



ABL ISLAMIC INCOME FUND
CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE PERIOD ENDED MARCH 31, 2021

NINE MONTHS REPORT



ABL Asset Management

Discover the potential

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ABL ISLAMIC INCOME FUND

FUND'S INFORMATION

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

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of ABL Asset Management Company Limited, the management company of ABL Islamic Income Fund (ABL-IIF), is pleased to present the Condensed Interim Financial Statements (un-audited) of ABL Islamic Income Fund for the nine months ended March 31, 2021.

ECONOMIC PERFORMANCE REVIEW

During the period, average CPI has been reached to ~8.35%YoY compared to ~11.53%YoY in the same period last year (SPLY). Though inflation appeared lower predominantly on the back of higher base effect, the monthly inflation kept on rising (~8.46% in cumulative vs ~8.04% in the SPLY) amid higher commodity, transport, and electricity prices. The food, Housing, and transport indices represented a cumulative increase of ~9.38%, ~9.12%, and ~15.83%, respectively. Moving ahead, the average inflation for FY21 is reckoned to settle at 9.2%YoY, slightly above the upper limit of the SBP's target range of 7%-9%.

On balance of payment (BOP) front, Pakistan posted a current account surplus of USD 881 million for 8MFY21 compared to a deficit of ~USD 2.74 billion during the SPLY. Pakistan exported goods & services worth of ~USD 19.88 billion for 8MFY21 compared to ~USD 20.25 billion in SPLY. On the other hand, Pakistan imported goods & services worth ~USD 37.30 billion in 8MFY21 compared to ~USD 35.72 billion in SPLY. This increase in imports is led by higher commodity prices and revival in economic activity. Overall trade deficit increased by 12.64%YoY during the 8MFY21 compared to SPLY. This increase in imports is offset by increased remittances. In aggregate, remittances for the 8MFY21 arrived at ~USD 18.74 billion compared to ~USD 15.10 billion during 8MFY20. Foreign exchange reserves, at SBP, stood at ~USD 13.30 billion, as of April 1st 2021, providing a total import cover of ~3.03 months.

On the fiscal side, FBR managed to collect ~PKR 3.40 trillion for 9MFY21, overshooting the target of PKR ~3.30 trillion for the period by ~PKR 106 billion.

MUTUAL FUND INDUSTRY REVIEW

Total assets under management (AUMs) of the open-end mutual fund industry posted an immense growth of 25% during 8MFY21 (from PKR 788 billion to PKR 982 billion), mainly on account of substantial flows in equity market funds due to insatiable appetite for risky asset class amid revival of economic activities in the country. Equity market funds, including conventional and Islamic, witnessed huge growth of 40% to close the period at PKR 240 billion. Similarly, total money market and fixed income funds' AUMs swelled by 25% and 24% to PKR 396 billion and PKR 238 billion, respectively.

Islamic Money Market Review

During the period under review secondary market yields throughout the curve shifted upwards. The yield movement was primarily driven by higher than expected headline CPI amid extraordinary increase in food prices & electricity & gas tariff adjustments. Furthermore, the drastic reduction in COVID19 cases, roll out of vaccinations had an upwards impact on yields. While the secondary market yields continued to rise State Bank of Pakistan in its monetary policies announced during the period emphasized on continuity & stability of current policy. SBP in its monetary policy in Jan'21 where the macroeconomic indicators were highlighted including strong recovery in LSM growth rate and improvements in external account position.

amid strong remittances during the period under review. The committee highlighted that the pressure on headline CPI is mainly caused by sharp increase in food items whereas core inflation continues to remain between 6% – 7%. For the first time ever, MPC provided the market with forward guidance indicating that there will be no changes in interest rates in medium term horizon.

During the period, GoP auctioned PKR 254bn worth of GIS VRR whereas 44.2bn amount was issued in Fixed Coupon GIS. The cut of yield for VRR GIS changed from -20bps to -10bps whereas the fixed GIS yield stayed at 8.37%, much higher than the previous issuances at 5.24%. The upward movement in Cut off yields can attributed towards upwards movement in Fixed PIBs in the conventional market.

Amid upwards shift in yield curve and around 30 bps increase in KIBOR from start of the year, Bank deposit rates on Islamic side also increased by 30 to 50 bps with DPA rates up from 6.50% to 7.00%.

AUDITORS

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

FUND STABILITY RATING

On December 31, 2020: VIS Credit rating Company (VIS) has upgraded the Fund Stability Rating (FSR) of ABL Islamic Income Fund (ABL IIF) to 'A+ (f)' (Single A plus (f)) from 'A (f)' (Single A (f)).

MANAGEMENT QUALITY RATING

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

FUTURE OUTLOOK

Going forward, GIS yields greatly depend on the GoP's ability to auction dollar denominated International Sukuk Bonds.

ABL Islamic Income Fund will continue to maintain majority of its exposure in Banks with Bai-Muajjal placement at higher yields. The fund shall only take calculated exposure in GIS to take advantage of yield arbitrage (if any).

The Fund will also continue to invest in high quality Corporate Sukuks & Islamic Commercial papers to generate alpha over base return.

ACKNOWLEDGEMENT

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

their continued guidance and support. The Directors also appreciate the efforts put in by the management team.

For & on behalf of the Board



Director



**Alee Khalid Ghaznavi
Chief Executive Officer**

Lahore, April 12, 2021

ABL ISLAMIC INCOME FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT MARCH 31, 2021

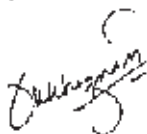
| | | Un-audited March 31, 2021 | Audited June 30, 2020 |
|--|------|---------------------------------|-----------------------------|
| | Note | ----- (Rupees- in 000) ----- | |
| ASSETS | | | |
| Balances with banks | 4 | 2,209,370 | 1,903,788 |
| Investments | 5 | 2,460,732 | 4,215,191 |
| Security Deposit and Prepayments | | 181 | 100 |
| Profit receivable | | 43,712 | 86,105 |
| Receivable against sale of units | | - | 3,516 |
| Other receivable | | 53,652 | 19,647 |
| Total assets | | 4,767,647 | 6,228,347 |
| LIABILITIES | | | |
| Payable to ABL Asset Management Company Limited - Management Company | 6 | 27,548 | 24,010 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | | 343 | 436 |
| Payable to Securities and Exchange Commission of Pakistan | | 1,018 | 1,109 |
| Dividend payable | | - | 853 |
| Accrued expenses and other liabilities | 9 | 8,978 | 54,195 |
| Payable against redemption of units | | 23,469 | 6,561 |
| Total liabilities | | 61,356 | 87,164 |
| NET ASSETS | | 4,706,291 | 6,141,183 |
| UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED) | | 4,706,291 | 6,141,183 |
| CONTINGENCIES AND COMMITMENTS | | | |
| | 10 | -----Number of units----- | |
| NUMBER OF UNITS IN ISSUE | | 441,756,939 | 601,413,865 |
| | | -----Rupees----- | |
| NET ASSETS VALUE PER UNIT | | 10.6536 | 10.2112 |

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.


For ABL Asset Management Company Limited
(Management Company)



Chief Financial Officer



Chief Executive Officer




Director


ABL ISLAMIC INCOME FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2020

| | | or the nine months ended March 31, | | For the Quarter ended March 31, | |
|---|-----|---------------------------------------|----------------|------------------------------------|----------------|
| | | 2021 | 2020 | 2021 | 2020 |
| Note -----(Rupees in '000)----- | | | | | |
| INCOME | | | | | |
| Profit on deposits with banks | | 132,006 | 343,370 | 32,741 | 124,348 |
| Income from commercial papers | | 10,126 | 34,959 | 2,885 | 14,644 |
| Income from certificate of modaraba | | 29,535 | 11,308 | 12,688 | 11,308 |
| Income from term deposit receipts | | 20,925 | 2,815 | 5,188 | - |
| Income from sukuk | | 179,959 | 161,455 | 38,941 | 55,950 |
| | | 372,551 | 553,907 | 92,443 | 206,250 |
| (Loss) / gain on sale of investments - net | | (34) | 2,237 | (9,932) | 1,240 |
| Unrealised appreciation / (diminution) on re-measurement of investments classified as financial assets at fair value through profit or loss - net | 5.4 | 2,357 | 6,361 | 433 | 5,716 |
| | | 2,323 | 8,598 | (9,499) | 6,956 |
| Total income | | 374,874 | 562,505 | 82,944 | 213,206 |
| EXPENSES | | | | | |
| Remuneration of ABL Asset Management Company Limited | | | | | |
| - Management Company | | 50,897 | 40,487 | 12,289 | 15,627 |
| Punjab sales tax on the Management Company's remuneration | 6.2 | 8,143 | 6,478 | 1,966 | 2,500 |
| Accounting and operational charges | | 5,089 | 4,048 | 1,229 | 1,562 |
| Selling and marketing expense | | 7,633 | 5,168 | 1,843 | 2,343 |
| Remuneration of Central Depository Company of Pakistan Limited - Trustee | | 3,817 | 3,037 | 921 | 1,172 |
| Sindh sales tax on remuneration of Trustee | | 496 | 395 | 120 | 153 |
| Annual fee - Securities and Exchange Commission of Pakistan | | 1,018 | 810 | 246 | 313 |
| Auditors' remuneration | | 375 | 408 | 123 | 96 |
| Printing charges | | 75 | 150 | 25 | 50 |
| Annual rating fee | | 187 | 189 | 61 | 63 |
| Listing fee | | 21 | 19 | 7 | 7 |
| Legal and professional charges | | - | 60 | - | - |
| Shariah advisory fee | | 243 | 378 | 77 | 125 |
| Bank and settlement charges | | 560 | 90 | 478 | (1) |
| Brokerage and securities transaction cost | | 2,243 | 929 | 216 | 503 |
| Total operating expenses | | 80,797 | 62,646 | 19,601 | 24,513 |
| Net income for the period before taxation | | 294,077 | 499,859 | 63,343 | 188,693 |
| Taxation | 9 | - | - | - | - |
| Net income for the period after taxation | | 294,077 | 499,859 | 63,343 | 188,693 |
| Other comprehensive income | | - | - | - | - |
| Total comprehensive income | | 294,077 | 499,859 | 63,343 | 188,693 |
| Earnings per unit | 10 | | | | |
| Allocation of Net Income for the period: | | | | | |
| Net income for the period after taxation | | 294,077 | 499,859 | 63,343 | 188,693 |
| Income already paid on units redeemed | | (149,332) | (177,392) | (58,525) | (83,971) |
| | | 144,745 | 322,467 | 4,818 | 104,722 |
| Accounting income available for distribution: | | | | | |
| -Relating to capital gains | | 2,323 | 8,598 | - | 6,956 |
| -Excluding capital gains | | 142,422 | 313,869 | 4,818 | 97,766 |
| | | 144,745 | 322,467 | 4,818 | 104,722 |

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For ABL Asset Management Company Limited
(Management Company)


Chief Financial Officer


Chief Executive Officer


Director


ABL ISLAMIC INCOME FUND
CONDENSED INTERIM MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2020


| | 2021 | | | 2020 | | |
|--|------------------|-----------------------|------------|---------------|-----------------------|------------|
| | (Rupees in '000) | | | | | |
| | Capital Value | Un distributed Income | Total | Capital Value | Un distributed Income | Total |
| | (Rupees in '000) | | | | | |
| Net assets at the beginning of the period (audited) | 6,033,747 | 107,436 | 6,141,183 | 3,652,035 | 80,555 | 3,732,590 |
| Issue of 1,449,456,930 (2019: 1,255,952,733) units | | | | | | |
| - Capital value (at net asset value per unit at the beginning of the period) | 14,800,757 | - | 14,800,757 | 12,806,317 | - | 12,806,317 |
| - Element of income | 235,581 | - | 235,581 | 638,165 | - | 638,165 |
| Total proceeds on issuance of units | 15,036,338 | - | 15,036,338 | 13,444,482 | - | 13,444,482 |
| Redemption of 1,609,113,856 (2019: 1,108,800,784) units | | | | | | |
| - Capital value (at net asset value per unit at the beginning of the period) | 16,431,052 | - | 16,431,052 | 11,305,883 | - | 11,305,883 |
| - Element of loss | 184,923 | 149,332 | 334,255 | 458,201 | 177,392 | 635,593 |
| Total payments on redemption of units | 16,615,975 | 149,332 | 16,765,307 | 11,764,084 | 177,392 | 11,941,476 |
| Total comprehensive income for the period | - | 294,077 | 294,077 | - | 499,859 | 499,859 |
| Net assets at the end of the period (un-audited) | 4,454,110 | 252,181 | 4,706,291 | 5,332,433 | 403,021 | 5,735,455 |
| Undistributed income brought forward | | | | | | |
| - Realised income | | 88,055 | | | 82,488 | |
| - Unrealised income / (loss) | | 19,381 | | | (1,934) | |
| | | 107,436 | | | 80,555 | |
| Accounting income available for distribution | | | | | | |
| - Relating to capital gains | | 2,323 | | | 8,598 | |
| - Excluding capital gains | | 142,422 | | | 313,869 | |
| | | 144,745 | | | 322,467 | |
| Undistributed income carried forward | | 252,181 | | | 403,021 | |
| Undistributed income carried forward | | | | | | |
| - Realised Income | | 249,824 | | | 396,660 | |
| - Unrealised Income / (loss) | | 2,357 | | | 6,361 | |
| | | 252,181 | | | 403,021 | |
| | | (Rupees) | | | (Rupees) | |
| Net assets value per unit at beginning of the period | | 10.2112 | | | 10.1965 | |
| Net assets value per unit at end of the period | | 10.6536 | | | 11.1755 | |

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For ABL Asset Management Company Limited
(Management Company)


Chief Financial Officer


Chief Executive Officer


Director

ABL ISLAMIC INCOME FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2020

| | 2021 | 2020 |
|---|-----------------------------|--------------|
| Note | ------(Rupees- in 000)----- | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net income for the period before taxation | 294,077 | 499,859 |
| Adjustments | | |
| Unrealised (diminution) / appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss - net | (2,357) | (6,361) |
| | (2,357) | (6,361) |
| Decrease / (Increase) in assets | | |
| Security Deposit and Prepayments | (81) | (10,233) |
| Other receivable | (34,005) | - |
| Receivable against sale of units | 3,516 | - |
| Profit receivable | 42,393 | (48,124) |
| | 11,823 | (58,357) |
| Increase / (decrease) in liabilities | | |
| Remuneration payable to ABL Asset Management Company Limited- Management Company | 3,538 | 14,781 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | (93) | 80 |
| Payable to Securities and Exchange Commission of Pakistan | (91) | (2,097) |
| Dividend payable | - | - |
| Payable against purchase of investment | - | 22,057 |
| Payable against redemption of units | 16,908 | (62,291) |
| Accrued expenses and other liabilities | (45,217) | (11,432) |
| | (24,955) | (38,902) |
| Net amount paid on purchase / sale of investments | 2,206,816 | (809,914) |
| Net cash generated from / (used in) operating activities | 2,485,404 | (413,675) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Distribution | (853) | (79) |
| Receipts from issuance of units | 15,036,338 | 13,444,482 |
| Payments against redemption of units | (16,765,307) | (11,941,476) |
| Net cash generated from financing activities | (1,729,822) | 1,502,927 |
| Net increase in cash and cash equivalents | 755,582 | 1,089,252 |
| Cash and cash equivalents at the beginning of the period | 1,903,788 | 2,640,587 |
| Cash and cash equivalents at the end of the period | 4.3 2,659,370 | 3,729,839 |

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For ABL Asset Management Company Limited
(Management Company)



Chief Financial Officer



Chief Executive Officer



Director

ABL ISLAMIC INCOME FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2020

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** ABL Islamic Income Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on June 23, 2010 between ABL Asset Management Company Limited (ABL AMCL) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed has been revised through the First Supplemental Trust Deed dated July 29, 2011 with the approval of the Securities and Exchange Commission of Pakistan (SECP). Furthermore, the offering document of the Fund has been revised through the First, Second, Third, Fourth, Fifth, Sixth, Seventh and Eighth supplements dated September 27, 2011, December 20, 2011, February 13, 2012, July 13, 2013, July 9, 2015, October 6, 2016, September 26, 2016 and October 2, 2020 respectively with the approval of the SECP. The SECP authorised constitution of the Trust Deed vide letter no. NBFC-II/DD/ABLAMC/492 dated June 11, 2010 in accordance with the requirement of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

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

- 1.2** The Fund has been categorised as an open ended Islamic income scheme by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs 10 per unit. Thereafter, the units are being offered for public subscription on a continuous basis and are transferable and redeemable by surrendering them to the Fund.
- 1.3** The objective of the Fund is to provide investors with an opportunity to earn higher income over medium to long term by investing in money market and debt instruments permissible under the Shariah principles. The investment objectives and policies are explained in the Fund's offering document.
- 1.4** The VIS Credit Rating Company Limited has assigned the asset manager rating of AM2++ (2019: AM2++ on December 31, 2019) to the Management Company on December 31, 2020. The rating reflects the Management Company's experienced management team, structured investment process and sound quality of systems and processes. Furthermore, VIS Credit Rating Company Limited has upgraded the stability rating of the Fund to "A+(f)" (2019: "A(f)" on January 20, 2020) on December 31, 2020.
- 1.5** The title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as trustee of the Fund.
- 1.6** During the current period, the Trust Act, 1882 has been repealed due to promulgation of provincial trust acts as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration and annual renewal requirements under the relevant trust acts have been introduced. The Management Company in consultation with the MUFAP and the Trustee is currently deliberating upon the requirements of the newly enacted provincial trust acts and their implication on the Fund.

2 STATEMENT OF COMPLIANCE

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ with the

requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2020.

- 2.1 In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at December 31, 2020.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT

- 3.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2020.

- 3.2 The preparation of the condensed interim financial statements in conformity with accounting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2020. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2020.

3.3 Amendments to published accounting and reporting standards that are effective in the current period:

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

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

There are certain new standards, interpretations and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting periods beginning on or after July 1, 2020. However, these are not expected to have any significant impacts on the Fund's operations and are, therefore, not detailed in these condensed interim financial statements.

| | | Un-audited March 31, 2021 | Audited June 30, 2020 |
|---|---------------------|---------------------------------|-----------------------------|
| 4 | BALANCES WITH BANKS | Note | ------(Rupees- in 000)----- |
| | Saving accounts | 4.1 | 2,197,671 |
| | Current accounts | 4.2 | 11,699 |
| | | | <u>2,209,370</u> |
| | | | <u>1,903,788</u> |

- 4.1 These saving accounts carry profit at rates ranging from 5.00% to 7.00% (June 30, 2020: 6% to 14.2%) per annum. Deposits in saving accounts include Rs. 1,839.67 million (June 30, 2020: Rs. 1,607.21 million) maintained with Allied Bank Limited, a related party, and carry profit at the rate of 6.85% (June 30, 2020: 7.65%) per annum.

- 4.2 Balance in current accounts is maintained with Allied Bank Limited, a related party.

5 INVESTMENTS

Financial assets at fair value through profit or loss

| | | | |
|----------------------------|-----|------------------|------------------|
| - Other Sukuks | 5.2 | 1,273,830 | 3,683,405 |
| - Certificate of Modaraba | | 469,460 | - |
| - Term Deposit Receipt | | 450,000 | - |
| - Islamic commercial paper | 5.3 | 267,442 | 531,786 |
| | | <u>2,460,732</u> | <u>4,215,191</u> |

5.1 GoP Ijara Sukuks

| Issue date | Coupon rate in % / tenor | Face Value | | | | Balance as at March 31, 2021 | | | Market value as a percentage of net assets of the Fund | Market value as a percentage of total investment |
|---------------------------|--------------------------|---------------------|-----------------------------|--------------------------------------|----------------------|------------------------------|--------------|-----------------------------|--|--|
| | | As at July 01, 2020 | Purchased during the period | Disposed / matured during the period | As at March 31, 2021 | Cost | Market value | Appreciation / (diminution) | | |
| (Rupees- in 000) | | | | | | | | | | |
| GOP Ijara / July 29, 2020 | 8.37 / 5 years | - | 150,000 | 150,000 | - | - | - | - | 0.00% | 0.00% |
| | | - | 150,000 | 150,000 | - | - | - | - | 0.00% | 0.00% |

5.2 Other Sukuks

| Issue | Mark-up rate / tenor | Face Value | | | | Balance as at March 31, 2021 | | | Market value as a percentage of net assets of the Fund | Market value as a percentage of total investment |
|-------------------------------------|-----------------------|---------------------|-----------------------------|--------------------------------------|----------------------|------------------------------|------------------|-----------------------------|--|--|
| | | As at July 01, 2020 | Purchased during the period | Disposed / matured during the period | As at March 31, 2021 | Carrying Value | Market value | Appreciation / (diminution) | | |
| ------(Rupees- in 000)----- | | | | | | | | | | |
| Par value @ 5,000 each | | | | | | | | | | |
| Fatima Fertilizer / | | | | | | | | | | |
| November 28, 2016 | 6 months KIBOR + 1.10 | 10,464 | - | 3,488 | 6,976 | 7,037 | 7,013 | (24) | 0.15 | 0.29 |
| K- Electric Limited / | | | | | | | | | | |
| August 3, 2019 | 3 months KIBOR + 1.7 | - | 10,000 | 9,800 | 200 | 1,015 | 1,011 | (4) | 0.02 | 0.04 |
| Power Holding Limited / May 21 2020 | | | | | | | | | | |
| May 21 2020 | 6 months KIBOR + 0.13 | 300,000 | 88,000 | 388,000 | - | - | - | - | - | - |
| Par value @ 100,000 each | | | | | | | | | | |
| Engro Polymer & Chemicals Ltd / | | | | | | | | | | |
| January 11, 2019 | 3 months KIBOR + 0.9 | 1,050 | 1,500 | 550 | 2,000 | 203,676 | 203,322 | (354) | 4.32 | 8.26 |
| International Brands Ltd | | | | | | | | | | |
| November 15, 2017 | 1 Year KIBOR + 0.50 | 100 | 100 | 200 | - | - | - | - | - | - |
| Dawood Hercules Corporation Ltd | | | | | | | | | | |
| November 16, 2017 | 3 months KIBOR + 1.00 | 9,136 | 1,467 | 10,603 | - | - | - | - | - | - |
| Dawood Hercules Corporation Ltd II | | | | | | | | | | |
| March 1, 2018 | 3 months KIBOR + 1.00 | 4,469 | 1,970 | 6,439 | - | - | - | - | - | - |
| The Hub Power Company Ltd. | | | | | | | | | | |
| August 22, 2019 | 3 months KIBOR + 1.90 | 3,500 | 2,450 | 327 | 5,623 | 574,732 | 574,876 | 144 | 12.22 | 23.36 |
| The Hub Power Company Ltd. | | | | | | | | | | |
| March 19, 2020 | 3 months KIBOR + 1.90 | 2,650 | 250 | 1,640 | 1,260 | 126,492 | 128,772 | 2,280 | 2.74 | 5.23 |
| The Hub Power Company Ltd. | | | | | | | | | | |
| May 19, 2020 | 6 months KIBOR + 1.50 | 2,300 | 15,600 | 17,900 | - | - | - | - | - | - |
| Par value @ 1,000,000 each | | | | | | | | | | |
| Meezan Bank Limited / | | | | | | | | | | |
| September 6, 2016 | 6 months KIBOR + 0.5 | 16 | - | - | 16 | 16,400 | 16,522 | 122 | 0.35 | 0.67 |
| Dubai Islamic Bank Pakistan Ltd / | | | | | | | | | | |
| July 14, 2017 | 6 months KIBOR + 0.5 | 333 | 933 | 933 | 333 | 342,120 | 342,313 | 193 | 7.27 | 13.91 |
| | | 334,018 | 122,270 | 439,880 | 16,408 | 1,271,473 | 1,273,830 | 2,357 | 27.07 | 51.77 |

5.3 Islamic Commercial Papers

| Issue | Maturity Date | Face Value | | | | Balance as at March 31, 2021 | | | Market value as a percentage of net assets of the Fund | Market value as a percentage of total investment |
|---------------------------|--------------------|---------------------|-----------------------------|--------------------------------------|----------------------|------------------------------|--------------|-----------------------------|--|--|
| | | As at July 01, 2020 | Purchased during the period | Disposed / matured during the period | As at March 31, 2021 | Carrying Value | Market value | Appreciation / (diminution) | | |
| (Rupees- in 000) | | | | | | | | | | |
| K- Electric Limited ICP-7 | September 10, 2020 | 389,000 | 304,000 | 693,000 | - | - | - | - | - | - |
| K- Electric Limited ICP-8 | October 6, 2020 | 150,000 | - | 150,000 | - | - | - | - | - | - |
| K- Electric Limited ICP- | September 24, 2020 | - | 130,000 | 130,000 | - | - | - | - | - | - |
| K- Electric Limited ICP- | August 10, 2021 | - | 275,000 | - | 275,000 | 267,442 | 267,442 | (0) | 5.68 | 10.87 |
| | | 539,000 | 709,000 | 973,000 | 275,000 | 267,442 | 267,442 | (0) | 5.68 | 10.87 |

5.4 Certificates of Modaraba

| Issue | Maturity Date | Face Value | | | | Balance as at March 31, 2021 | | | Market value as a percentage of net assets of the Fund | Market value as a percentage of total investment |
|---|------------------|---------------------|-----------------------------|--------------------------------------|----------------------|------------------------------|--------------|-----------------------------|--|--|
| | | As at July 01, 2020 | Purchased during the period | Disposed / matured during the period | As at March 31, 2021 | Carrying Value | Market value | Appreciation / (diminution) | | |
| (Rupees- in 000) | | | | | | | | | | |
| MODARABAS | | | | | | | | | | |
| First Habib Modaraba | October 13, 2020 | - | 250,000 | 250,000 | - | - | - | - | - | - |
| Latest available rating AA+, Profit rate 7% | | | | | | | | | | |
| First Habib Modaraba | January 11, 2021 | - | 254,315 | 254,315 | - | - | - | - | - | - |
| Latest available rating AA+, Profit rate 7% | | | | | | | | | | |
| First Habib Modaraba | March 11, 2021 | - | 258,656 | 258,656 | - | - | - | - | - | - |
| Latest available rating AA+, Profit rate 7% | | | | | | | | | | |
| First Habib Modaraba | March 22, 2021 | - | 204,351 | 204,351 | - | - | - | - | - | - |
| Latest available rating AA+, Profit rate 7% | | | | | | | | | | |
| First Habib Modaraba | June 9, 2021 | - | 261,582 | - | 261,582 | 261,582 | 261,582 | - | 5.56 | 10.63 |
| Latest available rating AA+, Profit rate 7% | | | | | | | | | | |
| First Habib Modaraba | June 21, 2021 | - | 207,878 | - | 207,878 | 207,878 | 207,878 | - | 4.42 | 8.45 |
| Latest available rating AA+, Profit rate 7% | | | | | | | | | | |

| Issue | Maturity Date | Face Value | | | | Balance as at March 31, 2021 | | | Market value as a percentage of net assets of the Fund | Market value as a percentage of total investment |
|-------|---------------|---------------------|-----------------------------|--------------------------------------|----------------------|------------------------------|--------------|-----------------------------|--|--|
| | | As at July 01, 2020 | Purchased during the period | Disposed / matured during the period | As at March 31, 2021 | Carrying Value | Market value | Appreciation / (diminution) | | |

----- (Rupees- in 000) -----

INVESTMENT COMPANIES

Pak Oman Investment

Company Limited January 19, 2021

- 314,288 314,288 - - - - -

Latest available rating AA+, Profit rate 6.90%

Pak Oman Investment

Company Limited February 2, 2021

- 315,159 315,159 - - - - -

Latest available rating AA+, Profit rate 6.90%

COMMERCIAL BANKS

Samba Bank Limited March 11, 2021

- 127,140 - 127,140 - - - - -

Latest available rating AA-, Profit rate 6.90%

Total - March 31, 2021

- 2,193,369 1,596,769 596,600 469,460 469,460 - 9.98 19.08

Total - June 30, 2020

- - - - -

5.5 Term deposit receipts

| Issue | Maturity Date | Face Value | | | | Balance as at March 31, 2021 | | | Market value as a percentage of net assets of the Fund | Market value as a percentage of total investment |
|-------|---------------|---------------------|-----------------------------|--------------------------------------|----------------------|------------------------------|--------------|-----------------------------|--|--|
| | | As at July 01, 2020 | Purchased during the period | Disposed / matured during the period | As at March 31, 2021 | Carrying Value | Market value | Appreciation / (diminution) | | |

----- (Rupees- in 000) -----

COMMERCIAL BANKS

United Bank Limited October 13, 2020

- 700,000 700,000 - - - - -

Latest available rating AAA

Profit rate 6.25%

United Bank Limited March 1, 2021

- 500,000 500,000 - - - - -

Latest available rating AAA

Profit rate 6.65%

United Bank Limited April 1, 2021

- 450,000 - 450,000 450,000 450,000 - 9.56 18.29

Latest available rating AAA

Profit rate 6.65%

Bank Islami Pakistan Limited January 11, 2021

- 750,000 750,000 - - - - -

Latest available rating A+

Profit rate 6.5%

Total - March 31, 2021

- 2,400,000 1,950,000 450,000 450,000 450,000 - 9.56 18.29

Total - June 30, 2020

- - - - -

Un-audited
March 31,
2021
Audited
June 30,
2020

----- (Rupees- in 000) -----

5.6 Unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss - net

Market value of securities

1,273,830 3,683,405

Less: carrying value of securities

(1,271,473) (3,664,025)

2,357 19,380

6 PAYABLE TO ABL ASSET MANAGEMENT COMPANY LIMITED - MANAGEMENT COMPANY

Remuneration of Management Company

6.1 4,049 5,151

Punjab sales tax on remuneration of Management Company

6.2 1,883 2,059

Federal excise duty on remuneration of Management Company

6.3 8,366 8,366

Sales load payable to the Management Company

527 789

Reimbursement of operational expenses to the Management Company

6.4 5,089 3,058

Reimbursement of Selling and marketing expenses

6.5 7,634 4,587

27,548 24,010

6.1 The Management Company has charged remuneration at the rate of 1.00% (June 30, 2020 : 1.00%) per annum based on the daily net assets of the Fund. The amount of remuneration is being paid monthly in arrears.

6.2 During the period, an amount of Rs. 8.143 million (June 30, 2020: Rs 8.872 million) was charged on account of sales tax on management fee levied through Punjab Sales Tax on Services Act, 2012.

- 6.3** The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company 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 Management Company together with various other asset management companies challenging the levy of FED.

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 01, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 19.142 million is being retained in these condensed interim financial statements of the Fund 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 Fund as at December 31, 2020 would have been higher by Re 0.0159 (June 30, 2020: Re 0.0139) per unit.

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

Until June 19, 2019 there was a maximum cap of 0.1% of the average annual net assets of the scheme or actual whichever is less, for allocation of such expense to the Fund. However, the SECP vide its SRO 639 dated June 20, 2019 removed the maximum cap of 0.1%.

The Management Company based on its own discretion has currently fixed a maximum capping of 0.1 percent of the average annual net assets of the scheme for allocation of such expenses to the Fund.

- 6.5** The SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) initially for a period of three years (i.e. from January 1, 2017 till December 31, 2019). The maximum cap of selling and marketing expense was 0.4% per annum of the net assets of the Fund or actual expenses whichever is lower.

During the current period, the SECP through its circular 11 dated July 5, 2019 has revised the conditions for charging of selling and marketing expenses to a Fund. As per the revised guidelines, the maximum cap of 0.4% per annum has been lifted and now the asset management company is required to set a maximum limit for charging of such expense to the Fund and the same should be approved by the Board of Directors of the Management Company as part of annual plan. Furthermore, the time limit of three years has also been removed in the revised conditions.

Accordingly, the Management Company based on its own discretion has currently determined a capping of 0.4% of the average annual net assets of the fund for charging of selling and marketing expenses to the Fund which has also been approved by the Board of Directors of the Management Company.

| 7 | PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE - RELATED PARTY | Note | (Un-audited) March 31, 2021 | (Audited) June 30, 2020 |
|---|---|------|-----------------------------------|-------------------------------|
| | | | ------(Rupees- in 000)----- | |
| | Trustee fee payable | 7.1 | 343 | 387 |
| | Sindh Sales Tax payable on trustee fee | 7.2 | 100 | 49 |
| | | | <u>443</u> | <u>436</u> |

- 7.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed at the rate of 0.075% (June 30, 2020: 0.075%) per annum of net assets. Accordingly the Fund has charged trustee fee at the above mentioned rate during the period.
- 7.2 During the period, an amount of Rs 0.376 million (2019: Rs 0.242 million) was charged on account of sales tax on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011 at the rate of 13% (2019: 13%).

| | | (Un-audited) March 31, 2021 | (Audited) June 30, 2020 |
|---|--|-----------------------------------|-------------------------------|
| 8 | PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN | Note | ------(Rupees- in 000)----- |
| | Fee payable | 8.1 | <u>1,018</u> <u>1,109</u> |

- 8.1 In accordance with the NBFC Regulations 2008, a Collective Investment Scheme (CIS) is required to pay an annual fee to SECP.

As per the guideline issued by the SECP vide its SRO No. 685(I)/2019 dated June 28, 2019, the Fund has charged SECP fee at the rate of 0.02% (June 30, 2020: 0.02%).

| | | (Un-audited) March 31, 2021 | (Audited) June 30, 2020 |
|---|---|-----------------------------------|-------------------------------|
| 9 | ACCRUED EXPENSES AND OTHER LIABILITIES | Note | ------(Rupees- in 000)----- |
| | Auditors' remuneration | | 302 250 |
| | Printing charges | | 73 78 |
| | Provision for Sindh Workers' Welfare Fund | 9.1 | 4,679 4,679 |
| | Settlement payable | | 95 100 |
| | Brokerage payable | | 92 804 |
| | Withholding tax Payable | | 3,694 48,240 |
| | Shariah advisory fee payable | | 44 44 |
| | | | <u>8,979</u> <u>54,195</u> |

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

The registered office of the Management Company of the Fund had been relocated from the Province of Sindh to the Province of Punjab. Accordingly, the Fund has not recorded provision in respect of SWWF after such relocation. However, as a matter of abundant caution the provision for SWWF made for the period from May 21, 2015 till June 30, 2017 amounting to Rs 4.679 million (June 30, 2020: Rs 4.679 million) is being retained in these condensed interim financial statements of the Fund till the final decision in respect of SWWF.

Had the provision for SWWF not been recorded in these condensed interim financial statements of the Fund for the period from May 21, 2015 to June 30, 2017, the net asset value of the Fund as at December 31, 2020 would have been higher by Re 0.0106 (June 30, 2020: 0.0078) per unit.

10 CONTINGENCIES AND COMMITMENTS

There were no other contingencies and commitments outstanding as at March 31, 2021 and June 30, 2020.

11 TAXATION

The income of the Fund is exempt from income tax as per clause 99 of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders as cash dividend. The Fund is exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Subsequent to the year end, the management has distributed 90 percent of the Fund's net accounting income earned by the year end as cash dividend to the unit holders. Accordingly, no provision in respect of taxation has been made in these financial statements.

12 EARNINGS PER UNIT

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

13 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period is 1.59% (March 31, 2020: 1.53%) which includes 0.19% (March 31, 2020: 0.1.9%) representing Government Levy and the SECP Fee. The prescribed limit for the ratio is 2.5% (March 31, 2020: 2%) (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as a "Islamic Income" scheme.

14 TRANSACTIONS WITH CONNECTED PERSONS

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

14.2 Transactions with connected persons are executed on an arm's length basis and essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

14.3 Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.

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

14.5 Accounting and operational charges and selling and marketing expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.

14.6 Detail of transactions with related parties / connected persons during the period:

| | Un-audited | |
|---|-----------------------------|---------|
| | Nine months ended March 31, | |
| | 2021 | 2020 |
| | ------(Rupees- in 000)----- | |
| ABL Asset Management Company Limited - Management Company | | |
| Issue of 7,289,627 (2020: 30,975,543) units | 74,979 | 321,944 |
| Redemption of 7,289,627 units (2020: 32,106,553) units | 75,983 | 351,051 |
| Remuneration for the period | 50,897 | 40,487 |
| Punjab sales tax on remuneration of Management Company | 8,143 | 6,478 |
| Reimbursement of operational expenses to the Management Company | 5,089 | 4,048 |
| Selling and marketing expenses | 7,633 | 5,168 |
| Sales load paid | - | 239 |
| Allied Bank Limited | | |
| Bank charges | 9 | 12 |
| Profit on bank deposit | 32,587 | - |
| Profit on term deposit receipt | - | 2,815 |
| Central Depository Company of Pakistan Limited - Trustee | | |
| Remuneration for the period | 3,817 | 3,037 |
| Sindh sales tax on remuneration of Trustee | 496 | 395 |
| MCBFSL Trustee - ABL Islamic Financial Planning Fund - Active Allocation Plan | | |
| Under Common Management | | |
| Issue of Nil (2020: 17,708,075) units | - | 185,684 |
| Redemption of 4,877,907 (2020: 25,902,196) units | 51,570 | 407,080 |
| MCBFSL Trustee - ABL Islamic Financial Planning Fund - Aggressive Allocation Plan | | |
| Under Common Management | | |
| Issue of Nil (2020: 853,663) units | - | 9,000 |
| Redemption of 1,817,046 (2020: 3,146,656) units | 19,066 | 35,285 |
| MCBFSL Trustee - ABL Islamic Financial Planning Fund - Conservative Allocation Plan | | |
| Under Common Management | | |
| Issue of Nil (2020: Nil) units | - | 36,500 |
| Redemption of 1,539,015 (2020: 837,089) units | 16,281 | 12,283 |
| MCBFSL Trustee - ABL Islamic Financial Planning Fund - Strategic Allocation Plan | | |
| Under Common Management | | |
| Issue of Nil (2020: 10,030,900) units | - | 104,500 |
| Redemption of 4,249,791 (2020: 23,330,848) units | 44,836 | 272,446 |
| MCBFSL Trustee - ABL Islamic Financial Planning Fund - Strategic Allocation Plan II | | |
| Under Common Management | | |
| Issue of Nil (2020: 12,062,316) units | - | 125,000 |
| Redemption of Nil (2020: 28,194,215) units | - | 292,823 |
| MCBFSL Trustee - ABL Islamic Financial Planning Fund - Strategic Allocation Plan III | | |
| Under Common Management | | |
| Issue of Nil (2020: 10,631,802) units | - | 110,500 |
| Redemption of 1,008,732 (2020: 35,786,542) units | 10,580 | 375,683 |
| MCBFSL Trustee - ABL Islamic Financial Planning Fund - Strategic Allocation Plan IV | | |
| Under Common Management | | |
| Issue of Nil (2020: 9,835,606) units | - | 102,000 |
| Redemption of Nil (2020: 36,680,348) units | - | 382,537 |
| MCBFSL Trustee - ABL Islamic Financial Planning Fund - Capital Preservation Plan - I | | |
| Under Common Management | | |
| Issue of 8,120,461 (2020: 12,596,292) units | 85,000 | 130,620 |
| Redemption of 17,251,281 (2020: 19,245,699) units | 181,546 | 267,220 |
| Hamdard Laboratories (Waqf) Pakistan | | |
| Issue of 00 (2020: Nil) units | - | - |
| Redemption of 15,764,130 (2020: Nil) units | 165,000 | - |
| KEY MANAGEMENT PERSONNEL | | |
| Executives | | |
| * Issue of 22 (2020: 128,633) units | 0 | 1,766 |
| Redemption of 260,191 (2020: 143,700) units | 2,675 | 1,510 |

| (Un-audited) | (Audited) |
|-------------------|------------------|
| March 31, 2021 | June 30, 2020 |
| ----- | ----- |
| (Rupees- in 000) | (Rupees- in 000) |

14.7 Amounts outstanding at the period end;

ABL Asset Management Company Limited - Management Company

| | | |
|---|-------|-------|
| Remuneration payable to Management Company | 4,049 | 5,151 |
| Punjab sales tax on remuneration of Management Company | 1,883 | 2,059 |
| Federal excise duty on remuneration of Management Company | 8,366 | 8,366 |
| Operational Expense payable to Management Company | 5,089 | 3,058 |
| Selling and Marketing expense payable to Management Company | 7,634 | 4,587 |
| Sales load | 527 | 789 |

Allied Bank Limited

| | | |
|--------------------------------|-----------|-------|
| Balances in current accounts | 11,699 | 5,334 |
| Balance in saving accounts | 1,839,672 | 2,192 |
| Profit accrued on bank deposit | 9,608 | - |

Central Depository Company of Pakistan Limited - Trustee

| | | |
|----------------------|-----|-----|
| Remuneration payable | 343 | 436 |
| Security deposit | 100 | 100 |

MCBFSL Trustee - ABL Islamic Financial Planning Fund - Active Allocation Plan

Under Common Management

| | | |
|--|-----|--------|
| Outstanding 009,666 (June 30, 2020: 4,887,573) units | 103 | 49,908 |
|--|-----|--------|

MCBFSL Trustee - ABL Islamic Financial Planning Fund - Aggressive Allocation Plan

Under Common Management

| | | |
|--|-----|--------|
| Outstanding 050,192 (June 30, 2020: 1,867,238) units | 535 | 19,067 |
|--|-----|--------|

MCBFSL Trustee - ABL Islamic Financial Planning Fund - Conservative Allocation Plan

Under Common Management

| | | |
|--|--------|--------|
| Outstanding 3,629,413 (June 30, 2020: 5,168,429) units | 38,666 | 52,776 |
|--|--------|--------|

MCBFSL Trustee - ABL Islamic Financial Planning Fund - Strategic Allocation Plan

Under Common Management

| | | |
|--|-----|--------|
| Outstanding 031,061 (June 30, 2020: 4,280,852) units | 331 | 43,713 |
|--|-----|--------|

MCBFSL Trustee - ABL Islamic Financial Planning Fund - Strategic Allocation Plan III

Under Common Management

| | | |
|--|----|--------|
| Outstanding 002,217 (June 30, 2020: 1,010,949) units | 24 | 10,323 |
|--|----|--------|

MCBFSL Trustee - ABL Islamic Financial Planning Fund - Capital Preservation Plan - I

Under Common Management

| | | |
|--|---------|---------|
| Outstanding 14,328,023 (June 30, 2020: 23,458,844) units | 152,645 | 239,544 |
|--|---------|---------|

Hamdard Laboratories (Waqf) Pakistan**

| | | |
|--|---------|---------|
| Outstanding 47831409 (June 30, 2020: 63,595,540) units | 509,577 | 649,389 |
|--|---------|---------|

KEY MANAGEMENT PERSONNEL

Executives

| | | |
|---|---|-------|
| * Outstanding 22 (June 30, 2020: 260,191) units | 0 | 2,657 |
|---|---|-------|

14.8 The transactions with related parties / connected persons are in the normal course of business at contracted rates and terms determined in accordance with market rates.

*Nil units due to rounding off.

** This party was not connected persons / related parties as at March 31, 2020. However as at March 31, 2021 this is connected persons / related parties as their percentage of investment is greater than 10% of the total net assets of the respective plans of the Fund. Therefore movement in units held by these persons / parties during the period are disclosed.

15 FAIR VALUE OF FINANCIAL INSTRUMENTS

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.

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.

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: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities;

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

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

As at March 31, 2021 and June 30, 2020, the Fund held the following financial instruments measured at fair value:

| (Un-audited) | | | |
|---|----------------|------------------|----------|
| As at March 31, 2021 | | | |
| Level 1 | Level 2 | Level 3 | |
| ----- (Rupees in '000) ----- | | | |
| At fair value through profit or loss | | | |
| - Islamic commercial paper | - | 267,442 | - |
| - Certificates of modaraba * | - | 469,460 | - |
| - Other Sukuks | - | 1,273,830 | - |
| | <u>-</u> | <u>2,010,732</u> | <u>-</u> |
| | | | |
| (Audited) | | | |
| As at June 30, 2020 | | | |
| Level 1 | Level 2 | Level 3 | |
| ----- (Rupees in '000) ----- | | | |
| At fair value through profit or loss | | | |
| - Islamic commercial paper* | - | 531,786 | - |
| - Other Sukuks | - | 3,683,405 | - |
| | <u>-</u> | <u>4,215,191</u> | <u>-</u> |

* The valuations of Islamic commercial papers and certificates of modaraba have been done based on amortisation to their fair value as per the guidelines given in Circular 33 of 2012 as the residual maturity of these investments are less than six months and these instruments are placed with counterparties which have high credit rating.

16 GENERAL

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

16.2 Impact of COVID-19

The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts. The Securities and Exchange Commission of Pakistan (SECP) had provided the following relaxation to CISs operating in Pakistan for classification of debt security for a specified period of time commencing from April 9, 2020 and expiring on March 31, 2021.

- The timeline for classification of debt security as non performing has been extended from 15 days to 180 days overdue.

The Management Company is closely monitoring the situation and has invoked required actions to ensure safety and

security of the staff and an uninterrupted service to the customers. Business Continuity Plans (BCP) for respective areas are in place and tested. The Management Company has significantly enhanced monitoring for all cyber security risk during these times from its information security protocols. The remote work capabilities were enabled for critical staff and related risk and control measures were assessed to make sure they are fully protected using virtual private network ("VPN") connections. Further, the Management Company has also ensured that its remote access systems are sufficiently resilient to any unwanted cyber-attacks.

The Management Company has made an assessment of Covid-19 on the credit risk and liquidity risk and believes that there is no significant impact on the Fund.

17 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue on April ____, 2021 by the Board of Directors of the Management Company.


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



Chief Financial Officer



Chief Executive Officer



Director

آؤٹ لک اور اسٹریٹیجی اسلامی

آگے بڑھتے ہوئے ، GIS کی برآمدات GoP کی ڈالر مالیت کے بین الاقوامی سکوک بانڈز کی نیلامی کرنے کی اہلیت پر بہت زیادہ انحصار کرتی ہیں۔

اے بی ایل اسلامی انکم فنڈ زیادہ تر پیداوار میں بائی معجل کی تقرری کے ساتھ بینکوں میں اپنے بیشتر نمائش کو برقرار رکھے گا۔ پیداوار فنڈ (اگر کوئی ہے) سے فائدہ اٹھانے کے لئے فنڈ GIS میں صرف گنتی کی نمائش کرے گا۔

فنڈ اعلیٰ معیار کارپوریٹ سوکوز اور اسلامک کمرشل کاغذات میں بھی سرمایہ کاری جاری رکھے گا تاکہ بیس ریٹرن میں الفا پیدا ہوسکے۔

اعتراف

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

بورڈ کی طرف سے اور بورڈ کے لئے

علی خالد غزنوی
چیف ایگزیکٹو آفیسر

ڈائریکٹر

لاہور ، 12 اپریل ، 2021

اسلامی منی مارکیٹ کا جائزہ

جائزہ کے تحت اس مدت کے دوران ثانوی منڈی کی پیداوار میں پورے منحنی خطوط میں اضافہ ہوا۔ پیداوار کی نقل و حرکت بنیادی طور پر کھانے کی قیمتوں اور بجلی اور گیس کے نرخوں میں ایڈجسٹمنٹ میں غیر معمولی اضافے کے درمیان متوقع سرخی سے زیادہ متوقع سرخی کے ذریعہ کارفرما ہے۔ مزید برآں ، COVID19 کیسوں میں زبردست کمی ، ویکسینیشن کے خاتمے کا پیداوار پر اوپر کا اثر پڑا جبکہ ثانوی مارکیٹ میں حاصل ہونے والی مالیاتی پالیسیوں میں جاری پالیسی میں تسلسل اور استحکام پر زور دیا گیا۔ اسٹیٹ بینک جنوری 21 میں اپنی مالیاتی پالیسی میں جہاں معاشی اشارے پر روشنی ڈالی گئی تھی اس میں ایل ایس ایم نمو کی شرح میں مستحکم بحالی اور جائزے کے دوران مضبوط ترسیلات زر کے درمیان بیرونی اکاؤنٹ کی پوزیشن میں بہتری شامل ہے۔ کمیٹی نے روشنی ڈالی کہ سرخی والے سی پی آئی پر دباؤ بنیادی طور پر اشیائے خوردونوش میں تیزی سے اضافہ کی وجہ سے ہے جبکہ بنیادی افراط زر 6 - تا 7٪ کے درمیان برقرار ہے۔ پہلی بار ، ایم پی سی نے مارکیٹ کو آگے کی رہنمائی فراہم کی جس سے یہ ظاہر ہوتا ہے کہ درمیانی مدت کے افق میں سود کی شرحوں میں کوئی تبدیلی نہیں ہوگی۔

اس مدت کے دوران ، جی او پی نے پی کے آر کو 254 ارب مالیت کی GIS VRR کی نیلامی کی جبکہ 44.2 ارب کی رقم فکسڈ کوپن GIS میں جاری کی گئی۔ وی آر آر جی آئی ایس کے لئے پیداوار کی کٹوتی کو -20 بی بی پی ایس سے -10 بی بی پی ایس میں تبدیل کیا گیا جبکہ فکسڈ جی آئی ایس کی پیداوار 8.37 فیصد رہی ، جو گذشتہ جاریہ 5.24 فیصد کے مقابلے میں بہت زیادہ ہے۔ کٹ آف پیداوار میں بڑھتی ہوئی نقل و حرکت روایتی مارکیٹ میں فکسڈ پی آئی بی میں اوپر کی نقل و حرکت کی طرف منسوب کی جاسکتی ہے۔

سال کے آغاز سے ہی پیداوار میں اضافے اور KIBOR میں لگ بھگ 30 بی پی ایس کے اضافے کے درمیان ، اسلامی جانب بینک ڈیپازٹ ریٹ بھی 30 سے 50 بی پی ایس اضافے کے ساتھ ڈی پی اے کی شرح 6.50 فیصد سے بڑھ کر 7.00 فیصد ہو گیا ہے۔

آڈیٹر

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

فنڈ استحکام کی درجہ بندی

JCR-VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ (JCR-VIS) نے 31 دسمبر ، 2020 کو ، اے بی ایل اسلامک انکم فنڈ کی فنڈ استحکام کی درجہ بندی بڑھاکر 'A + (f) (سنگل A + f) پر کی ہے۔

مینجمنٹ کمپنی کی کوالیٹی کی درجہ بندی

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

مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

اے بی ایل اسلامی انکم فنڈ (اے بی ایل - IIF) کی انتظامیہ کمپنی ، اے بی ایل ایسٹ مینجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز 31 مارچ، 2021 کو ختم ہونے والے نو ماہ کے لئے اے بی ایل اسلامک انکم فنڈ کے کنڈسیڈ عبوری فنانشل اسٹیٹمنٹ (غیر آڈٹ شدہ) پیش کرنے پر خوشی محسوس کرتے ہیں۔

اقتصادی کارکردگی کا جائزہ

اس عرصے کے دوران ، اوسط سی پی آئی ~ 8.35% YoY تک پہنچ گئی ہے جبکہ گذشتہ سال اسی مدت (ایس پی ایل وائی) کے مقابلے میں 11.53% YoY رہی۔ اگرچہ افراط زر میں اعلیٰ بنیادی اثر کے پچھلے حصے میں بنیادی طور پر کم اضافہ دیکھنے میں آیا ، لیکن ماہانہ افراط زر (ایس پی ایل وائی میں مجموعی طور پر 8.46 بمقابلہ 8.04 ~) اجناس ، ٹرانسپورٹ اور بجلی کی قیمتوں میں اضافہ ہوتا رہا۔ فوڈ ، ہاؤسنگ اور ٹرانسپورٹ کے اشاریہ جات میں بالترتیب 9.38 ، 9.12 ، اور 15.83% کا مجموعی اضافہ ہوا۔ آگے بڑھتے ہوئے ، مالی سال 21 کے لئے اوسط افراط زر کو 9.2% YoY کے حساب سے سمجھا جاتا ہے ، جو اسٹیٹ بینک کے ہدف کی حد کی 7% - 9% کی بالائی حد سے تھوڑا سا اوپر ہے۔

بیلنس آف ادائیگی (بی او پی) کے سامنے ، پاکستان نے ایس پی ایل وائی کے دوران 2.74 بلین امریکی ڈالر کے خسارے کے مقابلے میں 8MFY21 میں 881 ملین امریکی ڈالر کا کرنٹ اکاؤنٹ سرپلس کھڑا کیا۔ پاکستان نے 8MFY21 میں 19.88 بلین امریکی ڈالر مالیت کی اشیا اور خدمات برآمد کیں جبکہ ایس پی ایل وائی میں 20.25 ارب امریکی ڈالر تھے۔ دوسری طرف ، پاکستان نے 8MFY21 میں 37.30 بلین امریکی ڈالر مالیت کی اشیا اور خدمات درآمد کیں جبکہ ایس پی ایل وائی میں 35.72 بلین امریکی ڈالر تھے۔ درآمدات میں یہ اضافہ اجناس کی قیمتوں میں اضافے اور معاشی سرگرمی میں حیات نو کا باعث ہے۔ SPLY کے مقابلے میں 8MFY21 کے دوران مجموعی طور پر تجارتی خسارہ میں 12.64% YOY کا اضافہ ہوا۔ درآمدات میں یہ اضافہ ترسیلات زر میں اضافہ ہوا ہے۔ مجموعی طور پر ، 8MFY21 کے لئے ترسیلات زر 18.74 بلین امریکی ڈالر ہیں جو 8MFY21 کے دوران 15.10 بلین امریکی ڈالر تھیں۔ یکم اپریل 2021ء کو اسٹیٹ بینک میں زرمبادلہ کے ذخائر 13.30 بلین امریکی ڈالر تھے ، جس میں مجموعی طور پر 3.03 ماہ کی درآمدی رقم فراہم کی جاتی ہے۔

مالی معاملے میں ، ایف بی آر 8MFY21 کے لئے 3.40 PKR ٹریلین جمع کرنے میں کامیاب رہا جبکہ ہدف PKR 3.30 ٹریلین تھا جو کہ 106 PKR ارب زیادہ ہے۔

میوچل فنڈ انڈسٹری کا جائزہ

اوپن اینڈ میوچل فنڈ انڈسٹری کے زیر انتظام اثاثوں (اے یو ایم) میں 8MFY21 کے دوران 25 فیصد کی بے پناہ ترقی ہوئی (PKR 788 سے PKR 982 بلین تک) ، بنیادی طور پر ناہموار بھوک کی وجہ سے ایکویٹی مارکیٹ فنڈز میں خاطر خواہ بہاؤ کی وجہ سے ملک میں معاشی سرگرمیوں کی بحالی کے درمیان خطرناک اثاثہ کلاس۔ روایتی اور اسلامی سمیت ایکویٹی مارکیٹ کے فنڈز میں 40 فیصد کا زبردست اضافہ دیکھنے میں آیا ، اس عرصے کو 240 PKR ارب پر بند کیا گیا۔ اسی طرح ، کل منی مارکیٹ اور فکسڈ انکم فنڈز 'اے یو ایم' بالترتیب 25 فیصد اور 24 فیصد اضافے سے 396 PKR ارب اور 238 PKR ارب ہو گئے۔



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