



ABL ISLAMIC PENSION FUND
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

Annual **REPORT**



ABL Asset Management
Discover the potential

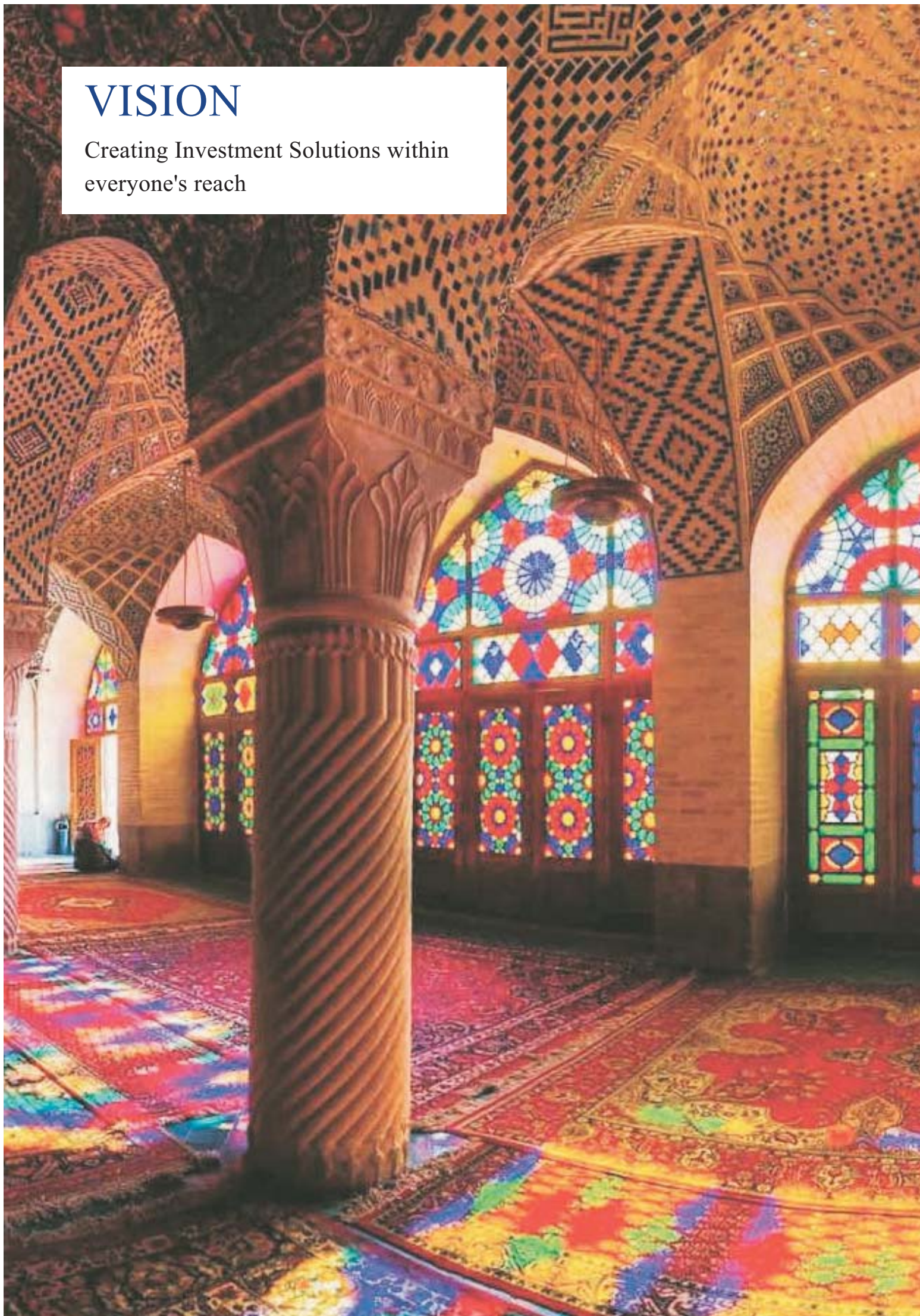


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VISION

Creating Investment Solutions within everyone's reach





Mission & Core Values

To create a conducive working environment, to attract the best talent in the Asset Management Sector. ABLAMC strives to be the 'employer of choice' for young and experienced talent.

To set the highest industry standards in terms of product ranges and innovations, in order to offer products for clients of all demographics.

To adhere to the highest industry standard for integrity and quality across all the spheres of the company.

To use technology and financial structuring to serve as a "cutting-edge" compared to the competition.

To enhance Stakeholders Value.



FUND'S INFORMATION

Management Company:	ABL Asset Management Company Limited Plot / Building # 14 -Main Boulevard, DHA Phase - VI, Lahore - 54810	
Board of Directors:	Sheikh Mukhtar Ahmed Mr. Mohammad Naeem Mukhtar Mr. Muhammad Waseem Mukhtar Mr. Aizid Razzaq Gill Mr. Pervaiz Iqbal Butt Mr. Muhammad Kamran Shehzad Ms. Saira Shahid Hussain	Chairman Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director
Audit Committee:	Mr. Muhammad Kamran Shehzad Mr. Muhammad Waseem Mukhtar Mr. Pervaiz Iqbal Butt	Chairman Member Member
Human Resource and Remuneration Committee	Mr. Muhammad Waseem Mukhtar Mr. Muhammad Kamran Shehzad Mr. Pervaiz Iqbal Butt Mr. Naveed Nasim	Chairman Member Member Member
Board's Risk Management Committee	Mr. Muhammad Kamran Shehzad Mr. Pervaiz Iqbal Butt Mr. Naveed Nasim	Chairman Member Member
Board Strategic Planning & Monitoring Committee	Mr. Muhammad Waseem Mukhtar Mr. Muhammad Kamran Shehzad Mr. Pervaiz Iqbal Butt Mr. Naveed Nasim	Chairman Member Member Member
Chief Executive Officer of	Mr. Naveed Nasim	
The Management Company: Chief Financial Officer & Company Secretary:	Mr. Saqib Matin	
Chief Internal Auditor:	Mr. Kamran Shahzad	
Trustee:	Central Depository Company of Pakistan Limited CDC - House, Shara-e-Faisal, Karachi.	
Bankers to the Fund:	Allied Bank Limited Bank Islami Pakistan Limited United Bank Limited	
Auditors:	Crowe Hussain Chaudhury & Co. Chartered Accountants 25 E Main Market, Gulberg II Lahore 54660, Pakistan	
Legal Advisor:	Ijaz Ahmed & Associates Advocates & Legal Consultants No. 7, 11th Zamzama Street, Phase V DHA Karachi.	
Registrar:	ABL Asset Management Company Limited L - 48, DHA Phase - VI, Lahore - 74500	

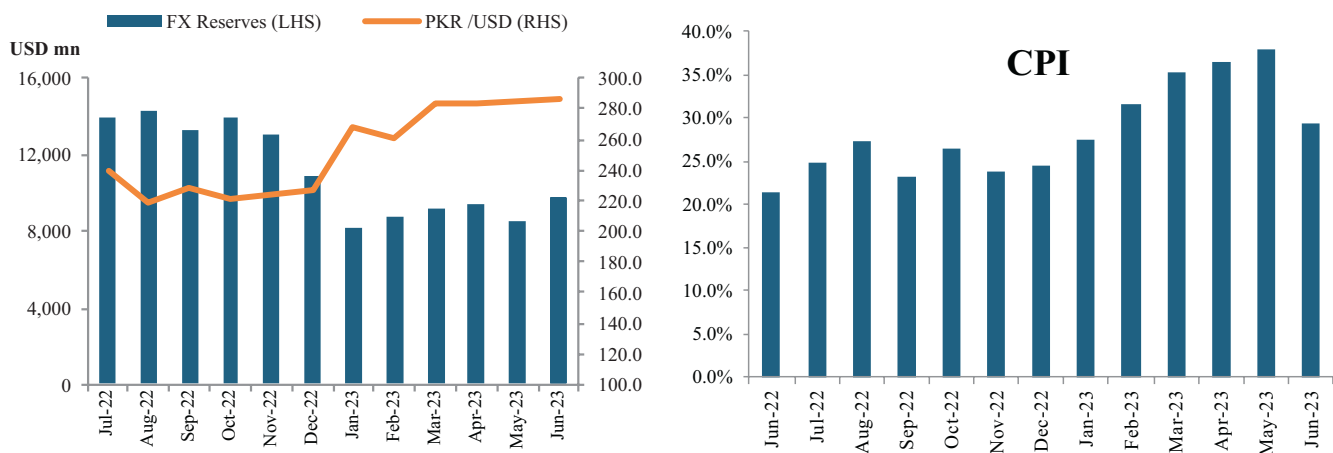


REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

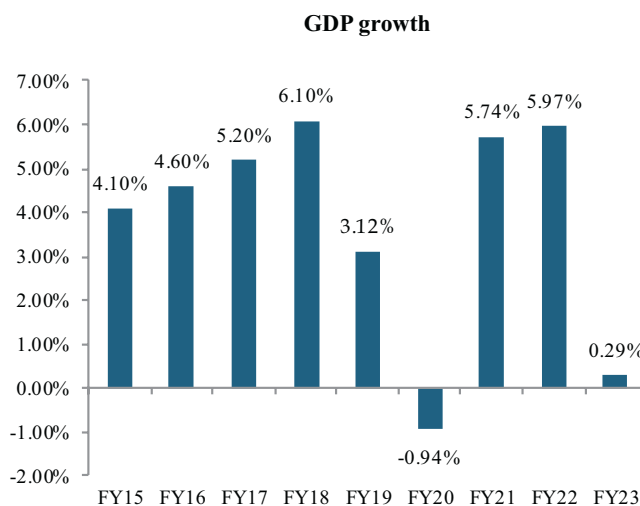
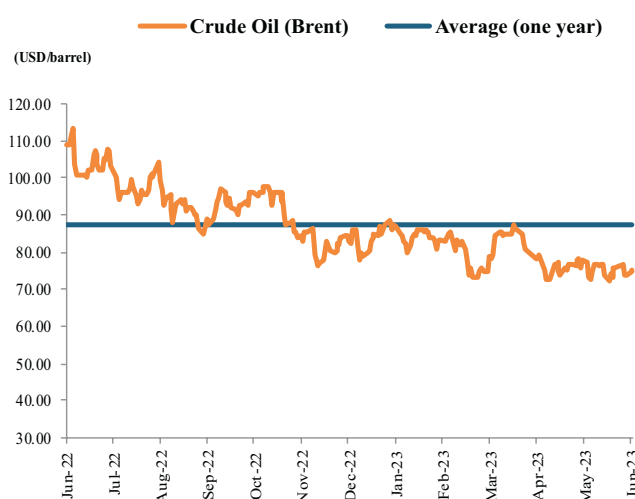
The Board of Directors of ABL Asset Management Company Limited, the management company of ABL Voluntary Pension Scheme (Islamic) (VPS-Islamic), is pleased to present the Condensed Interim Financial Statements (un-audited) of ABL Voluntary Pension Scheme-Islamic for the year ended on June 30, 2023.

ECONOMIC PERFORMANCE REVIEW

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



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



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

MUTUAL FUND INDUSTRY REVIEW

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

ISLAMIC EQUITY MARKET REVIEW

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

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

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

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

ISLAMIC MONEY MARKET REVIEW

Throughout FY23, Pakistan's economy was plagued by destructive floods, higher inflation, and political uncertainty causing significant damage to the economy. The nation experienced a record-breaking inflation of 38% in May'23, primarily driven by soaring food and energy prices. The delay in the International Monetary Fund's 9th and 10th reviews further exacerbated the adverse economic situation. Additionally, debt repayments put a strain on foreign exchange reserves, leading to an unprecedented 38% devaluation of the Pakistani rupee against the US dollar. To address current account deficits, the government implemented import restrictions. The mounting pressure on foreign reserves, coupled with the alarming inflation figures, prompted the State Bank of Pakistan to raise the policy rate by a substantial 825 basis points to 22%.

During the year, GOP Ijarah Sukuks market remained active as the government ended up issuing a total of PKR 737 Billion in Variable Rate GOP Ijarah Sukuk and PKR 134 Billion in Fixed Rate GOP Ijarah Sukuk.

Secondary market yield of Fixed Rate GOP Ijarah Sukuk remained volatile and moved in tandem with the PIB yields therefore the market shifted its preference from fixed rate to variable rate instrument during the rising interest rate cycle.

During the year, SBP introduced both shorter (7days) and longer tenor (63 days and 77 days) OMOs. SBP announced a total of 93 OMO injections and remained a net lender of total of PKR 454 Billion.

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

For the year ended FY23, Islamic Debt Sub Fund posted an annualized return of 10.65%. The fund was invested 52.51% in Government backed securities, 12.82% in Corporate Sukuk and 31.84% in Cash at the end of June'23.

Money Market Sub Fund

For the year ended FY23, Islamic Pension Fund Money Market Sub Fund posted an annualized return of 12.71%. The fund was invested 26.09% in Government backed securities, 71.02% in Cash at the end of June'23.

Equity Sub Fund

For the year ended FY23, Islamic Pension Fund Equity sub Fund posted an annualized return of 1.24% during the year under review. The Fund was invested 91.05% in equities at end of the period with major exposure in Oil and gas exploration 27.67% and Cement 17.90%.

OUTLOOK

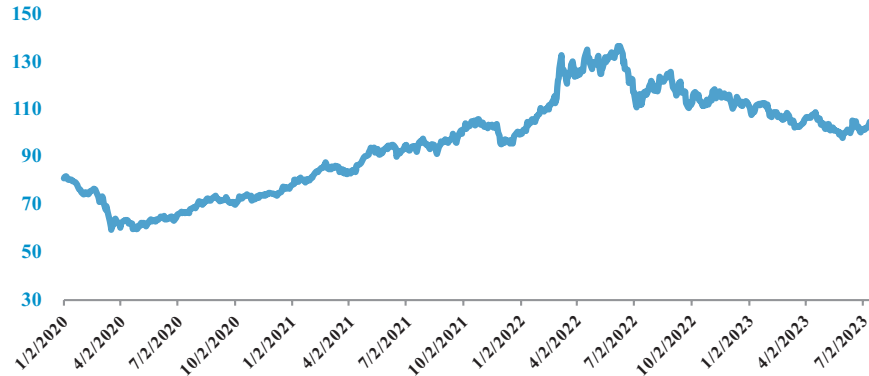
Equity:

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

Islamic Money Market

Going forward inflation is expected to remain on the higher side during the first half of FY24, IMF estimates an average inflation of 26% p.a. for FY24 with inflation expected to decline to 16% p.a. during the last quarter of FY24.

Bloomberg Commodity Index



Source: Bloomberg

Despite declining global commodity prices, as can be seen in the chart above, inflation in Pakistan is expected to remain in double digits primarily because of depreciating rupee and disrupted supply of inputs because of restrictions on opening of LCs.

Recent changes in the policy rate by SBP indicates that the policy rate is expected to remain on the higher side during FY24 therefore in order to minimize interest rate risk in our portfolios we will stay invested in floating rate short term sukuks and bank deposit deals. In order to further augment returns we are in process of signing musharaka agreements with top rated Islamic banks so we can place money directly in the Islamic interbank market and structuring transactions with DFIs.

AUDITORS

M/s. Crowe Hussain Chaudhury & Co. (Chartered Accountants), have been re-appointed as auditors for the year ending June 30, 2024 for ABL Islamic Pension Fund (ABL-IPF).

MANAGEMENT QUALITY RATING

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

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 and on behalf of the Board

Director
Lahore, August 24, 2023

Naveed Nasim
Chief Executive Officer



FUND MANAGER REPORT

OBJECTIVE

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

EQUITY MARKET REVIEW

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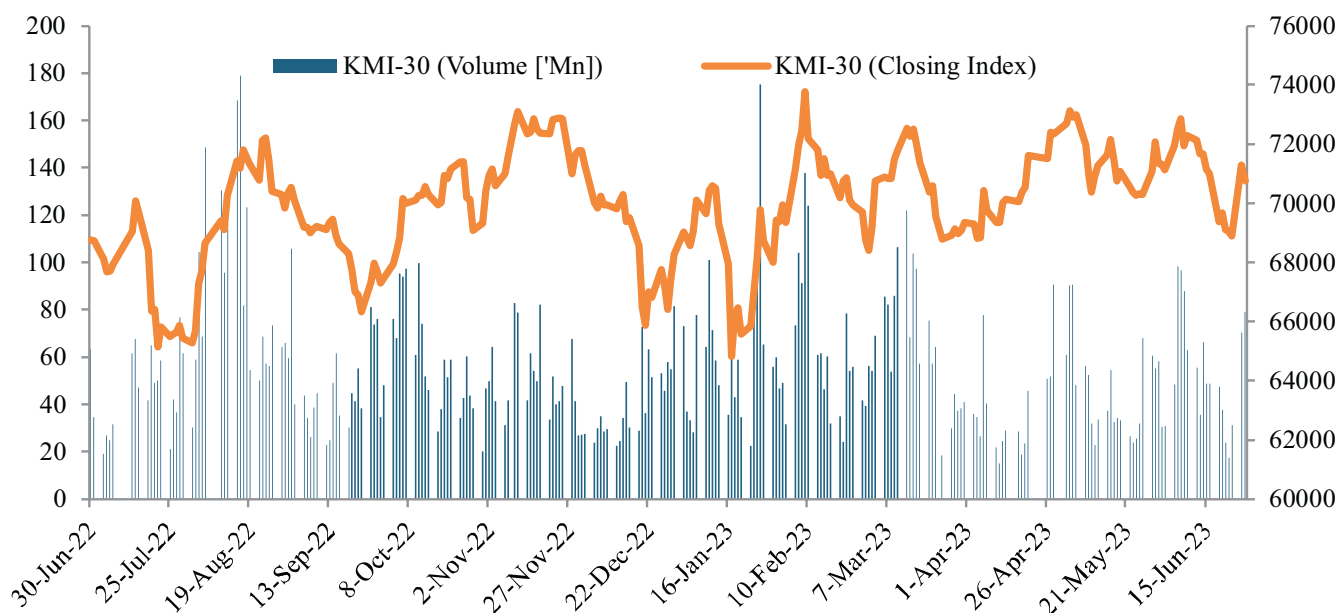
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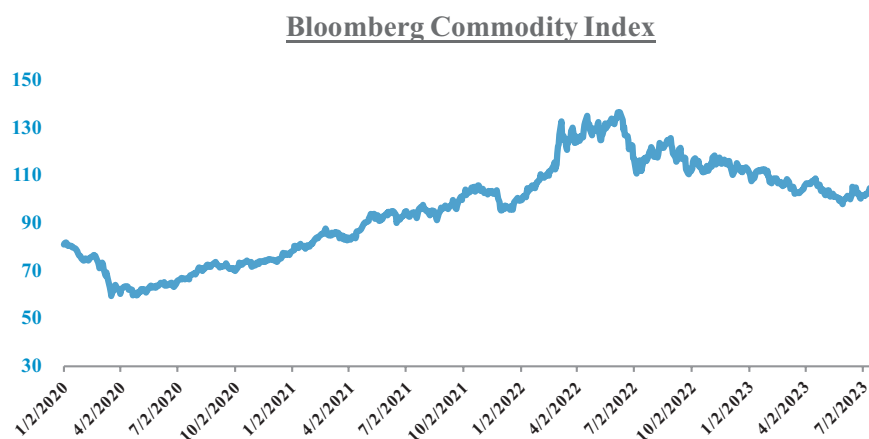
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PERFORMANCE TABLE

Equity Sub Fund

Particulars	2023	2022	2021	2020	2019
Net (loss) / income	1,004	(14,166)	31,100	(31)	(15,601)
Capital (loss) / gain on sale of investments - net	(1,702)	(9,242)	24,584	117	(6,306)
Unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'-net	(2,168)	(8,202)	5,269	(1,327)	(10,990)
Dividend income	7,901	5,716	3,934	2,738	3,314
Financial income	593	469	338	469	378
Net asset value per unit as at June 30	166.0465	164.0099	191.6927	132.1723	131.6929
Total Net Assets as at June 30	72,387	82,553	117,743	63,769	62,218
Total contributions received - Gross	7,704	11,579	29,283	13,369	3,150
Lowest issue price of units issued during the year	143.6617	160.0080	135.2361	101.3136	128.0617
Highest issue price of units issued during the year	176.0473	201.3718	199.4070	166.9084	169.1935

Debt Sub Fund

Particulars	2023	2022	2021	2020	2019
Net income	6,623	3,221	2,751	4,745	1,683
Capital (loss) / gain on sale of investments - net	(70)	(71)	(15)	521	(48)
Unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'-net	(1,146)	(840)	44	(428)	(524)
Financial income	9,446	5,484	3,980	6,044	3,429
Net asset value per unit as at June 30	157.9344	142.7301	135.5435	129.3181	119.7513
Total Net Assets as at June 30	61,616	67,720	61,335	69,929	54,200
Total contributions received - Gross	8,268	9,438	7,100	19,052	4,771
Lowest issue price of units issued during the year	142.7301	135.5880	129.5403	119.5018	115.0086
Highest issue price of units issued during the year	157.9807	142.7301	135.6940	129.7127	120.2136

Money Market Sub Fund

Particulars	2023	2022	2021	2020	2019
Net income	13,140	5,329	3,103	4,051	1,352
Capital gain on sale of investments - net	-	10	-	516	13
Unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'-net	(176)	(73)	12	(300)	(516)
Financial income	15,759	7,132	4,527	5,149	2,807
Net asset value per unit as at June 30	157.6414	139.8608	131.0797	125.4557	117.1034
Total Net Assets as at June 30	134,903	98,554	76,535	65,074	42,873
Total contributions received - Gross	87,090	39,397	15,623	23,539	4,547
Lowest issue price of units issued during the year	139.8608	131.0405	125.5741	116.7976	112.9460
Highest issue price of units issued during the year	157.6935	139.8608	131.0797	126.3161	117.7177

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

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



TRUSTEE REPORT TO THE PARTICIPANTS

ABL ISLAMIC PENSION FUND

**Report of the Trustee pursuant to Regulation 67D in conjunction with Regulation 41(h) of
of the Non-Banking Finance Companies and Notified Entities Regulations, 2008**

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 has in all material respects managed the Fund during the year ended June 30, 2023 in accordance with the provisions of the constitutive documents of the Fund, the Voluntary Pension System Rules, 2005 and the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

Further, in our opinion, the management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, October 11, 2023



September 19, 2023



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

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

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

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

Keeping in view the above; we certify that:

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

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

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

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



Mufti Irshad Ahmad Aijaz
Member Shariah Council



Faraz Younus Bandukda, CFA
Chief Executive

Al-Hilal Shariah Advisors (Pvt) Limited
Suite 807, 8th Floor, Horizon Towers, Corn 2/6, Khayaban-e-Saadi,
Block 03 Clifton, Karachi
Tel : +92-21-35305931-37, Web: www.alhilalsa.com

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

We have audited the annexed financial statements comprising:

- 1) Statement of Assets and Liabilities;
- 2) Income Statement;
- 3) Cash Flow Statement; and
- 4) Statement of Movement in Participants' Sub-Fund

of ABL Islamic Pension Fund (the Fund) as at and for the year ended June 30, 2023 together with the notes to and forming part thereof for the year then ended.

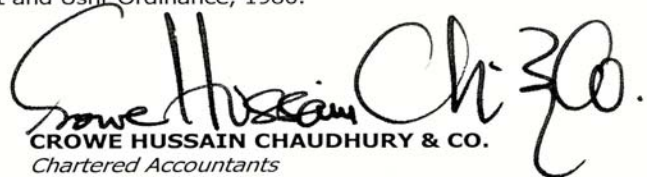
It is the responsibility of the Pension Fund Manager to establish and maintain a system of internal control and prepare and present the financial statements of the Fund in conformity with the accounting and reporting standards as applicable in Pakistan and the requirements of the Voluntary Pension System Rules, 2005. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion:

- a) The financial statements prepared for the year ended June 30, 2023 have been properly drawn in accordance with the relevant provisions of the trust deed and the Voluntary Pension System Rules, 2005 including the guidelines thereunder;
- b) A true and fair view is given of the disposition of the Fund as at June 30, 2023 and of the transactions of the Fund for the year then ended;
- c) The allocation and reallocation of units of the sub-funds for all the participants have been made according to the Voluntary Pension System Rules, 2005;
- d) The cost and expenses debited to the Fund and apportionment of expenses between sub-funds are as specified in the constitutive documents of the Fund;
- e) Proper books and records have been kept by the Fund and the financial statements prepared are in agreement with the Fund's books and records;
- f) We were able to obtain all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of the audit; and
- g) No zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

Lahore
Dated: August 24, 2023
UDIN: AR202310051tD4M08ILq



CROWE HUSSAIN CHAUDHURY & CO.
Chartered Accountants

(Engagement Partner: Amin Ali)

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

Assets

Bank balances
Investments
Dividend and profit receivable
Deposits and other receivables

Total Assets

Liabilities

Payable to ABL Asset Management Company Limited - Pension Fund Manager
Payable to Central Depository Company of Pakistan Limited - Trustee
Payable to the Securities and Exchange Commission of Pakistan
Payable against purchase of securities
Payable against redemption of units
Accrued expenses and other liabilities

Total Liabilities

Net Assets

Participants' Sub - Funds (as per statement attached)

Contingencies and Commitments

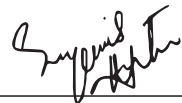
Number of Units in Issue

Net Asset Value Per Unit

The annexed notes from 1 to 24 form an integral part of these financial statements.

Note	2023			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- Rupees in '000 -----			
4	3,922	19,850	96,165	119,937
5	68,028	40,802	35,393	144,223
6	-	1,382	3,876	5,258
7	2,766	423	233	3,422
	74,716	62,457	135,667	272,840
8	465	387	473	1,325
9	10	11	18	39
10	32	27	43	102
	775	-	-	775
	117	300	114	531
11	930	116	116	1,162
	2,329	841	764	3,934
	<u>72,387</u>	<u>61,616</u>	<u>134,903</u>	<u>268,906</u>
	<u>72,387</u>	<u>61,616</u>	<u>134,903</u>	<u>268,906</u>
12	----- Number of units -----			
13	<u>435,942</u>	<u>390,134</u>	<u>855,760</u>	
	----- Rupees -----			
	<u>166.0465</u>	<u>157.9344</u>	<u>157.6414</u>	

For ABL Asset Management Company Limited
(Management Company)



Saqib Matin
Chief Financial Officer



Naveed Nasim
Chief Executive Officer



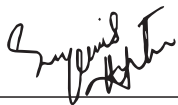
Pervaiz Iqbal Butt
Director

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

	2022			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- Rupees in '000 -----			
Assets				
Bank balances	4	5,019	28,761	87,068
Investments	5	76,344	38,018	10,656
Dividend and profit receivable	6	24	940	1,216
Deposits and other receivables	7	2,670	405	55
Total Assets		84,057	68,124	98,995
Liabilities				
Payable to ABL Asset Management Company Limited - Pension Fund Manager	8	367	280	305
Payable to Central Depository Company of Pakistan Limited - Trustee	9	11	9	14
Payable to the Securities and Exchange Commission of Pakistan	10	39	23	30
Accrued expenses and other liabilities	11	1,087	92	92
Total Liabilities		1,504	404	441
Net Assets		82,553	67,720	98,554
Participants' Sub - Funds (as per statement attached)		82,553	67,720	98,554
Contingencies and Commitments	12			
		----- Number of units -----		
Number of Units in Issue	13	503,337	474,460	704,672
		----- Rupees -----		
Net Asset Value Per Unit		164.0099	142.7301	139.8608

The annexed notes from 1 to 24 form an integral part of these financial statements.

For ABL Asset Management Company Limited
(Management Company)



Saqib Matin
Chief Financial Officer



Naveed Nasim
Chief Executive Officer



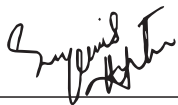
Pervaiz Iqbal Butt
Director

ABL ISLAMIC PENSION FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2023

	2023			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	Rupees in '000			
Income				
Profit earned	593	9,446	15,759	25,798
Dividend income	7,901	-	-	7,901
Loss on sale of investments - net	(1,702)	(70)	-	(1,772)
Unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	(2,168)	(1,146)	(176)	(3,490)
Total Income	4,624	8,230	15,583	28,437
Expenses				
Remuneration of ABL Asset Management Company Limited - Pension Fund Manager	1,193	984	1,621	3,798
Punjab Sales Tax on remuneration of the Pension Fund Manager	191	157	259	607
Remuneration of Central Depository Company of Pakistan Limited - Trustee	119	100	161	380
Sindh Sales Tax on remuneration of the Trustee	15	13	21	49
Annual fees to the Securities and Exchange Commission of Pakistan	32	27	43	102
Auditors' remuneration	86	86	86	258
Securities transaction cost	898	-	3	901
Legal and professional charges	177	177	177	531
Printing charges	54	54	54	162
Charity expense	806	-	-	806
Settlement and bank charges	49	9	18	76
Total Operating Expenses	3,620	1,607	2,443	7,670
Income for the Year before Taxation	1,004	6,623	13,140	20,767
Taxation	-	-	-	-
Net Income for the Year	1,004	6,623	13,140	20,767
Other comprehensive income for the year	-	-	-	-
Total Comprehensive Income for the Year	1,004	6,623	13,140	20,767
Earnings / (loss) per unit				

The annexed notes from 1 to 24 form an integral part of these financial statements.

For ABL Asset Management Company Limited
(Management Company)


Saqib Matin
Chief Financial Officer


Naveed Nasim
Chief Executive Officer


Pervaiz Iqbal Butt
Director

ABL ISLAMIC PENSION FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2023

Income

Profit earned
 Dividend income
 (Loss) / gain on sale of investments - net
 Unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net

Total (Loss) / Income

Expenses

Remuneration of ABL Asset Management Company Limited - Pension Fund Manager
 Punjab Sales Tax on remuneration of the Pension Fund Manager
 Remuneration of Central Depository Company of Pakistan Limited - Trustee
 Sindh Sales Tax on remuneration of the Trustee
 Annual fees to the Securities and Exchange Commission of Pakistan
 Auditors' remuneration
 Securities transaction cost
 Legal and professional charges
 Printing charges
 Charity expense
 Settlement and bank charges

Total Operating Expenses

Reversal of Provision for Sindh Workers' Welfare Fund

(Loss) / Income for the Year before Taxation

Taxation

Net (Loss) / Income for the Year

Other comprehensive income for the year


Total Comprehensive (Loss) / Income for the Year

Earnings / (loss) per unit

The annexed notes from 1 to 24 form an integral part of these financial statements.

Note	2022			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	Rupees in '000			
15	469	5,484	7,132	13,085
	5,716	-	-	5,716
	(9,242)	(71)	10	(9,303)
5.4	(8,202)	(840)	(73)	(9,115)
	(11,259)	4,573	7,069	383
8.1	1,564	928	1,205	3,697
8.2	250	149	193	592
9.1	156	93	120	369
9.2	20	12	16	48
10	39	23	30	92
16	67	67	67	201
	953	-	-	953
	93	93	93	279
	33	33	33	99
	297	-	-	297
	68	28	23	119
	3,540	1,426	1,780	6,746
11.1	633	74	40	747
	(14,166)	3,221	5,329	(5,616)
3.6	-	-	-	-
	(14,166)	3,221	5,329	(5,616)
	-	-	-	-
	(14,166)	3,221	5,329	(5,616)
3.11				

For ABL Asset Management Company Limited
(Management Company)


 Saqib Matin
 Chief Financial Officer


 Naveed Nasim
 Chief Executive Officer

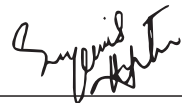

 Pervaiz Iqbal Butt
 Director

**ABL ISLAMIC PENSION FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2023**

	2023			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- Rupees in '000 -----			
Net Assets at the Beginning of the Year	82,553	67,720	98,554	248,827
Issuance of units	7,704	8,268	87,090	103,062
Redemption of units	(18,874)	(20,995)	(63,881)	(103,750)
	(11,170)	(12,727)	23,209	(688)
Loss on sale of investments - net	(1,702)	(70)	-	(1,772)
Unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	(2,168)	(1,146)	(176)	(3,490)
Other income for the year - net	4,874	7,839	13,316	26,029
Total Comprehensive Income for the Year	1,004	6,623	13,140	20,767
Net Assets at the End of the Year	<u>72,387</u>	<u>61,616</u>	<u>134,903</u>	<u>268,906</u>

The annexed notes from 1 to 24 form an integral part of these financial statements.

For ABL Asset Management Company Limited
(Management Company)



Saqib Matin
Chief Financial Officer



Naveed Nasim
Chief Executive Officer



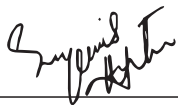
Pervaiz Iqbal Butt
Director

**ABL ISLAMIC PENSION FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2023**

	2022			Total
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	
	----- Rupees in '000 -----			
Net Assets at the Beginning of the Year	117,743	61,335	76,535	255,613
Issuance of units	11,579	9,438	39,397	60,414
Redemption of units	(32,603)	(6,274)	(22,707)	(61,584)
	(21,024)	3,164	16,690	(1,170)
(Loss) / gain on sale of investments - net	(9,242)	(71)	10	(9,303)
Unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	(8,202)	(840)	(73)	(9,115)
Other income for the year - net	3,278	4,132	5,392	12,802
Total Comprehensive (Loss) / Income for the Year	(14,166)	3,221	5,329	(5,616)
Net Assets at the End of the Year	<u>82,553</u>	<u>67,720</u>	<u>98,554</u>	<u>248,827</u>

The annexed notes from 1 to 24 form an integral part of these financial statements.

For ABL Asset Management Company Limited
(Management Company)



Saqib Matin
Chief Financial Officer



Naveed Nasim
Chief Executive Officer



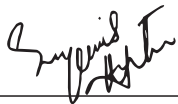
Pervaiz Iqbal Butt
Director

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

	2023			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
CASH FLOW FROM OPERATING ACTIVITIES				
Income for the year before taxation	1,004	6,623	13,140	20,767
Adjustments for:				
Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	2,168	1,146	176	3,490
Profit earned	(593)	(9,446)	(15,759)	(25,798)
Dividend income	(7,901)	-	-	(7,901)
	(5,322)	(1,677)	(2,443)	(9,442)
Increase in assets				
Deposits and other receivables	(96)	(18)	(178)	(292)
(Decrease) / Increase in liabilities				
Payable to ABL Asset Management Company Limited - Pension Fund Manager	98	107	168	373
Payable to Central Depository Company of Pakistan Limited - Trustee	(1)	2	4	5
Payable to the Securities and Exchange Commission of Pakistan	(7)	4	13	10
Accrued expenses and other liabilities	(157)	24	24	(109)
	(67)	137	209	279
Profit received	593	9,004	13,099	22,696
Dividend received	7,925	-	-	7,925
Net amount (paid) / received on purchase and sale of investments	6,923	(3,930)	(24,913)	(21,920)
Net Cash Generated from / (Used in) Operating Activities	9,956	3,516	(14,226)	(754)
CASH FLOW FROM FINANCING ACTIVITIES				
Receipts from issuance of units	7,704	8,268	87,090	103,062
Payments against redemption of units	(18,757)	(20,695)	(63,767)	(103,219)
Net Cash (Used in) / Generated from Financing Activities	(11,053)	(12,427)	23,323	(157)
Net (Decrease) / Increase in Cash and Cash Equivalents	(1,097)	(8,911)	9,097	(911)
Cash and cash equivalents at the beginning of the year	5,019	28,761	87,068	120,848
Cash and Cash Equivalents at the End of the Year	4 3,922	19,850	96,165	119,937

The annexed notes from 1 to 24 form an integral part of these financial statements.

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


Saqib Matin
Chief Financial Officer


Naveed Nasim
Chief Executive Officer

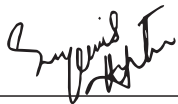

Pervaiz Iqbal Butt
Director

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

	2022			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
CASH FLOW FROM OPERATING ACTIVITIES				
(Loss) / income for the year before taxation	(14,166)	3,221	5,329	(5,616)
Adjustments for:				
Unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	8,202	840	73	9,115
Profit earned	(469)	(5,484)	(7,132)	(13,085)
Dividend income	(5,716)	-	-	(5,716)
	(12,149)	(1,423)	(1,730)	(15,302)
Decrease / (Increase) in assets				
Deposits and other receivables	(2,512)	117	75	(2,320)
(Decrease) / Increase in liabilities				
Payable to ABL Asset Management Company Limited - Pension Fund Manager	(53)	6	32	(15)
Payable to Central Depository Company of Pakistan Limited - Trustee	(5)	1	4	-
Payable to the Securities and Exchange Commission of Pakistan	16	8	13	37
Accrued expenses and other liabilities	(231)	(66)	(32)	(329)
	(273)	(51)	17	(307)
Profit received	530	5,048	6,371	11,949
Dividend received	6,022	-	-	6,022
Net amount (paid) / received on purchase and sale of investments	18,010	(12,232)	(1,017)	4,761
Net Cash Generated from / (Used in) Operating Activities	9,628	(8,541)	3,716	4,803
CASH FLOW FROM FINANCING ACTIVITIES				
Receipts from issuance of units	11,579	9,438	39,397	60,414
Payments against redemption of units	(32,603)	(6,274)	(22,707)	(61,584)
Net Cash (Used in) / Generated from Financing Activities	(21,024)	3,164	16,690	(1,170)
Net (Decrease) / Increase in Cash and Cash Equivalents	(11,396)	(5,377)	20,406	3,633
Cash and cash equivalents at the beginning of the year	16,415	34,138	66,662	117,215
Cash and Cash Equivalents at the End of the Year	4 5,019	28,761	87,068	120,848

The annexed notes from 1 to 24 form an integral part of these financial statements.

For ABL Asset Management Company Limited
(Management Company)


Saqib Matin
Chief Financial Officer


Naveed Nasim
Chief Executive Officer


Pervaiz Iqbal Butt
Director

ABL ISLAMIC PENSION FUND
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

1. LEGAL STATUS AND NATURE OF BUSINESS

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

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

- 1.1** The units of the Fund are offered to the public for subscription on a continuous basis. The units are non-transferable except in the circumstances mentioned in the Voluntary Pension System Rules, 2005 and can be redeemed by surrendering them to the Fund. Further, as per the Offering Document, the Fund shall not distribute any income or dividend from the Fund whether in cash or otherwise from any of the Sub-Funds.
- 1.2** The objective of the Fund is to provide a secure source of savings and retirement income to individuals. It is a portable pension scheme allowing individuals the flexibility of contributions and portfolio customisation through allocation of such contributions in equity and fixed income investment avenues suited to their specific needs and risk profile.
- 1.3** The title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.
- 1.4** The Fund consists of three sub-funds namely, ABL Islamic Pension Fund Equity Sub-Fund (Equity Sub-Fund), ABL Islamic Pension Fund Debt Sub-Fund (Debt Sub-Fund) and ABL Islamic Pension Fund Money Market Sub-Fund (Money Market Sub-Fund) (collectively the "Sub-Funds"). Investment policy for each of the sub-funds is as follows:

ABL Islamic Pension Fund - Equity Sub-Fund

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

ABL Islamic Pension Fund - Debt Sub-Fund

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

ABL Islamic Pension Fund - Money Market Sub-Fund

The weighted average time to maturity of net assets of a Money Market Sub-Fund shall not exceed one year. Time to maturity of any asset in the portfolio of Money Market Sub-Fund shall not exceed six (6) months, However, for a Shariah compliant money market sub-fund, the time to maturity of Shariah compliant Government securities may extend up to five (5)

years. Investments may be made in debt securities of any single company up to fifteen percent (15%) of net assets of a Money Market Sub-Fund or ten percent (10%) of size of the issue of that debt security, whichever is lower. Rating of any security in the portfolio shall not be lower than AA. At least ten per cent (10%) Net Assets of the Money Market Sub-Fund shall be invested in debt securities issued by the Federal Government (not exceeding 90 days' maturity) or keep as deposits with scheduled commercial banks which are rated not less than "AA" by a rating agency registered with the Commission.

1.5 The Fund offers four types of allocation schemes, as prescribed by SECP under VPS Rules 2005 vide its Circular no. 12 of 2021 dated April 06, 2021, to the participants of the Fund, namely High Volatility, Medium Volatility, Low Volatility and Lower Volatility. The participant has an option to suggest a minimum percentage of allocation to the above allocation schemes (subject to the minimum percentages prescribed in the offering document). Based on the minimum allocation, the Funds are allocated to the above stated Sub-Funds. The allocation to the sub-funds has to be done at the date of the opening of the participant's pension account and on an anniversary date thereafter.

1.6 During the year 2021, the Trust Act, 1882 was repealed due to promulgation of provincial trust acts as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Punjab Trusts Act, 2020 was enacted to revise and modify the law related to trusts. Various new requirements including registration and annual renewal requirements under this relevant trust act were introduced. The Pension Fund Manager in consultation with the Trustee deliberated upon the requirements of the newly enacted provincial trust act and its implication on the Fund. In this regard, the Fund has been registered under section 16 of The Punjab Trusts Act, 2020 on June 22, 2023 bearing registration number 042/20-ST/TRUST/DLR.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

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

There are certain amendments to the published accounting and reporting standards by International Accounting Standard Board (IASB) that are mandatory for the Fund's annual accounting period beginning on July 1, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these financial statements.

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

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

Standards, interpretations and amendments	periods beginning on or after
- IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 1, 2024
- IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of Accounting Estimates	January 1, 2023
- Disclosure of Accounting Policies - Amendmens to IAS 1 and IFRS practice statement 2	January 1, 2023

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

2.3.1 There are certain other standards, amendments and interpretations that are mandatory for the Fund's accounting period beginning on or after July 1, 2023 but are considered not to be relevant or will not have any significant effect on the Fund's operations and are, therefore, not disclosed in these financial statements.

2.4 Critical accounting estimates and judgments

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

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

2.5 Accounting convention

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

2.6 Functional and presentation currency

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

3.1 Cash and cash equivalents

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

3.2 Financial assets

3.2.1 Initial recognition and measurement

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

3.2.2 Classification and subsequent measurement

Debt instruments

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

- at amortised cost; or
- at fair value through other comprehensive income "(FVOCI)"; or
- at fair value through profit or loss "(FVPL)"

based on the business model of the entity.

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

Equity instruments

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

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

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

3.2.3 Impairment

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

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

Impairment on debt securities

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

3.2.4 Regular way contracts

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

3.2.5 Derecognition

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

3.3 Financial liabilities

3.3.1 Classification and subsequent measurement

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

3.3.2 Derecognition

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

3.4 Offsetting of financial assets and financial liabilities

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

3.5 Provisions

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

3.6 Taxation

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

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

3.7 Revenue recognition

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

3.8 Expenses

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

3.9 Issue, allocation, reallocation and redemption of units

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

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

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

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

3.10 Net asset value per unit

The net asset value (NAV) per unit for each sub-fund, as disclosed in the 'Statement of Assets and Liabilities' is calculated by dividing the net assets of the sub-fund by the number of units in issue of the respective sub-fund at the reporting date.

3.11 Earnings / (loss) per unit

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

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

3.12 Foreign currency translation

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

4. BANK BALANCES

	2023				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
	----- Rupees in '000 -----				
Balances with banks in savings accounts	4.1	3,922	19,850	96,165	119,937

	2022				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
	----- Rupees in '000 -----				
Balances with banks in savings accounts	4.1	5,019	28,761	87,068	120,848

4.1 This includes a balance of Rs. 0.681 million (2022: Rs. 2.713 million), Rs. 7.715 million (2022: Rs. 16.532 million) and Rs. 0.071 million (2022: Rs. 22.754 million) in Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund respectively maintained with Allied Bank Limited (a related party) that carries profit at the rate of 18.70% (2022: 14.25%) per annum. Other profit and loss accounts of the Fund carry profit rates ranging from 11.75% to 19.60% (2022: 11.75% to 15.50%) per annum.

5. INVESTMENTS

At fair value through profit or loss

Listed equity securities
 GOP Ijarah Sukuks
 Corporate sukuk certificates

2023			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
----- Rupees in '000 -----			
5.1	68,028	-	68,028
5.2	-	32,795	68,188
5.3	-	8,007	8,007
	<u>68,028</u>	<u>40,802</u>	<u>144,223</u>

Note

At fair value through profit or loss

Listed equity securities
 GOP Ijarah Sukuks
 Corporate sukuk certificates

2022			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
----- Rupees in '000 -----			
5.1	76,344	-	76,344
5.2	-	33,792	44,448
5.3	-	4,226	4,226
	<u>76,344</u>	<u>38,018</u>	<u>125,018</u>

Note

5.1 Listed equity securities - Equity Sub-Fund

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

Name of the Investee Company	As at July 1, 2022	Purchased during the year	Bonus / right shares received during the year	Sold during the year	As at June 30, 2023	Carrying value as at June 30, 2023	Market value as at June 30, 2023	Appreciation / (diminution)	Market value as a percentage of total investments	Market value as a percentage of net assets	Paid-up value of shares held as a percentage of total paid-up capital of the Investee Company
COMMERCIAL BANKS											
Meezan Bank Limited	53,592	21,000	5,359	22,500	57,451	5,978	4,962	(1,016)	7.29%	6.85%	0.00%
Faysal Bank Limited	-	100,000	-	100,000	-	-	-	-	-	-	-
Bank Islami Pakistan Limited	-	125,000	-	125,000	-	-	-	-	-	-	-
						<u>5,978</u>	<u>4,962</u>	<u>(1,016)</u>	<u>7.29%</u>	<u>6.85%</u>	
TEXTILE COMPOSITE											
Interloop Limited	-	17,000	8,500	-	25,500	1,045	899	(146)	1.32%	1.24%	0.00%
Gul Ahmed Textile Mills Limited	-	12,000	-	12,000	-	-	-	-	-	-	-
Nishat Mills Limited	500	20,000	-	15,500	5,000	311	284	(27)	0.42%	0.39%	0.00%
						<u>1,356</u>	<u>1,183</u>	<u>(173)</u>	<u>1.74%</u>	<u>1.63%</u>	

Name of the Investee Company	As at July 1, 2022	Purchased during the year	Bonus / right shares received during the year	Sold during the year	As at June 30, 2023	Carrying value as at June 30, 2023	Market value as at June 30, 2023	Appreciation / (diminution)	Market value as a percentage of total investments	Market value as a percentage of net assets	Paid-up value of shares held as a percentage of total paid-up capital of the Investee Company
	----- Number of shares held -----					----- Rupees in '000 -----			----- % -----		
CEMENT											
Cherat Cement Company Limited	8,000	30,000	-	28,700	9,300	1,012	1,119	107	1.64%	1.55%	0.01%
D.G. Khan Cement Company Limited	-	7,000	-	-	7,000	375	359	(16)	0.53%	0.50%	0.00%
Fauji Cement Company Limited	150,000	85,000	21,875	196,875	60,000	737	706	(31)	1.04%	0.98%	0.00%
Kohat Cement Limited	17,200	14,300	-	6,000	25,500	3,568	4,423	855	6.50%	6.11%	0.01%
Lucky Cement Limited	11,600	5,206	-	7,500	9,306	4,380	4,859	479	7.14%	6.71%	0.00%
Attock Cement Pakistan Limited	-	10,000	-	10,000	-	-	-	-	-	-	-
Maple Leaf Cement Factory Limited	126,000	73,500	-	132,000	67,500	1,793	1,912	119	2.81%	2.64%	0.01%
Pioneer Cement Limited	-	100,000	-	100,000	-	-	-	-	-	-	-
						<u>11,865</u>	<u>13,378</u>	<u>1,513</u>	<u>19.66%</u>	<u>18.49%</u>	
OIL & GAS MARKETING COMPANIES											
Pakistan State Oil Company Limited	25,180	3,000	-	28,000	180	28	20	(8)	0.03%	0.03%	0.00%
Attock Petroleum Limited	-	7,500	-	2,000	5,500	1,639	1,651	12	2.43%	2.28%	0.00%
Sui Northern Gas Pipelines Limited	54,000	87,000	-	132,000	9,000	351	354	3	0.52%	0.49%	0.00%
Shell (Pakistan) Limited	-	13,000	-	13,000	-	-	-	-	-	-	-
Hascol Petroleum Limited	534	-	-	-	534	2	3	1	0.00%	0.00%	0.00%
						<u>2,020</u>	<u>2,028</u>	<u>8</u>	<u>2.98%</u>	<u>2.80%</u>	
OIL & GAS EXPLORATION COMPANIES											
Mari Petroleum Company Limited	6,261	2,045	-	3,900	4,406	7,442	6,674	(768)	9.81%	9.22%	0.00%
Oil and Gas Development Company Limited	76,700	62,600	-	58,000	81,300	6,347	6,342	(5)	9.33%	8.76%	0.00%
Pakistan Oilfields Limited	6,000	13,130	-	11,800	7,330	3,031	2,945	(86)	4.33%	4.07%	0.00%
Pakistan Petroleum Limited	116,248	108,000	-	144,500	79,748	4,830	4,716	(114)	6.93%	6.51%	0.00%
						<u>21,650</u>	<u>20,677</u>	<u>(973)</u>	<u>30.40%</u>	<u>28.56%</u>	
POWER GENERATION & DISTRIBUTION											
The Hub Power Company Limited	112,178	115,000	-	153,000	74,178	5,050	5,161	111	7.59%	7.13%	0.01%
Kot Addu Power Company	-	80,000	-	80,000	-	-	-	-	-	-	-
Nishat Chunian Power Limited	-	46,000	-	46,000	-	-	-	-	-	-	-
K - Electric Limited *	-	280,000	-	280,000	-	-	-	-	-	-	-
						<u>5,050</u>	<u>5,161</u>	<u>111</u>	<u>7.59%</u>	<u>7.13%</u>	
CABLE & ELECTRICAL GOODS											
Pakistan Cables Limited	6,000	-	1,089	6,000	1,089	109	90	(19)	0.13%	0.12%	0.00%
						<u>109</u>	<u>90</u>	<u>(19)</u>	<u>0.13%</u>	<u>0.12%</u>	
CHEMICALS											
Lotte Chemical Pakistan Limited	-	80,000	-	80,000	-	-	-	-	-	-	-
Engro Polymer and Chemicals Limited	-	19,400	-	11,000	8,400	393	355	(38)	0.52%	0.49%	0.00%
Lucky Core Industries Limited	-	1,000	-	1,000	-	-	-	-	-	-	-
Descon Oxychem Limited	-	25,000	-	25,000	-	-	-	-	-	-	-
Ittehad Chemicals Limited	-	14,000	-	14,000	-	-	-	-	-	-	-
Ghani Global Holdings Limited	2,250	-	225	2,475	-	-	-	-	-	-	-
						<u>393</u>	<u>355</u>	<u>(38)</u>	<u>0.52%</u>	<u>0.49%</u>	

Name of the Investee Company	As at July 1, 2022	Purchased during the year	Bonus / right shares received during the year	Sold during the year	As at June 30, 2023	Carrying value as at June 30, 2023	Market value as at June 30, 2023	Appreciation / (diminution)	Market value as a percentage of total investments	Market value as a percentage of net assets	Paid-up value of shares held as a percentage of total paid-up capital of the Investee Company
	-----Number of shares held-----					-----Rupees in '000-----			-----%-----		
AUTOMOBIE ASSEMBLER											
Millat Tractors Limited	-	1,500	-	-	1,500	586	585	(1)	0.86%	0.81%	0.00%
Sazgar Engineering Works Limited	-	14,000	-	14,000	-	-	-	-	-	-	-
						<u>586</u>	<u>585</u>	<u>(1)</u>	<u>0.86%</u>	<u>0.81%</u>	
FERTILIZER											
Engro Fertilizers Limited	15,000	56,700	-	25,200	46,500	4,005	3,838	(167)	5.64%	5.30%	0.00%
Engro Corporation Limited	19,540	28,630	-	29,800	18,370	4,790	4,774	(16)	7.02%	6.60%	0.00%
Fatima Fertilizer Company Limited	-	10,000	-	10,000	-	-	-	-	-	-	-
						<u>8,795</u>	<u>8,612</u>	<u>(183)</u>	<u>12.66%</u>	<u>11.90%</u>	
PHARMACEUTICALS											
The Searle Company Limited	771	16,455	162	15,771	1,617	92	62	(30)	0.09%	0.09%	0.00%
Ferozsons Laboratories Limited	-	5,000	1,000	-	6,000	1,349	821	(528)	1.21%	1.13%	0.01%
Citi Pharma Limited	-	20,000	-	-	20,000	589	427	(162)	0.63%	0.59%	0.01%
IBL HealthCare Limited	269	-	26	-	295	14	10	(4)	0.01%	0.01%	0.00%
						<u>2,044</u>	<u>1,320</u>	<u>(724)</u>	<u>1.94%</u>	<u>1.82%</u>	
MISCELLANEOUS											
Pakistan Aluminium Beverage Cans Limited	-	12,500	-	12,500	-	-	-	-	-	-	-
Shifa International Hospitals Limited	-	6,000	-	-	6,000	732	735	3	1.08%	1.02%	0.01%
						<u>732</u>	<u>735</u>	<u>3</u>	<u>1.08%</u>	<u>1.02%</u>	
FOOD & PERSONAL CARE PRODUCTS											
Unity Foods Limited	-	98,000	-	98,000	-	-	-	-	-	-	-
FrieslandCampina Engro Pakistan Limited	-	11,000	-	11,000	-	-	-	-	-	-	-
The Organic Meat Company Limited	-	45,000	2,437	25,000	22,437	514	466	(48)	0.69%	0.64%	0.00%
National Foods Limited	-	8,500	-	-	8,500	723	836	113	1.23%	1.15%	0.00%
At-Tahir Limited	37,800	30,000	30	37,500	30,330	557	499	(58)	0.73%	0.69%	0.01%
						<u>1,794</u>	<u>1,801</u>	<u>7</u>	<u>2.65%</u>	<u>2.48%</u>	
ENGINEERING											
International Steels Limited	-	12,500	-	12,500	-	-	-	-	-	-	-
Mughal Iron and Steel Industries Limited	446	10,500	-	10,946	-	-	-	-	-	-	-
						<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
TECHNOLOGY & COMMUNICATION											
Systems Limited	7,900	23,659	-	16,200	15,359	6,607	6,195	(412)	9.11%	8.56%	0.00%
Avanceon Limited	11,000	32,000	1,800	38,000	6,800	479	299	(180)	0.44%	0.41%	0.00%
Octopus Digital Limited	-	16,500	-	16,500	-	-	-	-	-	-	-
						<u>7,086</u>	<u>6,494</u>	<u>(592)</u>	<u>9.55%</u>	<u>8.97%</u>	

Name of the Investee Company	As at July 1, 2022	Purchased during the year	Bonus / right shares received during the year	Sold during the year	As at June 30, 2023	Carrying value as at June 30, 2023	Market value as at June 30, 2023	Appreciation / (diminution)	Market value as a percentage of total investments	Market value as a percentage of net assets	Paid-up value of shares held as a percentage of total paid-up capital of the Investee Company
	----- Number of shares held -----					----- Rupees in '000 -----			----- % -----		
GLASS & CERAMICS											
Tariq Glass Industries Limited	-	5,000	-	-	5,000	349	341	(8)	0.50%	0.47%	0.00%
Shabbir Tiles and Ceramics Limited**	50,000	-	-	50,000	-	-	-	-	-	-	-
						<u>349</u>	<u>341</u>	<u>(8)</u>	<u>0.50%</u>	<u>0.47%</u>	<u>-</u>
REFINERY											
Attock Refinery Limited	12,000	15,000	-	27,000	-	-	-	-	-	-	-
National Refinery Limited	-	10,000	-	10,000	-	-	-	-	-	-	-
Pakistan Refinery Limited	-	30,000	-	30,000	-	-	-	-	-	-	-
						<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
PAPER & BOARD											
Century Paper and Board Mills Limited	-	8,000	7,840	5,000	10,840	389	306	(83)	0.45%	0.42%	0.00%
						<u>389</u>	<u>306</u>	<u>(83)</u>	<u>0.45%</u>	<u>0.42%</u>	<u>-</u>
TRANSPORT											
Pakistan National Shipping Corporation	-	19,000	-	19,000	-	-	-	-	-	-	-
						<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
LEATHER & TANNERIES											
Service Global Footwear Limited	24,000	-	-	24,000	-	-	-	-	-	-	-
						<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
PROPERTY											
TPL Properties Limited	-	140,000	6,000	146,000	-	-	-	-	-	-	-
						<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total as at June 30, 2023						<u>70,196</u>	<u>68,028</u>	<u>(2,168)</u>	<u>100.00%</u>	<u>93.96%</u>	
Total as at June 30, 2022						<u>84,546</u>	<u>76,344</u>	<u>(8,202)</u>	<u>100.00%</u>	<u>92.50%</u>	

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

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

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

In this regard, a constitutional petition had been filed by Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs. The petition was based on the fact that because CISs are exempt from deduction of income tax under Clause 99 Part I to the Second Schedule of the Income Tax Ordinance 2001, the withholding tax provision should also not be applicable on bonus shares received by CISs. A stay order had been granted by the High Court of Sindh (HCS) in favour of CISs.

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

Further, the Finance Act, 2018 effective from July 1, 2018 has omitted Section 236M of Income Tax Ordinance, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold five percent of the bonus shares to be issued. Therefore, bonus shares issued to the Fund during the year were not withheld by the investee companies except "The Searle Company Limited" which withheld 161 shares during the year which represent 25% bonus shares issued during the year on 644 shares already withheld in past years.

As at June 30, 2023, the following bonus shares of the Fund have been withheld by certain companies at the time of declaration of bonus shares.

Name of the Company	2023		2022	
	----- Bonus shares -----			
	Number of shares	Market value as at June 30, 2023	Number of shares	Market value as at June 30, 2022
	Rupees in '000		Rupees in '000	
The Searle Company Limited	805	31	644	70
Pakistan State Oil Company Limited	180	20	180	31
Hascol Petroleum Limited	534	3	534	2
		<u>54</u>		<u>103</u>

- 5.1.2 The above investments include shares of the following companies which have been pledged with National Clearing Company of Pakistan for guaranteeing settlement of the Fund's trades in accordance with Circular no. 11 of 2007 dated October 23, 2007 issued by the Securities & Exchange Commission of Pakistan. The details of shares which have been pledged are as follows:

Name of the Company	As at June 30, 2023		As at June 30, 2022	
	Number of shares	Rupees in '000	Number of shares	Rupees in '000
Mari Petroleum Company Limited	3,000	4,544	3,000	5,219
Oil and Gas Development Company Limited	20,000	1,560	20,000	1,573
Pakistan Petroleum Limited	50,000	2,957	50,000	3,376
The Hub Power Company Limited	15,000	1,044	15,000	1,023
	<u>88,000</u>	<u>10,105</u>	<u>88,000</u>	<u>11,191</u>

5.2 GOP Ijarah Sukuks

5.2.1 Debt Sub-Fund

Name of the security	Profit payments	Issue date	Maturity date	Profit rate	As at July 1, 2022	Purchases during the year	Sales during the year	As at June 30, 2023	Carrying value as at June 30, 2023	Market value as at June 30, 2023	Unrealised appreciation/ (diminution)	Percentage in relation to	
					Number of certificates	(Rupees in '000)			Net assets of the Fund	Total market value of investment			
GoP Ijarah Sukuk Certificates - Apr, 2020 (note 5.2.1.1)	Semi-annually	April 30, 2020	April 30, 2025	13.50% to 20.70%	200	-	-	200	19,392	19,283	(109)	31.30%	47.26%
GoP Ijarah Sukuk Certificates - Dec, 2021 (note 5.2.1.1)	Semi-annually	December 15, 2021	December 15, 2026	11.40%	150	-	-	150	14,400	13,512	(888)	21.93%	33.12%
Total as at June 30, 2023									33,792	32,795	(997)	53.23%	80.38%
Total as at June 30, 2022									34,757	33,792	(965)	49.90%	88.89%

5.2.1.1 The nominal value of these sukuk certificates is Rs 100,000 each.

5.2.1.2 The profit rates benchmarked with weighted average 6 months T-Bills have been announced by the State Bank of Pakistan in relation with auction of GoP Ijarah Sukuk.

5.2.2 Money Market Sub - Fund

Name of the security	Profit payments	Issue date	Maturity date	Profit rate	As at July 1, 2022	Purchases during the year	Sales during the year	As at June 30, 2023	Carrying value as at June 30, 2023	Market value as at June 30, 2023	Unrealised appreciation/ (diminution)	Percentage in relation to	
					Number of certificates	(Rupees in '000)			Net assets of the Fund	Total market value of investment			
GoP Ijarah Sukuk Certificates - Apr, 2020 (note 5.2.2.1)	Semi-annually	April 30, 2020	April 30, 2025	13.50% to 20.70%	100	-	-	100	9,696	9,642	(54)	7.15%	27.24%
GoP Ijarah Sukuk Certificates - Jul, 2020 (note 5.2.1.1)	Semi-annually	July 29, 2020	July 29, 2025	17.70%	-	250	-	250	24,913	24,850	(63)	40.33%	60.90%
GoP Ijarah Sukuk Certificates - Dec, 2021 (note 5.2.1.1)	Semi-annually	December 15, 2021	December 15, 2026	11.40%	10	-	-	10	960	901	(59)	1.46%	2.21%
Total as at June 30, 2023									35,569	35,393	(176)	48.94%	90.35%
Total as at June 30, 2022									10,729	10,656	(73)	11.26%	93.52%

5.2.2.1 The nominal value of these sukuk certificates is Rs 100,000 each.

5.2.2.2 The profit rates benchmarked with Weighted average 6 months T-Bills have been announced by the State Bank of Pakistan in relation with auction of GoP Ijarah Sukuk.

5.3 Corporate Sukuk Certificates - Debt Sub-Fund

Name of the security	Profit payments / principal redemptions	Maturity date	Profit rate	As at July 1, 2022	Purchases during the year	Redemptions during the year	As at June 30, 2023	Carrying value as at June 30, 2023	Market value as at June 30, 2023	Unrealised appreciation / (diminution)	Percentage in relation to	
											Net Assets of the Sub-Fund	Total market value of investments
				Number of certificates			Rupees in '000			%		
FERTILIZER												
Engro Polymer and Chemicals Limited (AA, PACRA) (Face value of Rs 100,000 per certificate)	Quarterly / Semi-annually	July 11, 2026	3 months KIBOR plus base rate of 0.90%	10	-	10	-	-	-	-	-	-
COMMERCIAL BANKS												
Dubai Islamic Bank Pakistan Limited Sukuk (AA-, VIS) (Face value of Rs 1,000,000 per certificate)	Semi-annually	December 02, 2023	6 months KIBOR plus base rate of 0.70%	-	3	-	3	3,000	3,004	4	4.88%	7.36%
POWER GENERATION & DISTRIBUTION												
The Hub Power Company Limited (AA+, PACRA) (Face value of Rs 25,000 per certificate)	Quarterly / Semi-annually	August 22, 2023	3 months KIBOR plus base rate of 1.90%	40	-	-	40	1,156	1,003	(153)	1.63%	2.46%
K-Electric Limited (AA+, PACRA) (Face value of Rs 1,000,000 per certificate)	Quarterly / Semi-annually	June 13, 2023	6 months KIBOR plus base rate of 1.40%	-	4	4	-	-	-	-	-	-
Lucky Electric Power Company Limited (AA, PACRA) (Face value of Rs 1,000,000 per certificate)	Quarterly / Semi-annually	August 15, 2023	6 months KIBOR plus base rate of 0.65%	-	4	-	4	4,000	4,000	-	-	-
Total as at June 30, 2023								8,156	8,007	(149)	6.51%	9.82%
Total as at June 30, 2022								4,101	4,226	125	6.24%	11.11%

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

		2023			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		----- Rupees in '000 -----			
	Note				
Market value of investments	5.1, 5.2 & 5.3	68,028	40,802	35,393	144,223
Less: carrying value of investments	5.1, 5.2 & 5.3	70,196	41,948	35,569	147,713
		<u>(2,168)</u>	<u>(1,146)</u>	<u>(176)</u>	<u>(3,490)</u>

		2022			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		----- Rupees in '000 -----			
	Note				
Market value of investments	5.1, 5.2 & 5.3	76,344	38,018	10,656	125,018
Less: carrying value of investments	5.1, 5.2 & 5.3	84,546	38,858	10,729	134,133
		<u>(8,202)</u>	<u>(840)</u>	<u>(73)</u>	<u>(9,115)</u>

6. DIVIDEND AND PROFIT RECEIVABLE

		2023			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		----- Rupees in '000 -----			
Profit receivable on:					
Bank balances		-	264	1,670	1,934
Sukuk certificates		-	1,118	2,206	3,324
		<u>-</u>	<u>1,382</u>	<u>3,876</u>	<u>5,258</u>

		2022			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		----- Rupees in '000 -----			
Profit receivable on:					
Bank balances		-	323	983	1,306
Sukuk certificates		-	617	233	850
		-	940	1,216	2,156
Dividend receivable		24	-	-	24
		<u>24</u>	<u>940</u>	<u>1,216</u>	<u>2,180</u>

7. DEPOSIT AND OTHER RECEIVABLES

2023				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	----- Rupees in '000 -----			
Security deposit with the Central Depository Company of Pakistan Limited *	100	100	-	200
Security deposit with the National Clearing Company of Pakistan Limited	2,500	-	-	2,500
Balance in Investor Portfolio Securities (IPS) account *	-	39	186	225
Advance tax	166	284	47	497
	<u>2,766</u>	<u>423</u>	<u>233</u>	<u>3,422</u>

2022				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	----- Rupees in '000 -----			
Security deposit with the Central Depository Company of Pakistan Limited *	100	100	-	200
Security deposit with the National Clearing Company of Pakistan Limited	2,500	-	-	2,500
Balance in Investor Portfolio Securities (IPS) account *	-	28	8	36
Advance tax	70	277	47	394
	<u>2,670</u>	<u>405</u>	<u>55</u>	<u>3,130</u>

* related party balances

- 7.1 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151 and 150. However, withholding taxes on dividend, profit on bank deposits and profit on debt securities paid to the Fund were deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated May 12, 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholder. The aggregate tax withheld on dividends, profit on bank deposits and profit on debt securities amounts to Rs. 0.497 million (2022: Rs. 0.394 million).

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Pension Fund Manager) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by SHC in favour of FBR. A petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Pension Fund Manager and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgment of the SHC. Pending resolution of the matter, the amount of withholding taxes deducted on dividends, profit on bank deposits and profit on debt securities have been shown as other receivable as at June 30, 2023 as, in the opinion of the management, the amount of tax deducted at source will likely be refunded.

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

2023				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	----- Rupees in '000 -----			
Remuneration payable to the Pension Fund Manager	88	75	166	329
Punjab Sales Tax on remuneration of the Pension Fund Manager	14	12	27	53
Provision for Federal Excise Duty and related Sindh Sales Tax on remuneration of the Pension Fund Manager	252	189	169	610
Payable to Management Company	111	111	111	333
	<u>465</u>	<u>387</u>	<u>473</u>	<u>1,325</u>

2022				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	----- Rupees in '000 -----			
Remuneration payable to the Pension Fund Manager	99	78	117	294
Punjab Sales Tax on remuneration of the Pension Fund Manager	16	13	19	48
Provision for Federal Excise Duty and related Sindh Sales Tax on remuneration of the Pension Fund Manager	252	189	169	610
	<u>367</u>	<u>280</u>	<u>305</u>	<u>952</u>

- 8.1** In accordance with the provisions of the Voluntary Pension System Rules, 2005, the Pension Fund Manager is entitled to remuneration for its services by way of an annual management fee not exceeding 1.50% (2022: 1.50%) of net assets of each Sub-Fund calculated on daily basis. During the year, the Pension Fund Manager has charged its remuneration at the rate of 1.50% of daily net assets of the Sub-Funds. The remuneration is payable to the Pension Fund Manager monthly in arrears.
- 8.2** During the year, an aggregate amount of Rs 0.607 million (2022: Rs. 0.592 million) was charged on account of sales tax on the management fee levied through the Punjab Sales Tax on Services Act, 2012 at the rate of 16% (2022:16%).
- 8.3** The Finance Act, 2013 enhanced the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Pension Fund Manager and sales load was applicable with effect from June 13, 2013. The Pension Fund Manager was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Pension Fund Manager together with various other asset management companies challenging the levy of FED.

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Pension Fund Manager with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED made for the period from August 20, 2014 till June 30, 2016 amounting to Rs. 0.252 million, Rs. 0.189 million and Rs. 0.169 million is

being retained for Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund respectively in these financial statements as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the Net Asset Value of the Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund as at June 30, 2023 would have been higher by Re. 0.5781 (2022: Re. 0.5007), Re. 0.4844 (2022: Re. 0.3983) and Re. 0.1975 (2022: Re. 0.2398) per unit respectively.

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

2023				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- Rupees in '000 -----			
Trustee fee payable	9	10	16	35
Sindh Sales Tax payable on trustee remuneration	1	1	2	4
	<u>10</u>	<u>11</u>	<u>18</u>	<u>39</u>

2022				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- Rupees in '000 -----			
Trustee fee payable	10	8	12	30
Sindh Sales Tax payable on trustee fee	1	1	2	4
	<u>11</u>	<u>9</u>	<u>14</u>	<u>34</u>

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

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

9.2 During the year, an aggregate amount of Rs. 0.049 million (2022: Rs. 0.048 million) @ 13% (2022: 13%) was charged on account of sales tax on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011.

10. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

		2023			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	Note	----- Rupees in '000 -----			
Annual fee payable	10.1	32	27	43	102

		2023			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	Note	----- Rupees in '000 -----			
Annual fee payable	10.1	39	23	30	92

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

SECP through SRO No. 1069(I)/2021 dated August 23, 2021, revised the rate of annual fee to one twenty-fifth of one percent (0.04%) of average annual net assets of the Fund, applicable on all Voluntary Pension Schemes.

11. ACCRUED EXPENSES AND OTHER LIABILITIES

		2023			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		----- Rupees in '000 -----			
Auditors' remuneration payable		86	86	86	258
Brokerage fee payable		8	-	-	8
Printing charges payable		30	30	30	90
Charity payable		806	-	-	806
		930	116	116	1,162

		2022			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		----- Rupees in '000 -----			
Auditors' remuneration payable		67	67	67	201
Brokerage fee payable		122	-	-	122
Printing charges payable		25	25	25	75
Charity payable		873	-	-	873
		1,087	92	92	1,271

- 11.1 The Fund made provision for Sindh Workers' Welfare Fund (SWWF) from May 21, 2015 till June 30, 2017 amounting to Rs 0.633 million, Rs 0.074 million and Rs 0.040 million for Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund respectively. The Fund has not made any provision for SWWF after July 1, 2017 as the registered office of the Management Company of the Fund had been relocated from the Province of Sindh to the Province of Punjab.

During last year, SRB through its letter dated August 12, 2021 intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. MUFAP in an emergent meeting held on August 13, 2021 discussed this development with its members and it has been decided by MUFAP that CISs are no longer required to retain the provision in these financial statements and considering the nature and operation of CIS the provision should be reversed prospectively from August 13, 2021. MUFAP took up the matter for reversal of the entire provision (created during the period from May 21, 2015 to June 30, 2017) on August 13, 2021 with the SECP that gave its concurrence for prospective reversal of provision for SWWF.

12. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at reporting date (2022: Nil).

13. NUMBER OF UNITS IN ISSUE

Total units in issue at the beginning of the year
Add: Issuance of units during the year
Less: Units redeemed during the year
Total units in issue at the end of the year

2023			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
----- Number of units in issue -----			
503,337	474,460	704,672	1,682,469
46,296	55,821	544,281	646,398
(113,691)	(140,147)	(393,193)	(647,031)
<u>435,942</u>	<u>390,134</u>	<u>855,760</u>	<u>1,681,836</u>

Total units in issue at the beginning of the year
Add: Issuance of units during the year
Less: Units redeemed during the year
Total units in issue at the end of the year

2022			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
----- Number of units in issue -----			
614,226	452,513	583,881	1,650,620
63,948	67,080	291,892	422,920
(174,837)	(45,133)	(171,101)	(391,071)
<u>503,337</u>	<u>474,460</u>	<u>704,672</u>	<u>1,682,469</u>

14. CONTRIBUTION TABLE

Individuals

2023					
Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund	
Units	Rupees in '000	Units	Rupees in '000	Units	Rupees in '000
46,296	7,704	55,821	8,268	544,281	87,090

2022					
Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund	
Units	Rupees in '000	Units	Rupees in '000	Units	Rupees in '000
63,948	11,579	67,080	9,438	291,892	39,397

Individuals

15. PROFIT EARNED

2023			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
----- Rupees in '000 -----			
593	3,302	12,326	16,221
-	6,144	3,433	9,577
593	9,446	15,759	25,798

Profit earned on:

Savings accounts
Sukuk certificates

2022			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
----- Rupees in '000 -----			
469	2,511	6,275	9,255
-	2,816	857	3,673
-	157	-	157
469	5,484	7,132	13,085

Profit earned on:

Savings accounts
Sukuk certificates
Islamic commercial papers

16. AUDITORS' REMUNERATION

2023			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
----- Rupees in '000 -----			
75	75	75	225
4	4	4	12
7	7	7	21
86	86	86	258

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

2022			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
----- Rupees in '000 -----			
58	58	58	174
3	3	3	9
6	6	6	18
67	67	67	201

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

17. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

- 17.1** Connected persons include ABL Asset Management Company Limited being the Pension Fund Manager, the Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Pension Fund Manager, any entity in which the Pension Fund Manager, its CISs or their connected persons have material interest, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Pension Fund Manager or the net assets of the Fund, directors and their close family members and key management personnel of the Pension Fund Manager.
- 17.2** Transactions with connected persons are executed on an arm's length basis and essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 17.3** Remuneration to the Pension Fund Manager of the Fund is determined in accordance with the provisions of the VPS Rules, 2005.
- 17.4** Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the VPS Rules, 2005 and the Trust Deed.
- 17.5** The details of transactions carried out by the Fund with connected persons during the year and balances with them as at the reporting date are as follows:

2023			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total

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

ABL Asset Management Company Limited - Pension Fund Manager

Remuneration of the Pension Fund Manager	1,193	984	1,621	3,798
Punjab Sales Tax on remuneration of the Pension Fund Manager	191	157	259	607
Outstanding 300,000 units - Equity Sub-Fund	49,814	-	-	49,814
Outstanding 300,000 units - Debt Sub-Fund	-	47,380	-	47,380
Outstanding 300,000 units - Money Market Sub-Fund	-	-	47,292	47,292

Central Depository Company of Pakistan Limited - Trustee

Remuneration of the Trustee	119	100	161	380
Sindh Sales Tax on remuneration of the Trustee	15	13	21	49
Security deposit	100	100	-	200
Balance in IPS account	-	39	186	225

Allied Bank Limited

Profit on savings account	109	1,165	2,090	3,364
Bank charges	7	3	9	19
Profit receivable on savings account	-	94	-	94

2022			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total

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

ABL Asset Management Company Limited - Pension Fund Manager

Remuneration of the Pension Fund Manager	1,564	928	1,205	3,697
Punjab Sales Tax on remuneration of the Pension Fund Manager	250	149	193	592
Outstanding 300,000 units - Equity Sub-Fund	49,203	-	-	49,203
Outstanding 300,000 units - Debt Sub-Fund	-	42,819	-	42,819
Outstanding 300,000 units - Money Market Sub-Fund	-	-	41,958	41,958

Central Depository Company of Pakistan Limited - Trustee

Remuneration of the Trustee	156	93	120	369
Sindh Sales Tax on remuneration of the Trustee	20	12	16	48
Security deposit	100	100	-	200
Balance in Investor Portfolio Securities account	-	28	8	36

Allied Bank Limited

Profit on savings account	237	1,230	1,628	3,095
Bank charges	40	15	18	73
Profit receivable on savings account	-	140	224	364

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

18. FINANCIAL INSTRUMENTS BY CATEGORY

Particulars	2023									
	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Total
	At amortised cost	At fair value through profit or loss	Sub total	At amortised cost	At fair value through profit or loss	Sub total	At amortised cost	At fair value through profit or loss	Sub total	

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

Financial assets

Bank balances	3,922	-	3,922	19,850	-	19,850	96,165	-	96,165	119,937
Investments	-	68,028	68,028	-	40,802	40,802	-	35,393	35,393	144,223
Dividend and profit receivable	-	-	-	1,382	-	1,382	3,876	-	3,876	5,258
Deposits and other receivables	2,600	-	2,600	139	-	139	186	-	186	2,925
	<u>6,522</u>	<u>68,028</u>	<u>74,550</u>	<u>21,371</u>	<u>40,802</u>	<u>62,173</u>	<u>100,227</u>	<u>35,393</u>	<u>135,620</u>	<u>272,343</u>

Financial liabilities

Payable to ABL Asset Management Company Limited - Pension Fund Manager	465	-	465	387	-	387	473	-	473	1,325
Payable to Central Depository Company of Pakistan Limited - Trustee	10	-	10	11	-	11	18	-	18	39
Payable against purchase of securities	775	-	775	-	-	-	-	-	-	775
Payable against redemption of units	117	-	117	300	-	300	114	-	114	531
Accrued expenses and other liabilities	930	-	930	116	-	116	116	-	116	1,162
	<u>2,297</u>	<u>-</u>	<u>2,297</u>	<u>814</u>	<u>-</u>	<u>814</u>	<u>721</u>	<u>-</u>	<u>721</u>	<u>3,832</u>

Particulars	2022									Total
	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			
	At amortised cost	At fair value through profit or loss	Sub total	At amortised cost	At fair value through profit or loss	Sub total	At amortised cost	At fair value through profit or loss	Sub total	
----- Rupees in '000 -----										
Financial assets										
Bank balances	5,019	-	5,019	28,761	-	28,761	87,068	-	87,068	120,848
Investments	-	76,344	76,344	-	38,018	38,018	-	10,656	10,656	125,018
Dividend and profit receivable	24	-	24	940	-	940	1,216	-	1,216	2,180
Deposits and other receivables	2,600	-	2,600	128	-	128	8	-	8	2,736
	<u>7,643</u>	<u>76,344</u>	<u>83,987</u>	<u>29,829</u>	<u>38,018</u>	<u>67,847</u>	<u>88,292</u>	<u>10,656</u>	<u>98,948</u>	<u>250,782</u>
Financial liabilities										
Payable to ABL Asset Management Company Limited - Pension Fund Manager	367	-	367	280	-	280	305	-	305	952
Payable to Central Depository Company of Pakistan Limited - Trustee	11	-	11	9	-	9	14	-	14	34
Accrued expenses and other liabilities	1,087	-	1,087	92	-	92	92	-	92	1,271
	<u>1,465</u>	<u>-</u>	<u>1,465</u>	<u>381</u>	<u>-</u>	<u>381</u>	<u>411</u>	<u>-</u>	<u>411</u>	<u>2,257</u>

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

19.1 Market risk

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

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

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

(i) Yield / profit rate risk

Yield / profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. As of June 30, 2023, the Fund is exposed to such risk on bank balances and investments in sukuk certificates. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund holds KIBOR based sukuk certificates and bank balances which expose the Fund to cash flow profit rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net income for the year and net assets of the Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund would have been higher / lower by Rs. 0.039 million (2022: Rs. 0.050 million), Rs. 0.279 million (2022: Rs. 0.330 million) and Rs. 0.962 million (2022: Rs. 0.871 million) respectively.

b) Sensitivity analysis for fixed rate instruments

As at June 30, 2023, the Fund holds GOP Ijarah sukuk certificates which are classified as financial assets at fair value through profit or loss exposing the Fund to fair value profit rate risk. In case of 100 basis points increase / decrease in rates announced by the Financial Markets Association of Pakistan for GOP Ijarah sukuk and with all other variables held constant, the net income for the year and net assets of the Debt Sub-Fund and Money Marker Sub-Fund would have been lower / higher by Rs. 0.328 million (2022: Rs. 0.338 million) and Rs. 0.354 million (2022: Rs. 0.107 million) respectively.

The composition of the Fund's investment portfolio, KIBOR rates and the rates announced by the Financial Markets Association of Pakistan are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2023 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

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

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

ABL Islamic Pension Fund - Equity Sub-Fund

	2023					2022						
	Effective profit / yield	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total	Effective profit / yield	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
		Upto three months	More than three months and up to one year	More than one year				Upto three months	More than three months and up to one year	More than one year		
	----- Rupees in '000 -----					----- Rupees in '000 -----						
Financial assets												
Bank balances	11.75% - 15.25%	3,922	-	-	-	3,922	11.75%	5,019	-	-	-	5,019
Investments		-	-	-	68,028	68,028		-	-	-	76,344	76,344
Dividend and interest receivable		-	-	-	-	-		-	-	-	24	24
Deposits and other receivables		-	-	-	2,600	2,600		-	-	-	2,600	2,600
		3,922	-	-	70,628	74,550		5,019	-	-	78,968	83,987
Financial liabilities												
Payable to ABL Asset Management Company Limited - Pension Fund Manager		-	-	-	465	465		-	-	-	367	367
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	10	10		-	-	-	11	11
Payable against purchase of securities		-	-	-	775	775		-	-	-	-	-
Payable against redemption of units		-	-	-	117	117		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	930	930		-	-	-	1,087	1,087
		-	-	-	2,297	2,297		-	-	-	1,465	1,465
On-balance sheet gap		3,922	-	-	68,331	72,253		5,019	-	-	77,503	82,522
Total interest rate sensitivity gap		3,922	-	-				5,019	-	-		
Cumulative interest rate sensitivity gap		3,922	3,922	3,922				5,019	5,019	5,019		

ABL Islamic Pension Fund - Debt Sub-Fund

2023						2022					
Effective profit / yield	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total	Effective profit / yield	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
	Upto three months	More than three months and up to one year	More than one year				Upto three months	More than three months and up to one year	More than one year		

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

Financial assets

Bank balances	12.00% - 19.50%	19,850	-	-	-	19,850	14.25% - 15.50%	28,761	-	-	-	28,761
Investments	16.56% - 23.94%	1,003	7,004	-	-	8,007	8.09% - 16.33%	4,226	33,792	-	-	38,018
Dividend and interest receivable		-	-	-	1,382	1,382		-	-	-	940	940
Deposits and other receivables		-	-	-	139	139		-	-	-	128	128
		20,853	7,004	-	1,521	29,378		32,987	33,792	-	1,068	67,847

Financial liabilities

Payable to ABL Asset Management Company Limited - Pension Fund Manager		-	-	-	387	387		-	-	-	280	280
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	11	11		-	-	-	9	9
Payable against redemption of units		-	-	-	300	300		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	116	116		-	-	-	92	92
		-	-	-	814	814		-	-	-	381	381

On-balance sheet gap		20,853	7,004	-	707	28,564		32,987	33,792	-	687	67,466
Total interest rate sensitivity gap		20,853	7,004	-				32,987	33,792	-		
Cumulative interest rate sensitivity gap		20,853	27,857	27,857				32,987	66,779	66,779		

ABL Islamic Pension Fund - Money Market Sub-Fund

	2023					2022						
	Effective profit / yield	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total	Effective profit / yield	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
		Upto three months	More than three months and up to one year	More than one year				Upto three months	More than three months and up to one year	More than one year		
	----- Rupees in '000 -----					----- Rupees in '000 -----						
Financial assets												
Bank balances	12.00% - 19.60%	96,165	-	-	-	96,165	12.25% - 15.50%	87,068	-	-	-	87,068
Investments	11.4% - 20.70%	-	-	35,393	-	35,393	5.95% - 11.40%	-	10,656	-	-	10,656
Dividend and interest receivable		-	-	-	3,876	3,876		-	-	-	1,216	1,216
Deposits and other receivables		-	-	-	186	186		-	-	-	8	8
		96,165	-	35,393	4,062	135,620		87,068	10,656	-	1,224	98,948
Financial liabilities												
Payable to ABL Asset Management Company Limited - Pension Fund Manager		-	-	-	473	473		-	-	-	305	305
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	18	18		-	-	-	14	14
Payable against redemption of units		-	-	-	114	114		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	116	116		-	-	-	92	92
		-	-	-	721	721		-	-	-	411	411
On-balance sheet gap		96,165	-	35,393	3,341	134,899		87,068	10,656	-	813	98,537
Total interest rate sensitivity gap		96,165	-	35,393				87,068	10,656	-		
Cumulative interest rate sensitivity gap		96,165	96,165	131,558				87,068	97,724	97,724		

(ii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

(iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from profit rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

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

In case of 5% increase / decrease in KMI Meezan Index (KMI 30) as on June 30, 2023, with all other variables held constant, the total comprehensive income / loss of the Equity Sub-Fund for the year would decrease / increase by Rs. 3.401 million (2022: Rs. 3.817 million) and the net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on equity securities classified as financial assets at fair value through profit or loss.

The analysis is based on the assumption that equity index had increased / decreased by 5% with all other variables held constant and all the Fund's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the KMI 30 Index having regard to the historical volatility of the index. The composition of the Fund's investment portfolio and the correlation thereof to the KMI 30 Index is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2023 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of the KMI 30 Index.

19.2 Liquidity risk

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

The Fund is exposed to redemptions of its redeemable units on a regular basis. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is, therefore, to invest the majority of its assets either in short term instruments or in investments that are traded in an active market and can be readily disposed and are considered readily realisable in order to maintain liquidity.

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

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

ABL Islamic Pension Fund - Equity Sub-Fund

	2023						Total
	Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	
----- Rupees in '000 -----							
Financial Assets							
Bank balances	3,922	-	-	-	-	-	3,922
Investments	-	-	-	-	-	68,028	68,028
Deposits and other receivables	-	-	-	-	-	2,600	2,600
	3,922	-	-	-	-	70,628	74,550
Financial Liabilities							
Payable to ABL Asset Management Company Limited - Pension Fund Manager	465	-	-	-	-	-	465
Payable to Central Depository Company of Pakistan - Trustee	10	-	-	-	-	-	10
Payable against purchase of securities	775	-	-	-	-	-	775
Payable against redemption of units	117	-	-	-	-	-	117
Accrued expenses and other liabilities	844	86	-	-	-	-	930
	2,211	86	-	-	-	-	2,297
Net Financial Assets	1,711	(86)	-	-	-	70,628	72,253

2022						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
----- Rupees in '000 -----						
Bank balances	5,019	-	-	-	-	5,019
Investments	-	-	-	-	76,344	76,344
Dividend and profit receivable	24	-	-	-	-	24
Deposits and other receivables	-	-	-	-	2,600	2,600
	5,043	-	-	-	78,944	83,987
Financial Liabilities						
Payable to ABL Asset Management Company Limited - Pension Fund Manager	367	-	-	-	-	367
Payable to Central Depository Company of Pakistan - Trustee	11	-	-	-	-	11
Accrued expenses and other liabilities	1,020	67	-	-	-	1,087
	1,398	67	-	-	-	1,465
Net Financial Assets	3,645	(67)	-	-	78,944	82,522

ABL Islamic Pension Fund - Debt Sub-Fund

2023						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
----- Rupees in '000 -----						
Bank balances	19,850	-	-	-	-	19,850
Investments	-	5,003	-	35,799	-	40,802
Dividend and profit receivable	1,382	-	-	-	-	1,382
Deposits and other receivables	39	-	-	-	100	139
	21,271	5,003	-	35,799	100	62,173
Financial Liabilities						
Payable to ABL Asset Management Company Limited - Pension Fund Manager	387	-	-	-	-	387
Payable to Central Depository Company of Pakistan - Trustee	11	-	-	-	-	11
Payable against redemption of units	300	-	-	-	-	300
Accrued expenses and other liabilities	30	86	-	-	-	116
	728	86	-	-	-	814
Net Financial Assets	20,543	4,917	-	35,799	100	61,359

2022						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
----- Rupees in '000 -----						
Bank balances	28,761	-	-	-	-	28,761
Investments	-	-	38,018	-	-	38,018
Dividend and profit receivable	940	-	-	-	-	940
Deposits and other receivables	28	-	-	-	100	128
	29,729	-	38,018	-	100	67,847
Financial Liabilities						
Payable to ABL Asset Management Company Limited - Pension Fund Manager	280	-	-	-	-	280
Payable to Central Depository Company of Pakistan - Trustee	9	-	-	-	-	9
Accrued expenses and other liabilities	25	67	-	-	-	92
	314	67	-	-	-	381
Net Financial Assets	29,415	(67)	38,018	-	100	67,466

ABL Islamic Pension Fund - Money Market Sub-Fund

2023						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
----- Rupees in '000 -----						
Bank balances	96,165	-	-	-	-	96,165
Investments	-	-	35,393	-	-	35,393
Dividend and profit receivable	3,876	-	-	-	-	3,876
Deposits and other receivables	186	-	-	-	-	186
	100,227	-	35,393	-	-	135,620
Financial Liabilities						
Payable to ABL Asset Management Company Limited - Pension Fund Manager	473	-	-	-	-	473
Payable to Central Depository Company of Pakistan - Trustee	18	-	-	-	-	18
Payable against redemption of units	114	-	-	-	-	114
Accrued expenses and other liabilities	30	86	-	-	-	116
	635	86	-	-	-	721
Net Financial Assets	99,592	(86)	35,393	-	-	134,899

	2022						Total
	Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	
----- Rupees in '000 -----							
Financial Assets							
Bank balances	87,068	-	-	-	-	-	87,068
Investments	-	-	-	10,656	-	-	10,656
Dividend and profit receivable	1,216	-	-	-	-	-	1,216
Deposits and other receivables	8	-	-	-	-	-	8
	88,292	-	-	10,656	-	-	98,948
Financial Liabilities							
Payable to ABL Asset Management Company Limited - Pension Fund Manager	305	-	-	-	-	-	305
Payable to Central Depository Company of Pakistan - Trustee	14	-	-	-	-	-	14
Accrued expenses and other liabilities	25	67	-	-	-	-	92
	344	67	-	-	-	-	411
Net Financial Assets	87,948	(67)	-	10,656	-	-	98,537

19.3 Credit risk

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

	2023		2022	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
----- Rupees in '000 -----				
Equity Sub-Fund				
Bank balances	3,922	3,922	5,019	5,019
Investments	68,028	-	76,344	-
Dividend and profit receivable	-	-	24	24
Deposits and other receivables	2,600	2,600	2,600	2,600
	74,550	6,522	83,987	7,643
Debt Sub-Fund				
Bank balances	19,850	19,850	28,761	28,761
Investments	40,802	8,007	38,018	4,226
Dividend and profit receivable	1,382	1,382	940	940
Deposits and other receivables	139	139	128	128
	62,173	29,378	67,847	34,055

Money Market Sub-Fund

Bank balances
Investments
Dividend and profit receivable
Deposits and other receivables

2023		2022	
Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
----- Rupees in '000 -----			
96,165	96,165	87,068	87,068
35,393	-	10,656	7,202
3,876	3,876	1,216	1,216
186	186	8	8
<u>135,620</u>	<u>100,227</u>	<u>98,948</u>	<u>95,494</u>

The maximum exposure to credit risk before any credit enhancement as at June 30, 2023 is the carrying amount of the financial assets other than investment in equity securities, investment in Government securities and receivable against sale of equity securities.

19.3.2 Credit quality of financial assets

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

Rating

Bank Balances

AAA
AA+
AA
A+

Sukuk certificates

AA+
AA-

2023		
% of financial assets exposed to credit risk		
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
6.07%	25.15%	34.69%
0.01%	0.01%	0.01%
-	17.35%	36.13%
-	0.01%	17.52%
-	4.66%	-
-	1.58%	-
<u>6.08%</u>	<u>48.76%</u>	<u>88.35%</u>

Rating**Bank Balances**

AAA

AA+

AA

A+

Sukuk certificates

AA+

AA

2022		
% of financial assets exposed to credit risk		
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
4.68%	25.15%	34.68%
0.01%	0.01%	0.01%
-	17.35%	36.13%
1.39%	0.01%	17.52%
-	4.66%	-
-	1.58%	-
<u>6.08%</u>	<u>48.76%</u>	<u>88.34%</u>

20. FAIR VALUE MEASUREMENT

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

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

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

Fair value hierarchy

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

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

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

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

As at June 30, 2023 and June 30, 2022, the Fund held the following financial instruments measured at fair values:

At fair value through profit or loss**Equity Sub-Fund**

Listed equity securities

2023			
Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----			
68,028	-	-	68,028

Debt Sub-Fund
 GOP Ijarah Sukuks
 Corporate sukuk certificates

2023			
Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----			
-	32,795	-	32,795
-	8,007	-	8,007
-	40,802	-	40,802

Money Market Sub-Fund
 GOP Ijarah Sukuks

-	35,393	-	35,393
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At fair value through profit or loss

Equity Sub-Fund
 Listed equity securities

2022			
Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----			
76,344	-	-	76,344

Debt Sub-Fund
 GOP Ijarah Sukuks
 Corporate sukuk certificates

-	33,792	-	33,792
-	4,226	-	4,226
-	38,018	-	38,018

Money Market Sub-Fund
 GOP Ijarah Sukuks

-	10,656	-	10,656
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21. PARTICIPANTS' SUB-FUND RISK MANAGEMENT

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

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

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

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

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

22. CORRESPONDING FIGURES

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

23. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Pension Fund Manager on August 24, 2023.

24. GENERAL

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

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



Saqib Matin
Chief Financial Officer



Naveed Nasim
Chief Executive Officer



Pervaiz Iqbal Butt
Director

آڈیٹر

میسرز کرو حسین چوہدری اینڈ کمپنی (چارٹرڈ اکاؤنٹنٹس)، کو 30 جون، 2023 کو ختم ہونے والے سال کے لئے اے بی ایل پنشن فنڈ (ABL-PF) کے لئے بطور آڈیٹر مقرر کیا گیا ہے۔

مینجمنٹ کمپنی کی کوالٹی کی درجہ بندی

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


اعتراف

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

بورڈ کی طرف سے اور بورڈ کے لئے


ڈائریکٹر

لاہور، 24 اگست، 2023

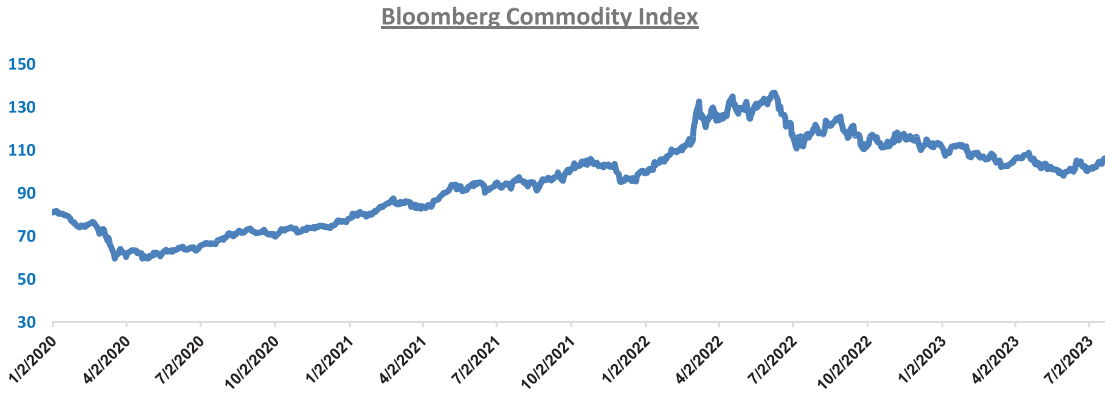

نویسنہ
چیف ایگزیکٹو آفیسر

آؤٹ لک ایکویٹی

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

اسلامی منی مارکیٹ

آئندہ مالی سال 24 کی پہلی ششماہی کے دوران افراط زر کی بلندی پر رہنے کی توقع ہے، آئی ایم ایف نے اوسطاً 26 فیصد مہنگائی کا تخمینہ لگایا ہے۔ مالی سال 24 کے لیے افراط زر کی شرح 16 فیصد تک گرنے کی توقع ہے۔ مالی سال 24 کی آخری سہ ماہی کے دوران۔



کموڈٹی کی عالمی قیمتوں میں کمی کے باوجود، جیسا کہ اوپر کے چارٹ میں دیکھا جاسکتا ہے، پاکستان میں افراط زر کے دوہرے ہندسوں میں رہنے کی توقع ہے بنیادی طور پر روپے کی قدر میں کمی اور ایل سی کھولنے پر پابندیوں کی وجہ سے ان پٹ کی سپلائی میں خلل۔

اسٹیٹ بینک کی جانب سے پالیسی ریٹ میں حالیہ تبدیلیاں اس بات کی نشاندہی کرتی ہیں کہ مالی سال 24 کے دوران پالیسی ریٹ کے بلندی پر رہنے کی توقع ہے اس لیے اپنے پورٹ فولیوز میں شرح سود کے خطرے کو کم کرنے کے لیے ہم فلوٹنگ ریٹ شارٹ ٹرم سیکورٹ اور بینک ڈپازٹ ڈیلز میں سرمایہ کاری کرتے رہیں گے۔ ریٹرن کو مزید بڑھانے کے لیے ہم اعلیٰ درجہ کے اسلامی بینکوں کے ساتھ مشاعرہ کے معاہدوں پر دستخط کرنے کے عمل میں ہیں تاکہ ہم اسلامی انٹریٹ مارکیٹ میں براہ راست رقم رکھ سکیں اور DFIs کے ساتھ لین دین کی ساخت بنا سکیں۔

قرضوں کی ادائیگیوں سے زرمبادلہ کے ذخائر پر دباؤ پڑتا ہے، جس کے نتیجے میں امریکی ڈالر کے مقابلے پاکستانی روپے کی قدر میں غیر معمولی 38 فیصد کمی واقع ہوئی۔ کرنٹ اکاؤنٹ خسارے سے نمٹنے کے لیے حکومت نے درآمدی پابندیاں لاگو کر دیں۔ غیر ملکی ذخائر پر بڑھتے ہوئے دباؤ کے ساتھ ساتھ مہنگائی کے خطرناک اعداد و شمار نے اسٹیٹ بینک آف پاکستان کو پالیسی ریٹ کو 825 بیس پوائنٹس سے 22 فیصد تک بڑھانے پر مجبور کیا۔

سال کے دوران، GOP اجارہ سکوک مارکیٹ فعال رہی کیونکہ حکومت نے کل 737 PKR بلین متغیر شرح GOP اجارہ سکوک اور PKR 134 بلین فکسڈ ریٹ GOP اجارہ سکوک جاری کی۔

فکسڈ ریٹ GOP اجارہ سکوک کی ثانوی مارکیٹ کی پیداوار غیر مستحکم رہی اور PIB کی پیداوار کے ساتھ مل کر آگے بڑھی اس لیے مارکیٹ نے شرح سود میں اضافے کے دوران اپنی ترجیح کو مقررہ شرح سے متغیر شرح کے آلے کی طرف منتقل کر دیا۔

سال کے دوران، اسٹیٹ بینک نے چھوٹے (7 دن) اور طویل مدت (63 دن اور 77 دن) دونوں OMO متعارف کرائے ہیں۔ SBP نے کل 93 OMO نجیکشنز کا اعلان کیا اور کل 454 PKR بلین کا خالص قرض دہندہ رہا۔

فنڈ کی کارکردگی

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

ڈیبٹ سب فنڈ

مالی سال 23 کو ختم ہونے والے سال کے لیے، اسلامک ڈیبٹ سب فنڈ نے 10.65% کا سالانہ منافع پوسٹ کیا۔ فنڈ کی سرمایہ کاری 52.51% حکومتی حمایت یافتہ سیکیورٹیز میں، 12.82% کارپوریٹ سکوک میں اور 31.84% کیش میں جون 23 کے آخر میں کی گئی۔

منی مارکیٹ سب فنڈ

مالی سال 23 کو ختم ہونے والے سال کے لیے، اسلامک پنشن فنڈ منی مارکیٹ سب فنڈ نے 12.71 فیصد کا سالانہ منافع پوسٹ کیا۔ فنڈ کی سرمایہ کاری 26.09% حکومتی حمایت یافتہ سیکیورٹیز میں، 71.02% کیش میں جون 23 کے آخر میں کی گئی۔

ایکویٹی سب فنڈ

مالی سال 23 کو ختم ہونے والے سال کے لیے، اسلامک پنشن فنڈ ایکویٹی سب فنڈ نے زیر جائزہ سال کے دوران 1.24% کا سالانہ منافع پوسٹ کیا۔ اس مدت کے اختتام پر فنڈ کی 91.05% ایکویٹیٹیز میں سرمایہ کاری کی گئی تھی جس میں تیل اور گیس کی تلاش میں 27.67% اور سیمنٹ میں 17.90% کی سرمایہ کاری کی گئی تھی۔

میوچل فنڈ انڈسٹری کا جائزہ

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

اسلامی اسٹاک مارکیٹ جائزہ

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

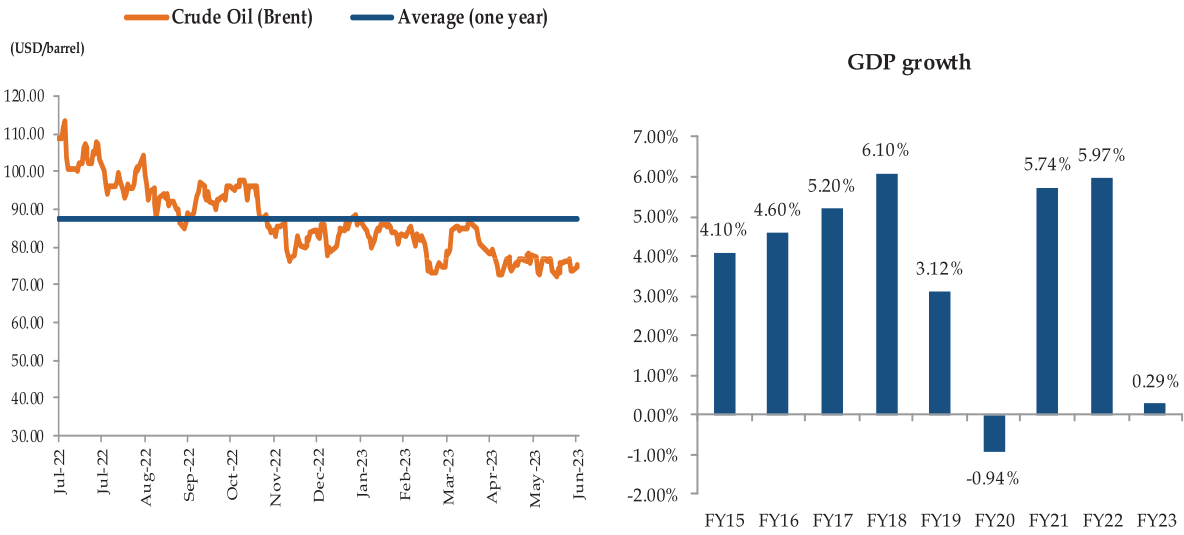
اوسط تجارت کے حجم میں 6% YoY اضافہ ہوا جبکہ قیمت 38% YoY کی کمی سے بالترتیب 56 بلین اور 13 USD بلین ہو گئی۔ غیر ملکیوں نے مذکورہ مدت کے دوران 1 USD بلین کے شیئرز خریدے۔ مقامی محاذ پر، میوچل فنڈز اور انشورنس کمپنیاں، بالترتیب 144 بلین امریکی ڈالر اور 124 بلین امریکی ڈالر کی خالص فروخت کے ساتھ سب سے آگے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

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

اسلامی منی مارکیٹ کا جائزہ

پورے FY23 کے دوران، پاکستان کی معیشت تباہ کن سیلابوں، مہنگائی میں اضافے، اور سیاسی غیر یقینی صورتحال سے دوچار رہی جس نے معیشت کو نمایاں نقصان پہنچایا۔ قوم نے مئی 23 میں 38 فیصد کی ریکارڈ توڑ مہنگائی کا تجربہ کیا، بنیادی طور پر خوراک اور توانائی کی قیمتوں میں اضافے کی وجہ سے۔ بین الاقوامی مالیاتی فنڈ کے 9 ویں اور 10 ویں جائزوں میں تاخیر نے منفی معاشی صورتحال کو مزید بڑھا دیا۔ مزید برآں،

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



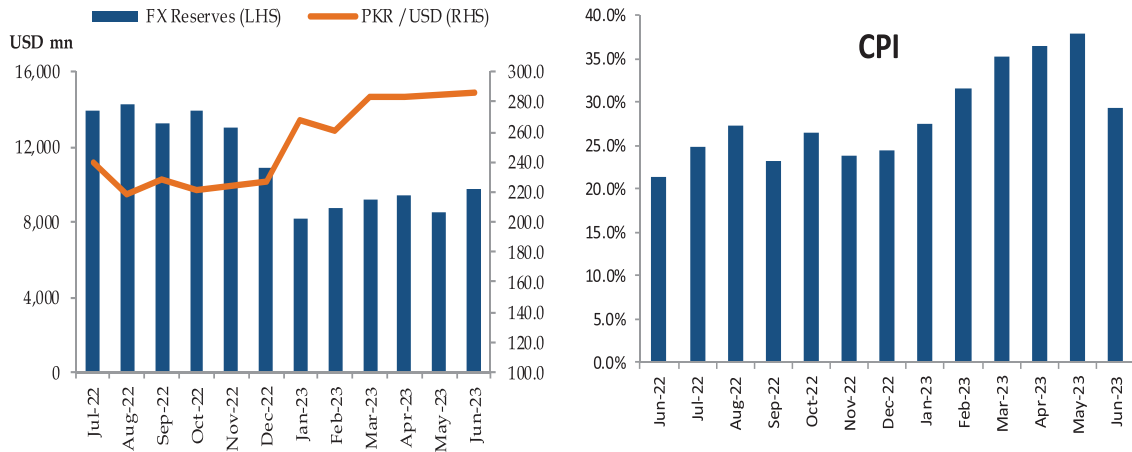
ادائیگی کے توازن کے محاذ پر، ملک نے گزشتہ سال کی اسی مدت میں USD 15.2bn کے خسارے کے مقابلے میں USD 2.9bn کا مجموعی خسارہ پوسٹ کر کے نمایاں بہتری حاصل کی ہے۔ کرنٹ اکاؤنٹ خسارے میں اس کمی کو بنیادی طور پر تجارتی خسارے میں 35.1 فیصد سال بہ سال کمی سے منسوب کیا جاسکتا ہے، جو درآمدات کو کم کرنے کے لیے اقدامات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

مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

اے بی ایل اسلامی پنشن فنڈ (اے بی ایل - آئی پی ایف) کی انتظامیہ کمپنی، اے بی ایل ایسٹ مینجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز 30 جون، 2023 کو ختم ہونے والے سال کے لئے اے بی ایل اسلامی پنشن فنڈ کے آڈٹ شدہ فنانشل اسٹیٹمنٹ پیش کرنے پر خوشی محسوس کرتے ہیں۔

اقتصادی کارکردگی کا جائزہ

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





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