

ALFALAH

Investments

ANNUAL REPORT

**JUNE 30,
2020**

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DIRECTORS' REPORT TO THE UNIT HOLDERS FOR THE YEAR ENDED JUNE 30, 2020

On behalf of the Board of Directors, I am pleased to present the Financial Statements of Alfalah GHP Pension Fund (AGPF) and Alfalah GHP Islamic Pension Fund (AGIPF) for the year ended June 30, 2020.

Economy Overview

Pakistan suffered from the adverse effects of the COVID-19 pandemic in FY20, denting the fragile path towards an economic recovery. A strict lockdown policy was imposed by end of March which hampered economic activities across the country. Subsequently, blanket restrictions began to be lifted in May, with the government opting for sealing selected hotspots only whereas economic activities continued in rest of the country with strict SOP's in place. This policy has been quite successful, since active cases have depicted a sharp decrease to nearly 25,000 from 105,000 in late June. The Government is expecting a contraction of 0.4% in GDP for the current fiscal year as disclosed in the latest Pakistan Economic Survey. Going forward, the government has set a GDP Growth target of 2.1% in FY21 whereas the IMF is forecasting growth to remain restricted to 1% due to the continuing effects of the pandemic. Meanwhile, large scale manufacturing remained depressed in 11MFY20 taking relevant index down by 10.3% YoY. The shrinkage in demand was witnessed across most sectors with automobiles, pharmaceuticals, petroleum, iron and steel products leading the decline. Foreign exchange reserves increased by ~US\$ 3,489mn during the year to close at US\$ 18bn as of June 26, 2020, mainly due to multilateral inflows. PKR depreciated by 5% against USD during the year, however, recent monetary assistance from multilateral lending institutions should provide support to the Rupee going forward.

Current Account Deficit stood at US\$ 3bn for FY20, a massive decrease of 77% compared to same period last year. The external account situation had improved due to austerity measures and significant PKR devaluation along with the start of Saudi Oil facility from July. Exports during FY20 showed a decrease of 7% YoY mainly due to imposition of strict lockdown to mitigate local transmission of coronavirus infections and cancellation of textile orders in the months of March and April. Similarly, Imports decreased by 18% YoY due to shrinkage in demand and lower oil prices. Foreign remittances depicted increase of 6% YoY for FY20, despite COVID-19 hurting the incomes of expatriates across the globe.

CPI clocked in at 10.7% for FY20 as compared to 6.8 % in FY19 mainly due to increase in petroleum and food prices. We believe inflation levels will fall in the coming months due to decrease in demand and high base effect. In light of falling inflation forecasts, SBP slashed the policy rate by a further 100bps to 7 percent to restrict the economic slowdown and enable timely recovery, leading to a total cut of 625 bps in last three months.

The Federal Budget was announced in June, largely maintaining status-quo of previous policies. Although no new taxes were imposed in the budget, it was notable for not providing significant incentives for various industries (apart from tariff rationalization on raw materials). Moreover, various stakeholders' proposals regarding capital markets were ignored as well.

Equity Market Review

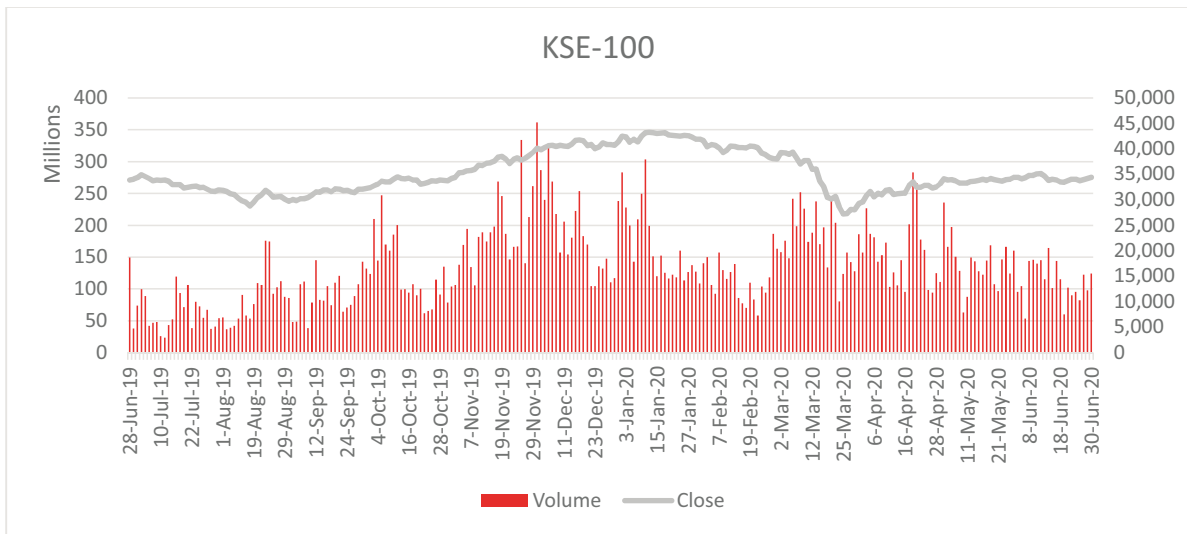
The KSE-100 index experienced a roller coaster ride throughout FY20 and closed the year displaying a slightly positive return of 1.53%.

The benchmark index started performing well from the month of September 2019 and posted positive returns for 5 consecutive months till Jan 2020. The return from close of FY19 till 13th Jan 2020 stood at 27% on the back of improving macro-economic fundamentals under the IMF program as a) CAD continued to improve because of a sharp decline in imports, rising remittances and flattish exports; b) appreciating PKR and c) improving FX reserves position due to a significant influx of funds in Treasury bills and Bonds as the policy rate peaked at 13.25% encouraging the carry trade transactions.

This performance was marred by the outbreak of Covid-19 in China and then subsequently into the entire world. Countries began to implement strict lockdowns and the entire trade came suddenly to a halt resulting in heavy losses in global and local equities as investors' fled to safe heavens. KSE-100 index lost 37% in a span of 72 days as it hit a bottom of 27,228 points on March 25, 2020.

However, multiple positives staged the comeback of local bourse as KSE-100 bounced back and posted 26% return by end of the year from the bottom of 27,228 to close the year at 34,422. The comeback was fueled by; a) control in the spread of pandemic in China and relaxation of lockdowns globally resulting in increase in cross border trade b) implementation of smart lockdown locally, under which businesses are allowed to operate with certain SOPs, thus normalization in business activities c) Central Bank's initiatives to cut policy rate cumulatively by 625bps to spur economic growth and simultaneously provide relief to industries by deferring loan repayment for a year d) announcement of several packages and subsidies by the Government to decrease the cost of doing business and spur growth in economic activities and e) miraculous decline in local Covid-19 cases, as the daily number started to decline from 6.5k in mid of June to 4k by the end of the year and subsequently, falling into 3 digits by end of July 2020. Massive recoveries have also caused active cases to decline to only 25.2k by July end compared to 108.3k cases in June.

Going forward, macro-economic fundamentals and resumption of normal business activities will determine the market direction. In our view, improving business activity of manufacturers along with attractive valuations of Banks and E&Ps will keep the market sentiment positive.

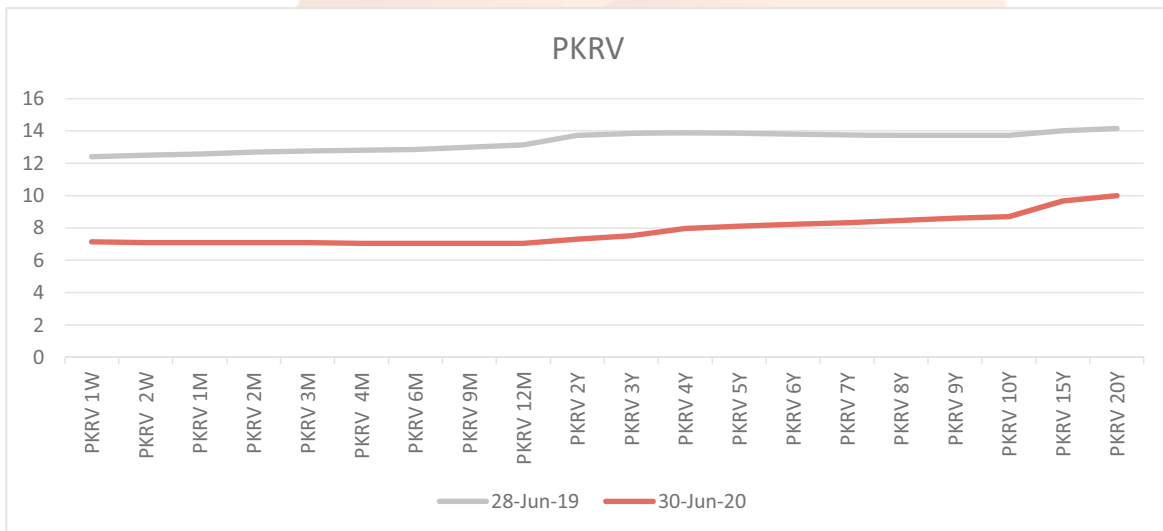


Money Market

Pakistan's GDP is expected to post a negative growth of 0.4% during FY20. The global COVID Pandemic which set its foot prints in the country in last quarter FY20, which hampered the economic activities in the country. In order to provide liquidity support to the households and businesses to help them through the ensuing temporary phase of economic disruption, SBP made an aggressive move by reducing the discount rate on consistent basis. Till date the policy rate has been reduced by approximately 625bps to around 7%.

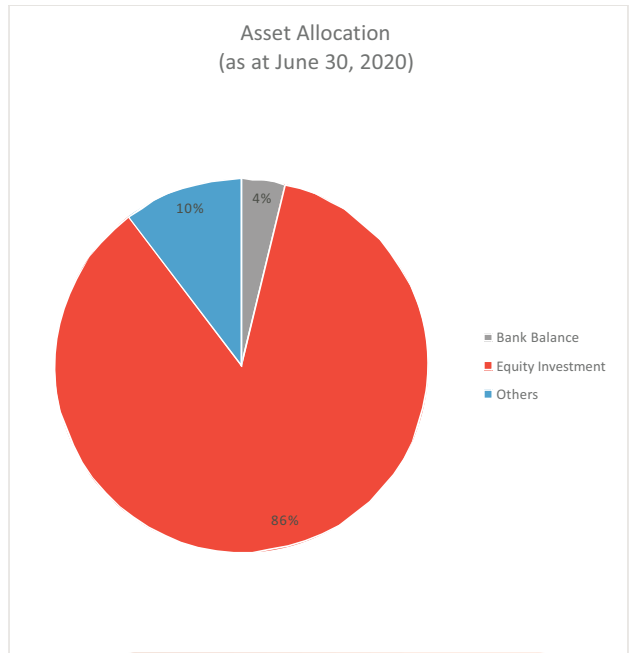
The yield curve witnessed a tremendous downward shift owing to the aggressive rate cut. Market participants made took heavy bets in longer duration instruments. During the year, the central bank was able to fetch PKR 11.8 trillion T-bills with majority of the participation witnessed in 6 month and 12 months tenor. Through PIBs, the central bank was able to fetch PKR 2.02 trillion in the reviewed period as compared to PKR 800 billion in FY 19. Majority of the participation witnessed in 3 years followed by 5 years and 10 years

Going forward, we believe that the central bank has provided the much needed stimulus in order to revive the economic growth in the country. Now with the resumption in the business activity, the macroeconomic variable will surely begin to improve gradually in the coming year.



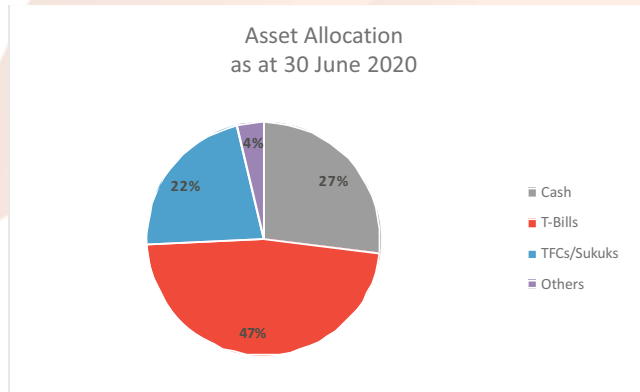
Alfalah GHP Pension Fund- Equity:

During the year, fund's return stood at -2.88%.



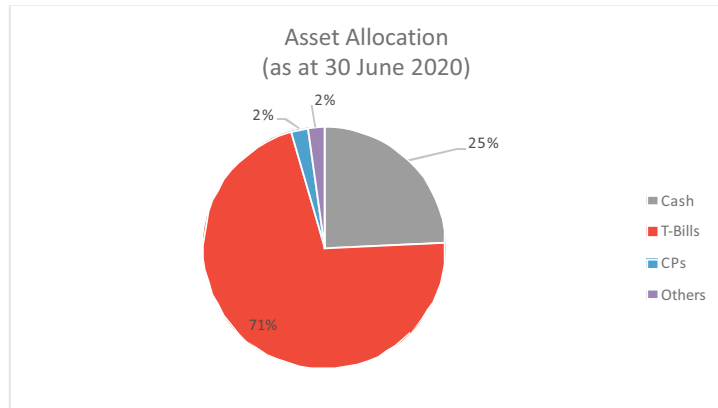
Alfalah GHP Pension Fund- Debt:

During the year, the fund generated a return of 11.83%.



Alfalah GHP Pension Fund- Money Market:

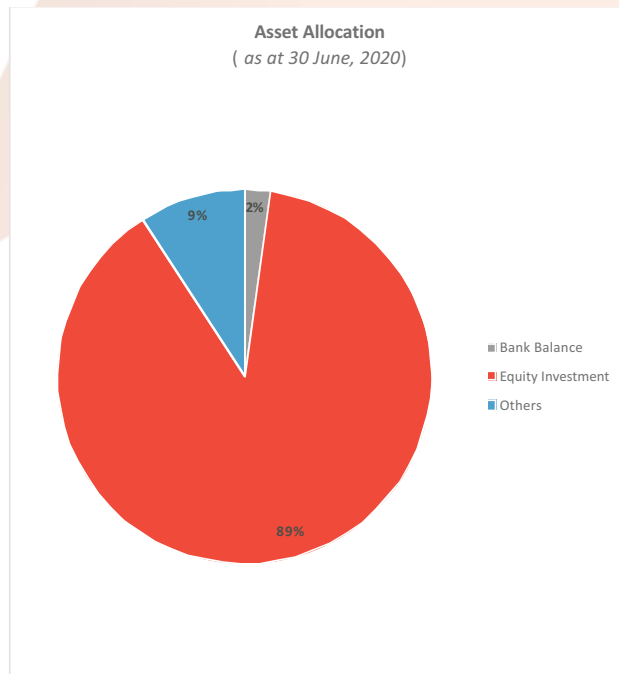
During the year, the fund generated return of 10.97%.



Description	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
	For the year ended June 30, 2019			For the year ended June 30, 2018		
Average Net Asset	36.603	49.176	70.700	40.89	44.43	42.46
Gross (loss) / income	-1.24	6.94	9.13	-6.96	4.04	4.35
Total Comprehensive (loss) Income	-2.16	5.49	7.36	-7.97	2.92	3.17
Net Assets Value per Unit (PKR)	65.0720	125.9947	124.9698	67.0000	112.6289	112.5831
Issuance of units during the year	13.55	10.12	21.13	21.40	12.15	32.08
Redemption of units during the year	-8.43	-2.42	-10.10	-18.57	-12.55	-11.65

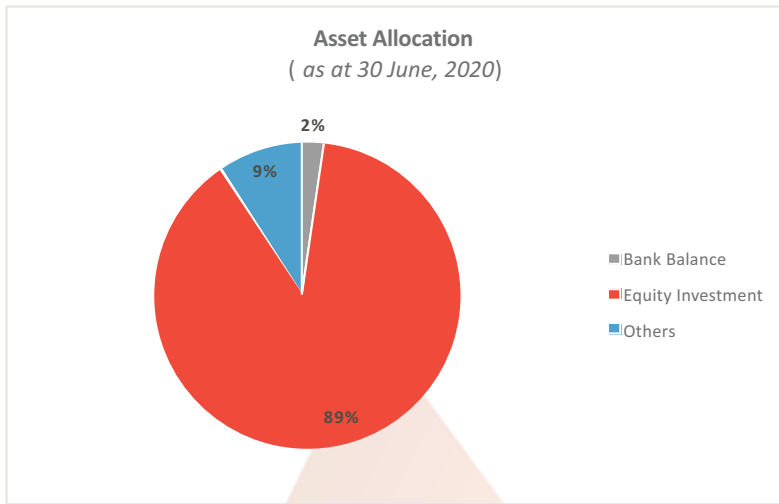
Alfalah GHP Islamic Pension Fund- Equity:

During the year, the fund's return stood at 2.91%.



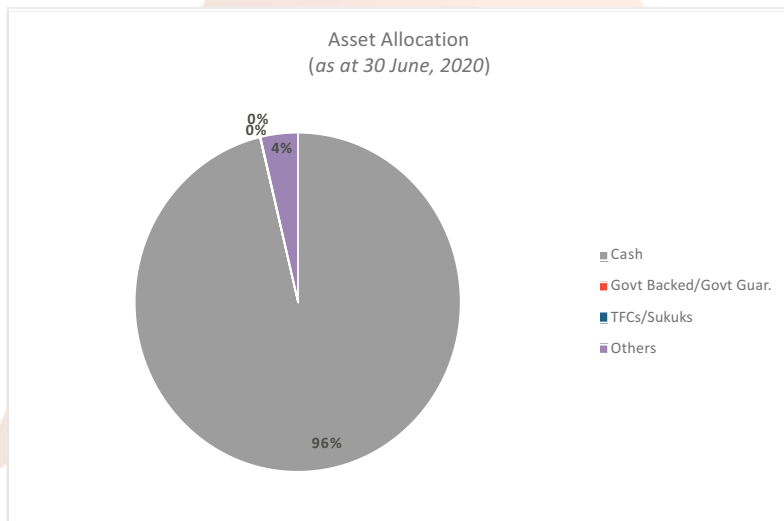
Alfalah GHP Islamic Pension Fund- Debt:

During the year, the fund generated a return of 8.19%.



Alfalah GHP Islamic Pension Fund- Money Market:

During the year, the fund generated a return of 7.44%.



Description	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
	For the year ended June 30, 2019			For the year ended June 30, 2018		
Average Net Asset	46.324	48.058	53.625	38.61	38.48	38.03
Gross (loss) / income	1.91	5.01	5.16	-7.52	2.44	2.48
Total Comprehensive (loss) Income	0.69	3.77	3.85	-8.55	1.46	1.41
Net Assets Value per Unit (PKR)	70.4245	116.3945	115.5031	68.4300	107.5554	107.4827
Issuance of units during the year	24.97	16.07	25.73	19.43	11.39	18.15
Redemption of units during the year	-14.17	-9.03	-25.36	-10.61	-10.48	-1.98

Acknowledgement

The Directors express their gratitude to the Securities and Exchange Commission of Pakistan for its valuable support, assistance and guidance. The Board also thanks the employees of the Management Company and the Trustee for their dedication and hard work and the unit holders for their confidence in the Management.

For and behalf of the Board

Chief Executive Officer
August 24, 2020





**Alfalah
GHP Pension Fund**

FUND INFORMATION

Management Company:	Alfalah GHP Investment Management Limited 8-B, 8th Floor, Executive Tower, Dolmen City, Block-4, Clifton, Karachi.
Board of Directors of the Management Company:	Ms. Dominique Liana Russo Mr. Edward Phillip Hurt Ms. Maheen Rahman (CEO) Syed Ali Sultan Mr. Hanspeter Beier Mr. Abid Naqvi Mr. Tufail Jawed Ahmad Ms. Mehreen Ahmed
Audit Committee:	Mr. Abid Naqvi Syed Ali Sultan Mr. Edward Phillip Hurt
HR Committee:	Ms. Dominique Liana Russo Syed Ali Sultan Mr. Tufail Jawed Ahmed Ms. Maheen Rahman (CEO)
Risk Committee:	Mr. Edward Phillip Hurt Mr. Tufail Jawed Ahmad Syed Ali Sultan Ms. Maheen Rahman (CEO)
Chief Operating Officer and Company Secretary:	Mr. Noman Ahmed Soomro
Chief Financial Officer:	Syed Hyder Raza Zaidi
Trustee:	Central Depository Company of Pakistan Limited CDC House, 99-B, Block 'B', SMCHS, Main Share-e-Faisal, Karachi
Bankers to the Fund:	Bank Alfalah Limited
Auditors:	A.F. Ferguson & Co. Chartered Accountants State Life Building No. 1-C I.I. Chundrigar Road, P.O.Box 4716 Karachi, Pakistan
Legal Advisor:	Ahmed & Qazi Advocates & Legal Consultants 402,403,404,417 Clifton Centre, Clifton, Karachi
Shariah Advisor:	Bank Islami Pakistan Limited 11th Floor, Dolmen Executive Towers, Marine Drive, Clifton, Block-4, Karachi
Registrar:	Alfalah GHP Investment Management Limited 8-B, 8th Floor, Executive Tower, Dolmen City, Block-4, Clifton, Karachi.
Distributor:	Bank Alfalah Limited

Alfalah GHP Pension Fund

Annual Fund Manager`s Report

Type of Fund: **Open-end Scheme**
 Category of Fund: Voluntary Pension Fund Scheme

Investment Objective

The objective of introducing Alfalah GHP Pension Fund is to provide individuals with a portable, individualized, funded (based on defined contribution) and flexible pension scheme which is managed by professional investment manager to assist them to plan and provide for their retirement.

Money Market Review

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The yield curve witnessed a tremendous downward shift owing to the aggressive rate cut. Market participants made took heavy bets in longer duration instruments. During the year, the central bank was able to fetch PKR 11.8 trillion T-bills with majority of the participation witnessed in 6 month and 12 months tenor. Through PIBs, the central bank was able to fetch PKR 2.02 trillion in the reviewed period as compared to PKR 800 billion in FY 19. Majority of the participation witnessed in 3 years followed by 5 years and 10 years

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Equity Market Review

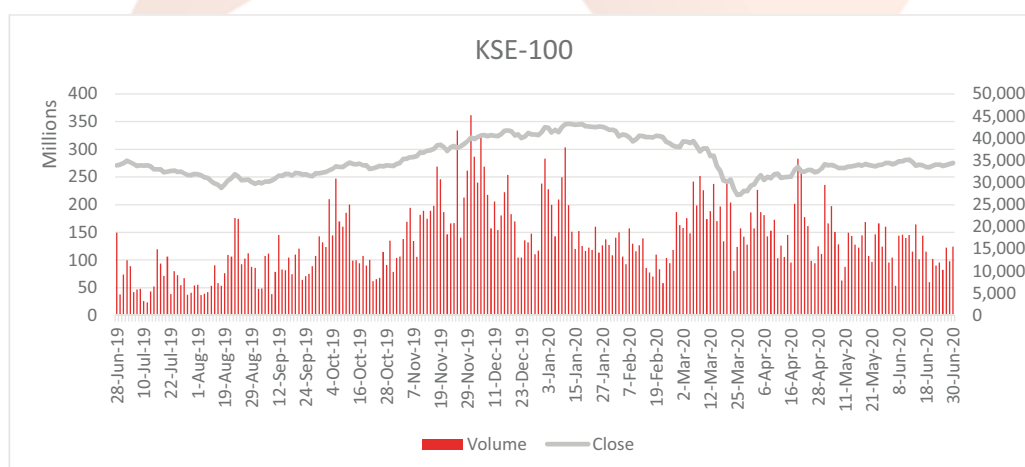
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This performance was marred by the outbreak of Covid-19 in China and then subsequently into the entire world. Countries began to implement strict lockdowns and the entire trade came suddenly to a halt resulting in heavy losses in global and local equities as investors' fled to safe heavens. KSE-100 index lost 37% in a span of 72 days as it hit a bottom of 27,228 points on March 25, 2020.

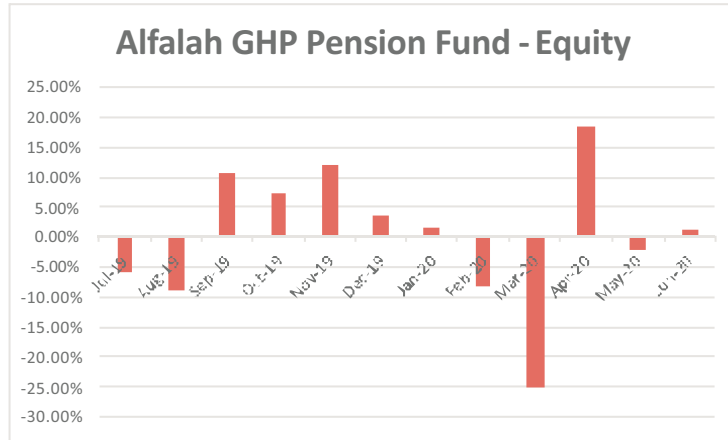
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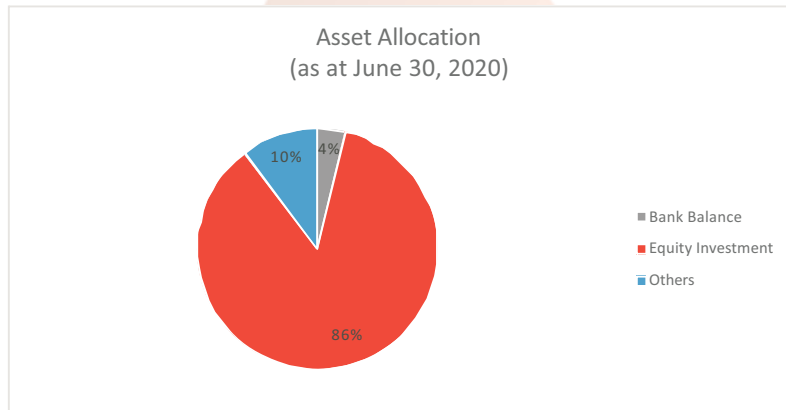


Equity Sub Fund

The fund was launched on 2nd January, 2017. Equity Sub Fund posted a return of -2.88% for the period ended June 30, 2020. Average equity exposure remained on the higher side. Net assets as on June 30th, 2020 stood at PKR 39.56 million.

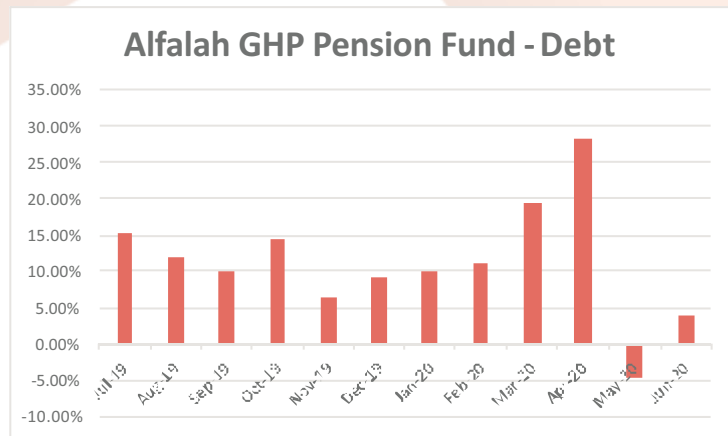


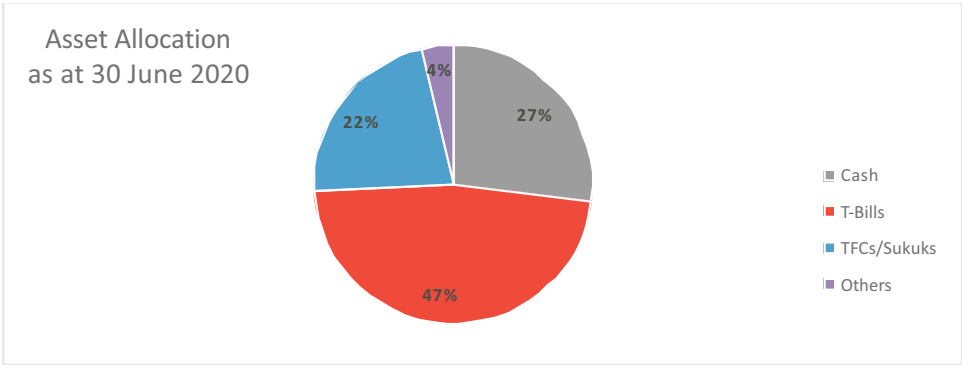
Assets Allocation/Portfolio quality



Debt Sub Fund

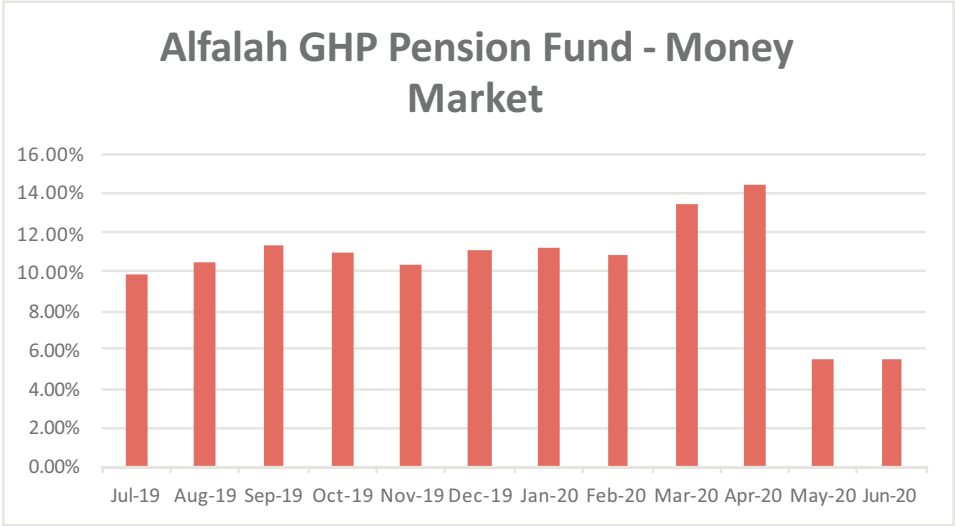
The fund generated a return of 11.83% for the period ended June 30, 2020. Net assets of the fund stood at PKR 56.08 million on June 30th, 2020.



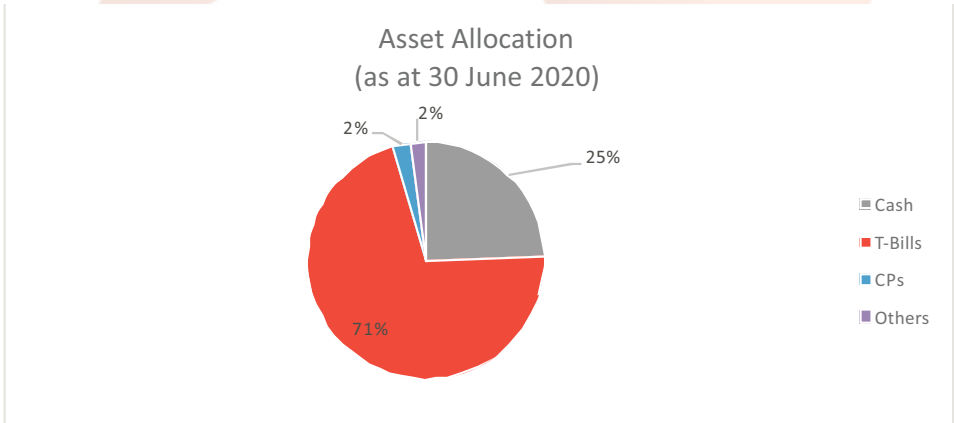


Money Market Sub Fund:

The fund generated a return of 10.97% for the period ended June 30, 2020. Net assets of the fund stood at PKR 78.12 million on June 30th, 2020.



Assets Allocation/Portfolio quality:



- Description and explanation of any significant changes in the state of affairs of the Collective Investment Scheme 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.

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

There were no unit splits during the period.

- Disclosures of circumstances that materially affect any interests of unit holders**

Investments are subject to market risk.

- 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 Collective Investment Scheme.**

No soft commissions are received by the AMC from its brokers or dealers by virtue of transactions conducted by the Collective Investment Scheme.



**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office

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



TRUSTEE REPORT TO THE PARTICIPANTS

ALFALAH GHP PENSION 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 Alfalah GHP Pension Fund (the Fund) are of the opinion that Alfalah GHP Investment Management Limited being the Pension Fund Manager of the Fund has in all material respects managed the Fund during the year ended June 30, 2020 in accordance with the provisions of the constitutive documents of the Fund and the Voluntary Pension System Rules, 2005.

A handwritten signature in black ink, appearing to read 'Badiuddin Akber'.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: October 13, 2020



AUDITOR'S REPORT TO THE PARTICIPANTS OF ALFALAH GHP PENSION FUND

We have audited the annexed financial statements comprising:

- i. Statement of Assets and Liabilities;
- ii. Income Statement;
- iii. Statement of Comprehensive Income;
- iv. Cash Flow Statement; and
- v. Statement of Movement in Participants' Sub-Funds

of Alfalah GHP Pension Fund (the Fund) as at and for the year ended June 30, 2020 together with the notes forming part thereof for the year then ended. It is the responsibility of the Pension Fund Manager to establish and maintain a system of internal control and prepare and present the financial statements of the Fund in conformity with the accounting and reporting standards as applicable in Pakistan and the requirements of the Voluntary Pension System Rules, 2005. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion:

- a) the financial statements prepared for the year ended June 30, 2020 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, 2020 and of the transactions of the Fund for the year then ended;
- c) the allocation and reallocation of units of the sub-funds for all the participants have been made according to the Voluntary Pension System Rules, 2005;
- d) the cost and expenses debited to the Fund and apportionment of expenses between sub-funds are as specified in the constitutive documents of the Fund;
- e) proper books and records have been kept by the Fund and the financial statements prepared are in agreement with the Fund's books and records;
- f) we were able to obtain all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of the audit; and
- g) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

Chartered Accountants

Engagement Partner: **Shahbaz Akbar**

Date: September 28, 2020

Karachi

ALFALAH GHP PENSION FUND
STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2020

Note	2020					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	
	(Rupees)					
Assets						
Bank balances	4	3,659,582	13,713,291	20,781,681	19,969	38,174,523
Investments	5	35,907,892	41,739,870	58,039,257	-	135,687,019
Security Deposit with the Central Depository Company of Pakistan Limited - Trustee		100,000	220,000	100,000	-	420,000
Dividend, profit and other receivables	6	75,153	868,022	134,126	31	1,077,332
Preliminary expenses and floatation costs	7	-	-	-	-	-
Total assets		39,742,627	56,541,183	79,055,064	20,000	175,358,874
Liabilities						
Payable to the Pension Fund Manager	8	45,246	78,437	122,674	20,000	266,357
Payable to the Trustee	9	22,888	30,255	30,413	-	83,556
Annual fee payable to the Securities and Exchange Commission of Pakistan	10	10,784	14,233	20,488	-	45,505
Accrued expenses and other liabilities	11	101,657	334,112	763,702	-	1,199,471
Total liabilities		180,575	457,037	937,277	20,000	1,594,889
Net assets		39,562,052	56,084,146	78,117,787	-	173,763,985
Participants' sub - funds (as per statement attached)		39,562,052	56,084,146	78,117,787	-	173,763,985
Contingencies and commitments	12	----- (Number of units) -----				
Number of units in issue	13	607,973	445,131	625,093		
Net asset value per unit		65.0720	125.9947	124.9698		

The annexed notes from 1 to 25 and annexure form an integral part of these financial statements.

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP PENSION FUND
STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2019

	Note	2019				Total
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	
----- (Rupees) -----						
Assets						
Bank balances	4	3,771,241	969,357	13,002,012	19,969	17,762,579
Investments	5	32,769,251	41,779,345	47,239,315	-	121,787,911
Security Deposit with the Central Depository Company of Pakistan Limited - Trustee		100,000	100,000	100,000	-	300,000
Dividend, profit and other receivables	6	132,739	350,120	112,187	31	595,077
Preliminary expenses and floatation costs	7	8,951	8,954	8,899	-	26,804
Total assets		36,782,182	43,207,776	60,462,413	20,000	140,472,371
Liabilities						
Payable to the Pension Fund Manager	8	49,769	59,749	96,530	20,000	226,048
Payable to the Trustee	9	28,066	25,688	31,794	-	85,548
Annual fee payable to the Securities and Exchange Commission of Pakistan	10	12,816	14,684	15,642	-	43,142
Accrued expenses and other liabilities	11	79,990	213,849	598,863	-	892,702
Total liabilities		170,641	313,970	742,829	20,000	1,247,440
Net assets		36,611,541	42,893,806	59,719,584	-	139,224,931
Participants' sub - funds (as per statement attached)		36,611,541	42,893,806	59,719,584	-	139,224,931
Contingencies and commitments						
----- (Number of units) -----						
Number of units in issue	13	546,441	380,842	530,449		
----- (Rupees) -----						
Net asset value per unit		67.0000	112.6289	112.5831		

The annexed notes from 1 to 25 and annexure form an integral part of these financial statements.

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP PENSION FUND

INCOME STATEMENT

FOR THE YEAR ENDED JUNE 30, 2020

	Note	2020			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees)					
Income					
Profit / mark-up income	16	194,427	6,085,668	8,792,100	15,072,195
Dividend income		1,841,780	-	-	1,841,780
(Loss) / gain on sale of investments - net		(1,063,142)	394,840	89,153	(579,149)
Unrealised (loss) / gain on revaluation of investments classified as 'financial assets at fair value through profit or loss' - net	5.4	(2,212,296)	461,508	248,787	(1,502,001)
Total (loss) / income		(1,239,231)	6,942,016	9,130,040	14,832,825
Expenses					
Remuneration of the Pension Fund Manager	8.1	545,420	737,638	1,061,332	2,344,390
Sindh sales tax on remuneration of the Pension Fund Manager	8.2	70,921	95,826	137,748	304,495
Remuneration of the Trustee	9.1	69,924	94,661	136,565	301,150
Sindh sales tax on remuneration of the Trustee	9.2	9,089	12,265	17,741	39,095
Annual fee to the Securities and Exchange Commission of Pakistan	10	10,809	14,258	20,513	45,580
Brokerage and securities transaction costs		99,948	205,318	3,164	308,430
Auditors' remuneration	15	59,921	85,056	118,272	263,249
Printing charges		5,625	7,984	11,102	24,711
Legal and professional charges		40,971	70,860	98,531	210,362
Amortisation of preliminary expenses and floatation costs	7	8,951	8,954	8,899	26,804
Bank charges		4,000	4,593	6,502	15,095
Provision for Sindh Workers' Welfare Fund	11.1	-	112,102	150,118	262,220
Total expenses		925,579	1,449,515	1,770,487	4,145,581
Net (loss) / income for the year before taxation		(2,164,810)	5,492,501	7,359,553	10,687,244
Taxation	3.6	-	-	-	-
Net (loss) / income for the year after taxation		(2,164,810)	5,492,501	7,359,553	10,687,244

The annexed notes from 1 to 25 and annexure form an integral part of these financial statements.

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP PENSION FUND

INCOME STATEMENT

FOR THE YEAR ENDED JUNE 30, 2019

	Note	2019			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
----- (Rupees) -----					
Income					
Profit / mark-up income	16	309,042	4,129,526	4,424,043	8,862,611
Dividend income		2,188,880	-	-	2,188,880
Loss on sale of investments - net		(882,822)	(50,944)	(42,630)	(976,396)
Unrealised loss on revaluation of investments classified as 'financial assets at fair value through profit or loss' - net	5.4	(8,570,294)	(32,678)	(36,113)	(8,639,085)
Total (loss) / income		(6,955,194)	4,045,904	4,345,300	1,436,010
Expenses					
Remuneration of the Pension Fund Manager	8.1	613,243	666,089	709,977	1,989,309
Sindh sales tax on remuneration of the Pension Fund Manager	8.2	79,722	86,590	92,297	258,609
Remuneration of the Trustee	9.1	92,912	100,821	106,738	300,471
Sindh sales tax on remuneration of the Trustee	9.2	12,085	13,109	13,876	39,070
Annual fee to the Securities and Exchange Commission of Pakistan	10	12,840	14,710	15,666	43,216
Brokerage and securities transaction costs		39,730	8,691	3,768	52,189
Auditors' remuneration	15	74,937	74,937	74,992	224,866
Printing charges		18,548	18,548	18,525	55,621
Legal and professional charges		39,878	55,274	53,799	148,951
Amortisation of preliminary expenses and floatation costs	7	24,564	24,561	24,616	73,741
Bank charges		7,396	1,171	-	8,567
Provision for Sindh Workers' Welfare Fund	11.1	-	59,627	64,621	124,248
Total expenses		1,015,855	1,124,128	1,178,875	3,318,858
Net (loss) / income for the year before taxation		(7,971,049)	2,921,776	3,166,425	(1,882,848)
Taxation	3.6	-	-	-	-
Net (loss) / income for the year after taxation		(7,971,049)	2,921,776	3,166,425	(1,882,848)

The annexed notes from 1 to 25 and annexure form an integral part of these financial statements.

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP PENSION FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2020

	2020			Total
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	
	----- (Rupees) -----			
Net (loss) / income for the year after taxation	(2,164,810)	5,492,501	7,359,553	10,687,244
Other comprehensive income	-	-	-	-
Total comprehensive (loss) / income for the year	<u>(2,164,810)</u>	<u>5,492,501</u>	<u>7,359,553</u>	<u>10,687,244</u>

The annexed notes from 1 to 25 and annexure form an integral part of these financial statements.

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP PENSION FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2019

	2019			Total
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	
	----- (Rupees) -----			
Net (loss) / income for the year after taxation	(7,971,049)	2,921,776	3,166,425	(1,882,848)
Other comprehensive income	-	-	-	-
Total comprehensive (loss) / income for the year	<u>(7,971,049)</u>	<u>2,921,776</u>	<u>3,166,425</u>	<u>(1,882,848)</u>

The annexed notes from 1 to 25 and annexure form an integral part of these financial statements.

For Alfalah GHP Investment Management Limited
 (Management Company)

 Chief Executive Officer

 Chief Financial Officer

 Director

ALFALAH GHP PENSION FUND

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2020

Note	2020				Total
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	
	(Rupees)				
CASH FLOW FROM OPERATING ACTIVITIES					
Net (loss) / income for the year before taxation	(2,164,810)	5,492,501	7,359,553	-	10,687,244
Adjustments for:					
Unrealised loss / (gain) on revaluation of investments classified as 'financial assets at fair value through profit or loss' - net	2,212,296	(461,508)	(248,787)	-	1,502,001
Amortisation of preliminary expenses and floatation costs	8,951	8,954	8,899	-	26,804
Provision for Sindh Workers' Welfare Fund	-	112,102	150,118	-	262,220
	56,437	5,152,049	7,269,783	-	12,478,269
(Increase) / decrease in assets					
Investments - net	(5,350,937)	(32,307,848)	(20,700,755)	-	(58,359,540)
Security deposit with Central Depository Company of Pakistan Limited - Trustee	-	(120,000)	-	-	(120,000)
Dividend, profit and other receivables	57,586	(517,902)	(21,939)	-	(482,255)
	(5,293,351)	(32,945,750)	(20,722,694)	-	(58,961,795)
(Decrease) / increase in liabilities					
Payable against redemption of units	-	-	-	-	-
Payable to the Pension Fund Manager	(4,523)	18,688	26,144	-	40,309
Payable to the Trustee	(5,178)	4,567	(1,381)	-	(1,992)
Annual fee payable to the Securities and Exchange Commission of Pakistan	(2,032)	(451)	4,846	-	2,363
Accrued expenses and other liabilities	21,667	8,161	14,721	-	44,549
	9,934	30,965	44,330	-	85,229
Net cash used in operating activities	(5,226,980)	(27,762,736)	(13,408,581)	-	(46,398,297)
CASH FLOW FROM FINANCING ACTIVITIES					
Amount received on issuance of units	13,554,751	10,116,609	21,134,307	-	44,805,667
Payments made against redemption of units	(8,439,430)	(2,418,770)	(10,095,657)	-	(20,953,857)
Net cash generated from financing activities	5,115,321	7,697,839	11,038,650	-	23,851,810
Net decrease in cash and cash equivalents	(111,659)	(20,064,897)	(2,369,931)	-	(22,546,487)
Cash and cash equivalents at the beginning of the year	3,771,241	33,778,188	57,741,327	19,969	95,310,725
Cash and cash equivalents at the end of the year	17 3,659,582	13,713,291	55,371,396	19,969	72,764,238

The annexed notes from 1 to 25 and annexure form an integral part of these financial statements.

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP PENSION FUND
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2019

Note	2019				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
CASH FLOW FROM OPERATING ACTIVITIES					
Net (loss) / income for the year before taxation	(7,971,049)	2,921,776	3,166,425	-	(1,882,848)
Adjustments for:					
Unrealised loss on revaluation of investments classified as 'financial assets at fair value through profit or loss' - net	8,570,294	32,678	36,113	-	8,639,085
Amortisation of preliminary expenses and floatation costs	24,564	24,561	24,616	-	73,741
Provision for Sindh Workers' Welfare Fund	-	59,627	64,621	-	124,248
	623,809	3,038,642	3,291,775	-	6,954,226
(Increase) / decrease in assets					
Investments - net	(4,720,775)	(9,003,192)	(2,536,113)	-	(16,260,080)
Security deposit with Central Depository Company of Pakistan Limited - Trustee	-	-	(100,000)	-	(100,000)
Dividend, profit and other receivables	13,088	(297,367)	(72,552)	-	(356,831)
	(4,707,687)	(9,300,559)	(2,708,665)	-	(16,716,911)
(Decrease) / increase in liabilities					
Payable against redemption of units	-	(417,457)	(29,750)	-	(447,207)
Payable to the Pension Fund Manager	(5,627)	3,880	46,387	(16,650)	27,990
Payable to the Trustee	831	(821)	7,046	-	7,056
Annual fee payable to the Securities and Exchange Commission of Pakistan	143	2,186	4,211	-	6,540
Accrued expenses and other liabilities	25,336	62,442	442,167	(150)	529,795
	20,683	(349,770)	470,061	(16,800)	124,174
Net cash (used in) / generated from operating activities	(4,063,195)	(6,611,687)	1,053,171	(16,800)	(9,638,511)
CASH FLOW FROM FINANCING ACTIVITIES					
Amount received on issuance of units	22,731,214	12,154,830	32,075,355	-	66,961,399
Payments made against redemption of units	(18,567,282)	(12,547,205)	(11,654,424)	-	(42,768,911)
Net cash generated from / (used in) financing activities	4,163,932	(392,375)	20,420,931	-	24,192,488
Net increase / (decrease) in cash and cash equivalents	100,737	(7,004,062)	21,474,102	(16,800)	14,553,977
Cash and cash equivalents at the beginning of the year	3,670,504	40,782,250	36,267,225	36,769	80,756,748
Cash and cash equivalents at the end of the year	3,771,241	33,778,188	57,741,327	19,969	95,310,725

The annexed notes from 1 to 25 and annexure form an integral part of these financial statements.

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP PENSION FUND
STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Note	2020			Total
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	
----- (Rupees) -----					
Net assets at the beginning of the year		36,611,541	42,893,806	59,719,584	139,224,931
Issuance of units	14	13,554,751	10,116,609	21,134,307	44,805,667
Redemption of units		(8,439,430)	(2,418,770)	(10,095,657)	(20,953,857)
		5,115,321	7,697,839	11,038,650	23,851,810
(Loss) / gain on sale of investments classified as 'financial assets at fair value through profit or loss' - net		(1,063,142)	394,840	89,153	(579,149)
Unrealised (loss) / gain on revaluation of investments classified as 'financial assets at fair value through profit or loss' - net		(2,212,296)	461,508	248,787	(1,502,001)
Other income (net of expenses)		1,110,628	4,636,153	7,021,613	12,768,394
Total comprehensive (loss) / income for the year		(2,164,810)	5,492,501	7,359,553	10,687,244
Net assets at the end of the year		<u>39,562,052</u>	<u>56,084,146</u>	<u>78,117,787</u>	<u>173,763,985</u>

The annexed notes from 1 to 25 and annexure form an integral part of these financial statements.

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP PENSION FUND
STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Note	2019			Total
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	
----- (Rupees) -----					
Net assets at the beginning of the year		40,418,658	40,364,405	36,132,228	116,915,291
Issuance of units	14	22,731,214	12,154,830	32,075,355	66,961,399
Redemption of units		(18,567,282)	(12,547,205)	(11,654,424)	(42,768,911)
		4,163,932	(392,375)	20,420,931	24,192,488
Loss on sale of investments classified as 'financial assets at fair value through profit or loss' - net		(882,822)	(50,944)	(42,630)	(976,396)
Unrealised loss on revaluation of investments classified as 'financial assets at fair value through profit or loss' - net		(8,570,294)	(32,678)	(36,113)	(8,639,085)
Other income (net of expenses)		1,482,067	3,005,398	3,245,168	7,732,633
Total comprehensive (loss) / income for the year		(7,971,049)	2,921,776	3,166,425	(1,882,848)
Net assets at the end of the year		<u>36,611,541</u>	<u>42,893,806</u>	<u>59,719,584</u>	<u>139,224,931</u>

The annexed notes from 1 to 25 and annexure form an integral part of these financial statements.

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP PENSION FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENT

FOR THE YEAR ENDED JUNE 30, 2020

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Alfalah GHP Pension Fund (the Fund) was established under a Trust deed executed between Alfalah GHP Investment Management Limited (AGIML) as Pension Fund Manager and the Central Depository Company of Pakistan Limited (the CDC) as Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (the SECP) on September 26, 2016 and was executed on October 06, 2016 under the Voluntary Pension System Rules, 2005 (VPS Rules). The Fund was authorized by the SECP as a Pension Fund on November 28, 2016. The Pension Fund Manager of the Fund has been licensed to act as a Pension Fund Manager under the VPS rules through a certificate of registration issued by the SECP. The registered office of the Pension Fund Manager is situated at 8th Floor, Executive Tower, Dolmen Mall, Block-4, Clifton, Karachi.
- 1.2 The objective of the Fund is to provide participants with a portable, individualized, funded (based on defined contribution) and flexible pension scheme which is managed by professional investment manager to assist them to plan and provide for their retirement. The design of the scheme empowers the participants to decide how much to invest in their pensions and how to invest it, as well as to continue investing in their pension accounts even if they change jobs.
- 1.3 Title to the assets of the Fund is held in the name of the Central Depository Company of Pakistan Limited as Trustee of the Fund.
- 1.4 The Fund operates under an umbrella structure and is composed of Sub-Funds, each being a collective investment scheme. At present, the Fund consists of the following three Sub-Funds:

AGPF - Equity Sub-Fund (AGPF - ESF)

The Equity Sub-Fund consists of a minimum 90% of net assets invested in listed equity securities during the year based on quarterly average investment calculated on daily basis. Investment in a single company is restricted to lower of 10% of Net Asset Value (NAV) of Equity Sub-Fund and paid-up capital of the investee company (subject to the conditions prescribed in the offering document to the Fund). Remaining assets of the Equity Sub-Fund may be invested in Government treasury bills or Government securities having less than one year time to maturity, or be deposited with scheduled commercial banks having at least 'A' rating.

AGPF - Debt Sub-Fund (AGPF - DSF)

The Debt Sub-Fund consists of tradable debt securities with weighted average duration of the investment portfolio of the Sub-Fund not exceeding 5 years. At least 25% of the net assets of Debt Sub-Fund shall be invested in securities issued by the Federal Government. Up to 25% may be deposited with banks having not less than "AA+" rating. Investments in securities issued by companies of a single sector shall not exceed 20% except for banking sector for which the exposure limit shall be up to 30% of net assets of a Debt Sub-Fund. Deposit in a single bank shall not exceed 20% of net assets of the Debt Sub-Fund. Composition of the remaining portion of the investments shall be according to the criteria mentioned in the offering document to the Fund.

AGPF - Money Market Sub-Fund (AGPF - MMSF)

The Money Market Sub-Fund consists of short term debt instruments with weighted average time to maturity not exceeding ninety days. There is no restriction on the amount of investment in securities issued by the Federal Government and deposit with commercial banks having 'A+' or higher rating provided that deposit with any one bank shall not exceed 20% of net assets of Money Market Sub-Fund. Investment in securities issued by Provincial or City Government, Government corporate entities with 'A' or higher rating or a Government corporations with 'A+' or higher rating shall be in proportion as defined in offering document to the Fund.

- 1.5 The Sub-Funds' units are issued against contributions by the eligible participants on a continuous basis since January 03, 2017 and can be surrendered to the Fund.
- 1.6 The participants of the Fund voluntarily determine the contribution amount subject to the minimum limit fixed by the Pension Fund Manager. Such contributions received from the participants are allocated among different Sub-Funds, in accordance with their respective preferences and in line with the prescribed allocation policy. The units held by the participants in the Sub-Funds can be redeemed on or before their retirement, and in case of disability or death subject to conditions laid down in the Trust Deed, Offering Document, the VPS Rules and the Income Tax Ordinance, 2001. According to the Trust Deed, there shall be no distribution from the Sub-Funds, and all income earned by the Sub-Funds shall be accumulated and retained in the Fund.
- 1.7 Under the provisions of the Offering Document of the Fund, contributions received from or on behalf of any Participant by Trustee in cleared funds on any business day shall be credited to the Individual Pension Account of the Participant after deducting the front-end fees, any premium payable in respect of any schemes selected by the Participant pursuant to the offering document and any bank charges in respect of the receipt of such Contributions. The net Contribution received in the Individual Pension Account shall be used to allocate such number of units of the relevant Sub-Funds in accordance with the Allocation Policy selected by the Participant and is determined in accordance with the Trust Deed and the units shall be allocated at Net Asset Value notified by the Pension Fund Manager at the close of that business day.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

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

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on July 1, 2019. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these financial statements.

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

The following amendments would be effective from the dates mentioned below against the respective amendment:

Amendments	Effective date (accounting periods beginning on or after)
- IAS 1 - 'Presentation of financial statements' (amendment)	January 1, 2020
- IAS 8 - 'Accounting policies, change in accounting estimates and errors' (amendment)	January 1, 2020

These amendments may impact the financial statements of the Fund on adoption. The management is currently in the process of assessing the full impact of these amendments on the financial statements of the Fund.

There are certain other new standards, interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 1, 2020. However, these are considered either to be not relevant or to not have any significant impact on the Fund's financial statements.

2.4 Critical accounting estimates and judgments

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

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification, valuation and impairment of financial assets (notes 3.2.1 and 5) and taxation (note 3.6 and 16).

2.5 Accounting convention

These financial statements have been prepared under the historical cost convention, except for investments classified as 'financial assets fair value through profit or loss' which are stated at fair value.

2.6 Functional and presentation currency

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

3 SUMMARY OF 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 years.

3.1 Cash and cash equivalents

Cash and cash equivalents comprise of bank balances and short term highly liquid investments with original maturity of three months or less which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. The short term investments are held for the purpose of meeting short term cash commitments rather than for investments and other purposes.

3.2 Financial assets

3.2.1 Classification and subsequent measurement

3.2.1.1 Debt instruments

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

- at amortised cost
- at fair value through other comprehensive income (FVOCI) 'or'
- at fair value through profit or loss (FVPL) based on the business model of the entity

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

3.2.1.2 Equity instruments

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

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

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

3.2.2 Impairment

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

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

3.2.2.1 Impairment on debt securities

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

As allowed by the SECP, the Management Company may make provision against debt securities over and above the minimum provision requirement prescribed by the SECP, in accordance with the provisioning policy duly approved by the Board of Directors.

3.2.3 Regular way contracts

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

3.2.4 Initial recognition and measurement

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

3.2.5 Derecognition

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

3.2.6 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.

3.3 Financial liabilities

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

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

3.4 Offsetting of financial assets and financial liabilities

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

3.5 Provisions

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

3.6 Taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxes after taking into account tax credits and rebates, if any. The charge for current tax is calculated using the prevailing tax rates.

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

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A (i) of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Moreover, super tax introduced in the Finance Act, 2015 is also not applicable on funds (Section 4B of the Income Tax Ordinance, 2001).

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. The deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on enacted tax rates.

3.7 Revenue recognition

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

3.8 Expenses

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

3.9 Issue, allocation, reallocation and redemption of units

Contributions received from the participants are allocated to the Sub-Funds on the basis of the allocation scheme selected by each participant out of the allocation schemes offered by the Pension Fund Manager. The Net Asset Value (NAV) per unit of each Sub-Fund is determined at the close of each business day, according to the procedures outlined in the VPS Rules and are applicable for allocation of units in each Sub-Fund for all the contribution amount realized and credited in collection account of the Sub-Fund during the business hours' in that business day.

The Pension Fund Manager makes reallocation of the units between the Sub-Funds at least once a year to ensure that the allocations of the units of all the participants are according to the allocation scheme selected by the participants.

All Sub-Funds units are automatically redeemed at the close of the dealing day at which the retirement date falls or death of a participant has been confirmed. The participants may also withdraw from the scheme prior to retirement. The redemption from the respective Sub-Fund is made at the Net Asset Value per unit prevailing at the close of the dealing day on which the request is received, subject to deduction of zakat and taxes, as applicable.

In case of partial withdrawals, units are redeemed on a pro rata basis by ensuring that the remaining units are in accordance with the allocation scheme last selected by the participant.

Proceeds received on issuance and paid on redemption of units are reflected in the Participants' Sub-Funds. The Voluntary Pension System Rules, 2005 specify that the distribution of dividend shall not be allowed for pension funds and return to participant holders is, therefore, only possible through redemption of units which is based on the Net Asset Value (NAV). Hence, the management believes that creation of income equalization mechanism through separate recording of "element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed" is not required.

3.10 Net asset value per unit

The net asset value (NAV) per unit for each sub-fund, as disclosed in the statement of assets and liabilities is calculated by dividing the net assets of the sub-fund by the number of units in issue of the respective sub-fund at the year end.

3.11 Earnings / (loss) per unit

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

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

3.12 Foreign currency translation

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

4	BANK BALANCES	Note	2020				
			Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others (Note 4.1)	Total
			(Rupees)				
	Saving accounts	4.2	3,659,582	13,713,291	20,781,681	19,969	38,174,523
			<u>3,659,582</u>	<u>13,713,291</u>	<u>20,781,681</u>	<u>19,969</u>	<u>38,174,523</u>
			2019				
			Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others (Note 4.1)	Total
			(Rupees)				
	Saving accounts	4.2	3,771,241	969,357	13,002,012	19,969	17,762,579
			<u>3,771,241</u>	<u>969,357</u>	<u>13,002,012</u>	<u>19,969</u>	<u>17,762,579</u>

4.1 This represents collection and redemption accounts maintained by the Fund.

4.2 These include balances of Rs. 11.472 million (2019: Rs. 9.953 million) maintained with Bank Alfalah Limited (a related party). These carry profit rates ranging from 6.50% to 8% (2019: 5.3% to 13.15%) per annum.

5 INVESTMENTS

Note	2020				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others (Note 4.1)	Total

(Rupees)

At fair value through profit or loss

Listed equity securities	5.1	35,907,892	-	-	-	35,907,892
Market Treasury Bills	5.2	-	23,354,810	56,175,323	-	79,530,133
Term finance certificates and Sukuks	5.3	-	18,385,060	1,863,934	-	20,248,994
		<u>35,907,892</u>	<u>41,739,870</u>	<u>58,039,257</u>	<u>-</u>	<u>135,687,019</u>

Note	2019				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total

(Rupees)

At fair value through profit or loss

Listed equity securities	5.1	32,769,251	-	-	-	32,769,251
Market Treasury Bills	5.2	-	32,808,831	44,739,315	-	77,548,146
Term finance certificates and Sukuks	5.3	-	8,970,514	2,500,000	-	11,470,514
		<u>32,769,251</u>	<u>41,779,345</u>	<u>47,239,315</u>	<u>-</u>	<u>121,787,911</u>

5.1 Equity Sub Fund - Listed equity securities - at fair value through profit or loss

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

Name of the investee company	As at July 01, 2019	Purchases during the year	Bonus / right received during the year	Sales during the year	As at June 30, 2020	Carrying value as at June 30, 2020	Market value as at June 30, 2020	Unrealised gain / (loss) as at June 30, 2020	Market value as a percentage of		Holding as a percentage of paid-up capital of investee company
									Net assets of the Sub-Fund	Total market value of investments	
						(Number of shares)			(Rupees)		
Commercial banks											
Allied Bank Limited	4,000	-	-	1,000	3,000	315,060	229,740	(85,320)	0.58%	0.64%	0.00%
Bank Al-Habib Limited	17,450	5,500	-	8,000	14,950	1,161,976	781,885	(380,091)	1.98%	2.18%	0.00%
The Bank of Punjab	92,000	41,500	-	21,500	112,000	1,054,695	940,800	(113,895)	2.38%	2.62%	0.00%
Faysal Bank Limited	8,500	-	-	4,000	4,500	96,840	62,685	(34,155)	0.16%	0.17%	0.00%
Habib Bank Limited	11,620	10,900	-	4,300	18,220	2,368,951	1,764,971	(603,980)	4.46%	4.92%	0.00%
MCB Bank Limited	10,725	4,500	-	5,000	10,225	1,803,688	1,657,166	(146,522)	4.19%	4.62%	0.00%
Meezan Bank Limited	8,547	2,000	-	2,500	8,047	682,150	554,036	(128,114)	1.40%	1.54%	0.00%
National Bank of Pakistan	-	14,000	-	6,500	7,500	338,387	207,375	(131,012)	0.52%	0.58%	0.00%
United Bank Limited	16,700	6,600	-	6,800	16,500	2,410,338	1,705,440	(704,898)	4.31%	4.75%	0.00%
						<u>10,232,085</u>	<u>7,904,098</u>	<u>(2,327,987)</u>	<u>19.98%</u>	<u>22.02%</u>	
Textile composite											
Nishat Mills Limited	14,800	-	-	6,500	8,300	774,722	647,483	(127,239)	1.64%	1.80%	0.00%
Interloop Limited	-	10,500	-	2,000	8,500	371,814	373,320	1,506	0.94%	1.04%	0.00%
Gul Ahmed Textile Mills	11,000	6,500	1,600	3,000	16,100	678,950	460,943	(218,007)	1.17%	1.28%	0.00%
Kohinoor Textile	-	6,500	-	-	6,500	266,420	230,815	(35,605)	0.58%	0.64%	0.00%
Nishat Chunian Limited	2,000	3,000	-	-	5,000	180,880	162,250	(18,630)	0.41%	0.45%	0.00%
						<u>2,272,786</u>	<u>1,874,811</u>	<u>(397,975)</u>	<u>4.74%</u>	<u>5.21%</u>	
Cement											
Attock Cement Pakistan Limited	-	1,500	-	-	1,500	172,980	186,945	13,965	0.47%	0.52%	0.00%
Cherat Cement Company Limited	-	4,000	-	-	4,000	247,355	348,680	101,325	0.88%	0.97%	0.00%
D.G. Khan Cement Company Limited	9,760	8,000	-	8,500	9,260	710,440	790,156	79,716	2.00%	2.20%	0.00%
Fauji Cement Company Limited	11,000	11,000	-	22,000	-	-	-	-	-	-	-
Kohat Cement	-	3,500	-	-	3,500	378,420	481,075	102,655	1.22%	1.34%	0.00%
Lucky Cement Limited	3,000	3,100	-	2,500	3,600	1,594,549	1,661,688	67,139	4.20%	4.63%	0.00%
Pioneer Cement	-	5,000	-	-	5,000	316,990	315,200	(1,790)	0.80%	0.88%	0.00%
Maple Leaf Cement Factory Limited	16,687	24,258	-	15,500	25,445	578,819	661,061	82,242	1.67%	1.84%	0.00%
						<u>3,999,553</u>	<u>4,444,805</u>	<u>445,252</u>	<u>11.24%</u>	<u>12.38%</u>	

Name of the investee company	As at July 01, 2019	Purchases during the year	Bonus / right received during the year	Sales during the year	As at June 30, 2020	Carrying value as at June 30, 2020	Market value as at June 30, 2020	Unrealised gain / (loss) as at June 30, 2020	Market value as a percentage of		Holding as a percentage of paid-up capital of investee company
									Net assets of the Sub-Fund	Total market value of investments	
						(Number of shares)			(Rupees)		
Power generation & distribution											
Hub Power Company Limited	25,670	12,500	-	3,000	35,170	2,912,293	2,549,825	(362,468)	6.45%	7.10%	0.00%
K-Electric Limited (Face Value of Rs. 3.5)	-	33,000	-	-	33,000	144,210	99,330	(44,880)	0.25%	0.28%	0.00%
Kot Addu Power Company Limited	30,900	11,500	-	42,000	400	14,007	8,060	(5,947)	0.02%	0.02%	0.00%
						3,070,510	2,657,215	(413,295)	6.72%	7.40%	
Oil & gas marketing companies											
Pakistan State Oil Company Limited	4,328	600	945	-	5,873	832,262	928,874	96,612	2.35%	2.59%	0.00%
Sui Northern Gas Pipelines Limited	12,000	500	-	5,000	7,500	518,748	409,500	(109,248)	1.04%	1.14%	0.00%
						1,351,010	1,338,374	(12,636)	3.39%	3.73%	
Oil & gas exploration companies											
Mari Petroleum Company Limited	1,572	320	189	300	1,781	1,592,635	2,202,474	609,839	5.57%	6.13%	0.00%
Oil & Gas Development Company Limited	17,450	5,800	-	8,800	14,450	1,865,689	1,575,050	(290,639)	3.98%	4.39%	0.00%
Pakistan Oilfields Limited	3,240	200	-	300	3,140	1,273,967	1,100,978	(172,989)	2.78%	3.07%	0.00%
Pakistan Petroleum Limited	15,530	5,000	3,566	7,300	16,796	1,919,987	1,457,557	(462,430)	3.68%	4.06%	0.00%
						6,652,278	6,336,059	(316,219)	16.01%	17.65%	
Engineering											
International Industries Limited	900	2,600	90	-	3,590	316,713	329,311	12,598	0.83%	0.92%	0.00%
International Steels Limited	1,700	6,500	-	1,000	7,200	323,593	371,880	48,287	0.94%	1.04%	0.00%
Mughal Iron and Steel Industries Limited	4,000	6,000	-	2,000	8,000	270,510	319,040	48,530	0.81%	0.89%	0.00%
						910,816	1,020,231	109,415	2.58%	2.85%	
Automobile assembler											
Millat Tractors	-	100	-	-	100	70,750	70,616	(134)	0.18%	0.20%	0.00%
Honda Atlas Cars (Pakistan) Limited	-	1,400	-	-	1,400	306,531	271,152	(35,379)	0.69%	0.76%	0.00%
Indus Motor Company Limited	220	40	-	180	80	88,257	79,599	(8,658)	0.20%	0.22%	0.00%
						465,538	421,367	(44,171)	1.07%	1.18%	
Automobile parts & accessories											
Thal Limited (Face value Rs 5 per share)	-	1,200	-	-	1,200	426,399	389,928	(36,471)	0.99%	1.09%	0.00%
						426,399	389,928	(36,471)	0.99%	1.09%	
Fertilizer											
Engro Fertilizer Company Limited	30,500	4,000	-	16,000	18,500	1,197,272	1,115,180	(82,092)	2.82%	3.11%	0.00%
Engro Corporation Limited	8,360	2,600	-	3,100	7,860	2,222,792	2,302,351	79,559	5.82%	6.41%	0.00%
Fauji Fertilizer Company Limited	11,500	8,350	-	9,500	10,350	997,979	1,138,397	140,418	2.88%	3.17%	0.00%
Fauji Fertilizer Bin Qasim Limited	500	5,000	-	-	5,500	85,665	87,780	2,115	0.22%	0.24%	0.00%
						4,503,708	4,643,708	140,000	11.74%	12.93%	
Balance carried forward						33,884,683	31,030,596	(2,854,087)			
Balance brought forward						33,884,683	31,030,596	(2,854,087)			
Inv. Banks / Inv. Cos. / Securities Cos.											
Dawood Hercules Corporation Limited	-	2,500	-	-	2,500	401,879	319,800	(82,079)	0.81%	0.89%	0.00%
						401,879	319,800	(82,079)	0.81%	0.89%	
Pharmaceuticals											
AGP Limited	-	2,000	-	-	2,000	194,380	219,480	25,100	0.55%	0.61%	0.00%
Highnoon (Lab)	-	350	-	-	350	186,447	175,448	(10,999)	0.44%	0.49%	0.00%
The Searle Company Limited	1,579	1,700	-	900	2,379	423,514	473,968	50,454	1.20%	1.32%	0.00%
						804,341	868,896	64,555	2.19%	2.42%	
Chemicals											
Engro Polymer & Chemicals Limited	36,000	14,000	-	22,000	28,000	743,742	699,440	(44,302)	1.77%	1.95%	0.00%
ICI Pakistan Limited	-	350	-	-	350	249,099	243,149	(5,950)	0.61%	0.68%	0.00%
Descon Oxychem Limited	-	7,000	-	-	7,000	196,000	208,950	12,950	0.53%	0.58%	0.00%
Lotte Chemical Pakistan Ltd	-	20,000	-	-	20,000	195,050	199,000	3,950	0.50%	0.55%	0.00%
Sitara Peroxide Limited	-	9,000	-	-	9,000	189,900	183,690	(6,210)	0.46%	0.51%	0.02%

Name of the investee company	As at July 01, 2019	Purchases during the year	Bonus / right received during the year	Sales during the year	As at June 30, 2020	Carrying value as at June 30, 2020	Market value as at June 30, 2020	Unrealised gain / (loss) as at June 30, 2020	Market value as a percentage of		Holding as a percentage of paid-up capital of investee company
									Net assets of the Sub-Fund	Total market value of investments	
						(Number of shares)			(Rupees)		
						1,573,791	1,534,229	(39,562)	3.87%	4.27%	
Technology & communications											
Systems Limited	2,970	5,500	-	-	8,470	903,681	1,555,770	652,089	3.93%	4.33%	0.01%
						903,681	1,555,770	652,089	3.93%	4.33%	
Paper and board											
Century Paper & Board Mills	-	5,000	-	-	5,000	299,470	357,850	58,380	0.90%	1.00%	0.00%
Packages Limited	10	-	-	-	10	3,006	3,472	466	0.01%	0.01%	0.00%
						302,476	361,322	58,846	0.91%	1.01%	
Transport											
Pakistan National Shipping Co.	-	2,000	-	-	2,000	157,000	151,120	(5,880)	0.38%	0.42%	0.00%
						157,000	151,120	(5,880)	0.38%	0.42%	
Food & Personal Care Products											
At Tahir Limited	-	5,000	-	-	5,000	92,33	86,159	(6,178)	0.22%	0.24%	0.00%
						92,337	86,159	(6,178)	0.22%	0.24%	
As at June 30, 2020						<u>38,120,188</u>	<u>35,907,892</u>	<u>(2,212,296)</u>			
As at June 30, 2019						<u>41,339,545</u>	<u>32,769,251</u>	<u>(8,570,294)</u>			

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

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

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

Further the Finance Act, 2018 effective from July 1, 2018 has omitted Section 236M of Income Tax Ordinance, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold five percent of the bonus shares to be issued. Therefore, bonus shares issued to the Fund since July 1, 2018 were not withheld by the investee companies.

As at June 30, 2020, the following bonus shares of the Fund were withheld by certain companies at the time of declaration of the bonus shares.

Name of the Investee company	2020		2019	
	Bonus Shares			
	Number	Market value	Number	Market value
	(Rupees)		(Rupees)	
Pakistan State Oil Limited	36	5,694	30	5,089
The Searle Company Limited	36	7,172	36	5,276
		<u>12,866</u>		<u>10,365</u>

5.2 Market Treasury Bills - at fair value through profit or loss

5.2.1 Debt Sub - Fund

Particulars	Face value				As at June 30, 2020		Unrealised gain	Market value as a percentage of		
	As at July 01, 2019	Purchased during the year	Disposed off during the year	Maturities during the year	As at June 30, 2020	Carrying value		Market value	total investments	net assets of Sub-Fund
----- (Rupees) -----										
Treasury Bills - 3 Months	33,000,000	68,500,000	97,500,000	4,000,000	-	-	-	-	-	-
Treasury Bills - 12 Months	-	89,500,000	65,000,000	-	24,500,000	22,803,029	23,354,810	551,781	56%	42%
Total as at June 30, 2020	33,000,000	158,000,000	162,500,000	4,000,000	24,500,000	22,803,029	23,354,810	551,781	56.00%	42.00%
Total as at June 30, 2019	36,000,000	161,000,000	120,000,000	44,000,000	33,000,000	32,835,838	32,808,831	(27,007)	78.53%	76.49%

5.2.1.2 These Market Treasury Bills carry purchase yield of 9.56% to 12.77% (2019: 10.48%) per annum and will mature on April 08, 2021 (2019: July 18, 2019).

5.2.2 Money Market Sub - Fund

Particulars	Face value				As at June 30, 2020		Unrealised gain	Market value as a percentage of		
	As at July 01, 2019	Purchased during the year	Disposed off during the year	Maturities during the year	As at June 30, 2020	Carrying Value		Market Value	total investments	net assets of Sub-Fund
----- (Rupees) -----										
Treasury Bills - 3 Months	45,000,000	605,000,000	423,000,000	192,000,000	35,000,000	34,522,625	34,589,715	67,090	59.60%	44.28%
Treasury Bills - 6 Months	-	90,400,000	50,000,000	18,400,000	22,000,000	21,403,911	21,585,608	181,697	37.19%	27.63%
Total as at June 30, 2020	45,000,000	695,400,000	473,000,000	210,400,000	57,000,000	55,926,536	56,175,323	248,787	96.79%	71.91%
Total as at June 30, 2019	35,000,000	165,000,000	105,000,000	50,000,000	45,000,000	44,775,428	44,739,315	(36,113)	94.71%	74.92%

5.2.2.2 These Market Treasury Bills carry purchase yield of ranging from 8.04% to 10.25% (2019: 10.95% to 11.05%) per annum and will mature on September 10, 2020 (2019: July 18, 2019).

5.3 Term Finance Certificates and Sukuks - at fair value through profit or loss

5.3.1 Debt Sub Fund

Name of the investee company	Maturity	Profit / markup rate	Number of certificates			As at June 30, 2020		Unrealised gain / (loss)	Market value as a percentage of		
			As at July 01, 2019	Purchased during the year	Redeemed / sold during the year	As at June 30, 2020	Carrying value		Market value	total investments	net assets of Sub-Fund
----- (Rupees) -----											
Askari Bank Limited - TFC	September 2024	6M Kibor + 1.20%	410	-	-	410	1,997,541	1,923,108	(74,433)	4.61%	3.43%
The Bank of Punjab - TFC	December 2026	6M Kibor + 1.00%	10	-	-	10	988,154	979,834	(8,320)	2.35%	1.75%
The Bank of Punjab - TFC	April 2028	6M Kibor + 1.25%	10	-	-	10	981,758	871,829	(109,929)	2.09%	1.55%
Dubai Islamic Bank Pakistan Limited - Sukuk	July 2027	6M Kibor + 0.50%	1	1	-	2	2,017,155	2,052,255	35,100	4.92%	3.66%
International Brands Limited - Sukuk	November 2021	12M Kibor + 1.50%	10	4	-	14	976,091	990,689	14,598	2.37%	1.77%
Engro Powergen Thar (Pvt.) Limited - Sukuk	August 2024	3M Kibor + 1.10%	-	100	-	100	999,084	1,003,000	3,916	2.40%	1.79%
Pakistan Energy Sukuk	May 2030	6M Kibor - 0.10%	-	1,500	-	1,500	7,493,121	7,500,000	6,879	17.97%	13.37%
Hub Power Company Sukuk	November 2019	3M Kibor + 1.00%	-	600	600	-	-	-	-	-	-
Hub Power Company Sukuk	August 2023	3M Kibor + 1.00%	-	30	-	30	3,022,429	3,064,345	41,916	7.34%	5.46%
Hub Power Company Sukuk	October 2019	3M Kibor + 1.00%	30	-	30	-	-	-	-	-	-
Total as at June 30, 2020							18,475,333	18,385,060	(90,273)	44.05%	32.78%
Total as at June 30, 2019							8,976,185	8,970,514	(5,671)	20.90%	21.47%

5.3.1.1 These TFCs and Sukuks carry effective yield ranging from 8.12% - 13.92% (2019: 10.48% - 12.50%) per annum.

5.3.2 Money Market Sub Fund

Name of the Investee Company	Maturity	Profit / Markup rate	Number of Certificates				As at June 30, 2020		Unrealised gain / (loss)	Market value as a percentage of	
			As at July 01, 2019	Purchased during the period	Redeemed / sold during the period	As at June 30, 2020	Carrying value	Market value		total investments	net assets of Sub-Fund
----- (Rupees) -----											
HUB Power Company Sukuk	October 2019	3M Kibor + 1.00%	-	25	-	25	-	-	-	-	-
K-Electric commercial paper	August 2020	6M Kibor + 1.15%	-	2	-	2	1,863,934	1,863,934	-	3.21%	2.39%
Total as at June 30, 2020							<u>1,863,934</u>	<u>1,863,934</u>	<u>-</u>	<u>3.21%</u>	<u>2.39%</u>
Total as at June 30, 2019							<u>2,500,000</u>	<u>2,500,000</u>	<u>-</u>	<u>4.19%</u>	<u>5.29%</u>

5.3.2.1 These Sukuks and Commercial papers carry effective yield ranging from 13.49% - 15.01% (2019: 5.3% - 13.15%) per annum.

5.4 Unrealised loss on revaluation of investments classified as 'financial assets at fair value through profit or loss' - net

Particulars	2020			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Note 5.1)	(Notes 5.2.1 and 5.3.1)	(Notes 5.2.2 and 5.3.2)	
----- (Rupees) -----				
Market value of investments	35,907,892	41,739,870	58,039,257	135,687,019
Less: carrying value of investments	38,120,188	41,278,362	57,790,470	137,189,020
	<u>(2,212,296)</u>	<u>461,508</u>	<u>248,787</u>	<u>(1,502,001)</u>
Particulars	2019			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Note 5.1)	(Note 5.2.1, 5.3.1)	(Note 5.2.2, 5.3.2)	
----- (Rupees) -----				
Market value of investments	32,769,251	41,779,345	47,239,315	121,787,911
Less: carrying value of investments	41,339,545	41,812,023	47,275,428	130,426,996
	<u>(8,570,294)</u>	<u>(32,678)</u>	<u>(36,113)</u>	<u>(8,639,085)</u>

6 DIVIDEND, PROFIT AND OTHER RECEIVABLES

Note	2020				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
----- (Rupees) -----					
Profit receivable on Bank balances	6.1	16,507	53,559	1,593	71,659
Profit receivable on Term Finance certificates and Sukuks		-	784,287	103,224	887,511
Dividend receivable		5,000	-	-	5,000
Other receivable		-	806	-	806
Advance tax		53,646	29,370	29,309	112,356
		<u>75,153</u>	<u>868,022</u>	<u>134,126</u>	<u>1,077,332</u>

Note	2019					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	
	(Rupees)					
Profit receivable on Bank balances	6.1	79,093	4,374	7,713	-	91,180
Profit receivable on Term Finance certificates and Sukuks		-	315,567	75,165	-	390,732
Dividend receivable		-	-	-	-	-
Other receivable		-	809	-	-	809
Advance tax		53,646	29,370	29,309	31	112,356
		<u>132,739</u>	<u>350,120</u>	<u>112,187</u>	<u>31</u>	<u>595,077</u>

6.1 This includes an amount of Rs 0.0191 million (2018: Rs 0.0353 million) receivable from Bank Alfalah Limited (a related party).

7 PRELIMINARY EXPENSES AND FLOATATION COSTS

Note	2020					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	
	(Rupees)					
Balance at the beginning of the year		8,951	8,954	8,899	-	26,804
Less: amortisation during the year		8,951	8,954	8,899	-	26,804
Balance at the end of the year	7.1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Note	2019					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	
	(Rupees)					
Balance at the beginning of the year		33,515	33,515	33,515	-	100,545
Less: amortisation during the year		24,564	24,561	24,616	-	73,741
Balance at the end of the year	7.1	<u>8,951</u>	<u>8,954</u>	<u>8,899</u>	<u>-</u>	<u>26,804</u>

7.1 Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of the operations of the Fund. These costs have been amortised over a period of three years in accordance with the requirements set out in the Trust Deed of the Fund.

8 PAYABLE TO THE PENSION FUND MANAGER

Note	2020					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	
	(Rupees)					
Remuneration payable to the Pension Fund Manager	8.1	40,040	69,476	108,760	-	218,276
Sindh sales tax payable on remuneration of Pension Fund Manager	8.2	5,206	8,961	13,914	-	28,081
Other payables		-	-	-	20,000	20,000
		<u>45,246</u>	<u>78,437</u>	<u>122,674</u>	<u>20,000</u>	<u>266,357</u>

Note	2019					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	
	(Rupees)					
Remuneration payable to Pension Fund Manager	8.1	44,043	52,878	85,424	-	182,345
Sindh sales tax payable on remuneration of Pension Fund Manager	8.2	5,726	6,871	11,106	-	23,703
Other payables		-	-	-	20,000	20,000
		<u>49,769</u>	<u>59,749</u>	<u>96,530</u>	<u>20,000</u>	<u>226,048</u>

8.1 In accordance with the provisions of the VPS Rules, the Pension Fund Manager is entitled to remuneration for its services by way of an annual management fee not exceeding 1.50% (2019: 1.50%) of net assets of the each Sub-Fund calculated on daily basis. Currently, the Pension Fund Manager fee is charged at the rate of 1.50% of daily net assets of the Sub-Funds, which is paid monthly in arrears.

8.2 During the year, an amount of Rs. 0.304 million (2019: Rs. 0.258 million) was charged on account of sales tax on Pension Fund Manager levied through the Sindh Sales Tax on Services Act, 2011 and an amount of Rs. 0.300 million (2018: Rs. 0.253 million) has been paid to the Pension Fund Manager which acts as a collecting agent.

Note	2020					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	
	(Rupees)					
9 PAYABLE TO THE TRUSTEE						
Trustee remuneration payable	9.1	20,251	22,921	27,525	-	70,697
Sindh sales tax payable on Trustee remuneration	9.2	2,637	2,941	589	-	6,167
Central Depository System charges payable		-	4,337	2,299	-	6,636
Sindh sales tax payable on Central Depository System charges		-	56	-	-	56
		<u>22,888</u>	<u>30,255</u>	<u>30,413</u>	<u>-</u>	<u>83,556</u>

Note	2019					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	
	(Rupees)					
Trustee remuneration payable	9.1	21,519	22,082	26,145	-	69,746
Sindh sales tax payable on trustee remuneration	9.2	2,803	2,872	3,349	-	9,024
Central Depository System charges payable		3,313	678	2,035	-	6,026
Sindh sales tax payable on Central Depository System charges		431	56	265	-	752
		<u>28,066</u>	<u>25,688</u>	<u>31,794</u>	<u>-</u>	<u>85,548</u>

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

The tariff structure applicable to the Fund as at June 30, 2020 is as follows:

Net assets (Rupees)		Tariff
From	To	
1	1 billion	Rs. 0.3 million or 0.15% per annum of net assets whichever is higher
Above 1 billion	3 billion	Rs. 1.5 million plus 0.10% per annum of net assets on amount exceeding Rs 1 billion
Above 3 billion	6 billion	Rs. 3.5 million plus 0.08% per annum of net assets on amount exceeding Rs 3 billion
Above 6 billion	-	Rs. 5.9 million plus 0.06% per annum of net assets on amount exceeding Rs 6 billion

9.2 During the year, an amount of Rs 0.039 million (2019: Rs. 0.039 million) was charged on account of sales tax on remuneration of the Trustee levied through the Sindh Sales Tax on Services Act, 2011 and an amount of Rs. 0.042 million (2019: Rs. 0.039 million) was paid to the Trustee which acts as a collecting agent.

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

This represents annual fee payable to Securities and Exchange Commission of Pakistan Limited (SECP) in accordance with Rule 36 of the Voluntary Pension System Rules, 2005 whereby each Sub-Fund is required to pay to the SECP an amount equal to one thirtieth of 1% of the average annual net assets of each of the Sub - Funds.

11 ACCRUED EXPENSES AND OTHER LIABILITIES

Note	2020					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	
	(Rupees)					
Withholding tax payable	29,010	74,955	451,028	-	554,993	
Provision for Sindh Workers' Welfare Fund (SWWF)	11.1	-	210,380	251,430	-	461,810
Printing charges payable	64	14,021	18,812	-	32,897	
Auditors' remuneration payable	25,127	30,062	41,373	-	96,562	
Brokerage Payable	47,326	4,694	734	-	52,754	
Sindh sales tax on brokerage expenses	130	-	325	-	455	
	<u>101,657</u>	<u>334,112</u>	<u>763,702</u>	<u>-</u>	<u>1,199,471</u>	
Note	2019					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	
	(Rupees)					
Withholding tax payable	27,978	74,955	448,100	-	551,033	
Provision for Sindh Workers' Welfare Fund (SWWF)	11.1	-	98,278	101,312	-	199,590
Printing charges payable	15,751	15,218	12,590	-	43,559	
Auditors' remuneration payable	35,035	25,398	36,128	-	96,561	
Brokerage Payable	1,096	-	649	-	1,745	
Sindh sales tax on brokerage expenses	130	-	84	-	214	
	<u>79,990</u>	<u>213,849</u>	<u>598,863</u>	<u>-</u>	<u>892,702</u>	

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

Had the provision for SWWF not been recorded in the financial statements of the Fund for the period from May 21, 2015 to June 30, 2020, the net asset value of AGPF - ESF, AGPF - DSF and AGPF - MMSF per unit would have been higher by Re. Nil (2019: Re. Nil), Re. 0.552 (2019; Re. 0.258) and Re. 0.474 (2019: Re 0.191) respectively.

12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2020 and as at June 30, 2019.

13 NUMBER OF UNITS IN ISSUE

2020				
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
-----Number of units in issue-----				
Total units in issue at the beginning of the year	546,441	380,842	530,449	1,457,732
Add: Issuance of units during the year				
Directly by participants	66,092	31,620	67,447	165,159
Transfer from other pension fund	122,245	52,585	115,393	290,223
	188,337	84,205	182,840	455,382
Less: Units redeemed during the year				
Directly by participants	(126,805)	(19,916)	(88,196)	(234,917)
Total units in issue at the end of the year	607,973	445,131	625,093	1,678,197
2019				
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
-----Number of units in issue-----				
Total units in issue at the beginning of the year	491,144	382,575	342,146	1,215,865
Add: Issuance of units during the year				
Directly by participants	47,244	22,610	125,514	195,368
Transfer from other pension fund	249,995	90,536	168,834	509,365
	297,239	113,146	294,348	704,733
Less: Units redeemed during the year				
Directly by participants	(241,942)	(114,879)	(106,045)	(462,866)
Total units in issue at the end of the year	546,441	380,842	530,449	1,457,732

14 CONTRIBUTION TABLE
CONTRIBUTION TABLE

2020						
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund	
	Units	Rupees	Units	Rupees	Units	Rupees
Individuals	46,327	3,177,052	22,737	2,666,046	33,708	3,821,315
Employers	19,765	1,410,880	8,883	1,095,040	33,739	4,055,711
Transfer from other pension fund	122,245	8,966,819	52,585	6,355,523	115,393	13,257,281
	188,337	13,554,751	84,205	10,116,609	182,840	21,134,307
2019						
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund	
	Units	Rupees	Units	Rupees	Units	Rupees
Individuals	25,692	1,952,425	11,732	1,263,840	94,494	9,986,002
Employers	21,552	1,681,791	10,878	1,204,568	31,020	3,682,494
Transfer from other pension fund	249,995	19,096,997	90,536	9,686,422	168,834	18,406,859
	297,239	22,731,213	113,146	12,154,830	294,348	32,075,355

15 AUDITORS' REMUNERATION

Audit fee
Review and other certification
Out of pocket expenses
Sindh sales tax

2020			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees)			
37,577	53,271	74,199	165,047
15,991	22,669	31,575	70,235
1,914	2,816	3,737	8,467
4,439	6,300	8,761	19,500
<u>59,921</u>	<u>85,056</u>	<u>118,272</u>	<u>263,249</u>

Audit fee
Review and other certification
Out of pocket expenses
Sindh sales tax

2019			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees)			
47,000	47,000	47,000	141,000
20,000	20,000	20,000	60,000
2,386	2,386	2,437	7,209
5,551	5,551	5,555	16,657
<u>74,937</u>	<u>74,937</u>	<u>74,992</u>	<u>224,866</u>

16 PROFIT / MARK - UP INCOME

Profit / mark - up on:
Bank balances
Income from Term Finance certificates and Sukuks
Market Treasury Bills

2020			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees)			
194,427	553,229	942,203	1,689,859
-	1,812,938	429,065	2,242,003
-	3,719,501	7,420,832	11,140,333
<u>194,427</u>	<u>6,085,668</u>	<u>8,792,100</u>	<u>15,072,195</u>

Profit / mark - up on:
Bank balances
Income from Term Finance certificates and Sukuks
Market Treasury Bills

2019			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees)			
309,042	252,867	981,854	1,543,763
-	281,036	75,165	356,201
-	3,595,623	3,367,024	6,962,647
<u>309,042</u>	<u>4,129,526</u>	<u>4,424,043</u>	<u>8,862,611</u>

17 CASH AND CASH EQUIVALENTS

Bank balances
Market Treasury Bills (with original maturity upto 3 months less)

2020				
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
(Rupees)				
3,659,582	13,713,291	20,781,681	19,969	38,174,523
-	-	34,589,715	-	34,589,715
<u>3,659,582</u>	<u>13,713,291</u>	<u>55,371,396</u>	<u>19,969</u>	<u>72,764,238</u>

Bank balances
Market Treasury Bills (with original maturity upto 3 months less)

2019				
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
(Rupees)				
3,771,241	969,357	13,002,012	19,969	17,762,579
-	32,808,831	44,739,315	-	77,548,146
<u>3,771,241</u>	<u>33,778,188</u>	<u>57,741,327</u>	<u>19,969</u>	<u>95,310,725</u>

18 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include Alfalah GHP Investment Management Limited being the Pension Fund Manager, Funds under management of the Pension Fund Manager, GHP Beteiligungen Holding Limited, Bank Alfalah Limited and MAB Investment Incorporated being associated companies of the Pension Fund Manager, Bank Alfalah Limited - Employees' Provident Fund, Bank Alfalah Limited - Employees' Gratuity Fund, Alfalah GHP Investment Management Limited - Staff Provident Fund, directors and key management personnel of Alfalah GHP Investment Management Limited and Central Depository Company of Pakistan Limited (CDC) being the trustee of the Fund, and other associated companies and connected persons. Connected persons also includes any person beneficially owning directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

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 investment and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

Remuneration to the Pension Fund Manager and the Trustee of the Fund is determined in accordance with the provisions of the VPS Rules and the Trust Deed.

The details of transactions carried out by the Fund with connected persons / related parties and balances with them at the year end are as follows:

18.1 Detail of transactions with related parties / connected persons:

	2020				Total
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	
(Rupees)					
Alfalah GHP Investment Management Limited - Pension Fund Manager					
Remuneration of the Pension Fund Manager	545,420	737,638	1,061,332	-	2,344,390
Sindh sales tax on remuneration of the Pension Fund Manager	70,921	95,826	137,748	-	304,495
Central Depository Company of Pakistan Limited (Trustee)					
Remuneration of the Trustee	69,924	94,661	136,565	-	301,150
Sindh sales tax on remuneration of the Trustee	9,089	12,265	17,741	-	39,095
CDS charges	-	-	3,164	-	3,164
Bank Alfalah Limited					
Profit on saving accounts	226,390	292,518	42,220	-	561,128
Bank charges	563	4,593	-	-	5,156
Key management personnel					
Contributions	1,026,471	789,950	2,341,180	-	4,157,601
Contributions (Number of Units)	15,344	2,516	9,955	-	27,815
Redemptions	563,758	447,031	704,672	-	1,715,461
Redemptions (Number of Units)	8,645	3,543	9,941	-	22,129
Participants having holding of more than 10%					
Contributions	-	-	6,423,422	-	6,423,422
Contributions (Number of Units)	-	-	58,565	-	58,565

	2019				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
(Rupees)					
Alfalsh GHP Investment Management Limited - Pension Fund Manager					
Remuneration of the Pension Fund Manager	613,243	666,089	709,977	-	1,989,309
Sindh sales tax on remuneration of the Pension Fund Manager	79,722	86,590	92,297	-	258,609
Central Depository Company of Pakistan Limited (Trustee)					
Remuneration of the Trustee	92,912	100,821	106,738	-	300,471
Sindh sales tax on remuneration of the Trustee	12,085	13,109	13,876	-	39,070
CDS charges	9,503	6,906	2,035	-	18,444
Sindh sales tax on CDS charges	377	316	265	-	958
Bank Alfalah Limited					
Profit on saving accounts	238,195	234,658	525,080	-	997,933
Bank charges	2,073	865	-	-	2,938
Key management personnel					
Contributions	2,025,645	973,421	2,461,123	-	5,460,189
Contributions (Number of units)	21,341	8,709	22,447	-	52,497
Redemptions	1,457,040	439,093	1,433,999	-	3,330,132
Redemptions (Number of units)	19,497	3,938	7,614	-	31,049
Participants having holding of more than 10%					
Contributions	-	-	6,423,422	-	6,423,422
Contributions (Number of units)	-	-	58,565	-	58,565

Note	2020				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
(Rupees)					

18.2 Other balances

Associated companies / undertakings

Alfalsh GHP Investment Management Limited - Pension Fund Manager

Remuneration payable to Pension Fund Manager	40,040	69,476	108,760	-	218,276
Sindh sales tax payable on remuneration of Pension Fund Manager	5,206	8,961	13,914	-	28,081
Other payable	-	-	-	20,000	20,000
Investment at year end	19,521,600	37,798,410	37,490,940	-	94,810,950
Units held (Number of units)	300,000	300,000	300,000	-	900,000

Central Depository Company of Pakistan Limited (Trustee)

Trustee remuneration payable	20,251	22,921	27,525	-	70,697
Sindh sales tax payable on Trustee remuneration	2,637	2,941	589	-	6,167
Security deposit	100,000	220,000	100,000	-	420,000
CDS charges payable	-	4,337	2,299	-	6,636
Sindh sales tax payable on CDS charges	-	56	-	-	56

Bank Alfalah Limited

Bank balances	3,550,011	2,532,754	5,390,171	19,969	11,492,905
Profit receivable on bank balances	14,417	4,711	-	-	19,128

Key management personnel

Investment at year end	18.2.1	3,661,471	1,905,922	641,845	-	6,209,238
Units held (number of units)	18.2.1	56,268	15,127	5,136	-	76,531

2019				
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total

(Rupees)

Associated companies / undertakings

**Alfalah GHP Investment Management Limited
- Pension Fund Manager**

Remuneration payable to Pension Fund Manager	44,043	52,878	85,424	-	182,345
Sindh sales tax payable on remuneration of Pension Fund Manager	5,726	6,871	11,106	-	23,703
Other payable	-	-	-	20,000	20,000
Investment at year end	20,100,000	33,788,670	33,774,930	-	87,663,600
Units held (Number of units)	300,000	300,000	300,000	-	900,000

Central Depository Company of Pakistan Limited (Trustee)

Trustee remuneration payable	21,519	22,082	26,145	-	69,746
Sindh sales tax payable on trustee remuneration	2,803	2,872	3,349	-	9,024
Security deposit	100,000	100,000	100,000	-	300,000
CDS charges payable	3,313	678	2,035	-	6,026
Sindh sales tax payable on CDS charges	431	56	265	-	752

Bank Alfalah Limited

Bank balances	2,448,257	827,475	6,657,323	19,969	9,953,024
Profit receivable on bank balances	32,111	3,233	-	-	35,344

Key management personnel

Investment at year end	18.2.1	3,321,123	1,819,295	576,651	-	13,622,831
Units held (number of units)	18.2.1	49,569	16,153	5,122	-	141,057

* These unit holders hold more than 10% of the units in the Fund as at June 30, 2019 and as at June 30, 2018.

Participants holding of more than 10%

Investment at year end	18.2.1	20,100,000	33,788,670	39,938,404	-	93,827,074
Units held (Number of units)	18.2.1	300,000	300,000	358,565	-	958,565

18.2.1 This reflects the position of related party / connected person status as at June 30, 2020.

19. FINANCIAL INSTRUMENTS BY CATEGORY

Particulars	2020										Total
	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Others	
	At amortised cost	At fair value through profit or loss	Sub total	At amortised cost	At fair value through profit or loss	Sub total	At amortised cost	At fair value through profit or loss	Sub total	At amortised cost	
	(Rupees)										
Financial assets											
Bank balances	3,659,582	-	3,659,582	13,713,291	-	13,713,291	20,781,681	-	20,781,681	19,969	38,174,523
Investments	-	35,907,892	35,907,892	-	41,739,870	41,739,870	-	58,039,257	58,039,257	-	135,687,019
Security deposit with the Central Depository Company of Pakistan Limited - Trustee	100,000	-	100,000	220,000	-	220,000	100,000	-	100,000	-	420,000
Dividend, profit and other receivables	21,507	-	21,507	838,652	-	838,652	104,817	-	104,817	-	964,976
	<u>3,781,089</u>	<u>35,907,892</u>	<u>39,688,981</u>	<u>14,771,943</u>	<u>41,739,870</u>	<u>56,511,813</u>	<u>20,986,498</u>	<u>58,039,257</u>	<u>79,025,755</u>	<u>19,969</u>	<u>175,246,518</u>
Financial liabilities											
Payable to the Pension Fund Manager	45,246	-	45,246	78,437	-	78,437	122,674	-	122,674	20,000	266,357
Payable to the Trustee	22,888	-	22,888	30,255	-	30,255	30,413	-	30,413	-	83,556
Accrued expenses and other liabilities	72,647	-	72,647	48,777	-	48,777	61,244	-	61,244	-	182,668
	<u>140,781</u>	<u>-</u>	<u>140,781</u>	<u>157,469</u>	<u>-</u>	<u>157,469</u>	<u>214,331</u>	<u>-</u>	<u>214,331</u>	<u>20,000</u>	<u>532,581</u>

Particulars	2019										
	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Others	Total
	At amortised cost	At fair value through profit or loss	Sub Total	At amortised cost	At fair value through profit or loss	Sub Total	At amortised cost	At fair value through profit or loss	Sub Total	At amortised cost	
(Rupees)											
Financial assets											
Bank balances	3,771,241	-	3,771,241	969,357	-	969,357	13,002,012	-	13,002,012	19,969	17,762,579
Investments	-	32,769,251	32,769,251	-	41,779,345	41,779,345	-	47,239,315	47,239,315	-	121,787,911
Security deposit with the Central Depository Company of Pakistan Limited - Trustee	100,000	-	100,000	100,000	-	100,000	100,000	-	100,000	-	300,000
Dividend, profit and other receivables	79,093	-	79,093	320,750	-	320,750	82,878	-	82,878	-	482,721
	<u>3,950,334</u>	<u>32,769,251</u>	<u>36,719,585</u>	<u>1,390,107</u>	<u>41,779,345</u>	<u>43,169,452</u>	<u>13,184,890</u>	<u>47,239,315</u>	<u>60,424,205</u>	<u>19,969</u>	<u>140,333,211</u>
Financial liabilities											
Payable against redemption of units	49,769	-	49,769	59,749	-	59,749	96,530	-	96,530	20,000	226,048
Payable to the Pension Fund Manager	28,066	-	28,066	25,688	-	25,688	31,794	-	31,794	-	85,548
Payable to the Trustee	-	-	-	-	-	-	-	-	-	-	-
Accrued expenses and other liabilities	(31,379)	-	(31,379)	(26,366)	-	(26,366)	(33,829)	-	(33,829)	-	(91,574)
	<u>46,456</u>	<u>-</u>	<u>46,456</u>	<u>59,071</u>	<u>-</u>	<u>59,071</u>	<u>94,495</u>	<u>-</u>	<u>94,495</u>	<u>20,000</u>	<u>220,022</u>

20 FINANCIAL RISK MANAGEMENT

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

20.1 Market risk

Market risk is the risk that the fair value or the future cash flows of a financial instrument will 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 Investment Committee and the regulations laid down by the Securities and Exchange Commission of Pakistan.

Market risk comprises of three types of risk: currency risk, interest rate risk and other price risk.

20.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. At present, the Fund is not exposed to currency risk as all the transactions are carried out in Pakistani Rupees.

20.1.2 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. The interest rate profile of the Fund's interest bearing financial instruments is as follows:

	2020				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
(Rupees)					
Variable rate instruments (financial assets)					
Bank balances	3,659,582	13,713,291	20,781,681	19,969	38,174,523
Investment in TFC and Sukuks	-	18,385,060	1,863,934	-	20,248,994
	<u>3,659,582</u>	<u>32,098,351</u>	<u>22,645,615</u>	<u>19,969</u>	<u>58,423,517</u>
Fixed rate instruments (financial assets)					
Market Treasury Bills	-	23,354,810	56,175,323	-	79,530,133
	<u>-</u>	<u>23,354,810</u>	<u>56,175,323</u>	<u>-</u>	<u>79,530,133</u>

2019				
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total

(Rupees)

Variable rate instruments (financial assets)

Bank balances	3,771,241	969,357	13,002,012	19,969	17,762,579
Investment in TFC and Sukuks		8,970,514	2,500,000	-	11,470,514
	3,771,241	9,939,871	15,502,012	19,969	29,233,093

Fixed rate instruments (financial assets)

Market Treasury Bills	-	32,808,831	44,739,315	-	77,548,146
	-	32,808,831	44,739,315	-	77,548,146

a) Sensitivity analysis of variable rate instruments

A reasonable possible change of 100 basis points in interest rates at the reporting date with all other variables held constant, the impact on net income for the year and net assets would be as follows:

2020			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total

Change in basis points

Increase of 100 basis points	165	8,379	1,048	9,592
Decrease of 100 basis points	(165)	(8,379)	(1,048)	(9,592)

2019			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total

Change in basis points

Increase of 100 basis points	791	3,200	829	4,820
Decrease of 100 basis points	(791)	(3,200)	(829)	(4,820)

b) Sensitivity analysis of fixed rate instruments

In case of 100 basis points increase in PKRV rates published on MUFAP page as at June 30, 2020, with all other variables held constant, the impact on net income for the year and net assets would be as follows:

2020			
Equity Sub-Fund	Debt Sub-Fund	Money Market	Total

Change in basis points

Increase of 100 basis points	-	153,636	114,313	267,949
Decrease of 100 basis points	-	(153,636)	(114,313)	(267,949)

2019			
Equity Sub-Fund	Debt Sub-Fund	Money Market	Total

Change in basis points

Increase of 100 basis points	-	15,180	20,970	36,150
Decrease of 100 basis points	-	(15,180)	(20,970)	(36,150)

Change in basis points

Increase of 100 basis points
Decrease of 100 basis points

2020			
Equity Sub-Fund	Debt Sub-Fund	Money Market	Total
-	153,636	114,313	267,949
-	(153,636)	(114,313)	(267,949)

Change in basis points

Increase of 100 basis points
Decrease of 100 basis points

2019			
Equity Sub-Fund	Debt Sub-Fund	Money Market	Total
-	15,180	20,970	36,150
-	(15,180)	(20,970)	(36,150)

The composition of the Fund's investment may change over time. Accordingly, the sensitivity analysis prepared as at June 30, 2020 is not necessarily indicative of the impact on the Fund's net assets of future movements in interest rates.

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

The Fund's interest rate sensitivity related to financial assets and financial liabilities as at June 30, 2020 can be determined as follows:

Alfalah GHP Pension Fund - Equity Sub Fund

Particulars	2020						2019					
	Effective interest rate	Exposed to yield / Interest risk			Not exposed to Yield / Interest rate risk	Total	Effective interest Rate	Exposed to yield / Interest risk			Not exposed to Yield / Interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year				Upto three months	More than three months and upto one year	More than one year		
		(Rupees)						(Rupees)				
Financial assets												
Bank balances	6.50% - 8%	3,659,582	-	-	-	3,659,582	5.3% - 13.15%	3,771,241	-	-	-	3,771,241
Investments		-	-	-	35,907,892	35,907,892		-	-	-	32,769,251	32,769,251
Security deposit with the Central Depository Company of Pakistan Limited - Trustee		-	-	-	100,000	100,000		-	-	-	100,000	100,000
Dividend, profit and other receivables		-	-	-	21,507	21,507		-	-	-	79,093	79,093
		<u>3,659,582</u>	-	-	<u>36,029,399</u>	<u>39,688,981</u>		<u>3,771,241</u>	-	-	<u>32,948,344</u>	<u>36,719,585</u>
Financial liabilities												
Payable to the Pension Fund Manager		-	-	-	45,246	45,246		-	-	-	49,769	49,769
Payable to the Trustee		-	-	-	22,888	22,888		-	-	-	28,066	28,066
Accrued expenses and other liabilities		-	-	-	72,647	72,647		-	-	-	52,012	52,012
		-	-	-	<u>140,781</u>	<u>140,781</u>		-	-	-	<u>129,847</u>	<u>129,847</u>
On-balance sheet gap		<u>3,659,582</u>	-	-	<u>35,888,618</u>	<u>39,548,200</u>		<u>3,771,241</u>	-	-	<u>32,818,497</u>	<u>36,589,738</u>
Total interest rate sensitivity gap		<u>3,659,582</u>	-	-	<u>35,888,618</u>	<u>39,548,200</u>		<u>3,771,241</u>	-	-	<u>32,818,497</u>	<u>36,589,738</u>
Cumulative interest rate sensitivity gap		<u>3,659,582</u>	<u>3,659,582</u>		<u>3,659,582</u>		<u>3,771,241</u>	<u>3,771,241</u>		<u>3,771,241</u>		

20.1.3 Price risk

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

The Fund has exposure to equity price risk arising from the Fund investments in equity securities. The Fund manages its price risk arising from investment in the equity securities by diversifying its portfolio within the eligible limits prescribed in the Fund's Constitutive Documents, the VPS rules and circulars issued by SECP from time to time.

The table below summarizes the sensitivity of the Fund's net assets attributable to unit holders to the equity price movements as at June 30, 2020. The analysis is based on the assumption that PSX index increase and decreases by 5%, with all other variables held constant and that the fair value of the Fund's portfolio of equity securities moved according to their historical correlation with index this represents managements' best estimate of a reasonable possible shift in the PSX index, having regards to the historical volatility of index of past three years.

At June 30, 2020, the fair value of equity securities exposed to price risk was disclosed in note 5.1.

Effect due to increase / decrease in KSE 100 index	2020	2019
	----- (Rupees) -----	
Investment and net assets	1,795,395	1,638,463
Income statement	1,795,395	1,638,463

20.2 Credit risk

Credit risk represents the risk of a loss if the counter parties fail to perform as contracted. Credit risk mainly arises from deposits with banks, credit exposure arising as a result of dividends receivable on equity securities, receivable against sale of investments and investment in debt securities. For banks and financial institutions balances are kept with reputed parties. Credit risk on dividend receivable is minimal due to statutory protection. All transactions in listed securities are settled / paid for upon delivery market clearing system. The risk of default is considered minimal due to inherent systematic measures taken therein. Debt securities held by the Fund mainly consist of government securities that represent the interest of Government of Pakistan and therefore not exposed to credit risk. The remaining debts securities are with reputable counter parties and therefore credit risk is minimal.

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

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

20.2.1 Exposure to credit risk

The maximum exposure to credit risk as at 30 June 2020 is as follows:

Alfalsh GHP Pension Fund- Equity Sub Fund	2020		2019	
	Balance as per Statement of assets and liabilities	Maximum exposure	Balance as per Statement of assets and liabilities	Maximum exposure
	----- (Rupees) -----			
Bank balances	3,659,582	3,659,582	3,771,241	3,771,241
Investments in TFCs / Sukuks	35,907,892	-	32,769,251	-
Security deposit with the Central Depository Company of Pakistan Limited - Trustee	100,000	100,000	100,000	100,000
Dividend, profit and other receivables	21,507	21,507	79,093	79,093
	<u>39,688,981</u>	<u>3,781,089</u>	<u>36,719,585</u>	<u>3,950,334</u>

Difference in the balance as per the statement of assets and liabilities and maximum exposure is due to the fact that investments in listed securities of Rs 32.769 million (2019: Rs. 32.769 million) is not exposed to credit risk.

Alfalsh GHP Pension Fund- Debt Sub Fund

	2020		2019	
	Balance as per Statement of assets and liabilities	Maximum exposure	Balance as per Statement of assets and liabilities	Maximum exposure
	(Rupees)			
Bank balances	13,713,291	13,713,291	969,357	969,357
Investments in TFCs / Sukuks	41,739,870	10,885,060	41,779,345	8,970,514
Security deposit with the Central Depository Company of Pakistan Limited - Trustee	220,000	220,000	100,000	100,000
Dividend, profit and other receivables	320,750	838,652	320,750	320,750
	<u>55,993,911</u>	<u>25,657,003</u>	<u>43,169,452</u>	<u>10,360,621</u>

Difference in the balance as per the statement of assets and liabilities and maximum exposure is due to the fact that investments in Government Securities of Rs 23.354 million (2019: Rs. 32.808 million) is not exposed to credit risk.

Alfalsh GHP Pension Fund- Money Market Sub Fund

	2020		2019	
	Balance as per Statement of assets and liabilities	Maximum exposure	Balance as per Statement of assets and liabilities	Maximum exposure
	(Rupees)			
Bank balances	20,781,681	20,781,681	13,002,012	13,002,012
Investments	58,039,257	1,863,934	47,239,315	2,500,000
Security deposit with the Central Depository Company of Pakistan Limited - Trustee	100,000	100,000	100,000	100,000
Dividend, profit and other receivables	104,817	104,817	82,878	82,878
	<u>79,025,755</u>	<u>22,850,432</u>	<u>60,424,205</u>	<u>15,684,890</u>

Difference in the balance as per the statement of assets and liabilities and maximum exposure is due to the fact that investments in Government Securities of Rs 56.18 million (2019: Rs. 44.74 million) is not exposed to credit risk.

No financial assets were considered to be past due or impaired as at June 30, 2020.

20.2.2 Bank balances

The Fund held bank balances at June 30, 2020 with banks having following credit ratings:

Name of the bank	Rating Agency	Rating	2020	2019
			Percentage of total bank balances	
Alfalsh GHP Pension Fund - Equity Sub Fund				
Bank Alfalah Limited	PACRA	A1+	97.01%	96.00%
Allied Bank Limited	PACRA	A1+	2.64%	4.00%
JS Bank Limited	PACRA	A1+	0.35%	-
			<u>100%</u>	<u>100%</u>
Alfalsh GHP Pension Fund - Debt Sub Fund				
Bank Alfalah Limited	PACRA	A1+	18.47%	85.00%
Allied Bank Limited	PACRA	A1+	81.51%	2.00%
JS Bank Limited	PACRA	A1+	0.02%	12.00%
			<u>100%</u>	<u>100%</u>
Alfalsh GHP Pension Fund - Money Market Sub Fund				
Bank Alfalah Limited	PACRA	A1+	25.94%	51.00%
Allied Bank Limited	PACRA	A1+	73.38%	-
JS Bank Limited	PACRA	A1+	0.68%	49.00%
			<u>100%</u>	<u>100%</u>

20.2.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors affect the group of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. Despite the high concentration of credit risk as stated above, the Fund has entered into transactions with credit worthy counterparties thereby mitigating any significant risk due to concentration of credit risk. Details of the Fund's concentration of credit risk of financial instruments by economic sectors are as follows:

	2020		2019	
	(Rupees)	%	(Rupees)	%
Alfalsh GHP Pension Fund- Equity Sub Fund				
Commercial banks (including profit receivable)	3,676,089	97.22%	3,850,334	97.47%
Dividend receivable	5,000	0.13%	-	-
The Central Depository Company of Pakistan Limited (security deposit)	100,000	2.64%	100,000	2.53%
	<u>3,781,089</u>	<u>100%</u>	<u>3,950,334</u>	<u>100%</u>
Alfalsh GHP Pension Fund- Debt Sub Fund				
Commercial banks (including profit receivable)	13,766,850	41.52%	973,731	9.40%
Investments	18,385,060	55.45%	8,970,514	86.58%
Profit receivable on investments	784,287	2.37%	315,567	3.05%
The Central Depository Company of Pakistan Limited (security deposit)	220,000	0.66%	100,000	0.97%
Other receivable	806	0.00%	809	0.01%
	<u>33,157,003</u>	<u>100%</u>	<u>10,360,621</u>	<u>100%</u>
Alfalsh GHP Pension Fund- Money Market Sub Fund				
Commercial banks (including profit receivable)	20,783,274	90.95%	13,009,725	82.94%
Investments	1,863,934	8.16%	2,500,000	15.94%
Profit receivable on investments	103,224	0.45%	75,165	0.48%
The Central Depository Company of Pakistan Limited (security deposit)	100,000	0.44%	100,000	0.64%
	<u>22,850,432</u>	<u>100%</u>	<u>15,684,890</u>	<u>100%</u>

20.3 Liquidity risk

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

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

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

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

Alfalah GHP Pension Fund - Equity Sub Fund**Financial Assets**

2020			
Upto three months	More than three months and upto one year	More than one year	Total
Bank balances	3,659,582	-	3,659,582
Investments	35,907,892	-	35,907,892
Security deposit with Central Depository Company of Pakistan Limited - Trustee	100,000	-	100,000
Dividend, profit and other receivables	21,507	-	21,507
Sub total	39,688,981	-	39,688,981

Financial Liabilities

Payable to the Pension Fund Manager	45,246	-	45,246
Payable to the Trustee	22,888	-	22,888
Accrued expenses and other liabilities	72,647	-	72,647
Sub total	140,781	-	140,781

Net assets

Net assets	39,548,200	-	39,548,200
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Financial assets

2019			
Upto three months	More than three months and upto one year	More than one year	Total
Bank balances	3,771,241	-	3,771,241
Investments	32,769,251	-	32,769,251
Security deposit with Central Depository Company of Pakistan Limited - Trustee	100,000	-	100,000
Dividend, profit and other receivables	79,093	-	79,093
Sub total	36,719,585	-	36,719,585

Financial liabilities

Payable to the Pension Fund Manager	49,769	-	49,769
Payable to the Trustee	28,066	-	28,066
Accrued expenses and other liabilities	52,012	-	52,012
Sub total	129,847	-	129,847

Net assets

Net assets	36,589,738	-	36,589,738
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Alfalah GHP Pension Fund - Debt Sub Fund**Financial assets**

2020			
Upto three months	More than three months and upto one year	More than one year	Total
Bank balances	13,713,291	-	13,713,291
Investments	4,067,345	37,672,525	41,739,870
Security deposit with Central Depository Company of Pakistan Limited - Trustee	220,000	-	220,000
Dividend, profit and other receivables	838,652	-	838,652
Sub total	18,839,288	37,672,525	56,511,813

Financial liabilities

Payable to the Pension Fund Manager	78,437	-	78,437
Payable to the Trustee	28,066	-	28,066
Accrued expenses and other liabilities	52,012	-	52,012
Sub total	158,515	-	158,515

Net assets

Net assets	18,680,773	37,672,525	56,353,298
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	2019			Total
	Upto three months	More than three months and upto one year	More than one year	
	----- (Rupees) -----			
Financial assets				
Bank balances	969,357	-	-	969,357
Investments	35,827,727	5,951,618	-	41,779,345
Security deposit with Central Depository Company of Pakistan Limited - Trustee	100,000	-	-	100,000
Dividend, profit and other receivables	320,750	-	-	320,750
Sub total	37,217,834	5,951,618	-	43,169,452
Financial liabilities				
Payable to the Pension Fund Manager	59,749	-	-	59,749
Payable to the Trustee	27,235	-	-	27,235
Accrued expenses and other liabilities	53,978	-	-	53,978
Sub total	140,962	-	-	140,962
Net assets	37,076,872	5,951,618	-	43,028,490

	2020			Total
	Upto three months	More than three months and upto one year	More than one year	
	----- (Rupees) -----			
Alfalsh GHP Pension Fund - Money Market Sub Fund				
Financial assets				
Bank balances	20,781,681	-	-	20,781,681
Investments	34,589,715	23,449,542	-	58,039,257
Security deposit with Central Depository Company of Pakistan Limited - Trustee	100,000	-	-	100,000
Dividend, profit and other receivables	104,817	-	-	104,817
Sub total	55,576,213	23,449,542	-	79,025,755
Financial liabilities				
Payable to the Pension Fund Manager	122,674	-	-	122,674
Payable to the Trustee	30,413	-	-	30,413
Accrued expenses and other liabilities	61,244	-	-	61,244
Sub total	214,331	-	-	214,331
Net assets	55,361,882	23,449,542	-	78,811,424

	2019			Total
	Upto three months	More than three months and upto one year	More than one year	
	----- (Rupees) -----			
Financial assets				
Bank balances	13,002,012	-	-	13,002,012
Investments	44,739,315	2,500,000	-	47,239,315
Security deposit with Central Depository Company of Pakistan Limited - Trustee	100,000	-	-	100,000
Dividend, profit and other receivables	82,878	-	-	82,878
Sub total	57,924,205	2,500,000	-	60,424,205
Financial liabilities				
Payable to the Pension Fund Manager	96,530	-	-	96,530
Payable to the Trustee	31,794	-	-	31,794
Accrued expenses and other liabilities	49,451	-	-	49,451
Sub total	177,775	-	-	177,775
Net assets	57,746,430	2,500,000	-	60,246,430

21 FAIR VALUE MEASUREMENT

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

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

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

Fair value hierarchy

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

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

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

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

As at June 30, 2020, the Fund held the following financial instruments measured at fair values:

	2020			Total
	Level 1	Level 2	Level 3	
(Rupees)				
Equity Sub-Fund				
Financial assets 'at fair value through profit or loss'				
Investment in listed equity securities	35,907,892	-	-	35,907,892
Debt Sub-Fund				
Financial assets 'at fair value through profit or loss'				
Investments in:				
- TFCs and Sukuks	-	18,385,060	-	18,385,060
- Market Treasury Bills	-	23,354,810	-	23,354,810
	-	41,739,870	-	41,739,870
Money Market Sub Fund				
Financial assets 'at fair value through profit or loss'				
Investments in:				
- TFCs and Sukuks	-	1,863,934	-	1,863,934
- Market Treasury Bills	-	56,175,323	-	56,175,323
	-	58,039,257	-	58,039,257
Equity Sub-Fund				
2019				
	Level 1	Level 2	Level 3	Total
(Rupees)				
Financial assets 'at fair value through profit or loss'				
Investment in listed equity securities	32,769,251	-	-	32,769,251
Debt Sub-Fund				
Financial assets 'at fair value through profit or loss'				
Investments in:				
- TFCs and Sukuks	-	8,970,514	-	8,970,514
-Market Treasury Bills	-	32,808,831	-	32,808,831
	-	41,779,345	-	41,779,345
Money Market Sub Fund				
Financial assets 'at fair value through profit or loss'				
Investments in:				
- TFCs and Sukuks	-	2,500,000	-	2,500,000
- Market Treasury Bills	-	44,739,315	-	44,739,315
	-	47,239,315	-	47,239,315

22 PARTICIPANTS' SUB-FUND RISK MANAGEMENT

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

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

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

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

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

23 CORRESPONDING FIGURES

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

24 GENERAL

24.1 Figures have been rounded off to the nearest rupee.

24.2 Units have been rounded off to the nearest whole number.

24.3 Impact of COVID-19

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

24.4 Operational risk management

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

The Pension Fund Manager 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.

25 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue on August 24, 2020 by the Board of Directors of the Pension Fund Manager.

**For Alfalah GHP Investment Management Limited
(Management Company)**

Chief Executive Officer

Chief Financial Officer

Director

PERFORMANCE TABLE

Equity subFund

	2020	2019	2018	2017
Net Income / (loss) for the period	(2,164,810)	(7,971,049)	(5,162,905)	(1,977,367)
(loss) / gain on sale of investments-net	(1,063,142)	(882,822)	(3,621,038)	(108,742)
Net unrealised loss on revaluation of investments 'classified as 'at fair value through profit or loss'	(2,212,296)	(8,570,294)	(2,726,920)	(2,282,713)
Dividend Income	1,841,780	2,188,880	1,982,028	549,825
Profit /mark-up income	194,427	309,042	156,176	419,216
Net asset value per unit as at 30 June	65.0720	67.0000	82.2949	93.8444
Total Net assets as at 30 June	39,562,052	36,611,541	40,418,658	31,571,597
Total Contribution received -Gross	13,554,751	22,731,214	19,418,182	33,548,964

Performance Table

Debt subFund

	2020	2019	2018	2017
Net Income / (loss) for the period	5,492,501	2,921,776	1,332,546	561,310
(loss) / gain on sale of investments-net	394,840	(50,944)	-	3,914
Net unrealised loss on revaluation of investments 'classified as 'at fair value through profit or loss'	461,508	(32,678)	(530)	(484)
Dividend Income	-	-	-	-
Profit /mark-up income	6,085,668	4,129,526	2,258,575	1,096,892
Net asset value per unit as at 30 June	126	112.6289	105.5072	101.8344
Total Net assets as at 30 June	56,084,146	42,893,806	40,364,405	32,065,508
Total Contribution received -Gross	10,116,609	12,154,830	32,065,508	31,504,198

Money Market subFund

	2020	2019	2018	2017
Net Income / (loss) for the period	7,359,553	3,166,425	1,231,372	566,489
(loss) / gain on sale of investments-net	89,153	(42,630)	-	3,914
Net unrealised loss on revaluation of investments 'classified as 'at fair value through profit or loss'	248,787	(36,113)	-	(484)
Dividend Income	-	-	-	-
Profit /mark-up income	8,792,100	4,424,043	2,074,278	1,080,457
Net asset value per unit as at 30 June	124.9698	112.5831	105.6047	101.8882
Total Net assets as at 30 June	78,117,787	59,719,584	36,132,228	30,568,989
Total Contribution received -Gross	21,134,307	32,075,355	5,759,126	30,002,500



Alfalah
GHP Islamic Pension Fund

FUND INFORMATION

Management Company:	Alfalalah GHP Investment Management Limited 8-B, 8th Floor, Executive Tower, Dolmen City, Block-4, Clifton, Karachi.
Board of Directors of the Management Company:	Ms. Dominique Liana Russo Mr. Edward Phillip Hurt Ms. Maheen Rahman (CEO) Syed Ali Sultan Mr. Hanspeter Beier Mr. Abid Naqvi Mr. Tufail Jawed Ahmad Ms. Mehreen Ahmed
Audit Committee:	Mr. Abid Naqvi Syed Ali Sultan Mr. Edward Phillip Hurt
HR Committee:	Ms. Dominique Liana Russo Syed Ali Sultan Mr. Tufail Jawed Ahmed Ms. Maheen Rahman (CEO)
Risk Committee:	Mr. Edward Phillip Hurt Mr. Tufail Jawed Ahmad Syed Ali Sultan Ms. Maheen Rahman (CEO)
Risk Committee:	Mr. Tufail Jawed Ahmad Syed Ali Sultan Ms. Maheen Rahman (CEO)
Chief Operating Officer and Company Secretary:	Mr. Noman Ahmed Soomro
Chief Financial Officer:	Syed Hyder Raza Zaidi
Trustee:	Central Depository Company of Pakistan Limited CDC House, 99-B, Block 'B', SMCHS, Main Share-e-Faisal, Karachi
Bankers to the Fund:	Bank Alfalah Limited
Auditors:	A.F. Ferguson & Co. Chartered Accountants State Life Building No. 1-C I.I. Chundrigar Road, P.O.Box 4716 Karachi, Pakistan
Legal Advisor:	Ahmed & Qazi Advocates & Legal Consultants 402,403,404,417 Clifton Centre, Clifton, Karachi
Shariah Advisor:	Bank Islami Pakistan Limited 11th Floor, Dolmen Executive Towers, Marine Drive, Clifton, Block-4, Karachi
Registrar:	Alfalalah GHP Investment Management Limited 8-B, 8th Floor, Executive Tower, Dolmen City, Block-4, Clifton, Karachi.
Distributor:	Bank Alfalah Limited

Alfalah GHP Islamic Pension Fund

Annual Fund Manager`s Report

Type of Fund: **Open-end Scheme**
 Category of Fund: **Voluntary Islamic Pension Fund Scheme**

Investment Objective

The objective of introducing Alfalah GHP Islamic Pension Fund is to provide individuals with a portable, individualized, funded (based on defined contribution) and flexible pension scheme which is managed by professional investment manager to assist them to plan and provide for their retirement.

Money Market Review

Pakistan's GDP is expected to post a negative growth of 0.4% during FY20. The global COVID Pandemic which set its foot prints in the country in last quarter FY20, which hampered the economic activities in the country. In order to provide liquidity support to the households and businesses to help them through the ensuing temporary phase of economic disruption, SBP made an aggressive move by reducing the discount rate on consistent basis. Till date the policy rate has been reduced by approximately 625bps to around 7%.

The yield curve witnessed a tremendous downward shift owing to the aggressive rate cut. Market participants made took heavy bets in longer duration instruments. During the year, the central bank was able to fetch PKR 11.8 trillion T-bills with majority of the participation witnessed in 6 month and 12 months tenor. Through PIBs, the central bank was able to fetch PKR 2.02 trillion in the reviewed period as compared to PKR 800 billion in FY 19. Majority of the participation witnessed in 3 years followed by 5 years and 10 years

Going forward, we believe that the central bank has provided the much needed stimulus in order to revive the economic growth in the country. Now with the resumption in the business activity, the macroeconomic variable will surely begin to improve gradually in the coming year.

Equity Market Review

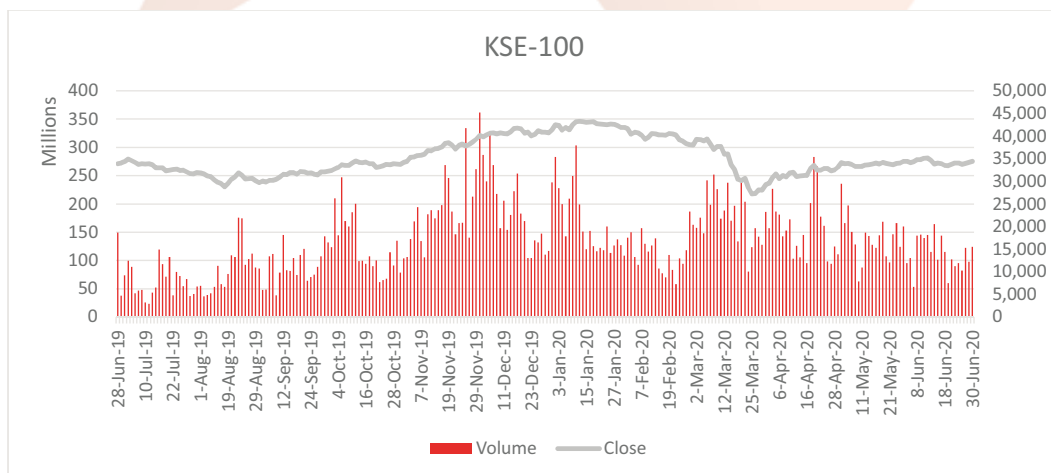
The KSE-100 index experienced a roller coaster ride throughout FY20 and closed the year displaying a slightly positive return of 1.53%.

The benchmark index started performing well from the month of September 2019 and posted positive returns for 5 consecutive months till Jan 2020. The return from close of FY19 till 13th Jan 2020 stood at 27% on the back of improving macro-economic fundamentals under the IMF program as a) CAD continued to improve because of a sharp decline in imports, rising remittances and flattish exports; b) appreciating PKR and c) improving FX reserves position due to a significant influx of funds in Treasury bills and Bonds as the policy rate peaked at 13.25% encouraging the carry trade transactions.

This performance was marred by the outbreak of Covid-19 in China and then subsequently into the entire world. Countries began to implement strict lockdowns and the entire trade came suddenly to a halt resulting in heavy losses in global and local equities as investors' fled to safe heavens. KSE-100 index lost 37% in a span of 72 days as it hit a bottom of 27,228 points on March 25, 2020.

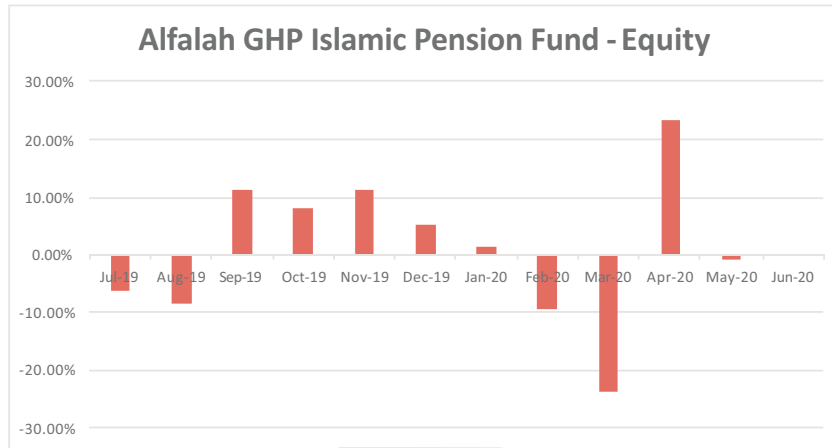
However, multiple positives staged the comeback of local bourse as KSE-100 bounced back and posted 26% return by end of the year from the bottom of 27,228 to close the year at 34,422. The comeback was fueled by; a) control in the spread of pandemic in China and relaxation of lockdowns globally resulting in increase in cross border trade b) implementation of smart lockdown locally, under which businesses are allowed to operate with certain SOPs, thus normalization in business activities c) Central Bank's initiatives to cut policy rate cumulatively by 625bps to spur economic growth and simultaneously provide relief to industries by deferring loan repayment for a year d) announcement of several packages and subsidies by the Government to decrease the cost of doing business and spur growth in economic activities and e) miraculous decline in local Covid-19 cases, as the daily number started to decline from 6.5k in mid of June to 4k by the end of the year and subsequently, falling into 3 digits by end of July 2020. Massive recoveries have also caused active cases to decline to only 25.2k by July end compared to 108.3k cases in June.

Going forward, macro-economic fundamentals and resumption of normal business activities will determine the market direction. In our view, improving business activity of manufacturers along with attractive valuations of Banks and E&Ps will keep the market sentiment positive.

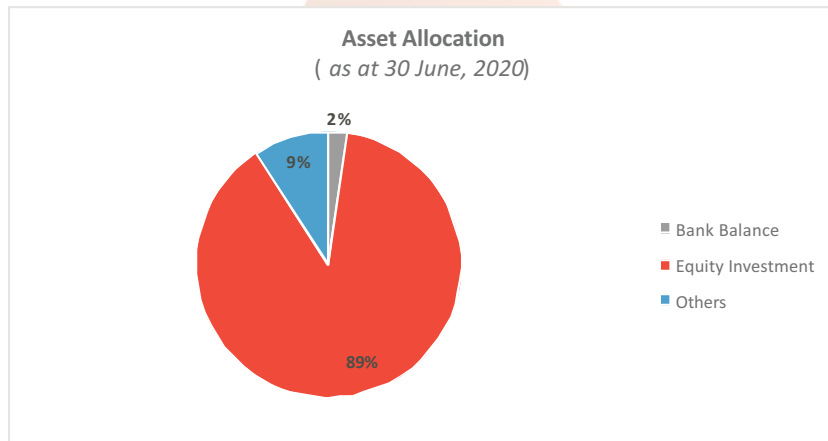


Equity Sub Fund

During the year, the Equity-sub Fund posted a return of 2.91%.

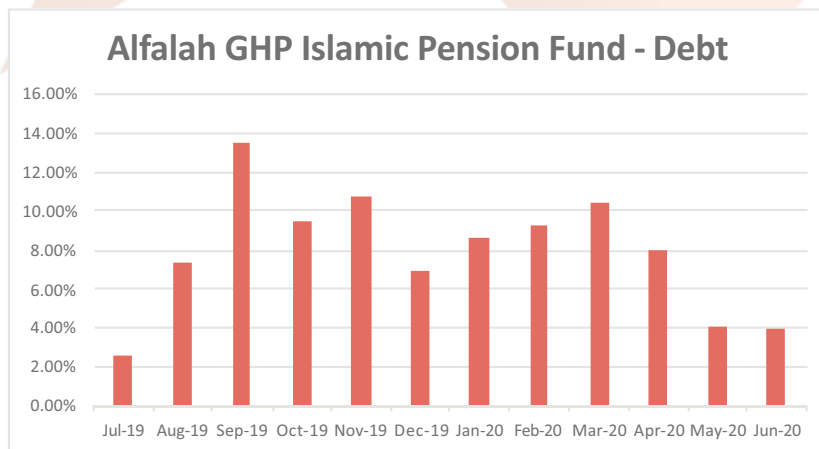


Assets Allocation/Portfolio quality

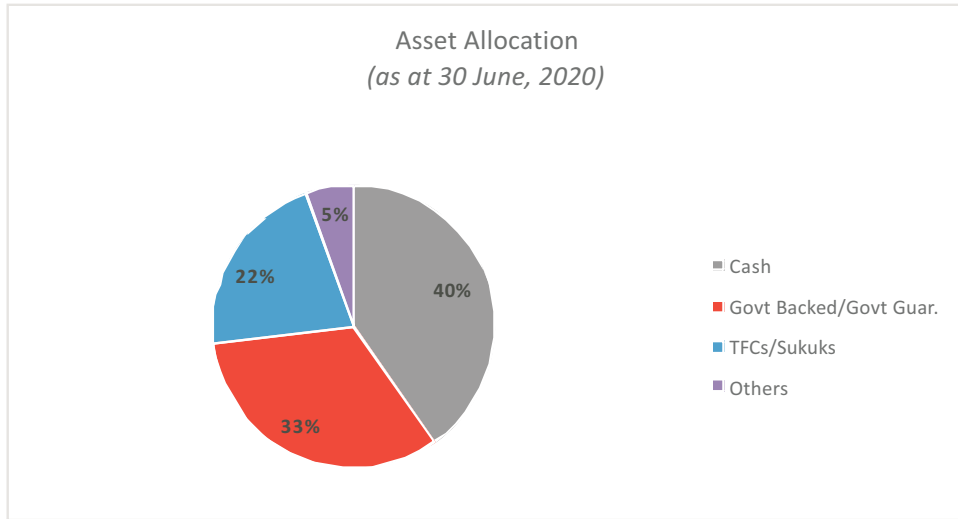


Islamic Debt Sub Fund:

The fund generated a return of 8.19% for the period ended June 30, 2020. The fund is invested in Cash, Govt. backed Sukuks and Corporate Sukuks.

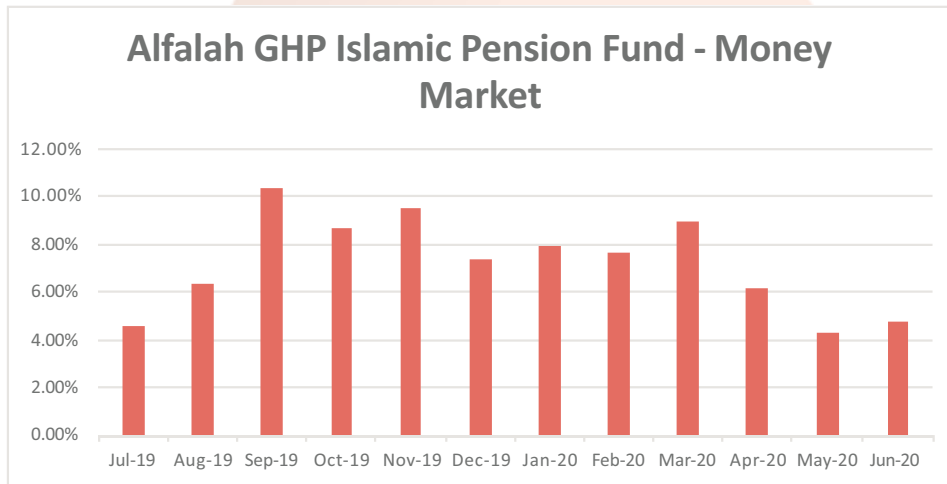


Assets Allocation/Portfolio quality:

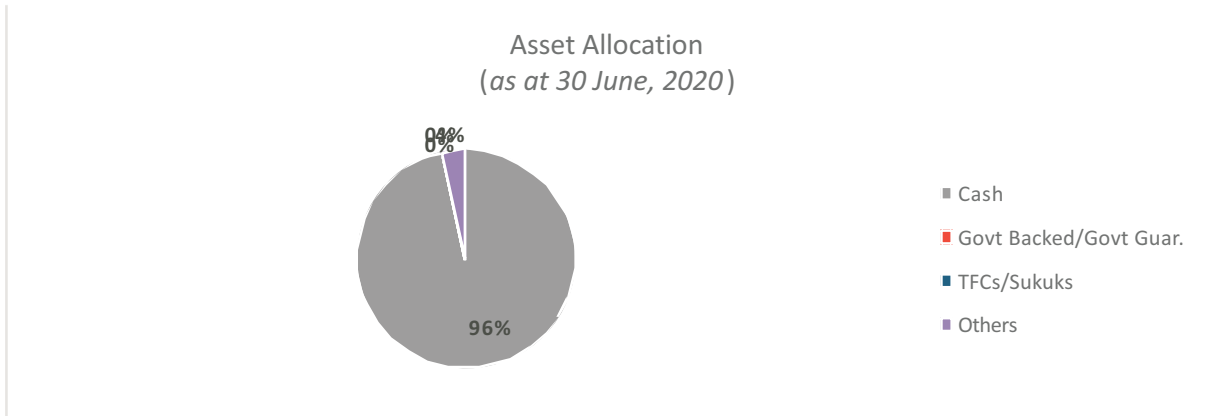


Money Market Sub Fund:

The fund generated a return of 7.44% for the period ended June 30, 2020. The fund was invested in Cash, Government backed and Corporate Sukuks.



Assets Allocation/Portfolio quality:



- Description and explanation of any significant changes in the state of affairs of the Collective Investment Scheme 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.

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

There were no unit splits during the period.

- Disclosures of circumstances that materially affect any interests of unit holders**

Investments are subject to market risk.

- 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 Collective Investment Scheme.**

No soft commissions are received by the AMC from its brokers or dealers by virtue of transactions conducted by the Collective Investment Scheme.

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office

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



TRUSTEE REPORT TO THE PARTICIPANTS

ALFALAH GHP ISLAMIC PENSION 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 Alfalah GHP Islamic Pension Fund (the Fund) are of the opinion that Alfalah GHP Investment Management Limited being the Pension Fund Manager of the Fund has in all material respects managed the Fund during the year ended June 30, 2020 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: October 13, 2020





Alfalah Investments

Shariah Advisory Board
Mufti Shaikh Noman
Mufti Javed Ahmad



**SHARIAH REVIEW REPORT
ALFALAH GHP ISLAMIC PENSION FUND**

We, the Shariah Advisory Board of the Alfalah GHP Islamic Pension Fund ('AGIPF') managed by Alfalah GHP Investment Management Limited, are issuing this report in accordance with the Trust Deed and Offering Document of the said Fund. The scope of the report is to express an opinion on the Shariah Compliance of the Fund's activities.

It is the responsibility of the Management Company of the said Fund to establish and maintain a system of internal controls to ensure compliance with issued Shariah guidelines. As Shariah Advisory Board, our responsibility is to express an opinion, based on our review of the representations made by the management, to the extent where such compliance can be objectively verified.

In the capacity of Shariah Advisory Board of the Fund, we have checked following avenues presented to us by the Management in which AGIPF made Investment during the period from July 1, 2019 to June 30, 2020.

Investment Head	Investment Avenue
<i>Equity</i>	<i>Approved Shariah Compliant Equity Securities</i>
<i>Sukuk</i>	<i>Approved Shariah Compliant Sukuk</i>


We hereby certify that the Investments made by the Funds are in Compliance with Shariah principles.

For the Year 2019-20 Provision against Charity is made amount to Rs. **66,360.36** in respect of dividend purification.

May Allah bless us with Tawfeeq to accomplish these cherished tasks, make us successful in this world and in the Hereafter, and forgive our mistakes.

For and on behalf of Shariah Advisory Board


Mufti Shaikh Noman
Shariah Advisor


Mufti Javed Ahmad
Shariah Board Member

STATEMENT OF COMPLIANCE WITH SHARIAH PRINCIPLES

Alfalah GHP Islamic Pension Fund has fully complied with the Shariah principles specified in the Trust Deed and the guidelines issued by the Shariah Advisor for its operations, investments and placements made during the year ended June 30, 2020. This has been duly confirmed by the Shariah Advisor of the Fund.

Dated: September 29, 2020

Ms. Maheen Rahman
Chief Executive Officer

AUDITOR'S REPORT TO THE PARTICIPANTS OF ALFALAH GHP ISLAMIC PENSION FUND

We have audited the annexed financial statements comprising:

- i. Statement of Assets and Liabilities;
- ii. Income Statement;
- iii. Statement of Comprehensive Income;
- iv. Cash Flow Statement; and
- v. Statement of Movement in Participants' Sub-Funds

of Alfalah GHP Islamic Pension Fund (the Fund) as at and for the year ended June 30, 2020 together with the notes forming part thereof for the year then ended.

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

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

In our opinion:

- a) the financial statements prepared for the year ended June 30, 2020 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, 2020 and of the transactions of the Fund for the year then ended;
- c) the allocation and reallocation of units of the sub-funds for all the participants have been made according to the Voluntary Pension System Rules, 2005;
- d) the cost and expenses debited to the Fund and apportionment of expenses between sub-funds are as specified in the constitutive documents of the Fund;
- e) proper books and records have been kept by the Fund and the financial statements prepared are in agreement with the Fund's books and records;
- f) we were able to obtain all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of the audit; and
- g) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

Chartered Accountants

Engagement Partner: **Shahbaz Akbar**

Date: September 28, 2020

Karachi

ALFALAH GHP ISLAMIC PENSION FUND
STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2020

Note	2020				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
----- (Rupees) -----					
Assets					
4	3,714,751	23,018,511	50,849,384	20,099	77,602,745
5	47,127,426	29,000,585	2,795,901	-	78,923,912
	100,000	100,000	100,000	-	300,000
6	417,256	1,252,300	690,414	51	2,360,021
7	-	-	-	-	-
	51,359,433	53,371,396	54,435,699	20,150	159,186,678
Liabilities					
8	70,131	74,106	76,373	20,150	240,760
9	25,039	26,892	28,990	-	80,921
10	13,479	13,949	14,777	-	42,205
11	177,726	203,655	175,370	-	556,751
	286,375	318,602	295,510	20,150	920,637
	51,073,058	53,052,794	54,140,189	-	158,266,041
Participants' sub-funds (as per statement attached)					
	51,073,058	53,052,794	54,140,189	-	158,266,041
Contingencies and commitments					
14	----- (Number of units) -----				
12	725,217	455,802	468,734		
----- (Rupees) -----					
	70.4245	116.3945	115.5031		

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

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC PENSION FUND
STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2019

	2019					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	
	----- (Rupees) -----					
Assets						
Bank balances	4	2,039,028	25,076,404	39,856,876	20,099	66,992,407
Investments	5	36,549,647	16,815,551	9,688,000	-	63,053,198
Security Deposit with the Central Depository Company of Pakistan Limited - Trustee		100,000	100,000	100,000	-	300,000
Dividend and other receivables	6	1,105,900	433,167	490,531	51	2,029,649
Preliminary expenses and floatation cost	7	8,888	8,886	8,832	-	26,606
Total assets		<u>39,803,463</u>	<u>42,434,008</u>	<u>50,144,239</u>	<u>20,150</u>	<u>132,401,860</u>
Liabilities						
Payable to the Pension Fund Manager	8	55,131	59,709	68,580	20,150	203,570
Payable to the Trustee	9	25,206	25,961	29,227	-	80,394
Annual fee payable to the Securities and Exchange Commission of Pakistan	10	12,792	12,747	13,216	-	38,755
Accrued expenses and other liabilities	11	126,798	90,937	109,015	-	326,750
Total liabilities		<u>219,927</u>	<u>189,354</u>	<u>220,038</u>	<u>20,150</u>	<u>649,469</u>
Net assets		<u>39,583,536</u>	<u>42,244,654</u>	<u>49,924,201</u>	<u>-</u>	<u>131,752,391</u>
Participants' sub-funds (as per statement attached)		<u>39,583,536</u>	<u>42,244,654</u>	<u>49,924,201</u>	<u>-</u>	<u>131,752,391</u>
Contingencies and commitments	14					
		----- (Number of units) -----				
Number of units in issue	12	<u>578,453</u>	<u>392,771</u>	<u>464,486</u>		
		----- (Rupees) -----				
Net asset value per unit		<u>68.4300</u>	<u>107.5554</u>	<u>107.4827</u>		

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

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC PENSION FUND

INCOME STATEMENT

FOR THE YEAR ENDED JUNE 30, 2020

	Note	2020			Total
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	
----- (Rupees) -----					
Income					
Profit / mark-up income	15	113,251	4,654,978	4,912,015	9,680,244
Dividend income		2,104,077	-	-	2,104,077
Gain / (loss) on sale of investments - net		1,235,013	146,915	249,000	1,630,928
Unrealised gain / (loss) on revaluation of investments classified as 'financial assets at fair value through profit or loss' - net		(1,542,242)	208,587	-	(1,333,655)
Total income/ (loss)		<u>1,910,099</u>	<u>5,010,480</u>	<u>5,161,015</u>	<u>12,081,594</u>
Expenses					
Remuneration of the Pension Fund Manager	8.1	695,882	721,504	805,176	2,222,562
Sindh sales tax on remuneration of the Pension Fund Manager	8.2	90,486	93,444	104,668	288,598
Remuneration of the Trustee	9.1	92,858	98,489	109,712	301,059
Sindh sales tax on remuneration of the Trustee	9.2	12,071	12,838	14,279	39,188
Annual fee to the Securities and Exchange Commission of Pakistan (SECP)	10	13,504	13,974	14,802	42,280
Brokerage and securities transaction costs		124,409	32,889	-	157,298
Auditors' remuneration	16	84,992	88,236	90,023	263,251
Printing charges		7,999	8,191	8,563	24,753
Legal and professional charges		63,505	73,185	74,453	211,143
Amortisation of preliminary expenses and floatation costs		8,888	8,886	8,832	26,606
Charity expense		-	-	-	-
Bank charges		9,506	8,156	5,273	22,935
Provision for Sindh Workers' Welfare Fund	11.1	14,120	77,010	78,505	169,635
Total expenses		<u>1,218,220</u>	<u>1,236,802</u>	<u>1,314,286</u>	<u>3,769,308</u>
Net income for the year before taxation		<u>691,879</u>	<u>3,773,678</u>	<u>3,846,729</u>	<u>8,312,286</u>
Taxation	3.6	-	-	-	-
Net income for the year after taxation		<u>691,879</u>	<u>3,773,678</u>	<u>3,846,729</u>	<u>8,312,286</u>

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

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC PENSION FUND

INCOME STATEMENT

FOR THE YEAR ENDED JUNE 30, 2019

	Note	2019			Total
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	
----- (Rupees) -----					
Income					
Profit / mark-up income	15	158,266	2,730,729	2,788,145	5,677,140
Dividend income		2,106,719	-	-	2,106,719
Loss on sale of investments - net		(877,598)	(30,400)	(57,000)	(964,998)
Unrealised loss on revaluation of investments classified as 'financial assets at fair value through profit or loss' - net		(8,909,656)	(253,409)	(252,800)	(9,415,865)
Total (loss) / income		<u>(7,522,269)</u>	<u>2,446,920</u>	<u>2,478,345</u>	<u>(2,597,004)</u>
Expenses					
Remuneration of the Pension Fund Manager	8.1	579,327	577,370	635,664	1,792,361
Sindh sales tax on remuneration of the Pension Fund Manager	8.2	75,312	75,055	82,636	233,003
Remuneration of the Trustee	9.1	97,191	96,832	106,574	300,597
Sindh sales tax on remuneration of the Trustee	9.2	12,635	12,595	13,783	39,013
Annual fee to the Securities and Exchange Commission of Pakistan (SECP)	10	12,792	12,748	13,216	38,756
Brokerage and securities transaction costs		33,726	7,049	3,991	44,766
Auditors' remuneration	16	74,936	74,936	75,000	224,872
Printing charges		18,549	18,551	18,527	55,627
Legal and professional charges		45,357	47,019	59,625	152,001
Amortisation of preliminary expenses and floatation costs		24,560	24,562	24,616	73,738
Charity expense		49,095	-	-	49,095
Bank charges		857	5,676	1,567	8,100
Provision for Sindh Workers' Welfare Fund	11.1	-	29,911	28,862	58,773
Total expenses		<u>1,024,337</u>	<u>982,304</u>	<u>1,064,061</u>	<u>3,070,702</u>
Net (loss) / income for the year before taxation		<u>(8,546,606)</u>	<u>1,464,616</u>	<u>1,414,284</u>	<u>(5,667,706)</u>
Taxation	3.6	-	-	-	-
Net (loss) / income for the year after taxation		<u>(8,546,606)</u>	<u>1,464,616</u>	<u>1,414,284</u>	<u>(5,667,706)</u>

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

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC PENSION FUND
STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2020

2020				
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
----- (Rupees) -----				
Net income for the year after taxation	691,879	3,773,678	3,846,729	8,312,286
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	<u>691,879</u>	<u>3,773,678</u>	<u>3,846,729</u>	<u>8,312,286</u>

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

For Alfalah GHP Investment Management Limited
 (Management Company)

 Chief Executive Officer

 Chief Financial Officer

 Director

ALFALAH GHP ISLAMIC PENSION FUND
STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2019

	2019			Total
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	
	----- (Rupees) -----			
Net (loss) / income for the year after taxation	(8,546,606)	1,464,616	1,414,284	(5,667,706)
Other comprehensive income	-	-	-	-
Total comprehensive (loss) / income for the year	<u>(8,546,606)</u>	<u>1,464,616</u>	<u>1,414,284</u>	<u>(5,667,706)</u>

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

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC PENSION FUND

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2020

	2020				Total
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	
----- (Rupees) -----					
CASH FLOW FROM OPERATING ACTIVITIES					
Net income for the year before taxation	691,879	3,773,678	3,846,729	-	8,312,286
Adjustments for:					
Unrealised loss on revaluation of investments classified as 'financial assets at fair value through profit or loss' - net	1,542,242	(208,587)	-	-	1,333,655
Amortisation of preliminary expenses and floatation costs	8,888	8,886	8,832	-	26,606
Provision for Sindh Workers' Welfare Fund	14,120	77,010	78,505	-	169,635
	2,257,129	3,650,987	3,934,066	-	9,842,182
(Increase) / decrease in assets					
Investments - net	(12,120,021)	(11,976,447)	6,892,099	-	(17,204,369)
Security deposit with Central Depository Company of Pakistan Limited - Trustee	-	-	-	-	-
Dividend and other receivables	688,644	(819,133)	(199,883)	-	(330,372)
	(11,431,377)	(12,795,580)	6,692,216	-	(17,534,741)
Increase / (decrease) in liabilities					
Payable against redemption of units	-	-	-	-	-
Payable to the Pension Fund Manager	15,000	14,397	7,793	-	37,190
Payable to the Trustee	(167)	931	(237)	-	527
Annual fee payable to the Securities and Exchange Commission of Pakistan	687	1,202	1,561	-	3,450
Accrued expenses and other liabilities	36,808	35,708	(12,150)	-	60,366
	52,328	52,238	(3,033)	-	101,533
Net cash (used in) / generated from operating activities	(9,121,920)	(9,092,355)	10,623,249	-	(7,591,026)
CASH FLOW FROM FINANCING ACTIVITIES					
Amount received on issuance of units	24,969,706	16,067,909	25,725,842	-	66,763,457
Payments made against redemption of units	(14,172,063)	(9,033,447)	(25,356,583)	-	(48,562,093)
Net cash generated from financing activities	10,797,643	7,034,462	369,259	-	18,201,364
Net increase / (decrease) in cash and cash equivalents	1,675,723	(2,057,893)	10,992,508	-	10,610,338
Cash and cash equivalents at the beginning of the year	2,039,028	25,076,404	39,856,876	20,099	66,992,407
Cash and cash equivalents at the end of the year	<u>3,714,751</u>	<u>23,018,511</u>	<u>50,849,384</u>	<u>20,099</u>	<u>77,602,745</u>

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

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC PENSION FUND

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2019

2019					
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	
----- (Rupees) -----					
CASH FLOW FROM OPERATING ACTIVITIES					
Net (loss) / income for the year before taxation	(8,546,606)	1,464,616	1,414,284	-	(5,667,706)
Adjustments for:					
Unrealised loss on revaluation of investments classified as 'financial assets at fair value through profit or loss' - net	8,909,656	253,409	252,800	-	9,415,865
Amortisation of preliminary expenses and floatation costs	24,560	24,562	24,616	-	73,738
Provision for Sindh Workers' Welfare Fund	-	29,911	28,862	-	58,773
	387,610	1,772,498	1,720,562	-	3,880,670
(Increase) / decrease in assets					
Investments - net	(10,521,362)	2,740,640	5,116,200	-	(2,664,522)
Security deposit with Central Depository Company of Pakistan Limited - Trustee	-	-	(100,000)	-	(100,000)
Dividend and other receivables	(917,185)	(23,483)	(388,214)	-	(1,328,882)
	(11,438,547)	2,717,157	4,627,986	-	(4,093,404)
Increase / (decrease) in liabilities					
Payable against redemption of units	-	(329,556)	(26,978)	-	(356,534)
Payable to the Pension Fund Manager	4,043	6,764	23,661	-	34,468
Payable to the Trustee	(1,742)	(734)	4,652	-	2,176
Annual fee payable to the Securities and Exchange Commission of Pakistan	805	1,057	2,763	-	4,625
Accrued expenses and other liabilities	53,960	(13,248)	(2,236)	-	38,476
	57,066	(335,717)	1,862	-	(276,789)
Net cash (used in) / generated from operating activities	(10,993,871)	4,153,938	6,350,410	-	(489,523)
CASH FLOW FROM FINANCING ACTIVITIES					
Amount received on issuance of units	19,429,319	11,386,287	18,150,568	-	48,966,174
Payments made against redemption of units	(10,614,273)	(10,481,570)	(1,978,626)	-	(23,074,469)
Net cash generated from financing activities	8,815,046	904,717	16,171,942	-	25,891,705
Net (decrease) / increase in cash and cash equivalents	(2,178,825)	5,058,655	22,522,352	-	25,402,182
Cash and cash equivalents at the beginning of the year	4,217,853	20,017,749	17,334,524	20,099	41,590,225
Cash and cash equivalents at the end of the year	2,039,028	25,076,404	39,856,876	20,099	66,992,407

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

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC PENSION FUND
STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

Note	2020			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- (Rupees) -----			
Net assets at the beginning of the year	39,583,536	42,244,654	49,924,201	131,752,391
Issuance of units	13 24,969,706	16,067,909	25,725,842	66,763,457
Redemption of units	(14,172,063)	(9,033,447)	(25,356,583)	(48,562,093)
	10,797,643	7,034,462	369,259	18,201,364
Gain / (loss) on sale of investments classified as financial assets at fair value through profit or loss' - net	1,235,013	146,915	249,000	1,630,928
Unrealised gain / (loss) on revaluation of investments classified as financial assets 'at fair value through profit or loss' - net	(1,542,242)	208,587	-	(1,333,655)
Other income (net of expenses)	999,108	3,418,176	3,597,729	8,015,013
Total comprehensive income for the year	691,879	3,773,678	3,846,729	8,312,286
Net assets at the end of the year	<u>51,073,058</u>	<u>53,052,794</u>	<u>54,140,189</u>	<u>158,266,041</u>

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

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC PENSION FUND
STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

Note	2019			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- (Rupees) -----			
Net assets at the beginning of the year	39,315,096	39,875,321	32,337,975	111,528,392
Issuance of units	13 19,429,319	11,386,287	18,150,568	48,966,174
Redemption of units	(10,614,273)	(10,481,570)	(1,978,626)	(23,074,469)
	8,815,046	904,717	16,171,942	25,891,705
Loss on sale of investments classified as financial assets 'at fair value through profit or loss' - net	(877,598)	(30,400)	(57,000)	(964,998)
Unrealised loss on revaluation of investments classified as financial assets 'at fair value through profit or loss' - net	(8,909,656)	(253,409)	(252,800)	(9,415,865)
Other income (net of expenses)	1,240,648	1,748,425	1,724,084	4,713,157
Total comprehensive (loss) / income for the year	(8,546,606)	1,464,616	1,414,284	(5,667,706)
Net assets at the end of the year	<u>39,583,536</u>	<u>42,244,654</u>	<u>49,924,201</u>	<u>131,752,391</u>

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

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC PENSION FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENT

FOR THE YEAR ENDED JUNE 30, 2020

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Alfalah GHP Islamic Pension Fund (the Fund) was established under a Trust deed executed between Alfalah GHP Investment Management Limited (AGIML) as Pension Fund Manager and the Central Depository Company of Pakistan Limited (the CDC) as Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (the SECP) on September 26, 2016 and was executed on October 06, 2016 under the Voluntary Pension System Rules, 2005 (VPS Rules). The Fund was authorized by the SECP as a Pension Fund on November 28, 2016. The Pension Fund Manager of the Fund has been licensed to act as a Pension Fund Manager under the VPS rules through a certificate of registration issued by the SECP. The registered office of the Pension Fund Manager is situated at 8th Floor, Executive Tower, Dolmen Mall, Block-4, Clifton, Karachi.
- 1.2** The objective of the Fund is to provide participants with a portable, individualized, Shariah compliant, funded (based on defined contribution) and flexible pension scheme which is managed by professional investment manager to assist them to plan and provide for their retirement. The design of the scheme empowers the participants to decide how much to invest in their pensions and how to invest it, as well as to continue investing in their pension accounts even if they change jobs.
- 1.3** Title to the assets of the Fund is held in the name of the Central Depository Company of Pakistan Limited as Trustee of the Fund.
- 1.4** All operational, management and investment activities of the Fund are undertaken in accordance with the Islamic Shariah guidelines provided by the Shariah Advisor. The Fund operates under an umbrella structure and is composed of Sub-Funds, each being a collective investment scheme. At present, the Fund consists of the following three sub-funds:

AGIPF - Equity Sub-Fund (AGIPF - ESF)

The Equity sub-fund consists of a minimum 90% of net assets invested in listed equity securities during the year based on quarterly average investment calculated on a daily basis, investment in a single company is restricted to lower of 10% of Net Asset Value (NAV) of equity sub-fund or paid-up capital of the investee company (subject to the conditions prescribed in the offering document to the Fund). Remaining assets of the Equity Sub-Fund may be invested in any government treasury bills or government securities having less than one year time maturity, or be deposited with scheduled Islamic commercial banks having at least 'A' rating or Islamic windows of commercial banks having at least 'AA' rating.

AGIPF - Debt Sub-Fund (AGIPF - DSF)

The Debt Sub-Fund consists of Shariah compliant tradeable debt securities with weighted average time to maturity of the investment portfolio of the sub-fund not exceeding 5 years. At least 25% of the net assets of Debt Sub-Fund shall be invested in debt securities issued by the Federal Government. Upto 25% may be deposited with scheduled Islamic banks having not less than 'A+' rating or Islamic windows of commercial banks having not less than 'AA' rating. Investment in securities issued by companies of a single sector shall not exceed 20% except for banking sector for which the exposure limit shall be up to 30% of net assets of Debt Sub-Fund. Deposit in a single bank shall not exceed 20% of net assets of the debt sub-fund. Composition of the remaining portion of the investments shall be as defined in the offering document to the Fund.

AGIPF - Money Market Sub-Fund (AGIPF - MMSF)

The Money Market Sub-Fund consists of Shariah compliant short-term money market securities with weighted average time to maturity not exceeding one year. There is no restriction on the amount of investment in securities issued by the Federal Government and Islamic windows of commercial banks having 'A+' rating provided that deposit with any one bank shall not exceed 20% of net assets of Money Market Sub-Fund. Investment in securities issued by Provincial Government, City Government, Government Corporation with 'A' or higher rating or a corporate entity with 'A+' or higher rating shall be in proportion as defined in offering document to the Fund.

- 1.5** The Sub-Funds' units are issued against contributions by the eligible participants on a continuous basis since January 03, 2017 and can be surrendered to the Fund.
- 1.6** The participants of the Fund voluntarily determine the contribution amount subject to the minimum limit fixed by the Pension Fund Manager. Such contributions received from the participants are allocated among different Sub-Funds, in accordance with their respective preferences and in line with the prescribed allocation policy. The units held by the participants in the Sub-Funds can be redeemed on or before their retirement, and in case of disability or death subject to conditions laid down in the Trust Deed, Offering Document, the VPS Rules and the Income Tax Ordinance, 2001. According to the Trust Deed, there shall be no distribution from the Sub-Funds, and all income earned by the Sub-Funds shall be accumulated and retained in the Fund.
- 1.7** Under the provisions of the Offering Document of the Fund, contributions received from or on behalf of any Participant by Trustee in cleared funds on any business day shall be credited to the Individual Pension Account of the Participant after deducting the front-end fees, bank charges, any Takaful contribution payable in respect of any schemes selected by the Participant. The net contribution received in the Individual Pension Account shall be used to allocate such number of units of the relevant Sub-Funds in accordance with the Allocation Policy selected by the Participant and is determined in accordance with the Trust Deed and the units shall be allocated at Net Asset Value noticed by the Pension Fund Manager at the close of that business day.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

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

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

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

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

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2019. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these financial statements.

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

Amendments	Effective date (accounting periods beginning on or after)
- IAS 1 - 'Presentation of financial statements' (amendment)	January 1, 2020
- IAS 8 - 'Accounting policies, change in accounting estimates and errors' (amendment)	January 1, 2020

These amendments may impact the financial statements of the Fund on adoption. The management is currently in the process of assessing the full impact of these amendments on the financial statements of the Fund.

There are certain other new standards, interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 1, 2020. However, these are considered either to be not relevant or to not have any significant impact on the Fund's operations and, therefore, have not been detailed in these financial statements.

2.4 Critical accounting estimates and judgments

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

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification, valuation and impairment of financial assets (notes 3.2.1 and 5) and taxation (note 3.6).

2.5 Accounting convention

These financial statements have been prepared under the historical cost convention, except for investments classified as financial assets at 'fair value through profit or loss' category which are stated at fair value.

2.6 Functional and presentation currency

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

3.1 Cash and cash equivalents

Cash and cash equivalents comprise of bank balances and short term highly liquid investments with original maturity of three months or less which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. The short term investments are held for the purpose of meeting short term cash commitments rather than for investments and other purposes.

3.2 Financial assets

3.2.1 Classification and subsequent measurement

3.2.1.1 Debt instruments

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

- at amortised cost
- at fair value through other comprehensive income (FVOCI) or;
- at fair value through profit or loss (FVPL) based on the business model of the entity

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

3.2.1.2 Equity instruments

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

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

The dividend income for equity securities classified under FVPL are recognised in the Income Statement.

3.2.2 Impairment

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

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

3.2.2.1 Impairment on debt securities

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

As allowed by the SECP, the Management Company may make provision against debt securities over and above the minimum provision requirement prescribed by the SECP, in accordance with the provisioning policy duly approved by the Board of Directors.

3.2.3 Regular way contracts

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

3.2.4 Initial recognition and measurement

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

3.2.5 Derecognition

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

3.2.6 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.

3.3 Financial liabilities

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

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

3.4 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are only offset and the net amount reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognized amount and the Fund intends to either settle on a net basis, or to realize the asset and settle the liability simultaneously.

3.5 Provisions

A provision is recognized in the statement of assets and liabilities when the Fund has a legal or constructive obligation as result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are regularly reviewed and are adjusted to reflect the current best estimate.

3.6 Taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxes after taking into account tax credits and rebates, if any. The charge for current tax is calculated using the prevailing tax rates.

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, for the purpose of determining distribution of at least 90 percent of the accounting income, the income distributed through bonus units shall not be taken into account.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Moreover, super tax introduced in the Finance Act, 2015 is also not applicable on funds (Section 4B of the Income Tax Ordinance, 2001).

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. The deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on enacted tax rates.

3.7 Revenue recognition

- Gains / (losses) arising on sale of investments are recorded at the date at which the transaction takes place.
- Unrealised gains or losses arising on revaluation of investments classified as financial assets at fair value through profit or loss are included in the income statement in the year in which these arise.
- Income on sukuk certificates, government securities and commercial papers is recognised on a time proportion basis using the effective yield method.
- Dividend income is recognised when the right to receive the dividend is established. i.e. on the date of commencement of book closure of the investee company institution declaring the dividend.
- Profit on saving account with banks is recognised on a time proportion basis using the effective yield method.

3.8 Expenses

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

3.9 Issue, allocation, reallocation and redemption of units

Contributions received from the participants are allocated to the Sub-Funds on the basis of the allocation scheme selected by each participant out of the allocation schemes offered by the pension fund manager. The Net Asset Value (NAV) per unit of each Sub-Fund is determined at the close of each business day, according to the procedures outline in the VPS Rules and are applicable for allocation of units in each Sub-Fund for all the contribution amount realized and credited in collection account of the Sub-Fund during the business hours' in that business day.

The Pension Fund Manager makes reallocation of the units between the Sub-Funds at least once a year to ensure that the allocations of the units of all the participants are according to the allocation scheme selected by the participants.

All Sub-Funds units are automatically redeemed at the close of the dealing day at which the retirement date falls or death of a participant has been confirmed. The participants may also withdraw from the scheme prior to retirement. The redemption from the respective Sub-Fund is made at the Net Asset Value per unit prevailing at the close of the dealing day on which the request is received, subject to deduction of zakat and taxes as applicable

In case of partial withdrawals, units are redeemed on a pro rata basis by ensuring that the remaining units are in accordance with the allocation scheme last selected by the participant.

Proceeds received on issuance and paid on redemption of units are reflected in the participants' Sub-Funds. The voluntary pension system rules, 2005 specify that the distribution of dividend shall not be allowed for pension funds and return to participants is, therefore, only possible through redemption of units which is based on the Net Asset Value (NAV). Hence, the management believes that creation of income equalization mechanism through separate recording of "element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed" is not required.

3.10 Net asset value (NAV) per unit

The net asset value (NAV) per unit for each sub-fund, as disclosed in the statement of assets and liabilities is calculated by dividing the net assets of the respective sub-fund by the number of units in issue of the respective sub-fund at the year end.

3.11 Earnings / (loss) per unit

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

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

3.12 Foreign currency translation

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

4. BANK BALANCES

	Note	2020				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others (Note 4.1)	Total
		(Rupees)				
Current account	4.2	-	65,490	-	-	65,490
Saving accounts	4.1 & 4.3	3,714,751	22,953,021	50,849,384	20,099	77,537,255
		<u>3,714,751</u>	<u>23,018,511</u>	<u>50,849,384</u>	<u>20,099</u>	<u>77,602,745</u>
		2019				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others (Note 4.1)	Total
		(Rupees)				
Current account	4.2	-	20,000	-	-	20,000
Saving accounts	4.1 & 4.3	2,039,028	25,056,404	39,856,876	20,099	66,972,407
		<u>2,039,028</u>	<u>25,076,404</u>	<u>39,856,876</u>	<u>20,099</u>	<u>66,992,407</u>

4.1 These represent collection and redemption accounts maintained with Bank Alfalah Limited (a related party).

4.2 This represents current account maintained with Bank Alfalah Limited (a related party).

4.3 These accounts carry expected rates of return ranging from 3.25% to 13.60% (2019: 4.75% to 13.60%) per annum. It includes bank balances in aggregate to Rs. 5.539 million (2019: Rs. 18.166 million) maintained with Bank Alfalah Limited (a related party).

5. INVESTMENTS - at fair value through profit or loss

Note	2020				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
	(Rupees)				
fair value through profit or loss'					
Listed Equity Securities	47,127,426	-	-	-	47,127,426
GOP Ijara - Sukuk	-	10,023,000	-	-	10,023,000
Corporate sukus	-	18,977,585	-	-	18,977,585
Commercial Papers	-	-	2,795,901	-	2,795,901
	<u>47,127,426</u>	<u>29,000,585</u>	<u>2,795,901</u>	<u>-</u>	<u>78,923,912</u>
	(Rupees)				
fair value through profit or loss'					
Listed Equity Securities	36,549,647	-	-	-	36,549,647
GOP Ijara - Sukuk	-	11,532,000	7,688,000	-	19,220,000
Corporate sukus	-	5,283,551	2,000,000	-	7,283,551
	<u>36,549,647</u>	<u>16,815,551</u>	<u>9,688,000</u>	<u>-</u>	<u>63,053,198</u>

5.1 Equity Sub Fund - Listed equity securities - at fair value through profit or loss

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

Name of the investee company	As at July 01, 2019	Purchases during the year	Bonus / Right shares received during the year	Sold during the year	As at June 30, 2020	Carrying Value as at June 30, 2020	Market Value as at June 30, 2020	Unrealised gain / (loss) as at June 30, 2020	Market value as a percentage of		Holding as a percentage of paid-up capital of investee company
									Net assets	Total Investments	
	(Number of shares)					(Rupees)			(Percentage)		
Commercial banks											
Meezan Bank Limited	21,430	11,000	-	3,000	29,430	2,576,308	2,026,256	(550,052)	3.97%	4.30%	0.00%
Bankislami Pakistan Limited	-	23,500	-	15,000	8,500	110,838	64,260	(46,578)	0.13%	0.14%	0.00%
						<u>2,687,146</u>	<u>2,090,516</u>	<u>(596,630)</u>	<u>4.10%</u>	<u>4.44%</u>	
Textile composite											
Nishat Mills Limited	18,100	2,500	-	9,000	11,600	1,077,716	904,916	(172,800)	1.77%	1.92%	0.00%
Kohinoor Textile Mills Limited	-	7,500	-	-	7,500	303,800	266,325	(37,475)	0.52%	0.57%	0.00%
Interloop Limited	-	14,000	-	10,500	3,500	148,427	153,720	5,293	0.30%	0.33%	0.00%
						<u>1,529,943</u>	<u>1,324,961</u>	<u>(204,982)</u>	<u>1.77%</u>	<u>1.92%</u>	
Cement											
Fauji Cement Company Limited	15,000	32,500	-	33,500	14,000	255,500	236,320	(19,180)	0.46%	0.50%	0.00%
D.G Khan Cement Company Limited	11,800	12,000	-	9,000	14,800	1,036,324	1,262,884	226,560	2.47%	2.68%	0.00%
Lucky Cement Limited	6,260	7,300	-	4,500	9,060	3,959,772	4,181,915	222,143	8.19%	8.87%	0.00%
Kohat Cement Limited	3,000	2,500	-	2,000	3,500	294,518	481,075	186,557	0.94%	1.02%	0.00%
Maple Leaf Cement Company Limited	21,162	27,762	-	25,500	23,424	476,472	608,556	132,084	1.19%	1.29%	0.00%
Pioneer Cement	-	6,000	-	-	6,000	250,670	378,240	127,570	0.74%	0.80%	0.00%
Attock Cemet (Pakistan) Limited	-	1,000	-	-	1,000	111,490	124,630	13,140	0.24%	0.26%	0.00%
Cherat Cement Company Limited	-	7,000	-	-	7,000	556,810	610,190	53,380	1.19%	1.29%	0.00%
						<u>6,941,556</u>	<u>7,883,810</u>	<u>942,254</u>	<u>15.42%</u>	<u>16.71%</u>	
Power generation and distribution											
Hub Power Company Limited	47,908	22,500	-	11,000	59,408	5,016,140	4,307,080	(709,060)	8.43%	9.14%	0.00%
Kot Addu Power Company Limited	30,100	-	-	30,100	-	-	-	-	0.00%	0.00%	0.00%
K-Electric Limited (Face value Rs 3.5 per share)	-	60,000	-	-	60,000	242,410	180,600	(61,810)	0.35%	0.38%	0.00%
						<u>5,258,550</u>	<u>4,487,680</u>	<u>(770,870)</u>	<u>8.78%</u>	<u>9.52%</u>	
Oil & gas marketing companies											
Pakistan State Oil Company Limited	6,397	7,200	1,379	-	14,976	2,468,134	2,368,604	(99,530)	4.64%	5.03%	0.00%
Attock Petroleum Limited	-	300	-	-	300	113,690	91,560	(22,130)	0.18%	0.19%	0.00%
Sui Southern Gas Company Limited	-	3,000	-	3,000	-	-	-	-	0.00%	0.00%	0.00%
Sui Northern Gas Pipelines Limited	17,550	10,500	-	11,000	17,050	1,175,821	930,930	(244,891)	1.82%	1.98%	0.00%
						<u>3,757,645</u>	<u>3,391,094</u>	<u>(366,551)</u>	<u>6.64%</u>	<u>7.20%</u>	

Name of the investee company	As at July 01, 2019	Purchases during the year	Bonus / Right shares received during the year	Sold during the year	As at June 30, 2020	Carrying Value as at June 30, 2020	Market Value as at June 30, 2020	Unrealised gain / (loss) as at June 30, 2020	Market value as a percentage of		Holding as a percentage of paid-up capital of investee company
									Net assets	Total Investments	
						(Rupees)			(Percentage)		
Oil & gas exploration companies											
Mari Petroleum Company Limited	2,167	1,620	292	2,300	1,779	1,731,464	2,200,000	468,536	4.31%	4.67%	0.00%
Oil and Gas Development Company Limited	29,400	11,900	-	4,500	36,800	4,783,720	4,011,200	(772,520)	7.85%	8.51%	0.00%
Pakistan Oilfields Limited	5,634	1,800	-	800	6,634	2,674,412	2,326,079	(348,333)	4.55%	4.94%	0.00%
Pakistan Petroleum Limited	23,720	18,500	6,544	7,100	41,664	4,647,249	3,615,602	(1,031,647)	7.08%	7.67%	0.00%
						13,836,845	12,152,881	(1,683,964)	23.79%	25.79%	
Engineering											
Mughal Iron and Steel Industries Limited	-	11,000	-	-	11,000	461,395	438,680	(22,715)	0.86%	0.93%	0.00%
International Industries Limited	2,800	3,600	230	4,000	2,630	235,738	241,250	5,512	0.47%	0.51%	0.00%
International Steels Limited	5,950	8,000	-	3,000	10,950	492,639	565,568	72,929	1.11%	1.20%	0.00%
						1,189,772	1,245,498	55,726	2.44%	2.64%	
Automobile assembler											
Millat Tractors Limited	200	-	25	-	225	172,476	158,886	(13,590)	0.31%	0.34%	0.00%
Honda Atlas Cars (Pakistan) Limited	-	1,300	-	-	1,300	282,900	251,784	(31,116)	0.49%	0.53%	0.00%
						455,376	410,670	(44,706)	0.80%	0.87%	
Transport											
Pakistan National Shipping Corporation	-	3,000	-	-	3,000	235,500	226,680	(8,820)	0.44%	0.48%	0.01%
						235,500	226,680	(8,820)	0.44%	0.48%	
Automobile parts & accessories											
Thal Limited (Face Value of Rs. 5)	550	1,000	-	600	950	295,169	308,693	13,524	0.60%	0.53%	0.00%
						295,169	308,693	13,524	0.60%	0.53%	
Fertilizer											
Engro Corporation Limited	14,190	7,100	-	5,000	16,290	4,617,572	4,771,667	154,095	9.34%	10.13%	0.00%
Engro Fertilizer Limited	38,700	23,000	-	30,500	31,200	2,046,150	1,880,736	(165,414)	3.68%	3.99%	0.00%
Fauji Fertilizer Company Limited	13,000	-	-	6,500	6,500	566,800	714,935	148,135	1.40%	1.52%	0.00%
						7,230,522	7,367,338	136,816	14.42%	15.64%	
Inv. Banks / Inv. Cos. / Securities Cos.											
Dawood Hercules Corporation Limited	150	6,500	-	-	6,650	1,074,903	850,668	(224,235)	1.67%	1.81%	0.00%
						1,074,903	850,668	(224,235)	1.67%	1.81%	
Pharmaceuticals											
The Searle Company Limited	2,288	4,300	-	500	6,088	971,064	1,212,912	241,848	2.37%	2.57%	0.00%
Hignoon Laboratories Limited	-	700	50	-	750	368,118	375,960	7,842	0.74%	0.80%	0.00%
AGP Limited	-	1,500	-	1,500	-	-	-	-	0.00%	0.00%	0.00%
						1,339,182	1,588,872	249,690	3.11%	3.37%	
Chemicals											
Engro Polymer and Chemicals Limited	41,500	34,000	-	40,000	35,500	927,232	886,790	(40,442)	1.74%	1.88%	0.00%
I.C.I. Pakistan Limited	160	600	-	-	760	512,467	528,217	15,750	1.03%	1.12%	0.00%
Lotte Chemical Pakistan Limited	-	25,000	-	-	25,000	245,000	248,750	3,750	0.49%	0.53%	0.00%
						1,684,699	1,663,757	(20,942)	3.26%	3.53%	
Paper & board											
Packages Limited	80	-	-	-	80	24,045	27,777	3,732	0.05%	0.06%	0.00%
						24,045	27,777	3,732	0.05%	0.06%	
Foods & personal care products											
Treet Corporation Limited	120	-	-	-	120	1,831	2,143	312	0.00%	0.00%	0.00%
At-Tahir Limited	-	6,500	-	-	6,500	120,145	111,995	(8,150)	0.22%	0.24%	0.00%
						121,976	114,138	(7,838)	0.22%	0.24%	
Miscellaneous											
Synthetic Products Enterprises Limited	200	-	8	-	208	4,438	8,649	4,211	0.02%	0.02%	0.00%
						4,438	8,649	4,211	0.02%	0.02%	
Technology & communication											
Systems Limited	3,300	9,500	-	2,000	10,800	1,002,401	1,983,744	981,343	3.88%	4.21%	0.01%
						1,002,401	1,983,744	981,343	3.88%	4.21%	
As at June 30, 2020						48,669,668	47,127,426	(1,542,242)			
As at June 30, 2019						45,459,303	36,549,647	(8,909,656)			

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

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

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

Further the Finance Act, 2018 effective from July 1, 2018 has omitted Section 236M of Income Tax Ordinance, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold five percent of the bonus shares to be issued. Therefore, bonus shares issued to the Fund since July 1, 2018 were not withheld by the investee companies.

As at June 30, 2020, the following bonus shares of the Fund were withheld by certain companies at the time of declaration of the bonus shares.

Name of the Company	2020		2019	
	Bonus Shares			
	Number	Market value	Number	Market value
		(Rupees)		(Rupees)
Treet Corporation Limited	36	648	36	540
Synthetic Product Limited	54	2184	50	1,100
Pakistan State Oil Company Limited	53	6952	37	6,290
The Searle Company Limited	36	7164	36	5,292
		<u>16,948</u>		<u>13,222</u>

5.2 Government of Pakistan (GOP) - Ijara Sukuks - at fair value through profit or loss

5.2.1 Debt Sub Fund

Particulars	Face Value				June 30, 2020			Market value as a percentage of net assets of Sub-Fund
	As at July 01, 2019	Purchased during the year	Disposed off during the year	Maturities during the year	As at June 30, 2020	Carrying value	Market value	
	(Rupees)							
GOP Ijara Sukuk-3 years (June 30, 2017)	12,000,000	-	12,000,000	-	-	-	-	-
GOP Ijara Sukuk-5 years (April 30, 2020)	-	30,000,000	30,000,000	-	-	-	-	-
GOP Ijara Sukuk-5 years (May 29, 2020)	-	25,000,000	25,000,000	-	-	-	-	-
GOP Ijara Sukuk-5 years (June 24, 2020)	-	10,000,000	-	-	10,000,000	9,985,599	10,023,000	37,401
Total as at June 30, 2020	<u>12,000,000</u>	<u>65,000,000</u>	<u>67,000,000</u>	<u>-</u>	<u>10,000,000</u>	<u>9,985,599</u>	<u>10,023,000</u>	<u>37,401</u>
Total as at June 30, 2019	<u>20,000,000</u>	<u>-</u>	<u>-</u>	<u>8,000,000</u>	<u>12,000,000</u>	<u>11,779,200</u>	<u>11,532,000</u>	<u>(247,200)</u>

5.2.1.1 These Sukuks carry effective yield ranging from 5.24% to 7.64% (2019: 5.24% to 6.33%) per annum with maturities upto June 24, 2025 (2019: June 30, 2020).

5.2.2 Money Market Sub Fund

Particulars	Face Value				June 30, 2020			Market value as a percentage of net assets of Sub-Fund	
	As at July 01, 2019	Purchased during the year	Disposed off during the year	Maturities during the year	As at June 30, 2020	Carrying value	Market value		Unrealised gain / (loss)
----- (Rupees) -----									
GOP Ijara Sukuk-5 years (April 30, 2020)	-	8,000,000	8,000,000	-	-	-	-	-	-
GOP Ijara Sukuk-5 years (May 29, 2020)	-	5,000,000	5,000,000	-	-	-	-	-	-
GOP Ijara Sukuk-3 years (June 30, 2017)	8,000,000	-	-	8,000,000	-	-	-	-	-
Total as at June 30, 2020	8,000,000	13,000,000	13,000,000	8,000,000	-	-	-	-	-
Total as at June 30, 2019	15,000,000	308,000,000	-	315,000,000	8,000,000	7,940,800	7,688,000	(252,800)	-

5.3 Corporate sukus - at fair value through profit or loss

5.3.1 Debt Sub Fund

Particulars	Yield per annum	Maturity date	Face Value				June 30, 2020			Market value as a percentage of net assets of Sub-Fund	
			As at July 01, 2019	Purchased during the year	Disposed off during the year	Maturities during the year	As at June 30, 2020	Carrying value	Market value		Unrealised loss
----- (Rupees) -----											
Meezan Bank Limited	6 Months Kibor + 0.50%	September 22, 2026	2,000,000	-	-	-	2,000,000	2,001,482	2,050,000	48,518	3.86%
International Brands Limited	3 Months Kibor + 0.50%	November 15, 2021	800,000	600,000	-	-	1,400,000	979,516	990,668	11,152	1.87%
The Hub Power Company Limited	3 Month KIBOR + 1%	27-Nov-19	2,500,000	2,500,000	-	5,000,000	-	-	-	-	-
The Hub Power Company Limited	3 Month KIBOR + 1%	2-Oct-19	2,500,000	-	-	2,500,000	-	-	-	-	-
The Hub Power Company Limited	3 Months Kibor + 1.9%	22-Aug-23	-	2,500,000	-	-	2,500,000	2,522,929	2,553,621	30,692	4.81%
Dubai Islamic Bank Limited	6 Month KIBOR + 0.50%	14-Jul-27	-	2,000,000	-	-	2,000,000	2,002,132	2,052,468	50,336	3.87%
Engro Power Gen Thar PVT Limited	3 Month KIBOR + 1.10%	2-Aug-24	-	500,000	-	-	500,000	1,000,765	1,003,000	2,235	1.89%
Dawood Hercules	3 Months KIBOR + 1%	16-Nov-22	-	3,200,000	-	-	3,200,000	2,793,816	2,827,808	33,992	5.33%
Pakistan Energy Sukuk	6 Months KIBOR - 0.1%	22-May-30	-	7,500,000	-	-	7,500,000	7,505,739	7,500,000	(5,739)	14.14%
Total as at June 30, 2020								18,806,379	18,977,565	171,186	
Total as at June 30, 2019								5,289,760	5,283,551	(6,209)	

5.3.1.1 These Sukuks carry effective yield 8.02% to 15.15% (2019 : 11.03% to 12.13%) per annum with maturities upto September 22, 2026 (2019: September 22, 2026).

Particulars	Yield per annum	Maturity date	Face Value				June 30, 2020			Market value as a percentage of net assets of Sub-Fund	
			As at July 01, 2019	Purchased during the year	Disposed off during the year	Maturities during the year	As at June 30, 2020	Carrying value	Market value		Unrealised loss
(Rupees)											
The Hub Power Company Limited	3 Month KIBOR + 1%	27-Nov-19	2,500,000	2,000,000	2,000,000	2,500,000	-	-	-	-	-
The Hub Power Company Limited	3 Month KIBOR + 1%	2-Oct-19	2,500,000	-	-	2,500,000	-	-	-	-	-
Total as at June 30, 2020											
Total as at June 30, 2019											

5.4 Money Market Sub Fund

Commercial papers - 'at fair value through profit and loss'

Name of the investee company	Rate of Return per annum	Maturity date	As at July 01, 2019	Purchased during the period	Matured / sold during the period	As at June 30, 2020	Balance as at June 30, 2020			Market value as a percentage of net assets of Sub-Fund
							Carrying Value	Market Value	Unrealised gain / (loss)	
No. of Certificates ----- Rupees -----										
K-Electric	6 Month KIBOR + 1.15%	13-Aug-20	-	3,000,000	-	3,000,000	2,795,901	2,795,901	-	5.16%
Total as at June 30, 2020										
Total as at June 30, 2019										

5.5 Non compliant investments

Name of non compliant investment	Type of investment	Note	Value of Investment before provision	Provision balance as on July 01, 2019	Provision during the year	Provision balance as on June 30, 2020	Value of investment after provision	Fair value as a percentage of:		Credit rating
								Net assets	Gross assets	
(Rupees)										
K-Electric	Commercial papers	5.5.1	2,795,901	-	-	-	2,795,901	5.16%	5.14%	A1+

5.6 Net unrealised gain / (loss) on revaluation of investments classified as 'financial assets at fair value through profit and loss'

Particulars	2020			Total
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	
(Rupees)				
Market value of investments	47,127,426	29,000,565	2,795,901	78,923,892
Less: carrying value of investments	48,669,668	28,791,978	2,795,901	80,257,547
	(1,542,242)	208,587	-	(1,333,655)
Particulars	2019			Total
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	
(Rupees)				
Market value of investments	36,549,647	16,815,551	9,688,000	63,053,198
Less: carrying value of investments	45,459,303	17,068,960	9,940,800	72,469,063
	(8,909,656)	(253,409)	(252,800)	(9,415,865)

6. DIVIDEND AND OTHER RECEIVABLES

Note	2020				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
	(Rupees)				
Profit receivable on:					
- Bank balances	15,493	572,336	527,756	-	1,115,585
- Corporate Sukuks	-	654,074	154,698	-	808,772
- GoP ijara Sukuks	-	19,861	4	-	19,865
Dividend receivable	389,368	-	-	-	389,368
Advance tax	12,395	6,029	7,956	51	26,431
	<u>417,256</u>	<u>1,252,300</u>	<u>690,414</u>	<u>51</u>	<u>2,360,021</u>

Note	2019				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
	(Rupees)				
Profit receivable on:					
- Bank balances	56,801	290,884	220,249	-	567,934
- Corporate Sukuks	-	134,505	60,150	-	194,655
- GoP ijara Sukuks	-	1,739	210,132	-	211,871
Dividend receivable	234,569	-	-	-	234,569
Receivable against sale of investments	802,135	-	-	-	802,135
Advance tax	12,395	6,039	-	51	18,485
	<u>1,105,900</u>	<u>433,167</u>	<u>490,531</u>	<u>51</u>	<u>2,029,649</u>

6.1 This includes accrued markup of Rs 21,125 (2019 : Rs 62,664) receivable from Bank Alfalah Limited (a related party).

7. PRELIMINARY EXPENSES AND FLOATATION COSTS

	2020				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
	(Rupees)				
Balance at the beginning of the year	8,888	8,886	8,832	-	26,606
Amortised during the year	8,888	8,886	8,832	-	26,606
Balance at the end of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

	2019				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
	(Rupees)				
Balance at the beginning of the year	33,448	33,448	33,448	-	100,344
Amortised during the year	24,560	24,562	24,616	-	73,738
Balance at the end of the year	<u>8,888</u>	<u>8,886</u>	<u>8,832</u>	<u>-</u>	<u>26,606</u>

7.1 Preliminary and floatation cost represent expenditure incurred prior to the commencement of the operations of the Fund. These costs are being amortised over a period of three years in accordance with the requirements set out in the Trust Deed of the Fund.

8. PAYABLE TO PENSION FUND MANAGER

8. PAYABLE TO PENSION FUND MANAGER

Note	2020					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	
	(Rupees)					
Remuneration payable to the Pension Fund Manager	8.1	62,045	65,895	67,591	-	195,531
Sindh sales tax payable on remuneration of Pension Fund Manager	8.2	8,086	8,211	8,782	-	25,079
Sales load payable	8.3	-	-	-	150	150
Other payables		-	-	-	20,000	20,000
		<u>70,131</u>	<u>74,106</u>	<u>76,373</u>	<u>20,150</u>	<u>240,760</u>

Note	2019					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	
	(Rupees)					
Remuneration payable to the Pension Fund Manager	8.1	48,789	52,843	60,690	-	162,322
Sindh sales tax payable on remuneration of Pension Fund Manager	8.2	6,342	6,866	7,890	-	21,098
Sales load payable	8.3	-	-	-	150	150
Other payables		-	-	-	20,000	20,000
		<u>55,131</u>	<u>59,709</u>	<u>68,580</u>	<u>20,150</u>	<u>203,570</u>

8.1 In accordance with the provisions of the VPS Rules, the Pension Fund Manager is entitled to a remuneration for its services by way of an annual management fee not exceeding 1.50% of the net assets of each sub-fund calculated on a daily basis. Currently, the Pension Fund Manager Fee is charged at the rate of 1.50% of the daily net assets of the sub-funds which is paid monthly in arrears.

8.2 During the year, an amount of Rs. 0.289 million (2019: Rs. 0.233 million) was charged on account of sales tax on management fee levied through the Sindh Sales Tax on Services Act, 2011 and an amount of Rs. 0.285 million (2019: Rs. 0.230 million) has been paid to the Management Company which acts as a collecting agent

8.3 In accordance with the provisions of the VPS Rules, the Pension Fund Manager is allowed to charge a maximum front-end fee of 3% of all the contributions received from a participant of the Fund. The Pension Fund Manager has accordingly charged up to a maximum front end fee of 3% during the year.

9. PAYABLE TO THE TRUSTEE

Note	2020					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	
	(Rupees)					
Trustee remuneration payable	9.1	22,158	23,764	23,774	-	69,696
Sindh sales tax payable on Trustee remuneration	9.2	2,881	3,128	3,033	-	9,042
CDS charges payable		-	-	2,183	-	2,183
		<u>25,039</u>	<u>26,892</u>	<u>28,990</u>	<u>-</u>	<u>80,921</u>

Note	2019					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	
	(Rupees)					
Trustee remuneration payable	9.1	22,306	22,396	23,998	-	68,700
Sindh sales tax payable on Trustee remuneration	9.2	2,900	2,916	3,046	-	8,862
CDS charges payable		-	649	2,183	-	2,832
		25,206	25,961	29,227	-	80,394

- 9.1 CDC being the Trustee of the Fund is entitled to a monthly remuneration for services rendered to the Sub-Fund under the provisions of the Trust Deed as per the tariff specified therein which is charged in proportion to the net assets of the pertinent Sub-Fund. The remuneration is paid to the Trustee monthly in arrears.

The tariff structure applicable to the Fund as at June 30, 2020 is as follows:

Net assets (Rupees)		Tariff
From	To	
1	1 billion	Rs. 0.3 million or 0.15% per annum of Net Assets whichever is higher
Above 1 billion	3 billion	Rs. 1.5 million plus 0.10% per annum of Net Assets on amount exceeding Rs 1 billion
Above 3 billion	6 billion	Rs. 3.5 million plus 0.08% per annum of Net Assets on amount exceeding Rs 3 billion
Above 6 billion	-	Rs. 5.9 million plus 0.06% per annum of Net Assets on amount exceeding Rs 6 billion

- 9.2 "During the year, an amount of Rs 0.039 million (2019: Rs. 0.039 million) was charged on account of sales tax on remuneration of the Trustee levied through the Sindh Sales Tax on Services Act, 2011 and an amount of Rs. 0.039 million (2019: Rs. 0.039 million) was paid to the Trustee which acts as a collecting agent.

10. ANNUAL FEE PAYABLE TO SECURITIES & EXCHANGE COMMISSION OF PAKISTAN LIMITED

This represents annual fee payable to Securities and Exchange Commission of Pakistan limited (SECP) in accordance with Rule 36 of the Voluntary Pension System Rules, 2005 whereby each Sub-Fund is required to pay to the SECP an amount equal to one thirtieth of 1% of the average annual net assets of each of the Sub - Funds.

11. ACCRUED EXPENSES AND OTHER LIABILITIES

Note	2020					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	
	(Rupees)					
Withholding tax payable	4,496	1,640	3,161	-	9,297	
Provision for Sindh Workers' Welfare Fund (SWWF)	11.1	14,120	128,611	132,029	-	274,760
Auditors remuneration payable		64,017	31,437	26,234	-	121,688
Printing charges payable		11,173	10,561	13,650	-	35,384
Brokerage expense payable		498	1,935	296	-	2,729
Sindh sales tax on brokerage expense		65	-	-	-	65
Capital value payable		55	-	-	-	55
NCCPL payable		38,869	29,471	-	-	68,340
Charity / donation payable	11.2	44,433	-	-	-	44,433
		177,726	203,655	175,370	-	556,751

Note	2019				Total
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	
	----- (Rupees) -----				
Withholding tax payable	7,347	1,431	3,166	-	11,944
Provision for Sindh Workers' Welfare Fund (SWWF)	-	51,601	53,524	-	105,125
Auditors remuneration payable	58,116	27,609	35,962	-	121,687
Printing charges payable	10,456	10,296	13,055	-	33,807
Brokerage expense payable	563	-	2,927	-	3,490
Sindh sales tax on brokerage expense	-	-	381	-	381
Payable against purchase of investments	4,700	-	-	-	4,700
Capital value payable	55	-	-	-	55
NCCPL payable	1,149	-	-	-	1,149
Charity / donation payable	44,412	-	-	-	44,412
	<u>126,798</u>	<u>90,937</u>	<u>109,015</u>	<u>-</u>	<u>326,750</u>

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

Had the provision for SWWF not been recorded in the financial statements of the Fund for the period from May 21, 2015 to June 30, 2020, the net asset value per unit of AGIPF - ESF, AGIPF - DSF and AGIPF - MMSF would have been higher by Re. Nil, Re. 0.2822 and Re. 0.2817 (2019: Re Nil, Re 0.1314 and Re 0.1152) respectively.

- 11.2 According to the instructions of the Shariah Advisor of the Fund, any income earned by the Fund from investments / portion of the investments made in non-shariah compliant avenues, should be donated for charitable purposes directly by the fund.

12. NUMBER OF UNITS IN ISSUE

	2020			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- Number of units in issue -----			
Total units in issue at the beginning of the year	578,453	392,771	464,486	1,435,710
Add: Issuance of units during the year				
Directly by participants	140,659	46,297	46,819	233,775
Transfer from other pension fund	192,168	98,421	183,896	474,485
	332,827	144,718	230,715	708,260
Less: Units redeemed during the year				
Directly by participants	(186,063)	(81,687)	(226,467)	(494,217)
Total units in issue at the end of the year	<u>725,217</u>	<u>455,802</u>	<u>468,734</u>	<u>1,649,753</u>

	2019			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- Number of units in issue -----			
Total units in issue at the beginning of the year	467,081	386,091	311,011	1,164,183
Add: Issuance of units during the year				
Directly by participants	52,489	16,970	127,828	197,287
Transfer from other pension fund	204,697	89,762	44,141	338,600
	257,186	106,732	171,969	535,887
Less: Units redeemed during the year				
Directly by participants	(145,814)	(100,052)	(18,494)	(264,360)
Total units in issue at the end of the year	578,453	392,771	464,486	1,435,710

13. CONTRIBUTION TABLE

	2020					
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund	
	Units	Rupees	Units	Rupees	Units	Rupees
Individuals	78,371	5,645,991	27,205	2,879,906	26,423	2,837,157
Employers	62,288	4,520,060	19,092	2,161,697	20,396	2,304,584
Transfer from other Pension Fund	192,168	14,803,655	98,421	11,026,306	183,896	20,584,101
	332,827	24,969,706	144,718	16,067,909	230,715	25,725,842

	2019					
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund	
	Units	Rupees	Units	Rupees	Units	Rupees
Individuals	12,941	982,023	5,586	558,647	114,167	12,096,197
Employers	39,548	2,950,121	11,384	1,069,941	13,661	1,406,970
Transfer from other Pension Fund	204,697	15,497,175	89,762	9,757,699	44,141	4,647,401
	257,186	19,429,319	106,732	11,386,287	171,969	18,150,568

14. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2020 and June 30, 2019.

15. PROFIT / MARK - UP INCOME

	2020			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- (Rupees) -----			
Profit / mark - up on:				
- Bank balances	113,251	2,883,828	4,028,226	7,025,305
- Government securities - GoP Ijarah Sukuk	-	646,812	468,479	1,115,291
- Sukuk certificates	-	1,124,338	415,310	1,539,648
	113,251	4,654,978	4,912,015	9,680,244

2019			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
----- (Rupees) -----			
Profit / mark - up on:			
- Bank balances	158,266	1,705,633	2,001,502
- Government securities - GoP Ijarah Sukuk	-	866,149	726,493
- Sukuk certificates	-	158,947	60,150
	<u>158,266</u>	<u>2,730,729</u>	<u>2,788,145</u>
			<u>5,677,140</u>

16. AUDITOR'S REMUNERATION

2020			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
----- (Rupees) -----			
Audit fee	47,000	47,000	47,000
Review and other certifications	20,000	20,000	20,000
Out of pocket expenses	11,696	14,700	16,355
Sindh sales tax	6,296	6,536	6,668
	<u>84,992</u>	<u>88,236</u>	<u>90,023</u>
			<u>263,251</u>

2019			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
----- (Rupees) -----			
Audit fee	47,000	47,000	47,000
Review and other certifications	20,000	20,000	20,000
Out of pocket expenses	2,385	2,385	2,444
Sindh sales tax	5,551	5,551	5,556
	<u>74,936</u>	<u>74,936</u>	<u>75,000</u>
			<u>224,872</u>

17. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include Alfalah GHP Investment Management Limited being the Pension Fund Manager, Funds under management of the Pension Fund Manager, GHP Beteiligungen Holding Limited, Bank Alfalah Limited and MAB Investment Incorporated being associated companies of Pension Fund Manager, Bank Alfalah Limited - Employees' Provident Fund, Bank Alfalah Limited - Employees' Gratuity Fund, Alfalah GHP Investment Management Limited - Staff Provident Fund, directors and key management personnel of Alfalah GHP Investment Management Limited and Central Depository Company of Pakistan Limited (CDC) being the trustee of the Fund, and other associated companies and connected persons. Connected persons also includes any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

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 investment and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

Remuneration to the Pension Fund Manager and the Trustee of the Fund is determined in accordance with the provisions of the VPS Rules and the Trust Deed.

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

17.1 Details of transaction with related parties during the year :

	2020				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
	(Rupees)				
Alfalsh GHP Investment Management Limited (Pension Fund Manager)					
Remuneration to Pension Fund Manager	695,882	721,504	805,176	-	2,222,562
Sindh sales tax on remuneration of the Pension Fund Manager	90,486	93,444	104,668	-	288,598
Remuneration paid	682,626	708,452	798,275	-	2,189,353
Sales load	-	-	-	18,240	18,240
Central Depository Company of Pakistan Limited (Trustee)					
Remuneration of the Trustee	92,858	98,489	109,712	-	301,059
Sindh sales tax on remuneration of the Trustee	12,071	12,838	14,279	-	39,188
Trustee remuneration paid	93,006	97,121	109,936	-	300,063
CDS charges	40,033	30,954	-	-	70,987
Bank Alfalah Limited					
Profit accrued	116,704	65,328	83,378	-	265,410
Profit received	106,823	62,564	74,898	-	244,285
Key management personnel					
Contributions	2,074,655	413,730	136,112	-	2,624,497
Contributions (number of units)	28,214	3,410	1,271	-	32,895
Redemptions	1,237,649	279,520	121,000	-	1,638,169
Redemptions (number of units)	16,036	2,721	1,133	-	19,890
	2019				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
	(Rupees)				
Alfalsh GHP Investment Management Limited (Pension Fund Manager)					
Remuneration to Pension Fund Manager	579,327	577,370	635,664	-	1,792,361
Sindh sales tax on remuneration of the Pension Fund Manager	75,312	75,055	82,636	-	233,003
Remuneration paid	579,327	577,370	635,664	-	1,792,361
Sales load	-	-	-	18,240	18,240
Central Depository Company of Pakistan Limited (Trustee)					
Remuneration of the Trustee	97,191	96,832	106,574	-	300,597
Sindh sales tax on remuneration of the Trustee	12,635	12,595	13,783	-	39,013
Trustee fee paid	74,885	74,436	82,576	-	231,897
CDS charges	5,882	6,732	-	-	12,614
Sindh sales tax on CDS charges	332	317	-	-	649
Bank Alfalah Limited					
Profit accrued	45,785	155,470	275,562	-	476,817
Profit received	39,611	136,110	-	-	175,721
Key management personnel					
Contributions	2,074,655	413,730	136,112	-	2,624,497
Contributions (number of units)	28,214	3,410	1,271	-	32,895
Redemptions	1,237,649	279,520	121,000	-	1,638,169
Redemptions (number of units)	16,036	2,721	1,133	-	19,890

17.2 Details of balances with related parties as at the year:

	2020				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
	(Rupees)				
Alfalsh GHP Investment Management Limited (Pension Fund Manager)					
Pension Fund Manager remuneration payable	62,045	65,895	67,591	-	195,531
Sindh sales tax payable on remuneration of Pension Fund Manager	8,086	8,211	8,782	-	25,079
Other payable	-	-	-	20,000	20,000
Sales load payable	-	-	-	150	150
Investment at year end	21,127,350	34,918,350	34,650,930	-	90,696,630
Units held (Number of units)	300,000	300,000	300,000	-	900,000
Central Depository Company of Pakistan Limited (Trustee)					
Trustee remuneration payable	22,158	23,764	23,774	-	69,696
Sindh sales tax payable on Trustee remuneration	2,881	3,128	3,033	-	9,042
Security deposit	100,000	100,000	100,000	-	300,000
CDS charges payable	-	-	2,183	-	2,183
Bank Alfalah Limited					
Bank balance	3,566,328	1,038,588	9,141,750	20,099	13,766,765
Profit receivable on bank deposits	9,881	2,764	8,480	-	21,125
Key management personnel					
Investment at year end	4,710,836	160,042	96,445	-	4,967,323
Units held (number of units)	66,892	1,375	835	-	69,102
Participants having holding of more than 10%					
Investment at year end	-	-	-	-	-
Units held (number of units)	-	-	-	-	-
	2019				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
	(Rupees)				
Alfalsh GHP Investment Management Limited (Pension Fund Manager)					
Pension Fund Manager remuneration payable	48,789	52,843	60,690	-	162,322
Sindh sales tax payable on remuneration of Pension Fund Manager	6,342	6,866	7,890	-	21,098
Other payable	-	-	-	20,000	20,000
Sales load payable	-	-	-	150	150
Investment at period end	20,529,000	32,266,620	32,244,810	-	85,040,430
Units held (Number of units)	300,000	300,000	300,000	-	900,000
Central Depository Company of Pakistan Limited (Trustee)					
Trustee remuneration payable	22,306	22,396	23,998	-	68,700
Sindh sales tax on trustee remuneration	2,900	2,916	3,046	-	8,862
Security deposit	100,000	100,000	100,000	-	300,000
CDS charges payable	-	649	2,183	-	2,832
Sindh sales tax payable on CDS charges	-	-	-	-	-
Bank Alfalah Limited					
Bank balance	1,622,617	5,901,060	10,622,678	20,099	18,166,454
Profit receivable on bank deposits	6,174	19,360	37,130	-	62,664
Key management personnel					
Investment at year end	2,950,359	100,027	222,919	-	3,273,305
Units held (number of units)	43,115	930	2,074	-	46,119
Participants having holding of more than 10%					
Investment at year end	-	-	14,193,843	-	14,193,843
Units held (number of units)	-	-	132,057	-	132,057

18. FINANCIAL INSTRUMENTS BY CATEGORY

As at June 30, 2020, all the financial assets carried on the Statement of Assets and Liabilities are categorised either as financial assets measured at amortised cost or financial assets at fair value through profit or loss. All the financial liabilities carried on the Statement of Assets and Liabilities are categorised as financial liabilities measured at amortised cost.

2020											
Particulars	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Others	Total
	At amortised cost	At fair value through profit or loss	Sub Total	At amortised cost	At fair value through profit or loss	Sub Total	At amortised cost	At fair value through profit or loss	Sub Total	At amortised cost	
(Rupees)											
Financial assets											
Bank balances	3,714,751	-	3,714,751	23,018,511	-	23,018,511	50,849,384	-	50,849,384	20,099	77,602,745
Investments	-	47,127,426	47,127,426	-	29,000,585	29,000,585	-	2,795,901	2,795,901	-	78,923,912
Security deposit with the Central Depository Company of Pakistan Limited - Trs	100,000	-	100,000	100,000	-	100,000	100,000	-	100,000	-	300,000
Dividend and other receivables	404,861	-	404,861	1,246,271	-	1,246,271	682,458	-	682,458	-	2,333,590
	<u>4,219,612</u>	<u>47,127,426</u>	<u>51,347,038</u>	<u>24,364,782</u>	<u>29,000,585</u>	<u>53,365,367</u>	<u>51,631,842</u>	<u>2,795,901</u>	<u>54,427,743</u>	<u>20,099</u>	<u>159,160,247</u>

2020											
Particulars	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Others	Total
	At fair value through profit or loss	At amortised cost	Sub Total	At fair value through profit or loss	At amortised cost	Sub Total	At fair value through profit or loss	At amortised cost	Sub Total	At amortised cost	
(Rupees)											
Financial liabilities											
Payable to the Pension Fund Manager	-	70,131	70,131	-	74,106	74,106	-	76,373	76,373	20,150	240,760
Payable to the Trustee	-	25,039	25,039	-	26,892	26,892	-	28,990	28,990	-	80,921
Accrued expenses and other liabilities	-	158,990	158,990	-	73,404	73,404	-	40,180	40,180	-	272,574
	-	<u>254,160</u>	<u>254,160</u>	-	<u>174,402</u>	<u>174,402</u>	-	<u>145,543</u>	<u>145,543</u>	<u>20,150</u>	<u>594,255</u>

2019											
Particulars	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Others	Total
	At amortised cost	At fair value through profit or loss	Sub Total	At amortised cost	At fair value through profit or loss	Sub Total	At amortised cost	At fair value through profit or loss	Sub Total	At amortised cost	
(Rupees)											
Financial assets											
Bank balances	2,039,028	-	2,039,028	25,076,404	-	25,076,404	39,856,876	-	39,856,876	20,099	66,992,407
Investments	-	36,549,647	36,549,647	-	16,815,551	16,815,551	-	9,688,000	9,688,000	-	63,053,198
Security deposit with the Central Depository Company of Pakistan Limited - Trs	100,000	-	100,000	100,000	-	100,000	100,000	-	100,000	-	300,000
Dividend and other receivables	1,093,505	-	1,093,505	427,128	-	427,128	490,531	-	490,531	-	2,011,164
	<u>3,232,533</u>	<u>36,549,647</u>	<u>39,782,180</u>	<u>25,603,532</u>	<u>16,815,551</u>	<u>42,419,083</u>	<u>40,447,407</u>	<u>9,688,000</u>	<u>50,135,407</u>	<u>20,099</u>	<u>132,356,769</u>

2019											
Particulars	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Others	Total
	At fair value through profit or loss	At amortised cost	Sub Total	At fair value through profit or loss	At amortised cost	Sub Total	At fair value through profit or loss	At amortised cost	Sub Total	At amortised cost	
(Rupees)											
Financial liabilities											
Payable to Pension Fund Manager	-	55,131	55,131	-	59,709	59,709	-	68,580	68,580	20,150	203,570
Payable to Trustee	-	25,206	25,206	-	25,961	25,961	-	29,227	29,227	-	80,394
Accrued expenses and other liabilities	-	119,396	119,396	-	37,905	37,905	-	52,325	52,325	-	209,626
	-	<u>199,733</u>	<u>199,733</u>	-	<u>123,575</u>	<u>123,575</u>	-	<u>150,132</u>	<u>150,132</u>	<u>20,150</u>	<u>493,590</u>

19. FINANCIAL RISK MANAGEMENT

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

19.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the 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 Investment Committee and the regulations laid down by the Securities and Exchange Commission of Pakistan.

Market risk comprises of three types of risk: currency risk, profit rate risk and other price risk.

19.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. At present, the Fund is not exposed to currency risk as all the transactions are carried out in Pakistani Rupees.

19.1.2 Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market profit rates. The profit rate profile of the Fund's interest bearing financial instruments is as follows:

	2020				Total
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	
	(Rupees)				
Variable rate instruments (financial assets)					
Bank balances	3,714,751	22,953,021	50,849,384	20,099	77,537,255
Corporate Sukuks	-	18,977,565	-	-	18,977,565
	<u>3,714,751</u>	<u>41,930,586</u>	<u>50,849,384</u>	<u>20,099</u>	<u>96,514,820</u>
Fixed rate instruments (financial assets)					
Government securities - GoP Ijara Sukuk	-	10,023,000	-	-	10,023,000
Commercial Papers	-	-	2,795,901	-	2,795,901
	<u>-</u>	<u>10,023,000</u>	<u>2,795,901</u>	<u>-</u>	<u>12,818,901</u>

Sensitivity analysis of variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date with all other variables held constant the impact on net income and net assets will be as follows:

	2020			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Rupees)			
Change in basis points				
Increase in 100 basis points	37,148	419,306	508,494	964,948
Decrease in 100 basis points	(37,148)	(419,306)	(508,494)	(964,948)

	2019			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Rupees)			
Change in basis points				
Increase in 100 basis points	-	568	4,254	4,822
Decrease in 100 basis points	(568)	(568)	(4,254)	(5,390)

Sensitivity analysis of fixed rate instruments

As at June 30, 2020, the sub funds are not exposed to fair value relating to fixed rate instruments.

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

The Fund also holds balances in certain saving accounts, the interest rate of which in certain circumstances ranged between 3.25% - 13.6% per annum.

Alfalsh GHP Islamic Pension Fund - Equity Sub Fund

Particulars	2020					2019						
	Effective yield / Profit rate	Exposed to yield / Profit rate risk			Not exposed to yield / profit rate risk	Total	Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
		Upto three months	More than three months and upto one year	More than one year				Upto three months	More than three months and upto one year	More than one year		
(Rupees)						(Rupees)						
On-balance sheet financial instruments												
Financial assets												
Bank balances	3.25% - 13.6%	3,714,751	-	-	-	3,714,751	3.25% - 13.6%	2,039,028	-	-	-	2,039,028
Investments - net		-	-	-	47,127,426	47,127,426		-	-	-	36,549,647	36,549,647
Security deposit with the Central Depository Company of Pakistan Limited - Trustee		-	-	-	100,000	100,000		-	-	-	100,000	100,000
Dividend and other receivables		-	-	-	404,861	404,861		-	-	-	1,093,505	1,093,505
Sub total		3,714,751	-	-	47,632,287	51,347,038		2,039,028	-	-	37,743,152	39,782,180
Financial liabilities												
Payable to Pension Fund Manager		-	-	-	70,131	70,131		-	-	-	55,131	55,131
Payable to Trustee		-	-	-	25,039	25,039		-	-	-	25,206	25,206
Accrued expenses and other liabilities		-	-	-	158,990	158,990		-	-	-	119,396	119,396
Sub total		-	-	-	254,160	254,160		-	-	-	199,733	199,733
On-balance sheet gap		3,714,751	-	-	47,378,127	51,092,878		2,039,028	-	-	37,543,419	39,582,447
Total profit rate sensitivity gap		3,714,751	-	-	47,378,127	51,092,878		2,039,028	-	-	37,543,419	39,582,447
Cumulative profit rate sensitivity gap		3,714,751	3,714,751	3,714,751				2,039,028	2,039,028	2,039,028		

Alfalsh GHP Islamic Pension Fund - Debt Sub Fund

Particulars	2020					2019						
	Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total	Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
		Upto three months	More than three months and upto one year	More than one year				Upto three months	More than three months and upto one year	More than one year		
(Rupees)						(Rupees)						
On-balance sheet financial instruments												
Financial assets												
Bank balances	3.25% - 13.6%	22,953,021	-	-	65,490	23,018,511	3.25% - 13.6%	25,056,404	-	-	20,000	25,076,404
Investments - net	5.24% - 15.15%	9,427,565	9,550,000	-	-	18,977,565	5.24% - 12.13%	16,815,551	-	-	-	16,815,551
Security deposit with the Central Depository Company of Pakistan Limited - Trustee		-	-	-	100,000	100,000		-	-	-	100,000	100,000
Dividend and other receivables		-	-	-	1,246,271	1,246,271		-	-	-	427,128	427,128
Sub total		32,380,586	9,550,000	-	1,411,761	43,342,347		41,871,955	-	-	547,128	42,419,083
Financial liabilities												
Payable to Pension Fund Manager		-	-	-	74,106	74,106		-	-	-	59,709	59,709
Payable to Trustee		-	-	-	26,892	26,892		-	-	-	25,961	25,961
Accrued expenses and other liabilities		-	-	-	73,404	73,404		-	-	-	37,905	37,905
Sub total		-	-	-	174,402	174,402		-	-	-	123,575	123,575
On-balance sheet gap		32,380,586	9,550,000	-	1,237,359	43,167,945		41,871,955	-	-	423,553	42,295,508
Total profit rate sensitivity gap		32,380,586	9,550,000	-	1,237,359	43,167,945		41,871,955	-	-	423,553	42,295,508
Cumulative profit rate sensitivity gap		32,380,586	41,930,586	41,930,586				41,871,955	41,871,955	41,871,955		

Alfaluh GHP Islamic Pension Fund - Money Market Sub Fund

Particulars	2020						2019					
	Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total	Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
		Upto three months	More than three months and upto one year	More than one year				Upto three months	More than three months and upto one year	More than one year		
	%	(Rupees)					(Rupees)					
On-balance sheet financial instruments												
Financial assets												
Bank balances	3.25% - 13.6%	50,849,384	-	-	-	50,849,384	3.25% - 13.6%	39,856,876	-	-	-	39,856,876
Investments - net	5.24% - 14.64%	2,795,901	-	-	-	2,795,901	5.24% - 12.13%	9,688,000	-	-	-	9,688,000
Security deposit with the Central Depository Company of Pakistan Limited - Trustee		-	-	-	100,000	100,000		-	-	-	100,000	100,000
Dividend and other receivables		-	-	-	682,458	682,458		-	-	-	490,531	490,531
Sub total		53,645,285	-	-	782,458	54,427,743		49,544,876	-	-	590,531	50,135,407
Financial liabilities												
Payable to Pension Fund Manager		-	-	-	76,373	76,373		-	-	-	68,580	68,580
Payable to Trustee		-	-	-	28,990	28,990		-	-	-	29,227	29,227
Accrued expenses and other liabilities		-	-	-	40,180	40,180		-	-	-	52,325	52,325
Sub total		-	-	-	145,543	145,543		-	-	-	150,132	150,132
On-balance sheet gap		53,645,285	-	-	636,915	54,282,200		49,544,876	-	-	440,399	49,985,275
Total profit rate sensitivity gap		53,645,285	-	-	636,915	54,282,200		49,544,876	-	-	440,399	49,985,275
Cumulative profit rate sensitivity gap		53,645,285	53,645,285	53,645,285			49,544,876	49,544,876	49,544,876			

19.1.3 Price risk

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

The Fund has exposure to equity price risk arising from the Fund investments in equity securities. The Fund manages its price risk arising from investment in the equity securities by diversifying its portfolio within the eligible limits prescribed in the Fund's Constitutive Documents, the VPS rules and circulars issued by SECP from time to time.

The table below summarizes the sensitivity of the Fund's net assets attributable to unit holders to the equity price movements as at June 30, 2020. The analysis is based on the assumption that the KSE index increased / decreased by 5%, with all other variables held constant and that the fair value of the Fund's portfolio of equity securities moved according to their historical correlation with the index. This represents managements' best estimate of a reasonable possible shift in the KSE index, having regard to the historical volatility of the index of the past three years.

At June 30, 2020, the fair value of equity securities exposed to price risk was disclosed in note 5.1.

	2020	2019
	-----Rupees-----	
Effect due to increase / decrease in KSE 100 index		
Investment and net assets	<u>2,356,371</u>	<u>1,827,482</u>
Income statement	<u>2,356,371</u>	<u>1,827,482</u>

19.2 Credit risk

Credit risk represents the risk of a loss if the counter parties fail to perform as contracted. Credit risk mainly arises from deposits with banks, credit exposure arising as a result of dividends receivable on equity securities, receivable against sale of investments and investment in debt securities. For banks and financial institutions balances are kept with reputed parties. Credit risk on dividend receivable is minimal due to statutory protection. All transactions in listed securities are settled / paid for upon delivery market clearing system. The risk of default is considered minimal due to inherent systematic measures taken therein. Debt securities held by the Fund mainly consist of government securities that represent the interest of Government of Pakistan and therefore not exposed to credit risk. The remaining debts securities are with reputable counter parties and therefore credit risk is minimal.

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

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

19.2.1 Exposure to credit risk

The maximum exposure to credit risk as at 30 June 2020 is as follows:

Alfalsh GHP Islamic Pension Fund - Equity Sub Fund

	2020		2019	
	Balance as per statement of assets and liabilities	Maximum exposure	Balance as per statement of assets and liabilities	Maximum exposure
Rupees				
Bank balances	3,714,751	3,714,751	2,039,028	2,039,028
Investments	47,127,426	-	36,549,647	-
Security deposit with Central the Depository Company of Pakistan Limited - Trustee	100,000	100,000	100,000	100,000
Dividend and other receivables	404,861	404,861	1,093,505	1,093,505
	<u>51,347,038</u>	<u>4,219,612</u>	<u>39,782,180</u>	<u>3,232,533</u>

Difference in the balance as per the statement of assets and liabilities and maximum exposure is due to the fact that investments in listed equity securities of Rs 47.13 million (2019: 36.55 million) are not exposed to credit risk.

	2020		2019	
	Balance as per statement of assets and liabilities	Maximum exposure	Balance as per statement of assets and liabilities	Maximum exposure
Rupees				
Bank balances	23,018,511	23,018,511	25,076,404	25,076,404
Investments	29,000,585	11,477,585	16,815,551	5,283,551
Security deposit with the Central Depository Company of Pakistan Limited - Trustee	100,000	100,000	100,000	100,000
Dividend and other receivables	1,246,271	1,246,271	427,128	427,128
	<u>53,365,367</u>	<u>35,842,367</u>	<u>42,419,083</u>	<u>30,887,083</u>

Difference in the balance as per the statement of assets and liabilities and maximum exposure is due to the fact that investments in Government Securities of Rs 10.023 million (2019: Rs. 11.532 million) are not exposed to credit risk.

Alfalsh GHP Islamic Pension Fund- Money Market Sub Fund

	2020		2019	
	Balance as per statement of assets and liabilities	Maximum exposure	Balance as per statement of assets and liabilities	Maximum exposure
Rupees				
Bank balances	50,849,384	50,849,384	39,856,876	39,856,876
Investments	2,795,901	2,795,901	9,688,000	-
Security deposit with the Central Depository Company of Pakistan Limited - Trustee	100,000	100,000	100,000	100,000
Dividend and other receivables	690,414	690,414	490,531	490,531
	<u>54,435,699</u>	<u>54,435,699</u>	<u>50,135,407</u>	<u>40,447,407</u>

Difference in the balance as per the statement of assets and liabilities and maximum exposure is due to the fact that investments in Government Securities of Rs.2.80 million (2019: Rs.9.69 million) are not exposed to credit risk.

No financial assets were considered to be past due or impaired as at June 30, 2020.

19.2.2 The analysis below summarises the available published credit ratings of the Fund's financial assets as at June 30, 2020:

Balances with banks by rating category

	Rating agency	Published rating	Percentage of bank balance
Alfalsh GHP Islamic Pension Fund - Equity Sub Fund			
Bank Alfalah Limited	PACRA	A1+	96.00%
Bank Islami Pakistan Limited	PACRA	A1	2.97%
Dubai Islami Bank Pakistan Limited	JCR-VIS	A1+	0.65%
Habib Bank Limited	JCR-VIS	A1+	0.38%
			<u>100%</u>

Alfalsh GHP Islamic Pension Fund - Debt Sub Fund

Bank Alfalah Limited	PACRA	A1+	4.51%
Bank Islami Pakistan Limited	PACRA	A1	0.47%
Habib Bank Limited	JCR-VIS	A1+	0.74%
Dubai Islami Bank Pakistan Limited	JCR-VIS	A1+	43.63%
Meezan Bank Limited	JCR-VIS	A1+	0.02%
MCB	PACRA	A1+	1.36%
Faysal Bank Islamic	PACRA	A1+	43.58%
Allied Bank Limited	PACRA	A1+	5.69%
			<u>100%</u>

Alfalsh GHP Islamic Pension Fund - Money Market Sub Fund

	Rating agency	Published rating	Percentage of bank balance
Bank Alfalah Limited	PACRA	A1+	17.98%
Bank Islami Pakistan Limited	PACRA	A1	19.93%
Habib Bank Limited	JCR-VIS	A1+	0.14%
Dubai Islami Bank Pakistan Limited	JCR-VIS	A1+	20.69%
Meezan Bank Limited	JCR-VIS	A1+	0.55%
MCB	PACRA	A1+	0.37%
Faysal Bank Islamic	PACRA	A1+	19.69%
Allied Bank Limited	PACRA	A1+	20.65%
			<u>100%</u>

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors affect the group of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. Despite the high concentration of credit risk as stated above, the Fund has entered into transactions with credit worthy counterparties thereby mitigating any significant risk due to concentration of credit risk. Details of the Fund's concentration of credit risk of financial instruments by economic sectors are as follows:

Alfalsh GHP Islamic Pension Fund - Equity Sub Fund

	2020		2019	
	Rupees	Percentage	Rupees	Percentage
Commercial banks (including profit receivable)	3,730,244	88.40%	2,095,829	64.84%
Dividend receivable	389,368	9.23%	234,569	7.26%
The Central Depository Company of Pakistan Limited (security deposit)	100,000	2.37%	100,000	3.09%
Receivable against sale of investment	-	-	802,135	24.81%
	<u>4,219,612</u>	<u>100%</u>	<u>3,232,533</u>	<u>100%</u>

Alfalsh GHP Islamic Pension Fund- Debt Sub Fund

	2020		2019	
	Rupees	Percentage	Rupees	Percentage
Commercial banks (including profit receivable)	23,590,847	65.82%	25,367,288	82.13%
Investments	11,477,585	32.02%	5,283,551	17.11%
Profit receivable on investments	673,935	1.88%	136,244	0.44%
The Central Depository Company of Pakistan Limited (security deposit)	100,000	0.28%	100,000	0.32%
	<u>35,842,367</u>	<u>100%</u>	<u>30,887,083</u>	<u>100%</u>

Alfalah GHP Islamic Pension Fund- Money Market Sub Fund

	2020		2019	
	Rupees	Percentage	Rupees	Percentage
Commercial banks (including profit receivable)	51,377,140	94.40%	40,077,125	94.42%
Investments	2,795,901	5.14%	2,000,000	4.71%
Profit receivable on investments	154,702	0.28%	270,282	0.64%
The Central Depository Company of Pakistan Limited (security deposit)	100,000	0.18%	100,000	0.24%
	<u>54,427,743</u>	<u>100%</u>	<u>42,447,407</u>	<u>100%</u>

19.3 Liquidity risk

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

The Fund is exposed to redemptions of its redeemable units on a regular basis. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is therefore to invest the majority of its assets in short term instruments in order to maintain liquidity.

The Fund can borrow in the short term to ensure settlement. The maximum amount available to the Fund from the borrowing would be limited to fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund. The facility would bear interest at commercial rates. However, no borrowing was obtained by the Fund during the current year.

In order to manage the Fund's overall liquidity, the Fund also has the ability 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. The Fund did not withhold any redemptions during the year.

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

Alfalah GHP Islamic Pension Fund - Equity Sub Fund

	2020			
	Upto three months	More than three months and upto one	More than one year	Total
	----- (Rupees) -----			
Financial assets				
Bank balances	3,714,751	-	-	3,714,751
Investments	47,127,426	-	-	47,127,426
Security deposit with the Central Depository Company of Pakistan Limited - Trustee	100,000	-	-	100,000
Dividend and other receivables	404,861	-	-	404,861
	<u>51,347,038</u>	<u>-</u>	<u>-</u>	<u>51,347,038</u>
Financial liabilities				
Payable to Pension Fund Manager	70,131	-	-	70,131
Payable to Trustee	25,039	-	-	25,039
Accrued expenses and other liabilities	158,990	-	-	158,990
	<u>254,160</u>	<u>-</u>	<u>-</u>	<u>254,160</u>
Net assets	<u>51,092,878</u>	<u>-</u>	<u>-</u>	<u>51,092,878</u>

	2019			
	Upto three months	More than three months and upto one	More than one year	Total
	----- (Rupees) -----			
Financial assets				
Bank balances	2,039,028	-	-	2,039,028
Investments	36,549,647	-	-	36,549,647
Security deposit with the Central Depository Company of Pakistan Limited - Trustee	100,000	-	-	100,000
Dividend and other receivables	1,093,505	-	-	1,093,505
	<u>39,782,180</u>	<u>-</u>	<u>-</u>	<u>39,782,180</u>

	2019			Total
	Upto three months	More than three months and upto one	More than one year	
	----- (Rupees) -----			
Financial liabilities				
Payable to Pension Fund Manager	55,131	-	-	55,131
Payable to Trustee	25,206	-	-	25,206
Accrued expenses and other liabilities	119,396	-	-	119,396
	<u>199,733</u>	<u>-</u>	<u>-</u>	<u>199,733</u>
Net assets	<u>39,582,447</u>	<u>-</u>	<u>-</u>	<u>39,582,447</u>

Alfalah GHP Islamic Pension Fund - Debt Sub Fund

	2020			Total
	Upto three months	More than three months and upto one	More than one year	
	----- (Rupees) -----			
Financial assets				
Bank balances	23,018,511	-	-	23,018,511
Investments	-	10,023,000	18,977,565	29,000,565
Security deposit with the Central Depository Company of Pakistan Limited - Trustee	100,000	-	-	-
Dividend and other receivables	1,246,271	-	-	1,246,271
	<u>24,364,782</u>	<u>10,023,000</u>	<u>18,977,565</u>	<u>53,365,347</u>
Financial liabilities				
Payable to Pension Fund Manager	74,106	-	-	74,106
Payable to Trustee	26,892	-	-	26,892
Accrued expenses and other liabilities	73,404	-	-	73,404
	<u>174,402</u>	<u>-</u>	<u>-</u>	<u>174,402</u>
Net assets	<u>24,190,380</u>	<u>10,023,000</u>	<u>18,977,565</u>	<u>53,190,945</u>

	2019			Total
	Upto three months	More than three months and upto one	More than one year	
	----- (Rupees) -----			
Financial assets				
Bank balances	25,076,404	-	-	25,076,404
Investments	-	11,532,000	5,283,551	16,815,551
Security deposit with the Central Depository Company of Pakistan Limited - Trustee	100,000	-	-	100,000
Dividend and other receivables	427,128	-	-	427,128
	<u>25,603,532</u>	<u>11,532,000</u>	<u>5,283,551</u>	<u>42,419,083</u>
Financial liabilities				
Payable to Pension Fund Manager	59,709	-	-	59,709
Payable to Trustee	25,961	-	-	25,961
Accrued expenses and other liabilities	37,905	-	-	37,905
	<u>123,575</u>	<u>-</u>	<u>-</u>	<u>123,575</u>
Net assets	<u>25,479,957</u>	<u>11,532,000</u>	<u>5,283,551</u>	<u>42,295,508</u>

Alfalsh GHP Islamic Pension Fund - Money Market Sub Fund

2020			
Upto three months	More than three months and upto one	More than one year	Total
----- (Rupees) -----			
Bank balances	50,849,384	-	50,849,384
Investments - net	-	2,795,901	2,795,901
Security deposit with the Central Depository Company of Pakistan Limited - Trustee	100,000	-	100,000
Dividend and other receivables	682,458	-	682,458
	<u>51,631,842</u>	<u>2,795,901</u>	<u>54,427,743</u>
Financial liabilities			
Payable to Pension Fund Manager	76,373	-	76,373
Payable to Trustee	28,990	-	28,990
Accrued expenses and other liabilities	40,180	-	40,180
	<u>145,543</u>	<u>-</u>	<u>145,543</u>
Net assets	<u>51,486,299</u>	<u>2,795,901</u>	<u>54,282,200</u>

2019			
Upto three months	More than three months and upto one	More than one year	Total
----- (Rupees) -----			
Bank balances	39,856,876	-	39,856,876
Investments - net	-	9,688,000	9,688,000
Security deposit with the Central Depository Company of Pakistan Limited - Trustee	100,000	-	100,000
Dividend and other receivables	490,531	-	490,531
	<u>40,447,407</u>	<u>9,688,000</u>	<u>50,135,407</u>
Financial liabilities			
Payable to Pension Fund Manager	68,580	-	68,580
Payable to Trustee	29,227	-	29,227
Accrued expenses and other liabilities	52,325	-	52,325
	<u>150,132</u>	<u>-</u>	<u>150,132</u>
Net assets	<u>40,297,275</u>	<u>9,688,000</u>	<u>49,985,275</u>

20 FAIR VALUE MEASUREMENT

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

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

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

Fair value hierarchy

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

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

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

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

As at June 30, 2020, the Fund held the following financial instruments measured at fair values:

Equity Sub-Fund

Financial assets 'at fair value through profit or loss'

Investments

Listed equity securities

----- 2020 -----			
Level 1	Level 2	Level 3	Total
Rupees			
47,127,426	-	-	47,127,426
<u>47,127,426</u>	<u>-</u>	<u>-</u>	<u>47,127,426</u>

Financial assets 'at fair value through profit or loss'

Investments

Listed equity securities

----- 2019 -----			
Level 1	Level 2	Level 3	Total
Rupees			
36,549,647	-	-	36,549,647
<u>36,549,647</u>	<u>-</u>	<u>-</u>	<u>36,549,647</u>

Debt Sub-Fund

Financial assets 'at fair value through profit or loss'

Investments

Government securities - GoP Ijarah sukuk

Corporate Sukuks

----- 2020 -----			
Level 1	Level 2	Level 3	Total
Rupees			
-	10,023,000	-	10,023,000
-	18,977,585	-	18,977,585
<u>-</u>	<u>29,000,585</u>	<u>-</u>	<u>29,000,585</u>

Financial assets 'at fair value through profit or loss'

Investments

Government securities - GoP Ijarah sukuk

Sukuk certificates

----- 2019 -----			
Level 1	Level 2	Level 3	Total
Rupees			
-	11,532,000	-	11,532,000
-	5,283,551	-	5,283,551
<u>-</u>	<u>16,815,551</u>	<u>-</u>	<u>16,815,551</u>

Money Market Sub Fund

Financial assets 'at fair value through profit or loss'

Investments

Government securities - GoP Ijarah sukuk

Sukuk certificates

Commercial Papers*

----- 2020 -----			
Level 1	Level 2	Level 3	Total
Rupees			
-	-	-	-
-	-	-	-
-	2,795,901	-	2,795,901
<u>-</u>	<u>2,795,901</u>	<u>-</u>	<u>2,795,901</u>

Financial assets 'at fair value through profit or loss'

Investments

Government securities - GoP Ijarah sukuk

Sukuk certificates

----- 2019 -----			
Level 1	Level 2	Level 3	Total
Rupees			
-	7,688,000	-	7,688,000
-	2,000,000	-	2,000,000
<u>-</u>	<u>9,688,000</u>	<u>-</u>	<u>9,688,000</u>

The valuation of commercial papers has been done based on amortisation of commercial paper to their fair values since these residual maturity of this investment is upto six months and they are placed with counterparties which have high credit rating.

21 PARTICIPANTS' SUB FUND RISK MANAGEMENT

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

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

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

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 of the Fund have invested with a long term objective, the possibility of a significant redemption pressure is limited, such liquidity being augmented by borrowing arrangements (which can be entered if necessary) or disposal of investments where necessary.

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

22 CORRESPONDING FIGURES

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

23 GENERAL

23.1 Figures have been rounded off to the nearest rupee.

23.2 Units have been rounded off to the nearest whole number.

23.3 Impact of COVID-19

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

23.4 Operational risk management

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

The Pension Fund Manager 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.

24 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on August 24, 2020 by the Board of Directors of the Pension Fund Manager.

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

PERFORMANCE TABLE

Equity subFund

	2020	2019	2018	2017
Net Income / (loss) for the period	691,879	(8,546,606)	(5,424,807)	(930,883)
(loss) / gain on sale of investments-net	1,235,013	(877,598)	(4,170,330)	52,256
Net unrealised loss on revaluation of investments 'classified as 'at fair value through profit or loss'	(1,542,242)	(8,909,656)	(2,164,802)	(1,148,380)
Dividend Income	2,104,077	2,106,719	1,742,016	395,270
Profit /mark-up income	113251.0000	158266.0000	91,175	312,681
Net asset value per unit as at 30 June	70.4245	68.4300	84.1719	97.2487
Total Net assets as at 30 June	51,073,058	39,583,536	15,370,467	35,159,348
Total Contribution received -Gross	24,969,706	19,429,319	39,315,096	36,285,667

Debt subFund

	2020	2019	2018	2017
Net Income / (loss) for the period	3,773,678	1,464,616	533,166	529,656
(loss) / gain on sale of investments-net	146,915	(30,400)	-	-
Net unrealised loss on revaluation of investments 'classified as 'at fair value through profit or loss'	208,587	(253,409)	(430,000)	119,600
Dividend Income	-	-	-	-
Profit /mark-up income	4,654,978	2,730,729	1,824,215	935,090
Net asset value per unit as at 30 June	116.3945	107.5554	103.2795	101.7472
Total Net assets as at 30 June	53,052,794	42,244,654	39,875,321	33,142,414
Total Contribution received -Gross	16,067,909	11,386,287	7,857,496	32,612,758

Money Market subFund

	2020	2019	2018	2017
Net Income / (loss) for the period	3,846,729	1,414,284	783,007	425,417
(loss) / gain on sale of investments-net	249,000	(57,000)	-	-
Net unrealised loss on revaluation of investments 'classified as 'at fair value through profit or loss'	-	(252,800)	(78,000)	-
Dividend Income	-	-	-	-
Profit /mark-up income	4,912,015	2,788,145	1,639,514	933,800
Net asset value per unit as at 30 June	115.5031	107.4827	103.9769	101.4180
Total Net assets as at 30 June	54,140,189	49,924,201	32,337,975	30,427,902
Total Contribution received -Gross	25,725,842	18,150,568	1,863,626	30,002,485

اظہار تشکر

ڈائریکٹرز قابل قدر معاونت، مدد اور رہنمائی پر سیکورٹیز ڈیپارٹمنٹ کی کمیٹی کے ملازمین اور سٹی کا اور مینجمنٹ میں اعتماد پر پونٹ ہولڈرز کا بھی شکریہ ادا کرتے ہیں۔

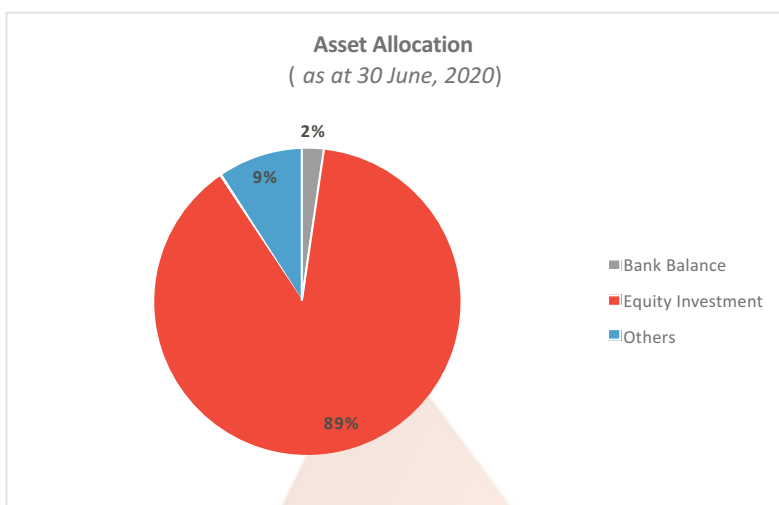
منجانب بورڈ

چیف ایگزیکٹو آفیسر

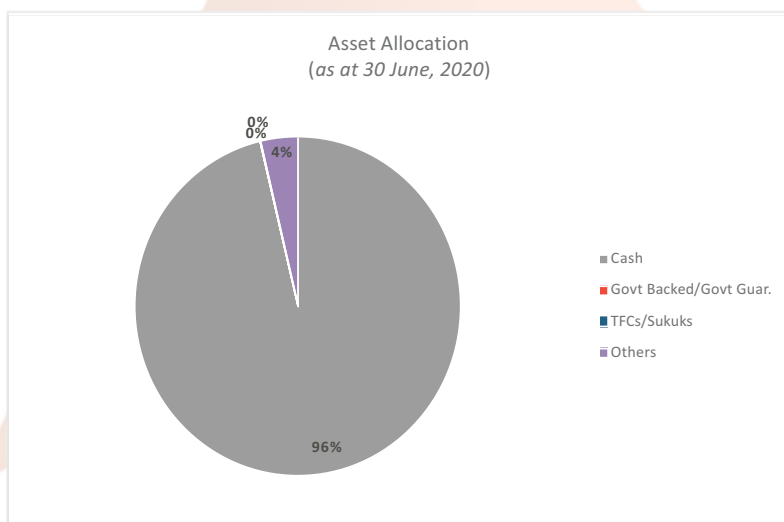
کراچی: 29 اگست 2020ء



الفلاح GHP اسلامک پنشن فنڈ۔ ڈیبٹ
سال کے دوران، فنڈ نے 8.19 فیصد ریٹرن کمایا۔

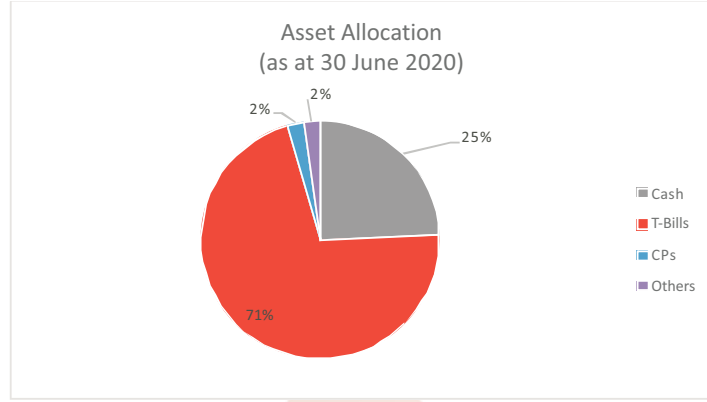


الفلاح GHP اسلامک پنشن فنڈ۔ منی مارکیٹ
سال کے دوران، فنڈ نے 7.44 فیصد ریٹرن کمایا۔



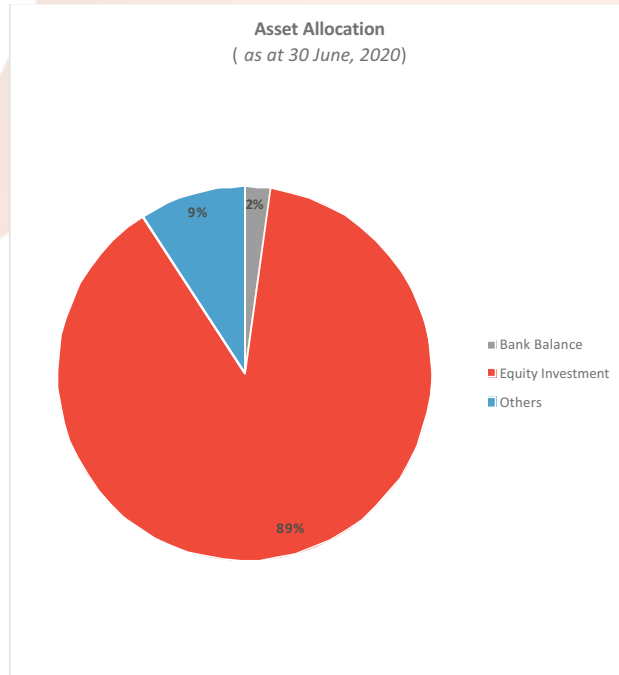
Description	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
	For the year ended June 30, 2020			For the year ended June 30, 2019		
Average Net Asset	46.324	48.058	53.625	38.61	38.48	38.03
Gross (loss) / income	1.91	5.01	5.16	-7.52	2.44	2.48
Total Comprehensive (loss) Income	0.69	3.77	3.85	-8.55	1.46	1.41
Net Assets Value per Unit (PKR)	70.4245	116.3945	115.5031	68.4300	107.5554	107.4827
Issuance of units during the year	24.97	16.07	25.73	19.43	11.39	18.15
Redemption of units during the year	-14.17	-9.03	-25.36	-10.61	-10.48	-1.98

الفلاح GHP پنشن فنڈ - منی مارکیٹ
سال کے دوران، فنڈ نے 10.97 فیصد ریٹرن کمایا۔

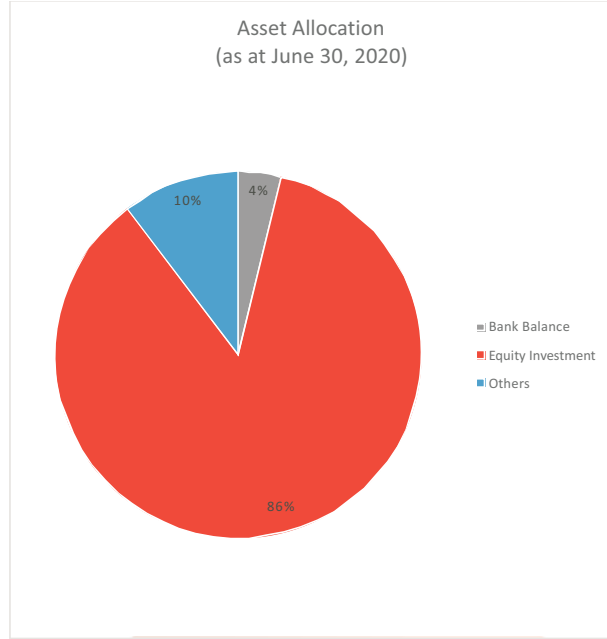


Description	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
	For the year ended June 30, 2020			For the year ended June 30, 2019		
Average Net Asset	36.603	49.176	70.700	40.89	44.43	42.46
Gross (loss) / income	-1.24	6.94	9.13	-6.96	4.04	4.35
Total Comprehensive (loss) Income	-2.16	5.49	7.36	-7.97	2.92	3.17
Net Assets Value per Unit (PKR)	65.0720	125.9947	124.9698	67.0000	112.6289	112.5831
Issuance of units during the year	13.55	10.12	21.13	21.40	12.15	32.08
Redemption of units during the year	-8.43	-2.42	-10.10	-18.57	-12.55	-11.65

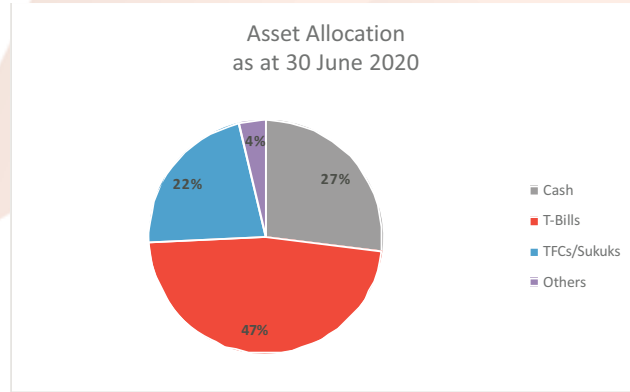
الفلاح GHP اسلامک پنشن فنڈ - ایکویٹی
سال کے دوران فنڈ کار ریٹرن 2.91 فیصد پر قائم رہا۔



الفلاح GHP پنشن فنڈ - ایکویٹی
سال کے دوران فنڈ کارٹریڈن 2.88 فیصد پر قائم رہا۔

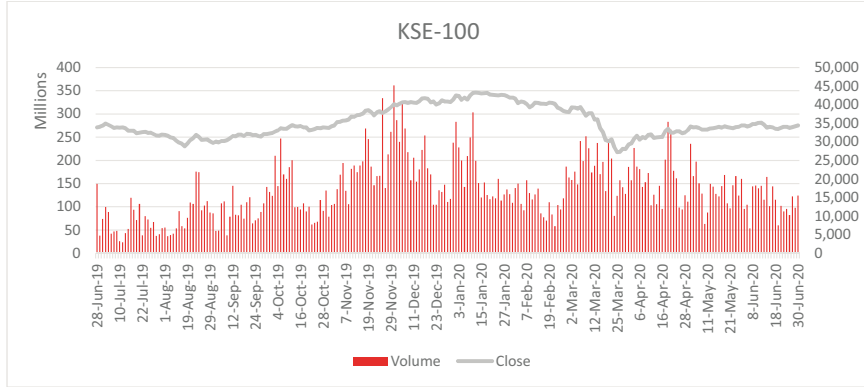


الفلاح GHP پنشن فنڈ - ڈیبٹ
سال کے دوران، فنڈ نے 11.83 فیصد ریٹرن کمایا۔



تاہم، متعدد مثبت مراحل نے مقامی بورس کی واپسی کا آغاز کیا کیونکہ KSE-100 میں دوبارہ بہتری آئی اور سال کے اختتام تک 26 فیصد ریٹرن کے باعث 27,228 پوائنٹس کی پستی سے 34,422 پوائنٹس پر بند ہوا۔ واپسی کے اسباب (a) چین میں واپسی بیماری کے پھیلاؤ پر قابو پانا اور عالمی سطح پر لاک ڈاؤن میں نرمی جس کے نتیجے میں سرحد پار تجارت میں اضافہ ہوا (b) مقامی سطح پر سارٹ لاک ڈاؤن پر عمل درآمد، جس کے تحت کچھ خاص ایس اوپیز کے ساتھ کام کرنے کی اجازت دی گئی، لہذا کاروباری سرگرمیوں میں معمول کی صورتحال کی بحالی (c) اقتصادی شرح نمو کو فروغ دینے کے لئے پالیسی شرح کو مجموعی طور پر 625bps تک کم کرنے اور ایک سال کے لئے قرض کی واپس ادائیگی کو موخر کرتے ہوئے صنعتوں کو ریپرفرائز فراہم کرنے کے لئے سنٹرل بینک کے اقدامات (d) کاروبار کرنے کے اخراجات کو کم کرنے اور معاشی سرگرمیوں میں اضافے کو فروغ دینے کے لئے حکومت کی طرف سے کئی پیکیج اور سبسڈیوں کا اعلان (e) مقامی لوڈ 19 کیمز میں معجزاتی کمی، کیونکہ جون کے وسط میں روزانہ کی تعداد 6.5k سے کم ہونا شروع ہو گئی اور سال کے اختتام تک 4K رہ گئی، اس کے بعد جولائی 2020 کے آخر تک 3 ہندسوں میں آگئی۔ جون میں 108.3k کیمز کے مقابلے جولائی کے آخر تک فعال کیمز صرف 25.2K رہ گئے۔

آگے بڑھتے ہوئے، معاشی بنیادی اصول اور معمول کی کاروباری سرگرمیوں کا دوبارہ آغاز مارکیٹ کی سمت کا تعین کرے گا۔ ہمارے خیال میں، بینکوں اور E&Ps کی پیکش قیمتوں کے ساتھ مینوفیکچررز کی کاروباری سرگرمی کو بہتر بنانا مارکیٹ جذبات کو مثبت رکھے گا۔

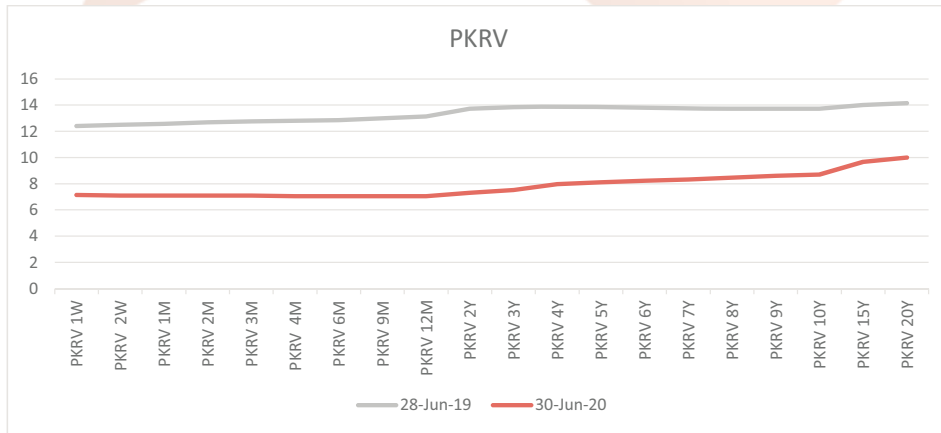


معی مارکیٹ

توقع ہے کہ مالی سال 20 کے دوران پاکستان کی جی ڈی پی میں 0.4 فیصد کی منفی نمو ہوگی۔ عالمی COVID-19 وبائی بیماری جس نے مالی سال 20 کی آخری سہ ماہی میں ملک میں اپنے قدم جمائے، جس نے ملک میں معاشی سرگرمیوں میں رکاوٹ پیدا کر دی۔ معاشی بد حالی کے عارضی مرحلے میں گھروں اور کاروباری اداروں کی مدد کے لئے لیکویڈیٹی سپورٹ فراہم کرنے کے لئے، اسٹیٹ بینک نے مستقل بنیادوں پر ڈسکونٹ شرح کو کم کر کے ایک جارحانہ اقدام اٹھایا۔ اب تک پالیسی شرح کو تقریباً 625bps تک کم کر کے 7 فیصد کر دیا گیا ہے۔

شرح میں جارحانہ کمی کے سبب پیداوار کا گراف تیزی سے نیچے کی طرف بڑھ گیا۔ مارکیٹ شرکاء نے طویل دورانیے کے آلات میں بھاری سرمایہ کاری کی۔ سال کے دوران، مرکزی بینک نے ٹی بلوں کے ذریعے 11.8 ٹریلین روپے کی سرمایہ کاری حاصل کی، جس میں زیادہ تر شرکت 6 ماہ اور 12 ماہ کی مدت میں ہوئی۔ مالی سال 19 میں، مرکزی بینک نے ٹی بی کے ذریعے 800 ارب کے مقابلے زیر جائزہ عرصے میں 2.02 ٹریلین روپے حاصل کرنے میں کامیاب رہا، جس میں زیادہ تر شرکت 3 سال کے بعد 5 سال اور 10 سال کی مدت میں دیکھی گئی۔

آگے بڑھتے ہوئے، ہمیں یقین ہے کہ مرکزی بینک نے ملک میں معاشی نمو کو بحال کرنے کے لئے بہت ضروری محرک فراہم کیا ہے۔ اب کاروباری سرگرمیوں میں دوبارہ بحالی کے ساتھ، آئندہ سال کے دوران معاشی متغیرات میں بتدریج بہتری آنا شروع ہو جائے گی۔



ڈائریکٹرز کی یونٹ ہولڈرز کو رپورٹ برائے اختتامہ سال 30 جون 2020

بورڈ آف ڈائریکٹرز کی جانب سے، 30 جون 2020 کو ختم ہونے والے سال کے لئے میں الفلاح GHP (AGMIF)، الفلاح GHP (AGCF)، الفلاح GHP (AGISTF)، الفلاح GHP (AGAF)، الفلاح GHP (AGVF) و الفلاح GHP (AGSOF) سوریجن فنڈ (AGIF)، الفلاح GHP (AGSTF)، الفلاح GHP (AGMMF) منی مارکیٹ فنڈ (AGMMF)، الفلاح GHP (AGIIF) الفلاح GHP (AGPPF) پلائنگ فنڈ (AGPPF)، الفلاح GHP (AGIPPF) پلائنگ فنڈ (AGIPPF)، الفلاح GHP (AGIDEF) ایڈیٹیوٹو فنڈ (AGIDEF)، الفلاح GHP (AGIIF) الفلاح GHP (AGIIF) پلائنگ فنڈ (AGIIF) کے مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس کرتا ہوں۔

معاشی جائزہ

مالی سال 20 میں پاکستان کو ویڈیو 19 واپائی بیماری کے مضر اثرات سے دوچار ہوا، جس نے معاشی بحالی کو شدید کر دیا۔ مارچ کے آخر میں سخت لاک ڈاؤن پالیسی نافذ کی گئی جس نے ملک بھر کی معاشی سرگرمیوں کو متاثر کیا۔ اس کے بعد مئی میں کچھ پابندیاں ہٹا کر شروع ہو گئیں، حکومت منتخب ہاٹ اسپاٹس کو صرف سیل کرنے کا حکم دیا جبکہ ایس او پی کے ساتھ باقی ملک میں معاشی سرگرمیاں بدستور جاری رہیں۔ یہ پالیسی کافی حد تک کامیاب رہی ہے، چونکہ جون کے آخر میں فعال کیلبر 105,000 کے مقابلے میں تقریباً 25,000 تک تیز ترین کی واقع ہوئی ہے۔

پاکستان کے حالیہ اقتصادی سروے میں انکشاف کے مطابق حکومت موجودہ مالی سال کے جی ڈی پی میں 0.4 فیصد کمی کی توقع کر رہی ہے۔ آگے بڑھتے ہوئے حکومت نے مالی سال 21 میں جی ڈی پی نمو کا ہدف 2.1 فیصد مقرر کیا ہے جبکہ آئی ایم ایف پیش گوئی کر رہا ہے کہ واپائی بیماری کے مسلسل اثرات کی وجہ سے نمو 1 فیصد تک محدود رہے گی۔ دریں اثنا، بڑے پیمانے کی مینوفیکچرنگ 20 MFY 11 میں دباؤ میں رہی جبکہ متعلقہ انڈیکس میں 10.3 فیصد سالانہ کمی واقع ہوئی۔ آٹوموبائل، دواسازی، پٹرولیم، آئرن اور اسٹیل کی مصنوعات کی کمی کے نتیجے میں زیادہ تر شعبوں میں طلب کی کمی دیکھی گئی۔ سال کے دوران زرمبادلہ کے ذخائر میں 3,489 ملین ڈالر کا اضافہ ہوا جو 26 جون 2020 تک 18 بلین امریکی ڈالر پر بند ہوا، اس کی بنیادی وجہ کثیرالجہتی آمدنی کی وصولی ہے۔ سال کے دوران امریکی ڈالر کے مقابلے میں پاکستانی روپیہ کی قدر میں 5 فیصد کمی ہوئی، تاہم، کثیرالجہتی قرض دہندگان اداروں کی حالیہ مالی امداد کے باعث روپیہ کی قدر میں اضافہ ہونا چاہئے۔

کرنٹ اکاؤنٹ خسارہ مالی سال 20 کے لئے 3 بلین امریکی ڈالر ہوا جو گذشتہ سال کی اسی مدت کے مقابلے میں 77 فیصد کمی ہے۔ جولائی سے سہ ماہی کی سہولت کے آغاز کے ساتھ ساتھ سادگی کے اقدامات اور پاکستانی روپیہ کی قدر میں کمی کی وجہ سے بیرونی کھانے کی صورتحال میں بہتری آئی۔ مالی سال 20 کے دوران برآمدات میں 7 فیصد سالانہ کمی واقع ہوئی ہے جس کی بنیادی وجہ مارچ میں اور اپریل کے مہینوں میں کورونا وائرس کے انفیکشن کی مقامی سطح پر منتقلی کو کم کرنے کے لئے سخت لاک ڈاؤن کا نفاذ اور ٹیکسٹائل آرڈرز کی منسوخی ہے۔ اسی طرح، طلب میں کمی اور تیل کی کم قیمتوں کے سبب درآمدات میں 18 فیصد سالانہ کمی واقع ہوئی ہے۔ مالی سال 20 کے لئے غیر ملکی ترسیلات زر میں 6 فیصد سالانہ اضافہ ظاہر کیا گیا ہے، اس کے باوجود COVID-19 نے پوری دنیا میں تاریکین وطن کی آمدنی کو نقصان پہنچایا۔

مالی سال 20 میں جی ڈی پی 10.7 فیصد رہی جبکہ مالی سال 19 میں یہ 6.8 فیصد تھی جس کی بنیادی وجہ پٹرولیم اور کھانے کی اشیاء کی قیمتوں میں اضافہ ہے۔ ہمارے یقین ہے کہ طلب میں کمی اور اعلیٰ بنیاد اثر کی وجہ سے آئندہ مہینوں میں افراط زر کی سطحوں میں کمی آئے گی۔ گرتی ہوئی افراط زر کی پیش گوئی کی روشنی میں، اسٹیٹ بینک نے اقتصادی سست روی کو روکنے اور بروقت بحالی کے قابل بنانے کے لئے پالیسی شرح کو مزید 100bps کم کر کے 7 فیصد تک کر دی جس کی وجہ سے گذشتہ تین مہینوں میں مجموعی طور پر 625 پی پی ایس کی کمی واقع ہوئی۔

جون میں وفاقی بجٹ کا اعلان کیا گیا، جس میں بڑی حد تک پھیلی پالیسیوں کو برقرار رکھا گیا تھا۔ اگرچہ بجٹ میں کوئی نیا ٹیکس عائد نہیں کیا گیا، لیکن مختلف صنعتوں کو (خام مال پر معقول محصولات کے علاوہ) اہم مراعات فراہم نہ کرنا قابل ذکر ہے۔ مزید یہ کہ کپٹل مارکیٹوں سے متعلق متعدد اسٹیٹ ہولڈرز کی تجاویز کو بھی نظر انداز کر دیا گیا۔

ایکویٹی مارکیٹ کا جائزہ

IKSE-100 انڈیکس تمام مالی سال 20 میں دباؤ کا شکار رہا اور سال کے اختتام پر 1.53 فیصد کے معمولی مثبت ریٹرن ظاہر کر رہا ہے۔

شیخ مارک انڈیکس نے ستمبر 2019 کے مہینے سے عمدہ کارکردگی کا آغاز کیا اور جنوری 2020 تک مسلسل 5 ماہ کے لئے مثبت منافع درج کرایا۔ مالی سال 19 کے اختتام سے 13 جنوری 2020 تک ریٹرن آئی ایم ایف پروگرام کے تحت معاشی بنیادی اصولوں کو بہتر بنانے کی بدولت 27 فیصد رہا۔ کیونکہ (a) درآمدات میں تیزی سے کمی، ترسیلات زر میں اضافہ اور خوشگوار برآمدات کی وجہ سے سی اے ڈی میں مسلسل بہتری آئی۔ (b) پاکستانی روپیہ کی قدر میں کمی اور (c) ٹریڈری بلوں اور بانڈز میں فنڈز کی نمایاں آمد کی وجہ سے ایف ایس کے ذخائر کی پوزیشن بہتر ہوئی کیونکہ کیری ٹریڈرز انڈیکس کی حوصلہ افزا پالیسی شرح 13.25 فیصد تک پہنچ گئی۔

اس کارکردگی کو چھین اور اس کے بعد پوری دنیا میں کوویڈ 19 کے پھیلاؤ نے متاثر کیا۔ ممالک نے سخت لاک ڈاؤن نافذ کرنا شروع کر دیا اور اچانک پوری تجارت رک گئی اور اس کے نتیجے میں عالمی اور مقامی ایکویٹی میں بھاری نقصان ہوا کیونکہ سرمایہ کار محفوظ مقام کی طرف بھاگ گئے۔ 72 دن کے عرصے میں IKSE-100 انڈیکس میں 37 فیصد کمی ہوئی جو کہ 25 مارچ 2020 کو 27,228 پوائنٹس کی چٹلی سطح پر پہنچ گیا تھا۔

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
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


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