projected inflows from external sources post IMF program will help reduce both the deficits i.e. fiscal as well as current account. Prevalent interest rates will improve the NIMs of banking sectors. Besides, substantial depreciation of PKR against greenback during past six months will benefit the E&P and Power sectors as their profitability is linked will dollar index. Contrary to this, cyclical stocks and sectors having imported raw material like Cement, Autos, Steel & Pharma will remain under pressure.

### **ACKNOWLEDGEMENT**

We thank our valued investors who have placed their confidence in us. The Board is also thankful to Securities & Exchange Commission of Pakistan, the Trustee (Central Depository Company of Pakistan Limited) and the management of Pakistan Stock Exchange Limited for their continued guidance and support. The Directors also appreciate the efforts put in by the management team.

For & on behalf of the Board



**Director**



**Alee Khalid Ghaznavi  
Chief Executive Officer**

**Lahore, August 08, 2019**

**ABL**  
**MUSTAQBIL**  
ISLAMIC PENSION FUND

**ABL Asset Management**  
Discover the potential



## FUND MANAGER REPORT

### OBJECTIVE

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

### EQUITY MARKET REVIEW

Financial Year 2019 turned out as an unfavorable year for Pakistan equities where KSE-100 index posted a negative return of 19% to close the year at 33,901 points. The index came to the red zone for two consecutive years (FY18 & FY19) after 8 consecutive years (FY10-17) of positive returns. This was broadly due to political & economic noise as the new government took office. The KSE-100 index made a high during FY19 and touched 43,556 points on July 30th as the PTI's victory was announced in the general elections held on July 25, 2018. However, delays in policymaking, interest rate hike of 575bps, and significant devaluations (31.7% during FY19) put the index in a downward spiral with some bounce-backs on developments like foreign assistance from Saudi Arabia (USD 3.0 billion), UAE (USD 3.0 billion), China (USD 2.1 billion) & Qatar (USD 1.0 billion) but those too remained short-lived. During the year, PSX managed to keep its place in the MSCI Emerging Market index despite the majority of the constituent stocks falling short of criteria. Foreigners remained net seller of equity worth USD 355.9 million which was largely absorbed by individual with net buying of worth USD 165.6 million. Companies and Insurance corporates also supported the market with net buying of USD 110.5 million and USD 149.7 million, respectively. On the other hand, mutual funds remained net sellers, offloading USD 145.5 million worth of shares. Performance of the market remained lackluster where major index laggards were E&Ps, Banks, and Cements each shedding 1147, 1069 and 1051 points, respectively. Decline in oil prices (21% YoY decline in FY19) due to US-China trade war triggered the underperformance for E&P sector while the banking sector underperformed due to one off pension charges, provision against the foreign portfolio of advances and super tax charge on profits of 2017. Moreover, persistent rise in input cost (higher coal prices due sharp PKR depreciation) along with pricing indiscipline were major reasons behind the underperformance of the cement sector. Average traded value and volume fell to USD 47.3 million (down 37%YoY) and 155.2 million shares (down 11%YoY), respectively. Moving ahead, we expect the market to stabilize as Pakistan has entered the IMF program and will get around USD 38 billion from different multi-lateral agencies in the next 3-years to support its economy. Pakistan Stock Exchange (PSX) closed the period at P/E of 6.3x, and a dividend yield (DY) of 7.3%.

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policy rate increased from 6.5% to 12.25% in May 2019 where 150bps increase was witnessed in 4QFY19 alone.

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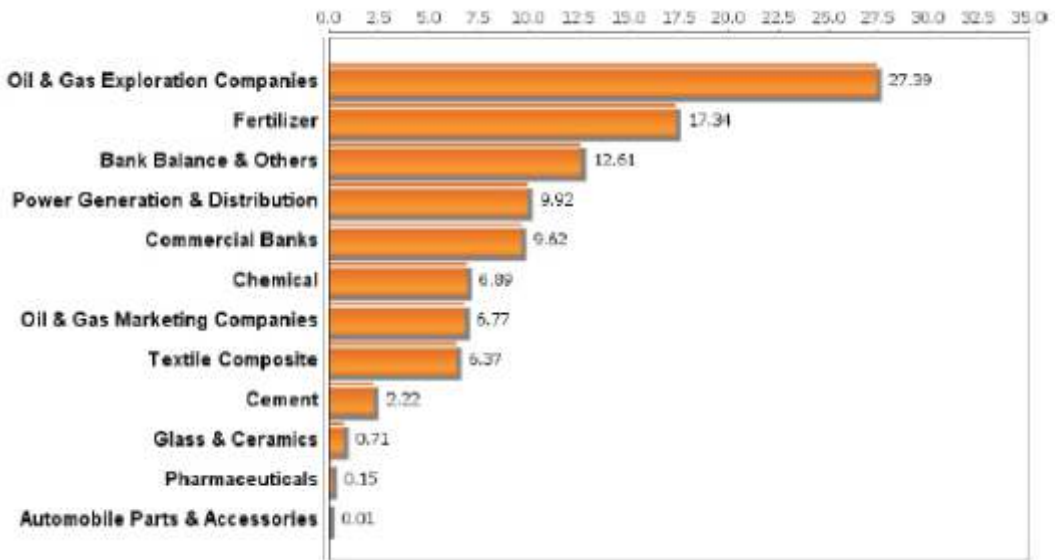
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## OUTLOOK

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**CENTRAL DEPOSITORY COMPANY  
OF PAKISTAN LIMITED**

**Head Office**

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S.M.C.H.S, Main Shahra-e-Faisal  
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Email: [info@cdcpak.com](mailto:info@cdcpak.com)



**TRUSTEE REPORT TO THE PARTICIPANTS**

**ABL ISLAMIC PENSION FUND**

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

We, Central Depository Company of Pakistan Limited, being the Trustee of ABL Islamic Pension Fund (the Fund) are of the opinion that ABL Asset Management Company Limited being the Pension Fund Manager of the Fund has in all material respects managed the Fund during the year ended June 30, 2019 in accordance with the provisions of the constitutive documents of the Fund and the Voluntary Pension System Rules, 2005.

**Badiuddin Akber**  
Chief Executive Officer  
Central Depository Company of Pakistan Limited

Karachi: October 17, 2019



بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



August 30, 2019

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, 2019 comply with the provided Shariah guidelines. Therefore, it is resolved that investments in ABL Islamic Pension Fund (ABL-IPF) managed by ABL Asset Management Company are halal and in accordance with Shariah principles.

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

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

Mufti Irshad Ahmad Aijaz  
Member Shariah Council



Faraz Younus Bandukda, CFA  
Chief Executive

Al-Hilal Shariah Advisors (Pvt) Limited

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

We have audited the annexed financial statements comprising:-

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

Of **ABL Islamic Pension Fund** ("the Fund") as at June 30, 2019 together with the notes forming part thereof, for the year then ended.

It is the responsibility of ABL Asset Management Company Limited (the Pension Fund Manager) to establish and maintain a system of internal controls; and prepare and present the financial statements of the Fund in conformity with the International Accounting Standards notified under the section 225 of the Companies Act, 2017 and technical releases issued by the Institute of Chartered Accountants of Pakistan from time to time and the requirements of the Voluntary Pensions System Rules, 2005. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion:-

- a) the financial statements prepared for the year ended June 30, 2019 have been properly drawn in accordance with the relevant provisions of the Trust Deed and the Voluntary Pension System Rules, 2005 including the guidelines thereunder;
- b) the allocation and reallocation of units of the sub-funds for all the participants have been made according to the Voluntary Pension System Rules, 2005;
- c) the cost and expenses debited to the Fund and apportionment of expenses between sub-funds are as specified in the constitutive documents of the Fund;

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

*Deloitte Yousuf Adil*  
Chartered Accountants

**Engagement Partner**  
Rana M. Usman Khan

**Date:** August 08, 2019  
**Place:** Lahore



**ABL ISLAMIC PENSION FUND**  
**STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT JUNE 30, 2019**


Note	2019				2018					
	Equity	Debt	Money Market	Total	Equity	Debt	Money Market	Total		
	Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund			
-----Rupees-----				-----Rupees-----						
<b>ASSETS</b>										
	Balances with banks	4	7,255,552	31,784,836	25,290,187	64,330,575	9,905,453	3,910,323	28,341,557	42,157,333
	Investments	5	56,864,709	22,008,417	17,298,000	96,171,126	70,949,579	44,526,856	10,539,900	126,016,335
	Dividend receivable		231,478	-	-	231,478	281,490	-	-	281,490
	Profit receivable	6	38,388	725,913	607,773	1,372,074	13,233	214,907	116,672	344,812
	Receiveable against sale of equity securities		524,000	-	-	524,000	-	-	-	-
	Deposits and other receivables	7	157,744	121,750	39,222	318,716	156,563	109,597	18,440	284,600
	<b>Total assets</b>		<b>65,071,871</b>	<b>54,640,916</b>	<b>43,235,182</b>	<b>162,947,969</b>	<b>81,306,318</b>	<b>48,761,683</b>	<b>39,016,569</b>	<b>169,084,570</b>
<b>LIABILITIES</b>										
	Payable to the Pension Fund Manager	8	344,037	265,938	227,456	837,431	364,276	258,600	223,745	846,621
	Payable to the Trustee	9	11,210	9,444	7,211	27,865	13,105	8,230	6,536	27,871
	Payable to the Securities and Exchange Commission of Pakistan	10	24,331	16,485	12,989	53,805	25,871	15,949	12,347	54,167
	Payable against purchase of equity securities		1,538,500	-	-	1,538,500	1,985,750	-	-	1,985,750
	Accrued expenses and other liabilities	11	886,024	98,755	64,909	1,049,688	919,911	123,756	89,910	1,133,577
	Payable to the auditors		50,000	50,000	50,000	150,000	50,000	50,001	50,000	150,001
	<b>Total liabilities</b>		<b>2,854,102</b>	<b>440,622</b>	<b>362,565</b>	<b>3,657,289</b>	<b>3,358,913</b>	<b>456,536</b>	<b>382,538</b>	<b>4,197,987</b>
	<b>NET ASSETS</b>		<b>62,217,769</b>	<b>54,200,294</b>	<b>42,872,617</b>	<b>159,290,680</b>	<b>77,947,405</b>	<b>48,305,147</b>	<b>38,634,031</b>	<b>164,886,583</b>
	<b>PARTICIPANTS' SUB FUNDS (AS PER STATEMENT ATTACHED)</b>		<b>62,217,769</b>	<b>54,200,294</b>	<b>42,872,617</b>	<b>159,290,680</b>	<b>77,947,405</b>	<b>48,305,147</b>	<b>38,634,031</b>	<b>164,886,583</b>
<b>CONTINGENCIES AND COMMITMENTS</b>										
	<b>NUMBER OF UNITS IN ISSUE</b>	15	472,446	452,607	366,109		473,668	417,321	341,493	
	<b>NET ASSET VALUE PER UNIT</b>		<b>131.6929</b>	<b>119.7513</b>	<b>117.1034</b>		<b>164.5613</b>	<b>115.7506</b>	<b>113.1327</b>	

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

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



**Saqib Mateen**  
Chief Financial Officer



**Alee Khalid Ghaznavi**  
Chief Executive Officer



**Pervaiz Iqbal Butt**  
Director

**ABL ISLAMIC PENSION FUND  
INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED JUNE 30, 2019**

Note	2019				2018			
	Equity	Debt	Money Market	Total	Equity	Debt	Money Market	Total
	Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund	
	Rupees				Rupees			
<b>INCOME</b>								
Financial profit	377,773	3,429,213	2,806,576	6,613,562	148,191	2,403,301	1,721,105	4,272,597
Unrealised (diminution) / appreciation on remeasurement of investments classified as financial assets at fair value through profit or loss - net	(10,990,378)	(523,559)	(516,366)	(12,030,303)	(7,871,784)	(590,114)	(135,415)	(8,597,313)
Capital (loss) / gain on sale of investments	(6,306,471)	(48,087)	12,900	(6,341,658)	(5,633,715)	(55,112)	(1,458)	(5,690,285)
Dividend income	3,313,964	-	-	3,313,964	3,680,104	-	-	3,680,104
<b>Income</b>	<b>(13,605,112)</b>	<b>2,857,567</b>	<b>2,303,110</b>	<b>(8,444,435)</b>	<b>(9,677,204)</b>	<b>1,758,075</b>	<b>1,584,232</b>	<b>(6,334,897)</b>
<b>EXPENSES</b>								
Remuneration of the Pension Fund Manager	1,106,087	747,297	590,403	2,443,787	1,176,809	724,955	561,189	2,462,953
Punjab sales tax on remuneration of the Pension Fund Manager	176,973	119,567	94,467	391,007	192,437	117,848	91,154	401,439
Remuneration of the Trustee	135,542	91,991	72,463	299,996	144,807	88,522	68,529	301,858
Sindh sales tax on remuneration of the Trustee	17,620	11,959	9,420	38,999	18,823	11,508	8,910	39,241
Annual fee of the Securities and Exchange Commission of Pakistan	24,332	16,485	12,989	53,806	25,871	15,949	12,346	54,166
Auditors' remuneration	57,498	57,500	57,500	172,498	58,997	58,998	58,995	176,990
Security transaction charges	158,960	7,915	2,326	169,201	63,868	17,929	5,955	87,752
Bank charges	45,736	25,211	14,463	85,410	15,891	11,318	15,043	42,252
Amortisation of formation cost	-	-	-	-	2,627	2,627	2,627	7,881
Legal and professional charges	81,222	81,222	81,222	243,666	55,000	54,997	55,000	164,997
Printing and other expenses	15,685	15,685	15,685	47,055	76,698	76,698	76,698	230,094
Donation expense	176,656	-	-	176,656	214,281	-	-	214,281.00
<b>Total operating expenses</b>	<b>1,996,311</b>	<b>1,174,832</b>	<b>950,938</b>	<b>4,122,081</b>	<b>2,046,109</b>	<b>1,181,349</b>	<b>956,446</b>	<b>4,183,904</b>
<b>Net (loss) / income for the year before taxation</b>	<b>(15,601,423)</b>	<b>1,682,735</b>	<b>1,352,172</b>	<b>(12,566,516)</b>	<b>(11,723,313)</b>	<b>576,726</b>	<b>627,786</b>	<b>(10,518,801)</b>
Taxation	-	-	-	-	-	-	-	-
<b>Net (loss) / income for the year after taxation</b>	<b>(15,601,423)</b>	<b>1,682,735</b>	<b>1,352,172</b>	<b>(12,566,516)</b>	<b>(11,723,313)</b>	<b>576,726</b>	<b>627,786</b>	<b>(10,518,801)</b>
Other comprehensive income	-	-	-	-	-	-	-	-
<b>Total comprehensive (loss) / income</b>	<b>(15,601,423)</b>	<b>1,682,735</b>	<b>1,352,172</b>	<b>(12,566,516)</b>	<b>(11,723,313)</b>	<b>576,726</b>	<b>627,786</b>	<b>(10,518,801)</b>

**Earning Per Unit**

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

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



**Saqib Mateen**  
Chief Financial Officer



**Alee Khalid Ghaznavi**  
Chief Executive Officer



**Pervaiz Iqbal Butt**  
Director

**ABL ISLAMIC PENSION FUND  
STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUND  
FOR THE YEAR ENDED JUNE 30, 2019**

Note	2019				2018				
	Equity	Debt	Money Market	Total	Equity	Debt	Money Market	Total	
	Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund		
-----Rupees-----									
Net assets at the beginning of the year	77,947,405	48,305,147	38,634,031	164,886,583	96,792,565	52,247,387	36,264,650	185,304,602	
Issue of units *	16	3,150,161	4,771,043	4,546,625	12,467,829	7,347,434	2,427,893	2,422,612	12,197,939
Redemption of units *	15	(3,278,374)	(558,631)	(1,660,211)	(5,497,216)	(14,469,281)	(6,946,859)	(681,017)	(22,097,157)
		(128,213)	4,212,412	2,886,414	6,970,613	(7,121,847)	(4,518,966)	1,741,595	(9,899,218)
Net capital gain on sale of investments		(6,306,471)	(48,087)	12,900	(6,341,658)	(5,633,715)	(55,112)	(1,458)	(5,690,285)
Unrealised (diminution) on remeasurement of investments classified as 'Financial assets at fair value through profit or loss' - net		(10,990,378)	(523,559)	(516,366)	(12,030,303)	(7,871,784)	(590,114)	(135,415)	(8,597,313)
Other net income for the year		1,695,426	2,254,381	1,855,638	5,805,445	1,782,186	1,221,952	764,659	3,768,797
		(15,601,423)	1,682,735	1,352,172	(12,566,516)	(11,723,313)	576,726	627,786	(10,518,801)
<b>Net assets at the end of the year</b>		<b>62,217,769</b>	<b>54,200,294</b>	<b>42,872,617</b>	<b>159,290,680</b>	<b>77,947,405</b>	<b>48,305,147</b>	<b>38,634,031</b>	<b>164,886,583</b>

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

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

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



**Saqib Mateen**  
Chief Financial Officer



**Alee Khalid Ghaznavi**  
Chief Executive Officer



**Pervaiz Iqbal Butt**  
Director


**ABL ISLAMIC PENSION FUND  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED JUNE 30, 2019**

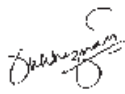
	2019				2018			
	Equity	Debt	Money Market	Total	Equity	Debt	Money Market	Total
	Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund	
	Rupees				Rupees			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>								
Net income for the year	(15,601,423)	1,682,735	1,352,172	(12,566,516)	(11,723,313)	576,726	627,786	(10,518,801)
<b>Adjustments - for non cash and other items</b>								
Amortisation of formation cost	-	-	-	-	2,627	2,627	2,627	7,881
Unrealised appreciation on remeasurement of investments classified as 'Financial assets at fair value through profit or loss' - net	10,990,378	523,559	516,366	12,030,303	7,871,784	590,114	135,415	8,597,313
Dividend income	(3,313,964)	-	-	(3,313,964)	(3,680,104)	-	-	(3,680,104)
	(7,925,009)	2,206,294	1,868,538	(3,850,177)	(7,529,006)	1,169,467	765,828	(5,593,711)
<b>(Increase) / decrease in assets</b>								
Receivable against sale of investment	(524,000)	-	-	(524,000)	-	-	-	-
Income receivable	(25,155)	(511,006)	(491,101)	(1,027,262)	6,438	38,227	76,465	121,130
Deposit and other receivables	(1,181)	(12,153)	(20,782)	(34,116)	-	18,595	(7,537)	11,058
	(550,336)	(523,159)	(511,883)	(1,585,378)	6,438	56,822	68,928	132,188
<b>Increase / (decrease) in liabilities</b>								
Payable against purchase of investments	(447,250)	-	-	(447,250)	1,985,750	-	-	1,985,750
Payable to the Pension Fund Manager	(20,239)	7,338	3,711	(9,190)	(62,235)	(26,202)	(16,870)	(105,307)
Payable to the Trustee	(1,895)	1,214	675	(6)	(1,907)	725	1,192	10
Payable to the Auditors	-	(1)	-	(1)	(3)	(2)	(5)	(10)
Payable to the Securities and Exchange Commission of Pakistan	(1,540)	536	642	(362)	(5,323)	213	693	(4,417)
Accrued expenses and other liabilities	(33,887)	(25,001)	(25,001)	(83,889)	24,080	33,050	32,238	89,368
	(504,811)	(15,914)	(19,973)	(540,698)	1,940,362	7,784	17,248	1,965,394
Dividend received	3,363,976	-	-	3,363,976	3,797,729	-	-	3,797,729
Purchase and sale of investments - net	3,094,492	21,994,880	(7,274,466)	17,814,906	15,213,932	(1,494,163)	33,635	13,753,404
<b>Net cash (used in) / generated from operating activities</b>	(2,521,688)	23,662,101	(5,937,784)	15,202,629	13,429,455	(260,090)	885,639	14,055,004
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>								
Receipts on issuance of units	3,150,161	4,771,043	4,546,625	12,467,829	7,347,434	2,427,893	2,422,612	12,197,939
Payments on redemption of units	(3,278,374)	(558,631)	(1,660,211)	(5,497,216)	(14,469,281)	(6,946,859)	(681,017)	(22,097,157)
<b>Net cash generated from / (used in) financing activities</b>	(128,213)	4,212,412	2,886,414	6,970,613	(7,121,847)	(4,518,966)	1,741,595	(9,899,218)
<b>Net increase in cash and cash equivalents during the year</b>	(2,649,901)	27,874,513	(3,051,370)	22,173,242	6,307,608	(4,779,056)	2,627,234	4,155,786
Cash and cash equivalents at the beginning of the year	9,905,453	3,910,323	28,341,557	42,157,333	3,597,845	8,689,379	25,714,323	38,001,547
<b>Cash and cash equivalents at the end of the year</b>	<b>7,255,552</b>	<b>31,784,836</b>	<b>25,290,187</b>	<b>64,330,575</b>	<b>9,905,453</b>	<b>3,910,323</b>	<b>28,341,557</b>	<b>42,157,333</b>


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

For ABL Asset Management Company Limited  
(Management Company)

 **ABL Asset Management**  
Discover the potential

  
**Saqib Mateen**  
Chief Financial Officer

  
**Alee Khalid Ghaznavi**  
Chief Executive Officer

  
**Pervaiz Iqbal Butt**  
Director

**ABL MUSTAQBIL**  
ISLAMIC PENSION FUND

**ABL ISLAMIC PENSION FUND  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2019**

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**1 LEGAL STATUS AND NATURE OF BUSINESS**

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

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

1.3 The Fund's objective is to enable the participants to contribute in a diversified portfolio of securities, which are shariah compliant. Under the Trust Deed, all the conducts and acts of the Fund are based on shariah requirements. The Pension Fund Manager has appointed a Shariah Advisory Council to ensure that the activities of the Fund are in compliance with the principles of shariah. The Shariah Advisory Council submits its report on an annual basis after the year end.

All operational, management and investment activities of ABL Islamic Pension Fund are undertaken in accordance with the Islamic Shariah guidelines provided by the Shariah advisor.

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

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

The Equity Sub-Fund shall have an average minimum investment in shariah compliant listed equity securities of ninety percent (90%) of its Net Asset Value. Investment in equity securities of a single company shall not exceed 10% of the net assets value of the equity sub fund or paid-up capital of that company, whichever is lower, provided that exposure in companies belonging to a single sector as classified by the Stock Exchange shall not exceed 30% or the index weight, whichever is higher, subject to a maximum of 35% of the net assets of Shariah compliant equity sub fund.

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

The assets of shariah compliant Debt Sub-Fund may be deposited in Islamic commercial banks having not less than "A+" rating or islamic windows of commercial banks, having not less than "AA" rating or may be invested in islamic bonds or sukuks issued by entities either owned by the Federal Government or guaranteed by the Federal Government. The weighted average time to maturity of securities held in the portfolio of a debt sub-fund shall not exceed five (5) years.

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

The weighted average time to maturity of the net assets of the Money Market Sub-fund shall not exceed one year. Time to maturity of any asset in the portfolio of Money Market Sub-fund shall not exceed 6 months except in case of Shariah Compliant Government Securities such as Government Ijarah Sukuks which may be kept up to 3 years.

1.5 The Fund offers four types of allocation schemes, as prescribed by the SECP under VPS Rules, 2005 vide its Circular no. 36 of 2009 dated December 10, 2009 to the participants of the Fund namely High Volatility, Medium Volatility, Low Volatility and Lower Volatility. The participant has the option to suggest a minimum percentage of allocation to the above allocation schemes (subject to the minimum percentages prescribed in the offering document). Based on the minimum allocation, the funds are allocated to the above stated sub-funds. The units held by the participants in the Sub-Funds can be redeemed on or before their retirement and in case of disability or death subject to conditions laid down in the Offering Document, VPS Rules and the Income Tax Ordinance, 2001. According to the Trust Deed, there shall be no distribution from the Sub-Funds, and all income earned by the Sub-Funds shall be accumulated and retained in the Sub-Funds.

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

**2 BASIS OF PREPARATION**

**2.1 Statement of Compliance**

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards comprise of International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017, and the of the Trust Deed, the Voluntary Pension System Rules, 2005 (VPS Rules) and the directives issued by the Securities and the Exchange Commission of Pakistan (SECP). Where the provisions of the Trust Deed, the VPS Rules or the directives issued by the SECP differ from the IFRS Standards, the provisions of the Trust Deed, the VPS Rules, 2005 or of the said directives have been followed.

## 2.2 New accounting standards / amendments and IFRS interpretations that are effective for the year ended June 30, 2019

The following standards, amendments and interpretations are effective for the year ended June 30, 2019. These standards, interpretations and the amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures (refer 2.3 and 2.4).

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

Amendments to IFRS 2 'Share-based Payment' - Clarification on the classification and measurement of share-based payment transactions	January 01, 2018
IFRS 4 'Insurance Contracts': Amendments regarding the interaction of IFRS 4 and IFRS 9.	January 01, 2018
IFRS 9 'Financial Instruments' - This standard has superseded IAS 39 Financial Instruments: Recognition and Measurement upon its effective date.	July 01, 2018
IFRS 15 'Revenue' - This standard has superseded IAS 18, IAS 11, IFRIC 13, 15 and 18 and SIC 31 upon its effective date.	July 01, 2018
Amendments to IAS 40 'Investment Property': Clarification on transfers of property to or from investment property	January 01, 2020
IFRIC 22 'Foreign Currency Transactions and Advance Consideration': Provides guidance on transactions where consideration against non-monetary prepaid asset / deferred income is denominated in foreign currency.	January 01, 2020

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

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

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

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

Amendments to IFRS 3 'Business Combinations' - Amendments regarding the definition of business	January 01, 2020
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding prepayment features with negative compensation and modifications of financial liabilities	January 01, 2019
Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures' - Sale or contribution of assets between an investor and its associate or joint venture	Effective from accounting period beginning on or after a date to be determined. Earlier application is permitted.
IFRS 16 'Leases': This standard will supersede IAS 17 'Leases', IFRIC 4, SIC 15 and SIC 27 upon its effective date.	January 01, 2019
Amendments to References to the Conceptual Framework in IFRS Standards	January 01, 2020
Amendments to IAS 1 'Presentation of Financial Statements' and IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Amendments regarding the definition of material.	January 01, 2020
Amendments to IAS 19 'Employee Benefits' - Amendments regarding plan amendments, curtailments or settlements.	January 01, 2019
Amendments to IAS 28 'Investments in Associates and Joint Ventures' - Amendments regarding long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied.	January 01, 2019

IFRIC 23 'Uncertainty over Income Tax Treatments': Clarifies the accounting treatment in relation to determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12 'Income Taxes'.

January 01, 2019

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

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

- IFRS 1 – First Time Adoption of International Financial Reporting Standards
- IFRS 14 – Regulatory Deferral Accounts
- IFRS 17 – Insurance Contracts

### 2.3 Basis of measurement

The Funds have adopted IFRS 9 Financial Instruments ("IFRS 9") in the current reporting period commencing July 1, 2018. The new standard requires financial assets to be either carried at amortized cost or at fair value with changes in fair value recognized in profit and loss ("FVTPL") or in other comprehensive income ("FVOCI") based on the Funds' business model for managing financial assets and the contractual cash flow characteristics of the financial assets

The adoption of IFRS 9 has been applied retrospectively and does not result in a change to the measurement of financial instruments, in either the current or prior period. Prior to the adoption of IFRS 9, the Funds' investments had previously been designated at fair value through profit and loss. On adoption of IFRS 9 these securities remain classified as fair value through profit and loss.

The financial statements have been prepared on the historical cost basis except for financial instruments that are measured at FVTPL.

### 2.4 Impact assessment

Based on the analysis of Fund's financial assets and liabilities as at June 30, 2018 on the basis of facts and circumstances that exists at that date, the Management Company have assessed the impact of IFRS 9 to the Fund's financial statements as follows;

Investments classified as financial assets at fair value through profit or loss - held for trading will continue to be measured at fair value through profit or loss upon application of IFRS 9.

Financial assets classified as loans and receivables are held with a business model whose objective is to collect the contractual cash flows that are solely payments of principal and interest thereon will continue to be classified and measured at amortised cost upon application of IFRS 9.

### 2.5 Critical accounting estimates and judgments

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

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

- i) Classification and valuation of financial assets (notes 3.2 and 5)
- ii) Impairment of financial assets (note 3.2.6)

### 2.6 Functional and presentation currency

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

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

#### 3.1 Cash and cash equivalents

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

#### 3.2 Classification of financial instruments

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

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

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

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

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

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

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

##### **Basis of valuation of government securities**

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

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

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

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

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

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

#### 3.3 Impairment

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



### 3.4 Derecognition

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

### 3.5 Financial liabilities

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

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

### 3.6 Offsetting of financial assets and financial liabilities

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

### 3.7 Formation cost

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

### 3.8 Provisions

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

### 3.9 Taxation

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

### 3.10 Revenue recognition

- Realised capital gains / (losses) arising on sale of investments are included in the income statement on the date at which the sale transaction takes place.
- Unrealised appreciation / (diminution) arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' is included in the Income Statement in the year in which they arise.
  
- Unrealised appreciation / (diminution) arising on re-measurement of investments classified as FVOCI is included in the other comprehensive income in the year in which they arise.
- Dividend income is recognised when the Fund's right to receive the same is established.
- Interest is recognised on a time-proportionate basis using the effective interest method. Interest income includes interest from cash and cash equivalents. Interest from financial assets at fair value through profit or loss includes interest from debt securities.

### 3.11 Expenses

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

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

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

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

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

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

Proceeds received on redemption / paid on issuance of units are reflected in the participant's Sub-Fund. The voluntary pension system rules, 2005 specify that the distribution of dividend shall not be allowed for pension funds and return to unit holders is, therefore, only possible through redemption of units which is based on the Net Asset Value (NAV). Hence, the management believes that creation of income equalization mechanism through separate recording of "element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed" is not required.

### 3.13 Net asset value per unit

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

### 3.14 Transaction costs

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

	Notes	2019				2018			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
<b>4 BALANCES WITH BANKS</b>		-----Rupees-----				-----Rupees-----			
Profit and loss sharing accounts	4.1 & 4.2	<b>7,255,552</b>	<b>31,784,836</b>	<b>25,290,187</b>	<b>64,330,575</b>	9,905,453	3,910,323	28,341,557	42,157,333
4.1	Deposits in profit and loss sharing accounts include aggregate balance of Rs. 15,453,197 (2018: Rs.10,642,532) with Allied Bank Limited, a related party, which carry profit rate of 8.00% (2018: 2.75% to 6.50%) per annum.								
4.2	These profit and loss sharing accounts carry profit at rates ranging from 2.78% to 11.00% (2018: 2.50% to 6.20%) per annum.								

5	INVESTMENTS	Notes	2019				2018			
			Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
-----Rupees-----										
<b>Investments by category</b>										
<b>Financial assets 'at fair value through profit or loss'</b>										
	Listed equity securities	5.1	56,864,709	-	-	56,864,709	70,949,579	-	-	70,949,579
	Government securities - GoP Ijarah sukuk	5.1.3 & 5.1.5	-	16,817,500	17,298,000	34,115,500	-	39,856,650	10,539,900	50,396,550
	Other sukuk	5.1.4	-	5,190,917	-	5,190,917	-	4,670,206	-	4,670,206
			<b>56,864,709</b>	<b>22,008,417</b>	<b>17,298,000</b>	<b>96,171,126</b>	<b>70,949,579</b>	<b>44,526,856</b>	<b>10,539,900</b>	<b>126,016,335</b>

### 5.1 Listed equity securities

Ordinary shares have a face value of Rs 10 each.

Name of the investee company	Number of shares/ certificates					As at June 30, 2019			Market value as a percentage of		Holding as a percentage of paid-up capital of investee company
	As at July 1, 2018	Purchased during the year	Bonus received during the year	Sold during the year	As at June 30, 2019	Carrying value	Market value	Unrealised gain / (loss)	Net assets of the fund	Total market value of investments	
----- (Rupees) -----											
<b>GLASS &amp; CERAMIC</b>											
Tariq Glass Industries Limited	-	7,000	-	1,000	6,000	591,000	459,780	(131,220)	0.74%		
<b>AUTOMOBILE PARTS AND ACCESSORIES</b>											
The General Tyre and Rubber Company of Pakistan Limited	2,100	-	70	2,000	170	16,620	8,757	(7,863)	0.01%	0.02%	0.00%
<b>CEMENT</b>											
Cherat Cement Company Limited	11,500	-	-	6,000	5,500	534,765	170,280	(364,485)	0.27%	0.30%	0.003%
Kohat Cement	-	10,000	-	2,000	8,000	879,886	420,240	(459,646)	0.68%		
Lucky Cement Limited	6,800	5,900	-	10,450	2,250	1,099,139	856,058	(243,081)	1.38%	1.51%	0.001%
						2,513,790	1,446,578	(1,067,212)	2.33%	1.81%	
<b>CHEMICALS</b>											
Engro Polymer & Chemicals Limited	63,699	50,000	-	25,000	88,699	2,895,488	2,391,325	(504,163)	3.84%	4.21%	0.35%
ICI Pakistan Limited	5,130	-	-	4,500	630	504,945	335,456	(169,489)	0.54%	0.59%	0.00%
Lotte Chemical Pakistan Limited	-	115,000	-	-	115,000	2,006,135	1,753,750	(252,385)	2.82%	3.08%	0.01%
						5,406,568	4,480,531	(926,037)	7.20%	7.88%	
<b>FERTILIZER</b>											
Engro Corporation Limited	20,100	6,500	1,740	6,700	21,640	6,152,400	5,747,584	(404,816)	9.24%	10.11%	0.00%
Engro Fertilizer Limited	62,000	53,000	-	47,500	67,500	4,748,290	4,317,975	(430,315)	6.94%	7.59%	0.01%
Fauji Fertilizer Company Limited	-	39,000	-	25,000	14,000	1,432,083	1,220,800	(211,283)	1.96%	2.15%	0.00%
						12,332,773	11,286,359	(1,046,414)	18.14%	19.85%	
<b>POWER GENERATION &amp; DISTRIBUTION</b>											
The Hub Power Company Limited	-	80,000	9,678	20,000	69,678	6,044,987	5,487,143	(557,844)	8.82%	9.65%	0.01%
K-Electric Limited	-	220,000	-	-	220,000	1,399,300	965,800	(433,500)	1.55%	1.70%	0.0506%
						7,444,287	6,452,943	(991,344)	10.37%	11.35%	
<b>OIL &amp; GAS EXPLORATION COMPANIES</b>											
Mari Petroleum Company Limited	4,100	1,800	430	500	5,830	7,421,649	5,884,394	(1,537,255)	9.46%	10.35%	0.005%
Oil & Gas Development Company Limited	43,000	33,000	-	33,000	43,000	6,475,971	5,654,070	(821,901)	9.09%	9.94%	0.001%
Pakistan Oilfields Limited	5,150	6,750	900	11,600	1,200	609,354	487,068	(122,286)	0.78%	0.86%	0.001%
Pakistan Petroleum Limited	29,600	27,200	4,740	21,400	40,140	6,974,962	5,797,420	(1,177,542)	9.32%	10.20%	0.002%
						21,481,936	17,822,952	(3,658,984)	28.65%	31.35%	
<b>Commercial Banks</b>											
Meezan Bank Limited	19,000	57,000	11,800	16,000	71,800	5,371,486	6,258,088	886,602	10.06%	11.01%	0.01%

Name of the investee company	Number of shares/ certificates					As at June 30, 2019			Market value as a percentage of		Holding as a percentage of paid-up capital of investee company
	As at July 1, 2018	Purchased during the year	Bonus received during the year	Sold during the year	As at June 30, 2019	Carrying value	Market value	Unrealised gain / (loss)	Net assets of the fund	Total market value of investments	
(Rupees)											
<b>OIL &amp; GAS MARKETING COMPANIES</b>											
Attock Petroleum Limited	50	-	10	-	60	29,500	17,311	(12,189)	0.03%	0.03%	0.0001%
Hascol Petroleum Limited (Note 5.1.2)	440	-	165	-	605	138,054	41,515	(96,539)	0.07%	0.07%	0.0005%
Pakistan State Oil Company Limited (Note 5.1.2)	12,000	16,500	2,200	13,000	17,700	3,764,549	3,002,451	(762,098)	4.83%	5.28%	0.0065%
Sui Northern Gas Pipelines Limited	31,300	10,000	-	22,000	19,300	1,743,151	1,341,157	(401,994)	2.16%	2.36%	0.0030%
						5,675,254	4,402,434	(1,272,820)	7.09%	7.74%	
<b>PHARMACEUTICALS</b>											
The Searle Company Limited (Note 5.1.2)	595	-	89	-	684	202,003	100,247	(101,756)	0.16%	0.18%	0.0004%
<b>TEXTILE COMPOSITE</b>											
Kohinoor Textile Mills Limited	-	50,000	-	-	50,000	2,450,850	1,252,500	(1,198,350)	2.01%		
Nishat Mills Limited	38,500	-	-	7,500	31,000	4,368,520	2,893,540	(1,474,980)	4.65%	5.09%	0.01%
						6,819,370	4,146,040	(2,673,330)	6.66%	5.09%	
<b>Total June 30, 2019</b>						<b>67,855,087</b>	<b>56,864,709</b>	<b>(10,990,378)</b>	<b>91.41%</b>	<b>96.28%</b>	
<b>Total June 30, 2018</b>						<b>78,821,357</b>	<b>70,949,573</b>	<b>(7,871,784)</b>	<b>91.01%</b>		

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

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

As at June 30, 2019, the following bonus shares of the Fund were withheld by certain companies at the time of bonus declaration. The Fund has included these shares in its portfolio, as the management believes that the decision of the constitutional petition will be in favour of the CISs.

Name of the company	June 30, 2019		June 30, 2018	
	Bonus shares			
	Number	Market value	Number	Market value
Hascol Petroleum Company Limited	534	36,643	388	121,739
Pakistan State Oil	150	21,204	125	39,789
The Searle Company Limited	495	63,021	430	145,985
	<b>1,179</b>	<b>120,868</b>	<b>943</b>	<b>307,513</b>

5.1.3 Debt Sub Fund - Government Securities (GoP Ijarah Sukuk)

Government of Pujab - Ijarah Sukuk	Tenure	As at July 01, 2018	Purchased during the year	Disposed during the year	Matured during the year	As at June 30, 2019	Cost of holding as at June 30, 2019	Market value as at June 30, 2019	Market value as a percentage of net assets of the Sub-Fund
-----Number of certificates-----						-----Rupees-----		-----%age-----	
GOP-19 / June 30, 2017 to June 30, 2020	3 years	400	6,700	3,600	-	3,500	17,305,344	16,817,500	27%
GOP-18 / March 29, 2016 to March 29, 2019	3 years	-	2,600	-	2,600	-	-	-	-
GOP-16 / December 18, 2015 to December 18, 2018	3 years	7,550	-	-	7,550	-	-	-	-
		<b>7,950</b>	<b>9,300</b>	<b>3,600</b>	<b>10,150</b>	<b>3,500</b>	<b>17,305,344</b>	<b>16,817,500</b>	<b>27%</b>

These Sukuks carry effective yield of 5.24% to 5.59% (2018: 5.24) per annum.

5.1.3.1 Debt Sub Fund - Sukuk Certificates

5.1.4

Name of investee company	Tenure	As at July 01, 2018	Purchased during the year	Disposed during the year	Matured during the year	As at June 30, 2019	Cost of holding as at June 30, 2019	Market value as at June 30, 2019	Market value as a percentage of net assets of the Sub-Fund
-----Number of certificates-----						-----Rupees-----		-----%age-----	
Engro Fertilizers Limited - I	5 years	160	-	-	-	160	140,626	140,075	0.26%
DHCL Sukuk -I	5 years	10	-	-	-	10	902,000	897,039	1.66%
DHCL Sukuk -II	5 years	10	-	-	-	10	1,000,646	998,000	1.84%
Engro Polymer & Chemicals Limited- Sukuk	5 years	-	10	-	-	10	1,000,000	1,004,688	1.85%
Meezan Bank Limited - Tier II	10 years	2	-	-	-	2	2,030,000	1,999,952	3.69%
Fatima Fertilizer Company Limited- Sukuk	5 years	60	-	-	-	60	153,360	151,163	0.28%2.
		<b>242</b>	<b>10</b>	<b>-</b>	<b>-</b>	<b>252</b>	<b>5,226,632</b>	<b>5,190,917</b>	<b>9.58%</b>

These Sukuks carry effective yield of 11.35% to 14.08% (2018: 6.62% to 7.89%) per annum.

5.1.4.1 Money Market Sub Fund - Government Securities (GoP Ijarah Sukuk)

5.1.5

GoP - Ijarah Sukuk	Tenure	As at July 01, 2018	Purchased during the year	Disposed during the year	Matured during the year	As at June 30, 2019	Cost of holding as at June 30, 2019	Market value as at June 30, 2019	Market value as a percentage of net assets of the Sub-Fund
-----Number of Certificates-----						-----Rupees-----		-----%age-----	
GOP-16 / December 18, 2015 to December 18, 2018	3 years	2,100	-	-	2,100	-	-	-	-
GOP-19 / June 30, 2017 to June 30, 2020	3 years	-	7,800	4,200	-	3,600	17,814,366	17,298,000	40.35%
		<b>2,100</b>	<b>7,800</b>	<b>4,200</b>	<b>2,100</b>	<b>3,600</b>	<b>17,814,366</b>	<b>17,298,000</b>	<b>40.35%</b>

5.1.5.1 These Sukuks carry effective yield of 5.24% (2018: 5.24%) per annum.

6	PROFIT RECEIVABLE	Note	2019				2018			
			Equity	Debt	Money Market	Total	Equity	Debt	Money Market	Total
			Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund	
			-----Rup ees-----				-----Rup ees-----			
	Profit receivable on bank deposits		38,388	126,821	134,881	300,090	13,233	8,418	96,063	117,714
	Profit receivable on Sukuk & GOP Ijarah		-	599,092	472,892	1,071,984	-	206,489	20,609	227,098
			<b>38,388</b>	<b>725,913</b>	<b>607,773</b>	<b>1,372,074</b>	<b>13,233</b>	<b>214,907</b>	<b>116,672</b>	<b>344,812</b>

7	DEPOSITS AND OTHER RECEIVABLES	Note	2019				2018			
			Equity	Debt	Money Market	Total	Equity	Debt	Money Market	Total
			Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund	
			-----Rup ees-----				-----Rup ees-----			
	Security deposit with Central Depository Company of Pakistan Limited		100,000	100,000	-	200,000	100,000	100,000	-	200,000
	Deposit in IPS account		-	12,938	39,222	52,160	-	784	18,440	19,224
	Advance tax		57,744	8,812	-	66,556	56,563	8,813.00	-	65,376
			<b>157,744</b>	<b>121,750</b>	<b>39,222</b>	<b>318,716</b>	<b>156,563</b>	<b>109,597</b>	<b>18,440</b>	<b>284,600</b>

8	PAYABLE TO THE PENSION FUND MANAGER	Note	2019				2018			
			Equity	Debt	Money Market	Total	Equity	Debt	Money Market	Total
			Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund	
			-----Rup ees-----				-----Rup ees-----			
	Remuneration to the Pension Fund Manager	8.1	78,909	66,473	50,742	196,124	95,321	59,887	47,544	202,752
	Sindh Sales Tax on remuneration of the Pension Fund Manager		31,371	23,560	21,094	76,025	31,371	23,560	21,094	76,025
	Punjab Sales Tax on remuneration of the Pension Fund Manager	8.2	12,625	10,635	8,117	31,377	15,251	9,582	7,604	32,437
	Federal Excise Duty on remuneration of the Pension Fund Manager	8.3	221,132	165,270	147,503	533,905	221,132	165,270	147,503	533,905
	Sales load Payable		-	-	-	-	1,201	301	-	1,502
			<b>344,037</b>	<b>265,938</b>	<b>227,456</b>	<b>837,431</b>	<b>364,276</b>	<b>258,600</b>	<b>223,745</b>	<b>846,621</b>

8.1 In accordance with the provisions of the VPS Rules, the Pension Fund Manager is entitled to a remuneration for its services by way of an annual management fee not exceeding 1.50% of the net assets of each Sub-Funds calculated on a daily basis. Currently, the Pension Fund Manager Fee is charged at the rate of 1.50% of the daily net assets of the Sub-Funds which is paid monthly in arrears.

8.2 During the year, Punjab sales tax has been charged at the rate of 16% (2018: Punjab Sales Tax 16%).

8.3 As per the requirement of the Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16 percent on the remuneration of the Management Company and sales load has applied effective from June 13, 2013. The Management Company is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED results in double taxation, which does not appear to be the spirit of the law, hence, a petition was collectively filed by the Mutual Funds Association of Pakistan with the Sindh High Court (SHC) on September 4, 2013.

The SHC while disposing of the Constitutional Petition No. D-3184 of 2014 relating to levy of FED on Mutual Funds had declared the said provisions to be ultra vires and as a result no FED was payable with effect from July 1, 2011, (i.e., the date on which Sindh Sales Tax on Services Act, 2011 came into force). However, the tax authorities subsequently filed an appeal against the decision of the SHC in the Supreme Court of Pakistan, which is pending for decision.

Effective July 1, 2016, mutual funds have been excluded from levy of FED vide Finance Act, 2016, hence, no provision of FED has been recognised in the financial statements of the Fund since July 1, 2016.

Since the appeal is pending in the Supreme Court of Pakistan, the Management Company, as a matter of abundant caution, has retained the provision on FED and related Sindh Sales Tax on management fee and sales load with effect from June 13, 2013, till June 30, 2016, aggregating to Rs 533,905 (June 30, 2018: Rs 533,905). The impact of this provision on the Net Assets Value per unit of ABLPF - ESF, ABL - DSF and ABL - MMSF as at June 30, 2019 would have been higher by Re. 0.4681, Re. 0.3652 and Re. 0.4029 (2018: Re. 0.4669, Re. 0.3960 and Re. 0.4319) per unit respectively.

9	PAYABLE TO THE TRUSTEE	Note	2019				2018			
			Equity	Debt	Money Market	Total	Equity	Debt	Money Market	Total
			Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund	
			-----Rup ees-----				-----Rup ees-----			
	Trustee Fee	9.1	9,920	8,358	6,380	24,658	11,597	7,283	5,783	24,663
	Sindh Sales Tax on remuneration of the Trustee	9.2	1,290	1,086	831	3,207	1,508	947	753	3,208
			<b>11,210</b>	<b>9,444</b>	<b>7,211</b>	<b>27,865</b>	<b>13,105</b>	<b>8,230</b>	<b>6,536</b>	<b>27,871</b>

- 9.1 CDC being the trustee of the Fund is entitled to a monthly remuneration for services rendered to the Sub-Funds under the provisions of the Trust Deed as per the tariff specified therein which is charged in proportion to the daily net assets of the pertinent Sub-Fund. The remuneration is paid to the trustee monthly in arrears.
- 9.2 The Sindh Revenue Board through Circular No. SRB 3-4/TP/01/2015/86554 dated June 13, 2015 has amended the definition of service of shares, securities and derivatives and included custodianship services as well. Accordingly, Sindh Sales Tax of 13% on such services is now chargeable on Trustee fee which is covered under section 2(79A) of the Sindh Finance Bill, 2010 amended upto 2015.

The tariff structure applicable to the Fund as at June 30, 2019 is as follows:

Net Assets (Rupees)		Tariff
From	To	
0	1 billion	Rs. 0.3 million or 0.15% per annum of net assets whichever is higher.
Above 1 billion	3 billion	Rs. 1.5 million plus 0.10% per annum of net assets on amount exceeding Rs 1 billion.
Above 3 billion	6 billion	Rs. 3.5 million plus 0.08% per annum of net assets on amount exceeding Rs 3 billion.
Above 6 billion	N/A	Rs. 5.9 million plus 0.06% per annum of net assets on amount exceeding Rs 6 billion.

#### 10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

This represents annual fee payable to the Securities and Exchange Commission of Pakistan (SECP) in accordance with rule 36 of the Voluntary Pension System Rules, 2005 whereby each Sub-Fund is required to pay to the SECP an amount equal to one thirtieth of 1% of the average annual net assets of each of the Sub-Funds.

Note	2019				2018			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	-----Rupees-----				-----Rupees-----			
11 ACCRUED EXPENSES AND OTHER LIABILITIES								
Provision for Sindh Workers' Welfare Fund	633,377	73,755	39,909	747,041	633,377	73,755	39,909	747,041
Printing charges	25,000	25,000	25,000	75,000	50,001	50,001	50,001	150,003
Security transaction charges	50,997	-	-	50,997	22,253	-	-	22,253
Charity payable	176,650	-	-	176,650	214,280	-	-	214,280
Other payable	-	-	-	-	-	-	-	-
	<b>886,024</b>	<b>98,755</b>	<b>64,909</b>	<b>1,049,688</b>	<b>919,911</b>	<b>123,756</b>	<b>89,910</b>	<b>1,133,577</b>

- 11.1 The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes (CISs) / mutual funds whose income exceeds Rs. 0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a constitutional petition has been filed by certain CISs through their trustees in the Honourable High Court of Sindh, challenging the applicability of WWF to the CISs, which is pending adjudication.

The Finance Act 2015 incorporated an amendment in WWF Ordinance by excluding CIS from the definition of Industrial Establishment, and consequently CIS are no more liable to pay contribution to WWF with effect from July 1, 2015.

Subsequently, the Ministry of Labour and Manpower (the Ministry) vide its letter dated July 15, 2010 clarified that "Mutual Fund(s) is a product which is being managed / sold by the Asset Management Companies which are liable to contribute towards Workers Welfare Fund under Section 4 of the WWF Ordinance. However, the income on Mutual Fund(s), the product being sold, is exempted under the law ibid".

Further, the Secretary (Income Tax Policy) Federal Board of Revenue (FBR) issued a letter dated October 6, 2010 to the Members (Domestic Operation) North and South FBR. In the letter, reference was made to the clarification issued by the Ministry stating that mutual funds are a product and their income are exempted under the law ibid. The Secretary (Income Tax Policy) Federal Board of Revenue directed that the Ministry's letter may be circulated amongst field formations for necessary action. Following the issuance of FBR Letter, show cause notice which were issued by taxation office to certain mutual funds for payment of levy under WWF were withdrawn. However, the Secretary (Income Tax Policy) Federal Board of Revenue vide letter January 4, 2011 cancelled ab-initio clarificatory letter dated October 6, 2010 on applicability of WWF on mutual funds and issued show cause notices to certain mutual funds for collecting WWF. In respect of such show cause notices, certain mutual funds have been granted stay by High Court of Sindh on the basis of the pending constitutional petition in the said court as referred above.

During the year ended June 30, 2013, the Larger Bench of the Sindh High Court (SHC) issued a judgment in response to a petition in another similar case in which it is held that the amendments introduced in the WWF Ordinance through Finance Acts, 2006 and 2008 do not suffer from any constitutional or legal infirmity.

During the year ended June 30, 2014, the Peshawar High Court on a petition filed by certain aggrieved parties (other than the mutual funds) has adjudicated that the amendments introduced in the Workers Welfare Fund Ordinance, 1971 through the Finance Acts of 1996 and 2009 lacks the essential mandate to be introduced and passed through the money bill under the Constitution of Pakistan and hence have been declared as ultra vires the Constitution.

However, the Supreme Court of Pakistan (SCP) passed a judgment on November 10, 2016, deciding that amendments made through the Finance Acts through which WWF was levied are unlawful, as such are not in nature of tax; therefore, it could not be introduced through the money bill. However, the Federal Board of Revenue has filed a review petition in the SCP against the said judgment, which is pending for hearing in the SCP.

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

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

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

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

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

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

The total provision for SWWF till June 30, 2019 is amounting to Rs. 0.747 million. Had the provision for SWWF not been recorded in this financial statement of the Fund for the period from May 21, 2015 to June 30, 2017, the net asset value per unit of the ABLIPF - ESF, ABLIPF - DSF and ABLIPF - MMSF as at June 30, 2019 would have been higher by Re. 1.3406, Re. 0.1630 and Re. 0.1090 per unit respectively (2018: ABLIPF - ESF Re. 1.3372, ABLIPF - DSF Rs. 0.1767, ABLIPF - MMSF Re. 0.1169).

- 11.2** According to the instructions of the Shariah Advisory Board of the Fund, any income earned by the Fund from investments / portion of investments made in non shariah compliant avenues, should be donated for charitable purposes directly by the Fund. An amount of Rs.176,656 (2018: Rs. 214,280) has been recognised by the Fund as charity expense.

**12 CONTINGENCIES AND COMMITMENTS**

There were no other contingencies and commitments outstanding as at June 30, 2019 and June 30, 2018, other than those mentioned elsewhere in these financial statements.

**13 TAXATION**

No provision for taxation has been made for the year ended June 30, 2019, in view of the exemption available to the Fund under clause 57(3)(viii) of Part-1 of the second schedule to the Income Tax Ordinance, 2001. The Fund is also exempt from the provision of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

**14 EARNINGS PER UNIT (EPU)**

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

	2019				2018			
	Equity	Debt	Money Market	Total	Equity	Debt	Money Market	Total
	Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund	
<b>15 NUMBER OF UNITS IN ISSUE</b>								
Total units in issue at the beginning of the year	473,668	417,321	341,493	1,232,482	517,727	457,059	325,946	1,300,732
Add: issue of units during the year	21,053	39,988	38,950	99,991	42,471	21,096	21,632	85,199
Less: units redeemed during the year	22,275	4,702	14,334	41,311	86,530	60,834	6,085	153,449
Total units in issue at the end of the year	<b>472,446</b>	<b>452,607</b>	<b>366,109</b>	<b>1,291,162</b>	<b>473,668</b>	<b>417,321</b>	<b>341,493</b>	<b>1,232,482</b>



		2019						
		Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total
		Units	Rupees	Units	Rupees	Units	Rupees	Rupees
16	CONTRIBUTION TABLE							
	Individuals	21,053	3,150,161	39,988	4,771,043	38,950	4,546,625	12,467,829
		<b>21,053</b>	<b>3,150,161</b>	<b>39,988</b>	<b>4,771,043</b>	<b>38,950</b>	<b>4,546,625</b>	<b>12,467,829</b>

		2018						
		Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total
		Units	Rupees	Units	Rupees	Units	Rupees	Rupees
	Individuals	42,471	7,347,434	21,096	2,427,893	21,632	2,422,612	12,197,939
		<b>42,471</b>	<b>7,347,434</b>	<b>21,096</b>	<b>2,427,893</b>	<b>21,632</b>	<b>2,422,612</b>	<b>12,197,939</b>

		2019				2018			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		Rupees							
17	FINANCIAL PROFIT								
	Profit from government securities and sukus	-	2,152,981	821,392	2,974,373	-	2,336,572	570,360	2,906,932
	Profit on balances with banks	377,773	1,265,452	1,985,184	3,628,409	148,191	66,729	1,150,745	1,365,665
	Other income- Participation fee	-	10,780	-	10,780	-	-	-	-
		<b>377,773</b>	<b>3,429,213</b>	<b>2,806,576</b>	<b>6,602,782</b>	<b>148,191</b>	<b>2,403,301</b>	<b>1,721,105</b>	<b>4,272,597</b>

		2019				2018			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		Rupees							
18	UNREALISED (DIMUNITION) / APPRECIATION ON REMEASUREMENT OF INVESTMENTS CLASSIFIED AS 'FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS' - NET								
	Market value of investment	56,864,709	22,008,417	17,298,000	96,171,126	70,949,579	44,526,856	10,539,900	126,016,335
	Less: carrying Value of investment	(67,855,087)	(22,531,976)	(17,814,366)	(108,201,429)	(78,821,357)	(45,116,970)	(10,675,315)	(134,613,642)
		<b>(10,990,378)</b>	<b>(523,559)</b>	<b>(516,366)</b>	<b>(12,030,303)</b>	<b>(7,871,778)</b>	<b>(590,114)</b>	<b>(135,415)</b>	<b>(8,597,307)</b>

19	AUDITORS' REMUNERATION								
	Annual statutory audit fee	50,000	50,000	50,000	150,000	49,997	49,998	49,995	149,990
	Punjab Sales Tax / Sindh Sales Tax on audit fee	2,498	2,500	2,500	7,498	4,000	4,000	4,000	12,000
	Out of pocket expenses	5,000	5,000	5,000	15,000	5,000	5,000	5,000	15,000
		<b>57,498</b>	<b>57,500</b>	<b>57,500</b>	<b>172,498</b>	<b>58,997</b>	<b>58,998</b>	<b>58,995</b>	<b>176,990</b>

## 20 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

20.1 Connected person / related parties include Management Company, its parent and the related subsidiaries of the parent, associated companies / undertakings of the Management Company, other funds managed by the Management Company, post employment benefit funds of the Management Company, employment funds of the parent, subsidiaries and its associated undertakings. It also includes Central Depository Company of Pakistan Limited being the Trustee of the Fund, the directors and officers of the Management Company and any person or Company beneficially owning directly or indirectly 10% or more of the units in issue / net assets of the Fund.

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

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

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

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

	2019				2018			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
<b>ABL Asset Management Company Limited - Pension Fund Manager</b>	-----Rupees-----				-----Rupees-----			
Remuneration	1,106,087	747,297	590,403	2,443,787	1,176,809	724,955	561,189	2,462,953
Punjab sales tax on remuneration of the Pension Fund Manager	176,973	119,567	94,467	391,007	192,437	117,848	91,154	401,439
<b>Central Depository Company of Pakistan Limited - Trustee</b>								
Trustee fee	135,542	91,991	72,463	299,996	144,807	88,522	68,529	301,858
Sindh sales tax on remuneration of the Trustee	17,620	11,959	9,420	38,999	18,823	11,508	8,910	39,241
<b>Allied Bank Limited</b>								
Bank charges accrued	43,964	17,806	8,994	70,764	15,606	10,604	7,408	33,618
Profit on bank deposits	142,266	287,951	181,934	612,151	124,189	110,379	154,643	389,211

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

	June 30, 2019				June 30, 2018			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
<b>ABL Asset Management Company Limited - Pension Fund Manager</b>	-----Rupees-----				-----Rupees-----			
Number of units held: 300,000 units in each Sub-Fund	46,486,680	35,925,390	35,131,020	110,564,280	49,368,390	34,725,180	33,939,810	118,033,380
Remuneration payable	78,909	66,473	50,742	196,124	95,321	59,887	47,544	202,752
Sindh sales tax on remuneration of Pension Fund Manager	31,371	23,560	21,094	76,025	31,371	23,560	21,094	76,025
Federal excise duty on remuneration of Pension Fund Manager	221,132	165,270	147,503	533,905	221,132	165,270	147,503	533,905
Sales load payable	-	-	-	-	1,201	301	-	1,502
<b>Central Depository Company of Pakistan Limited - Trustee</b>								
Trustee fee payable	9,920	8,358	6,380	24,658	11,597	7,283	5,783	24,663
Sindh Sales Tax on remuneration of the Trustee	1,290	1,086	831	3,207	1,508	947	753	3,208
Security deposit	100,000	100,000	-	200,000	100,000	100,000	-	200,000
Deposit in IPS accounts	-	12,938	39,222	52,160	-	784	18,440	19,224
<b>Allied Bank Limited</b>								
Balances in profit and loss sharing accounts	3,200,903	9,380,040	2,872,254	15,453,197	3,205,954	1,937,656	5,498,922	10,642,532
Profit receivable on bank deposits	9,672	32,136	3,318	45,126	9,250	6,159	12,188	27,597

2019										
Particulars	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Total
	Amortised cost	At fair value through profit or loss	Sub-total	Amortised cost	At fair value through profit or loss	Sub-total	Amortised cost	At fair value through profit or loss	Sub-total	
<b>Financial assets</b>										
Balances with banks	7,255,552	-	7,255,552	31,784,836	-	31,784,836	25,290,187	-	25,290,187	64,330,575
Investments	-	56,864,709	56,864,709	-	22,008,417	22,008,417	-	17,298,000	17,298,000	96,171,126
Dividend receivable	231,478	-	231,478	-	-	-	-	-	-	231,478
Profit receivable	38,388	-	38,388	725,913	-	725,913	607,773	-	607,773	1,372,074
Receivable against sale of equity securities	524,000	-	524,000	-	-	-	-	-	-	524,000
Deposits and other receivables	100,000	-	100,000	112,938	-	112,938	39,222	-	39,222	252,160
	<b>8,149,418</b>	<b>56,864,709</b>	<b>65,014,127</b>	<b>32,623,687</b>	<b>22,008,417</b>	<b>54,632,104</b>	<b>25,937,182</b>	<b>17,298,000</b>	<b>43,235,182</b>	<b>162,881,413</b>

2019										
Particulars	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Total
	At fair value through profit or loss	Other financial liabilities	Sub-total	At fair value through profit or loss	Other financial liabilities	Sub-total	At fair value through profit or loss	Other financial liabilities	Sub-total	
<b>Financial liabilities</b>										
Payable to the Pension Fund Manager	-	344,037	344,037	-	265,938	265,938	-	227,456	227,456	837,431
Payable to the Trustee	-	11,210	11,210	-	9,444	9,444	-	7,211	7,211	27,865
Payable to the Auditors	-	50,000	50,000	-	50,000	50,000	-	50,000	50,000	150,000
Payable against purchase of equity securities	-	1,538,500	1,538,500	-	-	-	-	-	-	1,538,500
Accrued expenses and other liabilities	-	252,647	252,647	-	25,000	25,000	-	25,000	25,000	302,647
	<b>-</b>	<b>2,196,394</b>	<b>2,196,394</b>	<b>-</b>	<b>350,382</b>	<b>350,382</b>	<b>-</b>	<b>309,667</b>	<b>309,667</b>	<b>2,856,443</b>

2018

Particulars	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Total
	Amortised cost	At fair value through profit or loss	Sub-total	Amortised cost	At fair value through profit or loss	Sub-total	Amortised cost	At fair value through profit or loss	Sub-total	
<b>Rupees</b>										
<b>Financial assets</b>										
Balances with banks	9,905,453	-	9,905,453	3,910,323	-	3,910,323	28,341,557	-	28,341,557	42,157,333
Investments	-	70,949,573	70,949,573	-	44,526,856	44,526,856	-	10,539,900	10,539,900	126,016,329
Dividend receivable	281,490	-	281,490	-	-	-	-	-	-	281,490
Profit receivable	13,233	-	13,233	214,907	-	214,907	116,672	-	116,672	344,812
Deposits and other receivables	100,000	-	100,000	100,784	-	100,784	18,440	-	18,440	219,224
	<b>10,300,176</b>	<b>70,949,573</b>	<b>81,249,749</b>	<b>4,226,014</b>	<b>44,526,856</b>	<b>48,752,870</b>	<b>28,476,669</b>	<b>10,539,900</b>	<b>39,016,569</b>	<b>169,019,188</b>

2018

Particulars	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Total
	At fair value through profit or loss	Other financial liabilities	Sub-total	At fair value through profit or loss	Other financial liabilities	Sub-total	At fair value through profit or loss	Other financial liabilities	Sub-total	
<b>Rupees</b>										
<b>Financial liabilities</b>										
Payable to the Pension Fund Manager	-	364,276	364,276	-	258,600	258,600	-	223,745	223,745	846,621
Payable to the Trustee	-	13,105	13,105	-	8,230	8,230	-	6,536	6,536	27,871
Payable to the Auditors	-	50,000	50,000	-	50,001	50,001	-	50,000	50,000	150,001
Accrued expenses and other liabilities	-	286,534	286,534	-	50,001	50,001	-	50,001	50,001	386,536
	-	<b>713,915</b>	<b>713,915</b>	-	<b>366,832</b>	<b>366,832</b>	-	<b>330,282</b>	<b>330,282</b>	<b>1,411,029</b>

## 22 FINANCIAL RISK MANAGEMENT

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

### 22.1 Market risk

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

The Management Company manages the market risk through diversification of the investment portfolio by exposures and by following the internal guidelines established by the investment committee.

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

#### 23.1.1 Currency risk

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

#### 23.1.2 Profit rate risk

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.

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

As at June 30, 2019, the Fund holds GoP ijarah sukuks which are classified as financial assets at fair value through profit or loss' exposing the Fund to fair value interest rate risk. In case of 100 basis points increase / decrease in rates with all other variables held constant, the net income / loss for the period and net assets of the Fund would have been lower / higher by Rs 0.411 million

##### b) Sensitivity analysis of variable rate instruments

Presently the Debt Sub-Fund and Money Market Sub-Fund hold KIBOR based profit bearing Sukuks exposing each of the Sub-Funds to cash flow interest rate risk. Further, The Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund holds bank balances in profit and loss sharing accounts which are also exposed to cash flow interest rate risk. The impact of 100 basis points increase / decrease in KIBOR and interest rates on June 30, 2019, with all other variables held constant, on the net assets of the Fund for the year is shown below:

Effect on income and net assets				
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
----- Rupees -----				
Increase of 100 basis points	725,555	3,697,575	2,529,019	6,952,149
Decrease of 100 basis points	(725,555)	(3,697,575)	(2,529,019)	(6,952,149)

The analysis below summarises the available published credit ratings of the Fund's bank balances as at June 30, 2019:

The Fund also holds balances in certain saving accounts, the interest rate of which in certain circumstances ranged between 4.00% - 11.00% per annum.

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

Particulars	As at June 30, 2019					As at June 30, 2018						
	Effective yield / profit rate %	Exposed to yield / profit risk			Not exposed to yield / profit rate risk	Total	Effective yield / profit rate %	Exposed to yield / profit risk			Not exposed to yield / profit rate risk	Total
		Upto three months	More than three months and upto one year	More than one year				Upto three months	More than three months and upto one year	More than one year		
		-----Rupees-----					-----Rupees-----					

#### ABL Islamic Pension Fund - Equity Sub Fund

##### On-balance sheet financial instruments

##### Financial assets

Bank balances	4.00% - 11.00%	7,255,552	-	-	-	7,255,552	2.75% - 6.20%	9,905,453	-	-	-	9,905,453
Investments		-	-	39,306,417	56,864,709	96,171,126		-	-	55,066,756	70,949,573	126,016,329
Dividend receivable		-	-	-	231,478	231,478		-	-	-	281,490	281,490
Profit receivable		-	-	-	38,388	38,388		-	-	-	13,233	13,233
Receivable against sale of equity securities		-	-	-	524,000	524,000		-	-	-	100,000	100,000
Deposits and other receivable		-	-	-	100,000	100,000		-	-	-	100,000	100,000
<b>Sub total</b>		<b>7,255,552</b>	<b>-</b>	<b>39,306,417</b>	<b>57,758,575</b>	<b>104,320,544</b>		<b>9,905,453</b>	<b>-</b>	<b>55,066,756</b>	<b>71,344,296</b>	<b>136,316,505</b>

##### Financial liabilities

Payable to the Pension Fund Manager		-	-	-	344,037	344,037		-	-	-	364,276	364,276
Payable to the Trustee		-	-	-	11,210	11,210		-	-	-	13,105	13,105
Payable to the Auditors		-	-	-	50,000	50,000		-	-	-	50,000	50,000
Payable Against Purchase of Equity Securities		-	-	-	1,538,500	1,538,500		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	252,647	252,647		-	-	-	286,534	286,534
<b>Sub total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>2,196,394</b>	<b>2,196,394</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>713,915</b>	<b>713,915</b>

##### On-balance sheet gap

	<b>7,255,552</b>	<b>-</b>	<b>39,306,417</b>	<b>55,562,181</b>	<b>102,124,150</b>		<b>9,905,453</b>	<b>-</b>	<b>55,066,756</b>	<b>70,630,381</b>	<b>135,602,590</b>
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##### Total interest rate sensitivity gap

	<b>7,255,552</b>	<b>-</b>	<b>39,306,417</b>	<b>55,562,181</b>	<b>102,124,150</b>		<b>9,905,453</b>	<b>-</b>	<b>55,066,756</b>	<b>70,630,381</b>	<b>135,602,590</b>
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##### Cumulative interest rate sensitivity gap

	<b>7,255,552</b>	<b>7,255,552</b>	<b>46,561,969</b>				<b>9,905,453</b>	<b>9,905,453</b>	<b>64,972,209</b>		
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Particulars	As at June 30, 2019					As at June 30, 2018						
	Effective yield / profit rate %	Exposed to yield / profit risk			Not exposed to yield / profit risk	Total	Effective yield / profit rate %	Exposed to yield / profit risk			Not exposed to yield / profit risk	Total
		Upto three months	More than three months and upto one year	More than one year				Upto three months	More than three months and upto one year	More than one year		

-----Rupees-----

**ABL Islamic Pension Fund - Debt Sub Fund**

**On-balance sheet financial instruments**

**Financial assets**

Bank balances	2.50 - 5.50	31,784,836	-	-	-	31,784,836	2.50 - 5.50	3,910,323	-	-	-	3,910,323
Investments	5.24 - 7.89	22,008,417	-	-	-	22,008,417	5.24 - 7.89	44,526,856	-	-	-	44,526,856
Profit receivable		-	-	-	725,913	725,913		-	-	-	214,907	214,907
Deposit and other receivable		-	-	-	121,750	121,750		-	-	-	109,597	109,597
<b>Sub total</b>		<b>53,793,253</b>	<b>-</b>	<b>-</b>	<b>847,663</b>	<b>54,640,916</b>		<b>48,437,179</b>	<b>-</b>	<b>-</b>	<b>324,504</b>	<b>48,761,683</b>

**Financial liabilities**

Payable to the Pension Fund Manager		-	-	-	265,938	265,938		-	-	-	258,600	258,600
Payable to the Trustee		-	-	-	9,444	9,444		-	-	-	8,230	8,230
Payable to the Auditors		-	-	-	50,000	50,000		-	-	-	50,001	50,001
Accrued expenses and other liabilities		-	-	-	25,000	25,000		-	-	-	50,001	50,001
<b>Sub total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>350,382</b>	<b>350,382</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>366,832</b>	<b>366,832</b>

**On-balance sheet gap** 53,793,253    -    -    497,281    54,290,534

48,437,179    -    -    (42,328)    48,394,851

**Total interest rate sensitivity gap** 53,793,253    -    -    497,281    54,290,534

48,437,179    -    -    (42,328)    48,394,851

**Cumulative interest rate sensitivity gap** 53,793,253    53,793,253    53,793,253

48,437,179    48,437,179    48,437,179

Particulars	As at June 30, 2019						As at June 30, 2018					
	Effective yield / profit rate %	Exposed to yield / profit risk			Not exposed to yield / profit rate risk	Total	Effective yield / profit rate %	Exposed to yield / profit risk			Not exposed to yield / profit rate risk	Total
		Upto three months	More than three months and upto one year	More than one year				Upto three months	More than three months and upto one year	More than one year		

-----Rupees-----

-----Rupees-----

**ABL Islamic Pension Fund - Money Market Sub Fund**

**On-balance sheet financial instruments**

**Financial assets**

Balances with banks	2.50 - 6.00	25,290,187	-	-	-	25,290,187	2.50 - 6.00	28,341,557	-	-	-	28,341,557
Investments	5.24	17,298,000	-	-	-	17,298,000	5.24	-	10,539,900	-	-	10,539,900
Profit receivable		-	-	-	607,773	607,773		-	-	-	116,672	116,672
Deposit and other receivable		-	-	-	39,222	39,222		-	-	-	18,440	18,440
<b>Sub total</b>		<b>42,588,187</b>	<b>-</b>	<b>-</b>	<b>646,995</b>	<b>43,235,182</b>		<b>28,341,557</b>	<b>10,539,900</b>	<b>-</b>	<b>135,112</b>	<b>39,016,569</b>

**Financial liabilities**

Payable to the Pension Fund Manager		-	-	-	227,456	227,456		-	-	-	223,745	223,745
Payable to the Trustee		-	-	-	7,211	7,211		-	-	-	6,536	6,536
Payable to the Auditors		-	-	-	50,000	50,000		-	-	-	50,000	50,000
Accrued expenses and other liabilities		-	-	-	25,000	25,000		-	-	-	50,001	50,001
<b>Sub total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>309,667</b>	<b>309,667</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>330,282</b>	<b>330,282</b>

**On-balance sheet gap**

		<b>42,588,187</b>	<b>-</b>	<b>-</b>	<b>337,328</b>	<b>42,925,515</b>		<b>28,341,557</b>	<b>10,539,900</b>	<b>-</b>	<b>(195,170)</b>	<b>38,686,287</b>
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**Total interest rate sensitivity gap (a+b)**

		<b>42,588,187</b>	<b>-</b>	<b>-</b>	<b>337,328</b>	<b>42,925,515</b>		<b>28,341,557</b>	<b>10,539,900</b>	<b>-</b>	<b>(195,170)</b>	<b>38,686,287</b>
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**Cumulative interest rate sensitivity gap**

		<b>42,588,187</b>	<b>42,588,187</b>	<b>42,588,187</b>				<b>28,341,557</b>	<b>38,881,457</b>	<b>38,881,457</b>		
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### 24.1.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest 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's price risk generally arises on equity securities.

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

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

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

In case of 10% change in KSE 100 index on June 30, 2019, with all other variables held constant, net income for the year would increase / decrease by Rs. 5.686 (2018: Rs. 7.095) million as a result of gains / losses on equity securities classified as at fair value through profit or loss.

The analysis is based on the assumption that the equity index had increased / decreased by 10% with all other variables held constant and all the Sub-Funds equity instruments moved according to historical correlation with the index. This represents the Pension Fund Manager's best estimate of a reasonable possible shift in the KSE 100 index, having regard to historical volatility of the index. The composition of the Sub-Fund investment's portfolio and the correlation thereof to the KSE 100 index, is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2019 is not necessarily indicative of the effect on the Sub-Fund's net assets of future movements in the level of the KSE 100 index.

### 24.2 Credit risk

Credit risk represents the risk of a loss if the counter parties fail to perform as contracted. Credit risk mainly arises from deposits with banks, credit exposure arising as a result of dividends receivable on equity securities, receivable against sale of investments and investment in debt securities. For banks and financial institutions balances are kept with reputed parties. Credit risk on dividend receivable is minimal due to statutory protection. All transactions in listed securities are settled / paid for upon delivery market clearing system. The risk of default is considered minimal due to inherent systematic measures taken therein. Debt securities held by the Fund mainly consist of government securities that represent the interest of the Government of Pakistan and therefore not exposed to credit risk. The remaining debt securities are with reputable counter parties and therefore credit risk is minimal.

Credit risk is managed and controlled by the Pension Fund Manager of the Fund in the following manner:

- The Fund limits its exposure to credit risk by only investing in liquid debt securities that have at minimum an investment grade as rated by a credit rating agency approved by the SECP. In the absence of issue rating, the Fund ensures that the entity has an investment grade as rated by a credit rating agency approved by the SECP.
- The risk of counter party exposure due to failed trades causing a loss to the Fund is mitigated by a periodic review of trade reports, credit ratings and financial statements on a regular basis.

24.2.1 The analysis below summarises the available published credit ratings of the Fund's bank balances as at June 30, 2019:

#### Balances with banks by rating category

Name of the bank	ABL Islamic Pension Fund - Equity Sub Fund			ABL Islamic Pension Fund - Debt Sub Fund			ABL Islamic Pension Fund - Money Market Sub Fund		
	Rating agency	Latest available published rating	Percentage of Bank Balance	Rating agency	Latest available published rating	Percentage of Bank Balance	Rating agency	Latest available published rating	Percentage of Bank Balance
Allied Bank Limited	PACRA	AAA	44.12%	PACRA	AAA	30.00%	PACRA	AAA	11.00%
Askari Bank Limited	PACRA	AA+	0.12%	PACRA	AA+	3.00%	PACRA	AA+	0.00%

Name of the bank	ABL Islamic Pension Fund - Equity Sub Fund			ABL Islamic Pension Fund - Debt Sub Fund			ABL Islamic Pension Fund - Money Market Sub Fund		
	Rating agency	Latest available published rating	Percentage of Bank Balance	Rating agency	Latest available published rating	Percentage of Bank Balance	Rating agency	Latest available published rating	Percentage of Bank Balance
Dubai Islamic Bank Pakistan Limited	JCR-VIS	AA-	-	JCR-VIS	AA-	-	JCR-VIS	AA-	28.00%
Bank Islami Pakistan Limited	PACRA	A+	-	PACRA	A+	-	PACRA	A+	0.00%
Sindh Bank Limited	JCR-VIS	A+	-	JCR-VIS	A+	-	JCR-VIS	A+	0.00%
Bank Al Habib Limited	PACRA	AA+	-	PACRA	AA+	34.00%	PACRA	AA+	30.00%
Zarai Tarakiyati Bank	JCR-VIS	AAA	-	JCR-VIS	AAA	-	JCR-VIS	AAA	0.00%
United Bank Limited	JCR-VIS	AAA	55.77%	JCR-VIS	AAA	33.00%	JCR-VIS	AAA	31.00%

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

#### 24.2.2 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial instruments is mainly held with / invested in various banks and securities issued by the State Bank of Pakistan on behalf of Government of Pakistan. The Fund has invested a significant portion of bank balance in Allied Bank Limited, a related party. Since the bank is of high credit repute, no concentration of credit risk arises.

#### 24.30 Liquidity risk

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

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

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

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

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

Particulars	As at June 30, 2019				As at June 30, 2018			
	Upto three months	More than three months and upto one year	More than one year	Total	Upto three months	More than three months and upto one year	More than one year	Total
	-----Rupees-----				-----Rupees-----			
<b>Liabilities</b>								
<b>ABL Islamic Pension Fund - Equity Sub Fund</b>								
Payable to the Pension Fund Manager	344,037	-	-	344,037	364,276	-	-	364,276
Payable to the Trustee	11,210	-	-	11,210	13,105	-	-	13,105
Payable to the Auditors	50,000	-	-	50,000	50,000	-	-	50,000
Payable against purchase of equity securities	1,538,500	-	-	1,538,500	-	-	-	-
Accrued expenses and other liabilities	252,647	-	-	252,647	286,534	-	-	286,534
	<b>2,196,394</b>	-	-	<b>2,196,394</b>	<b>713,915</b>	-	-	<b>713,915</b>
<b>ABL Islamic Pension Fund - Debt Sub Fund</b>								
Payable to the Pension Fund Manager	265,938	-	-	265,938	258,600	-	-	258,600
Payable to the Trustee	9,444	-	-	9,444	8,230	-	-	8,230
Payable to the Auditors	50,000	-	-	50,000	50,001	-	-	50,001
Accrued expenses and other liabilities	25,000	-	-	25,000	50,001	-	-	50,001
	<b>350,382</b>	-	-	<b>350,382</b>	<b>366,832</b>	-	-	<b>366,832</b>
<b>ABL Islamic Pension Fund - Money Market Sub Fund</b>								
Payable to the Pension Fund Manager	227,456	-	-	227,456	223,745	-	-	223,745
Payable to the Trustee	7,211	-	-	7,211	6,536	-	-	6,536
Payable to the Auditors	50,000	-	-	50,000	50,000	-	-	50,000
Accrued expenses and other liabilities	25,000	-	-	25,000	50,001	-	-	50,001
	<b>309,667</b>	-	-	<b>309,667</b>	<b>330,282</b>	-	-	<b>330,282</b>

#### 24.4 Fair value of financial instruments

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable willing parties in an arm's length transaction. 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.

Fair value of investments is determined as follows:

- Fair value of listed equity securities is determined on the basis of closing market prices quoted on the respective stock exchange.
- The fair value of all other financial assets and financial liabilities of the Fund approximate their carrying amounts due to short term maturities of these instruments.

##### 24.4.1 Fair value hierarchy

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

- Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities.
- Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at June 30, 2018, the Fund held the following financial instruments measured at fair value:

	As at June 30, 2019				As at June 30, 2018			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>ASSETS</b>	-----Rupees-----				-----Rupees-----			
<b>Financial assets at fair value through profit or loss - net</b>								
<b>ABL Islamic Pension Fund - Equity Sub Fund</b>								
Investment in Listed equity securities	56,864,709	-	-	56,864,709	70,949,579	-	-	70,949,579
<b>ABL Islamic Pension Fund - Debt Sub Fund</b>								
Investment in Government securities - GoP Ijarah sukuk	-	16,817,500	-	16,817,500	-	39,856,650	-	39,856,650
Other sukuk	-	5,190,917	-	5,190,917	-	4,670,206	-	4,670,206
<b>ABL Islamic Pension Fund - Money Market Sub Fund</b>								
Investment in Government securities - GoP Ijarah sukuk	-	17,298,000	-	17,298,000	-	10,539,900	-	10,539,900

## 25 PARTICIPANTS' SUB FUND RISK MANAGEMENT

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

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

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

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

## 26 FINANCIAL PERFORMANCE

Particulars	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund		
	2019	2018	2017	2019	2018	2017	2019	2018	2017
	-----Rupees-----			-----Rupees-----			-----Rupees-----		
Net income	(15,601,423)	(11,723,313)	21,717,186	1,682,735	576,726	2,118,210	1,352,172	627,786	1,118,261
Capital gain / (loss) on sale of investments - net	(6,306,471)	(5,633,715)	11,652,644	(48,087)	(55,112)	-	12,900	(1,458)	-
Unrealised (loss) / gain on re-measurement of investments classified as financial assets at fair value through profit or loss - net	(10,990,378)	(7,871,784)	9,149,360	(523,559)	(590,114)	751,591	(516,366)	(135,415)	158,391
Dividend income	3,313,964	3,680,104	3,073,235	-	-	-	-	-	-
Financial profit	377,773	148,191	305,189	3,418,433	2,403,301	2,453,656	2,806,576	1,721,105	1,791,780
Net asset value per unit as at June 30	131.6929	164.5613	186.9568	119.7513	115.7506	114.3121	117.1034	113.1327	111.2596
Total Net Assets as at June 30	62,217,769	77,947,405	96,792,565	54,200,294	48,305,147	52,247,387	42,872,617	38,634,031	36,264,650
Total contributions received - Gross	3,150,161	7,347,434	7,862,837	4,771,043	2,427,893	7,243,542	4,546,625	2,422,612	851,863

Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund	
Lowest issue price	Highest issue price	Lowest issue price	Highest issue price	Lowest issue price	Highest issue price
----- (Rupees) -----					

**26.1 Highest and lowest issue price of units issued during the year**

For the year ended June 30, 2019	128.0617	169.1935	115.0086	120.2136	118.3613	127.1692
For the year ended June 30, 2018	151.4418	187.8829	113.8694	115.8552	111.2633	112.9723

**27 DATE OF AUTHORISATION FOR ISSUE**

These financial statements were authorised for issue on 8-August-2019 by the Board of Directors of the Pension Fund Manager.

**28 GENERAL**

**28.1** Figures have been rounded off to the nearest rupee.

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

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



**Saqib Mateen**  
Chief Financial Officer



**Ale Khalid Ghaznavi**  
Chief Executive Officer



**Pervaiz Iqbal Butt**  
Director

## توثیق:

ہم اپنے گرانقدر سرمایہ کاروں کا شکریہ ادا کرتے ہیں جنہوں نے ہم پر اپنا اعتماد کیا۔ منتظمین بھی سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کا، ٹرسٹی سینٹرل ڈیپازٹری کمپنی آف پاکستان لمیٹڈ کا اور پاکستان اسٹاک ایکسچینج کی انتظامیہ کا ان کی مسلسل رہنمائی اور معاونت پر مشکور ہیں۔ منتظمین انتظامی اراکین کی جانب سے کی گئی کاوشوں کو بھی سراہتے ہیں۔

## برائے اور منجانب منتظمین:

علی خالد غزنوی

سربراہ

مختم

30 اپریل 2019 ، لاہور

فنزڈ 39.55 ملین روپے پر بند ہوئے۔ دیئے گئے اختیار کے مطابق کرنسی مارکیٹ ذیلی فنڈ مختصر المدت اجارہ سکوک (44.56%) نے جبکہ کیش اور دیگر قابل وصول رقومات بالترتیب %54.34 اور %1.09 پر مشتمل تھیں۔

### ڈیبٹ سب فنڈ:

اس مدت کے دوران ABL-IPF ڈیبٹ ذیلی فنڈ نے %5.59 کا سالانہ منافع دیا، فنڈ کو گورنمنٹ اجارہ سکوک میں %34.14 انویسٹ کیا گیا اور جبکہ کیش ڈیبٹ اور کارپوریٹ سکوک ہولڈنگز کھل پورٹ فیلیوں کا %54.17 اور %8.53 تھیں۔ آگے بڑھتے ہوئے ہم امید کرتے ہیں کہ اجارہ کی قیمتیں موجودہ لیول سے بڑھیں گی اور اسلامک سرمایہ کاری کے مواقع کو کم کر دیں گی۔

### ایکویٹی سب فنڈ:

ESF- ABL - IPF نے منٹھی %2.30 کا ریٹرن دیا ہے فنڈ کی %90.13 ایکویٹیز میں انویسٹ کیا گیا ہے جبکہ کیش اور دیگر قابل وصول رقومات بالترتیب %8.57 اور %1.30 تھیں اور ESF ABL -IPF کے اثاثہ جات مارچ 2019 کے اختتام پر 73.439 ملین روپے ریکارڈ کیے گئے

### محاسب کار:

یوسف عادل سلیم اینڈ کمپنی (چارٹرڈ اکاؤنٹنٹس) کو اے بی ایل اسلامک اینڈیشن فنڈ (ABL-PF) کا برائے مالی سال 30 جون 2019 تک محاسب کار مقرر کیا گیا۔

### انتظامی معیار کی درجہ بندی:

31 دسمبر 2018 کو JCR-VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ نے اے بی ایل ایسٹ منجمنٹ کمپنی، (ABL-AMC) کی انتظامی معیار کی درجہ بندی کو AM2+ سے (AM Two-Double Plus), AM2++ قرار دیا۔ متعین کردہ حد بندی کے لحاظ سے مستحکم ہے۔

### جائزہ:

آئیوا لے اہم واقعات 2QCY19 میں حصص مارکیٹ کے رخ کا یقین کرینگے۔ (1) پاکستان کے IMF سے مذاکرات / مشاورت (2) مالی سال 2020 کا بجٹ (3) FATF میں ترقی ہمارے خیال میں IMF کو کرنسی میں رو بہ دل اور پالیسی ریٹ میں اضافہ سے مطمئن ہو جانا چاہئے تاہم بجلی اور گیس کے نرخوں میں نظر ثانی کی جاسکتی ہے ترقیاتی اخراجات چیک میں رہیں گے۔ اس طرح سائیکلک شعبوں جیسے سینٹیل / اسٹیل کا دباؤ برقرار رہے گا دوسری طرف پاور سلیکٹر IMF سے فائدہ حاصل کر نیوالے میں ہوگا کیونکہ میرف میں اضافہ اور سکوک کی پیکٹش کی وجہ سے بڑی پلک ریلیٹ کھچی جاسکی گئے پیکٹس بھی 2013/14 والا سال دوبارہ دیکھ سکیں گے جب انہوں نے زیادہ پیداوار ڈینی والی PIB کو 3-5 سال تک کے پابند کر دیا تھا بیرونی سلیکٹر زیادہ نمبر دکھائے گا اور ہم اوسطاً موجودہ اکاؤنٹ کے خسارے کو 700 ملین USD تک دیکھیں گے (سال 18 میں اوسطاً مالی خسارہ %5.0 USD تھا) تاہم افراط زر میں انچ اب جاری رہی اسلئے کہ گزشتہ کچھ ہفتوں سے تیل کی عالمی قیمتیں مسلسل بڑھ رہی ہیں۔

آگے چلتے ہوئے ہم امید کرتے ہیں کہ IMF کے تیل آؤٹ پٹنگ پر دستخط کے بعد بیرونی اکاؤنٹ پر آسانی ہوگی موجودہ اکاؤنٹ کا خسارہ بیرونی ملک کارکنوں کی ترسیلات میں میں رمضان المبارک کے بعد عید الفطر کے موقع پر زیادتی کی وجہ سے اور روپے کی قیمت میں کمی کی وجہ سے درآمدات میں کمی کی وجہ سے کنٹرول میں رہنے کی توقع ہے۔ مہنگائی اسٹیٹ بینک کے دیئے گئے حدف کے مطابق 75%-6.5% تک رہنے کی توقع ہے۔ گورنمنٹ کی طرف سے ایک اور ٹیکس اینڈسٹی انکیم کے اعلان کی توقع ہے تاکہ محصولات کی وصولی کا دروازہ وسیع ہو جائے اور مالی خسارے کو کم کیا جائے مالی سال 2020 کا بجٹ بھی ملک کے مستقبل میں ایک اہم کردار ادا کرے گا ان تمام عناصر کو ایک طرف رکھتے ہوئے سازگار سیاسی ماحول چیزوں کو پلان کے مطابق چلانے میں ایک بنیادی محرک ہوگا۔

### مارکیٹ کا جائزہ:

3Q FY19 نے KMI-30 انڈیکس میں 12% کے اضافہ کے ساتھ جنوری کے مہینے میں ایک اچھا آغاز کیا جسکی وجہ میں کچھ مثبت اقدامات کے اعلانات تھے مزید یہ کہ دوست ممالک سے مالی معاونت اور کچھ حوصلہ مند اقدامات بڑی معیشت کے محاذ پر۔ بہر حال یہ صورت حال تھوڑے عرصے کے لیے رہی کیونکہ سرمایہ کاروں نے غیر تلی بخش کارپوریٹ آرٹنگ، پلومہ پر خود کش حملے کے بعد پاکستان اور اٹریا کے باڈر پر کشیدگی اور IMF کے پروگرام میں تاخیر کی وجہ سے فروخت شروع کر دی ان منفی اقدامات نے سعودی عرب کے ساتھ کئے گئے 20 ارب USD کے معاہدوں کے اثر کو بھی زائل کر دیا اور انڈیکس 3QFY19 میں 3.5% اضافہ کے ساتھ اس سرمایہ میں 63314 پوائنٹس پر بند ہوا۔

مزید برآں کے سیکٹر کا تجزیہ یہ یہ ظاہر کرتا ہے کہ تیل اور گیس نکالنے والی کمپنیوں کے ساتھ کھاد سیکٹر نے انڈیکس کو آگے بڑھایا اور 3013 اور 1087 کے پوائنٹس کا با ترتیب اضافہ کیا E & P سیکٹر کو سمندر میں ڈرننگ کی وجہ سے بہتر توقعات سے قائلہ ہوا اس برکس پاؤڈر جزییشن اور ڈسٹری بیوشن سیکٹر مارکیٹ کو 765 پوائنٹس نیچے لے گیا جس کی وجہ HUBC کی طرف سے کم قیمت پر پرائمنس شیئرز کا اجراء ہوتا ہے۔

### مشترکہ فنڈ کی صنعت کا جائزہ:

اوپن اینڈ فنڈ کی صنعت کے زیر انتظام (اثاثہ جات AUM) 3QFY19 کے دوران مستحکم رہے صرف ایک معمولی 0.16% کی گراؤٹ کا مظاہرہ کیا (630 ارب روپے سے 629 ارب روپے) جس کی بنیادی اصل وجہ غیر یقینی معاشی صورتحال اور کلیدیاتی معاشیات کے محرکات کی بہتری تھی جو کہ گزشتہ سال اسی مدت کے برعکس ہے جب اثاثہ جات AUM میں 10% کا اضافہ ہوا اور یہ مارچ 2018 کے اختتام تک 704 ارب روپے تک پہنچ گئے۔ ایکوینیٹی فنڈز جس میں کنوشنل اور اسلاک ایکوینیٹی شامل ہے نے اچھی خاصی کمی کا مظاہرہ کیا اور اثاثہ جات میں با ترتیب 11.6% اور 14.7% کی کمی کے ساتھ 123 ارب اور 83.9 ارب روپے پر بند ہوئے یہ کمی بنیادی طور پر مارکیٹ کی خراب کارکردگی کی طرف منسوب کی جاسکتی ہے (جب جنوری کے اثر کے باوجود 3QFY19 میں KSE-100 انڈیکس 4.5% بڑھا) جو غیر یقینی معاشی کی صورتحال کی وجہ سے جس نے سرمایہ کاروں کے جذبات کو بھی مجروح کیا اس طرح گسڈ آگم کنٹگری (جو اگم، ایگریو اگم اور منی مارکیٹ فنڈز پر مشتمل ہے) نے 3QFY19 میں 2.5% کی کمی ظاہر کی اور دسمبر 2018 میں 200 ارب روپے کے مقابلے میں مارچ 2019 میں 195 ارب روپے تک رہ گئے۔

### فنڈ کی کارکردگی:

ہمارے اسلاک پنشن فنڈ کو Systematically تین ذیلی فنڈ کی درجہ بندی میں تقسیم کیا گیا ہے جو کہ طویل العیاد سرمایہ کاروں کی خطرہ مول لینے کی خواہش پر کی گئی ہے ڈیٹ ذیلی فنڈ، کرنسی مارکیٹ ذیلی فنڈ اور ایکوینیٹی ذیلی فنڈ۔

### کرنسی مارکیٹ ذیلی فنڈ:

اس مدت کے دوران ABL اسلاک پنشن فنڈ کرنسی مارکیٹ ذیلی فنڈ نے 7.52% سالانہ منافع دیا ہے جبکہ ABL-PF پنشن فنڈ، کرنسی مارکیٹ ذیلی



## آگاہی منجانب منتظمین کمپنی

اے بی ایل اسلامک پنشن فنڈ (ABL-IPF) کی انتظامی کمپنی ABL ایسٹ منجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز اے بی ایل اسلامک پنشن فنڈ کے جامع مالیاتی (غیر محاسبی) حسابات برائے ششماہی 31 مارچ 2019 پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

### چاندہ برائے اقتصادی کارکردگی

ملک کے بڑے معاشی عوامل نے 9MFY19 کے دوران ایک مسابقتی ماحول پیدا کیئے رکھا ملک کی معیشت موجودہ اکاؤنٹ کے بہت زیادہ خسارے، بڑھتے ہوئے مالی عدم توازن اور تیزی سے ختم ہوتے ہوئے زرہ مبادلہ کے ذخائر کی وجہ سے دباؤ میں رہی ان تمام عوامل نے PKR/USD کو % 16 کم کر دیا، % 6.78 YoY مہنگائی کر دی اور 425 پوائنٹس پالیسی ریٹ میں اضافہ ہو گیا۔ اگرچہ ہم پر امید ہے کہ معاشی چیلنجز سے نمٹنے کے لیے خاطر خواہ رد و بدل کیا جا چکا ہے۔ جیسا کہ ملک نے بنیادی اصلاحات کے پروگرام کا آغاز کر دیا ہے بڑے عالمی معاہدات کے ساتھ جیسا کہ IMF جو درمیان میں ہے معیشت آگے بڑھنے کی طرف گامزن ہو چکی ہے۔ 8MFY19 میں ملک کا موجودہ اکاؤنٹ کا خسارہ (CAD) YoY % 23 کے اضافہ کے ساتھ USD 8.84 ارب ڈالر تک پہنچ گیا YoY % 8 کے کم تجارتی خسارہ کی وجہ سے سامان تجارت اور خدمات میں ترقی دیکھی گئی اگرچہ 8MFY19 میں برآمدات USD 19.45 ارب تک رہیں اور خدمات اور سامان تجارت کی درآمدات میں کمی (% 4.58 YoY) اور بیرون ملک کارکنوں کی ترسیلات میں تیزی نے موجودہ اکاؤنٹ کے خسارے کو (CAD) کو کنٹرول کرنے میں معاونت کی اس کی وجہ سے بیرونی اکاؤنٹ پر اور زر مبادلہ کی ذخائر دباؤ کم ہوا۔ 29 مارچ 2019 تک ملک کے زر مبادلہ کے ذخائر US 17.4 ارب ڈالر ہو گئے۔ مارچ 2019 کے آخر میں چائنہ سے قرضہ ملنے والی رقم کی وجہ سے یہ ذخائر US 2.1 ارب ڈالر تک اور بڑھ گئے۔

ملک میں مارچ 2019 میں پانچ سال کی سب سے زیادہ مہنگائی رہی جو کہ % 9.41 تھی پچھلے سال اسی مدت میں % 3.25 تھی۔ مہنگائی میں یہ اضافہ قابل استعمال غذائی آئٹم اور ناقابل غذائی آئٹم کی طرف منسوب کیا جا سکتا ہے۔ جس (کنزیومر پرائز انڈیکس) میں % 2.97 کا حصہ ڈالا ہے اس کے بعد ٹرانسپورٹ (% 0.80 کا حصہ)، پانی، بجلی، گیس اور پیٹرول (% 3.31 کا حصہ) 9MFY19 میں اوسط CPI % 6.78 YoY تک آ گیا جبکہ پچھلے سال اسی مدت کے دوران % 3.78 YoY تک تھا۔ اسٹیٹ بینک نے 9MFY19 کے دوران مہنگائی کو نیچے لانے کیلئے پالیسی ریٹ میں % 4.25 تک اضافہ کر دیا۔ دوسری طرف بڑھتی ہوئی شرح سود نے ملک کی GDP کی نمو کو جامد کر دیا عالمی ادارے جیسے کہ ورلڈ بینک IMF اور موڈی نے GDP کی نمو کو FY19 کیلئے % 4 سے بھی نیچے شمار کیا یہ سست روی بالکل درست ہے اس لیے کہ اسٹیٹ بینک کے فراہم کردہ اعداد و شمار کے مطابق 7MF19 کی مدت کے دوران بڑی صنعتیں % 2.30 YoY تک گھٹ گئیں۔








مالیاتی مجوزہ پر FY19 کے دوران ملک میں ایک بڑے مالی خسارے آنے کی امید ہے اگرچہ حکومت پاکستان مالی خسارہ کم کرنے کے لیے سخت اقدامات کر رہی ہے جو محصولات کے حذف کی وصولی میں ناکامی نے مشکل بنا دیا ہے مارچ 2019 میں محصولات کی وصولی % 5.14 YoY کی کمی کے ساتھ 351 ارب روپے ہوئی مارچ 2019 میں 357 ارب روپے ٹیکس کی وصولی پہنچ گئی % 5.14 YoY کم جبکہ محصولات کی وصولی کا حذف 432 ارب روپے تھا مجموعی طور پر 9MFY19 میں ٹیکس کی وصولی 2681 ارب روپے تک ہو گئی جبکہ وصولی کا حذف 2998 ارب روپے تھا جو کہ 317 ارب روپے کے شارٹ فال کی عکاسی کرتا ہے یا درہے کے FY19 مالی سال کیلئے ٹیکس کی وصولی کا حذف 4398 ارب روپے تھا۔ بہرونی اکاؤنٹ ڈیبٹ سروس کی بہت زیادہ قیمت، بھاری مالی خسارے، انتہائی مہنگائی اور کم GDP نمو کی وجہ سے پاکستانی روپیہ امریکن ڈالر کے مقابلے میں گر گیا روپے کی قدر میں 9MFY19 میں % 16 کی کمی واقع ہوئی ہے جبکہ % 22 YoY کے مقابلے میں جو کہ گزشتہ سال اسی مدت میں 140.78 روپے پر تھا۔










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