



Quarterly Report  
September 30, 2019

## Al-Ameen Islamic Retirement Savings Fund



## CORPORATE INFORMATION

as at September 30, 2019

### Board of Directors

Azhar Hamid  
Chairman

Yasir Qadri  
Chief Executive Officer

Syed Furrugh Zaem  
Director

Naz Khan  
Director

Tauqeer Mazhar  
Director

Sadia Saeed  
Director

Imran Sarwar  
Director

### Audit Committee

Naz Khan  
Chair

Imran Sarwar  
Member

Sadia Saeed  
Member

Tauqeer Mazhar  
Member

### Risk and Compliance Committee

Imran Sarwar  
Chairman

Syed Furrugh Zaem  
Member

Yasir Qadri  
Member

Azhar Hamid  
Member

Tauqeer Mazhar  
Member

### HR & Compensation Committee

Azhar Hamid  
Chairman

Naz Khan  
Member

Syed Furrugh Zaem  
Member

Sadia Saeed  
Member

Yasir Qadri  
Member

### Shariah Advisory Board

Mufti Muhammad Hassaan Kaleem  
Member

Mufti Muhammad Najeeb Khan  
Member

### Chief Financial Officer

Umair Ahmed

### Company Secretary

Aly Osman

### Registered Office

4th Floor, STSM Building,  
Beaumont Road, Civil Lines,  
Karachi, Pakistan.

### Head Office

4th Floor, STSM Building,  
Beaumont Road, Civil Lines,  
Karachi, Pakistan.

UAN: (92-21) 111-825-262  
Fax: (92-21) 32214930

### Date of incorporation of the Management

#### Company/ Pension Fund Manager

Incorporated in Pakistan on  
3 April 2001 as a Public Limited  
Company under the Companies  
Ordinance, 1984

### Management Quality Rating

AM1 by JCR-VIS Credit Rating Company

### Funds Under Management

UBL Liquidity Plus Fund  
Launch Date: 21 June 2009

UBL Government Securities Fund  
Launch Date: 27 July 2011

UBL Money Market Fund  
Launch Date: 14 October 2010

UBL Income Opportunity Fund  
Launch Date: 29 March 2013

UBL Growth & Income Fund  
Launch Date: 2 March 2006

UBL Asset Allocation Fund  
Launch Date: 20 August 2013

UBL Stock Advantage Fund  
Launch Date: 4 August 2006

Al-Ameen Islamic Sovereign Fund  
Launch Date: 07 November 2010

Al-Ameen Islamic Aggressive Income Fund  
Launch Date: 20 October 2007

Al-Ameen Islamic Cash Fund  
Launch Date: 17 September 2012

Al-Ameen Shariah Stock Fund  
Launch Date: 24 December 2006

Al-Ameen Islamic Asset Allocation Fund  
Launch Date: 10 December 2013

Al- Ameen Islamic Financial Planning Fund  
Launch Date: 23 June 2015

UBL Retirement Savings Fund  
Launch Date: 10 May 2010

Al-Ameen Islamic Retirement Savings Fund  
Launch Date: 10 May 2010

Al-Ameen Islamic Dedicated Equity Fund  
Launch Date: 05 Jan 2016

Al- Ameen Islamic Financial Planning Fund - II  
Launch Date: 21 February 2017

UBL Capital Protected Fund - III  
Launch Date: 26 January 2017

UBL Financial Planning Fund  
Launch Date: 28 September 2017

Al- Ameen Islamic Financial Planning Fund - III  
Launch Date: 28 May 2018

UBL Dedicated Equity Fund  
Launch Date: 29 May 2018

UBL Financial Sector Fund  
Launch Date: 06 April 2018

UBL Special Saving Fund  
Launch Date: 09 November 2018

UBL Cash Fund  
Launch Date: 23 September 2019

### Conventional Investment Plans

UBL Mahana Munafa Plan

UBL Children Savings Plan

UBL Equity Builder Plan

UBL Wealth Builder Plan

### Islamic Investment Plans

Al-Ameen Mahana Munafa Plan

Al-Ameen Children Savings Plan

Al-Ameen Equity Builder Plan

Al-Ameen Wealth Builder Plan

Al-Ameen Hajj Savings Plan



## Directors' Review Report

The Board of Directors of UBL Fund Managers Limited is pleased to present to you the report of "Al-Ameen Islamic Retirement Savings Fund (AIRSF) for the quarter ended September 30, 2019.

### **Economy & Money Market Review – 1QFY'20.**

During the 1QFY20, economic slowdown persists on account of stabilization measures taken by the government. During the period under review, SBP increased policy rate by 100bps to 13.25%. This decision was taken on account of inflationary pressures from currency devaluation and the expected increase in near-term inflation. The above restrictive measures resulted in contraction in LSM where 1MFY20 numbers witnessed a decline of 3.28% YoY, major shrinkage came from the Automobiles, Petroleum, Iron and Steel Products, Pharmaceutical, food, and Chemicals.

PBS also revised its CPI base year to 2015-16, under the revised methodology average monthly CPI inflation came at 10.1% as compared to 6.1% during SPLY, as hefty currency devaluation, higher utility prices and some fiscal measures in the current year budget ended into mounting price pressures. We expect inflationary pressures to remain elevated during the next few months, as second-round impact of the above fully seeps through the broader economy, before subsiding in 2HFY20.

On the external account side, current account has shown significant improvement, as CAD during 2MFY20 declined by 55%YoY to USD1.3bn mainly due to a 23% fall in imports. Further, due to healthy surplus on the financial account, the overall balance of payments position posted a surplus of USD1.2bn. We expect external account position to remain manageable during the rest of FY20, due to a contained current account deficit position and healthy flows in the financial account.

On the fiscal side, situations remained still challenging as the government missed the 1QFY20 revenue collection target of Rs1.07tn by over Rs100bn. However, this gap was filled by non-tax revenue collection including; PDL, telecom licenses, and SBP profit along with restrictive growth in expenses and hence we expect the government will meet 1QFY20 primary deficit target. We think, achieving the sustained improvement on the fiscal side has remained the great challenge for the government and without controlling external snags; it is difficult to reap the benefit of stabilization measures in place.

### **Stock Market review 1QFY20**

During the period under review, the benchmark index declined by 5.3%. The market commences its 1QFY20 on a bearish note, as the index declined by 12.4% during the 2MFY20. Host of negative catalyst weighed on the dreary performance of the index including Kashmir conflicts, a multi-decade high fiscal deficit (8.9% of GDP) for FY19 and subdued corporate earnings results.

On top of that, rising concern of economic slowdown, expectations of further hike in average inflation and stringent conditions placed in IMF Program to document the economy jiggled investors' confidence. Nevertheless, the benchmark index witnessed strong recovery in Sep'19, increased by 8.1% closing at the level of 32,078 points. The turnaround was mainly driven by an improving external account position as manifested in a stabilizing exchange rate, some abatement in local institutional selling and evolving



market expectations of an early rate cut on lower CPI reading under the new inflation calculation methodology. Corroborating the above, secondary market yields on the longer end declined by 60bp to 12.2%% of 10Y PIB during the month.

## Fund performance and operational review

### Al-Ameen Islamic Retirement Savings Fund

The Fund comprises of three sub funds namely Equity sub-fund, Debt sub-fund and Money Market sub-fund. The Fund as a whole incurred net loss of PKR 44.151 million during the quarter and fund size stood at PKR 2,506 million as at Sep'19.

Al-Ameen Islamic Retirement Savings Fund	ESF	DSF	MMSF
Gross (loss) / Income (PKR Mn)	(81.849)	20.486	22.527
Net (loss) / Income (PKR Mn)	(80.338)	17.453	18.734
Fund Size as of Sep 30 '19 (PKR Mn)	1,084.57	678.09	743.72
NAV as of Sep 30 '19 (PKR)	483.16	180.10	173.79
FYTD Return (%)	-6.91	10.90	10.68

The table below illustrates the returns an investor would have earned depending on their portfolio allocations. With the rally witnessed in the equity markets during the year, it's not surprising that the high-volatility portfolio has generated the highest return.

Allocations	ESF	DSF	MMSF
High Volatility	80%	20%	0%
Medium volatility	50%	40%	10%
Low volatility	25%	60%	15%
Lower volatility	0%	60%	40%

Al-Ameen Islamic Retirement Savings Fund	Since Inception	12 Month Rolling
<b>High Volatility</b>	15.9%	-16.7%
<b>Medium volatility</b>	12.3%	-7.1%
<b>Low volatility</b>	9.3%	0.9%
<b>Lower volatility</b>	6.3%	8.9%
<b>* Annualized</b>		



### **Future outlook**

Going forward, we believe these mushrooming and negative sentiments have peaked out and the market has started to recover, as the implementation of structural and economic reforms have started to reap some fruits. In addition to this, REER closing to 92 signifying currency is likely to remain stable; we believe that interest rates are close to their peak and reversal can be expected at the end of FY20. Average CPI inflation for FY20 is likely to reach at 10-11% and thereafter to temper down to 6-7%. We believe current account deficit to remain within the range of USD 7.5-8.5bn. Lastly, with proper implementation of structural reforms and policies, an increase in construction and manufacturing activities average real GDP to set at 5% in the medium term.

### **Acknowledgements**

We would like to thank our valued unit holders for their confidence and trust in UBL Fund Managers Limited. In addition, we would like to acknowledge the Securities and Exchange Commission of Pakistan, State Bank of Pakistan, the Shariah Advisory Board and Central Depository Company Limited (Trustee) for their continued support, guidance and cooperation. The Board would also like to take this opportunity to express its appreciation to the employees for their dedication, commitment, enthusiasm and hard work.

### **FOR & ON BEHALF OF THE BOARD**

-----SD-----

**Yasir Qadri**  
**CHIEF EXECUTIVE**

**Karachi, Dated: October 29, 2019**

# AIRSF

## Al-Ameen Islamic Retirement Savings Fund

### INVESTMENT OBJECTIVE

AIRSF is a Shariah-compliant open-end fund that aims to provide a secure source of savings and regular income after retirement to the Participants. The Participants would contribute to the Fund during their working life and would typically withdraw from the Fund on or after retirement.

<b>Pension Fund Manager</b>	UBL Fund Managers Limited
<b>Trustee</b>	Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi. Tel: (9221) 111-111-500
<b>Distribution Company</b>	United Bank Limited (for detail of others, please visit our website: <a href="http://www.ublfunds.com.pk">www.ublfunds.com.pk</a> )
<b>Auditors</b>	Ernst & Young Ford Rhodes, Chartered Accountants
<b>Bankers</b>	Bank Al Baraka Limited Bank Alfalah Limited Bank Al-Habib Limited BankIslami Pakistan Limited Faysal Bank Limited- Islamic Banking Habib Bank Limited Habib Metropolitan Bank Limited- Islamic Banking Meezan Bank Limited MCB Islamic Bank Limited Soneri Bank Limited - Islamic Banking United Bank Limited National Bank Pakistan Limited
<b>Management Co.Rating</b>	AM1 (VIS)

**AL-AMEEN ISLAMIC RETIREMENT SAVINGS FUND**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT SEPTEMBER 30, 2019**

Note	September 30, 2019 (Unaudited)				June 30, 2019 (Audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
----- (Rupees in '000') -----									
<b>Assets</b>									
Bank balances	4	67,584	676,036	733,633	1,477,253	91,635	628,450	651,037	1,371,122
Term deposit musharika	5	-	-	-	-	-	-	-	-
Investments	6	1,023,212	-	-	1,023,212	1,174,608	-	-	1,174,608
Advance tax	8	538	353	305	1,196	538	353	281	1,172
Dividend and other receivables		20,417	8,157	13,925	42,499	26,268	20,707	28,325	75,300
<b>Total assets</b>		<b>1,111,751</b>	<b>684,546</b>	<b>747,863</b>	<b>2,544,160</b>	<b>1,293,049</b>	<b>649,510</b>	<b>679,643</b>	<b>2,622,202</b>
<b>Liabilities</b>									
Payable to UBL Fund Managers Limited - Pension Fund Manager		1,906	1,046	1,174	4,126	2,124	945	1,055	4,124
Payable to Central Depository Company of Pakistan - Trustee		117	75	83	275	143	69	75	287
Annual fee payable to the Securities and Exchange Commission of Pakistan	9	91	54	60	205	480	200	165	845
Accrued expenses and other liabilities	7	25,067	5,277	2,824	33,168	20,789	4,816	5,055	30,660
<b>Total liabilities</b>		<b>27,181</b>	<b>6,452</b>	<b>4,141</b>	<b>37,774</b>	<b>23,536</b>	<b>6,030</b>	<b>6,350</b>	<b>35,916</b>
<b>Net assets</b>		<b>1,084,570</b>	<b>678,094</b>	<b>743,722</b>	<b>2,506,386</b>	<b>1,269,513</b>	<b>643,480</b>	<b>673,293</b>	<b>2,586,286</b>
<b>Participants' Sub-Funds</b> (as per statement attached)		<b>1,084,570</b>	<b>678,094</b>	<b>743,722</b>	<b>2,506,385</b>	<b>1,269,513</b>	<b>643,480</b>	<b>673,293</b>	<b>2,586,286</b>
<b>Contingencies and commitments</b>									
	13	----- (Number of Units) -----							
<b>Number of units in issue</b>	11	<b>2,244,754</b>	<b>3,765,171</b>	<b>4,279,380</b>		<b>2,445,998</b>	<b>3,667,374</b>	<b>3,974,510</b>	
		----- (Rupees) -----							
<b>Net asset value per unit</b>		<b>483.16</b>	<b>180.10</b>	<b>173.79</b>		<b>519.02</b>	<b>175.46</b>	<b>169.40</b>	

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited  
(Pension Fund Manager)

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

**AL-AMEEN ISLAMIC RETIREMENT SAVINGS FUND  
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

Note	Quarter ended September 30, 2019				Quarter ended September 30, 2018			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Rupees in '000')							
<b>INCOME</b>								
Financial income	919	20,486	22,527	43,932	1,595	10,351	7,248	19,194
Capital (loss)/gain on sale of investments - net	(12,071)	-	-	(12,071)	1,211	-	-	1,211
Dividend income	11,783	-	-	11,783	16,104	-	-	16,104
	631	20,486	22,527	43,644	18,910	10,351	7,248	36,509
Unrealised (diminution) on remeasurement of investments classified as financial assets at fair value through profit or loss - net	(82,480)	-	-	(82,480)	(20,736)	(1,177)	(490)	(22,403)
<b>Total (Loss) / Income</b>	<b>(81,849)</b>	<b>20,486</b>	<b>22,527</b>	<b>(38,836)</b>	<b>(1,826)</b>	<b>9,174</b>	<b>6,758</b>	<b>14,106</b>
<b>EXPENSES</b>								
Remuneration to UBL Fund Managers - Pension Fund Manager	4,146	2,456	2,743	9,345	5,717	2,322	1,630	9,669
Sales tax on Pension Fund Manager's remuneration	539	319	357	1,215	743	302	212	1,257
Remuneration to Central Depository Company of Pakistan - Trustee	376	222	246	844	517	211	148	876
Annual fee of Securities and Exchange Commission of Pakistan	91	54	60	205	126	51	36	213
Auditors' remuneration	39	39	39	117	20	37	20	77
Securities transaction costs	301	-	-	301	701	-	-	701
Custody and settlement charges	152	2	-	154	239	2	-	241
Bank and other charges	301	28	37	366	179	20	21	220
<b>Total expenses</b>	<b>5,945</b>	<b>3,120</b>	<b>3,482</b>	<b>12,547</b>	<b>8,242</b>	<b>2,945</b>	<b>2,067</b>	<b>13,254</b>
<b>Net (loss) / income for the quarter from operating activities</b>	<b>(87,794)</b>	<b>17,366</b>	<b>19,045</b>	<b>(51,383)</b>	<b>(10,068)</b>	<b>6,229</b>	<b>4,691</b>	<b>852</b>
Element of income / (losses) and capital gains / (losses) included in the price of units issued less those in units redeemed - net	7,456	437	64	7,957	1,569	(54)	(30)	1,485
Provision for Sindh Workers' Welfare Fund	-	(350)	(375)	(725)	-	(122)	(92)	(214)
<b>Net (loss) / income for the quarter before taxation</b>	<b>(80,338)</b>	<b>17,453</b>	<b>18,734</b>	<b>(44,151)</b>	<b>(8,499)</b>	<b>6,053</b>	<b>4,569</b>	<b>2,123</b>
Taxation	12	-	-	-	-	-	-	-
<b>Net (loss) / income for the quarter after taxation</b>	<b>(80,338)</b>	<b>17,453</b>	<b>18,734</b>	<b>(44,151)</b>	<b>(8,499)</b>	<b>6,053</b>	<b>4,569</b>	<b>2,123</b>
<b>Earning per unit</b>	14							

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.

**For UBL Fund Managers Limited  
(Pension Fund Manager)**

**SD**  
Chief Executive Officer

**SD**  
Chief Financial Officer

**SD**  
Director

**AL-AMEEN ISLAMIC RETIREMENT SAVINGS FUND**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

Note	Quarter ended September 30, 2019				Quarter ended September 30, 2018			
	Equity Sub-Fund	Debt Sub-Fund	Money Marke Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- (Rupees in '000') -----							
Net (loss) / income for the quarter after taxation	(80,338)	17,453	18,734	(44,151)	(8,499)	6,053	4,569	2,123
<b>Other comprehensive income for the quarter</b>								
<b>Items that will not be classified subsequently to income statement</b>								
Amount transferred to retained earnings	3.2	-	-	-	5,719	-	-	5,719
<b>Items that will not be classified subsequently to income statement</b>								
<b>Total comprehensive income for the quarter</b>	<u>(80,338)</u>	<u>17,453</u>	<u>18,734</u>	<u>(44,151)</u>	<u>(2,780)</u>	<u>6,053</u>	<u>4,569</u>	<u>7,842</u>

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.

**For UBL Fund Managers Limited**  
**(Pension Fund Manager)**

**SD**  
Chief Executive Officer

**SD**  
Chief Financial Officer

**SD**  
Director

**AL-AMEEN ISLAMIC RETIREMENT SAVINGS FUND  
STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB-FUNDS (UNAUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

Note	Quarter ended September 30, 2019				Quarter ended September 30, 2018			
	Equity Sub- Fund	Debt Sub- Fund	Money Marke Sub- Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- (Rupees in '000) -----							
<b>Net assets at the beginning of the quarter</b>	<b>1,269,513</b>	<b>643,480</b>	<b>673,293</b>	<b>2,586,286</b>	1,492,286	638,457	434,735	2,565,478
Amount received on issuance of units	43,231	124,560	214,761	382,553	138,958	72,177	82,679	293,814
Effect of reallocation	56,525	(42,274)	(14,251)	-	5,068	(15,982)	10,914	-
Amount paid on redemption of units - net	(196,906)	(64,688)	(148,751)	(410,345)	(104,806)	(94,111)	(107,572)	(306,489)
	(97,150)	17,598	51,759	(27,792)	39,220	(37,916)	(13,979)	(12,675)
Element of (income) / loss and capital (gains) / losses included in the prices of units sold less those of units redeemed - net	(7,456)	(437)	(64)	(7,957)	(1,569)	54	30	(1,485)
Amount transferred to retained earnings	3.2	-	-	-	(5,719)	-	-	(5,719)
Capital (loss)/gain on sale of investments - net	(12,071)	-	-	(12,071)	1,211	-	-	1,211
Unrealised diminution on remeasurement of investments classified as financial assets at fair value through profit or loss - net	(82,480)	-	-	(82,480)	(20,736)	(1,177)	(490)	(22,403)
Unrealised appreciation on the re-measurement of investments classified as at fair value through other comprehensive income	-	-	-	-	-	-	-	-
Other net income	14,213	17,453	18,734	50,400	16,745	7,230	5,059	29,034
	(80,338)	17,453	18,734	(44,151)	(2,780)	6,053	4,569	7,842
<b>Net assets at the end of the quarter</b>	<b>1,084,570</b>	<b>678,094</b>	<b>743,722</b>	<b>2,506,385</b>	<b>1,521,438</b>	<b>606,648</b>	<b>425,355</b>	<b>2,553,441</b>

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.

**For UBL Fund Managers Limited  
(Pension Fund Manager)**

**SD  
Chief Executive Officer**

**SD  
Chief Financial Officer**

**SD  
Director**

**AL-AMEEN ISLAMIC RETIREMENT SAVINGS FUND  
STATEMENT OF CASH FLOWS (UNAUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

	Quarter ended September 30, 2019				Quarter ended September 30, 2018			
	Equity Sub-Fund	Debt Sub-Fund	Money Marke Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
----- (Rupees in '000') -----								
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>								
Net (loss) / income for the quarter before taxation	(80,338)	17,453	18,734	(44,151)	(8,499)	6,053	4,569	2,123
<b>Adjustments for:</b>								
Financial income	(919)	(20,486)	(22,527)	(43,932)	(1,595)	(10,351)	(7,248)	(19,194)
Dividend income	(11,783)	-	-	(11,783)	(16,104)	-	-	(16,104)
Capital loss / (gain) on sale of investments - net	12,071	-	-	12,071	(1,211)	-	-	(1,211)
Unrealised loss / (gain) on remeasurement of investments classified as financial assets at fair value through profit or loss - net	82,480	-	-	82,480	20,736	1,177	490	22,403
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed - net	(7,456)	(437)	(64)	(7,957)	(1,569)	54	30	(1,485)
Provision for Sindh Workers' Welfare Fund	-	350	375	725	-	122	92	-
<b>Net Cash used in operating activities before working capital changes</b>	<b>(5,945)</b>	<b>(3,120)</b>	<b>(3,482)</b>	<b>(12,547)</b>	<b>(8,242)</b>	<b>(2,945)</b>	<b>(2,067)</b>	<b>(13,468)</b>
<b>(Increase) / Decrease in assets</b>								
Investments - net	56,845	-	-	56,845	(62,266)	-	-	(62,266)
Deposits and other receivables	10,525	13,931	16,095	40,551	14,037	11,420	15,247	40,704
Advance tax	-	-	(24)	(24)	(28)	(62)	(44)	(134)
	67,370	13,931	16,071	97,372	(48,257)	11,358	15,203	(21,696)
<b>Increase / (Decrease) in liabilities</b>								
Payable to UBL Fund Managers Limited - Pension Fund Manager	(218)	101	119	2	(122)	(4)	(16)	(142)
Payable to Central Depository Company of Pakistan - Trustee	(26)	6	8	(12)	2	(2)	4	4
Annual Fee payable to the Securities and Exchange Commission of Pakistan	(389)	(146)	(105)	(640)	(373)	(138)	(76)	(587)
Accrued expenses and other liabilities	4,279	111	(2,606)	1,784	314	210	85	609
	3,646	72	(2,584)	1,134	(179)	66	(3)	(116)
Financial income received during the quarter	818	19,105	20,832	40,755	1,737	8,943	6,993	17,673
Dividend income received during the quarter	7,210	-	-	7,210	4,486	-	-	4,486
<b>Net cash generated from / (used in) operating activities</b>	<b>73,099</b>	<b>29,988</b>	<b>30,837</b>	<b>133,924</b>	<b>(50,455)</b>	<b>17,422</b>	<b>20,126</b>	<b>(12,907)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>								
Net cash received on issuance of units	43,231	124,560	200,510	368,301	138,958	72,177	93,593	304,728
Net cash paid on redemption of units	(140,381)	(106,962)	(148,751)	(396,094)	(99,738)	(110,093)	(107,572)	(317,403)
<b>Net cash generated (used in) / generated from financing activities</b>	<b>(97,150)</b>	<b>17,598</b>	<b>51,759</b>	<b>(27,793)</b>	<b>39,220</b>	<b>(37,916)</b>	<b>(13,979)</b>	<b>(12,675)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(24,051)</b>	<b>47,586</b>	<b>82,596</b>	<b>106,131</b>	<b>(11,235)</b>	<b>(20,494)</b>	<b>6,147</b>	<b>(25,582)</b>
Cash and cash equivalents at beginning of the quarter	91,635	628,450	651,037	1,371,122	81,042	454,539	352,788	888,369
<b>Cash and cash equivalents at end of the quarter</b>	<b>67,584</b>	<b>676,036</b>	<b>733,633</b>	<b>1,477,253</b>	<b>69,807</b>	<b>434,045</b>	<b>358,935</b>	<b>862,787</b>
<b>CASH AND CASH EQUIVALENTS</b>								
Bank Balances	67,584	676,036	733,633	1,477,253	69,807	434,045	308,935	812,787
Term Deposit Musharika	-	-	-	-	-	-	50,000	50,000
	67,584	676,036	733,633	1,477,253	69,807	434,045	358,935	862,787

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited  
(Pension Fund Manager)

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

**AL-AMEEN ISLAMIC RETIREMENT SAVINGS FUND**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

Al-Ameen Islamic Retirement Savings Fund ("the Fund") has been established under the Voluntary Pension System Rules, 2005 (the VPS Rules) and has been approved as a pension fund by the Securities and Exchange Commission of Pakistan (SECP) on January 29, 2010. It has been constituted under a Trust Deed, dated November 17, 2009, between UBL Fund Managers Limited as the Pension Fund Manager, a company incorporated under the Companies Ordinance, 1984 and the MCB Financial Services Limited as the Trustee. The trusteeship of the Fund was transferred to Central Depository Company Of Pakistan Limited (CDC) (the Trustee) effective from March 31, 2014 through a supplemental trust deed dated February 21, 2014. The registered office of the Pension Fund Manager is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.

The Fund is an unlisted open end pension scheme and offers units for public subscription on a continuous basis. The units are non-transferable except in the circumstances mentioned in the VPS Rules and can be redeemed by surrendering to the Fund. As per the offering document the Fund cannot distribute any income from the Fund whether in cash or otherwise.

The objective of the Fund is to provide a secure source of savings and regular income after retirement to the participants. The participants would contribute to the Fund during their working life and would typically withdraw from the Fund on or after retirement age. The Fund invests in a Shariah compliant diversified portfolio of securities under the Trust Deed. All the conducts and acts of the Fund are based on Shariah. The Pension Fund Manager has appointed Shariah Advisory Council to ensure that the activities of the Fund are in compliance with the principles of Shariah.

The Fund consists of three sub-funds namely, Al-Ameen Islamic Retirement Savings Fund Equity Sub-Fund ("Equity Sub-Fund"), Al-Ameen Islamic Retirement Savings Fund Debt Sub-Fund ("Debt Sub-Fund") and Al-Ameen Islamic Retirement Savings Fund Money Market Sub-Fund ("Money Market Sub-Fund") (collectively the "Sub-Funds"). The main features of the investment policy for each of the Sub-Funds are as follows:

- The Equity Sub-Fund shall invest primarily in listed equity securities with a minimum investment of 90% of its net asset value in listed shares. The investment in a single company is restricted to lower of 10% of Net Asset Value (NAV) or the paid-up capital of the investee company. The investment in a single stock exchange sector is restricted to the higher of 30% of the NAV or the index weight, subject to a maximum of 35% of the NAV. The remaining assets of the Equity Sub-Fund shall be invested in any government security having less than one year time to maturity, or in a scheduled commercial bank having credit rating of 'A'.
- The Debt Sub-Fund shall invest primarily in tradable debt securities with weighted average duration of the investment portfolio of the Debt Sub-Fund not exceeding five years. At least twenty five percent (25%) of the assets in the Debt Sub-Fund shall be invested in securities issued by the Federal Government and upto twenty five (25%) of the Fund may be deposited with banks having not less than "AA +" rating. Composition of the remaining portion of the investments shall be as defined in the offering document.
- The Money Market Sub-Fund shall invest in short term debt instruments with time to maturity not exceeding six months, and in case of Shariah compliant Government securities, upto three years. The Fund can make investment in Shariah compliant securities issued by the Federal Government and the commercial banks having A+ rating. There are no restrictions placed by the VPS rules on such investments. The Fund can also make investment in securities issued by the provincial government, city government and government or a corporate entity (having credit rating of 'A' or higher) upto 10%, 5% and 5% of net assets of the Money Market Sub-Fund respectively.

As prescribed under the VPS rules, the Fund offers five types of allocation schemes to the contributors of the Fund namely High Volatility, Medium Volatility, Low Volatility, Lower Volatility & Life Cycle Allocation. The contributors have the option to suggest a minimum percentage of allocation to the above allocation schemes (subject to the minimum percentages prescribed in the offering document). Based on the minimum allocation, the Funds are allocated to the above stated Sub-Funds. The allocation to the Sub-Funds has to be done at the date of opening of contributor's pension account and on an anniversary date thereafter. The contribution amount may be paid by the contributor on a periodic basis such as annual, semi annual, quarterly or monthly basis.

**2 BASIS OF PREPARATION**

**2.1 Statement of compliance**

- 2.1.1** This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. The approved accounting standards comprise of such International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board as are notified under the Companies Act 2017, the requirements of the Trust Deed, the NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the "NBFC Regulations") and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRS, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

- 2.1.2** The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does 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 quarter ended September 30, 2019.
- 2.1.3** The comparative statement of asset and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2019, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial statements for the period ended September 30, 2018.
- 2.1.4** In compliance with Schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2019.

## 2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except that certain financial assets are stated at fair value.

## 2.3 Functional and presentation currency

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

## 3 SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENT AND

- 3.1** The accounting policies applied in the preparation of these condensed interim financial information are the same as those applied in the preparation of the audited financial statements of the Fund for the quarter ended 30 September 2019 except as disclosed in note 3.2 .

The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements 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

- 3.2** IFRS 16 'Leases' is effective for accounting periods beginning on or after January 1, 2019 and accordingly this standard is effective for the period. IFRS 16 has replaced existing leasing guidance, including IAS 17 'Leases', IFRIC 4 'Determining whether an Arrangement contains a Lease', SIC-15 'Operating Leases - Incentives' and SIC-27 'Evaluating the Substance of Transactions Involving the Legal Form of a Lease'. Application of IFRS 16 is not relevant to the Fund's operations and is, therefore, not expected to have significant impact on the Fund's financial statements, except as otherwise disclosed.

## 4 BANK BALANCES

Note	As at September 30, 2019 (Unaudited)				As at June 30, 2019 (Audited)			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	------(Rupees in "000")-----							
In local currency								
- Profit and loss sharing accounts	33,766	674,549	728,855	1,437,170	51,862	512,363	548,020	1,112,245
- Current accounts	33,818	1,487	4,778	40,083	39,773	2,087	5,017	46,877
	<u>67,584</u>	<u>676,036</u>	<u>733,633</u>	<u>1,477,253</u>	<u>91,635</u>	<u>514,450</u>	<u>553,037</u>	<u>1,159,122</u>

- 4.1 Profit rate on these accounts ranges between 12.75% to 8.25% (June 30, 2019: 12.25% to 3.7%) per annum

## 5 TERM DEPOSITS MUSHARIKA

	Note	As at September 30, 2019 (Unaudited)				As at June 30, 2019 (Audited)			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		------(Rupees in "000")-----							
Term deposit Musharika	5.1	-	-	-	-	-	114,000	98,000	212,000
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>114,000</u>	<u>98,000</u>	<u>212,000</u>

- 5.1 These carry profit rate NIL (June 30, 2019: 6.40% to 12.50%) per annum .

## 6 INVESTMENTS

Note	As at September 30, 2019 (Unaudited)				As at June 30, 2019 (Audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
	------(Rupees in "000")-----								
Investments by category									
Designated at fair value through profit or loss									
Listed equity securities	6.1	1,023,212	-	-	1,023,212	1,174,608	-	-	1,174,608
Debt securities - Privately placed Sukuk Certificates		-	-	-	-	-	-	-	-
		<u>1,023,212</u>	<u>-</u>	<u>-</u>	<u>1,023,212</u>	<u>1,174,608</u>	<u>-</u>	<u>-</u>	<u>1,174,608</u>

6.1 Listed equity securities - at fair value through profit or loss

(Ordinary Shares of Rs. 10 each unless indicated otherwise)

Sector and Name of Security	As at July 1, 2019	Purchased / bonus received during the quarter	Sold during the quarter	As at Sep 30, 2019	Total carrying value as at Sep 30, 2019	Total market value as at Sep 30, 2019	Unrealized gain / (loss) as at Sep 30, 2019	Market value of investment as a percentage of net assets	Market value of investment as a percentage of total investment	Investment as a percentage of investees' paid up capital	Note
											(Number of shares)
<b>CEMENT</b>											
Cherat Cement Company Limited	227,700	80,000	307,700	-	-	-	-	0.00	0.00	0.00	
Lucky Cement Limited	97,400	7,000	17,500	86,900	33,012	29,731	(3,281)	2.74	2.91	0.03	
Pioneer Cement Limited	141,300	-	141,300	-	-	-	-	0.00	0.00	0.00	
Maple Leaf Cement Factory Limited	50,000	260,000	310,000	-	-	-	-	0.00	0.00	0.00	
Kohat Cement Limited	566,280	25,000	-	591,280	30,997	27,211	(3,786)	2.51	2.66	0.29	
					<u>64,009</u>	<u>56,942</u>	<u>(7,067)</u>	<u>5.25</u>	<u>5.57</u>		
<b>FERTILIZER</b>											
Engro Corporation Limited	356,180	-	30,000	326,180	86,633	87,054	421	8.03	8.51	0.06	
Dawood Hercules Corporation Limited	122,800	-	-	122,800	13,660	14,859	1,199	1.37	1.45	0.03	
Fauji Fertilizer Company Limited	527,000	10,000	66,500	470,500	41,074	43,771	2,696	4.04	4.28	0.04	
Engro Fertilizers Limited	654,500	-	131,000	523,500	33,488	35,718	2,230	3.29	3.49	0.04	
					<u>174,855</u>	<u>181,402</u>	<u>6,546</u>	<u>16.73</u>	<u>17.73</u>		
<b>POWER GENERATION &amp; DISTRIBUTION</b>											
Hub Power Company Limited	1,488,591	-	210,500	1,278,091	100,650	90,425	(10,225)	8.34	8.84	0.10	
Pakgen Power Limited	795,000	-	-	795,000	11,273	9,294	(1,980)	0.86	0.91	0.21	
Saif Power Limited	654,000	-	-	654,000	12,269	10,137	(2,132)	0.93	0.99	0.17	
K-Electric Limited (ordinary shares of Rs. 3.5/- each)	1,885,000	-	200,000	1,685,000	7,397	5,981	(1,416)	0.55	0.58	0.01	
					<u>131,589</u>	<u>115,837</u>	<u>(15,752)</u>	<u>10.68</u>	<u>11.32</u>		
<b>OIL &amp; GAS EXPLORATION COMPANIES</b>											
Oil and Gas Development Company Limited	809,400	159,500	92,500	876,400	114,476	107,823	(6,652)	9.94	10.54	0.02	
Pakistan Petroleum Limited	480,430	8,000	6,000	482,430	69,551	65,625	(3,926)	6.05	6.41	0.02	
Pakistan Oilfields Limited	147,920	-	20,600	127,320	51,678	48,369	(3,309)	4.46	4.73	0.04	
Mari Petroleum Company Limited	103,185	9,700	-	112,885	112,526	101,502	(11,024)	9.36	9.92	0.09	
					<u>348,231</u>	<u>323,319</u>	<u>(24,911)</u>	<u>29.81</u>	<u>31.60</u>		
<b>OIL &amp; GAS MARKETING COMPANIES</b>											
Pakistan State Oil Company Limited	247,728	16,000	34,000	229,728	38,709	36,180	(2,529)	3.34	3.54	0.06	
					<u>38,709</u>	<u>36,180</u>	<u>(2,529)</u>	<u>3.34</u>	<u>3.54</u>		
<b>PHARMACEUTICALS</b>											
The Searle Company Limited	6.1.2	73,636	-	-	73,636	10,792	10,178	(614)	0.94	0.99	0.03
Ferozsons Laboratories Limited		73,200	-	-	73,200	8,185	9,028	843	0.83	0.88	0.24
Highnoon Laboratories Limited	6.1.2	8,666	-	7,200	1,466	371	469	98	0.04	0.05	0.00
					<u>19,348</u>	<u>19,675</u>	<u>327</u>	<u>1.81</u>	<u>1.92</u>		
<b>TEXTILE COMPOSITE</b>											
Nishat Mills Limited		428,200	15,000	15,000	428,200	39,728	35,969	(3,759)	3.32	3.52	0.12
Kohinoor Textile Mills Limited		275,000	317,000	-	592,000	14,118	14,054	(64)	1.30	1.37	0.20
					<u>53,846</u>	<u>50,023</u>	<u>(3,823)</u>	<u>4.62</u>	<u>4.89</u>		

Sector and Name of Security	As at July 1, 2019	Purchased / bonus received during the quarter	Sold during the quarter	As at Sep 30, 2019	Total carrying value as at Sep 30, 2019	Total market value as at Sep 30, 2019	Unrealized gain / (loss) as at Sep 30, 2019	Market value of investment as a percentage of net assets	Market value of investment as a percentage of total investment	Investment as a percentage of investees' paid up capital
Note	(Number of shares)				(Rupees '000)			(%)		
<b>PAPER &amp; BOARD</b>										
Century Paper and Board Mills Limited	380,600	40,000	40,000	380,600	11,705	10,467	(1,238)	0.97	1.02	0.26
Packages Limited	49,500	-	-	49,500	14,878	14,801	(77)	1.36	1.45	0.06
					<u>26,583</u>	<u>25,268</u>	<u>(1,315)</u>	<u>2.33</u>	<u>2.47</u>	
<b>ENGINEERING</b>										
International Steels Limited	51,000	-	51,000	-	-	-	-	0.00	0.00	0.00
International Industries Limited	61,600	910	57,500	5,010	351	347	(4)	0.03	0.03	0.00
					<u>351</u>	<u>347</u>	<u>(4)</u>	<u>0.03</u>	<u>0.03</u>	
<b>GLASS &amp; CERAMICS</b>										
Tariq Glass Industries Limited	12,100	-	7,000	5,100	391	399	8	0.04	0.04	0.01
					<u>391</u>	<u>399</u>	<u>8</u>	<u>0.04</u>	<u>0.04</u>	
<b>CHEMICAL</b>										
Sitara Chemical Industries Limited	100,600	-	-	100,600	30,771	25,825	(4,945)	2.38	2.52	0.47
Engro Polymer and Chemicals Limited	1,395,990	130,000	90,500	1,435,490	38,308	35,241	(3,067)	3.25	3.44	0.16
I.C.I. Pakistan Limited	5,800	-	2,800	3,000	1,597	1,470	(127)	0.14	0.14	0.00
					<u>70,676</u>	<u>62,536</u>	<u>(8,139)</u>	<u>5.77</u>	<u>6.10</u>	
<b>AUTOMOBILE PARTS &amp; ACCESSORIES</b>										
Thal Limited (ordinary shares of Rs. 5 each)	67,650	-	1,200	66,450	24,192	15,854	(8,338)	1.46	1.55	0.08
					<u>24,192</u>	<u>15,854</u>	<u>(8,338)</u>	<u>1.46</u>	<u>1.55</u>	
<b>FOOD AND PERSONAL CARE</b>										
Al-Shaheer Corporation Limited	408,500	-	-	408,500	5,147	4,449	(699)	0.41	0.43	0.29
Shezan International Limited	86,590	-	-	86,590	36,581	37,639	1,058	3.47	3.68	0.99
					<u>41,728</u>	<u>42,088</u>	<u>360</u>	<u>3.88</u>	<u>4.11</u>	
<b>REFINERY</b>										
National Refinery Limited	61,800	-	45,800	16,000	1,816	1,833	17	0.17	0.18	0.02
					<u>1,816</u>	<u>1,833</u>	<u>17</u>	<u>0.17</u>	<u>0.18</u>	
<b>LEATHER &amp; TANNERIES</b>										
Service Industries Limited	37,175	-	37,175	-	-	-	-	0.00	0.00	0.00
					<u>-</u>	<u>-</u>	<u>-</u>	<u>0.00</u>	<u>0.00</u>	
<b>MISCELLANEOUS</b>										
Synthetic Products Enterprises Limited	589,500	500	-	590,000	13,092	10,119	(2,973)	0.93	0.99	0.69
Pakistan National Shipping Corporation Ltd	-	26,000	-	-	1,599	1,642	43			
Tri-Pack Films Limited	39,000	-	1,000	38,000	2,521	1,892	(629)	0.17	0.18	0.10
					<u>17,212</u>	<u>13,653</u>	<u>(3,559)</u>	<u>1.10</u>	<u>1.17</u>	
<b>TECHNOLOGY &amp; COMMUNICATION</b>										
Avanceon Limited	2,013	-	-	2,013	99	70	(29)	0.01	0.01	0.00
Systems Limited	242,550	-	-	242,550	23,278	20,192	(3,085)	1.86	1.97	0.20
					<u>23,376</u>	<u>20,262</u>	<u>(3,114)</u>	<u>1.87</u>	<u>1.98</u>	
<b>COMMERCIAL BANKS</b>										
Meezan Bank Limited	739,972	59,500	-	799,472	68,780	57,594	(11,186)	5.31	5.63	0.06
					<u>68,780</u>	<u>57,594</u>	<u>(11,186)</u>	<u>5.31</u>	<u>5.63</u>	
<b>Total Value as at Sep 30, 2019 (Unaudited)</b>					<u><b>1,105,693</b></u>	<u><b>1,023,212</b></u>	<u><b>(82,479)</b></u>			
Total Value as at June 30 2019 (Audited)					<u><b>1,470,676</b></u>	<u><b>1,174,608</b></u>	<u><b>(296,068)</b></u>			

- 6.1.1 This includes 0.07 million (June 30, 2019: 0.07 million) shares pledged with National Clearing Company of Pakistan Limited having a market value (in aggregate) amounting to Rs. 11.0243 million (June 30, 2019: Rs 11.87 million) for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by SECP.
- 6.1.2 The Finance Act, 2014 brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by a shareholder are to be treated as income and a tax at the rate of 5 percent is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the company declaring bonus shares which shall be considered as final discharge of tax liability on such income. The Management Company of the Fund jointly with other asset management companies and Mutual Funds Association of Pakistan, has filed a petition in Honorable Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the mutual funds based on the premise of exemptions available to mutual funds under clause 99 of Part I and clause 47B of Part IV of Second Schedule to the Income Tax Ordinance, 2001. The Honorable Sindh High Court has granted stay order till the final outcome of the case. Certain investee companies of the Fund, in pursuance of aforesaid amendment, withheld shares equivalent to 5% of bonus announcement of the Fund having fair market value of Rs.0.9637 million (June 30, 2019: Rs. 1.02million) at period end. Such shares have not been deposited by the investee companies in CDC account of income tax department. The Fund has included in its investments the withheld shares and recorded them at fair market value at the quarter end. Furthermore, the Finance Act 2018 has brought an amendment in the Income Tax Ordinance 2001, whereby the 5% withholding tax on bonus shares has been withdrawn. Therefore, the bonus shares received during the quarter ended September 30, 2019, are not liable to withholding of Income Tax.

## 7 ACCRUED EXPENSES AND OTHER LIABILITIES

### 7.1 Provision For Sindh Workers' Welfare Fund

As disclosed in note 12.2 to the annual financial statements for the year ended June 30, 2019, the Provision for Workers' Welfare Fund (WWF) held in the books of accounts till June 30, 2015 was reversed on January 12, 2017. There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 12.2 to the annual audited financial statements for the year ended June 30, 2019.

The Management Company, based on an opinion obtained by MUFAP, believes that Mutual Funds are not liable to pay SWWF under the said law, for the reason that the Mutual Funds are not financial institutions and rather an investment vehicle. However, the Sindh Revenue Board (SRB) has not accepted the said position of MUFAP and as a result, MUFAP has taken up this matter with the Sindh Finance Ministry for resolution. Despite this, MUFAP recommended its members to make provision for SWWF on prudence basis. The Equity sub-fund, Debt sub-fund and Money Market sub-fund has recorded of provision of Rs. 13.389 million, Rs. 1.077 million and Rs. 0.728 million (30 June 2019: Rs. 13.389 million, Rs. 0.727 million and Rs. 0.353 million) respectively, in respect of SWWF.

Had the provision not been made, it would have resulted in an increase in the net assets value per unit by Rs. 5.96, Rs. 0.29 and Rs. 0.17 (30 June 2019: Rs. 5.47, Rs. 0.20 and Rs. 0.09) of Equity sub fund, Debt sub fund and Money Market sub fund, respectively.

### 7.2 Provision of Indirect Taxes and Duties

This includes provision for indirect duties and taxes in Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund amounting to Rs. 4.051 million, Rs. 1.836 million and Rs. 1.097 million (30 June 2019: Rs 4.051 million, Rs 1.836 million, Rs 1.097 million) respectively. There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 12.1 to the annual audited financial statements for the year ended June 30, 2019. As a matter of abundant caution, the Management Company has maintained full provision for FED aggregating to Rs. 6.984 million till June 30, 2016. Had the provision not been retained, the net asset value per unit of the equity sub fund, debt sub fund and money market sub fund would have been higher by Rs. 1.80 per unit, Rs. 0.49 per unit and Rs 0.26 per unit respectively.

## 8 ADVANCE TAX

The income of the fund is exempt under clause 99 of Part I of the Second schedule of the Income Tax Ordinance 2001 and funds are exempt under clause 47(B) of Income Tax Ordinance 2001 from withholding of tax under section 150, 151 and 233 of Income Tax Ordinance 2001. The Federal Board of Revenue through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated 12 May 2015, made it mandatory to obtain exemption certificates under section 159(1) of the Income Tax Ordinance, 2001 from Commissioner Inland Revenue. During the quarter, various withholding agents have deducted advance tax under section 151 and 150 of the Income Tax Ordinance, 2001. The management is confident that the same shall be refunded after filling return for Tax Year 2020.

## 9 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

SECP vide S.R.O. 685 (I)/2019 has revised its annual fee 0.02% per annum of average daily net assets of the Fund, applicable from July 01, 2019

## 10 CONTRIBUTION TABLE

Contribution (net of front end fee) received during the quarter.

Issuance for the quarter ended September 30, 2019 (Unaudited)								
Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total		
Units	Rupees(000)	Units	Rupees(000)	Units	Rupees(000)	Units	Rupees(000)	
<b>From:</b>								
Individuals	92,421	43,231	703,219	124,560	1,258,385	214,761	2,054,025	382,553
Issuance for the period ended September 30, 2018 (Unaudited)								
Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total		
Units	Rupees(000)	Units	Rupees(000)	Units	Rupees(000)	Units	Rupees(000)	
<b>From:</b>								
Individuals	219,073	138,958	439,250	72,177	520,710	82,679	1,179,033	293,814

**11 NUMBER OF UNITS IN ISSUE**

	As at September 30, 2019 (Unaudited)			
	Equity Sub- Fund	Debt Sub- Fund	Money Market Sub- Fund	Total
	-----Number of units -----			
Total units outstanding at the beginning of the quarter	2,445,998	3,667,374	3,974,510	10,087,882
Units issued during the quarter	92,421	703,219	1,258,385	2,054,025
Effect of reallocation	109,546	(240,419)	(83,952)	(214,825)
Units redeemed during the quarter	(403,211)	(365,003)	(869,563)	(1,637,777)
Total units in issue at the end of the quarter	<u>2,244,754</u>	<u>3,765,171</u>	<u>4,279,380</u>	<u>10,289,305</u>
	-----			
	As at June 30, 2019 (Audited)			
	Equity Sub- Fund	Debt Sub- Fund	Money Market Sub- Fund	Total
	-----Number of units -----			
Total units outstanding at the beginning of the year	2,360,849	3,899,731	2,750,091	9,010,671
Units issued during the year	845,630	1,915,016	3,316,097	6,076,743
Effect of reallocation	8,136	(97,588)	69,020	(20,433)
Units redeemed during the year	(768,617)	(2,049,785)	(2,160,698)	(4,979,100)
Total units in issue at the end of the year	<u>2,445,998</u>	<u>3,667,374</u>	<u>3,974,510</u>	<u>10,087,882</u>

**12 TAXATION**

No provision for taxation has been made for the quarter ended September 30, 2019, in view of the exemption available under clause 57 (3) (viii) of Part-1 of the Second Schedule to the Income Tax Ordinance, 2001.

**13 CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments outstanding as at September 30, 2019.

**14 EARNING PER UNIT**

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

## 15 TRANSACTIONS WITH CONNECTED PERSONS/RELATED PARTIES

Connected persons / related parties comprise of United Bank Limited (holding Company of Pension Fund Manager), UBL Fund Managers Limited (Management Company), entities under common management or directorships, Central Depository Company of Pakistan Limited (Trustee) and the Directors and Officers of Pension Fund Manager.

Remuneration to the Pension Fund Manager and the trustee is determined in accordance with the provision of Voluntary Pension System Rules, 2005 and the Trust Deed respectively.

Other transactions with the related parties / connected persons have been carried out at arm's length basis.

Details of transaction with the related parties and balances with them at the quarter end are as follows;

	Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons
----- (Rupees in '000) -----						
-----For the quarter ended 30 September 2019 (un-audited)-----						
<b>Equity sub fund</b>						
<b><u>Transactions during the quarter</u></b>						
Profit on savings accounts	-	665	-	-	-	-
Bank and other charges	-	8	-	-	-	-
Value of units issued	-	-	-	-	1,953	-
Value of units redeemed	-	-	-	-	384	-
Remuneration (inclusive of SST)	4,685	-	376	-	-	-
CDS expense	-	-	9	-	-	-
-----For the quarter ended 30 September 2018 (un-audited)-----						
<b><u>Transactions during the quarter</u></b>						
Profit on savings accounts	-	686	-	-	-	-
Bank and other charges	-	6	-	-	-	-
Value of units issued	-	-	-	-	1,021	-
Value of units redeemed	-	-	-	-	459	-
Remuneration (inclusive of SST)	6,460	-	517	-	-	-
CDS expense	-	-	20	-	-	-
-----As at 30 September 2019 (un-audited)-----						
<b><u>Balances held</u></b>						
Units held (number of units in '000)	-	-	-	-	25	230
Units held (Rupees in '000)	-	-	-	-	12,079	111,126
Bank balances	-	28,031	-	-	-	-
Deposits	-	-	100	-	-	-
Remuneration payable (inclusive of SST)	1,459	-	117	-	-	-
Sales load payable	447	29	-	-	-	-
Profit receivable	-	324	-	-	-	-
-----As at 30 June 2019 (audited)-----						
<b><u>Balances held</u></b>						
Units held (number of units in '000)	-	-	-	-	21	-
Units held (Rupees in '000)	-	-	-	-	10,899	-
Bank balances	-	45,661	-	-	-	-
Deposite	-	-	100	-	-	-
Profit receivable	-	334	-	-	-	-
Remuneration payable (inclusive of SST)	1,790	-	143	-	-	-
Sales load and conversion charges payable	333	175	-	-	-	-
Other payable	1	-	-	-	-	-

Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons
--------------------	----------------------	---------	-------------------------------	------------------------------	-------------------------

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

**Debt sub fund**

-----For the quarter ended 30 September 2019 (un-audited)-----

**Transactions during the quarter**

Profit on savings accounts	-	3,816	-	-	-	-
Bank and other charges	-	10	-	-	-	-
Value of units issued	-	-	-	-	335	-
Value of units redeemed	-	-	-	-	894	-
Remuneration (inclusive of SST)	2,775	-	222	-	-	-
CDS expense	-	-	2	-	-	-

-----For the quarter ended 30 September 2018 (un-audited)-----

**Transactions during the quarter**

Profit on savings accounts	-	1,482	-	-	-	-
Bank and other charges	-	6	-	-	-	-
Value of units issued	-	-	-	-	133	-
Value of units redeemed	-	-	-	-	600	-
Remuneration (inclusive of SST)	2,624	-	211	-	-	-
CDS expense	-	2	-	-	-	-

-----As at 30 September 2019 (un-audited)-----

**Balances held**

Units held (number of units in '000)	-	-	-	-	51	-
Units held (Rupees in '000)	-	-	-	-	9,185	-
Bank balances	-	131,888	-	-	-	-
Deposits	-	-	100	-	-	-
Remuneration payable (inclusive of SST)	937	-	75	-	-	-
Sales load payable and other payable	109	113	-	-	-	-
Profit receivable	-	1,336	-	-	-	-

-----As at 30 June 2019 (audited)-----

**Balances held**

Units held (number of units in '000)	-	-	-	-	53	-
Units held (Rupees in '000)	-	-	-	-	9,299	-
Bank balances	-	88,339	-	-	-	-
Remuneration payable (inclusive of SST)	866	-	69	-	-	-
Sales load and conversion charges payable	74	57	-	-	-	-
Profit receivable	-	758	-	-	-	-
Deposits	-	-	100	-	-	-
Other payable	5	-	-	-	-	-

Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons
--------------------	----------------------	---------	-------------------------------	------------------------------	-------------------------

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

**Money Market sub fund**

-----For the quarter ended 30 September 2019 (un-audited)-----

**Transactions during the quarter**

Profit on savings accounts	-	3,974	-	-	-	-
Bank and other charges	-	19	-	-	-	-
Value of units issued	-	-	-	-	97	-
Value of units redeemed	-	-	-	-	252	-
Remuneration (inclusive of SST)	3,100	-	246	-	-	-
CDS Expense	-	-	-	-	-	-

**Transactions during the quarter**

-----For the quarter ended 30 September 2018 (un-audited)-----

Profit on savings accounts	-	1,346	-	-	-	-
Bank and other charges	-	8	-	-	-	-
Value of units issued	-	-	-	-	34	-
Value of units redeemed	-	-	-	-	208	-
Remuneration (inclusive of SST)	1,842	-	148	-	-	-

**Balances held**

-----As at 30 September 2019 (un-audited)-----

Units held (number of units in '000)	-	-	-	-	15	-
Units held (Rupees in '000)	-	-	-	-	2,607	-
Bank balances	-	123,330	-	-	-	-
Remuneration payable (inclusive of SST)	1,031	-	83	-	-	-
Deposits	-	-	100	-	-	-
Sales load and other payable	143	93	-	-	-	-
Profit receivable	-	1,251	-	-	-	-

**Balances held**

-----As at 30 June 2019 (audited)-----

Units held (number of units in '000)	-	-	-	-	16	-
Units held (Rupees in '000)	-	-	-	-	2,710	-
Bank balances	-	123,126	-	-	-	-
Remuneration (inclusive of SST)	906	-	75	-	-	-
Sales load and conversion charges payable	143	38	-	-	-	-
Profit receivable	-	1,121	-	-	-	-
Deposits	-	-	100	-	-	-
Other payable	6	-	-	-	-	-

## 16 FAIR VALUE OF FINANCIAL INSTRUMENTS

The Fund uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities traded.
- 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).
- Level 3: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyses financial instruments measured at fair value at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

As at September 30, 2019 (un-audited)				
Equity Sub-Fund				
ASSETS	Level 1	Level 2	Level 3	Total
-----Rupees in '000-----				
Equity securities - Fair value through profit or loss	1,023,212	-	-	1,023,212
Equity securities - Fair value through other comprehensive income	-	-	-	-
	<b>1,023,212</b>	<b>-</b>	<b>-</b>	<b>1,023,212</b>
As at September 30, 2019 (un-audited)				
Debt Sub-Fund				
At fair value through profit or loss				
Government Securities-Ijara Sukuk Certificate	-	-	-	-
Debt securities - privately placed Sukuk	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
As at September 30, 2019 (un-audited)				
Money Market Sub-Fund				
At fair value through profit or loss				
Government Securities-Ijara Sukuk Certificate	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
As at June 30, 2019 (audited)				
Equity Sub-Fund				
At fair value through profit or loss				
Equity Securities	1,174,608	-	-	1,174,608
	<b>1,174,608</b>	<b>-</b>	<b>-</b>	<b>1,174,608</b>
As at June 30, 2019 (audited)				
Debt Sub-Fund				
At fair value through profit or loss				
Government Securities-Ijara Sukuk Certificate	-	-	-	-
Debt securities - privately placed Sukuk	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
As at June 30, 2019 (audited)				
Money Market Sub-Fund				
At fair value through profit or loss				
Government Securities-Ijara Sukuk Certificate	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

There were no transfers between various levels of fair value hierarchy during the quarter.

## **17 GENERAL**

- 17.1** These figures have been rounded off to the nearest thousand rupees unless otherwise stated.
- 17.2** Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and for better presentation. However, no significant reclassification has been made during the quarter.

## **18 DATE OF AUTHORIZATION FOR ISSUE**

- 18.1** This condensed interim financial information was authorised for issue on **October 29, 2019** by the Board of Directors of the Management Company.

**For UBL Fund Managers Limited  
(Pension Fund Manager)**

SD  
**Chief Executive Officer**

SD  
**Chief Financial Officer**

SD  
**Director**



**Be aware, Be alert,  
Be safe**

**Learn about investing at  
www.jamapunji.pk**

**Key features:**

-  Licensed Entities Verification
-  Scam meter\*
-  Jamapunji games\*
-  Tax credit calculator\*
-  Company Verification
-  Insurance & Investment Checklist
-  FAQs Answered
-  Online Quizzes

-  Stock trading simulator  
(based on live feed from KSE)
-  Knowledge center
-  Risk profiler\*
-  Financial calculator
-  Subscription to Alerts (event notifications, corporate and regulatory actions)
-  Jamapunji application for mobile device



Jama Punji is an Investor  
Education Initiative of  
Securities and Exchange  
Commission of Pakistan

 jamapunji.pk

 @jamapunji\_pk

\*Mobile apps are also available for download for android and ios devices