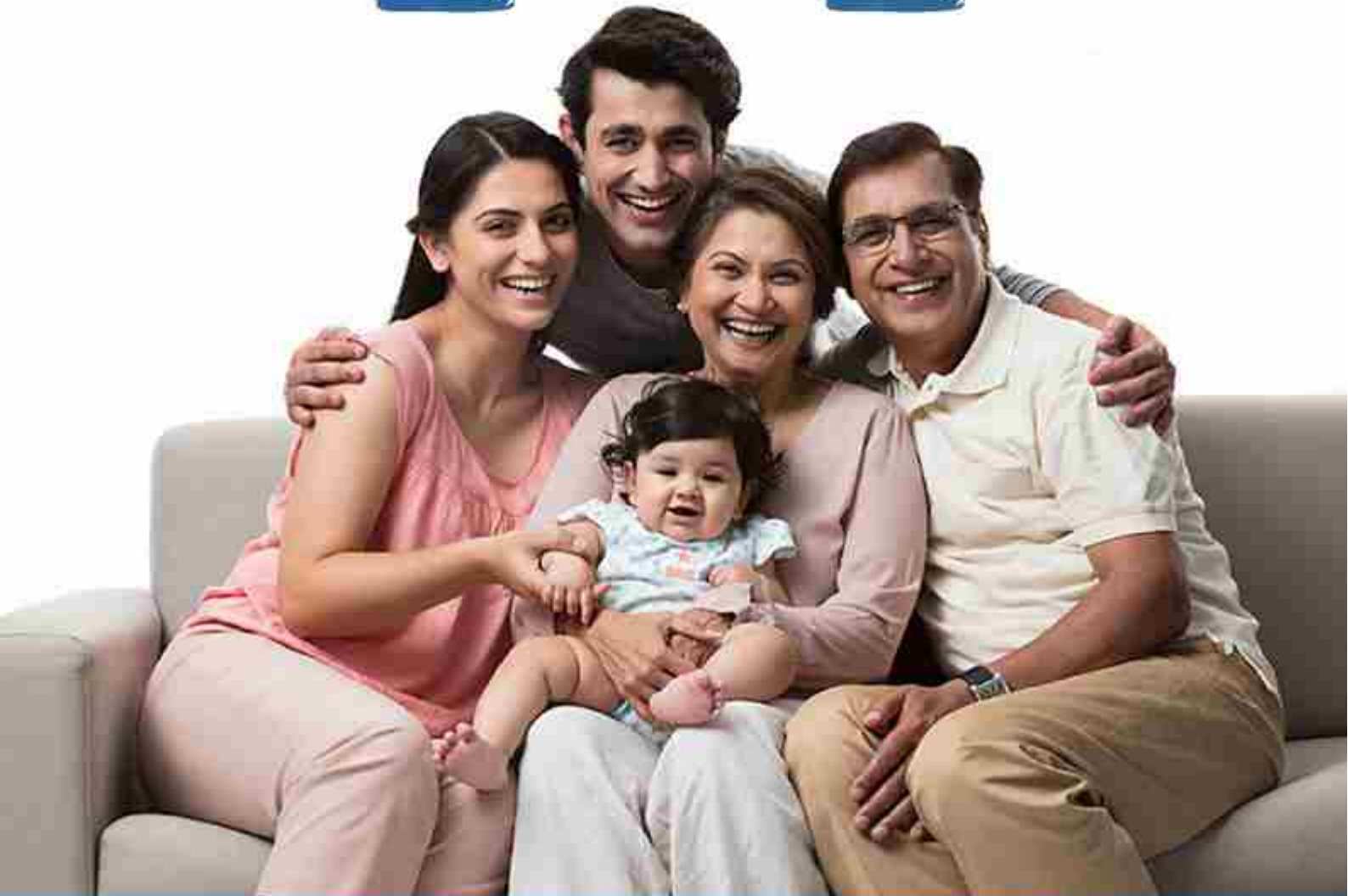
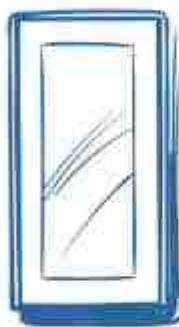




Annual Report

June 2023

UBL Retirement Savings Fund



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CORPORATE INFORMATION

Board of Directors	Registered Office	Al-Ameen Islamic Cash Plan-I
Azhar Hamid (Chairman)	4th Floor, STSM Building, Seamant Road, Civil Lines, Karachi, Pakistan	Launch Date: May 29, 2020
Yasir Qadri (Chief Executive Officer)		Al-Ameen Islamic Dedicated Equity Fund
		Launch Date: January 5, 2016
Aslam Sedruddin	Head Office	UBL Pakistan Enterprise Exchange Traded Fund
Huma Pasha	4th Floor, STSM Building, Seamant Road, Civil Lines, Karachi, Pakistan	Launch Date: March 24, 2020
Arif Akmal Saifia	UAN: (92-21) 111-825-262	UBL Dedicated Equity Fund
Inuran Sarwar	Fax: (92-21) 32214930	Launch Date: May 29, 2018
Muhammad Rizwan Malik	Date of incorporation of the Management Company / Pension Fund Manager	UBL Financial Sector Fund
	Incorporated in Pakistan on	Launch Date: April 6, 2018
Audit Committee	April 3, 2001 as a Public Limited	UBL Special Saving Fund
Huma Pasha (Chair)	Company under the Companies	Launch Date: November 9, 2018
Inuran Sarwar	Ordinance, 1984.	UBL Retirement Savings Fund
Aslam Sedruddin	Management Quality Rating	Launch Date: May 10, 2010
Arif Akmal Saifia	AM1 by VIS Credit Rating Company	Al-Ameen Islamic Retirement Savings Fund
Risk and Compliance Committee	Funds / Plans under Management	Launch Date: May 10, 2010
Inuran Sarwar (Chairman)	UBL Liquidity Plus Fund	Al-Ameen Islamic Energy Fund
Yasir Qadri	Launch Date: June 21, 2009	Launch Date: December 13, 2019
Azhar Hamid	UBL Government Securities Fund	UBL Special Savings Fund II
Arif Akmal Saifia	Launch Date: July 27, 2011	Launch Date: February 10, 2020
Muhammad Rizwan Malik	UBL Money Market Fund	UBL Fixed Return Fund
Human Resource and Compensation Committee	Launch Date: October 14, 2010	Launch Date: August 24, 2022
Azhar Hamid (Chairman)	UBL Income Opportunity Fund	UBL Fixed Return Fund - II
Huma Pasha	Launch Date: March 29, 2013	Launch Date: February 14, 2023
Aslam Sedruddin	UBL Growth and Income Fund	UBL Fixed Return Fund - III
Yasir Qadri	Launch Date: March 2, 2006	Launch Date: February 16, 2023
Muhammad Rizwan Malik	UBL Asset Allocation Fund	Al-Ameen Islamic Fixed Return Fund
Shariah Advisory Board	Launch Date: August 20, 2013	Launch Date: May 31, 2023
Mufti Muhammad Hassan Kaleem	UBL Stock Advantage Fund	Al-Ameen Islamic Income Fund
Member	Launch Date: August 4, 2006	Launch Date: May 29, 2023
Mufti Muhammad Najeed Khan	Al-Ameen Islamic Sovereign Fund	Conventional Investment Plans
Member	Launch Date: November 7, 2010	UBL Mahana Munafa Plan
Chief Financial Officer	Al-Ameen Islamic Aggressive Income Fund	UBL Children Savings Plan
Unair Ahmed	Launch Date: October 20, 2007	UBL Equity Builder Plan
Company Secretary	Al-Ameen Islamic Aggressive Income Plan-I	UBL Wealth Builder Plan
Anam Imtiaz*	Launch Date: April 16, 2020	Islamic Investment Plans
Hadi Hassan Mukhi**	Al-Ameen Islamic Asset Allocation Fund	Al-Ameen Mahana Munafa Plan
	Launch Date: December 10, 2013	Al-Ameen Children Savings Plan
	UBL Cash Fund	Al-Ameen Equity Builder Plan
	Launch Date: September 23, 2019	Al-Ameen Wealth Builder Plan
	Al-Ameen Islamic Cash Fund	Al-Ameen Hajj Savings Plan
	Launch Date: September 17, 2012	

* Resigned with effect from April 30, 2023

** Appointed with effect from May 31, 2023



DIRECTORS' REPORT

The Board of Directors of UBL Fund Managers Limited is pleased to present the annual report of "UBL Retirement Savings Fund" (URSF) for the year ended June 30, 2023.

Economic Outlook

Economic policy decisions played a significant role in the urgent need to fulfill the IMF prerequisites, while political delays were exacerbated by the upcoming elections. The government eventually complied with the IMF's demands after the SBP's FX reserves reached critically low levels. Pakistan's recent efforts to meet IMF requirements by implementing changes to the FY24 Budget, lifting import restrictions, letting PKR/USD float freely and raising policy rate finally bore fruit as the country has clinched a staff-level agreement for a new 9-month SBA facility of approximately USD 3.0bn.

The Executive Board of the IMF has granted its approval for a 9-month SBA for Pakistan. This agreement will enable Pakistan to obtain approximately USD 3.0 billion, which is equivalent to 111% of its quota. The initial disbursement, amounts to USD 1.2 billion, and subsequent disbursements will be made after 2 quarterly reviews. This approval was widely anticipated given the recent developments. The future disbursement of tranches is heavily reliant on meeting certain requirements. It is crucial for the caretaker government and the incoming government, to make continuous progress on these prerequisites over the next nine months. The path ahead will be challenging, particularly as the IMF projects a higher fiscal deficit in FY24. Any delays in implementing reforms will not only hinder the remaining USD 1.8 billion from the IMF but also affect the potential support from other external lenders, which is vital for Pakistan's current reserve levels.

June's headline inflation stood at 29.4% year-on-year (YoY), showing a significant decrease compared to the unprecedented 38.0% YoY recorded in the previous month. This brought the average inflation for the fiscal year 2023 to 29.0% YoY. The decline in inflation was driven by multiple factors, including the base effect and a 0.3% month-on-month (MoM) decrease in inflation. The reduction in inflation was primarily influenced by lower retail fuel rates and decreased food prices. Despite the recent budget announcement of some measures that could potentially boost revenue but also have inflationary consequences, we anticipate a gradual decrease in inflation over the next 12 months. This expectation is based on factors such as the high base effect, lower commodity prices, improved supply situation in the local market, a stable PKR, and weak domestic demand.

In an emergency session of the Monetary Policy Committee (MPC), the State Bank of Pakistan (SBP) opted to raise the policy rate by an extra 100 basis points, bringing it to 22.0%. The MPC's official statement pointed out two crucial developments that have adversely affected the inflation outlook. Firstly, there has been an upward adjustment in taxes, duties, and PDL following the approval of the FY24 budget. Secondly, the removal of import restrictions is expected to put a strain on foreign exchange reserves.

According to the recently published balance of payment data by the State Bank of Pakistan (SBP), June recorded a fourth consecutive monthly surplus in the current account, totaling USD 334 million. This positive development can be primarily attributed to reduced imports, which can be attributed to the ongoing economic slowdown and the implementation of import restrictions aimed at supporting foreign exchange reserves. Consequently, the current account deficit (CAD) for FY23 significantly decreased from USD 17.5 billion to just USD 2.6 billion compared to the previous year. We anticipate healthy inflows from sources such as the International Monetary Fund (IMF), Saudi Arabia, United Arab Emirates (UAE), and multilateral loans. As a result, the foreign exchange reserves of the SBP are expected to experience significant growth from their current levels.

UBL FUND MANAGERS LIMITED

☎ +92 21 111 825 262

✉ info@ublfunds.com

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

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In June 2023, the current government introduced its second consecutive budget, presenting a significant expenditure plan of PKR 14.5 trillion. There are substantial challenges associated with servicing high levels of debt and implementing measures to counter inflation, which pose significant obstacles. Nonetheless, concerns arise regarding the feasibility of fully disbursing the development expenditure due to the existing tight fiscal position. Despite the inclusion of ambitious targets, such as a remarkable 28% year-on-year growth in tax collection and 83% year-on-year increase in non-tax revenues, the projected fiscal deficit for FY24 is estimated to be PKR 6.9 trillion, equivalent to 6.5% of the GDP. However, we anticipate that lower-than-anticipated revenue due to a prolonged economic slowdown and elevated expenditure will result in a fiscal deficit exceeding 7.5% of GDP.

Debt Market Review

On account of rising inflation and depleting FX reserves, SBP raised the policy rate by 825 bps cumulatively to 22% during FY23.

Tenors	PKRV as at 30th June 2023	PKRV as at 30th June 2022	Change (FY23)
3 Months	22.65	14.98	7.67
6 Months	22.87	15.15	7.72
1 Year	22.93	15.3	7.63
3 years	19.47	13.45	6.02
5 Years	16.08	12.93	3.15
10 Years	15.32	12.92	2.4

Market appetite for treasury bills remained strong during FY23. Heavy participation amounting to PKR ~41.9 trillion was observed, out of which the government accepted ~PKR 24.6 trillion. Due to monetary tightening, a clear preference was observed in the 3M T-Bills. During FY23, the market participated PKR ~30.6 trillion in 3M T-Bills which constituted 73% of the total participation followed by 12M T-Bills and 6M T-Bills with the participation of PKR ~6.3 trillion (15% of the total participation) and PKR 4.9 trillion (12% of the total participation) respectively.

In fixed rate PIB auctions, the market participated PKR 4.1 trillion, the government made close to target acceptance in fixed rate PIBs. Total accepted amount was ~PKR 1,001 trillion. Despite the heavy participation, the market demanded relatively higher yields. The government proactively managed the cost of borrowing and the maturity profile simultaneously. However, since the significant monetary tightening, government reluctant to accept bids at higher levels. In last quarter, only 3Y PIB bids were accepted.

For floater rate PIBs, the rising interest rate scenario made investment more favorable. A significant participation was observed in floater rate PIBs, a participation of PKR 8.2 trillion took place in the floater rate PIB auctions, out of which the government accepted PKR 5.3 trillion. Out of PKR 5.3 trillion, PKR 2.3 trillion accepted in the 2Y floater PIB, PKR 1.35 trillion was accepted in the 3Y floater PIB, PKR 1.548 trillion was accepted in 5Y floater PIB and 101 billion was accepted in 10Y floater PIB.

On the Islamic front, the market remained skewed towards variable rate Ijara sukuk. Total participation was ~PKR 1296 billion in the variable rate Ijara sukuk auction out of which the government accepted ~PKR 736 billion against the total target of PKR 1205 billion. However, PKR 331 billion participation was witnessed in the fixed rate Ijara sukuk and the government accepted ~PKR 135 billion against the total target of PKR 415 billion.

Commodity Outlook

Global economic growth is likely to moderate in the second half of 2023, while inflation looks set to cool off. However, inflation is not likely to reach levels that central banks find comfortable, on its own. If inflation remains high, it will keep putting pressure on central banks, possibly leading to further tightening of monetary policies. So far, the negative effects of monetary tightening have been offset by diminishing supply shocks caused by the COVID-19 pandemic and Russia's invasion of Ukraine. Continued tightening measures are likely to have a detrimental impact on the private sector. Following OPEC+'s decision on June 4 to extend crude oil production cuts until 2024, a gradual decline in global oil stockpiles over the next five quarters is expected which would likely keep crude oil prices elevated.

The prices of gold and silver are expected to remain supported. Base metals prices are currently stabilizing but could gain more stability in demand in the upcoming months, which may shift attention towards low inventories.

Stock Market Review

Despite the KSE100 index closing the year at a flatish -0.2% in FY23, it concluded on a positive note in terms of the country's overall macro direction. The Stand-By Arrangement (SBA) has provided the government with the necessary leeway to carry out the upcoming electoral process, which is scheduled within the next four months (October 2023). This would also pave the way for unlocking disbursements from other international lenders. Market sentiment has been heavily influenced by the IMF's approval, as this new arrangement is anticipated to boost investor confidence. However, the sustained market rally and the realization of valuations will depend on the successful implementation of reforms once again highlighted by the IMF. These reforms encompass the energy sector, inflation control, and fiscal discipline. At present, the KSE100 index offers historic low multiples, suggesting significant potential for a rebound.

Future Outlook

Looking ahead, we expect that elections will be conducted as scheduled in October, and during the interim period, a caretaker government will be responsible for upholding the SBA (Stand-By Arrangement) facility and meeting any prerequisites set by the incoming government. The main focus is likely to be on preserving the recent advancements made in macroeconomic stability by avoiding excessive fiscal spending in the run-up to the elections, committing to a market-driven exchange rate, and maintaining responsible monetary policies. Considering the staff-level agreement, we anticipate that Pakistani equities will continue their current upward trajectory.

PERFORMANCE AND OPERATIONAL REVIEW – UBL RETIREMENT SAVINGS FUND

The Fund comprises of four sub funds namely Equity sub-fund, Debt sub-fund, Money Market sub-fund and Commodity sub-fund. The Fund as a whole earned a gross income of PKR 557.310 million and net loss of 6.27 million during the year. The total fund size stood at PKR 4507.046 million as at the year end.

Performance review for each sub fund is given below:

a) Equity Sub-Fund

For the year ended June 30, 2023, the equity sub-fund incurred a net loss of PKR 6.27 million. The net assets of equity sub-fund stood at PKR 731.049 million representing net asset value of PKR 736.5510 per unit as at June 30, 2023.

b) Debt Sub Fund

For the year ended June 30, 2023, the debt sub-fund earned a gross income of PKR 160.908 million and net income of PKR 145.649 million. The net assets of debt sub-fund stood at PKR 1,035.55 million representing net asset value of PKR 354.8957 per unit as at June 30, 2023.

c) Money Market Sub Fund

For the year ended June 30, 2023, the money market sub-fund earned a gross income of PKR 344.659 million and net income of PKR 317.096 million. The net assets of money market sub-fund stood at PKR 2,732.862 million representing net asset value of PKR 282.6542 per unit as at June 30, 2023.

d) Commodity Sub Fund

For the year ended June 30, 2023, the Commodity sub-fund earned a gross income of PKR 1.292 million and net loss of PKR 0.85 million. The net assets of commodity sub-fund stood at PKR 7.585 million representing net asset value of PKR 181.2200 per unit as at June 30, 2023.

AUDITORS

The present statutory auditors M/s BDO Ebrahim & Co., Chartered Accountants being eligible, have offered themselves for reappointment. The Audit Committee has recommended their appointment as the statutory auditors of the Fund for the year 2024.

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 and Central Depository Company of Pakistan 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 AND ON BEHALF OF THE BOARD OF DIRECTORS OF UBL FUND MANAGERS LIMITED



Azhar Hamid
Chairman

Karachi
Dated: August 03, 2023



Yasir Qadri
Chief Executive Officer

ڈائریکٹر رپورٹ

یونیٹل فنڈ منیجرز لیگٹڈ کے بورڈ آف ڈائریکٹرز اپ کی خدمت میں 30 جون 2023 کو ختم ہونے والے سال کے لئے یونیٹل ریلیٹڈ منسٹریو گزٹنگ کی سالانہ رپورٹ پیش کر رہے ہیں۔

معیشت کا جائزہ

اقتصادی پالیسی سے متعلق فیصلوں نے آئی ایم ایف کی پیشگی شرائط کو فی الفور پورا کرنے میں اہم کردار ادا کیا، جب کہ آمد و اخراجات کی وجہ سے سیاسی تاخیر کیا وہ ہونی ماسٹیٹ بینک کے FX کے ذخائر انتہائی کم سطح پر پہنچنے کے بعد حکومت نے بالآخر آئی ایم ایف کے مطالبات تسلیم کئے۔ مالی سال 24 کے بجٹ میں چند ٹیلیاں لاگو کرنے، درآمدی پابندیوں کو ہٹانے اور امریکی ڈالر پاکستانی روپیہ کو آزاد کرنے اور پالیسی شرح میں اضافہ کے ذریعے IMF کی شرائط کو پورا کرنے کے لئے پاکستان کی حالیہ کوششیں نتیجہ خیز ثابت ہوئیں اور ملک نے تقریباً 3.0 بلین امریکی ڈالر کا 9 ماہ کی SBA سہولت کے لئے Staff Level کا معاہدہ کر لیا ہے۔

آئی ایم ایف کے ایگزیکٹو بورڈ نے پاکستان کے لئے 9 ماہ کے SBA کی منظوری دے دی ہے۔ یہ معاہدہ پاکستان کو تقریباً 3.0 بلین امریکی ڈالر حاصل کرنے کے قابل بنائے گا، جو اس کے کوڈ کے 111 فیصد کے برابر ہے۔ ابتدائی ادائیگی، 1.2 بلین امریکی ڈالر اور اس کے بعد کی ادائیگی 2 سرمایہ جائزوں کے بعد کی جائے گی۔ حالیہ پیش رفت کے پیش نظر یہ سے بنائے پر اس منظوری کی توقع کی جا رہی تھی۔ مستقبل کی قسطوں کی تقسیم چند تھنوں کو پورا کرنے پر بہت زیادہ انحصار کرتی ہے۔ عمران حکومت اور ابھی حکومت کے لئے یہ ضروری ہے کہ وہ اگلے نو ماہ کے دوران ان شرائط پر مسلسل پیش رفت کریں۔ آگے کا راستہ مشکل ہوگا، خاص طور پر جب کہ آئی ایم ایف کو مالی سال 24 میں زیادہ مالیاتی خسارہ کی توقع ہے۔ اس لحاظ پر عمل درآمد میں کسی قسم کی تاخیر نہ صرف آئی ایم ایف کی جانب سے بلکہ 1.8 بلین امریکی ڈالر کی راد میں رکاوٹ بنے گی بلکہ دیگر بین الاقوامی قرض دہندگان کی فکرمند دیکھی متاثر کرے گی، جو پاکستان کے ذخائر کی موجودگی کے لئے بہت ضروری ہے۔

جون کی ہیڈ لائن افراط زر کی شرح سال بہ سال (YoY) 29.4% رہی، جو پچھلے مہینے میں ریکارڈ کی گئی 38.0% غیر معمولی YoY کے مقابلے میں نمایاں کمی کو ظاہر کرتی ہے۔ اس سے مالی سال 2023 کے لئے اوسط افراط زر 29.0% تک پہنچ گیا۔ افراط زر میں کمی متعدد عوامل بشمول بنیادی اثر اور مہنگائی میں 0.3% ماہ (MoM) کمی کی وجہ سے ہوئی۔ افراط زر میں کمی بنیادی طور پر خورد و ابلہ جن کے کم نرخوں اور خوراک کی قیمتوں میں کمی سے متاثر ہوئی۔ حالیہ بجٹ میں کچھ ایسے اقدامات کے اعلان کے باوجود جو کمزور طور پر محصولات کو بڑھا سکتے ہیں لیکن ان کے افراط زر پر اثرات بھی ہیں، ہم اگلے 12 مہینوں میں مہنگائی میں بتدریج کمی کی توقع کرتے ہیں۔ یہ توقع اعلیٰ بنیادی اثر، اشیاء کی کم قیمتیں، مقامی مارکیٹ میں سپلائی کی بہتر صورت حال، پاکستانی روپیہ کے استحکام، اور کمزور مقامی طلب جیسے عوامل پر مبنی ہے۔

مانیٹری پالیسی کمیٹی (MPC) کے ہنگامی اجلاس میں، اسٹیٹ بینک آف پاکستان (SBP) نے پالیسی شرح میں مزید 100 بیس پوائنٹس کے اضافی کا انتخاب کیا، جس سے یہ شرح 22.0 فیصد ہو گئی۔ MPC کے سرکاری بیان میں دو اہم پیش رفتوں کی مذکور کی گئی تھیں۔ افراط زر کے نقطہ نظر کو بری طرح متاثر کیا ہے۔ سب سے پہلے، مالی سال 24 کے بجٹ کی منظوری کے بعد فیکسز، ڈائیوڈز اور PDL میں اضافہ ہو گیا ہے۔ دوم، درآمدی پابندیوں کے خاتمہ سے زرمبادلہ کے ذخائر بڑھ رہے ہیں۔

اسٹیٹ بینک آف پاکستان (SBP) کی جانب سے حالیہ میں مثالی کردہ پینٹس آف صحت ڈیٹا کے مطابق، جون میں کرنٹ اکاؤنٹ میں مسلسل چوتھا ماہانہ سرپلس ریکارڈ کیا گیا، جس کی کل رقم 334 ملین امریکی ڈالر تھی۔ اس مثبت پیش رفت کی بنیادی وجہ درآمدات میں کمی قرار دی جا سکتی ہے، جس کی وجہ جاری معاشی سست روی اور درآمدی پابندیوں کا نفاذ ہے جس کا مقصد زرمبادلہ کے ذخائر کو بڑھا دینا ہے۔ نتیجہ، مالی سال 23 کے لئے کرنٹ اکاؤنٹ خسارہ (CAD) گزشتہ سال کے مقابلے میں نمایاں طور پر 17.5 ملین امریکی ڈالر سے کم ہو کر صرف 2.6 ملین امریکی ڈالر ہو گیا۔ بین الاقوامی مالیاتی فنڈ (IMF)، سعودی عرب، متحدہ عرب امارات (UAE) اور کثیرالجہتی قرضوں جیسے ذرائع سے کثیر ذخائر کی آمد کی توقع کرتے ہیں۔ اس کے نتیجے میں، اسٹیٹ بینک آف پاکستان کے زرمبادلہ کے ذخائر میں ان کی موجودگی سے نمایاں اضافہ متوقع ہے۔

جون 2023 میں موجودہ حکومت نے لگا تا ماننا دوسرا بجٹ پیش کیا، جس میں 14.5 ٹریلین پاکستانی روپے کے اہم اخراجات کا منصوبہ پیش کیا گیا۔ قرض کی بلند سطحوں کی ادائیگی اور مہنگائی کا مقابلہ کرنے کے لئے اقدامات کو نافذ کرنے سے متعلق درپیش کافی مشکلات، جو کراہم رکھتیں ہیں۔ بہر حال، موجودہ سخت مالی پوزیشن کی وجہ سے ترقیاتی اخراجات کو مکمل طور پر ادا کرنے کی ممکنات کے حوالے سے خدشات پیدا ہوتے ہیں۔ مہر عزم اہداف جیسے کہ ٹیکس وصولی میں سال بہ سال 28% کی قابل ذکر نمو اور غیر ٹیکس محصولات میں 83% سال بہ سال اضافی کی شمولیت کے باوجود، مالی سال 24 کے لئے متوقع مالیاتی خسارہ 6.9 ٹریلین پاکستانی روپے، جس کی ڈی پی کے 6.5% کے برابر ہونے کا تخمینہ لگا گیا ہے۔ تاہم، ہمیں توقع ہے کہ طویل اقتصادی سست روی اور بلند اخراجات کی وجہ سے توقع سے کم آمدنی کچھ میں مالیاتی خسارہ کی ڈی پی کے 7.5 فیصد سے زیادہ ہو جائے گا۔

قرض مارکیٹ کا جائزہ (Debt Market Review)

برصغیر ہونی افراط زر اور زرمبادلہ کے ذخائر میں کمی کی وجہ سے، ایس بی پی نے مالی سال 23 کے دوران پالیسی رٹ کی شرح میں مجموعی طور پر 825 بی پی ایس کا اضافہ کر کے 22 فیصد کر دیا۔

مقیاس	30 جون 2023 PKRV	30 جون 2022 PKRV	تجاری (مالی سال (23
3 ماہ	22.65	14.98	7.67
6 ماہ	22.87	15.15	7.72
1 سال	22.93	15.3	7.63
3 سال	19.47	13.45	6.02
5 سال	16.08	12.93	3.15
10 سال	15.32	12.92	2.4

مالی سال 23 کے دوران بڑھ رہی ہوں گے لیے بازار کی طلب مستحکم رہی اور ان میں سے 41.9 ٹریلین پاکستانی روپے کی بھاری شرکت دیکھی گئی، جس میں سے حکومت نے 24.6 ٹریلین پاکستانی روپے قبول کئے۔ مالیاتی سختی کی وجہ سے، 3 ماہ کے بڑھ رہی بڑھ کر واضح ترجیح دی گئی۔ مالی سال 23 کے دوران، مارکیٹ نے 3 ماہ کے بڑھ رہی بڑھ میں سے 30.6 ٹریلین پاکستانی روپے سے حصہ لیا جو کہ کل شرکت کا 73 فیصد تھا۔ جس کے بعد 12 ماہ کے بڑھ رہی بڑھ اور 6 ماہ کے بڑھ رہی بڑھ میں باقی رہ گیا۔ 6.3 ٹریلین پاکستانی روپے (کل شرکت کا 15 فیصد) اور 4.9 ٹریلین پاکستانی روپے (کل شرکت کا 12 فیصد) کی شرکت رہی۔

فلسفہ دولت PIB کی بنیادی میں، مارکیٹ نے 4.1 ٹریلین پاکستانی روپے سے شرکت کی اور حکومت نے فلسفہ دولت PIB میں ہدف کے قریب حصہ لیا۔ کل قبول شدہ رقم 1.001 ٹریلین پاکستانی روپے تھی۔ بھاری شرکت کے باوجود، مارکیٹ نے نسبتاً نیا دوپیدا اور طلب کی۔ حکومت نے قرض کی لاگت اور پیچیدگی پر دوام کا مستعدی سے ایک وقت انتظام کیا۔ ہم، ہم مالیاتی سختی کے بعد سے، حکومت کو اپنی سطح پر بولی قبول کرنے سے گریز ہے۔ پچھلی سرمایہ میں، صرف 3 سالہ PIB بولیاں قبول کی گئیں۔

فلوئز PIB کے لیے، شرح سود کے برعکس ہوئے منظر نامے نے سرمایہ کاری کو مزید سارگاز دینا اور قرضہ دولت PIB میں نمایاں شرکت دیکھی گئی، فلوئز PIB کی بنیادی میں 8.2 ٹریلین پاکستانی روپے کی شرکت ہوئی، جس میں سے حکومت نے 5.3 ٹریلین پاکستانی روپے قبول کیا۔ 5.3 ٹریلین پاکستانی روپے میں سے 2 سالہ فلوئز PIB میں 2.3 ٹریلین پاکستانی روپے، 3 سالہ فلوئز PIB میں 1.35 ٹریلین پاکستانی روپے، 5 سالہ فلوئز PIB میں 1.548 ٹریلین پاکستانی روپے قبول کیے گئے اور 10 سالہ فلوئز PIB میں 1.01 ٹریلین پاکستانی روپے قبول ہوئے۔

اسلامی سرمایہ کار کے مجاز پر، بازار کا منظر شرح سود کی طرف لیا اور رجحان رہا۔ بازار کو ملک کی منظر شرح بنیادی میں کل 1296 ٹریلین پاکستانی روپے کی شرکت ہوئی، جس میں سے حکومت نے 1205 ٹریلین پاکستانی روپے کے مجموعی ہدف کے مقابلے میں 736 ٹریلین پاکستانی روپے قبول کئے۔ ہم، مقررہ شرح منافع کے بازار کو ملک میں 331 ٹریلین پاکستانی روپے کی شرکت دیکھی گئی اور حکومت نے 415 ٹریلین پاکستانی روپے کے مجموعی ہدف کے مقابلے میں 135 ٹریلین روپے قبول کئے۔

Commodity Outlook (اشیاء اجناس مارکیٹ کا جائزہ)

2023 کی دوسری ششماہی میں عالمی اقتصادی ترقی کے مستقبل، جبکہ افراط زر کم ہونے کا امکان ہے۔ ہم، افراط زر اس سطح تک پہنچنے کا امکان نہیں ہے جس پر مرکزی بینک اپنے طور پر مطمئن ہو گا۔ اگر افراط زر بلند رہتا ہے، تو یہ مرکزی بینکوں پر دباؤ ڈال رہا ہے، جو کہ طور پر مالیاتی پالیسیوں کو مزید سخت کرنے کا باعث بنے گا۔ اب تک، COVID-19 مالیاتی بھاری درروں کے پیکرین پر حصے کی وجہ سے آمد کے ٹیکس کم ہونے سے مالیاتی سختی کے منفی اثرات کو پورا کیا گیا ہے۔ مسلسل سخت اقدامات سے نئی شعبے پر نقصان دہ اثر پڑنے کا امکان ہے۔ اوپیک پلس 4 جون کو خام تیل کی پیمائش کی اور ارمیں کی کو 2024 تک بڑھانے کے فیصلے کے بعد، اگلی پانچ سالہ دور میں عالمی سطح پر تیل کے ذخیرے میں بتدریج کمی متوقع ہے جس سے خام تیل کی قیمتیں بلند رہیں گی۔

سودے اور چاندی کی قیمتیں مستحکم رہنے کی توقع ہے۔ بنیادی دھاتوں کی قیمتیں فی الحال مستحکم ہو رہی ہیں لیکن آئندہ مہینوں میں طلب میں مزید استحکام حاصل کر سکتی ہیں، جو کہ تعداد کی طرف توجہ مبذول کر سکتی ہیں۔

انٹاک مارکیٹ کا جائزہ

مالی سال 23 میں، کھانسی 100 ایم کیس سیدھا خفیہ 0.2 فیصد پر بند ہونے کے باوجود، اس کا نتیجہ ملک کی مجموعی وسیع سمت کے لحاظ سے ایک مثبت پہلو رہا۔ ماسینڈا مالیاتی (SBA) نے

حکومت کو چند احتمالی عمل کو انجام دینے کے لیے ضروری سہولت فراہم کی ہے، جو کرائے چار ماہ (اکتوبر 2023) کے اندر طے شدہ ہے۔ اس سے دیگر بین الاقوامی قرض دہندگان کی جانب سے ادائیگیوں کو کھولنے کی راہ بھی ہموار ہوگی۔ آئی ایم ایف کی منظوری سے مارکیٹ کے بہت نیا دہا اثرات مرتب ہوئے ہیں، کیونکہ اس نئے انتظام سے سرمایہ کاروں کے اعتماد میں اضافہ متوقع ہے۔ تاہم، مارکیٹ میں پائیدار ترقی اور قدروں کی وصولی کا انحصار آئی ایم ایف کی طرف سے ایک بار پھر نمایاں کردہ اصلاحات کے کامیاب نفاذ پر ہوگا۔ ان اصلاحات میں توانائی کے شعبے، افراط زر پر قابو پانے اور مالیاتی نظم و ضبط شامل ہیں۔ فی الوقت، کمالیہ ای 100 انڈیکس تا سبھی کم Multiples پیش کرتا ہے، جو کہ مارکیٹ کے دیگر دو ایچس کرنے کی لڑائی میں ملاجرت کا اشارہ کرتا ہے۔

مستقبل کا نقطہ نظر

آگے دیکھتے ہوئے ہم متوقع کرتے ہیں کہ احتمالات شدید دل کے مطابق اکتوبر میں کرائے جائیں گے، اور ضروری مدت کے دوران، ایک نگران حکومت SBA (سینٹیائی آرٹیف) کی سہولت کو برقرار رکھے اور آگے والی حکومت کی طرف سے ضروریہ مقام شراکت کو پورا کرنے کی ذمہ داری ہوگی۔ ممکنہ طور پر دنیاوی توجہ وسیع معاشی استحکام میں کی گئی حالیہ پیشرفت کو برقرار رکھے پر مرکوز ہے جس میں انتخابات کے دوران ضرورت سے نیا دہائی اخراجات سے گریز کرنا، مارکیٹ سے پٹنے والی شرح مبادلہ کا عزم کرنا اور زمرہ داران مالیاتی پالیسیوں کو برقرار رکھنا ہے۔ Staff Level agreement کے پیش نظر، ہمیں متوقع ہے کہ مارکیٹ موجودہ صحتی رفتار کو جاری رکھے گی۔

کارکردگی اور آپریشنل جائزہ - بی بی ایف ریٹائرمنٹ سیٹیفکیشنز

فنز چارٹریڈ فنڈز پر مشتمل ہے یعنی ایکویٹی سب فنڈ، ڈیٹ سب فنڈ، منی مارکیٹ سب فنڈ اور کموڈٹی سب فنڈ۔ فنڈز نے مجموعی طور پر 557.310 ملین پاکستانی روپے کی مجموعی آمدنی حاصل کی اور سال کے دوران فنڈز کو 6.27 ملین پاکستانی روپے کا خالص نقصان ہوا۔ سال کے اختتام تک فنڈز کا مجموعی حجم 4507.046 ملین پاکستانی روپے رہا۔

ہر فنڈ فنڈز کی کارکردگی کا جائزہ ذیل میں دیا گیا ہے۔

الف) ایکویٹی سب فنڈ

30 جون 2023 کو ختم ہونے والے سال کے لیے، ایکویٹی سب فنڈ 6.27 ملین پاکستانی روپے کا خالص نقصان ہوا، ایکویٹی سب فنڈ کے خالص آمدنی 731.049 ملین پاکستانی روپے رہے جو 30 جون 2023 تک 736.5510 ملین پاکستانی روپے فی یونٹ کی خالص آمدنی کی نمائندگی کرتے ہیں۔

ب) ڈیٹ سب فنڈ

30 جون 2023 کو ختم ہونے والے سال کے لیے، ڈیٹ سب فنڈ نے 160.908 ملین پاکستانی روپے کی مجموعی آمدنی اور 145.649 ملین پاکستانی روپے کی خالص آمدنی حاصل کی۔ ڈیٹ سب فنڈ کے خالص آمدنی 1,035.55 ملین پاکستانی روپے رہے جو 30 جون 2023 تک 354.8957 ملین پاکستانی روپے فی یونٹ کی خالص آمدنی کی نمائندگی کرتے ہیں۔

پ) منی مارکیٹ سب فنڈ

30 جون 2023 کو ختم ہونے والے سال کے لیے، منی مارکیٹ کے فی یونٹ فنڈ نے 344.659 ملین پاکستانی روپے کی مجموعی آمدنی اور 317.096 ملین پاکستانی روپے کی خالص آمدنی حاصل کی۔ منی مارکیٹ سب فنڈ کے خالص آمدنی 2,732.862 ملین پاکستانی روپے رہے جو 30 جون 2023 تک 282.6542 ملین پاکستانی روپے فی یونٹ کی خالص آمدنی کی نمائندگی کرتے ہیں۔

ت) کموڈٹی سب فنڈ

30 جون 2023 کو ختم ہونے والے سال کے لیے، کموڈٹی سب فنڈ کو 1.292 ملین پاکستانی روپے کی مجموعی آمدنی اور 0.85 ملین پاکستانی روپے کا خالص نقصان ہوا۔ کموڈٹی سب فنڈ کے خالص آمدنی 7.585 ملین پاکستانی روپے رہے جو 30 جون 2023 تک 181.2200 ملین پاکستانی روپے فی یونٹ کی خالص آمدنی کی نمائندگی کرتے ہیں۔

آئینہ

موجودہ قانونی آئینہ ریٹائرمنٹ ریگولیشنز اور انکم اینڈ کیپیٹل چارٹر ڈاکا کی منظوری کے لیے پیش کرتے ہیں۔ آئینہ کمیشن نے سال 2024 کے لیے فنڈز کے قانونی آئینہ کے طور پر ان کی تقرری کی سفارش کی ہے۔

ہم اپنے قابل قدر ریونٹ ہولڈرز کا یو پی ایل فنڈ منیجرز لمیٹڈ پر اعتماد اور بھروسے کے لیے شکریہ ادا کرتے ہیں۔ ہم سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اسٹیٹ بینک آف پاکستان، سینٹرل بینک پارٹنری کمپنی آف پاکستان لمیٹڈ (نوسٹی) کی مسلسل حمایت، رہنمائی اور تعاون کا اعتراف کرتے ہیں۔ بورڈ اس موقع پر ملازمین کی لگن، عزم، جوش اور محنت کو بھی سراہتا ہے۔

منجانب اور برائے بورڈ آف ڈائریکٹرز آف یو پی ایل فنڈ منیجرز لمیٹڈ

SD _____

احمد حامد

چیرمین

SD _____

یاسر قادری

چیف ایگزیکٹو آفیسر

کراچی

تاریخ: 13 اگست 2023ء

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS

Report on the audit of the financial statements

Opinion

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at June 30, 2023, and its financial performance and its cash flows for the year then ended in accordance with accounting and reporting standards as applicable in Pakistan.

Basis for opinion

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

Information other than the financial statements and auditor's report thereon

The Management Company of the Fund ("UBL Fund Management Limited") is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management Company and its Board of Directors

The Management Company ("UBL Fund Managers Limited") of the Fund is responsible for the preparation and fair presentation of the financial statements in accordance with the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and accounting and reporting standards as applicable in Pakistan and for such internal control as the Management Company determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Management Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Company.
- Conclude on the appropriateness of the Management Company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on other legal and regulatory requirements

Based on our audit, we further report that in our opinion the financial statements have been prepared in accordance with the relevant provisions of the Trust Deed, NBFC Rules and NBFC Regulations.

Other Matter

The annual financial statements for the year ended June 30, 2022 were audited by another firm of Chartered Accountants, whose audit report dated September 28, 2022, expressed an unmodified opinion respectively, on the aforementioned financial statements.

The engagement partner on the audit resulting in this independent auditor's report is Zulfikar Ali Causer.

KARACHI

DATED: 25 AUG 2023

UDIN: AR202310067pN91ujmQ4



BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

URSF

UBL Retirement Savings Fund

INVESTMENT OBJECTIVE

URSF is an 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.

Pension Fund Manager	UBL Fund Managers Limited
Trustee	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
Distribution Company	United Bank Limited (for detail of others, please visit our website: www.ublfunds.com.pk)
Auditor	BDO Ebrahim & Co. Chartered Accountants
Bankers	Allied Bank Limited Bank Alfalsh Limited Habib Bank Limited JS Bank Limited Khushhali Bank Limited MCB Bank Limited Samba Bank Limited Sindh Bank Limited Tameer MicroFinance Bank United Bank Limited Zarai Taraqati Bank Limited Soneri Bank Limited
Pension Fund Managers Rating	AMI (VIS)

Fund Manager's Report – UBL Retirement Savings Fund (URSF)

- i) **Description of the Voluntary Pension Scheme (VPS) category and type**
Voluntary Pension Scheme / Open-end
- ii) **Statement of VPS's investment objective**
URSF is an 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.
- iii) **Explanation as to whether the VPS achieved its stated objective**
The Pension Scheme achieved its stated objective.
- iv) **Statement of benchmark(s) relevant to the VPS**
None
- v) **Comparison of the VPS's performance during the period compared with the said benchmarks**

Monthly Yield*	Jul'22	Aug'22	Sep'22	Oct'22	Nov'22	Dec'22	Jan'23	Feb'23	Mar'23	Apr'23	May'23	Jun'23	FYTD
URSF-ESF	-2.51%	5.20%	-3.62%	-0.07%	1.37%	-4.42%	-0.56%	-0.28%	1.98%	4.54%	-1.25%	0.17%	0.74%
URSF-DSF	13.23%	12.35%	16.05%	9.18%	-0.81%	16.38%	15.85%	13.66%	15.54%	18.41%	23.58%	24.43%	15.84%
URSF-IMSF	13.08%	12.81%	13.54%	13.39%	11.82%	16.11%	14.58%	14.12%	17.95%	19.33%	20.11%	19.29%	16.67%
URSF-CSF	-1.40%	-1.88%	-1.28%	-0.51%	7.03%	3.09%	5.35%	-3.65%	6.73%	1.71%	-0.71%	-1.60%	12.87%

UBL Retirement Savings Fund	FY'23
High Volatility	3.8%
Medium volatility	8.4%
Low volatility	12.2%
Lower volatility	16.2%

- vi) **Description of the strategies and policies employed during the period under review in relation to the VPS's performance**

The Equity Sub Fund generated a return of -9.65% during FY22. Major exposure was taken in Commercial Banks (22%), Oil & Gas Exploration (22%) and Fertilizer (8%).

The Debt Sub Fund maintained majority exposure in government securities during the year, keeping the return consistent by generating a yield of 8.79% p.a.

The Money Market Sub Fund maintained majority exposure in government securities during the year, keeping the return consistent by generating a yield of 8.83% p.a.

The Commodity Sub Fund generated a return of 5.35% during the year, which was primarily due to the upward rising trend in international gold prices during the FY22.

- vii) Disclosure of the VPS's asset allocation as at the date of the report and particulars of significant changes in asset allocation since the last report (if applicable)

Correction

Asset Allocation (% of Total Assets)	Jun-23	Jun-22
T-Bills	7%	0%
Placements with banks	0%	0%
Term Finance Certificates/ Sukuks	11%	8%
PIB - Floater	36%	0%
Cash	44%	88%
Others	2%	4%
Leverage	Nil	Nil
URSF Money Market (% of Total Assets)	Jun-23	Jun-22
T-Bills	56%	0%
Placements with banks	0%	0%
PIB - Floater	15%	0%
Cash	27%	97%
Others	1%	3%
Leverage	Nil	Nil
URSF Equity (% of Total Assets)	Jun-23	Jun-22
Equities	90%	92%
Cash	7%	4%
Others	3%	4%
Spread Transaction	0%	0%
Leverage	Nil	Nil
URSF Commodity (% of Total Assets)	Jun-23	Jun-22
Gold	66%	81%
T-Bills	0%	0%
Cash	64%	95%
Others*	-30%	-75%
Leverage	Nil	Nil

- viii) **Analysis of the VPS performance**

URSF-ESF: FY'23 Return:	0.74%
URSF-DSF: FY'23 Return:	15.84%
URSF-MMSF: FY'23 Return:	16.67%
URSF-CSF: FY'23 Return:	12.87%

- ix) **Changes in total NAV and NAV per unit since the last review period or since commencement (in case of newly established VPS)**

	Net Asset Value			NAV per unit		
	30-Jun-23	30-Jun-22	Change	30-Jun-23	30-Jun-22	Change
	Rupees (000)		%	Rupees		%
URSF-ESF	731,049	1,403,114	(47.90)	736.5510	731.1177	271.25%
URSF-DSF	1,035,549	1,077,121	(3.86)	354.8957	306.3681	5781.47%
URSF-MMSF	2,732,862	1,467,571	86.22	282.6542	242.2754	6083.27%
URSF-CSF	7,585	41,021	(81.51)	181.2200	160.5500	4699.19%

- x) **Disclosure on the markets that the VPS has invested in including - review of the market(s) invested in and returns during the period**

Please refer to relevant section in director report

- xi) **Description and explanation of any significant changes in the state of affairs of the VPS during the period and up till the date of the manager's report, not otherwise disclosed in the financial statements**

There were no significant changes in the state of affairs during the year under review.

- xii) **Breakdown of unit holdings by size**

Range of Units	Number of Investors	Number of Investors	Number of Investors	Number of Investors
	ESF	DSF	MMSF	CSF
0.0001 - 9,999.9999	1,306	1,798	1,234	164
10,000.0000 - 49,999.9999	19	46	120	0
50,000.0000 - 99,999.9999	2	7	24	0
100,000.0000 - 499,999.9999	1	4	22	0
500,000.0000 & Above	0	0	0	0
Total	1,328	1,855	1,400	164

- xiii) **Disclosure on unit split (if any), comprising:-**

There were no unit splits during the period.

- xiv) **Disclosure of circumstances that materially affect any interests of unit holders**
Investment are subject to credit and market risk.
- xv) **Disclosure if the Asset Management Company or its delegate, if any, receives any soft commission (i.e. goods and services) from its broker(s) or dealer(s) by virtue of transactions conducted by the VPS.**
No soft commissions are received by the AMC from its brokers or dealers by virtue of transactions conducted by the Pension Scheme.

Head Office:

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



TRUSTEE REPORT TO THE PARTICIPANTS

UBL RETIREMENT SAVINGS FUND

**Report of the Trustee pursuant to Regulation 67D of the Non-Banking Finance Companies
and Notified Entities Regulations, 2008**

We, Central Depository Company of Pakistan Limited, being the Trustee of UBL Retirement Savings Fund (the Fund) are of the opinion that UBL Fund Managers Limited being the Pension Fund Manager has in all material respects managed the Fund during the year ended June 30, 2023 in accordance with the provisions of the constitutive documents of the Fund, the Voluntary Pension System Rules, 2005 and the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

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


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, September 28, 2023

UBL RETIREMENT SAVINGS FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2023

		June 30, 2023					June 30, 2022				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Fund	Commodity Sub-Fund	Total
Note		(Rupees in '000)									
ASSETS											
Bank balances	5	50,760	528,668	748,908	5,337	1,333,673	90,211	983,018	1,446,952	39,974	2,560,155
Investments - Net	6	685,373	650,816	1,973,846	-	3,310,035	1,316,190	92,117	-	-	1,408,307
Receivable against sale of investments		18,783	-	-	-	18,783	8,955	-	-	-	8,955
Dividend and profit receivable	7	906	25,275	17,794	118	44,093	1,333	10,429	23,273	17	35,052
Deposits and other receivables	8	3,811	615	8,155	2,991	15,572	14,515	2,108	6,035	2,803	25,461
Advance income tax	9	1,767	2,106	3,176	50	7,099	1,223	1,542	2,994	43	5,802
TOTAL ASSETS		761,399	1,207,480	2,751,879	8,496	4,729,254	1,432,427	1,089,214	1,479,254	42,837	4,043,732
LIABILITIES											
Payable to UBL Funds Manager Limited - Pension Fund Manager	10	8,475	4,321	11,513	71	24,379	6,020	2,592	3,526	128	12,266
Payable to Central Depository Company of Pakistan Limited - Trustee	11	101	110	275	1	487	665	15	150	4	834
Payable to the Securities and Exchange Commission of Pakistan	12	460	400	798	7	1,665	591	354	437	8	1,390
Payable against purchase of investments		2,012	161,668	-	-	163,680	6,663	-	-	-	6,663
Accrued expenses and other liabilities	13	19,303	5,431	6,431	832	31,997	15,374	9,133	7,569	1,674	33,750
TOTAL LIABILITIES		30,351	171,930	19,017	911	222,208	29,313	12,094	11,682	1,814	54,903
NET ASSETS		731,049	1,035,550	2,732,862	7,585	4,507,046	1,403,114	1,077,120	1,467,572	41,023	3,988,829
PARTICIPANTS' SUB-FUNDS											
(as per statement attached)		731,049	1,035,550	2,732,862	7,585	4,507,046	1,403,114	1,077,120	1,467,572	41,023	3,988,829
CONTINGENCIES AND COMMITMENTS											
	14	Units					Units				
NUMBER OF UNITS IN ISSUE	15	992,531	2,917,899	9,668,572	41,853		1,919,136	3,515,776	6,057,453	255,500	
		Rupees					Rupees				
NET ASSET VALUE PER UNIT		736.5510	354.8957	282.6542	181.2200		731.1177	306.3681	242.2754	160.5500	

The annexed notes from 1 to 29 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Pension Fund Manager)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

**UBL RETIREMENT SAVINGS FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2023**

June 30, 2023						June 30, 2022					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Fund	Commodity Sub-Fund	Total	
Note	(Rupees in '000)										
INCOME											
Financial income	17	11,297	173,943	349,238	2,345	536,823	6,382	98,189	125,850	1,500	231,921
Realized loss on sale of investments - net		(44,786)	(10,424)	(2,641)	(924)	(58,775)	(66,669)	(3,856)	(3,703)	(168)	(74,396)
Dividend income		112,114	-	-	-	112,114	112,158	-	-	-	112,158
Unrealised (loss) / gain on revaluation of investments classified as financial assets 'at fair value through profit or loss' - net		(28,174)	(2,915)	(1,938)	(129)	(33,156)	(184,876)	1,572	-	(1,011)	(184,315)
Other income		-	304	-	-	304	11	152	182	20	365
TOTAL INCOME		50,451	160,908	344,659	1,292	557,310	(132,994)	96,057	122,329	341	85,733
EXPENSES											
Remuneration of UBL Fund Managers Limited											
- Pension Fund Manager	10.1	27,826	6,265	10,146	140	44,377	28,019	13,498	16,559	305	58,381
Sindh Sales Tax on remuneration of the Pension Fund Manager	10.2	3,741	814	1,319	18	5,892	3,643	1,755	2,153	40	7,591
Selling and marketing expense	10.3	14,578	4,987	9,939	-	29,504	1,937	1,173	1,509	-	4,619
Allocated expenses	10.4	1,149	828	-	-	1,977	1,294	-	-	-	1,294
Remuneration of Central Depository Company of Pakistan Limited - Trustee	11	1,388	1,205	2,400	22	5,015	2,021	1,201	1,479	25	4,726
Annual fee to the Securities and Exchange Commission of Pakistan	12	460	400	798	7	1,665	591	354	437	8	1,390
Auditor's remuneration	18	215	220	214	201	850	151	145	151	144	591
Brokerage expense		6,275	439	220	-	6,934	6,829	101	175	2	7,107
Custody and settlement charges		1,001	5	11	-	1,017	541	189	-	-	730
Legal and professional charges		55	55	55	54	219	47	47	47	47	188
Bank charges and other expenses		29	41	2,461	3	2,534	-	20	37	5	62
TOTAL EXPENSES		56,717	15,259	27,563	445	99,984	45,073	18,483	22,547	576	86,679
Net operating (loss) / income for the year		(6,266)	145,649	317,096	847	457,326	(178,067)	77,574	99,782	(235)	(946)
Element of Income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - net	4.6	-	-	-	-	-	-	-	-	-	-
Reversal of provision for Sindh Workers' Welfare Fund (SWWF)	13.1	-	-	-	-	-	24,992	5,502	4,325	135	34,954
Net (loss) / income for the year before taxation		(6,266)	145,649	317,096	847	457,326	(153,075)	83,076	104,107	(100)	34,008
Taxation	19	-	-	-	-	-	-	-	-	-	-
Net (loss) / income for the year after taxation		(6,266)	145,649	317,096	847	457,326	(153,075)	83,076	104,107	(100)	34,008
Earnings / (loss) per unit	20										

The annexed notes from 1 to 29 form an integral part of these financial statements.

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

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

UBL RETIREMENT SAVINGS FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2023

	June 30, 2023					June 30, 2022				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Fund	Commodity Sub-Fund	Total
	(Rupees in '000)									
Net (loss) / income for the year	(6,266)	145,649	317,096	847	457,326	(153,075)	83,076	104,107	(100)	34,008
Other comprehensive income for the year:	-	-	-	-	-	-	-	-	-	-
Total comprehensive (loss) / income for the year	(6,266)	145,649	317,096	847	457,326	(153,075)	83,076	104,107	(100)	34,008

The annexed notes from 1 to 29 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Pension Fund Manager)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

UBL RETIREMENT SAVINGS FUND
STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB-FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

Note	June 30, 2023					June 30, 2022				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market	Commodity Sub-Fund	Total
	(Rupees in '000)									
Net assets at beginning of the year	1,403,114	1,077,120	1,467,572	41,023	3,988,829	1,835,641	845,789	1,135,942	12,768	3,830,140
Amount received on issuance of units	436,059	731,658	2,291,324	13,491	3,472,533	341,527	552,231	866,281	38,849	1,798,888
Reallocation among Sub-Funds	81,369	(46,926)	(32,595)	(1,848)	-	81,369	(46,926)	(32,595)	(1,848)	-
Amount paid on redemption of units	(1,183,227)	(871,951)	(1,310,535)	(45,928)	(3,411,641)	(702,348)	(356,819)	(606,163)	(8,646)	(1,673,976)
	(665,799)	(187,219)	948,194	(34,285)	60,892	(279,452)	148,486	227,523	28,355	124,912
Element of (income) / loss and capital (gains) / / losses included in price of units sold less those in units redeemed - net	4.6									
Net (loss) / gain on sale of investments	(44,786)	(10,424)	(2,641)	(924)	(58,775)	260,112	(1,532)	(161)	305	258,724
Unrealised (loss) / gain on revaluation of investments classified as 'at fair value through profit or loss'	(28,174)	(2,915)	(1,938)	(129)	(33,156)	169,351	219	-	-	169,570
Other net income (loss) for the year	66,694	158,988	321,675	1,900	549,257	(582,538)	84,389	104,268	(405)	(394,286)
	(6,266)	145,649	317,096	847	457,326	(153,075)	83,076	104,107	(100)	34,008
Net assets at end of the year	731,049	1,035,550	2,732,862	7,585	4,507,047	1,403,114	1,077,120	1,467,572	41,023	3,988,829

The annexed notes from 1 to 29 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Pension Fund Manager)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

UBL RETIREMENT SAVINGS FUND
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2023

		June 30, 2023					June 30, 2022				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Fund	Commodity Sub-Fund	Total
		(Rupees in '000)									
CASH FLOWS FROM OPERATING ACTIVITIES											
	Note										
Net (loss) / income for the year before taxation		(6,266)	145,649	317,096	847	457,326	(153,075)	83,076	104,107	(100)	34,008
Adjustments for:											
Financial income		(11,297)	(173,943)	(349,238)	(2,345)	(536,823)	(6,382)	(98,189)	(125,850)	(1,500)	(231,921)
Dividend income		(112,114)	-	-	-	(112,114)	(112,158)	-	-	-	(112,158)
Realized loss on sale of investments - net		44,786	10,424	2,641	924	58,775	66,669	3,856	3,703	168	74,396
Unrealised loss / (gain) on revaluation of investments classified as 'at fair value through profit or loss'		28,174	2,915	1,938	129	33,156	184,876	(1,572)	-	-	183,304
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed - net	4.6	-	-	-	-	-	-	-	-	-	-
Reversal of provision for Sindh Workers' Welfare Fund (SWWF)		-	-	-	-	-	(24,992)	(5,502)	(4,325)	(135)	(34,954)
		(56,717)	(14,955)	(27,563)	(445)	(99,680)	(45,062)	(18,331)	(22,365)	(1,567)	(87,325)
(Increase) / decrease in assets											
Investments		557,857	(572,038)	(1,978,425)	(1,053)	(1,993,659)	71,401	389,662	(3,703)	(168)	457,192
Receivable against sale of investments		(9,828)	-	-	-	(9,828)	6,363	-	-	-	6,363
Deposits and other receivables		10,704	1,493	(2,120)	(188)	9,889	17,680	3,469	(3,702)	560	18,007
		558,733	(570,545)	(1,980,545)	(1,241)	(1,993,598)	95,444	393,131	(7,405)	392	481,562
Increase / (decrease) in liabilities											
Payable to UBL Funds Manager Limited - Pension Fund Manager		2,455	1,729	7,987	(57)	12,113	3,092	1,000	1,711	70	5,873
Payable to Central Depository Company of Pakistan Limited - Trustee		(564)	95	125	(3)	(347)	483	(74)	23	1	433
Payable to the Securities and Exchange Commission of Pakistan		(131)	46	361	(1)	275	191	143	164	5	503
Payable against purchase of investments		(4,651)	161,668	-	-	157,017	(22,440)	(325,370)	-	-	(347,810)
Accrued expenses and other liabilities		3,929	(3,702)	(1,138)	(842)	(1,753)	3,382	3,971	1,877	641	9,871
Cash (used in) / generated from operations		1,038	159,836	7,335	(903)	167,305	(15,292)	(320,330)	3,775	717	(331,130)
Profit / interest income received		11,143	159,097	354,717	2,244	527,201	6,229	94,487	109,961	1,534	212,211
Dividend income received		112,695	-	-	-	112,695	118,871	-	-	-	118,871
Advance tax paid		(544)	(564)	(182)	(7)	(1,297)	(29)	(774)	(1,692)	(5)	(2,500)
Net cash flows from / (used in) operating activities		626,348	(267,131)	(1,646,238)	(352)	(1,287,374)	160,161	148,183	82,274	1,071	391,689
CASH FLOWS FROM FINANCING ACTIVITIES											
Amount received on issuance of units		436,059	731,658	2,291,324	13,491	3,472,533	341,527	552,231	866,281	38,849	1,798,888
Re-allocation among funds		81,369	(46,926)	(32,595)	(1,848)	-	81,369	(46,926)	(32,595)	(1,848)	-
Amount paid on redemption of units		(1,183,227)	(871,951)	(1,310,535)	(45,928)	(3,411,641)	(702,348)	(356,819)	(606,163)	(8,646)	(1,673,976)
Net cash (used in) / flows from financing activities		(665,799)	(187,219)	948,194	(34,285)	60,892	(279,452)	148,486	227,523	28,355	124,912
Net (decrease) / increase in cash and cash equivalents		(39,451)	(454,350)	(698,044)	(34,637)	(1,226,482)	(119,291)	296,669	309,797	29,426	516,601
Cash and cash equivalents at the beginning of the year		90,211	983,018	1,446,952	39,974	2,560,155	209,502	686,349	1,137,155	10,548	2,043,554
Cash and cash equivalents at the end of the year		50,760	528,668	748,908	5,337	1,333,673	90,211	983,018	1,446,952	39,974	2,560,155
Cash and cash equivalents											
Bank balances	5	50,760	528,668	748,908	5,337	1,333,673	90,211	983,018	1,446,952	39,974	2,560,155
		50,760	528,668	748,908	5,337	1,333,673	90,211	983,018	1,446,952	39,974	2,560,155

The annexed notes from 1 to 29 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Pension Fund Manager)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

UBL RETIREMENT SAVINGS FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

1. LEGAL STATUS AND NATURE OF BUSINESS

UBL Retirement Savings Fund (the "Fund"), was established under the Trust Deed executed between UBL Fund Managers Limited (the "Pension Fund Manager" - a wholly owned subsidiary company of United Bank Limited) as the Pension Fund Manager and the MCB Financial Services Limited as the Trustee. The Trust Deed was executed on November 17, 2009, and the Fund was approved as a pension fund by the Securities and Exchange Commission of Pakistan (SECP) on January 29, 2010 in accordance with the requirements of Voluntary Pension System Rules, 2005 (the VPS Rules). The Fund commenced its operations from May 19, 2010. The trusteeship of the Fund was transferred to Central Depository Company of Pakistan Limited (CDC) effective from March 31, 2014 through a supplemental trust deed dated February 21, 2014.

The Pension Fund Manager of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules, 2003. The registered office of the Pension Fund Manager is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.

The Fund is a pension fund 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 Fund consists of four Sub-Funds namely, UBL Retirement Savings Fund Equity Sub-Fund ("Equity Sub-Fund"), UBL Retirement Savings Fund Debt Sub-Fund ("Debt Sub-Fund"), UBL Retirement Savings Fund Money Market Sub-Fund ("Money Market Sub-Fund") and UBL Retirement Savings Fund Commodity Sub-Fund ("Commodity 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 Assets Value (NAV) in listed shares. The investment in a single company is restricted to lower of 10% of 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 at least '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 up to twenty five percent (25%) of the Funds 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, up to 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) up to 10%, 5% and 5% of net assets of the Money Market Sub-Fund, respectively.
- The Commodity Sub-Fund shall invest only in those commodity futures contracts that are traded at the Pakistan Mercantile Exchange and cash settled futures contracts, except for gold for which the Commodity Sub-Fund, in addition to the cash settled futures, may also invest in deliverable futures contracts. At least seventy percent (70%) of net assets of the Commodity Sub-Fund shall remain invested in commodity futures contracts during the year based on quarterly average investment calculated on daily basis. At least 10% of the net assets of the Commodity Sub-Fund shall remain invested in Government treasury bills or Government securities having less than 90 days' time to maturity or kept as deposits with scheduled commercial banks which are rated not less than AA by a rating agency registered with SECP. A Pension Fund Manager may invest any surplus (un-invested) funds in Government treasury bills and Government securities having less than one year time to maturity or keep as deposits with scheduled commercial banks which are rated not less than AA by a rating agency registered with SECP.

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 and 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. UBL Retirement Savings Fund also offers optional insurance cover to the contributors.

VIS Credit Rating Company Limited has reaffirmed management quality rating of "AM1" (stable outlook) to the Management Company as on December 30, 2022.

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

Pursuant to the enactment of the Sindh Trusts Act, 2020 (as amended vide Sindh Trusts (Amended) Act, 2021), the Trusts including Collective Investment Schemes, Private Funds, etc., being Specialized Trusts are required to be registered with the Assistant Director of Industries and Commerce (Trust Wing), Government of Sindh under Section 12 of the Sindh Trusts Act, 2020. In this connection, the Management Company submitted restated Trust Deed of the Fund which was duly registered during the year on August 13, 2021.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

Where provisions of and directives issued under the Companies Act, 2017, the Voluntary Pension System Rules, 2005 and requirements of the Trust Deed differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017, the Voluntary Pension System Rules, 2005 and requirements of the Trust Deed have been followed.

2.2 These financial statements have been prepared under the historical cost convention, except investments that are stated at fair values.

These financial statements have been prepared by following accrual basis of accounting except for cash flows information.

2.3 Functional and presentation currency

These financial statements are presented in Pakistan Rupee, which is the fund's functional and presentation currency.

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of approved accounting standards, as applicable in Pakistan, that have significant effect on the financial statements and estimates with a significant risk of material judgment in the next year are as follows:

Classification and measurement of financial assets and financial liabilities

For details please refer notes 4.2.1.1 and 23 to these financial statements.

Impairment of financial assets

For details please refer notes 4.2.1.2 to these

Provision for taxation

For details please refer notes 4.4 and 19 to these financial statements.

Sindh Workers' Welfare Fund

For details please refer note 13.1 to these financial statements.

Other assets

Judgement is involved in assessing the realisability of other assets balances.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2023

The following standards, amendments and interpretations are effective for the year ended June 30, 2023. These standards, amendments and interpretations are either not relevant to the Fund's operations or are not expected to have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 3 'Business Combinations' - Reference to the conceptual framework	January 01, 2022
Amendments to IAS 16 'Property, Plant and Equipment' - Proceeds before intended use	January 01, 2022
Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' - Onerous Contracts - Cost of fulfilling a	January 01, 2022

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

3.2 New accounting standards, amendments and interpretations that are not yet effective

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

Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2024
Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2024

	Effective date (annual periods beginning on or after)
Amendments to IAS 1 'Presentation of Financial Statements' - Disclosure of Accounting Policies	January 01, 2023
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' - Supplier finance arrangements	January 01, 2024
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of Accounting Estimates	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Deferred Tax related to Assets and Liabilities arising from a single transaction	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes	January 01, 2023
The following new standards and interpretations have been issued by the International Accounting Standards Board (IASB), which have not been adopted locally by the Securities and Exchange Commission of Pakistan (SECP):	
IFRS 1	First Time Adoption of International Financial Reporting Standards
IFRS 17	Insurance Contracts

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These accounting policies have been consistently applied, unless otherwise

4.1 Cash and cash equivalents

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

4.2 Financial Instruments

4.2.1 Financial assets

4.2.1.1 Classification and measurement of financial assets and financial liabilities

On initial recognition, a financial asset is classified and measured at: amortised cost, or fair value through profit or loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model on which a financial asset is managed and its contractual cash flow characteristics.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Business model assessment

The Fund determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Fund's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

The objectives for the portfolio, in particular, whether management's strategy focuses on earning contractual revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realizing cash flows through the sale of the assets;

How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;

The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed; and

How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Fund's original expectations, the Fund does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Assessments whether contractual cash flows are solely payments of principal and interest (SPPI)

As a second step of its classification process the Fund assesses the contractual terms of financial to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium / discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Fund applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than the minimum exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

Subsequent measurement

The following accounting policies apply to the subsequent measurement of financial assets:

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in income statement.
----------------------------------	--

Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses (refer note 4.2.1.2). Interest income, foreign exchange gains and losses and impairment are recognised in income statement.
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4.2.1.2 Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized.

The guiding principle of the expected credit loss (ECL) model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments. The amount of ECLs recognised as a loss allowance or provision depends on the extent of credit deterioration since initial recognition. Under the general approach, there are two measurement bases:

- 12-month ECLs (Stage 1), which applies to all items (from initial recognition) as long as there is no significant deterioration in credit quality.
- Lifetime ECLs (Stages 2 and 3), which applies when a significant increase in credit risk has occurred on an individual or collective basis.

The Fund's financial assets include mainly investment, advances and deposits, dividend and profit receivable and bank balances.

SECP through its SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 have deferred the applicability of above impairment requirements in relation to debt securities for mutual funds. Meanwhile, asset management companies shall continue to follow the requirements of Circular 33 of 2012 dated October 24, 2012 in relation to impairment of debt securities.

4.2.1.3 Regular way contracts

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Fund commits to purchase or sell the asset.

4.2.1.4 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

4.2.2 Financial liabilities

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

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

4.2.3 Offsetting of financial assets and liabilities

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

4.3 Provisions

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

4.4 Taxation

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

4.5 Issue and redemption of units

Units are allocated at the offer price prevalent on the day on which funds for purchase of units are realized. The offer price represents the net asset value per unit at the end of the preceding day. Issue of units is also recorded on realization of funds.

Units redeemed are recorded at the redemption price, applicable to units for which the Fund receives redemption applications during business hours of that day. The redemption price represents the net asset value per unit at the end of the preceding day. Redemption of units is recorded on acceptance of application for redemption.

4.6 Element of income

An equalisation account called the 'element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed' is created, in order to prevent the dilution of per unit income and distribution of income already paid out on redemption.

Units redeemed are recorded at the redemption price, applicable to units for which the Fund receives redemption applications during the business hours of that day. The redemption price represents the net asset value per unit as at the close of the business day less an amount that the Pension Fund Manager may consider to be an appropriate provision of duties and charges. Redemption of units is recorded on acceptance of application for redemption.

The 'element of income / (loss) and capital gains / (losses) in prices of units issued less those in units redeemed' during the year is transferred to the 'income statement'.

However, during the year the SECP through S.R.O. 1068 (I)/2021 and 1069 (I)/2021 made certain amendments in Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and Voluntary Pension System Rules, 2005 (the VPS Rules) respectively. One of these amendments relate to removal of Rule 7 (e) and (f) from the VPS Rules, which contained the principles for the preparation and presentation of the financial statements of Pension Funds. Since, the guidance issued under these rules are not applicable, therefore, for the current year no amount is reflected in the income statement, the cash flow statement and the statement of movement in participation fund "Element of income / (loss) and capital gains /(loss) included in the price of units issued less those in units redeemed".

4.7 Net assets value per unit

The net assets value (NAV) per unit as disclosed in the statement of assets and liabilities is calculated by dividing the net assets of the Fund by the number of units in issue at the year end.

4.8 Revenue recognition

- Realised capital gains / (losses) arising on sale of investments are included in the income statement on the date at which the transaction takes place.
- Dividend income from equity securities is recognised when the right to receive the dividend is established.
- Profit on bank deposits is recognised on a time apportionment basis.
- Unrealised gains / (losses) arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are included in the income statement in the year in which they arise.

- Return on Government securities, Sukuks, bank balances and term deposits are recognised at the rate of return implicit in the instrument on a time proportionate

4.9 Expenses

All expenses including NAV based expenses are recognised in the income statement on a time apportionment basis.

4.10 Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the year end exchange rates are recognised in the income statement.

4.11 Transactions with related parties / connected persons

Transactions with related parties / connected persons are based at arm's length at normal commercial rates on the same terms and conditions as applicable to third party transactions.

Remuneration to the Management Company and the Trustee is determined in accordance with the provisions of Voluntary Pension System Rules, 2005 and the Trust Deed respectively.

4.12 Expenses

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

5. BANK BALANCES

Note	June 30, 2023					June 30, 2022				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
	(Rupees in '000)									
5.1	50,760	528,661	748,901	5,337	1,333,659	90,211	983,011	1,446,715	39,974	2,559,911
	-	7	7	-	14	-	7	237	-	244
	50,759.70	528,668	748,908	5,337	1,333,673	90,211	983,018	1,446,952	39,974	2,560,155

5.1 These carry mark-up at the rates ranging from 13.50% to 22.65% (2022: 8.5% to 15.5%) per annum.

6. INVESTMENTS -NET

Note	June 30, 2023					June 30, 2022				
	Equity	Debt	Money Market	Commodity	Total	Equity	Debt	Money Market	Commodity	Total
	Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	
	(Rupees in '000)									
6.1	685,373	-	-	-	685,373	1,316,190	-	-	-	1,316,190
6.2	-	89,613	1,549,866	-	1,639,479	-	-	-	-	-
6.3	-	432,725	423,980	-	856,705	-	-	-	-	-
6.4	-	128,478	-	-	128,478	-	92,117	-	-	92,117
	685,373	650,816	1,973,846	-	3,310,035	1,316,190	92,117	-	-	1,408,307

6.1 Equity securities - Fair Value Through Profit or Loss
(Ordinary Shares of Rs. 10 each unless indicated otherwise)

Name of Investee Company	Note	As at July 01, 2022	Purchased / bonus / right received during the year	Sold during the year	As at June 30, 2023	Total carrying value as at June 30, 2023	Total Market value as at June 30, 2023	Unrealised appreciation / (diminution) on revaluation of investments	Market value as a percentage of net assets	Market value as a percentage of total investments	Investment as a percentage of paid-up capital of investee company
Quoted investments		Number of shares				(Rupees in '000)			Percentage		
Appliances											
Waves Home Appliances Limited		-	25,900	(25,000)	900	-	3,987	3,987	0.01	0.01	0.01
Automotive											
Ghandara Industries		-	25,000	(25,000)	-	-	-	-	-	-	-
Panther Tyres Limited		387,800	67,000	(443,500)	11,300	368,823	227,808	(141,015)	0.31	0.33	0.20
Treet Corporation Limited		-	135,000	(135,000)	-	-	-	-	-	-	-
Banking											
Allied Bank Limited		173,700	-	(173,700)	-	-	-	-	-	-	-
Bank Al-falah Limited		1,177,178	958,256	(1,057,500)	1,077,934	34,533,856	32,812,311	(1,721,545)	44.88	47.88	18.71
Bank Al-Habib Limited		602,309	-	(596,864)	5,445	316,137	235,333	(80,804)	0.32	0.34	0.02
Faysal Bank Limited		1,467,775	836,000	(2,265,481)	38,294	972,323	772,773	(199,550)	1.06	1.13	0.27
Habib Bank Limited		548,169	792,000	(1,204,500)	135,669	10,014,753	9,935,041	(79,712)	13.59	14.50	-
Habib Metropolitan Bank Limited		469,000	-	(469,000)	-	-	-	-	-	-	-
MCB Bank Limited		-	187,000	(44,920)	142,080	16,191,853	16,263,898	72,045	22.25	23.73	-
Meezan Bank Limited		213,693	582,688	(457,400)	338,981	33,033,596	29,277,789	(3,755,807)	40.05	42.72	2.54
United Bank Limited		1,000,300	412,500	(1,171,517)	241,283	27,077,280	28,360,404	1,283,124	38.79	41.38	0.06
Cables											
Pakistan Cables Limited		79,300	26,089	(23,600)	81,789	8,199,567	6,781,944	(1,417,623)	9.28	9.90	0.03
Cement											
Attock Cement Pakistan Limited		-	220,000	(20,000)	200,000	14,954,197	16,574,000	1,619,803	22.67	24.18	-
Cherat Cement Company Limited		500	252,500	(253,000)	-	-	-	-	-	-	-
Fauji Cement Company Limited		-	1,000,000	-	1,000,000	11,683,350	11,760,000	76,650	16.09	17.16	10.05
Ghani Gfb Hldgs		-	-	-	-	-	-	-	-	-	-
Kohat Cement Pakistan Limited		246,820	87,151	(146,261)	187,710	25,355,928	32,562,054	7,206,126	44.54	47.51	0.30
Lucky Cement Limited		91,962	130,400	(178,600)	43,762	20,195,717	22,847,703	2,651,986	31.25	33.34	-
Maple Leaf Cement Factory Limited		327,420	1,899,885	(1,521,956)	705,349	19,016,094	19,982,537	966,443	27.33	29.16	-
Pioneer Cement Limited		-	389,512	(365,000)	24,512	1,291,669	2,123,475	831,806	2.90	3.10	-
Ceramics											
Shabbir Tiles and Ceramics Limited		41,000	-	(41,000)	-	-	-	-	-	-	-
Chemicals											
Descon Oxychem Limited		-	724,500	(445,000)	279,500	6,755,732	6,769,490	13,758	9.26	9.88	0.25
Dynea Pakistan Limited		10,400	23,900	(20,100)	14,200	1,851,172	1,789,342	(61,830)	2.45	2.61	0.06
Ittehad Chemicals Limited		-	210,500	(210,500)	-	-	-	-	-	-	-
Nimir Resin Limited		639,500	388,000	(525,500)	502,000	7,274,842	6,430,620	(844,222)	8.80	9.38	0.26
Sitara Chemical		-	1,200	(1,200)	-	-	-	-	-	-	-
Synthetic Products Enterprises Limited		24,516	-	(15,000)	9,516	134,080	98,966	(35,114)	0.14	0.14	-
Conglomerates											
Engro Corporation Limited		51,921	294,416	(263,600)	82,737	22,409,553	21,502,519	(907,034)	29.41	31.37	0.09
Engineering											
Service Industries Limited		93,112	1,300	(35,400)	59,012	20,742,784	15,489,470	(5,253,314)	21.19	22.60	-
Fertilizer											
Engro Fertilizers Limited		253,000	622,601	(724,515)	151,086	12,406,612	12,469,127	62,515	17.06	18.19	0.12
Fatima Fertilizer Company Limited		559,500	-	(559,407)	93	3,515	2,772	(743)	0.00	0.00	0.00
Fauji Fertilizer Company Limited		577,616	202,624	(643,794)	136,446	13,456,581	13,431,744	(24,837)	18.37	19.60	0.24
Food and Personal Care											
Bunny's Limited		-	253,000	(205,000)	48,000	1,107,887	796,800	(311,087)	1.09	1.16	0.04
National Foods Limited		50,000	106,300	(93,400)	62,900	6,568,791	6,189,360	(379,431)	8.47	9.03	-
Shezan International Limited		59,809	1,700	(23,700)	37,809	6,325,529	3,989,606	(2,335,923)	5.46	5.82	-
The Organic Meat Company Limited		519,000	524,767	(954,767)	89,000	1,828,730	1,849,420	20,690	2.53	2.70	0.15
Unity Foods Limited		-	1,070,000	(810,000)	260,000	4,029,980	4,063,800	33,820	5.56	5.93	0.34
Glass											
Tariq Glass Industries Limited		-	338,752	(63,500)	275,252	22,608,328	18,744,661	(3,863,667)	25.64	27.35	0.63

Name of Investee Company	Note	As at July 01, 2022	Purchased / bonus / right received during the year	Sold during the year	As at June 30, 2023	Total carrying value as at June 30, 2023	Total Market value as at June 30, 2023	Unrealised appreciation / (diminution) on revaluation of investments	Market value as a percentage of net assets	Market value as a percentage of total investments	Investment as a percentage of paid-up capital of investee company
Quoted investments		Number of shares			(Rupees in '000)			Percentage			
Healthcare											
Shifa International Hospitals Limited		68,110	65,000	(71,700)	61,410	7,419,343	7,522,111	102,768	10.29	10.98	-
Insurance											
Adamjee Insurance Company Limited		4,500	-	(4,500)	-	-	-	-	-	-	-
Media											
Hum Network Limited		3,399,500	1,008,900	(1,975,000)	2,433,400	14,400,632	14,211,056	(189,576)	19.44	20.73	10.14
Oil and gas exploration companies											
Mari Petroleum Company Limited		79,414	12,310	(68,062)	23,662	39,457,615	35,839,412	(3,618,203)	49.02	52.29	0.20
Oil and Gas Development Company Limited		1,067,121	698,000	(1,371,358)	393,763	31,607,362	30,713,514	(893,848)	42.01	44.81	1.41
Pakistan Oilfields Limited		35,641	100,738	(82,141)	54,238	22,594,374	21,791,201	(803,173)	29.81	31.79	0.02
Pakistan Petroleum Limited		1,188,005	1,152,075	(2,018,500)	321,580	19,706,976	19,018,241	(688,735)	26.02	27.75	-
Oil and gas marketing companies											
Attock Petroleum Limited		-	5,000	(5,000)	-	-	-	-	-	-	-
Pakistan State Oil Company Limited		53,539	274,000	(324,950)	2,589	345,872	287,405	(58,467)	0.39	0.42	0.02
Sui Northern Gas Pipelines Limited		217,066	830,000	(804,805)	242,261	10,235,457	9,537,816	(697,641)	13.05	13.92	0.37
Packaging											
Pakistan Aluminium Beverage Can Limited		314,500	194,000	(263,000)	245,500	8,253,862	11,101,510	2,847,648	15.19	16.20	-
Century Paper and Board Limited		223,200	256,046	(34,500)	444,746	13,917,811	12,559,627	(1,358,184)	17.18	18.33	-
Pharmaceuticals											
AGP Limited		79,800	95,000	(167,388)	7,412	434,996	418,630	(16,366)	0.57	0.61	-
Citi Pharma Limited		849,500	125,005	(177,361)	797,144	25,828,758	17,011,053	(8,817,705)	23.27	24.82	-
Ferozsons Lab		-	98,600	(9,100)	89,500	18,238,756	12,248,075	(5,990,681)	16.75	17.87	0.17
Highnoon Laboratories Limited		39,972	9,974	(8,350)	41,596	17,387,779	13,983,327	(3,404,452)	19.13	20.40	0.05
IBL HealthCare Limited		23,220	73,822	(90,000)	7,042	322,810	229,217	(93,593)	0.31	0.33	0.02
Sanofi Aventis Pakistan Limited		-	7,500	(140)	7,360	6,403,200	5,085,760	(1,317,440)	6.96	7.42	0.03
The Searle Company Limited		6,900	1,725	-	8,625	752,238	330,510	(421,728)	0.45	0.48	0.51
Power Generation											
Nishat Chunian Power Limited		-	863,609	(863,500)	109	2,279	1,820	(459)	0.00	0.00	-
Nishat Power Limited		91,000	725,000	(816,000)	-	-	-	-	-	-	-
Power generation and distribution											
Hub Power Company Limited		905,115	1,076,000	(1,428,400)	552,715	36,865,136	38,457,910	1,592,774	52.61	56.11	62.92
Lalpur Powers		-	259,000	(259,000)	-	-	-	-	-	-	-
Saif Power Limited		359,000	-	(359,000)	-	-	-	-	-	-	-
Shipping											
Pakistan National Shipping Corporation		-	29,700	3,722,070	3,751,770	3,722,070	3,936,141	214,071	5.38	5.74	1.61
Steel											
Amreli Steels Limited		-	251,000	(251,000)	-	-	-	-	-	-	-
International Steels Limited		97,930	211,000	(308,930)	-	-	-	-	-	-	-
Mughal Iron and Steel Industries Limited		8,515	138,303	(121,818)	25,000	1,264,031	1,211,000	(53,031)	1.66	1.77	0.02
Sugar and Allied Industries											
Shahmurad Sugar Mills Limited		52,000	3,000	(26,000)	29,000	2,505,719	4,350,000	1,844,281	5.95	6.35	0.08
Technology											
Avanceon LP		-	293,381	(289,500)	3,881	269,529	170,919	(98,610)	0.23	0.25	-
Image Pakistan Limited		-	864,800	-	864,800	7,546,740	8,353,968	807,228	11.43	12.19	0.59
Systems Limited		80,693	77,577	(103,726)	54,544	22,616,727	21,999,232	(617,495)	30.09	32.10	0.05
Telecommunication											
Air Link Communication Limited		2,500	147,000	(129,500)	20,000	634,445	396,600	(237,845)	0.54	0.58	0.01

Name of Investee Company	Note	As at July 01, 2022	Purchased / bonus / right received during the year	Sold during the year	As at June 30, 2023	Total carrying value as at June 30, 2023	Total Market value as at June 30, 2023	Unrealised appreciation / (diminution) on revaluation of investments	Market value as a percentage of net assets	Market value as a percentage of total investments	Investment as a percentage of paid-up capital of investee company
Quoted investments		Number of shares				(Rupees in '000)			Percentage		
Textile											
At-Tahur Limited (PREMA)		480,360	224,036	(37,500)	666,896	12,035,250	10,977,108	(1,058,142)	15.02	16.02	0.47
Gul Ahmed Textile Mills Limited		884,164	48,500	(930,699)	1,965	66,637	34,997	(31,640)	0.05	0.05	0.00
Interloop Limited		501,221	384,019	(386,647)	498,593	19,194,970	17,584,068	(1,610,902)	24.05	25.66	0.19
Kohinoor Textile Mills Limited		629,500	103,500	(425,000)	308,000	15,333,190	15,680,280	347,090	21.45	22.88	0.29
Loads Limited		602,500	-	(602,500)	-	-	-	-	-	-	-
Nishat Chunian Limited		2,700	120,000	(122,700)	-	-	-	-	-	-	-
Nishat Mills Limited		-	253,000	(253,000)	-	-	-	-	-	-	-
The Crescent Textile Mills Limited		450,500	-	(450,000)	500	8,995	6,450	(2,545)	0.01	0.01	0.00
Towellers Limited		154,700	2,000	(118,100)	38,600	3,552,355	6,184,878	2,632,523	8.46	9.02	-
						713,635	685,373	(28,262.58)			
Total as at June 30, 2023						713,635	685,373	(28,263)			
Total as at June 30, 2022						1,501,066	1,316,190	(184,876)			

6.1.1 The above equity security include 0.973 million shares (June 30, 2022: 1.373 million shares) pledged with National Clearing Company of Pakistan Limited having market value of Rs.42.747 million (June 30, 2022: Rs. 58.692 million) for guaranteeing settlement of the Fund's trades in accordance with circular No. 11 dated October 23, 2007 issued by the SECP.

6.1.2 The Finance Act, 2014 has brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the 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. An investee company of the Fund, in pursuance of the aforesaid amendment, withheld shares equivalent to 5% of bonus entitlement of the Fund having fair market value of Rs. 1.043 million (June 30, 2022: Rs. 1.357 million) at period end. Such shares have not been deposited by the investee company 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 year end. However, through Finance Act 2018, the tax on bonus is withdrawn.

Finance Act, 2018 effective from July 01, 2018 has omitted Section 236 of the ITO, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold 5% of the bonus shares to be issued. Accordingly, post July 01, 2018, shares are not being withheld at the time of bonus issue.

6.2 Government securities - Treasury Bills 'at fair value through profit or loss'
(certificates having a nominal value of Rs.100,000 each)

Particulars	Face value				Balance as at June 30, 2023			Market value as a percentage of net assets of the Sub-Fund	Market value as a percentage of total investments of the Sub-Fund
	As at July 01, 2022	Purchased during the year	Disposed / matured during the year	As at June 30, 2023	Carrying value	Market value	Appreciation / (diminution)		
	(Rupees in '000)							Percentage	
Held by Debt Sub-Fund									
Treasury Bills - 1 year	-	600,000	(492,000)	108,000	89,618	89,613	(5.37)	9%	14%
Treasury Bills - 3 months	-	2,821,500	(2,821,500)	-	-	-	-	-	-
June 30, 2023	-	3,421,500	(3,313,500)	108,000	89,618	89,613	(5.37)	-	-
June 30, 2022	-	3,695,000	(3,695,000)	7,390,000	-	-	-	-	-
Held by Money Market Sub-Fund									
Treasury Bills - 1 year	-	200,000	(200,000)	-	-	-	-	-	-
Treasury Bills - 3 months	-	16,536,500	(14,920,500)	1,616,000	1,549,861	1,549,866	4.78	57%	79%
Treasury Bills - 6 months	-	656,000	(656,000)	-	-	-	-	-	-
June 30, 2023	-	17,392,500	(15,776,500)	1,616,000	-	-	-	-	-
June 30, 2022	-	22,515,000	(22,515,000)	-	-	-	-	-	-

6.2.1 These Market Treasury Bills carried effective yield ranging from 21.25% to 21.99% (2022: 7.07% to 14.5%) per annum.

6.3 Government securities - Pakistan Investment Bonds 'at fair value through profit or loss'
(certificates having a nominal value of Rs.100,000 each)

Particulars	Note	Face value				Balance as at June 30, 2023			Market value as a percentage of net assets of the Sub - Fund	Market value as a percentage of total investments of the Sub - Fund
		As at July 1, 2022	Purchased during the year	Disposed / matured during the year	As at June 30, 2023	Carrying value	Market value	Appreciation / (diminution)		
Rupees in '000									%	
Held by Debt Sub-Fund										
Pakistan Investment Bonds - 3 years	6.3.1		150,000	(150,000)	-	-	-	-	-	-
Pakistan Investment Bonds - 5 years			750,000	(750,000)	-	-	-	-	-	-
Pakistan Investment Bonds - 10 years			800,000	(800,000)	-	-	-	-	-	-
Pakistan Investment Bonds-FRB-11			475,000	(475,000)	-	-	-	-	-	-
Pakistan Investment Bonds-FRB-19			425,000	(250,000)	175,000	190,775	190,775	-	18%	29%
Pakistan Investment Bonds-FRB-21			1,074,600	(912,300)	162,300	161,602	161,602	-	16%	25%
Pakistan Investment Bonds-FRB-22			100,000	(100,000)	-	-	-	-	-	-
Pakistan Investment Bonds-FRB-24			1,100,000	(1,100,000)	-	-	-	-	-	-
Pakistan Investment Bonds-FRB-26			100,000	(100,000)	-	-	-	-	-	-
Pakistan Investment Bonds-FRB-3			75,000	-	75,000	71,603	71,603	-	7%	11%
June 30, 2023		-	5,049,600	(4,637,300)	412,300	423,980	423,980	-	-	-
June 30, 2022		-	-	-	-	-	-	-	-	-

6.3.1 These Pakistan Investment Bond carried effective yield ranging from 18.554% to 21.975% (2022: 8.79% to 12%) per annum.

6.4 Debt Securities - Term Finance Certificates / Sukuks 'at fair value through profit or loss'
(face value of Rs.5,000 each unless otherwise stated)

Particulars	Note	As at July 01, 2022	Purchased during the year	Disposed / matured during the year	As at June 30, 2023	Carrying value as at June 30, 2023	Market values at June 30, 2023	Appreciation / (diminution)	Market value as a percentage of net assets of the Sub-Fund	Market value as a percentage of total investments of the Sub - Fund
		Number of units			Rupees in '000			%		
Held by Debt Sub-Fund										
Jahangir Siddiqui and Company Limited (Issue date - July 19, 2017)	6.4.1	10,000	-	-	10,000	6,497	6,260	(237)	0.60%	0.96%
Samba Bank Limited (Issue date - March 01, 2021)	6.4.1	330	-	-	330	33,105	32,974	(131)	3.18%	5.07%
Bank Al Habib Limited (Issue date - September 30, 2021)	6.4.1	8,000	-	-	8,000	60,884	59,244	(1,640)	5.72%	9.10%
Bank of Punjab (Issue date - April 17, 2023)	6.4.1	-	3,000	-	3,000	30,000	30,000	-		
June 30, 2023		18,330	3,000	-	21,330	130,486	128,478	(2,008)	9.51%	15.13%
June 30, 2022		10,330	8,000	-	18,330	90,545	92,117	1,572		

6.4.1 Significant terms and conditions of term finance certificates outstanding at the year end are as follows:

Name of security	Mark-up rate (Per annum)	Maturity
Bank Alfalah Limited	6M KIBOR + 1.25%	February 20, 2021
Jahangir Siddiqui and Company Limited	6M KIBOR + 1.40%	July 18, 2022
Samba Bank Limited	6M KIBOR + 1.35%	March 01, 2031
Bank Al Habib Limited	6M KIBOR + 0.75%	September 30, 2031
Bank of Punjab	6M KIBOR + 1.25%	April 17, 2023

7. DIVIDEND AND PROFIT RECEIVABLE

Particulars	June 30, 2023					June 30, 2022				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
	(Rupees in '000)									
Dividend receivable	-	-	-	-	-	581	-	-	-	581
Profit receivable on bank accounts and term deposit receipts	906	9,098	8,654	118	18,776	752	3,098	23,273	17	27,140
Profit receivable on Government securities and term finance certificates	-	16,177	9,140	-	25,317	-	7,331	-	-	7,331
	906	25,275	17,794	118	44,093	1,333	10,429	23,273	17	35,052

8. DEPOSITS AND OTHER RECEIVABLES

Particulars	June 30, 2023					June 30, 2022				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
	(Rupees in '000)									
Security deposit with Central Depository Company of Pakistan Limited (CDC)	100	100	-	-	200	100	100	-	-	200
Security deposit with National Clearing Company of Pakistan Limited (NCCPL)	2,500	-	-	-	2,500	2,500	-	-	-	2,500
Margin deposit account	-	-	-	2,916	2,916	-	-	-	2,452	2,452
Receivable against main collection account against issuance of units	250	488	7,974	29	8,741	11,904	1,891	5,853	281	19,929
Other receivables	11	27	181	26	245	11	117	182	50	360
Receivable from UBL FML	950	-	-	20	970	-	-	-	20	20
	3,811	615	8,155	2,991	15,572	14,515	2,108	6,035	2,803	25,461

9. ADVANCE INCOME TAX

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule of the Income Tax Ordinance, 2001 (ITO 2001). Further, the Fund is exempt under clause 47(B) of Part IV of Second Schedule of ITO 2001 from withholding of tax under section 151 and 233 of ITO 2001. The Federal Board of Revenue (FBR), through a circular "C.No.1 (43) DG (WHT) / 2008-Vol.II- 66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159 (1) of the ITO 2001 from Commissioner Inland Revenue (CIR). Prior to receiving tax exemption certificate(s) from CIR, withholding agent had deducted advance tax under section 151 of ITO 2001 in prior and current periods. The Management Company is confident that the amount will be refunded to the Fund.

10. PAYABLE TO THE UBL FUND MANAGERS LIMITED - PENSION FUND MANAGER

		June 30, 2023					June 30, 2022				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
Note		(Rupees in '000)									
Remuneration payable to Pension Fund Manager	10.1	1,620	368	965	35	2,988	1,620	368	965	35	2,988
Sindh Sales Tax on remuneration to the Pension Fund Manager	10.2	210.60	48	125	5	389	211	48	125	5	389
Selling and marketing expense payable	10.3	5,992	2,401	5,716	-	14,109	5,992	2,401	5,716	-	14,109
Allocated expenses	10.4	461	672	2,058	-	3,191	461	672	-	-	1,133
Sales load payable		187	818	2,635	4	3,644	118	352	1,918	4	2,392
Other payables		4	14	14	27	59	4	14	2,072	27	2,117
		8,475	4,321	11,513	71	24,379	8,406	3,855	10,796	71	23,127

10.1 In accordance with Regulation 67G (1) of the NBFC Regulations, the Pension Fund Manager, is allowed to charge an annual management fee of 2.5% of the average of the values of the net assets of Equity Sub-Fund, 0.46 % of the average of the value of the net assets of Money Market Sub-Fund, 0.76% of the average of the value of net assets of Income commodity Sub-Fund and 0.58% of the average of the value of net assets of Debt Sub-Fund. Accordingly, this ratio is within the maximum limit of 4.5%, 2%, & 2.5% prescribed under the NBFC Regulations for Equity Sub Fund, Money Market Sub Fund and Debt Sub Fund. During the year Pension fund manager charged 2.5%, 1% and 1% of the average value of net asset for Equity Sub-Fund, Debt Sub-fund and Money Market Sub-Fund.

10.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (2022: 13%) on the remuneration of the Pension Fund Manager through the Sindh Sales Tax on Services Act, 2011.

10.3 In accordance with Circular 11 dated July 5, 2019, the SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-ended mutual funds (except funds of funds) upto a maximum limit approved by the Board of Directors of the Management Company as part of annual plan. Accordingly, the Management Company based on its own discretion has charged selling and marketing expenses while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations at the rate 0.16%.

10.4 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). Accordingly, the Management Company can charge allocated expenses to the CIS based on its discretion, provided the Total Expense Ratio (refer note 20) prescribed by the SECP vide SRO 639 (I) / 2019 dated June 20, 2019 is complied with.

11. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

		June 30, 2023					June 30, 2022				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
Note		-----'Rupees in '000'-----									
Remuneration payable	11.1	90	97	243	1	431	589	13	133	4	739
Sales tax on remuneration payable	11.2	11	13	32	-	56	76	2	17	-	95
		101	110	275	1	487	182	89	127	3	834

11.1 The Central Depository Company of Pakistan Limited is entitled to remuneration at the following rates on net assets of the Fund:

Net Assets	Tariff per annum
Up to Rs.1,000 million	0.15% per annum
Above Rs.1,001 million and up to Rs.3,000 million	Rs.1.5 million plus 0.10% per annum of net assets, on amount exceeding Rs.1,000 million
Above Rs.3,001 million and up to Rs.6,000 million	Rs.3.5 million plus 0.08% per annum of net assets, on amount exceeding Rs.3,000 million
Above Rs.6,000 million	Rs.5.9 million plus 0.06% per annum of net assets, on amount exceeding Rs.6,000 million

11.2 Sales tax at the rate of 13% (2022: 13%) on the remuneration of the Trustee is applied under the provisions of Sindh Sales Tax on Services Act, 2011.

12. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

This represents annual SECP fee. SECP vide S.R.O. 1620 (I) / 2019, dated December 24, 2019 revised its annual fee to 0.04% (2022: 0.025%) per annum of average daily net assets of the Fund.

13. ACCRUED EXPENSES AND OTHER LIABILITIES

		June 30, 2023					June 30, 2022				
		Equity	Debt	Money	Commodity		Equity	Debt	Money	Commodity	
		Sub-Fund	Sub-Fund	Market	Sub-Fund	Total	Sub-Fund	Sub-Fund	Market	Sub-Fund	Total
	Note	Rupees in '000									
Provision for Sindh Workers welfare Fund	13.1	-	-	-	-	-	-	-	-	-	-
Provision for indirect duties and taxes	13.2	5,897	4,599	2,578	194	13,268	5,897	4,599	2,578	194	13,268
Auditor's remuneration		92	92	92	92	368	25	20	26	38	109
Zakat payable		4	7	226	-	237	4	5	175	-	184
Withholding tax payable		8,789	422	3,054	43	12,308	3,128	3,381	4,296	56	10,861
Brokerage payable		3,731	177	91	-	3,999	5,676	182	220	-	6,078
Legal and professional fees		36	41	3	62	142	18	47	17	69	151
Payable against derivative contract	13.3	-	-	-	129	129	-	-	-	1,011	1,011
Sales load payable		754	93	387	22	1,256	599	692	254	16	1,561
Others		-	-	-	290	290	27	207	3	290	527
		19,303	5,431	6,431	832	31,997	15,374	9,133	7,569	1,674	33,750

- 13.1 The Sindh Workers Welfare Fund Act, 2014 (SWWF Act) was introduced after the 18th amendment to the constitution of Pakistan. According to the Act every industrial establishment located in Sindh and having total income in any accounting year, not less than 0.5 million, was required to pay Sindh Workers' Welfare Fund, of that year sum equal to two percent of such income. The Mutual Fund Association of Pakistan (MUFAP) had contested the applicability of the Act on mutual funds to Sindh Revenue Board (SRB), based on the fact that these did not employ any workers. However, the fund on recommendation of MUFAP, as a matter of abundant caution, made a provision in respect of SWWF.

SRB vide its letter dated August 12, 2021, had intimated that as mutual funds do not qualify as Financial Institutions/ Industrial Establishment, therefore they were not liable to pay SWWF. This development was discussed with MUFAP and also consulted with Securities and Exchange Commission of Pakistan (SECP). The National Investment Trust (NIT) alongwith other Asset Management Companies, had reversed the entire provision of Rs 0.764 million, recognized from inception of fund to August 12, 2021, on August 13, 2021 million and same was recorded as income in the income statement. The SECP concurred for reversal of provision vide its letter dated August 30, 2021 and going forward, no further provision for SWWF were to be made in financial statements from August 13, 2021

13.2 **Provision for indirect duties and taxes**

As per the requirements of the Finance Act 2013, Federal Excise Duty (FED) at the rate of 16% on the remuneration of the Pension Fund Manager was applied with effect from June 13, 2013. The Pension Fund Manager is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED results in double taxation, which does not appear to be the spirit of the law. The matter was collectively taken up by the Pension Fund Manager jointly with other Asset Management Companies / Pension Fund Managers and Trustees of respective Collective Investment Schemes (CISs) / Pension Funds, through a Constitutional Petition filed in the Honorable Sindh High Court (SHC) during September 2013. In this respect, the SHC had issued a stay order against the recovery of FED due to which the Fund has not made any payments for FED since June 13, 2013.

Through Finance Act, 2016, FED on services rendered by Non-Banking Financial Institutions (NBFIs) including Asset Management Companies / Pension Fund Managers, which are already subject to provincial sales tax, has been withdrawn. Therefore, provision for FED has not been recorded in these financial statements from July 01, 2016 onwards.

- 13.3 This represents net unrealised loss on cash settled future gold contracts with settlement date of August 10, 2023 (2022: July 26, 2022)

14. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding, except as disclosed in note 6.1.2, as at June 30, 2023 (2022: Nil).

15. NUMBER OF UNITS IN ISSUE

Particulars	June 30, 2023					30-Jun-22				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
Beginning of the year	1,919,136	3,515,776	6,057,453	255,500	11,747,865	2,268,411	3,003,398	5,102,787	83,785	10,458,382
Units issued during the year	596,583	2,255,668	8,804,247	77,898	11,734,396	533,239	1,428,690	3,563,441	224,365	5,749,736
Effect of reallocation	-	-	-	-	-	(201,167)	459,003	146,545	11,587	415,968
Units redeemed during the year	(1,523,188)	(2,853,545)	(5,193,128)	(291,545)	(9,861,406)	(681,348)	(1,375,316)	(2,755,319)	(64,238)	(4,876,221)
Total units in issue at the end of the year	<u>992,531</u>	<u>2,917,899</u>	<u>9,668,572</u>	<u>41,853</u>	<u>13,620,855</u>	<u>2,120,303</u>	<u>3,056,773</u>	<u>5,910,908</u>	<u>243,913</u>	<u>11,747,865</u>

16. CONTRIBUTION TABLE

Contribution (net of front end fee) received during the year

From:	As at June 30, 2023									
	Equity Sub Fund		Debt Sub-Fund		Money Market Sub-Fund		Commodity Sub-Fund		Total	
	Units	Rupees (000)	Units	Rupees (000)	Units	Rupees (000)	Units	Rupees (000)	Units	Rupees (000)
Individuals	596,583	436,059	2,255,668	731,658	8,804,247	2,291,324	77,898	13,491	11,734,396	3,472,533

From:	As at June 30, 2022									
	Equity Sub Fund		Debt Sub-Fund		Money Market Sub-Fund		Commodity Sub-Fund		Total	
	Units	Rupees (000)	Units	Rupees (000)	Units	Rupees (000)	Units	Rupees (000)	Units	Rupees (000)
Individuals	533,239	341,527	1,428,690	552,231	3,563,441	866,281	224,365	38,849	5,749,736	1,798,888

17. FINANCIAL INCOME

Particulars	June 30, 2023					30-Jun-22				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
Profit on Government of Pakistan - PIBs-Ijarah Sukuk	-	68,830	56,709	-	125,539	-	30,107	-	-	30,107
Profit on Privately Placed Sukuks TFSc	-	15,410	-	-	15,410	-	8,557	-	-	8,557
Profit on bank balances	11,297	62,535	81,765	2,345	157,942	6,382	44,230	65,534	1,500	117,646
Profit on Term Deposit Receipts	-	3,938	6,546	-	10,483	-	1,330	5,550	-	6,880
Profit on Treasury Bills	-	23,230	204,219	-	227,448	-	13,965	54,766	-	68,731
	<u>11,297</u>	<u>173,943</u>	<u>349,238</u>	<u>2,345</u>	<u>536,823</u>	<u>6,382</u>	<u>98,189</u>	<u>125,850</u>	<u>1,500</u>	<u>231,921</u>

18. AUDITOR'S REMUNERATION

	June 30, 2023					June 30, 2022				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
	Rupees '000									
Annual audit fee	77	77	77	77	309	78	76	78	76	308
Review of condensed interim financial information	47	47	47	47	188	47	46	47	46	186
	124	124	124	124	497	125	122	125	122	494
Sales tax	16	16	16	16	65	11	11	11	11	44
Out of pocket expenses	72	72	72	72	289	15	12	15	12	54
	213	213	213	212	850	151	145	151	144	592

19. TAXATION

No provision for taxation for the year ended June 30, 2023 has been made in view of the exemption available to the Fund under clause 57 (3) (viii) of Part I of the 2nd Schedule to the Income Tax Ordinance, 2001.

20. EARNINGS / (LOSS) PER UNIT

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

21. TOTAL EXPENSE RATIO

SECP vide S.R.O. 1068 (I) 2021 dated August 23, 2021, requires that Voluntary Pension Schemes (VPSs) to disclose the annualised total expense ratio (TER) of the Fund, based on the current period results total expense ratio is 4.10%, 1.39%, 1.53% & 2.42%, which includes 0.43%, 0.12%, 0.14% & 0.15% representing Government Levy, Sindh Workers' Welfare Fund, and the SECP fee of Equity Sub Fund, Money Market Sub Fund, Debt Sub Fund and Commodity Sub Fund respectively. This ratio is within the maximum limit of 4.5%, 2%, 2.5% & 3.0% prescribed under the NBFC Regulations for Equity Sub Fund, Money Market Sub Fund and Debt Sub Fund.

Further, in May 2014, the Honourable Peshawar High Court (PHC) held that the impugned levy of contribution introduced in the Ordinance through Finance Acts, 1996 and 2009 lacks the essential mandate to be introduced and passed through a Money Bill under the constitution and, hence, the amendments made through the Finance Acts were declared as 'Ultra Vires'.

22. FINANCIAL PERFORMANCE

Net (loss) / income for the year
Realised (losses) / gains on sale of investments
Unrealised (loss) / gain on revaluation of investments classified
as financial assets at fair value through profit or loss - net
Dividend income
Financial Income
Total contributions received - gross

Equity Sub Fund				
June 30, 2023	June 30, 2022	% Change	June 30, 2021	June 30, 2020
(Rupees in '000)			(Rupees in '000)	
(6,266)	(153,075)	-96%	503,176	\$9,844
(44,786)	(66,669)	-33%	260,112	39,487
(28,174)	(184,876)	-85%	169,351	(4,771)
112,114	112,158	0%	80,815	51,252
11,297	6,382	77%	4,971	9,301
436,059	341,527	28%	627,365	516,146

Net income for the year
Realised (loss) / gain on sale of investments
Unrealised (loss) / gain on revaluation of investments classified
as financial assets at fair value through profit or loss - net
Financial Income
Total contributions received - gross

Debt Sub Fund				
June 30, 2023	June 30, 2022	% Change	June 30, 2021	June 30, 2020
(Rupees in '000)			(Rupees in '000)	
145,649	83,076	75%	47,084	102,853
(10,424)	(3,856)	170%	(1,532)	14,358
(2,915)	1,572	(3)	219	12,344
173,943	98,189	77%	66,850	89,733
731,658	552,231	32%	373,516	296,748

Net income for the year
Realized (losses) / gains on sale of investments
Unrealized (loss) / gain on revaluation of investments classified
as financial assets at fair value through profit or loss - net
Financial Income
Total contributions received - gross

Money Market Sub Fund				
June 30, 2023	June 30, 2022	% Change	June 30, 2021	June 30, 2020
(Rupees in '000)			(Rupees in '000)	
317,096	104,107	205%	58,382	110,977
(2,641)	(3,703)	-29%	(161)	3,256
(1,938)	-	-	-	623
349,238	125,850	178%	79,734	127,446
2,291,324	866,281	165%	476,314	651,125

Net income for the year
Realized (losses) / gains on sale of investments
Loss on derivative contracts
Unrealized (loss) / gain on revaluation of investments classified
as financial assets at fair value through profit or loss - net
Financial Income
Total contributions received - gross

Commodity Sub-Fund				
June 30, 2023	June 30, 2022	% Change	June 30, 2021	June 30, 2020
(Rupees in '000)			(Rupees in '000)	
847	(100)	-947%	(312)	1,975
(924)	(168)	450%	305	1,229
-	(1,011)		-	-
-	-	-	-	304
2,345	6,382	-63%	506	774
13,491	341,527	-96%	5,696	32,744

23. FINANCIAL INSTRUMENTS BY CATEGORY

Particulars	June 30, 2023											
	Equity Sub Fund			Debt Sub Fund			Money Market Sub Fund			Commodities Sub-Fund		
	Amortised cost	At fair value through profit or loss	Total	Amortised cost	At fair value through profit or loss	Total	Amortised cost	At fair value through profit or loss	Total	Amortised cost	At fair value through profit or loss	Total

(Rupees in '000)

Financial assets

Bank balances	50,760	-	50,760	528,668	-	528,668	1,212,361	-	1,212,361	5,337	-	1,797,126
Investments - net	-	685,373	685,373	-	650,816	650,816	-	243,033	243,033	-	-	1,579,222
Receivable against sale of investment	18,783	-	18,783	-	-	-	-	-	-	-	-	18,783
Dividend receivable	906	-	906	25,275	-	25,275	-	-	-	118	-	26,299
Deposit and other receivable	3,811	-	3,811	615	-	615	128,618	-	128,618	2,991	-	136,035
	74,259	685,373	759,632	554,558	650,816	1,205,374	1,340,979	243,033	1,584,012	8,446	-	3,557,464

Particulars	June 30, 2022											
	Equity Sub Fund			Debt Sub Fund			Money Market Sub Fund			Commodities Sub-Fund		
	Amortised cost	At fair value through profit or loss	Total	Amortised cost	At fair value through profit or loss	Total	Amortised cost	At fair value through profit or loss	Total	Amortised cost	At fair value through profit or loss	Total

(Rupees in '000)

Financial assets

Bank balances	90,211	-	90,211	983,018	-	983,018	1,446,952	-	1,446,952	39,974	-	39,974
Investments - net	-	1,316,190	1,316,190	-	92,117	92,117	-	-	-	-	-	-
Receivable against sale of investment	8,955	-	8,955	-	-	-	-	-	-	-	-	-
Dividend receivable	1,333	-	1,333	10,429	-	10,429	23,273	-	23,273	17	-	17
Deposit and other receivable	14,515	-	14,515	2,108	-	2,108	6,035	-	6,035	2,803	-	2,803
	115,014	1,316,190	1,431,204	995,555	92,117	1,087,672	1,476,260	-	1,476,260	42,794	-	42,794

Particulars	June 30, 2023											
	Equity Sub Fund			Debt Sub Fund			Money Market Sub Fund			Commodities Sub-Fund		
	Amortised cost	At fair value through profit or loss	Total	Amortised cost	At fair value through profit or loss	Total	Amortised cost	At fair value through profit or loss	Total	Amortised cost	At fair value through profit or loss	Total

(Rupees in '000)

Financial liabilities

Payable to UBL Fund Manager Ltd

Manager Limited -

Pension Fund Manager

Payable to the Central

Depository Company of

Pakistan Limited - Trustee

Payable to the SECP

Payable against purchase of investme

Accrued expenses and

other liabilities

8,475	-	8,475	4,321	-	4,321	11,513	-	11,513	71	-	71
101	-	101	110	-	110	275	-	275	1	-	1
460	-	460	400	-	400	798	-	798	7	-	7
2,012	-	2,012	161,668	-	161,668	-	-	-	-	-	-
19,303	-	19,303	5,431	-	5,431	6,431	-	6,431	832	-	832
30,351	-	30,351	171,930	-	171,930	19,017	-	19,017	911	-	911

Particulars	June 30, 2022											
	Equity Sub Fund			Debt Sub Fund			Money Market Sub Fund			Commodities Sub-Fund		
	Amortised cost	At fair value through profit or loss	Total	Amortised cost	At fair value through profit or loss	Total	Amortised cost	At fair value through profit or loss	Total	Amortised cost	At fair value through profit or loss	Total

(Rupees in '000)

Financial liabilities

Payable to UBL Fund

Manager Limited -

Pension Fund Manager

Payable to the Central

Depository Company of

Pakistan Limited - Trustee

Payable to the SECP

Payable against purchase of investme

Accrued expenses and

other liabilities

6,020	-	6,020	2,592	-	2,592	3,526	-	3,526	128	-	128
665	-	665	15	-	15	150	-	150	4	-	4
591	-	591	354	-	354	437	-	437	8	-	8
6,663	-	6,663	-	-	-	-	-	-	-	-	-
15,374	-	15,374	9,133	-	9,133	7,569	-	7,569	1,674	-	1,674
29,313	-	29,313	12,094	-	12,094	11,682	-	11,682	1,814	-	1,814

24 FINANCIAL INSTRUMENTS AND RELATED RISK MANAGEMENT

The Fund's objective in managing risks is the creation and protection of participants' value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability.

Monitoring and controlling risks are primarily set up to be performed based on the limits established by the internal controls set on different activities of the Fund by the Board of Directors. These controls and limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. In addition, the Fund monitors and measures the overall risk bearing capacity in relation to the aggregate risk exposure across all risks type and activities.

The policy of the Fund is to make investments only in designated authorised investments approved by the Investment Committee.

The Fund primarily invests in listed equity securities, government securities, term finance certificates, sukuk certificates and deposits with scheduled banks. These activities are exposed to a variety of financial risks such as: market risks, credit risk and liquidity risks.

24.1 Market risk

Market risk is the risk that changes in market prices, such as interest rates, equity prices, foreign exchange rates and credit spreads (not relating to changes in the obligor's / issuer's credit standing) will effect the Fund's income or the fair value of its financial instruments. Market risk comprises of three types of risks: currency risk, interest rate risk and other price risk.

24.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in foreign exchange rates. The Commodity Sub-Fund is exposed to a foreign currency risk on sales and purchase of future gold contracts, which are entered in a currency other than Pak Rupees. As at year end, the financial assets exposed to currency risk are as follows:

	2023	2022	2023	2022
	USD		PKR	
Future Gold Contracts	(3,185)	(4,935)	(924,269)	(1,010,894)

The following significant exchange rates applied during the year:

	2023	2022	2023	2022
	Average rates		Rates at reporting date	
US Dollar to PKR	273.57	181.20	290.15	204.85

At June 30, 2022, if the Pakistan rupee had weakened / strengthened by 10% against the US Dollar with all other variables held constant, profit of the Sub-Fund for the year would have been lower / higher by Rs. 0.92 million (2022: Rs. 0.1 million), mainly as a result of foreign exchange losses / gains on translation of US Dollar denominated in Future Gold Contracts.

24.1.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates.

a) Sensitivity analysis for fixed rate instruments

As at June 30, 2023, the Fund holds fixed rate instruments that could expose the Fund to fair value interest rate risk.

In case of 100 basis points increase/decrease in interest rates on June 30, 2023 with all other variables held constant, the net income for the year and net assets of debt sub-fund would have been higher / lower by URSF- DSF Rs. 0.89 million (2022: Rs. 0.92 million) and URSF-MMSF 15.49 million (2022: Rs.nil).

b) Sensitivity analysis for variable rate instruments

The Fund's interest rate risk arises from the balances in savings accounts, term deposit and KIBOR based profit bearing Sukuks exposing each of the Sub-Funds to cash flow interest rate risk.

For the year, income would have increased / (decreased) by Rs. 0.5076 million, 10.8986 million, 7.4890 million and 0.0534 million (2022: Rs. 0.509 million, 7.749 million, 12.017 million and 0.3997 million) of Equity sub-fund, Debt sub-fund, Money Market sub-fund and Commodity sub-fund respectively, had the interest rates on savings accounts with banks increased / (decreased) by 100 basis points.

24.1.3 Other price risk

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

The Fund manages this risk by limiting its investment

- 5% of NAV or paid-up capital of the investee company, whichever is lower.
- higher of 30% of NAV or index weight of a single stock exchange sector, subject to a maximum limit of 35% of NAV.

A summary analysis of local investments by industry sector, the percentage in relation to Fund's assets and the issued capital of the investee company is presented in note 6.1 to these financial statements. Further, the Fund's policy requires that the overall Fund position is monitored on a daily basis by the Fund Manager and is reviewed on bi-monthly basis by the Investment Committee and by the Board of Directors in every meeting of the Board. Non-compliance with the Fund's investment policies is reported to the Board of Directors.

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

In case of 5% increase / decrease in the fair value of the Fund's equity securities at fair value through profit or loss on June 30, 2023, net income for the year would increase / decrease by Rs. 34 million (2022:Rs. 70.37 million) and net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on equity securities at fair value through profit or loss.

The analysis is based on the assumption that the equity index had increased / decreased by 5% with all other variables held constant and all the Fund's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the PSX 100 Index, having regard to the historical volatility of the index. The composition of the Fund's investment portfolio and the correlation thereof to the KMI index, is expected to change over the time. Accordingly, the sensitivity analysis prepared as of June 30, 2023 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of PSX 100 Index.

24.2 Credit risk

Credit risk represents the risk of loss if the counter parties fail to perform as contracted. Credit risk arises from deposits with banks and financial institutions, credit exposure arising as a result of dividends receivable on equity securities, receivable against sale of investments and investment in debt securities. For banks and financial institutions balances are kept with reputed parties. Credit risk on dividend receivable is minimal due to statutory protection. All transactions in listed securities are settled / paid for upon delivery using the national clearing company system. The risk of default is considered minimal due to inherent systematic measures taken therein. Risk attributable to investment is limited as these are issued by the Federal Government.

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

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

Concentration of Credit risk

Concentration of risk arises when a number of financial instruments or contracts are entered into the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

24.2.1 Credit quality of investment in bank balances

The credit quality of balances with banks that are neither past due nor impaired can be assessed by reference to the external credit ratings or to the historical information about counterparty default rates:

Rating	Equity Sub Fund		Debt Sub Fund		Money Market Sub Fund		Commodity Sub Fund	
	% of financial assets exposed to credit risk		% of financial assets exposed to credit risk		% of financial assets exposed to credit risk		% of financial assets exposed to credit risk	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
AAA	55.5	67.0	94.1	99.0	86.3	99.6	86.3	99.6
AA+	43.6	33.0	0.0	0.6	0.1	0.1	0.1	0.1
AA	0.9	0.1	4.8	0.2	13.6	0.3	13.6	0.3
AA-	-	-	1.1	0.1	0.1	-	0.1	-
A+	0.1	-	0.1	0.1	0.0	0.1	0.0	0.1
	100	100	100	100	100	100	100	100

Credit Ratings		Balances
AAA	Allied Bank Limited	485,324
AA+	Bank Alfalah Limited	614,137,399
AAA	United Bank Limited	197,815,113
AA-	JS Bank Limited	12,139
AAA	MCB Bank Limited	12,949,172
AA	Samba Bank Limited	6,541,879
	Telenor Microfinance Bank Limited (formerly	
A	Tameer Microfinance Bank Limited)	14,079
AAA	Habib Bank Limited	504,327
A+	Sindh Bank Limited	36,350
AAA	National Bank of Pakistan	2,576,449
AAA	Zarai Taraqati Bank Limited	10,638
AA-	Soneri Bank Limited	256,880,891
AA+	Habib Metro Bank Limited	20,000
A+	First Microfinance Bank Limited	232,328,430
AA+	The Bank of Punjab	8,444,759

The maximum exposure to credit risk before any credit enhancement is the carrying amount of the financial assets.

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

24.3 Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations and commitments associated with financial instruments. The Pension Fund Manager manages liquidity risk by continuously analysing the maturities of its financial liabilities.

The Fund's policy is to manage this risk by investing majority of its assets in investments that are traded in an active market and can be readily disposed of.

The Fund can borrow, with prior approval of the trustee, for meeting redemption requests. The maximum amount available to the Fund from borrowings is limited to the extent of 15% of total assets at the time of borrowing with repayment in 90 days of such borrowings. No such borrowings were made during the year.

24.1.3 Fair value interest rate risk

Effective yield / interest rate	Total	2023														
		Equity Sub-Fund				Debt Sub-Fund				Money Market Sub-Fund				Commodity Sub-Fund		
		Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Exposed to yield / interest rate risk		Not exposed to yield / interest rate risk
		Up to three months	More than three months and up to one year	More than one year		Up to three months	More than three months and up to one year	More than one year		Up to three months	More than three months and up to one year	More than one year		Up to three months	More than three months and up to one year	
%		(Rupees in '000)														

On-balance sheet
financial instruments

Financial assets

Financial assets																		
Bank balances	13.50 - 22.65	1,333,673	50,760	-	-	-	528,661	-	-	7	748,901	-	-	7	5,337	-	-	-
Investments	18.55 - 21.97	3,814,883	-	-	-	685,373	89,613	218,091	423,980	-	1,973,846	-	423,980	-	-	-	-	-
Receivable against sale of investments		18,783	-	-	-	18,783	-	-	-	-	-	-	-	-	-	-	-	-
Dividend and mark-up receivable		44,093	-	-	-	906	-	-	-	25,275	-	-	-	17,794	-	-	-	118
Deposits and other receivables		15,572	-	-	-	3,811	-	-	-	615	-	-	-	8,155	-	-	-	2,991
		5,227,003	50,760	-	-	708,873	618,274	218,091	423,980	25,897	2,722,747	-	423,980	25,956	5,337	-	-	3,109

Financial liabilities

Financial liabilities																	
Payable to the Pension Fund Manager	24,379	-	-	-	8,475	-	-	-	4,321	-	-	-	11,513	-	-	-	71
Payable to the Trustee	487	-	-	-	101	-	-	-	110	-	-	-	275	-	-	-	1
Payable against purchase of investments	163,680	-	-	-	2,012	-	-	-	161,668	-	-	-	-	-	-	-	-
Accrued and other liabilities	6,055	-	-	-	4,613	-	-	-	403	-	-	-	573	-	-	-	466
	194,601	-	-	-	15,201	-	-	-	166,502	-	-	-	12,361	-	-	-	538

On-balance sheet gap

Off-balance sheet financial instruments

Off-balance sheet gap

Total	2022															
	Equity Sub-Fund				Debt Sub-Fund				Money Market Sub-Fund				Commodity Sub-Fund			
	Exposed to yield / interest rate risk				Exposed to yield / interest rate risk				Exposed to yield / interest rate risk				Exposed to yield / profit rate risk			
	Up to three months	More than three months and up to one year	More than one year	Not exposed to yield / interest rate risk	Up to three months	More than three months and up to one year	More than one year	Not exposed to yield / interest rate risk	Up to three months	More than three months and up to one year	More than one year	Not exposed to yield / interest rate risk	Up to three months	More than three months and up to one year	More than one year	Not exposed to yield / profit rate risk

— Rupees in '000

On-balance sheet
financial instruments

Financial assets

[illegible]

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

Particulars	June 30, 2023																
	Equity Sub Fund				Debt Sub Fund				Money Market Sub Fund				Commodity Sub-Fund			Total	Total
	Up to three months	Over three months and up to one year	Over one year	Total	Up to three months	Over three months and up to one year	Over one year	Total	Up to three months	Over three months and up to one year	Over one year	Total	Up to three months	Over three months and up to one year	Over one year		
(Rupees in '000)																	
Financial Liabilities																	
Payable to UBL Asset Management Limited - Pension Fund Manager	8,475	-	-	8,475	4,321	-	-	4,321	11,515	-	-	11,515	71	-	-	71	24,379
Payable to the Central Depository Company of Pakistan Limited - Trustee	101	-	-	101	110	-	-	110	275	-	-	275	1	-	-	1	487
Accrued expenses and other liabilities	19,303	-	-	19,303	5,431	-	-	5,431	6,431	-	-	6,431	832	-	-	832	31,997
	27,879	-	-	27,879	9,862	-	-	9,862	18,219	-	-	18,219	904	-	-	904	56,863

Particulars	June 30, 2022																
	Equity Sub Fund				Debt Sub Fund				Money Market Sub Fund				Commodity Sub-Fund			Total	Total
	Up to three months	Over three months and up to one year	Over one year	Total	Up to three months	Over three months and up to one year	Over one year	Total	Up to three months	Over three months and up to one year	Over one year	Total	Up to three months	Over three months and up to one year	Over one year		
(Rupees in '000)																	
Financial Liabilities																	
Payable to UBL Fund Manager Limited - Pension Fund Manager	6,020	-	-	6,020	2,592	-	-	2,069	3,526	-	-	1,976	128	-	-	-	10,063
Payable to the Central Depository Company of Pakistan Limited - Trustee	665	-	-	665	15	-	-	89	-	-	-	116	4	-	-	-	870
Accrued expenses and other liabilities	15,374	-	-	15,374	9,133	-	-	9,618	7,569	-	-	11,528	1,674	-	-	-	36,520
	22,059	-	-	22,059	11,740	-	-	11,776	11,095	-	-	13,620	1,806	-	-	-	47,455

The above mentioned financial liabilities do not carry any mark-up.

25 UNIT HOLDERS' FUNDS MANAGEMENT

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

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

The Fund's objectives when managing participants' funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns to participants and to maintain a strong base of assets under management.

In accordance with the risk management policies stated in note 23, the Fund endeavors to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption. Since the participants of the Fund have invested with long term objective, the possibility of a significant redemption pressure is limited, such liquidity is augmented by borrowing arrangements (which can be entered if necessary) or disposal of investments, where necessary.

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

The Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- 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 2); and
- Fair value measurements using Inputs for assets or liabilities that are not based on observable market data (i.e. unobservable inputs) (level 3).

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

26. 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. Consequently, differences can arise between carrying values and the fair value estimates.

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

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

International Financial Reporting Standard (IFRS) 13, "Fair Value Measurement" requires the Fund to classify fair value measurements 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:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

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

	2023			Total
	Level 1	Fair value Level 2	Level 3	
<u>Investments at fair value through profit or loss</u>			(Rupees in '000)	
Equity Sub-Fund				
Listed equity securities	685,373	-	-	685,373
Debt Sub-Fund				
Government securities - Pakistan Investment Bonds	-	432,725	-	432,725
Government securities - Market Treasury Bills	-	89,613	-	89,613
Debt securities - Term Finance Certificates / Sukuka	-	128,478	-	128,478
Government securities - Pakistan Investment Bonds	-	423,980	-	423,980
Government securities - Market Treasury Bills	-	1,549,866	-	1,549,866
Commodity Sub-Fund				
Debt Sub-Fund				
Government securities - Pakistan Investment Bonds	-	-	-	-
	685,373	2,624,662	-	3,310,035

	2022			
	Fair value			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
Investments at fair value through profit or loss				
Equity Sub-Fund				
Listed equity securities	1,316,190	-	-	1,316,190
Debt Sub-Fund				
Government securities - Pakistan Investment Bonds	-	-	-	-
Debt securities - Term Finance Certificates / Sukuku	-	92,117	-	92,117
Investments at fair value through other comprehensive income	-	-	-	-
Debt Sub-Fund	-	-	-	-
Government securities - Pakistan Investment Bonds	-	-	-	-
	1,316,190	92,117	-	1,408,307

27. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PAR

- 27.1 Connected persons / related parties comprise of United Bank Limited (holding Company of Pension Fund Manager), UBL Fund Managers Limited (Pension Fund Manager), Al - Ameen Financial Services (Private) Limited (subsidiary of pension fund managers), collective investment schemes managed by the Pension Fund Manager, directors and officers of the Pension Fund Manager, entities under common management or directorships, and Central Depository Company of Pakistan Limited (Trustee).
- 27.2 Remuneration of the Pension Fund Manager and trustee is determined in accordance with the provisions of VPS Rules, and the Trust Deed.
- 27.3 Other transactions with the related parties / connected persons are carried out at agreed / commercial terms.
- 27.4 Details of transactions with related parties / connected persons during the and balances held with them at the year ended June 30, 2023 are as follows:

Particulars	Pension Fund Manager	Associated companies and others*	Trustee	Funds under common management	Directors and key Executives**	Other connected persons
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(Rupees in '000)

Equity Sub-Fund

For the year ended June 30, 2023

Transactions during the year						
Mark-up on bank accounts	-	2,492	-	-	-	-
Bank charges	-	6	-	-	-	-
Units issued (units in '000)	-	-	-	-	5	7
Units redeemed (units in '000)	-	-	-	-	28	-
Value of unit issued	-	-	-	-	3,937	5,069
Value of unit redeemed	-	-	-	-	18,805	-
Remuneration*	31,567	-	1,388	-	-	-
Selling and marketing expense	14,578	-	-	-	-	-
Purchase of securities	-	-	-	-	-	-
Sale of securities	-	-	-	-	-	-
Central Depository Service (CDS) expenses	-	-	325	-	-	-

Particulars	Pension Fund Manager	Associated companies and others*	Trustee	Funds under common management	Directors and key Executives**	Other connected persons
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(Rupees in '000)

For the year ended June 30, 2022

Mark-up on bank accounts	-	1,389	-	-	-	-
Bank charges	-	-	-	-	-	-
Units issued (units in '000)	-	-	-	-	4	-
Units redeemed (units in '000)	-	-	-	-	36	-
Value of Units issued	-	-	-	-	2,831	-
Value of Units redeemed	-	-	-	-	29,281	-
Remuneration*	31,662	-	2,021	-	-	-
Selling and marketing expense	1,937	-	-	-	-	-
Purchase of securities	-	-	-	-	-	-
Sale of securities	-	-	-	-	-	-
Central Depository Service (CDS) expenses	-	-	113	-	-	-

(Rupees in '000)						
As at June 30, 2023						
Equity Sub-Fund						
Balances held						
Units held (units in '000)	-	-	-	-	-	118,174
Units held Rupees in '000	-	-	-	-	-	\$7,041
Investments	-	113,164	-	-	-	-
Bank balances	-	22,222	-	-	-	-
Selling & Marketing Expense Payable	5,992	-	-	-	-	-
Remuneration payable*	1,831	-	101	-	-	-
Sales load payable	187	-	-	-	-	-
Allocated expenses payable	461	-	-	-	-	-
Mark-up receivable	-	277	-	-	-	-
Other payable	4	-	-	-	-	-

(Rupees in '000)						
As at June 30, 2022						
Balances held						
Units held	-	-	-	-	55,006	-
Units held Rupees in '000	-	-	-	-	44,512	-
Investments	-	113,164	-	-	-	-
Bank balances	-	21,390	-	-	-	-
Remuneration payable*	3,270	-	665	-	-	-
Sales load payable	565	-	-	-	-	-
Allocated expenses payable	244	-	-	-	-	-
Mark-up receivable	895	0	-	-	-	-
Other payable	4	-	-	-	-	-

Particulars	Pension Fund Manager	Associated companies and others*	Trustee	Funds under common management	Directors and key Executives**	Other connected persons
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(Rupees in '000)						
For the year ended June 30, 2023						

Debt Sub-Fund

Transactions during the year

Mark-up on bank accounts	-	1,949	-	-	-	-
Bank charges	-	-	-	-	-	-
Units issued (units in '000)	-	-	-	-	0	-
Units redeemed (units in '000)	-	-	-	-	0	-
Value of unit issued	-	-	-	-	153	-
Value of unit redeemed	-	-	-	-	160	-
Purchase of securities	-	-	-	-	-	-
Sale of securities	-	-	-	-	-	-
Remuneration*	7,079	-	1,205	-	-	-
Selling and marketing expense	4,987	-	-	-	-	-
CDS expenses	-	-	5	-	-	-

For the year ended June 30, 2022

(Rupees in '000)

Mark-up on bank accounts	-	1,277	-	-	-	-
Bank charges	-	11	-	-	-	-
Units issued (units in '000)	-	-	-	-	67	-
Units redeemed (units in '000)	-	-	-	-	68	-
Value of unit issued					18,968	
Value of unit redeemed					20,330	
Purchase of securities	-	242,300	-	-	-	-
Sale of securities	-	0	-	-	-	-
Remuneration*	15,253	-	1,201	-	-	-
Selling and marketing expense	1,173	-	-	-	-	-
CDS expenses	-	-	4	-	-	-

As at June 30, 2023

(Rupees in '000)

Debt Sub-Fund						
Balances held						
Units held	-	-	-	-	-	-
Units held Rupees in '000	-	-	-	-	-	-
Bank balances	-	26,976	-	-	-	-
Selling & Marketing Expense Payable	2,401	-	-	-	-	-
Remuneration payable*	416	-	110	-	-	-
Sales load payable	818	-	-	-	-	-
Allocated expenses payable	672	-	-	-	-	-
Other payable	14	-	-	-	-	-
Mark-up receivable	-	206	-	-	-	-

Particulars	Pension Fund Manager	Associated companies and others*	Trustee	Funds under common management	Directors and key Executives**	Other connected persons
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As at June 30, 2022

(Rupees in '000)

Units held (units in '000)	-	-	-	-	0	-
Units held Rupees in '000	-	-	-	-	0	-
Bank balances	-	22,190	-	-	-	-
Remuneration payable*	998	-	15	-	-	-
Sales load payable	565	-	-	-	-	-
Other payable	4	-	-	-	-	-
Mark-up receivable	-	666	-	-	-	-

(Rupees in '000)

For the year ended June 30, 2023

Money Market Sub-Fund

Transactions during the year

Mark-up on bank accounts	-	5,174	-	-	-	-
Bank charges	-	49	-	-	-	-
Units issued (units in '000)	-	-	-	-	14	-
Units redeemed (units in '000)	-	-	-	-	5	-
Value of unit issued	-	-	-	-	3,658	-
Value of unit redeemed	-	-	-	-	1,231	-
Purchase of securities	-	-	-	-	-	-
Sale of securities	-	-	-	-	-	-
Remuneration*	11,465	-	2,400	-	-	-
Selling and marketing expense	9,939	-	-	-	-	-

(Rupees in '000)

For the year ended June 30, 2022

Mark-up on bank accounts	-	1,160	-	-	-	-
Bank charges	-	36	-	-	-	-
Units issued (units in '000)	-	-	-	-	120	-
Units redeemed (units in '000)	-	-	-	-	11	-
Value of unit issued	-	-	-	-	28,122	-
Value of unit redeemed	-	-	-	-	2,473	-
Purchase of securities	-	818,507	-	-	-	-
Sale of securities	-	145,457	-	-	-	-
Remuneration*	18,712	-	1,479	-	-	-
Selling and marketing expense	1,509	-	-	-	-	-

Particulars	Pension Fund Manager	Associated companies and others*	Trustee	Funds under common management	Directors and key Executives**	Other connected persons
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(Rupees in '000)

As at June 30, 2023

Money Market Sub-Fund

Balances held

Units held	-	-	-	-	213,206	-
Units held Rupees in '000	-	-	-	-	60,264	-
Bank balances	-	147,628	-	-	-	-
Selling & Marketing Expense Payable	5,716	-	-	-	-	-
Remuneration payable*	1,091	-	127	-	-	-
Sales load payable	2,634	-	-	-	-	-
Allocated expenses payable	2,058	-	-	-	-	-
Other payable	14	-	-	-	-	-
Mark-up receivable	-	1,057	-	-	-	-

	(Rupees in '000)					
	As at June 30, 2022					
Units held	-	-	-	-	122	-
Units held Rupees in '000	-	-	-	-	3,940	-
Bank balances	-	66,161	-	-	-	-
Remuneration payable*	1,320	-	127	-	-	-
Sales load payable	693	-	-	-	-	-
Other payable	4	-	-	-	-	-
Mark-up receivable	-	918	-	-	-	-

	(Rupees in '000)					
	For the year ended June 30, 2023					
Commodity Sub-Fund						
Transactions during the year						
Mark-up on bank accounts	-	66	-	-	-	-
Bank charges	-	-	-	-	-	-
Units issued (units in '000)	-	-	-	-	0	7
Units redeemed (units in '000)	-	-	-	-	0	1
Value of unit issued					68	1,131
Value of unit redeemed					66	87
Remuneration*	158	-	22	-	-	-

Particulars	Pension Fund Manager	Associated companies and others*	Trustee	Funds under common management	Directors and key Executives**	Other connected persons
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	(Rupees in '000)					
	For the year ended June 30, 2022					
Mark-up on bank accounts	-	95	-	-	-	-
Bank charges	-	-	-	-	-	-
Units issued (units in '000)	-	-	-	-	-	190
Units redeemed (units in '000)	-	-	-	-	-	50
Value of unit issued	-	-	-	-	-	31,407
Value of unit redeemed	-	-	-	-	-	8,142
Remuneration*	345	-	25	-	-	-

	(Rupees in '000)					
	As at June 30, 2023					
Commodity Sub-Fund						
Balances held						
Units held	-	-	-	-	-	31,814
Units held Rupees in '000	-	-	-	-	-	5,769
Bank balances	-	969	-	-	-	-
Remuneration payable*	40	-	4	-	-	-
Sales load payable	4	-	-	-	-	-
Mark-up receivable	-	13	-	-	-	-
Other payable	27	-	-	-	-	-

	(Rupees in '000)				
	As at June 30, 2022				
Units held (units in '000)	-	-	-	-	165
Units held Rupees in '000	-	-	-	-	7,922
Bank balances	-	1,111	-	-	-
Remuneration payable*	70	-	4	-	-
Sales load payable	31	-	-	-	-
Mark-up receivable	20	71	-	-	-
Other payable	27	-	-	-	-

* This represents parent (including the related subsidiaries of the parent) of the Pension Fund Managers, associated companies / undertakings of the Pension Fund Managers, its parents and the related subsidiaries.

** These include transactions and balances in relation to the entities where common directorship exists as at year end. However, it does not include the transactions and balances whereby the common director resigned from the Board of the Pension Fund Managers during the year.

28. GENERAL

- 28.1 Figures have been rounded off to the nearest thousand rupees, where stated otherwise.
- 28.2 Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison.

29. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Pension Fund Manager on August 03, 2023.

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

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

1. Summary of Actual Proxy Voted By the Fund

URSF

	Resolutions	For	Against	Abstain*
Number	111	9	-	102
Percentage	100.0%	8.1%	N/A	91.9%

*Abstained as nothing material from our perspective.

The proxy voting policy of the Fund is available on the website of UBL Fund Managers Limited (Management Company) and detailed information regarding actual proxies voted by the Management Company in respect of the Fund is also available without charge, upon request, to all unit holders.