UBL FUNDS

Annual Report 2021

UBL Retirement Savings Fund

CORPORATE INFORMATION

Board of Directors
Azhar Hamid (Chairman)

Yasir Qadri (Chief Executive Officer)

Syed Furrukh Zaeem

Huma Pasha*

Arif Akmal Saifie

Sadia Saeed**

Imran Sarwar

Audit Committee
Huma Pasha* (Chair)

Imran Sarwar

Sadia Saeed**

Arif Akmal Saifie

Risk and Compliance Committee
Imran Sarwar (Chairman)

Syed Furrukh Zaeem

Yasir Qadri

Azhar Hamid

Arif Akmal Saifie

HR & Compensation Committee
Azhar Hamid (Chairman)

Huma Pasha*

Syed Furrukh Zaeem

Sadia Saeed**

Yasir Qadri

Shariah Advisory Board
Mufti Muhammad Hassaan Kaleem
Member

Mufti Muhammad Najeeb Khan
Member

**Appointment effective September 16, 2020.*
***Resigned effective July 19, 2021.*

Chief Financial Officer
Umair Ahmed

Company Secretary
Bilal Javaid

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

Head Office
4th Floor, STSM Building,
Beaumont Road, Civil Lines,
Karachi, Pakistan.
UAN: (92-21) 111-825-262
Fax: (92-21) 32214930

Date of incorporation of the Management Company/ Pension Fund Manager
Incorporated in Pakistan on
3 April 2001 as a Public Limited
Company under the Companies
Ordinance, 1984

Management Quality Rating
AM1 by VIS Credit Rating Company

Funds Under Management
UBL Liquidity Plus Fund
Launch Date: 21 June 2009

UBL Government Securities Fund
Launch Date: 27 July 2011

UBL Money Market Fund
Launch Date: 14 October 2010

UBL Income Opportunity Fund
Launch Date: 29 March 2013

UBL Growth & Income Fund
Launch Date: 2 March 2006

UBL Asset Allocation Fund
Launch Date: 20 August 2013

UBL Stock Advantage Fund
Launch Date: 4 August 2006

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

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

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

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

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

Al-Ameen Islamic Cash Plan-I
Launch Date: 29 May 2020

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

Al-Ameen Islamic Special Saving Plan-II
Launch Date: 09 March 2020

UBL Pakistan Enterprise Exchange Traded Fund
Launch Date: 24 March 2020

UBL Financial Planning Fund
Launch Date: 28 September 2017

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

UBL Dedicated Equity Fund
Launch Date: 29 May 2018

UBL Financial Sector Fund
Launch Date: 06 April 2018

UBL Special Saving Fund
Launch Date: 09 November 2018

UBL Cash Fund
Launch Date: 23 September 2019

UBL Retirement Savings Fund
Launch Date: 10 May 2010

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

Al-Ameen Islamic Energy Fund
Launch Date: 13 December 2019

Al-Ameen Islamic Aggressive Income Plan-I
Launch Date: 16 April 2020

UBL Special Saving Fund II
Launch Date: 10 February 2020

Conventional Investment Plans
UBL Mahana Munafa Plan

UBL Children Savings Plan

UBL Equity Builder Plan

UBL Wealth Builder Plan

Islamic Investment Plans
Al-Ameen Mahana Munafa Plan

Al-Ameen Children Savings Plan

Al-Ameen Equity Builder Plan

Al-Ameen Wealth Builder Plan

Al-Ameen Hajj Savings Plan

DIRECTORS' 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, 2021.

ECONOMY REVIEW

Pakistan's economy witnessed a promising recovery despite the on-going pandemic, with the real GDP growth recorded at 3.9% in FY21 as compared to negative GDP growth of 0.5% observed in FY20. The notable recovery during the year under review was mainly due to turnaround in industry (+3.6%YoY vs -3.8% in SPLY) and service sectors (4.4%YoY vs -0.6% in SPLY), growth in agriculture became slower but contributed positively (2.8%YoY vs 3.3% in SPLY) in the economy. We expect GDP growth to revise up for FY21 due to higher growth in Large Scale Manufacturing Index grew by 14.6% during the first eleven month of FY21 compared to provisional full year estimate of 9.3%.

The above notable performance was mainly due to ease in lockdown conditions across the country and timely accommodative policy measures by the authorities which includes:

1) special packages announced by government for various sectors;

2) SBP decision persisted with policy rate at 7.0% despite rising inflation. The stance of maintain a real positive policy rate was reviewed

3) providing impetus to the economy with initiatives such as TERF, support for health sector under RFCC, loans extension /restructuring and SBP Rozgar scheme; and

4) Government decision to defer the hike in utility prices.

The average headline inflation for FY21 reached at 8.9% YoY as compared to 10.7% in FY20. The YoY increase in inflation was mainly contributed by food (+13.2%YoY), Clothing and footwear (+10.1%YoY), housing, water, electricity, gas and fuel index (+6.2% YoY). Going forward, despite higher base effect, we expect average inflation to remain in the range of 7% - 9% primarily due to strong commodity prices, expected adjustments in utility tariffs and phased implementation of certain revenue measures announced in the budget.

In MPC meeting of Jul'21, SBP has opted for status quo, maintaining the policy rate at 7% citing that current accommodative monetary policy stance is well appropriate in supporting ongoing economic recovery, despite decent economic recovery. There is still some idle capacity following last year's contraction, second-round effects from the supply shocks are also not clearly apparent and inflation expectations are well anchored. However, the monetary policy committee has also highlighted that if demand side pressures appear as the recovery becomes more durable and the output reaches at maximum capacity, it would be prudent for monetary policy to begin to normalize through a gradual drop in the degree of accommodation.

On the external front, during the year under review current account posted a deficit of USD 1.8 billion (0.6% of GDP) in FY21 as compared to USD 4.4 billion (1.7% of GDP) in FY20. The notable improvement in current account deficit was primarily due to 27% and 58% increase in remittances and other current transfers respectively, and 43% decline in services deficit. The trade deficit of goods, however, increased by 33% YoY from USD 21 billion to USD 28 billion mainly due to 23% increase in imports. The overall balance of payments position remained comfortable where FX reserves increased by USD 5.5 billion in FY21 on account of contained current account deficit and strong inflows under financial account.

Despite the fact that we expect current account deficit to increase in the range of 2.5% - 3% of GDP in FY22, however, it seems less likely to see any pressure on the FX reserves in FY22 due to strong inflows expected in the financial account.

As per provisional fiscal numbers, FBR collected PKR 4.72 trillion (+18%YoY) during FY21, exceeding the revised target of PKR 4.69 trillion. The decent growth in FBR tax collection is mainly contributed by 28% YoY rise in the sales tax collection during FY21. Although authorities have achieved the highest ever FBR tax collection last year but tax to GDP ratio remains at 10%. The overall FY21 fiscal deficit is expected to come at 7% - 7.5% of GDP. Moreover, government has set overall revenue collection target for FY22 at PKR 7.9 trillion and fiscal deficit at 6.3% of GDP. In our opinion, the above numbers are somewhat ambitious given that there are limited new revenue measures in the budget and non-tax revenue collection targets appear to be optimistic.

DEBT MARKET REVIEW

During FY21, market expectation of further rate cut faded away. The market remained keen on investing in short term treasury bills. The market participation was ~PKR 27.5 trillion in treasury bills auctions and the government accepted ~PKR 16 trillion. A clear preference was observed in 3 months tenor which constituted ~55% of the total participation followed by 6 months and 12 months with the participation of 37% and 8% respectively. However, significant interest was seen in the 6M T-Bills in the later part of the fiscal year as the government offered noteworthy term premium. During 2HFY21, the market participated PKR 8.3 trillion in 6M T-Bills as compared to PKR 1.7 trillion in 1HFY21. Moreover, the cutoff rates of T-bills on-average remained 25bps, 42bps and 52 bps higher during the 2HFY21 compared to 1HFY21 for the 3M, 6M and 12M T-Bills respectively.

A strong participation was witnessed in fixed rate PIBs. The market participation was ~PKR 2.4 trillion where the government proactively accepted ~PKR 1 trillion. The participation in fixed rate PIBs more than doubled during the 2HFY21 as compared to the 1HFY21 mainly on the back of the accommodative stance in monetary policy by SBP. Despite the heavy participation, the market demanded relatively higher yields. Therefore, yields of 3Y, 5Y and 10 PIBs increased by 148 bps, 138 bps and 125 bps respectively during FY21. In contrast, participation in the floater rate PIBs remained on the lower side in 2HFY21 as compared to 1HFY21, participation was dropped to ~PKR 700 billion in 2HFY21 compared to ~PKR 2,300 billion in 1HFY21. Total acceptance was PKR 1,600 billion during FY21.

On Islamic front, the total participation was PKR 498 billion in six variable rate Ijara sukuk auctions and the government accepted PKR 321 billion. In contrast, only PKR 77.6 billion participation was witnessed in the fixed rate Ijara sukuk out of which, the government accepted PKR 53 billion. However, only one auction took place in 2HFY21. The government accepted PKR 67 billion in variable rental rate sukuk and PKR 8 billion in fixed rental rate sukuks.

Yield curve comparison is given below:

Tenors	PKRV as at June 30, 2021	PKRV as at June 30, 2020	Change
3 Months	7.28	7.09	0.19
6 Months	7.53	7.05	0.48
1 Year	7.81	7.05	0.76
3 Years	8.99	7.53	1.46
5 Years	9.49	8.11	1.38
10 Years	9.94	8.69	1.25

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STOCK MARKET REVIEW

After the muted performance (+1.5% YoY) in the previous year, the benchmark KSE - 100 index came with a strong recovery during the year under review with the benchmark index increased by 37.5% YoY. The robust performance of local equity market was mainly driven by:

1) ease in lock down restriction;

2) improving macroeconomic indicators (above-expected GDP growth, higher remittances flows and benign current account);

3) noticeable decline in COVID-19 cases from peak of 6,000 to below 2,000 cases;

4) accommodative policy measures by the authorities to boost the economic activity and aggregate demand; and

5) improving political situation (cracks in PDM opposition alliance and peaceful end to TLP protests).

Encouraging volumes were seen in the market with average traded value and volume increasing by 115% / 93% YoY, respectively. Foreigners remained net sellers offloading shares amounting to USD 387 million during the year. Among domestic investors, individuals and companies remained net buyers, mopping up shares worth USD 332 million and USD 137 million, respectively.

COMMODITY MARKET REVIEW

On commodities front, during the year under review all major commodities prices, excluding gold saw a massive rise in the prices at the back of substantial industrial demand due to rapid global economic recovery and expectation of higher GDP growth outpacing the industrial supply. Within the major commodities crude oil outperformed with Brent oil prices increasing by ~80% YoY followed by industrial metals, and within metal group copper prices saw a jump of 58% YoY. On other hand, gold witnessed a decline of ~3.0% YoY, as investors became less risk averse and shifted the investment to other asset classes offering higher returns.

FUTURE OUTLOOK

We reiterate our sanguine view on equity market as compared to alternative investment avenues. Market's current earnings yield differential with 10Y PIB yield is 4.75% (14.70% vs. 9.95%) which is much higher than the average yield gap of 1.1% over the last 15 years. Further, earnings growth is also expected to remain robust during the next 12 months. At current levels, the market is trading at an undemanding PE of 6.8x against historical average of ~8.5x and a P/B of 1.1x vs historical average of 1.8x leaving further room for rerating, offering attractive dividend yields of 6.6% which is much higher as compare to regional average DY of ~3.0%.

Due to their undemanding valuations, large cap stocks in the banking, oil exploration, fertilizer and power sectors could drive the next leg of stock market performance in our opinion.

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 660.465 million and net income of PKR 608.330 million during the year. The total fund size stood at PKR 3,830.140 million as at the year end.

Performance review for each sub fund is given below:

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a) Equity Sub-Fund

For the year ended June 30, 2021, the equity sub-fund earned a gross income of PKR 515.249 million and net income of PKR 503.176 million. The net assets of equity sub-fund stood at PKR 1,835.641 million representing net asset value of PKR 809.2185 per unit as at June 30, 2021.

b) Debt Sub Fund

For the year ended June 30, 2021, the debt sub-fund earned a gross income of PKR 65.537 million and net income of PKR 47.084 million. The net assets of debt sub-fund stood at PKR 845.789 million representing net asset value of PKR 281.6105 per unit as at June 30, 2021.

c) Money Market Sub Fund

For the year ended June 30, 2021, the money market sub-fund earned a gross income of PKR 79.573 million and net income of PKR 58.382 million. The net assets of money market sub-fund stood at PKR 1,135.942 million representing net asset value of PKR 222.6121 per unit as at June 30, 2021.

d) Commodity Sub Fund

For the year ended June 30, 2021, the Commodity sub-fund earned a gross income of PKR 0.106 million and net loss of PKR 0.312 million. The net assets of commodity sub-fund stood at PKR 12.768 million representing net asset value of PKR 152.3900 per unit as at June 30, 2021.

SINDH WORKERS' WELFARE FUND

Sindh Revenue Board through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds and pension funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

Auditors

The present statutory auditors M/s Yousuf Adil & 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 2022.

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

Yasir Qadri
Chief Executive Officer

Karachi
Dated: August 16, 2021

ڈائریکٹرز کی رپورٹ۔

یو بی ایل فنڈ منیجرز لمیٹڈ کے بورڈ آف ڈائریکٹرز 30 جون 2021 کو ختم ہونے والے سال کے لیے "یو بی ایل ریٹائرمنٹ سیونگ فنڈ" (یو آر ایس ایف) کی سالانہ رپورٹ پیش کرنے پر خوش ہیں۔

معیشت کا جائزہ

پاکستان کی معیشت نے جاری وبائی امراض کے باوجود امید افزا بحالی دیکھی، FY-21 میں حقیقی جی ڈی پی کی شرح نمو 3.9 فیصد ریکارڈ کی گئی جبکہ FY-20 میں منفی جی ڈی پی نمو 0.5 فیصد رہی۔ زیر نظر سال کے دوران قابل ذکر وصولی بنیادی طور پر انڈسٹری (+3.6Y YoY بمقابلہ -SPLYSP3.8) اور سروس سیکٹرز (YoYY4.4 بمقابلہ -SPLYSP0.6 میں) کی وجہ سے ہوئی، زراعت میں ترقی سست رہی لیکن مثبت کردار ادا (YoYY2.8 بمقابلہ SPLYSP3.3 میں) معیشت میں۔ ہم توقع کرتے ہیں کہ FY-21 کے لیے جی ڈی پی کی شرح نمو بڑھے گی کیونکہ بڑے پیمانے پر مینوفیکچرنگ انڈیکس میں اضافے کی وجہ سے FY-21 کے پہلے گیارہ ماہ کے دوران 9.3 فیصد کے عارضی تخمینے کے مقابلے میں 14.6 فیصد اضافہ ہوا۔

مذکورہ بالا قابل ذکر کارکردگی بنیادی طور پر ملک بھر میں لاک ڈاؤن کے حالات میں آسانی اور حکام کی جانب سے بروقت مناسب پالیسی اقدامات کی وجہ سے تھی جن میں شامل ہیں:

) حکومت کی طرف سے مختلف شعبوں کے لیے اعلان کردہ خصوصی پیکیج;

2) بڑھتی ہوئی مہنگائی کے باوجود اسٹیٹ بینک کا فیصلہ پالیسی ریٹ 7.0 فیصد پر برقرار ہے۔ حقیقی مثبت پالیسی کی شرح کو برقرار رکھنے کے موقف کا جائزہ لیا گیا۔

3) معیشت کو TERF، RFCC کے تحت صحت کے شعبے کے لیے معاونت، قرضوں کی توسیع/تنظیم نو اور SBP روزگار اسکیم جیسے اقدامات کے ساتھ محرک فراہم کرنا; اور

4) یوٹیلیٹی کی قیمتوں میں اضافے کو موخر کرنے کا حکومتی فیصلہ کیا۔

FY-21 میں اوسطاً افراط زر 8.9 فیصد سالانہ پر پہنچ گئی جبکہ FY-20 میں 10.7 فیصد کے مقابلے میں افراط زر میں سالانہ اضافہ بنیادی طور پر خوراک (+13.2% YoY)، کپڑے اور جوتے (+10.1% YoY)، رہائش، پانی، بجلی، گیس اور فیول انڈیکس (+6.2% YoY) کی وجہ سے ہوا۔ آگے بڑھتے ہوئے، زیادہ بنیادی اثرات کے باوجود، بنیادی طور پر اشیاء کی مضبوط قیمتوں، یوٹیلیٹی

ٹیرف میں متوقع ایڈجسٹمنٹ اور بجٹ میں اعلان کردہ کچھ ریونیو اقدامات پر مرحلہ وار عمل درآمد کی وجہ سے ہم توقع کرتے ہیں کہ اوسط افراط زر 7 سے 9 فیصد کی حد میں رہے گا۔

جولائی 2021 کے ایم پی سی اجلاس میں، اسٹیٹ بینک نے اسٹیٹس کو کا انتخاب کیا ہے، پالیسی کی شرح کو 7 فیصد برقرار رکھتے ہوئے کہا ہے کہ موجودہ معاشی بحالی کی حمایت میں موجودہ ایڈجسٹیٹری مانیٹری پالیسی کا موقف مناسب ہے۔ معقول معاشی بحالی کے باوجود، پچھلے سال کی کمی کے بعد اب بھی کچھ بیکار صلاحیت موجود ہے، سپلائی شاکس سے دوسرے دور کے اثرات بھی واضح طور پر ظاہر نہیں ہوتے اور افراط زر کی توقعات بھی زیادہ ہیں۔ تاہم، مانیٹری پالیسی کمیٹی نے اس بات کو بھی اجاگر کیا ہے کہ اگر ڈیمانڈ سائیڈ پریشر ظاہر ہوتا ہے جیسا کہ ریکوری زیادہ پائیدار ہو جاتی ہے اور آؤٹ پٹ زیادہ سے زیادہ گنجائش پر پہنچ جاتی ہے تو، مالیاتی پالیسی کے لیے سمجھداری ہوگی کہ اکاموڈیشن کی ڈگری میں بتدریج کمی کے ذریعے معمول پر آنا شروع کیا جائے۔

بیرونی فرنٹ پر، زیر نظر سال کے دوران کرنٹ اکاؤنٹ نے FY-21 میں 1.8 بلین امریکی ڈالر (جی ڈی پی کا 0.6 فیصد) کا خسارہ پیش کیا جبکہ FY-20 میں 4.4 ارب ڈالر (جی ڈی پی کا 1.7 فیصد) تھا۔ کرنٹ اکاؤنٹ خسارے میں نمایاں بہتری بنیادی طور پر ترسیلات زر اور دیگر کرنٹ ٹرانسفرز میں بالترتیب 27 اور 58 سروس اور خدمات کے خسارے میں 43 کمی کی وجہ سے تھی۔ تاہم، سامان کا تجارتی خسارہ 33 فیصد سالانہ بڑھ کر 21 ارب ڈالر سے بڑھ کر 28 ارب ڈالر ہو گیا جس کی بنیادی وجہ درآمدات میں 23 فیصد اضافہ ہے۔ ادائیگیوں کے مجموعی توازن کی پوزیشن آرام دہ رہی جہاں FX کے ذخائر میں 5.5 بلین امریکی ڈالر کا اضافہ ہوا جس کی وجہ کرنٹ اکاؤنٹ کا خسارہ اور مالیاتی اکاؤنٹ کے تحت مضبوط آمد ہے۔ اس حقیقت کے باوجود کہ ہم توقع کرتے ہیں کہ کرنٹ اکاؤنٹ خسارہ FY-22 میں جی ڈی پی کا 2.5 فیصد-3 فیصد تک بڑھ جائے گا، تاہم، مالی اکاؤنٹ میں متوقع مضبوط آمد کی وجہ سے FY-22 میں ایف ایکس ذخائر پر کسی دباؤ کا امکان کم دکھائی دیتا ہے.

عارضی مالی نمبروں کے مطابق، ایف بی آر نے FY-21 کے دوران 4.72 ٹریلین روپے (+18% YoY) اکٹھے کیے، جو PKR کے دوبارہ بتائے گئے ہدف سے زیادہ ہے۔ ایف بی آر ٹیکس کی وصولی میں معقول اضافہ بنیادی طور پر FY-21 کے دوران سیلز ٹیکس کی وصولی میں 28 فیصد اضافہ ہے۔ اگرچہ حکام نے پچھلے سال ایف بی آر ٹیکس کی وصولی سب سے زیادہ حاصل کی ہے لیکن ٹیکس سے جی ڈی پی کا تناسب 10 فیصد ہے۔ FY-21 کا مجموعی خسارہ جی ڈی پی کے 7 سے 7.5 فیصد تک آنے کی توقع ہے۔ مزید یہ کہ حکومت نے FY-22 کے لیے مجموعی طور پر محصولات کی وصولی کا ہدف 7.9 کھرب روپے اور مالیاتی خسارہ جی ڈی پی کے 6.3 فیصد مقرر کیا ہے۔ ہماری رائے میں، مذکورہ بالا تعداد کسی حد تک مہتواکانکشی ہیں کیونکہ بجٹ میں محدود آمدنی کے اقدامات ہیں اور غیر ٹیکس آمدنی جمع کرنے

کے اہداف پر امید دکھائی دیتے ہیں۔

ڈیٹ مارکیٹ کا جائزہ

FY-21 کے دوران، مارکیٹ کی مزید شرح میں کمی کی توقع ختم ہوگئی۔ مارکیٹ قلیل مدتی ٹریژری بلوں میں سرمایہ کاری کرنے کی خواہشمند رہی۔ ٹریژری بلز کی نیلامی میں مارکیٹ کی شرکت 27.5 ٹریلین روپے تھی اور حکومت نے 16 ٹریلین روپے منظور کیے۔ 3 ماہ کی مدت میں ایک واضح ترجیح دیکھی گئی جو مجموعی شراکت کا 55٪ ہے جس کے بعد بالترتیب 37 اور 8 of کی شراکت کے ساتھ 6 ماہ اور 12 ماہ ہیں۔ تاہم، مالی سال کے بعد کے حصے میں Bills -T6M میں نمایاں دلچسپی دیکھی گئی کیونکہ حکومت نے قابل ذکر ٹرم پریمیم پیش کیا۔ 2HFY21 کے دوران، مارکیٹ نے Bills -T6M میں 8.3PKR ٹریلین حصہ لیا جبکہ 1HFY21 میں 1.7PKR ٹریلین کے مقابلے میں۔ مزید یہ کہ، TH بلوں کی کٹ آف کی شرح اوسط 25bps bps، 42bps اور 52Bps زیادہ رہی 2HFY21 کے دوران بالترتیب 3M، 6M اور Bills -T12M کے لیے 1HFY21 کے مقابلے میں۔

فکسڈ ریٹ پی آئی بی میں بھرپور شرکت دیکھنے میں آئی۔ مارکیٹ کی شرکت 2.44 ٹریلین روپے تھی جہاں حکومت نے فعال طور پر ~ PKR قبول کیا۔ 2HFY21 کے دوران فکسڈ ریٹ PIBs میں شرکت دوگنی سے زیادہ ہے جبکہ 1HFY21 کے مقابلے میں بنیادی

طور پر SBP کی مانیٹری پالیسی میں ایڈجسٹمنٹ موقف کی پشت پر ہے۔ بھاری شرکت کے باوجود، مارکیٹ نے نسبتاً زیادہ پیداوار کا مطالبہ کیا۔ لہذا، FY-21 کے دوران 3Y، 5Y اور 10 PIBs کی پیداوار میں بالترتیب 148bps، 138 bps اور 125 bps کا اضافہ ہوا۔ اس کے برعکس، 1HFY21 کے مقابلے میں 2HFY21 میں فلوٹر ریٹ PIBs میں حصہ نچلی جانب رہا، شرکت 1HFY21 میں 2،300 ارب روپے کے مقابلے میں 2HFY21 میں 700 ارب روپے رہ گئی۔ مالی سال 21 کے دوران کل قبولیت 1600 ارب روپے تھی۔

اسلامی فرنٹ پر، چھ متغیر شرح اجارہ سکوک نیلامیوں میں کل شرکت 498 ارب روپے تھی اور حکومت نے 321 ارب روپے منظور کیے۔ اس کے برعکس، مقررہ شرح اجارہ سکوک میں صرف 77.6 ارب روپے کی شرکت دیکھی گئی جس میں سے حکومت نے 53 ارب روپے منظور کیے۔ تاہم، 2HFY21 میں صرف ایک نیلامی ہوئی۔ حکومت نے 67 ارب روپے متغیر رینٹل ریٹ سکوک اور 8 ارب روپے فکسڈ رینٹل ریٹ سکوک میں قبول کیے۔

پیداوار کی وکر کا موازنہ ذیل میں دیا گیا ہے:

Tenors	PKRV as at June 30, 2021	PKRV as at June 30, 2020	Change
3 Months	7.28	7.09	0.19
6 Months	7.53	7.05	0.48
1 Year	7.81	7.05	0.76
3 Years	8.99	7.53	1.46
5 Years	9.49	8.11	1.38
10 Years	9.94	8.69	1.25

اسٹاک مارکیٹ کا جائزہ

پچھلے سال کارکردگی (+YoYY1.5) کے بعد، بینچ مارک KSE-100 انڈیکس سال کے دوران مضبوط ریکوری کے ساتھ آیا جس کے ساتھ بینچ مارک انڈیکس میں YoYY37.5 کا اضافہ ہوا۔ مقامی ایکویٹی مارکیٹ کی مضبوط کارکردگی بنیادی طور پر کارفرما تھی:

1) لاک ڈاؤن کی پابندی میں آسانی؛

2) مائکرو اکنامک انڈیکیٹرز میں بہتری؛

3) کوویڈ 19 کیسز میں نمایاں کمی 6000 کی چوٹی سے 2 ہزار سے نیچے؛

4) معاشی سرگرمیوں اور مجموعی طلب کو بڑھانے کے لیے حکام کی طرف سے مناسب پالیسی اقدامات اور

5) سیاسی صورتحال کو بہتر بنانا (PDM اپوزیشن اتحاد میں دراڑیں اور TLP احتجاج کا پرامن اختتام)

مارکیٹ میں حوصلہ افزا حجم دیکھا گیا جس کی اوسط تجارتی قیمت اور حجم میں بالترتیب 115 // 93 by کا اضافہ ہوا۔ غیر ملکی سال بھر کے دوران 387 ملین امریکی ڈالر کے شیئرز کو آف لوڈ کرتے رہے۔ گھریلو سرمایہ کاروں میں، افراد اور کمپنیاں خالص خریدار رہے، بالترتیب 332 ملین امریکی ڈالر اور 137 ملین ڈالر کے حصص میں اضافہ ہوا۔

کموڈٹی مارکیٹ ریویو:

اشیاء کے فرنٹ پر، سال کے دوران تمام اہم اشیاء کی قیمتوں میں، سونے کو چھوڑ کر، تیزی سے عالمی معاشی بحالی اور صنعتی سپلائی سے زیادہ جی ڈی پی میں اضافے کی توقع کی وجہ سے کافی صنعتی مانگ کے پیچھے قیمتوں میں بڑے پیمانے پر اضافہ دیکھا گیا۔ بڑی اشیاء کے اندر خام تیل برینٹ تیل کی قیمتوں میں Yfor 80 سالانہ اضافہ کے بعد صنعتی دھاتیں اور دھاتی گروپ کے اندر تانبے کی قیمتوں میں Y58 سالانہ اضافہ ہوا۔ دوسری طرف، سونے میں ~YoY3.0 کی کمی دیکھی گئی، کیونکہ سرمایہ کار کم خطرے سے بچ گئے اور سرمایہ کاری کو دیگر اثاثوں کی کلاسوں میں منتقل کر دیا جس سے زیادہ منافع ملتا ہے۔

مستقبل کا نقطہ نظر

ہم متبادل سرمایہ کاری کے راستوں کے مقابلے میں ایکویٹی مارکیٹ پر اپنے مثبت موقف کا اعادہ کرتے ہیں۔ مارکیٹ کی موجودہ آمدنی PIB10Y کی پیداوار کے ساتھ فرق 4.75٪ (14.70٪ بمقابلہ 9.95٪) ہے جو کہ پچھلے 15 سالوں میں 1.1٪ کی اوسط پیداوار کے فرق سے بہت زیادہ ہے۔ مزید، اگلے 12 ماہ کے دوران آمدنی میں اضافے کی بھی توقع ہے۔ موجودہ سطح پر، مارکیٹ 8.5x کی تاریخی اوسط اور 1..5 کی تاریخی اوسط کے مقابلے میں 8.6x ایکس کے غیر ضروری پی ای پر تجارت کر رہی ہے اور x.x کی تاریخی اوسط بمقابلہ x اعشاریہ of فیصد پر کشش منافع بخش پیداوار کی پیشکش کرتی ہے۔ علاقائی اوسط DY~3.0٪ کے مقابلے میں بہت زیادہ ہے۔

ان کی غیر ضروری قیمتوں کی وجہ سے، بینکنگ، اوائل اکسپلو ریشن، کھاد اور بجلی کے شعبوں میں بڑے کیپ اسٹاک ہماری رائے میں اسٹاک مارکیٹ کی کارکردگی کے اگلے مرحلے کو آگے بڑھا سکتے ہیں۔

پرفارمنس اور آپریشنل ریویو- یو بی ایل ریٹائرمنٹ سیوینگس فنڈ

فنڈ چار ذیلی فنڈز پر مشتمل ہے یعنی ایکویٹی سب فنڈ، ڈیٹ سب فنڈ، منی مارکیٹ سب فنڈ اور کموڈٹی سب فنڈ۔ فنڈ نے مجموعی طور پر 660.465 ملین روپے کی مجموعی آمدنی اور سال بھر کے دوران 608.330 ملین روپے کی خالص آمدنی حاصل کی۔ سال کے اختتام تک کل فنڈ کا حجم 3830.140 ملین روپے تھا۔

ہر ذیلی فنڈ کے لیے کارکردگی کا جائزہ ذیل میں دیا گیا ہے:

a) ایکویٹی سب فنڈ

30 جون 2021 کو ختم ہونے والے سال کے لیے، ایکویٹی سب فنڈ نے 515.249 ملین روپے کی مجموعی آمدنی اور 503.176 ملین روپے کی خالص آمدنی حاصل کی۔ ایکویٹی سب فنڈ کے نیٹ اسیٹس 1835.641PKR ملین تھے جو 30 جون 2021 کے مطابق 809.2185PKR فی یونٹ کی نیٹ اسیٹ قیمت کی نمائندگی کرتے ہیں۔

b) ڈیٹ سب فنڈ

30 جون 2021 کو ختم ہونے والے سال کے لیے، قرض کے ذیلی فنڈ نے 65.537 ملین روپے کی مجموعی آمدنی اور 47.084 ملین

روپے کی خالص آمدنی حاصل کی۔قرضے کے ذیلی فنڈ کے نیٹ اسیٹس 845.789 ملین روپے تھے جو 30 جون 2021 تک 281.6105 روپے فی یونٹ کینیٹ اسیٹ قیمت کی نمائندگی کرتے ہیں۔

c) منی مارکیٹ سب فنڈ۔

30 جون 2021 کو ختم ہونے والے سال کے لیے، منی مارکیٹ سب فنڈ نے 79.573 ملین روپے کی مجموعی آمدنی اور 58.382 ملین روپے کی خالص آمدنی حاصل کی۔منی مارکیٹ سب فنڈ کے نیٹ اسیٹس 30 جون 2021 تک 222.6121PKR فی یونٹ کی نیٹ اسیٹ قیمت کی نمائندگی کرتے ہوئے 1135.942 ملین روپے تھے۔

d) کموڈٹی سب فنڈ

30 جون 2021 کو ختم ہونے والے سال کے لیے کموڈٹی سب فنڈ نے مجموعی آمدنی 0.106 ملین اور خالص نقصان 0.312 ملین روپے کمایا۔کموڈٹی سب فنڈ کے نیٹ اسیٹس 12.768 ملین روپے تھے جو 30 جون 2021 تک 152.3900 روپے فی یونٹ کی نیٹ اسیٹ قیمت کی نمائندگی کرتے ہیں۔

سنڈ ورکرز ویلفیئر فنڈ:

سندھ ریونیو بورڈ نے 12 اگست 2021 کے اپنے خط کے ذریعے MUFAP کو مطلع کیا ہے کہ میوچل فنڈز مالیاتی اداروں/صنعتی اداروں کے طور پر اہل نہیں ہیں اور اس لیے وہ SWWF کی شراکت ادا کرنے کے پابند نہیں ہیں۔ اس تبدیلی پر MUFAP کی سطح پر تبادلہ خیال کیا گیا اور SECP کے ساتھ بھی بات کی گئی اور SECP کی مشاورت سے تمام ایسیٹ مینجمنٹ کمپنیوں نے 13 اگست 2021 کو 12 مئی 2015 سے 12 اگست 2021 تک کی مدت کے لیے تسلیم شدہ SWWF کی مجموعی فراہمی کو تبدیل کر دیا ہے۔اس کے مطابق، آگے بڑھتے ہوئے، فنڈ کے مالی بیانات میں SWWF کے لیے کوئی شق تسلیم نہیں کی جائے گی۔

آڈیٹرز

موجودہ قانونی آڈیٹرز میسرز یوسف عادل اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس اہل ہیں، انہوں نے خود کو دوبارہ تقرری کے لیے پیش کیا ہے۔
آڈٹ کمیٹی نے سال 2022 کے لیے فنڈ کے قانونی آڈیٹر کے طور پر ان کی تقرری کی سفارش کی ہے۔

اعترافات

ہم اپنے قیمتی یونٹ ہولڈرز کا یو بی ایل فنڈ منیجرز لمیٹڈ پر اعتماد اور اعتماد کے لیے شکریہ ادا کرنا چاہتے ہیں۔ اس کے علاوہ، ہم سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اسٹیٹ بینک آف پاکستان اور سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ (ٹرسٹی) کو ان کی مسلسل مدد، رہنمائی اور تعاون کے لیے تسلیم کرنا چاہیں گے۔ بورڈ یہ موقع بھی لینا چاہے گا کہ ملازمین کی لگن، عزم، جوش اور محنت کے لیے ان کی تعریف کا اظہار کرے۔

UBL فنڈ مینیجرز لمیٹڈ کے ڈائریکٹرز کے بورڈ کے لیے اور ان کے لیے

SD

یاسر قادری

چیف ایگزیکٹو آفیسر

SD

اظہر حامد

چیئرمین۔

کراچی

تاریخ: 16 August 2021

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)
Auditors	Yousuf Adil Chartered Accountants
Bankers	Allied Bank Limited Bank Alfalah Limited Habib Bank Limited JS Bank Limited Khushhali Bank Limited MCB Bank Limited National Bank Limited Samba Bank Limited Sindh Bank Limited Tameer MicroFinance Bank United Bank Limited Zarai Taraqiati Bank Limited Soneri Bank Limited
Pension Fund Managers Rating	AM1 (JCR-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'20	Aug'20	Sep'20	Oct'20	Nov'20	Dec'20	Jan'21	Feb'21	Mar'21	Apr'21	May'21	Jun'21	FYTD
URSF-ESF	13.67%	5.85%	-1.53%	-0.61%	3.03%	4.44%	5.88%	-0.25%	-4.04%	-1.11%	8.29%	0.17%	37.76%
URSF-DSF	9.12%	5.00%	5.91%	3.29%	5.41%	4.46%	5.08%	5.03%	5.77%	7.17%	6.50%	7.83%	5.87%
URSF-MMSF	4.73%	4.83%	5.16%	5.20%	5.32%	6.20%	5.28%	5.16%	5.46%	6.19%	5.63%	5.87%	5.42%
URSF-CSF	6.48%	0.04%	-3.36%	-0.63%	-4.15%	5.57%	-2.46%	-5.16%	-0.84%	2.85%	6.26%	-5.93%	-2.38%

UBL Retirement Savings Fund	FY'21
High Volatility	31.4%
Medium volatility	21.8%
Low volatility	13.8%
Lower volatility	5.7%

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 37.76% during FY21. Major exposure was taken in Commercial Banks (16%), Oil & Gas Exploration (13%) and Cements(11%).

The Debt Sub Fund maintained majority exposure in government securities during the year, keeping the return consistent by generating a yield of 5.87% 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 5.42% p.a.

The Commodity Sub Fund generated a return of -2.38% during the year, which was primarily due to the upward rising trend in international gold prices during the FY21.

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-20	Jul-21
T-Bills	47%	0%
Placements with banks	4%	6%
Term Finance Certificates/ Sukuks	0%	5%
Placement against TFC	27%	0%
PIBs	17%	36%
Cash	5%	52%
Others	0%	1%
GoP Ijara Sukuk	0%	0%
Leverage	Nil	Nil
URSF Money Market (% of Total Assets)	**Jun-20**	**Jul-21**
T-Bills	52%	0%
Placements with banks	0%	17%
PIBs	45%	0%
Cash	2%	82%
Term Finance Certificates / Sukuks	0%	0%
Others	0%	1%
Leverage	Nil	Nil
URSF Equity (% of Total Assets)	**Jun-20**	**Jul-21**
Equities	91%	86%
Cash	7%	11%
Others	2%	3%
Spread Transaction	0%	0%
Leverage	Nil	Nil
URSF Commodity (% of Total Assets)	**Jun-20**	**Jul-21**
Gold	84%	80%
T-Bills	0%	0%
Cash	68%	79%
Others*	-53%	-59%
Leverage	Nil	Nil

viii) Analysis of the VPS performance

URSF-ESF: FY'21 Return:	37.76%
URSF-DSF: FY'21 Return:	5.87%
URSF-MMSF: FY'21 Return:	5.42%
URSF-CSF: FY'21 Return:	-2.38%

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-21	30-Jun-20	Change	30-Jun-21	30-Jun-20	Change
	Rupees (000)		%	Rupees		%
URSF-ESF	1,835,641	1,222,486	50.16	809.2185	587.3998	37.76
URSF-DSF	845,788	800,221	5.69	281.6105	265.9978	5.87
URSF-MSF	1,135,942	1,076,277	5.54	222.6121	211.1708	5.42
URSF-CSF	12,768	9,684	31.85	152.39	156.1	-2.38

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

The scheme has 4 sub funds which invest in the equity, debt / money market and commodity markets actively. Reviews of these markets are as follows:

Debt Market Review

During FY21, market expectation of further rate cut faded away. The market remained keen on investing in short term treasury bills. The market participation was ~PKR 27.5 trillion in treasury bills auctions and the government accepted ~PKR 16 trillion. A clear preference was observed in 3 months tenor which constituted ~55% of the total participation followed by 6 months and 12 months with the participation of 37% and 8% respectively. However, significant interest was seen in the 6M T-Bills in the later part of the fiscal year as the government offered noteworthy term premium. During 2HFY21, the market participated PKR 8.3 trillion in 6M T-Bills as compared to PKR 1.7 trillion in 1HFY21. Moreover, the cutoff rates of T-bills on-average remained 25bps, 42bps and 52 bps higher during the 2HFY21 compared to 1HFY21 for the 3M, 6M and 12M T-Bills respectively.

A strong participation was witnessed in fixed rate PIBs. The market participation was ~PKR 2.4 trillion where the government proactively accepted ~PKR 1 trillion. The participation in fixed rate PIBs more than doubled during the 2HFY21 as compared to the 1HFY21 mainly on the back of the accommodative stance in monetary policy by SBP. Despite the heavy participation, the market demanded relatively higher yields. Therefore, yields of 3Y, 5Y and 10 PIBs increased by 148 bps, 138 bps and 125 bps respectively during FY21. In contrast, participation in the floater rate PIBs remained on the lower side in 2HFY21 as

compared to 1HFY21, participation was dropped to ~PKR 700 billion in 2HFY21 compared to ~PKR 2,300 billion in 1HFY21. Total acceptance was PKR 1,600 billion during FY21.

On Islamic front, the total participation was PKR 498 billion in six variable rate Ijara sukuk auctions and the government accepted PKR 321 billion. In contrast, only PKR 77.6 billion participation was witnessed in the fixed rate Ijara sukuk out of which, the government accepted PKR 53 billion. However, only one auction took place in 2HFY21. The government accepted PKR 67 billion in variable rental rate sukuk and PKR 8 billion in fixed rental rate sukuks.

Yield curve comparison is given below:

Tenors	PKRV as at June 30, 2021	PKRV as at June 30, 2020	Change
3 Months	7.28	7.09	0.19
6 Months	7.53	7.05	0.48
1 Year	7.81	7.05	0.76
3 Years	8.99	7.53	1.46
5 Years	9.49	8.11	1.38
10 Years	9.94	8.69	1.25

Stock Market Review

After the muted performance (+1.5% YoY) in the previous year, the benchmark KSE - 100 index came with a strong recovery during the year under review with the benchmark index increased by 37.5% YoY. The robust performance of local equity market was mainly driven by:

1) Ease in lock down restriction;

2) Improving macroeconomic indicators (above-expected GDP growth, higher remittances flows and benign current account);

3) Noticeable decline in COVID-19 cases from peak of 6,000 to below 2,000 cases;

4) Accommodative policy measures by the authorities to boost the economic activity and aggregate demand; and

5) Improving political situation (cracks in PDM opposition alliance and peaceful end to TLP protests).

Encouraging volumes were seen in the market with average traded value and volume increasing by 115% / 93% YoY, respectively. Foreigners remained net sellers offloading shares amounting to USD 387 million during the year. Among domestic investors, individuals

and companies remained net buyers, mopping up shares worth USD 332 million and USD 137 million, respectively.

COMMODITY MARKET REVIEW

On commodities front, during the year under review all major commodities prices, excluding gold saw a massive rise in the prices at the back of substantial industrial demand due to rapid global economic recovery and expectation of higher GDP growth outpacing the industrial supply. Within the major commodities crude oil outperformed with Brent oil prices increasing by ~80% YoY followed by industrial metals, and within metal group copper prices saw a jump of 58% YoY. On other hand, gold witnessed a decline of ~3.0% YoY, as investors became less risk averse and shifted the investment to other asset classes offering higher returns.

xi) Breakdown of unit holdings by size

Range of Units	Number of Investors	Number of Investors	Number of Investors	Number of Investors
	ESF	DSF	MSF	CSF
0.0001 - 9,999.9999	1,440	1,626	1,018	181
10,000.0000 - 49,999.9999	43	63	64	2
50,000.0000 - 99,999.9999	6	6	18	-
100,000.0000 - 499,999.9999	1	3	10	-
500,000.0000 & Above	-	-	-	-
Total	1,490	1,698	1,110	184

xii) 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.

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

There were no unit splits during the year.

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.

CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED
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S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel : (92-21) 111-111-500
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Email: info@cdcpak.com

TRUSTEE REPORT TO THE PARTICIPANTS

UBL RETIREMENT SAVINGS FUND

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

We, Central Depository Company of Pakistan Limited, being the Trustee of UBL Retirement Savings Fund (the Fund) are of the opinion that UBL Fund Managers Limited being the Pension Fund Manager of the Fund has in all material respects managed the Fund during the year ended June 30, 2021 in accordance with the provisions of the constitutive documents of the Fund and the Voluntary Pension System Rules, 2005.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 28, 2021

YOUSUF ADIL

Yousuf Adil
Chartered Accountants

Cavish Court, A-35, Block 7 & 8
KCHSU, Shahrah-e-Faisal
Karachi-75350
Pakistan

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AUDITOR'S REPORT TO THE PARTICIPANTS OF UBL RETIREMENT SAVINGS FUND

We have audited the annexed financial statements comprising:

i. Statement of Assets and Liabilities;
ii. Income Statement;
iii. Statement of Comprehensive Income;
iv. Statement of Cash Flows; and
v. Statement of Movement in Participants' Sub – Fund

of **UBL Retirement Savings Fund** ("the Fund") as at June 30, 2021 and for the year then ended together with the notes forming part thereof.

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

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

In our opinion:-

a) the financial statements prepared for the year ended June 30, 2021 have been properly drawn in accordance with the relevant provisions of the trust deed and the Voluntary Pension System Rules, 2005 including the guidelines thereunder;

b) a true and fair view is given of the disposition of the Fund as at June 30, 2021 and of the transactions of the Fund for the year then ended;

c) the allocation and reallocation of units of the sub-funds for all the participants have been made according to the Voluntary Pension System Rules, 2005;

d) the cost and expenses debited to the Fund and apportionment of expenses between sub-funds are as specified in the constitutive documents of the Fund;

e) proper books and records have been kept by the Fund and the financial statements prepared are in agreement with the Fund's books and records;

f) we were able to obtain all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of the audit; and

g) Zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980) was deducted by the Fund and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

Yousuf adil
Chartered Accountants

Engagement Partner
Nadeem Yousuf Adil

Place: Karachi
Date: September 24, 2021

UBL RETIREMENT SAVINGS FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2021

	Note	2021					2020				
		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)									
Assets											
Bank balances	5	**209,502**	**611,349**	**937,155**	**10,548**	**1,768,554**	90,093	157,027	503,353	7,240	757,713
Term Deposit Receipts	6	**-**	**75,000**	**200,000**	**-**	**275,000**	-	-	-	-	-
Investments	7	**1,639,136**	**484,294**	**-**	**-**	**2,123,430**	1,146,657	635,746	570,172	-	2,352,575
Advance income tax	8	**1,194**	**768**	**1,302**	**38**	**3,302**	915	591	1,058	32	2,596
Receivable against sale of investments		**15,318**	**-**	**-**	**-**	**15,318**	1,440	-	-	-	1,440
Dividend and mark-up receivable	9	**7,893**	**6,727**	**7,384**	**51**	**22,055**	2,980	11,877	1,441	-	16,298
Deposits and other receivables	10	**32,195**	**5,577**	**2,333**	**3,363**	**43,468**	11,910	11,939	11,062	3,061	37,972
Total assets		**1,905,238**	**1,183,715**	**1,148,174**	**14,000**	**4,251,127**	1,253,995	817,180	1,087,086	10,333	3,168,594
Liabilities											
Payable to UBL Fund Managers Limited - Pension Fund Manager	11	**2,928**	**1,592**	**1,815**	**58**	**6,393**	1,965	1,375	1,670	49	5,059
Remuneration payable to Central Depository Company of Pakistan Limited - Trustee	12	**182**	**89**	**127**	**3**	**401**	131	78	118	2	329
Annual fee payable to the Securities and Exchange Commission of Pakistan (SECP)	13	**400**	**211**	**273**	**3**	**887**	318	208	293	2	821
Payable against purchase of investments		**29,103**	**325,370**	**-**	**-**	**354,473**	3,000	-	-	-	3,000
Accrued expenses and other liabilities	14	**36,984**	**10,664**	**10,017**	**1,168**	**58,833**	26,095	15,298	8,728	596	50,717
Total liabilities		**69,597**	**337,926**	**12,232**	**1,232**	**420,987**	31,509	16,959	10,809	649	59,926
Net assets		**1,835,641**	**845,789**	**1,135,942**	**12,768**	**3,830,140**	1,222,486	800,221	1,076,277	9,684	3,108,668
Contingencies and commitments	15										
Participants' Sub-Funds (as per the statement attached)		**1,835,641**	**845,789**	**1,135,942**	**12,768**	**3,830,140**	1,222,486	800,221	1,076,277	9,684	3,108,668
		(Number of units)									
Number of units in issue	20	**2,268,412**	**3,003,398**	**5,102,787**	**83,785**		2,081,183	3,008,374	5,096,712	62,036	
		(Rupees)									
Net asset value per unit		**809.2185**	**281.6105**	**222.6121**	**152.3900**		587.3998	265.9978	211.1708	156.1029	

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

For UBL Fund Managers Limited
(Pension Fund Manager)

-SD-	-SD-	-SD-
Chief Executive Officer	**Chief Financial Officer**	**Director**

UBL RETIREMENT SAVINGS FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021					2020				
		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)									
Income											
Mark-up / interest income		**4,971**	**66,850**	**79,734**	**506**	**152,061**	9,301	89,733	127,446	774	227,254
Capital gain / (loss) on sale of investments - net		**260,112**	**(1,532)**	**(161)**	**305**	**258,724**	39,487	14,356	3,256	1,229	58,328
(Loss) / gain on derivative contract		**-**	**-**	**-**	**(705)**	**(705)**				304	304
Dividend income on equity securities		**80,815**	**-**	**-**	**-**	**80,815**	51,252	-	-	-	51,252
Unrealised gain / (loss) on revaluation of investments classified as 'at fair value through profit or loss'		**169,351**	**219**	**-**	**-**	**169,570**	(4,771)	12,344	623	-	8,196
Total income		**515,249**	**65,537**	**79,573**	**106**	**660,465**	95,269	116,433	131,325	2,307	345,334
Expenses											
Remuneration of the Pension Fund Manager	11.1	**23,975**	**12,668**	**16,386**	**170**	**53,199**	16,619	10,836	15,187	124	42,766
Sales tax on remuneration of the Pension Fund Manager	11.2	**3,117**	**1,647**	**2,130**	**22**	**6,916**	2,160	1,409	1,974	16	5,559
Remuneration of the Trustee	12.1	**2,005**	**1,062**	**1,372**	**15**	**4,454**	1,467	958	1,345	11	3,781
Annual fee to SECP	13	**400**	**211**	**273**	**3**	**887**	318	208	293	2	821
Auditor's remuneration	17	**147**	**147**	**147**	**147**	**588**	145	145	145	145	580
Brokerage expense		**6,726**	**213**	**120**	**2**	**7,061**	2,884	344	90	10	3,328
Custody and settlement charges		**691**	**525**	**-**	**11**	**1,227**	456	169	-	7	632
Legal and professional charges		**50**	**47**	**46**	**23**	**166**	53	53	53	53	212
Bank charges and other expenses		**25**	**78**	**84**	**7**	**194**	17	61	87	7	172
Total expenses		**37,136**	**16,598**	**20,558**	**400**	**74,692**	24,119	14,183	19,174	375	57,851
Operating income / (loss) for the year		**478,113**	**48,939**	**59,015**	**(294)**	**585,773**	71,150	102,250	112,151	1,932	287,483
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - net		**35,128**	**(912)**	**536**	**(18)**	**34,734**	20,492	2,661	1,047	83	24,283
Provision for Sindh Workers' Welfare Fund (SWWF)	14.1	**(10,065)**	**(943)**	**(1,169)**	**-**	**(12,177)**	(1,798)	(2,058)	(2,221)	(40)	(6,117)
Net income / (loss) for the year before taxation		**503,176**	**47,084**	**58,382**	**(312)**	**608,330**	89,844	102,853	110,977	1,975	305,649
Taxation	18	**-**	**-**	**-**	**-**	**-**	-	-	-	-	-
Net income / (loss) for the year after taxation		**503,176**	**47,084**	**58,382**	**(312)**	**608,330**	89,844	102,853	110,977	1,975	305,649
Earnings / (loss) per unit	19										

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

For UBL Fund Managers Limited

-SD-	-SD-	-SD-
Chief Executive Officer	**Chief Financial Officer**	**Director**

UBL RETIREMENT SAVINGS FUND
STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB-FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	2021					2020				
	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)									
Net assets at beginning of the year	**1,222,486**	**800,221**	**1,076,277**	**9,684**	**3,108,668**	992,144	692,678	875,956	6,583	2,567,361
Amount received on issuance of units	**627,365**	**373,516**	**476,314**	**5,696**	**1,482,891**	516,146	296,746	651,125	32,744	1,496,761
Effect of reallocation	**1,360**	**3,615**	**(4,188)**	**(787)**	**-**	(60,379)	45,875	13,831	673	-
Amount paid on redemption of units	**(483,618)**	**(379,366)**	**(470,307)**	**(1,531)**	**(1,334,822)**	(294,777)	(335,547)	(574,565)	(32,208)	(1,237,097)
	145,107	**(2,235)**	**1,819**	**3,378**	**148,069**	160,990	7,074	90,391	1,209	259,664
Element of (income) / loss and capital (gains) / losses included in prices of units sold less those in units redeemed - amount	**(35,128)**	**912**	**(536)**	**18**	**(34,734)**	(20,492)	(2,661)	(1,047)	(83)	(24,283)
	1,332,465	**798,898**	**1,077,560**	**13,080**	**3,222,003**	1,132,642	697,091	965,300	7,709	2,802,742
Net movement on remeasurement of investments classified as 'fair value through other comprehensive income' arising during the year	**-**	**(193)**	**-**	**-**	**(193)**	-	277	-	-	277
Net capital gain / (loss) on sale of investments	**260,112**	**(1,532)**	**(161)**	**305**	**258,724**	39,487	14,356	3,256	1,229	58,328
Unrealised gain / (loss) on revaluation of investments classified as 'at fair value through profit or loss'	**169,351**	**219**	**-**	**-**	**169,570**	(4,771)	12,344	623	304	8,500
Other net income for the year	**73,713**	**48,397**	**58,543**	**(617)**	**180,036**	55,128	76,153	107,098	442	238,821
	503,176	**47,084**	**58,382**	**(312)**	**608,330**	89,844	102,853	110,977	1,975	305,649
Net assets at end of the year	**1,835,641**	**845,789**	**1,135,942**	**12,768**	**3,830,140**	1,222,486	800,221	1,076,277	9,684	3,108,668

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

For UBL Fund Managers Limited
(Pension Fund Manager)

-SD-	-SD-	-SD-
Chief Executive Officer	**Chief Financial Officer**	**Director**

UBL RETIREMENT SAVINGS FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2021

	2021					2020				
	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)									
Net income / (loss) for the year after taxation	**503,176**	**47,084**	**58,382**	**(312)**	**608,330**	89,844	102,853	110,977	1,975	305,649
Other comprehensive income / (loss) for the year:										
Items that may be reclassified subsequently to income statement	**-**	**-**	**-**	**-**	**-**	-	-	-	-	-
Net unrealised gain / (loss) on investments at fair value through other comprehensive income' arising during the year	**-**	**(193)**	**-**	**-**	**(193)**	-	277	-	-	277
Total comprehensive income / (loss) for the year	**503,176**	**46,891**	**58,382**	**(312)**	**608,137**	89,844	103,130	110,977	1,975	305,926

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

For UBL Fund Managers Limited
(Pension Fund Manager)

-SD-	-SD-	-SD-
Chief Executive Officer	**Chief Financial Officer**	**Director**

UBL RETIREMENT SAVINGS FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021 Equity Sub-Fund	2021 Debt Sub-Fund	2021 Money Market Sub-Fund	2021 Commodity Sub-Fund	2021 Total	2020 Equity Sub-Fund	2020 Debt Sub-Fund	2020 Money Market Sub-Fund	2020 Commodity Sub-Fund	2020 Total
		(Sub-Fund)					(Sub-Fund)				
CASH FLOWS FROM OPERATING ACTIVITIES		(Rupees in '000)									
Net income / (loss) for the year before taxation		**503,176**	**47,084**	**58,382**	**(312)**	**608,330**	89,844	102,853	110,977	1,975	305,649
Adjustments:											
Mark-up / interest income		**(4,971)**	**(66,850)**	**(79,736)**	**(506)**	**(152,063)**	(9,301)	(89,733)	(43,241)	(774)	(143,049)
Dividend income on equity securities		**(80,815)**	**-**	**-**	**-**	**(80,815)**	(51,252)	-	-	-	(51,252)
Capital (gain) / loss on sale of investments - net		**(260,112)**	**1,532**	**161**	**(305)**	**(258,724)**	(39,487)	(14,356)	(3,256)	(1,229)	(58,328)
Unrealised (gain) / loss on revaluation of investments classified as 'at fair value through profit or loss'		**(169,351)**	**(219)**	**-**	**-**	**(169,570)**	4,771	(12,344)	-	(304)	(7,877)
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed - net		**(35,128)**	**912**	**(536)**	**18**	**(34,734)**	(20,492)	(2,661)	(1,047)	(83)	(24,283)
Provision for Sindh Workers' Welfare Fund (SWWF)		**10,065**	**943**	**1,169**	**-**	**12,177**	1,798	2,058	2,221	40	6,117
		(37,136)	**(16,598)**	**(20,560)**	**(1,105)**	**(75,399)**	(24,119)	(14,183)	65,654	(375)	26,977
(Increase) / decrease in assets											
Investments		**(63,016)**	**149,946**	**(161)**	**-**	**86,769**	(194,200)	(418,797)	3,256	1,689	(608,052)
Receivable against sale of investments		**(13,878)**	**-**	**-**	**-**	**(13,878)**	955	-	-	-	955
Deposits and other receivables		**(20,285)**	**6,362**	**8,729**	**3**	**(5,191)**	(7,668)	(7,204)	(1,287)	(1,694)	(17,853)
		(97,179)	**156,308**	**8,568**	**3**	**67,700**	(200,913)	(426,001)	1,969	(5)	(624,950)
Increase / (decrease) in liabilities											
Payable to the Pension Fund Manager		**963**	**217**	**145**	**9**	**1,334**	439	373	441	-	1,253
Remuneration payable to the Trustee		**51**	**11**	**9**	**1**	**72**	17	1	23	-	41
Payable to the SECP		**82**	**3**	**(20)**	**1**	**66**	(82)	(18)	42	-	(58)
Payable against purchase of investments		**26,103**	**325,370**	**-**	**-**	**351,473**	(839)	-	-	-	(839)
Accrued expenses and other liabilities		**824**	**(5,577)**	**120**	**572**	**(4,061)**	3,526	5,202	2,542	159	11,429
		28,023	**320,024**	**254**	**583**	**348,884**	3,061	5,558	3,048	159	11,826
Mark-up / interest income received		**4,441**	**72,000**	**73,793**	**455**	**150,689**	9,858	88,294	44,305	813	143,270
Dividend income received		**76,432**	**-**	**-**	**-**	**76,432**	51,973	-	-	-	51,973
Income tax paid		**(279)**	**(177)**	**(244)**	**(6)**	**(706)**	(35)	(172)	(454)	(4)	(665)
Net cash generated from / (used in) operating activities		**(25,698)**	**531,557**	**61,811**	**(70)**	**567,600**	(160,175)	(346,504)	114,522	588	(391,569)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts from issuance of units		**627,365**	**373,516**	**476,314**	**5,696**	**1,482,891**	516,146	296,746	651,125	32,744	1,496,761
Effect of re-allocation		**1,360**	**3,615**	**(4,188)**	**(787)**	**-**	(60,379)	45,875	13,831	673	-
Payments on redemption of units		**(483,618)**	**(379,366)**	**(470,307)**	**(1,531)**	**(1,334,822)**	(294,777)	(335,547)	(574,565)	(32,208)	(1,237,097)
Net cash generated from / (used in) financing activities		**145,107**	**(2,235)**	**1,819**	**3,378**	**148,069**	160,990	7,074	90,391	1,209	259,664
Net increase / (decrease) in cash and cash equivalents		**119,409**	**529,322**	**63,630**	**3,308**	**715,669**	815	(339,430)	204,913	1,797	(131,905)
Cash and cash equivalents at beginning of the year		**90,093**	**157,027**	**1,073,525**	**7,240**	**1,327,885**	89,278	496,457	868,612	5,443	1,459,790
Cash and cash equivalents at end of the year		**209,502**	**686,349**	**1,137,155**	**10,548**	**2,043,554**	90,093	157,027	1,073,525	7,240	1,327,885
Cash and cash equivalents											
Bank balances	5	**209,502**	**611,349**	**937,155**	**10,548**	**1,768,554**	90,093	157,027	503,353	7,240	757,713
Term Deposit Receipts	6	**-**	**75,000**	**200,000**	**-**	**275,000**	-	-	-	-	-
Treasury bills - 3 months	7.2	**-**	**-**	**-**	**-**	**-**	-	-	570,172	-	570,172
		209,502	**686,349**	**1,137,155**	**10,548**	**2,043,554**	90,093	157,027	1,073,525	7,240	1,327,885

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

For UBL Fund Managers Limited
(Pension Fund Manager)

-SD-	-SD-	-SD-
Chief Executive Officer	**Chief Financial Officer**	**Director**

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 yearic 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 31, 2020.

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.

The Trust Act, 1882 has been repealed due to promulgation of Provisional Trust Act “Sindh Act 2020” as empowered under Eighteen Amendment to the Constitute of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company after fulfilling the requirement for registration of Trust Deed under Sindh Act 2020, has submitted trust Deed of Collective Investment Scheme to registrar acting under Sindh Act 2020 for registration.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board as are notified under the Companies Act, 2017,

- the requirements of the Trust Deed, Voluntary Pension System Rules, 2005 (VPS Rules) and the directives issued by the SECP.

Where the requirements of the Trust Deed, the VPS Rules or the directives issued by the SECP differ from the requirements of IFRS Standards, the requirements of the Trust Deed, the VPS Rules (2005) or the requirements of the said directives have been followed.

2.1.2 The SECP / Commission through its letter no. SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 has deferred the applicability of the impairment requirements of IFRS 9 for debt securities on mutual funds. Currently, the Pension Fund Manager are required to continue to follow the requirements of Circular 33 of 2012 for impairment of debt securities.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except that certain financial assets are measured at fair value.

2.3 Functional and presentation currency

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

2.4 Critical accounting estimates and judgments

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, judgements and assumptions that affect the reported amount of assets, liabilities, income and expenses. It also requires management to exercise judgement in application of its accounting policies. The estimates, judgements and associated assumptions are based on the historical experience and various other factors that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the year in which the estimates are revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

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

(i) classification of financial assets (note 4.2.1 and 7);
(ii) measurement of financial assets (notes 4.2.2, 4.2.3 and 7);
(iii) impairment of financial assets (note 4.2.5);
(iv) provision for taxation (notes 4.6 and 18); and
(v) provision for Sindh Workers' Welfare Fund (note 14.1).

3. NEW ACCOUNTING STANDARDS / AMENDMENTS AND IFRS INTERPRETATIONS

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2021

The following standards, amendments and interpretations are effective for the year ended June 30, 2021. 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.

- Amendment to IFRS 16 'Leases' - Covid-19 related rent concessions
- Amendments to the conceptual framework for financial reporting, including amendments to references to the conceptual framework in IFRS
- Amendments to IFRS 3 'Business Combinations' - Definition of a business
- Amendments to IAS 1 'Presentation of Financial Statements' and IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of material
- Amendments to IFRS 9 'Financial Instruments', IAS 39 'Financial Instruments: Recognition and Measurement' and IFRS 7 'Financial Instruments: Disclosures' - Interest rate benchmark reform

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

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

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

	Effective from Accounting period beginning on or after
- Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)	January 01, 2021
- Amendment to IFRS 16 'Leases' - Covid-19 related rent concessions extended beyond June 30, 2021	April 01, 2021
- 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 contract	January 01, 2022
- Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2023
- Amendments to IAS 1 'Presentation of Financial Statements' - Disclosure of accounting policies	January 01, 2023
- 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' - Amendments regarding deferred tax on leases and decommissioning obligations	January 01, 2023

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

Other than the aforesaid standards, interpretations and amendments, the IASB has also issued the following standards which have not been adopted locally by the SECP:

- IFRS 1 – First Time Adoption of International Financial Reporting Standards
- IFRS 17 – Insurance Contracts

4. SIGNIFICANT ACCOUNTING POLICIES

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

4.1 Cash and cash equivalents

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

4.2 Financial Instruments

4.2.1 Classification of financial assets

IFRS 9 contains three principal classification categories for financial assets:

- Amortized cost (“AC”),
- Fair value through other comprehensive income (“FVOCI”); and
- Fair value through profit or loss (“FVTPL”).

The classification depends on the purpose for which the financial assets are acquired. The management determines the classification of its financial assets at initial recognition and re-evaluates this classification on regular basis.

Financial assets at amortised cost

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

1) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

2) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Financial assets at FVOCI

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

1) the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

2) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, for an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in fair value in OCI, only dividend income is recognised in income statement. This election is made on an investment-by-investment basis.

FVOCI financial assets are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI.

Financial assets at FVTPL

All other financial assets are classified at FVTPL (for example: equity held for trading and debt securities not classified either as AC or FVOCI).

In addition, on initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Fund changes its business model for managing financial assets.

4.2.2 Recognition and initial measurement of financial instruments

Financial assets and financial liabilities are recognised in the Fund's statement of assets and liabilities when the Fund becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

4.2.3 Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets at amortised cost are subsequently measured at amortised cost. Amortised cost is calculated using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

Financial assets at FVOCI

All financial assets at FVOCI are subsequently measured at fair value. Gains or losses arising due to changes in fair value are recognised in other comprehensive income.

For debt instruments classified as financial assets at FVOCI, the amounts in other comprehensive income are reclassified to income statement on derecognition of financial assets. This treatment is in contrast to equity instruments classified as financial assets at FVOCI, where there is no reclassification on derecognition.

Financial assets at FVTPL

All financial assets at fair value through profit or loss are subsequently carried at fair value. Gains or losses arising from changes in fair value are recognised in income statement.

4.2.4 Fair value measurement principles and provision

The fair value of financial instruments is determined as follows:

Basis of valuation of equity securities:

The fair value of shares of listed companies is based on their prices quoted on the Pakistan Stock Exchange Limited at the reporting date without any deduction for estimated future selling costs.

Basis of valuation of debt securities:

The fair value of debt securities (other than government securities) is based on the value determined and announced by Mutual Funds Association of Pakistan (MUFAP) in accordance with the criteria laid down in Circular No. 1 of 2009 and Circular No. 33 of 2012 issued by Securities and Exchange Commission of Pakistan (SECP). In the determination of the rates, MUFAP takes into account the holding pattern of these securities and categorizes them as traded, thinly traded and non-traded securities. The aforementioned circular also specifies the valuation process to be followed for each category as well as the criteria for the provisioning of non performing debt securities.

Basis of valuation of government securities:

The government securities not listed on stock exchange and traded in the interbank market are valued at the average rates quoted on a widely used electronic quotation system (PKFRV and PKRV) rates.

4.2.5 Impairment

Under expected credit loss (ECL) model of IFRS 9, the Fund recognises loss allowances for ECLs on financial assets other than debt securities. The Fund measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

– Financial assets that are determined to have low credit risk at the reporting date; and

– Other financial assets for which credit risk (i.e. the risk of default occurring over the expected life of the asset) has not increased significantly since initial recognition

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Fund considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Fund's historical experience and informed credit assessment and including forward-looking information.

As disclosed in note 2.1.2 of these financial statements, the Fund follows the requirements of circular 33 of 2012 (the "circular") for impairment of debt securities. Under the circular, provision for non performing debt securities is made on the basis of time based criteria as prescribed under the circular. Impairment losses recognised on debt securities can be reversed through the income statement.

As allowed under circular no. 13 of 2009 dated May 04, 2009 issued by the SECP, the Management Company may also make provision against debt securities over and above minimum provision requirement prescribed in aforesaid circular, in accordance with the provisioning policy approved by the Board of Directors and disseminated by the Management Company on its website.

4.2.6 Classification and measurement of financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

4.2.7 Derecognition

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

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

4.2.8 Regular way contracts

All purchases and sales of securities that require delivery within the timeframe established by regulation or market convention are recognised at the trade date. Trade date is the date on which the Fund commits to purchase or sell assets.

4.2.9 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 realise the assets and settle the liabilities simultaneously.

4.3 Derivatives

Derivative instruments are initially recognised at fair value and subsequent to initial measurement each derivative instrument is remeasured to its fair value and the resultant gain or loss is recognised in the income statement. Derivatives with positive fair values (unrealised gains) are included in other assets and derivatives with negative fair values (unrealised losses) are included in other liabilities in the statement of assets and liabilities.

4.4 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.

4.5 Collaterals

Cash collaterals provided by the Fund are identified in the statement of assets and liabilities as margin and are not included as a component of cash and cash equivalents. For collaterals other than cash, if the party to whom the collaterals are provided has a right by contract or custom to sell or re-pledge the collaterals, the Fund classifies those collaterals in the statement of assets and liabilities separately from other assets and identifies the assets as pledged collaterals. Where the party to whom the collaterals are provided does not have the right to sell or re-pledge, a disclosure of the collaterals provided is made in the notes to the financial statements.

4.6 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.

4.7 Issuance, allocation, reallocation and redemption of units

Contribution received from a Participant is allocated to the sub-funds on the basis of the allocation scheme selected by the Participant out of the allocation schemes offered by the Pension Fund Manager. Units issued in respect of a sub-fund are recorded at the offer price of that sub-fund, determined by the Pension Fund Manager for the applications received by the distributors during business hours on that date. The offer price represents the net asset value per unit of the sub-fund as of the close of the business day plus the allowable sales load and any provision for duties and charges, if applicable. The sales load is payable to the investment facilitators, distributors and the Pension Fund Manager.

The Pension Fund Manager makes reallocation of the sub-fund units between the sub-funds at least once a year to ensure that the allocations of the sub-fund units of all the Participants are according to the allocation schemes selected by the Participants.

4.8 Element of income / (loss) and capital gains / (losses) included in prices of units sold less those in units redeemed

An equalization account called the 'element of income / (loss) and capital gains / (losses) included in prices of units sold 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.

The Fund records that portion of the net element of income / (loss) and capital gains / (losses) relating to units sold and redeemed during an accounting period which pertains to unrealised gains / (losses) that form part of the Unit Holders' Funds in a separate reserve account and any amount remaining in this reserve account at the end of an accounting period (whether gain or loss) is included in the amount available for distribution to the unit holders. The remaining portion of the net element of income / (loss) and capital gains / (losses) relating to units issued and redeemed during an accounting period is recognised in the Income Statement.

4.9 Net assets value per unit

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

4.10 Revenue recognition

- Realised capital gains / losses arising on sale of investments are included in the income statement on the date at which the sale transaction takes place.
- Unrealised 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.
- Unrealised gains / (losses) arising on re-measurement of investments classified as 'financial assets at fair value through other comprehensive income' are included in the equity through other comprehensive income in the year in which they arise.
- Dividend income on equity securities is recognised in the income statement when the right to receive the dividend is established.
- Mark-up / return on investments in debt and government securities is recognised using effective yield method.
- Income on bank balances, placements and term deposits are recognised on time proportionate basis.

4.11 Expenses

All expenses including remuneration of Pension Fund Manager, Trustee fee and SECP fee are recognised in the Income Statement on accrual basis.

4.12 Unitholders' fund

Unitholders' fund representing the units issued by the Fund, is carried at the redemption amount representing the investors' right to a residual interest in the Fund's assets.

4.13 Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Translation differences on non-monetary financial assets and liabilities such as equities at fair value through profit or loss are recognised in the Income Statement within the fair value net gain or loss.

	Note	2021 Equity Sub-Fund	2021 Debt Sub-Fund	2021 Money Market Sub-Fund	2021 Commodity Sub-Fund	2021 Total	2020 Equity Sub-Fund	2020 Debt Sub-Fund	2020 Money Market Sub-Fund	2020 Commodity Sub-Fund	2020 Total
		(Rupees in '000)									
5. BANK BALANCES											
Bank accounts - saving	5.1	**209,502**	**611,349**	**937,147**	**10,548**	**1,768,546**	90,093	157,027	503,343	7,240	757,703
Bank accounts - current		**-**	**-**	**8**	**-**	**8**	-	-	10	-	10
		209,502	**611,349**	**937,155**	**10,548**	**1,768,554**	90,093	157,027	503,353	7,240	757,713

5.1 These carry mark-up at the rates ranging from 3.75% to 7.85% (2020: 3.75% to 11.25%) per annum.

6. Term Deposits Receipts - at amortized cost

	2021 Equity Sub-Fund	2021 Debt Sub-Fund	2021 Money Market Sub-Fund	2021 Commodity Sub-Fund	2021 Total	2020 Equity Sub-Fund	2020 Debt Sub-Fund	2020 Money Market Sub-Fund	2020 Commodity Sub-Fund	2020 Total
	(Rupees in '000)									
		6.1	**6.2**							
Term Deposits Receipts - at amortized cost	**-**	**75,000**	**200,000**	**-**	**275,000**	-	-	-	-	-

6.1 Held by Debt Sub-Fund

Name of Company	As at July 1, 2020	Purchased during the year	Matured / Sold during the year	As at June 30, 2021	Market value as a percentage of net assets of the Fund	Interest rate	Maturity date up to
	Rupees in '000				%		
Held by Debt Sub-Fund							
Allied Bank Limited	**-**	**75,000**	**-**	**75,000**	**8.87**	**9.00**	**July 15, 2021**
June 30, 2020		-	-	-	-		

6.2 Held by Money Market Sub-Fund

Bank Alfalah Limited	**-**	**100,000**	**-**	**100,000**	**8.80**	**7.62**	**July 2, 2021**
Allied Bank Limited	**-**	**200,000**	**200,000**	**-**	**-**	**7.70**	**April 9, 2021**
Allied Bank Limited	**-**	**100,000**	**-**	**100,000**	**8.80**	**9.00**	**July 29, 2021**
June 30, 2021	**-**	**400,000**	**200,000**	**200,000**	**17.60**		
June 30, 2020		-	-	-	-		

7. INVESTMENTS

	Note	2021 Equity Sub-Fund	2021 Debt Sub-Fund	2021 Money Market Sub-Fund	2021 Commodity Sub-Fund	2021 Total	2020 Equity Sub-Fund	2020 Debt Sub-Fund	2020 Money Market Sub-Fund	2020 Commodity Sub-Fund	2020 Total
		(Rupees in '000)									
Investments by category											
'At fair value through profit or loss'											
Listed Equity Securities	7.1	**1,639,136**	**-**	**-**	**-**	**1,639,136**	1,146,657	-	-	-	1,146,657
Government securities - Treasury Bills	7.2	**-**	**-**	**-**	**-**	**-**	-	381,035	570,172	-	951,207
Government Securities - Pakistan Investment Bonds	7.3	**-**	**423,932**	**-**	**-**	**423,932**	-	212,491	-	-	212,491
Debt securities - Term Finance Certificates / Sukuks	7.4	**-**	**56,841**	**-**	**-**	**56,841**	-	36,531	-	-	36,531
		1,639,136	**480,773**	**-**	**-**	**2,119,909**	1,146,657	630,057	570,172	-	2,346,886
'At fair value through other comprehensive income'											
Government Securities - Pakistan Investment Bonds	7.5	**-**	**3,521**	**-**	**-**	**3,521**	-	5,689	-	-	5,689
Total		**1,639,136**	**484,294**	**-**	**-**	**2,123,430**	1,146,657	635,746	570,172	-	2,352,575

7.1 Listed equity securities - 'at fair value through profit or loss'

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

Sector and Name of Security	Note	As at July 01, 2020	Purchased / bonus / right received during the year	Sold during the year	As at June 30, 2021	Balance as at June 30, 2021			Market value as a % of net assets of the sub-fund	Market value as % of investments of the sub-fund	Par value as a % of total paid-up capital of the investee company
						Carrying value	Market value	Unrealised gain / (loss)			
		(Number of shares)				(Rupees in '000)			(%)		
Automobile assembler											
Honda Atlas Cars (Pakistan) Limited		400	159,000	126,800	32,600	11,767	11,272	(495)	0.61	0.69	0.23
Indus Motor Company Limited		7,500	26,320	32,900	920	1,042	1,154	112	0.06	0.07	0.01
Al-Ghazi Tractors Limited**		-	500	-	500	176	182	6	0.01	0.01	0.00
Ghandara Nissan Limited		-	72,500	72,500	-	-	-	-	-	-	-
Millat Tractors Limited		-	31,555	9,800	21,755	23,359	23,487	128	1.28	1.43	0.39
Pak Suzuki Motor Company Limited		-	202,000	202,000	-	-	-	-	-	-	-
						36,344	**36,095**	**(249)**	**1.96**	**2.20**	**0.63**
Automobile parts and accessories											
Thal Limited**		84,650	60,500	19,000	126,150	46,116	53,334	7,218	2.91	3.25	0.78
Agriautos Industries Limited**		-	58,100	47,900	10,200	2,303	2,799	496	0.15	0.17	0.18
Loads Limited		-	209,000	209,000	-	-	-	-	-	-	-
Panther Tyres Limited		-	98,500	70,000	28,500	1,939	1,970	31	0.11	0.12	0.20
						50,358	**58,103**	**7,745**	**3.17**	**3.54**	**1.16**
Oil and gas exploration companies											
Mari Petroleum Company Limited		71,533	36,000	26,200	81,333	108,486	123,988	15,502	6.75	7.56	0.61
Oil and Gas Development Company Limited		701,400	319,000	539,201	481,199	49,305	45,728	(3,577)	2.49	2.79	0.11
Pakistan Oilfields Limited		62,180	136,138	170,915	27,403	10,434	10,793	359	0.59	0.66	0.10
Pakistan Petroleum Limited		512,908	523,000	276,500	759,408	69,587	65,939	(3,648)	3.59	4.02	0.28
						237,812	**246,448**	**8,636**	**13.42**	**15.03**	**1.10**
Oil and gas marketing companies											
Pakistan State Oil Company Limited	7.1.2	101,654	40,000	139,300	2,354	473	528	55	0.03	0.03 `	0.01
Attock Petroleum Limited		-	15,000	15,000	-	-	-	-	-	-	-
Hi-Tech Lubricants Limited		-	286,000	188,000	98,000	6,991	6,949	(42)	0.38	0.42	0.84
Sui Northern Gas Pipelines Limited		-	250,000	250,000	-	-	-	-	-	-	-
`						**7,464**	**7,477**	**13**	**0.41**	**0.45**	**0.85**
Construction and materials (cement)											
Attock Cement (Pakistan) Limited		12,000	99,500	110,300	1,200	183	216	33	0.01	0.01	0.01
Kohat Cement Pakistan Limited		334,320	179,200	136,000	377,520	61,270	77,954	16,684	4.25	4.76	1.88
Lucky Cement Limited		105,650	108,042	123,416	90,276	58,631	77,948	19,317	4.25	4.76	0.28
Maple Leaf Cement Factory Limited		150,000	805,000	794,500	160,500	7,487	7,540	53	0.41	0.46	0.15
Pioneer Cement Limited		-	316,000	73,000	243,000	31,570	31,850	280	1.74	1.94	1.07
D.G. Khan Cement Company Limited		-	91,000	91,000	-	-	-	-	-	-	-
Fauji Cement Company Limited		-	206,500	-	206,500	5,012	4,750	(262)	0.26	0.29	0.15
Thatta Cement Company Limited		-	350,000	350,000	-	-	-	-	-	-	-
						164,153	**200,258**	**36,105**	**10.92**	**12.22**	**3.54**
Chemical											
ICI Pakistan Limited		10,300	7,000	-	17,300	13,045	15,030	1,985	0.82	0.92	0.19
Sitara Chemical Industries Limited		62,900	-	62,900	-	-	-	-	-	-	-
Engro Polymer and Chemicals Limited		276,872	902,000	812,000	366,872	12,740	17,331	4,591	0.94	1.06	0.40
Ittehad Chemical Limited		377,500	22,000	399,500	-	-	-	-	-	-	-
Dynea Pakistan Limited**		-	72,600	59,500	13,100	2,947	2,895	(52)	0.16	0.18	0.35
Sitara Peroxide Limited		-	220,000	220,000	-	-	-	-	-	-	-
						28,732	**35,256**	**6,524**	**1.92**	**2.16**	**0.94**
Fertilizer											
Fauji Fertilizer Bin Qasim Limited		-	1,008,000	-	1,008,000	27,278	26,621	(657)	1.45	1.62	0.78
Fatima Fertilizer Company Limited		413,000	-	412,500	500	13	14	1	0.00	0.00	0.00
Engro Corporation Limited		278,177	42,000	265,600	54,577	16,120	16,079	(41)	0.88	0.98	0.09
Engro Fertilizers Limited		629,299	40,000	669,093	206	12	14	2	0.00	0.00	0.00
Fauji Fertilizer Company Limited		252,762	603,565	187,524	668,803	71,591	70,960	(631)	3.87	4.33	0.52
						115,014	**113,688**	**(1,326)**	**6.20**	**6.93**	**1.39**
Engineering											
Agha Steel Indunstries Limited		-	1,101,500	740,000	361,500	12,352	12,193	(159)	0.66	0.74	0.63
Aisha Steel Mills Limited		-	1,318,500	618,500	700,000	16,938	17,437	499	0.95	1.06	0.91
International Industries Limited		-	62,000	14,200	47,800	9,187	10,087	900	0.55	0.62	0.36
International Steels Limited		-	285,000	174,500	110,500	9,558	10,322	764	0.56	0.63	0.25
Mughal Iron and Steel Industries Limited		-	105,000	105,000	-	-	-	-	-	-	-
						48,035	**50,039**	**2,004**	**2.72**	**3.05**	**2.15**

Sector and Name of Security	Note	As at July 01, 2020	Purchased / bonus / right received during the year	Sold during the year	As at June 30, 2021	Balance as at June 30, 2021			Market value as a % of net assets of the sub-fund	Market value as % of investments of the sub-fund	Par value as a % of total paid-up capital of the investee company
						Carrying value	Market value	Unrealised gain / (loss)			
		(Number of shares)				(Rupees in '000)			(%)		
Pharmaceuticals											
IBL HealthCare Limited		69,000	38,000	107,000	-	-	-	-	-	-	-
The Searle Company Limited	7.1.2	68,841	136,165	104,100	100,906	22,833	24,482	1,649	1.33	1.49	0.42
Highnoon Laboratories Limited	7.1.2	3,545	63,144	1,000	65,689	37,729	39,413	1,684	2.15	2.40	1.73
GlaxoSmithKline Consumer Healthcare Pakistan Limited		-	51,600	10,000	41,600	10,869	10,404	(465)	0.57	0.63	0.36
						71,431	**74,299**	**2,868**	**4.05**	**4.52**	**2.51**
Glass and ceramics											
Tariq Glass Industries Limited		1,500	347,000	216,000	132,500	11,538	14,095	2,557	0.77	0.86	0.96
Shabbir Tiles and Ceramics Limited**		-	780,000	245,000	535,000	12,785	17,842	5,057	0.97	1.09	0.82
						24,323	**31,937**	**7,614**	**1.74**	**1.95**	**1.78**
Paper and board											
Century Paper and Board Limited		284,700	12,740	297,440	-	-	-	-	-	-	-
Cherat Packaging Limited		30,700	47,000	77,700	-	-	-	-	-	-	-
						-	**-**	**-**	**-**	**-**	**-**
Textile composite											
Gul Ahmed Textile Mills Limited		580,900	1,661,180	1,345,000	897,080	41,639	45,509	3,870	2.48	2.78	1.75
Interloop Limited		-	411,000	-	411,000	28,473	28,782	309	1.57	1.76	0.47
Kohinoor Textile Mills Limited		680,000	468,000	152,000	996,000	43,398	74,899	31,501	4.08	4.57	3.33
Nishat Chunian Limited		-	600,000	600,000	-	-	-	-	-	-	-
Nishat Mills Limited		196,300	272,500	468,800	-	-	-	-	-	-	-
Towellers Limited		-	136,500	-	136,500	13,795	16,926	3,131	0.92	1.03	8.03
						127,305	**166,116**	**38,811**	**9.05**	**10.14**	**13.58**
Food and personal care products											
Al-Shaheer Corporation Limited		159,747	400,000	559,000	747	9	15	6	0.00	0.00	0.00
Shezan International Limited		50,490	42,700	48,600	44,590	14,326	14,775	449	0.80	0.90	5.08
The Organic Meat Company Limited		-	205,000	-	205,000	7,622	7,532	(90)	0.41	0.46	1.83
Treet Corporation Limited		-	375,000	168,000	207,000	7,903	10,244	2,341	0.56	0.62	1.18
Unity Foods Limited		-	2,095,564	2,095,564	-	-	-	-	-	-	-
						29,860	**32,566**	**2,706**	**1.77**	**1.98**	**8.09**
Power generation and distribution											
Hub Power Company Limited		814,284	1,074,800	627,679	1,261,405	100,534	100,496	(38)	5.47	6.13	0.97
Kot Addu Power Company Limited		-	1,016,500	1,016,500	-	-	-	-	-	-	-
K-Electric Limited*		187,500	-	187,500	-	-	-	-	-	-	-
Nishat Power Limited		-	605,000	-	605,000	12,335	11,888	(447)	0.65	0.73	1.71
Pakgen Power Limited		589,500	24,000	613,500	-	-	-	-	-	-	-
Saif Power Limited		684,000	-	684,000	-	-	-	-	-	-	-
						112,869	**112,384**	**(485)**	**6.12**	**6.86**	**2.68**
Commercials banks											
Habib Bank Limited	7.1.1	752,490	726,301	801,672	677,119	75,229	82,859	7,630	4.51	5.06	0.46
Allied Bank Limited		707,700	-	394,000	313,700	24,023	23,261	(762)	1.27	1.42	0.27
Bank Al-falah Limited	7.1.1	1,368,300	474,000	748,622	1,093,678	36,983	35,195	(1,788)	1.92	2.15	0.62
Faysal Bank Limited	7.1.2	8,775	603,500	600,000	12,275	195	208	13	0.01	0.01	0.01
MCB Bank Limited		140,810	178,000	137,791	181,019	31,128	28,932	(2,196)	1.58	1.77	0.15
Meezan Bank Limited		2,500	300,250	90,000	212,750	22,477	24,553	2,076	1.34	1.50	0.15
Bank Al-Habib Limited	7.1.1	1,020,000	512,000	596,500	935,500	53,796	65,597	11,801	3.57	4.00	0.84
Bank Of Punjab Limited		-	2,565,500	2,556,000	9,500	75	80	5	0.00	0.00	0.00
Habib Metropolitan Bank Limited		-	280,000	-	280,000	11,148	11,368	220	0.62	0.69	0.27
United Bank Limited		-	325,000	-	325,000	41,624	39,715	(1,909)	2.16	2.42	0.27
						296,678	**311,768**	**15,090**	**16.98**	**19.02**	**3.04**
Investment banks											
Arif Habib Limited		161,000	37,000	198,000	-	-	-	-	-	-	-
Dawood Hercules Corporation Limited		26,300	-	25,000	1,300	166	150	(16)	0.01	0.01	0.00
						166	**150**	**(16)**	**0.01**	**0.01**	**0.00**
Insurance											
IGI Holding Limited		33,300	-	14,200	19,100	3,456	3,697	241	0.20	0.23	0.13
Adamjee Insurance Company Limited	7.1.1	1,200,000	50,000	456,000	794,000	26,635	32,927	6,292	1.79	2.01	2.27
						30,091	**36,624**	**6,533**	**1.99**	**2.24**	**2.40**
Technology and communication											
Systems Limited		211,500	26,820	176,000	62,320	11,560	34,913	23,353	1.90	2.13	0.45
TPL Trakker Limited		-	113,000	113,000	-	-	-	-	-	-	-
						11,560	**34,913**	**23,353**	**1.90**	**2.13**	**0.45**

Sector and Name of Security	Note	As at July 01, 2020	Purchased / bonus / right received during the year	Sold during the year	As at June 30, 2021	Balance as at June 30, 2021			Market value as a % of net assets of the sub-fund	Market value as % of investments of the sub-fund	Par value as a % of total paid-up capital of the investee company
						Carrying value	Market value	Unrealised gain / (loss)			
		(Number of shares)				(Rupees in '000)			(%)		
Leather and tanneries											
Service Industries Limited		425	78,537	19,400	59,562	25,686	35,000	9,314	1.91	2.14	1.27
Bata Pakistan Limited		-	900	900	-	-	-	-	-	-	-
Service Global Footwear Limited		-	340,000	30,000	310,000	17,398	17,927	529	0.98	1.09	1.52
						43,084	**52,927**	**9,843**	**2.89**	**3.23**	**2.79**
Transportation											
Pakistan National Shipping Corporation Limited		2,000	112,000	24,000	90,000	6,102	6,543	441	0.36	0.40	0.68
Cable and Electrical Goods											
Emco Industries Limited		-	209,000	6,500	202,500	7,771	9,084	1,313	0.49	0.55	5.79
Waves Singer Pakistan Limited		-	799,000	799,000	-	-	-	-	-	-	-
						7,771	**9,084**	**1,313**	**0.49**	**0.55**	**5.79**
Synthetic and Rayon											
Image Pakistan Limited		-	978,500	630,000	348,500	7,070	9,322	2,252	0.51	0.57	6.13
Miscellaneous											
Tri-Pack Films Limited		122,000	172,000	294,000	-	-	-	-	-	-	-
Synthetic Products Enterprises Limited		442,200	192,500	612,000	22,700	923	976	53	0.05	0.06	0.25
Macpac Films Limited		-	523,500	523,500	-	-	-	-	-	-	-
Shifa International Hospitals Limited		-	82,000	26,500	55,500	12,640	12,163	(477)	0.66	0.74	0.90
						13,563	**13,139**	**(424)**	**0.71**	**0.80**	**1.15**
Total as at June 30, 2021						**1,469,785**	**1,639,136**	**169,351**			
Total as at June 30, 2020						1,151,428	1,146,657	(4,771)			

* These have a face value of Rs.3.5 per share
** These have a face value of Rs.5 per share

7.1.1 The above equity securities include 2.123 million (2020: 2.573 million) shares pledged with National Clearing Company of Pakistan Limited having a market value (in aggregate) amounting to Rs. 97.045 million (2020: Rs. 99.90 million) for guaranteeing settlement of the Fund's trades in accordance with circular No. 11 dated October 23, 2007 issued by the SECP.

7.1.2 This includes gross bonus shares as per Fund's entitlement declared by the investee company. The Finance Act, 2014 had brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder were to be treated as income and a tax at the rate of 5 percent was 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 was to be collected at source by the investee company which was to be considered as final discharge of tax liability on such income. However, the Pension Fund Manager jointly with other asset management companies and Mutual Funds Association of Pakistan, 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 funds based on the premise of exemption given to mutual funds under clause 47 B and 99 of Second schedule of the Income Tax Ordinance, 2001. Consequently, the Honorable Sindh High Court granted stay order till the final outcome of the case. As of year end, 1,392 shares (2020: 1,392) of PSO having a fair market value of Rs. 0.31 million (2020: Rs. 0.107 million), 5,300 shares (2020: 5,300 shares) of Searl having a fair market value of Rs. 1.29 million (2020: Rs. 1.056 million), 856 shares (2020: 778) of HINOON having a fair market value of Rs. 0.51 million (2020: 0.390 million) and 7,864 shares (2020: 7,864) of FABL having a fair market value of Rs. 0.13 million (2020: 0.110 million) are disputed. Such shares have not been deposited by the investee company in CDC account of the department of Income Tax. The Pension Fund Manager is of the view that the decision will be in its favour and accordingly has recorded the bonus shares on gross basis. Through Finance Act, 2018, the tax on bonus shares was withdrawn.

7.1.3 (Right Shares of Rs. 10 each unless indicated otherwise)

Sector and Name of Security	As at July 01, 2020	Right received during the year	Exercised during the year	As at June 30, 2021	Balance as at June 30, 2021			Market value as a % of net assets of the sub-fund	Market value as % of investments of the sub-fund	Par value as a % of total paid-up capital of the investee company
					Carrying value	Market value	Unrealised gain / (loss)			
MISCELLANEOUS										
Synthetic Products Enterprises Limit	-	28,156	28,156	-	-	-	-	-	-	-
PHARMACEUTICALS										
The Searle Company Limited	-	17,854	17,854	-	-	-	-	-	-	-
FOOD & PERSONAL CARE PRODUCTS										
Al Shaheer Corporation Limited	-	373	373	-	-	-	-	-	-	-
ENGINEERING										
Mughal Iron & Steel Industries Limit	-	5,440	5,440	-	-	-	-	-	-	-
VANASPATI & ALLIED INDUSTRIES										
Unity Foods Limited	-	413,550	413,550	-	-	-	-	-	-	-
Total as at June 30, 2021					**-**	**-**	**-**			
Total as at June 30, 2020					-	-	-			

7.2 Government securities - Treasury Bills 'at fair value through profit or loss'

Particulars	Face value				Balance as at June 30, 2021			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, 2020	Purchased during the year	Disposed / matured during the year	As at June 30, 2021	Carrying value	Market value	Appreciation / (diminution)		
	---------- (Rupees in '000) ----------							---------- % ----------	
Held by Debt Sub-Fund									
Treasury Bills - 1 year	350,000	560,000	910,000	-	-	-	-	-	-
Treasury Bills - 6 months	50,000	1,525,000	1,575,000	-	-	-	-	-	-
Treasury Bills - 3 months	-	3,555,000	3,555,000	-	-	-	-	-	-
June 30, 2021					-	-	-	-	-
June 30, 2020					375,033	381,035	6,002		
Held by Money Market Sub-Fund									
Treasury Bills - 1 year	-	2,351,000	2,351,000	-	-	-	-	-	-
Treasury Bills - 6 months	-	3,000,000	3,000,000	-	-	-	-	-	-
Treasury Bills - 3 months	575,000	8,847,500	9,422,500	-	-	-	-	-	-
June 30, 2021					-	-	-	-	-
June 30, 2020					569,549	570,172	623		

7.3 Government securities - Pakistan Investment Bonds 'at fair value through profit or loss'

Particulars	Note	Face value				Balance as at June 30, 2021			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, 2020	Purchased during the year	Disposed / matured during the year	As at June 30, 2021	Carrying value	Market value	Appreciation / (diminution)		
		---------- (Rupees in '000) ----------							---------- % ----------	
Held by Debt Sub-Fund										
Pakistan Investment Bonds - 3 years	7.3.1	100,000	400,000	275,000	**225,000**	**225,270**	**225,270**	**-**	**26.63%**	**46.52%**
Pakistan Investment Bonds - 5 years	7.3.1	-	225,000	100,000	**125,000**	**123,843**	**123,489**	**(354)**	**14.60%**	**25.50%**
Pakistan Investment Bonds - 10 years	7.3.1	110,000	50,000	85,000	**75,000**	**75,225**	**75,173**	**(52)**	**8.89%**	**15.52%**
June 30, 2021						**424,338**	**423,932**	**(406)**	**50.12%**	**87.54%**
June 30, 2020						205,541	212,491	6,950		

7.3.1 These Pakistan Investment Bond carry effective yield ranging from 4% to 8.55% (2020: 7.25% to 14.05%) per annum with maturity in June 2023, October 2025 and August 2028 (2020: July 2021 and August 2028).

7.4 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, 2020	Purchased during the year	Disposed / matured during the year	As at June 30, 2021	Carrying value as at June 30, 2021	Market values at June 30, 2021	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
		----------	----------	----------	(Rupees in '000)	----------	----------	----------	---------- %	----------
Held by Debt Sub-Fund										
Bank Alfalah Limited - Listed (Issue date - February 20, 2013)	7.4.1	1,200	-	1,200	**-**	**-**	**-**	**-**	**-**	**-**
Jahangir Siddiqui & Company Limited - Listed (Issue date - July 18, 2017)	7.4.1	10,000	-	-	**10,000**	**23,216**	**23,841**	**625**	**2.82%**	**4.92%**
Samba Bank Limited (Issue date - March 01, 2021)		-	33,000	-	**33,000**	**33,000**	**33,000**	**-**	**3.90%**	**6.81%**
June 30, 2021						**56,216**	**56,841**	**625**	**6.72%**	**11.73%**
June 30, 2020						37,139	36,531	(608)		

7.4.1 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
Jahangir Siddiqui & Company Limited	6M KIBOR + 1.40%	July 18, 2022
Samba Bank Limited	9%	July 18, 2022

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

Particulars	Note	Face value				Balance as at June 30, 2021			Market value as a percentage of net assets of the Sub-Fund	Market value as a percentage of total investments of a Sub-Fund
		As at July 01, 2020	Purchased during the year	Disposed / matured during the year	As at June 30, 2021	Carrying value	Market value	Appreciation / (diminution)		
		----------	----------	----------	(Rupees in '000)	----------	----------	----------	---------- %	----------
Held by Debt Sub-Fund										
Pakistan Investment Bonds - 10 years	7.5.1	5,500	-	2,000	**3,500**	**3,290**	**3,521**	**231**	**0.42%**	**0.73%**
June 30, 2020						5,412	5,689	277		

7.5.1 These Pakistan Investment Bonds carry mark-up of 12.00% (2020: 12.00%) per annum with maturity in August 2021 (2020: July 2020 to August 2021).

8. 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 150, 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). During the year and previous year prior to receiving tax exemption certificate(s) from CIR, withholding agent had deducted advance tax under section 151 of ITO 2001.

	2021					2020				
	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)									
9. DIVIDEND AND MARK-UP RECEIVABLE										
Dividend receivable	**7,294**	**-**	**-**	**-**	**7,294**	2,911	-	-	-	2,911
Profit receivable on bank accounts and Term deposit receipts	**599**	**2,851**	**7,384**	**51**	**10,885**	69	364	1,441	-	1,874
Profit receivable on Government securities and term finance certificates	**-**	**3,876**	**-**	**-**	**3,876**	-	11,513	-	-	11,513
	7,893	**6,727**	**7,384**	**51**	**22,055**	2,980	11,877	1,441	-	16,298
10. DEPOSITS AND OTHER RECEIVABLES										
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	**-**	**-**	**-**	**3,332**	**3,332**	-	-	-	2,736	2,736
Receivable against main collection account against issuance of units	**14,307**	**5,397**	**2,333**	**31**	**22,068**	9,310	11,460	11,062	21	31,853
Other receivable	**15,288**	**80**	**-**	**-**	**15,368**	-	379	-	-	379
Receivable against derivative contract	**-**	**-**	**-**	**-**	**-**	-	-	-	304	304
	32,195	**5,577**	**2,333**	**3,363**	**43,468**	11,910	11,939	11,062	3,061	37,972

	Note	2021 Equity Sub-Fund	2021 Debt Sub-Fund	2021 Money Market Sub-Fund	2021 Commodity Sub-Fund	2021 Total	2020 Equity Sub-Fund	2020 Debt Sub-Fund	2020 Money Market Sub-Fund	2020 Commodity Sub-Fund	2020 Total
		(Rupees in '000)									
11. PAYABLE TO UBL FUND MANAGERS LIMITED - PENSION FUND MANAGER											
Remuneration payable	11.1	**2,158**	**1,029**	**1,459**	**16**	**4,662**	1,488	970	1,317	12	3,786
Sales tax on remuneration payable	11.2	**280**	**134**	**190**	**2**	**606**	193	126	171	1	492
Sales load payable		**486**	**425**	**162**	**13**	**1,086**	280	275	178	9	742
Other payable		**4**	**4**	**4**	**27**	**39**	4	4	4	27	39
		2,928	**1,592**	**1,815**	**58**	**6,393**	1,965	1,375	1,670	49	5,059

11.1 This represents remuneration of the Pension Fund Manager at the rate of 1.5% (2020: 1.5%) of the daily net assets of each sub-fund.

11.2 Sale tax on Management Remuneration has been charged at the rate of 13% (2019: 13%) on each sub-fund.

	Note	2021 Equity Sub-Fund	2021 Debt Sub-Fund	2021 Money Market Sub-Fund	2021 Commodity Sub-Fund	2021 Total	2020 Equity Sub-Fund	2020 Debt Sub-Fund	2020 Money Market Sub-Fund	2020 Commodity Sub-Fund	2020 Total
		(Rupees in '000)									
12. REMUNERATION PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE											
Remuneration payable	12.1	**161**	**79**	**112**	**3**	**355**	116	69	104	2	291
Sales tax on remuneration payable	12.2	**21**	**10**	**15**	-	**46**	15	9	14	-	38
		182	**89**	**127**	**3**	**401**	131	78	118	2	329

12.1 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**
Upto Rs.1,000 million	0.15% per annum of net assets
Above Rs.1,000 million and upto Rs.3,000 million	Rs.1.5 million plus 0.10% per annum of net assets, on amount exceeding Rs.1,000 million
Above Rs.3,000 million and upto Rs.6,000 million	Rs.3.5 million plus 0.08% per annum of net assets, on amount exceeding Rs.3,000 million
Above Rs.6,000 million	Rs.5.9 million plus 0.06% per annum of net assets, on amount exceeding Rs.6,000 ,million

12.2 Sales tax at the rate of 13% (2020: 13%) on the remuneration of the Trustee is applied under the provisions of Sindh Sales Tax on Services Act, 2011.

13. ANNUAL FEE PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

This represents annual SECP fee. SECP vide S.R.O. 1620 (I) / 2019, dated December 24, 2019 revised its annual fee to 0.025% (2020: 0.025%) per annum of average daily net assets of the Fund.

14. ACCRUED EXPENSES AND OTHER LIABILITIES

	Note	2021					2020				
		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)									
Provision for Sindh Workers' Welfare Fund	14.1	**24,992**	**5,502**	**4,325**	**135**	**34,954**	14,927	4,559	3,156	135	22,777
Provision for indirect duties and taxes	14.2	**5,897**	**4,599**	**2,578**	**194**	**13,268**	5,897	4,599	2,578	194	13,268
Auditors' remuneration		**148**	**99**	**107**	**66**	**420**	146	97	146	102	491
Zakat payable		**3**	**5**	**123**	**-**	**131**	1	3	59	-	63
Withholding tax payable		**1,703**	**3**	**2,815**	**26**	**4,547**	891	-	259	140	1,290
Brokerage payable		**3,830**	**81**	**46**	**-**	**3,957**	2,891	167	57	-	3,115
Legal and professional fees		**23**	**52**	**22**	**42**	**139**	25	25	25	25	100
Others		**388**	**323**	**1**	**-**	**712**	1,317	5,848	2,448	-	9,613
Payable against derivative contract	14.3	**-**	**-**	**-**	**705**	**705**	-	-	-	-	-
		36,984	**10,664**	**10,017**	**1,168**	**58,833**	26,095	15,298	8,728	596	50,717

14.1 Provision for Sindh Workers' Welfare Fund (SWWF)

The Finance Act, 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance) as a result of which it was construed that all Collective Investment Schemes / Pension Funds whose income exceeded Rs. 500,000 in a tax year were brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever was higher.

The amendments introduced in the WWF Ordinance were challenged in various High Courts of Pakistan. The Honorable Lahore High Court (LHC) and the Honorable Sindh High Court (SHC) arrived at different conclusions in respect of the validity of the amendments made through the Finance Act in relation to the WWF. Both the decisions of the LHC and the SHC were challenged in the Honorable Supreme Court of Pakistan (SCP). On 10 November 2016 the SCP passed a judgment declaring the insertion of amendments introduced through Finance Act, 2008 pertaining to WWF as unlawful for the reason that the WWF is not in the nature of tax and therefore, could not be introduced through money bill under the Constitution. Subsequently, the Federal Board of Revenue (FBR) has filed a review petition in the SCP against the said judgment, which is pending adjudication.

Further, as a consequence of the 18th amendment to the Constitution, levy for the WWF was also introduced by the Government of Sindh through the Sindh Workers Welfare Fund (SWWF) Act 2014. SWWF Act 2014, enacted on May 21, 2015, requires every Industrial Establishment located in the province of Sindh and having total income of Rs. 500,000 or more in any year of account commencing on or after the date of closing of account on or after December 31, 2013, to pay two percent of so much of its total income declared to SWWF. The said Act includes any concern engaged in the Banking or Financial Institution in the definition of “Industrial Undertaking” but does not define Financial Institution. The Pension Fund Manager, based on an opinion obtained by the Mutual Funds Association of Pakistan (MUFAP), believes that Mutual Funds / Pension Funds are not liable to pay Sindh WWF under the said law, for the reason that the Mutual Funds / Pension Funds are not financial institutions and rather an investment vehicle. However, the Sindh Revenue Board has not accepted the said position of MUFAP and as a result, MUFAP has taken up this matter with the Sindh Finance Ministry for resolution.

In view of the above developments regarding the applicability of Federal and Sindh WWF on Mutual Funds, the MUFAP obtained a legal opinion on these matters during financial year ended June 30, 2017. Based on such legal advice (which also stated that even if a review petition is filed by any party, such petition can only be based on very limited grounds and the chances of any major change in the SCP judgement are very limited), MUFAP had recommended to all its members to reverse the provision for Federal WWF held until June 30, 2015 and start recording of Sindh WWF from the date of enactment of the Sindh WWF Act, 2014 (i.e. 21 May 2015).

Consequently, the provision for SWWF is being made on a daily basis and the Fund has made provision for SWWF of Rs.10.07 million (URSF-ESF), Rs. 0.94 million (URSF-DSF), Rs.1.17 million (URSF-MSF) and Rs. Nil (URSF-CSF) for the year.

The cumulative net effect of the adjustment, had it not been made, would have resulted in an increase in the net assets value per unit by Rs.11.02 (URSF-ESF), Rs.1.83 (URSF-DSF), Re.0.85 (URSF-MSF) and Rs. 1.61 (URSF-CSF) as at June 30, 2021.

Subsequent to the year ended June 30, 2021, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

14.2 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.

On 30 June 2016, the Honorable Sindh High Court of Pakistan had passed a Judgment that after 18th amendment in the Constitution of Pakistan, the Provinces alone have the legislative power to levy a tax on rendering or providing services, therefore, chargeability and collection of FED after 01 July 2011 is ultra vires to the Constitution of Pakistan. On 23 September 2016, the Federal Board of Revenue (FBR) filed an appeal in the Supreme Court of Pakistan (SCP) against above judgement, which is pending adjudication. As a matter of abundant caution, the provision for FED made prior to this year has been maintained by the Fund which at June 30, 2021 aggregates to Rs.5.14 (2020: Rs.5.14) million, Rs.4.05 (2020: Rs.4.05) million, Rs.2.45 (2020: Rs.2.45) million and Rs.0.19 (2020: Rs.0.19) million in Equity Sub-Fund, Debt Sub-Fund, Money Market Sub-Fund and Commodity Sub-Fund is being retained in the financial statements of the Sub-Funds, respectively as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been recorded in the financial statements of the Sub-Funds, the net assets value of the Equity Sub-Fund, Debt Sub-Fund, Money Market Sub-Fund and Commodity Sub-Fund as at June 30, 2021 would have been higher by Rs.2.27 (2020: Rs. 2.47) per unit, Rs.1.35 (2020: Rs.1.35) per unit, Rs.0.48 (2020: Rs. 0.48) per unit and Rs.2.27 (2020: Rs.3.06) per unit respectively.

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.

14.3 This represents net unrealised loss on cash settled future gold contracts with settlement date of July 26, 2021 (2020: August 26, 2020)

15. CONTINGENCIES AND COMMITMENTS

15.1 CONTINGENCIES

There were no contingencies as at June 30, 2021 and June 30, 2020.

	2021	2020
	---------- (Rupees in '000) ----------	
15.2 COMMITMENTS		
Purchase of 38 (2020: 29) ounce gold in US$ 67,275 (2020: US$ 50,332)	**10,644**	8,458

This represents the investment in future gold contracts by commodity sub-fund with settlement date of July 26, 2021 (2020: August 26, 2020).

16. BASIS OF ALLOCATION OF EXPENSES TO EACH SUB-FUND

16.1 Remuneration to the Pension Fund Manager, Trustee and annual fee to the SECP is allocated to each sub-fund on the basis of the net assets of the sub-fund.

16.2 Expenses specifically incurred by a sub-fund, such as custody and settlement charges, fees and subscription, legal and professional and bank charges are charged to that sub-fund.

16.3 Auditors' remuneration is allocated equally to each sub-fund.

17. AUDITOR'S REMUNERATION

	2021					2020				
	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)									
Audit fee	**70**	**70**	**70**	**70**	**280**	69	69	69	69	276
Half yearly review fee	**43**	**43**	**43**	**43**	**172**	42	42	42	42	168
	113	**113**	**113**	**113**	**452**	111	111	111	111	444
Sales tax	**11**	**11**	**11**	**11**	**44**	11	11	11	11	44
Out of pocket expenses	**23**	**23**	**23**	**23**	**92**	23	23	23	23	92
	147	**147**	**147**	**147**	**588**	145	145	145	145	580

18. TAXATION

No provision for taxation for the year ended June 30, 2021 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.

19. EARNINGS / (LOSS) PER UNIT

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

20. NUMBER OF UNITS IN ISSUE

	2021					2020				
	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
	(Number of units)									
At beginning of the year	**2,081,183**	**3,008,374**	**5,096,712**	**62,036**	**10,248,305**	1,822,960	2,989,337	4,624,981	52,992	9,490,270
Add: Issued during the year	**829,552**	**1,365,708**	**2,188,221**	**36,322**	**4,419,803**	894,879	1,196,529	3,297,112	249,287	5,637,807
Effect of reallocation	**2,284**	**13,564**	**(19,825)**	**(5,066)**	**(9,043)**	(111,626)	197,544	72,856	5,457	164,231
Less: Redeemed during the year	**(644,607)**	**(1,384,248)**	**(2,162,321)**	**(9,507)**	**(4,200,684)**	(525,030)	(1,375,036)	(2,898,237)	(245,700)	(5,044,003)
At the end of the year	**2,268,412**	**3,003,398**	**5,102,787**	**83,785**	**10,458,381**	2,081,183	3,008,374	5,096,712	62,036	10,248,305

21. FINANCIAL INSTRUMENTS BY CATEGORY

	2021					2020				
	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)									
Financial assets										
At fair value through profit or loss										
Investments	**1,639,136**	**480,773**	**-**	**-**	**2,119,909**	1,146,657	630,057	570,172	-	2,346,886
Derivative contract asset	**-**	**-**	**-**	**-**	**-**	-	-	-	304	304
At fair value through other comprehensive income										
Investments	**-**	**3,521**	**-**	**-**	**3,521**	-	5,689	-	-	5,689
At amortised cost										
Bank balances and Term deposit receipts	**209,502**	**686,349**	**1,137,155**	**10,548**	**2,043,554**	90,093	157,027	503,353	7,240	757,713
Receivable against sale of investments	**15,318**	**-**	**-**	**-**	**15,318**	1,440	-	-	-	1,440
Dividend and mark-up receivable	**7,893**	**6,727**	**7,384**	**51**	**22,055**	2,980	11,877	1,441	-	16,298
Deposits and other receivables	**32,195**	**5,577**	**2,333**	**3,363**	**43,468**	11,910	11,939	11,062	2,757	37,668
	1,904,044	**1,182,947**	**1,146,872**	**13,962**	**4,247,825**	1,253,080	816,589	1,086,028	10,301	3,165,998
Financial liabilities										
At amortised cost										
Payable to the Pension Fund Manager	**2,928**	**1,592**	**1,815**	**58**	**6,393**	1,965	1,375	1,670	49	5,059
Payable to the Trustee	**182**	**89**	**127**	**3**	**401**	131	78	118	2	329
Payable against purchase of investment	**29,103**	**325,370**	**-**	**-**	**354,473**	3,000	-	-	-	3,000
Accrued and other liabilities	**4,389**	**555**	**176**	**108**	**5,228**	4,379	6,137	2,676	127	13,319
At fair value through profit or loss										
Derivative contract liability	**-**	**-**	**-**	**705**	**-**	**-**	**-**	**-**	**-**	**-**
	36,602	**327,606**	**2,118**	**874**	**366,495**	9,475	7,590	4,464	178	21,707

22. CONTRIBUTION TABLE

	2021									
	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)
Contributions net of front end fee										
Individuals	**829,552**	**627,365**	**1,365,708**	**373,516**	**2,188,221**	**476,314**	**36,322**	**5,696**	**4,419,803**	**1,482,891**
	2020									
Individuals	894,879	516,146	1,196,529	296,746	3,297,112	651,125	249,287	32,744	5,637,807	1,496,761

23. FINANCIAL PERFORMANCE TABLE

	Equity Sub-Fund					Debt Sub-Fund				
	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	**June 30, 2021**	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
	(Rupees'000)					(Rupees'000)				
Net (loss) / income for the year after taxation	**503,176**	89,844	(212,002)	(185,240)	362,487	**47,084**	102,853	49,418	32,516	30,862
Realised capital (losses) / gains	**260,112**	39,487	(15,085)	(100,585)	178,763	**(1,532)**	14,356	(2,135)	(607)	(10,634)
Unrealised (losses) / gains	**169,351**	(4,771)	(237,541)	(119,244)	120,969	**219**	12,344	(2,636)	(96)	(1,715)
Dividend income	**80,815**	51,252	56,216	56,128	45,992	**-**	-	-	-	-
Interest income	**4,971**	9,301	6,347	5,349	5,556	**66,850**	89,733	67,234	32,901	59,084
Total contribution received - Gross	**627,365**	516,146	241,913	591,257	583,908	**373,516**	296,746	237,554	414,538	213,189

	Money Market Sub-Fund					Commodity Sub-Fund				
	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	**June 30, 2021**	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
	(Rupees'000)					(Rupees'000)				
Net (loss) / income for the year after taxation	**58,382**	110,977	63,839	28,852	23,803	**(312)**	1,975	522	55	(50)
Realised capital (losses) / gains	**(161)**	3,256	(2,265)	(66)	(258)	**305**	1,229	10	35	(2,707)
Unrealised (losses) / gains	**-**	623	(92)	(45)	(24)	**-**	304	460	32	(80)
Dividend income	**-**	-	-	-	-	**-**	-	-	-	-
Interest income	**79,734**	127,446	74,814	21,950	31,841	**506**	774	352	241	1,426
Total contribution received - Gross	**476,314**	651,125	479,204	661,005	350,423	**5,696**	32,744	2,984	1,771	3,412

23.1 Lowest and highest issue price of units during the year

Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Commodity Sub-Fund	
Lowest Issue price	**Highest Issue price**	**Lowest Issue price**	**Highest Issue price**	**Lowest Issue price**	**Highest Issue price**	**Lowest Issue price**	**Highest Issue price**
(Rupees)							
594.3998	827.0419	266.0425	281.6105	211.2022	222.6121	145.9200	173.9400

24. FINANCIAL RISK MANAGEMENT

The Fund's overall risk management programme seeks to maximise the returns derived for the level of risks to which the Fund is exposed and seeks to minimise potential adverse effects on the Fund's financial performance.

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 of the Pension Fund Manager. These controls and limits reflect the business strategy and market environment of the Fund as well as the level of 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 risk types and activities.

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

24.1 Market risk

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

The Pension Fund Manager manages market risk by monitoring exposure on marketable securities by following the internal risk management policies and investment guidelines approved by the Board and regulations laid down by the SECP and the VPS Rules.

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. Currency risk arises mainly where receivables and payables exist due to transactions entered in foreign currencies. The Commodity Sub-Fund is exposed to foreign currency risk on sales and purchases 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:

	2021	2020	**2021**	2020
	USD		**PKR**	
Future Gold Contracts	**(4,476)**	1,810	**(705,186)**	304,247

The following significant exchange rates applied during the year:

	2021	2020	**2021**	2020
	Average rates		**Rates at reporting date**	
US Dollars to PKR	**162.80**	164.05	**157.54**	168.05

At June 30, 2021, 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. 0.07 million (2020: Rs. 0.03 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. As of June 30, 2021, the Fund is exposed to such risk on bank balances, letter of placement, TDRs, PIBs and TFCs. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis for variable rate instruments

The Fund's variable interest rate risk arises from bank balances, PIBs and TFCs on which interest rate ranges from 3.75% to 9% (2020: 3.75% to 11.25%). The net income for the period would have increased / (decreased) by URSF-ESF Rs. 2.10 million, URSF-DSF Rs. 6.87 million, URSF-MMSF Rs. 11.37 million and URSF-CSF Rs. 0.11 million, had the interest rates on savings accounts with banks increased / (decreased) by 100 basis points.

b) Sensitivity analysis for fixed rate instruments

The Fund is exposed to fair value interest rate risk for investment in TDRs, PIBs and TFCs.

In case of 100 basis points increase / decrease in interest rates on June 30, 2021, with all other variables held constant, the net income for the year and the net assets of debt sub-fund would have been lower / higher by URSF-DSF Rs. 1.12 million (2020: Rs.2.465 million) and URSF-MMSF Rs. 2 (2020: Rs. Nil)

24.1.3 Fair value interest rate risk

The Debt Sub-Fund and Money Market Sub-Fund are exposed to Fair value interest rate risk for fixed coupon rate investments in government securities classified as 'at fair value through profit or loss'.

In case of 100 basis points increase / decrease in interest rates as at reporting date, with all other variables held constant, the net income of the Debt Sub-Fund for the year and the net assets would have been lower / higher by Rs. 4.84 million (2020: Rs. 3.84 million) and and by Rs. Nil (2020: Rs. 5.70 million) respectively.

The composition of the Fund's investment portfolio, KIBOR rates, rates announced by Reuters and MUFAP are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2021 is not necessarily indicative of the impact on the Fund's net assets of future movements in interest rates.

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

	Effective yield / interest rate	Total	2021															
			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
			Upto three months	More than three months and up to one year	More than one year		Upto three months	More than three months and up to one year	More than one year		Upto three months	More than three months and up to one year	More than one year		Upto three months	More than three months and up to one year	More than one year	
	%		(Rupees'000)															
On-balance sheet financial instruments																		
Financial assets																		
Bank balances	3.75 - 7.85	**1,768,554**	**209,502**	-	-	-	**611,349**	-	-	-	**937,147**	-	-	**8**	**10,548**	-	-	-
Term deposits receipts	7.62 - 9.00	**275,000**	-	-	-	-	**75,000**	-	-	-	**200,000**	-	-	-	-	-	-	-
Investments	4.00 - 13.11	**2,099,589**	-	-	-	**1,639,136**	-	-	**460,453**	-	-	-	-	-	-	-	-	-
Receivable against sale of investments		**15,318**	-	-	-	**15,318**	-	-	-	-	-	-	-	-	-	-	-	-
Dividend and mark-up receivable		**22,055**	-	-	-	**7,893**	-	-	-	**6,727**	-	-	-	**7,384**	-	-	-	**51**
Deposits and other receivables		**43,468**	-	-	-	**32,195**	-	-	-	**5,577**	-	-	-	**2,333**	-	-	-	**3,363**
		4,223,984	**209,502**	-	-	**1,694,542**	**686,349**	-	**460,453**	**12,304**	**1,137,147**	-	-	**9,725**	**10,548**	-	-	**3,414**
Financial liabilities																		
Payable to the Pension Fund Manager		**6,393**	-	-	-	**2,928**	-	-	-	**1,592**	-	-	-	**1,815**	-	-	-	**58**
Payable to the Trustee		**401**	-	-	-	**182**	-	-	-	**89**	-	-	-	**127**	-	-	-	**3**
Payable against purchase of investments		**354,473**	-	-	-	**29,103**	-	-	-	**325,370**	-	-	-	-	-	-	-	-
Accrued and other liabilities		**5,228**	-	-	-	**4,389**	-	-	-	**555**	-	-	-	**176**	-	-	-	**108**
		366,495	-	-	-	**36,602**	-	-	-	**327,606**	-	-	-	**2,118**	-	-	-	**169**
On-balance sheet gap (a)		**3,857,489**	**209,502**	-	-	**1,657,940**	**686,349**	-	**460,453**	**(315,302)**	**1,137,147**	-	-	**7,607**	**10,548**	-	-	**3,245**
Off-balance sheet financial instruments																		
Purchase of 38 ounce gold in US$ 71,733		**10,644**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10,644
Off-balance sheet gap (b)		**10,644**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**10,644**
Total interest rate sensitivity gap (a) + (b)			**209,502**	-	-	**1,657,940**	**686,349**	-	**460,453**	**(315,302)**	**1,137,147**	-	-	**7,607**	**10,548**	-	-	**13,889**
Cummulative interest rate sensitivity gap			**209,502**	-	-	**1,657,940**	**686,349**	-	**460,453**	**(315,302)**	**1,137,147**	-	-	**7,607**	**10,548**	-	-	**13,889**

		Total	2020															
			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 / profit rate risk			Not exposed to yield / profit rate risk
			Upto three months	More than three months and up to one year	More than one year		Upto three months	More than three months and up to one year	More than one year		Upto three months	More than three months and up to one year	More than one year		Upto three months	More than three months and up to one year	More than one year	
		(Rupees'000)																
On-balance sheet financial instruments																		
Financial assets																		
Bank balances	3.75 - 11.25	757,713	90,093	-	-	-	157,027	-	-	-	503,343	-	-	10	7,240	-	-	-
Term deposits receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	7.25 - 14.69	2,352,879	-	-	-	1,146,657	-	387,018	248,728	-	570,172	-	-	-	-	-	-	-
Receivable against sale of investments		1,440	-	-	-	1,440	-	-	-	-	-	-	-	-	-	-	-	-
Dividend and mark-up receivable		16,298	-	-	-	2,980	-	-	-	11,877	-	-	-	1,441	-	-	-	-
Deposits and other receivables		37,668	-	-	-	11,910	-	-	-	11,939	-	-	-	11,062	-	-	-	3,061
		3,165,998	90,093	-	-	1,162,987	157,027	387,018	248,728	23,816	1,073,515	-	-	12,513	7,240	-	-	3,061
Financial liabilities																		
Payable to the Pension Fund Manager		5,059	-	-	-	1,965	-	-	-	1,375	-	-	-	1,670	-	-	-	49
Payable to the Trustee		329	-	-	-	131	-	-	-	78	-	-	-	118	-	-	-	2
Payable against purchase of investments		3,000	-	-	-	3,000	-	-	-	-	-	-	-	-	-	-	-	-
Accrued and other liabilities		13,319	-	-	-	4,379	-	-	-	6,137	-	-	-	2,676	-	-	-	127
		21,707	-	-	-	9,475	-	-	-	7,590	-	-	-	4,464	-	-	-	178
On-balance sheet gap		3,144,291	90,093	-	-	1,153,512	157,027	387,018	248,728	16,226	1,073,515	-	-	8,049	7,240	-	-	2,883
Off-balance sheet financial instruments																		
Purchase of 29 ounce gold in US$ 50,332		8,458	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,458
Off-balance sheet gap (b)		8,458	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,458
Total interest rate sensitivity gap (a) + (b)			90,093	-	-	1,153,512	157,027	387,018	248,728	16,226	1,073,515	-	-	8,049	7,240	-	-	11,341
Cummulative interest rate sensitivity gap			90,093	-	-	1,153,512	157,027	387,018	248,728	16,226	1,073,515	-	-	8,049	7,240	-	-	11,341

24.1.4 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.

Equity Sub-Fund

The Equity Sub-Fund is exposed to equity price risk because of equity securities held by the Equity Sub-Fund and classified on the balance sheet as 'at fair value through profit or loss'. To manage its price risk arising from investment in equity securities, the Equity Sub-Fund's investment policy, as restricted by the VPS Rules, limits investments in listed shares of one company to not more than 10% of Sub-Fund net assets and investment in listed securities of a particular company have also been restricted to 10% of paid-up capital of investee company. Moreover, the sector limits have been restricted to 35% of the net assets of the Sub-Fund.

In case of 5% increase / decrease in KSE 100 index on June 30, 2021, the net assets relating to the Equity Sub-Fund and total net assets of the Fund would increase / decrease by Rs.81.957 (2020: Rs.57.333) million as a result of gains / losses on equity securities classified as at fair value through profit or loss.

The analysis is based on the assumption that the equity index had increased / decreased by 5% with all other variables held constant and all the Sub-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 KSE 100 index, having regard to the historical volatility of the index. The composition of the Sub-Fund's investment portfolio and the correlation thereof to the KSE index, is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2021 is not necessarily indicative of the effect on the Sub-Fund's net assets of future movements in the level of KSE 100 index.

Commodity Sub-Fund

The Commodity Sub-Fund is exposed to price risk because of Gold Futures Contracts held by the Commodity Sub-Fund and classified on the balance sheet as 'at fair value through profit or loss'.

A decrease / increase of 5% in the quoted price of future gold contracts of Pakistan Mercantile Exchange would have an impact of approximately Rs.0.53 (2020: Rs.0.42) million on the net income for the year with consequential effect on net assets of the Fund. The sensitivity analysis is based on the Fund's commodity securities at each statement of assets and liabilities date, with all other variables held constant.

24.2 Credit risk

Credit risk represents the risk of loss if counterparties fail to perform as contracted. The Fund's credit risk is primarily attributable to its investment in debt securities, however, investments in T Bills and PIBs being Government securities are not subject to credit risk. The Fund is also exposed to counter party credit risks on balances with banks and profit receivable.

For banks and financial institutions, the Fund keeps deposits with reputed financial institutions with reasonably high credit ratings. Credit risk on account of dividend receivable is minimal due to the statutory protection. All transactions in listed securities are settled / paid for upon delivery using the system of National Clearing Company of Pakistan Limited. The risk of default in these transactions is considered minimal due to inherent systematic measures taken therein. The Fund's policy is to enter into financial contracts in accordance with the investment guidelines approved by the Investment Committee, its Trust Deed and the requirements of the NBFC rules and the regulations and the guidelines given by the SECP from time to time.

The Fund's maximum exposure to credit risk related to receivables at June 30, 2020 and June 30, 2021 is the carrying amounts of following financial assets.

	2021					2020				
	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)									
Bank balances	**209,502**	**611,349**	**937,155**	**10,548**	**1,768,554**	90,093	157,027	503,353	7,240	757,713
Investments	**-**	**56,841**	**-**	**-**	**56,841**	-	36,531	-	-	36,531
Term deposits receipts	**-**	**75,000**	**200,000**	**-**	**275,000**	**-**	**-**	**-**	**-**	**-**
Dividend and mark-up receivable	**7,893**	**2,851**	**7,384**	**51**	**18,179**	2,980	364	1,441	-	1,874
Deposits and other receivables	**32,195**	**5,577**	**2,333**	**3,363**	**43,468**	11,910	11,939	11,062	2,757	37,668
	249,590	**751,618**	**1,146,872**	**13,962**	**2,162,042**	104,983	205,861	515,856	9,997	833,786

All deposits with banks and deposits with National Clearing Company of Pakistan Limited and Central Depository Company of Pakistan Limited are highly rated and risk of default is considered minimal.

The analysis below summarises the credit rating quality of the Fund's financial assets as at June 30, 2021:

	Rating long-term	2021	2020
		----- (Rupees in '000) -----	
Bank balances by rating category			
Allied Bank Limited	AAA	**568,384**	339
Bank Alfalah Limited	AA+	**155,810**	82,453
United Bank Limited	AAA	**29,484**	37,818
JS Bank Limited	AA-	**10**	225
MCB Bank Limited	AAA	**5,737**	16,101
Samba Bank Limited	AA	**63,011**	116,592
Telenor Microfinance Bank Limited (formerly Tameer Microfinance Bank Limited)	A+	**13**	12
Habib Bank Limited	AAA	**924,103**	209,284
Sindh Bank Limited	A+	**34**	30
National Bank of Pakistan	AAA	**5,187**	1,377
Zarai Taraqiati Bank Limited	AAA	**9**	9
Soneri Bank Limited	AA-	**16,752**	293,473
Habib Metro Bank Bank Limited	AA+	**20**	-
		1,768,554	757,713
Term Deposits Receipts			
Allied Bank Limited	AAA	**75,000**	-
Allied Bank Limited	AAA	**100,000**	-
Bank Alfalah Limited	AAA	**100,000**	-
		275,000	-
Term Finance Certificates by rating category			
AA+		**23,841**	30,548
A+		**33,000**	-
Not rated		**-**	5,983
		56,841	36,531

The maximum exposure to credit risk before any credit enhancement as at June 30, 2021 is the carrying amount of the financial assets.

Concentration of credit risk

Concentration of credit risk arises when a number of financial instruments or contracts are entered into with 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. The Fund mainly deals in equity securities which are primarily subject to price risk. The Fund's portfolio of other financial assets are entered into with diverse credit worthy counterparties thereby mitigating any significant concentration of credit risk.

24.3 Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations arising from its financial liabilities that are settled by delivering cash or another financial asset or such obligations will have to be settled in a manner disadvantageous to the Fund.

The Fund is exposed to the daily settlement of securities and to daily cash redemption requests on a regular basis. Units are redeemable at the holders' option based on the Fund’s net asset value per unit, at the time of redemption, calculated in accordance with the Fund’s constitutive document and guidelines laid down by the SECP.

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

In order to manage the Fund's overall liquidity, the Fund also has the option to withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. Further, the Fund also has the ability to suspend redemptions of units with the approval of the Board of Directors of the Pension Fund Manager in extraordinary circumstances.

The table below analyses the Sub-funds' financial liabilities into relevant maturity groupings based on the remaining year at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	2021																	
	Total	**Equity Sub-Fund**				**Debt Sub-Fund**				**Money Market Sub-Fund**				**Commodity Sub-Fund**			
		Total	**Upto one month**	**More than one month upto three months**	**More than three months and upto one year**	**Total**	**Upto one month**	**More than one month upto three months**	**More than three months and upto one year**	**Total**	**Upto one month**	**More than one month upto three months**	**More than three months and upto one year**	**Total**	**Upto one month**	**More than one month upto three months**	**More than three months and upto one year**
	---------- **(Rupees'000)** ----------																
Financial Liabilities																	
Payable to the Pension Fund Manager	**6,393**	**2,928**	**2,928**	**-**	**-**	**1,592**	**1,592**	**-**	**-**	**1,815**	**1,815**	**-**	**-**	**58**	**58**	**-**	**-**
Payable to the Trustee	**380**	**161**	**161**	**-**	**-**	**89**	**89**	**-**	**-**	**127**	**127**	**-**	**-**	**3**	**3**	**-**	**-**
Payable against purchase of investments	**354,473**	**29,103**	**29,103**	**-**	**-**	**325,370**	**325,370**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Accrued and other liabilities	**5,228**	**4,389**	**4,389**	**-**	**-**	**555**	**555**	**-**	**-**	**176**	**176**	**-**	**-**	**108**	**108**	**-**	**-**
	366,474	**36,581**	**36,581**	**-**	**-**	**327,606**	**327,606**	**-**	**-**	**2,118**	**2,118**	**-**	**-**	**169**	**169**	**-**	**-**
Participants' sub-funds	**3,830,140**	**1,835,641**	**-**	**-**	**-**	**845,789**	**-**	**-**	**-**	**1,135,942**	**-**	**-**	**-**	**12,768**	**-**	**-**	**-**

	2020																
	Total	Equity Sub-Fund				Debt Sub-Fund				Money Market Sub-Fund				Commodity Sub-Fund			
		Total	Upto one month	More than one month upto three months	More than three months and upto one year	Total	Upto one month	More than one month upto three months	More than three months and upto one year	Total	Upto one month	More than one month upto three months	More than three months and upto one year	Total	Upto one month	More than one month upto three months	More than three months and upto one year
	---------- (Rupees'000) ----------																
Financial Liabilities																	
Payable to the Pension Fund Manager	8,153	1,965	1,965	-	-	1,375	1,375	-	-	1,670	1,670	-	-	49	49	-	-
Payable to the Trustee	527	131	131	-	-	78	78	-	-	118	118	-	-	2	2	-	-
Payable against purchase of investments	3,000	3,000	3,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued and other liabilities	22,259	4,379	4,379	-	-	6,137	6,137	-	-	2,676	2,676	-	-	127	127	-	-
	33,939	9,475	9,475	-	-	7,590	7,590	-	-	4,464	4,464	-	-	178	178	-	-
Participants' sub-funds	3,108,668	1,222,486		-	-	800,221		-	-	1,076,277		-	-	9,684		-	-

25. 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 the market participants at the measurement date. Consequently, differences can arise between carrying value and the fair value estimates.

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

Fair value of investments classified as 'at fair value through profit or loss' which are tradable in an open market is based on the market prices prevailing on the reporting date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from the carrying value as the items are short-term in nature.

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:

	2021			
	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	**1,639,136**	**-**	**-**	**1,639,136**
Debt Sub-Fund				
Government securities - Treasury Bills	**-**	**-**	**-**	**-**
Government securities - Pakistan Investment Bonds	**-**	**423,932**	**-**	**423,932**
Debt securities - Term Finance Certificates / Sukuks	**56,841**	**-**	**-**	**56,841**
Money Market Sub-Fund				
Government Securities - Treasury Bills	**-**	**-**	**-**	**-**
Investments at fair value through other comprehensive income				
Debt Sub-Fund				
Government securities - Pakistan Investment Bonds	**-**	**3,521**	**-**	**3,521**
	1,695,977	**427,453**	**-**	**2,123,430**

	2020			
	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	1,146,657	-	-	1,146,657
Debt Sub-Fund				
Government securities - Treasury Bills	-	381,035	-	381,035
Government securities - Pakistan Investment Bonds	-	212,491	-	212,491
Debt securities - Term Finance Certificates / Sukuks	36,531	-	-	36,531
Money Market Sub-Fund				
Government Securities - Treasury Bills	-	570,172	-	570,172
Investments at fair value through other comprehensive income				
Debt Sub-Fund				
Government securities - Pakistan Investment Bonds		5,689		
	1,183,188	1,163,698	-	2,346,886

26. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties comprise United Bank Limited (Holding Company of the Pension Fund Manager), UBL Fund Managers Limited (Pension Fund Manager), Al-Ameen Islamic Financial Services (Private) Limited (Subsidiary of the Pension Fund Manager), entities under common management or directorships, the Central Depository Company of Pakistan Limited (Trustee), Directors and Officers of Pension Fund Manager, persons having 10% or more beneficial ownership of the units of the Fund and other collective investment schemes managed by the Pension Fund Manager.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, other charges, sale and purchase of investments and distribution payments to connected persons. The transactions with connected persons are at contracted / agreed rates.

Remuneration payable to the Pension Fund Manager and the Trustee is determined in accordance with the provision of the VPS Rules and constitutive documents of the Fund respectively.

Details of transactions and balances at year end with related parties / connected persons, other than those which have been disclosed elsewhere in these financial statements, are as follows:

	Pension Fund Manager	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties**
	---------- (Rupees in '000) ----------					
Equity Sub-Fund	**For the year ended June 30, 2021**					
Transactions during the year						
Mark-up on bank accounts	**-**	**1,198**	**-**	**-**	**-**	**-**
Bank charges	**-**	**9**	**-**	**-**		
Units issued (units in '000)		**-**	**-**	**-**	**6,806**	
Units redeemed (units in '000)		**-**			**3,729**	
Remuneration*	**27,092**	**-**	**2,005**	**-**	**-**	**-**
Purchase of securities	**-**	**41,624**	**-**	**-**	**-**	**-**
Sale of securities	**-**	**-**	**-**	**-**	**-**	**-**
Dividend received	**-**	**-**	**-**	**-**	**-**	**-**
Central Depository Service (CDS)		**-**		**-**	**-**	**-**
expenses	**-**	**-**	**97**	**-**	**-**	**-**
	For the year ended June 30, 2020					
Mark-up on bank accounts	-	9,184	-	-	-	-
Bank charges	-	12	-	-	-	-
Units issued (units in '000)	-	-		-	32	-
Units redeemed (units in '000)	-	-	-	-	-	-
Remuneration*	18,779	-	1,467	-	-	-
Purchase of securities	-	469,514	-	-	-	-
Sale of securities	-	401,844	-	-	-	-
Dividend received	-	29,670	-	-	-	-
Central Depository Service (CDS) expenses	-	-	26	-	-	-
Equity Sub-Fund	**As at June 30, 2021**					
Balances held						
Units held	**-**	**-**	**-**	**-**	**55,006**	**-**
Units held (Rupees in '000)	**-**	**-**	**-**	**-**	**44,512**	**-**
Investments	**-**	**39,715**	**-**	**-**	**-**	**-**
Bank balances	**-**	**2,777**	**-**	**-**	**-**	**-**
Remuneration payable*	**2,438**	**-**	**182**	**-**	**-**	**-**
Sales load payable	**486**	**-**		**-**	**-**	**-**
Mark-up receivable	**-**	**97**		**-**	**-**	**-**
Other payable	**4**	**-**		**-**	**-**	**-**
	As at June 30, 2020					
Units held	-	-	-	-	67,210	-
Units held (Rupees in '000)	-	-	-	-	39,479	-
Investments	-	626,001	-	-	-	-
Bank balances	-	27,775	-	-	-	-
Remuneration payable*	1,681	-	131	-	-	-
Sales load payable	280	-	-	-	-	-
Mark-up receivable	-	62	-	-	-	-
Other payable	4	-	-	-	-	-

	Pension Fund Manager	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties**
	---------- (Rupees in '000) ----------					
	For the year ended June 30, 2021					
Debt Sub-Fund						
Transactions during the year						
Mark-up on bank accounts	**-**	**409**	**-**	**-**	**-**	**-**
Bank charges	**-**	**44**	**-**	**-**	**-**	**-**
Units issued (units in '000)	**-**	**-**	**-**	**-**	**6,164**	**-**
Units redeemed (units in '000)	**-**	**-**	**-**	**-**	**-**	**-**
Purchase of securities	**-**	**169,802**	**-**	**-**	**-**	**-**
Sale of securities	**-**	**299,476**	**-**	**-**	**-**	**-**
Remuneration*	**14,315**	**-**	**1,062**	**-**	**-**	**-**
CDS expenses	**-**	**-**	**33**	**-**	**-**	**-**
	For the year ended June 30, 2020					
Mark-up on bank accounts	-	3,645	-	-	-	-
Bank charges	-	36	-	-	-	-
Units issued (units in '000)	-	-	-	-	-	-
Units redeemed (units in '000)	-	-	-	-	-	-
Remuneration*	12,245	-	958	-	-	-
CDS expenses	-	-	6	-	-	-
	As at June 30, 2021					
Debt Sub-Fund						
Balances held						
Units held	**-**	**-**	**-**	**-**	**6,164**	**-**
Units held (Rupees in '000)	**-**	**-**	**-**	**-**	**1,736**	**-**
Bank balances	**-**	**9,185**				
Remuneration payable*	**1,163**	**-**	**89**	**-**	**-**	**-**
Sales load payable	**425**	**-**	**-**	**-**	**-**	**-**
Other payable	**4**	**-**	**-**	**-**	**-**	**-**
Mark-up receivable	**-**	**22**	**-**	**-**	**-**	**-**
	As at June 30, 2020					
Units held (units in '000)	-	-	-	-	1,894	-
Units held (Rupees in '000)	-	-	-	-	504	-
Bank balances	-	33,294	-	-	-	-
Remuneration payable*	1,096	-	78	-	-	-
Sales load payable	275	-	-	-	-	-
Other payable	4	-	-	-	-	-
Mark-up receivable	-	554	-	-	-	-

	Pension Fund Manager	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties**
	---------- (Rupees in '000) ----------					
	For the year ended June 30, 2021					
Money Market Sub-Fund						
Transactions during the year						
Mark-up on bank accounts	**-**	**304**	**-**	**-**	**-**	**-**
Bank charges	**-**	**58**	**-**	**-**	**-**	**-**
Units issued (units in '000)	**-**	**-**	**-**	**-**	**26,683**	**-**
Units redeemed (units in '000)	**-**	**-**	**-**	**-**	**-**	**-**
Purchase of securities	**-**	**217,746**	**-**	**-**	**-**	**-**
Sale of securities	**-**	**437,234**	**-**	**-**	**-**	**-**
Remuneration*	**18,516**	**-**	**1,372**	**-**	**-**	**-**
	For the year ended June 30, 2020					
Mark-up on bank accounts	-	9,755	-	-	-	-
Bank charges	-	26	-	-	-	-
Units issued (units in '000)	-	-	-	-	-	-
Units redeemed (units in '000)	-	-	-	-	88	-
Remuneration*	17,161	-	1,345	-	-	-
	As at June 30, 2021					
Money Market Sub-Fund						
Balances held						
Units held	**-**	**-**	**-**	**-**	**26,683**	**-**
Units held (Rupees in '000)	**-**	**-**	**-**	**-**	**5,940**	**-**
Bank balances	**-**	**2,777**	**-**	**-**	**-**	**-**
Remuneration payable*	**1,649**	**-**	**127**	**-**	**-**	**-**
Sales load payable	**161**	**-**	**-**	**-**	**-**	**-**
Other payable	**4**	**-**	**-**	**-**	**-**	**-**
Mark-up receivable	**-**	**19**	**-**	**-**	**-**	**-**
	As at June 30, 2020					
Units held (units in '000)	-	-	-	-	-	-
Units held (Rupees in '000)	-	-	-	-	-	-
Bank balances	-	332,934	-	-	-	-
Remuneration payable*	1,488	-	118	-	-	-
Sales load payable	178	-	-	-	-	-
Other payable	4	-	-	-	-	-
Mark-up receivable	-	118	-	-	-	-

	Pension Fund Manager	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties**
	---------- (Rupees in '000) ----------					
	For the year ended June 30, 2021					
Commodity Sub-Fund						
Transactions during the year						
Mark-up on bank accounts	**-**	**31**	**-**	**-**	**-**	**-**
Bank charges	**-**	**3**	**-**	**-**	**-**	**-**
Units issued (units in '000)	**-**	**-**	**-**	**-**	**-**	**16,808**
Units redeemed (units in '000)	**-**	**-**	**-**	**-**	**-**	**2,901**
Remuneration*	**192**	**-**	**15**	**-**	**-**	**-**
	For the year ended June 30, 2020					
Mark-up on bank accounts	-	758	-	-	-	-
Bank charges	-	6	-	-	-	-
Units issued (units in '000)	-	-	-	-	-	17
Units redeemed (units in '000)	-	-	-	-	-	2
Remuneration*	140	-	11	-	-	-
	As at June 30, 2021					
Commodity Sub-Fund						
Balances held						
Units held	**-**	**-**	**-**	**-**	**-**	**51,986**
Units held (Rupees in '000)	**-**	**-**	**-**	**-**	**-**	**7,922**
Bank balances	**-**	**316**	**-**	**-**	**-**	**-**
Remuneration payable*	**18**	**-**	**3**	**-**	**-**	**-**
Sales load payable	**13**	**-**	**-**	**-**	**-**	**-**
Mark-up receivable	**-**	**1**	**-**	**-**	**-**	**-**
Other payable	**27**	**-**	**-**	**-**	**-**	**-**
	As at June 30, 2020					
Units held (units in '000)	-	-	-	-	-	38,080
Units held (Rupees in '000)	-	-	-	-	-	5,944
Bank balances	-	6,837	-	-	-	-
Remuneration payable*	13	-	2	-	-	-
Sales load payable	9	-	-	-	-	-
Mark-up receivable	-	1	-	-	-	-
Other payable	27	-	-	-	-	-

* Remuneration for the year is inclusive of sales tax.

27. PARTICIPANTS' FUND RISK MANAGEMENT

The Fund's capital is represented by redeemable units of the sub-funds. They are entitled to payment of a proportionate share based on the sub-fund's net asset value per unit on the redemption date. The relevant movements are shown on the statement of movement in Participants' sub-funds. In accordance with the risk management policies, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption. Since the Participants invest in the Funds with a long-term objective, possibility of a significant redemption pressure is limited, such liquidity being augmented (by short-term borrowings or disposal of investments where necessary). During the year no such borrowing was exercised.

All units, including the core units, and fractions thereof represent an undivided share in the pertinent sub-funds of the fund and rank pari passu as to their rights in the net assets and earnings of such sub-fund and 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.

28. GENERAL

28.1 The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts.

The Management Company is closely monitoring the situation and has invoked required actions to ensure safety and security of the staff and an uninterrupted service to the customers. The Management Company has made an assessment of COVID-19 on the credit risk and liquidity risk and believes that there is no significant impact on the Fund.

28.2 Figures have been rounded off to the nearest Thousand Rupees unless otherwise specified.

28.3 Comparative figures have been reclassified where necessary for better presentation and comparison.

29. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue on August 16, 2021 by the Board of Directors of the Retirement Savings Fund Manager.

For UBL Fund Managers Limited
(Pension Fund Manager)

-SD-	-SD-	-SD-
Chief Executive Officer	**Chief Financial Officer**	**Director**

UBL Retirement Savings Fund-Equity Sub Fund

1. Summary of Actual Proxy Voted By the Fund

	Resolutions	**For**	**Against**	**Abstain***
Number	**12**	12	**-**	**-**
Percentage	100%	100%	**-**	**-**

*Reasons for abstaining shall be disclosed (if applicable).

2. Details where Management Company did not participate in investee company's shareholders meetings (if applicable)

3. 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.

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