



# DISCOVERING NEW OPPORTUNITIES

QUARTERLY REPORT  
MARCH 31, 2020



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**Meezan** Islamic Fund | **Al Meezan** Mutual Fund | **KSE-Meezan** Index Fund | **Meezan** Energy Fund | **Meezan** Balanced Fund | **Meezan** Asset Allocation Fund | **Meezan** Dedicated Equity Fund | **Meezan** Gold Fund

**Meezan** Islamic Income Fund | **Meezan** Sovereign Fund | **Meezan** Cash Fund | **Meezan** Financial Planning Fund of Funds | **Meezan** Strategic Allocation Fund | **Meezan** Strategic Allocation Fund-II | **Meezan** Strategic Allocation Fund-III | **Meezan** Tahaffuz Pension Fund | **Meezan** Rozana Amdani Fund

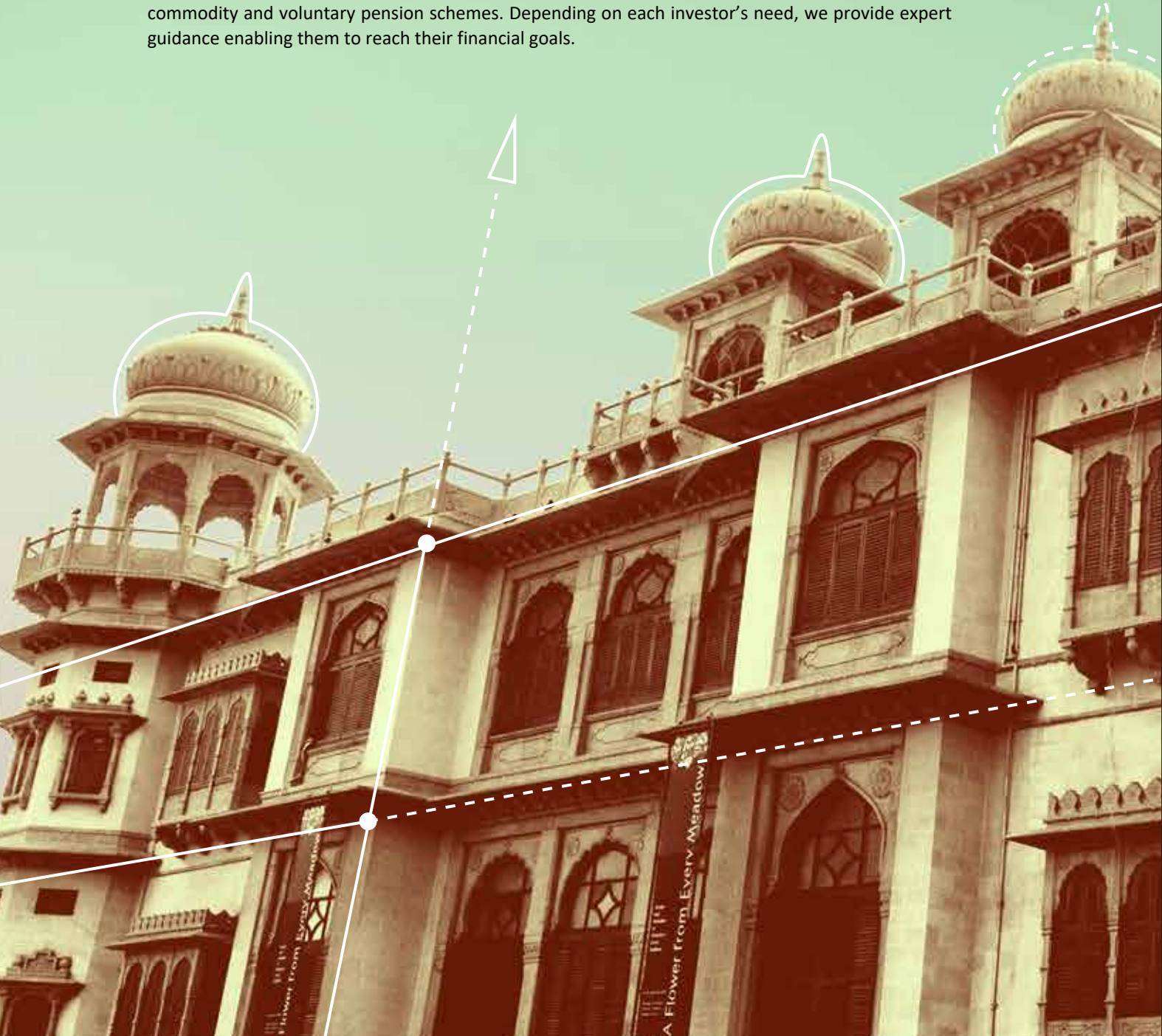


# WHO WE ARE

We began our journey in 1995. The objective of the journey was simple, to bring Shariah compliant investment options to the people of Pakistan. In 24 years since then, Al Meezan Investment Management Limited, due to the trust our customers hold in us, has now become the Largest Shariah compliant Asset Manager in Pakistan. With an innate culture of innovation and the purpose of making Shariah compliant investing every Pakistani's first investment avenue of choice, Al Meezan has achieved assets under management base of over Rs. 102 Billion (as on September 30, 2019).

As Pakistan's only full-fledged Shariah compliant Asset Management Company with the sole mandate to provide Shariah compliant investment solutions to our valued clients, we have enabled our customers towards achieving their financial objectives.

Al Meezan offers a full breadth of Shariah compliant investment solutions ranging from equity, sector, balanced, asset allocation, fixed income, money market, capital preservation, fund of funds, commodity and voluntary pension schemes. Depending on each investor's need, we provide expert guidance enabling them to reach their financial goals.



# OUR CORE VALUES

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Our Core Values are the 5 pillars of our foundation. They reflect and reinforce our character and standing as an organization. These values depict the paradigm of our internal and external expectations: Our dealings with members of the organization, our customers, the shareholders and the communities we serve. Our corporate culture is based on these values and serves as a beacon of guidance for all our employees.

Our values are not about what we do or how we do it infact they are about who we are and why we exist. These values, which fuel our drive to achieve newer milestones at every step of our journey to success are:

## SHARIAH COMPLIANCE

We ensure that all business operations and activities are Shariah compliant. As a Shariah compliant entity we are also accountable for ensuring that rulings and decisions made by the regulators, Shariah Board and Shariah Advisors are complied with across the organization.

## PROFESSIONAL EXCELLENCE

Professional excellence is about achieving excellence as an employee. It is at the core of being a “professional.” Ensuring our approach to work and the people we work with – supervisors, colleagues and/or customers – is in a professional and respectful manner.

## SOCIAL RESPONSIBILITY

We work in an ethical framework, which suggests that as an entity we have an obligation to act for the benefit of our society at large. We want to contribute towards sustainable development not only through our products but also through the way we conduct business.

## ETHICAL STANDARDS

We practice high ethical standards at work and in our services. Maintaining high ethical standards in the workplace translates in prioritizing the interest of the client, acting with integrity, competence and diligence, and respecting our dealings with the public, clients, prospective clients and colleagues.

## SERVICE EXCELLENCE

Service excellence is an attitude engrained in every department and employee. From support staff to the CEO, we simply go beyond delivering products and helping customers achieve their financial objectives. It is essential that we provide a unique customer experience by proactively anticipating and exceeding customers’ needs every time. Excellence is a consistent, premium service at every point of contact which is set by our service-oriented tone that drives our company’s strategy at every level.







## VISION

To make Shariah compliant investing a first choice for investors.

## MISSION

To establish Al Meezan as a leading and trusted brand for savings and investments by offering innovative Shariah compliant investment solutions through ethical conduct, value added services and optimal returns, while protecting the interest of all stakeholders.

# **DIRECTORS' REPORT – FUNDS UNDER MANAGEMENT COMPANY**

The Board of Directors of Al Meezan Investment Management Limited is pleased to present the financial statements of the following open end funds and a voluntary pension scheme for the period ended March 31, 2020.

## **Equity Funds**

- Meezan Islamic Fund
- Al Meezan Mutual Fund
- KSE-Meezan Index Fund
- Meezan Dedicated Equity Fund

## **Sector Specific Fund**

- Meezan Energy Fund

## **Income Funds**

- Meezan Islamic Income Fund
- Meezan Sovereign Fund

## **Money Market Fund**

- Meezan Cash Fund
- Meezan Rozana Amdani Fund

## **Balanced Fund**

- Meezan Balanced Fund

## **Funds of Funds**

- Meezan Financial Planning Fund of Fund
- Meezan Strategic Allocation Fund
- Meezan Strategic Allocation Fund-II
- Meezan Strategic Allocation Fund-III

## **Commodity Fund**

- Meezan Gold Fund

## **Asset Allocation Fund**

- Meezan Asset Allocation Fund (MAAF)

## **Pension Fund**

- Meezan Tahaffuz Pension Fund

## **Economic Review**

The first nine months of the current fiscal year have seen major improvement in macroeconomic indicators. The year started off with finalization of IMF program and the government taking successful measures to help stabilize the economy and put the country on a growth path. The outbreak of COVID-19, has however considerably slowed down the economic growth rate outlook for fiscal year 2020. To fight of adverse impact of the virus government has announced a Rs. 1.2 trillion relief package to support industry and meet basic needs of the general population, while the government is also in talks with multilateral lending agencies to provide budgetary support to fight off adverse impacts of the pandemic.

Average national CPI for 9MFY20 stands at 11.5% YoY. Monthly CPI Inflation peaked in January 2020 to 14.6% YoY, while a notable deceleration in February and March to 12.4% and 10.2%, respectively has been witnessed. The outlook for inflation has improved in light of the recent deceleration in domestic food prices, sharp fall in global oil prices, and slowdown in external and domestic demand due to the Coronavirus pandemic. In March 2020, policy rate has been reduced by 225bps in two tranches to 11%, this being the first rate cut since May 2016. The rate cut decision partially reflects improved inflation outlook in the backdrop of sharp fall in oil prices and efforts for revival of domestic demand due to spread of COVID-19.

Development in the fiscal sector has continued to gain traction on account of broad based taxation reforms and strict control over non development expenditures. In nine months FY20, FBR tax collection increased by 12.9% YoY to Rs. 3,050 billion. Despite the improvement in collection, the nine month target fell short by Rs. 470 billion of target due to significant decline in tax collection on imports, mis-declaration and under invoicing. Shortfall in collection is expected to increase further in the last quarter of fiscal year due to economic disruption in domestic & external activities amid COVID-19 precautionary measures taken by the government. On expenditure side, apart from hefty rise in debt servicing, PSDP spending stood at Rs. 467 billion during July- March FY20 compared to Rs 417 billion last year. On financing side, central government debt increased by Rs. 1.2 trillion in 7MFY20 to Rs. 33 trillion, with almost all of this increase coming from funds raised through PIBs.

External sector continued to improve substantially with a sizeable reduction in the Current Account Deficit (CAD) from USD 9.8 billion in eight months FY19 to USD 2.8 billion in eight months FY20, a decrease of 71% YoY. This contraction was attributable to a decrease in trade deficit by 34% to USD 13.2 billion in eight months FY20 as imports of goods fell by 17.5% to USD 29.7 billion, while exports of goods saw a slight increase of 2.7% to USD 16.4 billion. Government's efforts to facilitate foreign investment in PKR denominated debt market resulted in inflows of USD 3.5 billion in T-bills & PIBs but due to outbreak of COVID-19 outflows picked up in third quarter as investors opted for flight to safety. Thus the balance amount of foreign investor in local debt market stood at USD 1.4 billion at March-20.

Disbursement under the IMF along with inflows from other multilateral agencies and reduction in CAD helped SBP foreign exchange reserves improve to USD 11.2 billion as at 27<sup>th</sup> March 2020, showing a substantial gain from the USD 7.3 billion number at the end of fiscal year 2019. Exchange rate during nine months FY20 for the most part remained largely stable however during March 2020 outflows of foreigners from debt market and decline in interest rate has resulted in Pak Rupee to depreciate against US dollar, with Rs. /USD exchange rate standing at Rs. 166.7/ USD at Mar-20, a 4% devaluation during nine months FY20.

### **Money Market Review**

State Bank of Pakistan (SBP) decided to reduce the policy rate by cumulative 225bps (in two tranches) to provide relief to businesses and economy in the wake of the COVID-19 virus outbreak. The market was anticipating a reversal in the interest rate cycle as long term bond yields had already adjusted to below 10% territory before special MPC announcements. Along with the monetary policy, central also reduced the conventional banks' spreads on savings deposits by 50bps by making interest rate corridors symmetrical. Due to a steep reduction in international oil & commodity prices and the slowdown in global economies, the money market perceived that inflation may have peaked out in Jan-20 and the trajectory would be lower only. During the period under review, the Increase in demand for longer tenure government bonds pushed the PIB yields down where 10 years bond closed at 9.15% (down by 185 bps), 5 years closed at 9.18% (down by 173 bps) and 3 years closed at 9.3% (down by 235 bps) resulting in flattening of the yield curve.



On the liquidity front, the money market remained stable due to continuous OMO injections from SBP where the central bank ensured that the overnight money market remains close to the policy rate. During the period, Central bank borrowed Rs. 2.357 trillion through T-Bills against the maturity and target of Rs. 2.048 trillion and Rs. 2.3 trillion respectively. On the other hand, as expected SBP accepted a lesser amount of Rs. 267 billion through long term PIBs against the maturity of Rs. 390 billion.

On the Islamic money market front, Ijarah Sukuks price witnessed an increase due to lack of availability of Shariah-compliant government /Ijarah securities. It is pertinent to mention here that the last surviving Ijarah is due for maturity in June 2020. The government did not carry out any Ijarah Sukuks auction since June 2017. However, on 31st March 2020 Cabinet approved to launch Ijarah Sukuks worth Rs. 700 billion against Jinnah International Airport for a period of 3 years. In March 2019, the Government issued the first tranche of Pakistan Energy Sukuks worth Rs. 200 billion. However, the market is still waiting for the second tranche of much-awaited Energy Sukuks. Initially, the issuance was delayed due to non-competitive bidding, but later on the instructions of Ministry – competitive bidding through a consortium of Islamic Banks was carried. Despite, even after successful bidding by the consortium, the process was once again questioned and the issuance was lingered on. Finance Ministry for the second time scrapped the initiative of the Power Division as they feel that the rate was non-competitive and many financial institutions were left out of the process. We expect the issuance to finally take place this time around as the power sector is facing a severe liquidity crunch. The corporate sector continued to raise funds through Sukuks and Islamic Commercial Paper, which played a key role in absorbing some portion of excess liquidity available with Islamic institutions.

### **Equity Review**

During the nine month FY20, the KMI-30 index remained volatile, and declined by 17% to 45,056 points while the KSE-100 index posted a drop of 14% to reach 29,232 points in the same period. The market started the year on a weak note, whereby the index declined by 5% during the Sep-19 quarter, however, subsequently reversed its trend in the next few months till early Jan-20 to reach the nine months FY20 peak, i.e. KSE-100 index to the level of 43,219 points. The index staged an impressive rally due to improving external account prospects and drop in secondary market yields. However, since reaching its peak during the period under review, the market witnessed an abnormal drop during the third quarter brought about by the impact of pandemic Covid-19 popularly known as Corona virus. Participation in the market improved during the nine months FY20 period with the KMI-30 index volumes up by 42% to 74mn shares and KSE-100 index volumes rising by 37% to 133mn shares. Local political noise also somewhat settled after the Ex-Prime Minister was allowed to travel on medical grounds and the Islamabad sit in by opposition parties ended peacefully. Government also managed to get support of opposition parties on the bill that provided legal cover to Army Chief's extension.

Although the KSE-100 index posted a sharp recovery till Jan-20, recouping ~14,000 points, 50% improvement from the lows it made in mid Aug-19, since then the market has given up all the gains due to aggressive foreign selling and the impact of pandemic negatively impacting the global economies & equities. Accordingly, KMI 30 and KSE 100 index touched a new low of 41,365 points and 27,229 points, respectively in Mar-20. However, in the last week of nine months ended March 31, 2020, attractive valuations and institutional support helped the market to stage some mild recovery and KMI 30 and KSE 100 index ended the nine months at 45,056 points and 29,232 points, respectively.

Macroeconomic landscape saw a marked improvement over last year, whereby current account numbers continuously surpassed analyst estimates, SBP foreign exchange reserves improved and primary fiscal deficit saw a major shrinkage. After aggressively raising interest rate till July-19, the State Bank of Pakistan (SBP) maintained status quo in subsequent three monetary policy committee, hinting that rates have peaked and easing might begin soon as inflation outlook improves. From the month of Mar-20 we saw a

75bps cut in scheduled policy meeting which was later raised by another 150bps cut in emergency monetary policy meeting as the negative impact of corona virus on both local and external side became more visible. Overall the policy rate has now reduced by a cumulative 225bps to 11%. After meeting all the targets for Sep-19 quarter review and receiving the quarterly tranche, while the subsequent quarter tranche of Dec-19 was delayed. However, due to Corona pandemic, Pakistan has approached the IMF for additional funding requirement besides normal tranche which is expected to be approved.

MSCI EM Index after rising by 6% during the six months FY20, also fell heavily during the third quarter FY20 period by 24% due to pandemic, resulting in overall nine months FY20 drop of 19.6%. The emerging markets had earlier attracted inflows owing to easing by the US Fed, however, the flows rapidly turned negative as effects of lockdowns to prevent Coronavirus in the frontier and emerging markets started taking toll on economies and investors preferred flight to safety. US EM ETFs pulled out over USD4.6bn from EM markets.

US EM ETFs pulled out over USD4.6bn from EM markets depicting a preference for safety owing to turbulent economic conditions in the EM region. MSCI EM Index fell during the period by over 23%. The emerging markets had earlier attracted inflows owing to easing by the US Fed, however, the flows rapidly turned negative as effects of lockdowns to prevent Coronavirus in the frontier and emerging markets started taking toll on economies and led to flight to safety.

Oil prices remained on the higher side in the first six months of fiscal year after events unfolded that threatened upset the security of the region. Events such as the attack on Saudi Oil Refinery in Abqaiq and a subsequent missile attack by Iran on a US airfield, stoking speculation of severe military conflict that may disrupt oil supplies originating from the Middle-east. However, from Feb-20 onwards the impact of corona virus led to substantial drop in global oil demand and disagreement between Saudi Arabia and Russia over additional output cut led to breakup of OPEC+ cartel. This has resulted in hastening a drop in prices that were already falling due to the coronavirus outbreak. Brent crude has plunged below USD22/barrel, the lowest since 2002. The Arab light crude oil which is more relevant for our economy has dropped by 61% in 9MFY20 to reach USD26/barrel. This drop in oil prices is beneficial from the perspective of import bill reduction and softening inflationary pressures, however it also negatively impacted index heavy weight oil stocks and can adversely impact the remittance from the Gulf Countries in the future, if oil prices stay at such low levels.

#### **Major contributors to the Index:**

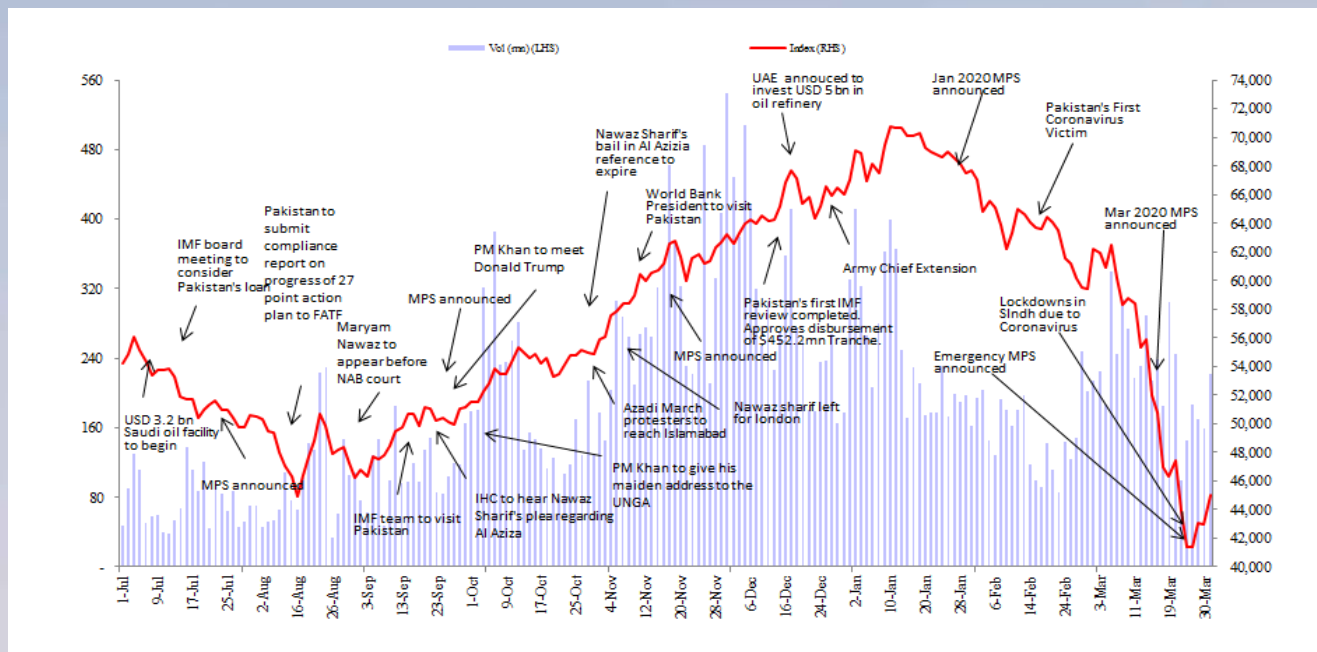
During the period, Fertilizer sector was amongst the top positive contributing sectors. The top contributing stocks in the KMI-30 index in the 9MFY20 were:

<b>Major Positive Contributors to the Index</b>	<b>Contribution to KMI-30 (Points)</b>	<b>Total Return (%)</b>
Engro Corp Ltd/Pakistan	257	+6.06
Engro Fertilizers Ltd	234	+7.12
DG Khan Cement Co Ltd	132	+8.36
Searle Co Ltd/The	115	+7.35
Lucky Cement Ltd	88	+0.08

On the flip side, stocks in the Oil Exploration & Marketing and Textile sectors were amongst the worst contributor. The key laggards in the KMI-30 index during the period were:

Major Negative Contributors to the Index	Contribution to KMI-30 (Points)	Total Return (%)
Oil & Gas Development Co Ltd	-2,320	-39.01
Pakistan Petroleum Ltd	-2,128	-39.32
Pakistan Oilfields Ltd	-792	-25.92
Sui Northern Gas Pipeline Ltd	-658	-47.53
Nishat Mills Ltd	-334	-34.84

The overall movement of the KMI-30 during the period can be observed in the following graph:



## Equity Flows

With respect to flows, Foreigners, Mutual funds and Banks/DFI's remained net sellers during nine months FY20, offloading positions worth USD130mn, USD85mn and USD48mn, respectively. The supply was absorbed by Individuals and Insurance companies with inflows of USD144mn and USD94mn respectively. Foreign flows remained negative in the 9MFY20, with concentration mainly in Oil Exploration (USD62mn) and Cements (USD42.5mn), however, Fertilizer sector witnessed inflow of (US\$35.5mn).

## Mutual Fund Industry Review

During the eight months of FY20, AUMs of the mutual fund industry increased by 30.8% to Rs. 694 billion, as of February 29, 2020. The growth in the mutual fund industry is attributable to the increase in Shariah-compliant AUMs, which grew 38.8% to Rs. 272 billion, bringing the share of Shariah-compliant funds in the mutual fund industry to 39.2%.

Al Meezan's share in the mutual fund industry stood at 18.0%, while in the Shariah-compliant segment of the industry, it held 45.8% of the market share. Since the beginning of FY20, Al Meezan captured an incremental 77 bps of the market share within the mutual fund industry.

The change in AUMs of industry of 8MFY20 over FY19 is as under;



	FY19	8MFY20	Change
	(Rs. In Billion)		(%)
<b><u>Sovereign, Money Market and Income Funds</u></b>			
Shariah Compliant Funds	92	169	85.1
Conventional Funds	192	275	42.9
<b>Total Funds</b>	<b>284</b>	<b>444</b>	<b>56.5</b>
<b><u>Equity Funds (Including Index Tracker Funds)</u></b>			
Shariah Compliant Funds	64	66	2.4
Conventional Funds	119	123	4.1
<b>Total Funds</b>	<b>183</b>	<b>189</b>	<b>3.5</b>
<b><u>Capital Protected, balanced, and asset allocation Funds</u></b>			
Shariah Compliant Funds	23	17	(25.1)
Conventional Funds	14	13	(11.1)
<b>Total Funds</b>	<b>37</b>	<b>30</b>	<b>(19.7)</b>
<b><u>Commodity Funds</u></b>			
Shariah Compliant Funds	0.5	0.4	(18.1)
<b>Total Funds</b>	<b>0.5</b>	<b>0.4</b>	<b>(18.1)</b>
<b><u>Voluntary Pension Funds</u></b>			
Shariah Compliant Funds	17	19	14.3
Conventional Funds	9	10	13.7
<b>Total Funds</b>	<b>26</b>	<b>29</b>	<b>14.1</b>
<b><u>Meezan Tahaffuz Pension Fund (MTPF) Market Share</u></b>			
In Overall Segment (%)	34.85	34.43	(0.4)
In Shariah Compliant Segment (%)	54.05	53.29	(0.8)

## Performance Review (Funds)

### Meezan Islamic Fund

The net assets of Meezan Islamic Fund (MIF) as at March 31, 2020 stood at Rs. 19,281 million compared to Rs. 25,740 million at the end of June 2019, a decline of 25%. The net asset value (NAV) per unit as at March 31, 2020 was Rs. 40.1726 in comparison to Rs. 47.9235 per unit as on June 30, 2019 translating into a negative return of 16.18% during the period compared to the benchmark return of KSE Meezan Index (KMI 30) which decreased by 16.75%.

### Al Meezan Mutual Fund

The net assets of Al Meezan Mutual Fund (AMMF) as at March 31, 2020 were Rs. 3,211 million compared to Rs. 4,768 million at the end of June 2019, a decline of 33%. The net asset value per unit as at March 31, 2020 was Rs. 11.3272 compared to Rs. 13.3539 per unit on June 30, 2019 translating into a negative return of 15.19% during the period compared to the benchmark return of KSE Meezan Index (KMI 30) which decreased by 16.75%.

### **KSE Meezan Index Fund**

The net assets of KSE Meezan Index Fund (KMIF) as at March 31, 2020 were Rs. 1,507 million compared to Rs. 1,517 million at June 30, 2019, a decline of 1%. The net asset value per unit at March 31, 2020 was Rs. 43.9384 as compared to Rs. 52.9470 per unit on June 30, 2019 translating into a negative return of 17.02% during the period compared to the benchmark return of KSE Meezan Index (KMI 30) which decreased by 16.75%.

### **Meezan Dedicated Equity Fund**

The net assets of Meezan Dedicated Equity Fund (MDEF) as at March 31, 2020 were Rs. 462 million compared to Rs. 1,761 million at June 30, 2019, a decline of 74%. The net asset value per unit at March 31, 2020 was Rs. 28.2253 as compared to Rs. 35.5081 per unit on June 30, 2019 translating into a negative return of 20.52% during the period compared to the benchmark return of KSE Meezan Index (KMI 30) which decreased by 16.75%.

### **Meezan Energy Fund**

The net assets of Meezan Energy Fund (MEF) as at March 31, 2020 were Rs. 318 million compared to Rs. 599 million in June 2019, a decline of 47%. The net asset value per unit as at March 31, 2020 was Rs. 24.4239 as compared to Rs. 33.3649 per unit on June 30, 2019, translating into a negative return of 26.81% during the period compared to the benchmark return of KSE Meezan Index (KMI 30) which decreased by 16.75%.

### **Meezan Asset Allocation Fund**

The net assets of Meezan Asset Allocation Fund (MAAF) as at March 31, 2020 were Rs. 1,118 million compared to Rs. 1,854 million at June 30, 2019, a decline of 40%. The net asset value per unit as at March 31, 2020 was Rs. 31.3747 as compared to Rs. 35.4328 per unit on June 30, 2019 translating into a negative return of 11.45% during the period compared to the benchmark return which decreased by 10.84%.

### **Meezan Islamic Income Fund**

The net assets of Meezan Islamic Income Fund (MIIF) as at March 31, 2020 were Rs. 25,830 million compared to Rs. 9,471 million at June 30, 2019, an increase of 173%. The net asset value per unit as at March 31, 2020 was Rs. 56.1496 compared to Rs. 51.4367 per unit on June 30, 2019 translating into an annualized return of 12.16% compared to the benchmark annualized return of 6.33%. At period end, the fund was 20% invested in Islamic Corporate Sukuks, 15% in Bai Muajjal Receivable, 5% in Islamic Commercial Papers, 6% in Certificate of Musharaka and 54% of the net assets were placed with Islamic Banks or windows of Islamic banks.

### **Meezan Sovereign Fund**

The net assets of Meezan Sovereign Fund (MSF) as at March 31, 2020 were Rs. 4,861 million compared to Rs. 5,705 million at June 30, 2019, a decline of 15%. The net asset value per unit at March 31, 2020 was Rs. 56.1882 as compared to Rs. 51.5293 per unit on June 30, 2019 translating into an annualized return of 11.99% compared to the benchmark annualized return of 8.55%. At period end, the fund was 23% invested in GoP guaranteed Sukuks and 77% of the net assets were placed with Islamic Banks or windows of Islamic banks.

### **Meezan Cash Fund**

The net assets of Meezan Cash Fund (MCF) at March 31, 2020 were Rs. 13,028 million compared to Rs. 8,851 million at June 30, 2019, an increase of 47%. The net asset value per unit at March 31, 2020 was Rs. 54.8825 as compared to Rs. 50.4731 on June 30, 2019 translating into an annualized return of 11.59% as compared to the benchmark annualized return of 5.50%. At period end 22% of the funds were placed through Bai Muajjal, 8% was placed in Term Deposit Receipts, 4% of the fund was placed in Islamic

Commercial Papers, 5% in Islamic Corporate Sukuks and 61% of the net assets were placed with Islamic Banks or windows of Islamic banks.

### **Meezan Rozana Amdani Fund**

The net assets of Meezan Rozana Amdani Fund (MRAF) at March 31, 2020 were Rs. 34,016 million compared to Rs. 16,134 million at June 30, 2019, an increase of 111%. The net asset value per unit at March 31, 2020 was Rs. 50.0000. During the period fund provided an annualized return of 12.52% as compared to the benchmark annualized return of 5.50%.

### **Meezan Balanced Fund**

The net assets of Meezan Balanced Fund (MBF) as at March 31, 2020 were Rs. 3,601 million compared to Rs. 5,350 million at June 30, 2019, a decline of 33%. The net asset value per unit as at March 31, 2020 was Rs. 13.0587 as compared to Rs. 13.4608 per unit on June 30, 2019 translating into a negative return of 2.97% during the quarter compared to the benchmark return which decreased by 4.32%.

### **Meezan Financial Planning Fund of Funds**

#### ***Aggressive Allocation Plan***

The net assets of the plan were Rs. 239 million as at March 31, 2020 compared to Rs. 365 million at June 30, 2019. The plan provided a negative return of 8.97% during the period compared to the benchmark return which decreased by 9.73%.

#### ***Moderate Allocation Plan***

The net assets of the plan were Rs. 111 million as at March 31, 2020 compared to Rs. 203 million at June 30, 2019. The plan provided a negative return of 2.07% during the period compared to the benchmark return which decreased by 3.97%.

#### ***Conservative Allocation Plan***

The net assets of the plan as at March 31, 2020 were Rs. 145 million compared to Rs. 222 million at June 30, 2019. The plan provided a return of 3.85% during the period compared to the benchmark return which increased by 1.12%.

#### ***Meezan Asset Allocation Plan-I***

The net assets of the plan as at March 31, 2020 were Rs. 277 million compared to Rs. 593 million at June 30, 2019. The plan provided a negative return of 9.28% during the period compared to the benchmark return which decreased by 7.68%.

### **Meezan Strategic Allocation Fund**

#### ***Meezan Strategic Allocation Plan-I***

The net assets of the plan as at March 31, 2020 were Rs. 716 million compared to Rs. 1,067 million at June 30, 2019. The plan provided a negative return of 6.80% during the period compared to the benchmark return which decreased by 7.05%.

#### ***Meezan Strategic Allocation Plan-II***

The net assets of the plan as at March 31, 2020 were Rs. 401 million compared to Rs. 728 million at June 30, 2019. The plan provided a negative return of 7.49% during the period compared to the benchmark return which decreased by 8.15%.



### ***Meezan Strategic Allocation Plan-III***

The net assets of the plan as at March 31, 2020 were Rs. 666 million compared to Rs. 891 million at June 30, 2019. The plan provided a negative return of 7.51% during the period compared to the benchmark return which decreased by 7.81%.

### ***Meezan Strategic Allocation Plan-IV***

The net assets of the plan as at March 31, 2020 were Rs. 669 million compared to Rs. 1,003 million at June 30, 2019. The plan provided a negative return of 7.25% during the period compared to the benchmark return which decreased by 7.83%.

### ***Meezan Strategic Allocation Plan-V***

The net assets of the plan as at March 31, 2020 were Rs. 183 million compared to Rs. 316 million at June 30, 2019. The plan provided a negative return of 7.94% during the period compared to the benchmark return which decreased by 7.79%.

### ***Meezan Capital Preservation Plan-III***

The net assets of the plan as at March 31, 2020 were Rs. 454 million compared to Rs. 1,099 million at June 30, 2019. The plan provided a negative return of 3.13% during the period compared to the benchmark return which decreased by 5.06%.

### ***Meezan Strategic Allocation Fund -II***

#### ***Meezan Capital Preservation Plan-IV***

The net assets of the plan as at March 31, 2020 were Rs. 1,154 million compared to Rs. 1,553 million at June 30, 2019. The plan provided a negative return of 0.70% during the period compared to the benchmark return which decreased by 4.19%.

#### ***Meezan Capital Preservation Plan-V***

The net assets of the plan as at March 31, 2020 were Rs. 245 million compared to Rs. 474 million at June 30, 2019. The plan provided a negative return of 0.13% during the period compared to the benchmark return which decreased by 3.16%.

#### ***Meezan Capital Preservation Plan-VI***

The net assets of the plan as at March 31, 2020 were Rs. 212 million compared to Rs. 384 million at June 30, 2019. The plan provided a negative return of 1.52% during the period compared to the benchmark return which decreased by 3.65%.

#### ***Meezan Capital Preservation Plan-VII***

The net assets of the plan as at March 31, 2020 were Rs. 137 million compared to Rs. 207 million at June 30, 2019. The plan provided a negative return of 2.28% during the period compared to the benchmark return which decreased by 2.50%.

#### ***Meezan Capital Preservation Plan-VIII***

The net assets of the plan as at March 31, 2020 were Rs. 65 million compared to Rs. 131 million at June 30, 2019. The plan provided a negative return of 2.08% during the period compared to the benchmark return which decreased by 4.68%.

### ***Meezan Strategic Allocation Fund -III***

### ***Meezan Capital Preservation Plan-IX***

The net assets of the plan as at March 31, 2020 were Rs. 84 million compared to Rs. 34 million at June 30, 2019. The plan provided a negative return of 2.12% during the period compared to the benchmark return which decreased by 5.09%.

### ***Meezan Gold Fund (MGF)***

The net assets of the fund as at March 31, 2020 were 419 million compared to Rs. 478 million at June 30, 2019, a decline of 12%. The Fund provided a return of 10.77% during the period compared to the benchmark return of 11.85%.

### ***Meezan Tahaffuz Pension Fund (MTPF)***

MTPF comprises of four sub funds namely Equity sub fund, Debt sub fund, Money Market sub fund and Gold sub fund. For the period ended March 31, 2020, the equity sub-fund provided a negative return of 14.75% and gold sub fund provided a return of 9.07%, while the debt and money market sub-funds provided annualized returns of 11.69% and 11.03% respectively. Performance review for each sub fund is given as under:

#### ***Equity Sub Fund***

The net assets of this sub fund stood at Rs. 3,175 million at March 31, 2020 compared to Rs. 4,086 million at June 30, 2019, an increase of 14%. The net asset value per unit of the plan was Rs. 321.8943 as at March 31, 2020 as compared to Rs. 377.5765 as at June 30, 2019.

#### ***Debt Sub Fund***

The net assets of this sub fund stood at Rs. 3,075 million at March 31, 2020 compared to Rs. 2,807 million at June 30, 2019, an increase of 3%. The net asset value per unit of the plan was Rs. 256.9265 as at March 31, 2020 as compared to Rs. 236.1122 as at June 30, 2019.

#### ***Money Market Sub Fund***

The net assets of this sub fund stood at Rs. 2,971 million at March 31, 2020 compared to Rs. 2,073 million at June 30, 2019, an increase of 27%. The net asset value per unit of the plan was Rs. 253.7249 at the end of March 31, 2020 as compared to Rs. 234.2456 as at June 30, 2019.

#### ***Gold Sub Fund***

The net assets of this sub fund stood at Rs. 102 million at March 31, 2020 compared to Rs. 84 million at June 30, 2019, an increase of 9%. The net asset value per unit of the plan was Rs. 142.3021 at the end of March 31, 2020 as compared to Rs. 130.4834 as at June 30, 2019.

### ***Outlook***

Going forward in line with the economic slowdown due to spread of COVID-19 there are risks to downward revision in FY20 GDP growth rate. FY20 CPI inflation is expected to clock in at 11.0-11.5% and then to decline to around 7% over the medium term in line with SBP forecast. With COVID-19 cases increasing exponentially, global economy faces a very real threat of entering into a recession phase temporarily. Governments around the world are working to stimulate economy and multilateral agencies have decided to provide additional support to emerging economies that will be most impacted by the corona virus.

We are hopeful that economic losses will be transient and this pandemic subsides, global economy will revert back to an upward trajectory sooner rather than later. Decline in commodities prices especially Crude oil will help to lower the trade deficit and inflation outlook even more. With decline in inflation, the interest rates are also expected to further ease which bodes well for both government & private sector

borrowers. Eventually if oil prices remain at current low levels, remittances from the Middle East can witness a slowdown. Stock market after witnessing a healthy correction during 3QFY20 is expected to show a healthy rebound going forward as the business activities gradually resumes and interest rates are expected to further ease in the next twelve months.

### **Acknowledgement**

We take this opportunity to thank our valued investors for reposing their faith in Al Meezan Investments, making it the largest asset management company in the private sector in Pakistan. We also thank the regulator, the Securities and Exchange Commission of Pakistan and our Trustee, the Central Depository Company of Pakistan for their support. Furthermore, we would like to thank the members of the Shariah Supervisory Board of Meezan Bank for their continued assistance and support on Shariah aspects of fund management.

For and on behalf of the Board

**Mohammad Shoaib, CFA**

Chief Executive Officer

Date: April 15, 2020



ڈائریکٹرز رپورٹ

میںجمنٹ کمپنی کے تحت فنڈز

المیزان انویسٹمنٹ میںجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز 31 مارچ 2020 کو اختتام پذیر ہونے والی مدت کے لئے مندرجہ ذیل اوپن اینڈ فنڈز اور والنٹری پنشن اسکیم کے غیر آڈٹ شدہ مالی گوشوارے پیش کرتے ہوئے مسرت محسوس کر رہا ہے۔

ایکویٹی فنڈز

میزان اسلامک فنڈ

المیزان میوچل فنڈ

کے ایس ای - میزان انڈیکس فنڈ

میزان ڈیڈ ویلٹیڈ ایکویٹی فنڈ

سیکٹراسپسٹک فنڈ

میزان انرجی فنڈ

انکم فنڈز

میزان اسلامک انکم فنڈ

میزان سوورن فنڈ

منی مارکیٹ فنڈ

میزان کیش فنڈ

میزان روزانہ آمدنی فنڈ

بیلنسڈ فنڈ

میزان بیلنسڈ فنڈ

فنڈز آف فنڈز

میزان فنانشل پلاننگ فنڈ آف فنڈ

میزان اسٹریٹجک ایلوکیشن فنڈ

میزان اسٹریٹجک ایلوکیشن فنڈ II

میزان اسٹریٹجک ایلوکیشن فنڈ III

کموڈٹی فنڈ

میزان گولڈ فنڈ

ایسٹ ایلوکیشن فنڈ

میزان ایسٹ ایلوکیشن فنڈ (MAAF)

رواں مالی سال کے پہلے نو ماہ میں بڑے پیمانے پر معاشی اشاریوں میں اہم بہتری دیکھنے میں آئی ہے۔ آئی ایم ایف کے پروگرام کو حتمی شکل دینے کے ساتھ اس سال کا آغاز ہوا اور حکومت نے معیشت کے استحکام اور ملک کو ترقی کی راہ پر گامزن کرنے کے لئے کامیاب اقدامات اٹھائے۔ کوویڈ-19 کے پھیلاؤ نے مالی سال 2020 کے معاشی نمو کی شرح کو کافی حد تک کم کر دیا ہے۔ وائرس کے منفی اثرات سے نمٹنے کے لئے حکومت نے صنعت کی حمایت اور عام آبادی کی بنیادی ضروریات کو پورا کرنے کے لیے 1.2 ٹریلین ریلف پیکیج کا اعلان کیا ہے، جبکہ وبا کے منفی اثرات سے لڑنے کے لیے حکومت بجٹ میں مدد فراہم کرنے کے لئے کثیر الجہتی قرض دینے والی ایجنسیوں سے بھی بات چیت کر رہی ہے۔ ”سال بہ سال“ (YoY) ”مالی سال 2020 کے 9 ماہ دورانے“ (9MFY20) میں اوسط قومی کنزیومر پرائس انڈیکس (CPI) 11.5% پر رہا۔ سال بہ سال معاشی میزانیے میں ماہانہ کنزیومر پرائس انڈیکس (CPI) افراط زر کی شرح جنوری 2020 میں 14.6% تک پہنچ گئی، جبکہ فروری اور مارچ میں اس میں بالترتیب 12.4% فیصد اور 10.2% فیصد کی کمی واقع ہوئی ہے۔ کورونا وائرس وبائی امراض کی وجہ سے گھریلو ایشیائے خورد و نوش کی قیمتوں میں حالیہ کمی، تیل کی عالمی قیمتوں میں زبردست گراؤ اور بیرونی اور گھریلو طلب میں سست روی کی وجہ سے مہنگائی کے نقطہ نظر میں بہتری آئی ہے۔ مارچ 2020 میں، پالیسیوں کی شرح کو دو شناخوں میں 225bps کی کمی اور 11 فیصد کر دیا گیا ہے، یہ مئی 2016 کے بعد سے شرح میں پہلی کٹوتی ہے۔ COVID-19 کے پھیلاؤ کی وجہ سے قیمتوں میں کٹوتی کے فیصلے سے جزوی طور پر تیل کی قیمتوں میں تیزی سے کمی اور گھریلو طلب میں بحالی کی کوششوں کے پس منظر میں افراط زر کا منظر نامہ بہتری کی عکاسی کر رہا ہے۔

وسیع پیمانے پر ٹیکس عائد اصلاحات اور عدم ترقیاتی اخراجات پر سخت کنٹرول کی وجہ سے مالی شعبے میں ترقی کے امکانات واضح ہوئے ہیں۔ مالی سال 20 کے نو ماہ دورانے میں، ایف بی آر ٹیکس وصولی میں سال بہ سال 12.9% کے اضافے سے 3,050 بلین روپے کا ہدف حاصل کیا گیا، تاہم وصولی میں بہتری کے باوجود نو ماہ کا ہدف درآمدات، مس ڈیکلریشن اور انڈر انوائسنگ پر ٹیکس وصولی میں نمایاں کمی کے سبب 470 بلین روپے کم رہا۔ حکومت کی جانب سے کوویڈ 19 میں احتیاطی تدابیر کے تحت گھریلو اور بیرونی سرگرمیوں میں معاشی خلل کی وجہ سے مالی سال کی آخری سہ ماہی میں مجموعی کمی میں مزید اضافہ متوقع ہے۔ اخراجات کے محاذ پر، قرضوں کی خدمت میں بڑے پیمانے پر اضافے کے علاوہ، پی ایس ڈی پی اخراجات گذشتہ سال کے دوران 417 ارب روپے کے مقابلے میں جولائی تا مارچ مالی سال 20 کے دوران 467 ارب روپے رہے۔ سات ماہ کے مالی سال (7MFY20) کے دوران مالی اعانت کے معاملے میں، مرکزی حکومت کے قرضوں میں 1.2 ٹریلین روپے سے 33 کھرب روپے کا اضافہ ہوا۔ یہ سارا اضافہ PIBs کے ذریعے جمع ہونے والے فنڈز سے ہوا ہے۔

بیرونی شعبے نے کرنٹ اکاؤنٹ خسارہ میں نمایاں کمی کے ساتھ اہم بہتری کے رجحان کو جاری رکھا جو مالی سال 19 کے 8 ماہ میں 9.8 بلین ڈالر سے مالی سال 20 کے آٹھ ماہ میں 2.8 بلین ڈالر رہ گیا، جو سال بہ سال 7.1 فیصد کمی ہے۔ تجارتی خسارے میں یہ 34 فیصد کمی آٹھ ماہ مالی سال میں 13.2 بلین امریکی ڈالر کی کمی کے باعث عمل میں آئی کیونکہ سامان کی درآمد میں 17.5 فیصد کمی واقع ہو کر 29.7 بلین امریکی ڈالر رہی جبکہ سامان کی برآمدات میں 2.7 فیصد کمی معمولی اضافے سے 16.4 بلین امریکی ڈالر تک کا اضافہ ہوا۔ حکومت کی جانب سے پی کے آر کی نمایاں قرض مارکیٹ میں غیر ملکی سرمایہ کاری میں آسانی پیدا کرنے کی کوششوں کے نتیجے میں ٹی بلوں اور پی آئی بی میں 3.5 بلین امریکی ڈالر کی آمدنی ہوئی لیکن کوویڈ 19 کے اخراج کی وجہ سے تیسری سہ ماہی میں سرمایہ کاروں نے بحفاظت نکل جانے کا انتخاب کیا۔ اس طرح مارچ، 20 کو مقامی قرضوں کی مارکیٹ میں غیر ملکی سرمایہ کاروں کی بیلنس رقم 1.4 بلین امریکی ڈالر رہی۔

آئی ایم ایف کے تحت دیگر کثیر الجہتی ایجنسیوں کی آمد اور سی اے ڈی میں کمی کے ساتھ مالی اعداد و شمار کے اختتام پر 27 مارچ 2020 تک اسٹیٹ بینک کے

غیر ملکی زرمبادلہ کے ذخائر 11.2 بلین امریکی ڈالر تک پہنچ گئے۔ اور مالیاتی سال 2019 کے آخر میں یہ 7.3 بلین امریکی ڈالر منافع پر قائم رہا۔ مالیاتی سال 20 کے نو ماہہ دورانے میں شرح تبادلہ بڑے پیمانے پر مستحکم رہی تاہم مارچ 2020 کے دوران قرض کی منڈی سے غیر ملکیوں کے اخراج اور شرح سود میں کمی کے نتیجے میں پاکستانی روپیہ امریکی ڈالر کے مقابلے میں گر گیا اور مارچ 20 میں پاکستانی روپیہ 166.7 امریکی ڈالر کی شرح تبادلہ پر رہا اور مالیاتی سال 20 کے نو ماہہ دورانے میں اس میں 4% کمی آئی۔

### منی مارکیٹ کا جائزہ

اسٹیٹ بینک آف پاکستان (ایس بی پی) نے COVID-19 وائرس کے پھیلنے کے بعد کاروباری اداروں اور معیشت کو ریلیف فراہم کرنے کے لئے مجموعی طور پر 225bps (دو شاخوں میں) پالیسی کی شرح کو کم کرنے کا فیصلہ کیا۔ مارکیٹ سود کی شرح کے چکر میں الٹنے کی توقع کر رہی تھی کیونکہ خصوصی ایم پی سی کے اعلانات سے پہلے ہی طویل مدتی بانڈ کی پیداوار 10 فیصد سے کم ایڈجسٹ ہو چکی ہے۔ مانیٹری پالیسی کے ساتھ مرکزی بینک نے سودی شرح کو ریڈرز کو بھی متوازی بنا کر بچت کے ذخائر پر روایتی بینکوں کے پھیلاؤ کو 50 بی پی ایس کم کر دیا۔ بین الاقوامی تیل و اجناس کی قیمتوں میں زبردست کمی اور عالمی معیشتوں میں سست روی کی وجہ سے منی مارکیٹ نے سمجھا کہ ممکنہ طور پر جنوری، 20 میں افراط زر میں اضافہ ہو گیا ہے اور صرف اس کیرفارم ہوگی۔ زیر غور مدت کے دوران طویل مدت کے لئے طلب میں اضافہ سرکاری بانڈز نے پی آئی بی کی پیداوار کو نیچے دھکیل دیا جہاں 10 سال کا بانڈ 9.15% (185 بی پی ایس سے نیچے) پر بند ہوا، 5 سال 9.18% (173 بی پی ایس نیچے) اور 3 سال 9.3 فیصد (235 بی پی ایس سے نیچے) پر بند ہوئے، جس کے نتیجے میں پیداواری خم (yield curve) میں گراؤ کا سامنا کرنا پڑا۔

لیکویڈیٹی فرنٹ پر، اسٹیٹ بینک کی جانب سے مسلسل او ایم او انجکشن کی وجہ سے منی مارکیٹ مستحکم رہی جہاں مرکزی بینک نے یہ یقینی بنایا کہ منی مارکیٹ پالیسی شرح کے قریب رہے۔ اس مدت کے دوران میچورٹی اور بالترتیب 2.048 ٹریلین اور 2.3 ٹریلین ٹیکس کے ہدف کی مد میں مرکزی بینک نے ٹی بلوں کے ذریعے 2.357 ٹریلین قرضہ حاصل کیا۔ دوسری طرف، حسب توقع اسٹیٹ بینک نے 390 بلین روپے میچورٹی کے مقابلے میں طویل مدتی PIBs کے ذریعے 267 بلین روپے حاصل کیے۔

اسلامی زرماریٹ کے محاذ پر، اجارہ صکو کس کی قیمت میں اضافہ دیکھا گیا جس کی وجہ شریعت کے مطابق حکومت/اجارہ سیکورٹیز کی عدم فراہمی ہے۔ یہاں یہ تذکرہ کرنا ضروری ہے کہ آخری بچ جانے والے اجارہ کی میچورٹی جون 2020 میں متوقع ہے۔ حکومت نے جون 2017 سے کسی بھی اجارہ صکو کس کی نیلامی نہیں کی۔ تاہم 31 مارچ 2020 کو کابینہ نے جناح بین الاقوامی ہوائی اڈے کے لیے 3 سال مدت کے لئے 700 ارب مالیت کے اجارہ صکو کس کے اجراء کی منظوری دے دی۔ مارچ 2019 میں، حکومت نے پاکستان انرجی صکو کس کی پہلی کھیپ جاری کی جس کی مالیت 200 ارب روپے تھی تاہم مارکیٹ ابھی بھی انرجی صکو کس کی دوسری قسط کی منتظر ہے۔ ابتداء میں مسابقتی بولی نہ ہونے کی وجہ سے اجراء میں تاخیر ہوئی، لیکن بعد میں وزارت کی ہدایات پر اسلامی بینکوں کے کنسورشیم کے ذریعے مسابقتی بولی لگائی گئی۔ اس کے باوجود کنسورشیم کے ذریعے کامیاب بولی لگانے کے بعد بھی اس عمل پر ایک بار پھر سوال اٹھایا گیا اور یہ عمل سست روی کا شکار رہا۔ وزارت خزانہ نے دوسری بار پاورڈویژن کے اقدام کو ختم کر دیا کیونکہ انہیں لگتا ہے کہ یہ شرح غیر مسابقتی ہے اور بہت سے مالیاتی ادارے اس عمل سے پیچھے رہ گئے ہیں۔ ہم توقع کرتے ہیں کہ اس وقت یہ اجراء ہوگا کیونکہ بجلی کے شعبے کو لیکویڈیٹی بحران کا سامنا ہے۔ کارپوریٹ سیکٹر نے صکو کس اور اسلامک کمرشل پیپر کے توسط سے فنڈز جمع کرنے کے عمل کو جاری رکھا، جس نے اسلامی اداروں کے ساتھ دستیاب اضافی لیکویڈیٹی کے کچھ حصے کو جذب کرنے میں کلیدی کردار ادا کیا۔

### ایکویٹی جائزہ

نومینے مالی سال 20 کے دوران کے ایم آئی 30 انڈیکس غیر مستحکم رہا، اور 17 فیصد کمی سے 45,056 پوائنٹس پر آ گیا جبکہ کے ایس ای 100 انڈیکس 14 فیصد کمی سے اسی عرصے میں 29,232 پوائنٹس پر پہنچ گیا۔ مارکیٹ کا آغاز کمزور ہوا، جس کے تحت انڈیکس میں ستمبر، 19 کی سہ ماہی کے دوران 5 فیصد کمی



واقع ہوئی، تاہم، اس کے نتیجے میں اگلے چند مہینوں میں جنوری، 20 کے اوائل تک نومبر کے مالی سال 2020، میں پہنچنے تک اپنے رجحان کو تبدیل کرتے ہوئے 100 انڈیکس 43,219 پوائنٹس کی سطح پر پہنچ گیا۔ بیرونی اکاؤنٹ کے امکانات کو بہتر بنانے اور ثانوی مارکیٹ کی پیداوار میں کمی کی وجہ سے انڈیکس میں متاثر کن اضافہ دیکھا گیا، تاہم جائزہ لینے کے عرصے کے دوران عروج پر پہنچنے کے بعد سے تیسری سہ ماہی کے دوران مارکیٹ میں غیر معمولی کمی دیکھنے میں آئی، اس وبائی مرض کو وائرس کے نام سے جانا جاتا ہے، کے باعث کے ایم آئی 30 انڈیکس کے حجم میں %42 اضافے سے 74 ملین حصص اور کے ایس ای 100 انڈیکس کی مقدار 37 فیصد اضافے کے ساتھ 133 ملین حصص تک پہنچ گئی۔ سابق وزیر اعظم کو طبعی بنیادوں پر سفر کرنے کی اجازت دینے اور حزب اختلاف کی جماعتوں کے ساتھ اسلام آباد پر امن مذاکرات کے بعد مقامی سیاسی شور بھی کسی حد تک ختم ہو گیا۔ حکومت آرمی چیف کی توسیع کو قانونی طور پر فراہم کرنے والے بل پر حزب اختلاف کی جماعتوں کی حمایت حاصل کرنے میں بھی کامیاب رہی۔ دورانیے میں بالترتیب 45,056 پوائنٹس اور 29,232 پوائنٹس پر بند ہوا۔

میکرو اکنامک لینڈ اسکیپ میں گذشتہ سال کے دوران نمایاں بہتری دیکھنے میں آئی، جس کے نتیجے میں کرنٹ اکاؤنٹ کے اعداد و شمار مسلسل تجزیہ کاروں کے تخمینے سے آگے نکل گئے، اسٹیٹ بینک کے زرمبادلہ کے ذخائر میں بہتری آئی اور بنیادی مالی خسارے میں بڑی کمی اور سکرڈاؤ دیکھا گیا۔ سود کی شرح کو جارحانہ طور پر جولائی 2019 تک بڑھانے کے بعد، اسٹیٹ بینک آف پاکستان (ایس بی پی) نے اس کے بعد کی جانے والی تین ماہی پالیسی کمیٹی میں جمود برقرار رکھا، جس سے اشارہ کیا گیا تھا کہ افراط زر کی شرح میں بہتری آنے کے ساتھ ہی شرحوں میں تیزی آ رہی ہے اور جلد ہی نرمی کا آغاز ہو سکتا ہے۔ ماہ مارچ 2020 سے شیڈول پالیسی میٹنگ میں 75 بی پی ایس کٹوتی کا مشاہدہ کیا گیا، بعد میں ہنگامی ماہی پالیسی میٹنگ میں ایک اور 150 بی پی ایس کٹوتی کی صورت ابھری تھی کہ مقامی اور بیرونی دونوں طرف کورونا وائرس کے منفی اثرات زیادہ ابھر کر سامنے آئے۔ مجموعی طور پر پالیسی کی شرح اب مجموعی 225bps سے کم ہو کر %11 ہو گئی ہے۔ ستمبر، 19 سہ ماہی نظر ثانی اور سہ ماہی قسط وصول کرنے کے بعد تمام اہداف کو پورا کرنے کے بعد دسمبر، 19 کے سہ ماہی ہدف میں تاخیر کا سامنا کرنا پڑا، تاہم، کورونا وبائی امراض کی وجہ سے پاکستان نے معمولی قسط کے علاوہ اضافی مالی اعانت کے لئے آئی ایم ایف سے رجوع کیا ہے جس کی منظوری کی توقع ہے۔

چھ ماہ کے مالی سال 2020 کے دوران ایم ایس سی آئی ای ایم انڈیکس میں 6 فیصد اضافے کے بعد وبائی امراض کی وجہ سے تیسری سہ ماہی مالی سال کے دوران %24 کا اضافی بوجھ بھی محسوس کیا گیا، جس کے نتیجے میں مجموعی طور پر نو ماہ میں %19.6 فیصد کمی واقع ہوئی۔ اس سے قبل امریکن فیڈ کے ذریعے نرمی کی وجہ سے ابھرتی ہوئی مارکیٹوں کو قبل از وقت انفلو (رقوم کے داخلے اور آمد) کو اپنی جانب راغب کیا تھا، تاہم سرحدوں میں کورونا وائرس کو روکنے کے لئے لاک ڈاؤن کے اثرات تیزی سے منفی ہو گئے اور ابھرتی ہوئی مارکیٹوں کی معیشتوں نے نقصان اٹھانا شروع کیا اور سرمایہ کاروں نے حفاظت کے لئے سرمائے کے فرار کو ترجیح دی۔ امریکن EM ETFs نے ابھرتی مارکیٹوں سے بلین 4.6 بلین امریکی ڈالر سے زیادہ کی رقم نکال لی۔

امریکن EM ETFs نے ابھرتی مارکیٹوں سے 4.6 ارب ڈالر سے زیادہ رقم نکالی جو ابھرتی مارکیٹ کے خطے میں ہنگامہ خیز اقتصادی صورتحال کی وجہ سے حفاظت کے لئے ایک ترجیح کو ظاہر کرتے ہیں۔ ایم ایس سی آئی ای ایم انڈیکس اس عرصے کے دوران 23 فیصد سے زیادہ گر گیا۔ ابھرتی ہوئی مارکیٹوں کو اس سے قبل یو ایس فیڈ کے ذریعے نرمی کی وجہ سے انفلو کی طرف راغب کیا تھا، تاہم سرحدوں پر کورونا وائرس کو روکنے کے لئے لاک ڈاؤن کے اثرات کے نتیجے میں تیزی سے منفی رخ مڑ گیا اور ابھرتی ہوئی مارکیٹوں کی معیشتوں کو مشکلات کا نشانہ بنانا شروع کیا، جس سے غیر ملکی سرمایہ داروں نے حفاظت کی خاطر اپنے سرمائے کا انخلا کیا۔

مالی سال کے پہلے چھ ماہ میں تیل کی قیمتیں اونچائی کی طرف رہیں جبکہ عقاق میں سعودی آئل ریفائنری پر حملہ اور اس کے بعد امریکی فضائیہ پر ایران کے میزائل حملہ جیسے خطے کی سلامتی کو درپیش خطرات کے واقعات کے پیش آنے کے بعد ایسے قیاس آرائیوں کا سامنا کرنا پڑا ہے کہ مشرق وسطیٰ سے پیدا ہونے

والی تیل کی فراہمی میں خلل پڑ سکتا ہے۔ تاہم فروری، 20 سے کورونا وائرس کے اثرات کے نتیجے میں تیل کی عالمی طلب میں خاطر خواہ کمی واقع ہوئی اور اضافی پیداوار میں کٹوتی کے معاملے پر سعودی عرب اور روس کے مابین اختلاف رائے اوپیک+ کارٹیل کے ٹوٹنے کا سبب بنے۔ اس کے نتیجے میں قیمتوں میں کمی واقع ہوئی ہے جو کورونا وائرس پھیلنے کی وجہ سے پہلے ہی گر رہی تھیں۔ 2002 کے بعد سے برینٹ کروڈ 22 امریکی ڈالر فی بیرل سے نیچے آ گیا ہے جو سب سے کم ہے۔ عرب ہلکا خام تیل جو ہماری معیشت کے لئے زیادہ موزوں ہے 9MFY20 میں 61 فیصد گر کر امریکی ڈالر 26 بیرل تک پہنچ گیا ہے۔ تیل کی قیمتوں میں یہ گراؤ درآمدی بل میں کمی اور افراط زر کے دباؤ کو کم کرنے کے تناظر سے فائدہ مند ہے، تاہم اگر تیل کی قیمتیں اس قدر کم سطح پر رہیں تو اس سے انڈیکس ہیوی ویٹ آئل اسٹاک پر بھی منفی اثر پڑتا ہے اور مستقبل میں خلیجی ممالک کی جانب سے ترسیلات زر کو بری طرح متاثر کر سکتا ہے۔

### انڈیکس میں اہم شراکت دار:

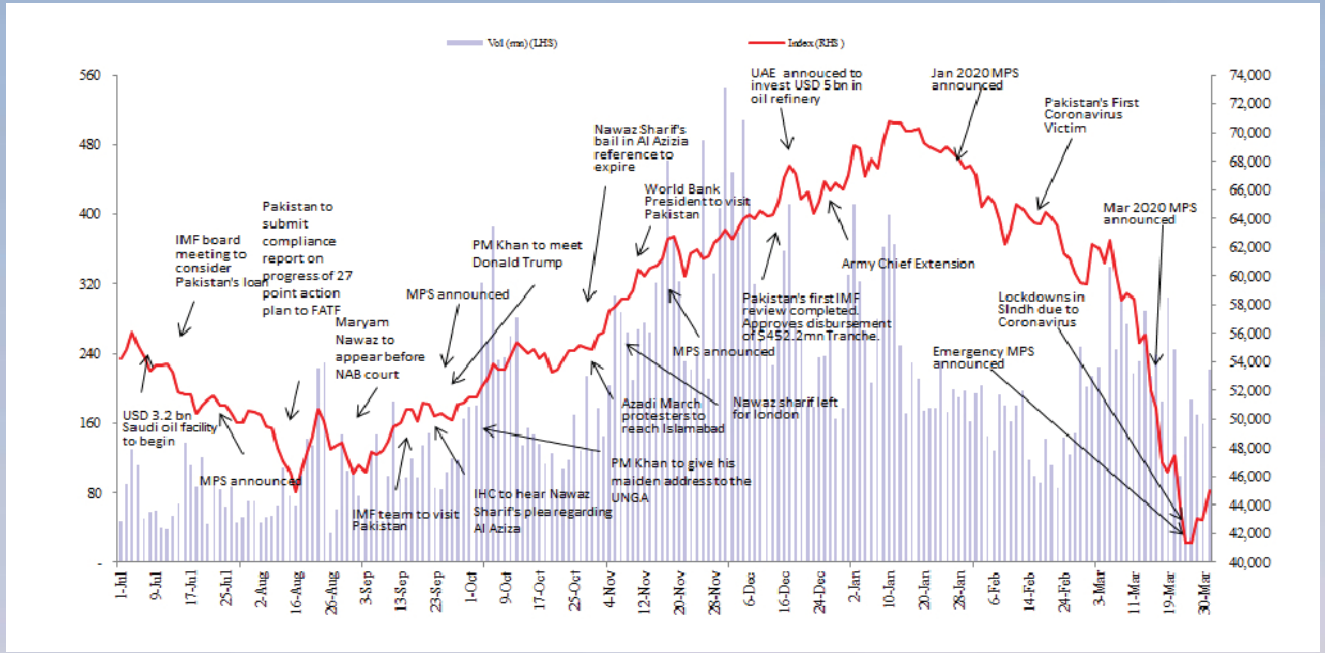
اس عرصے کے دوران، کھاد کا شعبہ مثبت تعاون کرنے والے اولین شعبوں میں شامل تھا۔ 9MFY20 میں KMI-30 انڈیکس میں سب سے اہم شراکت دار اسٹاک تھے:

Major Positive Contributors to the Index	Contribution to KMI-30 (Points)	Total Return (%)
Engro Corp Ltd/Pakistan	257	+6.06
Engro Fertilizers Ltd	234	+7.12
DG Khan Cement Co Ltd	132	+8.36
Searle Co Ltd/The	115	+7.35
Lucky Cement Ltd	88	+0.08

اس عرصے کے دوران آئل ایکسپلوریشن اور مارکیٹنگ اور ٹیکسٹائل کے شعبوں میں اسٹاک بدترین شراکت میں شامل رہے۔ کے ایم آئی 30 انڈیکس میں کلیدی سست رفتار یہ تھیں:

Major Negative Contributors to the Index	Contribution to KMI-30 (Points)	Total Return (%)
Oil & Gas Development Co Ltd	-2,320	-39.01
Pakistan Petroleum Ltd	-2,128	-39.32
Pakistan Oilfields Ltd	-792	-25.92
Sui Northern Gas Pipeline Ltd	-658	-47.53
Nishat Mills Ltd	-334	-34.84

اس عرصے کے دوران کے ایم آئی 30 کی مجموعی حرکت کو مندرجہ ذیل گراف میں دیکھا جاسکتا ہے۔



## ایکویٹی بہاؤ

فلوز (بہاؤ) کے حوالے سے، غیر ملکیوں، باہمی فنڈز اور بینکوں/DFI کی نو ماہ کے مالی سال 2020 کے دوران خالص فروخت کنندگان بالترتیب USD130mn، USD85mn اور 48mn USD آف لوڈنگ پوزیشنز پر رہے۔ انفرادی اور انشورنس کمپنیوں نے سپلائی کو بالترتیب USD144mn اور USD94mn کی آمد (فلوز) کے ساتھ حاصل کیا۔ 9MFY20 میں بنیادی طور پر آئل ایکسپلوریشن (USD62mn) اور سیمنٹ (USD42.5mn) کے ساتھ غیر ملکی بہاؤ (فارن فلوز) منفی رہا، تاہم کھاد کے شعبے میں (35.5 ملین ڈالر) کا اضافہ دیکھا گیا۔

## میوچل فنڈ انڈسٹری کا جائزہ

مالی سال 2020 کے 8 ماہ کے دوران، میوچل فنڈ انڈسٹری کے زیر انتظام اثاثہ جات 30.8 فیصد اضافے سے بمطابق 29 فروری 2020 694 بلین روپے رہے۔ میوچل فنڈ انڈسٹری میں اضافہ شریعت کے مطابق AUMs میں اضافے کے باعث ممکن ہوا، جس میں 272 ارب روپے کے ساتھ 38.8 فیصد اضافہ دیکھا گیا، جبکہ میوچل فنڈ انڈسٹری میں شریعت کے مطابق فنڈز کا حصہ 39.2 فیصد ممکن ہوا۔

المیزان کا مجموعی میوچل فنڈ انڈسٹری میں حصہ 18.0 فیصد جبکہ شریعت موافق فنڈز میں حصہ 45.8 فیصد رہا۔ مالی سال 2020 کے آغاز سے المیزان، میوچل فنڈ انڈسٹری میں اپنا حصہ 77 پیسے پوائنٹس مزید بڑھانے میں کامیاب رہی ہے۔

مالی سال 2019 کے مقابلے میں مالی سال 2020 کے 8 ماہ میں انڈسٹری کے زیر انتظام اثاثہ جات میں تبدیلی کی تفصیلات درج ذیل ہیں؛

## کارکردگی کا جائزہ (فنڈز)

### میزان اسلامک فنڈ

31 مارچ 2020 کے مطابق، میزان اسلامک فنڈ (MIF) کے خالص اثاثہ جات 25 فیصد تنزیلی کے ساتھ جون 2019 کے 25,740 ملین روپے کے مقابلے میں 19,281 ملین روپے تھے۔ 31 مارچ 2020 کو مجموعی خالص اثاثہ کی نی یونٹ قدر و قیمت جون 2019 کی 47.9235 روپے کے مقابلے میں 40.1726 روپے تھی جو کہ زیر جائزہ عرصہ کے دوران 16.18 فیصد منفی منافع کو ظاہر کرتی ہے، جبکہ اسی عرصے کے دوران کے ایس ای میزان انڈیکس (KMI-30) بیس مارک میں 16.75 فیصد کمی ہوئی۔



## المیزان میوچل فنڈ

31 مارچ 2020 کے مطابق، المیزان میوچل فنڈ (AMMF) کے خالص اثاثہ جات 33 فیصد تنزلی کے ساتھ جون 2019 کے 4,768 ملین روپے کے مقابلے میں 3,211 ملین روپے تھے۔ 31 مارچ 2020 کو مجموعی خالص اثاثہ جات کی فی یونٹ قدر و قیمت جون 2019 کی 13.3539 روپے کے مقابلے میں 11.3272 روپے تھی جو کہ زیر جائزہ عرصہ کے دوران 15.19 فیصد منفی منافع کو ظاہر کرتی ہے، جبکہ اسی عرصے کے دوران کے ایس ای میزان انڈیکس (KMI-30) بیس مارک میں 16.75 فیصد کمی ہوئی۔

## کے ایس ای میزان انڈیکس فنڈ

31 مارچ 2020 کے مطابق، کے ایس ای میزان انڈیکس فنڈ (KMIF) کے خالص اثاثہ جات 1 فیصد تنزلی کے ساتھ جون 2019 کے 1,517 ملین روپے کے مقابلے میں 1,507 ملین روپے تھے۔ 31 مارچ 2020 کو مجموعی خالص اثاثہ جات کی فی یونٹ قدر و قیمت جون 2019 کی 52.9470 روپے کے مقابلے میں 43.9384 روپے تھی جو کہ زیر جائزہ عرصہ کے دوران 17.02 فیصد منفی منافع کو ظاہر کرتی ہے، جبکہ اسی عرصے کے دوران کے ایس ای میزان انڈیکس (KMI-30) بیس مارک میں 16.75 فیصد کمی ہوئی۔

## میزان ڈیڈیکٹیڈ ایکویٹی فنڈ

31 مارچ 2020 کے مطابق، میزان ڈیڈیکٹیڈ ایکویٹی فنڈ (MDEF) کے خالص اثاثہ جات 74 فیصد تنزلی کے ساتھ جون 2019 کے 1,761 ملین روپے کے مقابلے میں 462 ملین روپے تھے۔ 31 مارچ 2020 کو مجموعی خالص اثاثہ جات کی فی یونٹ قدر و قیمت جون 2019 کی 35.5081 روپے کے مقابلے میں 28.2253 روپے تھی جو کہ زیر جائزہ عرصہ کے دوران 20.52 فیصد منفی منافع کو ظاہر کرتی ہے، جبکہ اسی عرصے کے دوران کے ایس ای میزان انڈیکس (KMI-30) بیس مارک میں 16.75 فیصد کمی ہوئی۔

## میزان انرجی فنڈ

31 مارچ 2020 کے مطابق، میزان انرجی فنڈ (MEF) کے خالص اثاثہ جات 47 فیصد تنزلی کے ساتھ جون 2019 کے 599 ملین روپے کے مقابلے میں 318 ملین روپے تھے۔ 31 مارچ 2020 کو مجموعی خالص اثاثہ جات کی فی یونٹ قدر و قیمت جون 2019 کی 33.3649 روپے کے مقابلے میں 24.4239 روپے تھی جو کہ زیر جائزہ عرصہ کے دوران 26.81 فیصد منفی منافع کو ظاہر کرتی ہے، جبکہ اسی عرصے کے دوران کے ایس ای میزان انڈیکس (KMI-30) بیس مارک میں 16.75 فیصد کمی ہوئی۔

## میزان ایسیٹ ایلوکیشن فنڈ

31 مارچ 2020 کے مطابق، میزان ایسیٹ ایلوکیشن فنڈ (MAAF) کے خالص اثاثہ جات 40 فیصد تنزلی کے ساتھ جون 2019 کے 1,854 ملین روپے کے مقابلے میں 1,118 ملین روپے تھے۔ 31 مارچ 2020 کو مجموعی خالص اثاثہ جات کی فی یونٹ قدر و قیمت جون 2019 کی 35.4328 روپے کے مقابلے میں 31.3747 روپے تھی جو کہ زیر جائزہ عرصہ کے دوران 11.45 فیصد منفی منافع کو ظاہر کرتی ہے، جبکہ اسی عرصے کے دوران بیس مارک منافع میں 10.84 فیصد کمی ہوئی۔

## میزان اسلامک انکم فنڈ

31 مارچ 2020 کے مطابق، میزان اسلامک انکم فنڈ (MIIF) کے خالص اثاثہ جات 173 فیصد اضافے کے ساتھ جون 2019 کے 9,471 ملین

روپے کے مقابلے میں 25,830 ملین روپے تھے۔ 31 مارچ 2020 کو مجموعی خالص اثاثہ کی فی یونٹ قدر و قیمت جون 2019 کی 51.4367 روپے کے مقابلے میں 56.1496 روپے تھی جو کہ زیر جائزہ عرصہ کے دوران سالانہ بنیاد پر 12.16 فیصد منافع کو ظاہر کرتی ہے، جبکہ اسی عرصے کے دوران بیچ مارک سالانہ منافع کی شرح 6.33 فیصد رہی۔ زیر جائزہ عرصے کے اختتام پر فنڈ کے خالص اثاثہ جات کا 20 فیصد اسلامی ادارہ جاتی صکوک، 15 فیصد قابل وصول بیج معجل، 5 فیصد اسلامی کمرشل پیپر، 6 فیصد مشارکہ سرٹیفکیٹ اور 54 فیصد اسلامی بینکس یا بینکس کے اسلامی ونڈوز میں مختص کردہ تھے۔

### میزان سوورن فنڈ

31 مارچ 2020 کے مطابق، میزان سوورن فنڈ (MSF) کے خالص اثاثہ جات 15 فیصد تنزیلی کے ساتھ جون 2019 کے 5,705 ملین روپے کے مقابلے میں 4,861 ملین روپے تھے۔ 31 مارچ 2020 کو مجموعی خالص اثاثہ کی فی یونٹ قدر و قیمت جون 2019 کی 51.5293 روپے کے مقابلے میں 56.1882 روپے تھی جو کہ زیر جائزہ عرصہ کے دوران سالانہ بنیاد پر 11.99 فیصد منافع کو ظاہر کرتی ہے، جبکہ اسی عرصے کے دوران بیچ مارک سالانہ منافع کی شرح 8.55 فیصد رہی۔ زیر جائزہ عرصے کے اختتام پر فنڈ کے خالص اثاثہ جات کا 23 فیصد حکومت پاکستان کے گارنٹی کردہ صکوک، اور 77 فیصد اسلامی بینکس یا بینکس کے اسلامی ونڈوز میں مختص کردہ تھے۔

### میزان کیش فنڈ

31 مارچ 2020 کے مطابق، میزان کیش فنڈ (MCF) کے خالص اثاثہ جات 47 فیصد اضافے کے ساتھ جون 2019 کے 8,851 ملین روپے کے مقابلے میں 13,028 ملین روپے تھے۔ 31 مارچ 2020 کو مجموعی خالص اثاثہ جات کی فی یونٹ قدر و قیمت جون 2019 کی 50.4731 روپے کے مقابلے میں 54.8825 روپے تھی جو کہ زیر جائزہ عرصہ کے دوران سالانہ بنیاد پر 11.59 فیصد منافع کو ظاہر کرتی ہے، جبکہ اسی عرصے کے دوران بیچ مارک سالانہ منافع کی شرح 5.50 فیصد رہی۔ زیر جائزہ عرصے کے اختتام پر فنڈ کے خالص اثاثہ جات کا 22 فیصد بانے معجل، 8 فیصد ٹرم ڈپازٹ ریسیپٹس، اور 4 فیصد اسلامی کمرشل پیپر، 5 فیصد اسلامی ادارہ جاتی صکوک، اور 61 فیصد اسلامی بینکس یا بینکس کے اسلامی ونڈوز میں مختص کردہ تھے۔

### میزان روزانہ آمدنی فنڈ

31 مارچ 2020 کے مطابق، میزان روزانہ آمدنی فنڈ (MRAF) کے خالص اثاثہ جات 111 فیصد اضافے کے ساتھ جون 2019 کے 16,134 ملین روپے کے مقابلے میں 34,016 ملین روپے تھے۔ 31 مارچ 2020 کو مجموعی خالص اثاثہ جات کی فی یونٹ قدر و قیمت جون 2019 کی 50.0000 روپے تھی۔ زیر جائزہ عرصہ کے دوران سالانہ بنیاد پر فنڈ نے 12.52 فیصد منافع دیا، جبکہ اسی عرصے کے دوران بیچ مارک سالانہ منافع کی شرح 5.50 فیصد رہی۔

### میزان بیلنسڈ فنڈ

31 مارچ 2020 کے مطابق، میزان بیلنسڈ فنڈ (MBF) کے خالص اثاثہ جات 33 فیصد تنزیلی کے ساتھ جون 2019 کے 5,350 ملین روپے کے مقابلے میں 3,601 ملین روپے تھے۔ 31 مارچ 2020 کو مجموعی خالص اثاثہ جات کی فی یونٹ قدر و قیمت جون 2019 کی 13.4608 روپے کے مقابلے میں 13.0587 روپے تھی جو کہ سہ ماہی کے دوران 2.97 فیصد منفی منافع کو ظاہر کرتی ہے، جبکہ اسی عرصے کے دوران بیچ مارک منافع کی شرح منفی 4.32 فیصد رہی۔

## میزان فنانشل پلاننگ فنڈ آف فنڈز

### ایگریسیو ایلو کیشن پلان

31 مارچ 2020 کے مطابق، پلان کے خالص اثاثہ جات 30 جون 2019 کے 365 ملین روپے کے مقابلے میں 239 ملین روپے تھے۔ زیر جائزہ عرصہ کے دوران پلان نے 8.97 فیصد کا منفی منافع فراہم کیا، جبکہ اسی عرصے کے دوران بیئج مارک منافع کی شرح منفی 9.73 فیصد رہی۔

### موڈریٹ ایلو کیشن پلان

31 مارچ 2020 کے مطابق، پلان کے خالص اثاثہ جات 30 جون 2019 کے 203 ملین روپے کے مقابلے میں 111 ملین روپے تھے۔ زیر جائزہ عرصہ کے دوران پلان نے 2.07 فیصد کا منفی منافع فراہم کیا، جبکہ اسی عرصے کے دوران بیئج مارک منافع کی شرح منفی 3.97 فیصد رہی۔

### کنزرویٹو ایلو کیشن فنڈ

31 مارچ 2020 کے مطابق، پلان کے خالص اثاثہ جات 30 جون 2019 کے 222 ملین روپے کے مقابلے میں 145 ملین روپے تھے۔ زیر جائزہ عرصہ کے دوران پلان نے 3.85 فیصد کا منفی منافع فراہم کیا، جبکہ اسی عرصے کے دوران بیئج مارک منافع کی شرح منفی 1.12 فیصد رہی۔

### میزان ایسیٹ ایلو کیشن پلان-I

31 مارچ 2020 کے مطابق، پلان کے خالص اثاثہ جات 30 جون 2019 کے 593 ملین روپے کے مقابلے میں 277 ملین روپے تھے۔ زیر جائزہ عرصہ کے دوران پلان نے 9.28 فیصد کا منفی منافع فراہم کیا، جبکہ اسی عرصے کے دوران بیئج مارک منافع کی شرح منفی 7.68 فیصد رہی۔

### میزان اسٹریٹجک ایلو کیشن فنڈ

#### میزان اسٹریٹجک ایلو کیشن پلان-I

31 مارچ 2020 کے مطابق، پلان کے خالص اثاثہ جات 30 جون 2019 کے 1,067 ملین روپے کے مقابلے میں 716 ملین روپے تھے۔ زیر جائزہ عرصہ کے دوران پلان نے 6.80 فیصد کا منفی منافع فراہم کیا، جبکہ اسی عرصے کے دوران بیئج مارک منافع کی شرح منفی 7.05 فیصد رہی۔

#### میزان اسٹریٹجک ایلو کیشن پلان-II

31 مارچ 2020 کے مطابق، پلان کے خالص اثاثہ جات 30 جون 2019 کے 728 ملین روپے کے مقابلے میں 401 ملین روپے تھے۔ زیر جائزہ عرصہ کے دوران پلان نے 7.49 فیصد کا منفی منافع فراہم کیا، جبکہ اسی عرصے کے دوران بیئج مارک منافع کی شرح منفی 8.15 فیصد رہی۔

#### میزان اسٹریٹجک ایلو کیشن پلان-III

31 مارچ 2020 کے مطابق، پلان کے خالص اثاثہ جات 30 جون 2019 کے 891 ملین روپے کے مقابلے میں 666 ملین روپے تھے۔ زیر جائزہ عرصہ کے دوران پلان نے 7.51 فیصد کا منفی منافع فراہم کیا، جبکہ اسی عرصے کے دوران بیئج مارک منافع کی شرح منفی 7.81 فیصد رہی۔

#### میزان اسٹریٹجک ایلو کیشن پلان-IV

31 مارچ 2020 کے مطابق، پلان کے خالص اثاثہ جات 30 جون 2019 کے 1,003 ملین روپے کے مقابلے میں 669 ملین روپے تھے۔ زیر جائزہ عرصہ کے دوران پلان نے 7.25 فیصد کا منفی منافع فراہم کیا، جبکہ اسی عرصے کے دوران بیئج مارک منافع کی شرح منفی 7.83 فیصد رہی۔



## میزان اسٹریٹجک ایلوکیشن پلان-V

31 مارچ 2020 کے مطابق، پلان کے خالص اثاثہ جات 30 جون 2019 کے 316 ملین روپے کے مقابلے میں 183 ملین روپے تھے۔ زیر جائزہ عرصہ کے دوران پلان نے 7.94 فیصد کا منفی منافع فراہم کیا، جبکہ اسی عرصے کے دوران ہینج مارک منافع کی شرح منفی 7.79 فیصد رہی۔

## میزان کیپٹل پر ریزرویشن پلان-III

31 مارچ 2020 کے مطابق، پلان کے خالص اثاثہ جات 30 جون 2019 کے 1,099 ملین روپے کے مقابلے میں 454 ملین روپے تھے۔ زیر جائزہ عرصہ کے دوران پلان نے 3.13 فیصد کا منفی منافع فراہم کیا، جبکہ اسی عرصے کے دوران ہینج مارک منافع کی شرح منفی 5.06 فیصد رہی۔

## میزان اسٹریٹجک ایلوکیشن فنڈ-II

## میزان کیپٹل پر ریزرویشن پلان-IV

31 مارچ 2020 کے مطابق، پلان کے خالص اثاثہ جات 30 جون 2019 کے 1,553 ملین روپے کے مقابلے میں 1,154 ملین روپے تھے۔ زیر جائزہ عرصہ کے دوران پلان نے 0.70 فیصد کا منفی منافع فراہم کیا، جبکہ اسی عرصے کے دوران ہینج مارک منافع کی شرح منفی 4.19 فیصد رہی۔

## میزان کیپٹل پر ریزرویشن پلان-V

31 مارچ 2020 کے مطابق، پلان کے خالص اثاثہ جات 30 جون 2019 کے 474 ملین روپے کے مقابلے میں 245 ملین روپے تھے۔ زیر جائزہ عرصہ کے دوران پلان نے 0.13 فیصد کا منفی منافع فراہم کیا، جبکہ اسی عرصے کے دوران ہینج مارک منافع کی شرح منفی 3.16 فیصد رہی۔

## میزان کیپٹل پر ریزرویشن پلان-VI

31 مارچ 2020 کے مطابق، پلان کے خالص اثاثہ جات 30 جون 2019 کے 384 ملین روپے کے مقابلے میں 212 ملین روپے تھے۔ زیر جائزہ عرصہ کے دوران پلان نے 1.52 فیصد کا منفی منافع فراہم کیا، جبکہ اسی عرصے کے دوران ہینج مارک منافع کی شرح منفی 3.65 فیصد رہی۔

## میزان کیپٹل پر ریزرویشن پلان-VII

31 مارچ 2020 کے مطابق، پلان کے خالص اثاثہ جات 30 جون 2019 کے 207 ملین روپے کے مقابلے میں 137 ملین روپے تھے۔ زیر جائزہ عرصہ کے دوران پلان نے 2.28 فیصد کا منفی منافع فراہم کیا، جبکہ اسی عرصے کے دوران ہینج مارک منافع کی شرح منفی 2.50 فیصد رہی۔

## میزان کیپٹل پر ریزرویشن پلان-VIII

31 مارچ 2020 کے مطابق، پلان کے خالص اثاثہ جات 30 جون 2019 کے 131 ملین روپے کے مقابلے میں 65 ملین روپے تھے۔ زیر جائزہ عرصہ کے دوران پلان نے 2.08 فیصد کا منفی منافع فراہم کیا، جبکہ اسی عرصے کے دوران ہینج مارک منافع کی شرح منفی 4.68 فیصد رہی۔

## میزان اسٹریٹجک ایلوکیشن فنڈ-III

## میزان کیپٹل پر ریزرویشن پلان-IX

31 مارچ 2020 کے مطابق، پلان کے خالص اثاثہ جات 30 جون 2019 کے 34 ملین روپے کے مقابلے میں 84 ملین روپے تھے۔ زیر جائزہ عرصہ کے دوران پلان نے 2.12 فیصد کا منفی منافع فراہم کیا، جبکہ اسی عرصے کے دوران ہینج مارک منافع کی شرح منفی 5.09 فیصد رہی۔

## میزان گولڈ فنڈ (MGF)

31 مارچ 2020 کے مطابق، پلان کے خالص اثاثہ جات 30 جون 2019 کے 478 ملین روپے کے مقابلے میں 419 ملین روپے تھے۔ زیر جائزہ عرصہ کے دوران پلان نے 10.77 فیصد کا منافع فراہم کیا، جبکہ اسی عرصے کے دوران بیچ مارک منافع کی شرح 11.85 فیصد رہی۔

## میزان تحفظ پنشن فنڈ (MTPF)

میزان تحفظ پنشن فنڈ، چار سب فنڈز یعنی ایکویٹی سب فنڈ، ڈیبٹ سب فنڈ، منی مارکیٹ سب فنڈ اور گولڈ سب فنڈ پر مشتمل ہے۔ 31 مارچ 2020 کو ختم ہونے والے عرصے میں ایکویٹی سب فنڈ نے 14.75 فیصد منفی منافع فراہم کیا، اور گولڈ سب فنڈ نے 9.07 فیصد منافع فراہم کیا، جبکہ ڈیبٹ اور منی مارکیٹ سب فنڈز نے بالترتیب 11.69 فیصد اور 11.03 فیصد منافع فراہم کیا۔ ہر ایک ذیلی فنڈ کی کارکردگی کا جائزہ درج ذیل میں پیش کیا جا رہا ہے:

### ایکویٹی سب فنڈ

31 مارچ 2020 کے مطابق، اس سب فنڈ کے خالص اثاثہ جات 22 فیصد تنزلی کے ساتھ 30 جون 2019 کے 4,086 ملین روپے کے مقابلے میں 3,175 ملین روپے تھے۔ 31 مارچ 2020 کے اختتام پر خالص اثاثہ جات کی فی یونٹ قدر و قیمت 30 جون 2019 کے 377.5765 کے مقابلے میں 321.8943 تھی۔

### ڈیبٹ سب فنڈ

31 مارچ 2020 کے مطابق، اس سب فنڈ کے خالص اثاثہ جات 3 فیصد اضافے کے ساتھ 30 جون 2019 کے 2,807 ملین روپے کے مقابلے میں 3,075 ملین روپے تھے۔ 31 مارچ 2020 کے اختتام پر خالص اثاثہ جات کی فی یونٹ قدر و قیمت 30 جون 2019 کے 236.1122 کے مقابلے میں 256.5269 تھی۔

### منی مارکیٹ سب فنڈ

31 مارچ 2020 کے مطابق، اس سب فنڈ کے خالص اثاثہ جات 27 فیصد اضافے کے ساتھ 30 جون 2019 کے 2,073 ملین روپے کے مقابلے میں 2,971 ملین روپے تھے۔ 31 مارچ 2020 کے اختتام پر خالص اثاثہ جات کی فی یونٹ قدر و قیمت 30 جون 2019 کے 234.2456 کے مقابلے میں 253.7249 تھی۔

### گولڈ سب فنڈ

31 مارچ 2020 کے مطابق، اس سب فنڈ کے خالص اثاثہ جات 9 فیصد اضافے کے ساتھ 30 جون 2019 کے 84 ملین روپے کے مقابلے میں 102 ملین روپے تھے۔ 31 مارچ 2020 کے اختتام پر خالص اثاثہ جات کی فی یونٹ قدر و قیمت 30 جون 2019 کے 130.4834 کے مقابلے میں 142.3021 تھی۔

### توقعات (آؤٹ لک)

کووڈ-19 وبا کے پھیلنے کے باعث معاشی سرگرمیوں میں سست روی کی وجہ سے مالی سال 2020 کی معاشی شرح نمو میں کمی کا خطرہ ہے۔ مالی سال 2020 کے دوران مہنگائی میں اضافے کی شرح 11.0 تا 11.50 فیصد کے درمیان رہنے کی توقع ہے، جس کے بعد یہ اسٹیٹ بینک آف پاکستان کی

پیشگوئی کے مطابق وسط مدت میں کم ہو کر 7 فیصد کے آس پاس آجائے گی۔ کووڈ-19 کیسز میں بے پناہ اضافے کے باعث، عالمی معیشت کا عارضی طور پر سست روی سے دوچار ہونے کا خطرہ حقیقی معلوم ہوتا ہے۔ دنیا بھر کی حکومتیں اپنی اپنی معیشتوں کو سہارا دینے کی کوششیں کر رہی ہیں اور کثیرالاجہتی اداروں نے ابھرتی ہوئی معیشتوں کو اضافی سپورٹ فراہم کرنے کا فیصلہ کیا ہے جو کورونا وائرس کی وجہ سے سب سے زیادہ متاثر ہوگی۔

ہمیں امید ہے کہ معاشی نقصانات Transient ہونگے اور یہ عالمی وبا ختم ہوگی، جس کے بعد عالمی معیشت جلد ہی دوبارہ سے اوپر کی طرف پیش قدمی کرے گی۔ اجناس خصوصاً خام تیل کی قیمتوں میں کمی سے ناصرف تجارتی خسارہ کم کرنے میں مدد ملے گی بلکہ مہنگائی کی توقعات اور زیادہ کم ہوں گی۔ مہنگائی میں کمی کے ساتھ، شرح سود میں مزید کمی کی توقع ہے، جو کہ حکومتی اور نجی شعبہ کے قرض دہندگان کے لیے مثبت ہے۔ بہر کیف اگر تیل کی قیمتیں موجودہ کم سطحوں پر رہتی ہیں، مشرق وسطیٰ سے ترسیلات زر میں کمی آسکتی ہے۔ مالی سال 2020 کی تیسری سہ ماہی میں مناسب کریکشن کے بعد آنے والے دنوں میں کاروباری سرگرمیوں کے بتدریج بحال ہونے اور آئندہ 12 ماہ کے دوران شرح سود میں مزید کمی کی توقعات کے باعث اسٹاک مارکیٹ میں تیزی کی توقع ہے۔

### اعتراف و اظہار تشکر

ہم اس موقع کو غنیمت جانتے ہوئے اپنے گراں قدر سرمایہ کاروں سے ان کے المیزان انویسٹمنٹس پریقیون کے لیے شکریہ ادا کرتے ہیں جس سے یہ پاکستان کے نجی شعبے میں سب سے بڑی ایسیٹ مینجمنٹ کمپنی بن گئی ہے۔ ہم ضابطہ کار، ایس ای سی پی اور ہمارے ٹرسٹی، سینٹرل ڈیپازٹری کمپنی آف پاکستان سے بھی ان کی بھرپور اعانت و مدد کے لیے اظہار تشکر کرتے ہیں۔ اس کے علاوہ میزان بینک کے اراکین شریعہ سپروائزرزری بورڈ کا بھی ان کے مسلسل تعاون اور فنڈ مینجمنٹ کے شریعہ سے متعلق پہلوؤں پر اعانت کے لیے شکریہ بھی ادا کرنا چاہیں گے۔

برائے و بجا نواب بورڈ

محمد شعیب، سی ایف اے  
چیف ایگزیکٹو آفیسر

مورخہ 15 اپریل 2020





**Meezan**  
Islamic Fund


## **MEEZAN ISLAMIC FUND (MIF)**

Meezan Islamic Fund seeks to optimize total investor returns by participating in Shariah compliant equities focusing on both capital gains and dividend income.

Islamabad Branch

Pure. Profit.

# EARNING CREDIBILITY IN THE CAPITAL CITY OF PAKISTAN

 Islamabad Branch

**SHAH FAISAL MOSQUE  
(ISLAMABAD)**



# FUND INFORMATION

## MANAGEMENT COMPANY

Al Meezan Investment Management Limited  
Ground Floor, Block "B", Finance & Trade Centre,  
Shahrah-e-Faisal Karachi 74400, Pakistan.  
Phone (9221) 35630722-6, 111-MEEZAN  
Fax: (9221) 35676143, 35630808  
Website: [www.almeezangroup.com](http://www.almeezangroup.com)  
E-mail: [info@almeezangroup.com](mailto:info@almeezangroup.com)

## BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Mohammad Shoaib, CFA	Chief Executive Officer
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Mohammad Furquan R Kidwai	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Moin M. Fudda	Independent Director
Ms. Saima Kamila Khan	Independent Director
Mr. Arshad Majeed	Nominee Director - MBL
Mr. Naeem Abdul Sattar	Nominee Director - PKIC
Syed Amir Ali Zaidi	Nominee Director - PKIC

## CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Syed Owais Wasti

## AUDIT COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Arshad Majeed	Member
Mr. Naeem Abdul Sattar	Member

## RISK MANAGEMENT COMMITTEE

Mr. Muhammad Abdullah Ahmed	Chairman
Syed Amir Ali Zaidi	Member
Mr. Naeem Abdul Sattar	Member

## HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Ariful Islam	Member
Mr. Naeem Abdul Sattar	Member
Mr. Mohammad Shoaib, CFA	Member

## TRUSTEE

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

## AUDITORS

A. F. Ferguson & Co.  
Chartered Accountants  
State Life Building# 1-C, I.I. Chundrigar Road , Karachi-74000

## SHARIAH ADVISER

Meezan Bank Limited

## BANKERS TO THE FUND

Allied Bank Limited	Habib Metropolitan Bank Limited - Islamic Banking
Al Baraka Islamic Bank B.S.C (E.C)	MCB Bank Limited
Askari Bank Limited - Islamic Banking	MCB Islamic Bank Limited
Bank Al Habib Limited - Islamic Banking	Meezan Bank Limited
Bank Alfalah Limited	National Bank of Pakistan - Islamic Banking
Bank Islami Pakistan Limited	Samba Bank Limited
Dubai Islamic Bank Pakistan Limited	Sindh Bank Limited
Faysal Bank Limited - Islamic Banking	UBL Ameen - Islamic Banking
Habib Bank Limited -Islamic Banking	

## LEGAL ADVISER

Bawaney & Partners  
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,  
Phase VI, DHA, Karachi.  
Phone (9221) 35156191-94 Fax: (9221) 35156195  
E-mail:

## TRANSFER AGENT

Meezan Bank Limited  
Meezan House  
C-25, Estate Avenue, SITE, Karachi.  
Phone: 38103538 Fax: 36406017  
Website: [www.meezanbank.com](http://www.meezanbank.com)

## DISTRIBUTORS

Al Meezan Investment Management Limited  
Meezan Bank Limited  
Standard Chartered Bank (Pakistan) Limited



**MEEZAN ISLAMIC FUND**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT MARCH 31, 2020**

	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
Note	(Rupees in '000)	
<b>Assets</b>		
Balances with banks	5 1,628,461	1,340,974
Investments	6 18,264,329	25,014,329
Receivable against sale of investments	44,784	152,085
Receivable against conversion of units	29,809	62,891
Dividend receivable	126,309	117,132
Deposits, prepayments and other receivables	17,858	18,566
<b>Total assets</b>	<u>20,111,550</u>	<u>26,705,977</u>
<b>Liabilities</b>		
Payable to Al Meezan Investment Management Limited - the Management Company	73,961	79,964
Payable to Central Depository Company of Pakistan Limited - the Trustee	2,265	2,579
Payable to Meezan Bank Limited	441	135
Payable to the Securities and Exchange Commission of Pakistan	7 3,828	32,360
Payable on redemption and conversion of units	21,723	74,075
Payable against purchase of investments	57,857	122,665
Accrued expenses and other liabilities	8 669,985	653,860
<b>Total liabilities</b>	<u>830,060</u>	<u>965,638</u>
<b>Net assets</b>	<u>19,281,490</u>	<u>25,740,339</u>
<b>Contingencies and commitments</b>	9	
<b>Unit holders' funds (as per statement attached)</b>	<u>19,281,490</u>	<u>25,740,339</u>
	<b>(Number of units)</b>	
<b>Number of units in issue</b>	<u>479,965,759</u>	<u>537,113,594</u>
	<b>(Rupees)</b>	
<b>Net asset value per unit</b>	<u>40.1726</u>	<u>47.9235</u>

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

**For Al Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director



**MEEZAN ISLAMIC FUND**  
**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**

	Note	Nine months period ended March 31,		Quarter ended March 31,	
		2020 (Rupees in '000)	2019	2020 (Rupees in '000)	2019
<b>Income</b>					
Net realised (loss) / gain on sale of investments		(297,396)	(779,208)	189	(310,077)
Dividend income		958,703	1,141,872	163,158	200,779
Profit on saving accounts with banks		165,317	149,008	58,811	56,118
		<u>826,624</u>	<u>511,672</u>	<u>222,158</u>	<u>(53,180)</u>
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.1	(4,153,607)	(3,694,820)	(8,751,747)	1,098,645
<b>Total (loss) / income</b>		<u>(3,326,983)</u>	<u>(3,183,148)</u>	<u>(8,529,589)</u>	<u>1,045,465</u>
<b>Expenses</b>					
Remuneration of Al Meezan Investment Management Limited - the Management Company		382,816	542,204	136,399	168,469
Sindh Sales Tax on management fee		49,766	70,487	17,732	21,901
Remuneration of Central Depository Company of Pakistan Limited - the Trustee		19,892	27,861	7,068	8,670
Sindh Sales Tax on remuneration of the Trustee		2,586	3,622	919	1,127
Annual fee to the Securities and Exchange Commission of Pakistan	7	3,828	25,755	1,364	8,003
Auditors' remuneration		603	601	141	121
Charity expense		26,826	16,384	4,851	2,889
Fees and subscription		2,103	3,102	697	1,011
Legal and professional charges		160	-	-	-
Brokerage expense		22,983	14,282	11,721	5,624
Bank and settlement charges		2,370	2,464	858	919
Printing charges		-	749	-	246
Allocated expenses	12	19,141	27,110	6,820	8,423
Selling and marketing expense	14	76,563	108,441	27,280	33,694
Reversal of Provision for Sindh Workers' Welfare Fund (SWWF)	8.1	-	-	(96,176)	-
<b>Total expenses</b>		<u>609,637</u>	<u>843,062</u>	<u>119,674</u>	<u>261,097</u>
<b>Net (loss) / income for the period before taxation</b>		<u>(3,936,620)</u>	<u>(4,026,210)</u>	<u>(8,649,263)</u>	<u>784,368</u>
Taxation	14	-	-	-	-
<b>Net (loss) / income for the period after taxation</b>		<u>(3,936,620)</u>	<u>(4,026,210)</u>	<u>(8,649,263)</u>	<u>784,368</u>
<b>Allocation of net income for the period</b>					
Net income for the period after taxation		-	-	-	-
Income already paid on units redeemed		-	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

**For Al Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**MEEZAN ISLAMIC FUND**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**



**Meezan**  
 Islamic Fund

Note	Nine months period ended		Quarter ended	
	March 31,		March 31,	
	2020	2019	2020	2019
	(Rupees in '000)		(Rupees in '000)	
<b>Net (loss) / income for the period after taxation</b>	(3,936,620)	(4,026,210)	(8,649,263)	784,368
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive (loss) / income for the period</b>	<u>(3,936,620)</u>	<u>(4,026,210)</u>	<u>(8,649,263)</u>	<u>784,368</u>

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

**For Al Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
 Chief Executive

\_\_\_\_\_  
 Chief Financial Officer

\_\_\_\_\_  
 Director

**MEEZAN ISLAMIC FUND**  
**STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

Mach 31, 2020				Mach 31, 2019			
Capital Value	Accumulated loss	Unrealised appreciation 'available for sale' investments	Total	Capital Value	Undistributed income	Unrealised appreciation 'available for sale' investments	Total

Rupees in '000

Rupees in '000

<b>Net assets at the beginning of the period as previously reported (Audited)</b>	27,600,726	(1,860,387)	-	25,740,339	32,024,698	6,467,562	622,394	39,114,654
Change in accounting policy	-	-	-	-	-	622,394	(622,394)	-
<b>Net assets at the beginning of the period</b>	<b>27,600,726</b>	<b>(1,860,387)</b>	<b>-</b>	<b>25,740,339</b>	<b>32,024,698</b>	<b>7,089,956</b>	<b>-</b>	<b>39,114,654</b>

Issue of 397,823,906 units (March 31, 2019:  
279,078,910 units)

- Capital value (at net asset value per unit at the beginning of the period)
- Element of income / (loss)

19,065,114	-	-	19,065,114	17,674,067	-	-	17,674,067
1,534,267	-	-	1,534,267	(840,068)	-	-	(840,068)
<b>20,599,381</b>	<b>-</b>	<b>-</b>	<b>20,599,381</b>	<b>16,833,999</b>	<b>-</b>	<b>-</b>	<b>16,833,999</b>

Redemption of 454,971,741 units (March 31, 2019:  
326,129,908 units)

- Capital value (at net asset value per unit at the beginning of the period)
- Element of loss / (income)

21,803,838	-	-	21,803,838	20,653,807	-	-	20,653,807
1,317,772	-	-	1,317,772	(1,113,869)	-	-	(1,113,869)
<b>23,121,610</b>	<b>-</b>	<b>-</b>	<b>23,121,610</b>	<b>19,539,938</b>	<b>-</b>	<b>-</b>	<b>19,539,938</b>

Total comprehensive loss for the period

-	(3,936,620)	-	(3,936,620)	-	(4,026,210)	-	(4,026,210)
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Distribution of cash dividend

-	-	-	-	-	-	-	-
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Net loss for the period less distribution

-	(3,936,620)	-	(3,936,620)	-	(4,026,210)	-	(4,026,210)
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**Net assets at the end of the period**

<b>25,078,497</b>	<b>(5,797,007)</b>	<b>-</b>	<b>19,281,490</b>	<b>29,318,759</b>	<b>3,063,746</b>	<b>-</b>	<b>32,382,505</b>
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**(Accumulated loss) / undistributed income brought forward as previously reported (Audited)**

- Realised income
- Unrealised loss

5,520,342	12,814,144
<u>(7,380,729)</u>	<u>(6,346,582)</u>

Change in accounting policy

-	6,467,562
-	<u>622,394</u>

**(Accumulated loss) / Undistributed income brought forward**

<b>(1,860,387)</b>	<b>7,089,956</b>
--------------------	------------------

**Accounting income available for distribution**

- Relating to capital gains
- Excluding capital gains

-	-
-	-

Net loss for the period after taxation

(3,936,620)	(4,026,210)
-------------	-------------

Distribution during the period

-	-
---	---

**(Accumulated loss) / Undistributed income carried forward**

<b><u>(5,797,007)</u></b>	<b><u>3,063,746</u></b>
---------------------------	-------------------------

**(Accumulated loss) / Undistributed income carried forward**

- Realised (loss) / income
- Unrealised loss

(1,643,400)	6,758,566
<u>(4,153,607)</u>	<u>(3,694,820)</u>
<b><u>(5,797,007)</u></b>	<b><u>3,063,746</u></b>

Net assets value per unit at the beginning of the period

(Rupees)

47.9235

(Rupees)

63.3300

Net assets value per unit at the end of the period

40.1726

56.7536

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

**For Al Meezan Investment Management Limited**  
**(Management Company)**

Chief Executive

Chief Financial Officer

Director

**MEEZAN ISLAMIC FUND**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**



	Nine months period ended March 31,	
	2020	2019
	(Rupees in '000)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss for the period before taxation	(3,936,620)	(4,026,210)
<b>Adjustments for:</b>		
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	4,153,607	3,694,820
	216,987	(331,390)
<b>Decrease in assets</b>		
Investments - net	2,596,393	2,390,016
Receivable against sale of investments	107,301	(7,909)
Dividend receivable	(9,177)	(33,221)
Deposits, prepayments and other receivables	708	1,153
	2,695,225	2,350,039
<b>(Decrease) / Increase in liabilities</b>		
Payable to AI Meezan Investment Management Limited - the Management Company	(6,003)	(59,424)
Payable to Central Depository Company of Pakistan Limited - the Trustee	(314)	(574)
Payable to Meezan Bank Limited	306	(725)
Payable to the Securities and Exchange Commission of Pakistan	(28,532)	(16,258)
Payable against purchase of investments	(64,808)	92,597
Accrued expenses and other liabilities	16,125	19,800
	(83,226)	35,416
<b>Net cash generated from operating activities</b>	2,828,986	2,054,065
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts against issuance and conversion of units	20,632,463	16,912,889
Payment against redemption and conversion of units	(23,173,962)	(19,666,488)
<b>Net cash used in financing activities</b>	(2,541,499)	(2,753,599)
<b>Net increase / (decrease) in cash and cash equivalents during the period</b>	287,487	(699,534)
Cash and cash equivalents at the beginning of the period	1,340,974	2,730,709
<b>Cash and cash equivalents at the end of the period</b>	1,628,461	2,031,175

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

**For AI Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**



**MEEZAN ISLAMIC FUND**  
**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

**1. LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1** Meezan Islamic Fund (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on June 16, 2003 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on June 4, 2003 under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations, 2008). The Management Company has been licensed by the Securities and Exchange Commission of Pakistan (SECP) to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund, is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2** The Fund has been formed to enable the unitholders to participate in a diversified portfolio of securities, which are Shariah compliant. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah. The Management Company has appointed Meezan Bank Limited (MBL) as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah. The investment objectives and policies are explained in the Fund's offering document.
- 1.3** The Fund is an open-end fund listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund is categorized as an Equity Scheme in accordance with Circular 7 of 2009 issued by Securities and Exchange Commission of Pakistan (SECP).
- 1.4** The Management Company has been assigned a quality rating of AM1 by VIS dated December 31, 2019 (2018: AM1 dated December 28, 2018) and by PACRA dated December 28, 2019. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.5** The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

**2. BASIS OF PRESENTATION**

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

**3. BASIS OF PREPARATION**

**3.1 STATEMENT OF COMPLIANCE**

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

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the International Accounting Standard (IAS) 34, Interim Financial Reporting, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2019.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2020.

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT

4.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2019.

4.2 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2019. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2019.

#### 4.3 Amendments to published accounting and reporting standards that are effective in the current period

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 impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

5. BALANCES WITH BANKS	Note	March 31,	June 30,
		2020 (Unaudited)	2019 (Audited)
		(Rupees in '000)	
In current accounts		7,502	797
In saving accounts	5.1	<u>1,620,959</u>	<u>1,340,177</u>
		<u>1,628,461</u>	<u>1,340,974</u>

5.1 The balance in saving accounts have an expected profit ranging from 3.00% to 13.00% per annum (June 30, 2019: 3.32% to 12.50% per annum).

6. INVESTMENTS	Note	March 31,	June 30,
		2020 (Unaudited)	2019 (Audited)
		(Rupees in '000)	
Shares of listed companies - 'ordinary shares'	6.1	<u>18,264,329</u>	<u>25,014,329</u>
		<u>18,264,329</u>	<u>25,014,329</u>

## 6.1 Shares of listed companies - 'ordinary shares'

Name of the investee company	As at July 1, 2019	Purchases during the period	Bonus / Right issue	Sales during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised gain / (loss) as at March 31, 2020	Percentage in relation to			
									Net assets of the Fund	Total market value of investments	Paid-up capital of investee company (with face value of investment)	
								Number of shares	Rupees in '000	%		
<b>Sectors / companies</b>												
<b>Automobile Assembler</b>												
Gandhara Industries Limited	777,200	54,000	-	649,500	181,700	15,235	11,741	(3,494)	0.06	0.06	0.43	
Gandhara Nissan Limited	274,372	-	-	274,372	-	-	-	-	-	-	-	
Honda Atlas Cars (Pakistan) Limited	80,400	171,500	-	184,400	67,500	14,941	8,944	(5,997)	0.05	0.05	0.05	
Indus Motor Company Limited	-	89,740	-	50,000	39,740	47,980	28,992	(18,988)	0.15	0.16	0.05	
Millat Tractors Limited	81,140	5,000	7,123	29,150	64,113	48,389	34,830	(13,559)	0.18	0.19	0.13	
									<b>0.44</b>	<b>0.46</b>	<b>0.65</b>	
<b>Automobile Parts &amp; Accessories</b>												
Agriauto Industries Limited (Note 6.1.1)	-	454,600	-	-	454,600	93,684	72,850	(20,834)	0.38	0.40	1.58	
Thal Limited (Note 6.1.1)	-	25,000	-	25,000	-	-	-	-	-	-	-	
									<b>0.38</b>	<b>0.40</b>	<b>1.58</b>	
<b>Cement</b>												
Attock Cement Pakistan Limited	270,200	-	-	-	270,200	19,295	23,337	4,042	0.12	0.13	0.20	
Cherat Cement Company Limited	-	3,029,500	80,600	411,000	2,699,100	109,154	149,503	40,349	0.78	0.82	1.39	
DG Khan Cement Company Limited	2,368,222	4,314,000	-	3,818,222	2,864,000	203,481	169,692	(33,789)	0.88	0.93	0.65	
Fauji Cement Company Limited	-	5,070,000	-	2,520,000	2,550,000	44,340	37,766	(6,574)	0.20	0.21	0.18	
Kohat Cement Company Limited	3,914,350	619,000	-	444,000	4,089,350	249,522	356,796	107,274	1.85	1.95	2.04	
Lucky Cement Limited	4,701,429	912,600	-	1,785,826	3,828,203	1,477,516	1,419,115	(58,401)	7.36	7.77	1.18	
Maple Leaf Cement Limited	4,782,000	8,885,000	-	6,282,000	7,385,000	176,869	153,017	(23,852)	0.79	0.84	0.67	
									<b>11.98</b>	<b>12.65</b>	<b>6.32</b>	
<b>Chemical</b>												
Akzo Nobel Pakistan Limited	-	50,000	-	-	50,000	13,500	13,500	-	0.07	0.07	0.11	
Engro Polymer & Chemicals Limited	17,640,721	8,522,000	-	7,903,500	18,259,221	522,235	447,716	(74,519)	2.32	2.45	2.01	
ICI Pakistan Limited	1,183,735	42,050	-	55,900	1,169,885	625,796	592,336	(33,460)	3.07	3.24	1.27	
Lotte Chemical Pakistan Limited	2,784,500	5,880,500	-	3,784,500	4,880,500	55,951	47,975	(7,976)	0.25	0.26	0.32	
Sitara Chemical Limited	30,500	-	-	-	30,500	9,329	7,310	(2,019)	0.04	0.04	0.14	
									<b>5.75</b>	<b>6.06</b>	<b>3.85</b>	
<b>Commercial Banks</b>												
BankIslami Pakistan Limited	-	11,652,500	-	1,234,500	10,418,000	115,834	93,970	(21,864)	0.49	0.51	0.94	
Meezan Bank Limited (an Associate of the Fund)	8,040,597	3,527,000	-	826,000	10,741,597	900,335	699,171	(201,164)	3.63	3.83	0.84	
									<b>4.12</b>	<b>4.34</b>	<b>1.77</b>	
<b>Engineering</b>												
Amreli Steels Limited	-	1,335,000	-	90,000	1,245,000	37,249	31,984	(5,265)	0.17	0.18	0.42	
International Industries Limited	932,400	480,000	65,240	450,300	1,027,340	80,138	77,636	(2,502)	0.40	0.43	0.78	
International Steel Limited	2,467,800	3,293,500	-	2,867,500	2,893,800	151,660	104,727	(46,933)	0.54	0.57	0.67	
K.S.B. Pumps Company Limited	79,900	-	-	-	79,900	8,070	10,115	2,045	0.05	0.06	0.61	
Mughal Iron & Steel Industries Limited	-	2,778,500	-	250,000	2,528,500	85,284	79,218	(6,066)	0.41	0.43	1.00	
									<b>1.57</b>	<b>1.67</b>	<b>3.47</b>	
<b>Fertilizer</b>												
Engro Corporation Limited (Note 6.1.3)	9,480,573	622,500	-	2,806,500	7,296,573	1,974,635	1,947,455	(27,180)	10.10	10.66	1.27	
Engro Fertilizers Limited	24,461,700	400,000	-	5,682,500	19,179,200	1,225,474	1,105,873	(119,601)	5.74	6.05	1.44	
									<b>15.84</b>	<b>16.71</b>	<b>2.70</b>	
<b>Food &amp; Personal Care Products</b>												
Al-Shaheer Corporation Limited *	60,741	722	-	-	61,463	773	583	(190)	-	-	0.03	
At-Tahir Limited	109,132	-	10,913	-	120,045	2,151	1,884	(267)	0.01	0.01	0.07	
FrieslandCampina Engro Pakistan Limited	17,721	-	-	17,721	-	-	-	-	-	-	-	
National Foods Limited (Note 6.1.1)	197,100	-	39,420	30,000	206,520	31,694	41,042	9,348	0.21	0.22	0.14	
									<b>0.22</b>	<b>0.23</b>	<b>0.24</b>	
<b>Glass &amp; Ceramics</b>												
Ghani Glass Limited	-	866,000	-	-	866,000	45,449	32,207	(13,242)	0.17	0.18	0.87	
Tariq Glass Industries Limited	792,500	185,000	159,250	659,000	477,750	31,065	24,145	(6,920)	0.13	0.13	0.43	
									<b>0.30</b>	<b>0.31</b>	<b>1.30</b>	
<b>Investment Banks / Investment Companies / Securities Companies</b>												
Dawood Hercules Corporation	-	108,400	-	-	108,400	15,091	11,236	(3,855)	0.06	0.06	0.02	
									<b>0.06</b>	<b>0.06</b>	<b>0.02</b>	

Name of the investee company	As at July 1, 2019	Purchases during the period	Bonus / Right issue	Sales during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised gain / (loss) as at March 31, 2020	Percentage in relation to		
									Net assets of the Fund	Total market value of investments	Paid-up capital of investee company (with face value of investment)
								%			
Number of shares						(Rupees in '000)			%		
<b>Oil &amp; Gas Exploration Companies</b>											
Mari Petroleum Company Limited	2,102,838	59,680	202,969	232,640	2,132,847	1,975,221	1,900,580	(74,641)	9.86	10.41	1.60
Oil & Gas Development Company Limited	20,325,900	2,688,400	-	8,898,700	14,115,600	1,858,284	1,086,760	(771,524)	5.64	5.95	0.33
Pakistan Oilfields Limited	3,909,136	75,000	-	1,617,114	2,367,022	958,504	620,657	(337,847)	3.22	3.40	0.83
Pakistan Petroleum Limited	16,807,632	4,284,200	2,536,066	8,829,100	14,798,798	1,828,983	1,062,702	(766,281)	5.51	5.82	0.54
									<b>24.23</b>	<b>25.58</b>	<b>3.30</b>
<b>Oil &amp; Gas Marketing Companies</b>											
Attock Petroleum Limited	477,734	500,900	-	23,300	955,334	286,943	225,468	(61,475)	1.17	1.23	0.96
Hascol Petroleum Limited *	2,080,470	20,085,391	-	7,289,500	14,876,361	288,064	173,310	(114,754)	0.90	0.95	1.49
Hi Tech Lubricants	-	105,000	-	-	105,000	3,023	2,452	(571)	0.01	0.01	0.09
Pakistan State Oil Company Limited	4,501,752	2,862,700	626,030	3,729,600	4,260,882	645,805	517,697	(128,108)	2.68	2.83	0.91
Shell Pakistan Limited	-	25,000	-	-	25,000	4,608	2,914	(1,694)	0.02	0.02	0.02
Sui Northern Gas Pipelines Limited	14,259,800	2,073,500	-	4,147,500	12,185,800	852,892	449,656	(403,236)	2.33	2.46	1.92
Sui Southern Gas Company Limited	755,500	-	-	10,500	745,000	15,407	8,642	(6,765)	0.04	0.05	0.08
									<b>7.15</b>	<b>7.55</b>	<b>5.48</b>
<b>Paper &amp; Board</b>											
Cherat Packaging Limited	732,134	-	21,613	516,000	237,747	17,429	20,052	2,623	0.10	0.11	0.56
Packages Limited	2,474,853	20,200	-	1,088,900	1,406,153	422,868	321,039	(101,829)	1.67	1.76	1.57
									<b>1.77</b>	<b>1.87</b>	<b>2.13</b>
<b>Pharmaceuticals</b>											
Abbott Laboratories (Pakistan) Limited	109,350	-	-	50,300	59,050	28,027	18,794	(9,233)	0.10	0.10	0.06
AGP Limited	4,963,500	243,500	-	459,500	4,747,500	331,658	391,669	60,011	2.03	2.14	1.70
Glaxosmithkline Consumer Healthcare	358,656	153,300	-	19,100	492,856	107,400	98,354	(9,046)	0.51	0.54	0.42
Glaxosmithkline Pakistan Limited	5,816	-	-	-	5,816	554	983	429	0.01	0.01	0.00
Hightoon Laboratories Limited	798	50,000	-	50,798	26,952	25,326	(1,626)	0.13	0.14	0.16	
The Searle Company Limited	3,651,679	354,900	-	1,509,700	2,496,879	373,068	391,635	18,567	2.03	2.14	1.18
									<b>4.81</b>	<b>5.07</b>	<b>3.52</b>
<b>Power Generation &amp; Distribution</b>											
K-Electric Limited (Note 6.1.1)	186,128,500	9,321,000	-	18,443,500	177,006,000	770,469	500,927	(269,542)	2.60	2.74	0.64
The Hub Power Company Limited	18,904,517	5,923,500	-	2,672,500	22,155,517	1,748,484	1,512,557	(235,927)	7.84	8.28	1.71
									<b>10.44</b>	<b>11.02</b>	<b>2.35</b>
<b>Refinery</b>											
Attock Refinery Limited	-	25,000	-	25,000	-	-	-	-	-	-	-
National Refinery Limited	-	63,800	-	63,800	-	-	-	-	-	-	-
									-	-	-
<b>Technology &amp; Communication</b>											
Avanceon Limited	2,115,300	105,000	-	2,214,000	6,300	303	144	(159)	-	-	0.00
Netsol Technologies Limited	987,100	152,500	-	-	1,139,600	73,879	33,231	(40,648)	0.17	0.18	1.27
Pakistan Telecommunication Company Limited	800,000	-	-	-	800,000	6,616	6,200	(416)	0.03	0.03	0.02
Systems Limited	655,600	1,835,300	-	140,000	2,350,900	285,359	261,279	(24,080)	1.36	1.43	1.90
									<b>1.56</b>	<b>1.64</b>	<b>3.20</b>
<b>Textile Composite</b>											
Feroze1888 Mills Limited	1,542,500	146,400	-	-	1,688,900	169,634	132,393	(37,241)	0.69	0.72	0.45
Kohinoor Textile Mills Limited	672,514	-	-	495,500	177,014	4,434	4,581	147	0.02	0.03	0.06
Interloop Limited	8,335,000	2,479,000	-	1,307,000	9,507,000	428,762	340,921	(87,841)	1.77	1.87	1.09
Nishat Mills Limited	5,374,700	730,000	-	1,737,500	4,367,200	404,943	255,486	(148,457)	1.33	1.40	1.24
									<b>3.81</b>	<b>4.02</b>	<b>2.84</b>
<b>Vanaspati &amp; Allied Industries</b>											
Unity Foods Limited	11,712,846	3,055,000	-	8,669,000	6,098,846	67,244	60,254	(6,990)	0.31	0.33	1.12
									<b>0.31</b>	<b>0.33</b>	<b>1.12</b>
<b>Right Certificates</b>											
<b>Oil &amp; Gas Marketing Companies</b>											
Hascol Petroleum Limited *	-	-	9,298,891	9,298,891	-	-	-	-	-	-	-
<b>Food &amp; Personal Care Products</b>											
Al-Shaheer Corporation Limited *	-	-	722	722	-	-	-	-	-	-	-
<b>Total</b>									<b>22,417,936</b>	<b>18,264,329</b>	<b>(4,153,607)</b>
									<b>100</b>		

\*The right certificates were exercised during the period and the shares are included in the investment in Hascol Petroleum Limited & Al-Shaheer Corporation Limited above.

**6.1.1** All shares have a nominal value of Rs 10 each except for the shares of Thal Limited, Agriauto Industries Limited and National Foods Limited which have a nominal value of Rs 5 each and K-Electric Limited which have a nominal value of Rs 3.5 each.

**6.1.2** The status of bonus shares already withheld prior to the introduction of Finance Act, 2018 is the same as that



disclosed in the audited financial statements of the Fund for the year ended June 30, 2019. As at March 31, 2020, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs. 37.215 million (June 30, 2019: Rs. 40.686 million).

- 6.1.3** Investments include 1,000,000 shares of Engro Corporation Limited, having market value of Rs 266.90 million as at March 31, 2020 (June 30, 2019: Rs. 265.60 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.

**7. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**

In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP).

Effective from July 1, 2019, the SECP vide SRO No. 685(I)/2019 dated June 28, 2019, revised the rate of annual fee to 0.02% of net assets, applicable on all categories of CISs. Previously, the rate of annual fee applicable to equity funds was 0.095%. Accordingly, the Fund has charged SECP Fee at the rate of 0.02% of net assets during the current period.

<b>8. ACCRUED EXPENSES AND OTHER LIABILITIES</b>	<b>Note</b>	<b>March 31, 2020 (Unaudited)</b>	<b>June 30, 2019 (Audited)</b>
		<b>(Rupees in '000)</b>	
Provision for Sindh Workers' Welfare Fund (SWWF)	8.1	340,482	340,482
Charity payable		47,046	30,781
Withholding tax payable		922	922
Capital gain tax payable		1,534	4,237
Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	8.2	231,867	231,867
Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	8.2	32,607	32,607
Auditors' remuneration		362	480
Zakat payable		292	399
Printing expenses payable		483	483
Shariah advisory fee payable		2,945	2,245
Brokerage payable		11,445	9,357
		<u>669,985</u>	<u>653,860</u>

- 8.1** 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 condensed interim financial statements of the Fund for the period from May 21, 2015 to March 31, 2020, the net asset value of the Fund as at March 31, 2020 would have been higher by Re. 0.71 per unit (June 30, 2019: Re 0.63 per unit).

- 8.2** The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from 01 July 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 01, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 264.474 million is being retained in the condensed interim financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision not been made, the NAV per unit of the Fund would have been higher by Re 0.55 (June 30, 2019: Re 0.49) per unit.

## **9. CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments outstanding as at March 31, 2020 and June 30, 2019.

## **10. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES**

Connected persons include Al Meezan Investment Management Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, Directors and executives of the Management Company, other Funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited - Employees' Gratuity Fund and unitholders holding 10 percent or more of the Fund's net assets.

Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Rules, the NBFC Regulations and the Trust Deed respectively.

Details of transactions with connected persons and balances with them are as follows:

	March 31, 2020 (Unaudited) (Rupees in '000)	June 30, 2019 (Audited)
<b>Al Meezan Investment Management Limited - the Management Company</b>		
Remuneration payable	38,764	43,986
Sindh Sales Tax on management fee payable	5,039	5,718
Sales load payable	832	221
Sindh Sales Tax and on sales load payable	108	29
Allocated expenses	1,938	2,199
Selling and marketing expense payable	27,280	27,811
Investment of 3,798,302 units (June 30, 2019: 10,011,729 units)	152,588	479,797
<b>Meezan Bank Limited</b>		
Balance with bank	1,211,154	113,831
Profit receivable on saving accounts	4,905	508
Sales load payable	390	119
Sindh Sales Tax on sales load payable	51	16
Investment in 10,741,597 shares (June 30, 2019: 8,040,597 shares)	699,171	700,818
Investment of 12,475,049 units (June 30, 2019: 12,475,049 units)	501,155	597,848
<b>Central Depository Company of Pakistan Limited - the Trustee</b>		
Trustee fee payable	2,004	2,282
Sindh Sales Tax on trustee fee payable	261	297
Security deposit	100	100
<b>Al Meezan Investment Management Limited - Employees' Gratuity Fund</b>		
Investment of 180,189 units (June 30, 2019: 180,189 units)	7,239	8,635
<b>Meezan Financial Planning Fund of Funds - Aggressive Allocation Plan</b>		
Investment of 3,968,006 units (June 30, 2019: 5,706,435 units)	159,405	273,472
<b>Meezan Financial Planning Fund of Funds - Moderate Allocation Plan</b>		
Investment of 1,152,755 units (June 30, 2019: 2,116,314 units)	46,309	101,421
<b>Meezan Financial Planning Fund of Funds - Conservative Allocation Plan</b>		
Investment of 619,028 units (June 30, 2019: 1,149,027 units)	24,868	55,065
<b>Meezan Financial Planning Fund of Funds - MAAP - I</b>		
Investment: 1,696,403 units (June 30, 2019: 171,373 units)	68,149	8,213
<b>Meezan Strategic Allocation Fund - MSAP - I</b>		
Investment of 4,840,373 units (June 30, 2019: 3,358,170 units)	194,450	160,935
<b>Meezan Strategic Allocation Fund - MSAP - II</b>		
Investment of 2,732,100 units (June 30, 2019: 2,983,781 units)	109,756	142,993
<b>Meezan Strategic Allocation Fund - MSAP - III</b>		
Investment of 9,409,147 units (June 30, 2019: 10,949,083 units)	377,990	524,718
<b>Meezan Strategic Allocation Fund - MSAP - IV</b>		
Investment of 7,762,578 units (June 30, 2019: 12,489,103 units)	311,843	598,522
<b>Meezan Strategic Allocation Fund - MSAP - V</b>		
Investment of 2,684,253 units (June 30, 2019: 3,635,008 units)	107,833	174,202
<b>Directors and executives of the Management Company</b>		
Investment of 11,372,715 units (June 30, 2019: 1,016,776 units)	456,872	48,727


**Transactions during the period**
**Al Meezan Investment Management Limited - the Management Company**

	Nine months period ended March 31,	
	2020	2019
	(Unaudited)	
	(Rupees in '000)	
Remuneration for the period	382,816	542,204
Sindh Sales Tax on management fee	49,766	70,487
Allocated expenses	19,141	27,110
Selling and marketing expense	76,563	108,441
Units issued: 8,686,442 units (March 31, 2019: 3,275,683 units)	439,396	207,000
Units redeemed: 14,899,869 units (March 31, 2019: 6,542,751 units)	705,178	400,000

**Meezan Bank Limited**

Profit on saving accounts	22,545	2,262
Shares purchased: 3,527,000 shares (March 31, 2019: 10,510,000 shares)	271,457	931,422
Shares sold: 826,000 shares (March 31, 2019: 3,958,500 shares)	68,331	363,835
Bonus issue: nil shares (March 31, 2019: 167,557 shares)	-	-
Dividend income	35,993	15,014

**Central Depository Company of Pakistan Limited - the Trustee**

Trustee fee	19,892	27,861
Sindh Sales Tax on trustee fee	2,586	3,622
CDS charges	608	595

**Meezan Financial Planning Fund of Funds  
- Aggressive Allocation Plan**

Units issued: 365,419 units (March 31, 2019: 573,686 units)	18,344	34,230
Units redeemed: 2,103,848 units (March 31, 2019: 466,932 units)	99,713	27,750

**Meezan Financial Planning Fund of Funds  
- Moderate Allocation Plan**

Units issued: 89,136 units (March 31, 2019: 204,756 units)	4,057	11,768
Units redeemed: 1,052,695 units (March 31, 2019: 598,892 units)	51,881	36,000

**Meezan Financial Planning Fund of Funds  
- Conservative Allocation Plan**

Units issued: 92,630 units (March 31, 2019: 227,282 units)	4,242	13,344
Units redeemed: 622,629 units (March 31, 2019: 321,245 units)	31,194	19,300

**Meezan Financial Planning Fund of Funds - MAAP - I**

Units issued: 2,022,195 units (March 31, 2019: nil)	101,000	-
Units redeemed: 497,166 units (March 31, 2019: nil)	24,920	-

**Meezan Financial Planning Fund of Funds - MAAP - IV**

Units redeemed: nil units (March 31, 2019: 3,990,160 units)	-	249,454
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**Meezan Strategic Allocation Fund - MSAP - I**

Units issued: 5,076,498 units (March 31, 2019: 4,459,896 units)	252,000	267,000
Units redeemed: 3,594,295 units (March 31, 2019: 16,019,380 units)	169,260	970,745

**Meezan Strategic Allocation Fund - MSAP - II**

Units issued: 1,111,251 units (March 31, 2019: 735,631 units)	60,000	42,000
Units redeemed: 1,362,932 units (March 31, 2019: 2,856,303 units)	75,130	171,810

**Meezan Strategic Allocation Fund - MSAP - III**

Units issued: 2,426,531 units (March 31, 2019: 1,015,920 units)	116,600	58,000
Units redeemed: 3,966,467 units (March 31, 2019: 2,626,080 units)	204,699	157,450



	Nine months period ended March 31,	
	2020	2019
	(Unaudited) (Rupees in '000)	
<b>Meezan Strategic Allocation Fund - MSAP - IV</b>		
Units issued: 2,033,378 units (March 31, 2019: 1,208,616 units)	116,934	69,000
Units redeemed: 6,759,902 units (March 31, 2019: 4,108,032 units)	<u>349,456</u>	<u>247,050</u>
<b>Meezan Strategic Allocation Fund - MSAP - V</b>		
Units issued: 634,033 units (March 31, 2019: 227,685 units)	33,000	13,000
Units redeemed: 1,584,788 units (March 31, 2019: 955,926 units)	<u>75,340</u>	<u>57,461</u>
<b>Directors and executives of the Management Company</b>		
Units issued: 10,706,377 units (March 31, 2019: 594,221 units)	489,645	36,395
Units redeemed: 379,758 units (March 31, 2019: 3,149,079 units)	<u>17,698</u>	<u>187,037</u>

## 11. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

Financial assets which are tradeable in an open market are revalued at 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.

### 11.1 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: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities.
- Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at March 31, 2020 and June 30, 2019, the Fund held the following financial instruments measured at fair value:

	As at March 31, 2020			
	Level 1	Level 2	Level 3	Total
<b>ASSETS</b>	----- (Rupees in '000) -----			
<b>Financial assets 'at fair value through profit or loss'</b>				
Shares of listed companies - 'ordinary shares'	18,264,329	-	-	18,264,329
	----- (Rupees in '000) -----			
	As at June 30, 2019			
	Level 1	Level 2	Level 3	Total
<b>ASSETS</b>	----- (Rupees in '000) -----			
<b>Financial assets 'at fair value through profit or loss'</b>				
Shares of listed companies - 'ordinary shares'	25,014,329	-	-	25,014,329

## 12. ALLOCATED EXPENSES

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

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

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

## 13. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the period ended March 31, 2020 is 3.19% which include 0.13% representing government levy and SECP fee.

## 14. SELLING AND MARKETING EXPENSES

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

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

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

## 15. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute atleast 90 percent of the net accounting income other than capital gains to the unit holders. The Fund has not recorded any tax liability as the Fund has incurred a net loss during the period.

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.

## 16. GENERAL

16.1 Figures have been rounded off to the nearest thousand rupees.

16.2 Corresponding figures have been reclassified and rearranged in these condensed interim financial statements, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in these condensed interim financial statements.

**17. DATE OF AUTHORISATION**

These condensed interim financial statements were authorised for issue on \_\_\_\_\_ by the Board of Directors of the Management Company.

**For Al Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
**Chief Executive**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**







**Al Meezan  
Mutual Fund**

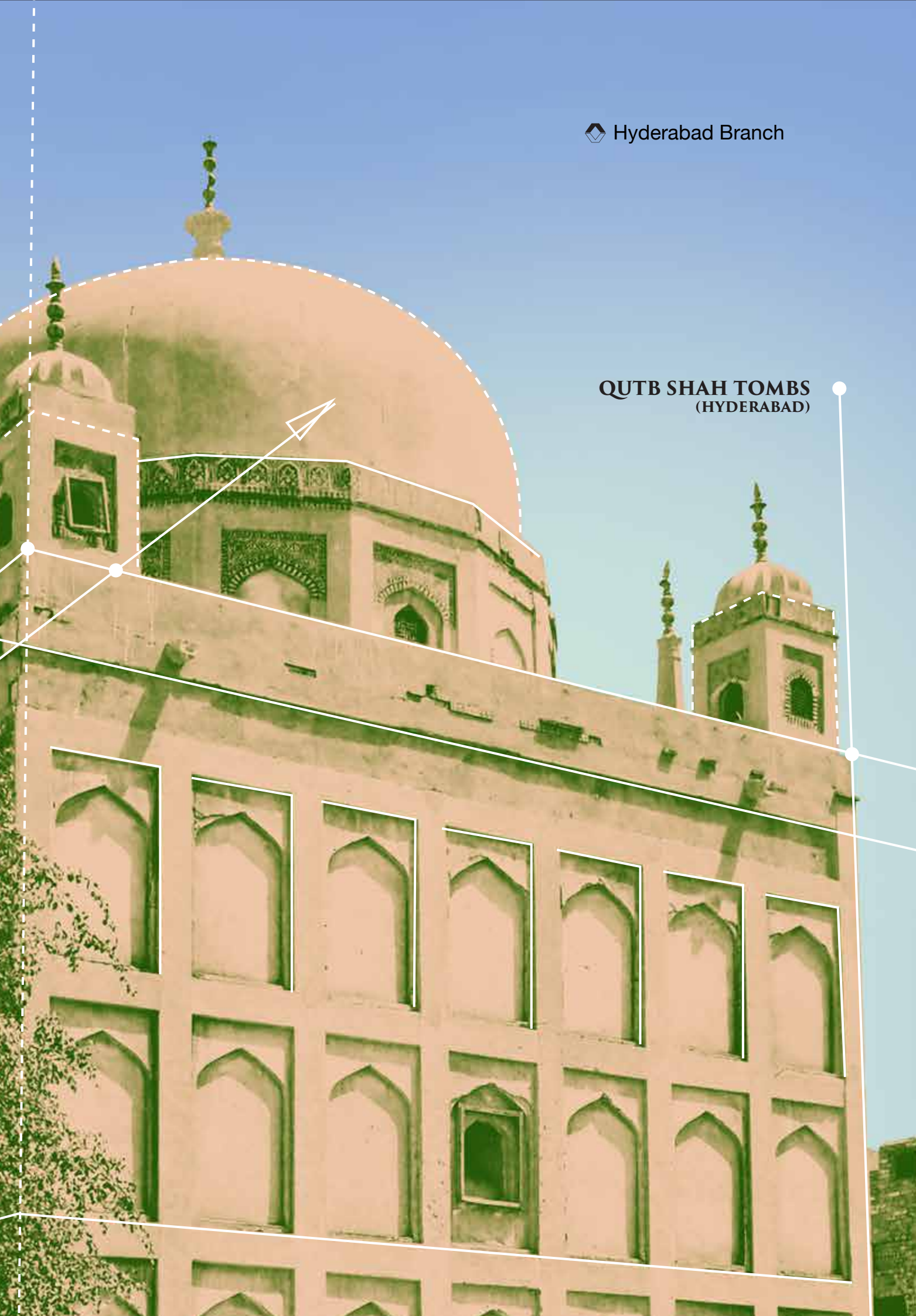
## **AL-MEEZAN MUTUAL FUND (AMMF)**

Al Meezan Mutual Fund aims to optimize the total investment returns in the form of capital gains and dividend income, through prudent investment management.

## **REACHING NEW MILESTONES IN THE SECOND BIGGEST CITY OF SINDH**



**QUTB SHAH TOMBS  
(HYDERABAD)**





# FUND INFORMATION

## MANAGEMENT COMPANY

Al Meezan Investment Management Limited  
Ground Floor, Block "B", Finance & Trade Centre,  
Shahrah-e-Faisal Karachi 74400, Pakistan.  
Phone (9221) 35630722-6, 111-MEEZAN  
Fax: (9221) 35676143, 35630808  
Website: [www.almeezangroup.com](http://www.almeezangroup.com)  
E-mail: [info@almeezangroup.com](mailto:info@almeezangroup.com)

## BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Mohammad Shoaib, CFA	Chief Executive Officer
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Mohammad Furquan R Kidwai	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Moin M. Fudda	Independent Director
Ms. Saima Kamila Khan	Independent Director
Mr. Arshad Majeed	Nominee Director - MBL
Mr. Naeem Abdul Sattar	Nominee Director - PKIC
Syed Amir Ali Zaidi	Nominee Director - PKIC

## CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Syed Owais Wasti

## AUDIT COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Arshad Majeed	Member
Mr. Naeem Abdul Sattar	Member

## RISK MANAGEMENT COMMITTEE

Mr. Muhammad Abdullah Ahmed	Chairman
Syed Amir Ali Zaidi	Member
Mr. Naeem Abdul Sattar	Member

## HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Ariful Islam	Member
Mr. Naeem Abdul Sattar	Member
Mr. Mohammad Shoaib, CFA	Member

## TRUSTEE

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

## AUDITORS

A. F. Ferguson & Co.  
Chartered Accountants  
State Life Building# 1-C,  
I.I. Chundrigar Road , Karachi-74000

## SHARIAH ADVISER

Meezan Bank Limited

## BANKERS TO THE FUND

Allied Bank Limited	Habib Metropolitan Bank Limited - Islamic Banking
Al Baraka Islamic Bank B.S.C (E.C)	MCB Islamic Bank Limited
Askari Bank Limited - Islamic Banking	Meezan Bank Limited
Bank Al Habib Limited - Islamic Banking	National Bank of Pakistan - Islamic Banking
Bank Alfalah Limited	Sindh Bank Limited
Bank Islami Pakistan Limited	UBL Ameen - Islamic Banking
Dubai Islamic Bank Pakistan Limited	
Faysal Bank Limited - Islamic Banking	
Habib Bank Limited -Islamic Banking	

## LEGAL ADVISER

Bawaney & Partners  
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,  
Phase VI, DHA, Karachi.  
Phone (9221) 35156191-94 Fax: (9221) 35156195  
E-mail:

## TRANSFER AGENT

Meezan Bank Limited  
Meezan House  
C-25, Estate Avenue, SITE, Karachi.  
Phone: 38103538 Fax: 36406017  
Website: [www.meezanbank.com](http://www.meezanbank.com)

## DISTRIBUTORS

Al Meezan Investment Management Limited  
Meezan Bank Limited  
Standard Chartered Bank (Pakistan) Limited



**AL MEEZAN MUTUAL FUND  
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UNAUDITED)  
AS AT MARCH 31, 2020**

		March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
	Note	(Rupees in '000)	
<b>Assets</b>			
Balances with banks	5	340,173	271,162
Investments	6	3,015,448	4,614,607
Receivable against sale of investments		-	20,993
Receivable against conversion of units		10,043	13,534
Dividend receivable		18,231	25,200
Advances, deposits, prepayments and other receivable		4,867	8,444
<b>Total assets</b>		<b>3,388,762</b>	<b>4,953,940</b>
<b>Liabilities</b>			
Payable to Al Meezan Investment Management Limited - Management Company		12,074	14,897
Payable to Central Depository Company of Pakistan Limited - Trustee		450	552
Payable to Securities and Exchange Commission of Pakistan	7	663	5,952
Payable to Meezan Bank Limited		90	23
Payable against purchase of investments		44,376	3,468
Payable against conversion and redemption of units		6,309	45,466
Dividend payable		4,917	4,917
Accrued expenses and other liabilities	8	109,095	110,859
<b>Total liabilities</b>		<b>177,974</b>	<b>186,134</b>
<b>Net assets</b>		<b>3,210,788</b>	<b>4,767,806</b>
<b>Unitholders' fund (as per statement attached)</b>		<b>3,210,788</b>	<b>4,767,806</b>
<b>Contingencies And Commitments</b>	9		
<b>Number of units in issue</b>		<b>283,459,120</b>	<b>357,035,000</b>
		(Rupees)	
<b>Net assets value per unit</b>		<b>11.3272</b>	<b>13.3539</b>

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

**For Al Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director



**AL MEEZAN MUTUAL FUND**  
**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**

	Note	Nine months period ended March 31,		Quarter ended March 31,	
		2020 (Rupees in '000)	2019	2020 (Rupees in '000)	2019
<b>Income</b>					
Net realised gain / (loss) on sale of investments		6,655	(161,129)	35,410	(76,180)
Dividend income		159,091	213,963	25,693	35,947
Profit on saving accounts with banks		22,373	23,645	8,432	8,193
		<u>188,119</u>	<u>76,479</u>	<u>69,535</u>	<u>(32,040)</u>
Net unrealised (diminution) / appreciation on re-measurement of investments classified as "financial assets at fair value through profit or loss"	6.1	(662,072)	(658,022)	(1,418,669)	237,731
<b>Total (loss) / income</b>		<u>(473,953)</u>	<u>(581,543)</u>	<u>(1,349,134)</u>	<u>205,691</u>
<b>Expenses</b>					
Remuneration to Al Meezan Investment Management Limited - Management Company		65,273	99,305	22,420	31,136
Sindh Sales Tax on management fee		8,486	12,910	2,915	4,048
Allocated expenses	12	3,264	4,965	1,122	1,557
Remuneration to Central Depository Company of Pakistan Limited - Trustee		4,015	5,716	1,370	1,803
Sindh Sales Tax on trustee fee		522	743	178	234
Annual fee to Securities and Exchange Commission of Pakistan	7	663	4,717	224	1,479
Auditors' remuneration		661	618	169	146
Charity expense		4,412	3,023	750	442
Fees and subscription		292	647	9	212
Brokerage expense		7,839	3,549	4,215	1,565
Selling and marketing expenses	14	13,055	19,861	4,484	6,227
Bank and settlement charges		806	613	296	230
Provision for Sindh Workers' Welfare Fund (SWWF)		-	-	(16,081)	-
<b>Total expenses</b>		<u>109,287</u>	<u>156,667</u>	<u>22,071</u>	<u>49,079</u>
<b>Net (loss) / income for the period before taxation</b>		<u>(583,240)</u>	<u>(738,209)</u>	<u>(1,371,205)</u>	<u>156,613</u>
Taxation	15	-	-	-	-
<b>Net (loss) / income for the period after taxation</b>		<u>(583,240)</u>	<u>(738,209)</u>	<u>(1,371,205)</u>	<u>156,613</u>
<b>Allocation of net income for the period</b>					
Net income for the period after taxation		-	-	-	-
Income already paid on units redeemed		-	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

**For Al Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

AL MEEZAN MUTUAL FUND  
 CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)  
 FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020



Al Meezan  
 Mutual Fund

	Nine months period March 31,		Quarter ended, March 31,	
	2020	2019	2020	2019
	(Rupees in '000)		(Rupees in '000)	
Net (loss) / income for the period after taxation	(583,240)	(738,209)	(1,371,205)	156,613
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive (loss) / income for the period</b>	<u>(583,240)</u>	<u>(738,209)</u>	<u>(1,371,205)</u>	<u>156,613</u>

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

For Al Meezan Investment Management Limited  
 (Management Company)

\_\_\_\_\_  
 Chief Executive

\_\_\_\_\_  
 Chief Financial Officer

\_\_\_\_\_  
 Director

**AL MEEZAN MUTUAL FUND**  
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**

	Nine months period ended March 31, 2020			Nine months period ended March 31, 2019		
	Capital Value	(Accumulated loss)	Total	Capital Value	Undistributed income	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the period	4,877,433	(109,627)	4,767,806	5,302,941	1,561,069	6,864,010
Issuance of 216,642,112 units (2018: 53,214,548 units)						
- Capital value (at net asset value per unit at the beginning of the period)	2,893,017	-	2,893,017	1,561,402	-	1,561,402
- Element of income / (loss)	269,837	-	269,837	(71,000)	-	(71,000)
Total proceeds on issuance of units	3,162,854	-	3,162,854	1,490,402	-	1,490,402
Redemption of 290,217,992 units (2018: 47,842,113 units)						
- Capital value (at net asset value per unit at the beginning of the period)	3,875,543	-	3,875,543	1,679,567	-	1,679,567
- Element of income / (loss)	261,088	-	261,088	(97,328)	-	(97,328)
Total payments on redemption of units	4,136,631	-	4,136,631	1,582,239	-	1,582,239
Total comprehensive loss for the period	-	(583,240)	(583,240)	-	(738,209)	(738,209)
<b>Net assets at end of the period</b>	<b>3,903,655</b>	<b>(692,867)</b>	<b>3,210,788</b>	<b>5,211,104</b>	<b>822,860</b>	<b>6,033,964</b>
<b>(Accumulated loss) / undistributed income brought forward</b>						
- Realised income		1,197,928			2,209,183	
- Unrealised loss		(1,307,555)			(847,665)	
		(109,627)			1,361,518	
Change in accounting policy		-			199,551	
		(109,627)			1,561,069	
Accounting income available for distribution(after adjusting income already paid on units redeemed)						
- Relating to capital gains		-			-	
- Excluding capital gains		-			-	
Net loss for the period after taxation		(583,240)			(738,209)	
Distribution during the period		-			-	
(Accumulated losses) / Undistributed income carried forward		(692,867)			822,860	
(Accumulated losses) / Undistributed income carried forward						
-Realised (loss) / income		(30,795)			1,480,881	
-Unrealised loss		(662,072)			(658,022)	
		(692,867)			822,860	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the period	13.3539			17.6583		
Net assets value per unit at end of the period	11.3272			15.7949		

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

**For Al Meezan Investment Management Limited**  
**(Management Company)**

Chief Executive

Chief Financial Officer

Director



**AL MEEZAN MUTUAL FUND  
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

	Nine months period ended March 31,	
	2020	2019
	(Rupees in '000)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss for the period before taxation	(583,240)	(738,209)
<b>Adjustments for:</b>		
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	662,072	658,022
	<u>78,832</u>	<u>(80,187)</u>
<b>Decrease / (increase) in assets</b>		
Investments - net	937,087	137,861
Receivable against sale of investments	20,993	(13,445)
Dividend receivable	6,969	(8,332)
Deposits, prepayments, profit accrued and other receivables	3,577	(4,102)
	968,626	111,982
<b>(Decrease) / increase in liabilities</b>		
Payable to Al Meezan Investment Management Limited - Management Company	(2,823)	(7,473)
Payable to Central Depository Company of Pakistan Limited - Trustee	(102)	(67)
Payable to Meezan Bank Limited	67	(44)
Payable to Securities and Exchange Commission of Pakistan	(5,289)	(2,519)
Payable against purchase of investments - net	40,908	28,470
Accrued expenses and other liabilities	(1,764)	9,619
	30,997	27,985
<b>Net cash generated from operating activities</b>	<u>1,078,455</u>	<u>59,779</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts against issuance and conversion of units	3,166,345	1,492,108
Payment against redemption and conversion of units	(4,175,788)	(1,592,090)
<b>Net cash used in financing activities</b>	(1,009,444)	(99,982)
<b>Net increase / (decrease) in cash and cash equivalents during the period</b>	<u>69,011</u>	<u>(40,203)</u>
Cash and cash equivalents at the beginning of the period	271,162	440,313
<b>Cash and cash equivalents at the end of the period</b>	<u><u>340,173</u></u>	<u><u>400,110</u></u>

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

**For Al Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director



**AL MEEZAN MUTUAL FUND  
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

**1. LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1** Al Meezan Mutual Fund (the Fund) was constituted by virtue of a scheme of arrangement for conversion of Al Meezan Mutual Fund Limited (AMMFL) into an Open End Scheme under a Trust Deed executed between Al Meezan Investment Management Limited (Al Meezan) as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on June 17, 2011 in accordance with the provisions of the Non-Banking Finance Companies and Notified Entities Regulations, (the NBFC Regulations). The Management Company has been licensed by the Securities and Exchange Commission of Pakistan (SECP) to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2** The Fund has been formed to provide the unitholders safe and stable stream of halal income on their investments and to generate superior long-term risk adjusted returns. The Fund shall also keep an exposure in short-term instruments for the purpose of maintaining liquidity and to capitalise on exceptional returns, if available, at any given point of time. The objective of the Fund is to provide the maximum total return to the unitholders from investment in "Shariah Compliant" equity investments for the given level of risk, while abiding by the regulations and any other prevailing rules and regulations. At least seventy percent of its net assets shall remain invested in listed equity securities during the year based on quarterly average investment calculated on daily basis. The remaining net assets shall be invested in cash and near cash instruments. Under the Trust Deed, all conducts and acts of the Fund are based on Shariah. Meezan Bank Limited (MBL) acts as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.3** The Fund is an open-end fund listed on the Pakistan Stock Exchange Limited. Units of the Fund are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund is categorized as an Equity Scheme.
- 1.4** The Management Company has been assigned a quality rating of AM1 by VIS Credit Rating Company Limited dated December 31, 2019 (2018: AM1 dated December 28, 2018) and by PACRA dated December 28, 2019. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.5** Title of the assets of the Fund is held in the name of CDC as a Trustee of the Fund.

**2. BASIS OF PRESENTATION**

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

**3. BASIS OF PREPARATION**

**3.1 Statement of compliance**

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

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

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

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2019.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2020.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT**

- 4.1** The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2019.
- 4.2** The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2019.
- 4.3** 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 impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.



		March 31, 2020 (Unaudited) (Rupees in '000)	June 30, 2019 (Audited) (Rupees in '000)
<b>5. BALANCES WITH BANKS</b>	<b>Note</b>		
In saving accounts	5.1	326,297	263,605
In current accounts		13,876	7,557
		<b>340,173</b>	<b>271,162</b>

5.1 The balance in saving accounts have an expected profit ranging from 3.00% to 13.00% per annum (June 30, 2019: 3.32% to 12.5% per annum).

		March 31, 2020 (Unaudited) (Rupees in '000)	June 30, 2019 (Audited) (Rupees in '000)
<b>6. INVESTMENTS</b>	<b>Note</b>		
Shares of listed companies - ordinary shares	6.1	3,015,448	4,614,607
		<b>3,015,448</b>	<b>4,614,607</b>

**6.1 Investments in equity securities - listed**

Name of the investee company	As at July 1, 2019	Purchases during the period	Bonus / right shares	Sales during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market Value as at March 31, 2020	Unrealised (diminution) / appreciation as at March 31, 2020	Percentage in relation to		
									Net assets of the fund on the basis of market value (note 6.1.3)	Market value of total investment	Paid-up capital of investee company (with face value of investment)
						(Rupees in '000)			-%		
<b>Sectors / companies</b>											
<b>Automobile Assembler</b>											
Gandhara Industries Limited	168,700	-	-	166,500	2,200	192	142	(50)	0.00	0.00	0.01
Honda Atlas Cars (Pakistan) Ltd	-	6,300	-	-	6,300	1,405	835	(570)	0.03	0.03	-
Indus Motor Company Ltd	-	35,640	-	-	35,640	43,211	26,000	(17,211)	0.81	0.86	0.05
Milat Tractors Limited	75,750	5,000	6,075	86,150	675	515	367	(149)	0.01	0.01	-
									<b>0.85</b>	<b>0.91</b>	<b>0.06</b>
<b>Automobile Parts and Accessories</b>											
Agrisauto Industries Ltd (note 6.1.1)	-	75,000	-	-	75,000	15,755	12,019	(3,736)	0.37	0.40	0.26
Gandhara Nissan	3,163	-	-	3,163	-	-	-	-	-	-	-
									<b>0.37</b>	<b>0.40</b>	<b>0.26</b>
<b>Commercial Banks</b>											
BankIslami Pakistan Ltd	-	2,579,500	-	300,000	2,279,500	24,618	20,561	(4,057)	0.64	0.68	0.21
Meezan Bank Limited (an associate of the Fund)	898,050	1,376,000	-	325,000	1,949,050	154,065	126,864	(27,201)	3.95	4.21	0.15
									<b>4.59</b>	<b>4.89</b>	<b>0.36</b>
<b>Cement</b>											
Cherat Cement Co.Ltd	-	650,000	10,000	660,000	-	-	-	-	-	-	-
D.G. Khan Cement Company Limited	348,405	633,500	-	783,405	198,500	13,872	11,761	(2,111)	0.37	0.39	0.05
Fauji Cement Co.Ltd.	-	3,001,500	-	656,500	2,345,000	39,141	34,729	(4,411)	1.08	1.15	0.17
Kohat Cement Company Limited	730,520	-	-	332,500	398,020	20,908	34,727	13,819	1.08	1.15	0.20
Lucky Cement Company Limited	964,067	458,900	-	550,900	872,067	355,845	323,275	(32,570)	10.07	10.72	0.27
Maple Leaf Cement Company Limited	425,312	1,670,265	-	1,717,000	378,577	6,847	7,844	997	0.24	0.26	0.03
Pioneer Cement Limited	7,800	-	-	7,800	-	-	-	-	-	-	-
									<b>12.84</b>	<b>13.67</b>	<b>0.72</b>
<b>Chemicals</b>											
Engro Polymer and Chemicals Limited	1,365,541	5,073,000	-	3,420,500	3,018,041	95,371	74,002	(21,368)	2.30	2.45	0.33
ICI Pakistan Limited	231,679	23,100	-	10,350	244,429	133,457	123,759	(9,698)	3.85	4.10	0.26
Lotto Chemical Pakistan Ltd.	-	1,265,000	-	-	1,265,000	11,921	12,435	514	0.39	0.41	0.08
Sitara Chemical Industries Limited	57,000	-	-	-	57,000	17,435	13,661	(3,774)	0.43	0.45	0.27
									<b>6.97</b>	<b>7.42</b>	<b>0.94</b>
<b>Engineering</b>											
Amreli Steels limited	-	250,000	-	250,000	-	-	-	-	-	-	-
Int. Ind.Ltd	-	601,000	-	594,700	6,300	576	476	(100)	0.01	0.02	-
International Steel Limited	-	550,000	-	350,000	200,000	7,075	7,238	163	0.23	0.24	0.05
Mughal Iron & Steel Industries	-	151,000	-	150,000	1,000	33	31	(2)	0.00	0.00	-
									<b>0.24</b>	<b>0.26</b>	<b>0.05</b>
<b>Fertilizer</b>											
Dawood Hercules Corporation Limited	-	50,000	-	-	50,000	6,794	5,183	(1,611)	0.16	0.17	0.01
Engro Corporation Limited (note 6.1.2)	1,846,890	417,200	-	861,300	1,402,790	394,448	374,405	(20,043)	11.66	12.42	0.24
Engro Fertilizers Limited	3,976,000	819,000	-	2,492,000	2,303,000	150,899	132,791	(18,108)	4.14	4.40	0.17
									<b>15.96</b>	<b>16.99</b>	<b>0.42</b>
<b>Food and Personal Care Products</b>											
Al-Shaheer Corporation Limited	12,230	281	-	-	12,511	157	119	(38)	0.00	0.00	0.01
National foods (note 6.1.1)	4,600	-	820	500	4,920	755	978	223	0.03	0.03	0.01
									<b>0.03</b>	<b>0.04</b>	<b>0.02</b>
<b>Glass &amp; Ceramics</b>											
Ghani Glass Ltd.	-	227,500	-	-	227,500	11,925	8,461	(3,464)	0.26	0.26	0.04
Tariq Glass Industries Ltd	279,700	-	1,600	276,500	4,800	245	243	(2)	0.01	0.01	-
									<b>0.27</b>	<b>0.29</b>	<b>0.04</b>

Name of the investee company	As at July 1, 2019	Purchases during the quarter	Bonus / right shares	Sales during the quarter	As at March 31, 2020	Carrying value as at March 31, 2020	Market Value as at March 31, 2020	Unrealised (diminution) / appreciation as at March 31, 2020	Percentage in relation to		
									Net assets of the fund on the basis of market value (note 6.1.3)	Market value of total investment	Paid-up capital of investee company (with face value of investment)
						(Rupees in '000)			-%		
<b>Oil and Gas Exploration Companies</b>											
Mari Petroleum Company Limited	365,310	17,960	34,631	69,520	348,381	325,191	310,442	(14,749)	9.67	10.30	0.26
Oil and Gas Development Company Limited	3,879,800	528,000	-	2,781,200	1,626,600	214,543	125,232	(89,311)	3.90	4.15	0.04
Pakistan Oilfields Limited	661,629	20,000	-	410,700	270,929	109,958	71,040	(38,918)	2.21	2.36	0.10
Pakistan Petroleum Limited	3,127,022	720,000	486,404	2,340,513	1,992,913	246,248	143,111	(103,137)	4.46	4.75	0.07
									<b>6.67</b>	<b>21.55</b>	<b>0.47</b>
<b>Oil &amp; Gas Marketing Companies</b>											
Attock Petroleum Limited	105,138	73,200	-	6,000	172,338	49,714	40,673	(8,040)	1.27	1.35	0.17
Haseco Petroleum Limited	205,757	3,694,618	-	1,675,000	2,125,375	43,637	24,761	(18,877)	0.77	0.82	0.21
Pakistan State Oil Company Limited	1,436,907	866,500	206,381	1,665,100	844,688	138,268	102,630	(35,638)	3.20	3.40	0.18
Sui Northern Gas Pipeline Limited	3,411,500	818,000	-	1,870,500	2,309,000	170,454	88,823	(81,631)	2.76	2.04	0.38

Sui Northern Gas Pipeline Limited	5,411,500	618,000	-	1,830,000	2,399,000	170,454	88,263	(81,931)	2.75	2.39	0.36
<b>Paper and Board</b>									<b>7.99</b>	<b>8.50</b>	<b>0.54</b>
Cherat Packaging Limited	248,846	-	11,334	135,500	124,680	9,140	10,516	1,375	0.33	0.36	0.29
Packages Limited	447,428	-	-	241,500	205,928	61,894	47,015	(14,878)	1.46	1.56	0.23
									<b>1.79</b>	<b>1.91</b>	<b>0.52</b>
<b>Pharmaceuticals</b>											
Abbott Laboratories Pakistan Limited	5,150	-	-	5,150	-	-	-	-	-	-	-
ACP Limited	1,205,250	50,000	-	202,500	1,052,750	73,263	86,852	13,589	2.71	2.88	0.38
GlaxoSmithKline Consumer Health	208,000	5,800	-	8,600	205,200	40,116	40,950	834	1.28	1.36	0.18
GlaxoSmithKline Pakistan Limited	-	10,000	-	-	10,000	1,552	1,690	138	0.05	0.06	-
Highnoon Laboratories Limited	1,592	-	-	-	1,592	403	794	391	0.02	0.03	0.01
The Searle Company Limited	419,248	100,000	-	293,000	226,248	34,954	35,487	533	1.11	1.19	0.11
									<b>5.16</b>	<b>5.50</b>	<b>0.68</b>
<b>Power Generation and Distribution</b>											
K-Electric Limited (note 6.1.1)	30,513,500	10,841,500	-	8,381,500	32,973,500	144,082	93,315	(50,767)	2.91	3.09	0.12
Hub Power Company Limited	3,040,816	1,341,500	-	800,000	3,582,316	277,864	244,565	(33,299)	7.62	8.11	0.28
									<b>10.52</b>	<b>11.20</b>	<b>0.40</b>
<b>Technology and Communication</b>											
Avanceon Limited	208,400	-	-	208,000	400	20	9	(10)	0.00	0.00	-
Systems Limited	173,250	350,000	-	175,000	348,250	37,736	38,705	968	1.21	1.28	0.28
									<b>1.21</b>	<b>1.28</b>	<b>0.28</b>
<b>Textile Composite</b>											
Nishat Mills Limited	629,400	557,400	-	886,700	300,100	17,456	17,625	169	0.55	0.58	0.09
Interloop Limited	2,133,000	79,500	-	12,500	2,200,000	97,951	78,892	(19,059)	2.46	2.62	0.25
									<b>3.01</b>	<b>3.20</b>	<b>0.34</b>
<b>Textile Weaving</b>											
Feroze1888 Mills Limited	443,000	10,000	-	-	453,000	45,658	35,511	(10,148)	1.11	1.18	0.12
<b>Vanaspati &amp; Allied Industries</b>											
Unity Foods Limited	1,159,845	5,050,000	-	3,759,845	2,450,000	29,952	24,206	(5,746)	0.75	0.80	0.45
<b>Rights Certificates</b>											
<b>Cement</b>											
Maple Leaf Cement Company Limited*	-	-	265	265	-	-	-	-	-	-	-
<b>Oil and Gas Marketing Companies</b>											
Hascal Petroleum Limited*	-	-	1,612,618	1,612,618	-	-	-	-	-	-	-
<b>Total</b>						<b>3,677,520</b>	<b>3,015,448</b>	<b>(662,072)</b>			<b>100</b>

6.1.1 All shares have a nominal value of Rs 10 each except for the shares of K-Electric Limited which have a nominal value of Rs 3.5 each and Agriauto Industries Limited & National foods which have a nominal value of Rs 5 each.

6.1.2 Investments include 150,000 shares (June 30, 2019: 150,000 shares) of Engro Corporation Limited, having market value of Rs 50.0350 million (June 30, 2019: Rs 39.84 million) as at March 31, 2020, which have been pledged with National Clearing Company of Pakistan for guaranteeing settlement of Fund's trades in accordance with Circular 11 dated October 23, 2007 by SECP.

6.1.3 The status of bonus shares already withheld prior to the introduction of Finance Act, 2018 is the same as that disclosed in the audited financial statements of the Fund for the year ended June 30, 2019. As at March 31, 2020, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs. 3.0172 million (June 30, 2019: Rs. 7.132 million).

## 7. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP)..

Effective from July 1, 2019, the SECP vide SRO No. 685(I)/2019 dated June 28, 2019, revised the rate of annual fee to 0.02% of net assets, applicable on all categories of CISs. Previously, the rate of annual fee applicable to equity funds was 0.095%. Accordingly, the Fund has charged SECP Fee at the rate of 0.02% of net assets during the current period.

8. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	March 31,	June 30,
		2020 (Unaudited)	2019 (Audited)
		(Rupees in '000)	
Auditors' remuneration payable		432	565
Brokerage payable		6,222	4,775
Shariah advisor fee payable	8.1	273	817
Charity payable		9,209	5,197
Withholding tax payable	8.2	2	7,394
Capital gain tax payable		1,563	695
Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	8.2	37,524	37,524
Provision for Federal Excise Duty and related Sindh Sales Tax on sales load		3,732	3,732
Provision for Sindh Workers' Welfare Fund (SWWF)		50,068	50,068
Zakat payable		69	92
		<b>109,095</b>	<b>110,859</b>

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

Had the provision for SWWF not been recorded in the financial statements of the Fund for the period from May 21, 2015 to March 31, 2020, the net asset value of the Fund per unit as at March 31, 2020 would have been higher by Re 0.18 (June 30, 2019: Re 0.14 per unit).



- 8.2 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16% on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from July 01, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 01, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 41.256 million (June 30, 2018: Rs 41.256 million) is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the Net Asset Value of the Fund as at March 31, 2020 would have been higher by Re 0.15 (June 30, 2019: Re 0.12) per unit.

## 9. CONTINGENCIES AND COMMITMENTS

There were no other contingencies and commitments outstanding as at March 31, 2020 and June 30, 2019.

## 10. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include Al Meezan Investment Management Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, Directors and Executives of the Management Company, other Funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited - Employees Gratuity Fund and unitholders holding 10 percent or more of the Fund's net assets.

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

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Rules, the NBFC Regulations and the Trust Deed.

Transactions and balances with related parties are as follows:

	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
	(Rupees in '000)	
<b>Al Meezan Investment Management Limited - Management Company</b>		
Remuneration payable	6,337	8,138
Sindh Sales Tax on management fee payable	824	1,058
Sales load payable	100	82
Sindh Sales Tax on sales load payable	13	11
Selling and marketing expense payable	4,484	5,201
Allocated expenses payable	316	407
Investment of 29,814,020 units (June 30, 2019: 37,780,110 units)	337,709	504,511
<b>Meezan Bank Limited</b>		
Balance with bank	216,258	33,383
Profit receivable on saving account	724	548
Sales load payable	79	20
Sindh Sales Tax on sales load	10	3
Investment of 1,949,050 shares (June 30, 2019: 898,050 shares)	126,864	78,274
Investment of 22,232,227 units (June 30, 2019: 22,232,227 units)	251,828	296,887
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Security deposit	238	238
Remuneration payable	398	489
Sindh Sales Tax on trustee fee payable	52	63
<b>MSAF- Meezan Strategic Allocation Plan- I</b>		
Investment of 8,920,012 units (June 30, 2019: 18,848,469 units)	101,038	251,700
<b>MSAF - Meezan Strategic Allocation Plan II</b>		
Investment of 11,918,683 units (June 30, 2019: 22,818,600 units)	135,005	304,717
<b>MSAF- Meezan Strategic Allocation Plan IV</b>		
Investment of 6,971,023 units (June 30, 2019: 1,877,734 units)	78,962	25,075
<b>Meezan Financial Planning Fund of Funds - MAAP - I</b>		
Investment of 3,038,682 units (June 30, 2019: 39,791) units	34,420	531



	March 31, 2020 (Unaudited) (Rupees in '000)	June 30, 2019 (Audited) (Rupees in '000)
<b>Pakistan Kuwait Investment Company (Private) Limited</b>		
Investment of 16,895,690 units (June 30, 2019: 16,895,690 units)	<u>191,380</u>	<u>225,623</u>
<b>Directors and executives of the Management Company</b>		
Investment of 4,779,018 units (June 30 2019: 32,730,550 units)	<u>54,133</u>	<u>437,080</u>
<b>Unitholders holding 10% or more units of the Fund</b>	<u>-</u>	<u>504,511</u>
	<b>For the nine months period ended March 31,</b>	
	<b>2020                      2019</b>	
	<b>(Unaudited)</b>	
	<b>(Rupees in '000)</b>	
<b>Al Meezan Investment Management Limited - Management Company</b>		
Remuneration for the period	<u>65,273</u>	<u>99,305</u>
Sindh Sales Tax on management fee	<u>8,486</u>	<u>12,910</u>
Allocated expenses	<u>3,264</u>	<u>4,965</u>
Selling and marketing expense	<u>13,055</u>	<u>19,861</u>
Units issued: 42,525,061 units (March 31, 2019: 1,653,020)	<u>617,585</u>	<u>30,000</u>
Units redeemed: 50,491,150 units (March 31, 2019: nil)	<u>736,474</u>	<u>-</u>
<b>Meezan Bank Limited</b>		
Profit on saving accounts with banks	<u>3,715</u>	<u>468</u>
Shares purchased : 1,376,000 shares ( March 31, 2019: nil)	<u>104,500</u>	<u>187,122</u>
Shares sold: 325,000 shares ( March 31, 2019: nil)	<u>27,400</u>	<u>137,160</u>
Dividend income from shares	<u>4,785</u>	<u>1,471</u>
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Trustee fee for the period	<u>4,015</u>	<u>5,716</u>
Sindh Sales Tax on trustee fee	<u>522</u>	<u>743</u>
CDS charges for the period	<u>189</u>	<u>145</u>
<b>Meezan Financial Planning Fund of Funds - MAAP - I</b>		
Units issued: 4,087,120 (March 31, 2019: nil)	<u>63,000</u>	<u>-</u>
Redemption of 1,088,228 units (March 31, 2019: nil)	<u>16,000</u>	<u>-</u>
<b>MSAF- Meezan Strategic Allocation Plan IV</b>		
Units issued: 5,093,289 (March 31, 2019: nil)	<u>75,000</u>	<u>-</u>
<b>MSAF- Meezan Strategic Allocation Plan - I</b>		
Units issued: Nil (March 31, 2019: 5,972,333 units)	<u>-</u>	<u>100,000</u>
Redemption of 9,928,458 units (March 31, 2019: nil)	<u>124,470</u>	<u>-</u>
<b>MSAF -Meezan Strategic Allocation Plan - II</b>		
Units redeemed: 10,899,917 (March 31, 2019: nil)	<u>140,760</u>	<u>-</u>
<b>Meezan Financial Planning Fund of Funds - MAAP - IV</b>		
Units redeemed: Nil (March 31, 2019: 1,304,322 units)	<u>-</u>	<u>21,964</u>
<b>Directors and executives of the Management Company</b>		
Units issued: 730,556 units (March 31, 2019:1,481,423 units)	<u>10,221</u>	<u>25,438</u>
Units redeemed: 28,682,090 units (March 31, 2019: 220,596 units)	<u>361,622</u>	<u>31,415</u>

## 11. FAIR VALUES OF FINANCIAL INSTRUMENTS

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

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

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

### 11.1 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

- Level 1: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities.
- Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).



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

As at March 31, 2020			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			

**ASSETS**

**Financial assets 'at fair value through profit or loss'**

Shares of listed companies 'ordinary shares'	3,015,448	-	-	3,015,448
--	-----------	---	---	-----------

As at June 30, 2019			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			

**ASSETS**

**Financial assets 'at fair value through profit or loss'**

Shares of listed companies 'ordinary shares'	4,614,607	-	-	4,614,607
--	-----------	---	---	-----------

**12. ALLOCATED EXPENSES**

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

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

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

**13. EXPENSE RATIO**

The Total Expense Ratio (TER) of the Fund for the period ended March 31, 2020 is 3.35% which include 0.33% representing government levy and SECP fee.

**14. SELLING AND MARKETING EXPENSE**

The SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) initially for a period of three years (i.e from January 1, 2017 till December 31, 2019). The maximum cap of selling and marketing expense was 0.4% per annum of the net assets of the Fund or actual expenses whichever is lower. During the current period, the SECP through its circular 11 dated July 5, 2019 has revised the conditions for charging of selling and marketing expenses to a Fund. As per the revised guidelines, the maximum cap of 0.4% per annum has been lifted and now the asset management company is required to set a maximum limit for charging of such expense to the Fund and the same should be approved by the Board as part of annual plan. Furthermore, the time limit of three years has also been removed in the revised guidelines.

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

**15. TAXATION**

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unitholders. The Fund has not recorded any tax liability as the Fund has incurred a net loss during the period.

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.

**16. GENERAL**

**16.1** Figures have been rounded off to the nearest thousand rupees.

**16.2** Corresponding figures have been reclassified and rearranged in these condensed interim financial statements, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in these condensed interim financial statements.

**17. DATE OF AUTHORISATION**

This condensed interim financial information was authorised for issue on \_\_\_\_\_ by the Board of Directors of the Management Company.

**For AI Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

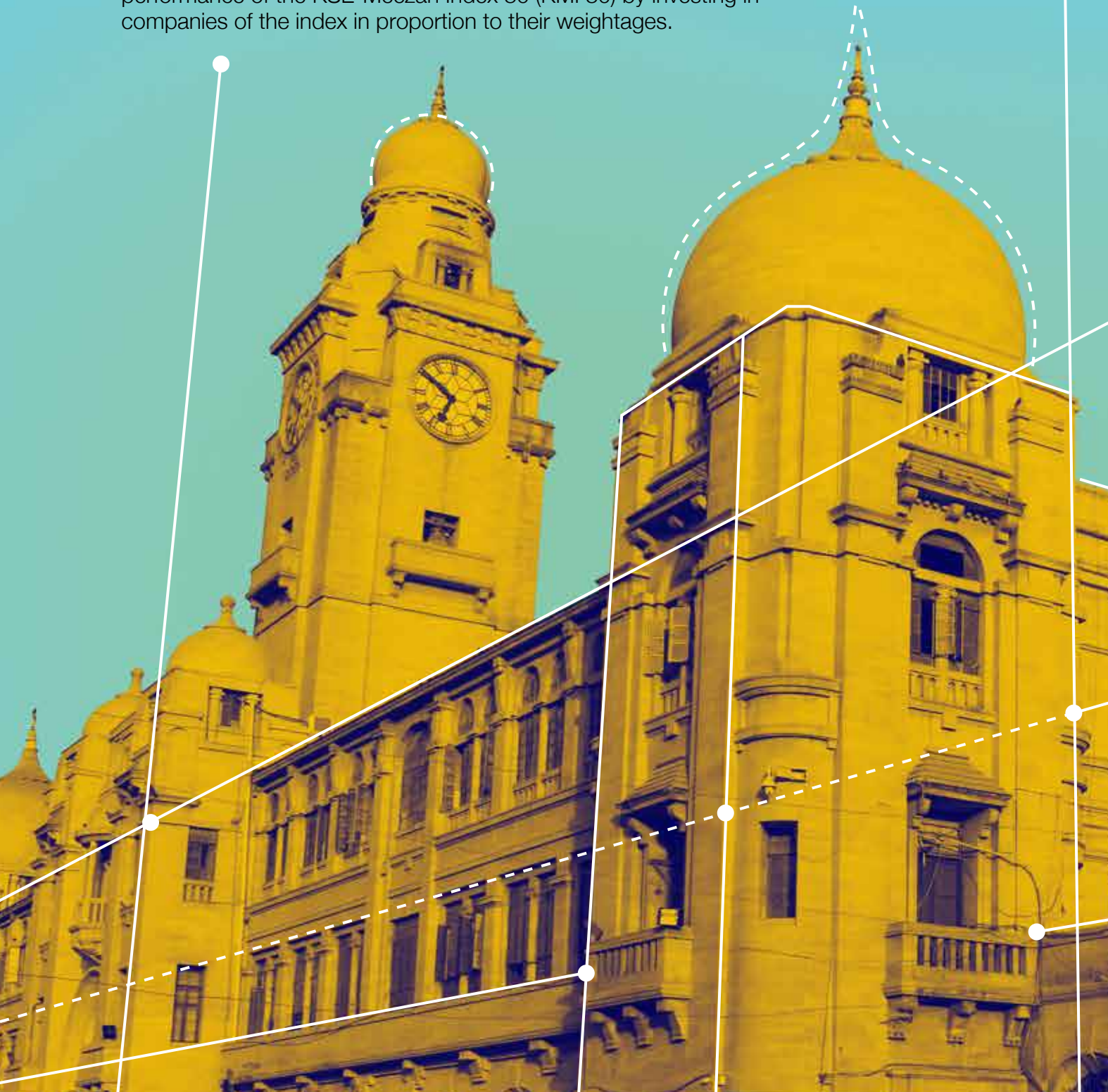




## KSE-Meezan Index Fund

### **KSE-MEEZAN INDEX FUND (KMIF)**

KSE Meezan Index Fund(KMIF) is a Shariah compliant Index Fund that aims to provide investors an opportunity to closely track the performance of the KSE-Meezan Index 30 (KMI 30) by investing in companies of the index in proportion to their weightages.





# REDEFINING INVESTMENT IN THE CITY OF LIGHTS

**KMC BUILDING  
(KARACHI)**



# FUND INFORMATION

## MANAGEMENT COMPANY

Al Meezan Investment Management Limited  
Ground Floor, Block "B", Finance & Trade Centre,  
Shahrah-e-Faisal Karachi 74400, Pakistan.  
Phone (9221) 35630722-6, 111-MEEZAN  
Fax: (9221) 35676143, 35630808  
Website: [www.almeezangroup.com](http://www.almeezangroup.com)  
E-mail: [info@almeezangroup.com](mailto:info@almeezangroup.com)

## BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Mohammad Shoaib, CFA	Chief Executive Officer
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Mohammad Furquan R Kidwai	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Moin M. Fudda	Independent Director
Ms. Saima Kamila Khan	Independent Director
Mr. Arshad Majeed	Nominee Director - MBL
Mr. Naeem Abdul Sattar	Nominee Director - PKIC
Syed Amir Ali Zaidi	Nominee Director - PKIC

## CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Syed Owais Wasti

## AUDIT COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Arshad Majeed	Member
Mr. Naeem Abdul Sattar	Member

## RISK MANAGEMENT COMMITTEE

Mr. Muhammad Abdullah Ahmed	Chairman
Syed Amir Ali Zaidi	Member
Mr. Naeem Abdul Sattar	Member

## HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Ariful Islam	Member
Mr. Naeem Abdul Sattar	Member
Mr. Mohammad Shoaib, CFA	Member

## TRUSTEE

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

## AUDITORS

A. F. Ferguson & Co.  
Chartered Accountants  
State Life Building# 1-C,  
I.I. Chundrigar Road, Karachi-74000

## SHARIAH ADVISER

Meezan Bank Limited

## BANKERS TO THE FUND

Habib Metropolitan Bank Limited - Islamic Banking  
Meezan Bank Limited  
National Bank of Pakistan - Islamic Banking

## LEGAL ADVISER

Bawaney & Partners  
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,  
Phase VI, DHA, Karachi.  
Phone (9221) 35156191-94 Fax: (9221) 35156195  
E-mail:

## TRANSFER AGENT

Meezan Bank Limited  
Meezan House  
C-25, Estate Avenue, SITE, Karachi.  
Phone: 38103538 Fax: 36406017  
Website: [www.meezanbank.com](http://www.meezanbank.com)

## DISTRIBUTORS

Al Meezan Investment Management Limited  
Meezan Bank Limited



**KSE MEEZAN INDEX FUND  
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES  
AS AT MARCH 31, 2020**

	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
Note	----- (Rupees in '000) -----	
<b>Assets</b>		
Balances with banks	5      9,731	8,935
Investments	6      1,508,066	1,522,876
Receivable against conversion of units	1,565	40,106
Dividend receivable	11,842	9,994
Deposits, prepayments and other receivables	2,741	2,756
<b>Total assets</b>	<u>1,533,945</u>	<u>1,584,667</u>
<b>Liabilities</b>		
Payable to AI Meezan Investment Management Limited - the Management Company	1,815	1,507
Payable to Central Depository Company of Pakistan Limited - the Trustee	248	229
Payable to the Securities and Exchange Commission of Pakistan	8      251	1,564
Payable to Meezan Bank Limited	60	14
Payable on redemption and conversion of units	384	274
Payable against purchase of investments	1,980	44,670
Accrued expenses and other liabilities	9      22,208	19,271
<b>Total liabilities</b>	<u>26,946</u>	<u>67,529</u>
<b>Net assets</b>	<u>1,506,999</u>	<u>1,517,138</u>
<b>Contingencies and commitments</b>	7	
<b>Unit holders' fund (as per statement attached)</b>	<u>1,506,999</u>	<u>1,517,138</u>
	(Number of units)	
<b>Number of units in issue</b>	<u>34,297,951</u>	<u>28,653,899</u>
	(Rupees)	
<b>Net asset value per unit</b>	<u>43.9384</u>	<u>52.9470</u>

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

**For AI Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**KSE MEEZAN INDEX FUND**  
**CONDENSED INTERIM INCOME STATEMENT**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020 (UNAUDITED)**

	Nine Months period		Quarter ended	
	March 31,		March 31,	
	2020	2019	2020	2019
<b>Note</b>	(Rupees in '000)			
<b>Income</b>				
Net realised gain / (loss) on sale of investments	71,637	(54,792)	29,320	(15,310)
Dividend income	79,641	62,664	12,787	12,288
Profit on saving accounts with banks	861	311	306	166
Other income	2,130	1,586	1,562	891
	<u>154,269</u>	<u>9,769</u>	<u>43,975</u>	<u>(1,965)</u>
Net unrealised (diminution) / appreciation on re-measurement of investments at 'fair value through profit or loss'	6.1	(432,669)	(688,038)	46,643
<b>Total loss</b>	<b>(278,400)</b>	<b>(199,653)</b>	<b>(644,063)</b>	<b>44,677</b>
<b>Expenses</b>				
Remuneration to AI Meezan Investment Management Limited - Management Company	11	12,572	12,600	4,633
Sindh Sales Tax on management fee		1,634	1,638	602
Allocated expenses		1,257	1,260	463
Remuneration to Central Depository Company of Pakistan Limited - Trustee		2,009	2,009	712
Sindh Sales Tax on trustee fee		261	261	92
Annual fee to Securities and Exchange Commission of Pakistan	8	251	1,197	92
Auditors' remuneration		301	314	56
Brokerage		3,274	1,342	1,155
Charity expense		2,391	1,010	471
Bank and settlement charges		612	479	271
Fees and subscription		421	422	138
Printing charges		9	30	-
Provision for Sindh Workers' Welfare Fund (SWWF)	9.2	-	-	(6,987)
<b>Total expenses</b>		<b>24,992</b>	<b>22,562</b>	<b>1,698</b>
				<b>7,394</b>
<b>Net (loss) / income for the period before taxation</b>		<b>(303,392)</b>	<b>(222,215)</b>	<b>(645,761)</b>
Taxation		-	-	-
<b>Net (loss) / income for the period after taxation</b>		<b>(303,392)</b>	<b>(222,215)</b>	<b>37,284</b>
<b>Allocation of net income for the period</b>				
Net loss for the period after taxation		-	-	-
Income already paid on units redeemed		-	-	-

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

Chief Executive

Chief Financial Officer

Director



**KSE MEEZAN INDEX FUND**  
**CONDENSED COMPREHENSIVE INCOME STATEMENT**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020 (UNAUDITED)**

	<u>Nine Months period</u>		<u>Quarter ended,</u>	
	<u>March 31,</u>		<u>March 31,</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
	<u>(Rupees in '000)</u>		<u>(Rupees in '000)</u>	
Net (loss) / income for the period after taxation	(303,392)	(222,215)	(645,761)	37,284
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive (loss) / income for the period</b>	<b><u>(303,392)</u></b>	<b><u>(222,215)</u></b>	<b><u>(645,761)</u></b>	<b><u>37,284</u></b>

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

**For AI Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director



**KSE MEEZAN INDEX FUND**  
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

	Nine Months period ended March 31, 2020			Nine Months period ended March 31, 2019		
	Capital Value	Accumulated loss	Total	Capital Value	Undistrib-uted income / (accumul-ated loss)	Total
	(Rupees in '000)			(Rupees in '000)		
<b>Net assets at the beginning of the period</b>	<b>1,779,406</b>	<b>(262,268)</b>	<b>1,517,138</b>	1,469,611	217,869	1,687,480
Issuance of 16,096,893 units (2019: 12,243,399 units)						
- Capital value (at net asset value per unit at the beginning of the period)	852,282		852,282	865,095	-	865,095
- Element of income / (loss)	52,234		52,234	(54,285)	-	(54,285)
Total proceeds on issuance of units	904,516	-	904,516	810,810	-	810,810
Redemption of 10,452,841 units (2019: 7,959,978 units)						
- Capital value (at net asset value per unit at the beginning of the period)	553,447		553,447	562,437	-	562,437
- Element of loss / (income)	57,817		57,817	(36,413)	-	(36,413)
Total payments on redemption of units	611,263	-	611,263	526,024	-	526,024
Total comprehensive loss for the period		(303,392)	(303,392)	-	(222,215)	(222,215)
Distribution during the period		-	-	-	-	-
Net loss for the period less distribution		(303,392)	(303,392)	-	(222,215)	(222,215)
<b>Net assets at the end of the period</b>	<b>2,072,659</b>	<b>(565,660)</b>	<b>1,506,999</b>	<b>1,754,397</b>	<b>(4,346)</b>	<b>1,750,051</b>
<b>(Accumulated loss) / undistributed income brought forward</b>						
- Realised income		184,604			402,733	
- Unrealised loss		(446,872)			(184,864)	
		(262,268)			217,869	
Accounting income available for distribution						
- Relating to capital gains		-			-	
- Excluding capital gains		-			-	
		-			-	
Net loss for the period after taxation		(303,392)			(222,215)	
Distribution during the period		-			-	
Accumulated loss carried forward		(565,660)			(4,346)	
<b>Accumulated loss carried forward</b>						
- Realised (loss) / income		(132,991)			205,076	
- Unrealised loss		(432,669)			(209,422)	
		(565,660)			(4,346)	
			(Rupees)		(Rupees)	
Net assets value per unit at the beginning of the period			52.9470			70.6581
Net assets value per unit at the end of the period			43.9384			62.1340

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited**  
**(Management Company)**

Chief Executive

Chief Financial Officer

Director



**KSE MEEZAN INDEX FUND**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

	Nine Months period ended March 31,	
	2020	2019
	------(Rupees in '000)-----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net (loss) / income for the period before taxation	(303,392)	(222,215)
<b>Adjustments for:</b>		
Net unrealised diminution on re-measurement of investments at 'fair value through profit or loss'	432,669	209,422
	<u>129,277</u>	<u>(12,793)</u>
<b>(Increase) / decrease in assets</b>		
Investments	(417,859)	(271,813)
Dividend receivable	(1,848)	(12,094)
Deposits, prepayments and other receivables	15	56
	<u>(419,692)</u>	<u>(283,851)</u>
<b>Increase / (decrease) in liabilities</b>		
Payable to Al Meezan Investment Management Limited - the Management Company	308	85
Payable to Central Depository Company of Pakistan Limited - the Trustee	19	10
Payable to Meezan Bank Limited	46	(36)
Payable to the Securities and Exchange Commission of Pakistan	(1,313)	(450)
Payable against purchase of investments	(42,690)	(266)
Accrued expenses and other liabilities	2,937	1,589
	<u>(40,693)</u>	<u>932</u>
<b>Net cash used in operating activities</b>	<u>(331,108)</u>	<u>(295,712)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipt against issuance of units	943,057	811,004
Payment against redemption of units	(611,152)	(525,996)
<b>Net cash generated from financing activities</b>	<u>331,905</u>	<u>285,008</u>
<b>Net increase / (decrease) in cash and cash equivalents during the period</b>	<u>796</u>	<u>(10,704)</u>
Cash and cash equivalents at beginning of the period	8,935	19,141
<b>Cash and cash equivalents at the end of the period</b>	<u><u>9,731</u></u>	<u><u>8,437</u></u>

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**KSE MEEZAN INDEX FUND**  
**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

**1. LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1** KSE Meezan Index Fund (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on March 13, 2012 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The Management Company has been licensed by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2** The Fund is a Shariah Compliant Index Fund that aims to provide investors an opportunity to track closely the performance of the KSE-Meezan Index 30 (KMI 30) by investing in companies of the index in proportion to their weightages. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah principles. The Management Company has appointed Meezan Bank Limited as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.3** The Fund is an open-end fund listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund is categorised as a Shariah Compliant Index Fund.
- 1.4** The Management Company has been assigned a quality rating of AM1 by VIS dated December 31, 2019 (2018: AM1 dated December 28, 2018) and by PACRA dated December 28, 2019. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.5** Title to the assets of the Fund are held in the name of the CDC as the Trustee of the Fund.

**2 BASIS OF PRESENTATION**

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

**3 BASIS OF PREPARATION**

**3.1 STATEMENT OF COMPLIANCE**

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

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

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

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2019.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2020.

#### **4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT**

**4.1** The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2019.

**4.2** The preparation of these condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan require management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2019. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2019.

#### **4.3 Amendments to published accounting and reporting standards that are effective in the current period**

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 impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

<b>5</b>	<b>BALANCES WITH BANKS</b>	<b>Note</b>	<b>March 31,</b>	<b>June 30,</b>
			<b>2020</b>	<b>2019</b>
			<b>(Unaudited)</b>	<b>(Audited)</b>
			<b>(Rupees in '000)</b>	
	In saving accounts	5.1	<b>5,867</b>	7,559
	In current accounts		<b>3,864</b>	1,376
			<b>9,731</b>	<b>8,935</b>

- 5.1 The balance in saving accounts have an expected profit ranging from 3.63% to 11.39% per annum (June 30, 2019: 3.32% to 12.30% per annum).

6	INVESTMENTS	Note	March 31,	June 30,
			2020 (Unaudited)	2019 (Audited)
			(Rupees in '000)	
<b>Investments at 'fair value through profit or loss'</b>				
	Shares of listed companies - 'ordinary shares'	6.1	<u>1,508,066</u>	<u>1,522,876</u>

6.1 Shares of listed companies - 'ordinary shares'

Name of the investee company	As at July 1, 2019	Purchases during the period	Rights / Bonus issue	Sales during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised gain / (loss) as at March 31, 2020	Percentage in relation to		
									Net assets of the Fund	Paid-up capital of investee company (with face value of investment)	Total market value of investments
									-----		
-----						(Rupees in '000)		-----			
-----						-----		-----			

Sectors / companies

**Automobile Assembler**

Honda Atlas Cars (Pakistan) Limited	-	90,000	-	19,800	70,200	11,251	9,302	(1,949)	0.62	0.05	0.62
Millat Tractors Limited	-	66,600	6,662	23,650	49,612	36,065	26,952	(9,113)	1.79	0.10	1.79
Pak Suzuki Motor Company Limited	-	56,100	-	13,500	42,600	9,745	5,710	(4,035)	0.38	0.05	0.38
									<b>2.79</b>	<b>0.20</b>	<b>2.79</b>

**Automobile Parts & Accessories**

Thal Limited (note 6.1.1)	-	82,300	-	82,300	-	-	-	-	-	-	-
									-	-	-

**Bank**

Meezan Bank Limited	-	890,100	-	164,399	725,701	59,769	47,236	(12,533)	3.13	0.06	3.13
									<b>3.13</b>	<b>0.06</b>	<b>3.13</b>

**Cable And Electrical Goods**

Pak Elektron Limited	565,303	204,000	-	193,500	575,803	12,052	10,693	(1,360)	0.71	0.12	0.71
									<b>0.71</b>	<b>0.12</b>	<b>0.71</b>

**Cement**

D.G. Khan Cement Company Limited	498,500	134,000	-	149,500	483,000	28,290	28,618	328	1.90	0.11	1.90
Fauji Cement Company Limited	1,735,375	635,000	-	617,000	1,753,375	27,307	25,967	(1,339)	1.72	0.13	1.72
Lucky Cement Limited	292,680	106,519	-	80,954	318,245	125,269	117,973	(7,296)	7.83	0.10	7.82
Maple Leaf Cement Factory Limited *	604,155	870,681	-	1,026,000	448,836	9,238	9,300	61	0.62	0.08	0.62
									<b>12.07</b>	<b>0.42</b>	<b>12.06</b>

**Chemical**

Engro Polymer & Chemicals Limited	1,027,271	211,500	-	450,000	788,771	21,610	19,341	(2,269)	1.28	0.09	1.28
Lotte Chemical Pakistan Limited	857,500	298,500	-	223,000	933,000	13,639	9,171	(4,467)	0.61	0.06	0.61
									<b>1.89</b>	<b>0.15</b>	<b>1.89</b>

**Engineering**

International Industries Limited	122,500	-	-	122,500	-	-	-	-	-	-	-
International Steels Limited	393,400	144,000	-	178,499	358,901	15,651	12,989	(2,662)	0.86	0.08	0.86
									<b>0.86</b>	<b>0.08</b>	<b>0.86</b>

**Fertilizer**

Engro Corporation Limited	716,900	307,894	-	153,542	871,252	243,195	232,537	(10,658)	15.43	0.15	15.42
Engro Fertilizers Limited	1,357,136	712,877	-	319,000	1,751,013	113,631	100,963	(12,668)	6.70	0.13	6.69
									<b>22.13</b>	<b>0.28</b>	<b>22.11</b>

**Food And Personal Care**

Frieslandcampina Engro Pakistan Lim	174,500	221,500	-	188,500	207,500	15,975	11,309	(4,666)	0.75	0.03	0.75
									<b>0.75</b>	<b>0.03</b>	<b>0.75</b>

**Investment Banks / Investment**

**Companies / Securities Companies**

Dawood Hercules Corporation Limited	-	1,090,300	-	158,000	932,300	116,040	96,633	(19,407)	6.41	0.19	6.41
									<b>6.41</b>	<b>0.19</b>	<b>6.41</b>

**Oil And Gas Exploration Companies**

Mari Petroleum Company Limited	55,030	20,860	5,835	16,580	65,145	62,935	58,051	(4,884)	3.85	0.05	3.85
Oil & Gas Development Company Limi	1,459,618	508,269	-	317,355	1,650,532	209,742	127,074	(82,668)	8.43	0.04	8.43
Pakistan Oilfields Limited	294,130	111,536	-	72,975	332,691	130,627	87,235	(43,392)	5.79	0.12	5.78
Pakistan Petroleum Limited	1,254,279	504,865	249,235	395,300	1,613,079	189,004	115,835	(73,169)	7.69	0.06	7.68
									<b>25.76</b>	<b>0.27</b>	<b>25.74</b>



Name of the investee company	As at July 1, 2019	Purchases during the period	Rights / Bonus issue	Sales during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised gain / (loss) as at March 31, 2020	Percentage in relation to				
									Net assets of the Fund	Paid-up capital of investee company (with face value of investment)	Total market value of investments		
												-----	
----- Number of shares -----								----- (Rupees in '000) -----			----- % -----		
<b>Oil And Gas Marketing Companies</b>													
Attock Petroleum Limited	-	63,900	-	63,900	-	-	-	-	-	-	-		
Hascol Petroleum Limited *	159,330	629,609	-	788,468	471	5	5	1	-	-	-		
Pakistan State Oil Company Limited	398,700	646,846	-	507,364	538,182	99,324	65,389	(33,935)	4.34	0.11	4.34		
Shell Pakistan Limited	48,900	-	-	48,900	-	-	-	-	-	-	-		
Sui Northern Gas Pipelines Limited	645,833	225,000	-	180,000	690,833	46,840	25,492	(21,349)	1.69	0.11	1.69		
Sui Southern Gas Company Limited	695,231	279,500	-	251,500	723,231	14,253	8,389	(5,864)	0.56	0.08	0.56		
									<b>6.59</b>	<b>0.30</b>	<b>6.59</b>		
<b>Paper &amp; Board</b>													
Packages Limited	60,812	7,600	-	68,412	-	-	-	-	-	-	-		
									-	-	-		
<b>Pharmaceuticals</b>													
AGP Limited	-	248,000	-	248,000	-	-	-	-	-	-	-		
The Searle Company Limited	191,759	109,100	-	53,000	247,859	38,219	38,877	657	2.58	0.12	2.58		
									<b>2.58</b>	<b>0.12</b>	<b>2.58</b>		
<b>Power Generation &amp; Distribution</b>													
K-Electric Limited (note 6.1.1)	6,251,040	2,297,000	-	2,421,000	6,127,040	25,735	17,340	(8,395)	1.15	0.02	1.15		
The Hub Power Company Limited	1,703,897	2,593,725	-	1,904,506	2,393,116	209,357	163,378	(45,979)	10.84	0.18	10.83		
									<b>11.99</b>	<b>0.20</b>	<b>11.98</b>		
<b>Refinery</b>													
Attock Refinery Ltd	98,091	47,200	-	28,099	117,192	10,026	7,783	(2,243)	0.52	0.11	0.52		
Byco Petroleum Pakistan Limited	1,211,000	-	-	1,211,000	-	-	-	-	-	-	-		
National Refinery Limited	59,048	-	-	59,048	-	-	-	-	-	-	-		
									<b>0.52</b>	<b>0.11</b>	<b>0.52</b>		
<b>Technology &amp; Communication</b>													
Netsol Technologies Limited	-	86,000	-	14,600	71,400	4,532	2,082	(2,450)	0.14	0.08	0.14		
									<b>0.14</b>	<b>0.08</b>	<b>0.14</b>		
<b>Textile Composite</b>													
Nishat Mills Limited	358,300	110,700	-	81,100	387,900	35,677	22,781	(12,895)	1.51	0.11	1.51		
									<b>1.51</b>	<b>0.11</b>	<b>1.51</b>		
<b>Transport</b>													
Pakistan International Bulk Terminal Limited	2,228,000	240,000	-	2,468,000	-	-	-	-	-	-	-		
									-	-	-		
<b>Vanaspati &amp; Allied Industries</b>													
Unity Foods Limited	-	403,000	-	32,500	370,500	5,730	3,661	(2,069)	0.24	0.07	0.24		
									<b>0.24</b>	<b>0.07</b>	<b>0.24</b>		
<b>Right Certificates</b>													
<b>Cement</b>													
Maple Leaf Cement Factory Limited *	-	-	546,681	546,681	-	-	-	-	-	-	-		
<b>Oil And Gas Marketing Companies</b>													
Hascol Petroleum Limited *	-	-	607,320	607,320	-	-	-	-	-	-	-		
									<b>1,940,736</b>	<b>1,508,066</b>	<b>(432,669)</b>		
											<b>100</b>		

\*The right certificates were exercised during the period and the shares are included in the investment in Hascol Petroleum Limited and Maple Leaf Cement Factory Limited.

- 6.1.1** All shares have a nominal value of Rs 10 each except for the shares of K-Electric Limited which have nominal value of Rs 3.50 each and Thal Limited having nominal value of Rs. 5 each.
- 6.2** The status of bonus shares already withheld prior to the introduction of Finance Act, 2018 is the same as that disclosed in the audited financial statements of the Fund for the year ended June 30, 2019. As at March 31, 2020, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs. 0.8804 million (June 30, 2019: Rs. 0.883 million).
- 6.2.2** Investments include 682,000 shares (June 30, 2019: 682,000 shares) of Pakistan Petroleum Limited having market value of Rs 48.97 million as at March 31, 2020 (June 30, 2019: Rs 98.50 million), which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.

## 7 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2020 and June 30, 2019.

## 8 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP).

Effective from July 1, 2019, the SECP vide SRO No. 685(I)/2019 dated June 28, 2019, revised the rate of annual fee to 0.02% of net assets, applicable on all categories of CISs. Previously, the rate of annual fee applicable to equity funds was 0.095%. Accordingly, the Fund has charged SECP Fee at the rate of 0.02% of net assets during the current period.

9 ACCRUED EXPENSES AND OTHER LIABILITIES	Note	March 31, 2020 (Unaudited) (Rupees in '000)	June 30, 2019 (Audited)
Auditor's remuneration payable		268	225
Provision for Federal Excise Duty and related			
Sindh Sales Tax on remuneration of the Management Company	9.1	5,741	5,741
Provision for Federal Excise Duty and related			
Sindh Sales Tax on sales load	9.1	497	497
Provision for Sindh Workers' Welfare Fund	9.2	9,270	9,270
Withholding tax and capital gain tax payable		362	245
Charity payable		4,033	1,843
Brokerage payable		1,520	1,071
Shariah advisory fee payable		393	264
Printing charges payable		124	115
		<u>22,208</u>	<u>19,271</u>

- 9.1 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 6.238 million is being retained in the condensed interim financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision not been made, the NAV per unit of the Fund as at March 31, 2020 would have been higher by Re 0.18 (June 30, 2019: Re 0.22) per unit.

- 9.2** 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 condensed interim financial statements of the Fund for the period from May 21, 2015 to March 31, 2020, the net asset value of the Fund as at March 31, 2020 would have been higher by Re.0.27 per unit (June 30, 2019: Re 0.32 per unit).

## 10 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include Al Meezan Investment Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, Directors and Executives of the Management Company, other funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited - Employees Gratuity Fund and unit holders holding 10 percent or more of the Fund's net assets.

Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provision of the NBFC Rules, the NBFC Regulations and the Trust Deed respectively.

Details of transactions with connected persons and balances with them are as follows:

	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
	(Rupees in '000)	
<b>Balances</b>		
<b>Al Meezan Investment Management Limited - the Management Company</b>		
Remuneration payable	1,394	1,224
Sindh Sales Tax on management fee payable	181	159
Sales load payable	89	1
Sindh Sales Tax on sales load payable	12	1
Allocated expenses payable	139	122
Investment of 12,700,605 units (June 30, 2019: 7,651,969 units)	558,044	405,149

	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
	(Rupees in '000)	
<b>Meezan Bank Limited</b>		
Sales load payable	53	14
Sindh Sale Tax on sales load payable	7	2
Bank balance	5,598	3,425
Profit receivable on savings account	22	62
Investment of 2,113,224 units (June 30, 2019: 2,113,224 units)	92,852	111,889
Investment in 725,701 shares (June 30, 2019: nil shares)	47,236	-
<b>Central Depository Company of Pakistan Limited - the Trustee</b>		
Trustee fee payable	200	183
Sindh Sales Tax on trustee fee payable	48	46
Security deposit	103	103
<b>Directors and their close family members and key management</b>		
Investment of 620,736 units (June 30, 2019: 18,925 units)	27,274	1,002
<b>Unit holders holding 10% or more units of the Fund</b>		
Investment of 9,725,888 units (June 30, 2019: 9,725,888 units)	427,340	514,957
<b>AI Meezan Investment Management Limited (Gratuity Fund)</b>		
Investment as at March 31, 2020: 133,559 units (June 30, 2019: 133,559 units)	5,868	7,072
<b>Meezan Strategic Allocation Fund MSAP-I</b>		
Investment as at March 31, 2020: 4,311 units (June 30, 2019: 201,580 units)	189	10,673
<b>Meezan Strategic Allocation Fund MSAP-II</b>		
Investment as at March 31, 2020: 137,526 units (June 30, 2019: 137,526 units)	6,043	7,282
<b>Meezan Strategic Allocation Fund MSAP-III</b>		
Investment as at March 31, 2020: 374,075 units (June 30, 2019: 167,669 units)	16,436	8,879
<b>Meezan Strategic Allocation Fund MSAP-IV</b>		
Investment as at March 31, 2020: 396,682 units (June 30, 2019: 190,276 units)	17,430	10,075
<b>Meezan Strategic Allocation Fund MSAP-V</b>		
Investment as at March 31, 2020: 56,518 units (June 30, 2019: 56,518 units)	2,483	2,992
<b>Transactions during the period</b>		
	<b>2020</b>	<b>2019</b>
	(Unaudited)	
	(Rupees in '000)	
<b>AI Meezan Investment Management Limited - the Management Company</b>		
Remuneration for the period	12,572	12,600
Sindh Sales Tax on remuneration of the Management Company	1,634	1,638
Allocated expenses	1,257	1,260
Units issued: 7,015,588 units (March 31, 2019: 3,450,125 units)	360,600	226,100
Units redeemed: 1,966,953 units (March 31, 2019: 628,151 units)	113,100	41,000
<b>Meezan Bank Limited</b>		
Profit on savings account	421	55
Dividend income	2,776	-
Shares purchased: 890,100 shares (March 31, 2019: nil shares)	73,376	-
Shares sold: 164,399 shares (March 31, 2019: nil shares)	15,676	-



	<b>Nine months period ended</b>	
	<b>March 31,</b>	
	<b>2020</b>	<b>2019</b>
	<b>(Unaudited)</b>	
	<b>(Rupees in '000)</b>	
<b>Central Depository Company of Pakistan Limited - the Trustee</b>		
Trustee fee	<u>2,009</u>	<u>2,009</u>
Sindh Sales Tax on trustee fee for the period	<u>261</u>	<u>261</u>
CDS charges	<u>99</u>	<u>69</u>
<b>Directors and their close family members and key management</b>		
Units issued: 602,081 units (March 31, 2019: 749,147 units)	<u>40,596</u>	<u>50,046</u>
Units redeemed: 270 units (March 31, 2019: nil units)	<u>25</u>	<u>26,493</u>
<b>Meezan Strategic Allocation Fund MSAP-I</b>		
Units redeemed: 197,269 units (March 31, 2019: nil units)	<u>10,000</u>	<u>-</u>
<b>Meezan Strategic Allocation Fund MSAP-III</b>		
Units issued: 206,406 units (March 31, 2019: nil units)	<u>10,000</u>	<u>-</u>
<b>Meezan Strategic Allocation Fund MSAP-IV</b>		
Units issued: 206,406 units (March 31, 2019: nil units)	<u>10,000</u>	<u>-</u>

## 11 ALLOCATED EXPENSES

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

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

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

## 12 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the period ended March 31, 2020 is 1.99% which include 0.21% representing government levy and SECP fee.

## 13 TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute atleast 90 percent of the net accounting income other than capital gains to the unit holders. The Fund has not recorded any tax liability as the Fund has incurred a net loss during the period.

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.

## 14 FAIR VALUE OF FINANCIAL INSTRUMENTS

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



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

Financial assets which are tradeable in an open market are revalued at 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.

### 13.1 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: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities.
- Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at March 31, 2020 and June 30, 2019, the Fund held the following financial instruments measured at fair value:

	As at March 31, 2020			
	Level 1	Level 2	Level 3	Total
<b>ASSETS</b>	----- (Rupees in '000) -----			

#### Financial assets 'at fair value through profit or loss'

Shares of listed companies - 'ordinary shares'	1,508,066	-	-	1,508,066
--	-----------	---	---	-----------

	As at June 30, 2019			
	Level 1	Level 2	Level 3	Total
<b>ASSETS</b>	----- (Rupees in '000) -----			

#### Financial assets 'at fair value through profit or loss'

Shares of listed companies - 'ordinary shares'	1,522,876	-	-	1,522,876
--	-----------	---	---	-----------

## 15 GENERAL

15.1 Figures have been rounded off to the nearest thousand rupees.

15.2 Corresponding figures have been reclassified and rearranged in these condensed interim financial statements, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in these condensed interim financial statements.

## 16 DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on \_\_\_\_\_ by the Board of Directors of the Management Company.

**For AI Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director






# Meezan Energy Fund

## MEEZAN ENERGY FUND (MEF)

Meezan Energy Fund (MEF) is a Shariah compliant Energy Sector (Equity) Scheme. It is an actively managed fund offering a simple way to take exposure to Shariah compliant energy sector stocks available at Pakistan Stock Exchange (PSX).

 Swat Branch

 **WHITE PALACE  
MARGHAZAR  
(SWAT)**



# MAKING OUR MARK IN THE LAND OF MOUNTAINS



# FUND INFORMATION

## MANAGEMENT COMPANY

Al Meezan Investment Management Limited  
Ground Floor, Block "B", Finance & Trade Centre,  
Shahrah-e-Faisal Karachi 74400, Pakistan.  
Phone (9221) 35630722-6, 111-MEEZAN  
Fax: (9221) 35676143, 35630808  
Website: [www.almeezangroup.com](http://www.almeezangroup.com)  
E-mail: [info@almeezangroup.com](mailto:info@almeezangroup.com)

## BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Mohammad Shoaib, CFA	Chief Executive Officer
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Mohammad Furquan R Kidwai	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Moin M. Fudda	Independent Director
Ms. Saima Kamila Khan	Independent Director
Mr. Arshad Majeed	Nominee Director - MBL
Mr. Naeem Abdul Sattar	Nominee Director - PKIC
Syed Amir Ali Zaidi	Nominee Director - PKIC

## CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Syed Owais Wasti

## AUDIT COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Arshad Majeed	Member
Mr. Naeem Abdul Sattar	Member

## RISK MANAGEMENT COMMITTEE

Mr. Muhammad Abdullah Ahmed	Chairman
Syed Amir Ali Zaidi	Member
Mr. Naeem Abdul Sattar	Member

## HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Ariful Islam	Member
Mr. Naeem Abdul Sattar	Member
Mr. Mohammad Shoaib, CFA	Member

## TRUSTEE

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

## AUDITORS

A. F. Ferguson & Co.  
Chartered Accountants  
State Life Building# 1-C,  
I.I. Chundrigar Road, Karachi-74000

## SHARIAH ADVISER

Meezan Bank Limited

## BANKERS TO THE FUND

Allied Bank Limited	Habib Metropolitan Bank Limited - Islamic Banking
Al Baraka Islamic Bank B.S.C (E.C)	Meezan Bank Limited
Bank Al Habib Limited - Islamic Banking	

## LEGAL ADVISER

Bawaney & Partners  
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,  
Phase VI, DHA, Karachi.  
Phone (9221) 35156191-94 Fax: (9221) 35156195  
E-mail:

## TRANSFER AGENT

Meezan Bank Limited  
Meezan House  
C-25, Estate Avenue, SITE, Karachi.  
Phone: 38103538 Fax: 36406017  
Website: [www.meezanbank.com](http://www.meezanbank.com)

## DISTRIBUTORS

Al Meezan Investment Management Limited  
Meezan Bank Limited





**MEEZAN ENERGY FUND**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT MARCH 31, 2020**

	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
Note	(Rupees in '000)	
<b>Assets</b>		
Balances with banks	5 15,964	20,442
Investments	6 297,955	583,850
Receivable against conversion of units	1,494	557
Dividend receivable	2,603	2,127
Advances, deposits and other receivables	4,192	1,890
Preliminary expenses and floatation costs	333	483
<b>Total assets</b>	<b>322,541</b>	<b>609,349</b>
<b>Liabilities</b>		
Payable to Al Meezan Investment Management Limited - the Management Company	1,320	2,039
Payable to Central Depository Company of Pakistan Limited - the Trustee	73	129
Payable to Meezan Bank Limited	53	1
Payable to Securities and Exchange Commission of Pakistan	7 83	933
Payable against conversion and redemption of units	87	724
Payable against purchase of investments - net	-	3,424
Accrued expenses and other liabilities	9 3,192	3,396
<b>Total liabilities</b>	<b>4,808</b>	<b>10,646</b>
<b>Net assets</b>	<b>317,733</b>	<b>598,703</b>
<b>Contingencies and commitments</b>	8	
<b>Unit holders' funds (as per statement attached)</b>	<b>317,733</b>	<b>598,703</b>
	<b>(Number of units)</b>	
<b>Number of units in issue</b>	<b>13,009,098</b>	<b>17,944,102</b>
	<b>(Rupees)</b>	
<b>Net asset value per unit</b>	<b>24.4239</b>	<b>33.3649</b>

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

**For Al Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN ENERGY FUND**  
**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**

	Nine months period ended March 31, 2020	Nine months period ended March 31, 2019	Quarter ended March 31, 2020	Quarter ended March 31, 2019
	(Rupees in '000)		(Rupees in '000)	
<b>Income</b>				
Net realised (loss) / gain on sale of investments	(35,298)	(87,027)	3,854	(30,935)
Dividend income	15,033	17,872	3,098	2,081
Profit on saving accounts with banks	2,197	2,478	551	514
	(18,068)	(66,677)	7,503	(28,340)
Net unrealised (diminution) / appreciation on re-measurement of investments - 'at fair value through profit or loss'	6.1 (103,345)	(120,170)	(214,034)	68,189
<b>Total (loss) / income</b>	(121,413)	(186,847)	(206,531)	39,849
<b>Expenses</b>				
Remuneration of Al Meezan Investment Management Limited - the Management Company	8,274	16,233	2,643	3,711
Sindh Sales Tax on remuneration of management fee	1,076	2,110	344	482
Remuneration to Central Depository Company of Pakistan Limited - the Trustee	831	1,492	265	371
Sindh Sales Tax on trustee fee	108	194	34	48
Annual fee to the Securities and Exchange Commission of Pakistan	7 83	771	27	176
Auditors' remuneration	232	231	55	48
Charity expense	569	399	169	56
Fees and subscription	424	424	141	138
Brokerage expense	1,151	949	203	283
Bank and settlement charges	224	85	85	26
Printing charges	-	22	-	7
Selling and marketing expense	12 1,655	3,247	529	743
Amortisation of preliminary expenses and floatation costs	150	150	50	50
Allocated expenses	11 414	812	132	186
Reversal of Provision for Sindh Workers' Welfare Fund (SWWF)	9.1 -	-	(1,492)	-
<b>Total expenses</b>	15,191	27,119	3,185	6,325
<b>Net (loss) / income for the period before taxation</b>	(136,604)	(213,966)	(209,716)	33,524
Taxation	15 -	-	-	-
<b>Net (loss) / income for the period after taxation</b>	(136,604)	(213,966)	(209,716)	33,524
<b>Allocation of net income for the period</b>				
Net income for the period after taxation	-	-	-	-
Income already paid on units redeemed	-	-	-	-

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

**For Al Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**



**MEEZAN ENERGY FUND**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**

	<b>Nine months period ended March 31, 2020</b>	<b>Nine months period ended March 31, 2019</b>	<b>Quarter ended March 31, 2020</b>	<b>Quarter ended March 31, 2019</b>
	<b>(Rupees in '000)</b>		<b>(Rupees in '000)</b>	
<b>Net (loss) / income for the period after taxation</b>	(136,604)	(213,966)	(209,716)	33,524
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive (loss) / income for the period</b>	<u>(136,604)</u>	<u>(213,966)</u>	<u>(209,716)</u>	<u>33,524</u>

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

**For AI Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN ENERGY FUND**  
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

	Nine months period ended March 31, 2020			Nine months period ended March 31, 2019		
	Capital Value	Accumulated Loss	Total	Capital Value	Accumulated loss	Total
	(Rupees in '000)			(Rupees in '000)		
<b>Net assets at the beginning of the period</b>	967,743	(369,040)	598,703	1,660,781	(24,208)	1,636,573
Issue of 25,858,900 units (March 31, 2019: 12,194,486 units)						
- Capital value (at net asset value per unit at the beginning of the period)	862,780	-	862,780	607,070	-	607,070
- Element of income / (loss)	51,064	-	51,064	(51,931)	-	(51,931)
Total proceeds on issuance of units	913,844	-	913,844	555,139	-	555,139
Redemption of 30,793,904 units (March 31, 2019: 27,580,664 units)						
- Capital value (at net asset value per unit at the beginning of the period)	1,027,436	-	1,027,436	1,373,029	-	1,373,029
- Element of loss / (income)	30,774	-	30,774	(102,850)	-	(102,850)
Total payments on redemption of units	1,058,210	-	1,058,210	1,270,179	-	1,270,179
Total comprehensive loss for the period	-	(136,604)	(136,604)	-	(213,966)	(213,966)
Distribution during the period	-	-	-	-	-	-
Net loss for the period less distribution	-	(136,604)	(136,604)	-	(213,966)	(213,966)
<b>Net assets at the end of the period</b>	<b>823,377</b>	<b>(505,644)</b>	<b>317,733</b>	<b>945,741</b>	<b>(238,174)</b>	<b>707,567</b>
Accumulated loss brought forward						
- Realised loss		(228,021)			(48,945)	
- Unrealised (loss) / income		(141,019)			24,737	
		(369,040)			(24,208)	
<b>Accounting income available for distribution</b>						
- Relating to capital gains		-			-	
- Excluding capital gains		-			-	
Net loss for the period after taxation		(136,604)			(213,966)	
Distribution during the period		-			-	
Accumulated loss carried forward		(505,644)			(238,174)	
<b>Accumulated loss carried forward</b>						
- Realised loss		(402,299)			(118,004)	
- Unrealised loss		(103,345)			(120,170)	
		(505,644)			(238,174)	
Net assets value per unit at the beginning of the period			(Rupees) 33.3649			(Rupees) 49.7823
Net assets value per unit at the end of the period			24.4239			40.4592

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

**For AI Meezan Investment Management Limited**  
**(Management Company)**

Chief Executive

Chief Financial Officer

Director



**MEEZAN ENERGY FUND**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

	Nine months period ended March 31, 2020	Nine months period ended March 31, 2019
	(Rupees in '000)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss for the period before taxation	(136,604)	(213,966)
<b>Adjustments for:</b>		
Amortisation of preliminary expenses and floatation costs	150	150
Net unrealised diminution on re-measurement of investments - 'at fair value through profit or loss'	103,345	120,170
	<u>(33,109)</u>	<u>(93,646)</u>
<b>Increase in assets</b>		
Investments - net	182,550	688,091
Dividend receivable	(476)	1,675
Advances, deposits and other receivables	(2,302)	284
	179,772	690,050
<b>Decrease in liabilities</b>		
Payable to Al Meezan Investment Management Limited - Management Company	(719)	(4,815)
Payable to Central Depository Company of Pakistan Limited - Trustee	(56)	(113)
Payable to Meezan Bank Limited	52	(26)
Payable to Securities and Exchange Commission of Pakistan	(850)	(661)
Payable against purchase of investments - net	(3,424)	1,314
Accrued expenses and other liabilities	(204)	178
	<u>(5,201)</u>	<u>(4,123)</u>
<b>Net cash generated from operating activities</b>	141,462	592,281
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts against issuance and conversion of units	912,907	567,774
Payment against redemption and conversion of units	(1,058,847)	(1,273,429)
<b>Net cash used in financing activities</b>	(145,940)	(705,655)
<b>Net decrease in cash and cash equivalents during the period</b>	(4,478)	(113,374)
Cash and cash equivalents at the beginning of the period	20,442	195,027
<b>Cash and cash equivalents at the end of the period</b>	<u>15,964</u>	<u>81,653</u>

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

**For Al Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director



**MEEZAN ENERGY FUND**  
**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

**1. LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1** Meezan Energy Fund (the Fund) was established under a trust deed executed between Al Meezan Investment Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on September 9, 2016 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The Management Company has been licensed by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2** The objective of the Fund is to seek long term capital appreciation through investments in Shariah compliant equity stocks, primarily from the energy sector / segment / industry, as defined in the constitutive documents. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah principles. The Management Company has appointed Meezan Bank Limited as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.3** Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited. The Fund is categorised as an Open End Shariah Compliant (Islamic) Equity Scheme in accordance with Circular 7 of 2009 issued by the SECP.
- 1.4** The Management Company has been assigned a quality rating of AM1 by VIS Credit Rating Company Limited dated December 31, 2019 (2018: AM1 dated December 28, 2018) and by PACRA dated December 28, 2019. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.5** Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

**2. BASIS OF PRESENTATION**

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

**3. BASIS OF PREPARATION**

**3.1 STATEMENT OF COMPLIANCE**

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

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

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

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2019.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2020.

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT

4.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2019.

4.2 The preparation of these condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan require management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2019. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2019.

#### 4.3 Amendments to published accounting and reporting standards that are effective in the current period

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 impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

5. BALANCES WITH BANKS	Note	March 31,	June 30,
		2020 (Unaudited)	2019 (Audited)
		(Rupees in '000)	
In saving accounts	5.1	15,364	19,835
In current accounts		600	607
		<u>15,964</u>	<u>20,442</u>

- 5.1 The balance in saving accounts have an expected profit ranging from 3.00% to 12.75% per annum (June 30, 2019: 3.32% to 12.35% per annum).

6. INVESTMENTS	Note	March 31,	June 30,
		2020 (Unaudited)	2019 (Audited)
		(Rupees in '000)	
<b>Investments - 'at fair value through profit or loss'</b>			
Shares of listed companies 'ordinary shares'	6.1	<u>297,955</u>	<u>583,850</u>

6.1 Shares of listed companies 'ordinary shares'

Name of the investee company	As at July 1, 2019	Purchases during the period	Bonus / Right issue	Sales during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised gain as at March 31, 2020	Percentage in relation to		
									Net assets of the Fund	Total market value of investments	Paid-up capital of investee company (with face value of investment)
									-----Number of shares-----		
									----- (Rupees in '000) -----		
									----- % -----		
<b>Sectors / companies</b>											
<b>Oil and Gas Exploration Companies</b>											
Mari Petroleum Company Limited (note 6.2)	105,385	15,001	7,618	70,261	57,743	56,973	51,455	(5,518)	16.19	17.27	0.04
Oil and Gas Development Company Limited	676,600	377,000	-	717,800	335,800	44,647	25,853	(18,794)	8.14	8.68	0.01
Pakistan Oilfields Limited (note 6.2)	129,180	131,500	-	106,000	154,680	57,359	40,559	(16,800)	12.77	13.61	0.05
Pakistan Petroleum Limited (note 6.2)	621,765	253,000	81,953	550,000	406,718	51,360	29,206	(22,154)	9.19	9.79	0.01
									<b>46.29</b>	<b>49.35</b>	<b>0.11</b>
<b>Oil and Gas Marketing Companies</b>											
Attock Petroleum Limited (note 6.2)	29,000	37,800	-	10,000	56,800	18,584	13,405	(5,179)	4.22	4.50	0.06
Hascol Petroleum Limited (note 6.2)	616,652	2,956,859	-	1,679,500	1,894,011	22,436	22,065	(371)	6.94	7.41	0.19
Pakistan State Oil Company Limited (note 6.2)	318,240	212,400	62,248	226,000	366,888	55,275	44,577	(10,698)	14.03	14.96	0.08
Sui Northern Gas Pipelines Limited	1,021,300	250,000	-	885,000	386,300	26,017	14,254	(11,763)	4.49	4.78	0.06
Sui Southern Gas Pipelines Limited	17,000	-	-	17,000	-	-	-	-	-	-	-
HI-Tech Lubri	-	175,000	-	-	175,000	4,893	4,086	(807)	1.29	1.37	0.15
									<b>30.97</b>	<b>33.02</b>	<b>0.54</b>
<b>Power Generation and Distribution</b>											
Hub Power Company Limited	562,844	588,600	-	606,000	545,444	40,499	37,238	(3,261)	11.72	12.50	0.04
K - Electric Limited (note 6.1.1)	5,916,000	4,091,000	-	4,616,000	5,391,000	23,257	15,257	(8,000)	4.80	5.12	0.02
									<b>16.52</b>	<b>17.62</b>	<b>0.06</b>
<b>Refinery</b>											
National Refinery Limited	-	25,000	-	25,000	-	-	-	-	-	-	-
<b>Rights Certificates</b>											
<b>Oil And Gas Marketing Companies</b>											
Hascol Petroleum Limited *	-	-	1,976,859	1,976,859	-	-	-	-	-	-	-
<b>Total as at March 31, 2020</b>						<b>401,300</b>	<b>297,955</b>	<b>(103,345)</b>		<b>100</b>	

\*The right certificates were exercised during the period and the shares are included in the investment in Hascol Petroleum Limited.

- 6.1.1 All shares have a nominal value of Rs 10 each except for the shares of K-Electric Limited which has face value of Rs 3.5 each.
- 6.1.2 The status of bonus shares already withheld prior to the introduction of Finance Act, 2018 is the same as that disclosed in the audited financial statements of the Fund for the year ended June 30, 2019. As at March 31, 2020, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs. 0.492 million (June 30, 2019: Rs. 0.824 million).
- 6.1.3 Investments include 65,000 shares of Pakistan Petroleum Limited, having market value of Rs 4.67 million as at March 31, 2020 (June 30, 2019: nil) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.

7. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP).

Effective from July 1, 2019, the SECP vide SRO No. 685(I)/2019 dated June 28, 2019, revised the rate of annual fee to 0.02% of net assets, applicable on all categories of CISs. Previously, the rate of annual fee applicable to equity

funds was 0.095%. Accordingly, the Fund has charged SECP Fee at the rate of 0.02% of net assets during the current period.

## 8. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2020 and June 30, 2019.

9. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	March 31,	June 30,
		2020 (Unaudited)	2019 (Audited)
		(Rupees in '000)	
Auditors' remuneration payable		147	195
Printing charges payable		38	38
Shariah advisor fee payable		399	265
Charity payable		424	924
Capital gain tax payable		28	211
Provision for Sindh Workers' Welfare Fund	9.1	1,527	1,527
Zakat payable		39	5
Brokerage Payable		590	231
		3,192	3,396

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

Had the provision for SWWF not been recorded in the condensed interim financial statements of the Fund for the period from November 30, 2016 to March 31, 2020, the net asset value per unit of the Fund as at March 31, 2020 would have been higher by Re 0.12 (June 30, 2019: Re 0.09).

#### 10. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include Al Meezan Investment Management Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, Directors and Executives of the Management Company, other Funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited - Employees Gratuity Fund and unitholders holding 10 percent or more of the Fund's net assets.

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

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Rules, the NBFC Regulations and the Trust Deed.

Transactions and balances with related parties are as follows:

	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
	(Rupees in '000)	
<b>Al Meezan Investment Management Limited - the Management Company</b>		
Remuneration payable	656	1,137
Sindh Sales Tax on management fee payable	85	148
Sales load payable	15	13
Sindh Sales Tax on sales load payable	2	2
Allocated expenses	33	57
Selling and marketing expense payable	529	682
Investment of 5,379,191 units (June 30, 2019: 6,150,459 units)	131,381	205,209
<b>Meezan Bank Limited</b>		
Bank balance	10,276	1,120
Profit receivable on saving accounts	85	162
Sales load payable	47	1
Sindh Sales Tax on sales load payable	6	-
<b>Central Depository Company of Pakistan Limited - the Trustee</b>		
Trustee fee payable	65	114
Sindh Sales Tax on trustee fee payable	8	15
Security deposit	100	100
<b>Directors and executives of the Management Company</b>		
Investment of 13,983 units (June 30, 2019: 234,114 units)	342	7,811
	Nine months period ended March 31, 2020	Nine months period ended March 31, 2019
	(Rupees in '000)	
<b>Al Meezan Investment Management Limited - the Management Company</b>		
Remuneration for the period	8,274	16,233
Sindh Sales Tax on management fee	1,076	2,110
Allocated expenses	414	812
Selling and marketing expense	1,655	3,247
Units issued: 972,238 units (March 31, 2019: nil)	30,179	-
Units redeemed: 1,743,506 units (March 31, 2019: 4,553,413 units)	61,000	221,000





Nine months period ended March 31, 2020	Nine months period ended March 31, 2019
(Rupees in '000)	

**Meezan Bank Limited**

Profit on saving accounts

1,433	641
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**Central Depository Company of Pakistan Limited - the Trustee**

Trustee fee

831	1,492
-----	-------

Sindh Sales Tax on trustee fee

108	194
-----	-----

CDS charges

53	41
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**Directors and executives of the Management Company**

Units issued: 3,389,033 units (March 31, 2019: 1,551,900 units)

104,631	64,053
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Units redeemed: 3,528,353 units (March 31, 2019: 850,643 units)

100,594	37,053
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**11. ALLOCATED EXPENSES**

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

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

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

**12. SELLING AND MARKETING EXPENSES**

The SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) initially for a period of three years (i.e from January 1, 2017 till March 31, 2020). The maximum cap of selling and marketing expense was 0.4% per annum of the net assets of the Fund or actual expenses whichever is lower.

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

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

**13. TOTAL EXPENSE RATIO**

The Total Expense Ratio (TER) of the Fund for the period ended March 31, 2020 is 3.67% which includes 0.35% representing government levies, and SECP Fee.

**14. FAIR VALUE OF FINANCIAL INSTRUMENTS**

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

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

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.

#### 14.1 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: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities.
- Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at March 31, 2020 and June 30, 2019, the Fund held the following financial instruments measured at fair value:

ASSETS	As at March 31, 2020			
	Level 1	Level 2	Level 3	Total
(Rupees in '000)				
<b>Financial assets 'at fair value through profit or loss'</b>				
Shares of listed companies 'ordinary shares'	297,955	-	-	297,955
ASSETS	As at June 30, 2019			
	Level 1	Level 2	Level 3	Total
(Rupees in '000)				
<b>Financial assets 'at fair value through profit or loss'</b>				
Shares of listed companies 'ordinary shares'	583,850	-	-	583,850

#### 15. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute atleast 90 percent of the net accounting income other than capital gains to the unit holders. The Fund has not recorded any tax liability as the Fund has incurred a net loss during the period.

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.

#### 16. GENERAL

Figures have been rounded off to the nearest thousand rupees.

Corresponding figures have been reclassified and rearranged in these condensed interim financial statements, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in these condensed interim financial statements.

#### 17. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on \_\_\_\_\_ by the Board of Directors of the Management Company.

**For AI Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director



# PICKING UP SPEED IN THE CITY OF BAZAARS

MAUSOLEUM OF AKHUND  
ABDUL GHAFOOR  
(RAWALPINDI)






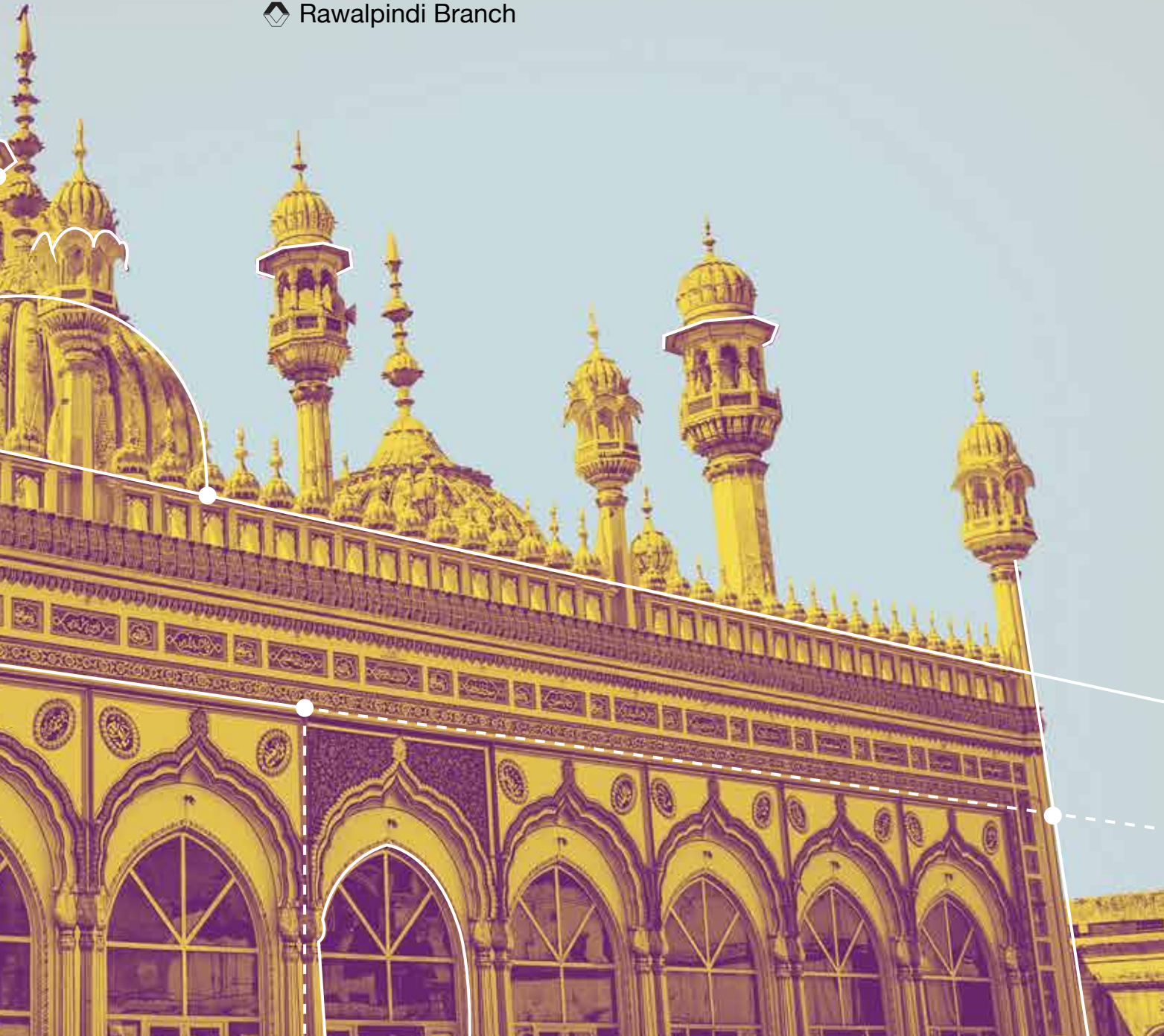


# Meezan Balanced Fund

## MEEZAN BALANCED FUND (MBF)

Meezan Balanced Fund is Pakistan's first Shariah compliant balanced scheme. It seeks to generate long term capital appreciation as well as current income by creating a balanced portfolio that is invested in both high quality Shariah compliant equity securities and income instruments such as TFC's, COI's, Certificates of Musharika, Islamic Sukuks, Ready-future hedges and other Shariah compliant instruments.

 Rawalpindi Branch



# FUND INFORMATION

## MANAGEMENT COMPANY

Al Meezan Investment Management Limited  
Ground Floor, Block "B", Finance & Trade Centre,  
Shahrah-e-Faisal Karachi 74400, Pakistan.  
Phone (9221) 35630722-6, 111-MEEZAN  
Fax: (9221) 35676143, 35630808  
Website: [www.almeezangroup.com](http://www.almeezangroup.com)  
E-mail: [info@almeezangroup.com](mailto:info@almeezangroup.com)

## BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Mohammad Shoaib, CFA	Chief Executive Officer
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Mohammad Furquan R Kidwai	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Moin M. Fudda	Independent Director
Ms. Saima Kamila Khan	Independent Director
Mr. Arshad Majeed	Nominee Director - MBL
Mr. Naeem Abdul Sattar	Nominee Director - PKIC
Syed Amir Ali Zaidi	Nominee Director - PKIC

## CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Syed Owais Wasti

## AUDIT COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Arshad Majeed	Member
Mr. Naeem Abdul Sattar	Member

## RISK MANAGEMENT COMMITTEE

Mr. Muhammad Abdullah Ahmed	Chairman
Syed Amir Ali Zaidi	Member
Mr. Naeem Abdul Sattar	Member

## HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Ariful Islam	Member
Mr. Naeem Abdul Sattar	Member
Mr. Mohammad Shoaib, CFA	Member

## TRUSTEE

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

## AUDITORS

A. F. Ferguson & Co.  
Chartered Accountants  
State Life Building# 1-C,  
I.I. Chundrigar Road, Karachi-74000

## SHARIAH ADVISER

Meezan Bank Limited

## BANKERS TO THE FUND

Allied Bank Limited	Habib Metropolitan Bank Limited - Islamic Banking
Al Baraka Islamic Bank B.S.C (E.C)	MCB Islamic Bank Limited
Askari Bank Limited - Islamic Banking	MCB Islamic Bank Limited
Bank Al Habib Limited - Islamic Banking	Meezan Bank Limited
Bank Alfalah Limited	National Bank of Pakistan - Islamic Banking
Bank Islami Pakistan Limited	Samba Bank Limited
Dubai Islamic Bank Pakistan Limited	Sindh Bank Limited
Faysal Bank Limited - Islamic Banking	UBL Ameen - Islamic Banking

## LEGAL ADVISER

Bawaney & Partners  
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,  
Phase VI, DHA, Karachi.  
Phone (9221) 35156191-94 Fax: (9221) 35156195  
E-mail:

## TRANSFER AGENT

Meezan Bank Limited  
Meezan House  
C-25, Estate Avenue, SITE, Karachi.  
Phone: 38103538 Fax: 36406017  
Website: [www.meezanbank.com](http://www.meezanbank.com)

## DISTRIBUTORS

Al Meezan Investment Management Limited  
Meezan Bank Limited





**MEEZAN BALANCED FUND**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT MARCH 31, 2020**

		<b>March 31,</b>	<b>June 30,</b>
		<b>2020</b>	<b>2019</b>
		<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>Note</b>	<b>(Rupees in '000)</b>	
<b>Assets</b>			
Balances with banks	5	913,026	357,560
Investments	6	2,749,883	4,945,739
Receivables against conversion of units		712	673
Dividend receivable		12,786	14,704
Receivable against sale of investments		-	75,910
Deposits and other receivables		<u>56,449</u>	<u>73,510</u>
<b>Total assets</b>		<u>3,732,856</u>	<u>5,468,096</u>
<b>Liabilities</b>			
Payable to AI Meezan Investment Management Limited - the Management Company		12,468	16,770
Payable to Central Depository Company of Pakistan Limited - the Trustee		470	615
Payable to the Securities and Exchange Commission of Pakistan	8	709	5,831
Payable to Meezan Bank Limited		-	1
Payable against purchase of investments - net		22,471	-
Payable on redemption and conversion of units		1,815	2,247
Dividend payable		7,498	7,490
Accrued expenses and other liabilities	9	<u>86,658</u>	<u>85,052</u>
<b>Total liabilities</b>		<u>132,089</u>	<u>118,006</u>
<b>Net assets</b>		<u>3,600,767</u>	<u>5,350,090</u>
<b>Contingencies and commitments</b>	7		
<b>Unit holders' fund (as per statement attached)</b>		<u>3,600,767</u>	<u>5,350,090</u>
		<b>(Number of units)</b>	
<b>Number of units in issue</b>		<u>275,737,337</u>	<u>397,457,351</u>
		<b>(Rupees)</b>	
<b>Net asset value per unit</b>		<u>13.0587</u>	<u>13.4608</u>

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

**For AI Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN BALANCED FUND**  
**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**

	Note	Nine months period ended		Quarter ended	
		March 31,		March 31,	
		2020	2019	2020	2019
		(Rupees in '000)		(Rupees in '000)	
<b>Income</b>					
Net realised gain / (loss) on sale of investments		92,935	(89,672)	60,173	(48,487)
Dividend income		109,984	139,990	17,416	23,763
Profit on sukuk certificates		145,789	142,382	45,419	53,484
Profit on saving accounts with banks		67,769	63,536	25,845	24,030
Other income		-	1,037	-	-
		416,477	257,273	148,853	52,790
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6	(349,305)	(463,718)	(791,375)	130,184
<b>Total income / (loss)</b>		67,172	(206,445)	(642,522)	182,974
<b>Expenses</b>					
Remuneration of AI Meezan Investment Management Limited - the Management Company		69,949	108,194	21,921	33,233
Sindh Sales Tax on remuneration of the management company		9,093	14,065	2,849	4,320
Allocated expenses	11	3,497	5,410	1,096	1,662
Selling and marketing expenses	14	13,990	16,012	4,384	6,647
Remuneration of Central Depository Company of Pakistan Limited - the Trustee		4,249	6,160	1,345	1,908
Sindh Sales Tax on remuneration of the Trustee		552	801	174	248
Annual fee to the Securities and Exchange Commission of Pakistan	8	709	4,598	219	1,412
Auditors' remuneration		458	431	109	92
Charity expense		2,980	2,040	533	335
Fees and subscription		258	659	45	208
Brokerage expense		2,744	2,056	1,016	846
Bank and settlement charges		533	587	141	277
Printing expenses		-	27	-	-
Provision for Sindh Workers' Welfare Fund (SWWF)	9.1	-	-	(12,690)	-
<b>Total expenses</b>		109,012	161,040	21,142	51,188
<b>Net (loss) / income for the period before taxation</b>		(41,840)	(367,485)	(663,664)	131,786
Taxation	13	-	-	-	-
<b>Net (loss) / income for the period after taxation</b>		(41,840)	(367,485)	(663,664)	131,786
<b>Allocation of net income for the period</b>					
Net loss for the period after taxation		-	-	-	-
Income already paid on units redeemed		-	-	-	-
		-	-	-	-

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

**For AI Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**MEEZAN BALANCED FUND**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**



	Nine months period ended, March 31,		Quarter ended, March 31,	
	2020 (Rupees in '000)	2019 (Rupees in '000)	2020 (Rupees in '000)	2019 (Rupees in '000)
<b>Net (loss) / income for the period after taxation</b>	(41,840)	(367,485)	(663,664)	131,786
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive (loss) / income for the period</b>	<u>(41,840)</u>	<u>(367,485)</u>	<u>(663,664)</u>	<u>131,786</u>

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

**For Al Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
 Chief Executive

\_\_\_\_\_  
 Chief Financial Officer

\_\_\_\_\_  
 Director

**MEEZAN BALANCED FUND  
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

	Nine months period ended March 31, 2020				Nine months period ended March 31, 2019			
	Capital Value	(Accumulated loss) / Undistributed income	Unrealised appreciation/(diminution) 'available for sale' investments	Total	Capital Value	(Accumulated loss) / Undistributed income	Unrealised appreciation/(diminution) 'available for sale' investments	Total
	(Rupees in '000)				(Rupees in '000)			
<b>Net assets at the beginning of the period as previously reported (Audited)</b>	5,405,175	(55,085)	-	5,350,090	7,010,292	770,770	61,943	7,843,005
Change in accounting policy	-	-	-	-	-	61,943	(61,943)	-
<b>Net assets at the beginning of the period</b>	5,405,175	(55,085)	-	5,350,090	7,010,292	832,713	-	7,843,005
Issue of 20,070,315 units (2019: 53,734,096 units)								
- Capital value (at net asset value per unit at the beginning of the period)	270,163	-	-	270,163	829,471	-	-	829,471
- Element of income / (loss)	25,322	-	-	25,322	(24,444)	-	-	(24,444)
Total proceeds on issuance of units	295,485	-	-	295,485	805,028	-	-	805,028
Redemption of 141,790,329 units (2019: 120,584,240 units)								
- Capital value (at net asset value per unit at the beginning of the period)	1,908,612	-	-	1,908,612	1,861,411	-	-	1,861,411
- Element of loss / (income)	18,353	76,003	-	94,356	(53,754)	-	-	(53,754)
Total payments on redemption of units	1,926,965	76,003	-	2,002,968	1,807,657	-	-	1,807,658
Total comprehensive loss for the period	-	(41,840)	-	(41,840)	-	(367,485)	-	(367,485)
Distribution during the period	-	-	-	-	-	-	-	-
Net loss for the period less distribution	-	(41,840)	-	(41,840)	-	(367,485)	-	(367,485)
<b>Net assets at the end of the period</b>	<b>3,773,695</b>	<b>(172,928)</b>	<b>-</b>	<b>3,600,767</b>	<b>6,007,663</b>	<b>465,228</b>	<b>-</b>	<b>6,472,890</b>
<b>(Accumulated loss) / Undistributed income brought forward (as previously reported (Audited))</b>								
- Realised income		819,542				1,498,522		
- Unrealised loss		(874,627)				(727,752)		
Change in accounting policy		-				61,943		
<b>(Accumulated loss) / Undistributed income brought forward</b>		<b>(55,085)</b>				<b>832,713</b>		
Accounting income available for distribution								
- Relating to capital gains		-				-		
- Excluding capital gains		-				-		
Net loss for the period after taxation		(41,840)				(367,485)		
Distribution during the period		-				-		
(Accumulated loss) / Undistributed income carried forward		<u>(96,925)</u>				<u>465,228</u>		
<b>(Accumulated loss) / Undistributed income carried forward</b>								
- Realised income		252,380				928,946		
- Unrealised loss		(349,305)				(463,718)		
		<u>(96,925)</u>				<u>465,228</u>		
Net assets value per unit at the beginning of the period				(Rupees) <u>13.4608</u>				(Rupees) <u>15.4366</u>
Net assets value per unit at the end of the period				<u>13.0587</u>				<u>14.6701</u>

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

**For AI Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN BALANCED FUND  
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**



	Nine months period ended March 31,	
	2020	2019
	(Rupees in '000)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss for the period before taxation	(41,840)	(367,485)
<b>Adjustments for:</b>		
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	349,305	463,718
	<u>307,465</u>	<u>96,233</u>
<b>Decrease / (Increase) in assets</b>		
Investments - net	1,846,551	44,444
Dividend receivable	1,918	(8,171)
Receivable against sale of investments - net	75,910	(1,038)
Deposits and other receivables	17,061	4,701
	<u>1,941,440</u>	<u>39,936</u>
<b>(Decrease) / Increase in liabilities</b>		
Payable to AI Meezan Investment Management Limited - Management Company	(4,302)	9,304
Payable to Central Depository Company of Pakistan Limited - Trustee	(145)	(108)
Payable to Securities and Exchange Commission of Pakistan	(5,122)	(2,568)
Payable to Meezan Bank Limited	(1)	(255)
Payable against purchase of investments - net	22,471	14,679
Accrued expenses and other liabilities	1,606	5,265
	<u>14,507</u>	<u>26,317</u>
<b>Net cash generated from operating activities</b>	<u>2,263,412</u>	<u>162,486</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts against issuance and conversion of units	295,446	817,709
Payment against redemption and conversion of units	(2,003,400)	(1,798,822)
Dividend paid	8	(947)
<b>Net cash used in financing activities</b>	<u>(1,707,946)</u>	<u>(982,060)</u>
<b>Net increase / (decrease) in cash and cash equivalents during the period</b>	<u>555,466</u>	<u>(819,574)</u>
Cash and cash equivalents at the beginning of the period	357,560	1,682,989
<b>Cash and cash equivalents at the end of the period</b>	<u><u>913,026</u></u>	<u><u>863,415</u></u>

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

**For AI Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director



**MEEZAN BALANCED FUND**  
**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

**1. LEGAL STATUS AND NATURE OF BUSINESS**

1.1 Meezan Balanced Fund (the Fund) was initially established as a closed-end scheme under a Trust Deed executed between Al Meezan Investment Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on June 15, 2004 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on September 8, 2004 under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The registered office of the Management Company is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.

Subsequently, on May 3, 2013, SECP vide its letter No. SCD/AMCW/MBF /512/2013 had approved the conversion of the closed end structure into an open end scheme through the establishment of the Unit Trust Scheme under the name of Meezan Balanced Fund (MBF). On June 27, 2013, SECP vide its letter No SCD/AMCW/MBF/613/2013 registered MBF (the open-end scheme) as a notified entity and had withdrawn the registration of MBF as a closed end scheme from the effective date i.e. July 1, 2013 and therefore from July 1, 2013, the Fund had been converted into an open end scheme. Accordingly, the certificate holders of the closed end scheme at June 30, 2013 were converted to unit holders of the open end scheme.

1.2 The Management Company has been licensed by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP.

1.3 The investment objective of the Fund is to generate long-term capital appreciation as well as current income by creating a balanced portfolio that is invested both in high quality Shariah compliant equity securities and Islamic income instruments such as Islamic Sukuks (certificates of Islamic investment), musharaka certificates, Government Securities, cash in bank accounts, Money Market Placements, Deposits, Certificates of Deposits, Term Deposits Receipts, Commercial Papers, Islamic alternatives of Reverse Repos, Spread Transactions, and other Shariah compliant instruments as indicated by the SECP. Under the Trust Deed all the conducts and acts of the Fund are based on Shariah principles. The Management Company has appointed Meezan Bank Limited as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.

1.4 The fund is an open-end Shariah Compliant Asset Allocation Scheme. Units of the Fund are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.

1.5 The Management Company has been assigned a quality rating of AM1 by VIS dated December 31, 2019 (2018: AM1 dated December 28, 2018) and by PACRA dated December 28, 2019. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

1.6 The Fund is an open-end Fund listed on the Pakistan Stock Exchange Limited. The Fund is categorised as Shariah Compliant Balanced Fund in accordance with Circular 7 of 2009 issued by the SECP.

1.7 Title to the assets of the Fund are held in the name of CDC as the Trustee of the Fund.

**2. BASIS OF PRESENTATION**

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

**3. BASIS OF PREPARATION**

**3.1 STATEMENT OF COMPLIANCE**

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

Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the International Accounting Standard (IAS) 34, Interim Financial Reporting, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2019.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2020.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES / ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT**

**4.1** The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2019.

**4.2** The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2019. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended June 30, 2019.

**4.3 Standards and amendments to published accounting and reporting standards that are effective in the current period**

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 condensed interim financial statements.

5. BALANCES WITH BANKS	Note	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
		(Rupees in '000)	
In saving accounts	5.1	904,990	339,909
In current accounts		8,036	17,651
		<u>913,026</u>	<u>357,560</u>

5.1 The balance in saving accounts have an expected profit ranging from 3.00% to 13.00% per annum (June 30, 2019: 3.20% to 12.50% per annum).

6. INVESTMENTS	Note	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
		(Rupees in '000)	
Investments - 'at fair value through profit or loss'	6.1	2,749,883	4,945,739
		<u>2,749,883</u>	<u>4,945,739</u>

6.1 Investments - 'at fair value through profit or loss'

Shares of listed companies - 'ordinary shares'	6.1.1	1,631,965	2,966,177
Sukuk certificates	6.1.2	1,117,918	1,508,261
Commercial papers	6.2.3	-	471,301
		<u>2,749,883</u>	<u>4,945,739</u>

6.1.1 Shares of listed companies 'ordinary shares'

Name of the investee company	As at July 1, 2019	Purchases during the period	Right / Bonus issue	Sales during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised gain / (loss) as at March 31, 2020	Percentage in relation to			
									Net Assets of the Fund	Paid-up Capital of the investee company (with face value of investments)	Total market value of investments	
								Number of shares	(Rupees in '000)	%		
<b>Sectors / companies</b>												
<b>Commercial Banks</b>												
Meezan Bank Limited (note 6.2.1.2)									(22,950)	1.88	0.08	2.46
(an associate company of the Fund)	1,212,885	-	-	173,000	1,039,885	90,636	67,686					
BankIslami Pakistan Limited	875	1,115,587	-	275,000	841,462	9,092	7,590		(1,502)	0.21	0.08	0.28
										<b>2.09</b>	<b>0.16</b>	<b>2.74</b>
<b>Automobile assemblers</b>												
Chandhara Industries Limited (note 6.2.1.2)	67,600	-	-	65,500	2,100	183	136		(48)	0.00	-	0.00
Milat Tractors Company Limited	33,800	-	3,256	31,050	6,006	4,604	3,263		(1,341)	0.09	0.01	0.12
Indus Motor Company Limited	-	13,700	-	13,700	-	16,368	9,995		(6,374)	0.28	0.02	0.36
Honda Atlas Cars (Pakistan) Limited	800	6,000	-	800	6,000	1,318	795		(523)	0.02	-	0.03
										<b>0.39</b>	<b>0.03</b>	<b>0.52</b>
<b>Automobile parts and accessories</b>												
Agriauto Industries Limited	-	40,200	-	-	40,200	8,383	6,442		(1,941)	0.18	0.14	0.23
<b>Chemicals</b>												
Erigo Polymer & Chemicals Limited	2,398,954	-	-	1,731,000	667,954	18,008	16,378		(1,630)	0.45	0.07	0.60
ICI Pakistan Limited	169,316	-	-	13,700	155,616	82,861	78,791		(4,069)	2.19	0.17	2.87
Lotte Chemical Pakistan Limited	89,000	508,500	-	89,000	508,500	4,702	4,999		296	0.14	0.03	0.18
Sitara Chemical Industries Limited	2,100	-	-	-	2,100	642	503		(139)	0.01	0.01	0.02
										<b>2.80</b>	<b>0.28</b>	<b>3.66</b>
<b>Cement</b>												
Attock Cement Pakistan Limited (note 6.2.1.2)	727	-	-	-	727	52	63		11	0.00	-	0.00
Cheral Cement Company Limited	-	350,000	10,000	250,000	110,000	4,296	6,093		1,797	0.17	0.06	0.22
DG Khan Cement Company Limited	355,409	312,000	-	605,409	62,000	3,798	3,674		(124)	0.10	0.01	0.13
Fauji Cement Company Limited	-	1,032,500	-	752,500	280,000	5,004	4,147		(857)	0.12	0.02	0.15
Kohat Cement Limited (note 6.2.1.2)	505,520	-	-	50,000	455,520	23,928	39,744		15,816	1.10	0.23	1.45
Lucky Cement Limited	552,951	18,900	-	244,500	327,351	124,810	121,349		(3,461)	3.37	0.10	4.41
Maple Leaf Cement Limited	3,125	927,656	-	-	930,781	18,943	19,286		343	0.54	0.16	0.70
										<b>5.40</b>	<b>0.58</b>	<b>7.07</b>
<b>Fertilizers</b>												
Dawood Hercules Corporation Limited	-	8,800	-	-	8,800	1,010	912		(98)	0.03	0.01	0.03
Erigo Fertilizers Limited	2,705,000	25,000	-	1,403,500	1,326,500	84,957	76,496		(8,471)	2.12	0.10	2.78
Erigo Corporation Pakistan Limited (note 6.1.1.4)	1,084,490	40,000	-	420,500	703,990	188,839	187,895		(944)	5.22	0.12	6.83
										<b>7.37</b>	<b>0.23</b>	<b>9.65</b>
<b>Technology &amp; Communication</b>												
Avanceon Limited	240,800	-	-	200,000	40,800	2,001	934		(1,067)	0.03	0.02	0.03
Netsol Technologies Limited	3,600	-	-	-	3,600	237	105		(132)	0.00	-	0.00
Systems I limited	187,550	-	-	75,000	162,550	15,600	18,066		2,466	0.50	0.13	0.66

Investment Category	As at July 1, 2019	Purchases during the period	Right / Bonus issue	Sales during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised gain / (loss) as at March 31, 2020	Net Assets of the Fund	Percentage in relation to Net Assets of the Fund	Capital of the investee company (with face value of investments)	Total market value of investments
<b>Paper &amp; Board</b>												
Cheral Packaging Limited	52,400	-	3,540	24,700	31,240	2,290	2,635	345	0.07	0.07	0.10	
Packages Limited	273,923	-	-	190,900	83,023	24,953	18,955	(5,998)	0.53	0.09	0.69	
									<b>0.60</b>	<b>0.16</b>	<b>0.79</b>	
<b>Miscellaneous</b>												
Shifa International Hospitals Limited	84	-	-	-	84	18	17	(1)	0.00	#DIV/0!	0.00	
<b>Oil &amp; Gas Exploration</b>												
Oil and Gas Development Company Limited	2,453,000	-	-	1,172,900	1,280,100	188,320	98,555	(89,765)	2.74	0.03	3.58	
Pakistan Oilfields Limited (note 6.2.1.2)	449,010	37,000	-	138,300	347,710	139,517	91,173	(48,344)	2.53	0.12	3.32	
Pakistan Petroleum Limited (note 6.2.1.2)	1,977,835	100,000	353,167	1,107,500	1,323,502	160,219	95,041	(65,178)	2.64	0.05	3.46	
Mari Petroleum Company Limited (note 6.2.1.2)	152,461	16,540	15,246	24,500	159,747	150,161	142,351	(7,810)	3.95	0.12	5.18	
									<b>11.86</b>	<b>0.32</b>	<b>15.53</b>	

Name of the investee company	As at July 1, 2019	Purchases during the period	Right / Bonus issue	Sales during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised gain / (loss) as at March 31, 2020	Percentage in relation to			
									Net Assets of the Fund	Capital of the investee company (with face value of investments)	Total market value of investments	
Number of shares						(Rupees in '000)			%			
<b>Oil and Gas Marketing</b>												
Attock Petroleum Limited (note 6.2.1.2)	12,000	-	-	-	12,000	3,462	2,832	(630)	0.08	0.01	0.10	
Pakistan State Oil Company Limited (note 6.2.1.2)	771,492	50,000	111,898	581,100	352,290	50,572	42,803	(7,769)				
									1.19	0.08	1.56	
Hesco Petroleum Limited (note 6.2.1.2)	282,544	859,180	1,188,176	1,278,500	1,051,400	18,576	12,249	(6,328)	0.34	0.53	0.45	
Sui Northern Gas Pipeline Limited	2,211,500	-	-	1,108,500	1,103,000	76,647	40,701	(35,947)	1.13	0.17	1.48	
									<b>2.74</b>	<b>0.79</b>	<b>3.59</b>	
<b>Pharmaceuticals</b>												
Abbott Laboratories (Pakistan) Limited	2,350	-	-	100	2,250	1,068	716	(352)	0.02	-	0.03	
AGP Limited	626,000	-	-	250,000	376,000	25,787	31,020	5,253	0.86	0.13	1.13	
GlaxoSmithKline Consumer Healthcare Limited	153,800	-	-	10,000	143,800	27,753	28,697	943	0.80	0.12	1.04	
The Searle Company Limited (note 6.2.1.2)	338,470	-	-	173,000	165,470	24,251	25,954	1,703	0.72	0.08	0.94	
Highton Laboratories Limited	1,598	-	-	-	1,598	405	797	392	0.02	0.01	0.03	
									<b>2.42</b>	<b>0.34</b>	<b>3.17</b>	
<b>Food &amp; Personal Care Products</b>												
FrieslandCampina Engro Pakistan Limited	3,800	-	-	3,800	-	-	-	-	-	-	-	
Al-Fahur Limited	64,311	-	-	6,431	-	70,742	1,288	1,110	(158)	0.03	0.04	
Al-Shaheer Corporation Limited	7,225	484	-	-	7,709	96	73	(23)	0.00	0.01	0.00	
									<b>0.00</b>	<b>0.05</b>	<b>0.04</b>	
<b>Power Generation &amp; Distribution</b>												
Hub Power Company Limited	2,432,143	225,000	-	561,500	2,095,643	163,554	143,070	(20,485)	3.97	0.16	5.20	
K-Electric Limited (note 6.2.1)	19,272,000	500,000	-	1,315,000	18,457,000	80,131	52,233	(27,898)	1.45	0.07	1.90	
									<b>5.42</b>	<b>0.23</b>	<b>7.10</b>	
<b>Real Estate Investment Trust</b>												
Domen City REIT	1,999,000	-	-	-	1,999,000	19,415	19,510	95	0.54	0.09	0.71	

Name of the investee company	As at July 1, 2019	Purchases during the period	Right / Bonus issue	Sales during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised gain / (loss) as at March 31, 2020	Percentage in relation to		
									Net Assets of the Fund	Capital of the investee company (with face value of investments)	Total market value of investments
Number of shares						(Rupees in '000)			%		
<b>Textile composite</b>											
Nehal Mills Limited	680,800	250,000	-	482,800	448,000	34,868	26,311	(8,557)	0.73	0.13	0.96
Feroze 1888 Mills Limited	250,000	13,000	-	-	263,000	26,366	20,617	(5,750)	0.57	0.07	0.75
									<b>1.30</b>	<b>0.20</b>	<b>1.71</b>
<b>Engineering</b>											
Armel Steels Limited	-	200,000	-	100,000	100,000	3,001	2,569	(432)	0.07	0.03	0.09
International Industries Limited	200	71,000	20	2,500	68,720	6,509	5,193	(1,316)	0.14	0.05	0.19
International Steel Limited	800	150,000	-	150,800	-	-	-	-	-	-	-
K.S.B. Pumps	5,000	-	-	-	5,000	505	633	128	0.02	0.04	0.02
Mughal Iron & Steels Ind Ltd	-	125,000	-	50,000	75,000	2,472	2,350	(123)	0.07	0.03	0.09
									<b>0.30</b>	<b>0.15</b>	<b>0.39</b>
<b>Vanaspatti &amp; Allied Industries</b>											
Unity Foods Limited	742,838	-	-	242,000	500,838	5,159	4,948	(210)	0.14	0.09	0.18
<b>Glass &amp; Ceramics</b>											
Tariq Glass Industries	5,000	-	-	5,000	-	-	-	-	-	-	-
<b>Textiles and Apparel</b>											
Interloop Limited	1,438,222	-	-	224,500	1,213,722	53,731	43,524	(10,207)	1.21	0.14	1.58
<b>March 31, 2020</b>	<b>46,184,308</b>					<b>1,981,331</b>	<b>1,631,965</b>	<b>(349,366)</b>			<b>59.35</b>
<b>June 30, 2019</b>						<b>3,624,719</b>	<b>2,966,177</b>	<b>(658,542)</b>			

**6.1.1.1** All shares have a nominal value of Rs. 10 each except for the shares of K-Electric Limited which have a nominal value of Rs. 3.50 each and Agriauto Industries limited having a nominal value of Rs. 5 each.

**6.1.1.2** The status of bonus shares already withheld prior to the introduction of Finance Act, 2018 is the same as that disclosed in the audited financial statements of the Fund for the year ended June 30, 2019. As at March 31, 2020, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs. 2.944 million (June 30, 2019: Rs. 3.837 million).

**6.1.1.3** Investments include 150,000 shares of Engro Corporation Limited, having market value of Rs 40.035 million as at March 31, 2020 (June 30, 2019: Rs. 39.84 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.

**6.1.2 Sukuk Certificates**

**6.1.2.1 Corporate Sukuks**

Name of the investee company	Maturity	Profit rate	As at July 1, 2019	Purchases during the period	Sales / Redemptions / As at March 31, 2020	Carrying value as at March 31, 2020*	Market value as at March 31, 2020*	Unrealised gain / (loss) as at March 31, 2020	Percentage in relation to		
									Net Assets of the Fund	Paid-up-Capital of the investee company (with face value of investments)	Total market value of investments
						(Rupees in '000)		%			

**Secured**

Engro Fertilizer Pakistan Limited - IT(AA, PACRA, traded) (note 6.1.2.1.1)	July 9, 2019	6 months KBOR plus base rate of 1.75%	2,644	-	2,644	-	-	-	-	-	-	-
K Electric Limited - (7 years) (note 6.1.2.1.1) (AA+, JCR-VIS, non-traded)	June 17, 2022	3 months KBOR plus base rate of 1%	104,704	-	13,088	91,616	158,575	157,236	(1,339)	4.37	0.01	5.72
Security Leasing Corporation Limited II* (note 6.1.2.1.2)	January 19, 2022	Nil	1,540	-	-	1,540	-	-	-	-	-	-
Eden Housing Limited* (note 6.1.2.1.2)	September 29, 2014	6 months KBOR plus base rate of 2.5%	5,000	-	-	5,000	-	-	-	-	-	-
Arzoo Textile Mills Limited* (note 6.1.2.1.2)	April 15, 2014	6 months KBOR plus base rate of 2%	5,000	-	-	5,000	-	-	-	-	-	-
Hascal Petroleum Limited - Sukuk (AA, JCR-VIS, non-traded) (note 6.1.2.1.2)	January 7, 2022	3 months KBOR plus base rate of 1.50%	27,500	-	7,500	20,000	100,750	100,124	(626)	2.78	9.00	3.64
Fatma Fertilizer Company Limited - Sukuk (AA-, PACRA, traded) (note 6.1.2.1.1)	November 28, 2021	6 months KBOR plus base rate of 1.10%	7,356	-	1,471	5,885	29,650	29,468	(182)	0.82	9.56	1.07
Dubai Islamic Bank Pakistan Limited - Sukuk (A+, JCR-VIS non-traded) (note 6.1.2.1.1)	July 14, 2027	6 months KBOR plus base rate of 0.50%	141	-	-	141	143,637	143,115	(522)	3.97	13.45	5.20
International Brands Limited (AA, JCR-VIS, non-traded) (note 6.1.2.1.1)	November 15, 2021	12 months KBOR plus base rate of 0.50%	3,000	-	-	3,000	48,208	48,577	369	1.35	14.13	1.77
K-Electric Limited (sukuk 5) (AA+, VIS traded) (note 6.1.2.1.1)	December 27, 2026	3 months KBOR plus base rate of 1.70%	-	40,000	-	40,000	200,000	200,000	-	5.55	1.60	7.27
Meezan Bank Limited (AA, JCR-VIS, traded) (note 6.1.2.1.1)	September 22, 2026	6 months KBOR plus base rate of 0.5%	200	-	120	80	79,998	81,200	1,202	2.26	4.26	2.95
Shakarganj Food Products Limited (A, JCR-VIS) (note 6.1.2.1.1)	July 10, 2024	3 months KBOR plus base rate of 1.75%	-	82	4	78	72,202	72,532	330	2.01	13.79	2.64



Name of the investee company	Maturity	Profit rate	As at July 1, 2019	Purchases during the period	Sales / Redemptions / As at March 31, 2020	Carrying value as at March 31, 2020*	Market value as at March 31, 2020*	Unrealised gain / (loss) as at March 31, 2020	Percentage in relation to		
									Net Assets of the Fund	Paid-up-Capital of the investee company (with face value of investments)	Total market value of investments
						(Rupees in '000)		%			
Javedan Corporation Limited (AA-, JCR-VIS) (note 6.1.2.1.1)	October 4, 2026	6 months KBOR plus base rate of 1.75%	-	750	- 750	74,651	75,040	389	2.08	3.34	2.73
Agha Steel Industries Limited (A+, JCR-VIS) (note 6.1.2.1.1)	October 9, 2024	3 months KBOR plus base rate of 0.80%	-	100	- 100	100,000	100,000	-	2.78	5.00	3.64
Engro Polymer and Chemicals Limited (AA, PACRA, non-traded, note 6.1.2.1.1)	October 9, 2024	3 months KBOR plus base rate of 0.80%	-	150	72 78	7,837	7,902	65	0.22	3.43	0.29
Hub Power Company Limited (A+, PACRA, non-traded)	November 27, 2019	3 months KBOR plus base rate of 1.0%	20,000	-	20,000 -	-	-	-	-	-	-
AGP Limited (A+, PACRA, non-traded) (note 6.1.2.1)	December 9, 2022	3 months KBOR plus base rate of 1.3%	488	-	125 374	37,350	37,724	374	1.05	11.65	1.37
Engro Powergen Thar (Private) Limited (A, PACRA) (note 6.1.2.1.1)	August 2, 2024	3 months KBOR plus base rate of 1.10%	-	3,000	- 3,000	15,000	15,000	-	0.42	8.33	0.55
Hub Power Company Limited (AAA, PACRA) (note 6.1.2.1.1)	May 21, 2020	3 months KBOR plus base rate of 1.50%	-	500	- 500	50,000	50,000	-	1.39	11.11	1.82
<b>Total</b>	<b>March 31, 2020</b>					<b>1,117,858</b>	<b>1,117,918</b>	<b>60</b>			<b>40.65</b>
<b>Total</b>	<b>June 30, 2019</b>					<b>1,524,346</b>	<b>1,508,261</b>	<b>(16,085)</b>			

**6.1.2.1.1** The nominal value of these sukuk certificates is Rs 5,000 each except for the sukuk certificates of Eden Housing Limited having nominal value of Rs 984.375, International Brands Limited, AGP Limited, Javedan Corporation Limited, Engro Polymer and Chemicals Limited and Hub Power Company Limited having nominal value of Rs. 100,000 each and Dubai Islamic Bank Pakistan Limited, Meezan Bank Limited, Shakarganj Food Products Limited and Agha Steel Industries Limited having nominal value of Rs 1,000,000 each respectively.

**6.1.2.1.2** The Securities and Exchange Commission (SECP), vide its circular no. 16 dated July 7, 2010 prescribed certain disclosures for the schemes holding investments that were non-compliant either with the minimum investment criteria specified for the category assigned to such schemes or with the investment requirement of their constitutive documents. The SECP vide circular 7 of 2009 dated March 6, 2009 required all Asset Management Companies to classify funds under their management on the basis of categorisation criteria laid down in the circular. Al Meezan Investment Management Limited (the Management Company) classified Meezan Balanced Fund as a 'Balanced Scheme' in accordance with the said circular. As at March 31, 2020, the Fund is compliant with all the requirements of the said circular except clause 2(iv) which requires the rating of any debt security in the portfolio shall not be lower than A- (A Minus). Therefore, as required under Circular 16 of 2010 dated July 07, 2010, following is the detail of investments in sukuk of the Funds which are below 'investment grade':

Name of the investee company	Type of investments	Value of investments before provision	Provision held as at March 31, 2020	Value of investments after provision	Percentage of net assets	Percentage of total market value	
				(Rupees in '000)		%	
Arzoo Textile Mills Limited	Non-traded sukuk certificates	25,000	25,000	-	-	-	
Eden Housing Limited	Non-traded sukuk certificates	4,922	4,922	-	-	-	
Security Leasing Corporation Limited II	Non-traded sukuk certificates	7,701	7,701	-	-	-	
Hascol Petroleum Limited	Non-traded sukuk certificates	100,124	-	100,124	2.78	3.64	
		<b>137,747</b>	<b>37,623</b>	<b>100,124</b>			

**6.1.2.1.3** On May 6, 2011, Arzoo Textile Mills Limited and Eden Housing Limited sukuk certificates were classified as non-performing by Mutual Funds Association of Pakistan (MUFAP). Therefore in accordance with the requirement of SECP's Circular No.33 of 2012, the sukuk certificates have been classified as non-performing assets and no further profit has been accrued thereafter. Further, in accordance with the said Circular, an amount of Rs. 70 million and Rs. 58.472 million respectively have also been held as provision against the outstanding principal as at March 31, 2020.

**6.1.2.1.4** The agreement with Security Leasing Corporation Limited (SLCL) had been amended on February 19, 2012. In accordance with the revised terms no mark-up is payable on the said sukuk as per the approval of contributors to the sukuk certificate. The sukuk certificates have been classified as non-performing by MUFAP on April 3, 2012. Therefore, in accordance with the requirement of circular no.33 of 2012, the sukuk certificates have been classified as non-performing assets and no further profit has been accrued thereafter. Further, in accordance with the provisioning policy of the Fund, an amount of Rs 15.403 million has also been held as provision against the outstanding principal as at March 31, 2020.

**6.1.2.1.5** Circular No. 33 of 2012 allows the asset manager to apply a mark up/mark down within available limit for valuation of any specific debt security. Exercising the discretionary power, the above mentioned Sukuk of Hascol Petroleum Limited has been valued at a discretionary rate of 100.1243 when the reported market rate on MUFAP valuation sheet as at March 31, 2020 was 100.7500.

### 6.1.3 Commercial papers

Name of the security	Maturity date	Profit rate	As at July 1, 2019	Purchases during the period	Sales / redemptions / maturity during the period	As at March 31, 2020	* Carrying value as at March 31, 2020	* Market value as at March 31, 2020	Total market value of investment
			(Number of certificates)			(Rupees in '000)		---	---
Hascol Petroleum Limited CP-3 (note 6.2.3.1)	July 15, 2019	6 months KIBOR plus base rate of 1.50%	300	-	300	-	-	-	-
K-Electric Limited CP-2 (note 6.2.3.1)	September 2, 2019	6 months KIBOR plus base rate of 0.90%	176	-	176	-	-	-	-
K-Electric Limited CP-3 (note 6.2.3.1)	March 19, 2020	6 months KIBOR plus base rate of 1.13%	-	160	160	-	-	-	-
<b>Total</b>	<b>March 31, 2020</b>						<b>-</b>	<b>-</b>	
<b>Total</b>	<b>June 30, 2019</b>						<b>471,301</b>	<b>471,301</b>	

## 7. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2020 and June 30, 2019.

## 8. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP).

Effective from July 1, 2019, the SECP vide SRO No. 685(I)/2019 dated June 28, 2019, revised the rate of annual fee to 0.02% of net assets, applicable on all categories of CISs. Previously, the rate of annual fee applicable to balanced fund was 0.085%. Accordingly, the Fund has charged SECP Fee at the rate of 0.02% of net assets during the current period.

	Note	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
<b>9. ACCRUED EXPENSES AND OTHER LIABILITIES</b>			
Withholding tax payable		244	629
Capital gain tax payable		462	-
Provision for Sindh Workers' Welfare Fund (SWWF)	9.1	38,656	38,656
Provision for Federal Excise Duty and related Sindh Sales Tax on Management Fee	9.2	31,961	31,961
Provision for Federal Excise Duty and related Sindh Sales Tax on Sales load		6,838	6,838
Brokerage expenses payable		2,150	1,578
Charity payable		5,483	4,351
Shariah advisory fee		431	488
Auditors' remuneration payable		278	369
Zakat Payable		155	182
		<u>86,658</u>	<u>85,052</u>

**9.1** As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, 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 condensed interim financial statements of the Fund for the period from May 21, 2015 to March 31, 2020, the net asset value of the Fund as at March 31, 2020 would have been higher by Re. 0.14 per unit (June 30, 2019: Re 0.10 per unit).

- 9.2** The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from 01 July 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 01, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 38.799 million is being retained in the condensed interim financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision not been made, the NAV per unit of the Fund as at March 31, 2020 would have been higher by Re 0.14 (June 30, 2019: Re 0.10) per unit.

## 10. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include Al Meezan Investment Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, directors and executives of the Management Company, other funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company and Al Meezan Investment Management Limited - Employees Gratuity Fund and unitholders holding 10 percent or more units of the Fund's net assets.

Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration payable to the Management Company and the trustee is determined in accordance with the provisions of the NBFC Rules, the NBFC Regulations and the Trust Deed respectively.

Details of transactions with connected persons and balances with them are as follows:

	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
	(Rupees in '000)	
<b>Al Meezan Investment Management Limited - Management Company</b>		
Remuneration payable	6,698	9,227
Sales load payable	159	70
Allocated expenses payable	335	462
Sindh Sales Tax on management fee payable	871	1,200
Sindh Sales Tax on sales load payable	21	9
Selling and Marketing expenses payable	4,384	5,802
Investment of 900,638 units (June 30, 2019: 900,638 units)	11,761	12,123
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration payable	416	544
Sindh Sales Tax on trustee fee payable	54	71
Security deposit	300	300




**12. TOTAL EXPENSE RATIO**

The Total Expense Ratio (TER) of the Fund for the period ended March 31, 2020 is 3.12% which include 0.31% representing government levy and SECP fee.

**13. TAXATION**

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute atleast 90 percent of the net accounting income other than capital gains to the unitholders. The Fund has not recorded any tax liability as the Fund has incurred a net loss during the period.

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.

**14. SELLING AND MARKETING EXPENSES**

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

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

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

**15. FAIR VALUE OF FINANCIAL INSTRUMENTS**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. 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 tradeable in an open market are revalued at 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.

**15.1. 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: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities.
- Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at March 31, 2020 and June 30, 2019, the Fund held the following financial instruments measured at fair value:

As at March 31, 2020			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			

**ASSETS**

**Financial assets 'at fair value through profit or loss'**

Shares of listed companies - 'ordinary shares'	1,631,965	-	-	1,631,965
Sukuk certificates	-	1,117,918	-	1,117,918
Commercial papers	-	-	-	-

As at June 30, 2019			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			

**ASSETS**

**Financial assets 'at fair value through profit or loss'**

Shares of listed companies - 'ordinary shares'	2,966,177	-	-	2,966,177
Sukuk certificates	-	1,508,261	-	1,508,261
Commercial papers	-	471,301	-	471,301

**16. GENERAL**

**16.1** Figures have been rounded off to the nearest thousand rupees.

**16.2** Corresponding figures have been reclassified and rearranged in these condensed interim financial statements, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in these condensed interim financial statements.

**17. DATE OF AUTHORISATION**

These condensed interim financial statements were authorised for issue on \_\_\_\_\_ by the Board of Directors of the Management Company.

**For Al Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director





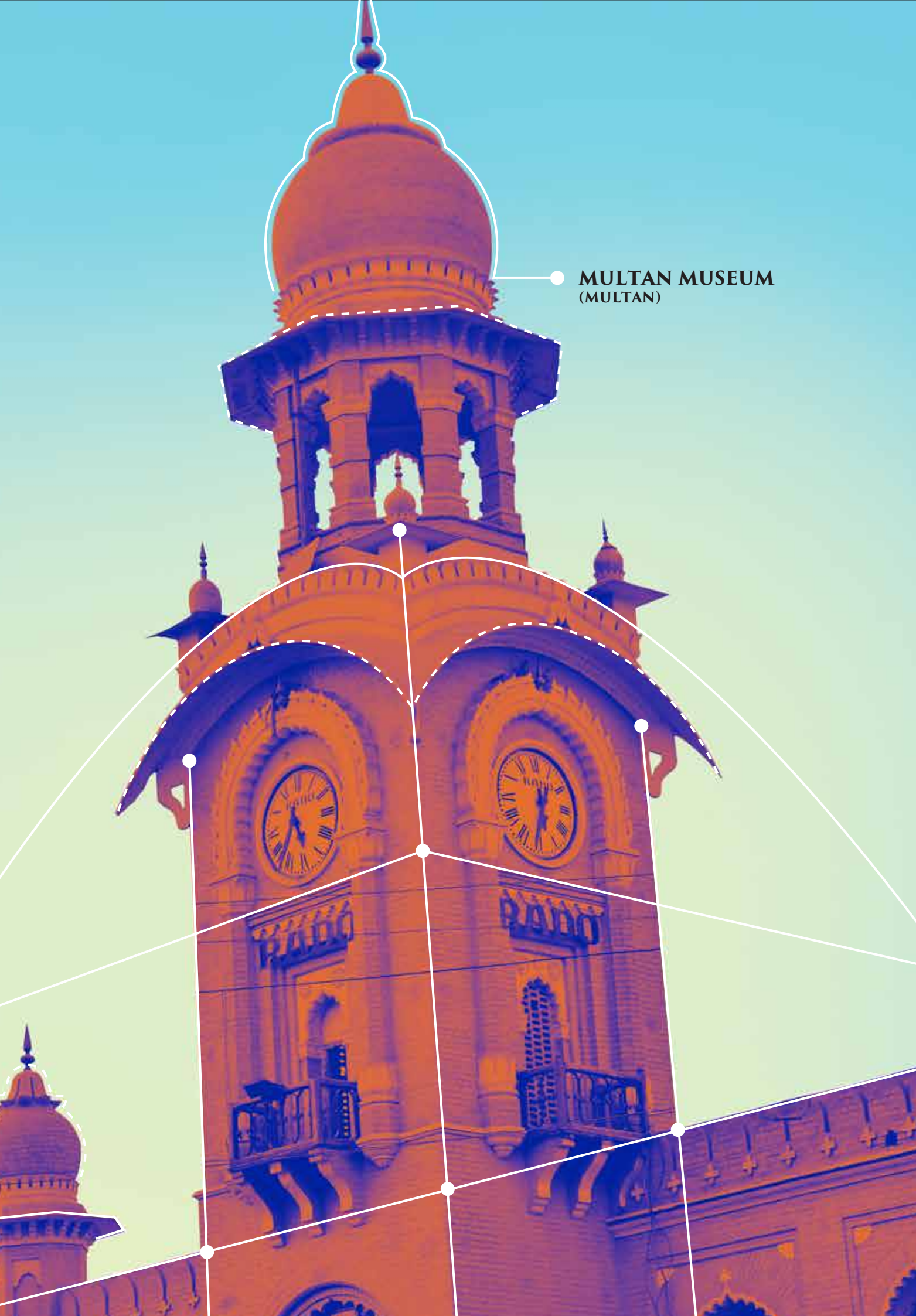


**Meezan**  
Asset Allocation Fund

## **MEEZAN ASSET ALLOCATION FUND (MAAF)**

Meezan Asset Allocation Fund (MAAF) is a Shariah compliant Asset Allocation Scheme. It is designed to help investors build wealth by long-term capital appreciation, diversification across asset classes and the flexibility to change investment portfolio exposure as per the outlook.

## **UNFOLDING OPPORTUNITIES OF PROGRESS IN THE CITY OF TEXTILE**



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(MULTAN)

# FUND INFORMATION

## MANAGEMENT COMPANY

Al Meezan Investment Management Limited  
Ground Floor, Block "B", Finance & Trade Centre,  
Shahrah-e-Faisal Karachi 74400, Pakistan.  
Phone (9221) 35630722-6, 111-MEEZAN  
Fax: (9221) 35676143, 35630808  
Website: [www.almeezangroup.com](http://www.almeezangroup.com)  
E-mail: [info@almeezangroup.com](mailto:info@almeezangroup.com)

## BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Mohammad Shoaib, CFA	Chief Executive Officer
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Mohammad Furquan R Kidwai	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Moin M. Fudda	Independent Director
Ms. Saima Kamila Khan	Independent Director
Mr. Arshad Majeed	Nominee Director - MBL
Mr. Naeem Abdul Sattar	Nominee Director - PKIC
Syed Amir Ali Zaidi	Nominee Director - PKIC

## CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Syed Owais Wasti

## AUDIT COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Arshad Majeed	Member
Mr. Naeem Abdul Sattar	Member

## RISK MANAGEMENT COMMITTEE

Mr. Muhammad Abdullah Ahmed	Chairman
Syed Amir Ali Zaidi	Member
Mr. Naeem Abdul Sattar	Member

## HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Ariful Islam	Member
Mr. Naeem Abdul Sattar	Member
Mr. Mohammad Shoaib, CFA	Member

## TRUSTEE

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

## AUDITORS

A. F. Ferguson & Co.  
Chartered Accountants  
State Life Building# 1-C, I.I. Chundrigar Road , Karachi-74000

## SHARIAH ADVISER

Meezan Bank Limited

## BANKERS TO THE FUND

Al Baraka Islamic Bank B.S.C (E.C)	Habib Metropolitan Bank Limited - Islamic Banking
Bank Al Habib Limited - Islamic Banking	Meezan Bank Limited
Bank Islami Pakistan Limited	UBL Ameen - Islamic Banking
Dubai Islamic Bank Pakistan Limited	
Faysal Bank Limited - Islamic Banking	

## LEGAL ADVISER

Bawaney & Partners  
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,  
Phase VI, DHA, Karachi.  
Phone (9221) 35156191-94 Fax: (9221) 35156195  
E-mail:

## TRANSFER AGENT

Meezan Bank Limited  
Meezan House  
C-25, Estate Avenue, SITE, Karachi.  
Phone: 38103538 Fax: 36406017  
Website: [www.meezanbank.com](http://www.meezanbank.com)

## DISTRIBUTORS

Al Meezan Investment Management Limited  
Meezan Bank Limited

**MEEZAN ASSET ALLOCATION FUND  
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES  
AS AT MARCH 31, 2020**



	<b>March 31, 2020 (Unaudited)</b>	<b>June 30, 2019 (Audited)</b>
<b>Note</b>	<b>(Rupees in '000)</b>	
<b>Assets</b>		
Balances with banks	5 129,187	421,539
Investments	6 998,934	1,448,626
Dividend receivable	5,991	5,288
Receivable against conversion of units	2,422	-
Deposits, profit accrued and other receivable	7,418	9,794
Preliminary expenses and floatation costs	190	326
<b>Total assets</b>	<u>1,144,142</u>	<u>1,885,573</u>
<b>Liabilities</b>		
Payable to AI Meezan Investment Management Limited - the Management Company	3,527	4,914
Payable to Central Depository Company of Pakistan Limited - the Trustee	192	533
Payable to the Securities and Exchange Commission of Pakistan	8 245	2,380
Payable to Meezan Bank Limited	1	35
Payable against redemption and conversion of units	4,732	9,113
Accrued expenses and other liabilities	7 17,153	14,587
<b>Total liabilities</b>	<u>25,850</u>	<u>31,562</u>
<b>Net assets</b>	<u>1,118,292</u>	<u>1,854,011</u>
<b>Contingencies and commitments</b>	9	
<b>Unit holders' fund (as per statement attached)</b>	<u>1,118,292</u>	<u>1,854,011</u>
	<b>(Number of units)</b>	
<b>Number of units in issue</b>	<u>35,643,052</u>	<u>52,324,763</u>
	<b>(Rupees)</b>	
<b>Net asset value per unit</b>	<u>31.3747</u>	<u>35.4328</u>

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

**For AI Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN ASSET ALLOCATION FUND**  
**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**

	Note	Nine months period ended		Quarter ended	
		March 31,		March 31,	
		2020	2019	2020	2019
		(Rupees in '000)		(Rupees in '000)	
<b>Income</b>					
Net realised gain / (loss) on sale of investments		32,056	(80,218)	14,966	(46,129)
Dividend income		54,780	68,719	7,869	8,279
Profit on saving accounts with banks		26,198	26,051	7,911	11,188
		<u>113,034</u>	<u>14,552</u>	<u>30,746</u>	<u>(26,662)</u>
Net unrealised (diminution) / appreciation on re-measurement of investments classified 'as financial assets at fair value through profit or loss'	6.1	(186,263)	(224,586)	(428,585)	103,862
<b>Total (loss) / Income</b>		<u>(73,229)</u>	<u>(210,034)</u>	<u>(397,839)</u>	<u>77,200</u>
<b>Expenses</b>					
Remuneration of AI Meezan Investment Management Limited - the Management Company		18,100	29,916	5,606	9,096
Sindh Sales Tax on remuneration of the Management Company		2,353	3,889	729	1,182
Allocated expenses	11	1,207	1,994	374	606
Selling and marketing expenses	14	4,827	7,978	1,495	2,426
Remuneration of Central Depository Company of Pakistan Limited - the Trustee		1,958	2,745	622	853
Sindh Sales Tax on remuneration of the Trustee		255	357	81	111
Annual fee to the Securities and Exchange Commission of Pakistan	8	245	1,895	75	576
Auditors' remuneration		261	259	60	48
Brokerage expenses		2,330	929	1,023	414
Charity expense		1,462	983	234	51
Bank and settlement charges		488	327	139	67
Amortisation of preliminary expenses and floatation costs		136	136	45	45
Fees and subscription		398	429	117	132
Provision for Sindh Worker's Welfare Fund (SWWF)	7.1	-	-	(6,024)	-
Printing expenses		-	10	-	-
<b>Total expenses</b>		<u>34,020</u>	<u>51,847</u>	<u>4,576</u>	<u>15,607</u>
<b>Net (loss) / income for the period before taxation</b>		<u>(107,249)</u>	<u>(261,881)</u>	<u>(402,415)</u>	<u>61,593</u>
Taxation	12	-	-	-	-
<b>Net (loss) / income for the period after taxation</b>		<u>(107,249)</u>	<u>(261,881)</u>	<u>(402,415)</u>	<u>61,593</u>
<b>Allocation of net income for the period</b>					
Net income for the period after taxation		-	-	-	-
Income already paid on units redeemed		-	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

**For AI Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**



**MEEZAN ASSET ALLOCATION FUND**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**



	Nine months period		Quarter ended,	
	March 31,		March 31,	
	2020	2019	2020	2019
	(Rupees in '000)		(Rupees in '000)	
<b>Net (loss) / income for the period after taxation</b>	(107,249)	(261,881)	(402,415)	61,593
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive (loss) / income for the period</b>	<u>(107,249)</u>	<u>(261,881)</u>	<u>(402,415)</u>	<u>61,593</u>

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

**For Al Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
 Chief Executive

\_\_\_\_\_  
 Chief Financial Officer

\_\_\_\_\_  
 Director

**MEEZAN ASSET ALLOCATION FUND**  
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

	Nine months period ended March 31, 2020			Nine months period ended March 31, 2019		
	Capital Value	Accumulated loss	Total	Capital Value	Accumulated loss	Total
	----- Rupees in 000-----			----- Rupees in 000-----		
<b>Net assets at the beginning of the period</b>	2,862,681	(1,008,670)	1,854,011	3,339,382	(462,218)	2,877,164
Issuance of 3,315,827 units (2019: 12,439,316 units)						
- Capital value (at net asset value per unit at the beginning of the period)	117,489		117,489	553,925	-	553,925
- Element of income / (loss)	12,615		12,615	(21,917)	-	(21,917)
Total proceeds on issuance of units	130,104	-	130,104	532,008	-	532,008
Redemption of 19,997,538 units (2019: 19,015,600 units)						
- Capital value (at net asset value per unit at the beginning of the period)	708,569		708,569	846,767	-	846,767
- Element of loss / (income)	50,005	-	50,005	(46,126)	-	(46,126)
Total payments on redemption of units	758,574	-	758,574	800,641	-	800,641
Total comprehensive loss for the period		(107,249)	(107,249)		(261,881)	(261,881)
Distribution during the period						
Net loss for the period less distribution	-	(107,249)	(107,249)	-	(261,881)	(261,881)
<b>Net assets at the end of the period</b>	<b>2,234,211</b>	<b>(1,115,919)</b>	<b>1,118,292</b>	<b>3,070,749</b>	<b>(724,099)</b>	<b>2,346,650</b>
Accumulated loss brought forward						
- Realised loss		(593,083)			(109,140)	
- Unrealised loss		(415,587)			(353,078)	
		<u>(1,008,670)</u>			<u>(462,218)</u>	
Accounting income available for distribution						
- Relating to capital gains		-			-	
- Excluding capital gains		-			-	
		<u>-</u>			<u>-</u>	
Net loss for the period after taxation		(107,249)			(261,881)	
Distribution during the period		-			-	
Accumulated loss carried forward		<u>(1,115,919)</u>			<u>(724,099)</u>	
Accumulated loss carried forward						
- Realised loss		(929,656)			(499,513)	
- Unrealised loss		(186,263)			(224,586)	
		<u>(1,115,919)</u>			<u>(724,099)</u>	
		<b>(Rupees)</b>			<b>(Rupees)</b>	
Net assets value per unit at the beginning of the period		<u>35.4328</u>			<u>44.5301</u>	
Net assets value per unit at the end of the period		<u>31.3747</u>			<u>40.4349</u>	

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

**For AI Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**MEEZAN ASSET ALLOCATION FUND  
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)  
FOR THE SIX MONTHS PERIOD ENDED MARCH 31, 2020**



	Nine months period ended March 31,	
	2020	2019
Note	(Rupees in '000)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss for the period before taxation	(107,249)	(261,881)
<b>Adjustments for:</b>		
Amortisation of preliminary expenses and floatation costs	136	136
Net unrealised diminution on re-measurement of investments classified 'as financial assets at fair value through profit or loss'	6.1 186,263	224,586
	<u>79,150</u>	<u>(37,159)</u>
<b>Decrease in assets</b>		
Investments	263,429	372,930
Dividend receivable	(703)	(1,787)
Receivable against sale of investments	-	(3,290)
Deposits, profit accrued and other receivable	2,376	(4,130)
	265,102	363,723
<b>(Decrease) / Increase in liabilities</b>		
Payable to AI Meezan Investment Management Limited - the Management Company	(1,387)	(1,012)
Payable to Central Depository Company of Pakistan Limited - the Trustee	(341)	266
Payable to the Securities and Exchange Commission of Pakistan	(2,135)	(1,001)
Payable to Meezan Bank Limited	(34)	(43)
Payable against purchase of investments - net	-	13,333
Accrued expenses and other liabilities	2,566	1,783
	<u>(1,331)</u>	<u>13,326</u>
<b>Net cash generated from operating activities</b>	<u>342,921</u>	<u>339,890</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts against issuance and conversion of units	127,682	541,687
Payment against redemption and conversion of units	(762,955)	(792,000)
<b>Net cash used in financing activities</b>	<u>(635,273)</u>	<u>(250,313)</u>
<b>Net (decrease) / increase in cash and cash equivalents during the period</b>	<u>(292,352)</u>	<u>89,577</u>
Cash and cash equivalents at the beginning of the period	421,539	454,128
<b>Cash and cash equivalents at the end of the period</b>	<u><u>129,187</u></u>	<u><u>543,705</u></u>

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

**For AI Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN ASSET ALLOCATION FUND**  
**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

**1. LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1 Meezan Asset Allocation Fund (the Fund) was established under a trust deed executed between Al Meezan Investment Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The trust deed was executed on November 25, 2015 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) on November 16, 2015. The initial offering period of the Fund was from April 18, 2016 to April 20, 2016 and the Fund commenced its operations from April 21, 2016. The Management Company has been licensed by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2 The objective of the Fund is to earn potentially high return through asset allocation between Shariah Compliant Equity Instruments, Shariah Compliant Fixed Income Instruments, Shariah Compliant Money Market Instruments and any other Shariah Compliant instruments as permitted by the SECP and the Shariah Advisor. Meezan Bank Limited acts as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.3 The Fund is an open-end Shariah Compliant Asset Allocation Scheme. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited.
- 1.4 The Management Company has been assigned a quality rating of AM1 by VIS dated March 31, 2020 (2018: AM1 dated December 28, 2018) and by PACRA dated December 28, 2019. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.5 Title to the assets of the Fund are held in the name of CDC as the Trustee of the Fund.

**2. BASIS OF PRESENTATION**

The transactions undertaken by the Fund in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor are accounted for on substance rather than the form prescribed by the aforementioned guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

**3. BASIS OF PREPARATION**

**3.1 STATEMENT OF COMPLIANCE**

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

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

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

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2019.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2020.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT**

- 4.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2019.
- 4.2 The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2019.
- 4.3 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 impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

<b>5. BALANCES WITH BANKS</b>	<b>Note</b>	<b>March 31, 2020 (Unaudited)</b>	<b>June 30, 2019 (Audited)</b>
		<b>(Rupees in '000)</b>	
In saving accounts	5.1	114,309	419,654
In current accounts		14,878	1,885
		<u>129,187</u>	<u>421,539</u>

- 5.1 The balance in saving accounts have an expected profit ranging from 3.63% to 13% per annum (June 30, 2019: 3.32% to 12.35% per annum).

		March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
	Note	(Rupees in '000)	
<b>6. INVESTMENTS</b>			
<b>Investments at 'fair value through profit or loss'</b>			
Shares of listed companies 'ordinary shares'	6.1	998,934	1,448,626

**6.1 Shares of listed companies 'ordinary shares'**

Name of the investee company	As at July 1, 2019	Purchases during the period	Bonus / right issue	Sales during the period	As at March 31, 2020	Carrying value as at Marc 31, 2020	Market value as at March 31, 2020	Unrealised gain / (loss) as at March 31, 2020	Percentage in relation to		
									Net assets of the Fund	Paid-up capital of investee company (with face value of investment)	Total market value of investments
					(Number of shares)			(Rupees in '000)			%

**Sectors/ Companies**

**Automobile Assembler**

Ghandhara Industries Limited (Note 6.2)	55,000	-	-	55,000	-	-	-	-	-	-	-	-
Honda Atlas Cars (Pakistan) Limited	1,800	12,300	-	14,100	-	-	-	-	-	-	-	-
Indus Motor Company Limited	-	7,960	-	-	7,960	9,512	5,807	(3,705)	0.52	0.01	0.58	
Millat Tractors Limited	5,000	-	-	5,000	-	-	-	-	-	-	-	-
									<b>0.52</b>	<b>0.01</b>	<b>0.58</b>	

**Automobile Parts & Accessories**

Agriauto Industries Limited	-	40,000	-	-	40,000	8,355	6,410	(1,945)	0.57	0.14	0.64	
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**Chemicals**

Engro Polymer & Chemicals Limited	1,110,761	1,100,000	-	1,048,000	1,162,761	32,542	28,511	(4,031)	2.55	0.13	2.85	
ICI Pakistan Limited	80,650	1,000	-	8,750	72,900	38,741	36,911	(1,830)	3.30	0.08	3.70	
									<b>5.85</b>	<b>0.21</b>	<b>6.55</b>	

**Cement**

Cherat Cement Company Limited	-	240,000	6,500	160,500	86,000	3,364	4,764	1,400	0.43	0.05	0.48	
D.G. Khan Cement Company Limited	129,000	334,000	-	279,000	184,000	13,753	10,902	(2,851)	0.97	0.04	1.09	
Fauji Cement	-	1,087,000	-	187,500	899,500	15,301	13,322	(1,979)	1.19	0.07	1.33	
Kohat Cement Company Limited	225,000	55,000	-	35,000	245,000	16,557	21,376	4,819	1.91	0.12	2.14	
Lucky Cement Limited	304,700	-	-	95,000	209,700	79,785	77,736	(2,049)	6.95	0.06	7.78	
Maple Leaf Cement Limited	11,112	625,095	-	11,000	625,207	16,012	12,954	(3,057)	1.00	-	1.00	
Pioneer Cement Limited	500	-	-	-	500	11	14	3	-	-	-	
									<b>12.45</b>	<b>0.34</b>	<b>13.82</b>	

**Commercial Banks**

Meezan Bank Limited	528,446	50,000	-	50,000	528,446	45,664	34,397	(11,267)	3.08	0.04	3.44	
Bank Islami Pakistan Limited	-	705,000	-	250,000	455,000	4,942	4,104	(838)	0.37	0.04	0.41	
									<b>3.44</b>	<b>0.08</b>	<b>3.85</b>	

**Engineering**

Amreli Steels limited	-	150,000	-	150,000	-	-	-	-	-	-	-	-
International Industries Limited	107,500	25,000	9,600	89,000	53,100	4,005	4,013	8	0.36	0.04	0.40	
International Steels Limited	105,000	525,000	-	630,000	-	-	-	-	-	-	-	-
Mughal Iron and Steel Industries Limited	-	125,000	-	125,000	-	-	-	-	-	-	-	-
									<b>0.36</b>	<b>0.04</b>	<b>0.40</b>	

**Fertilizer**

Engro Corporation Limited (note 6.1.2)	609,400	26,700	-	231,500	404,600	109,033	107,988	(1,045)	9.66	0.07	10.81	
Engro Fertilizers Limited	1,745,000	25,000	-	1,003,000	767,000	49,163	44,225	(4,938)	3.95	0.06	4.43	
									<b>13.61</b>	<b>0.13</b>	<b>15.24</b>	

**Food and Personal Care Products**

Al-Shaheer Corporation Limited (Note 6.2)	3,750	1,449	-	-	5,199	62	49	(12)	0.00	0.00	0.00	
Unity Foods Limited	-	250,000	-	-	250,000	3,125	2,470	(655)	0.22	0.05	0.25	
Frieslandcampina Engro Foods Limited	700	-	-	700	-	-	-	-	-	-	-	
									<b>0.23</b>	<b>0.05</b>	<b>0.25</b>	

**Glass and Ceramics**

Tariq Glass Industries Limited	10,000	-	-	10,000	-	-	-	-	-	-	-	-
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Name of the investee company	As at July 1, 2019	Purchases during the period	Bonus / right issue	Sales during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised gain / (loss) as at March 31, 2020	Percentage in relation to					
									Net assets of the Fund	Paid-up capital of investee company (with face value of investment)	Total market value of investments			
						(Number of shares)			(Rupees in '000)			%		
<b>Oil and Gas Exploration Companies</b>														
Attock Petroleum Limited	-	25,000	-	-	25,000	7,625	5,900	(1,725)	0.53	0.03	0.59			
Oil and Gas Development Company Limited	1,319,800	650,000	-	1,094,500	875,300	101,839	67,389	(34,449)	6.03	0.02	6.75			
Mari Petroleum Company Limited	60,720	33,500	6,072	-	100,292	95,966	89,370	(6,596)	7.99	0.08	8.95			
Pakistan Oilfields Limited	93,950	50,000	-	400	143,550	55,505	37,640	(17,864)	3.37	0.05	3.77			
Pakistan Petroleum Limited	1,161,390	455,000	193,238	1,000,200	809,428	87,377	58,125	(29,252)	5.20	0.03	5.82			
									<b>23.11</b>	<b>0.20</b>	<b>25.87</b>			
<b>Oil and Gas Marketing Companies</b>														
Hascol Petroleum Limited (Note 6.2)	301,675	4,059,435	-	1,880,500	2,480,610	31,887	28,899	(2,987)	2.58	1.25	2.89			
Pakistan State Oil Company Limited (Note 6.2)	323,348	255,800	55,829	254,500	380,477	52,583	46,228	(6,355)	4.13	0.08	4.63			
Sui Northern Gas Pipelines Limited	1,317,400	-	-	748,500	568,900	39,533	20,992	(18,540)	1.88	0.09	2.10			
									<b>8.60</b>	<b>1.42</b>	<b>9.62</b>			
<b>Paper and Board</b>														
Cherat Packaging Limited	21,752	-	825	22,577	-	-	-	-	-	-	-			
Packages Limited	51,350	-	-	20,000	31,350	9,423	7,158	(2,265)	0.64	0.04	0.72			
									<b>0.64</b>	<b>0.04</b>	<b>0.72</b>			
<b>Pharmaceuticals</b>														
Abbott Laboratories (Pakistan) Limited	50	-	-	-	50	24	16	(8)	-	-	-			
AGP Limited	289,000	-	-	151,500	137,500	9,423	11,344	1,921	1.01	0.05	1.14			
GlaxoSmithKline Consumer Healthcare Limited	47,000	7,400	-	-	54,400	11,195	10,856	(339)	0.97	0.05	1.09			
The Searle Company Limited (Note 6.2)	132,849	30,000	-	85,000	77,849	12,230	12,211	(20)	1.09	0.04	1.22			
									<b>3.08</b>	<b>0.13</b>	<b>3.44</b>			
<b>Power Generation and Distribution</b>														
K-Electric Limited (note 6.1.1)	11,955,000	3,000,000	-	3,315,500	11,639,500	47,293	32,940	(14,353)	2.95	0.04	3.30			
The Hub Power Company Limited	942,512	1,206,500	-	558,000	1,591,012	117,001	108,618	(8,383)	9.71	0.12	10.87			
									<b>12.66</b>	<b>0.16</b>	<b>14.17</b>			
<b>Technology and Communication</b>														
Avanceon Limited	147,000	-	-	147,000	-	-	-	-	-	-	-			
Pakistan Telecommunication Company Limited	100,000	-	-	100,000	-	-	-	-	-	-	-			
Systems Limited	79,200	25,000	-	25,000	79,200	8,027	8,802	776	0.79	0.06	0.88			
									<b>0.79</b>	<b>0.06</b>	<b>0.88</b>			
<b>Textile Composite</b>														
Interloop Limited	724,712	-	-	232,000	492,712	21,812	17,669	(4,144)	1.58	0.06	1.77			
Nishat Mills Limited	398,400	25,000	-	282,400	141,000	12,989	8,281	(4,708)	0.74	0.04	0.83			
									<b>2.32</b>	<b>0.10</b>	<b>2.60</b>			
<b>Textile Weaving</b>														
Feroze1888 Mills Limited	131,000	3,500	-	-	134,500	13,541	10,543	(2,997)	0.94	0.04	1.06			
<b>Rights Certificates</b>														
<b>Oil And Gas Marketing Companies</b>														
Hascol Petroleum Limited *			150,000	150,000	-	-	-	-	-	-	-			
<b>Total</b>						<b>1,185,197</b>	<b>998,934</b>	<b>(186,263)</b>			<b>100%</b>			

\*The right certificates were exercised during the period and the shares are included in the investment in Hascol Petroleum Limited.

- 6.1.1** All shares have a nominal value of Rs 10 each except for the shares of K-Electric Limited which have a nominal value of Rs 3.5 each and Agriauto Industries Limited which have a nominal value of Rs 5 each.
- 6.1.2** Investments include 105,000 shares (June 30, 2019: 105,000 shares) of Engro Corporation Limited, having market value of Rs 28.024 million (June 30, 2019: Rs 32.96 million) as at March 31, 2020, which have been pledged with National Clearing Company of Pakistan for guaranteeing settlement of Fund's trades in accordance with Circular 11 dated October 23, 2007 by SECP.
- 6.2** The status of bonus shares already withheld prior to the introduction of Finance Act, 2018 is the same as that disclosed in the audited financial statements of the Fund for the year ended June 30, 2019. As at March 31, 2020, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs. 0.861 million (June 30, 2019: Rs. 1.209 million).

7.	<b>ACCRUED EXPENSES AND OTHER LIABILITIES</b>	<b>Note</b>	<b>March 31, 2020 (Unaudited) (Rupees in '000)</b>	<b>June 30, 2019 (Audited)</b>
	Charity payable		3,395	1,933
	Brokerage payable		2,479	1,455
	Auditors' remuneration payable		147	195
	Withholding tax payable		5	26
	Capital gain tax payable		13	1
	Provision for Sindh Workers' Welfare Fund (SWWF)	7.1	10,080	10,080
	Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	7.2	482	482
	Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	7.2	145	145
	Shariah advisory fee payable		374	266
	Zakat payable		33	4
			<u>17,153</u>	<u>14,587</u>

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

Had the provision for SWWF not been recorded in the condensed interim financial statements, the NAV per unit of the Fund would have been higher by Re 0.01 per unit as at March 31, 2020 (June 30, 2019 : 0.19 per unit).

- 7.2** The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from 01 July 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 01, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 0.627 million (June 30, 2019: Rs 0.627 million) is being retained in the condensed interim financial statements as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the Net Asset Value per unit of the Fund as at March 31, 2020 would have been higher by Re 0.02 (June 30, 2019: Re 0.01) per unit.

## **8. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)**

In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP).

Effective from July 1, 2019, the SECP vide SRO No. 685(I)/2019 dated June 28, 2019, revised the rate of annual fee to 0.02% of net assets, applicable on all categories of CISs. Previously, the rate of annual fee applicable to equity funds was 0.095%. Accordingly, the Fund has charged SECP Fee at the rate of 0.02% of net assets during the current period.

## **9. CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments outstanding as at March 31, 2020 and June 30, 2019.

## **10. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES**

Connected persons include Al Meezan Investment Management Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, Directors and Executives of the Management Company, others Funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited - Employees Gratuity Fund and Unit holders holding 10 percent or more of the Fund's net assets.

Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Rules, the NBFC Regulations and the Trust Deed respectively.

Details of transactions with connected persons and balances with them are as follows:

	<b>March 31, 2020 (Unaudited)</b>	<b>June 30, 2019 (Audited)</b>
	<b>(Rupees in '000)</b>	
<b>Al Meezan Investment Management Limited - the Management Company</b>		
Remuneration payable	1,638	2,383
Sindh Sales Tax on management fee payable	213	310
Sales load payable	63	16
Sindh sales tax on sales load payable	9	2
Allocated expense payable	109	159
Selling & marketing expense payable	1,495	2,044

	March 31, 2020 (Unaudited) (Rupees in '000)	June 30, 2019 (Audited) (Rupees in '000)
<b>Meezan Bank Limited</b>		
Sales load payable	1	47
Sindh Sales Tax on sales load payable	0	6
Bank balance	91,124	6,620
Profit receivable on saving account	1,298	37
Investment in 528,446 shares (June,30 2019: 528,446 shares)	34,397	46,059
<b>Central Depository Company of Pakistan Limited - the Trustee</b>		
Trustee fee payable	170	472
Sindh Sales Tax on trustee fee payable	22	61
Security deposit	100	100
<b>Directors and Executives of the Management Company</b>		
Investments as at March 31, 2020: 80,400 units (June 30, 2019: 30,242 units)	2,523	1,072
<b>For the nine months period ended March 31,</b>		
	<b>2020</b>	<b>2019</b>
	<b>(Rupees in '000)</b>	
	<b>(Unaudited)</b>	
<b>Al Meezan Investment Management Limited - the Management Company</b>		
Remuneration for the period	18,100	29,916
Sindh Sales Tax on management fee for the period	2,353	3,889
Allocated expenses	1,207	1,994
Selling and marketing expense	4,827	7,978
<b>Meezan Bank Limited</b>		
Shares purchased during the period: 50,000 shares (March 31, 2019: 701,000 shares)	3,925	61,598
Shares disposed off during the period: 50,000 shares (March 31, 2019: 304,000 shares)	4,313	27,484
Bonus shares issued: nil shares (March 31, 2019: 12,541 shares)	-	1,053
Profit on saving account	6,411	844
Dividend income	2,139	908
<b>Central Depository Company of Pakistan Limited - the Trustee</b>		
Remuneration for the period	1,958	2,745
Sindh Sales Tax on trustee fee for the period	255	357
CDS charges	64	39
<b>Directors and Executives of the Management Company</b>		
Units issued: 146,907 (March 31, 2019: 1,187,416 units)	5,365	50,076
Units redeemed: 96,751 units (March 31, 2019: Nil units)	3,240	-

## 11. ALLOCATED EXPENSES

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

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

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

## 12. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unit holders. The Fund has not recorded any tax liability in respect of income relating to the current period as the Management Company intends to distribute atleast 90 percent of the Fund's accounting income for the year ending June 30, 2020 as reduced by capital gains (whether realised or unrealised) to its unit holders. The fund has not recorded any tax liability as the Fund has incurred a net loss during the period.

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.

## 13. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the period ended March 31, 2020 is 2.82% which include 0.24% representing government levy and SECP fee.

## 14. SELLING AND MARKETING EXPENSES

The SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) initially for a period of three years (i.e from January 1, 2017 till March 31, 2020). The maximum cap of selling and marketing expense was 0.4% per annum of the net assets of the Fund or actual expenses whichever is lower.

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

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

## 15. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. 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 March 31, 2020, the Fund held the following financial instruments measured at fair values:

	As at March 31, 2020			
	Level 1	Level 2	Level 3	Total
<b>ASSETS</b>	----- (Rupees in '000) -----			

**Financial assets 'at fair value through profit or loss'**

Shares of listed companies 'ordinary shares'	998,934	-	-	998,934
--	---------	---	---	---------

	As at June 30, 2019			
	Level 1	Level 2	Level 3	Total
<b>ASSETS</b>	----- (Rupees in '000) -----			

**Financial assets 'at fair value through profit or loss'**

Shares of listed companies 'ordinary shares'	1,448,626	-	-	1,448,626
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**16. GENERAL**

**16.1** Figures have been rounded off to the nearest thousand rupees.

**16.2** Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in these condensed interim financial statements during the period.

**17. DATE OF AUTHORISATION FOR ISSUE**

**17.1** These condensed interim financial statements were authorised for issue on \_\_\_\_\_ by the Board of Directors of the Management Company.

**For AI Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director








**Meezan**  
Dedicated Equity Fund

## **MEEZAN DEDICATED EQUITY FUND (MDEF)**

Meezan Dedicated Equity Fund aims to provide Fund of Funds scheme a dedicated platform to seek long term capital appreciation.

 Peshawar Branch



# BUILDING ON THE VALUES OF GROWTH IN THE CITY OF FLOWERS



**ISLAMIA  
COLLEGE  
(PESHAWAR)**

# FUND INFORMATION

## MANAGEMENT COMPANY

Al Meezan Investment Management Limited  
Ground Floor, Block "B", Finance & Trade Centre,  
Shahrah-e-Faisal Karachi 74400, Pakistan.  
Phone (9221) 35630722-6, 111-MEEZAN  
Fax: (9221) 35676143, 35630808  
Website: [www.almeezangroup.com](http://www.almeezangroup.com)  
E-mail: [info@almeezangroup.com](mailto:info@almeezangroup.com)

## BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Mohammad Shoaib, CFA	Chief Executive Officer
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Mohammad Furquan R Kidwai	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Moin M. Fudda	Independent Director
Ms. Saima Kamila Khan	Independent Director
Mr. Arshad Majeed	Nominee Director - MBL
Mr. Naeem Abdul Sattar	Nominee Director - PKIC
Syed Amir Ali Zaidi	Nominee Director - PKIC

## CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Syed Owais Wasti

## AUDIT COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Arshad Majeed	Member
Mr. Naeem Abdul Sattar	Member

## RISK MANAGEMENT COMMITTEE

Mr. Muhammad Abdullah Ahmed	Chairman
Syed Amir Ali Zaidi	Member
Mr. Naeem Abdul Sattar	Member

## HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Ariful Islam	Member
Mr. Naeem Abdul Sattar	Member
Mr. Mohammad Shoaib, CFA	Member

## TRUSTEE

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

## AUDITORS

A. F. Ferguson & Co.  
Chartered Accountants  
State Life Building# 1-C,  
I.I. Chundrigar Road, Karachi-74000

## SHARIAH ADVISER

Meezan Bank Limited

## BANKERS TO THE FUND

Al Baraka Islamic Bank B.S.C (E.C)  
Dubai Islamic Bank Pakistan Limited  
Habib Metropolitan Bank Limited - Islamic Banking  
Meezan Bank Limited

## LEGAL ADVISER

Bawaney & Partners  
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,  
Phase VI, DHA, Karachi.  
Phone (9221) 35156191-94 Fax: (9221) 35156195  
E-mail:

## TRANSFER AGENT

Meezan Bank Limited  
Meezan House  
C-25, Estate Avenue, SITE, Karachi.  
Phone: 38103538 Fax: 36406017  
Website: [www.meezanbank.com](http://www.meezanbank.com)

## DISTRIBUTORS

Al Meezan Investment Management Limited  
Meezan Bank Limited





**MEEZAN DEDICATED EQUITY FUND  
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES  
AS AT MARCH 31, 2020**

		<b>March 31, 2020 (Unaudited)</b>	<b>June 30, 2019 (Audited)</b>
	<b>Note</b>	<b>(Rupees in '000)</b>	
<b>Assets</b>			
Balances with banks	5	42,162	110,688
Investments	6	419,820	1,658,927
Dividend receivable		3,854	1,120
Advances, prepayments and other receivables		4,396	1,886
<b>Total assets</b>		<b>470,232</b>	<b>1,772,621</b>
<b>Liabilities</b>			
Payable to Al Meezan Investment Management Limited - the Management Company		2,682	5,286
Payable to Central Depository Company of Pakistan Limited - the Trustee		150	263
Payable to the Securities and Exchange Commission of Pakistan	8	179	1,864
Payable against redemption and conversion of units		-	1,500
Accrued expenses and other liabilities	9	4,936	2,634
<b>Total liabilities</b>		<b>7,947</b>	<b>11,547</b>
<b>Net assets</b>		<b>462,285</b>	<b>1,761,074</b>
<b>Contingencies and commitments</b>	7		
<b>Unit holders' fund (as per statement attached)</b>		<b>462,285</b>	<b>1,761,074</b>
		<b>(Number of units)</b>	
<b>Number of units in issue</b>		<b>16,378,352</b>	<b>49,596,421</b>
		<b>(Rupees)</b>	
<b>Net asset value per unit</b>		<b>28.2253</b>	<b>35.5081</b>

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

**For Al Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN DEDICATED EQUITY FUND**  
**CONDENSED INTERIM INCOME STATEMENT**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020 (UNAUDITED)**

Note	Nine Months period ended March 31,		Quarter ended March 31,	
	2020	2019	2020	2019
	(Rupees in '000)		(Rupees in '000)	
<b>Income</b>				
Net realised loss on sale of investments	(159,599)	(150,415)	(107,609)	(94,123)
Dividend income	44,459	54,668	5,710	12,616
Profit on saving accounts with banks	7,201	5,688	1,871	3,903
Other income	500	-	-	-
	<u>(107,439)</u>	<u>(90,059)</u>	<u>(100,028)</u>	<u>(77,604)</u>
Net unrealised (diminution) / appreciation on re-measurement of investments 'at fair value through profit or loss'	6.1	(88,009)	(169,256)	(257,580)
		84,760		
<b>Total loss</b>	<u>(195,448)</u>	<u>(259,315)</u>	<u>(357,608)</u>	<u>7,156</u>
<b>Expenses</b>				
Remuneration of Al Meezan Investment Management Limited - the Management Company	17,555	30,617	5,498	10,713
Sindh Sales Tax on remuneration of the Management Company	2,282	3,980	715	1,393
Remuneration of Central Depository Company of Pakistan Limited - the Trustee	1,609	2,282	500	783
Sindh Sales Tax on remuneration of Trustee	212	297	68	102
Annual fee to the Securities and Exchange Commission of Pakistan	8	179	55	509
Auditors' remuneration	341	190	37	37
Fees and subscription	422	419	139	138
Brokerage expenses	3,875	3,165	2,078	1,626
Bank and settlement charges	299	283	179	120
Allocated expenses	11	878	1,531	275
Selling and marketing expenses	12	3,511	6,123	1,100
Charity expense	1,225	824	191	173
Provision for Sindh Workers' Welfare Fund (SWWF)	-	-	(2,812)	-
Printing expenses	10	30	-	10
<b>Total expenses</b>	<u>32,398</u>	<u>51,195</u>	<u>8,023</u>	<u>18,282</u>
<b>Net loss for the period before taxation</b>	<u>(227,846)</u>	<u>(310,510)</u>	<u>(365,631)</u>	<u>(11,126)</u>
Taxation	14	-	-	-
<b>Net loss for the period after taxation</b>	<u>(227,846)</u>	<u>(310,510)</u>	<u>(365,631)</u>	<u>(11,126)</u>
<b>Allocation of net income for the period</b>				
Net income for the period after taxation	-	-	-	-
Income already paid on units redeemed	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

**For Al Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**





**MEEZAN DEDICATED EQUITY FUND**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020 (UNAUDITED)**

	Nine Months period ended		Quarter ended	
	March 31,		March 31,	
	2020	2019	2020	2019
	(Rupees in '000)		(Rupees in '000)	
Net loss for the period after taxation	(227,846)	(310,510)	(365,631)	(11,126)
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive loss for the period</b>	<b>(227,846)</b>	<b>(310,510)</b>	<b>(365,631)</b>	<b>(11,126)</b>

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

**For AI Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN DEDICATED EQUITY FUND**  
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

	Nine Months period ended March 31, 2020			Nine Months period ended March 31, 2019		
	Capital Value	Accumulated loss	Total	Capital Value	Accumulated loss	Total
	(Rupees in '000)			(Rupees in '000)		
<b>Net assets at the beginning of the period</b>	<b>2,436,503</b>	<b>(675,429)</b>	<b>1,761,074</b>	1,925,907	(69,075)	1,856,832
Issue of 42,720,772 units (2019: 78,744,304 units)						
- Capital value (at net asset value per unit at the beginning of the period)	1,516,934		1,516,934	3,821,831	-	3,821,831
- Element of income / (loss)	36,281		36,281	(217,330)	-	(217,330)
Total proceeds on issuance of units	1,553,215	-	1,553,215	3,604,501	-	3,604,501
Redemption of 75,938,842 units (2019: 71,648,208 units)						
- Capital value (at net asset value per unit at the beginning of the period)	2,696,444		2,696,444	3,477,424	-	3,477,424
- Element of income	(72,286)		(72,286)	(235,181)	-	(235,181)
Total payments on redemption of units	2,624,158	-	2,624,158	3,242,243	-	3,242,243
Total comprehensive loss for the period		(227,846)	(227,846)	-	(310,510)	(310,510)
Distribution during the period		-	-	-	-	-
<b>Net loss for the period less distribution</b>	<b>-</b>	<b>(227,846)</b>	<b>(227,846)</b>	<b>-</b>	<b>(310,510)</b>	<b>(310,510)</b>
<b>Net assets at the end of the period</b>	<b>1,365,560</b>	<b>(903,275)</b>	<b>462,285</b>	<b>2,288,165</b>	<b>(379,585)</b>	<b>1,908,580</b>
<b>Accumulated loss brought forward</b>						
- Realised (loss) / income		(336,679)			14,740	
- Unrealised loss		(338,750)			(83,815)	
		<u>(675,429)</u>			<u>(69,075)</u>	
Accounting income available for distribution						
- Relating to capital gains		-			-	
- Excluding capital gains		-			-	
Net loss for the period after taxation		(227,846)			(310,510)	
Distribution during the period		-			-	
Accumulated loss carried forward		<u>(903,275)</u>			<u>(379,585)</u>	
<b>Accumulated loss carried forward</b>						
- Realised loss		(815,266)			(210,329)	
- Unrealised loss		(88,009)			(169,256)	
		<u>(903,275)</u>			<u>(379,585)</u>	
			(Rupees)			(Rupees)
Net assets value per unit at the beginning of the period			<u>35.5081</u>			<u>48.5347</u>
Net assets value per unit at the end of the period			<u>28.2253</u>			<u>42.0819</u>

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

**For AI Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**MEEZAN DEDICATED EQUITY FUND  
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED) FOR THE NINE  
MONTHS PERIOD ENDED MARCH 31, 2020**



**Meezan**  
Dedicated Equity Fund

	Nine Months period ended	
	'March 31	
	2020	2019
	(Rupees in '000)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss for the period before taxation	(227,846)	(310,510)
<b>Adjustments for</b>		
Net unrealised diminution on re-measurement of investments 'at fair value through profit or loss'	88,009	169,256
	(139,837)	(141,254)
<b>Decrease / (Increase) in assets</b>		
Investments - net	1,151,098	(209,158)
Dividend receivable	(2,734)	(10,530)
Receivable against sale of investments	-	(14,580)
Advances, prepayments and other receivables	(2,510)	(1,351)
	1,145,854	(235,619)
<b>(Decrease) / Increase in liabilities</b>		
Payable to Al Meezan Investment Management Limited - Management Company	(2,604)	3,502
Payable to Central Depository Company of Pakistan Limited - Trustee	(113)	12
Payable to Securities and Exchange Commission of Pakistan	(1,685)	532
Payable against purchase of investments	-	17,755
Accrued expenses and other liabilities	2,302	998
	(2,100)	22,799
<b>Net cash generated from / (used in) operating activities</b>	1,003,917	(354,074)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts against issuance and conversion of units	1,553,215	3,604,501
Payment against redemption and conversion of units	(2,625,658)	(3,242,243)
<b>Net cash (used in) / generated from financing activities</b>	(1,072,443)	362,258
<b>Net (decrease) / increase in cash and cash equivalents during the period</b>	(68,526)	8,184
Cash and cash equivalents at the beginning of the period	110,688	122,500
<b>Cash and cash equivalents at the end of the period</b>	42,162	130,684

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

**For Al Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN DEDICATED EQUITY FUND**  
**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

**1. LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1 Meezan Dedicated Equity Fund (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on October 9, 2017 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The Management Company has been granted license by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2 The Fund has been formed to enable the unit holders to participate in a diversified portfolio of securities, which are Shariah compliant. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah principles. The Management Company has appointed Meezan Bank Limited as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.3 The Fund is an open-end Shariah Compliant Equity Scheme. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange.
- 1.4 The Management Company has been assigned a quality rating of AM1 by VIS dated December 31, 2019 (2018: AM1 dated December 28, 2018) and by PACRA dated December 28, 2019. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.5 Title to the assets of the Fund are held in the name of CDC as the Trustee of the Fund.

**2. BASIS OF PRESENTATION**

The transactions undertaken by the Fund in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor are accounted for on substance rather than the form prescribed by the aforementioned guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

**3. BASIS OF PREPARATION**

**3.1 STATEMENT OF COMPLIANCE**

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

Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the International Accounting Standard (IAS) 34, Interim Financial Reporting, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2019.



These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2020.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES / ACCOUNTING ESTIMATES, JUDGEMENTS AND RISK MANAGEMENT**

4.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2019.

4.2 The preparation of these condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan require management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2019. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Fund for the year ended June 30, 2019.

**4.3 Amendments to published accounting and reporting standards that are effective in the current period**

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 impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

5. BALANCES WITH BANKS	Note	March 31,	June 30,
		2020 (Unaudited)	2019 (Audited)
		(Rupees in '000)	
In saving accounts	5.1	39,774	109,870
In current accounts		<u>2,388</u>	<u>818</u>
		<u>42,162</u>	<u>110,688</u>

5.1 The balances in saving accounts have an expected profit ranging from 3.63% to 13.00% per annum. (June 30, 2019: 3.32 % to 12.35% per annum).

6. INVESTMENTS	Note	March 31,	June 30,
		2020 (Unaudited)	2019 (Audited)
Investments - 'at fair value through profit or loss'	6.1	419,820	1,658,927
		<u>419,820</u>	<u>1,658,927</u>

6.1 Investments - 'at fair value through profit or loss'

Name of the investee company	As at July 1, 2019	Purchases during the period	Bonus issue / Right shares	Sales during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised gain / (loss) as at March 31, 2020	Percentage in relation to		
									Net assets of the fund	Paid up capital of investee company (with face value of investment)	Percentage of total market value of investment
						(Rupees in '000)		%			
<b>Sectors / companies</b>											
<b>Automobile Assembler</b>											
Gandhara Industries Limited	19,300	-	-	19,300	-	-	-	-	-	-	-
Gandhara Nissan Limited	158	-	-	158	-	-	-	-	-	-	-
Honda Atlas Cars (Pakistan) Limited	300	6,300	-	6,600	-	-	-	-	-	-	-
Indus Motor Company Limited	-	11,560	-	-	11,560	13,957	8,433	(5,524)	1.82	0.01	2.01
Milat Tractors Limited	800	10,000	-	10,800	-	-	-	-	-	-	-
									<b>1.82</b>	<b>0.01</b>	<b>2.01</b>
<b>Automobile Parts &amp; Accessories</b>											
Agrauto Industries Limited (Note 6.1.1)	-	40,000	-	-	40,000	8,331	6,410	(1,921)	1.39	0.28	1.53
									<b>1.39</b>	<b>0.28</b>	<b>1.53</b>
<b>Commercial Banks</b>											
Bankislami Pakistan Limited	-	665,000	-	150,000	515,000	5,822	4,645	(1,177)	1.00	0.05	1.11
Meezan Bank Limited (an associate)	575,505	15,000	-	244,500	346,005	30,289	22,521	(7,768)	4.87	0.03	5.36
									<b>5.87</b>	<b>0.08</b>	<b>6.47</b>
<b>Cement</b>											
Attock Cement Pakistan Limited	15,200	-	-	-	15,200	1,085	1,313	227	0.28	0.01	0.31
Cherat Cement Company Limited	-	295,000	6,500	251,500	50,000	3,236	2,770	(466)	0.60	0.03	0.66
D.G. Khan Cement Company Limited	206,100	356,000	-	489,100	73,000	5,539	4,325	(1,213)	0.94	0.02	1.03
Fauji Cement Company Limited	-	925,000	-	623,500	301,500	5,346	4,465	(880)	0.97	0.02	1.06
Kohat Cement Company Limited	274,370	50,000	-	184,000	140,370	8,334	12,247	3,913	2.65	0.07	2.92
Lucky Cement Limited	313,650	145,000	-	391,000	67,650	27,375	25,078	(2,297)	5.42	0.02	5.97
Maple Leaf Cement Factory Limited	400,000	615,500	-	807,500	208,000	5,328	4,310	(1,019)	0.93	0.04	1.03
									<b>11.79</b>	<b>0.21</b>	<b>12.98</b>
<b>Chemical</b>											
Engro Polymer & Chemicals Limited	1,324,644	1,159,500	-	2,273,000	211,144	6,586	5,177	(1,409)	1.12	0.02	1.23
ICI Pakistan Limited	51,100	5,000	-	28,800	27,300	14,897	13,823	(1,075)	2.99	0.03	3.29
Lotte Chemical Pakistan Limited	294,000	1,265,000	-	1,494,000	65,000	813	639	(174)	0.14	-	0.15
									<b>4.25</b>	<b>0.05</b>	<b>4.67</b>
<b>Engineering</b>											
Arreli Steels Limited	-	150,000	-	104,000	46,000	1,381	1,182	(199)	0.26	0.02	0.28
International Industries Limited	38,800	70,000	-	108,800	-	-	-	-	-	-	-
International Steels Limited	255,000	425,000	-	627,000	53,000	2,795	1,918	(877)	0.41	0.01	0.46
Mughal Iron & Steel Industries Limited	-	154,500	-	125,000	29,500	1,032	924	(107)	0.20	0.01	0.22
									<b>0.87</b>	<b>0.04</b>	<b>0.96</b>
<b>Fertilizer</b>											
Engro Corporation Limited	606,830	210,200	-	673,900	143,130	40,291	38,201	(2,089)	8.26	0.02	9.10
Dawood Hercules Corporation Limited	-	16,500	-	-	16,500	2,677	1,710	(967)	0.37	-	0.41
Engro Fertilizers Limited	1,365,000	491,000	-	1,636,500	219,500	12,894	12,656	(237)	2.74	0.02	3.01
									<b>11.37</b>	<b>0.04</b>	<b>12.52</b>
<b>Food And Personal Care</b>											
At Tahur Limited	83	-	8	-	91	2	1	(0)	-	-	-
									-	-	-
<b>Glass And Ceramics</b>											
Tariq Glass Industries Limited	142,500	-	-	142,500	-	-	-	-	-	-	-
Ghari Glass Limited	-	100,000	-	-	100,000	5,198	3,719	(1,479)	0.80	0.02	0.89
									<b>0.80</b>	<b>0</b>	<b>0.89</b>



Name of the investee company	As at July 1, 2019	Purchases during the period	Bonus issue / Right shares	Sales during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised gain / (loss) as at March 31, 2020	Percentage in relation to		
									Net assets of the fund	Paid up capital of investee company (with face value of	Percentage of total market value of investment
Number of shares						(Rupees in '000)		%			
<b>Oil &amp; Gas Exploration Companies</b>											
Mari Petroleum Company Limited	93,360	22,400	6,688	69,040	53,408	53,399	47,592	(5,807)	10.29	0.04	11.34
Oil & Gas Development Company Limited	1,430,900	351,000	-	1,488,700	293,200	34,981	22,573	(12,408)	4.88	0.01	5.38
Pakistan Oilfields Limited	305,560	21,100	-	315,600	11,060	3,584	2,900	(684)	0.63	-	0.69
Pakistan Petroleum Limited	1,107,500	681,220	-	1,566,700	222,020	17,962	15,943	(2,019)	3.45	0.01	3.81
									<b>19.25</b>	<b>0.06</b>	<b>21.22</b>
<b>Oil &amp; Gas Marketing Companies</b>											
Attock Petroleum Limited	35,000	30,000	-	31,000	34,000	11,180	8,024	(3,155)	1.74	0.03	1.91
Hascoc Petroleum Limited	326,230	1,769,218	-	1,439,500	655,948	9,970	7,642	(2,329)	1.65	0.33	1.82
Pakistan State Oil Company Limited	438,260	380,500	32,112	729,100	121,772	16,802	14,795	(2,006)	3.20	0.03	3.52
Sui Northern Gas Pipelines Limited	1,231,100	361,000	-	1,338,500	253,600	18,313	9,358	(8,955)	2.02	0.04	2.23
Sui Southern Gas Company Limited	9,500	-	-	9,500	-	-	-	-	-	-	-
									<b>8.61</b>	<b>0.43</b>	<b>9.48</b>
<b>Paper &amp; Board</b>											
Cherat Packaging Limited	32,100	-	-	32,100	-	-	-	-	-	-	-
Packages Limited	20,350	-	-	-	20,350	6,116	4,646	(1,470)	1.01	0.02	1.11
									<b>1.01</b>	<b>0.02</b>	<b>1.11</b>
<b>Pharmaceuticals</b>											
AGPLimited	233,000	3,000	-	179,000	57,000	3,925	4,703	778	1.02	0.02	1.12
Glaxosmithkline Consumer Healthcare	15,000	25,200	-	12,200	28,000	7,055	5,588	(1,468)	1.21	0.02	1.33
Highnoon Laboratories Limited	25,000	-	-	11,000	14,000	7,490	6,980	(510)	1.51	0.01	1.66
The Searle Company Limited	218,055	43,000	-	232,200	28,855	4,586	4,526	(60)	0.98	0.01	1.08
									<b>4.72</b>	<b>0.06</b>	<b>5.19</b>
<b>Power Generation &amp; Distribution</b>											
K-Electric Limited (note 6.1.1)	10,961,500	400,000	-	8,707,000	2,654,500	33,022	28,238	(4,784)	6.11	0.01	6.73
The Hub Power Company Limited	1,323,117	131,000	-	1,040,500	413,617	11,634	7,512	(4,121)	1.63	0.03	1.79
									<b>7.74</b>	<b>0.04</b>	<b>8.52</b>
<b>Refinery</b>											
Attock Refinery Limited	1,000	-	-	1,000	-	-	-	-	-	-	-
									-	-	-
<b>Technology &amp; Communication</b>											
Avanceon Limited	290,300	50,000	-	340,300	-	-	-	-	-	-	-
Netsol Technologies Limited	206,900	104,000	-	310,900	-	-	-	-	-	-	-
Systems Limited	102,500	44,500	-	25,000	122,000	12,742	13,559	817	2.93	0.10	3.23
									<b>2.93</b>	<b>0.10</b>	<b>3.23</b>
<b>Textile Composite</b>											
Feroze1888 Mills Limited	236,500	500	-	60,000	177,000	17,853	13,875	(3,978)	3.00	0.05	3.30
Interloop Limited	883,382	-	-	496,500	386,882	17,127	13,874	(3,254)	3.00	0.04	3.30
Nishat Mills Limited	384,400	300,000	-	568,200	116,200	10,811	6,824	(3,986)	1.48	0.03	1.63
									<b>7.48</b>	<b>0.12</b>	<b>8.23</b>
<b>Vanaspati &amp; Allied Industries</b>											
Unity Foods Limited	287,376	850,000	-	712,376	425,000	6,067	4,199	(1,868)	0.91	0.08	1.00
									<b>0.91</b>	<b>0.08</b>	<b>1.00</b>
<b>Right Certificates</b>											
<b>Oil And Gas Marketing Companies</b>											
Hascoc Petroleum Limited *	-	-	846,920	846,920	-	-	-	-	-	-	-
<b>Total</b>						<b>507,829</b>	<b>419,820</b>	<b>(88,009)</b>			<b>100</b>

\*The right certificates were exercised during the period and the shares are included in the investment in Hascoc Petroleum Limited.

- 6.1.1** All shares have a nominal value of Rs. 10 each except for the shares of K-Electric Limited and Agriauto Industries Limited which have a nominal value of Rs. 3.50 and Rs. 5 each respectively.
- 6.2** The status of bonus shares already withheld prior to the introduction of Finance Act, 2018 is the same as that disclosed in the audited financial statements of the Fund for the year ended June 30, 2019. As at March 31, 2020, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs. 0.1373 million (June 30, 2019: Rs. 0.23 million)..

## 7. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2020 and June 30, 2019.

## 8. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP).

Effective from July 1, 2019, the SECP vide SRO No. 685(I)/2019 dated June 28, 2019, revised the rate of annual fee to 0.02% of net assets, applicable on all categories of CISs. Previously, the rate of annual fee applicable to equity funds was 0.095%. Accordingly, the Fund has charged SECP Fee at the rate of 0.02% of net assets during the current period.

	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
	(Rupees in '000)	
<b>9. ACCRUED EXPENSES AND OTHER LIABILITIES</b>		
Withholding tax payable	5	5
Printing expenses payable	69	60
Auditors' remuneration payable	262	150
Brokerage payable	1,963	640
Charity payable	2,241	1,516
Provision for Sindh Worker's Welfare Fund	9.1	-
Shariah advisor fee payable	-	-
	<u>396</u>	<u>263</u>
	<u>4,936</u>	<u>2,634</u>

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


**10. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES**

Connected persons include Al Meezan Investment Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, Directors and executives of the Management Company, other Funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited - Employees Gratuity Fund and unitholders holding 10 percent or more of the Fund's net assets.

Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration payable to the management company and the trustee is determined in accordance with the provisions of the NBFC Rules, the NBFC Regulations and the Trust Deed respectively.

Details of transactions with connected persons and balances with them are as follows:

<b>Balances</b>	<b>March 31, 2020 (Unaudited)</b>	<b>June 30, 2019 (Audited)</b>
	<b>(Rupees in '000)</b>	
<b>Al Meezan Investment Management Limited - the Management Company</b>		
Remuneration payable	1,334	3,013
Sindh Sales Tax payable on management fee	174	392
Selling and marketing expenses payable	1,100	1,723
Allocated expense payable	74	158
<b>Meezan Bank Limited</b>		
Balances with bank	30,558	32,482
Profit receivable on saving accounts	563	297
Investment in shares: 346,005 shares (June 30, 2019: 575,505 shares)	22,521	50,164
<b>Central Depository Company of Pakistan Limited - the Trustee</b>		
Trustee fee payable	133	233
Sindh Sales Tax on trustee fee payable	17	30
Security deposit	103	103
<b>Meezan Financial Planning Fund of Funds MAAP I</b>		
Investment of 2,565,112 units (June 30, 2019: 11,269,149 units)	72,401	400,146
<b>Meezan Strategic Allocation Fund MSAP - I</b>		
Investment of 5,185,522 units (June 30, 2019: 8,724,481 units)	146,363	309,790
<b>Meezan Strategic Allocation Fund MSAP - II</b>		
Investment of 320,475 units (June 30, 2019: 1,238,827 units)	9,046	43,988
<b>Meezan Strategic Allocation Fund MSAP - III</b>		
Investment of 919,247 units (June 30, 2019: 1,980,130 units)	25,946	70,311
<b>Meezan Strategic Allocation Fund MSAP - IV</b>		
Investment of 564,240 units (June 30, 2019: 1,740,577 units)	15,926	61,805
<b>Meezan Strategic Allocation Fund MSAP - V</b>		
Investment of 208,784 units (June 30, 2019: 978,486 units)	5,893	34,744
<b>Meezan Strategic Allocation Fund MCPP-III</b>		
Investment of 1,147,234 units (June 30, 2019: 5,644,620 units)	32,381	200,430
<b>Meezan Strategic Allocation Fund - II MCPP-IV</b>		
Investment of 2,989,409 units (June 30, 2019: 10,044,192 units)	84,377	356,650
<b>Meezan Strategic Allocation Fund - II MCPP-V</b>		
Investment of 704,552 units (June 30, 2019: 3,081,261 units)	19,886	109,410
<b>Meezan Strategic Allocation Fund - II MCPP-VI</b>		
Investment of 491,230 units (June 30, 2019: 2,745,310 units)	13,865	97,481
<b>Meezan Strategic Allocation Fund - II MCPP-VII</b>		
Investment of 540,544 units (June 30, 2019: 1,477,397 units)	15,257	52,460
<b>Meezan Strategic Allocation Fund - II MCPP-VIII</b>		
Investment of 276,379 units (June 30, 2019: 518,566 units)	7,801	18,413
<b>Meezan Strategic Allocation Fund - III MCPP-IX</b>		
Investment of 465,625 units (June 30, 2019: 153,424 units)	13,142	5,448

	Nine Months period ended	
	'March 31	
	2020	2019
<b>Transactions during the period</b>		
<b>AI Meezan Investment Management Limited - the Management Company</b>		
Remuneration for the period	17,555	30,617
Sindh Sales Tax on management fee for the period	2,282	3,980
Allocated expenses	878	1,531
Selling and marketing expense	3,511	6,123
<b>Meezan Bank Limited</b>		
Profit on saving account	5,300	1,960
Shares purchased during the period: 15,000 shares (March 31, 2019: 835,500 shares)	1,508	75,604
Bonus shares received: nil shares ( March 31, 2019: 10,050 shares)	-	-
Shares sold during the period: 244,500 shares ( March 31, 2019: 450,500 shares)	19,363	41,281
Dividend income	1,963	-
<b>Central Depository Company of Pakistan Limited - the Trustee</b>		
Remuneration for the period	1,609	2,282
Sindh Sales Tax on trustee fee	212	297
CDS charges	95	97
<b>Meezan Financial Planning Fund of Funds - MAAP - I</b>		
Units issued: 1,724,404 units (March 31, 2019: 602,460 units)	50,000	26,000
Units redeemed: 10,428,442 units (March 31, 2019: 1,279,918 units)	353,940	58,740
<b>Meezan Financial Planning Fund of Funds MAAP - IV</b>		
Units redeemed: nil units (March 31, 2019: 2,136,720 units)	-	99,023
<b>Meezan Strategic Allocation Fund MSAP - I</b>		
Units issued: 4,414,737 units (March 31, 2019: 14,059,235 units)	128,000	658,000
Units redeemed: 7,953,695 units (March 31, 2019: 8,349,383 units)	275,200	382,630
<b>Meezan Strategic Allocation Fund MSAP - II</b>		
Units redeemed: 918,352 units (March 31, 2019: 245,916 units)	38,300	11,280
<b>Meezan Strategic Allocation Fund MSAP - III</b>		
Units issued: 1,548,585 units (March 31, 2019: nil units)	57,000	-
Units redeemed: 2,609,468 units (March 31, 2019: 276,117 units)	93,500	12,420
<b>Meezan Strategic Allocation Fund MSAP - IV</b>		
Units issued: 2,449,025 units (March 31, 2019: nil units)	80,716	-
Units redeemed: 3,625,362 units (March 31, 2019: 394,294 units)	144,364	18,130
<b>Meezan Strategic Allocation Fund MSAP - V</b>		
Units redeemed: 769,702 units (March 31, 2019: 538,246 units)	29,650	24,450
<b>Meezan Strategic Allocation Fund MCPP-III</b>		
Units issued: 12,368,863 units (March 31, 2019: 12,839,759 units)	461,000	591,200
Units redeemed: 16,866,250 units (March 31, 2019: 12,739,305 units)	569,877	572,632
<b>Meezan Strategic Allocation Fund -II MCPP-IV</b>		
Units issued: 9,955,836 units (March 31, 2019: 33,632,924 units)	394,000	1,560,719
Units redeemed: 17,010,620 units (March 31, 2019: 33,663,755 units)	580,010	1,556,412
<b>Meezan Strategic Allocation Fund -II MCPP-V</b>		
Units issued: 1,716,536 units (March 31, 2019: 10,885,956 units)	68,000	501,566
Units redeemed: 4,093,246 units (March 31, 2019: 10,443,723 units)	142,040	477,699
<b>Meezan Strategic Allocation Fund-II MCPP-VI</b>		
Units issued: 1,387,674 units (March 31, 2019: 7,829,044 units)	56,000	357,000
Units redeemed: 3,641,754 units (March 31, 2019: 4,978,882 units)	123,020	222,744


**Nine Months period ended**
**'March 31**

2020	2019
(Unaudited)	
(Rupees in '000)	

**Meezan Strategic Allocation Fund-II MCPP-VII**

Units issued: 1,084,461 units (March 31, 2019: 4,502,839 units)  
 Units redeemed: 2,021,314 units (March 31, 2019: 3,096,933 units)

43,500	199,900
69,180	135,962

**Meezan Strategic Allocation Fund-II MCPP-VIII**

Units issued: 2,844,086 units (March 31, 2019: 1,188,465 units)  
 Units redeemed: 3,086,273 units (March 31, 2019: 348,955 units)

101,000	53,000
105,829	15,000

**Meezan Strategic Allocation Fund-III MCPP-IX**

Units issued: 3,213,589 units (March 31, 2019: nil units)  
 Units redeemed: 2,901,388 units (March 31, 2019: nil units)

113,500	-
98,750	-

**11. ALLOCATED EXPENSES**

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

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

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

**12. SELLING AND MARKETING EXPENSES**

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

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

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

**13. TOTAL EXPENSE RATIO**

The Total Expense Ratio of the Fund for the nine months period ended March 31, 2020 is 3.69% which includes 0.36% representing government levy and SECP fee.

**14. TAXATION**

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute atleast 90 percent of the net accounting income other than capital gains to the unitholders. The Fund has not recorded any tax liability as the Fund has incurred a net loss during the period.

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.

## 15. FINANCIAL INSTRUMENTS - FAIR VALUES

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 tradeable in an open market are revalued at 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.

### 15.1. 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: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities.
- Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at March 31, 2020 and June 30, 2019, the Fund held the following financial instruments measured at fair value:

	As at March 31, 2020			
	Level 1	Level 2	Level 3	Total
<b>ASSETS</b>	(Rupees in '000)			
Financial assets 'at fair value through profit or loss'	419,820	-	-	419,820

	As at June 30, 2019			
	Level 1	Level 2	Level 3	Total
<b>ASSETS</b>	(Rupees in '000)			
Financial assets 'at fair value through profit or loss'	1,658,927	-	-	1,658,927

## 16. GENERAL

16.1 Figures have been rounded off to the nearest thousand rupees.

16.2 Corresponding figures have been reclassified and rearranged in these condensed interim financial statements, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in these condensed interim financial statements.

## 17. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on \_\_\_\_\_ by the Board of Directors of the Management Company.

**For AI Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director








# Meezan Gold Fund

## MEEZAN GOLD FUND (MGF)

Meezan Gold Fund is Pakistan's first Shariah compliant Gold Fund. It invests in gold instruments in the most efficient manner, to provide maximum exposure to prices of Gold in a Shariah compliant (Islamic) manner. This is done by investing a significant portion of the Fund's net assets in deliverable gold based contracts available on the Pakistan Mercantile Index (PMEX).

 Multan Branch





# REACHING NEW HEIGHTS IN THE CITY OF SAINTS

TOMB OF SHAH  
RUKN-E-ALAM  
(MULTAN)



# FUND INFORMATION

## MANAGEMENT COMPANY

Al Meezan Investment Management Limited  
Ground Floor, Block "B", Finance & Trade Centre,  
Shahrah-e-Faisal Karachi 74400, Pakistan.  
Phone (9221) 35630722-6, 111-MEEZAN  
Fax: (9221) 35676143, 35630808  
Website: [www.almeezangroup.com](http://www.almeezangroup.com)  
E-mail: [info@almeezangroup.com](mailto:info@almeezangroup.com)

## BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Mohammad Shoaib, CFA	Chief Executive Officer
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Mohammad Furquan R Kidwai	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Moin M. Fudda	Independent Director
Ms. Saima Kamila Khan	Independent Director
Mr. Arshad Majeed	Nominee Director - MBL
Mr. Naeem Abdul Sattar	Nominee Director - PKIC
Syed Amir Ali Zaidi	Nominee Director - PKIC

## CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Syed Owais Wasti

## AUDIT COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Arshad Majeed	Member
Mr. Naeem Abdul Sattar	Member

## RISK MANAGEMENT COMMITTEE

Mr. Muhammad Abdullah Ahmed	Chairman
Syed Amir Ali Zaidi	Member
Mr. Naeem Abdul Sattar	Member

## HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Ariful Islam	Member
Mr. Naeem Abdul Sattar	Member
Mr. Mohammad Shoaib, CFA	Member

## TRUSTEE

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

## AUDITORS

A. F. Ferguson & Co.  
Chartered Accountants  
State Life Building# 1-C,  
I.I. Chundrigar Road, Karachi-74000

## SHARIAH ADVISER

Meezan Bank Limited

## BANKERS TO THE FUND

Bank Al Habib Limited- Islamic Banking  
Meezan Bank Limited  
Sindh Bank Limited  
UBL Ameen - Islamic Banking

## LEGAL ADVISER

Bawaney & Partners  
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,  
Phase VI, DHA, Karachi.  
Phone (9221) 35156191-94 Fax: (9221) 35156195  
E-mail:

## TRANSFER AGENT

Meezan Bank Limited  
Meezan House  
C-25, Estate Avenue, SITE, Karachi.  
Phone: 38103538 Fax: 36406017  
Website: [www.meezanbank.com](http://www.meezanbank.com)

## DISTRIBUTORS

Al Meezan Investment Management Limited  
Meezan Bank Limited

**MEEZAN GOLD FUND  
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES  
AS AT MARCH 31, 2020**



**Meezan  
Gold Fund**

		March 31, 2020 (Unaudited) (Rupees in '000)	June 30, 2019 (Audited) (Rupees in '000)
<b>Assets</b>			
Balances with banks	5	77,200	86,014
Investment in gold	6	340,587	364,344
Profit receivable on saving accounts		718	227
Receivable against sale of investments - net		881	3,065
Receivable against conversion of units		703	18,716
Deposits, prepayments and others		7,357	11,850
<b>Total assets</b>		<u>427,446</u>	<u>484,216</u>
<b>Liabilities</b>			
Payable to AI Meezan Investment Management Limited - the Management Company		907	776
Payable to Central Depository Company of Pakistan Limited - the Trustee		64	131
Payable to the Securities and Exchange Commission of Pakistan		69	224
Payable against conversion and redemption of units		577	288
Payable against purchase of investments - net		1,656	684
Payable to Meezan Bank Limited		72	6
Accrued expenses and other liabilities	10	5,331	4,546
<b>Total liabilities</b>		<u>8,676</u>	<u>6,655</u>
<b>Net assets</b>		<u>418,770</u>	<u>477,561</u>
<b>Contingencies and commitments</b>	8		
<b>Unit holders' fund (as per statement attached)</b>		<u>418,770</u>	<u>477,561</u>
		<b>(Number of units)</b>	
<b>Number of units in issue</b>		<u>5,557,983</u>	<u>7,008,422</u>
		<b>(Rupees)</b>	
<b>Net asset value per unit</b>		<u>75.3457</u>	<u>68.1410</u>

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

**For AI Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN GOLD FUND**  
**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**

	Note	Nine months period ended, March 31,		Quarter ended, March 31,	
		2020	2019	2020	2019
		(Rupees in '000)		(Rupees in '000)	
<b>Income</b>					
Realised gain on sale of investments		7,699	5,257	1,577	3,445
Profit on saving accounts with banks		4,889	1,216	1,358	444
Price adjustment charges	12	8,972	4,593	3,789	1,108
		21,560	11,066	6,724	4,997
Unrealised appreciation / (diminution) on re-measurement of investment in gold	6	29,034	29,510	9,703	(2,095)
<b>Total income</b>		<b>50,594</b>	<b>40,576</b>	<b>16,427</b>	<b>2,902</b>
<b>Expenses</b>					
Remuneration of AI Meezan Investment Management Limited - the Management Company		3,438	2,061	952	721
Sindh Sales Tax on remuneration of Management Company		447	268	124	94
Allocated expenses	9	344	206	95	72
Selling and marketing expenses	15	1,375	645	381	288
Remuneration of Central Depository Company of Pakistan Limited - the Trustee		585	350	162	122
Sindh Sales Tax on remuneration of the Trustee		76	46	21	16
Annual fee to the Securities and Exchange Commission of Pakistan	7	69	155	19	54
Auditors' remuneration		243	241	54	43
Brokerage expense		50	35	7	7
Fees and subscription		300	261	126	86
Bank and settlement charges		636	545	88	106
Custodian expense		3,027	1,834	833	644
Provision for Sindh Workers' Welfare Fund (SWWF)	10	800	679	271	13
Printing expenses		-	1	-	-
<b>Total expenses</b>		<b>11,390</b>	<b>7,327</b>	<b>3,133</b>	<b>2,266</b>
<b>Net income for the period before taxation</b>		<b>39,204</b>	<b>33,249</b>	<b>13,294</b>	<b>636</b>
Taxation	14	-	-	-	-
<b>Net income for the period after taxation</b>		<b>39,204</b>	<b>33,249</b>	<b>13,294</b>	<b>636</b>
<b>Allocation of net income for the period</b>					
Net income for the period after taxation		39,204	33,249		
Income already paid on units redeemed		(15,085)	(5,080)		
		<b>24,119</b>	<b>28,169</b>		
<b>Accounting income available for distribution</b>					
- Relating to capital gains		36,733	34,767		
- Excluding capital gains		(12,614)	(6,598)		
		<b>24,119</b>	<b>28,169</b>		

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

**For AI Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**



**MEEZAN GOLD FUND  
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)  
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**



**Meezan  
Gold Fund**

	Nine months period March 31,		Quarter ended, March 31,	
	2020 (Rupees in '000)	2019 (Rupees in '000)	2020 (Rupees in '000)	2019 (Rupees in '000)
Net income for the period after taxation	39,204	33,249	13,294	636
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>39,204</b>	<b>33,249</b>	<b>13,294</b>	<b>636</b>

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN GOLD FUND**  
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

	Nine months period ended March 31, 2020			Nine months period ended March 31, 2019		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	------(Rupees in '000)-----			------(Rupees in '000)-----		
Net assets at the beginning of the period	434,630	42,931	477,561	233,180	9,904	243,084
Issue of 5,496,122 units (2019: 3,937,521 units)						
- Capital value (at net asset value per unit at the beginning of the period)	374,511	-	374,511	223,130	-	223,130
- Element of income	32,788	-	32,788	12,094	-	12,094
Total proceeds on issuance of units	407,299	-	407,299	235,224	-	235,224
Redemption of 6,946,561 units (2019: 3,730,677 units)						
- Capital value (at net asset value per unit at the beginning of the period)	473,346	-	473,346	211,409	-	211,409
- Element of loss	16,864	15,085	31,949	5,693	5,080	10,773
Total payments on redemption of units	490,210	15,085	505,295	217,102	5,080	222,182
Total comprehensive income for the period	-	39,204	39,204	-	33,249	33,249
Distribution during the period	-	-	-	-	-	-
Net income for the period less distribution	-	39,204	39,204	-	33,249	33,249
<b>Net assets at the end of the period</b>	<b>351,720</b>	<b>67,050</b>	<b>418,770</b>	<b>251,302</b>	<b>38,073</b>	<b>289,375</b>
<b>Undistributed income brought forward</b>						
- Realised loss		(23,741)			(19,027)	
- Unrealised income		66,672			28,931	
		42,931			9,904	
Accounting income available for distribution (after adjusting income already paid on units redeemed)						
- Relating to capital gains	36,733			34,767		
- Excluding capital gains	(12,614)			(6,598)		
	24,119			28,169		
Distribution for the period		-			-	
Undistributed income carried forward		67,050			38,073	
<b>Undistributed income carried forward</b>						
- Realised income		38,016			8,563	
- Unrealised income		29,034			29,510	
		67,050			38,073	
		(Rupees)			(Rupees)	
Net assets value per unit at the beginning of the period	68.1410			56.6676		
Net assets value per unit at the end of the period	75.3457			64.3558		

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**MEEZAN GOLD FUND  
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**



**Meezan  
Gold Fund**

	Nine months period ended, March 31,	
	2020	2019
	(Rupees in '000)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	39,204	33,249
<b>Adjustments for:</b>		
Unrealised appreciation on re-measurement of investment in gold	(29,034)	(29,510)
	10,170	3,739
<b>Decrease / (Increase) in assets</b>		
Investments - net	52,791	(17,370)
Receivable against sale of investments - net	2,184	(440)
Profit receivable on saving accounts	(491)	(25)
Deposits and prepayments	4,493	(7)
	58,977	(17,842)
<b>Increase / (Decrease) in liabilities</b>		
Payable to AI Meezan Investment Management Limited - Management Company	131	589
Payable to Central Depository Company of Pakistan Limited - Trustee	(67)	53
Payable to the Securities and Exchange Commission of Pakistan	(155)	(119)
Payable against purchase of investments - net	972	4,574
Payable to Meezan Bank Limited	66	(2)
Accrued expenses and other liabilities	785	882
	1,732	5,977
<b>Net cash generated from / (used in) operating activities</b>	70,879	(8,126)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts against issuance and conversion of units	425,312	238,740
Payment against conversion and redemption of units	(505,006)	(221,740)
<b>Net cash (used in) / generated from financing activities</b>	(79,693)	17,000
<b>Net (decrease) / increase in cash and cash equivalents during the period</b>	(8,814)	8,874
Cash and cash equivalents at the beginning of the period	86,014	29,332
<b>Cash and cash equivalents at the end of the period</b>	5 77,200	38,206

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

**For AI Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

## **MEEZAN GOLD FUND**

### **NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

#### **1. LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1** Meezan Gold Fund is an open ended mutual fund constituted under a Trust Deed entered into on October 15, 2014 between Al Meezan Investment Management Company as the Management Company and Central Depository Company of Pakistan Limited as the Trustee. The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The Fund is registered as a Notified entity under Non-Banking Finance Companies and Notified Entities Regulations, (NBFC Regulations) issued through S.R.O.1203(I)/2008 on November 21, 2008. The Fund commenced its operations from August 18, 2015. The registered office of the Management Company is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shariah-e-Faisal, Karachi 74400, Pakistan.
- 1.2** The Fund is an open-ended Shariah Compliant (Islamic) Commodity Fund that aims to provide maximum exposure to prices of Gold in a Shariah Compliant (Islamic) manner by investing a significant portion of the Fund's net assets in deliverable gold based contracts available on Pakistan Mercantile Exchange Limited (PMEX). Furthermore, all investments of the Fund's property shall be in accordance with the Shariah as advised by the Shariah Advisor. The Fund shall also be subject to the rules and regulations framed by the State Bank of Pakistan with regard to the foreign investments made by the Fund and investments made in the Fund from outside Pakistan in foreign currency. The investments in Gold contracts listed at the Commodity Exchange shall be subject to the PMEX Regulations and / or rules and regulations of the pertinent Commodity Exchange, if the Commodity Exchange is other than PMEX. All pertinent contracts, agreements and documents of PMEX shall be approved by Shariah advisor. Under the Trust Deed, all the conducts and acts of the fund are based on Shariah. The management company has appointed Meezan Bank Limited as its Shariah advisor to ensure that the activities of the fund are in compliance with the principles of Shariah. The investment objectives and policies are explained in the Fund's Offering document.
- 1.3** The Fund has been categorised as a Shariah compliant Commodity Scheme by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009. The units of the Fund were initially offered for public subscription at a par value of Rs 50 per unit. Thereafter, the units are being offered for public subscription on a continuous basis from August 13, 2015 and are transferable and redeemable by surrendering them to the Fund.
- 1.4** The Management Company has been assigned a quality rating of AM1 by VIS Credit Rating Company Limited dated March 31, 2020 (2018: AM1 dated December 28, 2018) and by PACRA dated December 28, 2019. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.5** Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as trustee of the Fund. The fund is listed on Pakistan Stock Exchange Limited.

#### **2. BASIS OF PRESENTATION**

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

#### **3. BASIS OF PREPARATION**

##### **3.1 STATEMENT OF COMPLIANCE**

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

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

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

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2019.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2020.

#### **4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT**

- 4.1** The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2019.
- 4.2** The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2019.
- 4.3** 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 impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

		<b>March 31, 2020 (Unaudited)</b>	<b>June 30, 2019 (Audited)</b>
	<b>Note</b>	<b>(Rupees in '000)</b>	
<b>5. BALANCES WITH BANKS</b>			
In saving accounts	5.1	77,106	85,920
In current accounts		94	94
		<u>77,200</u>	<u>86,014</u>

5.1 The balance in saving accounts have an expected profit ranging from 3.7% to 13% per annum (June 30, 2019: 6.30% to 11.85% per annum).

		<b>March 31, 2020 (Unaudited)</b>	<b>June 30, 2019 (Audited)</b>
	<b>Note</b>	<b>(Rupees in '000)</b>	
<b>6. INVESTMENTS</b>			
Investment in gold	6.1	<u>340,587</u>	<u>364,344</u>

#### 6.1 Investment in gold

Commodity	As at July 1, 2019	Purchases during the period	Sales during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised gain	Percentage in relation to Net assets of the Fund
	----- (Tola) -----				----- (Rupees in '000) -----			--- (%) ---
TOLAGOLD	4,400	1,519	2,244	3,675	310,316	339,203	28,887	81.00%
MITOLA	15,000	-	-	15,000	1,238	1,385	147	0.33%
<b>Total as at March 31, 2020</b>					<u>311,553</u>	<u>340,587</u>	<u>29,034</u>	

6.1.1 The Pakistan Mercantile Exchange (PMEX) delivers refined Gold in 10 TOLA Bars. These are physically held by PMEX under their custody in the vaults of a commercial bank.

6.1.2 The investment in gold of Rs 340.587 million (June 30, 2019: Rs 364.344 million) has been measured at fair value based on the quoted market price in active markets.

#### 7. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP).

Effective from July 1, 2019, the SECP vide SRO No. 685(I)/2019 dated June 28, 2019 has revised the rate of annual fee to 0.02% of net assets, applicable on all categories of CISs. Previously, the rate of annual fee applicable to a Commodity Fund was 0.075%. Accordingly, the Fund has charged SECP Fee at the rate of 0.02% of net assets during the current period.

#### 8. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2020 and June 30, 2019.

#### 9. ALLOCATED EXPENSES

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

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

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



10. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	March 31,	June 30,
		2020 (Unaudited)	2019 (Audited)
		(Rupees in '000)	
Auditor's remuneration		132	175
Custodian fee payable		139	257
Provision for Sindh Worker's Welfare Fund (SWWF)	10.1	3,966	3,166
Withholding tax payable		3	21
Capital gain tax payable		103	51
Shariah advisory fee payable		277	159
Zakat payable		-	6
Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	10.2	414	414
Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	10.2	297	297
		5,331	4,546

**10.1** 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 condensed interim financial statements of the Fund for the period from May 21, 2015 to March 31, 2020, the net asset value per unit of the Fund as at March 31, 2020 would have been higher by Re 0.71 per unit (June 30, 2019: Re 0.45 per unit)

**10.2** The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16% on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from July 01, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 01, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 0.71 million is being retained in the condensed interim financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the Net Asset Value of the Fund as at June 30, 2019 would have been higher by Re 0.14 (June 30, 2019: Re 0.10) per unit.

## 11. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at March 31, 2020 is 3.31% which includes 0.41% representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund (if any), sales taxes, annual fee to the SECP, etc. (June 30, 2019: 3.78% and 0.80%). This ratio is within the maximum limit of 3% (excluding government levies) prescribed under the NBFC Regulations for a collective investment scheme categorised as a Commodity Scheme.

## 12. PRICE ADJUSTMENT CHARGES

Securities and Exchange Commission of Pakistan (SECP) vide Circular no.40 SCD/AMCW/ MGF/63/2017 dated June 14, 2017, allowed the fund to charge price adjustment charges. Price adjustment charge is a difference between the offer price and the bid price from the closing price of the Gold transactions (contract) available at PMEX, which is added to and deducted from the NAV to determine Offer and Redemption prices respectively. Such charges form part of Fund Property.

Currently, price adjustment charges added / deducted to form NAV of the fund to determine offer / redemption price is 1% of NAV.

## 13. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include Al Meezan Investment Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, Directors and Executives of the Management Company, other Funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited - Employees Gratuity Fund and unit holders holding 10 percent or more of the Fund's net assets.

Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

Details of transactions with connected persons and balances with them are as follows:

	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
	(Rupees in '000)	
<b>Al Meezan Investment Management Limited - the Management Company</b>		
Remuneration payable	337	297
Sindh Sales Tax on management fee payable	44	39
Sales load payable	99	29
Sindh Sales Tax on sales load payable	13	4
Selling and marketing expenses payable	381	373
Allocated expenses payable	34	30
<b>Meezan Bank Limited</b>		
Bank balance	53,474	38,321
Sales load payable	64	5
Sindh sales tax on sales load payable	8	1
Profit receivable on saving account	185	11
Investment of 1,084,712 units (June 30, 2019: 1,084,712 units)	81,728	75,548
<b>Central Depository Company of Pakistan Limited - the Trustee</b>		
Trustee fee payable	57	116
Sindh Sales Tax on trustee fee payable	7	15
<b>Directors and Executives of the Management Company</b>		
Investment of 365,555 units (June 30, 2019: 284,312 units)	27,242	19,374
<b>Unitholders holding 10% or more units of the Fund</b>		
Investment of 1,272,869 units (June 30, 2019: 1,236,347 units)	95,905	84,246



**Nine months period ended,  
March 31,**

**2020                      2019**

**(Unaudited)**

**(Rupees in '000)**

**AI Meezan Investment Management Limited - the Management Company**

Remuneration for the period	3,438	2,061
Sindh Sales Tax on management fee for the period	447	268
Allocated expenses	344	206
Selling and marketing expense	1,375	645

**Meezan Bank Limited**

Profit on saving account	1,431	355
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**Central Depository Company of Pakistan Limited - the Trustee**

Remuneration for the period	585	350
Sindh Sales Tax on trustee fee for the period	76	46

**Directors and Executives of the Management Company**

Units issued: 226,159 units (March 31, 2019: 137,239 units)	16,790	8,568
Units redeemed: 148,915 units (March 31, 2019: 27,814 units)	10,695	2,264

**14. TAXATION**

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% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. No provision for taxation has been made in these condensed interim financial statements during the period since the net income of the fund only pertains to capital gains (realised and unrealised).

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 Finance Act, 2015 is also not applicable on funds as Section 4B of Income Tax Ordinance, 2001.

**15. SELLING AND MARKETING EXPENSES**

The SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) initially for a period of three years (i.e from January 1, 2017 till March 31, 2020). The maximum cap of selling and marketing expense was 0.4% per annum of the net assets of the Fund or actual expenses whichever is lower.

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

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

**16. FAIR VALUE OF FINANCIAL INSTRUMENTS**

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

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

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).

Investments in gold are non-financial assets and the fair value is disclosed in note 6.1 to these financial statements.

As at March 31, 2020, the Fund does not hold any asset which required fair valuation.

#### **17. GENERAL**

**17.1** Figures have been rounded off to the nearest thousand rupees.

**17.2** Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in these condensed interim financial statements during the period.

#### **18. DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements were authorised for issue on \_\_\_\_\_ by the Board of Directors of the Management Company.

**For AI Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
**Chief Executive**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**





**Meezan**  
Islamic Income Fund

## **MEEZAN ISLAMIC INCOME FUND (MIIF)**

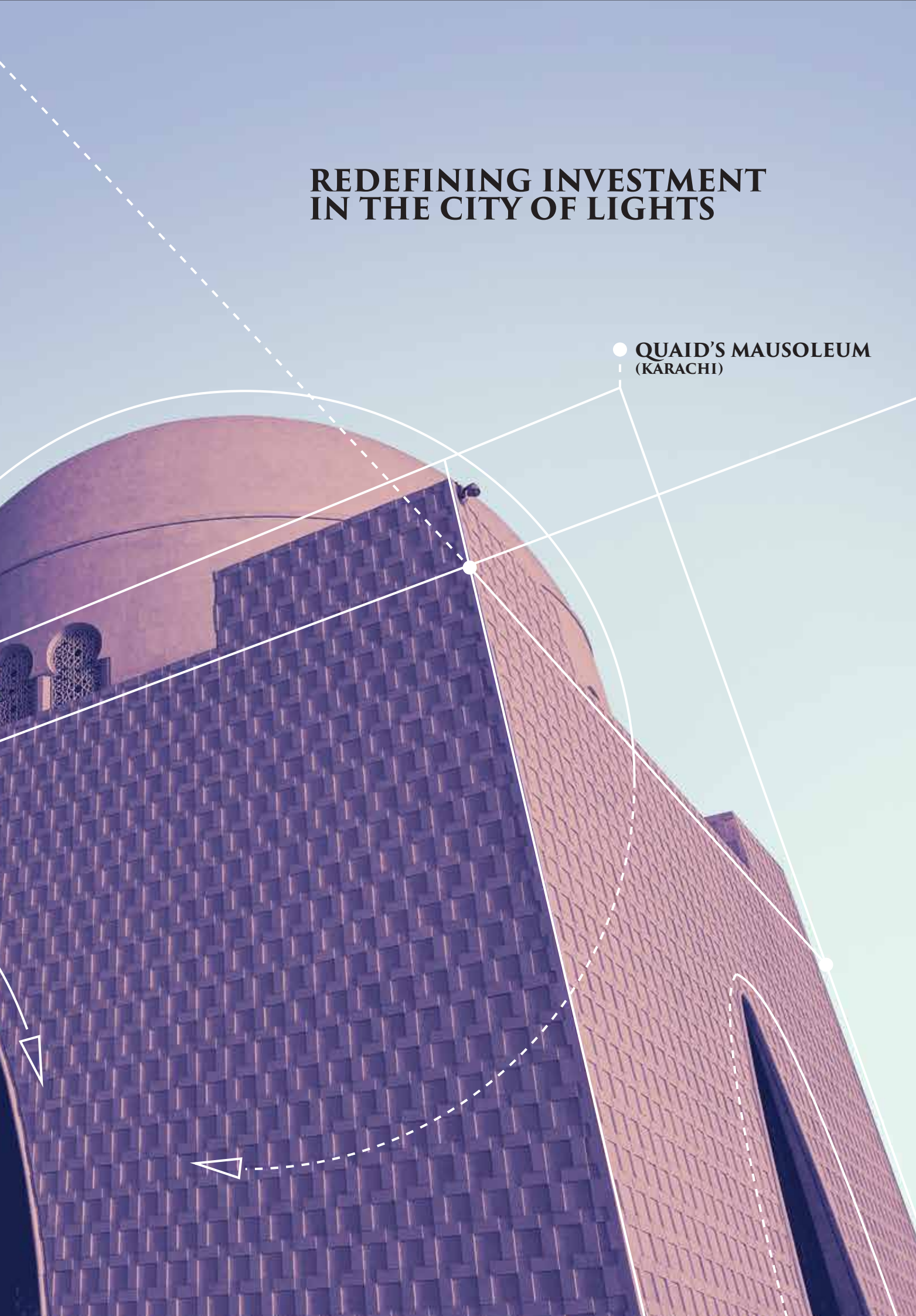
Meezan Islamic Income Fund is Pakistan's first Shariah compliant income fund scheme. The purpose of Meezan Islamic Income Fund is to provide investors with a high and stable rate of current income consistent with long term preservation of capital in a Shariah compliant way.

- ◆ Bahadurabad Branch
- ◆ Clifton Branch
- ◆ DHA Branch
- ◆ DHA Badar Commercial Branch
- ◆ FTC Branch
- ◆ Gulshan-E-Iqbal Branch
- ◆ Gulistan-E-Jauhar Branch
- ◆ North Nazimabad Branch
- ◆ Sales Hub Karachi
- ◆ Site Area Branch



# REDEFINING INVESTMENT IN THE CITY OF LIGHTS

● **QUAID'S MAUSOLEUM  
(KARACHI)**



# FUND INFORMATION

## MANAGEMENT COMPANY

Al Meezan Investment Management Limited  
Ground Floor, Block "B", Finance & Trade Centre,  
Shahrah-e-Faisal Karachi 74400, Pakistan.  
Phone (9221) 35630722-6, 111-MEEZAN  
Fax: (9221) 35676143, 35630808  
Website: [www.almeezangroup.com](http://www.almeezangroup.com)  
E-mail: [info@almeezangroup.com](mailto:info@almeezangroup.com)

## BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Mohammad Shoaib, CFA	Chief Executive Officer
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Mohammad Furquan R Kidwai	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Moin M. Fudda	Independent Director
Ms. Saima Kamila Khan	Independent Director
Mr. Arshad Majeed	Nominee Director - MBL
Mr. Naeem Abdul Sattar	Nominee Director - PKIC
Syed Amir Ali Zaidi	Nominee Director - PKIC

## CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Syed Owais Wasti

## AUDIT COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Arshad Majeed	Member
Mr. Naeem Abdul Sattar	Member

## RISK MANAGEMENT COMMITTEE

Mr. Muhammad Abdullah Ahmed	Chairman
Syed Amir Ali Zaidi	Member
Mr. Naeem Abdul Sattar	Member

## HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Ariful Islam	Member
Mr. Naeem Abdul Sattar	Member
Mr. Mohammad Shoaib, CFA	Member

## TRUSTEE

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

## AUDITORS

A. F. Ferguson & Co.  
Chartered Accountants  
State Life Building# 1-C,  
I.I. Chundrigar Road , Karachi-74000

## SHARIAH ADVISER

Meezan Bank Limited

## BANKERS TO THE FUND

Allied Bank Limited	Habib Metropolitan Bank Limited - Islamic Banking
Al Baraka Islamic Bank B.S.C (E.C)	MCB Bank Limited
Askari Bank Limited - Islamic Banking	MCB Islamic Bank Limited
Bank Al Habib Limited - Islamic Banking	Meezan Bank Limited
Bank Alfalah Limited	National Bank of Pakistan - Islamic Banking
Bank Islami Pakistan Limited	Samba Bank Limited
Dubai Islamic Bank Pakistan Limited	Sindh Bank Limited
Faysal Bank Limited - Islamic Banking	UBL Ameen - Islamic Banking
Habib Bank Limited -Islamic Banking	

## LEGAL ADVISER

Bawaney & Partners  
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,  
Phase VI, DHA, Karachi.  
Phone (9221) 35156191-94 Fax: (9221) 35156195  
E-mail:

## TRANSFER AGENT

Meezan Bank Limited  
Meezan House  
C-25, Estate Avenue, SITE, Karachi.  
Phone: 38103538 Fax: 36406017  
Website: [www.meezanbank.com](http://www.meezanbank.com)

## DISTRIBUTORS

Al Meezan Investment Management Limited  
Meezan Bank Limited



**MEEZAN ISLAMIC INCOME FUND**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT MARCH 31, 2020**

		<b>March 31, 2020 (Unaudited)</b>	<b>June 30, 2019 (Audited)</b>
	<b>Note</b>	<b>(Rupees in '000)</b>	
<b>Assets</b>			
Balances with banks	5	<b>13,901,436</b>	2,971,017
Investments	6	<b>11,827,182</b>	6,454,219
Receivable against conversion of units		<b>6,273</b>	3,802
Deposits, prepayments, profit accrued and other receivables		<b>316,148</b>	258,982
<b>Total assets</b>		<b>26,051,039</b>	9,688,020
<b>Liabilities</b>			
Payable to Al Meezan Investment Management Limited - the Management Company		<b>51,966</b>	19,857
Payable to Central Depository Company of Pakistan Limited - the Trustee	7	<b>1,867</b>	838
Payable to the Securities and Exchange Commission of Pakistan	8	<b>2,864</b>	7,822
Payable to Meezan Bank Limited		<b>3,305</b>	399
Payable against redemption and conversion of units		<b>24,376</b>	45,063
Accrued expenses and other liabilities	9	<b>136,965</b>	142,719
<b>Total liabilities</b>		<b>221,343</b>	216,698
<b>Net assets</b>		<b>25,829,696</b>	9,471,322
<b>Contingencies and commitments</b>	10		
<b>Unit holders' fund (as per statement attached)</b>		<b>25,829,696</b>	9,471,322
		<b>(Number of units)</b>	
<b>Number of units in issue</b>		<b>460,016,063</b>	184,135,657
		<b>(Rupees)</b>	
<b>Net asset value per unit</b>		<b>56.1496</b>	51.4367

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN ISLAMIC INCOME FUND**  
**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**

	Note	Nine months period ended		Quarter ended	
		March 31,		March 31,	
		2020	2019	2020	2019
		(Rupees in '000)		(Rupees in '000)	
<b>Income</b>					
Profit on saving accounts with banks		1,087,531	260,023	422,077	107,537
Profit on term deposit receipts		-	22,574	-	4,150
Profit on certificates of musharakah		92,471	76,739	46,989	27,837
Profit on sukuk certificates		662,369	338,054	241,377	141,710
Profit on Bai Muajjal		75,566	-	75,566	-
Net realised gain / (loss) on sale of sukuk certificates		20,905	(26,611)	64	(11,103)
Other income		1,674	1,393	545	9
		<u>1,940,516</u>	<u>672,172</u>	<u>786,618</u>	<u>270,140</u>
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.1.2	<u>12,032</u>	<u>(15,717)</u>	<u>16,199</u>	<u>(16,529)</u>
<b>Total income</b>		<u>1,952,548</u>	<u>656,455</u>	<u>802,817</u>	<u>253,611</u>
<b>Expenses</b>					
Remuneration of AI Meezan Investment Management Limited - the Management Company		126,916	64,146	52,183	23,862
Sindh Sales Tax on remuneration of the Management Company		16,499	8,339	6,784	3,102
Allocated expenses	12	21,165	7,783	8,896	2,631
Selling and marketing expense	14	57,288	1,584	23,723	1,584
Remuneration of Central Depository Company of Pakistan Limited - the Trustee	7	10,741	6,649	4,448	2,236
Sindh Sales Tax on remuneration of the trustee		1,396	864	578	290
Annual fee to the Securities and Exchange Commission of Pakistan	8	2,864	5,837	1,186	1,973
Auditors' remuneration		524	520	125	106
Fees and subscription		1,056	1,057	350	344
Brokerage expense		598	638	458	414
Bank and settlement charges		998	212	574	51
Provision for Sindh Workers' Welfare Fund (SWWF)	9.1	34,250	11,168	14,070	4,337
Printing expense		-	415	-	138
<b>Total expenses</b>		<u>274,295</u>	<u>109,212</u>	<u>113,375</u>	<u>41,068</u>
<b>Net income for the period before taxation</b>		<u>1,678,253</u>	<u>547,243</u>	<u>689,442</u>	<u>212,543</u>
Taxation	15	-	-	-	-
<b>Net income for the period after taxation</b>		<u>1,678,253</u>	<u>547,243</u>	<u>689,442</u>	<u>212,543</u>
<b>Allocation of net income for the period</b>					
Net income for the period after taxation		1,678,253	547,243		
Income already paid on units redeemed		(443,116)	(170,440)		
		<u>1,235,137</u>	<u>376,803</u>		
<b>Accounting income available for distribution</b>					
- Relating to capital gains		32,937	-		
- Excluding capital gains		1,202,200	376,803		
		<u>1,235,137</u>	<u>376,803</u>		

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

**For AI Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**MEEZAN ISLAMIC INCOME FUND**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**



	Nine months period March 31,		Quarter ended, March 31,	
	2020	2019	2020	2019
	(Rupees in '000)		(Rupees in '000)	
<b>Net income for the period after taxation</b>	<b>1,678,253</b>	547,243	<b>689,442</b>	212,543
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>1,678,253</b>	<b>547,243</b>	<b>689,442</b>	<b>212,543</b>

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

**For AI Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
 Chief Executive

\_\_\_\_\_  
 Chief Financial Officer

\_\_\_\_\_  
 Director

**MEEZAN ISLAMIC INCOME FUND**  
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

	Nine months period ended March 31, 2020			Nine months period ended March 31, 2019		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the period	9,297,919	173,403	9,471,322	9,755,035	410,879	10,165,914
Issuance of 722,967,187 units (2019: 272,364,135 units)						
- Capital value (at net asset value per unit at the beginning of the period)	37,187,045	-	37,187,045	13,997,174	-	13,997,174
- Element of income	1,589,603	-	1,589,603	352,320	-	352,320
Total proceeds on issuance of units	38,776,648	-	38,776,648	14,349,494	-	14,349,494
Redemption of 447,086,781 units (2019: 270,906,002 units)						
- Capital value (at net asset value per unit at the beginning of the period)	22,996,669		22,996,669	13,922,239	-	13,922,239
- Element of loss	656,743	443,116	1,099,859	198,874	170,440	369,314
Total payments on redemption of units	23,653,411	443,116	24,096,528	14,121,113	170,440	14,291,553
Total comprehensive income for the period	-	1,678,253	1,678,253	-	547,243	547,243
Distribution during the period	-	-	-	-	(245,803)	(245,803)
Refund of capital	-	-	-	(170,684)	-	(170,684)
	-	1,678,253	1,678,253	(170,684)	301,440	130,756
<b>Net assets at the end of the period</b>	<b>24,421,156</b>	<b>1,408,540</b>	<b>25,829,696</b>	<b>9,812,732</b>	<b>541,879</b>	<b>10,354,611</b>
Undistributed income brought forward						
- Realised income		192,274			441,879	
- Unrealised loss		(18,871)			(31,000)	
		173,403			410,879	
Accounting income available for distribution (after adjusting income already paid on units redeemed)						
- Relating to capital gains		32,937			-	
- Excluding capital gains		1,202,200			376,803	
		1,235,137			376,803	
Distribution during the period nil [(2018: at Rs. 2.1954 per unit) i.e. 4.39% of the par value of Rs. 50/- each (July 6, 2018)]					(245,803)	
Undistributed income carried forward		1,408,540			541,879	
<b>Undistributed income carried forward</b>						
- Realised income		1,396,508			557,596	
- Unrealised income / (loss)		12,032			(15,717)	
		1,408,540			541,879	
			(Rupees)		(Rupees)	
Net assets value per unit at the beginning of the period			51.4367			53.5868
Net assets value per unit at the end of the period			56.1496			54.1652

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**



**MEEZAN ISLAMIC INCOME FUND  
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**



	Nine months period ended March 31,	
	2020	2019
Note	(Rupees in '000)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	1,678,253	547,243
<b>Adjustments for</b>		
Net unrealised (appreciation) / diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(12,032)	15,717
	<u>1,666,221</u>	<u>562,960</u>
<b>Increase decrease in assets</b>		
Investments - net	(5,360,931)	(939,501)
Deposits, prepayments, profit accrued and other receivables	(57,166)	(48,043)
	<u>(5,418,097)</u>	<u>(987,544)</u>
<b>Increase / (decrease) in liabilities</b>		
Payable to Al Meezan Investment Management Limited - the Management Company	32,109	5,365
Payable to Central Depository Company of Pakistan Limited - the Trustee	1,029	71
Payable to the Securities and Exchange Commission of Pakistan	(4,958)	(2,371)
Payable to Meezan Bank Limited	2,906	(621)
Accrued expenses and other liabilities	(5,754)	14,538
	<u>25,332</u>	<u>16,982</u>
<b>Net cash used in operating activities</b>	<u>(3,726,544)</u>	<u>(407,602)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts against issuance and conversion of units	38,774,178	14,258,448
Payments against redemption and conversion of units	(24,117,215)	(14,297,862)
Dividend paid	-	(245,803)
<b>Net cash generated from / (used in) financing activities</b>	<u>14,656,963</u>	<u>(285,217)</u>
<b>Net increase / (decrease) in cash and cash equivalents during the period</b>	<u>10,930,419</u>	<u>(692,819)</u>
Cash and cash equivalents at the beginning of the period	2,971,017	4,070,871
<b>Cash and cash equivalents at the end of the period</b>	<u>5</u> <u>13,901,436</u>	<u>3,378,052</u>

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN ISLAMIC INCOME FUND**  
**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

**1. LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1** Meezan Islamic Income Fund (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on September 13, 2006 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) notified through S.R.O. 1203 (I) / 2008 on November 21, 2008. The Management Company has been licensed by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2** The Fund has been formed to provide the unitholders safe and stable stream of halal income on their investments and to generate superior long-term risk adjusted returns. The Fund shall also keep an exposure in short-term instruments for the purpose of maintaining liquidity and to capitalise on exceptional returns if available at any given point of time. Under the Trust Deed all conducts and acts of the Fund are based on Shariah principles. Meezan Bank Limited acts as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah. The investment objectives and policies are explained in the Fund's offering document.
- 1.3** The Fund is listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund is categorised as an Open End Shariah Compliant (Islamic) Income Scheme in accordance with Circular 7 of 2009 issued by the SECP.
- 1.4** The Management Company has been assigned a quality rating of AM1 by VIS dated December 31, 2019 (2018: AM1 dated December 28, 2018) and by PACRA dated December 28, 2019. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes. The Fund has been given a stability rating of A(f) by VIS Credit Rating Company Limited.
- 1.5** Title to the assets of the Fund are in the name of CDC as the Trustee of the Fund.

**2. BASIS OF PRESENTATION**

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

**3. BASIS OF PREPARATION**

**3.1 STATEMENT OF COMPLIANCE**

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

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

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

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2019.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2020.

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT

4.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2019.

4.2 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2019. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2019.

#### 4.3 Amendments to published accounting and reporting standards that are effective in the current period

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 condensed interim financial statements.

		March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
	Note	(Rupees in '000)	
<b>5. BALANCES WITH BANKS</b>			
In saving accounts	5.1	13,901,392	2,970,973
In current accounts		44	44
		<u>13,901,436</u>	<u>2,971,017</u>

5.1 The balance in saving accounts have an expected profit ranging from 3.00% to 13.00% per annum (June 30, 2019: 3.32% to 12.50% per annum).

	Note	March 31, 2020 (Unaudited) (Rupees in '000)	June 30, 2019 (Audited) (Rupees in '000)
<b>6. INVESTMENTS</b>			
<b>Investments - 'at fair value through profit or loss'</b>			
Sukuk certificates	6.1	5,113,316	4,277,722
Certificates of Musharakah	6.2	1,600,000	750,000
Commercial papers	6.3	1,274,547	1,426,497
Bai Muajjal receivable	6.4	3,839,319	-
		<u>11,827,182</u>	<u>6,454,219</u>
<b>6.1 Sukuk Certificates</b>			
Government securities	6.1.1	-	600,000
Corporate sukus	6.1.2	5,113,316	3,677,722
		<u>5,113,316</u>	<u>4,277,722</u>

**6.1.1 Government Securities**

Name of the security	Maturity date	Profit rate	As at July 1, 2019	Purchases during the period	Sales / maturity during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised appreciation/ (diminution)	Percentage in relation to	
										Net assets of the Fund	Total market value of investment
			----- Number of certificates -----				----- (Rupees in '000) -----			----- % -----	
Pakistan Energy Sukuk	March 1, 2029	6 months KIBOR plus base rate of 0.8%	120,000	-	120,000	-	-	-	-	-	-
<b>Total as at March 31, 2020</b>							-	-	-	-	-
Total as at June 30, 2019							600,000	600,000	-	6.33	9.30

**6.1.2 Corporate Sukus**

Name of the security	Maturity date	Profit rate	As at July 1, 2019	Purchases during the period	Sales / redemptions during the period	As at March 31, 2020	* Carrying value as at March 31, 2020	* Market value as at March 31, 2020	Unrealised appreciation / (diminution)	Percentage in relation to		
										Net assets of the Fund	Total issue (with face value of investment)	Total market value of investment
			---- (Number of certificates) ----				----- (Rupees in '000) -----			----- % -----		
Arzoo Textile Mills Limited (note 6.1.2.1 & 6.1.2.2) *	April 15, 2014	6 months KIBOR plus base rate of 2%	14,000	-	-	14,000	-	-	-	-	9.46	-
Eden Housing Limited (note 6.1.2.1 & 6.1.2.2) *	September 29, 2014	6 months KIBOR plus base rate of 2.5%	59,400	-	-	59,400	-	-	-	-	12.32	-
Security Leasing Corporation Limited II (note 6.1.2.1 & 6.1.2.2) *	January 19, 2022	Nil	3,081	-	-	3,081	-	-	-	-	6.67	-
<b>BANKS</b>												
Dubai Islamic Bank Pakistan Limited (AA-, VIS, traded) (note 6.1.2.1)	July 14, 2027	6 months KIBOR plus base rate of 0.5%	513	60	35	538	547,127	546,072	(1,055)	2.11	13.45	4.62

Name of the security	Maturity date	Profit rate	As at July 1, 2019	Purchases during the period	Sales / redemptions during the period	As at March 31, 2020	* Carrying value as at March 31, 2020	* Market value as at March 31, 2020	Unrealised appreciation / (diminution)	Percentage in relation to		
										Net assets of the Fund	Total issue (with face value of investment)	Total market value of investment
			---- (Number of certificates) ----			----- (Rupees in '000) -----			----- % -----			
Meezan Bank Limited Tier - II (AA, VIS, traded) (note 6.1.2.1)	September 22, 2026	6 months KIBOR plus base rate of 0.50%	368	-	70	298	297,993	302,470	4,477	1.17	4.26	2.56
<b>FERTILIZER</b>												
Engro Fertilizer Limited (AA, PACRA, non-traded) (note 6.1.2.1)	July 9, 2019	6 months KIBOR plus base rate of 1.75%	14,875	-	14,875	-	-	-	-	-	-	-
Fatima Fertilizer Company Limited (AA-, PACRA, non-traded) (note 6.1.2.1)	November 28, 2021	6 months KIBOR plus base rate of 1.10%	29,833	58,000	7,567	80,266	404,491	401,962	(2,529)	1.56	9.56	3.40
<b>OIL &amp; GAS MARKETING COMPANIES</b>												
Hascol Petroleum Limited (BBB+, VIS, non-traded) (note 6.1.2.1 & 6.1.2.2)	January 06, 2022	3 months KIBOR plus base rate of 1.50%	44,000	-	12,000	32,000	161,200	160,199	(1,001)	0.62	9.00	1.35
<b>POWER GENERATION &amp; DISTRIBUTION</b>												
K-Electric Limited (sukuk 4) (AA+, VIS, non-traded) (note 6.1.2.1)	June 17, 2022	3 months KIBOR plus base rate of 1.00%	15,692	-	15,692	-	-	-	-	-	-	-
K-Electric Limited (sukuk 5) (AA+, VIS) (note 6.1.2.1)	December 27, 2026	3 months KIBOR plus base rate of 1.70%	-	80,000	-	80,000	400,000	400,000	-	1.55	1.60	3.38
Hub Power Company Limited (A1+, PACRA) (note 6.1.2.1)	November 26, 2019	3 months KIBOR plus base rate of 1.00%	120,000	-	120,000	-	-	-	-	-	-	-
Hub Power Company Limited (A1+, PACRA) (note 6.1.2.1)	October 2, 2019	3 months KIBOR plus base rate of 1.00%	70,000	-	70,000	-	-	-	-	-	-	-
Hub Power Company Limited (AA+, PACRA), traded (note 6.1.2.1)	August 22, 2023	3 months KIBOR plus base rate of 1.90%	-	5,710	150	5,560	556,431	561,701	5,270	2.17	7.94	4.75
Hub Power Company Limited (AA+, PACRA) (note 6.1.2.1)	May 21, 2020	3 months KIBOR plus base rate of 1.50%	-	5,000	-	5,000	500,000	500,000	-	1.94	11.11	4.23
Hub Power Company Limited (AA+, PACRA) (note 6.1.2.1)	March 19, 2024	1 year KIBOR plus base rate of 1.900%	-	6,850	-	6,850	685,000	685,000	-	2.65	13.70	5.79
Engro Powergen Thar (Private) Limited (A, PACRA, traded) (note 6.1.2.1)	August 2, 2024	3 months KIBOR plus base rate of 1.10%	-	53,000	3,000	50,000	250,000	250,000	-	0.97	8.33	2.11
<b>PHARMACEUTICALS</b>												
AGP Limited (A+, PACRA, traded) (note 6.1.2.1)	June 9, 2022	3 months KIBOR plus base rate of 1.30%	1,712	-	428	1,284	128,385	129,669	1,284	0.50	11.65	1.10
<b>CEMENT &amp; CONSTRUCTION</b>												
Javedan Corporation Limited (AA-, VIS non-traded) (note 6.1.2.1)	October 4, 2026	6 months KIBOR plus base rate of 1.75%	1,000	-	-	1,000	99,535	100,054	519	0.39	3.34	0.85

Name of the security	Maturity date	Profit rate	As at July 1, 2019	Purchases during the period	Sales / redemptions during the period	As at March 31, 2020	* Carrying value as at March 31, 2020	* Market value as at March 31, 2020	Unrealised appreciation / (diminution)	Percentage in relation to		
										----- (Number of certificates) -----	----- (Rupees in '000) -----	----- % -----

**STEEL & ALLIED PRODUCTS**

Agha Steel Industries (A, VIS) (note 6.1.2.1)	October 9, 2024	3 months KIBOR plus base rate of 0.80%	250	-	-	250	250,000	250,000	-	0.97	5.00	2.11
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**CHEMICALS**

Engro Polymer and Chemicals Limited (AA, PACRA, traded) (note 6.1.2.1)	July 11, 2026	3 months KIBOR plus base rate of 0.90%	3,000	-	-	3,000	301,406	303,934	2,528	1.18	3.43	2.57
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**TEXTILE COMPOSITE**

Masood Textile Mills Limited (A, VIS, traded) (note 6.1.2.1)	December 17, 2024	3 months KIBOR plus base rate of 2.00%	-	150	15	135	135,000	134,865	(135)	0.52	5.40	1.14
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**MISCELLANEOUS**

International Brands Limited (AA, VIS, non-traded) (note 6.1.2.1)	November 15, 2021	3 months KIBOR plus base rate of 0.50%	4,000	-	971	3,029	296,664	298,936	2,272	1.16	14.13	2.53
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Shakarganj Food Products Limited (A, VIS, non-traded) (note 6.1.2.1)	July 10, 2024	3 months KIBOR plus base rate of 1.75%	100	-	-	100	88,052	88,454	402	0.34	13.79	0.75
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**Total as at March 31, 2020**

<b>5,101,284</b>	<b>5,113,316</b>	<b>12,032</b>
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**Total as at June 30, 2019**

<b>3,696,593</b>	<b>3,677,722</b>	<b>(18,872)</b>
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\* In case of debt securities against which provision has been made, these are carried at carrying value less provision.

**6.1.2.1** The nominal value of these sukuk certificates is Rs 5,000 each except for the sukuk certificates of Eden Housing Limited having nominal value of Rs 984.375, International Brands Limited, AGP Limited, Javedan Corporation Limited, Engro Polymer and Chemicals Limited and Hub Power Company Limited having nominal value of Rs. 100,000 each and Dubai Islamic Bank Pakistan Limited, Meezan Bank Limited, Shakarganj Food Products Limited, Agha Steel Industries Limited and Masood Textile Mills Limited having nominal value of Rs 1,000,000 each respectively.

**6.1.2.2** The Securities and Exchange Commission of Pakistan vide circular 7 of 2009 dated March 6, 2009 required all Asset Management Companies to classify funds under their management on the basis of categorisation criteria laid down in the circular. Al Meezan Investment Management Limited (the Management Company) classified Meezan Islamic Income Fund (the Fund) as an 'Income Scheme' in accordance with the said circular. As at March 31, 2020, the Fund is compliant with all the requirements of the said circular except for clause 9 (v) which requires the rating of any security in the portfolio shall not be lower than the investment grade. Therefore, as required under Circular 16 of 2010 dated July 07, 2010, following is the detail of investments in sukuk of the Funds which are below 'investment grade':

Name of non-compliant investment	Type of investments	Value of investment before provision	Provision held (if any)	Value of investment after provision	Percentage of net assets	Percentage of total assets
		----- (Rupees in '000) -----			----- % -----	
Arzoo Textile Mills Limited	Non-traded sukuk certificates	70,000	70,000	-	-	-
Eden Housing Limited	Non-traded sukuk certificates	58,472	58,472	-	-	-
Security Leasing Corporation Limited II	Non-traded sukuk certificates	15,403	15,403	-	-	-
Hascol Petroleum Limited	Non-traded sukuk certificates	160,199	-	160,199	0.62	1.35
<b>Total - March 31, 2020</b>		<b>304,074</b>	<b>143,875</b>	<b>160,199</b>	<b>0.62</b>	<b>1.35</b>
Total - June 30, 2019		143,875	143,875	-	-	-



**6.1.2.2.1** On May 6, 2011, Arzoo Textile Mills Limited and Eden Housing Limited sukuk certificates were classified as non-performing by Mutual Funds Association of Pakistan (MUFAP). Therefore in accordance with the requirement of SECP's Circular No.33 of 2012, the sukuk certificates have been classified as non-performing assets and no further profit has been accrued thereafter. Further, in accordance with the said Circular, an amount of Rs. 70 million and Rs. 58.472 million respectively have also been held as provision against the outstanding principal as at March 31, 2020.

**6.1.2.2.2** The agreement with Security Leasing Corporation Limited (SLCL) had been amended on February 19, 2012. In accordance with the revised terms no mark-up is payable on the said sukuk as per the approval of contributors to the sukuk certificate. The sukuk certificates have been classified as non-performing by MUFAP on April 3, 2012. Therefore, in accordance with the requirement of circular no.33 of 2012, the sukuk certificates have been classified as non-performing assets and no further profit has been accrued thereafter. Further, in accordance with the provisioning policy of the Fund, an amount of Rs 15.403 million has also been held as provision against the outstanding principal as at March 31, 2020.

**6.1.2.3** Circular No. 33 of 2012 allows the asset manager to apply a mark up/mark down within available limit for valuation of any specific debt security. Exercising the discretionary power, the above mentioned Sukuk of Hascol Petroleum Limited has been valued at a discretionary rate of 100.1243 when the reported market rate on MUFAP valuation sheet as at March 31, 2020 was 100.7500.

## 6.2 Certificates of Musharakah

Name of the investee company	Maturity date	Profit rate	As at July 1, 2019	Placed during the period	Matured during the period	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised appreciation/ (diminution)	Percentage in relation to	
									Net assets of the Fund	Total market value of investment
			----- (Rupees in '000) -----					----- % -----		
Orix Modaraba	September 14, 2019	10.47-12.72	600,000	-	600,000	-	-	-	-	-
Orix Modaraba	September 27, 2019	10.69-12.94	150,000	-	150,000	-	-	-	-	-
Orix Modaraba	September 4, 2020	13.92	-	200,000	-	200,000	200,000	-	0.77	1.69
Orix Modaraba	September 4, 2020	13.92	-	200,000	-	200,000	200,000	-	0.77	1.69
Orix Modaraba	September 16, 2020	13.84	-	200,000	-	200,000	200,000	-	0.77	1.69
First Habib Modaraba	July 14, 2020	13.35	-	300,000	-	300,000	300,000	-	1.16	2.54
First Habib Modaraba	July 17, 2020	13.35	-	200,000	-	200,000	200,000	-	0.77	1.69
First Habib Modaraba	July 23, 2020	13.35	-	250,000	-	250,000	250,000	-	0.97	2.11
First Habib Modaraba	July 28, 2020	13.35	-	250,000	-	250,000	250,000	-	0.97	2.11
<b>Total as at March 31, 2020</b>			<b>750,000</b>	<b>1,600,000</b>	<b>750,000</b>	<b>1,600,000</b>	<b>1,600,000</b>	<b>-</b>	<b>6.19</b>	<b>13.53</b>
Total as at June 30, 2019			900,000	1,662,798	1,812,798	750,000	750,000	-	7.92	11.62

## 6.3 Commercial Papers

Name of the security	Maturity date	Profit rate	As at July 1, 2019	Purchases during the period	Sales / redemptions / maturity during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Percentage in relation to	
									Net assets of the Fund	Total market value of investment
			----- (Number of certificates) -----			----- (Rupees in '000) -----		----- % -----		
Hascol Petroleum Limited CP - 3 (note 6.3.1)	July 15, 2019	6 months KIBOR plus base rate of 1.50%	400	-	400	-	-	-	-	-
K-Electric Limited CP-2 (note 6.3.1)	September 2, 2019	6 months KIBOR plus base rate of 0.90%	1,001	-	1,001	-	-	-	-	-
TPL Corp Limited CP (note 6.5.1)	January 11, 2020	6 months KIBOR plus base rate of 2.75%	50	-	50	-	-	-	-	-
K-Electric Limited CP-A (note 6.3.1)	February 28, 2020	6 months KIBOR plus base rate of 1.30%	-	1,200	1,200	-	-	-	-	-
K-Electric Limited CP-3 (note 6.3.1)	March 19, 2020	6 months KIBOR plus base rate of 1.30%	-	1,180	1,180	-	-	-	-	-
K-Electric Limited CP-6 (note 6.3.1)	August 26, 2020	6 months KIBOR plus base rate of 1.15%	-	600	-	600	567,030	567,030	2.20	4.79
K-Electric Limited CP-7 (note 6.3.1)	September 10, 2020	6 months KIBOR plus base rate of 1.15%	-	750	-	750	707,517	707,517	2.74	5.98
<b>Total as at March 31, 2020</b>							<b>1,274,547</b>	<b>1,274,547</b>	<b>4.93</b>	<b>10.78</b>
Total as at June 30, 2019							1,426,497	1,426,497	15.06	22.10

**6.3.1** The nominal value of these commercial papers is Rs 1,000,000 each.

## 6.4 Bai Muajjal receivable

During the period, Fund entered in certain Bai Muajjal Transactions with various investee companies against K-Electric Limited Commercial Paper A & K-Electric Limited Commercial Paper III (issued on August 27, 2019 and September 19, 2019 respectively) having profit ranging from 12.45% to 13.00%. These Bai Muajjal transaction have face value of Rs. 3,763.753 and as at March 31, 2020 fund accrued profit of Rs. 75.566 million on it. These transactions will mature from July 31, 2020 to January 28, 2021.

**7. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE**

The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the trust deed. Effective from July 1, 2019, the trustee has revised its tariff as under:

Previous Tariff		Revised Tariff (Flat Rate)
Net Assets (Rs.)	Fee	
- up to Rs. 1 billion	0.17% per annum of net assets	0.075% p.a. of Net Assets
- Rs 1 billion to Rs. 10 billion	Rs 1.7 million plus 0.085% p.a. of net assets exceeding Rs 1 billion	
- over Rs. 10 billion	Rs 5.1 million plus 0.07% p.a. of net assets exceeding Rs 5 billion	

Accordingly, the Fund has charged Trustee Fee at the rate 0.075% per annum during the current period.

**8. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)**

In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP).

Effective from July 1, 2019, the SECP vide SRO No. 685(I)/2019 dated June 28, 2019, revised the rate of annual fee to 0.02% of net assets, applicable on all categories of CISs. Previously, the rate of annual fee applicable to income fund was 0.075%. Accordingly, the Fund has charged SECP Fee at the rate of 0.02% of net assets during the current period.

9. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	March 31,	June 30,
		2020 (Unaudited)	2019 (Audited)
		(Rupees in '000)	
Provision for Sindh Workers' Welfare Fund (SWWF)	9.1	73,004	38,755
Withholding tax payable		-	37,969
Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	9.2	50,417	50,417
Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	9.2	2,642	2,642
Capital gain tax payable		8,602	11,065
Auditors' remuneration payable		324	430
Printing expenses payable		566	566
Brokerage payable		147	159
Zakat payable		165	187
Shariah advisor fee payable		931	529
Other payable		167	-
		<u>136,965</u>	<u>142,719</u>

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

Had the provision for SWWF not been recorded in the condensed interim financial statements of the Fund for the period from May 21, 2015 to March 31, 2020, the net asset value of the Fund as at March 31, 2020 would have been higher by Re. 0.16 per unit (June 30, 2019: Re 0.21 per unit).

- 9.2 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from July 01, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 01, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till March 31, 2020 amounting to Rs 53.059 million (June 30, 2019: 53.059 million) is being retained in these condensed interim financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the Net Asset Value of the Fund as at March 31, 2020 would have been higher by Re 0.12 ( June 30, 2019: Re 0.29 ) per unit.

## 10. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2020 and June 30, 2019.

## 11. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include Al Meezan Investment Management Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, Directors and Executives of the Management Company, other the Funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited - Employees Gratuity Fund and unitholders holding 10 percent or more of the Fund's net assets.

Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provision of the NBFC Rules, the NBFC Regulations and the Trust Deed respectively.

Details of transactions with connected persons and balances with them are as follows:

	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
	(Rupees in '000)	
<b>Al Meezan Investment Management Limited - the Management Company</b>		
Remuneration payable	19,277	6,904
Sindh Sales Tax payable on remuneration of the Management Company	2,506	898
Sales load payable	2,771	523
Sindh Sales Tax on sales load	360	68
Allocated expenses payable	3,324	872
Selling and marketing expense payable	23,727	10,591
Certificate charges payable	1	1
Investment of 897 (June 30, 2019: 1,287,879 units)	50	66,244
<b>Meezan Bank Limited</b>		
Balances with bank	7,362	44,405
Sales load payable	2,924	353
Sindh Sales Tax on sales load	380	46
Profit receivable on saving account	179	466
Profit receivable on sukuk certificates	1,592	13,925
Investment of 298 sukuk certificates (June 30, 2019: 368 sukuk certificates)	302,470	367,991

	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
	(Rupees in '000)	
<b>Central Depository Company of Pakistan Limited - the Trustee</b>		
Trustee fee payable	1,652	742
Sindh Sales Tax on Trustee Fee payable	215	96
Security deposit	100	100
<b>Meezan Financial Planning Fund of Funds</b>		
<b>- Aggressive Allocation Plan</b>		
Investment of 1,484,812 units (June 30, 2019: 882,014 units)	83,372	45,368
<b>Meezan Financial Planning Fund of Funds</b>		
<b>- Moderate Allocation Plan</b>		
Investment of 1,236,476 units (June 30, 2019: 981,323 units)	69,428	50,476
<b>Meezan Financial Planning Fund of Funds</b>		
<b>- Conservative Allocation Plan</b>		
Investment of 2,007,262 units (June 30, 2019: 1,598,392 units)	112,707	82,216
<b>Meezan Strategic Allocation Fund - MSAP - I</b>		
Investments of nil units (June 30, 2019: 4,983,963 units)	-	256,359
<b>Meezan Strategic Allocation Fund - MSAP - II</b>		
Investments of nil units (June 30, 2019: 3,408,091 units)	-	175,301
<b>Meezan Strategic Allocation Fund - MSAP - III</b>		
Investments of nil units (June 30, 2019: 4,056,911 units)	-	208,674
<b>Meezan Strategic Allocation Fund - MSAP - IV</b>		
Investments of nil units (June 30, 2019: 4,583,447 units)	-	235,757
<b>Meezan Strategic Allocation Fund - MSAP - V</b>		
Investments of nil units (June 30, 2019: 4,583,447 units)	-	40,484
<b>Directors and Executives of the Management Company</b>		
Investments of 862,494 units (June 30, 2019: 288,053 units)	48,429	14,816
<b>Nine months period ended March 31,</b>		
	2020	2019
	(Unaudited)	
	(Rupees in '000)	
<b>Al Meezan Investment Management Limited - the Management Company</b>		
Remuneration for the period	126,916	64,146
Sindh Sales Tax on remuneration of the Management Company	16,499	8,339
Allocated expenses	21,165	7,783
Selling and marketing expense	57,288	1,584
Units issued: 62,523 units (March 31, 2019: 19,151,544 units)	3,274	1,012,114
Units redeemed: 1,349,505 units (March 31, 2019: 28,824,999 units)	69,559	1,511,100
Cash dividend paid	-	17,356
Refund of capital	-	23,214
<b>Meezan Bank Limited</b>		
Profit on saving account	10,843	1,690
Profit on sukuk certificate	36,638	23,605
Sukuk certificates purchased during the period:		
nil (March 31, 2019: 118 sukuk certificates)	-	117,982
Sukuk certificates sold during the period:		
70 sukuk certificates (March 31, 2019: 50 sukuk certificates)	70,185	50,000
<b>Central Depository Company of Pakistan Limited - the Trustee</b>		
Remuneration for the period	10,741	6,649
Sindh Sales Tax on trustee fee	1,396	864
CDS Charges	460	34



	<b>Nine months period ended</b>	
	<b>March 31,</b>	
	<b>2020</b>	<b>2019</b>
	<b>(Unaudited)</b>	
	<b>(Rupees in '000)</b>	
<b>Meezan Financial Planning Fund of Funds</b>		
<b>- Aggressive Allocation Plan</b>		
Units issued: 1,243,768 units (March 31, 2019: 102,478 units)	<b>65,702</b>	6,049
Units redeemed: 640,970 units (March 31, 2019: 232,843 units)	<b>34,394</b>	12,268
Cash dividend paid	-	2,325
Refund of capital	-	224
<b>Meezan Financial Planning Fund of Funds</b>		
<b>- Moderate Allocation Plan</b>		
Units issued: 904,065 units (March 31, 2019: 61,739 units)	<b>47,444</b>	3,172
Units redeemed: 648,912 units (March 31, 2019: 438,741 units)	<b>34,407</b>	22,914
Cash dividend paid	-	2,809
Refund of capital	-	363
<b>Meezan Financial Planning Fund of Funds</b>		
<b>- Conservative Allocation Plan</b>		
Units issued: 1,567,786 units (March 31, 2019: 246,147 units)	<b>82,028</b>	12,785
Units redeemed: 1,158,916 units (March 31, 2019: 438,741 units)	<b>62,143</b>	32,848
Cash dividend paid	-	3,989
Refund of capital	-	358
<b>Meezan Financial Planning Fund of Funds - MAAP - I</b>		
Units issued: 3,782,012 units (March 31, 2019: 730,489 units)	<b>194,649</b>	37,613
Units redeemed: 3,782,012 units (March 31, 2019: 708,624 units)	<b>197,912</b>	37,560
Cash dividend paid	-	4,610
Refund of capital	-	3,003
<b>Meezan Financial Planning Fund of Funds - MAAP - IV</b>		
Units issued: nil (March 31, 2019: 63,875 units)	-	3,280
Units redeemed: nil (March 31, 2019: 1,558,092 units)	-	80,267
Cash dividend paid	-	1,736
Refund of capital	-	1,544
<b>Meezan Strategic Allocation Fund - MSAP - I</b>		
Units issued: 1,653,461 units (March 31, 2019: 1,495,164 units)	<b>85,606</b>	76,984
Units redeemed: 6,637,424 units (March 31, 2019: 2,519,107 units)	<b>346,444</b>	133,780
Cash dividend paid	-	9,138
Refund of capital	-	7,846
<b>Meezan Strategic Allocation Fund - MSAP - II</b>		
Units issued: 1,128,244 units (March 31, 2019: 1,107,934 units)	<b>58,413</b>	57,052
Units redeemed: 4,536,335 units (March 31, 2019: 763,183 units)	<b>236,405</b>	40,700
Cash dividend paid	-	5,875
Refund of capital	-	4,177
<b>Meezan Strategic Allocation Fund - MSAP - III</b>		
Units issued: 1,361,671 units (March 31, 2019: 1,213,228 units)	<b>70,498</b>	62,481
Units redeemed: 5,418,582 (March 31, 2019: 29,798 units)	<b>282,706</b>	1,610
Cash dividend paid	-	4,540
Refund of capital	-	3,941
<b>Meezan Strategic Allocation Fund - MSAP - IV</b>		
Units issued: 1,536,740 units (March 31, 2019: 1,166,844 units)	<b>79,563</b>	60,088
Units redeemed: 6,120,187 (March 31, 2019: 47,021 units)	<b>319,197</b>	2,530
Cash dividend paid	-	5,519
Refund of capital	-	4,569

	<b>Nine months period ended March 31,</b>	
	<b>2020</b>	<b>2019</b>
	<b>(Unaudited)</b>	
	<b>(Rupees in '000)</b>	
<b>Meezan Strategic Allocation Fund - MSAP - V</b>		
Units issued: 272,284 units (March 31, 2019: 384,345 units)	<u>14,090</u>	<u>19,798</u>
Units redeemed: 1,059,349 (March 31, 2019: nil)	<u>55,177</u>	<u>-</u>
Cash dividend paid	<u>-</u>	<u>363</u>
Refund of capital	<u>-</u>	<u>435</u>
<b>AI Meezan Investment Management Limited - Employees' Gratuity Fund</b>		
Units issued: nil (March 31, 2019: 9,077 units)	<u>-</u>	<u>466</u>
Cash dividend paid	<u>-</u>	<u>2</u>
Refund of capital	<u>-</u>	<u>465</u>
<b>Directors and Executives of the Management Company</b>		
Units issued: 17,313,095 units (March 31, 2019: 3,584,769 units)	<u>905,414</u>	<u>190,366</u>
Units redeemed: 16,738,654 units (March 31, 2019: 3,663,488 units)	<u>898,773</u>	<u>195,580</u>
Cash dividend paid	<u>-</u>	<u>167</u>
Refund of capital	<u>-</u>	<u>476</u>

## 12. ALLOCATED EXPENSES

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

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

The management company based on its own discretion has currently fixed a maximum capping of 0.1% of the average annual net assets of the scheme for allocation of such expenses to the Fund for the period from July 1, 2019 to July 21, 2019 and 0.15% for the period from July 22, 2019 to March 31, 2020.

## 13. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the period ended March 31, 2020 is 1.92% which include 0.38% representing government levy, Sindh Workers' Welfare Fund and SECP fee.

## 14. SELLING AND MARKETING EXPENSES

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

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

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

## 15. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unitholders. The Fund has not recorded any tax liability in respect of income relating to the current period as the Management Company intends to distribute at least 90 percent of the Fund's accounting income for the year ending June 30, 2020 as reduced by capital gains (whether realised or unrealised) to its unitholders.



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.

## 16. FAIR VALUES OF FINANCIAL INSTRUMENTS

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

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

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: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities.
- Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at March 31, 2020 and June 30, 2019, the Fund held the following financial instruments measured at fair value:

ASSETS	As at March 31, 2020			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
<b>Financial assets 'at fair value through profit or loss'</b>				
Sukuk Certificates	-	5,113,316	-	5,113,316
Certificates of Musharakah*	-	1,600,000	-	1,600,000
Commercial Papers**	-	1,274,547	-	1,274,547
Bai Muajjal receivable	-	3,839,319	-	3,839,319
	-	11,827,182	-	11,827,182

ASSETS	As at June 30, 2019			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
<b>Financial assets 'at fair value through profit or loss'</b>				
Sukuk Certificates	-	4,277,722	-	4,277,722
Certificates of Musharakah*	-	750,000	-	750,000
Commercial Papers**	-	1,426,497	-	1,426,497
	-	6,454,219	-	6,454,219

\* The carrying value of these securities approximate their fair value since these are short term in nature and are placed with counter parties which have high credit ratings.

\*\* The valuation of commercial papers has been done based on amortisation of commercial paper to its face value as per the guidelines given in Circular 33 of 2012 since the residual maturity of this investment is less than six months and they are placed with counterparties which have high credit rating.

## 17. GENERAL

17.1 Figures have been rounded off to the nearest thousand rupees.

17.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in these condensed interim financial statements during the period.

18. **DATE OF AUTHORISATION**

These condensed interim financial statements were authorised for issue on \_\_\_\_\_ by the Board of Directors of the Management Company.

**For Al Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

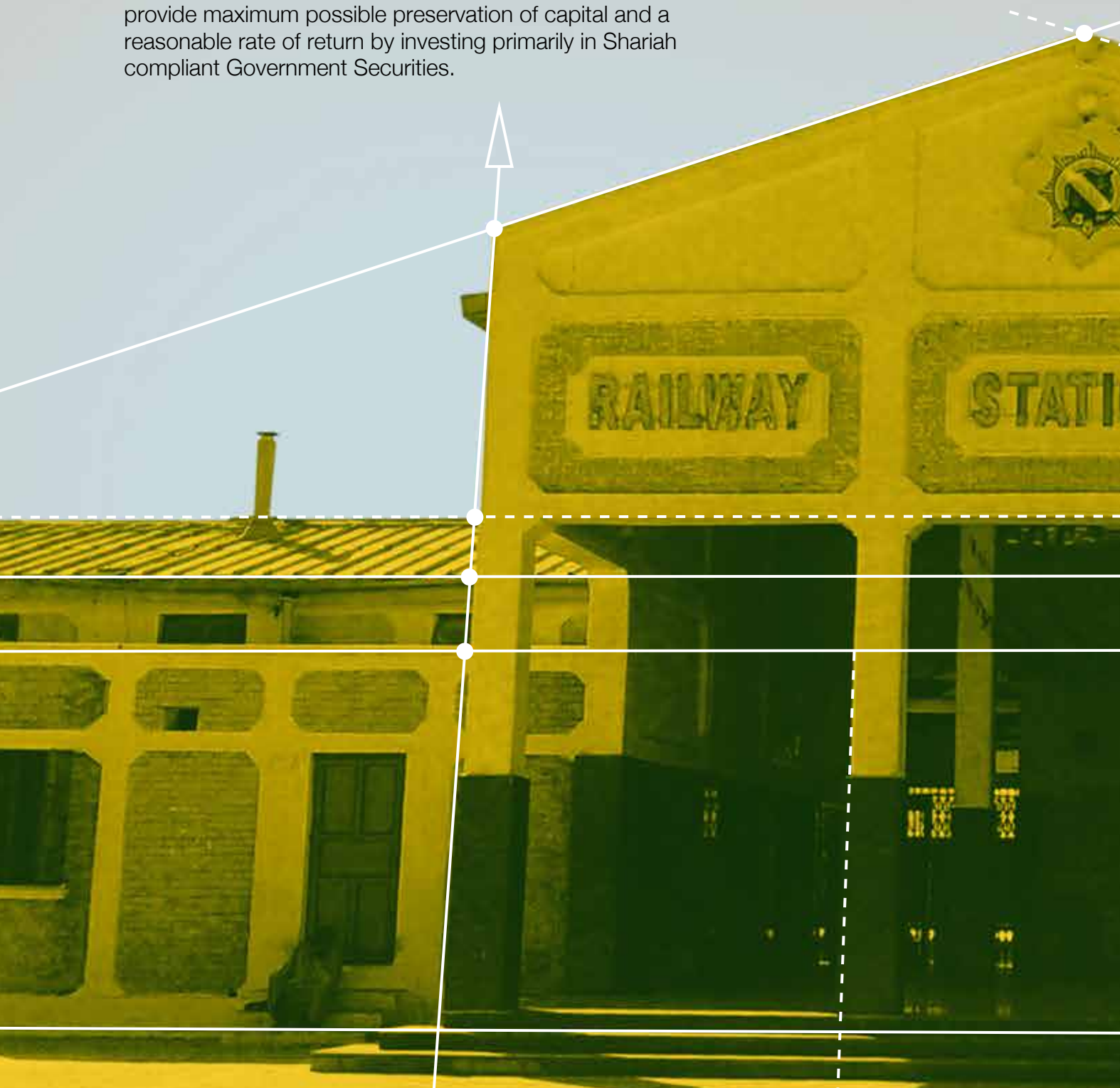





**Meezan**  
Sovereign Fund

## **MEEZAN SOVEREIGN FUND (MSF)**

Meezan Sovereign Fund is Pakistan's first Shariah compliant Government Securities Fund. The purpose of the fund is to provide maximum possible preservation of capital and a reasonable rate of return by investing primarily in Shariah compliant Government Securities.



# REDEFINING INVESTMENT IN THE FRUIT HUB OF PAKISTAN

 Quetta Branch

**QUETTA RAILWAY STATION  
(QUETTA)**



# FUND INFORMATION

## MANAGEMENT COMPANY

Al Meezan Investment Management Limited  
Ground Floor, Block "B", Finance & Trade Centre,  
Shahrah-e-Faisal Karachi 74400, Pakistan.  
Phone (9221) 35630722-6, 111-MEEZAN  
Fax: (9221) 35676143, 35630808  
Website: [www.almeezangroup.com](http://www.almeezangroup.com)  
E-mail: [info@almeezangroup.com](mailto:info@almeezangroup.com)

## BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Mohammad Shoaib, CFA	Chief Executive Officer
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Mohammad Furquan R Kidwai	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Moin M. Fudda	Independent Director
Ms. Saima Kamila Khan	Independent Director
Mr. Arshad Majeed	Nominee Director - MBL
Mr. Naeem Abdul Sattar	Nominee Director - PKIC
Syed Amir Ali Zaidi	Nominee Director - PKIC

## CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Syed Owais Wasti

## AUDIT COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Arshad Majeed	Member
Mr. Naeem Abdul Sattar	Member

## RISK MANAGEMENT COMMITTEE

Mr. Muhammad Abdullah Ahmed	Chairman
Syed Amir Ali Zaidi	Member
Mr. Naeem Abdul Sattar	Member

## HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Ariful Islam	Member
Mr. Naeem Abdul Sattar	Member
Mr. Mohammad Shoaib, CFA	Member

## TRUSTEE

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

## AUDITORS

A. F. Ferguson & Co.  
Chartered Accountants  
State Life Building# 1-C,  
I.I. Chundrigar Road , Karachi-74000

## SHARIAH ADVISER

Meezan Bank Limited

## BANKERS TO THE FUND

Allied Bank Limited	Habib Metropolitan Bank Limited - Islamic Banking
Al Baraka Islamic Bank B.S.C (E.C)	MCB Islamic Bank Limited
Askari Bank Limited - Islamic Banking	Meezan Bank Limited
Bank Al Habib Limited - Islamic Banking	National Bank of Pakistan - Islamic Banking
Bank Alfalah Limited	Sindh Bank Limited
Bank Islami Pakistan Limited	UBL Ameen - Islamic Banking
Dubai Islamic Bank Pakistan Limited	
Faysal Bank Limited - Islamic Banking	
Habib Bank Limited -Islamic Banking	

## LEGAL ADVISER

Bawaney & Partners  
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,  
Phase VI, DHA, Karachi.  
Phone (9221) 35156191-94 Fax: (9221) 35156195  
E-mail:

## TRANSFER AGENT

Meezan Bank Limited  
Meezan House  
C-25, Estate Avenue, SITE, Karachi.  
Phone: 38103538 Fax: 36406017  
Website: [www.meezanbank.com](http://www.meezanbank.com)

## DISTRIBUTORS

Al Meezan Investment Management Limited  
Meezan Bank Limited  
Standard Chartered Bank (Pakistan) Limited





**MEEZAN SOVEREIGN FUND**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UNAUDITED)**  
**AS AT MARCH 31, 2020**

	Note	March 31, 2020 (Unaudited) (Rupees in '000)	June 30, 2019 (Audited)
<b>Assets</b>			
Balances with banks	5	3,793,354	5,132,514
Investments	6	1,112,236	1,124,715
Receivable against conversion of units		49,235	59,236
Deposits, prepayments and other receivables		69,086	70,900
<b>Total assets</b>		<b>5,023,911</b>	<b>6,387,365</b>
<b>Liabilities</b>			
Payable to AI Meezan Investment Management Limited - Management Company		7,889	4,228
Payable to Central Depository Company of Pakistan Limited - Trustee	7	300	538
Payable to Securities and Exchange Commission of Pakistan	8	619	1,400
Payable to Meezan Bank Limited		171	68
Payable on redemption and conversion of units		43,448	562,316
Accrued expenses and other liabilities	9	110,178	113,666
<b>Total liabilities</b>		<b>162,605</b>	<b>682,216</b>
<b>Net assets</b>		<b>4,861,306</b>	<b>5,705,149</b>
<b>Unitholders' fund (as per statement attached)</b>		<b>4,861,306</b>	<b>5,705,149</b>
<b>Contingencies and commitments</b>	10		
<b>Number of units in issue</b>		<b>86,518,322</b>	<b>110,716,688</b>
		(Rupees)	
<b>Net assets value per unit</b>		<b>56.1882</b>	<b>51.5293</b>

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

**For AI Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN SOVEREIGN FUND**  
**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**

	Note	Nine months period ended March 31,		Quarter ended March 31,	
		2020 (Rupees in '000)	2019 (Rupees in '000)	2020 (Rupees in '000)	2019 (Rupees in '000)
<b>Income</b>					
Profit on sukuk certificates		118,693	56,794	40,506	16,387
Net realised loss on sale of sukuk certificates		(197)	(12,172)	-	(168)
Profit on saving accounts with banks		284,284	45,800	100,233	24,183
		<u>402,780</u>	<u>90,422</u>	<u>140,739</u>	<u>40,402</u>
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.1.1	-	(1,638)	-	(9,146)
<b>Total income</b>		<b>402,780</b>	<b>88,784</b>	<b>140,739</b>	<b>31,256</b>
<b>Expenses</b>					
Remuneration to Al Meezan Investment Management Limited - Management Company		19,113	12,455	6,403	3,670
Sindh Sales Tax on remuneration of the Management Company		2,485	1,619	833	477
Remuneration to Central Depository Company of Pakistan Limited - Trustee	7	1,987	1,497	694	460
Sindh Sales Tax on remuneration of the Trustee		258	195	90	61
Annual fee to Securities and Exchange Commission of Pakistan	8	619	934	214	275
Auditors' remuneration		448	447	108	87
Fees and subscription		677	494	262	160
Brokerage expense		-	227	-	18
Bank and settlement charges		320	108	48	17
Allocated expenses	12	4,475	1,245	1,601	367
Selling and marketing expense	13	11,394	-	4,269	-
Provision for Sindh Workers' Welfare Fund (SWWF)	9.1	7,220	1,391	2,524	513
<b>Total expenses</b>		<b>48,996</b>	<b>20,612</b>	<b>17,046</b>	<b>6,105</b>
<b>Net income for the period before taxation</b>		<b>353,784</b>	<b>68,172</b>	<b>123,693</b>	<b>25,151</b>
Taxation	15	-	-	-	-
<b>Net income for the period after taxation</b>		<b>353,784</b>	<b>68,172</b>	<b>123,693</b>	<b>25,151</b>
<b>Allocation of net income for the period</b>					
Net income for the period after taxation		353,784	68,172		
Income already paid on units redeemed		95,180	12,917		
		<u>258,604</u>	<u>55,255</u>		
<b>Accounting income available for distribution</b>					
- Relating to capital gains		-	-		
- Excluding capital gains		258,604	55,255		
		<u>258,604</u>	<u>55,255</u>		

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

**For Al Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**MEEZAN SOVEREIGN FUND**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**



**Meezan**  
 Sovereign Fund

	Nine months period ended, March 31,		Quarter ended, March 31,	
	2020	2019	2020	2019
	(Rupees in '000)		(Rupees in '000)	
<b>Net income for the period after taxation</b>	353,784	68,172	123,693	25,151
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<u>353,784</u>	<u>68,172</u>	<u>123,693</u>	<u>25,151</u>

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

**For Al Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
 Chief Executive

\_\_\_\_\_  
 Chief Financial Officer

\_\_\_\_\_  
 Director

**MEEZAN SOVEREIGN FUND**  
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

	Nine months period ended March 31, 2020			Nine months period ended March 31, 2019		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	(Rupees in '000)			(Rupees in '000)		
<b>Net assets at beginning of the period</b>	<b>5,409,260</b>	<b>295,889</b>	<b>5,705,149</b>	1,792,404	328,112	2,120,516
Issue of 150,744,103 units (2019: 44,792,524 units)						
- Capital value (at ex-net asset value per unit at the beginning of the period)	7,767,738	-	7,767,738	2,306,172	-	2,306,172
- Element of income	303,005	-	303,005	42,485	-	42,485
Total proceeds on issuance of units	8,070,743	-	8,070,743	2,348,657	-	2,348,657
Redemption of 174,942,469 units (2019: 54,269,948 units)						
- Capital value (at ex-net asset value per unit at the beginning of the period)	9,014,663	-	9,014,663	2,794,121	-	2,794,121
- Element of income	158,527	95,180	253,707	26,503	12,917	39,420
Total payments on redemption of units	9,173,190	95,180	9,268,370	2,820,624	12,917	2,833,541
Total comprehensive income for the period	-	353,784	353,784	-	68,172	68,172
Distribution during the period	-	-	-	-	(37,026)	(37,026)
Refund of capital	-	-	-	(12,782)	-	(12,782)
Total distribution during the period	-	-	-	(12,782)	31,146	18,364
<b>Net assets at end of the period</b>	<b>4,306,813</b>	<b>554,493</b>	<b>4,861,306</b>	1,307,655	346,341	1,653,996
<b>Undistributed income brought forward</b>						
- Realised income		297,344			360,148	
- Unrealised loss		(1,455)			(32,036)	
		295,889			328,112	
Accounting income available for distribution (after adjusting income already paid on units redeemed)						
- Relating to capital gains		-			-	
- Excluding capital gains		258,604			55,255	
		258,604			55,255	
Distribution during the period at Rs Nil [2018: Rs. 1.2384 per unit i.e. 2.48% of the par value of Rs. 50/- each (July 6, 2018)]					(37,026)	
<b>Undistributed income carried forward</b>		<b>554,493</b>			<b>346,341</b>	
<b>Undistributed income carried forward</b>						
- Realised income		554,493			346,341	
- Unrealised income		-			-	
		554,493			346,341	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the period		51.5293			52.7240	
Net assets value per unit at end of the period		56.1882			53.8029	

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

**For Al Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**MEEZAN SOVEREIGN FUND  
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020 (UNAUDITED)**



**Meezan**  
Sovereign Fund

	<b>Nine months period ended</b>	
	<b>2020</b>	<b>2019</b>
	<b>(Rupees in '000)</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	353,784	68,172
<b>Adjustments for</b>		
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	-	1,638
	<u>353,784</u>	<u>69,810</u>
<b>Decrease / (Increase) in assets</b>		
Investments - net	12,479	341,100
Deposits, prepayments and other receivable	1,814	(8,053)
	14,293	333,047
<b>(Decrease) / Increase in liabilities</b>		
Payable to AI Meezan Investment Management Limited - Management Company	3,661	(13)
Payable to Central Depository Company of Pakistan Limited - Trustee	(238)	(36)
Payable to Securities and Exchange Commission of Pakistan	(781)	(1,183)
Payable to Meezan Bank Limited	103	(293)
Accrued expenses and other liabilities	(3,488)	9,366
	(743)	7,841
<b>Net cash generated from operating activities</b>	<u>367,334</u>	<u>410,698</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts against issuance and conversion of units	8,080,744	2,337,045
Payments against redemption and conversion of units	(9,787,238)	(2,826,812)
Dividend paid	-	(37,026)
<b>Net cash used in financing activities</b>	(1,706,494)	(526,793)
<b>Net decrease in cash and cash equivalents during the period</b>	<u>(1,339,160)</u>	<u>(116,095)</u>
Cash and cash equivalents at the beginning of the period	5,132,514	673,082
<b>Cash and cash equivalents at the end of the period</b>	<u><u>3,793,354</u></u>	<u><u>556,987</u></u>

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

**For AI Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN SOVEREIGN FUND**  
**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

**1. LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1** Meezan Sovereign Fund (the Fund) was established under a trust deed executed between Al Meezan Investment Management Limited (Al Meezan) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on May 14, 2009 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations). The Management Company has been licensed by the Securities and Exchange Commission of Pakistan (SECP) to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi, 74400, Pakistan.
- 1.2** The Fund has been formed to provide the unitholders maximum possible preservation of capital along with Halal and reasonable returns by investing primarily in a portfolio of Shariah compliant government securities thus, minimising the credit risk of investments. The Fund shall also keep an exposure in short-term near cash instruments for the purpose of maintaining liquidity and to capitalise on exceptional returns if available at any given point of time. Under the Trust Deed, all conducts and acts of the Fund are based on Shariah. Meezan Bank Limited (MBL) acts as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah. The investment objectives and policies are explained in the Fund's offering document.
- 1.3** The Fund is an open end Shariah Compliant (Islamic) Income Scheme, listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.
- 1.4** The Management Company has been assigned a quality rating of AM1 by VIS dated December 31, 2019 (2018: AM1 dated December 28, 2018) and by PACRA dated December 28, 2019. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes. The Fund has been given a stability rating of AA-(f) by VIS Credit Rating Company Limited.
- 1.5** Title to the assets of the Fund are held in the name of CDC as the Trustee of the Fund.

**2. BASIS OF PRESENTATION**

The transactions undertaken by the Fund in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor are accounted for on substance rather than the form prescribed by the aforementioned guidelines. This practice is being followed to comply with the requirements of the approved accounting standards as applicable in Pakistan.

**3. BASIS OF PREPARATION**

**3.1 Statement of compliance**

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

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

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the published audited annual financial statements of the Fund for the year ended June 30, 2019.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2020.

**4.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES / ACCOUNTING ESTIMATES, JUDGEMENTS AND RISK MANAGEMENT**

- 4.1** The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2019.
- 4.2** The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2019.
- 4.3** 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 impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.



5. BALANCES WITH BANKS	Note	March 31,	June 30,
		2020 (Unaudited)	2019 (Audited)
		(Rupees in '000)	
In saving accounts	5.1	3,790,510	5,129,670
In current accounts		2,844	2,844
		<u>3,793,354</u>	<u>5,132,514</u>

5.1 The balance in saving accounts have an expected profit ranging from 3.00% to 13.00% per annum (June 30, 2019: 6.60% to 12.50% per annum).

6. INVESTMENTS	Note	March 31,	June 30,
		2020 (Unaudited)	2019 (Audited)
		(Rupees in '000)	
<b>Investments - 'at fair value through profit or loss'</b>			
Sukuk Certificates	6.1	<u>1,112,236</u>	<u>1,124,715</u>
<b>6.1 Sukuk Certificates</b>			
Government securities	6.1.1	950,000	950,000
Corporate sukus	6.1.2	162,236	174,715
		<u>1,112,236</u>	<u>1,124,715</u>

#### 6.1.1 Government securities

Name of the security	Maturity Date	Rate of Return	As at July 01, 2019	Purchased during the period	Disposed/ matured during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised (diminution) / appreciation as at March 31, 2020	Market value as a percentage of net assets of the Fund	Market value as a percentage of total investments
			----- Number of certificates -----						(Rupees in '000)		----- Percentage -----
Pakistan Energy Sukuk (note 6.1.1.1)	March 1, 2029	6 months KIBOR plus base rate of 0.8%	190,000	-	-	190,000	950,000	950,000	-	19.54%	85.41%
<b>Total - March 31, 2020</b>							950,000	950,000	-	19.54%	85.41%

6.1.1.1 Pakistan Energy Sukuk Certificates having nominal value of Rs. 5,000 each

#### 6.1.2 Corporate sukus

Name of the security	Maturity date	Profit rate	As at July 1, 2019	Purchases during the period	Sales / redemptions during the period	As at March 31, 2020	Carrying value as at Mar 31, 2020	Market value as at March 31, 2020	Unrealised (diminution) / appreciation as at March 31, 2020	Percentage in relation to	
			(Number of certificates)						(Rupees in '000)		Net assets of the Fund
<b>Power generation &amp; distribution</b>											
Neelum Jhelum Hydropower Company (Private) Limited (AAA, VIS, non-traded) (note 6.1.2.1)	June 29, 2026	6 months KIBOR plus base rate of 1.13%	1,950	-	-	1,950	162,236	162,236	-	3.34%	14.59%
<b>Total - March 31, 2020</b>							162,236	162,236	-	3.34%	14.59%

6.1.2.1 The nominal value of these sukuk certificate is of Rs. 100,000 each

## 7 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the trust deed. Effective from July 1, 2019, the trustee has revised its tariff as under:

Previous Tariff		Revised Tariff (Flat Rate)
Net Assets (Rs.)	Fee	
- up to Rs. 1 billion	0.17% per annum of net assets	0.075% p.a. of Net Assets
- Rs 1 billion to Rs. 10 billion	Rs 1.7 million plus 0.085% p.a. of net assets exce	
- over Rs. 10 billion	Rs 5.1 million plus 0.07% p.a. of net assets exce	

Accordingly Fund has charged Trustee Fee @ 0.075% p.a. of Net Assets during the current period.

## 8 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP).

Effective from July 1, 2019, the SECP vide SRO No. 685(I)/2019 dated June 28, 2019, revised the rate of annual fee to 0.02% of net assets, applicable on all categories of CISs. Previously, the rate of annual fee applicable to income fund was 0.075%. Accordingly, the Fund has charged SECP Fee at the rate of 0.02% of net assets during the current period.

	Note	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
<b>9. ACCRUED EXPENSES AND OTHER LIABILITIES</b>			
Auditors' remuneration payable		258	348
Printing expenses payable		156	156
Brokerage payable		478	501
Shariah advisor fee payable		813	360
Withholding tax payable		420	12,021
Capital gain tax payable		1,460	968
Provision for Sindh Workers' Welfare Fund (SWWF)	9.1	23,751	16,531
Zakat payable		138	142
Other Accrued Expenses Payable		65	-
Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	9.2	80,077	80,077
Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	9.2	2,562	2,562
		<b>110,178</b>	<b>113,666</b>

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

Had the provision for SWWF not been recorded in the condensed interim financial statements of the Fund for the period from May 21, 2015 to December 31, 2019, the net asset value of the Fund as at March 31, 2020 would have been higher by Re 0.27 (June 30, 2019: Re 0.15 ).

- 9.2** The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from 01 July 1, 2016. FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 01, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 82.639 million ( June 30, 2019 : Rs 82.639 million) is being retained in the condensed interim financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the Net Asset Value of the Fund as at March 31, 2020 would have been higher by Re 0.96 ( June 30, 2019 : Rs. 0.75) per unit.

**10. CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments outstanding as at March 31, 2020 and June 30, 2019.

**11. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES**

Connected persons include Al Meezan Investment Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, Directors and executives of the Management Company, other Funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited - Employees Gratuity Fund and unitholders holding 10 percent or more of the Fund's net assets.

Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration payable to the management company and the trustee is determined in accordance with the provisions of the NBFC Rules, the NBFC Regulations and the Trust Deed respectively.

Details of transactions with connected persons and balances with them are as follows:

	March 31, 2020 (Unaudited) (Rupees in '000)	June 30, 2019 (Audited)
<b>Al Meezan Investment Management Limited - Management Company</b>		
Remuneration payable	2,439	2,859
Sindh Sales Tax payable on management fee	317	372
Sales load payable	227	629
Sindh Sales Tax payable on sales load	30	82
Allocated expense payable	607	286
Selling and marketing expense payable	4269	-
Investment 101 units (June 30, 2019 : Nil units)	6	-
<b>Meezan Bank Limited</b>		
Balances with bank	65,543	485,689
Profit receivable on saving accounts	696	1,117
Sales load payable	151	60
Sindh Sales Tax on sales load payable	20	8
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Security deposits	100	100
Remuneration Payable	266	476
Sindh Sales Tax on trustee fee	34	62
<b>Meezan Financial Planning Fund of Funds - MAAP I</b>		
Investment of 1,996,000 units (June 30, 2019: 3,775,285 units)	112,152	194,538
<b>Meezan Strategic Allocation Fund - MCPP - III</b>		
Investment of nil units (June 30, 2019: 13,138,233 units)	-	677,003
<b>Meezan Strategic Allocation Fund - II - MCPP - IV</b>		
Investment of nil units (June 30, 2019: 17,633,059 units)	-	908,618
<b>Meezan Strategic Allocation Fund - II - MCPP - V</b>		
Investment of nil units (June 30, 2019: 5,140,342 units)	-	264,878
<b>Meezan Strategic Allocation Fund - II - MCPP - VI</b>		
Investment of nil units (June 30, 2019: 4,162,469 units)	-	214,489
<b>Meezan Strategic Allocation Fund - II - MCPP - VII</b>		
Investment of nil units (June 30, 2019: 2,218,732 units)	-	114,330
<b>Meezan Strategic Allocation Fund - II - MCPP - VIII</b>		
Investment of nil units (June 30, 2019: 1,692,281 units)	-	87,202
<b>Meezan Strategic Allocation Fund - III - MCPP - IX</b>		
Investment of nil units (June 30, 2019: 198,820 units)	-	10,245
<b>Al Meezan Investment Management Limited - Employees Gratuity Fund</b>		
Investment of 145,267 units (June 30, 2019: 145,267 units)	8,162	7,486
<b>Directors and their close family members and key management personnel of the Management Company</b>		
Investment of 969,923 units (June 30, 2019: 1,743,755 units)	54,498	89,854

	For the nine month period ended	
	March 31,	
	2020	2019
	(Unaudited)	
	(Rupees in '000)	
<b>AI Meezan Investment Management Limited - Management Company</b>		
Remuneration for the period	19,113	12,455
Sindh Sales Tax on remuneration of the Management Company	2,485	1,619
Allocated expenses	4,475	1,245
Selling and marketing expense	11,394	-
Units issued: 14,394 units (March 31, 2019: nil units)	755	-
Units redeemed: 14,292 units (March 31, 2019: nil units)	766	-
<b>Meezan Bank Limited</b>		
Profit on saving accounts	3,156	794
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration for the period	1,987	1,497
Sindh Sales Tax on trustee fee	258	195
CDS charges for the period	178	15
<b>Meezan Financial Planning Fund of Funds - MAAP - I</b>		
Units issued: 5,342,968 units (March 31, 2019: nil units)	285,228	-
Units redeemed: 7,122,254 units (March 31, 2019: nil units)	378,110	-
<b>Meezan Strategic Allocation Fund - MCPP - III</b>		
Units redeemed: 13,138,233 units (March 31, 2019: 1,345,548 units)	677,395	72,000
<b>Meezan Strategic Allocation Fund - II - MCPP - IV</b>		
Units redeemed: 17,633,059 units (March 31, 2019: 1,775,376 units)	909,145	95,000
<b>Meezan Strategic Allocation Fund - II - MCPP - V</b>		
Units redeemed: 5,140,342 units (March 31, 2019: 579,333 units)	265,030	31,000
<b>Meezan Strategic Allocation Fund - II - MCPP - VI</b>		
Units redeemed: 4,162,469 units (March 31, 2019: 541,957 units)	214,613	29,000
<b>Meezan Strategic Allocation Fund - II - MCPP - VII</b>		
Units redeemed: 2,218,732 units (March 31, 2019: 280,322 units)	114,396	15,000
<b>Meezan Strategic Allocation Fund - II - MCPP - VIII</b>		
Units redeemed: 1,692,281 units (March 31, 2019: 149,505 units)	87,252	8,000
<b>For the nine month period ended</b>		
<b>March 31,</b>		
	2020	2019
<b>Meezan Strategic Allocation Fund - III - MCPP - IX</b>		
Units issued: 232,743 units (March 31, 2019: nil units)	12,000	-
Units redeemed: 431,562 units (March 31, 2019: nil units)	22,254	-
<b>Directors and executives of the Management Company</b>		
Units issued: 6,607,870 units (March 31, 2019: 28,585 units)	348,116	1,516
Units redeemed: 7,381,701 units (March 31, 2019: 456 units)	389,464	24

## 12. ALLOCATED EXPENSES

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

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

The management company based on its own discretion has currently fixed a maximum capping of 0.1% of the average annual net assets of the scheme for allocation of such expenses to the Fund for the period from July 1, 2019 to July 21, 2019 and 0.15% for the period from July 22, 2019 to March 31, 2020.

## 13. SELLING AND MARKETING EXPENSE

Effective from July 22, 2019, the Management Company has started charging selling and marketing expenses to the Fund. The Management Company, based on its own discretion has currently determined a capping of 0.4% of the average annual net assets of the fund for charging of selling and marketing expenses to the Fund which has also been approved by the Board.

## 14. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the period ended March 31, 2020 is 1.61% which include 0.35% representing government levy, Sindh Workers' Welfare Fund and SECP fee.

## 15. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unitholders. The Fund has not recorded any tax liability in respect of income relating to the current period as the Management Company intends to distribute at least 90 percent of the Fund's accounting income for the year ending June 30, 2020 as reduced by capital gains (whether realised or unrealised) to its unitholders.

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.

## 16. FINANCIAL INSTRUMENTS - FAIR VALUES

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 tradeable in an open market are revalued at 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.

### 16.1. 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: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities.
- Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

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

	As at March 31, 2020			
	Level 1	Level 2	Level 3	Total
<b>ASSETS</b>	----- (Rupees in '000) -----			
<b>Financial assets 'at fair value through profit or loss'</b>				
Sukuk Certificates	-	1,112,236	-	1,112,236

	As at June 30, 2019			
	Level 1	Level 2	Level 3	Total
<b>ASSETS</b>	----- (Rupees in '000) -----			
<b>Financial assets 'at fair value through profit or loss'</b>				
Sukuk Certificates	-	1,124,715	-	1,124,715

**17. GENERAL**

17.1 Figures have been rounded off to the nearest thousand rupees.

17.2 Corresponding figures have been reclassified and rearranged in these condensed interim financial statements, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in these condensed interim financial statements.

**18. DATE OF AUTHORISATION**

This condensed interim financial information was authorised for issue on \_\_\_\_\_, 2020 by the Board of Directors of the Management Company.

**For Al Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director








Meezan  
Cash Fund

## MEEZAN CASH FUND (MCF)

Meezan Cash Fund is Pakistan's first Shariah compliant Money Market Fund. MCF aims to seek maximum possible preservation of capital and a reasonable rate of return via investing primarily in liquid Shariah compliant money market and debt securities.



# CHALLENGING THE MARKET IN THE CITY OF WRESTLERS

 Gujranwala Branch

● NISHAN-E-MANZIL  
(GUJRANWALA)



# FUND INFORMATION

## MANAGEMENT COMPANY

Al Meezan Investment Management Limited  
Ground Floor, Block "B", Finance & Trade Centre,  
Shahrah-e-Faisal Karachi 74400, Pakistan.  
Phone (9221) 35630722-6, 111-MEEZAN  
Fax: (9221) 35676143, 35630808  
Website: [www.almeezangroup.com](http://www.almeezangroup.com)  
E-mail: [info@almeezangroup.com](mailto:info@almeezangroup.com)

## BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Mohammad Shoaib, CFA	Chief Executive Officer
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Mohammad Furquan R Kidwai	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Moin M. Fudda	Independent Director
Ms. Saima Kamila Khan	Independent Director
Mr. Arshad Majeed	Nominee Director - MBL
Mr. Naeem Abdul Sattar	Nominee Director - PKIC
Syed Amir Ali Zaidi	Nominee Director - PKIC

## CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Syed Owais Wasti

## AUDIT COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Arshad Majeed	Member
Mr. Naeem Abdul Sattar	Member

## RISK MANAGEMENT COMMITTEE

Mr. Muhammad Abdullah Ahmed	Chairman
Syed Amir Ali Zaidi	Member
Mr. Naeem Abdul Sattar	Member

## HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Ariful Islam	Member
Mr. Naeem Abdul Sattar	Member
Mr. Mohammad Shoaib, CFA	Member

## TRUSTEE

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

## AUDITORS

A. F. Ferguson & Co.  
Chartered Accountants  
State Life Building# 1-C,  
I.I. Chundrigar Road, Karachi-74000

## SHARIAH ADVISER

Meezan Bank Limited

## BANKERS TO THE FUND

Allied Bank Limited	Habib Metropolitan Bank Limited - Islamic Banking
Askari Bank Limited - Islamic Banking	MCB Bank Limited
Bank Al Habib Limited - Islamic Banking	MCB Islamic Bank Limited
Bank Alfalah Limited	Meezan Bank Limited
Dubai Islamic Bank Pakistan Limited	National Bank of Pakistan - Islamic Banking
Faysal Bank Limited - Islamic Banking	Sindh Bank Limited
Habib Bank Limited -Islamic Banking	UBL Ameen - Islamic Banking

## LEGAL ADVISER

Bawaney & Partners  
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,  
Phase VI, DHA, Karachi.  
Phone (9221) 35156191-94 Fax: (9221) 35156195  
E-mail:

## TRANSFER AGENT

Meezan Bank Limited  
Meezan House  
C-25, Estate Avenue, SITE, Karachi.  
Phone: 38103538 Fax: 36406017  
Website: [www.meezanbank.com](http://www.meezanbank.com)

## DISTRIBUTORS

Al Meezan Investment Management Limited  
Meezan Bank Limited



**MEEZAN CASH FUND**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT MARCH 31, 2020**

		<b>March 31, 2020</b>	<b>June 30, 2019</b>
	<b>Note</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
		<b>(Rupees in '000)</b>	
<b>Assets</b>			
Balances with banks	5	7,919,618	2,580,335
Investments	6	5,057,513	6,270,999
Receivable against conversion of units		105,296	130,600
Profit receivable		100,030	92,348
Deposits and prepayments		359	579
<b>Total assets</b>		<u>13,182,816</u>	<u>9,074,861</u>
<b>Liabilities</b>			
Payable to Al Meezan Investment Management Limited - the Management Company	7	21,289	11,306
Payable to Central Depository Company of Pakistan Limited - the Trustee	8	837	834
Payable to the Securities and Exchange Commission of Pakistan	9	1,651	8,764
Payable against conversion and redemption of units		43,566	98,921
Accrued expenses and other liabilities	10	87,180	103,948
<b>Total liabilities</b>		<u>154,523</u>	<u>223,773</u>
<b>Net assets</b>		<u><u>13,028,293</u></u>	<u><u>8,851,088</u></u>
<b>Contingencies and commitments</b>	11		
<b>Unit holders' fund (as per statement attached)</b>		<u><u>13,028,293</u></u>	<u><u>8,851,088</u></u>
		<b>(Number of units)</b>	
<b>Number of units in issue</b>		<u><u>237,385,183</u></u>	<u><u>175,362,634</u></u>
		<b>(Rupees)</b>	
<b>Net asset value per unit</b>		<u><u>54.8825</u></u>	<u><u>50.4731</u></u>

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN CASH FUND**  
**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**

	Note	Nine months period ended March 31,		Quarter ended March 31,	
		2020 (Rupees in '000)	2019 (Rupees in '000)	2020 (Rupees in '000)	2019 (Rupees in '000)
<b>Income</b>					
Profit on saving accounts with banks		621,292	616,637	220,929	256,889
Profit on term deposit receipts		158,234	69,291	26,340	36,460
Profit on sukuk certificates		190,238	66,054	71,251	29,319
Profit on Bai Muajjal		84,039	-	63,038	-
Net realised (loss) / gain on sale of investments		(468)	3,470	(310)	-
<b>Total income</b>		<b>1,053,335</b>	<b>755,452</b>	<b>381,248</b>	<b>322,668</b>
<b>Expenses</b>					
Remuneration of Al Meezan Investment Management Limited - the Management Company	7	52,041	86,480	17,785	32,039
Sindh Sales Tax on remuneration of the Management Company		6,766	11,242	2,314	4,165
Selling and marketing expenses	15	30,494	-	11,857	-
Allocated expenses	13	12,065	8,648	4,446	3,204
Remuneration of Central Depository Company of Pakistan 'Limited - the Trustee	8	5,365	6,878	1,927	2,477
Sindh Sales Tax on remuneration of the Trustee		697	894	250	322
Annual fee to the Securities and Exchange Commission of Pakistan	9	1,651	6,486	593	2,403
Auditors' remuneration		429	388	102	83
Fees and subscription		1,053	990	349	344
Brokerage expense		357	10	79	-
Bank and settlement charges		847	239	334	13
Provision for Sindh Workers' Welfare Fund (SWWF)		18,831	12,661	6,824	5,551
Printing expense		-	135	-	45
<b>Total expenses</b>		<b>130,596</b>	<b>135,052</b>	<b>46,860</b>	<b>50,647</b>
<b>Net income for the period before taxation</b>		<b>922,739</b>	<b>620,400</b>	<b>334,388</b>	<b>272,021</b>
Taxation	16	-	-	-	-
<b>Net income for the period after taxation</b>		<b>922,739</b>	<b>620,400</b>	<b>334,388</b>	<b>272,021</b>
<b>Allocation of net income for the period</b>					
Net income for the period after taxation		922,739	620,400		
Income already paid on units redeemed		(303,316)	(232,426)		
		<b>619,423</b>	<b>387,974</b>		
<b>Accounting income available for distribution</b>					
- Relating to capital gains		-	3,470		
- Excluding capital gains		619,423	384,504		
		<b>619,423</b>	<b>387,974</b>		

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**





**MEEZAN CASH FUND**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**

	Nine months period March 31,		Quarter ended, March 31,	
	2020 (Rupees in '000)	2019 (Rupees in '000)	2020 (Rupees in '000)	2019 (Rupees in '000)
Net income for the period after taxation	922,739	620,400	334,388	272,021
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>922,739</b>	<b>620,400</b>	<b>334,388</b>	<b>272,021</b>

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN CASH FUND**  
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

	Nibe months period ended March 31, 2020			Nine months period ended March 31, 2019		
	Capital Value	Undistribute d income	Total	Capital Value	Undistribute d income	Total
	(Rupees in '000)			(Rupees in '000)		
<b>Net assets at the beginning of the period</b>	8,807,969	43,119	8,851,088	9,707,096	213,856	9,920,952
Issuance of 527,872,973 units (March 31, 2019: 469,786,938 units)						
- Capital value (at net asset value per unit at the beginning of the period)	26,643,385	-	26,643,385	23,187,745	-	23,187,745
- Element of income	1,090,719	-	1,090,719	605,341	-	605,341
Total proceeds on issuance of units	27,734,104	-	27,734,104	23,793,086	-	23,793,086
Redemption of 465,850,424 units (March 31, 2019: 398,973,083 units)						
- Capital value (at net asset value per unit at the beginning of the period)	23,512,915	-	23,512,915	20,120,812	-	20,120,812
- Element of income	663,407	303,316	966,723	313,228	232,426	545,654
Total payments on redemption of units	24,176,322	303,316	24,479,638	20,434,040	232,426	20,666,466
Total comprehensive income for the period	-	922,739	922,739	-	620,400	620,400
Distribution during the period	-	-	-	-	(178,008)	(178,008)
Refund of capital	-	-	-	(230,343)	-	(230,343)
Net income for the period less distribution	-	922,739	922,739	(230,343)	442,392	212,049
<b>Net assets at the end of the period</b>	<b>12,365,751</b>	<b>662,542</b>	<b>13,028,293</b>	<b>12,835,799</b>	<b>423,822</b>	<b>13,259,621</b>
Undistributed income brought forward						
- Realised income		43,119			213,856	
- Unrealised income		-			-	
		43,119			213,856	
Accounting income available for distribution						
- Relating to capital gains		-			3,470	
- Excluding capital gains		619,423			384,504	
		619,423			387,974	
Distribution during the period: nil [March 31, 2019: Rs. 2.1649 per unit i.e. 4.33% of the par value of Rs. 50/- each (July 6, 2018)]					(178,008)	
Undistributed income carried forward		662,542			423,822	
Undistributed income carried forward						
- Realised income		662,542			423,822	
- Unrealised income		-			-	
		662,542			423,822	
Net assets value per unit at the beginning of the period			(Rupees) 50.4731			(Rupees) 52.5964
Net assets value per unit at the end of the period			54.8825			53.1580

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited**  
**(Management Company)**

Chief Executive

Chief Financial Officer

Director

**MEEZAN CASH FUND**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**



Note	Nine months period ended March 31,	
	2020	2019
	(Rupees in '000)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	922,739	620,400
<b>Decrease / (Increase) in assets</b>		
Investments - net	(636,514)	(1,415,689)
Deposits and prepayments	220	217
Profit receivable	(7,682)	(69,941)
	(643,976)	(1,485,413)
<b>(Decrease) / Increase in liabilities</b>		
Payable to AI Meezan Investment Management Limited - Management Company	9,983	3,580
Payable to Central Depository Company of Pakistan Limited - Trustee	3	219
Payable to Securities and Exchange Commission of Pakistan	(7,113)	950
Accrued expenses and other liabilities	(16,768)	19,322
	(13,895)	24,070
<b>Net cash generated from / (used in) operating activities</b>	<u>264,868</u>	<u>(840,942)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts against issuance and conversion of units	27,759,408	23,265,911
Payments against redemption and conversion of units	(24,534,993)	(20,746,078)
Dividend paid	-	(17,985)
<b>Net cash generated from financing activities</b>	<u>3,224,415</u>	<u>2,501,848</u>
<b>Net increase in cash and cash equivalents during the period</b>	<u>3,489,283</u>	<u>1,660,906</u>
Cash and cash equivalents at the beginning of the period	5,430,335	10,127,637
<b>Cash and cash equivalents at the end of the period</b>	<u>5.2</u> <u>8,919,618</u>	<u>11,788,543</u>

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.

**For AI Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN CASH FUND**  
**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

**1. LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1** Meezan Cash Fund (the Fund) was established under a trust deed executed between Al Meezan Investment Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The trust deed was executed on May 14, 2009 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The Management Company has been licensed by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2** The Fund has been formed to provide the unit holders with safe and stable stream of halal income on their investments and to generate superior long term risk adjusted returns. The Fund shall also keep exposure in short-term instruments for the purpose of maintaining liquidity and to capitalise on exceptional returns if available at any given point in time. The Fund shall seek to maximise preservation of capital and a reasonable rate of return via investing primarily in liquid Shariah compliant money market and Shariah compliant debt securities. Under the trust deed, all the conducts and acts of the Fund are based on Shariah principles. Meezan Bank Limited acts as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.3** The Fund is categorized as an open-end Shariah Compliant (Islamic) Money Market Scheme listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.
- 1.4** The Management Company has been assigned a quality rating of AM1 by VIS Credit Rating Company Limited dated December 31, 2019 (2018: AM1 dated December 28, 2018) and by PACRA dated December 28, 2019. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes. The Fund has been given a stability rating of AA(f) by VIS Credit Rating Company Limited.
- 1.5** Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

**2. BASIS OF PRESENTATION**

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

**3. BASIS OF PREPARATION**

**3.1 STATEMENT OF COMPLIANCE**

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

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

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

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2019.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2020.

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGEMENTS AND RISK MANAGEMENT

4.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2019.

4.2 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2019. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2019.

#### 4.3 Standards and amendments to published accounting and reporting standards that are effective in the current period

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 condensed interim financial statements.

5. BALANCES WITH BANKS	Note	March 31, 2020	June 30, 2019
		(Unaudited) (Rupees in '000)	(Audited)
In saving accounts	5.1	7,918,872	2,579,578
In current accounts		746	757
		<u>7,919,618</u>	<u>2,580,335</u>

5.1 The balances in saving accounts have an expected profit ranging from 3.00 % to 13.00 % per annum (June 30, 2019: 3.32% to 12.50% per annum).

5.2 Cash and cash equivalents	Note	March 31, 2020	June 30, 2019
		(Unaudited) (Rupees in '000)	(Audited)
Balances with banks	5	7,919,618	2,580,335
Term deposit receipts - having original maturity of 3 months or less	6	1,000,000	2,850,000
		<u>8,919,618</u>	<u>5,430,335</u>

#### 6. INVESTMENTS

##### At fair value through profit or loss

Corporate sukuku	6.1	600,000	675,000
Commercial papers	6.2	551,975	1,471,289
Term deposit receipts - having original maturity of 3 months or less	6.3	1,000,000	2,850,000
Bai muajjal receivable	6.4	2,905,538	1,274,710
		<u>5,057,513</u>	<u>6,270,999</u>

## 6.1 Corporate Sukuks

Name of the Security	Maturity date	Profit rate	As at July 1, 2019	Purchased during the period	Sales / matured during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised appreciation/ (diminution)	Percentage in relation to	
										Number of certificates	(Rs in '000)
Hub Power Company Limited - II (A1+, PACRA) (note 6.1.1)	October 2, 2019	3 month KIBOR plus base rate of 1.00%	135,000	-	135,000	-	-	-	-	-	-
Hub Power Company Limited - V (AA+, PACRA) (note 6.1.2)	May 21, 2020	3 month KIBOR plus base rate of 1.50%	-	6,000	-	6,000	600,000	600,000	-	4.61%	11.86%
<b>Total as at March 31, 2020</b>							<b>600,000</b>	<b>600,000</b>			
<b>Total as at June 30, 2019</b>							<b>675,000</b>	<b>675,000</b>			

6.1.1 The nominal value of the sukuk certificates is Rs 5,000 each.

6.1.2 The nominal value of the sukuk certificates is Rs 100,000 each.

## 6.2 Commercial papers

Name of the security	Maturity date	Profit rate	As at July 1, 2019	Purchases during the period	Sales / redemptions / maturity during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised appreciation/ (diminution)	Percentage in relation to	
										(Number of certificates)	(Rupees in '000)
K-Electric Limited CP II (note 6.2.1)	September 2, 2019	6 month KIBOR plus base rate of 0.90%	1,500	-	1,500	-	-	-	-	-	-
K-Electric Limited CP III (note 6.2.1)	March 19, 2020	6 month KIBOR plus base rate of 1.30%	-	1,390	1,390	-	-	-	-	-	-
K-Electric Limited CP V (note 6.2.1)		6 month KIBOR plus base rate of 1.15%		109	-	109	103,499	103,499	-	0.79%	2.05%
K-Electric Limited CP VI (note 6.2.1)		6 month KIBOR plus base rate of 1.15%		225	-	225	212,636	212,636	-	1.63%	4.20%
K-Electric Limited CP VI (note 6.2.1)		6 month KIBOR plus base rate of 1.15%		250	-	250	235,839	235,839	-	1.81%	4.66%
<b>Total as at March 31, 2020</b>							<b>584</b>	<b>551,975</b>	<b>551,975</b>		
<b>Total as at June 30, 2019</b>							<b>1,500</b>	<b>1,471,289</b>	<b>1,471,289</b>		

6.2.1 The nominal value of these commercial papers is Rs 1,000,000 each.

6.2.2 The securities are valued on the basis of amortization to its face value as per the requirements of Circular 33 of 2012 with respect to thinly and non traded debt securities with residual maturity of upto six months.

## 6.3 Term deposit receipts

Name of the bank	Maturity	Profit rate	As at July 1, 2019	Term deposit receipts placed during the period	Matured during the period	As at March 31, 2020	Percentage in relation to		
							(Rupees in '000)	Total market value of investment	
Faysal Bank Limited	September 6, 2019	10.75%	450,000	-	450,000	-	-		
Askari Bank Limited	September 3, 2019	12.05%	1,200,000	-	1,200,000	-	-		
UBL - Ameen	September 12, 2019	12.10%	1,200,000	-	1,200,000	-	-		
Meezan Bank Limited	December 2, 2019	13.50%	-	1,000,000	1,000,000	-	-		
Askari Bank Limited	December 11, 2019	13.10%	-	1,020,000	1,020,000	-	-		
Askari Bank Limited	-	12.65%	-	1,000,000	-	1,000,000	19.77%		
<b>Total as at March 31, 2020</b>							<b>1,000,000</b>	<b>-</b>	
<b>Total as at June 30, 2019</b>							<b>2,850,000</b>	<b>45.00%</b>	



#### 6.4 Bai Muajjal Receivable

During the period, Fund entered in certain Bai Muajjal Transactions with various investee companies against K-Electric Limited Commercial Paper III issued on September 19, 2019, having profit ranging from 12.45% to 13.15%. These Bai Muajjal transaction have face value of Rs. 2,836.572 million and as at March 31, 2020 fund accrued profit of Rs. 68.966 million on it. These transactions will mature from June 12, 2020 to August 31, 2020.

#### 7. PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY

As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding 1% of the average annual net assets in case of Money Market Scheme. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 1% (2018: 1%) per annum of the average net assets from July 1, 2019 to July 21, 2019. Effective from July 22, 2019, the management company has reduced the rate of remuneration from 1% to 0.6% of average annual net assets of the fund.

#### 8. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the trust deed. Effective from July 1, 2019, the trustee has revised its tariff as under:

Net Assets (Rs.)	Previous Tariff	Revised Tariff (Flat Rate)
	Fee	
Upto Rs. 1 billion	0.15% per annum of net assets	0.065% per annum of Net Assets.
From Rs. 1 billion to Rs. 10 billion	Rs 1.5 million plus 0.075% per annum of net assets exceeding Rs 1 billion.	
Exceeding Rs. 10 billion	Rs 8.25 million plus 0.06% per annum of net assets exceeding Rs 10 billion.	

Accordingly, the Fund has charged Trustee Fee @ 0.065% per annum during the current period.

#### 9. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP).

Effective from July 1, 2019, the SECP vide SRO No. 685(I)/2019 dated June 28, 2019, revised the rate of annual fee to 0.02% of net assets, applicable on all categories of CISs. Previously, the rate of annual fee applicable to money market fund was 0.075%. Accordingly, the Fund has charged SECP Fee at the rate of 0.02% of net assets during the current period.

10. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	March 31, 2020	June 30, 2019
		(Unaudited)	(Audited)
		(Rupees in '000)	
Provision for Sindh Workers' Welfare Fund (SWWF)	10.1	49,728	30,896
Withholding tax and capital gain tax payable		8,607	44,483
Provision for Federal Excise Duty and related Sindh Sales tax on remuneration of the management company	10.2	27,018	27,018
Shariah advisor fee payable		874	472
Brokerage expense payable		231	85
Auditors' remuneration		254	335
Printing expense payable		111	111
Other expenses		252	-
Zakat payable		105	548
		87,180	103,948

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

Had the provision for SWWF not been recorded in these condensed interim financial statements of the Fund for the period from May 21, 2015 to December 31, 2019, the net asset value per unit of the Fund as at March 31, 2020 would have been higher by Re 0.21 (June 30, 2019: Re 0.18).

- 10.2** The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 27.018 million is being retained in these condensed interim financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision not been made, the NAV per unit of the Fund would have been higher by Re 0.11 (June 30, 2019: Re 0.15) per unit.

## **11. CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments outstanding as at March 31, 2020 and June 30, 2019.

## **12. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES**

Connected persons include Al Meezan Investment Management Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, Directors and Executives of the Management Company, other funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited - Employees' Gratuity Fund and unit holders holding 10 percent or more of the Fund's net assets.

Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.

Details of transactions with connected persons and balances with them are as follows:

	March 31, 2020 (Unaudited) (Rupees in '000)	June 30, 2019 (Audited)
<b>AI Meezan Investment Management Limited - the Management Company</b>		
Remuneration payable	6,837	9,192
Sindh Sales Tax payable on management fee	889	1,195
Selling and marketing expenses	11,857	-
Allocated expenses payable	1,706	919
<b>Meezan Bank Limited</b>		
Balance with bank	4,423	131,399
Profit receivable on saving accounts	777	170
<b>Central Depository Company of Pakistan Limited - the Trustee</b>		
Trustee fee payable	741	738
Sindh Sales Tax on trustee fee payable	96	96
Security deposit	100	100
<b>Meezan Financial Planning Fund of Funds - Aggressive Allocation Plan</b>		
Investment of nil units (June 30, 2019: 898,802 units)	-	45,365
<b>Meezan Financial Planning Fund of Funds - Conservative Allocation Plan</b>		
Investment of nil units (June 30, 2019: 1,628,815 units)	-	82,211
<b>Meezan Financial Planning Fund of Funds - Moderate Allocation Plan</b>		
Investment of nil units (June 30, 2019: 1,000,001 units)	-	50,473
<b>Meezan Financial Planning Fund of Funds - MAAP - I</b>		
Investment of 221 units (June 30, 2019: 8,448 units)	12	426
<b>Meezan Strategic Allocation Fund - MSAP - I</b>		
Investment of 4 units (June 30, 2019: nil)	-	-
<b>Meezan Strategic Allocation Fund - MSAP - II</b>		
Investment of nil units (June 30, 2019: 1,616 units)	-	82
<b>Meezan Strategic Allocation Fund - MSAP - III</b>		
Investment of nil units (June 30, 2019: 116,450 units)	-	5,878
<b>Meezan Strategic Allocation Fund - MSAP - IV</b>		
Investment of nil units (June 30, 2019: 158,203 units)	-	7,985
<b>Meezan Strategic Allocation Fund - MSAP - V</b>		
Investment of nil units (June 30, 2019: 786,614 units)	-	39,703
<b>Meezan Strategic Asset Allocation Fund - MCPP - III</b>		
Investment of 18 units (June 30, 2019: nil units)	1	-
<b>Meezan Strategic Allocation Fund II- MCPP - VI</b>		
Investment of 42 units (June 30, 2019: nil units)	2	-
<b>Meezan Strategic Allocation Fund II- MCPP - VII</b>		
Investment of 2 units (June 30, 2019: nil units)	-	-
<b>Meezan Strategic Allocation Fund II- MCPP - VIII</b>		
Investment of 8 units (June 30, 2019: nil units)	-	-
<b>Meezan Strategic Allocation Fund II- MCPP - IX</b>		
Investment of nil units (June 30, 2019: 64,627 units)	-	3,262
<b>Directors and executives of the Management Company</b>		
Investment of 7,351,168 units (June 30, 2019: 485,288 units)	403,450	24,494

	Nine months period ended	
	March 31,	
	2020 (Unaudited)	2019 (Unaudited)
	(Rupees in '000)	
<b>Al Meezan Investment Management Limited - the Management Company</b>		
Remuneration for the period	52,041	86,480
Sindh Sales Tax on remuneration of Management Company	6,766	11,242
Selling and marketing expense	30,494	-
Allocated expenses	12,065	8,648
Units issued: 16 units (March 31, 2019: nil units)	1	-
Units redeemed: 16 units (March 31, 2019: nil units)	1	-
<b>Meezan Bank Limited</b>		
Profit on saving accounts	6,683	3,673
Term deposit receipt placed	1,000,000	-
Term deposit matured	1,000,000	-
Profit on term deposit receipt	33,623	-
<b>Central Depository Company of Pakistan Limited - the Trustee</b>		
Trustee fee for the period	5,365	6,878
Sindh Sales Tax on remuneration of the trustee	697	894
CDS charges	176	5
<b>Meezan Financial Planning Fund of Funds</b>		
<b>- Aggressive Allocation Plan</b>		
Units issued: nil units (March 31, 2019: 113,932 units)	-	5,811
Units redeemed: 898,802 units (March 31, 2019: 231,397 units)	45,839	11,963
Dividend paid	-	2,304
Refund of capital	-	257
<b>Meezan Financial Planning Fund of Funds</b>		
<b>- Conservative Allocation Plan</b>		
Units issued: nil units (March 31, 2019: 251,200 units)	-	12,805
Units redeemed: 1,628,815 units (March 31, 2019: 637,472 units)	83,034	32,771
Dividend paid	-	3,957
Refund of capital	-	410
<b>Meezan Financial Planning Fund of Funds</b>		
<b>- Moderate Allocation Plan</b>		
Units issued: nil units (March 31, 2019: 63,204 units)	-	3,187
Units redeemed: 1,000,001 units (March 31, 2019: 446,077 units)	50,914	22,854
Dividend paid	-	2,766
Refund of capital	-	421
<b>Meezan Financial Planning Fund of Funds - MAAP - I</b>		
Units issued: 3,821,029 units (March 31, 2019: 24,238 units)	196,322	1,223
Units redeemed: 3,829,256 units (March 31, 2019: 572,744 units)	199,398	29,570
Dividend paid	-	855
Refund of capital	-	368
<b>Meezan Financial Planning Fund of Funds - MAAP - IV</b>		
Units issued: nil units (March 31, 2019: 7,368,899 units)	-	372,084
Units redeemed: nil units (March 31, 2019: 8,331,559 units)	-	421,491
Dividend paid	-	1,833
Refund of capital	-	251
<b>Meezan Strategic Allocation Fund - MSAP - I</b>		
Units issued: 11,301,674 units (March 31, 2019: 78,130 units)	596,752	3,941
Units redeemed: 11,301,670 units (March 31, 2019: 1,898,170 units)	597,678	97,777
Dividend paid	-	3,863
Refund of capital	-	78

	Nine months period ended	
	March 31,	
	2020	2019
	(Unaudited)	(Unaudited)
	(Rupees in '000)	
<b>Meezan Strategic Allocation Fund - MSAP - II</b>		
Units issued: nil units (March 31, 2019: 70,389 units)	-	3,550
Units redeemed: 1,616 units (March 31, 2019: 1,704,486 units)	83	88,210
Dividend paid	-	3,550
<b>Meezan Strategic Allocation Fund - MSAP - III</b>		
Units issued: nil units (March 31, 2019: 127,316 units)	-	6,421
Units redeemed: 116,450 units (March 31, 2019: 2,171,432 units)	5,926	112,466
Dividend paid	-	6,326
Refund of capital	-	95
<b>Meezan Strategic Allocation Fund - MSAP - IV</b>		
Units issued: nil units (March 31, 2019: 2,115,011 units)	-	108,270
Units redeemed: 158,203 units (March 31, 2019: 5,099,915 units)	8,082	262,830
Dividend paid	-	7,528
Refund of capital	-	102
<b>Meezan Strategic Allocation Fund - MSAP - V</b>		
Units issued: nil units (March 31, 2019: 92,100 units)	-	4,644
Units redeemed: 786,614 units (March 31, 2019: 1,076,672 units)	40,274	55,801
Dividend paid	-	3,312
Refund of capital	-	1,332
<b>Meezan Strategic Asset Allocation Fund - MCPP-III</b>		
Units Issued: 37,706,480 units (March 31, 2019: 11,794,364 units)	1,920,788	606,576
Units redeemed: 37,706,461 units (March 31, 2019: 15,137,691 units)	1,944,923	782,614
Dividend paid	-	16,480
Refund of capital	-	33,815
<b>Meezan Strategic Allocation Fund II- MCPP - IV</b>		
Units issued: 40,774,759 units (March 31, 2019: 23,819,855 units)	2,122,258	1,224,500
Units redeemed: 40,774,759 units (March 31, 2019: 31,245,850 units)	2,141,472	1,615,168
Dividend paid	-	13,834
Refund of capital	-	59,534
<b>Meezan Strategic Allocation Fund II- MCPP - V</b>		
Units issued: 10,309,236 units (March 31, 2019: 10,863,046 units)	532,855	556,001
Units redeemed: 10,309,236 units (March 31, 2019: 11,964,850 units)	536,736	618,130
Dividend paid	-	1,360
Refund of capital	-	19,413
<b>Meezan Strategic Allocation Fund II- MCPP - VI</b>		
Units issued: 5,855,367 units (March 31, 2019: 16,632,113 units)	296,207	851,000
Units redeemed: 5,855,325 units (March 31, 2019: 8,824,486)	298,555	457,636
<b>Meezan Strategic Allocation Fund II- MCPP - VII</b>		
Units issued: 3,058,519 units (March 31, 2019: 9,781,763 units)	154,708	506,917
Units redeemed: 3,058,517 units (March 31, 2019: 6,145,138 units)	155,937	321,260
<b>Meezan Strategic Allocation Fund II- MCPP - VIII</b>		
Units issued: 4,124,642 units (March 31, 2019: 3,235,929 units)	209,083	170,000
Units redeemed: 4,124,635 units (March 31, 2019: 1,205,736 units)	209,717	63,370
<b>Meezan Strategic Allocation Fund III- MCPP - IX</b>		
Units issued: 1,474,895 units (March 31, 2019: Nil units)	74,789	-
Units redeemed: 1,539,522 units (March 31, 2019: nil units)	78,256	-
<b>Directors and Executives of the Management Company</b>		
Units issued: 7,582,436 units (March 31, 2019: 1,087,292 units)	412,171	56,044
Units redeemed: 716,556 units (March 31, 2019: 932,874 units)	37,295	17,894

**13. ALLOCATED EXPENSES**

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

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

The management company based on its own discretion has currently fixed a maximum capping of 0.1% of the average annual net assets of the scheme for allocation of such expenses to the Fund for the period from July 1, 2019 to July 21, 2019 and 0.15% for the period from July 22, 2019 to March 31, 2020.

**14. THE TOTAL EXPENSE RATIO (TER)**

The Total Expense Ratio (TER) of the Fund for the period ended March 31, 2020 is 1.58% which include 0.34% representing government levy, Sindh Workers' Welfare Fund and SECP fee.

**15. SELLING AND MARKETING EXPENSES**

Effective from July 22, 2019, the Management Company has started charging selling and marketing expenses to the Fund. The Management Company, based on its own discretion has currently determined a capping of 0.4% of the average annual net assets of the fund for charging of selling and marketing expenses to the Fund which has also been approved by the Board.

**16. TAXATION**

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unit holders. The Fund has not recorded any tax liability in respect of income relating to the current period as the Management Company intends to distribute at least 90 percent of the Fund's accounting income for the year ending June 30, 2020 as reduced by capital gains (whether realised or unrealised) to its unit holders.

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.

**17. FINANCIAL INSTRUMENTS**

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

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

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 March 31, 2020, the Fund held the following financial instruments measured at fair values:

As at March 31, 2020				
Level 1	Level 2	Level 3	Total	
(Rupees in '000)				
<b>ASSETS</b>				
<b>Financial assets 'at fair value through profit or loss'</b>				
Corporate sukuku	-	600,000	-	<b>600,000</b>
Commercial papers*	-	551,975	-	<b>551,975</b>
Term deposit receipts	-	1,000,000	-	<b>1,000,000</b>
Bai Muajjal receivable	-	2,905,538	-	<b>2,905,538</b>
	-	<u>5,057,513</u>	-	<u><b>5,057,513</b></u>

As at June 30, 2019				
Level 1	Level 2	Level 3	Total	
(Rupees in '000)				
<b>ASSETS</b>				
<b>Financial assets 'at fair value through profit or loss'</b>				
Corporate sukuku	-	675,000	-	<b>675,000</b>
Commercial papers*	-	1,471,289	-	<b>1,471,289</b>
Term deposit receipts	-	2,850,000	-	<b>2,850,000</b>
Bai Muajjal receivable	-	1,274,710	-	<b>1,274,710</b>
	-	<u>6,270,999</u>	-	<u><b>6,270,999</b></u>

\* The valuation of commercial papers has been done based on amortisation of commercial paper to its face value as per the guidelines given in Circular 33 of 2012 since the residual maturity of this investment is less than six months and they are placed with counterparties which have high credit rating.

## 18. GENERAL

18.1 Figures have been rounded off to the nearest thousand rupees.

18.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in these condensed interim financial statements during the period.

## 19. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on \_\_\_\_\_ by the Board of Directors of the Management Company.

**For AI Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director



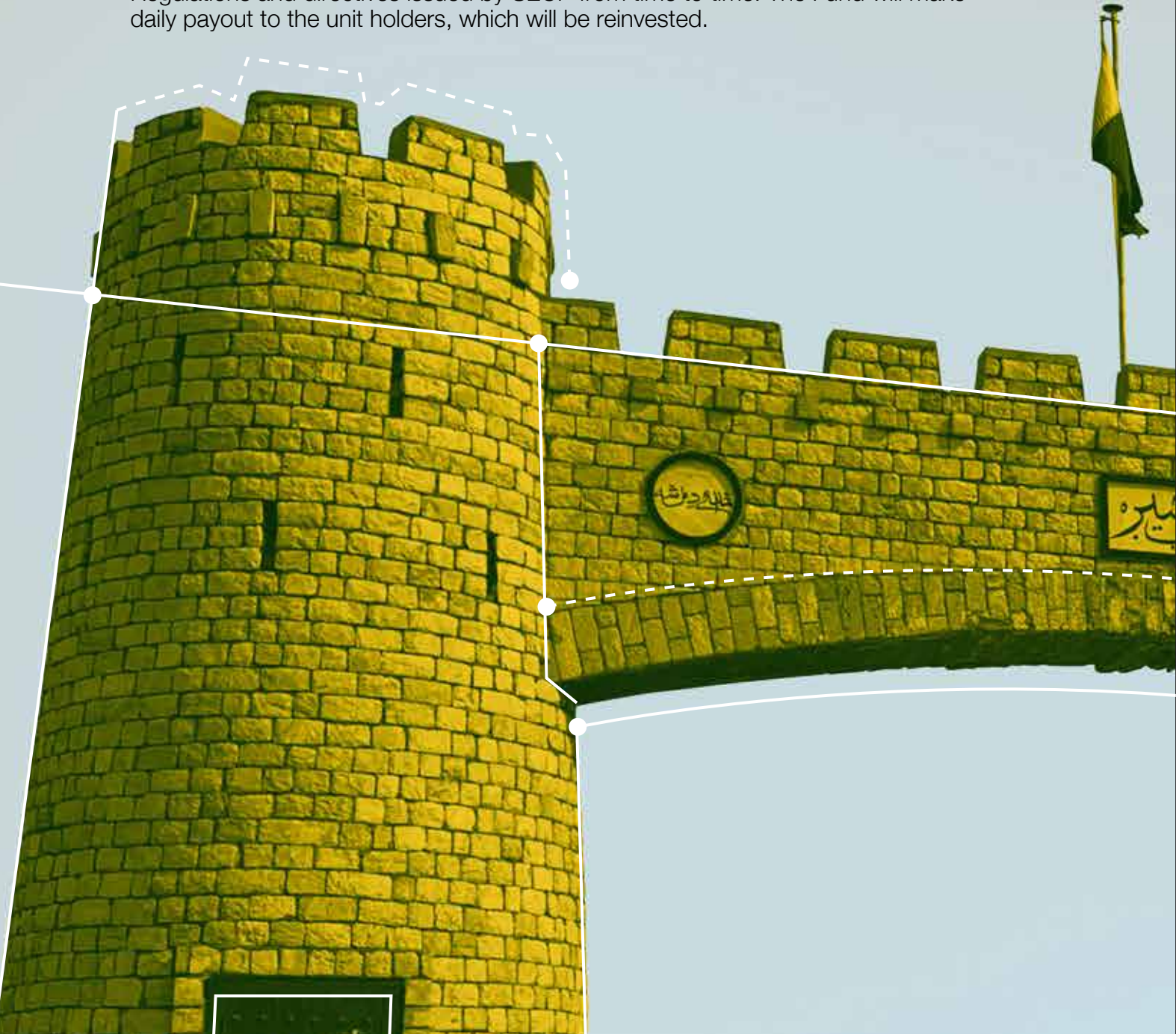


**Meezan**  
Rozana Amdani Fund


## **MEEZAN ROZANA AMDANI FUND (MRAF)**

Meezan Rozana Amdani Fund the objective of the Fund is to meet liquidity needs of investors by providing investors a daily payout through investment in Shariah Compliant money market instruments.

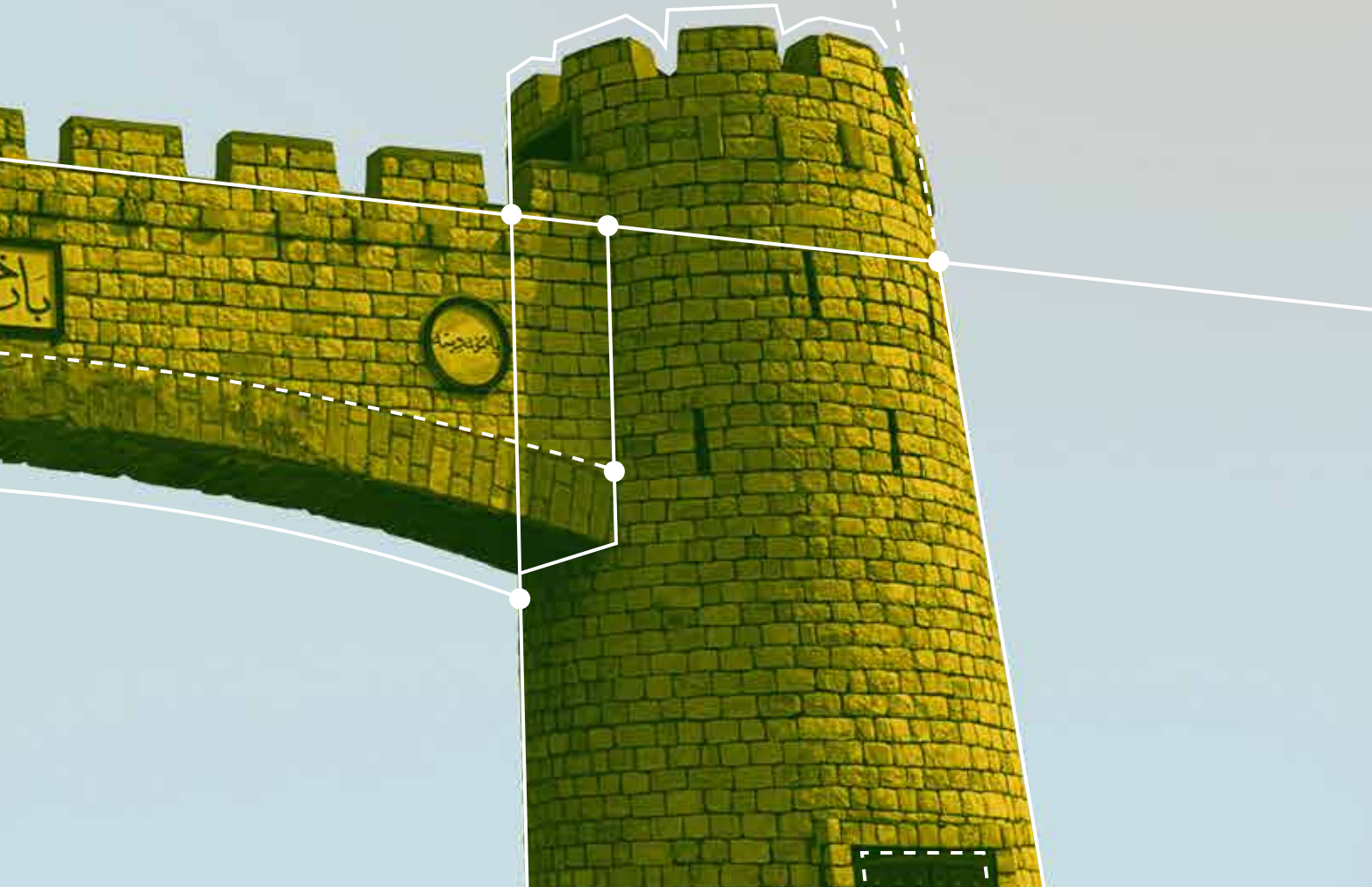
The Fund shall be subject to such exposure limits as are specified in the Rules, the Regulations and directives issued by SECP from time to time. The Fund will make daily payout to the unit holders, which will be reinvested.



# BUILDING ON THE VALUES OF GROWTH IN THE CITY OF FLOWERS

 Peshawar Branch

**KHYBER PASS  
(PESHAWAR)**



# FUND INFORMATION

## MANAGEMENT COMPANY

Al Meezan Investment Management Limited  
Ground Floor, Block "B", Finance & Trade Centre,  
Shahrah-e-Faisal Karachi 74400, Pakistan.  
Phone (9221) 35630722-6, 111-MEEZAN  
Fax: (9221) 35676143, 35630808  
Website: [www.almeezangroup.com](http://www.almeezangroup.com)  
E-mail: [info@almeezangroup.com](mailto:info@almeezangroup.com)

## BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Mohammad Shoaib, CFA	Chief Executive Officer
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Mohammad Furquan R Kidwai	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Moin M. Fudda	Independent Director
Ms. Saima Kamila Khan	Independent Director
Mr. Arshad Majeed	Nominee Director - MBL
Mr. Naeem Abdul Sattar	Nominee Director - PKIC
Syed Amir Ali Zaidi	Nominee Director - PKIC

## CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Syed Owais Wasti

## AUDIT COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Arshad Majeed	Member
Mr. Naeem Abdul Sattar	Member

## RISK MANAGEMENT COMMITTEE

Mr. Muhammad Abdullah Ahmed	Chairman
Syed Amir Ali Zaidi	Member
Mr. Naeem Abdul Sattar	Member

## HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Ariful Islam	Member
Mr. Naeem Abdul Sattar	Member
Mr. Mohammad Shoaib, CFA	Member

## TRUSTEE

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

## AUDITORS

A. F. Ferguson & Co.  
Chartered Accountants  
State Life Building# 1-C,  
I.I. Chundrigar Road, Karachi-74000

## SHARIAH ADVISER

Meezan Bank Limited

## BANKERS TO THE FUND

Allied Bank Limited  
Askari Bank Limited - Islamic Banking  
Bank Al Habib Limited - Islamic Banking  
Dubai Islamic Bank Pakistan Limited  
Faysal Bank Limited - Islamic Banking  
Habib Bank Limited -Islamic Banking  
Meezan Bank Limited

## LEGAL ADVISER

Bawaney & Partners  
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,  
Phase VI, DHA, Karachi.  
Phone (9221) 35156191-94 Fax: (9221) 35156195  
E-mail:

## TRANSFER AGENT

Meezan Bank Limited  
Meezan House  
C-25, Estate Avenue, SITE, Karachi.  
Phone: 38103538 Fax: 36406017  
Website: [www.meezanbank.com](http://www.meezanbank.com)

## DISTRIBUTORS

Al Meezan Investment Management Limited  
Meezan Bank Limited





**MEEZAN ROZANA AMDANI FUND**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT MARCH 31, 2020**

		March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
	Note	(Rupees in '000)	
<b>Assets</b>			
Balances with banks	5	25,038,182	7,673,651
Investments	6	8,955,345	8,359,401
Receivable against conversion of units		200,710	74,205
Profit receivable		197,851	160,695
Preliminary expenses and floatation costs		749	899
Deposits and prepayments		319	266
<b>Total assets</b>		<u>34,393,156</u>	<u>16,269,117</u>
<b>Liabilities</b>			
Payable to AI Meezan Investment Management Limited - the Management Company	10	38,722	9,360
Payable to Central Depository Company of Pakistan Limited - the Trustee	11	2,082	1,173
Payable to the Securities and Exchange Commission of Pakistan	12	4,360	3,418
Payable against conversion and redemption of units		220,214	96,609
Dividend payable		11,207	9,333
Accrued expenses and other liabilities	8	100,300	14,784
<b>Total liabilities</b>		<u>376,885</u>	<u>134,677</u>
<b>Net assets</b>		<u>34,016,271</u>	<u>16,134,440</u>
<b>Contingencies and commitments</b>	7		
<b>Unit holders' fund (as per statement attached)</b>		<u>34,016,271</u>	<u>16,134,440</u>
		----- (Number of units) -----	
<b>Number of units in issue</b>		<u>680,325,436</u>	<u>322,688,791</u>
		----- (Rupees) -----	
<b>Net asset value per unit</b>		<u>50.0000</u>	<u>50.0000</u>

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

**For AI Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director



**MEEZAN ROZANA AMDANI FUND**  
**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**

		For the nine months period ended March 31, 2020	For period ended from December 28, 2018 to March 31, 2019	For the quarter ended March 31, 2020	For the quarter ended March 31, 2019
	Note	----- (Rupees in '000) -----			
<b>Income</b>					
Profit on saving accounts with banks		1,969,282	100,795	892,768	99,866
Profit on sukuk certificates and commercial papers		299,488	5,557	117,139	5,557
Profit on term deposit receipts		277,362	5,718	-	5,718
Profit on Bai Muajjal	6.4	297,576	-	159,543	-
Net realised loss on sale of investment		(1,863)	-	(598)	-
<b>Total income</b>		<b>2,841,845</b>	<b>112,070</b>	<b>1,168,852</b>	<b>111,141</b>
<b>Expenses</b>					
Remuneration of AI Meezan Investment Management Limited - the Management Company	10	60,563	5,603	23,377	5,557
Sindh Sales Tax on remuneration of the Management Company		7,873	728	3,039	722
Remuneration of Central Depository Company of Pakistan Limited - the Trustee	11	14,171	984	5,836	972
Sindh Sales Tax on remuneration of the trustee		1,843	128	759	126
Annual fee to the Securities and Exchange Commission of Pakistan	12	4,360	794	1,796	788
Selling and marketing expenses	13	70,633	-	30,546	-
Brokerage expense		989	-	144	-
Auditors' remuneration		369	51	79	49
Fees and subscription		1,352	140	523	137
Amortization of preliminary expenses and floatation costs		150	51	49	49
Bank and settlement charges		1,500	84	817	84
Provision for Sindh Workers' Welfare Fund	8.1	53,544	2,070	22,021	2,053
<b>Total expenses</b>		<b>217,347</b>	<b>10,633</b>	<b>88,986</b>	<b>10,537</b>
<b>Net income for the period before taxation</b>		<b>2,624,498</b>	<b>101,437</b>	<b>1,079,866</b>	<b>100,603</b>
Taxation	15	-	-	-	-
<b>Net income for the period after taxation</b>		<b>2,624,498</b>	<b>101,437</b>	<b>1,079,866</b>	<b>100,603</b>
<b>Allocation of net income for the period</b>					
Net income for the period after taxation		2,624,498	101,437		
Income already paid on units redeemed		-	-		
		<b>2,624,498</b>	<b>101,437</b>		
<b>Accounting income available for distribution</b>					
- Relating to capital gains		-	-		
- Excluding capital gains		2,624,498	101,437		
		<b>2,624,498</b>	<b>101,437</b>		

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

**For AI Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**



**MEEZAN ROZANA AMDANI FUND**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**

	For the nine months period ended March 31,2020	For period ended from December 28, 2018 to March 31, 2019	For the quarter ended March 31, 2020	For the quarter ended March 31,2019
	----- (Rupees in '000) -----			
<b>Net income for the period after taxation</b>	2,624,498	101,437	1,079,866	100,603
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive income for the period</b>	<u>2,624,498</u>	<u>101,437</u>	<u>1,079,866</u>	<u>100,603</u>

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

**For AI Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN ROZANA AMDANI FUND**  
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**

	For the nine months period ended March 31, 2020			For the period ended from December 28, 2018 to March 31, 2019		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the period	16,134,440	-	16,134,440	-	-	-
Issuance of 1,644,058,423 units (March 31, 2019: 218,676,299 units)						
- Capital value (at par value)	82,202,921	-	82,202,921	10,933,815	-	10,933,815
- Element of income	-	-	-	-	-	-
Total proceeds on issuance of units	82,202,921	-	82,202,921	10,933,815	-	10,933,815
Redemption of 1,286,421,778 units (March 31, 2019: 57,072,956 units)						
- Capital value	64,321,090	-	64,321,090	2,853,648	-	2,853,648
- Element of Income	-	-	-	-	-	-
Total payments on redemption of units	64,321,090	-	64,321,090	2,853,648	-	2,853,648
Total comprehensive income for the period	-	2,624,498	2,624,498	-	101,437	101,437
Distribution during the period *	-	(2,624,498)	(2,624,498)	-	(101,437)	(101,437)
Net income for the period less distribution	-	-	-	-	-	-
<b>Net assets at the end of the period</b>	<b>34,016,271</b>	<b>-</b>	<b>34,016,271</b>	<b>8,080,167</b>	<b>-</b>	<b>8,080,167</b>
Undistributed income brought forward						
- Realised income		-			-	
- Unrealised income		-			-	
Accounting income available for distribution						
- Relating to capital gains		-			-	
- Excluding capital gains		2,624,498			101,437	
		2,624,498			101,437	
Distribution during the period *		(2,624,498)			(101,437)	
<b>Undistributed income carried forward</b>		<b>-</b>			<b>-</b>	
Undistributed income carried forward						
- Realised income		-			-	
- Unrealised income		-			-	
		-			-	
		<b>(Rupees)</b>			<b>(Rupees)</b>	
Net assets value per unit at the beginning of the period		<u>50.0000</u>			<u>50.0000</u>	
Net asset value per unit at the end of the period		<u>50.0000</u>			<u>50.0000</u>	

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

\* Meezan Rozana Amdani Fund is required to distribute dividend on a daily basis on each business day.

**For AI Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**



**MEEZAN ROZANA AMDANI FUND**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**

	For the nine months period ended March 31, 2020	For the period from December 28, 2018 to March 31, 2019
Note	(Rupees in '000)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	2,624,498	101,437
<b>Adjustments for:</b>		
Preliminary expense and flotation costs	150	(51)
	<u>2,624,648</u>	<u>101,386</u>
<b>Increase in assets</b>		
Investments - net	(5,245,944)	(562,394)
Deposits and prepayments	(53)	(100)
Profit receivable	(37,156)	(58,321)
	<u>(5,283,153)</u>	<u>(620,815)</u>
	<u>(2,658,505)</u>	<u>(519,429)</u>
<b>Increase in liabilities</b>		
Payable to Al Meezan Investment Management Limited - Management Company	29,362	3,631
Payable to Central Depository Company of Pakistan Limited - Trustee	909	588
Payable to Securities and Exchange Commission of Pakistan	942	794
Accrued expenses and other liabilities	85,516	8,934
	<u>116,729</u>	<u>13,947</u>
<b>Net cash used in operating activities</b>	<u>(2,541,776)</u>	<u>(505,482)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts against issuance and conversion of units	82,076,416	10,928,405
Payments against redemption and conversion of units	(64,197,485)	(2,813,662)
Dividend paid	(2,622,624)	(95,134)
<b>Net cash generated from financing activities</b>	<u>15,256,307</u>	<u>8,019,609</u>
<b>Net increase in cash and cash equivalents during the period</b>	<u>12,714,531</u>	<u>7,514,127</u>
Cash and cash equivalents at the beginning of the period	12,323,651	-
<b>Cash and cash equivalents at the end of the period</b>	<u>5.3</u> <u>25,038,182</u>	<u>7,514,127</u>

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN ROZANA AMDANI FUND**  
**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**

**1. LEGAL STATUS AND NATURE OF BUSINESS**

1.1 Meezan Rozana Amdani Fund (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on October 29, 2018 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The Management Company has been granted license by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.

1.2 The investment objective of the Fund is to meet liquidity needs of investors by providing investors a daily payout through investment in Shariah Compliant money market instruments. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah principles. The Management Company has appointed Dr. Imran Ashraf Usmani as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.

1.3 The Fund is an open-end Shariah Compliant Money Market Scheme and has the following specific features:

- (a) Dividend will be distributed to the entitled unit holders on a daily basis.
- (b) Daily dividend received by the unit holder shall be reinvested.

By distributing dividend on a daily basis, the Management Company is required to ensure that total distribution in an accounting period accumulates to an amount that is required under the tax laws and other regulations in force.

1.4 Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange.

1.5 The Management Company has been assigned a quality rating of AM1 by VIS Credit Rating Company Limited dated December 31, 2019 (2018: AM1 dated December 29, 2017) and PACRA dated December 28, 2019. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes. The stability rating of the Fund is AA(f) given by VIS Credit Rating Company Limited.

1.6 Title to the assets of the Fund are held in the name of CDC as the Trustee of the Fund.

**2. BASIS OF PRESENTATION**

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

**3. BASIS OF PREPARATION**

**3.1 Statement of compliance**

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

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

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the International Accounting Standard (IAS) 34, Interim Financial Reporting, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2019.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2020.

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGEMENTS AND RISK MANAGEMENT

4.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2019.

4.2 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2019. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2019.

#### 4.3 Standards and amendments to published accounting and reporting standards that are effective in the current period

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 impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

		March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
<b>5. BALANCES WITH BANKS</b>	<b>Note</b>	<b>(Rupees in '000)</b>	
In saving accounts	5.1	25,038,148	7,673,626
In current accounts		34	25
		<u>25,038,182</u>	<u>7,673,651</u>

5.1 The balances in saving accounts have an expected profit ranging from 3.00% to 12.75% per annum (June 30, 2019: 4.00% to 11.85% per annum)

		March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
<b>5.3 Cash And cash equivalents</b>	<b>Note</b>	<b>(Rupees in '000)</b>	
Balances with banks	5	25,038,182	7,673,651
Term deposit receipts having original maturity of 3 months or less	6	-	4,650,000
		<u>25,038,182</u>	<u>12,323,651</u>

#### 6. INVESTMENTS

##### At fair value through profit or loss

Commercial paper	6.1	1,891,435	675,000
Corporate sukuk	6.2	600,000	1,558,584
Term deposit receipts having original maturity of 3 months or less	6.3	-	4,650,000
Bai Muajjal receivable	6.4	<u>6,463,910</u>	<u>1,475,817</u>
		<u>8,955,345</u>	<u>8,359,401</u>



## 6.1 Commercial papers

Name of the security	Maturity date	Profit rate	As at July 1, 2019	Purchases during the period	Sales / redemptions / maturity during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised appreciation/ (diminution)	As a percentage of net assets of the fund	As a percentage of total market value of investment
			(Number of certificates)			(Rupees in '000)		---			
K-Electric Limited CP-1 Sukuk (note 6.1.1)	September 2, 2019	6 months Kibor plus base rate of 0.90%	1,589	-	1,589	-	-	-	-	-	-
K-Electric Limited CP-2 Sukuk (note 6.1.1)	February 28, 2020	6 months Kibor plus base rate of 1.30%	-	1,200	1,200	-	-	-	-	0.00%	0.00%
K-Electric Limited CP-3 Sukuk (note 6.1.1)	March 19, 2020	6 months Kibor plus base rate of 1.30%	-	1,420	1,420	-	-	-	-	0.00%	0.00%
K-Electric Limited CP-5 Sukuk (note 6.1.1)	August 14, 2020	6 months Kibor plus base rate of 1.15%	-	600	-	600	569,720	569,720	-	1.67%	6.36%
K-Electric Limited CP-6 Sukuk (note 6.1.1)	August 27, 2020	6 months Kibor plus base rate of 1.15%	-	600	-	600	567,030	567,030	-	1.67%	6.33%
K-Electric Limited CP-7 Sukuk (note 6.1.1)	September 10, 2020	6 months Kibor plus base rate of 1.15%	-	800	-	800	754,685	754,685	-	2.22%	8.43%
<b>Total as at December 31, 2019</b>							<b>1,891,435</b>	<b>1,891,435</b>			
<b>Total as at June 30, 2019</b>							<b>1,558,584</b>	<b>1,558,584</b>			

6.1.1 The nominal value of these sukuk certificates is Rs 1,000,000 each.

6.1.2 The securities are valued on the basis of amortization to its face value as per the requirements of Circular 33 of 2012 with respect to thinly and non traded debt securities with residual maturity of up to six months.

## 6.2 Corporate sukuk

Name of the security	Maturity date	Profit rate	As at July 1, 2019	Purchases during the period	Sales / redemptions during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised appreciation/ (diminution)	Percentage in relation to	
			(Number of certificates)			(Rupees in '000)		%			
Hub Power Company Limited V (AA+, PACRA) (note 6.2.2)	May 21, 2020	3 months Kibor plus base rate of 1.50%	6,000	-	-	6,000	600,000	600,000	-	1.76%	6.70%
Hub Power Company Limited II (A1+, PACRA) (note 6.2.1)	October 2, 2019	3 months Kibor plus base rate of 1.00%	135,000	-	135,000	-	-	-	-	-	-
<b>Total as at December 31, 2019</b>							<b>600,000</b>	<b>600,000</b>			
<b>Total as at June 30, 2019</b>							<b>675,000</b>	<b>675,000</b>			

6.2.1 The nominal value of the sukuk certificates is Rs 5,000 each.

6.2.2 The nominal value of the sukuk certificates is Rs 100,000 each.

## 6.3 Term deposit receipts

Name of the bank	Maturity	Profit rate	As at July 1, 2019	Term deposit receipts placed during the period	Matured during the period	As at March 31, 2020	Percentage in relation to	
		%	(Rupees in '000)			%		
Faysal Bank Limited	September 8, 2019	12.15%	1,550,000	-	1,550,000	-	-	-
Askari Bank Limited	September 17, 2019	12.05%	1,600,000	-	1,600,000	-	-	-
Meezan Bank Limited	September 20, 2019	12.25%	1,500,000	-	1,500,000	-	-	-
Faysal Bank Limited	December 6, 2019	13.53%	-	2,000,000	2,000,000	-	-	-
Meezan Bank Limited	December 2, 2019	13.50%	-	1,200,000	1,200,000	-	-	-
Meezan Bank Limited	December 20, 2019	13.50%	-	1,500,000	1,500,000	-	-	-
<b>Total as at December 31, 2019</b>						<b>4,700,000</b>	<b>9,350,000</b>	-
<b>Total as at June 30, 2019</b>						<b>7,290,000</b>	<b>2,640,000</b>	<b>4,650,000</b>

#### 6.4 Bai Muajjal receivable

The Fund entered into certain Bai Muajjal Transactions with various investee companies against K-Electric Limited Commercial Paper III (issued on September 19, 2019) having profit ranging from 12.45 to 13.15%. These Bai Muajjal transactions have face value of Rs. 6284.972 and as at March 31, 2020 fund accrued profit of Rs. 178.938 million on it. These transactions will mature from June 05, 2020 to August 18, 2020.

#### 7. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2020 and June 30, 2019.

	Note	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
		(Rupees in '000)	
<b>8. ACCRUED EXPENSES AND OTHER LIABILITIES</b>			
Auditors' remuneration		213	200
Brokerage payable		290	85
Shariah advisor fee payable		809	538
Withholding tax payable		35,889	4,649
Provision for Sindh Workers' Welfare Fund (SWWF)	8.1	62,843	9,299
Other payables		252	-
Zakat payable		4	13
		<u>100,300</u>	<u>14,784</u>

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

Had the provision for SWWF not been recorded in these condensed interim financial statements of the Fund for the period ended March 31, 2020, the dividend paid by the Fund during the period March 31, 2020 would have been higher by Re. 0.09 per unit (June 30, 2019: 0.03 per unit).

#### 9. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the period ended March 31, 2020 is 1.00% which includes 0.31% representing government levy, Sindh Workers' Welfare Fund and SECP fee.

#### 10. PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY

During the period, the Management Company has reduced charging of the remuneration from 5% to 2% of gross earnings of the Fund subject to minimum of 0.25% and maximum of 1% of average annual net assets. The reduction in remuneration is effective from July 22, 2019.

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

The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the trust deed. During the period the trustee has revised its tariff with effect from July 1, 2019 as follows:

Net Assets (Rs.)	Previous Tariff	Revised Tariff
	Fee	(Flat Rate)
Up to Rs. 1 billion	0.15% per annum of net assets	0.065% per annum of Net Assets.
From Rs. 1 billion to Rs. 10 billion	Rs 1.5 million plus 0.075% per annum of net assets exceeding Rs 1 billion.	
Exceeding Rs. 10 billion	Rs 8.25 million plus 0.06% per annum of net assets exceeding Rs 10 billion.	

Accordingly, the Fund has charged Trustee Fee @ 0.065% per annum during the current period.

## 12. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP).

Effective from July 1, 2019, the SECP vide SRO No. 685(I)/2019 dated June 28, 2019, revised the rate of annual fee to 0.02% of net assets, applicable on all categories of CISs. Previously, the rate of annual fee applicable to money market fund was 0.075%. Accordingly, the Fund has charged SECP Fee at the rate of 0.02% of net assets during the current period.

## 13. SELLING AND MARKETING EXPENSES

Effective from July 22, 2019, the Management Company has started charging selling and marketing expenses to the Fund. The Management Company, based on its own discretion has currently determined a capping of 0.34% of the average annual net assets of the fund for charging of selling and marketing expenses to the Fund which has also been approved by the Board.

## 14. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include Al Meezan Investment Management Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, Directors and Executives of the Management Company, other funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited - Employees Gratuity Fund and unit holders holding 10 percent or more of the Fund's net assets.

Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Rules, the NBFC Regulations and the Trust Deed respectively.

Details of transactions with connected persons and balances with them are as follows:

	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
	(Rupees in '000)	
<b>Al Meezan Investment Management Limited - Management Company</b>		
Remuneration payable	7,235	8,283
Sindh Sales Tax on management fee payable	941	1,077
Selling and marketing expense payable	30,546	-
Investment of 29,422,047 units (June 30, 2019:16,629,842 units)	1,471,102	835,975
<b>Meezan Bank Limited</b>		
Bank balance	303,953	55,616
Profit receivable on saving accounts	1,479	364
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Trustee fee payable	1,842	1,038
Sindh Sales Tax on trustee fee payable	240	135
Security deposit	100	100
<b>Meezan Strategic Allocation Fund - MSAP - I</b>		
Investment of 5,570,153 units (June 30, 2019:1,486,486 units)	278,508	74,324
<b>Meezan Strategic Allocation Fund - MSAP - II</b>		
Investment of 2,807,340 units (June 30, 2019:1,014,332 units)	140,367	50,717
<b>Meezan Strategic Allocation Fund - MSAP - III</b>		
Investment of 4,911,821 units (June 30, 2019:1,222,400 units)	245,591	61,120
<b>Meezan Strategic Allocation Fund - MSAP - IV</b>		
Investment of 4,862,836 units (June 30, 2019:1,378,452 units)	243,142	68,923

	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
	(Rupees in '000)	
<b>Meezan Strategic Allocation Fund - MSAP - V</b>		
Investment of 1,309,117 units (June 30, 2019:220,080 units)	65,456	11,004
<b>Meezan Strategic Asset Allocation Fund - MCPP - III</b>		
Investment of 8,414,569 units (June 30, 2019:4,521,293 units)	420,728	226,065
<b>Meezan Strategic Allocation Fund -II - MCPP - IV</b>		
Investment of 21,409,278 units (June 30, 2019:6,081,739 units)	1,070,464	304,087
<b>Meezan Strategic Allocation Fund-II - MCPP - V</b>		
Investment of 4,504,451 units (June 30, 2019:2,000,572 units)	225,223	100,029
<b>Meezan Strategic Allocation Fund II- MCPP - VI</b>		
Investment of 3,953,045 units (June 30, 2019:1,420,406 units)	197,652	71,020
<b>Meezan Strategic Allocation Fund II- MCPP - VII</b>		
Investment of 2,414,018 units (June 30, 2019:760,217 units)	120,701	38,011
<b>Meezan Strategic Allocation Fund II- MCPP - VIII</b>		
Investment of 1,118,588 units (June 30, 2019:460,132 units)	55,929	23,007
<b>Meezan Strategic Allocation Fund III- MCPP - IX</b>		
Investment of 1,410,383 units (June 30, 2019: Nil units)	70,519	-
<b>Unitholders holding 10 percent or more of the Fund</b>		
Investment of Nil units (June 30, 2019:58,295,559 units)	-	2,914,778
<b>Directors and Executives of the Management Company</b>		
Investment of 166,638 units (June 30, 2019: 2,291,179 units)	8,332	114,559
	For the nine months period ended March 31, 2020	For the period from December 28, 2018 to March 31, 2019
	(Rupees in '000)	
<b>AI Meezan Investment Management Company Limited - Management Company</b>		
Remuneration for the period	60,563	5,603
Sindh Sales Tax on management fee for the period	7,873	728
Selling and marketing expense	70,633	-
Units issued: 36,362,205 units (March 31, 2019: 13,514,152 units)	1,837,073	677,405
Units redeemed: 23,570,000 units (March 31, 2019: Nil units)	1,178,500	-
Dividend paid	126,069	11,505
<b>Meezan Bank Limited</b>		
Profit on saving account	11,026	630
Term deposit receipt placed	2,700	-
Term deposit receipt matured	2,700	-
Profit on term deposit receipts	132,910	-
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration fee for the period	14,171	984
Sindh Sales Tax on trustee fee for the period	1,843	128
CDS charges	1,007	3
<b>Meezan Strategic Allocation Fund - MSAP - I</b>		
Units issued: 25,217,229 units	1,260,861	-
Units redeemed: 21,133,562 units	1,056,678	-
Dividend paid	36,090	-

	For the nine months period ended March 31, 2020	For the period from December 28, 2018 to March 31, 2019
	(Rupees in '000)	
<b>Meezan Strategic Allocation Fund - MSAP - II</b>		
Units issued: 4,763,678 units	238,184	-
Units redeemed: 2,970,670 units	148,533	-
Dividend paid	12,326	-
<b>Meezan Strategic Allocation Fund - MSAP - III</b>		
Units issued: 7,161,842 units	358,092	-
Units redeemed: 3,472,421 units	173,621	-
Dividend paid	19,441	-
<b>Meezan Strategic Allocation Fund - MSAP - IV</b>		
Units issued: 7,517,024 units	375,851	-
Units redeemed: 4,032,640 units	201,632	-
Dividend paid	20,602	-
<b>Meezan Strategic Allocation Fund - MSAP - V</b>		
Units issued: 2,298,639 units	114,932	-
Units redeemed: 1,209,602 units	60,480	-
Dividend paid	5,320	-
<b>Meezan Strategic Asset Allocation Fund - MCPP-III</b>		
Units issued: 41,311,919 units	2,065,596	-
Units redeemed: 37,418,643 units	1,870,932	-
Dividend paid	40,106	-
<b>Meezan Strategic Allocation Fund II- MCPP - IV</b>		
Units issued: 50,630,396 units	2,531,520	-
Units redeemed: 35,302,857 units	1,765,143	-
Dividend paid	70,157	-
<b>Meezan Strategic Allocation Fund II- MCPP - V</b>		
Units issued: 12,412,559 units	620,628	-
Units redeemed: 9,908,680 units	495,434	-
Dividend paid	19,352	-
<b>Meezan Strategic Allocation Fund II- MCPP - VI</b>		
Units issued: 7,756,680 units	387,834	-
Units redeemed: 5,224,041 units	261,202	-
Dividend paid	17,159	-
<b>Meezan Strategic Allocation Fund II- MCPP - VII</b>		
Units issued: 4,140,640 units	207,032	-
Units redeemed: 9,565,436 units	124,342	-
Dividend paid	9,565	-
<b>Meezan Strategic Allocation Fund II- MCPP - VIII</b>		
Units issued: 5,519,664 units	275,983	-
Units issued: 4,861,208 units	243,060	-
Dividend paid	5,947	-
<b>Meezan Strategic Allocation Fund III- MCPP - IX</b>		
Units issued: 4,173,849 units	234,493	-
Units issued: 3,032,879 units	163,974	-
Dividend paid	5,588	-
<b>Directors and Executives of the Management Company</b>		
Units issued: 140,706 units ( March 31, 2019 : 2,251,860 units)	7,035	112,677
Units redeemed: 22,65,247 units ( March 31, 2019 : 197,218 units)	113,262	9,861
Dividend paid	1,247	840

## 15. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unit holders. The Fund has not recorded any tax liability in respect of income relating to the current period as the Management Company intends to distribute at least 90 percent of the Fund's accounting income for the year ending June 30, 2020 as reduced by capital gains (whether realised or unrealised) to its unitholders.

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.

## 16. FAIR VALUES OF FINANCIAL INSTRUMENTS

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

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

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 market price (unadjusted) in active markets for an 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).

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

As at March 31, 2020, the Fund held the following financial instruments measured at fair values:

As at March 31, 2020				
ASSETS	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----				
<b>Financial assets 'at fair value through profit or loss'</b>				
Corporate sukuks	-	600,000	-	600,000
Commercial papers *	-	1,891,435	-	1,891,435
Term deposit receipts - having original maturity of 3 months or less *	-	-	-	-
Bai Muajjal receivable	-	6,463,910	-	6,463,910
	-	8,955,345	-	8,955,345
-----				
----- (Rupees in '000) -----				
-----				
As at June 30, 2019				
ASSETS	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----				
<b>Financial assets 'at fair value through profit or loss'</b>				
Corporate sukuks	-	675,000	-	675,000
Commercial papers *	-	1,558,584	-	1,558,584
Term deposit receipts - having original maturity of 3 months or less *	-	4,650,000	-	4,650,000
Bai Muajjal receivable	-	1,475,817	-	1,475,817
	-	8,359,401	-	8,359,401
-----				

\* The valuation of commercial papers has been done based on amortisation of commercial paper to its fair value as per the guidelines given in Circular 33 of 2012 since the residual maturity of this investment is less than six months and they are placed with counterparties which have high credit rating.



**17. GENERAL**

**17.1** Figures have been rounded off to the nearest thousand rupees.

**17.2** Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in these condensed interim financial statements during the period.

**18. DATE OF AUTHORISATION**

These condensed interim financial statements were authorised for issue on \_\_\_\_\_ by the Board of Directors of the Management Company.

**For Al Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
**Chief Executive**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**





**Meezan**  
Financial Planning  
Fund of Funds

## **MEEZAN FINANCIAL PLANNING FUND OF FUNDS (MFPF)**

Meezan Financial Planning Fund of Funds invests in Shariah compliant Fixed Income and Equity Mutual Funds in line with the risk tolerance of the investor and in doing so, it strives to generate returns on investment aligned with respective allocation plans.



# REDEFINING INVESTMENT IN THE CITY OF LIGHTS

● EMPRESS MARKET  
| (KARACHI)



## FUND INFORMATION

### MANAGEMENT COMPANY

Al Meezan Investment Management Limited  
Ground Floor, Block "B", Finance & Trade Centre,  
Shahrah-e-Faisal Karachi 74400, Pakistan.  
Phone (9221) 35630722-6, 111-MEEZAN  
Fax: (9221) 35676143, 35630808  
Website: [www.almeezangroup.com](http://www.almeezangroup.com)  
E-mail: [info@almeezangroup.com](mailto:info@almeezangroup.com)

### BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Mohammad Shoaib, CFA	Chief Executive Officer
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Mohammad Furquan R Kidwai	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Moin M. Fudda	Independent Director
Ms. Saima Kamila Khan	Independent Director
Mr. Arshad Majeed	Nominee Director - MBL
Mr. Naeem Abdul Sattar	Nominee Director - PKIC
Syed Amir Ali Zaidi	Nominee Director - PKIC

### CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Syed Owais Wasti

### AUDIT COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Arshad Majeed	Member
Mr. Naeem Abdul Sattar	Member

### RISK MANAGEMENT COMMITTEE

Mr. Muhammad Abdullah Ahmed	Chairman
Syed Amir Ali Zaidi	Member
Mr. Naeem Abdul Sattar	Member

### HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Ariful Islam	Member
Mr. Naeem Abdul Sattar	Member
Mr. Mohammad Shoaib, CFA	Member

### TRUSTEE

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

### AUDITORS

A. F. Ferguson & Co.  
Chartered Accountants  
State Life Building# 1-C,  
I.I. Chundrigar Road, Karachi-74000

### SHARIAH ADVISER

Meezan Bank Limited

### BANKERS TO THE FUND

Bank Islami Pakistan Limited  
Dubai Islamic Bank Pakistan Limited  
Habib Metropolitan Bank Limited - Islamic Banking  
Meezan Bank Limited

### LEGAL ADVISER

Bawaney & Partners  
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,  
Phase VI, DHA, Karachi.  
Phone (9221) 35156191-94 Fax: (9221) 35156195  
E-mail:

### TRANSFER AGENT

Meezan Bank Limited  
Meezan House  
C-25, Estate Avenue, SITE, Karachi.  
Phone: 38103538 Fax: 36406017  
Website: [www.meezanbank.com](http://www.meezanbank.com)

### DISTRIBUTORS

Al Meezan Investment Management Limited  
Meezan Bank Limited



**MEEZAN FINANCIAL PLANNING FUND OF FUNDS**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT MARCH 31, 2020**

----- (Unaudited) -----					
As at March 31, 2020					
	Aggressive	Moderate	Conservative	MAAP-I	Total
Note	----- (Rupees in '000) -----				
<b>Assets</b>					
Balances with banks	14,330	3,427	9,616	1,028	28,401
Investments	242,777	115,737	137,575	287,128	783,217
Receivable against conversion of units	103	9	81	-	193
Receivable against sale of investments	22,677	11,559	9,526	-	43,762
Profit receivable on saving accounts with banks	81	37	42	210	370
<b>Total assets</b>	<b>279,968</b>	<b>130,769</b>	<b>156,840</b>	<b>288,366</b>	<b>855,943</b>
<b>Liabilities</b>					
Payable to AI Meezan Investment Management Limited - Management Company	31	15	32	37	115
Payable to Central Depository Company of Pakistan Limited - Trustee	22	8	18	8	56
Payable to Meezan Bank Limited	2	-	-	-	2
Payable to Securities and Exchange Commission of Pakistan	48	22	27	58	155
Payable on redemption and conversion of units	14,353	4,602	407	-	19,362
Payable against purchase of investments	22,678	11,559	9,526	-	43,763
Accrued expenses and other liabilities	4,184	3,114	2,089	10,947	20,334
<b>Total liabilities</b>	<b>41,318</b>	<b>19,320</b>	<b>12,099</b>	<b>11,050</b>	<b>83,787</b>
<b>Net assets</b>	<b>238,650</b>	<b>111,449</b>	<b>144,741</b>	<b>277,316</b>	<b>772,156</b>
<b>Contingencies and commitments</b>					
<b>Unit holders' fund (as per statement attached)</b>	<b>238,650</b>	<b>111,449</b>	<b>144,741</b>	<b>277,316</b>	<b>772,156</b>
----- (Number of units) -----					
<b>Number of units in issue</b>	<b>4,504,953</b>	<b>2,107,759</b>	<b>2,552,067</b>	<b>6,402,130</b>	
----- (Rupees) -----					
<b>Net asset value per unit</b>	<b>52.9749</b>	<b>52.8757</b>	<b>56.7152</b>	<b>43.3161</b>	

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

**For AI Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director



**MEEZAN FINANCIAL PLANNING FUND OF FUNDS  
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES  
AS AT MARCH 31, 2020**

(Audited)							
As at June 30, 2019						As at July 24, 2018	
Aggressive	Moderate	Conservative	MAAP-I	Total	MAAP-IV		
Note ----- (Rupees in '000) -----							
<b>Assets</b>							
Balances with banks	5	5,765	4,366	4,861	725	15,717	4,045
Investments	6	364,165	202,298	219,360	603,752	1,389,575	-
Receivable against conversion of units		6	-	56	-	62	-
Receivable against sale of investments		-	-	-	-	-	473,018
Profit receivable on saving accounts with banks		29	34	17	4	84	196
<b>Total assets</b>		<u>369,965</u>	<u>206,698</u>	<u>224,294</u>	<u>604,481</u>	<u>1,405,438</u>	<u>477,259</u>
<b>Liabilities</b>							
Payable to AI Meezan Investment Management Limited - Management Company		60	26	21	52	159	111
Payable to Central Depository Company of Pakistan Limited - Trustee	8	38	18	27	44	127	33
Payable to Meezan Bank Limited		1	-	-	-	1	-
Payable to Securities and Exchange Commission of Pakistan	9	440	232	237	701	1,610	630
Payable on redemption and conversion of units		192	338	314	-	844	-
Payable against purchase of investments		-	-	-	-	-	-
Accrued expenses and other liabilities	10	4,162	3,045	1,917	10,974	20,098	5,438
<b>Total liabilities</b>		<u>4,893</u>	<u>3,659</u>	<u>2,516</u>	<u>11,771</u>	<u>22,839</u>	<u>6,212</u>
<b>Net assets</b>		<u>365,072</u>	<u>203,039</u>	<u>221,778</u>	<u>592,710</u>	<u>1,382,599</u>	<u>471,047</u>
<b>Contingencies and commitments</b>	7						
<b>Unit holders' fund (as per statement attached)</b>		<u>365,072</u>	<u>203,039</u>	<u>221,778</u>	<u>592,710</u>	<u>1,382,599</u>	<u>471,047</u>
----- (Number of units) -----							
<b>Number of units in issue</b>		<u>6,273,536</u>	<u>3,762,017</u>	<u>4,061,839</u>	<u>12,414,152</u>		<u>10,199,830</u>
----- (Rupees) -----							
<b>Net asset value per unit</b>		<u>58.1924</u>	<u>53.9707</u>	<u>54.6004</u>	<u>47.7447</u>		<u>46.1818</u>

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

**For AI Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director



**MEEZAN FINANCIAL PLANNING FUND OF FUNDS  
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)  
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**

Nine months period ended March 31, 2020						
	Aggressive	Moderate	Conservative	MAAP-I	Total	
Note	(Rupees in '000)					
<b>Income</b>						
Net realised gain / (loss) on sale of investments	2,083	3,700	5,280	(7,317)	3,746	
Profit on saving accounts with banks	479	430	429	1,571	2,909	
	<u>2,562</u>	<u>4,130</u>	<u>5,709</u>	<u>(5,746)</u>	<u>6,655</u>	
Unrealised (diminution) / appreciation on re-measurement of investments at 'fair value through profit or loss'	6.1	(27,571)	(4,561)	3,035	(30,500)	(59,597)
<b>Total (loss) / income</b>	<b>(25,009)</b>	<b>(431)</b>	<b>8,744</b>	<b>(36,246)</b>	<b>(52,942)</b>	
<b>Expenses</b>						
Remuneration to AI Meezan Investment Management Limited - Management Company	46	38	40	118	242	
Sindh Sales Tax on management fee	6	5	5	15	31	
Allocated expenses	12	243	110	133	293	779
Remuneration to Central Depository Company of Pakistan Limited - Trustee	8	170	77	93	205	545
Sindh Sales Tax on trustee fee		22	10	12	27	71
Annual fee to Securities and Exchange Commission of Pakistan	9	49	22	27	58	156
Auditors' remuneration		152	69	85	193	499
Fees and subscription		71	32	38	87	228
Bank and settlement charges		4	3	2	2	11
Provision for Sindh Workers' Welfare Fund		-	-	166	-	166
<b>Total expenses</b>	<b>763</b>	<b>366</b>	<b>601</b>	<b>998</b>	<b>2,728</b>	
<b>Net (loss) / income for the period before taxation</b>	<b>(25,772)</b>	<b>(797)</b>	<b>8,143</b>	<b>(37,244)</b>	<b>(55,670)</b>	
Taxation	14	-	-	-	-	-
<b>Net (loss) / income for the period after taxation</b>	<b>(25,772)</b>	<b>(797)</b>	<b>8,143</b>	<b>(37,244)</b>	<b>(55,670)</b>	
<b>Allocation of net income for the period</b>						
Net Income for the period after taxation	-	-	8,143	-	8,143	
Income already paid on units redeemed	-	-	(3,130)	-	(3,130)	
	<u>-</u>	<u>-</u>	<u>5,013</u>	<u>-</u>	<u>5,013</u>	
<b>Accounting income available for distribution</b>						
- Relating to capital gains	-	-	8,315	-	8,315	
- Excluding capital gains	-	-	(3,302)	-	(3,302)	
	<u>-</u>	<u>-</u>	<u>5,013</u>	<u>-</u>	<u>5,013</u>	

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

**For AI Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN FINANCIAL PLANNING FUND OF FUNDS**  
**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**

	Nine months period ended March 31, 2019					For the period from July 01, 2018 to July 24, 2018
	Aggressive	Moderate	Conservative	MAAP-I	Total	MAAP-IV
Note ..... (Rupees in '000) .....						
<b>Income</b>						
Net realised loss on sale of investments	(2,052)	(2,764)	(2,057)	(3,048)	(9,921)	(11,515)
Dividend income	4,629	5,576	7,946	5,465	23,616	3,569
Back end load income	-	-	-	128	128	167
Profit on saving accounts with banks	175	103	159	130	567	152
	<u>2,752</u>	<u>2,915</u>	<u>6,048</u>	<u>2,675</u>	<u>14,390</u>	<u>(7,627)</u>
Unrealised diminution on re-measurement of investments at 'fair value through profit or loss'	6.1 (35,517)	(10,403)	(2,809)	(69,147)	(117,876)	-
<b>Total (loss) / income</b>	<u>(32,765)</u>	<u>(7,488)</u>	<u>3,239</u>	<u>(66,472)</u>	<u>(103,486)</u>	<u>(7,627)</u>
<b>Expenses</b>						
Remuneration to AI Meezan Investment Management Limited - Management Company	58	34	54	52	198	69
Sindh Sales Tax on management fee	8	4	7	7	26	9
Allocated expenses	12 360	191	193	582	1,326	32
Remuneration to Central Depository Company of Pakistan Limited - Trustee	8 320	170	171	518	1,179	27
Sindh Sales Tax on trustee fee	42	22	22	67	153	4
Annual fee to Securities and Exchange Commission of Pakistan	9 342	181	183	553	1,259	30
Auditors' remuneration	121	66	67	198	452	9
Fees and subscription	61	32	33	99	225	4
Bank and settlement charges	6	4	4	4	18	-
Provision for Sindh Workers' Welfare Fund	-	-	38	-	38	-
Printing charges	55	29	29	87	200	3
<b>Total expenses</b>	<u>1,373</u>	<u>733</u>	<u>801</u>	<u>2,167</u>	<u>5,074</u>	<u>187</u>
<b>Net (loss) / income for the period before taxation</b>	<u>(34,138)</u>	<u>(8,221)</u>	<u>2,438</u>	<u>(68,639)</u>	<u>(108,560)</u>	<u>(7,814)</u>
Taxation	14 -	-	-	-	-	-
<b>Net (loss) / income for the period after taxation</b>	<u>(34,138)</u>	<u>(8,221)</u>	<u>2,438</u>	<u>(68,639)</u>	<u>(108,560)</u>	<u>(7,814)</u>
<b>Allocation of net income for the period</b>						
Net income for the period after taxation	-	-	2,438	-	2,438	-
Income already paid on units redeemed	-	-	(49)	-	(49)	-
	<u>-</u>	<u>-</u>	<u>2,389</u>	<u>-</u>	<u>2,389</u>	<u>-</u>
<b>Accounting income available for distribution</b>						
- Relating to capital gains	-	-	-	-	-	-
- Excluding capital gains	-	-	2,389	-	2,389	-
	<u>-</u>	<u>-</u>	<u>2,389</u>	<u>-</u>	<u>2,389</u>	<u>-</u>

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

**For AI Meezan Investment Management Limited  
(Management Company)**

Chief Executive

Chief Financial Officer

Director

**MEEZAN FINANCIAL PLANNING FUND OF FUNDS  
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)  
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**



		Quarter ended March 31, 2020				
		Aggressive	Moderate	Conservative	MAAP-I	Total
		(Rupees in '000)				
<b>Income</b>						
	Net realised (loss) / gain on sale of investments	(1,248)	1,985	2,376	5,242	8,355
	Profit on saving accounts with banks	193	211	244	625	1,273
		(1,055)	2,196	2,620	5,867	9,628
	Unrealised diminution on re-measurement of investments at 'fair value' through profit or loss'	(71,841)	(21,027)	(10,492)	(50,105)	(153,465)
	<b>Total loss</b>	<b>(72,896)</b>	<b>(18,831)</b>	<b>(7,872)</b>	<b>(44,238)</b>	<b>(143,837)</b>
<b>Expenses</b>						
	Remuneration to AI Meezan Investment Management Limited - Management Company	18	15	21	47	101
	Sindh Sales Tax on management fee	2	2	3	6	13
	Allocated expenses	77	35	40	79	231
	Remuneration to Central Depository Company of Pakistan Limited - Trustee	54	24	28	55	161
	Sindh Sales Tax on trustee fee	7	3	4	8	22
	Annual fee to Securities and Exchange Commission of Paki Auditors' remuneration	16	7	8	15	46
	Fees and subscription	54	25	30	69	178
	Bank and settlement charges	23	9	11	23	66
	Reversal of Provision for Sindh Workers' Welfare Fund (SWWF)	-	-	-	1	1
		(948)	(363)	(161)	(146)	(1,618)
	<b>Total expenses</b>	<b>(697)</b>	<b>(243)</b>	<b>(16)</b>	<b>157</b>	<b>(799)</b>
	<b>Net loss for the quarter before taxation</b>	<b>(72,199)</b>	<b>(18,588)</b>	<b>(7,856)</b>	<b>(44,395)</b>	<b>(143,038)</b>
	Taxation	-	-	-	-	-
	<b>Net loss for the quarter after taxation</b>	<b>(72,199)</b>	<b>(18,588)</b>	<b>(7,856)</b>	<b>(44,395)</b>	<b>(143,038)</b>

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

**For AI Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN FINANCIAL PLANNING FUND OF FUNDS  
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)  
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**

		Quarter ended March 31, 2019				
		Aggressive	Moderate	Conservative	MAAP-I	Total
		(Rupees in '000)				
<b>Income</b>	Note					
Net realised loss on sale of investments		(435)	(259)	(133)	(1,199)	(2,026)
Profit on saving accounts with banks		78	40	72	82	272
		(357)	(219)	(61)	(1,117)	(1,754)
Unrealised appreciation on re-measurement of investments at 'fair value' through profit or loss'		10,424	5,596	5,068	6,015	27,103
<b>Total income</b>		10,067	5,377	5,007	4,898	25,349
<b>Expenses</b>						
Remuneration to AI Meezan Investment Management Limited - Management Company		18	12	18	21	69
Sindh Sales Tax on management fee		3	1	2	3	9
Allocated expenses	12	115	59	59	180	413
Remuneration to Central Depository Company of Pakistan Limited - Trustee	8	103	53	53	162	371
Sindh Sales Tax on trustee fee		14	7	7	21	49
Annual fee to Securities and Exchange Commission of Paki	9	109	56	56	171	392
Auditors' remuneration		25	13	14	40	92
Fees and subscription		19	9	10	29	67
Bank and settlement charges		1	1	-	2	4
Provision for Sindh Workers' Welfare Fund		-	-	38	-	38
Printing charges		19	10	10	28	67
<b>Total expenses</b>		426	221	267	657	1,571
<b>Net income for the quarter before taxation</b>		9,641	5,156	4,740	4,241	23,778
Taxation	14	-	-	-	-	-
<b>Net income for the quarter after taxation</b>		9,641	5,156	4,740	4,241	23,778

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

**For AI Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN FINANCIAL PLANNING FUND OF FUNDS**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**



	Nine months period ended March 31, 2020				
	Aggressive	Moderate	Conservative	MAAP-I	Total
	(Rupees in '000)				
Net (Loss) / income for the period after taxation	(25,772)	(797)	8,143	(37,244)	(55,670)
Other comprehensive income for the period	-	-	-	-	-
<b>Total comprehensive (loss) / income for the period</b>	<b>(25,772)</b>	<b>(797)</b>	<b>8,143</b>	<b>(37,244)</b>	<b>(55,670)</b>

	Nine months period ended March 31, 2019					For the period from July 01, 2018 to July 24, 2018
	Aggressive	Moderate	Conservative	MAAP-I	Total	MAAP-IV
	(Rupees in '000)					
Net (loss) / income for the period after taxation	(34,138)	(8,221)	2,438	(68,639)	(108,560)	(7,814)
Other comprehensive income for the period	-	-	-	-	-	-
<b>Total comprehensive (loss) / income for the period</b>	<b>(34,138)</b>	<b>(8,221)</b>	<b>2,438</b>	<b>(68,639)</b>	<b>(108,560)</b>	<b>(7,814)</b>

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

**For AI Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
 Chief Executive

\_\_\_\_\_  
 Chief Financial Officer

\_\_\_\_\_  
 Director



**MEEZAN FINANCIAL PLANNING FUND OF FUNDS  
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)  
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**

	Quarter ended March 31, 2020				
	Aggressive	Moderate	Conservative	MAAP-I	Total
	(Rupees in '000)				
Net loss for the quarter after taxation	(72,199)	(18,588)	(7,856)	(44,395)	(143,038)
Other comprehensive income for the quarter	-	-	-	-	-
<b>Total comprehensive loss for the quarter</b>	<b>(72,199)</b>	<b>(18,588)</b>	<b>(7,856)</b>	<b>(44,395)</b>	<b>(143,038)</b>

	Quarter ended March 31, 2019				
	Aggressive	Moderate	Conservative	MAAP-I	Total
	(Rupees in '000)				
Net income for the quarter after taxation	9,641	5,156	4,740	4,241	23,778
Other comprehensive income for the quarter	-	-	-	-	-
<b>Total comprehensive income for the quarter</b>	<b>9,641</b>	<b>5,156</b>	<b>4,740</b>	<b>4,241</b>	<b>23,778</b>

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

**For AI Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director



**MEEZAN FINANCIAL PLANNING FUND OF FUNDS  
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

	Nine months period ended March 31, 2020			Nine months period ended March 31, 2020			Nine months period ended March 31, 2020			Nine months period ended March 31, 2020			Nine months period ended March 31, 2020		
	Aggressive			Moderate			Conservative			MAAP-I			Total		
	(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)		
	Capital Value	Undistributed income / loss	Total	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
Net assets at the beginning of the period	347,237	17,835	365,072	166,989	36,050	203,039	178,157	43,621	221,778	537,356	55,354	592,710	1,229,739	152,860	1,382,599
Issuance of units:															
Aggressive: 1,622,837 units / Moderate: 351,084 units /															
Conservative: 1,454,295 units															
- Capital value (at net asset value per unit at the beginning of the period)	94,438	-	94,438	18,948	-	18,948	79,405	-	79,405	-	-	-	192,791	-	192,791
- Element of (loss) / income	9,480	-	9,480	924	-	924	5,498	-	5,498	-	-	-	15,902	-	15,902
Total proceeds on issuance of units	103,918	-	103,918	19,872	-	19,872	84,903	-	84,903	-	-	-	208,693	-	208,692
Redemption of units:															
Aggressive: 3,391,420 units / Moderate: 2,005,342 units /															
Conservative: 2,964,067 units / MAAP I: 6,012,022 units /															
- Capital value (at net asset value per unit at the beginning of the period)	197,355	-	197,355	108,230	-	108,230	161,839	-	161,839	287,042	-	287,042	754,466	-	754,466
- Element of (income) / loss	7,212	-	7,212	2,434	-	2,434	5,114	3,130	8,244	(8,891)	-	(8,891)	5,869	3,130	8,999
Total payments on redemption of units	204,567	-	204,567	110,664	-	110,664	166,953	3,130	170,083	278,151	-	278,151	760,335	3,130	763,465
Total comprehensive (loss) / income for the period	-	(25,772)	(25,772)	-	(797)	(797)	-	8,143	8,143	-	(37,244)	(37,244)	-	(55,670)	(55,670)
Distribution during the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net income for the period less distribution	-	(25,772)	(25,772)	-	(797)	(797)	-	8,143	8,143	-	(37,244)	(37,244)	-	(55,670)	(55,670)
<b>Net assets at the end of the period</b>	<b>246,588</b>	<b>(7,937)</b>	<b>238,650</b>	<b>76,197</b>	<b>35,253</b>	<b>111,449</b>	<b>96,107</b>	<b>48,634</b>	<b>144,741</b>	<b>259,205</b>	<b>18,110</b>	<b>277,316</b>	<b>678,097</b>	<b>94,060</b>	<b>772,156</b>
<b>Undistributed income brought forward</b>															
- Realised income	101,711			67,539			62,595			196,400			428,245		
- Unrealised loss	(83,876)			(31,489)			(18,974)			(141,046)			(275,385)		
	17,835			36,050			43,621			55,354			152,860		
Accounting income available for distribution															
- Relating to capital gains	-			-			8,315			-			8,315		
- Excluding capital gains	-			-			(3,302)			-			(3,302)		
							5,013						5,013		
Net loss for the period after taxation	(25,772)			(797)			-			(37,244)			(63,813)		
Distribution during the period	-			-			-			-			-		
(Accumulated loss) / Undistributed income carried forward	(7,937)			35,253			48,634			18,110			94,060		
(Accumulated loss) / Undistributed income carried forward															
- Realised income	19,634			39,814			45,599			48,610			153,657		
- Unrealised loss	(27,571)			(4,561)			3,035			(30,500)			(59,597)		
	(7,937)			35,253			48,634			18,110			94,060		
	<b>Rupees</b>			<b>Rupees</b>			<b>Rupees</b>			<b>Rupees</b>			<b>Rupees</b>		
Net asset value per unit as at the beginning of the period	58.1924			53.9707			54.6004			47.7447			43.3161		
Net asset value per unit as at the end of the period	52.9749			52.8757			56.7152			43.3161					

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

**For AI-Meezan Investment Management Limited  
(Management Company)**

Chief Executive

Chief Financial Officer

Director

**MEEZAN FINANCIAL PLANNING FUND OF FUNDS  
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

	Nine months period ended March 31, 2019			Nine months period ended March 31, 2019			Nine months period ended March 31, 2019			Nine months period ended March 31, 2019			Nine months period ended March 31, 2019			For the period from July 01, 2018 to July 24, 2018		
	Aggressive			Moderate			Conservative			MAAP-I			Total			MAAP-IV		
	(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)		
	Capital Value	Undistribut ed income	Total	Capital Value	Undistribut ed income	Total	Capital Value	Undistribut ed income	Total	Capital Value	Undistribut ed income	Total	Capital Value	Undistribut ed income	Total	Capital Value	Undistribut ed income	Total
Net assets at the beginning of the period	394,890	101,897	496,787	226,557	82,538	309,095	209,956	80,512	290,468	630,891	198,023	828,914	1,462,294	462,970	1,925,264	531,432	(23,695)	507,737
Issuance of units:																		
Aggressive: 1,517,105 units / Moderate: 744,018 units /																		
Conservative: 1,779,148 units / MAAP I: nil units																		
- Capital value (at net asset value per unit at the beginning of the period)	106,630	-	106,630	49,947	-	49,947	116,122	-	116,122	-	-	-	272,699	-	272,699	-	-	-
- Element of (loss) / income	(2,557)	-	(2,557)	(651)	-	(651)	780	-	780	-	-	-	(2,429)	-	(2,429)	-	-	-
Total proceeds on issuance of units	104,073	-	104,073	49,296	-	49,296	116,902	-	116,902	-	-	-	270,270	-	270,270	-	-	-
Redemption of units:																		
Aggressive: 1,652,581 units / Moderate: 1,834,946 units /																		
Conservative: 2,585,694 units / MAAP I: 1,169,249 units /																		
MAAP IV: 626,419 units																		
- Capital value (at net asset value per unit at the beginning of the period)	116,152	-	116,152	123,183	-	123,183	168,764	-	168,764	68,520	-	68,520	476,619	-	476,619	29,378	-	29,378
- Element of (income) / loss	(3,258)	-	(3,258)	(2,466)	-	(2,466)	623	-	623	(3,245)	-	(3,245)	(8,347)	-	(8,347)	(502)	-	(502)
Total payments on redemption of units	112,894	-	112,894	120,716	-	120,716	169,387	-	169,387	65,275	-	65,275	468,272	-	468,272	28,876	-	28,876
Total comprehensive (loss) / income for the period	-	(34,138)	(34,138)	-	(8,221)	(8,221)	-	2,438	2,438	-	(68,639)	(68,639)	-	(108,560)	(108,560)	-	(7,814)	(7,814)
Distribution during the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net (loss) / income for the period less distribution	-	(34,138)	(34,138)	-	(8,221)	(8,221)	-	2,438	2,438	-	(68,639)	(68,639)	-	(108,560)	(108,560)	-	(7,814)	(7,814)
<b>Net assets at the end of the period</b>	<b>386,069</b>	<b>67,759</b>	<b>453,828</b>	<b>155,137</b>	<b>74,317</b>	<b>229,453</b>	<b>157,470</b>	<b>82,950</b>	<b>240,420</b>	<b>565,616</b>	<b>129,384</b>	<b>695,000</b>	<b>1,264,293</b>	<b>354,410</b>	<b>1,618,701</b>	<b>502,556</b>	<b>(31,509)</b>	<b>471,047</b>
<b>Undistributed income / (accumulated loss) brought forward</b>																		
- Realised income	163,797			100,834			83,187			207,736			555,554			25,150		
- Unrealised loss	(61,900)			(18,296)			(2,675)			(9,713)			(92,584)			(48,845)		
	101,897			82,538			80,512			198,023			462,970			(23,695)		
Accounting income available for distribution																		
- Relating to capital gains	-			-			-			-			-			-		
- Excluding capital gains	-			-			2,438			-			2,438			-		
Net loss for the period after taxation	(34,138)			(8,221)			-			(68,639)			(110,998)			(7,814)		
Distribution during the period	-			-			-			-			-			-		
Undistributed income / (accumulated loss) carried forward	67,759			74,317			82,950			129,384			354,410			(31,509)		
Undistributed income / (accumulated loss) carried forward																		
- Realised income / (loss)	103,276			84,720			85,759			198,531			472,286			(31,509)		
- Unrealised loss	(35,517)			(10,403)			(2,809)			(69,147)			(117,876)			-		
	67,759			74,317			82,950			129,384			354,410			(31,509)		
	<b>Rupees</b>			<b>Rupees</b>			<b>Rupees</b>			<b>Rupees</b>			<b>Rupees</b>			<b>Rupees</b>		
Net asset value per unit as at the beginning of the period	70,2849			67,1319			65,2685			58,6014			46,8987			46,8987		
Net asset value per unit as at the end of the period	65,4619			65,3087			65,9804			53,5616			46,1818			46,1818		

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

**For Al-Meezan Investment Management Limited  
(Management Company)**

Chief Executive

Chief Financial Officer

Director

**MEEZAN FINANCIAL PLANNING FUND OF FUNDS  
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**



Nine months period ended March 31, 2020					
Aggressive	Moderate	Conservative	MAAP-I	Total	
(Rupees in '000)					
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Net (loss) / income for the period before taxation	(25,772)	(797)	8,143	(37,244)	(55,670)
<b>Adjustments for</b>					
Net unrealised diminution / (appreciation) on re-measurement of investments 'at fair value through profit or loss'	27,571	4,561	(3,035)	30,500	59,597
	1,799	3,764	5,108	(6,744)	3,927
<b>Decrease / (increase) in assets</b>					
Investments - net	93,817	82,000	84,820	286,124	546,761
Receivable against sale of investments	(22,677)	(11,559)	(9,526)	-	(43,762)
Profit receivable on saving accounts with banks	(52)	(3)	(25)	(206)	(286)
	71,088	70,438	75,269	285,918	502,713
<b>Increase / (decrease) in liabilities</b>					
Payable to AI Meezan Investment Management Limited - Management Company	(29)	(11)	11	(15)	(44)
Payable to Central Depository Company of Pakistan Limited - Trustee	(16)	(10)	(9)	(36)	(71)
Payable to Meezan Bank Limited	1	-	-	-	1
Payable to Securities and Exchange Commission of Pakistan	(392)	(210)	(210)	(643)	(1,455)
Payable against purchase of investments	22,678	11,559	9,526	-	43,763
Accrued expenses and other liabilities	21	68	172	(26)	235
	22,263	11,396	9,490	(720)	42,429
<b>Net cash generated from operating activities</b>	95,150	85,598	89,867	278,454	549,070
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Receipts against issuance and conversion of units	103,821	19,863	84,878	-	208,562
Payments against redemption and conversion of units	(190,406)	(106,400)	(169,990)	(278,151)	(744,947)
<b>Net cash used in financing activities</b>	(86,585)	(86,537)	(85,112)	(278,151)	(536,385)
Net increase / (decrease) in cash and cash equivalents during the period	8,565	(939)	4,755	303	12,684
Cash and cash equivalents at the beginning of the period	5,765	4,366	4,861	725	15,717
Cash and cash equivalents at the end of the period	14,330	3,427	9,616	1,028	28,401

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

**For AI Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN FINANCIAL PLANNING FUND OF FUNDS**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

	Nine months period ended March 31, 2019					For the period from July 01, 2018 to July 24, 2018
	Aggressive	Moderate	Conservative	MAAP-I	Total	MAAP-IV
(Rupees in '000)						
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Net (loss) / Income for the period before taxation	(34,138)	(8,221)	2,438	(68,639)	(108,560)	(7,814)
<b>Adjustments for</b>						
Net unrealised diminution on re-measurement of investments 'at fair value through profit or loss'	35,517	10,403	2,809	69,147	117,876	-
	1,379	2,182	5,247	508	9,316	(7,814)
<b>Decrease / (increase) in assets</b>						
Investments - net	8,423	67,189	48,811	67,852	192,275	510,146
Receivable against sale of investments	-	-	-	(400)	(400)	(468,018)
Profit receivable on saving accounts with banks	(43)	4	-	(57)	(96)	(147)
	8,380	67,193	48,811	67,395	191,779	41,981
<b>(Decrease) / increase in liabilities</b>						
Payable to AI Meezan Investment Management Limited - Management Company	(0)	(37)	(15)	(6)	(58)	66
Payable to Central Depository Company of Pakistan Limited - Trustee	-	(5)	(2)	(5)	(12)	(10)
Payable to Meezan Bank Limited	(1)	(15)	(1)	-	(17)	-
Payable to Securities and Exchange Commission of Pakistan	(176)	(143)	(133)	(329)	(781)	30
Payable against purchase of investments	-	-	-	-	-	-
Accrued expenses and other liabilities	81	48	89	141	359	(32)
	(96)	(152)	(62)	(199)	(509)	54
<b>Net cash generated from operating activities</b>	9,662	69,224	53,996	67,704	200,586	34,221
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
Receipts against issuance and conversion of units	104,072	49,309	115,035	-	268,415	-
Payments against redemption and conversion of units	(111,080)	(120,662)	(169,021)	(64,881)	(465,644)	(33,109)
<b>Net cash used in financing activities</b>	(7,008)	(71,353)	(53,987)	(64,881)	(197,228)	(33,109)
Net increase / (decrease) in cash and cash equivalents during the period	2,655	(2,129)	9	2,823	3,358	1,113
Cash and cash equivalents at the beginning of the period	3,899	2,965	9,841	5,204	21,909	2,932
Cash and cash equivalents at the end of the period	6,554	836	9,850	8,027	25,267	4,045

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

**For AI Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN FINANCIAL PLANNING FUND OF FUNDS**  
**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

**1. LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1** Meezan Financial Planning Fund of Funds (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on July 27, 2012 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The Fund is registered as a Notified entity under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) issued through S.R.O.1203(I)/2008 on November 21, 2008. The Management Company has been licensed by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi, 74400, Pakistan.
- 1.2** The Fund has been formed to enable the unitholders to participate in a diversified portfolio of securities, which are Shariah compliant. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah guidelines. The Management Company has appointed Meezan Bank Limited as its Shariah advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.3** The Fund is an open-end Shariah compliant Fund of Funds Scheme listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis except for Meezan Asset Allocation Plan-I (MAAP-I) in which the offer of units is discontinued after the end of the subscription period. However, the subscription in units may be reopened for fresh issuance by the Management Company with prior approval of the Commission after intimation to the Trustee and by providing notice to investors in order to protect the interest of the unitholders. The units of the plan are transferable and can be redeemed by surrendering them to the Fund.
- 1.4** Title to the assets of the Fund are held in the name of CDC as the Trustee of the Fund. The Fund's property of different types of allocation plans is accounted for and maintained separately in the books of accounts, which shall collectively constitute the Fund's property of the Scheme.
- 1.5** The Management Company has been assigned a quality rating of AM1 by VIS Credit Rating Company Limited dated December 31, 2019 (2018: AM1 dated December 28, 2018) and by PACRA dated December 28, 2019. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and
- 1.6** The Fund is an open-end Shariah compliant Fund of Funds Scheme that aims to generate returns on investment as per allocation plans (sub funds) namely Aggressive Allocation Plan, Moderate Allocation Plan, Conservative Allocation Plan and Meezan Asset Allocation Plan - I by investing in Shariah compliant income, money market and equity mutual funds in line with the risk tolerance of the investor. Investors of the Fund may hold different types of allocation plans and may invest in any one or more of the available allocation plans. The management may also invest in other Collective Investments Schemes available to it with prior approval of SECP. A brief description of the plans are as follows:

Aggressive Allocation Plan (Aggressive)	High risk - Long term investor This plan invests at least 65 percent of its net assets in Shariah Compliant Equity Funds and at least 25 percent in Shariah Compliant Fixed Income Funds.
Moderate Allocation Plan (Moderate)	Moderate risk - Medium and long term investor This plan invests at least 45 percent of its net assets in Shariah Compliant Equity Funds and at least 45 percent in Shariah Compliant Fixed Income Funds.
Conservative Allocation Plan (Conservative)	Low risk - Medium and short term investor This plan invests at least 20 percent of its net assets in Shariah Compliant Equity Funds and at least 70 percent in Shariah Compliant Fixed Income Funds.
Meezan Asset Allocation Plan I (MAAP-I)	Low risk - High return through asset allocation The allocation plan can invest its portfolio between the Equity asset classes / schemes and Fixed Income or Money Market asset classes / schemes based on the macroeconomic view and outlook of such asset classes up to 100 percent. The initial maturity of this plan is two years from the close of the subscription period (i.e. October 20, 2015). Units shall be subject to front end load. An early exit fee shall also be charged in case of redemption before the completion of the initial maturity of the plan. During the year ended June 30, 2018, Meezan Asset Allocation Plan-I (MAAP-I) was reopened for investment, after completion of two years. The plan had a revised maturity date of two years from the close of the re-subscription period (i.e. November 24, 2017). During the current period, the SECP approved the extension of the plan by one year vide its letter No. SCD / AMCW / MFPPeF / 137 / 2019 dated November 13, 2019.

Each allocation plan announces separate Net Asset Value which ranks Pari Passu according to the number of units of the respective allocation plans. The books and records of each plan have been maintained separately.

## 2 BASIS OF PRESENTATION

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

## 3 BASIS OF PREPARATION

### 3.1 STATEMENT OF COMPLIANCE

These condensed interim 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 for comprise of:

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

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

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2019.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2020.

## 4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT

**4.1** The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2019.

**4.2** The preparation of the condensed interim financial statements in conformity with approved accounting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2019. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended June 30, 2019.

### **4.3 Amendments to published accounting and reporting standards that are effective in the current period**

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 condensed interim financial statements.



**5 BALANCES WITH BANKS**

----- (Unaudited) -----					
As at March 31, 2020					
Note	Aggressive	Moderate	Conservative	MAAP-I	Total
----- (Rupees in '000) -----					
Saving accounts	13,903	3,417	9,606	1,018	27,944
Current accounts	427	10	10	10	457
	<u>14,330</u>	<u>3,427</u>	<u>9,616</u>	<u>1,028</u>	<u>28,401</u>

----- (Audited) -----						
As at June 30, 2019						As at July 24, 2018
Note	Aggressive	Moderate	Conservative	MAAP-I	Total	MAAP-IV
----- (Rupees in '000) -----						
Saving accounts	5,338	4,356	4,851	715	15,260	3,964
Current accounts	427	10	10	10	457	81
	<u>5,765</u>	<u>4,366</u>	<u>4,861</u>	<u>725</u>	<u>15,717</u>	<u>4,045</u>

- 5.1 The balance in savings accounts have an expected profit ranging from 3% to 11.39% (June 30, 2019: 3.32% to 12.30%) per annum.

**6 INVESTMENTS**

----- (Unaudited) -----						
As at March 31, 2020						
Note	Aggressive	Moderate	Conservative	MAAP-I	Total	
----- (Rupees in '000) -----						
Investments - 'at fair value through profit or loss'	6.1	<u>242,777</u>	<u>115,737</u>	<u>137,575</u>	<u>287,128</u>	<u>783,217</u>

----- (Audited) -----							
As at June 30, 2019						As at July 24, 2018	
Note	Aggressive	Moderate	Conservative	MAAP-I	Total	MAAP-IV	
----- (Rupees in '000) -----							
Investments - 'at fair value through profit or loss'	6.1	<u>364,165</u>	<u>202,298</u>	<u>219,360</u>	<u>603,752</u>	<u>1,389,575</u>	<u>-</u>

## 6.1 At fair value through profit or loss - Units of mutual funds

Name of investee funds	As at July 1, 2019	Purchases during the period	Sales during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised (diminution)/a ppreciation as at March 31, 2020	Percentage in relation to	
								Market value on the basis of Net Assets of the Fund	Total market value of investments
				(Number of units)	(Rupees in '000)			(Percentage)	
<b>Aggressive Allocation Plan</b>									
Meezan Islamic Fund	5,706,434	929,919	2,103,848	4,532,505	213,691	182,083	(31,608)	76.30	75.00
Meezan Islamic Income Fund	882,014	1,243,768	1,044,845	1,080,937	56,657	60,694	4,037	25.43	25.00
Meezan Cash Fund	898,802	-	898,802	-	-	-	-	-	-
					<b>270,348</b>	<b>242,777</b>	<b>(27,571)</b>	<b>101.73</b>	<b>100.00</b>
<b>Moderate Allocation Plan</b>									
Meezan Islamic Fund	2,116,314	376,875	1,052,695	1,440,494	66,661	57,868	(8,793)	51.92	50.00
Meezan Islamic Income Fund	981,320	904,063	854,778	1,030,605	53,637	57,869	4,232	51.92	50.00
Meezan Cash Fund	999,999	-	999,999	-	-	-	-	-	-
					<b>120,298</b>	<b>115,737</b>	<b>(4,561)</b>	<b>103.84</b>	<b>100.00</b>
<b>Conservative Allocation Plan</b>									
Meezan Islamic Fund	1,149,027	329,751	622,629	856,149	39,096	34,394	(4,702)	23.76	25.00
Meezan Islamic Income Fund	1,598,388	1,567,783	1,328,565	1,837,606	95,444	103,181	7,737	71.29	75.00
Meezan Cash Fund	1,628,812	-	1,628,812	-	-	-	-	-	-
					<b>134,540</b>	<b>137,575</b>	<b>3,035</b>	<b>95.05</b>	<b>100.00</b>
<b>Meezan Asset Allocation Plan I</b>									
Al Meezan Mutual Fund	39,791	4,087,120	1,088,228	3,038,683	47,715	34,420	(13,296)	12.41	11.99
Meezan Islamic Fund	171,373	2,022,195	497,166	1,696,403	83,332	68,149	(15,183)	24.57	23.73
Meezan Islamic Income Fund	-	3,782,009	3,782,009	-	-	-	-	-	-
Meezan Cash Fund	8,448	3,820,833	3,829,281	-	-	-	-	-	-
Meezan Sovereign Fund	3,775,282	5,323,534	7,102,700	1,996,116	106,725	112,158	5,434	40.44	39.06
Meezan Dedicated Equity Fund	11,269,149	2,355,884	11,059,922	2,565,111	79,857	72,401	(7,456)	26.11	25.22
					<b>317,628</b>	<b>287,128</b>	<b>(30,500)</b>	<b>103.53</b>	<b>100.00</b>
<b>Total investments in units of mutual funds</b>									
Al Meezan Mutual Fund	39,791	4,087,120	1,088,228	3,038,683	47,715	34,420	(13,296)	4.46	4.39
Meezan Islamic Fund	9,143,148	3,658,741	4,276,338	8,525,551	402,780	342,494	(60,287)	44.36	43.73
Meezan Islamic Income Fund	3,461,722	7,497,624	7,010,198	3,949,148	205,738	221,744	16,006	28.72	28.31
Meezan Cash Fund	3,536,061	3,820,833	7,356,894	-	-	-	-	-	-
Meezan Sovereign Fund	3,775,282	5,323,534	7,102,700	1,996,116	106,725	112,158	5,434	14.53	14.32
Meezan Dedicated Equity Fund	11,269,149	2,355,884	11,059,922	2,565,111	79,857	72,401	(7,456)	9.38	9.24
					<b>842,814</b>	<b>783,217</b>	<b>(59,597)</b>	<b>101.45</b>	<b>99.99</b>

## 7 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2020 and June 30, 2019.

## 8 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. During the period, the Trustee has revised its tariff as follows:

Previous Tariff		Revised Tariff
Net Assets (Rs.)	Fee	0.070% per annum of Net Assets
Upto 1 Billion	0.10% of Net Assets	
Above 1 Billion	Rs. 1 Million plus 0.075% per annum of Net Assets exceeding Rs. 1 Billion	

Accordingly, the Fund has charged Trustee fee at the rate of 0.070% per annum, effective from July 1st, 2019.

**9 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN - SECP**

In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP).

Effective from July 1, 2019, the SECP vide SRO No. 685(I)/2019 dated June 28, 2019, revised the rate of annual fee to 0.02% of net assets, applicable on all categories of CISs. Previously, the rate of annual fee applicable to fund of funds was 0.095%. Accordingly, the Fund has charged SECP Fee at the rate of 0.02% of net assets during the current period.

**10 ACCRUED EXPENSES AND OTHER LIABILITIES**

(Unaudited)					
As at March 31, 2020					
Note	Aggressive	Moderate	Conservative	MAAP-I	Total
(Rupees in '000)					
Withholding tax payable	116	521	13	409	1,059
Provision for Sindh Workers' Welfare Fund	10.1	3,380	1,916	1,380	6,886
Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	10.2	368	497	528	3,295
Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	10.2	72	40	36	16
Shariah advisor fee payable	69	30	35	81	215
Auditors' remuneration payable	87	39	48	102	276
Printing charges payable	92	71	49	158	370
	<b>4,184</b>	<b>3,114</b>	<b>2,089</b>	<b>10,947</b>	<b>20,334</b>

(Audited)						
As at June 30, 2019						As at July 24, 2018
Note	Aggressive	Moderate	Conservative	MAAP-I	Total	MAAP-IV
(Rupees in '000)						
Withholding tax payable	115	458	14	409	996	8
Provision for Sindh Workers' Welfare Fund	10.1	3,380	1,916	1,214	6,886	13,396
Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	10.2	368	497	528	16	1,409
Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	10.2	72	40	36	3,295	3,443
Shariah advisor fee payable	41	21	22	63	147	27
Auditors' remuneration payable	96	50	51	151	348	80
Printing charges payable	90	63	52	154	359	35
	<b>4,162</b>	<b>3,045</b>	<b>1,917</b>	<b>10,974</b>	<b>20,098</b>	<b>5,438</b>

- 10.1** 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 condensed interim financial statements, the NAV per unit would have been higher by Re 0.75, 0.91, 0.54 and 1.08 for Aggressive Allocation Plan, Moderate Allocation Plan, Conservative Allocation Plan and MAAP-I (June 30, 2019 by 0.54, 0.51, 0.30 and 0.55 for Aggressive Allocation Plan, Moderate Allocation Plan, Conservative Allocation Plan and MAAP-I) respectively.

- 10.2** The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 01, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 0.44 million, Rs 0.537 million, Rs 0.564 million and Rs 3.31 million in Aggressive Allocation Plan, Moderate Allocation Plan, Conservative Allocation Plan and MAAP- I respectively is being retained in the condensed interim financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision not been made, the Net Asset Value of the Fund as at March 31, 2020 would have been higher by Re. 0.10, Re 0.25, Re. 0.22 and Re. 0.52 per unit in Aggressive Allocation Plan, Moderate Allocation Plan, Conservative Allocation Plan and MAAP- I (June 30, 2019: Re 0.07, Re 0.14, Re 0.14, Re 0.27 and Re 0.48 per unit) respectively.

## 11 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include Al Meezan Investment Management Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, Directors and Executives of the Management Company, other funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited - Employees Gratuity Fund and unit holders holding 10 percent or more of the Fund's net assets.

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

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Rules, NBFC Regulations and the Trust Deed respectively.

Detail of transactions with connected persons and balances with them are as follows:

Balances	(Unaudited)				
	As at March 31, 2020				
	Aggressive	Moderate	Conservative	MAAP-I	Total
<b>Al Meezan Investment Management Limited - Management Company</b>					
Remuneration Payable (Rs in '000)	7	1	4	11	23
Sindh Sales Tax on management fee payable (Rs in '000)	1	-	1	1	3
Sales load payable (Rs in '000)	12	2	-	-	14
Sindh Sales Tax on sales load payable (Rs in '000)	1	1	-	-	2
Allocated expenses payable (Rs in '000)	10	11	27	25	73
Investment (Rs in '000)	-	-	7,112	-	7,112
Investment (Units)	-	-	125,407	-	125,407
<b>Meezan Bank Limited</b>					
Bank balance (Rs in '000)	14,086	3,202	9,416	911	27,615
Profit receivable (Rs in '000)	83	28	41	212	364
Sales load payable (Rs in '000)	2	-	-	-	2
<b>Central Depository Company of Pakistan Limited - Trustee</b>					
Trustee Fee payable (Rs in '000)	19	6	16	7	48
Sindh Sales Tax on trustee fee payable (Rs in '000)	3	2	2	1	8

(Unaudited)					
As at March 31, 2020					
	Aggressive	Moderate	Conservative	MAAP-I	Total
<b>Directors and Executives of the Management Company</b>					
Investment (Rs in '000)	-	-	-	-	-
Investment (Units)	-	-	-	-	-
<b>Meezan Islamic Fund</b>					
Investment (Rs in '000)	182,083	57,868	34,394	68,149	342,494
Investment (Units)	4,532,505	1,440,494	856,149	1,696,403	8,525,551
<b>Meezan Sovereign Fund</b>					
Investment (Rs in '000)	-	-	-	112,158	112,158
Investment (Units)	-	-	-	1,996,116	1,996,116
<b>AI Meezan Mutual Fund</b>					
Investment (Rs in '000)	-	-	-	34,420	34,420
Investment (Units)	-	-	-	3,038,683	3,038,683
<b>Meezan Cash Fund</b>					
Investment (Rs in '000)	-	-	-	-	-
Investment (Units)	-	-	-	-	-
<b>Meezan Islamic Income Fund</b>					
Investment (Rs in '000)	60,694	57,869	103,181	-	221,744
Investment (Units)	1,080,937	1,030,605	1,837,606	-	3,949,148
<b>Meezan Dedicated Equity Fund</b>					
Investment (Rs in '000)	-	-	-	72,401	72,401
Investment (Units)	-	-	-	2,565,111	2,565,111
<b>Unit Holders holding 10% or more units of the Fund</b>					
Investment (Rs in '000)	133,550	11,315	49,550	139,984	334,400
Investment (Units)	2,521,012	213,996	873,669	3,231,695	6,840,371

(Audited)						
As at June 30, 2019						As at July 24, 2018
	Aggressive	Moderate	Conservative	MAAP-I	Total	MAAP-IV
<b>AI Meezan Investment Management Limited - Management Company</b>						
Remuneration Payable (Rs in '000)	5	3	2	2	12	69
Sindh Sales Tax on management fee payable (Rs in '000)	1	-	-	-	1	10
Sales load payable (Rs in '000)	19	5	1	-	25	-
Sindh Sales Tax on sales load payable (Rs in '000)	2	1	-	-	3	-
Allocated expenses payable (Rs in '000)	33	17	18	50	118	32
Investment (Rs in '000)	-	-	6,847	-	6,847	-
Investment (Units)	-	-	125,406	-	125,406	-
<b>Meezan Bank Limited</b>						
Bank balance (Rs in '000)	5,530	4,148	4,666	612	14,956	4,045
Profit receivable (Rs in '000)	19	12	12	4	47	196
Sales load payable (Rs in '000)	1	-	-	-	1	-
<b>Central Depository Company of Pakistan Limited - Trustee</b>						
Trustee Fee payable (Rs in '000)	33	15	24	36	108	28
Sindh Sales Tax on trustee fee payable (Rs in '000)	5	3	3	8	19	5
<b>Directors and Executives of the Management Company</b>						
Investment (Rs in '000)	106	0	1,621	-	1,727	-
Investment (Units)	1,818	3	29,687	-	31,508	-

(Audited)					
As at June 30, 2019					As at July 24, 2018
Aggressive	Moderate	Conservative	MAAP-I	Total	MAAP-IV
<b>Meezan Islamic Fund</b>					
Investment (Rs in '000)	273,509	101,436	55,073	8,214	438,232
Investment (Units)	5,706,434	2,116,314	1,149,027	171,373	9,143,148
<b>Meezan Sovereign Fund</b>					
Investment (Rs in '000)	-	-	-	194,373	194,373
Investment (Units)	-	-	-	3,775,282	3,775,282
<b>Al Meezan Mutual Fund</b>					
Investment (Rs in '000)	-	-	-	531	531
Investment (Units)	-	-	-	39,791	39,791
<b>Meezan Cash Fund</b>					
Investment (Rs in '000)	45,328	50,431	82,143	426	178,328
Investment (Units)	898,802	999,999	1,628,812	8,448	3,536,061
<b>Meezan Islamic Income Fund</b>					
Investment (Rs in '000)	45,328	50,431	82,144	-	177,903
Investment (Units)	882,014	981,320	1,598,388	-	3,461,722
<b>Meezan Dedicated Equity Fund</b>					
Investment (Rs in '000)	-	-	-	400,208	400,208
Investment (Units)	-	-	-	11,269,149	11,269,149
<b>Unit Holders holding 10% or more units of the Fund</b>					
Investment (Rs in '000)	184,302	49,515	47,703	278,205	559,725
Investment (Units)	3,167,104	917,442	873,669	5,826,939	10,785,154
(Unaudited)					
For the period ended March 31, 2020					
Aggressive	Moderate	Conservative	MAAP-I	Total	
<b>Al Meezan Investment Management Limited - Management Company</b>					
Remuneration for the period (Rs in '000)	46	38	40	118	242
Sindh Sales Tax on management fee (Rs in '000)	6	5	5	15	31
Allocated expense (Rs in '000)	243	110	133	293	779
<b>Meezan Bank Limited</b>					
Profit on saving account (Rs in '000)	472	424	423	1,570	2,889
<b>Central Depository Company of Pakistan Limited - Trustee</b>					
Trustee fee for the period (Rs in '000)	170	77	93	205	545
Sindh Sales Tax on trustee fee (Rs in '000)	22	10	12	27	71
<b>Directors and Executives of the Management Company</b>					
Invested during the period (Rs. in '000)	69,364	3,642	65,268	-	138,274
Invested during the period (Units)	1,073,690	65,869	1,110,954	-	2,250,512
Redeemed during the period (Rs. in '000)	68,831	3,633	63,156	-	135,620
Redeemed during the period (Units)	1,073,912	65,870	1,073,926	-	2,213,707
<b>Meezan Islamic Fund</b>					
Invested during the period (Rs. in '000)	41,021	15,616	13,768	101,000	171,405
Invested during the period (Units)	929,919	376,875	329,751	2,022,195	3,658,741
Redeemed during the period (Rs. in '000)	99,713	51,881	31,194	24,920	207,708
Redeemed during the period (Units)	2,103,848	1,052,695	622,629	497,166	4,276,338

(Unaudited)					
For the period ended March 31, 2020					
Aggressive	Moderate	Conservative	MAAP-I	Total	
<b>Meezan Sovereign Fund</b>					
Invested during the period (Rs. in '000)	-	-	-	284,149	284,149
Invested during the period (Units)	-	-	-	5,323,534	5,323,534
Redeemed during the period (Rs. in '000)	-	-	-	377,020	377,020
Redeemed during the period (Units)	-	-	-	7,102,700	7,102,700
<b>Meezan Cash Fund</b>					
Invested during the period (Rs. in '000)	-	-	-	196,312	196,312
Invested during the period (Units)	-	-	-	3,820,833	3,820,833
Redeemed during the period (Rs. in '000)	45,839	50,914	83,034	199,399	379,186
Redeemed during the period (Units)	898,802	999,999	1,628,812	3,829,281	7,356,894
<b>AI Meezan Mutual Fund</b>					
Invested during the period (Rs. in '000)	-	-	-	63,000	63,000
Invested during the period (Units)	-	-	-	4,087,120	4,087,120
Redeemed during the period (Rs. in '000)	-	-	-	16,000	16,000
Redeemed during the period (Units)	-	-	-	1,088,228	1,088,228
<b>Meezan Islamic Income Fund</b>					
Invested during the period (Rs. in '000)	65,702	47,444	82,028	194,650	389,824
Invested during the period (Units)	1,243,768	904,063	1,567,783	3,782,009	7,497,624
Redeemed during the period (Rs. in '000)	57,071	45,966	71,668	197,912	372,617
Redeemed during the period (Units)	1,044,845	854,778	1,328,565	3,782,009	7,010,198
<b>Meezan Dedicated Equity Fund</b>					
Invested during the period (Rs. in '000)	-	-	-	72,320	72,320
Invested during the period (Units)	-	-	-	2,355,884	2,355,884
Redeemed during the period (Rs. in '000)	-	-	-	374,733	374,733
Redeemed during the period (Units)	-	-	-	11,059,922	11,059,922

(Unaudited)					
For the period ended March 31, 2019					For the period from July 1, 2018 to July 24, 2018
Aggressive	Moderate	Conservative	MAAP-I	Total	MAAP IV
(Rupees in '000)					
58	34	54	52	198	89
8	4	7	7	26	9
360	191	193	582	1,326	32

<b>AI Meezan Investment Management Limited - Management Company</b>					
Remuneration for the period (Rs in '000)	58	34	54	52	198
Sindh Sales Tax on management fee (Rs in '000)	8	4	7	7	26
Allocated expense (Rs in '000)	360	191	193	582	1,326

<b>Meezan Bank Limited</b>					
Profit on saving account (Rs in '000)	160	92	149	126	527

<b>Central Depository Company of Pakistan Limited - Trustee</b>					
Trustee fee for the period (Rs in '000)	320	170	171	518	1,179
Sindh Sales Tax on trustee fee (Rs in '000)	42	22	22	67	153

<b>Directors and Executives of the Management Company</b>					
Invested during the period (Rs. in '000)	26,096	11,037	27,545	-	64,677
Invested during the period (Units)	384,659	164,897	419,413	-	968,969
Redeemed during the period (Rs. in '000)	26,922	11,013	26,395	-	64,330
Redeemed during the period (Units)	394,440	164,696	402,863	-	961,999



----- (Unaudited) -----						
For the period ended March 31, 2019					For the period from July 1, 2018 to July 24, 2018	
Aggressive	Moderate	Conservative	MAAP-I	Total	MAAP IV	
----- (Rupees in '000) -----						
<b>Meezan Islamic Fund</b>						
Invested during the period (Rs. in '000)	34,230	11,768	13,344	-	59,342	-
Invested during the period (Units)	573,685	204,756	227,282	-	1,005,723	-
Redeemed during the period (Rs. in '000)	27,750	36,000	19,300	-	83,050	249,454
Redeemed during the period (Units)	466,932	598,892	321,245	-	1,387,069	3,990,160
<b>Meezan Sovereign Fund</b>						
Invested during the period (Rs. in '000)	-	-	-	-	-	-
Invested during the period (Units)	-	-	-	4	4	-
Dividend received during the period (Rs. in '000)	-	-	-	-	-	-
Dividend received during the period (Units)	-	-	-	-	-	-
Refund of capital during the period (Rs. in '000)	-	-	-	-	-	-
Refund of capital during the period (Units)	-	-	-	5	5	-
<b>Meezan Cash Fund</b>						
Invested during the period (Rs. in '000)	5,811	3,187	12,805	1,223	23,025	371,833
Invested during the period (Units)	113,932	63,204	251,200	24,238	452,574	7,368,899
Redeemed during the period (Rs. in '000)	11,963	22,854	32,771	29,970	-	421,491
Redeemed during the period (Units)	231,397	446,076	637,472	580,274	1,895,219	8,331,559
Dividend received during the period (Rs. in '000)	2,304	2,766	3,957	855	9,882	1,833
Dividend received during the period (Units)	45,686	54,852	78,471	16,949	195,959	36,347
Refund of capital during the period (Rs. in '000)	257	421	410	368	1,455	251
Refund of capital during the period (Units)	5,096	8,352	8,121	7,289	28,858	4,978
<b>AI Meezan Mutual Fund</b>						
Redeemed during the period (Rs. in '000)	-	-	-	-	-	21,964
Redeemed during the period (Units)	-	-	-	-	-	1,304,322
<b>Meezan Islamic Income Fund</b>						
Invested during the period (Rs. in '000)	5,799	3,172	12,785	37,613	59,369	1,736
Invested during the period (Units)	111,602	61,736	246,147	730,485	1,149,970	63,875
Redeemed during the period (Rs. in '000)	12,018	22,914	32,848	37,560	105,340	80,267
Redeemed during the period (Units)	228,050	438,741	627,081	708,623	2,002,495	1,558,092
Dividend received during the period (Rs. in '000)	2,325	2,809	3,989	4,610	13,734	1,736
Dividend received during the period (Units)	45,244	54,664	77,620	89,709	267,237	33,786
Refund of capital during the period (Rs. in '000)	224	363	358	3,003	3,948	1,544
Refund of capital during the period (Units)	4,359	7,072	6,960	58,438	76,829	30,048
<b>Meezan Dedicated Equity Fund</b>						
Invested during the period (Rs. in '000)	-	-	-	26,000	26,000	-
Invested during the period (Units)	-	-	-	602,460	602,460	-
Redeemed during the period (Rs. in '000)	-	-	-	58,740	58,740	99,023
Redeemed during the period (Units)	-	-	-	1,279,918	1,279,918	2,136,720

## 12 ALLOCATED EXPENSES

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

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

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

### 13 TOTAL EXPENSE RATIO

	As at March 31, 2020			
	Aggressive	Moderate	Conservative	MAAP I
Total Expense Ratio (TER)	0.31%	0.33%	0.45%	0.34%
Government levy, Sindh Workers' Welfare Fund and SECP fee	0.03%	0.03%	0.16%	0.03%

	As at June 30, 2019			
	Aggressive	Moderate	Conservative	MAAP I
Total Expense Ratio (TER)	0.38%	0.38%	0.39%	0.37%
Government levy and SECP fee	0.11%	0.11%	0.11%	0.11%

### 14 TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unit holders. The Fund has not recorded any tax liability in respect of income relating to the current period as the Management Company intends to distribute at least 90 percent of the Fund's accounting income for the year ending June 30, 2020 as reduced by capital gains (whether realised or unrealised) to its unit holders.

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.

### 15 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. 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 tradeable in an open market are revalued at 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.

#### 15.1 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: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities.
- Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at March 31, 2020 and June 30, 2019, the Fund held the following financial instruments measured at fair value:

	(Unaudited)			
	As at March 31, 2020			
	Level 1	Level 2	Level 3	Total
<b>ASSETS</b>				
<b>Financial assets 'at fair value through profit or loss'</b>				
Units of mutual fund	-	783,217	-	783,217

(Rupees in '000)

----- (Audited) -----			
As at June 30, 2019			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			

**ASSETS****Financial assets 'at fair value through profit or loss'**

Units of mutual fund	-	1,389,575	-	1,389,575
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**16 GENERAL**

**16.1** Figures have been rounded off to the nearest thousand rupees.

**16.2** Corresponding figures have been reclassified and rearranged in these condensed interim financial statements, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in these condensed interim financial statements

**17 DATE OF AUTHORISATION**

These condensed interim financial statements were authorised for issue on \_\_\_\_\_ by the Board of Directors of the Management Company.

**For AI Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director



**GUMTI WATER  
FOUNTAIN  
(FAISALABAD)**





**Meezan**  
Strategic Allocation Fund

## **MEEZAN STRATEGIC ALLOCATION FUND (MSAF)**

Meezan Strategic Allocation Fund is a Shariah compliant scheme which will use active asset allocation strategy for providing competitive returns on your investment. It is a unique asset allocation fund for investors who wish to benefit from the equity market and want an actively managed investment portfolio with diversification.

## **UNFOLDING OPPORTUNITIES OF PROGRESS IN THE CITY OF TEXTILE**

- ◆ Kotwali Road Branch, Faisalabad
- ◆ Susan Road Branch, Faisalabad

# FUND INFORMATION

## MANAGEMENT COMPANY

Al Meezan Investment Management Limited  
Ground Floor, Block "B", Finance & Trade Centre,  
Shahrah-e-Faisal Karachi 74400, Pakistan.  
Phone (9221) 35630722-6, 111-MEEZAN  
Fax: (9221) 35676143, 35630808  
Website: [www.almeezangroup.com](http://www.almeezangroup.com)  
E-mail: [info@almeezangroup.com](mailto:info@almeezangroup.com)

## BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Mohammad Shoaib, CFA	Chief Executive Officer
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Mohammad Furquan R Kidwai	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Moin M. Fudda	Independent Director
Ms. Saima Kamila Khan	Independent Director
Mr. Arshad Majeed	Nominee Director - MBL
Mr. Naeem Abdul Sattar	Nominee Director - PKIC
Syed Amir Ali Zaidi	Nominee Director - PKIC

## CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Syed Owais Wasti

## AUDIT COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Arshad Majeed	Member
Mr. Naeem Abdul Sattar	Member

## RISK MANAGEMENT COMMITTEE

Mr. Muhammad Abdullah Ahmed	Chairman
Syed Amir Ali Zaidi	Member
Mr. Naeem Abdul Sattar	Member

## HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Ariful Islam	Member
Mr. Naeem Abdul Sattar	Member
Mr. Mohammad Shoaib, CFA	Member

## TRUSTEE

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

## AUDITORS

A. F. Ferguson & Co.  
Chartered Accountants  
State Life Building# 1-C,  
I.I. Chundrigar Road, Karachi-74000

## SHARIAH ADVISER

Meezan Bank Limited

## BANKERS TO THE FUND

Bank Al Habib Limited - Islamic Banking  
Habib Metropolitan Bank Limited - Islamic Banking  
Meezan Bank Limited

## LEGAL ADVISER

Bawaney & Partners  
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,  
Phase VI, DHA, Karachi.  
Phone (9221) 35156191-94 Fax: (9221) 35156195  
E-mail:

## TRANSFER AGENT

Meezan Bank Limited  
Meezan House  
C-25, Estate Avenue, SITE, Karachi.  
Phone: 38103538 Fax: 36406017  
Website: [www.meezanbank.com](http://www.meezanbank.com)

## DISTRIBUTORS

Al Meezan Investment Management Limited  
Meezan Bank Limited  
Standard Chartered Bank (Pakistan) Limited



**MEEZAN STRATEGIC ALLOCATION FUND  
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES  
AS AT MARCH 31, 2020**



March 31, 2020 (Unaudited)								
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total	
----- (Rupees in '000) -----								
<b>Assets</b>								
Balances with banks	5	616	3,128	639	1,836	2,467	3,179	11,865
Investments	6	720,550	400,221	665,927	667,365	181,656	453,115	3,088,834
Receivable against sale of investments		130	-	-	800	-	6,000	6,930
Other receivables		33	30	15	30	20	231	359
<b>Total assets</b>		<b>721,329</b>	<b>403,379</b>	<b>666,581</b>	<b>670,031</b>	<b>184,143</b>	<b>462,525</b>	<b>3,107,988</b>
<b>Liabilities</b>								
Payable to AI Meezan Investment Management Limited - Management Company		67	40	63	65	19	58	312
Payable to Central Depository Company of Pakistan Limited - Trustee	7	51	29	49	49	14	35	227
Payable to Securities and Exchange Commission of Pakistan	8	140	81	124	134	36	132	647
Payable against purchase of investments		397	136	236	285	783	6,404	8,240
Payable against redemption and conversion of units		-	2,078	50	-	-	744	2,872
Accrued expenses and other liabilities	10	4,745	187	213	234	73	1,408	6,860
<b>Total liabilities</b>		<b>5,400</b>	<b>2,551</b>	<b>735</b>	<b>767</b>	<b>925</b>	<b>8,781</b>	<b>19,159</b>
<b>Net assets</b>		<b>715,929</b>	<b>400,828</b>	<b>665,846</b>	<b>669,264</b>	<b>183,218</b>	<b>453,744</b>	<b>3,088,829</b>
<b>Contingencies and commitments</b>								
9								
<b>Unitholders' fund (as per statement attached)</b>		<b>715,929</b>	<b>400,828</b>	<b>665,846</b>	<b>669,264</b>	<b>183,218</b>	<b>453,744</b>	<b>3,088,829</b>
----- (Number of units) -----								
<b>Number of units in issue</b>		<b>21,056,886</b>	<b>11,973,310</b>	<b>20,423,253</b>	<b>20,137,389</b>	<b>4,852,189</b>	<b>9,148,300</b>	
----- (Rupees) -----								
<b>Net assets value per unit</b>		<b>33.9997</b>	<b>33.4768</b>	<b>32.6023</b>	<b>33.2349</b>	<b>37.7600</b>	<b>49.5987</b>	

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

**For AI Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN STRATEGIC ALLOCATION FUND  
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES  
AS AT MARCH 31, 2020**

		June 30, 2019 (Audited)						
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPI-III	Total	
----- (Rupees in '000) -----								
<b>Assets</b>								
Balances with banks	5	11,970	4,377	13,180	335	13,450	1,148	44,460
Investments	6	1,063,694	725,020	879,495	1,008,046	303,088	1,102,961	5,082,304
Other receivables		54	11	13	11	11	9	109
<b>Total assets</b>		<b>1,075,718</b>	<b>729,408</b>	<b>892,688</b>	<b>1,008,392</b>	<b>316,549</b>	<b>1,104,118</b>	<b>5,126,873</b>
<b>Liabilities</b>								
Payable to AI Meezan Investment Management Limited - Management Company		104	66	80	91	33	94	468
Payable to Central Depository Company of Pakistan Limited - Trustee	7	84	55	68	76	24	84	391
Payable to Securities and Exchange Commission of Pakistan	8	1,491	1,032	1,164	1,292	414	1,224	6,617
Payable against redemption and conversion of units		1,819	265	50	3,765	-	2,965	8,864
Accrued expenses and other liabilities	10	4,737	192	195	394	82	857	6,456
<b>Total liabilities</b>		<b>8,235</b>	<b>1,610</b>	<b>1,557</b>	<b>5,618</b>	<b>553</b>	<b>5,224</b>	<b>22,796</b>
<b>Net assets</b>		<b>1,067,483</b>	<b>727,798</b>	<b>891,131</b>	<b>1,002,774</b>	<b>315,996</b>	<b>1,098,894</b>	<b>5,104,077</b>
<b>Contingencies and commitments</b>	9							
<b>Unitholders' fund (as per statement attached)</b>		<b>1,067,483</b>	<b>727,798</b>	<b>891,131</b>	<b>1,002,774</b>	<b>315,996</b>	<b>1,098,894</b>	<b>5,104,077</b>
----- (Number of units) -----								
<b>Number of units in issue</b>		<b>29,262,088</b>	<b>20,213,719</b>	<b>25,406,240</b>	<b>28,125,336</b>	<b>7,747,051</b>	<b>21,462,301</b>	
----- (Rupees) -----								
<b>Net assets value per unit</b>		<b>36.4801</b>	<b>36.0051</b>	<b>35.0753</b>	<b>35.6538</b>	<b>40.7893</b>	<b>51.2011</b>	

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

**For AI Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN STRATEGIC ALLOCATION FUND  
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**



		Nine months period ended March 31, 2020					
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPP-III	Total
(Rupees in '000)							
<b>Income</b>							
	(19,913)	11,721	16,688	41,368	2,939	(23,582)	29,221
Net realised (loss) / gain on sale of investments							
Profit on saving accounts with banks	394	222	255	370	286	943	2,470
Dividend income	36,179	12,371	19,520	20,680	5,341	40,241	134,332
Other income	-	-	-	-	-	3,221	3,221
	<u>16,660</u>	<u>24,314</u>	<u>36,463</u>	<u>62,418</u>	<u>8,566</u>	<u>20,823</u>	<u>169,244</u>
Net unrealised diminution on re-measurement of investments - 'at fair value through profit or loss'	6.1	(69,876)	(53,887)	(82,412)	(97,388)	(25,877)	(10,520)
<b>Total income</b>	<b>(53,216)</b>	<b>(29,573)</b>	<b>(45,949)</b>	<b>(34,970)</b>	<b>(17,311)</b>	<b>10,303</b>	<b>(170,716)</b>
<b>Expenses</b>							
Remuneration to AI Meezan Investment Management Limited - Management Company	38	28	24	13	47	67	217
Sindh Sales Tax on remuneration to Management Company	5	3	3	2	6	9	28
Allocated expenses	12	687	400	612	661	179	3,187
Remuneration to Central Depository Company of Pakistan Limited - Trustee	7	481	280	429	463	125	2,232
Sindh Sales Tax on trustee fee	63	36	56	60	16	59	290
Annual fee to Securities and Exchange Commission of Pakistan	8	140	81	124	134	36	647
Auditors' remuneration	123	73	106	114	31	103	550
Fees and subscription	50	27	43	47	13	47	227
Provision for Sindh Workers' Welfare Fund (SWWF)	10.1	-	-	-	-	175	175
Bank and settlement charges	6	6	-	-	3	26	41
<b>Total expenses</b>	<b>1,593</b>	<b>934</b>	<b>1,397</b>	<b>1,494</b>	<b>456</b>	<b>1,720</b>	<b>7,594</b>
<b>Net (loss) / income for the period before taxation</b>	<b>(54,809)</b>	<b>(30,507)</b>	<b>(47,346)</b>	<b>(36,464)</b>	<b>(17,767)</b>	<b>8,583</b>	<b>(178,310)</b>
Taxation	14	-	-	-	-	-	-
<b>Net (loss) / income for the period after taxation</b>	<b>(54,809)</b>	<b>(30,507)</b>	<b>(47,346)</b>	<b>(36,464)</b>	<b>(17,767)</b>	<b>8,583</b>	<b>(178,310)</b>
<b>Allocation of net income for the period</b>							
Net income for the period after taxation	-	-	-	-	-	8,583	8,583
Income already paid on units redeemed	-	-	-	-	-	(23,243)	(23,243)
	-	-	-	-	-	<u>(14,660)</u>	<u>(14,660)</u>
<b>Accounting income available for distribution</b>							
- Relating to capital gains	-	-	-	-	-	(34,102)	(34,102)
- Excluding capital gains	-	-	-	-	-	19,442	19,442
	-	-	-	-	-	<u>(14,660)</u>	<u>(14,660)</u>

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

**For AI Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN STRATEGIC ALLOCATION FUND  
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

		Nine months period ended March 31, 2019					
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCCP-III	Total
(Rupees in '000)							
<b>Income</b>							
	(50,280)	(9,380)	(10,998)	(16,065)	(4,816)	(16,902)	(108,441)
	402	279	156	151	155	78	1,221
	13,001	9,425	10,866	13,046	3,675	16,480	66,493
	-	-	-	-	336	2,040	2,376
	(36,877)	324	24	(2,868)	(650)	1,696	(38,351)
	Net unrealised (diminution) / appreciation on re-measurement of investments - 'at fair value through profit or loss'						
6.1	(85,594)	(75,328)	(84,833)	(91,176)	(29,191)	28,930	(337,192)
	(122,471)	(75,004)	(84,809)	(94,044)	(29,841)	30,626	(375,543)
<b>Total (loss) / income</b>							
<b>Expenses</b>							
	162	65	47	58	60	26	418
	21	9	6	8	8	3	55
12	1,273	885	985	1,088	350	1,001	5,582
	997	694	772	852	274	785	4,374
	130	90	100	111	36	102	569
	1,209	841	935	1,033	332	951	5,301
	98	68	73	82	26	74	421
	52	37	40	45	12	41	227
	68	47	53	58	19	55	300
	-	-	-	-	-	551	551
10.1	11	2	20	6	3	5	47
	4,021	2,738	3,031	3,341	1,120	3,594	17,845
<b>Total expenses</b>							
	(126,492)	(77,742)	(87,840)	(97,385)	(30,961)	27,032	(393,388)
<b>Net (loss) / income for the period before taxation</b>							
14	-	-	-	-	-	-	-
<b>Taxation</b>							
	(126,492)	(77,742)	(87,840)	(97,385)	(30,961)	27,032	(393,388)
<b>Net (loss) / income for the period after taxation</b>							
<b>Allocation of net income for the period</b>							
	-	-	-	-	-	27,032	27,032
	-	-	-	-	-	(1,848)	(1,848)
	-	-	-	-	-	25,184	25,184
<b>Accounting income available for distribution</b>							
	-	-	-	-	-	12,028	12,028
	-	-	-	-	-	13,156	13,156
	-	-	-	-	-	25,184	25,184

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

**For AI Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director



**MEEZAN STRATEGIC ALLOCATION FUND  
CONDENSED INTERIM INCOME STATEMENT  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

		For the quarter ended March 31, 2020					
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCCP-III	Total
(Rupees in '000)							
<b>Income</b>							
	(2,037)	15,681	16,116	39,857	6,794	(37,837)	38,574
	37	43	47	74	73	451	725
	13,887	4,787	7,989	8,319	2,132	15,435	52,549
	-	-	-	-	-	36	36
	11,887	20,511	24,152	48,250	8,999	(21,915)	91,884
6.1	(127,836)	(122,362)	(189,507)	(214,510)	(54,927)	(33,514)	(742,656)
	<b>Total income</b>	<b>(115,949)</b>	<b>(101,851)</b>	<b>(165,355)</b>	<b>(166,260)</b>	<b>(45,928)</b>	<b>(650,772)</b>
<b>Expenses</b>							
	4	4	3	1	8	35	55
	1	1	-	-	1	5	8
12	215	126	203	214	56	176	990
7	150	88	143	150	39	123	693
	20	11	19	19	5	16	90
8	43	25	40	43	11	35	197
	29	17	25	26	7	22	126
	15	6	14	15	3	12	65
	-	-	-	-	2	1	3
	477	278	447	468	132	425	2,227
	(116,426)	(102,129)	(165,802)	(166,728)	(46,060)	(55,854)	(652,999)
14	-	-	-	-	-	-	-
	<b>(116,426)</b>	<b>(102,129)</b>	<b>(165,802)</b>	<b>(166,728)</b>	<b>(46,060)</b>	<b>(55,854)</b>	<b>(652,999)</b>

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

**For AI Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN STRATEGIC ALLOCATION FUND  
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

Note	For the quarter ended March 31, 2019						Total
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	
	(Rupees in '000)						
<b>Income</b>							
Net realised (loss) / gain on sale of investments	(11,481)	(4,841)	(4,551)	(5,388)	(2,238)	2,526	(25,973)
Profit on saving accounts with banks	296	113	85	50	89	47	680
Other income	-	-	-	-	(1)	968	967
	(11,185)	(4,728)	(4,466)	(5,338)	(2,150)	3,541	(24,326)
Net unrealised appreciation on re-measurement of investments - 'at fair value through profit or loss'	40,345	30,716	30,701	33,282	11,814	18,376	165,234
<b>Total income</b>	29,160	25,988	26,235	27,944	9,664	21,917	140,908
<b>Expenses</b>							
Remuneration to AI Meezan Investment Management Limited - Management Company	106	15	20	13	32	11	197
Sindh Sales Tax on remuneration to Management Company	14	2	2	2	4	1	25
Allocated expenses	354	268	307	332	103	321	1,685
Remuneration to Central Depository Company of Pakistan Limited - Trustee	278	211	242	261	80	253	1,325
Sindh Sales Tax on trustee fee	37	27	31	34	11	33	173
Annual fee to Securities and Exchange Commission of Pakistan	336	255	291	315	97	305	1,599
Auditors' remuneration	18	14	16	18	5	18	89
Fees and subscription	13	12	12	13	1	12	63
Printing charges	21	15	18	19	6	20	99
Provision for Sindh Workers' Welfare Fund (SWWF)	-	-	-	-	-	418	418
Bank and settlement charges	-	-	-	-	2	5	7
<b>Total expenses</b>	1,177	819	939	1,007	341	1,397	5,680
<b>Net income for the quarter before taxation</b>	27,983	25,169	25,296	26,937	9,323	20,520	135,228
Taxation	-	-	-	-	-	-	-
<b>Net income for the quarter after taxation</b>	27,983	25,169	25,296	26,937	9,323	20,520	135,228

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

**For AI Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN STRATEGIC ALLOCATION FUND  
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**



	Nine months period ended March 31, 2020						Total
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	M CPP-III	
	------(Rupees in '000)-----						
Net (loss) / income for the period after taxation	(54,809)	(30,507)	(47,346)	(36,464)	(17,767)	8,583	(178,310)
Other comprehensive income for the period	-	-	-	-	-	-	-
<b>Total comprehensive (loss) / income for the period</b>	<b>(54,809)</b>	<b>(30,507)</b>	<b>(47,346)</b>	<b>(36,464)</b>	<b>(17,767)</b>	<b>8,583</b>	<b>(178,310)</b>

	Nine months period ended March 31, 2019						Total
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	M CPP-III	
	------(Rupees in '000)-----						
Net (loss) / income for the period after taxation	(126,492)	(77,742)	(87,840)	(97,385)	(30,961)	27,032	(393,388)
Other comprehensive income for the period	-	-	-	-	-	-	-
<b>Total comprehensive (loss) / income for the period</b>	<b>(126,492)</b>	<b>(77,742)</b>	<b>(87,840)</b>	<b>(97,385)</b>	<b>(30,961)</b>	<b>27,032</b>	<b>(393,388)</b>

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

**For AI Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director



**MEEZAN STRATEGIC ALLOCATION FUND  
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

	For the quarter ended March 31, 2020						
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
	------(Rupees in '000)-----						
<b>Net loss for the quarter after taxation</b>	(116,426)	(102,129)	(165,802)	(166,728)	(46,060)	(55,854)	(652,999)
Other comprehensive income for the quarter	-	-	-	-	-	-	-
<b>Total comprehensive loss for the quarter</b>	<u>(116,426)</u>	<u>(102,129)</u>	<u>(165,802)</u>	<u>(166,728)</u>	<u>(46,060)</u>	<u>(55,854)</u>	<u>(652,999)</u>

	For the quarter ended March 31, 2019						
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
	------(Rupees in '000)-----						
<b>Net income for the quarter after taxation</b>	27,983	25,169	25,296	26,937	9,323	20,520	135,228
Other comprehensive income for the quarter	-	-	-	-	-	-	-
<b>Total comprehensive income for the quarter</b>	<u>27,983</u>	<u>25,169</u>	<u>25,296</u>	<u>26,937</u>	<u>9,323</u>	<u>20,520</u>	<u>135,228</u>

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

**For AI Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director



**MEEZAN STRATEGIC ALLOCATION FUND  
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UNAUDITED)  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

	Nine months period ended March 31, 2020			Nine months period ended March 31, 2020			Nine months period ended March 31, 2020			Nine months period ended March 31, 2020		
	MSAP-I (Rupees in '000)			MSAP-II (Rupees in '000)			MSAP-III (Rupees in '000)			MSAP-IV (Rupees in '000)		
	Capital Value	Accumulated loss	Total	Capital Value	Accumulated loss	Total	Capital Value	Accumulated loss	Total	Capital Value	Accumulated loss	Total
Net assets at beginning of the period	1,629,216	(561,733)	1,067,483	1,131,721	(403,923)	727,798	1,380,178	(489,047)	891,131	1,521,504	(518,730)	1,002,774
<b>Redemption of units:</b>												
MSAP - I: 8,205,202 units / MSAP - II: 8,240,409 units / MSAP - III: 4,982,988 units / MSAP - IV: 7,987,947 units / MSAP - V: 2,894,862 units, MCPP - III: 12,314,001 units												
- Capital value (at net asset value per unit at the beginning of the period)	299,326	-	299,326	296,696	-	296,696	174,780	-	174,780	284,800	-	284,800
- Element of loss / (income)	(2,581)	-	(2,581)	(233)	-	(233)	3,159	-	3,159	12,246	-	12,246
Total payments on redemption of units	296,745	-	296,745	296,463	-	296,463	177,939	-	177,939	297,046	-	297,046
Total comprehensive (loss) / income for the period	-	(54,809)	(54,809)	-	(30,507)	(30,507)	-	(47,346)	(47,346)	-	(36,464)	(36,464)
Distribution during the period	-	-	-	-	-	-	-	-	-	-	-	-
Net (loss) / income for the period less distribution	-	(54,809)	(54,809)	-	(30,507)	(30,507)	-	(47,346)	(47,346)	-	(36,464)	(36,464)
<b>Net assets at end of the period</b>	<b>1,332,471</b>	<b>(616,542)</b>	<b>715,929</b>	<b>835,258</b>	<b>(434,430)</b>	<b>400,828</b>	<b>1,202,239</b>	<b>(536,393)</b>	<b>665,846</b>	<b>1,224,458</b>	<b>(555,194)</b>	<b>669,264</b>
Undistributed (loss) / income brought forward												
- Realised (loss)		(351,036)			(328,595)			(404,214)			(427,554)	
- Unrealised loss / income		(210,697)			(75,328)			(84,833)			(91,176)	
		(561,733)			(403,923)			(489,047)			(518,730)	
Accounting income available for distribution												
- Relating to capital gains		-			-			-			-	
- Excluding capital gains		-			-			-			-	
Net (loss) / income for the period after taxation		(54,809)			(30,507)			(47,346)			(36,464)	
Distribution during the period		-			-			-			-	
Undistributed (loss) / income carried forward		(616,542)			(434,430)			(536,393)			(555,194)	
Undistributed (loss) / income carried forward												
- Realised (loss) / income		(546,666)			(380,543)			(453,981)			(457,806)	
- Unrealised (loss) / income		(69,876)			(53,887)			(82,412)			(97,388)	
		(616,542)			(434,430)			(536,393)			(555,194)	
	<b>Rupees</b>			<b>Rupees</b>			<b>Rupees</b>			<b>Rupees</b>		
Net asset value per unit as at beginning of the period	36.4801			36.0051			35.0753			35.6538		
Net asset value per unit as at end of the period	33.9997			33.4768			32.6023			33.2349		

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

**For AI Meezan Investment Management Limited  
(Management Company)**

Chief Executive

Chief Financial Officer

Director

**MEEZAN STRATEGIC ALLOCATION FUND  
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UNAUDITED)  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

	Nine months period ended March 31, 2020			Nine months period ended March 31, 2020			Nine months period ended March 31, 2020		
	MSAP-V (Rupees in '000)			MCPPIII (Rupees in '000)			Total (Rupees in '000)		
	Capital Value	Accumulated loss	Total	Capital Value	Undistributed income	Total	Capital Value	Accumulated loss	Total
Net assets at beginning of the period	395,264	(79,268)	315,996	1,077,850	21,044	1,098,894	7,135,734	(2,031,657)	5,104,077
Redemption of units:									
MSAP - I: 8,205,202 units / MSAP - II: 8,240,409 units / MSAP - III: 4,982,988 units / MSAP - IV: 7,987,947 units / MSAP - V: 2,894,862 units, MCPPIII - III: 12,314,001 units									
- Capital value (at net asset value per unit at the beginning of the period)	118,079	-	118,079	630,490	-	630,490	1,804,172	-	1,804,174
- Element of (loss) / income	(3,070)	-	(3,070)	-	23,243	23,243	9,520	23,243	32,763
Total payments on redemption of units	115,011	-	115,010	653,733	23,243	653,733	1,813,692	23,243	1,836,937
Total comprehensive (loss) / income for the period	-	(17,767)	(17,767)	-	8,583	8,583	-	(178,310)	(178,310)
Distribution during the period	-	-	-	-	-	-	-	-	-
Net (loss) / income for the period less distribution	-	(17,767)	(17,767)	-	8,583	8,583	-	(178,310)	(178,310)
Net assets at end of the period	280,253	(97,035)	183,218	424,117	6,384	453,744	5,322,042	(2,233,210)	3,088,829
Undistributed (loss) / income brought forward									
- Realised loss		(50,077)			(7,886)			(1,569,362)	
- Unrealised (loss) / income		(29,191)			28,930			(462,295)	
Accounting income available for distribution		(79,268)			21,044			(2,031,657)	
- Relating to capital gains		-			(34,102)			(34,102)	
- Excluding capital gains		-			19,442			19,442	
		-			(14,660)			(14,660)	
Net (loss) / income for the period after taxation		(17,767)			8,583			(178,310)	
Distribution during the period		-			-			-	
Undistributed (loss) / income carried forward		(97,035)			6,384			(2,233,210)	
Undistributed (loss) / income carried forward									
- Realised (loss) / income		(71,158)			16,904			(1,893,250)	
- Unrealised (loss)		(25,877)			(10,520)			(339,960)	
		(97,035)			6,384			(2,233,210)	
	Rupees			Rupees					
Net asset value per unit as at beginning of the period	40.7893			51.2011					
Net asset value per unit as at end of the period	37.7600			49.5987					

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

**For AI Meezan Investment Management Limited  
(Management Company)**

Chief Executive

Chief Financial Officer

Director



**MEEZAN STRATEGIC ALLOCATION FUND  
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

	Nine months period ended March 31, 2019			Nine months period ended March 31, 2019			Nine months period ended March 31, 2019			Nine months period ended March 31, 2019		
	MSAP-I (Rupees in '000)			MSAP-II (Rupees in '000)			MSAP-III (Rupees in '000)			MSAP-IV (Rupees in '000)		
	Capital Value	Undistributed income / (loss)	Total	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
Net assets at beginning of the period	2,243,221	(297,759)	1,945,462	1,516,558	(227,213)	1,289,345	1,709,505	(286,294)	1,423,211	1,957,929	(292,424)	1,665,505
<b>Redemption of units:</b>												
MSAP - I: 11,281,731 units / MSAP - II: 5,363,779 units / MSAP - III: 4,096,125 units / MSAP - IV: 7,400,427 units / MSAP - V: 2,062,406 units, MCPP - III: 2,649,271 units												
- Capital value (at net asset value per unit at the beginning of the period)	496,551	-	496,551	230,890	-	230,890	172,093	-	172,093	316,148	-	316,148
- Element of (loss) / income	(21,059)	-	(21,059)	(9,167)	-	(9,167)	(6,791)	-	(6,791)	(9,706)	-	(9,706)
Total payments on redemption of units	475,492	-	475,492	221,723	-	221,723	165,302	-	165,302	306,442	-	306,442
Total comprehensive (loss) / income for the period	-	(126,492)	(126,492)	-	(77,742)	(77,742)	-	(87,840)	(87,840)	-	(97,385)	(97,385)
Distribution during the period	-	-	-	-	-	-	-	-	-	-	-	-
Net (loss) / income for the period less distribution	-	(126,492)	(126,492)	-	(77,742)	(77,742)	-	(87,840)	(87,840)	-	(97,385)	(97,385)
<b>Net assets at end of the period</b>	<b>1,767,729</b>	<b>(424,251)</b>	<b>1,343,478</b>	<b>1,294,835</b>	<b>(304,955)</b>	<b>989,880</b>	<b>1,544,203</b>	<b>(374,134)</b>	<b>1,170,069</b>	<b>1,651,487</b>	<b>(389,809)</b>	<b>1,261,678</b>
Undistributed (loss) / income brought forward												
- Realised (loss)		(105,369)			(74,165)			(116,408)			(121,353)	
- Unrealised loss / income		(192,390)			(153,048)			(169,886)			(171,071)	
		<u>(297,759)</u>			<u>(227,213)</u>			<u>(286,294)</u>			<u>(292,424)</u>	
Accounting income available for distribution												
- Relating to capital gains		-			-			-			-	
- Excluding capital gains		-			-			-			-	
Net (loss) / income for the period after taxation		(126,492)			(77,742)			(87,840)			(97,385)	
Distribution during the period		-			-			-			-	
Undistributed (loss) / income carried forward		<u>(424,251)</u>			<u>(304,955)</u>			<u>(374,134)</u>			<u>(389,809)</u>	
Undistributed (loss) / income carried forward												
- Realised (loss)		(338,657)			(229,627)			(289,301)			(298,633)	
- Unrealised loss / income		(85,594)			(75,328)			(84,833)			(91,176)	
		<u>(424,251)</u>			<u>(304,955)</u>			<u>(374,134)</u>			<u>(389,809)</u>	
	Rupees			Rupees			Rupees		Rupees			
Net asset value per unit as at beginning of the period	<u>44.0138</u>			<u>43.0461</u>			<u>42.0135</u>		<u>42.7203</u>			
Net asset value per unit as at end of the period	<u>40.8110</u>			<u>40.2572</u>			<u>39.2918</u>		<u>39.9444</u>			

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

**For AI Meezan Investment Management Limited  
(Management Company)**

Chief Executive

Chief Financial Officer

Director

**MEEZAN STRATEGIC ALLOCATION FUND  
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

	Nine months period ended March 31, 2019			Nine months period ended March 31, 2019			Nine months period ended March 31, 2019		
	MSAP-V			MCPP-III			Total		
	(Rupees in '000)			(Rupees in '000)			(Rupees in '000)		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
Net assets at beginning of the period	528,299	(7,187)	521,112	1,367,662	(2,491)	1,365,171	9,323,174	(1,113,368)	8,209,806
<b>Redemption of units:</b>									
MSAP - I: 11,281,731 units / MSAP - II: 5,363,779 units / MSAP - III: 4,096,125 units / MSAP - IV: 7,400,427 units / MSAP - V: 2,062,406 units, MCPP - III: 2,649,271 units									
- Capital value (at net asset value per unit at the beginning of the period)	100,524	-	100,524	132,715	-	132,715	1,448,921	-	1,448,921
- Element of (loss) / income	(3,667)	-	(3,667)	(194)	1,848	1,654	(50,583)	1,848	(48,735)
Total payments on redemption of units	96,857	-	96,857	134,369	1,848	134,369	1,398,338	1,848	1,400,186
Total comprehensive (loss) / income for the period	-	(30,961)	(30,961)	-	27,032	27,032	-	(393,388)	(393,388)
Distribution during the period	-	-	-	-	-	-	-	-	-
Net (loss) / income for the period less distribution	-	(30,961)	(30,961)	-	27,032	27,032	-	(393,388)	(393,388)
<b>Net assets at end of the period</b>	<b>431,442</b>	<b>(38,148)</b>	<b>393,294</b>	<b>1,233,293</b>	<b>22,693</b>	<b>1,257,834</b>	<b>7,924,837</b>	<b>(1,508,604)</b>	<b>6,416,233</b>
Undistributed (loss) / income carried forward									
- Realised (loss) / income		5,171			(14,702)			(426,826)	
- Unrealised loss		(12,358)			12,211			(686,542)	
		<u>(7,187)</u>			<u>(2,491)</u>			<u>(1,113,368)</u>	
Accounting income available for distribution									
- Relating to capital gains		-			12,028			12,028	
- Excluding capital gains		-			13,156			13,156	
		-			25,184			25,184	
Net loss for the quarter after taxation		(30,961)			27,032			(393,388)	
Distribution during the quarter		-			-			-	
Undistributed (loss) / income carried forward		<u>(38,148)</u>			<u>22,693</u>			<u>(1,508,604)</u>	
Undistributed (loss) / income carried forward									
- Realised (loss) / income		(8,957)			(6,237)			(1,171,412)	
- Unrealised loss		(29,191)			28,930			(337,192)	
		<u>(38,148)</u>			<u>22,693</u>			<u>(1,508,604)</u>	
		Rupees			Rupees				
Net asset value per unit as at beginning of the quarter		<u>48.7410</u>			<u>50.0951</u>				
Net asset value per unit as at end of the quarter		<u>45.5780</u>			<u>51.1267</u>				

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

**For AI Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN STRATEGIC ALLOCATION FUND  
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**



	Nine months period ended March 31, 2020						
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
	----- (Rupees in '000) -----						
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
Net income for the period before taxation	(54,809)	(30,507)	(47,346)	(36,464)	(17,767)	8,583	(178,310)
<b>Adjustments for:</b>							
Net unrealised diminution / (appreciation) on re-measurement of investments 'at fair value through profit or loss'	69,876	53,887	82,412	97,388	25,877	10,520	339,960
	15,067	23,380	35,066	60,924	8,110	19,103	161,650
<b>Decrease in assets</b>							
Investments - net	273,268	270,912	131,156	243,293	95,555	639,326	1,653,510
Receivable against sale of investments - net	(130)	-	-	(800)	-	(6,000)	(6,930)
Profit receivables on saving account with banks	21	(19)	(2)	(19)	(9)	(222)	(250)
	273,159	270,893	131,154	242,474	95,546	633,104	1,646,330
<b>(Decrease) / increase in liabilities</b>							
Payable to Al Meezan Investment Management Limited - Management Company	(37)	(26)	(17)	(26)	(14)	(36)	(156)
Payable to Central Depository Company of Pakistan Limited - Trustee	(33)	(26)	(19)	(27)	(10)	(49)	(164)
Payable to Securities and Exchange Commission of Pakistan	(1,351)	(951)	(1,040)	(1,158)	(378)	(1,092)	(5,970)
Payable against purchase of investments - net	397	136	236	285	783	6,404	8,240
Accrued expenses and other liabilities	8	(5)	18	(160)	(9)	551	404
	(1,016)	(872)	(822)	(1,086)	372	5,778	2,354
<b>Net cash generated from operating activities</b>	287,210	293,401	165,398	302,312	104,028	657,985	1,810,334
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>							
Receipts against issuance and conversion of units	-	-	-	-	-	-	-
Payments against redemption and conversion of units	(298,564)	(294,650)	(177,938)	(300,811)	(115,012)	(655,954)	(1,842,928)
<b>Net cash used in financing activities</b>	(298,564)	(294,650)	(177,938)	(300,811)	(115,012)	(655,954)	(1,842,928)
<b>Net (decrease) / increase in cash and cash equivalents during the period</b>	(11,354)	(1,249)	(12,541)	1,501	(10,983)	2,031	(32,595)
Cash and cash equivalents at beginning of the period	11,970	4,377	13,180	335	13,450	1,148	44,460
<b>Cash and cash equivalents at end of the period</b>	616	3,128	639	1,836	2,467	3,179	11,865

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

**For Al Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN STRATEGIC ALLOCATION FUND**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

	Nine months period ended March 31, 2019						
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
	----- (Rupees in '000) -----						
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
Net (loss) / income for the period before taxation	(126,492)	(77,742)	(87,840)	(97,385)	(30,961)	27,032	(393,388)
<b>Adjustments for:</b>							
Net unrealised diminution / (appreciation) on re-measurement of investments 'at fair value through profit or loss'	85,594	75,328	84,833	91,176	29,191	(28,930)	337,192
	(40,898)	(2,414)	(3,007)	(6,209)	(1,770)	(1,898)	(56,196)
<b>Decrease in assets</b>							
Investments - net	537,212	223,704	173,331	313,919	106,852	136,282	1,491,300
Receivable against sale of investments - net	-	(750)	(1,260)	200	-	270	(1,540)
Other receivables	11	(12)	2	(5)	1	-	(3)
	537,223	222,942	172,073	314,114	106,853	136,552	1,489,757
<b>(Decrease) / increase in liabilities</b>							
Payable to Al Meezan Investment Management Limited - Management Company	(28)	(19)	(11)	(28)	(1)	(4)	(91)
Payable to Central Depository Company of Pakistan Limited - Trustee	(39)	(19)	(15)	(25)	(9)	(3)	(110)
Payable to Securities and Exchange Commission of Pakistan	(895)	(532)	(557)	(649)	(58)	384	(2,307)
Payable against purchase of investments - net	-	-	-	-	-	-	-
Accrued expenses and other liabilities	(130)	(5)	1	126	19	628	639
	(1,092)	(575)	(582)	(576)	(49)	1,005	(1,869)
<b>Net cash generated from operating activities</b>	495,233	219,953	168,484	307,329	105,034	135,659	1,431,692
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>							
Receipts against issuance and conversion of units	-	-	-	-	-	-	-
Payments against redemption and conversion of units	(475,384)	(220,713)	(164,046)	(305,123)	(96,857)	(134,817)	(1,396,941)
<b>Net cash used in financing activities</b>	(475,384)	(220,713)	(164,046)	(305,123)	(96,857)	(134,817)	(1,396,941)
<b>Net increase / (decrease) in cash and cash equivalents during the period</b>	19,849	(760)	4,438	2,206	8,177	842	34,752
Cash and cash equivalents at the beginning of the period	9,147	1,707	2,158	6,740	5,090	2,939	27,781
<b>Cash and cash equivalents at the end of the period</b>	28,996	947	6,596	8,946	13,267	3,781	62,533

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

**For Al Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**





**MEEZAN STRATEGIC ALLOCATION FUND  
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1** Meezan Strategic Allocation Fund (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on September 8, 2016 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The Fund is registered as a Notified entity under the Non-Banking Finance Companies and Notified Entities Regulations, 2008, (the NBFC Regulations) issued through S.R.O.1203(I)/2008 on October 10, 2016. The Management Company has been licensed by the SECP to act as an Asset Management Company under the the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2** The Fund has been formed to enable the unitholders to participate in a diversified portfolio of equity schemes and fixed income / money market schemes, which are Shariah compliant. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah guidelines. The Management Company has appointed Meezan Bank Limited as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.3** The Fund is an open-end Shariah compliant Fund of Funds Scheme. Units are offered for public subscription on a continuous basis till the end of the subscription period. However, the subscription in units may be reopened for fresh issuance by the Management Company with prior approval of the Commission after intimation to the Trustee and by providing notice to investors in order to protect the interest of the unitholders. The units of the plan are transferable and can be redeemed by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange.
- 1.4** Title to the assets of the Fund are held in the name of CDC as the Trustee of the Fund. The Fund's property comprises of different types of allocation plans which are accounted for and maintained separately in the books of accounts and collectively constitute the Fund's property.
- 1.5** The Management Company has been assigned a quality rating of AM1 by VIS Credit Rating Company Limited dated December 31, 2019 (2018: AM1 dated December 28, 2018) and by PACRA dated December 28, 2019. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.6** The Fund is an open-end Shariah compliant Fund of Funds Scheme that aims to generate returns on investment as per allocation plans (sub funds) namely Meezan Strategic Allocation Plan-I (MSAP-I), Meezan Strategic Allocation Plan-II (MSAP-II), Meezan Strategic Allocation Plan-III (MSAP-III), Meezan Strategic Allocation Plan-IV (MSAP-IV), Meezan Strategic Allocation Plan-V (MSAP-V) and Meezan Capital Preservation Plan-III (MCPPIII) by investing in Shariah compliant fixed income / money market and equity mutual funds in line with the risk tolerance of the investor. Investors of the Fund may hold different types of allocation plans and may invest in any one or more of the available allocation plans. The management may also invest in other Collective Investments Schemes available to it with prior approval of SECP.

Meezan Strategic Allocation Plan-I (MSAP-I)	Low risk - High return through asset allocation The allocation plan commenced its operations from October 19, 2016 and can invest its portfolio between the Equity asset classes / schemes and Fixed Income or Money Market asset classes / schemes based on the macroeconomic view and outlook of such asset classes up to 100 percent. The initial maturity of this plan is two years from the close of the subscription period (i.e. December 2, 2016). Units shall be subject to front end load. An early exit fee shall also be charged in case of redemption before the completion of the initial maturity of the plan. During the year ended June 30, 2019, the SECP approved the extension of the plan by one year vide its letter no. SCD/AMCW/MSAF/MSAP-1/178/2018 dated November 16, 2018; and a further extension of one year was approved vide letter no. SCD/AMCW/MSAF/MSAP-1/142/2019 dated November 19, 2019.
Meezan Strategic Allocation Plan-II (MSAP-II)	Low risk - High return through asset allocation This allocation plan commenced its operations from December 22, 2016 and can invest its portfolio between the Equity asset classes / schemes and Fixed Income or Money Market asset classes / schemes based on the macroeconomic view and outlook of such asset classes up to 100 percent. The initial maturity of this plan is two years from the close of the subscription period (i.e. January 31, 2017). Units shall be subject to front end load. An early exit fee shall also be charged in case of redemption before the completion of the initial maturity of the plan.

Meezan Strategic Allocation Plan-III (MSAP-III)	Low risk - High return through asset allocation This allocation plan commenced its operations from February 20, 2017 and can invest its portfolio between the Equity asset classes / schemes and Fixed Income or Money Market asset classes / schemes based on the macroeconomic view and outlook of such asset classes up to 100 percent. The initial maturity of this plan is two years from the close of the subscription period (i.e. April 3, 2017). Units shall be subject to front end load. An early exit fee shall also be charged in case of redemption before the completion of the initial maturity of the plan.
Meezan Strategic Allocation Plan-IV (MSAP-IV)	Low risk - High return through asset allocation This allocation plan commenced its operations from April 24, 2017 and can invest its portfolio between the Equity asset classes / Schemes and Fixed Income or Money Market asset classes / Schemes based on the macroeconomic view and outlook of such asset classes up to 100 percent. The initial maturity of this plan is two years from the close of the subscription period (i.e. June 30, 2017). Units shall be subject to front end load. An early exit fee shall also be charged in case of redemption before the completion of the initial maturity of the plan.
Meezan Strategic Allocation Plan-V (MSAP-V)	Low risk - High return through asset allocation This allocation plan commenced its operations from August 15, 2017 and can invest its portfolio between the Equity asset classes / schemes and Fixed Income or Money Market asset classes / schemes based on the macroeconomic view and outlook of such asset classes up to 100 percent. The initial maturity of this plan is two years from the close of the subscription period. The initial maturity of this plan is two years from the close of the subscription period (i.e. October 19, 2017). Units shall be subject to front end load. An early exit fee shall also be charged in case of redemption before the completion of the initial maturity of the plan. The SECP approved the extension for the plan by one year vide its letter no. SCD/AMCW/AMIML/109/2019 dated October 11, 2019.
Meezan Capital Preservation Plan-III (MCPPIII)	Low risk - High return through asset allocation This allocation plan commenced its operations from December 19, 2017 and can invest its portfolio between the Equity asset classes / schemes and Fixed Income or Money Market asset classes / schemes based on the macroeconomic view and outlook of such asset classes up to 100 percent. The initial maturity of this plan is two years from the close of the subscription period (i.e. December 31, 2017). Units shall be subject to front end load. An early exit fee shall also be charged in case of redemption before the completion of the initial maturity of the plan.

Each allocation plan announces separate Net Asset Values which ranks Pari Passu according to the number of units of the respective allocation plans. The books and records of each plan have been maintained separately.

## 2 BASIS OF PRESENTATION

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

## 3. BASIS OF PREPARATION

### 3.1 STATEMENT OF COMPLIANCE

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

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the 'International Accounting Standard (IAS) 34, Interim Financial Reporting, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the period ended June 30, 2019.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2020.

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT

4.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements of the Fund for the year ended June 30, 2019.

4.2 The preparation of these condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan require management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial information, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the period ended June 30, 2019. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Fund for the year ended June 30, 2019.

#### 4.3 Standards and amendments to published accounting and reporting standards that are effective in the current period

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 condensed interim financial statements.

#### 5. BALANCES WITH BANKS

Note	March 31, 2020 (Unaudited)						Total
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPP-III	
	(Rupees in '000)						
Saving accounts	605	3,118	629	1,826	1,824	2,634	10,636
Current accounts	11	10	10	10	643	545	1,229
	<b>616</b>	<b>3,128</b>	<b>639</b>	<b>1,836</b>	<b>2,467</b>	<b>3,179</b>	<b>11,865</b>

Note	June 30, 2019 (Audited)						Total
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPP-III	
	(Rupees in '000)						
Saving accounts	11,904	4,180	13,170	97	7,807	503	37,661
Current accounts	66	197	10	238	5,643	645	6,799
	<b>11,970</b>	<b>4,377</b>	<b>13,180</b>	<b>335</b>	<b>13,450</b>	<b>1,148</b>	<b>44,460</b>

5.1 The balance in saving accounts have an expected profit ranging from 3.00% to 11.39% per annum (June 30, 2019: 6.30% to 11.85% per annum).

#### 6. INVESTMENTS

Note	March 31, 2020 (Unaudited)						Total
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPP-III	
	(Rupees in '000)						
Investments - 'at fair value through profit or loss'	720,550	400,221	665,927	667,365	181,656	453,115	3,088,834

Note	June 30, 2019 (Audited)						Total
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPP-III	
	(Rupees in '000)						
Investments - 'at fair value through profit or loss'	1,063,694	725,020	879,495	1,008,046	303,088	1,102,961	5,082,304

## 6.1 Investments - 'at fair value through profit or loss' - Units of mutual funds

Name of investee funds	As at July 1, 2019	Purchases during the period	Redemptions during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised (loss) / gain as at March 31, 2020	Percentage in relation to		
								Net assets of the Fund on the basis of market value	Total market value of investments	
					(Number of units)		(Rupees in '000)		(Percentage)	
<b>Meezan Strategic Allocation Plan-I</b>										
Al Meezan Mutual Fund	18,848,470	-	9,928,458	8,920,012	119,137	101,039	(18,098)	14.11	14.02	
Kse Meezan Index Fund	202,085	-	197,774	4,311	228	189	(39)	0.03	0.03	
Meezan Dedicated Equity Fund	8,724,482	4,926,692	8,465,652	5,185,522	155,373	146,363	(9,010)	20.44	20.31	
Meezan Islamic Fund	3,358,169	5,076,498	3,594,295	4,840,373	237,180	194,450	(42,729)	27.16	26.99	
Meezan Cash Fund	-	11,301,674	11,301,674	-	-	-	-	-	-	
Meezan Islamic Income Fund	4,983,964	1,653,461	6,637,425	-	-	-	-	-	-	
Meezan Rozana Amdani Fund	1,486,485	25,517,233	21,433,562	5,570,156	278,508	278,509	-	38.90	38.65	
					<b>790,426</b>	<b>720,550</b>	<b>(69,876)</b>	<b>100.65</b>	<b>100.00</b>	
<b>Meezan Strategic Allocation Plan-II</b>										
Al Meezan Mutual Fund	22,818,599	-	10,899,916	11,918,683	159,187	135,005	(24,182)	33.68	33.73	
Kse Meezan Index Fund	137,871	-	345	137,526	7,282	6,043	(1,239)	1.51	1.51	
Meezan Dedicated Equity Fund	1,238,827	-	918,351	320,476	11,381	9,046	(2,336)	2.26	2.26	
Meezan Islamic Fund	2,983,781	1,111,251	1,363,286	2,731,746	135,871	109,741	(26,130)	27.38	27.42	
Meezan Cash Fund	1,615	-	1,615	-	-	-	-	-	-	
Meezan Islamic Income Fund	3,408,091	1,128,244	4,536,335	-	-	-	-	-	-	
Meezan Rozana Amdani Fund	1,014,332	4,781,670	2,988,270	2,807,732	140,387	140,387	-	35.02	35.08	
					<b>454,108</b>	<b>400,221</b>	<b>(53,887)</b>	<b>99.85</b>	<b>100.00</b>	
<b>Meezan Strategic Allocation Plan-III</b>										
Kse Meezan Index Fund	168,089	206,923	938	374,075	18,852	16,436	(2,415)	2.47	2.47	
Meezan Dedicated Equity Fund	1,980,130	1,548,585	2,609,468	919,247	32,441	25,946	(6,495)	3.90	3.90	
Meezan Islamic Fund	10,949,099	2,391,458	3,931,410	9,409,147	451,492	377,990	(73,502)	56.77	56.76	
Meezan Cash Fund	116,448	-	116,448	-	-	-	-	-	-	
Meezan Islamic Income Fund	4,056,912	1,361,670	5,418,583	-	-	-	-	-	-	
Meezan Rozana Amdani Fund	1,222,400	7,051,063	3,362,367	4,911,096	245,555	245,555	-	36.88	36.87	
					<b>748,339</b>	<b>665,927</b>	<b>(82,412)</b>	<b>100.01</b>	<b>100.00</b>	
<b>Meezan Strategic Allocation Plan-IV</b>										
Al Meezan Mutual Fund	1,877,734	5,093,289	-	6,971,023	100,079	78,962	(21,117)	11.80	11.83	
Kse Meezan Index Fund	190,753	206,923	994	396,682	20,049	17,430	(2,619)	2.60	2.61	
Meezan Dedicated Equity Fund	1,740,577	2,404,964	3,581,304	564,237	15,530	15,926	396	2.38	2.39	
Meezan Islamic Fund	12,489,097	2,001,039	6,727,558	7,762,577	385,891	311,843	(74,049)	46.59	46.73	
Meezan Cash Fund	158,201	-	158,201	-	-	-	-	-	-	
Meezan Islamic Income Fund	4,583,447	1,558,582	6,142,029	-	-	-	-	-	-	
Meezan Rozana Amdani Fund	1,378,452	7,512,671	4,027,040	4,864,083	243,204	243,204	-	36.34	36.44	
					<b>764,753</b>	<b>667,365</b>	<b>(97,388)</b>	<b>99.72</b>	<b>100.00</b>	
<b>Meezan Strategic Allocation Plan-V</b>										
Kse Meezan Index Fund	56,659	-	142	56,518	2,993	2,483	(509)	1.36	1.37	
Meezan Dedicated Equity Fund	978,486	-	769,702	208,784	7,415	5,893	(1,522)	3.22	3.24	
Meezan Islamic Fund	3,635,008	706,676	1,657,431	2,684,253	131,679	107,833	(23,846)	58.86	59.36	
Meezan Cash Fund	786,420	-	786,420	-	-	-	-	-	-	
Meezan Islamic Income Fund	787,065	272,289	1,059,353	-	-	-	-	-	-	
Meezan Rozana Amdani Fund	220,080	2,312,848	1,224,007	1,308,921	65,446	65,446	-	35.72	36.03	
					<b>207,533</b>	<b>181,656</b>	<b>(25,877)</b>	<b>99.15</b>	<b>100.00</b>	
<b>Meezan Strategic Allocation Plan - MCPP-III</b>										
Meezan Dedicated Equity Fund	5,644,575	12,368,863	17,078,780	934,658	36,901	26,381	(10,520)	5.81	5.82	
Meezan Cash Fund	-	37,706,592	37,706,592	-	-	-	-	-	-	
Meezan Rozana Amdani Fund	4,521,293	41,347,586	37,334,212	8,534,666	426,733	426,734	-	94.05	94.18	
Meezan Sovereign Fund	13,138,372	-	13,138,372	-	-	-	-	-	-	
					<b>463,635</b>	<b>453,115</b>	<b>(10,520)</b>	<b>99.86</b>	<b>100.00</b>	

Name of investee funds	As at July 1, 2019	Purchases during the period	Redemptions during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised (loss) / gain as at March 31, 2020	Percentage in relation to	
	(Number of units)				(Rupees in '000)			Net assets of the Fund on the basis of market value	Total market value of investments
								(Percentage)	
<b>Total investments in units of mutual funds</b>									
Al Meezan Mutual Fund	43,544,803	5,093,289	20,828,373	27,809,718	378,403	315,006	(63,397)	10.20	10.20
Kse Meezan Index Fund	755,458	413,846	200,192	969,112	49,403	42,581	(6,822)	1.38	1.38
Meezan Dedicated Equity Fund	20,307,076	21,249,104	33,423,257	8,132,923	259,041	229,554	(29,487)	7.43	7.43
Meezan Islamic Fund	33,415,155	11,286,922	17,273,980	27,428,097	1,342,114	1,101,858	(240,255)	35.67	35.67
Meezan Cash Fund	1,062,684	49,008,266	50,070,951	-	-	-	-	-	-
Meezan Islamic Income Fund	17,819,478	5,974,246	23,793,726	-	-	-	-	-	-
Meezan Rozana Amdani Fund	9,843,042	88,523,071	70,369,457	27,996,655	1,399,834	1,399,835	-	45.32	45.32
Meezan Sovereign Fund	13,138,372	-	13,138,372	-	-	-	-	-	-
					<b>3,428,794</b>	<b>3,088,834</b>	<b>(339,960)</b>	<b>100.00</b>	<b>100.00</b>

## 7 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the trust deed. Effective from July 1, 2019, the trustee has revised its tariff as under:

Existing tariff		Revised Tariff
Net Assets (Rs.)	Fee	
Upto 1 Billion	0.10% of Net Assets	0.070% per annum of Net Assets
Above 1 Billion	Rs. 1 Million plus 0.075% per annum of Net Assets exceeding Rs. 1 Billion	

Accordingly Fund has charged Trustee Fee @ 0.070% p.a. of Net Assets during the period.

## 8 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP).

Effective from July 1, 2019, the SECP vide SRO No. 685(I)/2019 dated June 28, 2019, revised the rate of annual fee to 0.02% of net assets, applicable on all categories of CISs. Previously, the rate of annual fee applicable to fund of funds was 0.095%. Accordingly, the Fund has charged SECP Fee at the rate of 0.02% of net assets during the current period.

## 9. CONTINGENCIES AND COMMITMENTS

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

## 10. ACCRUED EXPENSES AND OTHER LIABILITIES

Note	March 31, 2020 (Unaudited)						Total
	MSAP -I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCCP-III	
	(Rupees in '000)						
Auditors' remuneration payable	63	37	57	61	17	67	302
Shariah advisory fee payable	45	32	40	42	10	38	207
Zakat Payable	-	11	-	-	-	140	151
Printing fee payable	155	105	116	131	46	111	664
Capital gain tax	1	2	-	-	-	295	298
Provision for Sindh Workers' Welfare Fund	10.1	4,481	-	-	-	757	5,238
	<b>4,745</b>	<b>187</b>	<b>213</b>	<b>234</b>	<b>73</b>	<b>1,408</b>	<b>6,860</b>

June 30, 2019 (Audited)							
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	M CPP-III	Total
	(Rupees in '000)						
Auditors' remuneration payable	68	47	54	60	20	75	324
Shariah advisor fee payable	29	26	24	27	7	26	139
Zakat payable	4	11	-	176	10	26	227
Printing charges payable	155	106	117	131	45	109	663
Capital gain tax	-	2	-	-	-	37	39
Provision for Sindh Workers' Welfare Fund	10.1	4,481	-	-	-	583	5,064
		<u>4,737</u>	<u>192</u>	<u>195</u>	<u>394</u>	<u>82</u>	<u>6,456</u>

**10.1** 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 for SWWF not been recorded in the financial statements of the Fund for the period from May 21, 2015 to December 31, 2019, the net asset value of MSAP-I, and MCPP-III as at March 31, 2020 would have been higher by Re 0.21/0.63%, and 0.08/0.17% respectively, (June 30, 2019: 0.153/0.42% and 0.027/0.05% for MSAP-I & MCPP-III respectively).

**10.2** Effective July 1, 2016 mutual funds have been excluded from levy of FED vide Finance Act, 2016, hence no provision for FED has been recognised in the financial statements of the Fund since July 1, 2016.

## 11. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include Al Meezan Investment Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, Directors and Executives of the Management Company, other funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited Employees' Gratuity Fund and unitholders holding 10 percent or more of the Fund's net assets.

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

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Rules, the NBFC Regulations and the Trust Deed respectively.

Detail of transactions with connected persons and balances with them are as follows:

	March 31, 2020 (Unaudited)						Total
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	M CPP-III	
	(Unaudited)						
<b>Al Meezan Investment Management Limited</b>							
- Management Company							
Remuneration payable (Rs in '000)	2	2	1	1	2	12	20
Sindh Sales Tax on management fee (Rs in '000)	-	-	-	-	-	2	2
Allocated expenses (Rs in '000)	65	38	62	64	17	44	290





	March 31, 2020 (Unaudited)						
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
	(Unaudited)						
<b>Meezan Bank Limited</b>							
Bank balance (Rs in '000)	549	3,128	639	1,836	2,467	3,168	11,787
Profit receivable (Rs in '000)	33	30	15	30	20	230	358
<b>Central Depository Company of Pakistan Limited - Trustee</b>							
Trustee fee payable (Rs. in '000)	45	26	43	44	12	31	201
Sindh Sales Tax on trustee fee payable (Rs. in '000)	6	3	6	5	2	4	26
<b>Directors and Executives of the Management Company</b>							
Investment (Rs in '000)	-	-	11,496.91	-	-	-	11,497
Investment (Units)	-	-	352,640	-	-	-	352,640
<b>Al Meezan Mutual Fund</b>							
Investment (Rs in '000)	101,039	135,005	-	78,962	-	-	315,006
Investment (Units)	8,920,012	11,918,683	-	6,971,023	-	-	27,809,718
<b>Kse Meezan Index Fund</b>							
Investment (Rs in '000)	189	6,043	16,436	17,430	2,483	-	42,581
Investment (Units)	4,311	137,526	374,075	396,682	56,518	-	969,112
<b>Meezan Dedicated Equity Fund</b>							
Investment (Rs in '000)	146,363	9,046	25,946	15,926	5,893	26,381	229,554
Investment (Units)	5,185,522	320,476	919,247	564,237	208,784	934,658	8,132,923
<b>Meezan Islamic Fund</b>							
Investment (Rs in '000)	194,450	109,741	377,990	311,843	107,833	-	1,101,858
Investment (Units)	4,840,373	2,731,746	9,409,147	7,762,577	2,684,253	-	27,428,097
<b>Meezan Rozana Amdani Fund</b>							
Investment (Rs in '000)	278,509	140,387	245,555	243,204	65,446	426,734	1,399,835
Investment (Units)	5,570,156	2,807,732	4,911,096	4,864,083	1,308,921	8,534,666	27,996,655
<b>Unitholders holding 10% or more units of the Fund</b>							
Investment (Rs in '000)	88,485	88,549	216,670	332,017	60,504	-	786,225
Investment (Units)	2,602,512	2,645,091	6,645,828	9,990,010	1,602,342	-	23,485,783
	June 30, 2019						
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
	(Audited)						
<b>Al Meezan Investment Management Limited - Management Company</b>							
Remuneration payable (Rs in '000)	10	4	4	4	5	2	29
Sindh Sales Tax on sales load payable (Rs in '000)	1	1	1	1	1	-	5
Allocated expenses (Rs in '000)	93	61	75	86	27	92	434
Investment (Rs in '000)	-	71,996	-	-	-	-	71,996
Investment (Units)	-	1,999,600	-	-	-	-	1,999,600
<b>Meezan Bank Limited</b>							
Bank balance (Rs in '000)	11,958	4,377	13,180	335	13,450	1,138	44,438
Profit receivable (Rs in '000)	54	11	13	11	11	9	109
<b>Central Depository Company of Pakistan Limited - Trustee</b>							
Trustee fee payable (Rs in '000)	74	49	60	68	21	74	346
Sindh Sales Tax on trustee fee payable (Rs in '000)	10	6	8	8	3	10	45
<b>Directors and Executives of the management company</b>							
Investment (Rs in '000)	-	-	11,497	-	-	-	12,369
Investment (Units)	-	-	352,640	-	-	-	352,640



June 30, 2019

	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
	(Audited)						
<b>AI Meezan Mutual Fund</b>							
Investment (Rs in '000)	251,742	304,767	-	25,079	-	-	581,589
Investment (Units)	18,848,470	22,818,599	-	1,877,734	-	-	43,544,803
<b>Kse Meezan Index Fund</b>							
Investment (Rs in '000)	10,700	7,300	8,900	10,100	3,000	-	40,000
Investment (Units)	202,085	137,871	168,089	190,753	56,659	-	755,458
<b>Meezan Dedicated Equity Fund</b>							
Investment (Rs in '000)	309,838	43,995	70,322	61,814	34,750	200,459	721,177
Investment (Units)	8,724,482	1,238,827	1,980,130	1,740,577	978,486	5,644,575	20,307,076
<b>Meezan Islamic Fund</b>							
Investment (Rs in '000)	160,957	143,013	524,790	598,602	174,226	-	1,601,588
Investment (Units)	3,358,169	2,983,781	10,949,099	12,489,097	3,635,008	-	33,415,155
<b>Meezan Rozana Amdani Fund</b>							
Investment (Rs in '000)	74,324	50,717	61,120	68,923	11,004	226,065	492,152
Investment (Units)	1,486,485	1,014,332	1,222,400	1,378,452	220,080	4,521,293	9,843,042
<b>Meezan Cash Fund</b>							
Investment (Rs in '000)	-	81	5,873	7,978	39,660	-	53,593
Investment (Units)	-	1,615	116,448	158,201	786,420	-	1,062,684
<b>Meezan Islamic Income Fund</b>							
Investment (Rs in '000)	256,133	175,147	208,490	235,550	40,448	-	915,768
Investment (Units)	4,983,964	3,408,091	4,056,912	4,583,447	787,065	-	17,819,478
<b>Meezan Sovereign Fund</b>							
Investment (Rs in '000)	-	-	-	-	-	676,437	676,437
Investment (Units)	-	-	-	-	-	13,138,372	13,138,372
<b>Unitholders holding 10% or more units of the Fund</b>							
Investment (Rs in '000)	-	95,237	233,104	356,182	76,205	169,673	930,401
Investment (Units)	-	2,645,091	6,645,828	9,990,010	1,868,272	3,313,849	24,463,050

For the nine months period ended March 31, 2020

	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
	(Unaudited)						
<b>AI Meezan Investment Management Limited - Management Company</b>							
Remuneration for the period (Rs in '000)	38	28	24	13	47	67	217
Sindh Sales Tax on management fee (Rs in '000)	5	3	3	2	6	9	28
Allocated expenses (Rs in '000)	687	400	612	661	179	648	3,187
Redeemed during the period (Rs in '000)	-	68,876	-	-	-	-	68,876
Redeemed during the period (Units)	-	1,999,600	-	-	-	-	1,999,600
<b>Meezan Bank Limited</b>							
Profit on saving account (Rs in '000)	392	222	255	370	286	943	2,468
<b>Central Depository Company of Pakistan Limited - Trustee</b>							
Trustee fee (Rs in '000)	481	280	429	463	125	454	2,232
Sindh Sales Tax on trustee fee (Rs in '000)	63	36	56	60	16	59	290
<b>AI Meezan Mutual Fund</b>							
Invested during the period (Rs in '000)	-	-	-	75,000	-	-	75,000
Invested during the period (Units)	-	-	-	5,093,289	-	-	5,093,289
Redeemed during the period (Rs in '000)	124,470	140,760	-	-	-	-	265,230
Redeemed during the period (Units)	9,928,458	10,899,916	-	-	-	-	20,828,373



**For the nine months period ended March 31, 2020**

	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
	(Unaudited)						
<b>Kse Meezan Index Fund</b>							
Invested during the period (Rs in '000)	-	-	10,000	10,000	-	-	20,000
Invested during the period (Units)	-	-	206,923	206,923	-	-	413,846
Redeemed during the period (Rs in '000)	10,027	18	48	51	7	-	10,152
Redeemed during the period (Units)	197,774	345	938	994	142	-	200,192
<b>Meezan Dedicated Equity Fund</b>							
Invested during the period (Rs in '000)	146,181	-	57,000	79,000	-	461,000	743,181
Invested during the period (Units)	4,926,692	-	1,548,585	2,404,964	-	12,368,863	21,249,104
Redeemed during the period (Rs in '000)	290,200	38,300	93,500	142,430	29,650	575,875	1,169,955
Redeemed during the period (Units)	8,465,652	918,351	2,609,468	3,581,304	769,702	17,078,780	33,423,257
<b>Meezan Islamic Fund</b>							
Invested during the period (Rs in '000)	252,000	60,000	115,000	115,000	37,000	-	579,000
Invested during the period (Units)	5,076,498	1,111,251	2,391,458	2,001,039	706,676	-	11,286,922
Redeemed during the period (Rs in '000)	169,260	75,150	202,560	347,740	78,928	-	873,638
Redeemed during the period (Units)	3,594,295	1,363,286	3,931,410	6,727,558	1,657,431	-	17,273,980
<b>Meezan Cash Fund</b>							
Invested during the period (Rs in '000)	596,752	-	-	-	-	1,920,793	2,517,545
Invested during the period (Units)	11,301,674	-	-	-	-	37,706,592	49,008,266
Redeemed during the period (Rs in '000)	597,678	83	5,962	8,081	40,264	1,944,928	2,596,997
Redeemed during the period (Units)	11,301,674	1,615	116,448	158,201	786,420	37,706,592	50,070,951
<b>Meezan Islamic Income Fund</b>							
Invested during the period (Rs in '000)	85,606	58,413	70,498	80,687	14,090	-	309,295
Invested during the period (Units)	1,653,461	1,128,244	1,361,670	1,558,582	272,289	-	5,974,246
Redeemed during the period (Rs in '000)	346,444	236,405	282,706	320,327	55,178	-	1,241,059
Redeemed during the period (Units)	6,637,425	4,536,335	5,418,583	6,142,029	1,059,353	-	23,793,726
<b>Meezan Rozana Amdani Fund</b>							
Invested during the period (Rs in '000)	1,275,862	239,084	352,553	375,634	115,642	2,067,379	4,426,154
Invested during the period (Units)	25,517,233	4,781,670	7,051,063	7,512,671	2,312,848	41,347,586	88,523,071
Redeemed during the period (Rs in '000)	1,071,678	149,413	168,118	201,352	61,200	1,866,711	3,518,473
Redeemed during the period (Units)	21,433,562	2,988,270	3,362,367	4,027,040	1,224,007	37,334,212	70,369,457
Dividend during the period (Rs in '000)	36,179	12,371	19,520	20,680	5,341	40,241	134,331
Dividend during the period (Units)	723,574	247,412	390,401	413,605	106,823	804,815	2,686,629
<b>Meezan Sovereign Fund</b>							
Redeemed during the period (Rs in '000)	-	-	-	-	-	677,403	677,403
Redeemed during the period (Units)	-	-	-	-	-	13,138,372	13,138,372

**For the nine months period ended March 31, 2019**

	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
	(Unaudited)						
<b>AI Meezan Investment Management Limited - Management Company</b>							
Remuneration for the period (Rs in '000)	162	65	47	58	60	26	418
Sindh Sales Tax on management fee (Rs in '000)	21	9	6	8	8	3	55
Allocated expenses (Rs in '000)	1,273	885	985	1,088	350	1,001	5,582
<b>Meezan Bank Limited</b>							
Profit on saving account (Rs in '000)	402	279	156	151	155	78	1,221
<b>Central Depository Company of Pakistan Limited - Trustee</b>							
Trustee fee (Rs in '000)	997	694	772	852	274	785	4,374
Sindh Sales Tax on trustee fee (Rs in '000)	130	90	100	111	36	102	569

**For the nine months period ended March 31, 2019**

	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
	(Unaudited)						
<b>AI Meezan Mutual Fund</b>							
Invested during the period (Rs in '000)	100,000	-	-	-	-	-	100,000
Invested during the period (Units)	5,972,333	-	-	-	-	-	5,972,333
<b>Meezan Dedicated Equity Fund</b>							
Invested during the period (Rs in '000)	658,000	-	-	-	-	591,200	1,249,200
Invested during the period (Units)	14,059,235	-	-	-	-	12,839,759	26,898,994
Redeemed during the period (Rs in '000)	382,630	11,280	12,420	18,130	24,450	572,632	1,021,542
Redeemed during the period (Units)	8,349,383	245,916	276,117	394,295	538,246	12,739,306	22,543,263
<b>Meezan Islamic Fund</b>							
Invested during the period (Rs in '000)	267,000	42,000	58,000	69,000	13,000	-	449,000
Invested during the period (Units)	4,459,896	735,631	1,015,919	1,208,617	227,685	-	7,647,747
Redeemed during the period (Rs in '000)	970,745	171,810	158,450	247,050	57,450	-	1,605,505
Redeemed during the period (Units)	16,019,381	2,856,304	2,643,697	4,108,032	955,927	-	26,583,340
<b>Meezan Cash Fund</b>							
Invested during the period (Rs in '000)	3,941	3,550	6,421	7,630	4,644	606,917	633,102
Invested during the period (Units)	78,130	70,457	127,316	151,285	92,100	11,800,993	12,320,281
Redeemed during the period (Rs in '000)	97,777	88,210	112,720	162,190	55,810	783,050	1,299,757
Redeemed during the period (Units)	1,898,170	1,704,486	2,176,326	3,136,189	1,076,866	15,146,063	25,138,100
Dividend received during the period (Rs. In '000)	3,863	3,550	6,326	7,528	3,312	16,480	41,059
Dividend received during the period (Units)	76,590	70,388	125,430	149,265	65,681	326,778	814,132
Refund of Capital during the period (Rs. In '000)	78	-	95	102	1,332	33,815	35,422
Refund of Capital during the period (Units)	1,539	1	1,886	2,020	26,419	670,507	702,372
<b>Meezan Islamic Income Fund</b>							
Invested during the period (Rs in '000)	76,984	57,052	62,481	60,088	19,798	-	276,403
Invested during the period (Units)	1,495,165	1,107,933	1,213,247	1,166,843	384,345	-	5,367,534
Redeemed during the period (Rs in '000)	133,780	41,450	1,610	2,530	-	-	179,370
Redeemed during the period (Units)	2,518,108	777,036	29,798	47,021	-	-	3,371,963
Dividend received during the period (Rs. In '000)	9,138	5,875	4,540	5,519	363	-	25,435
Dividend received during the period (Units)	177,821	114,319	88,340	107,383	7,061	-	494,924
Refund of Capital during the period (Rs. In '000)	7,846	4,177	3,941	4,569	435	-	20,968
Refund of Capital during the period (Units)	152,668	81,285	76,679	88,898	8,470	-	408,000
<b>Meezan Sovereign Fund</b>							
Invested during the period (Rs in '000)	-	-	-	-	-	72,000	72,000
Invested during the period (Units)	-	-	-	-	-	1,345,548	1,345,548

## 12 ALLOCATED EXPENSES

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

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

The management company based on its own discretion has currently fixed a maximum capping of 0.1% of the average annual net assets of the scheme for allocation of such expenses to the Fund during the period.

### 13 THE EXPENSE RATIO (TER)

The Total Expense Ratio (TER) of the Fund for the period ended March 31, 2020 and June 30, 2019 are;

	As at March 31, 2020					
	MSAP - I	MSAP - II	MSAP - III	MSAP - IV	MSAP - V	MCPP - III
	Percentage (%)					
Total Expense Ratio (TER)	0.23	0.23	0.23	0.23	0.26	0.27
Government levy and SECP fee	0.03	0.03	0.03	0.03	0.03	0.06

	As at June 30, 2019					
	MSAP - I	MSAP - II	MSAP - III	MSAP - IV	MSAP - V	MCPP - III
	Percentage (%)					
Total Expense Ratio (TER)	0.32	0.31	0.31	0.31	0.32	0.35
Government levy and SECP fee	0.11	0.11	0.11	0.11	0.11	0.15

### 14 TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unitholders. The Fund has not recorded any tax liability in respect of income relating to the current period as the Management Company intends to distribute at least 90 percent of the Fund's accounting income for the year ending June 30, 2020 as reduced by capital gains (whether realised or unrealised) to its unitholders.

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.

### 15 FAIR VALUES OF FINANCIAL INSTRUMENTS

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

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

Financial assets which are tradeable in an open market are revalued at 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.

#### 15.1 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: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities.
- Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at March 31, 2020 and June 30, 2019, the Fund held the following financial instruments measured at fair value:

		As at March 31, 2020			
		Level 1	Level 2	Level 3	Total
		----- (Rupees in '000) -----			
<b>ASSETS</b>					
<b>Financial assets 'at fair value through profit or loss'</b>					
Units of mutual funds		-	3,088,834	-	3,088,834
		-----			
		As at June 30, 2019			
		Level 1	Level 2	Level 3	Total
		----- (Rupees in '000) -----			
<b>ASSETS</b>					
<b>Financial assets 'at fair value through profit or loss'</b>					
Units of mutual funds		-	5,082,304	-	5,082,304

## 16. GENERAL

16.1 Figures have been rounded off to the nearest thousand rupees.

Corresponding figures have been reclassified and rearranged in these condensed interim financial statements, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in these condensed interim financial statements.

## 17. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on \_\_\_\_\_ by the Board of Directors of the Management Company.

**For Al Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director





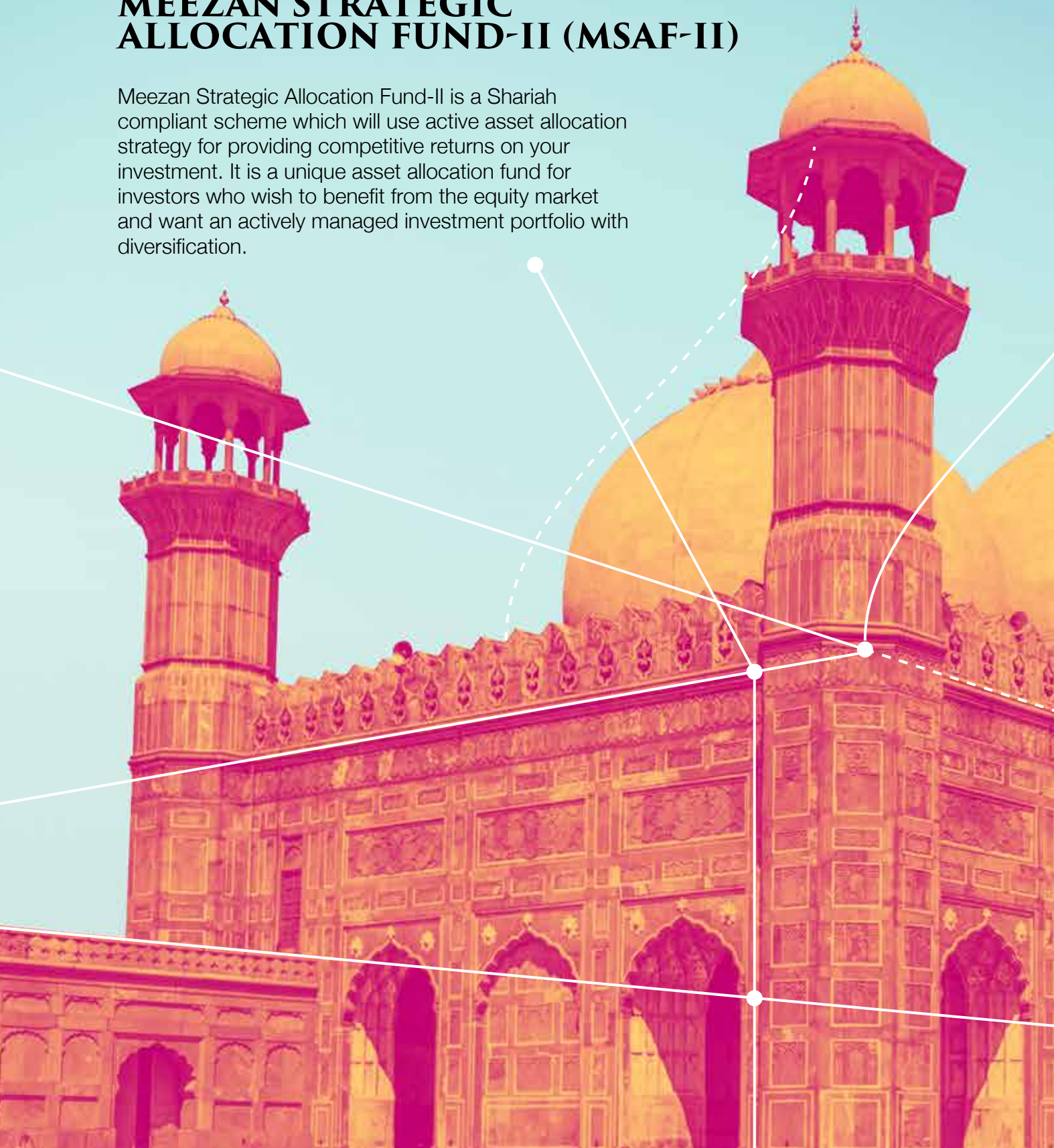


# Meezan

Strategic Allocation Fund-II

## **MEEZAN STRATEGIC ALLOCATION FUND-II (MSAF-II)**

Meezan Strategic Allocation Fund-II is a Shariah compliant scheme which will use active asset allocation strategy for providing competitive returns on your investment. It is a unique asset allocation fund for investors who wish to benefit from the equity market and want an actively managed investment portfolio with diversification.





# PLANTING PROGRESS IN THE CITY OF GARDENS

- ◆ DHA Lahore Branch
- ◆ Gulberg Branch, Lahore
- ◆ Johar Town Branch

**BADSHAHI MOSQUE  
(LAHORE)**



# FUND INFORMATION

## MANAGEMENT COMPANY

Al Meezan Investment Management Limited  
Ground Floor, Block "B", Finance & Trade Centre,  
Shahrah-e-Faisal Karachi 74400, Pakistan.  
Phone (9221) 35630722-6, 111-MEEZAN  
Fax: (9221) 35676143, 35630808  
Website: [www.almeezangroup.com](http://www.almeezangroup.com)  
E-mail: [info@almeezangroup.com](mailto:info@almeezangroup.com)

## BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Mohammad Shoaib, CFA	Chief Executive Officer
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Mohammad Furquan R Kidwai	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Moin M. Fudda	Independent Director
Ms. Saima Kamila Khan	Independent Director
Mr. Arshad Majeed	Nominee Director - MBL
Mr. Naeem Abdul Sattar	Nominee Director - PKIC
Syed Amir Ali Zaidi	Nominee Director - PKIC

## CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Syed Owais Wasti

## AUDIT COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Arshad Majeed	Member
Mr. Naeem Abdul Sattar	Member

## RISK MANAGEMENT COMMITTEE

Mr. Muhammad Abdullah Ahmed	Chairman
Syed Amir Ali Zaidi	Member
Mr. Naeem Abdul Sattar	Member

## HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Ariful Islam	Member
Mr. Naeem Abdul Sattar	Member
Mr. Mohammad Shoaib, CFA	Member

## TRUSTEE

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

## AUDITORS

A. F. Ferguson & Co.  
Chartered Accountants  
State Life Building# 1-C,  
I.I. Chundrigar Road, Karachi-74000

## SHARIAH ADVISER

Meezan Bank Limited

## BANKERS TO THE FUND

Bank Al Habib Limited - Islamic Banking  
Meezan Bank Limited

## LEGAL ADVISER

Bawaney & Partners  
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,  
Phase VI, DHA, Karachi.  
Phone (9221) 35156191-94 Fax: (9221) 35156195  
E-mail:

## TRANSFER AGENT

Meezan Bank Limited  
Meezan House  
C-25, Estate Avenue, SITE, Karachi.  
Phone: 38103538 Fax: 36406017  
Website: [www.meezanbank.com](http://www.meezanbank.com)

## DISTRIBUTORS

Al Meezan Investment Management Limited  
Meezan Bank Limited



**MEEZAN STRATEGIC ALLOCATION FUND - II**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT MARCH 31, 2020**

March 31, 2020 (Unaudited)							
Note	M CPP-IV	M CPP-V	M CPP-VI	M CPP-VII	M CPP-VIII	Total	
(Rupees in '000)							
<b>Assets</b>							
Balances with banks	5	2,514	754	1,407	1,019	1,746	7,440
Investments	6	1,154,821	245,106	211,535	136,011	63,551	1,811,024
Receivable against sale of investments		8,500	2,000	3,500	2,500	1,500	18,000
Advances, deposits and other receivables		225	86	82	43	44	480
<b>Total assets</b>		<b>1,166,060</b>	<b>247,946</b>	<b>216,524</b>	<b>139,573</b>	<b>66,841</b>	<b>1,836,944</b>
<b>Liabilities</b>							
Payable to AI Meezan Investment Management Limited - Management Company		108	23	23	14	20	188
Payable to Central Depository Company of Pakistan Limited - Trustee	7	81	17	15	10	5	128
Payable to Securities and Exchange Commission of Pakistan		208	54	47	27	15	351
Payable against purchase of investments		9,527	2,468	3,690	2,651	1,554	19,890
Payable against redemption and conversion of units		931	100	110	1	110	1,252
Accrued expenses and other liabilities	10	877	337	229	49	49	1,541
<b>Total liabilities</b>		<b>11,732</b>	<b>2,999</b>	<b>4,114</b>	<b>2,752</b>	<b>1,753</b>	<b>23,350</b>
<b>NET ASSETS</b>		<b>1,154,328</b>	<b>244,947</b>	<b>212,410</b>	<b>136,821</b>	<b>65,088</b>	<b>1,813,594</b>
<b>CONTINGENCIES AND COMMITMENTS</b>							
<b>Unit holders' fund (as per statement attached)</b>		<b>1,154,328</b>	<b>244,947</b>	<b>212,410</b>	<b>136,821</b>	<b>65,088</b>	<b>1,813,594</b>
----- (Number of units) -----							
<b>Number of units in issue</b>		<b>23,191,588</b>	<b>4,894,145</b>	<b>4,317,386</b>	<b>2,797,892</b>	<b>1,356,515</b>	
----- (Rupees) -----							
<b>Net asset value per unit</b>		<b>49.7735</b>	<b>50.0491</b>	<b>49.1988</b>	<b>48.9013</b>	<b>47.9818</b>	

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

**For AI Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN STRATEGIC ALLOCATION FUND - II**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT MARCH 31, 2020**

		<b>June 30, 2019 (Audited)</b>						
		<b>M CPP-IV</b>	<b>M CPP-V</b>	<b>M CPP-VI</b>	<b>M CPP-VII</b>	<b>M CPP-VIII</b>	<b>Total</b>	
<b>Note</b>		----- (Rupees in '000) -----						
<b>Assets</b>								
	Balances with banks	5	1,876	908	1,845	2,960	2,286	9,875
	Investments	6	1,568,641	474,109	382,823	204,711	128,551	2,758,835
	Advances, deposits and other receivables		52	5	21	12	7	97
	<b>Total assets</b>		<u>1,570,569</u>	<u>475,022</u>	<u>384,689</u>	<u>207,683</u>	<u>130,844</u>	<u>2,768,807</u>
<b>Liabilities</b>								
	Payable to AI Meezan Investment Management Limited - Management Company		137	44	45	20	25	271
	Payable to Central Depository Company of Pakistan Limited - Trustee	7	123	40	36	17	10	226
	Payable to Securities and Exchange Commission of Pakistan		1,803	626	467	176	56	3,128
	Payable against purchase of investments		-	252	-	35	-	287
	Payable against redemption and conversion of units		14,713	-	50	-	9	14,772
	Accrued expenses and other liabilities	10	745	153	65	23	20	1,006
	<b>Total liabilities</b>		<u>17,521</u>	<u>1,115</u>	<u>663</u>	<u>271</u>	<u>120</u>	<u>19,690</u>
	<b>NET ASSETS</b>		<u>1,553,048</u>	<u>473,907</u>	<u>384,026</u>	<u>207,412</u>	<u>130,724</u>	<u>2,749,117</u>
<b>CONTINGENCIES AND COMMITMENTS</b>								
	<b>Unit holders' fund (as per statement attached)</b>		<u>1,553,048</u>	<u>473,907</u>	<u>384,026</u>	<u>207,412</u>	<u>130,724</u>	<u>2,749,117</u>
----- (Number of units) -----								
	<b>Number of units in issue</b>		<u>30,985,762</u>	<u>9,456,605</u>	<u>7,686,873</u>	<u>4,144,993</u>	<u>2,667,944</u>	
----- (Rupees) -----								
	<b>Net asset value per unit</b>		<u>50.1213</u>	<u>50.1139</u>	<u>49.9586</u>	<u>50.0391</u>	<u>48.9980</u>	

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

**For AI Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**MEEZAN STRATEGIC ALLOCATION FUND - II**  
**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**



		Nine months period ended March 31, 2020					
Note	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	MCPP-VIII	Total	
----- (Rupees in '000) -----							
<b>Income</b>							
	(39,097)	(5,271)	(10,481)	(5,750)	(2,805)	(63,404)	
	281	151	200	76	290	998	
	70,500	19,424	17,222	9,604	5,965	122,715	
	31,684	14,304	6,941	3,930	3,450	60,309	
	Net unrealised diminution on re-measurement of investments - 'at fair value through profit or loss'						
6.1	(26,717)	(5,973)	(3,474)	(4,389)	(2,222)	(42,775)	
	<b>Total income / (loss)</b>	<b>4,967</b>	<b>8,331</b>	<b>3,467</b>	<b>(459)</b>	<b>1,228</b>	<b>17,534</b>
<b>Expenses</b>							
	17	10	15	11	25	78	
	2	1	2	1	3	9	
12	1,026	267	229	132	75	1,729	
	719	187	161	92	52	1,211	
7	93	24	21	12	7	157	
	208	54	47	27	15	351	
8	261	73	63	37	20	454	
	265	66	52	27	16	426	
10.1	47	153	57	-	20	277	
	13	4	7	1	1	26	
	<b>Total expenses</b>	<b>2,651</b>	<b>839</b>	<b>654</b>	<b>340</b>	<b>234</b>	<b>4,718</b>
	<b>2,316</b>	<b>7,492</b>	<b>2,813</b>	<b>(799)</b>	<b>994</b>	<b>12,816</b>	
<b>Net income / (loss) for the period before taxation</b>							
14	-	-	-	-	-	-	
<b>Taxation</b>							
	<b>2,316</b>	<b>7,492</b>	<b>2,813</b>	<b>(799)</b>	<b>994</b>	<b>12,816</b>	
<b>Net income / (loss) for the period after taxation</b>							
<b>Allocation of net income for the period</b>							
	2,316	7,492	2,813	-	994	13,615	
	(10,382)	(7,809)	(6,094)	-	(2,373)	(26,658)	
	<b>(8,066)</b>	<b>(317)</b>	<b>(3,281)</b>	<b>-</b>	<b>(1,379)</b>	<b>(13,043)</b>	

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

**For AI Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
 Chief Executive

\_\_\_\_\_  
 Chief Financial Officer

\_\_\_\_\_  
 Director

**MEEZAN STRATEGIC ALLOCATION FUND - II**  
**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**

		Nine months period ended March 31, 2019	For the period from July 10, 2018 to March 31, 2019	For the period from September 26, 2018 to March 31, 2019	For the period from December 17, 2018 to March 31, 2019		
Note	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	MCPP-VIII	Total	
	(Rupees in '000)						
<b>Income</b>							
	(8,409)	(1,365)	1,086	843	(473)	(8,318)	
	285	223	357	494	204	1,563	
	13,834	1,360	-	-	-	15,194	
	5,710	218	1,443	1,337	(269)	8,439	
Net unrealised appreciation / (diminution) on re-measurement of investments - 'at fair value through profit or loss' (net)	6.1	32,567	10,769	6,262	2,030	(915)	50,713
<b>Total Income / (loss)</b>		38,277	10,987	7,705	3,367	(1,184)	59,152
<b>Expenses</b>							
Remuneration to AI Meezan Investment Management Limited - Management Company		79	72	132	65	51	399
Sindh Sales Tax on management fee		10	9	17	9	7	52
Allocated expenses	12	1,484	522	366	128	25	2,525
Remuneration to Central Depository Company of Pakistan Limited - Trustee	7	1,224	431	301	105	21	2,082
Sindh Sales Tax on trustee fee		159	56	39	14	3	271
Annual fee to Securities and Exchange Commission of Pakistan	8	1,409	496	348	121	24	2,398
Auditors' remuneration		99	35	22	6	1	163
Fees and subscription		119	42	28	11	2	202
Printing charges		89	31	21	7	1	149
Provision for Sindh Workers' Welfare Fund	10.1	672	186	128	58	-	1,044
Bank and settlement charges		6	7	17	15	14	59
<b>Total expenses</b>		5,350	1,887	1,419	539	149	9,344
<b>Net Income / (loss) for the period before taxation</b>		32,927	9,100	6,286	2,828	(1,333)	49,808
Taxation	14	-	-	-	-	-	-
<b>Net Income / (loss) for the period after taxation</b>		32,927	9,100	6,286	2,828	(1,333)	49,808
<b>Allocation of net income for the period</b>							
Net Income for the period after taxation		32,927	9,100	6,286	2,828	-	51,141
Income already paid on units redeemed		(3,596)	(1,794)	(885)	(519)	-	(6,794)
		29,331	7,306	5,401	2,309	-	44,347
<b>Accounting income available for distribution</b>							
- Relating to capital gains		24,158	9,404	7,348	2,873	-	43,783
- Excluding capital gains		5,173	(2,098)	(1,947)	(564)	-	564
		29,331	7,306	5,401	2,309	-	44,347

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

**For AI Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN STRATEGIC ALLOCATION FUND - II**  
**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**



Note	For the quarter ended March 31, 2020					Total
	MCCP-IV	MCCP-V	MCCP-VI	MCCP-VII	MCCP-VIII	
	(Rupees in '000)					
<b>Income</b>						
	(51,665)	(9,071)	(12,286)	(7,892)	(2,576)	(83,490)
	72	48	105	16	113	354
	20,568	4,817	5,147	3,074	1,517	35,123
	(31,025)	(4,206)	(7,034)	(4,802)	(946)	(48,013)
6.1	(87,678)	(20,684)	(17,750)	(13,565)	(7,626)	(147,303)
<b>Total loss</b>	<b>(118,703)</b>	<b>(24,890)</b>	<b>(24,784)</b>	<b>(18,367)</b>	<b>(8,572)</b>	<b>(195,316)</b>
<b>Expenses</b>						
	6	4	5	2	7	24
	1	-	1	-	1	3
12	325	72	64	40	21	522
	228	50	46	27	14	365
	29	6	6	4	2	47
8	65	14	13	8	4	104
	80	18	16	10	5	129
	126	29	23	12	7	197
10.1	(2,391)	(502)	(499)	(353)	(173)	(3,918)
	-	1	-	-	1	2
<b>Total expenses</b>	<b>(1,531)</b>	<b>(308)</b>	<b>(325)</b>	<b>(250)</b>	<b>(111)</b>	<b>(2,525)</b>
<b>Net loss for the quarter before taxation</b>	<b>(117,172)</b>	<b>(24,582)</b>	<b>(24,459)</b>	<b>(18,117)</b>	<b>(8,461)</b>	<b>(192,791)</b>
14	-	-	-	-	-	-
<b>Net loss for the quarter after taxation</b>	<b>(117,172)</b>	<b>(24,582)</b>	<b>(24,459)</b>	<b>(18,117)</b>	<b>(8,461)</b>	<b>(192,791)</b>

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

**For AI Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
 Chief Executive

\_\_\_\_\_  
 Chief Financial Officer

\_\_\_\_\_  
 Director



**MEEZAN STRATEGIC ALLOCATION FUND - II**  
**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**

Note	For the quarter ended March 31, 2019					Total
	MCPPIV	MCPPIV	MCPPIV	MCPPIV	MCPPIV	
	(Rupees in '000)					
<b>Income</b>						
	6,009	3,498	968	(43)	(473)	9,959
	95	37	28	271	196	627
	-	-	-	-	-	-
	6,104	3,535	996	228	(277)	10,586
	12,557	2,008	3,135	4,346	(928)	21,118
	18,661	5,543	4,131	4,574	(1,205)	31,704
<b>Expenses</b>						
	21	7	6	5	48	87
	2	-	1	1	7	11
	463	154	144	78	25	864
	380	127	118	64	21	710
	49	16	15	9	3	92
	439	146	137	74	24	820
	20	7	6	3	1	37
	35	12	11	7	2	67
	26	8	8	4	1	47
	345	102	73	58	-	578
	-	3	-	1	13	17
	1,780	582	519	304	145	3,330
	16,881	4,961	3,612	4,270	(1,350)	28,374
	-	-	-	-	-	-
	16,881	4,961	3,612	4,270	(1,350)	28,374

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

**For Al Meezan Investment Management Limited**  
**(Management Company)**

Chief Executive

Chief Financial Officer

Director

**MEEZAN STRATEGIC ALLOCATION FUND - II**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**



	Nine months period ended March 31, 2020					
	MCCP-IV	MCCP-V	MCCP-VI	MCCP-VII	MCCP-VIII	Total
	------(Rupees in '000)-----					
<b>Net income / (loss) for the period after taxation</b>	2,316	7,492	2,813	(799)	994	12,816
Other comprehensive income for the period	-	-	-	-	-	-
<b>Total comprehensive income / (loss) for the period</b>	<u>2,316</u>	<u>7,492</u>	<u>2,813</u>	<u>(799)</u>	<u>994</u>	<u>12,816</u>

Nine months period ended March 31, 2019	For the period from July 10, 2018 to March 31, 2019		For the period from September 26, 2018 to March 31, 2019		For the period from December 17, 2018 to March 31, 2019	
	MCCP-IV	MCCP-V	MCCP-VI	MCCP-VII	MCCP-VIII	Total
	.....'(Rupees in '000).....					
<b>Net income / (loss) for the period after taxation</b>	32,927	9,100	6,286	2,828	(1,333)	49,808
Other comprehensive income for the period	-	-	-	-	-	-
<b>Total comprehensive income / (loss) for the period</b>	<u>32,927</u>	<u>9,100</u>	<u>6,286</u>	<u>2,828</u>	<u>(1,333)</u>	<u>49,808</u>

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

**For AI Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
 Chief Executive

\_\_\_\_\_  
 Chief Financial Officer

\_\_\_\_\_  
 Director

**MEEZAN STRATEGIC ALLOCATION FUND - II**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**

	For the quarter ended March 31, 2020					
	MCCP-IV	MCCP-V	MCCP-VI	MCCP-VII	MCCP-VIII	Total
	------(Rupees in '000)-----					
Net loss for the quarter after taxation	(117,172)	(24,582)	(24,459)	(18,117)	(8,461)	(192,791)
Other comprehensive income for the quarter	-	-	-	-	-	-
<b>Total comprehensive loss for the quarter</b>	<b><u>(117,172)</u></b>	<b><u>(24,582)</u></b>	<b><u>(24,459)</u></b>	<b><u>(18,117)</u></b>	<b><u>(8,461)</u></b>	<b><u>(192,791)</u></b>

	For the quarter ended March 31, 2019					
	MCCP-IV	MCCP-V	MCCP-VI	MCCP-VII	MCCP-VIII	Total
	------(Rupees in '000)-----					
Net income / (loss) for the quarter after taxation	16,881	4,961	3,612	4,270	(1,350)	28,374
Other comprehensive income for the quarter	-	-	-	-	-	-
<b>Total comprehensive income / (loss) for the quarter</b>	<b><u>16,881</u></b>	<b><u>4,961</u></b>	<b><u>3,612</u></b>	<b><u>4,270</u></b>	<b><u>(1,350)</u></b>	<b><u>28,374</u></b>

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

**For AI Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**MEEZAN STRATEGIC ALLOCATION FUND - II**  
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

	Nine months period ended March 31, 2020			Nine months period ended March 31, 2020			Nine months period ended March 31, 2020			Nine months period ended March 31, 2020			Nine months period ended March 31, 2020			Nine months period ended March 31, 2020		
	MCCP-IV			MCCP-V			MCCP-VI			MCCP-VII			MCCP-VIII			Total		
	(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)		
	Capital Value	Undistribut d income / (accumulated loss)	Total	Capital Value	Undistribut d income	Total	Capital Value	Undistribut d income / (accumulated loss)	Total	Capital Value	Undistribut d income / (accumulated loss)	Total	Capital Value	Undistribut d income / (accumulated loss)	Total	Capital Value	Undistribut d income / (accumulated loss)	Total
<b>Net assets at the beginning of the period</b>	1,563,055	(10,007)	1,553,048	473,102	805	473,907	385,555	(1,529)	384,026	209,309	(1,897)	207,412	134,344	(3,620)	130,724	2,765,365	(16,248)	2,749,117
<b>Redemption of units:</b>																		
MCCP-IV: 7,794,174 / MCCP-V: 4,562,460 /																		
MCCP-VI: 3,369,487 / MCCP-VII: 1,347,101 /																		
MCCP-VIII: 1,311,429 units																		
- Capital value (at net asset value per unit at the beginning of the period)	390,654	-	390,654	228,643	-	228,643	168,335	-	168,335	67,408	-	67,408	64,257	-	64,257	919,297	-	919,297
- Element of income	-	10,382	10,382	-	7,809	7,809	-	6,094	6,094	-	2,384	2,384	-	2,373	2,373	-	2,384	29,042
<b>Total payments on redemption of units</b>	390,654	10,382	401,036	228,643	7,809	236,452	168,335	6,094	174,429	69,792	-	69,792	64,257	2,373	66,630	921,681	26,658	948,339
Total comprehensive income / (loss) for the period	-	2,316	2,316	-	7,492	7,492	-	2,813	2,813	-	(799)	(799)	-	994	994	-	12,816	12,816
<b>Net income / (loss) for the period less distributi</b>	-	2,316	2,316	-	7,492	7,492	-	2,813	2,813	-	(799)	(799)	-	994	994	-	12,816	12,816
<b>Net assets at the end of the period</b>	<b>1,172,401</b>	<b>(18,073)</b>	<b>1,154,328</b>	<b>244,459</b>	<b>488</b>	<b>244,947</b>	<b>217,220</b>	<b>(4,810)</b>	<b>212,410</b>	<b>139,517</b>	<b>(2,696)</b>	<b>136,821</b>	<b>70,092</b>	<b>(4,999)</b>	<b>65,088</b>	<b>1,843,686</b>	<b>(30,090)</b>	<b>1,813,594</b>
<b>(Accumulated loss) / income brought forward</b>																		
- Realised income / (loss)		26,661			13,730			10,331			4,551			(3,616)			51,657	
- Unrealised loss		(36,668)			(12,925)			(11,860)			(6,448)			(4)			(67,905)	
		(10,007)			805			(1,529)			(1,897)			(3,620)			(16,248)	
Accounting income available for distribution																		
- Relating to capital gains		-			-			-			-			-			-	
- Excluding capital gains		(8,066)			(317)			(3,281)			-			(1,379)			(13,043)	
		(8,066)			(317)			(3,281)			-			(1,379)			(13,043)	
Net loss for the quarter after taxation		-			-			-			(799)			-			(799)	
Distribution during the period		-			-			-			-			-			-	
<b>Undistributed (loss) / income carried forward</b>		<b>(18,073)</b>			<b>488</b>			<b>(4,810)</b>			<b>(2,696)</b>			<b>(4,999)</b>			<b>(30,090)</b>	
<b>Undistributed (loss) / income carried forward</b>																		
- Realised income / (loss)		8,644			6,461			(1,336)			1,693			(2,777)			12,685	
- Unrealised loss		(26,717)			(5,973)			(3,474)			(4,389)			(2,222)			(42,775)	
		(18,073)			488			(4,810)			(2,696)			(4,999)			(30,090)	
Net asset value per unit as at the beginning of the period			Rupees 50.1213			Rupees 50.1139			Rupees 49.9586			Rupees 50.0391			Rupees 48.9980			
Net asset value per unit as at the end of the period			<u>49.7735</u>			<u>50.0491</u>			<u>49.1988</u>			<u>48.9013</u>			<u>47.9818</u>			

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

For Al-Meezan Investment Management Limited  
(Management Company)

Chief Executive

Chief financial officer

Director

**MEEZAN STRATEGIC ALLOCATION FUND - II**  
**STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

	Nine months period ended March 31, 2019			Nine months period ended March 31, 2019			For the period from July 10, 2018 to March 31, 2019			For the period from September 26, 2018 to March 31, 2019			For the period from December 17, 2018 to March 31, 2019			Nine months period ended March 31, 2019		
	MCPPIV			MCPPIV			MCPPIV			MCPPIV			MCPPIV			Total		
	(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)		
	Capital Value	Undistributed income / (accumulated loss)	Total	Capital Value	Undistributed income / (accumulated loss)	Total	Capital Value	Undistributed income / (accumulated loss)	Total	Capital Value	Undistributed income / (accumulated loss)	Total	Capital Value	Undistributed income / (accumulated loss)	Total	Capital Value	Undistributed income / (accumulated loss)	Total
<b>Net assets at the beginning of the period</b>	2,135,335	(19,965)	2,115,370	733,520	(152)	733,368	-	-	-	-	-	-	-	-	-	2,868,855	(20,117)	2,848,738
<b>Issuance of units:</b>																		
MCPPIV: 1,643,879 / MCPPIV: 13,205,776 / MCPPIV: 7,646,585 units																		
MCPPIV: 3,463,481 units																		
- Capital value (at net asset value per unit at the beginning of the period)	-	-	-	82,243	-	82,243	660,289	-	660,289	382,329	-	382,329	173,174	-	173,174	1,298,035	-	1,298,035
- Element of (loss) / income	-	-	-	(417)	-	(417)	3,028	-	3,028	4,471	-	4,471	713	-	713	7,795	-	7,795
Total proceeds on issuance of units	-	-	-	81,826	-	81,826	663,317	-	663,317	386,800	-	386,800	173,887	-	173,887	1,305,830	-	1,305,830
<b>Redemption of units:</b>																		
MCPPIV: 6,930,314 / MCPPIV: 4,698,638 / MCPPIV: 2,117,361																		
MCPPIV: 2,402,296 / MCPPIV: 383,882 units																		
- Capital value (at net asset value per unit at the beginning of the period)	345,127	-	345,127	235,072	-	235,072	105,868	885	105,868	120,115	519	120,115	19,194	-	19,194	825,376	-	825,376
- Element of (loss) / income	(8)	3,596	3,588	(220)	1,794	1,574	449	1,334	1,554	1,554	2,073	150	(82)	68	1,775	6,712	8,637	
Total payments on redemption of units	345,119	3,596	348,715	234,852	1,794	236,646	106,317	885	107,202	121,669	519	122,188	19,344	(82)	19,262	827,151	6,712	834,013
Total comprehensive income / (loss) for the period	-	32,927	32,927	-	9,100	9,100	-	6,286	6,286	-	2,828	2,828	-	(1,333)	(1,333)	-	49,808	49,808
Distribution during the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net income / (loss) for the period less distribution	-	32,927	32,927	-	9,100	9,100	-	6,286	6,286	-	2,828	2,828	-	(1,333)	(1,333)	-	49,808	49,808
<b>Net assets at the end of the period</b>	<b>1,790,216</b>	<b>9,366</b>	<b>1,799,582</b>	<b>580,494</b>	<b>7,154</b>	<b>587,648</b>	<b>557,000</b>	<b>5,401</b>	<b>562,401</b>	<b>265,131</b>	<b>2,309</b>	<b>267,440</b>	<b>154,543</b>	<b>(1,251)</b>	<b>153,292</b>	<b>3,347,534</b>	<b>22,979</b>	<b>3,370,363</b>
<b>Accumulated loss brought forward</b>																		
- Realised loss	(24,191)			(857)			-			-			-					(25,048)
- Unrealised income	4,226			705			-			-			-					4,931
	(19,965)			(152)			-			-			-					(20,117)
Accounting income available for distribution																		
- Relating to capital gains	24,158			9,404			7,348			2,873			-					43,783
- Excluding capital gains	5,173			(2,098)			(1,947)			(564)			-					564
	29,331			7,306			5,401			2,309			-					44,347
Net loss for the period after taxation	-			-			-			-			(1,251)					(1,251)
Distribution during the period	-			-			-			-			-					-
<b>Undistributed income / (Accumulated loss) carried forward</b>	<b>9,366</b>			<b>7,154</b>			<b>5,401</b>			<b>2,309</b>			<b>(1,251)</b>					<b>22,979</b>
<b>(Accumulated loss) / undistributed income carried forward</b>																		
- Realised (loss) / income	(23,201)			(3,615)			(861)			279			(336)					(27,734)
- Unrealised income / (loss)	32,567			10,769			6,262			2,030			(915)					50,713
	9,366			7,154			5,401			2,309			(1,251)					22,979
	<b>Rupees</b>			<b>Rupees</b>			<b>Rupees</b>			<b>Rupees</b>			<b>Rupees</b>					
Net asset value per unit as at the beginning of the period	49.7996			50.0298			-			-			-					-
Net asset value per unit as at the end of the period	50.6250			50.6425			50.7197			50.9964			49.7767					50.7767

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

**For Al-Meezan Investment Management Limited**  
**(Management Company)**

Chief Executive

Chief Financial Officer

Director

**MEEZAN STRATEGIC ALLOCATION FUND - II**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**



	Nine months period ended March 31, 2020					Total
	MCCP-IV	MCCP-V	MCCP-VI	MCCP-VII	MCCP-VIII	
	(Rupees in '000)					
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Net income / (loss) for the period before taxation	2,316	7,492	2,813	(799)	994	12,816
<b>Adjustments for:</b>						
Net unrealised diminution on re-measurement of of investments 'at fair value through profit or loss'	26,717	5,973	3,474	4,389	2,222	42,775
	29,033	13,465	6,287	3,590	3,216	55,591
<b>Decrease in assets</b>						
Investments - net	387,103	223,030	167,814	64,311	62,778	905,036
Receivable against sale of investments	(8,500)	(2,000)	(3,500)	(2,500)	(1,500)	(18,000)
Advances, deposits and other receivables	(173)	(81)	(61)	(31)	(37)	(383)
	378,430	220,949	164,253	61,780	61,241	886,653
<b>Increase in liabilities</b>						
Payable to AI Meezan Investment Management Limited - Management Company	(29)	(21)	(22)	(6)	(5)	(83)
Payable to Central Depository Company of Pakistan Limited - Trustee	(42)	(23)	(21)	(7)	(5)	(98)
Payable to Securities and Exchange Commission of Pakistan	(1,595)	(572)	(420)	(149)	(41)	(2,777)
Payable against purchase of investments	9,527	2,216	3,690	2,616	1,554	19,603
Accrued expenses and other liabilities	132	184	164	26	29	535
	7,993	1,784	3,391	2,480	1,532	17,180
<b>Net cash generated from operating activities</b>	<b>415,456</b>	<b>236,198</b>	<b>173,931</b>	<b>67,850</b>	<b>65,989</b>	<b>959,424</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
Payments against redemption and conversion of units	(414,818)	(236,352)	(174,369)	(69,791)	(66,529)	(961,859)
<b>Net cash used in financing activities</b>	<b>(414,818)</b>	<b>(236,352)</b>	<b>(174,369)</b>	<b>(69,791)</b>	<b>(66,529)</b>	<b>(961,859)</b>
<b>Net increase / (decrease) in cash and cash equivalents during the period</b>	<b>638</b>	<b>(154)</b>	<b>(438)</b>	<b>(1,941)</b>	<b>(540)</b>	<b>(2,435)</b>
Cash and cash equivalents at the beginning of the period	1,876	908	1,845	2,960	2,286	9,875
<b>Cash and cash equivalents at the end of the period</b>	<b>2,514</b>	<b>754</b>	<b>1,407</b>	<b>1,019</b>	<b>1,746</b>	<b>7,440</b>

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

**For AI Meezan Investment Management Limited  
 (Management Company)**

\_\_\_\_\_  
 Chief Executive

\_\_\_\_\_  
 Chief Financial Officer

\_\_\_\_\_  
 Director

**MEEZAN STRATEGIC ALLOCATION FUND - II**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

	Nine months period ended March 31, 2019		For the period from July 10, 2018 to March 31, 2019	For the period from September 26, 2018 to March 31, 2019	For the period from December 17, 2018 to March 31, 2019	Total
	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	MCPP-VIII	
------(Rupees in '000)-----						
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Net income / (loss) for the period before taxation	32,927	9,100	6,286	2,828	(1,333)	49,808
<b>Adjustments for:</b>						
Net unrealised (appreciation) / diminution on re-measurement of investments 'at fair value through profit or loss'	(32,567)	(10,769)	(6,262)	(2,030)	915	(50,713)
	360	(1,669)	24	798	(418)	(905)
<b>Decrease / (increase) in assets</b>						
Investments - net	359,689	35,990	(557,707)	(265,148)	(152,157)	(579,333)
Receivable against sale of investments - net	-	(9,970)	-	(290)	-	(10,260)
Advances, deposits and other receivables	(33)	131	(5)	(81)	(106)	(94)
	359,656	26,151	(557,712)	(265,519)	(152,263)	(589,687)
<b>(Decrease) / increase in liabilities</b>						
Payable to Al Meezan Investment Management Limited - Management Company	(20)	(9,200)	51	28	25	(9,116)
Payable to Central Depository Company of Pakistan Limited - Trustee	(22)	9	45	22	12	66
Payable to Meezan Bank Limited	-	(5,913)	-	-	524	(5,389)
Payable to Securities and Exchange Commission of Pakistan	946	445	348	121	24	1,884
Accrued expenses and other liabilities	(6,461)	(866)	189	77	15	(7,046)
	(5,557)	(15,525)	633	248	600	(19,601)
<b>Net cash generated from / (used in) operating activities</b>	<b>354,459</b>	<b>8,957</b>	<b>(557,055)</b>	<b>(264,473)</b>	<b>(152,081)</b>	<b>(610,193)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
Receipts against issuance and conversion of units	-	84,615	663,317	386,800	173,861	1,308,593
Payments against redemption and conversion of units	(348,598)	(226,700)	(104,208)	(121,897)	(19,257)	(820,660)
Dividend paid	-	-	-	-	-	-
<b>Net cash (used in) / generated from financing activities</b>	<b>(348,598)</b>	<b>(142,085)</b>	<b>559,109</b>	<b>264,903</b>	<b>154,604</b>	<b>487,933</b>
<b>Net increase / (decrease) in cash and cash equivalents during the period</b>	<b>5,861</b>	<b>(133,128)</b>	<b>2,054</b>	<b>430</b>	<b>2,523</b>	<b>(122,260)</b>
Cash and cash equivalents at the beginning of the period	1,743	139,238	-	-	-	140,981
<b>Cash and cash equivalents at the end of the period</b>	<b>7,604</b>	<b>6,110</b>	<b>2,054</b>	<b>430</b>	<b>2,523</b>	<b>18,721</b>

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

**For Al Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**



**MEEZAN STRATEGIC ALLOCATION FUND - II**  
**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

**1. LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1** Meezan Strategic Allocation Fund - II (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited (Al Meezan) as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on January 15, 2018 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003, (NBFC Rules). The Fund is registered as a Notified entity under Non-Banking Finance Companies and Notified Entities Regulations, 2008, (NBFC Regulations) issued through S.R.O.1203(I)/2008 on October 10, 2016. The Management Company has been licensed by the Securities and Exchange Commission of Pakistan (SECP) to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2** The Fund has been formed to enable the unit holders to participate in a diversified portfolio of equity schemes and fixed income / money market schemes, which are Shariah compliant. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah guidelines. The Management Company has appointed Meezan Bank Limited as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.3** The Fund is an open-end Shariah compliant Fund of Funds Scheme. Units are offered for public subscription on a continuous basis till the end of the subscription period. However, the subscription in units may be reopened for fresh issuance by the Management Company with prior approval of the Commission after intimation to the Trustee and by providing notice to investors in order to protect the interest of the unit holders. The units of the plan are transferable and can be redeemed by surrendering them to the Fund.
- 1.4** Title to the assets of the Fund are held in the name of CDC as the Trustee of the Fund. The Fund's property comprises of different types of allocation plans which are accounted for and maintained separately in the books of accounts and collectively constitute the Fund's property.
- 1.5** The Management Company has been assigned a quality rating of AM1 by VIS Credit Rating Company Limited dated December 31, 2019 (2018: AM1 dated December 28, 2018) and by PACRA dated December 28, 2019. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.6** The Fund is an open-end Shariah compliant Fund of Funds Scheme that aims to generate returns on investment as per allocation plans (sub funds) namely Meezan Capital Preservation Plan-IV (M CPP-IV), Meezan Capital Preservation Plan-V (M CPP-V), Meezan Capital Preservation Plan-VI (M CPP-VI), Meezan Capital Preservation Plan-VII (M CPP-VII) and Meezan Capital Preservation Plan-VIII (M CPP-VIII) by investing in Shariah compliant fixed income / money market and equity mutual funds in line with the risk tolerance of the investor. Investors of the Fund may hold different types of allocation plans and may invest in any one or more of the available allocation plans. The management may also invest in other Collective Investments Schemes available to it with prior approval of SECP.

Meezan Capital Preservation Plan-IV (M CPP-IV)	<b>Low risk - High return through asset allocation</b> This allocation plan commenced its operations from March 06, 2018 and can invest its portfolio between the Equity asset classes / Schemes and Fixed Income or Money Market asset classes / Schemes based on the macroeconomic view and outlook of such asset classes up to 100 percent. The initial maturity of this plan is two and a half years from the close of the subscription period. Units shall be subject to front end load.
Meezan Capital Preservation Plan-V (M CPP-V)	<b>Low risk - High return through asset allocation</b> This allocation plan commenced its operations from May 04, 2018 and can invest its portfolio between the Equity asset classes / Schemes and Fixed Income or Money Market asset classes / Schemes based on the macroeconomic view and outlook of such asset classes up to 100 percent. The initial maturity of this plan is two and a half years from the close of the subscription period. Units shall be subject to front end load.
Meezan Capital Preservation Plan-VI (M CPP-VI)	<b>Low risk - High return through asset allocation</b> This allocation plan commenced its operations from July 10, 2018 and can invest its portfolio between the Equity asset classes / Schemes and Fixed Income or Money Market asset classes / Schemes based on the macroeconomic view and outlook of such asset classes up to 100 percent. The initial maturity of this plan is two and a half years from the close of the subscription period. Units shall be subject to front end load.
Meezan Capital Preservation Plan-VII (M CPP-VII)	<b>Low risk - High return through asset allocation</b> This allocation plan commenced its operations from September 26, 2018 and can invest its portfolio between the Equity asset classes / Schemes and Fixed Income or Money Market asset classes / Schemes based on the macroeconomic view and outlook of such asset classes up to 100 percent. The initial maturity of this plan is two and a half years from the close of the subscription period. Units shall be subject to front end load.
Meezan Capital Preservation Plan-VIII (M CPP-VIII)	<b>Low risk - High return through asset allocation</b> This allocation plan commenced its operations from December 17, 2018 and can invest its portfolio between the Equity asset classes / Schemes and Fixed Income or Money Market asset classes / Schemes based on the macroeconomic view and outlook of such asset classes up to 100 percent. The initial maturity of this plan is two and a half years from the close of the subscription period. Units shall be subject to front end load.

Each allocation plan announces separate Net Asset Values which ranks Pari Passu according to the number of units of the respective allocation plans. The books and records of each plan have been maintained separately.

## **2. BASIS OF PRESENTATION**

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

## **3. BASIS OF PREPARATION**

### **3.1 STATEMENT OF COMPLIANCE**

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

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the 'International Accounting Standard (IAS) 34, Interim Financial Reporting, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2019.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2020.

## **4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT**

**4.1** The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2019.

**4.2** The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2019. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2019.

#### 4.3 Standards and amendments to published accounting and reporting standards that are effective in the current

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 condensed interim financial statements.

#### 5. BALANCES WITH BANKS

		March 31, 2020 (Unaudited)					
Note	M CPP-IV	M CPP-V	M CPP-VI	M CPP-VII	M CPP-VIII	Total	
----- (Rupees in '000) -----							
Saving accounts	5.1	2,504	744	1,407	1,019	1,746	7,420
Current accounts		10	10	-	-	-	20
		<u>2,514</u>	<u>754</u>	<u>1,407</u>	<u>1,019</u>	<u>1,746</u>	<u>7,440</u>
		June 30, 2019 (Audited)					
	M CPP-IV	M CPP-V	M CPP-VI	M CPP-VII	M CPP-VIII	Total	
----- (Rupees in '000) -----							
Saving accounts	5.1	1,866	908	1,845	2,960	2,286	9,865
Current accounts		10	-	-	-	-	10
		<u>1,876</u>	<u>908</u>	<u>1,845</u>	<u>2,960</u>	<u>2,286</u>	<u>9,875</u>

5.1 The balances in savings accounts have an expected profit which ranges from 7.40% to 11.39% (June 30, 2019 6.30% to 11.85%) per annum.

#### 6. INVESTMENTS

		March 31, 2020 (Unaudited)					
Note	M CPP-IV	M CPP-V	M CPP-VI	M CPP-VII	M CPP-VIII	Total	
----- (Rupees in '000) -----							
Investments - 'at fair value through profit or loss'	6.1	<u>1,154,821</u>	<u>245,106</u>	<u>211,535</u>	<u>136,011</u>	<u>63,551</u>	<u>1,811,024</u>
		June 30, 2019 (Audited)					
	M CPP-IV	M CPP-V	M CPP-VI	M CPP-VII	M CPP-VIII	Total	
----- (Rupees in '000) -----							
Investments - 'at fair value through profit or loss'		<u>1,568,641</u>	<u>474,109</u>	<u>382,823</u>	<u>204,711</u>	<u>128,551</u>	<u>2,758,835</u>

## 6.1 Investments - 'at fair value through profit or loss' - Units of mutual funds

Name of investee funds	As at July 1, 2019	Purchases during the period	Redemptions during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised appreciation as at March 31, 2020	Percentage in relation to	
								Market value on the basis of Net Assets of the Fund	Total market value of investments
	----- (Number of units) -----				----- (Rupees in '000) -----			----- (Percentage) -----	
<b>Meezan Capital Preservation Plan - IV</b>									
Meezan Dedicated Equity Fund	10,044,192	9,955,836	17,311,768	2,688,260	102,594	75,877	(26,717)	6.57	6.57
Meezan Cash Fund	-	40,780,578	40,780,578	-	-	-	-	-	-
Meezan Sovereign Fund	17,633,059	-	17,633,059	-	-	-	-	-	-
Meezan Rozana Amdani Fund	6,081,739	50,758,855	35,261,716	21,578,877	1,078,944	1,078,944	-	93.47	93.43
					<b>1,181,538</b>	<b>1,154,821</b>	<b>(26,717)</b>	<b>100.04</b>	<b>100</b>
<b>Meezan Capital Preservation Plan - V</b>									
Meezan Dedicated Equity Fund	3,081,261	1,716,536	4,164,103	633,693	23,859	17,886	(5,973)	7.30	7.30
Meezan Cash Fund	-	10,309,247	10,309,247	-	-	-	-	-	-
Meezan Sovereign Fund	5,140,343	-	5,140,343	-	-	-	-	-	-
Meezan Rozana Amdani Fund	2,000,572	12,318,913	9,775,080	4,544,405	227,220	227,220	-	92.76	92.70
					<b>251,079</b>	<b>245,106</b>	<b>(5,973)</b>	<b>100.06</b>	<b>100</b>
<b>Meezan Capital Preservation Plan - VI</b>									
Meezan Dedicated Equity Fund	2,745,310	1,387,674	3,765,757	367,227	13,839	10,365	(3,474)	4.88	4.90
Meezan Cash Fund	-	5,855,373	5,855,373	-	-	-	-	-	-
Meezan Sovereign Fund	4,162,470	-	4,162,470	-	-	-	-	-	-
Meezan Rozana Amdani Fund	1,420,406	7,826,100	5,223,102	4,023,404	201,170	201,170	-	94.71	95.10
					<b>215,009</b>	<b>211,535</b>	<b>(3,474)</b>	<b>99.59</b>	<b>100</b>
<b>Meezan Capital Preservation Plan - VII</b>									
Meezan Dedicated Equity Fund	1,477,397	1,084,461	2,109,887	451,971	17,146	12,757	(4,389)	9.32	9.38
Meezan Cash Fund	-	3,058,517	3,058,517	-	-	-	-	-	-
Meezan Sovereign Fund	2,218,732	-	2,218,732	-	-	-	-	-	-
Meezan Rozana Amdani Fund	760,217	4,203,710	2,498,839	2,465,089	123,254	123,254	-	90.08	90.62
					<b>140,400</b>	<b>136,011</b>	<b>(4,389)</b>	<b>99.40</b>	<b>100</b>
<b>Meezan Capital Preservation Plan - VIII</b>									
Meezan Dedicated Equity Fund	518,566	2,844,086	3,139,417	223,236	8,523	6,301	(2,222)	9.68	9.91
Meezan Cash Fund	-	4,124,642	4,124,642	-	-	-	-	-	-
Meezan Sovereign Fund	1,692,281	-	1,692,281	-	-	-	-	-	-
Meezan Rozana Amdani Fund	460,132	5,550,069	4,865,208	1,144,993	57,250	57,250	-	87.96	90.09
					<b>65,773</b>	<b>63,551</b>	<b>(2,222)</b>	<b>97.64</b>	<b>100</b>
<b>Total investments in units of mutual funds</b>									
Meezan Dedicated Equity Fund	17,866,726	16,988,594	30,490,933	4,364,387	165,961	123,186	(42,775)	6.79	6.80
Meezan Cash Fund	-	64,128,357	64,128,357	-	-	-	-	-	-
Meezan Sovereign Fund	30,846,884	-	30,846,884	-	-	-	-	-	-
Meezan Rozana Amdani Fund	10,723,066	80,657,647	57,623,944	33,756,768	1,687,838	1,687,838	-	93.07	93.20
					<b>1,853,799</b>	<b>1,811,024</b>	<b>(42,775)</b>	<b>99.86</b>	<b>100</b>

## 7. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the trust deed. Effective from July 1, 2019, the Trustee has revised its remuneration as under:

Net Assets (Rs.)	Previous Tariff	Revised Tariff
Upto 1 billion	0.10% of Net Assets	0.070% per annum of Net Assets
Above 1 billion	Rs. 1 million plus 0.075% P.a of Net Assets exceeding Rs. 1 billion	

Accordingly, the Fund has charged Trustee Fee at the rate of 0.07% per annum during the current period.

## 8. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP).

Effective from July 1, 2019, the SECP vide SRO No. 685(I)/2019 dated June 28, 2019, revised the rate of annual fee to 0.02% of net assets, applicable on all categories of CISs. Previously, the rate of annual fee applicable to fund of funds was 0.095%. Accordingly, the Fund has charged SECP Fee at the rate of 0.02% of net assets during the current period.

## 9. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2020 and June 30, 2019.

## 10. ACCRUED EXPENSES AND OTHER LIABILITIES

As at March 31, 2020 (Unaudited)						
	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	MCPP-VIII	Total
Note	(Rupees in '000)					
Auditors' remuneration payable	119	29	26	15	8	197
Withholding tax payable	15	-	-	-	-	15
Shariah advisory fee payable	136	31	27	15	9	218
Printing charges payable	212	10	6	1	1	230
Provision for Sindh Workers' Welfare Fund	10.1	357	213	57	-	647
Capital gain tax payable	38	49	65	6	11	169
Zakat payable	-	5	48	12	-	65
	<b>877</b>	<b>337</b>	<b>229</b>	<b>49</b>	<b>49</b>	<b>1,541</b>

As at June 30, 2019 (Audited)						
	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	MCPP-VIII	Total
Note	(Rupees in '000)					
Auditors' remuneration payable	115	40	29	12	4	200
Withholding tax payable	15	-	-	-	-	15
Shariah advisory fee payable	88	24	22	11	5	150
Printing charges payable	213	9	7	-	1	230
Provision for Sindh Workers' Welfare Fund	10.1	310	60	-	-	370
Capital gain tax payable	2	5	1	-	-	8
Other payable	-	-	-	-	10	10
Zakat payable	2	15	6	-	-	23
	<b>745</b>	<b>153</b>	<b>65</b>	<b>23</b>	<b>20</b>	<b>1,006</b>

- 10.1** 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). The Fund has made provision in respect of SWWF starting from March 6, 2018 (i.e. the date of commencement of operations of the Fund).

Had the provision for SWWF not been recorded in the condensed interim financial statements, the NAV per unit would have been higher by Re 0.02, Re 0.04, Re 0.01 and 0.01 in MCPP-IV, MCPP-V, MCPP-VI, and MCPP-VIII (June 30, 2019: Re. 0.010 and Re. 0.006 per unit for MCPP-IV and MCPP-V) respectively.

## 11. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include Al Meezan Investment Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, Directors and Executives of the Management Company, other funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited Employees' Gratuity Fund and unitholders holding 10 percent or more of the Fund's net assets.

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

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Rules, the NBFC Regulations and the Trust Deed respectively.

Detail of transactions with connected persons and balances with them are as follows:

Balances	As at March 31, 2020 (Unaudited)					
	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	MCPP-VIII	Total
<b>Al Meezan Investment Management Limited - Management Company</b>						
Remuneration payable (Rs in '000)	4	1	3	2	12	22
Sindh Sales Tax on management fee (Rs in '000)	1	-	-	-	2	3
Allocated expenses (Rs in '000)	103	22	20	12	6	163
<b>Meezan Bank Limited</b>						
Bank balance (Rs in '000)	2,504	744	1,407	1,019	1,746	7,420
Profit receivable (Rs in '000)	24	21	25	10	22	102
<b>Central Depository Company of Pakistan Limited - Trustee</b>						
Trustee fee payable (Rs. in '000)	72	15	13	9	4	113
Sindh Sales Tax on trustee fee payable (Rs. in '000)	9	2	2	1	1	15
<b>Directors and Executives of the Management Company</b>						
Investment (Rs in '000)	4,966	-	-	-	-	4,966
Investment (Units)	99,772	-	-	-	-	99,772
<b>Meezan Dedicated Equity Fund</b>						
Investment (Rs in '000)	75,877	17,886	10,365	12,757	6,301	123,186
Investment (Units)	2,688,260	633,693	367,227	451,971	223,236	4,364,387
<b>Meezan Rozana Amdani Fund</b>						
Investment (Rs in '000)	1,078,944	227,220	201,170	123,254	57,250	1,687,838
Investment (Units)	21,578,877	4,544,405	4,023,404	2,465,089	1,144,993	33,756,768
<b>Unitholders holding 10% or more units of the Fund</b>						
Investment (Rs in '000)	162,800	-	24,251	48,271	-	235,323
Investment (Units)	3,270,818	-	492,927	987,119	-	4,750,863
<b>Balances As at June 30, 2019 (Audited)</b>						
<b>Al Meezan Investment Management Limited - Management Company</b>						
Remuneration payable (Rs in '000)	5	1	5	3	12	26
Sindh Sales Tax on management fee (Rs in '000)	1	-	1	-	2	4
Allocated expenses (Rs in '000)	131	43	39	17	11	241
<b>Meezan Bank Limited</b>						
Bank balance (Rs in '000)	1876	908	1,845	2,960	2,286	9,875
Profit receivable (Rs in '000)	52	5	21	12	7	97
<b>Central Depository Company of Pakistan Limited - Trustee</b>						
Trustee fee payable (Rs in '000)	109	36	32	15	9	201
Sindh Sales Tax on trustee fee payable (Rs in '000)	14	4	4	2	1	25
<b>Directors and Executives of the Management Company</b>						
Investment (Rs in '000)	5,001	-	-	-	-	5,001
Investment (Units)	99,772	-	-	-	-	99,772
<b>Meezan Dedicated Equity Fund</b>						
Investment (Rs in '000)	356,705	109,427	97,496	52,468	18,416	634,512
Investment (Units)	10,044,192	3,081,261	2,745,310	1,477,397	518,566	17,866,726
<b>Meezan Sovereign Fund</b>						
Investment (Rs in '000)	907,849	264,653	214,307	114,233	87,128	1,588,170
Investment (Units)	17,633,059	5,140,343	4,162,470	2,218,732	1,692,281	30,846,884

**Balances****As at June 30, 2019 (Audited)****Meezan Rozana Amdani Fund**

	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	MCPP-VIII	Total
Investment (Rs in '000)	304,087	100,029	71,020	38,010	23,007	536,153
Investment (Units)	6,081,739	2,000,572	1,420,406	760,217	460,132	10,723,066

**Unitholders holding 10% or more units of the Fund**

Investment (Rs in '000)	163,938	-	-	29,598	-	193,536
Investment (Units)	3,270,818	-	-	591,506	-	3,862,324

**For the nine months period ended March 31, 2020 (Unaudited)**

	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	MCPP-VIII	Total

**Al Meezan Investment Management Limited - Management Company**

Remuneration for the period (Rs in '000)	17	10	15	11	25	78
Sindh Sales Tax on management fee (Rs in '000)	2	1	2	1	3	9
Allocated expenses (Rs in '000)	1,026	267	229	132	75	1,729

**Meezan Bank Limited**

Profit on saving account (Rs in '000)	281	151	200	76	290	998
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**Central Depository Company of Pakistan Limited - Trustee**

Trustee fee (Rs in '000)	719	187	161	92	52	1,211
Sindh Sales Tax on trustee fee (Rs in '000)	93	24	21	12	7	157

**Meezan Dedicated Equity Fund**

Invested during the period (Rs. in '000)	394,000	68,000	56,000	43,500	101,000	662,500
Invested during the period (Units)	9,955,836	1,716,536	1,387,674	1,084,461	2,844,086	16,988,594
Redeemed during the period (Rs. in '000)	588,510	144,040	126,520	71,680	107,329	1,038,079
Redeemed during the period (Units)	17,311,768	4,164,103	3,765,757	2,109,887	3,139,417	30,490,933

**Meezan Cash Fund**

Invested during the period (Rs. in '000)	2,122,552	532,855	296,207	154,708	209,083	3,315,406
Invested during the period (Units)	40,780,578	10,309,247	5,855,373	3,058,517	4,124,642	64,128,357
Redeemed during the period (Rs. in '000)	2,141,761	536,734	298,558	155,937	209,717	3,342,706
Redeemed during the period (Units)	40,780,578	10,309,247	5,855,373	3,058,517	4,124,642	64,128,357

**Meezan Sovereign Fund**

Invested during the period (Rs. in '000)	-	-	-	-	-	-
Invested during the period (Units)	-	-	-	-	-	-
Redeemed during the period (Rs. in '000)	909,145	265,031	214,613	114,396	87,252	1,590,438
Redeemed during the period (Units)	17,633,059	5,140,343	4,162,470	2,218,732	1,692,281	30,846,884

**Meezan Rozana Amdani Fund**

Invested during the period (Rs. in '000)	2,537,943	615,946	391,305	210,186	277,503	4,032,882
Invested during the period (Units)	50,758,855	12,318,913	7,826,100	4,203,710	5,550,069	80,657,647
Redeemed during the period (Rs. in '000)	1,763,086	488,754	261,155	124,942	243,260	2,881,197
Redeemed during the period (Units)	35,261,716	9,775,080	5,223,102	2,498,839	4,865,208	57,623,944
Dividend received during the period (Rs. in '000)	70,500	19,424	17,222	9,604	5,965	122,714
Dividend received during the period (Units)	1,409,999	388,482	344,435	192,081	119,302	2,454,300

For the Period ended March 31, 2019	For the period from July 10, 2018 to March 31, 2019	For the period from September 26, 2018 to March 31, 2019	For the period from December 17, 2018 to March 31, 2019
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MCPP - IV	MCPP - V	MCPP - VI	MCPP - VII	MCPP - VIII	Total

**Al Meezan Investment Management Limited - Management Company**

Remuneration for the quarter / period	79	72	132	65	51	399
Sindh Sales Tax on management fee	10	9	17	9	7	52
Allocated expenses	1,484	522	366	128	25	2,525



	For the Period ended March 31, 2019	For the period from July 10, 2018 to March 31, 2019	For the period from September 26, 2018 to March 31, 2019	For the period from December 17, 2018 to March 31, 2019	Total	
	MCPP - IV	MCPP - V	MCPP - VI	MCPP - VII	MCPP - VIII	Total
	(Unaudited)					
<b>Meezan Bank Limited</b>						
Profit on saving account	285	223	357	494	204	1,563
<b>Central Depository Company of Pakistan Limited - Trustee</b>						
Trustee fee (Rs in '000)	1,224	431	301	105	21	2,082
Sindh Sales Tax on trustee fee (Rs in '000)	159	56	39	14	3	271
<b>Meezan Dedicated Equity Fund</b>						
Invested during the period / quarter (Rs. in '000)	1,560,719	501,586	357,000	199,900	53,000	2,672,205
Invested during the period / quarter (Units)	33,632,924	10,885,956	7,829,044	4,502,839	1,188,465	58,039,227
Redeemed during the period / quarter (Rs. in '000)	1,556,412	477,699	222,744	135,962	15,000	2,407,817
Redeemed during the period / quarter (Units)	33,663,755	10,443,723	4,978,882	3,096,933	348,955	52,532,248
<b>Meezan Cash Fund</b>						
Invested during the quarter / period (Rs. in '000)	3,009,339	1,055,608	851,000	506,917	170,000	5,592,864
Invested during the quarter / period (Units)	57,760,486	20,361,778	16,632,680	9,781,763	3,235,929	107,772,636
Redeemed during the quarter / period (Rs. in '000)	3,400,394	1,125,707	457,636	321,550	63,370	5,368,657
Redeemed during the quarter / period (Units)	65,185,783	21,613,573	8,824,486	6,150,597	1,205,736	102,980,176
Dividend Received during the quarter / period (Rs. in '000)	13,834	1,360	-	-	-	15,194
Dividend Received during the quarter / period (Units)	274,308	26,959	-	-	-	301,267
Refund of Capital during the quarter / period (Rs. in '000)	59,534	19,413	-	-	-	78,947
Refund of Capital during the quarter / period (Units)	1,180,484	384,939	-	-	-	1,565,423
<b>Meezan Sovereign Fund</b>						
Invested during the period (Rs. in '000)	95,000	31,000	29,000	15,000	8,000	178,000
Invested during the period (Units)	1,775,376	579,333	541,957	280,322	149,505	3,326,493

## 12. ALLOCATED EXPENSES

In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment

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

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

## 13. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the period ended March 31, 2020 are;

	As at March 31, 2020				
	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	MCPP-VIII
Total Expense ratio (including government levies)	0.26%	0.31%	0.29%	0.26%	0.31%
Government levies, Sindh Workers' Fund and SECP Fee	0.03%	0.09%	0.06%	0.03%	0.06%
	As at June 30, 2019				
	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	MCPP-VIII
Total Expense ratio (including government levies)	0.33%	0.33%	0.33%	0.27%	0.24%
Government levies	0.12%	0.12%	0.11%	0.08%	0.06%

This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a Fund of Fund Scheme.

#### 14. TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unit holders. The Fund has not recorded any tax liability in respect of income relating to the current period as the Management Company intends to distribute at least 90 percent of the Fund's accounting income for the year ending June 30, 2020 as reduced by capital gains (whether realised or unrealised)

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

#### 15. FAIR VALUES OF FINANCIAL INSTRUMENTS

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

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

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.

- Level 1: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities.
- Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at March 31, 2020 and June 30, 2019, the Fund held the following financial instruments measured at fair value:

ASSETS	As at March 31, 2020			
	Level 1	Level 2	Level 3	Total
<b>Financial assets 'at fair value through profit or loss'</b>	(Rupees in '000)			
Units of mutual funds	-	1,811,024	-	1,811,024
<b>ASSETS</b>	As at June 30, 2019			
	Level 1	Level 2	Level 3	Total
<b>Financial assets 'at fair value through profit or loss'</b>	(Rupees in '000)			
Units of mutual funds	-	2,758,835	-	2,758,835

#### 16. GENERAL

16.1 Figures have been rounded off to the nearest thousand rupees.

16.2 Corresponding figures have been reclassified and rearranged in these condensed interim financial statements, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in these

#### 17. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on \_\_\_\_\_ by the Board of Directors of the Management Company.

**For AI Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director









# THE CITY OF ANCIENT HISTORY AND RICH CULTURE



## Meezan

Strategic Allocation Fund-III

## MEEZAN STRATEGIC ALLOCATION FUND-III (MSAF-III)

Meezan Strategic Allocation Fund-III is a Shariah compliant scheme which aims to earn potentially high returns through investment as per respective Allocation Plans by investing in Shariah Compliant Fixed Income/Money Market Collective Investment Schemes and Equity based Collective Investment Schemes.

**IQBAL MANZIL  
(SIALKOT)**

# FUND INFORMATION

## MANAGEMENT COMPANY

Al Meezan Investment Management Limited  
Ground Floor, Block "B", Finance & Trade Centre,  
Shahrah-e-Faisal Karachi 74400, Pakistan.  
Phone (9221) 35630722-6, 111-MEEZAN  
Fax: (9221) 35676143, 35630808  
Website: [www.almeezangroup.com](http://www.almeezangroup.com)  
E-mail: [info@almeezangroup.com](mailto:info@almeezangroup.com)

## BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Mohammad Shoaib, CFA	Chief Executive Officer
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Mohammad Furquan R Kidwai	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Moin M. Fudda	Independent Director
Ms. Saima Kamila Khan	Independent Director
Mr. Arshad Majeed	Nominee Director - MBL
Mr. Naeem Abdul Sattar	Nominee Director - PKIC
Syed Amir Ali Zaidi	Nominee Director - PKIC

## CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Syed Owais Wasti

## AUDIT COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Arshad Majeed	Member
Mr. Naeem Abdul Sattar	Member

## RISK MANAGEMENT COMMITTEE

Mr. Muhammad Abdullah Ahmed	Chairman
Syed Amir Ali Zaidi	Member
Mr. Naeem Abdul Sattar	Member

## HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Ariful Islam	Member
Mr. Naeem Abdul Sattar	Member
Mr. Mohammad Shoaib, CFA	Member

## TRUSTEE

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

## AUDITORS

A. F. Ferguson & Co.  
Chartered Accountants  
State Life Building# 1-C,  
I.I. Chundrigar Road , Karachi-74000

## SHARIAH ADVISER

Meezan Bank Limited

## BANKERS TO THE FUND

Bank Al Habib Limited - Islamic Banking  
Dubai Islamic Bank  
Meezan Bank Limited

## LEGAL ADVISER

Bawaney & Partners  
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,  
Phase VI, DHA, Karachi.  
Phone (9221) 35156191-94 Fax: (9221) 35156195  
E-mail:

## TRANSFER AGENT

Meezan Bank Limited  
Meezan House  
C-25, Estate Avenue, SITE, Karachi.  
Phone: 38103538 Fax: 36406017  
Website: [www.meezanbank.com](http://www.meezanbank.com)

## DISTRIBUTORS

Al Meezan Investment Management Limited  
Meezan Bank Limited  
Standard Chartered Bank (Pakistan) Limited

**MEEZAN STRATEGIC ALLOCATION FUND - III  
STATEMENT OF ASSETS AND LIABILITIES  
AS AT MARCH 31, 2020**



	Note	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
		<b>MCCPP-IX</b>	
		----- (Rupees in '000) -----	
<b>Assets</b>			
Balances with banks	5	704	15,908
Investments	6	83,662	18,944
Profit accrued on balances with banks		8	26
Deposits and prepayments		42	-
<b>Total assets</b>		84,416	34,878
<b>Liabilities</b>			
Payable to AI Meezan Investment Management Limited - Management Company		9	866
Payable to Central Depository Company of Pakistan Limited - Trustee	12	6	1
Payable to Securities and Exchange Commission of Pakistan	7	14	1
Payable against investments		68	-
Accrued expenses and other liabilities	9	251	80
<b>Total liabilities</b>		348	948
<b>Net assets</b>		84,068	33,930
<b>Unit holders' fund (as per statement attached)</b>		84,068	33,930
<b>Contingencies and commitments</b>	8		
		----- (Number of units) -----	
<b>Number of units in issue</b>		1,781,154	703,396
		----- (Rupees) -----	
<b>Net asset value per unit</b>		47.1988	48.2374

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

**For AI-Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director



**MEEZAN STRATEGIC ALLOCATION FUND - III**  
**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**

	Note	For the nine months period ended March 31, 2020	For the quarter ended March 31, 2020
		MCPPI-IX	MCPPI-IX
----- (Rupees in '000) -----			
<b>Income</b>			
Realised loss on sale of investments - net		(2,176)	(3,799)
Profit on balance with banks		235	34
Dividend income		5,611	1,801
		3,670	(1,964)
Net unrealised diminution on re-measurement of investments - 'at fair value through profit or loss'		(4,655)	(9,574)
<b>Total loss</b>		(985)	(11,538)
<b>Expenses</b>			
Remuneration to AI Meezan Investment Management Limited - Management Company		25	2
Sindh Sales Tax on remuneration to Management Company		3	-
Allocated expenses	11	69	23
Remuneration to Central Depository Company of Pakistan Limited - Trustee	12	50	17
Sindh Sales Tax on remuneration of the Trustee		6	2
Annual fee to Securities and Exchange Commission of Pakistan	7	14	5
Auditors' remuneration		77	18
Bank and settlement charges		6	-
Fees and subscription		259	110
Provision for Sindh Workers' Welfare Fund (SWWF)		-	(204)
<b>Total expenses</b>		509	(27)
<b>Net loss for the period before taxation</b>		(1,494)	(11,511)
Taxation	14	-	-
<b>Net loss for the period after taxation</b>		(1,494)	(11,511)
<b>Allocation of net income for the period</b>			
Net income for the period after taxation		-	
Income already paid on units redeemed		-	
		-	

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

**For AI-Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**MEEZAN STRATEGIC ALLOCATION FUND - III  
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)  
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020**



	For the nine months period ended March 31, 2020	For the quarter ended March 31, 2020
	MCPPI-IX	MCPPI-IX
	----- (Rupees in '000) -----	
<b>Net loss for the period after taxation</b>	(1,494)	(11,511)
Other comprehensive income for the period	-	-
<b>Total comprehensive income for the period</b>	(1,494)	(11,511)

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

**For AI-Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
**Chief Executive**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**MEEZAN STRATEGIC ALLOCATION FUND - III**  
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

For the nine months period ended March 31, 2020			
MCPPI-IX			
Capital Value	Accumulated loss	Total	
----- (Rupees in '000) -----			
<b>Net assets at the beginning of the period</b>	34,246	(316)	33,930
<b>Issuance of units:</b>			
Issuance of 1,816,116 units			
- Capital value (at net asset value per unit at the beginning of the period)	87,605	-	87,605
- Element of income	279	-	279
Total proceeds on issuance of units	87,884	-	87,884
<b>Redemption of units:</b>			
Redemption of 738,360 units			
- Capital value (at net asset value per unit at the beginning of the period)	35,618	-	35,618
- Element of loss	634	-	634
Total payments on redemption of units	36,252	-	36,252
Total comprehensive income for the period	-	(1,494)	(1,494)
<b>Net assets at the end of the period</b>	<b>85,878</b>	<b>(1,810)</b>	<b>84,068</b>
<b>Accumulated loss brought forward</b>			
- Realised loss		(105)	
- Unrealised loss		(211)	
		(316)	
Accounting income available for distribution			
- Relating to capital gains		-	
- Excluding capital gains		-	
Net loss for the period after taxation		(1,494)	
<b>Accumulated loss carried forward</b>		<b>(1,810)</b>	
<b>Accumulated loss carried forward</b>			
- Realised income		2,845	
- Unrealised loss		(4,655)	
		(1,810)	
Net asset value per unit as at the beginning of the period			<b>Rupees</b> 48,2374
Net asset value per unit as at the end of the period			47,1988

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

**For AI-Meezan Investment Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**MEEZAN STRATEGIC ALLOCATION FUND - III  
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**



**For the nine  
months  
period ended  
March 31,  
2020  
MCPPI-IX  
Rupees in '000**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Net income for the period before taxation (1,494)

**Adjustments for:**

Net unrealised diminution on re-measurement of investments -  
'at fair value through profit or loss' 4,655  
3,161

**(Decrease) / Increase in assets**

Investments - net (69,373)  
Profit accrued on balances with banks 18  
Deposits and prepayments (42)  
(69,397)

**(Increase) / Decrease in liabilities**

Payable to AI Meezan Investment Management Limited - Management Company (857)  
Payable to Central Depository Company of Pakistan Limited - Trustee 5  
Payable to Securities and Exchange Commission of Pakistan 13  
Payable against investments 68  
Accrued expenses and other liabilities 171  
(600)

**Net cash used in operating activities** (66,836)

**CASH FLOWS FROM FINANCING ACTIVITIES**

Receipts against issuance and conversion of units 87,884  
Payments against redemption and conversion of units (36,252)  
**Net cash generated from financing activities** 51,632

**Net decrease in cash and cash equivalents** (15,204)  
Cash and cash equivalents at the beginning of the period 15,908

**Cash and cash equivalents at the end of the period** 704

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

**For AI-Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
**Chief Executive**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**MEEZAN STRATEGIC ALLOCATION FUND - III**  
**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

**1. LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1** Meezan Strategic Allocation Fund - III (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited (Al Meezan) as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on January 24, 2019 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003, (NBFC Rules). The Fund is registered as a Notified entity under Non-Banking Finance Companies and Notified Entities Regulations, 2008, (NBFC Regulations) issued through S.R.O.1203(I)/2008 on October 10, 2016. The Management Company has been licensed by the Securities and Exchange Commission of Pakistan (SECP) to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2** The Fund has been formed to enable the unitholders to participate in a diversified portfolio of equity schemes and fixed income / money market schemes, which are Shariah compliant. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah guidelines. The Management Company has appointed Meezan Bank Limited as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.3** The Fund is an open-end Shariah compliant Fund of Funds Scheme. Units are offered for public subscription on a continuous basis till the end of the subscription period. However, the subscription in units may be reopened for fresh issuance by the Management Company with prior approval of the Commission after intimation to the Trustee and by providing notice to investors in order to protect the interest of the unitholders. The units of the plan are transferable and can be redeemed by surrendering them to the Fund.
- 1.4** Title to the assets of the Fund are held in the name of CDC as the Trustee of the Fund. The Fund's property comprises of different types of allocation plans which are accounted for and maintained separately in the books of accounts and collectively constitute the Fund's property.
- 1.5** The Management Company has been assigned a quality rating of AM1 by VIS dated December 31, 2019 (2018: AM1 dated December 28, 2018) and by PACRA dated December 28, 2019. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.6** The fund generates returns on investment as per allocation plan (sub fund) namely Meezan Capital Preservation Plan-IX (MCPPI-IX) by investing in Shariah compliant fixed income / money market and equity mutual funds in line with the risk tolerance of the investor. The management may also invest in other Collective Investments Schemes available to it with prior approval of the SECP.
- 1.7** A brief description of the plan is as follows:

Meezan Capital Preservation Plan-IX (MCPPI-IX)	Low risk - High return through asset allocation: This allocation plan commenced its operations from May 14, 2019 and can invest its portfolio between the Equity asset classes / Schemes and Fixed Income or Money Market asset classes / Schemes based on the macroeconomic view and outlook of such asset classes up to 100 percent. The initial maturity of this plan is two and a half years from the close of the subscription period. Units shall be subject to front end load.
--	--

**2. BASIS OF PRESENTATION**

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

### 3 BASIS OF PREPARATION

#### 3.1 STATEMENT OF COMPLIANCE

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

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

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

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2019.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2020.

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT

4.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2019.

4.2 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2019. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2019.

#### 4.3 Amendments to published accounting and reporting standards that are effective in the current period

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 impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

	Note	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
<b>5. BALANCES WITH BANKS</b>			
<b>MCPP-IX</b>			
<b>----(Rupees in '000)----</b>			
Saving accounts	5.1	704	15,908
5.1	The balances in savings accounts have an expected profit which ranges from 7.40% to 13.00% per annum. (June 30, 2019: 6.30% to 11.85% per annum).		

6. INVESTMENTS	Note	March 31,	June 30,
		2020 (Unaudited)	2019 (Audited)
		MCPP-IX	
		----(Rupees in '000)----	
Investments - 'at fair value through profit or loss' - units of mutual funds	6.1	83,662	18,944

6.1 Investments - 'at fair value through profit or loss' - Units of mutual funds

Name of investee funds	As at July 01, 2019	Purchases during the period	Sales during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised loss as at March 31, 2020	Percentage in relation to	
								Total market value of investments	Market value on the basis of net assets of the Fund

**Meezan Capital Preservation  
Plan - IX**

Meezan Dedicated Equity Fund	153,424	3,197,463	2,885,262	465,625	17,798	13,143	(4,655)	16.00%	15.63%
Meezan Cash Fund	64,627	1,474,895	1,539,522	-	-	-	-	-	-
Meezan Sovereign Fund	198,820	232,743	431,562	-	-	-	-	-	-
Meezan Rozana Amdani Fund	-	4,654,461	3,244,079	1,410,382	70,519	70,519	-	84.00%	83.88%
					<b>88,317</b>	<b>83,662</b>	<b>(4,655)</b>	<b>100%</b>	<b>100%</b>

7. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP).

Effective from July 1, 2019, the SECP vide SRO No. 685(I)/2019 dated June 28, 2019, revised the rate of annual fee to 0.02% of net assets, applicable on all categories of CISs. Previously, the rate of annual fee applicable to fund of funds was 0.095%. Accordingly, the Fund has charged SECP Fee at the rate of 0.02% of net assets during the current period.

8. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2020 and June 30, 2019.





	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
<b>MCCPP-IX</b>		
----(Rupees in '000)----		
<b>9. ACCRUED EXPENSES AND OTHER LIABILITIES</b>		
Auditors' remuneration payable	35	50
Shariah advisory fee payable	215	30
Capital gain tax payable	1	-
	251	80

- 9.1** As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, 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).

#### 10. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include Al Meezan Investment Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, Directors and Executives of the Management Company, other funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited Employees' Gratuity Fund and unitholders holding 10 percent or more of the Fund's net assets.

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

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Rules, the NBFC Regulations and the Trust Deed respectively.

Detail of transactions with connected persons and balances with them are as follows:

	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
<b>MCCPP IX</b>		
----(Rupees in '000)----		
<b>Al Meezan Investment Management Limited - Management Company</b>		
Remuneration payable (Rs in '000)	1	4
Sindh Sales Tax on management fee (Rs in '000)	-	1
Allocated expenses (Rs in '000)	8	1
Sales load payable (Rs in '000)	-	761
Sindh Sales Tax on sales load payable (Rs in '000)	-	99
Investment (Rs in '000)	67,133	-
Investment (Units)	1,422,356	-
<b>Meezan Bank Limited</b>		
Bank balance (Rs in '000)	684	15,898
Profit receivable (Rs in '000)	8	26

	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
<b>MCPPI IX</b>		
----(Rupees in '000)----		
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Trustee fee payable (Rs. in '000)	5	1
Sindh Sales Tax on trustee fee payable (Rs. in '000)	1	-
<b>Meezan Dedicated Equity Fund</b>		
Investment (Rs in '000)	13,143	5,449
Investment (Units)	465,625	153,424
<b>Meezan Cash Fund</b>		
Investment (Rs in '000)	-	3,259
Investment (Units)	-	64,627
<b>Meezan Sovereign Fund</b>		
Investment (Rs in '000)	-	10,236
Investment (Units)	-	198,820
<b>Meezan Rozana Amdani Fund</b>		
Investment (Rs in '000)	70,519	-
Investment (Units)	1,410,382	-
<b>Unit holders holding 10% or more units of the Fund</b>		
Investment (Rs in '000)	-	4,802
Investment (Units)	-	99,555
		<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;"> <b>For the nine months period ended March 31, 2020 (Unaudited)</b>  <b>MCPPI IX</b>  <b>(Rupees in '000)</b> </div>
<b>Al Meezan Investment Management Limited - Management Company</b>		
Remuneration for the period (Rs in '000)		25
Sindh Sales Tax on management fee (Rs in '000)		3
Allocated expenses (Rs in '000)		69
Invested during the period (Rs in '000)		68,876
Invested during the period (Units)		1,422,356
<b>Meezan Bank Limited</b>		
Profit on saving account (Rs in '000)		235
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Trustee fee for the period (Rs in '000)		50
Sindh Sales Tax on trustee fee (Rs in '000)		6
<b>Meezan Dedicated Equity Fund</b>		
Invested during the period (Rs in '000)		113,000
Invested during the period (Units)		3,197,463
Redeemed during the period (Rs in '000)		98,250
Redeemed during the period (Units)		2,885,262
<b>Meezan Cash Fund</b>		
Invested during the period (Rs in '000)		74,789
Invested during the period (Units)		1,474,895
Redeemed during the period (Rs in '000)		78,255
Redeemed during the period (Units)		1,539,522

**For the nine  
months  
period ended  
March 31,  
2020  
(Unaudited)**

**MCPPI IX  
(Rupees in '000)**

**Meezan Sovereign Fund**

Invested during the period (Rs in '000)	12,000
Invested during the period (Units)	232,743
Redeemed during the period (Rs in '000)	22,255
Redeemed during the period (Units)	431,562

**Meezan Rozana Amdani Fund**

Invested during the period (Rs in '000)	232,723
Invested during the period (Units)	4,654,461
Redeemed during the period (Rs in '000)	162,204
Redeemed during the period (Units)	3,244,079
Dividend received during the period (Units)	112,211
Dividend received during the period (Rs. In '000')	5,611

**11. ALLOCATED EXPENSES**

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

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

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

**12. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE**

The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the trust deed. Effective from July 1, 2019, the Trustee has revised its remuneration as under:

Previous Tariff		Revised Tariff (Flat Rate)
Net Assets (Rs.)	Fee	
Upto Rs. 1 billion	0.1% per annum of net assets	0.07% per annum of Net Assets.
Above Rs. 1 billion	Rs 1 million plus 0.075% per annum of net assets exceeding Rs 1 billion.	

Accordingly, the Fund has charged Trustee Fee @ 0.07% per annum during the current period.

**13. TOTAL EXPENSE RATIO**

The Total Expense Ratio (TER) of Meezan Capital Preservation Plan IX for the period ended March 31, 2020 is 0.73% which include 0.03% representing government levy and SECP fee.

#### 14. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unit holders. The Fund has not recorded any tax liability in respect of income relating to the current period as the Management Company intends to distribute at least 90 percent of the Fund's accounting income for the year ending June 30, 2020 as reduced by capital gains (whether realised or unrealised) to its unit holders. The Fund has not recorded any tax liability as the Fund has incurred a net loss during the period.

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.

#### 15. 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.

- Level 1: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities.
- Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at March 31, 2020 and June 30, 2019, the Fund held the following financial instruments measured at fair value:

ASSETS	As at March 31, 2020		
	Level 1	Level 2	Level 3
	----- Rupees in '000 -----		
<b>Financial assets 'at fair value through profit or loss'</b>			
Units of mutual funds	-	83,662	-

	As at June 30, 2019		
	Level 1	Level 2	Level 3
	----- Rupees in '000 -----		
<b>Financial assets 'at fair value through profit or loss'</b>			
Units of mutual funds	-	18,944	-

#### 16. GENERAL

Figures have been rounded off to the nearest thousand rupees unless otherwise stated.

#### 17. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on \_\_\_\_\_ by the Board of Directors of the Management Company.

**For Al-Meezan Investment Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director







**ILYASI MOSQUE**  
(ABBOTTABAD)






**Meezan**  
Tahaffuz Pension Fund

## **MEEZAN TAHAFFUZ PENSION FUND (MTPF)**

Meezan Tahaffuz Pension Fund is Pakistan's first and the largest Shariah compliant Voluntary Pension Scheme. MTPF is the best way to save and invest for your post-retirement needs and it has the potential to deliver superior returns with the added advantage of providing Tax Benefits which significantly enhances the yield on your investment.

## **STRENGTHENING OUR VALUES IN THE CITY OF HILLS**

 Abbottabad Branch





# FUND INFORMATION

## MANAGEMENT COMPANY

Al Meezan Investment Management Limited  
Ground Floor, Block "B", Finance & Trade Centre,  
Shahrah-e-Faisal Karachi 74400, Pakistan.  
Phone (9221) 35630722-6, 111-MEEZAN  
Fax: (9221) 35676143, 35630808  
Website: [www.almeezangroup.com](http://www.almeezangroup.com)  
E-mail: [info@almeezangroup.com](mailto:info@almeezangroup.com)

## BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Mohammad Shoaib, CFA	Chief Executive Officer
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Mohammad Furquan R Kidwai	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Moin M. Fudda	Independent Director
Ms. Saima Kamila Khan	Independent Director
Mr. Arshad Majeed	Nominee Director - MBL
Mr. Naeem Abdul Sattar	Nominee Director - PKIC
Syed Amir Ali Zaidi	Nominee Director - PKIC

## CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Syed Owais Wasti

## AUDIT COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Arshad Majeed	Member
Mr. Naeem Abdul Sattar	Member

## RISK MANAGEMENT COMMITTEE

Mr. Muhammad Abdullah Ahmed	Chairman
Syed Amir Ali Zaidi	Member
Mr. Naeem Abdul Sattar	Member

## HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Ariful Islam	Member
Mr. Naeem Abdul Sattar	Member
Mr. Mohammad Shoaib, CFA	Member

## TRUSTEE

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

## AUDITORS

KPMG Taseer Hadi & Co  
Chartered Accountants  
Sheikh Sultan Trust Buildings, Ground No 2 Beaumont Rd, Civil Lines, Karachi-75530 Pakistan

## SHARIAH ADVISER

Meezan Bank Limited

## BANKERS TO THE FUND

Allied Bank Limited	Habib Metropolitan Bank Limited - Islamic Banking
Al Baraka Islamic Bank B.S.C (E.C)	MCB Islamic Bank Limited
Askari Bank Limited - Islamic Banking	Meezan Bank Limited
Bank Al Habib Limited - Islamic Banking	National Bank of Pakistan - Islamic Banking
Bank Alfalah Limited	Sindh Bank Limited
Bank Islami Pakistan Limited	UBL Ameen - Islamic Banking
Dubai Islamic Bank Pakistan Limited	
Faysal Bank Limited - Islamic Banking	
Habib Bank Limited -Islamic Banking	

## LEGAL ADVISER

Bawaney & Partners  
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,  
Phase VI, DHA, Karachi.  
Phone (9221) 35156191-94 Fax: (9221) 35156195  
E-mail:

## TRANSFER AGENT

Meezan Bank Limited  
Meezan House  
C-25, Estate Avenue, SITE, Karachi.  
Phone: 38103538 Fax: 36406017  
Website: [www.meezanbank.com](http://www.meezanbank.com)

## DISTRIBUTORS

Al Meezan Investment Management Limited  
Meezan Bank Limited  
Standard Chartered Bank (Pakistan) Limited



**MEEZAN TAHAFFUZ PENSION FUND  
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES  
AS AT MARCH 31, 2020**

Note	March 31, 2020 (Unaudited)					June 30, 2019 (Audited) Total	
	Equity sub fund	Debt sub fund	Money Market sub fund	Gold sub fund	Total		
----- (Rupees in '000) -----							
<b>ASSETS</b>							
Bank balances	5	84,895	1,840,625	2,321,437	17,640	4,264,597	3,306,722
Investments	6	3,178,407	1,231,326	640,000	85,470	5,135,203	5,752,971
Dividend receivable		19,630	-	-	-	19,630	15,260
Deposits and other receivables	7	11,080	57,406	36,468	97	105,051	87,842
Receivable against sale of investments		8,636	-	-	-	8,636	3,698
Receivable against change of plan / change of fund manager / issuance of units		28,284	-	-	886	29,170	14,759
<b>Total assets</b>		<b>3,330,932</b>	<b>3,129,357</b>	<b>2,997,905</b>	<b>104,093</b>	<b>9,562,287</b>	<b>9,181,252</b>
<b>LIABILITIES</b>							
Payable to Al Meezan Investment Management Limited - Pension Fund Manager		5,318	4,398	4,179	142	14,037	12,480
Payable to Central Depository Company of Pakistan Limited - Trustee		294	244	232	8	778	715
Payable to auditors		48	48	48	48	192	252
Payable to Securities and Exchange Commission of Pakistan		1,010	711	630	24	2,375	3,100
Payable against purchase of investments		77,883	-	-	-	77,883	17
Payable against withdrawal / change of plan		4,502	23,830	9,699	304	38,335	24,345
Accrued expenses and other liabilities	8	67,346	24,705	11,785	1,073	104,909	90,024
<b>Total liabilities</b>		<b>156,401</b>	<b>53,936</b>	<b>26,573</b>	<b>1,599</b>	<b>238,509</b>	<b>130,933</b>
<b>NET ASSETS</b>		<b>3,174,531</b>	<b>3,075,421</b>	<b>2,971,332</b>	<b>102,494</b>	<b>9,323,778</b>	<b>9,050,319</b>
<b>Contingencies and commitments</b>	9						
<b>PARTICIPANTS' SUB - FUNDS</b> (as per statement attached)		<b>3,174,531</b>	<b>3,075,421</b>	<b>2,971,332</b>	<b>102,494</b>	<b>9,323,778</b>	
----- (Number of units) -----							
<b>Number of units in issue</b> (as per statement attached)		<b>9,862,029</b>	<b>11,970,044</b>	<b>11,710,844</b>	<b>720,264</b>		
----- (Rupees) -----							
<b>Net assets value per unit</b>		<b>321.8943</b>	<b>256.9265</b>	<b>253.7249</b>	<b>142.3021</b>		

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

**For Al Meezan Investment Management Limited  
(Pension Fund Manager)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN TAHAFFUZ PENSION FUND**  
**CONDENSED INTERIM INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020 (UNAUDITED)**

Note	For the nine months period ended March 31, 2020				Total	For the nine months period ended March 31, 2019
	Equity sub fund	Debt sub fund	Money Market sub fund	Gold sub fund		Total
(Rupees in '000)						
<b>INCOME</b>						
Profit from sukuk certificates	-	130,978	17,430	-	148,408	80,062
Profit on saving accounts with banks	16,628	118,269	193,440	854	329,191	130,956
Profit on term deposit receipts	-	34,207	29,692	-	63,899	51,755
Dividend income	156,304	-	-	-	156,304	162,810
Unrealised (diminution) / appreciation on 're-measurement of investments at 'fair value through profit or loss' (net)	6.1, 6.2 & 6.3 (690,930)	320	-	-	(690,610)	(559,757)
Unrealised appreciation on investment in gold	6.4 -	-	-	8,198	8,198	7,256
Net realised gain / (loss) on sale of investments	9,444	259	-	261	9,964	(126,111)
Other income	-	-	-	328	328	392
<b>Total (loss) / income</b>	<b>(508,554)</b>	<b>284,033</b>	<b>240,562</b>	<b>9,641</b>	<b>25,682</b>	<b>(252,637)</b>
<b>EXPENSES</b>						
Remuneration to Al Meezan Investment Management Limited - Pension Fund Manager	45,503	32,010	28,366	1,075	106,954	106,130
Sindh Sales Tax on remuneration of the Pension Fund Manager	5,915	4,161	3,688	140	13,904	13,797
Remuneration of Central Depository Company of Pakistan Limited - Trustee	2,553	1,800	1,594	61	6,008	5,972
Sindh Sales Tax on remuneration of the Trustee	332	234	207	8	781	776
Annual fee to Securities and Exchange Commission of Pakistan	1,010	711	630	24	2,375	2,357
Auditors' remuneration	113	113	113	114	453	405
Brokerage charges and custodian fee	4,422	34	-	634	5,090	3,518
Bank and settlement charges	625	200	134	30	989	786
Charity expense	4,455	-	-	-	4,455	2,445
Provision for Sindh Workers' Welfare Fund	-	5,085	4,656	174	9,915	4,202
<b>Total expenses</b>	<b>64,928</b>	<b>44,348</b>	<b>39,388</b>	<b>2,260</b>	<b>150,924</b>	<b>140,388</b>
<b>Net (loss) / income from operating activities</b>	<b>(573,482)</b>	<b>239,685</b>	<b>201,174</b>	<b>7,381</b>	<b>(125,242)</b>	<b>(393,025)</b>
Element of income and capital gains / (losses) included in prices of units issued less those in units redeemed (net)	24,343	9,463	26,945	1,131	61,882	6,395
<b>Net (loss) / income for the period before taxation</b>	<b>(549,139)</b>	<b>249,148</b>	<b>228,119</b>	<b>8,512</b>	<b>(63,360)</b>	<b>(386,630)</b>
Taxation	13 -	-	-	-	-	-
<b>Net (loss) / income for the period after taxation</b>	<b>(549,139)</b>	<b>249,148</b>	<b>228,119</b>	<b>8,512</b>	<b>(63,360)</b>	<b>(386,630)</b>
<b>Total comprehensive income for the period</b>	<b>(549,139)</b>	<b>249,148</b>	<b>228,119</b>	<b>8,512</b>	<b>(63,360)</b>	<b>(386,630)</b>

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Pension Fund Manager)

Chief Executive

Chief Financial Officer

Director



**MEEZAN TAHAFFUZ PENSION FUND**  
**CONDENSED INTERIM INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE QUARTER ENDED MARCH 31, 2020 (UNAUDITED)**

Note	For the quarter ended March 31, 2020				Total	For the quarter ended March 31, 2019
	Equity sub fund	Debt sub fund	Money Market sub fund	Gold sub fund		Total

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

**INCOME**

Profit from sukuk certificates	-	43,077	6,974	-	50,051	32,699
Profit on saving accounts with banks	5,240	49,590	66,361	334	121,525	59,458
Profit on term deposit receipts	-	6,193	14,501	-	20,694	17,152
Dividend income	27,515	-	-	-	27,515	28,346
Unrealised (diminution) / appreciation on 're-measurement of investments at 'fair value through profit or loss' (net)	6.1 & 6.2 (1,398,441)	1,275	-	-	(1,397,166)	154,763
Unrealised appreciation on investment in gold	6.4 -	-	-	3,157	3,157	341
Net realised gain / (loss) on sale of investments	26,248	128	-	-	26,376	(49,060)
Other income	-	-	-	93	93	38
<b>Total (loss) / income</b>	<b>(1,339,438)</b>	<b>100,263</b>	<b>87,836</b>	<b>3,584</b>	<b>(1,147,755)</b>	<b>243,737</b>

**EXPENSES**

Remuneration to Al Meezan Investment Management Limited - Pension Fund Manager	16,122	11,081	10,350	361	37,914	35,152
Sindh Sales Tax on remuneration of the Pension Fund Manager	2,095	1,440	1,346	47	4,928	4,570
Remuneration of Central Depository Company of Pakistan Limited - Trustee	887	611	571	20	2,089	1,974
Sindh Sales Tax on remuneration of the Trustee	115	79	74	3	271	255
Annual fee to Securities and Exchange Commission of Pakistan	358	246	230	8	842	780
Auditors' remuneration	16	16	16	17	65	64
Brokerage charges and custodian fee	2,369	20	-	214	2,603	1,088
Bank and settlement charges	245	19	13	(1)	276	169
Charity expense	960	-	-	-	960	460
Provision for Sindh Workers' Welfare Fund	(16,461)	1,871	1,865	73	(12,652)	1,730
<b>Total expenses</b>	<b>6,706</b>	<b>15,383</b>	<b>14,465</b>	<b>742</b>	<b>37,296</b>	<b>46,242</b>

<b>Net (loss) / income from operating activities</b>	<b>(1,346,144)</b>	<b>84,880</b>	<b>73,371</b>	<b>2,842</b>	<b>(1,185,051)</b>	<b>197,495</b>
Element of (loss) / income and capital gains / (losses) included in prices of units issued less those in units redeemed (net)	(9,575)	6,793	18,006	743	15,967	17,339
<b>Net (loss) / income for the quarter before taxation</b>	<b>(1,355,719)</b>	<b>91,673</b>	<b>91,377</b>	<b>3,585</b>	<b>(1,169,084)</b>	<b>214,834</b>
Taxation	12 -	-	-	-	-	-
<b>Net (loss) / income for the quarter after taxation</b>	<b>(1,355,719)</b>	<b>91,673</b>	<b>91,377</b>	<b>3,585</b>	<b>(1,169,084)</b>	<b>214,834</b>
<b>Total comprehensive income for the quarter</b>	<b>(1,355,719)</b>	<b>91,673</b>	<b>91,377</b>	<b>3,585</b>	<b>(1,169,084)</b>	<b>214,834</b>

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Pension Fund Manager)

Chief Executive

Chief Financial Officer

Director

**MEEZAN TAHAFUZZ PENSION FUND**  
**CONDENSED INTERIM CASH FLOW STATEMENT**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020 (UNAUDITED)**

Note	For the nine months period ended March 31, 2020				Total	For the nine months period ended March 31, 2019
	Equity sub fund	Debt sub fund	Money Market sub fund	Gold sub fund		Total
----- (Rupees in '000) -----						
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>						
Net (loss) / income for the period before taxation	(549,139)	249,148	228,119	8,512	(63,360)	(386,630)
<b>Adjustments :</b>						
Unrealised diminution on 're-measurement of investments at 'fair value through profit or loss' (net)	6.1 & 6.2	690,930	(320)	-	690,610	559,757
Unrealised appreciation on investment in gold	6.4	-	-	(8,198)	(8,198)	(7,256)
Element of income and capital losses / (gains) included in prices of units issued less those in units redeemed (net)		(24,343)	(9,463)	(26,945)	(61,882)	(6,395)
		117,448	239,365	201,174	(817)	557,170
						159,476
<b>Decrease / (increase) in assets</b>						
Investments (net)		51,717	266,293	(376,600)	(6,054)	(64,644)
Receivable against sale of investments		(4,938)	-	-	-	(4,938)
Dividend receivable		(4,370)	-	-	-	(4,370)
Deposits and other receivables		(2,462)	(4,124)	(10,582)	(41)	(17,209)
		39,947	262,169	(387,182)	(6,095)	(91,161)
						(205,879)
<b>(Decrease) / increase in liabilities</b>						
Payable to Al Meezan Investment Management Limited - Pension fund Manager		(526)	633	1,416	34	1,557
Payable to Central Depository Company of Pakistan Limited - Trustee		(41)	28	74	2	63
Payable to Securities and Exchange Commission of Pakistan		(687)	(182)	140	4	(725)
Payable to auditors		(15)	(15)	(15)	(15)	(60)
Payable against purchase of investments		77,883	-	-	(17)	77,866
Accrued expenses and other liabilities		4,716	5,046	4,656	467	14,885
		81,330	5,510	6,271	475	93,586
						17,444
<b>Net cash generated from / (used in) operating activities</b>		238,725	507,044	(179,737)	(6,437)	559,595
						(28,959)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>						
Receipts of contribution / change of plan / change of fund manager / issuance of units		1,092,457	1,651,477	2,429,918	22,671	5,196,523
Payments on withdrawal / change of plan		(1,469,247)	(1,588,102)	(1,730,315)	(10,579)	(4,798,243)
<b>Net cash (used in) / generated from financing activities</b>		(376,790)	63,375	699,603	12,092	398,280
						452,426
<b>Net (decrease) / increase in cash and cash equivalents during the period</b>		(138,065)	570,419	519,866	5,655	957,875
						423,467
Cash and cash equivalents at beginning of the period		222,960	1,270,206	1,801,571	11,985	3,306,722
						1,450,885
Cash and cash equivalents at end of the period	5	84,895	1,840,625	2,321,437	17,640	4,264,597
						1,874,352

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Pension Fund Manager)

Chief Executive

Chief Financial Officer

Director



**MEEZAN TAHAFFUZ PENSION FUND**  
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS SUB FUNDS**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020 (UNAUDITED)**

	For the nine months period ended March 31, 2020				Total	For the nine months period ended March 31, 2019
	Equity sub fund	Debt sub fund	Money Market sub fund	Gold sub fund		Total
	----- (Rupees in '000) -----					
<b>Net assets at beginning of the period</b>	<b>4,086,115</b>	<b>2,807,052</b>	<b>2,072,836</b>	<b>84,316</b>	<b>9,050,319</b>	9,257,013
Amount received on issuance of units (2020: Equity sub fund: 2,966,544 units Debt sub fund: 6,697,696 units; Money market sub fund: 9,983,372 units ; Gold sub fund: 153,148 units) (2019: Equity sub fund: 2,887,694 units Debt sub fund: 4,534,809 units; Money market sub fund: 9,408,881 units ; Gold sub fund: 67,652 units)	<b>1,120,741</b>	<b>1,638,595</b>	<b>2,429,918</b>	<b>21,680</b>	<b>5,210,934</b>	4,463,728
Amount paid on withdrawal of units (2020: Equity sub fund: 3,926,469 units Debt sub fund: 6,616,287 units; Money market sub fund: 7,121,514 units ; Gold sub fund: 79,068 units) (2019: Equity sub fund: 2,883,495 units; Debt sub fund: 5,729,141 units; Money market sub fund: 6,289,987 units ; Gold sub fund: 12,847 units)	<b>(1,458,843)</b>	<b>(1,609,911)</b>	<b>(1,732,596)</b>	<b>(10,883)</b>	<b>(4,812,233)</b>	(4,032,282)
	<b>(338,102)</b>	<b>28,684</b>	<b>697,322</b>	<b>10,797</b>	<b>398,701</b>	431,446
Element of income and capital gains / (losses) included in prices of units issued less those in units redeemed (net)	<b>(24,343)</b>	<b>(9,463)</b>	<b>(26,945)</b>	<b>(1,131)</b>	<b>(61,882)</b>	(6,395)
Net realised gain / (loss) on sale of investments Unrealised (diminution) / appreciation on 're-measurement of investments at 'fair value through profit or loss' (net) Unrealised appreciation on investment in gold Other net income for the period	<b>9,444</b> <b>(690,930)</b> <b>-</b> <b>132,347</b> <b>(549,139)</b>	<b>259</b> <b>320</b> <b>-</b> <b>248,569</b> <b>249,148</b>	<b>-</b> <b>-</b> <b>-</b> <b>228,119</b> <b>228,119</b>	<b>261</b> <b>-</b> <b>8,198</b> <b>53</b> <b>8,512</b>	<b>9,964</b> <b>-</b> <b>(690,610)</b> <b>8,198</b> <b>609,088</b> <b>(63,360)</b>	(126,111) (559,757) 7,256 291,982 (386,630)
<b>Net assets at end of the period</b>	<b>3,174,531</b>	<b>3,075,421</b>	<b>2,971,332</b>	<b>102,494</b>	<b>9,323,778</b>	9,295,434

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

**For Al Meezan Investment Management Limited**  
**(Pension Fund Manager)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**MEEZAN TAHAFFUZ PENSION FUND**  
**CONDENSED INTERIM CONTRIBUTION TABLE**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020 (UNAUDITED)**

For the nine months period ended March 31, 2020								Total	For the nine months period ended March 31, 2019
Equity sub fund		Debt sub fund		Money Market sub fund		Gold sub fund			
Units	(Rupees in '000)	Units	(Rupees in '000)	Units	(Rupees in '000)	Units	(Rupees in '000)	(Rupees in '000)	(Rupees in '000)

**Contribution net of front end fee for the period**

Individuals

- issuance of units	<u>2,966,544</u>	<u>1,120,741</u>	<u>6,697,696</u>	<u>1,638,595</u>	<u>9,983,372</u>	<u>2,429,918</u>	<u>153,148</u>	<u>21,680</u>	<u>5,210,934</u>	<u>4,463,728</u>
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The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

**For Al Meezan Investment Management Limited**  
**(Pension Fund Manager)**

\_\_\_\_\_  
**Chief Executive**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**





**MEEZAN TAHAFFUZ PENSION FUND**  
**CONDENSED INTERIM NUMBER OF UNITS IN ISSUE**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020 (UNAUDITED)**

For the nine months period ended March 31, 2020			
Equity sub fund	Debt sub fund	Money market sub fund	Gold sub fund

----- (Number of units) -----

Total units in issue at beginning of the period	10,821,954	11,888,635	8,848,986	646,184
Add: Units issued / converted / reallocated during the period	2,966,544	6,697,696	9,983,372	153,148
Less: Units redeemed / converted / reallocated during the period	(3,926,469)	(6,616,287)	(7,121,514)	(79,068)
Total units in issue at the end of the period	<b>9,862,029</b>	<b>11,970,044</b>	<b>11,710,844</b>	<b>720,264</b>

For the nine months ended March 31, 2019			
Equity sub fund	Debt sub fund	Money market sub fund	Gold sub fund

----- (Number of units) -----

Total units in issue at beginning of the period	10,977,414	12,523,118	4,643,622	491,873
Add: Units issued / converted / reallocated during the period	2,887,694	4,534,809	9,408,811	67,652
Less: Units redeemed / converted / reallocated during the period	(2,883,495)	(5,729,141)	(6,289,987)	(12,847)
Total units in issue at the end of the period	<b>10,981,613</b>	<b>11,328,786</b>	<b>7,762,446</b>	<b>546,678</b>

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

**For Al Meezan Investment Management Limited**  
**(Pension Fund Manager)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

## MEEZAN TAHAFFUZ PENSION FUND

### NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

#### FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020 (UNAUDITED)

#### 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Meezan Tahaffuz Pension Fund (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited as Pension Fund Manager and Central Depository Company of Pakistan Limited (CDC) as trustee. The Trust Deed was executed and approved by the Securities and Exchange Commission of Pakistan on May 30, 2007 under the Voluntary Pension System Rules, 2005 (VPS Rules). The registered office of the Pension Fund Manager of the Fund, is situated at Ground Floor, Block B Finance and Trade Centre Sarah-e-Faisal, Karachi 74400, Pakistan.

The Fund offers a saving mechanism where an individual saves from his / her income during work life in order to retain financial security and comfort in terms of regular income stream after retirement. The Fund comprises of four Shariah compliant sub funds namely Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund and Gold Sub-Fund (collectively the "Sub-Funds"). Participants are offered various investment allocation schemes depending on their investment horizon, return requirements, risk tolerance and any unique circumstances. The Fund offers six types of allocation schemes to the contributors of the Fund namely High Volatility, Medium Volatility, Low Volatility, Lower Volatility, Variable Volatility and Life Cycle Allocation. The participants of the Fund voluntarily determine the contribution amount, subject to the minimum limit fixed by the Pension Fund Manager. Allocation scheme can be selected initially at the time of opening of account and subsequently the allocation and percentages may change twice in a financial year. The contributions from participants are invested in various instruments belonging to different asset classes to get full benefits of risk minimization through diversification.

- 1.2 Summary of significant investment policy for each of the Sub-Fund is as follows:

##### Equity Sub Fund

- The Equity Sub-Fund shall invest atleast 90% of net assets in listed equity securities based on quarterly average investment calculated on daily basis. Investment in single company shall not exceed 10% of net assets or paid-up capital of the investee company, whichever is lower. Surplus funds may be invested in Government Securities with maturity of less than one year or deposits with Banks which are rated not less than "A".

##### Debt Sub Fund

- The Debt Sub-Fund shall consist of debt securities with maturity of not more than 5 years. At least 25 % of net assets of the Debt Sub-Fund shall be invested in debt securities issued by the Federal Government and up to 25 % of net assets of Debt Sub-Fund may be deposited with Banks having not less than "AA Plus" rating. However, if such debt securities issued by Federal Government are not available, the assets of Debt Sub-Fund may be deposited in Islamic Commercial Banks, having not less than "A+" rating or Islamic windows of conventional commercial Banks, having not less than "AA" rating or may be invested in Islamic bonds or Sukuks issued by entities wholly-owned by the Federal Government or in such Islamic securities which are fully guaranteed by the Federal Government.

##### Money Market Sub Fund

- The Money Market Sub-Fund consists of short term debt instruments with weighted average maturity upto one year. Shariah Compliant Money Market Sub Fund can invest in shariah compliant government securities where the time to maturity may be upto three years.

##### Gold Sub Fund

- The Gold Sub Fund consist of physical gold and aim to provide opportunities of capital appreciation and maximum exposure to price of gold in a Shariah Compliant manner, by investing a significant portion of net assets in deliverable gold base contracts available on Pakistan Mercantile Exchange (PMEX).

- 1.3 The Fund has been formed to enable the participants to contribute in a diversified portfolio of securities, which are Shariah compliant. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah. The pension fund manager has appointed Meezan Bank Limited (MBL) as its Shariah advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.4 The Fund is an unlisted pension scheme. Units are offered for public subscription on a continuous basis. The units are non-transferable and can be redeemed by surrendering them to the Fund at the option of the participants.
- 1.5 Title to the assets of the Sub Funds are held in the name of CDC as a Trustee of the Fund.
- 1.6 Meezan Bank Limited acts as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.7 The Pension Fund Manager has been assigned a quality rating of AM1 by VIS dated December 31, 2019 (2018: AM1 dated December 28, 2018) and AM1 by PACRA dated December 28, 2019 (2019: AM1 dated June 28, 2019). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

#### 2. BASIS OF PRESENTATION

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the approved accounting standards as applicable in Pakistan.

#### 3. STATEMENT OF COMPLIANCE

This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprises of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017; and

Provisions of the Voluntary Pension System Rules, 2005 (the VPS Rules) and directives issued by the Securities and Exchange Commission of Pakistan (SECP).

Wherever the requirements of the VPS Rules or directives issued by the SECP differ with the requirements of the IAS 34, the requirements of the VPS Rules or the directives issued by the SECP shall prevail.

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT

- 4.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2019.
- 4.2 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2019. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2019.
- 4.3 **Amendments to published accounting and reporting standards that are effective in the current period**

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 impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

Note	March 31, 2020 (Unaudited)					June 30, 2019 (Audited)
	Equity sub fund	Debt sub fund	Money Market sub fund	Gold sub fund	Total	Total
----- (Rupees in '000) -----						
5. BANK BALANCES						
Current accounts	5,761	-	-	-	5,761	1,295
Savings accounts	79,134	1,840,625	2,321,437	17,640	4,258,836	3,305,427
5.1	<u>84,895</u>	<u>1,840,625</u>	<u>2,321,437</u>	<u>17,640</u>	<u>4,264,597</u>	<u>3,306,722</u>

5.1 The balance in savings accounts carry expected profit which ranges from 3.00% to 13.00% (2019: 3.00% to 12.50%) per annum.

Note	March 31, 2020 (Unaudited)					June 30, 2019 (Audited)
	Equity sub fund	Debt sub fund	Money Market sub fund	Gold sub fund	Total	Total
----- (Rupees in '000) -----						
6. INVESTMENTS						
<b>Investments designated at fair value through profit or loss</b>						
- shares of listed companies	3,178,407	-	-	-	3,178,407	3,921,054
- sukuk certificates	-	1,051,326	100,000	-	1,151,326	1,169,800
	<u>3,178,407</u>	<u>1,051,326</u>	<u>100,000</u>	<u>-</u>	<u>4,329,733</u>	<u>5,090,854</u>
<b>Loans and receivables</b>						
term deposits	-	180,000	540,000	-	720,000	220,000
commercial paper	-	-	-	-	-	370,899
<b>Investment in gold</b>						
6.4	-	-	-	85,470	85,470	71,218
	<u>3,178,407</u>	<u>1,231,326</u>	<u>640,000</u>	<u>85,470</u>	<u>5,135,203</u>	<u>5,752,971</u>

## 6.1 \*Held for trading\* - shares of listed companies

Name of the investee company	As at July 01, 2019	Purchases during the period	Cost of purchase during the period	Bonus / Rights issue during the period	Sales during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised (loss) / gain as at March 31, 2020	Percentage of net assets on the basis of market value of the respective sub fund (see note 6.1.2 below)	Percentage of paid-up capital of investee company
	----- (Number of shares) -----		(Rupees in '000)		----- (Number of shares) -----		----- (Rupees in '000) -----			----- % -----	
<b>Equity Sub Fund</b>											
<b>Sector / companies</b>											
<b>Automobile Assembler</b>											
Atlas Honda Limited	24,360	-	-	-	24,360	-	-	-	-	-	-
Millat Tractors Limited	50,550	30,000	20,398	6,093	52,750	33,893	23,540	18,413	(5,127)	0.58	0.07
Gandhara Industries Limited	200,800	-	-	-	188,100	12,700	1,110	821	(289)	0.03	0.03
Indus Motor Company Limited	-	36,420	44,227	-	-	36,420	44,227	26,569	(17,658)	0.84	0.05
										<b>1.45</b>	<b>0.15</b>
<b>Automobile Parts &amp; Accessories</b>											
Agriauto Industries Limited (6.1.1)	-	63,000	13,212	-	-	63,000	13,212	10,096	(3,116)	0.32	0.44
Thal Limited (6.1.1)	-	137,400	33,264	-	137,400	-	-	-	-	-	-
										<b>0.32</b>	<b>0.44</b>
<b>Commercial Bank</b>											
Bank Islami Pakistan Limited	-	5,025,000	54,199	-	275,000	4,750,000	51,238	42,845	(8,393)	1.35	0.43
<b>Cement</b>											
D.G Khan Cement Company Limited	477,800	1,130,000	81,899	-	777,800	830,000	65,227	49,178	(16,049)	1.55	0.19
Lucky Cement Limited	792,456	197,900	81,440	-	155,000	835,356	323,610	309,666	(13,944)	9.75	0.26
Pleaser Cement Company Limited	2,600	-	-	-	2,600	-	-	-	-	-	-
Maple Leaf Cement Factory Limited	354,062	2,473,552	63,700	-	604,000	2,223,614	57,266	46,073	(11,193)	1.45	0.20
Kohat Cement Company Limited	658,820	130,000	15,309	-	220,000	568,820	38,360	49,630	11,270	1.56	0.28
Attock Cement Pakistan Limited	20,500	-	-	-	20,000	500	36	43	7	-	-
Cherat Cement Company Limited Fauji Cement	-	1,075,000	63,906	10,000	475,000	610,000	46,996	33,788	(13,208)	1.06	0.31
		3,625,000	59,367	-	595,000	3,030,000	50,833	44,874	(5,959)	1.41	0.22
										<b>16.78</b>	<b>1.46</b>
<b>Chemical</b>											
Engro Polymer & Chemicals Limited	1,976,709	4,382,500	126,708	-	2,668,500	3,690,709	106,494	90,496	(15,998)	2.85	0.41
ICI Pakistan Limited	205,820	7,000	3,353	-	300	212,520	112,786	107,603	(5,183)	3.39	0.23
Sitara Chemical Industries Limited	36,600	-	-	-	-	36,600	11,195	8,772	(2,423)	0.28	0.17
Lotte Chemical Pakistan Limited	-	820,000	7,616	-	-	820,000	7,616	8,061	443	0.25	0.05
										<b>6.77</b>	<b>0.86</b>
<b>Engineering</b>											
K.S.B Pumps Company Limited	67,500	-	-	-	66,700	800	81	101	20	0.42	0.01
International Steels Limited	359,100	620,000	25,550	-	609,100	370,000	17,320	13,390	(3,930)	0.42	0.09
International Industries Limited	209,500	447,000	43,776	50	649,000	7,550	739	571	(168)	0.02	0.01
Arnelli Steels Limited	-	250,000	7,237	-	250,000	-	-	-	-	-	-
Mughal Iron & Steel Industries	-	282,500	8,852	-	125,000	157,500	4,935	4,934	(1)	0.16	0.06
										<b>0.60</b>	<b>0.17</b>
<b>Fertilizer</b>											
Engro Corporation Limited (note 6.1.3)	1,473,120	25,000	7,538	-	246,700	1,251,420	333,240	334,004	764	10.52	0.22
Engro Fertilizers Limited	3,063,000	634,000	42,294	-	775,000	2,922,000	188,239	168,483	(19,756)	5.31	0.22
Dawood Hercules Corporation Limited	-	54,000	7,314	-	-	54,000	7,314	5,597	(1,717)	0.18	0.01
										<b>16.01</b>	<b>0.45</b>
<b>Food and Personal Care Products</b>											
National Foods Limited (6.1.1)	100,000	-	-	3,680	101,600	2,080	319	413	94	0.01	-
Al-Shaher Corporation Limited	33,160	-	-	-	-	33,160	418	315	(103)	0.01	0.02
Al- Tahur Limited	8,318	-	-	831	-	9,149	164	144	(20)	-	0.01
										<b>0.02</b>	<b>0.03</b>
<b>Glass &amp; Ceramics</b>											
Ghani Glass Limited	-	613,000	32,315	-	-	613,000	32,315	22,797	(9,518)	0.72	0.11
Tariq Glass Industries	382,600	50,000	5,725	64,300	304,000	192,900	11,748	9,749	(1,999)	0.31	0.18
										<b>1.03</b>	<b>0.29</b>
<b>Oil and Gas Exploration Companies</b>											
Oil and Gas Development Company Limited	2,965,300	450,000	51,168	-	1,419,100	1,996,200	254,489	153,687	(100,802)	4.84	0.05
Pakistan Oilfields Limited	802,520	35,000	13,961	-	237,000	600,520	243,568	157,462	(86,106)	4.96	0.21
Pakistan Petroleum Limited	2,303,765	270,000	37,098	413,673	1,195,400	1,792,038	218,898	128,686	(90,212)	4.05	0.07
Mari Petroleum Company Limited	251,440	13,000	15,431	24,844	13,000	276,284	256,998	246,197	(10,801)	7.76	0.21
										<b>21.61</b>	<b>0.54</b>
<b>Oil and Gas Marketing Companies</b>											
Pakistan State Oil Company Limited	1,335,450	321,200	55,818	251,090	851,000	1,056,740	158,976	128,394	(30,582)	4.04	0.23
Attock Petroleum Limited	68,144	82,000	25,142	-	150,144	-	44,802	35,435	(9,367)	1.12	0.15
Sui Northern Gas Pipelines Limited	2,860,600	-	-	-	190,000	2,670,600	185,580	98,545	(87,035)	3.10	0.42
Sui Southern Gas Company Limited	142,500	-	-	-	-	142,500	2,947	1,553	(1,294)	0.05	0.02
Haseco Petroleum Limited	228,638	-	-	-	226,050	2,588	178	30	(148)	-	-
Shell Pakistan Limited	-	47,900	9,167	-	-	47,900	9,167	5,583	(3,584)	0.18	0.04
										<b>8.49</b>	<b>0.86</b>
<b>Paper and Board</b>											
Packages Limited	209,601	3,000	847	-	64,600	148,001	44,442	33,790	(10,652)	1.06	0.17
Cherat Packaging Limited	328,540	-	-	28,554	64,700	290,394	21,289	24,492	3,203	0.77	0.68
										<b>1.83</b>	<b>0.85</b>
<b>Pharmaceuticals</b>											
AGP Limited	830,000	53,500	4,965	-	25,000	858,500	60,132	70,826	10,694	2.23	0.31
GlassSmithKline Consumer Healthcare	17,500	95,000	27,325	-	-	112,500	30,703	22,451	(8,252)	0.71	0.10
The Searle Company Limited	530,825	105,500	17,822	-	315,000	321,325	49,013	50,401	1,388	1.59	0.15
Highnoon Laboratories Limited	1,760	25,500	13,655	-	-	27,260	14,101	13,591	(510)	0.43	0.09
										<b>4.96</b>	<b>0.65</b>
<b>Power Generation &amp; Distribution</b>											
The Hub Power Company Limited	3,249,307	924,500	71,109	-	302,000	3,871,807	303,539	264,328	(39,211)	8.33	0.30
K-Electric Limited (note 6.1.1)	26,611,000	3,000,000	11,121	-	615,500	28,995,500	125,243	82,057	(43,186)	2.58	0.30
										<b>10.91</b>	<b>0.60</b>
<b>Textile Composite</b>											
Nishat Mills Limited	532,700	515,000	35,765	-	445,000	602,700	44,430	35,397	(9,033)	1.12	0.17
<b>Textile Weaving</b>											
Feroze1888 Mills Limited	295,000	-	-	-	-	295,000	29,757	23,125	(6,632)	0.73	0.08
<b>Technology &amp; Communication</b>											
Pakistan Telecommunication Company Limited 'A'	208,000	-	-	-	-	208,000	1,720	1,612	(108)	0.05	0.01
Avancon Limited	370,500	-	-	-	370,000	500	25	11	(14)	-	-
Systems Limited	253,550	410,000	46,856	-	25,000	638,550	68,790	70,968	2,178	2.24	0.52
Netsol Technologies Limited	15,000	-	-	-	15,000	-	-	-	-	-	-
										<b>2.29</b>	<b>0.53</b>
<b>Vanaspoti &amp; Allied Industries</b>											
Unity Foods Limited	2,025,669	3,000,000	35,813	-	2,500,000	2,525,669	29,843	24,954	(4,889)	0.79	0.46
<b>Textile &amp; Apparel</b>											
Interloop Limited	2,713,500	-	-	-	2,713,500	-	120,127	97,306	(22,821)	3.07	0.31
<b>Total</b>			<b>1,322,264</b>			<b>73,712,411</b>	<b>3,869,337</b>	<b>3,178,407</b>	<b>(690,930)</b>		

6.1.1 All shares have a nominal value of Rs. 10 each except K-Electric Limited having nominal value of Rs. 3.50 and Thal Limited, Agriauto Industries Limited and National Foods having nominal value of Rs. 5 each.

6.1.2 Net assets are as defined in Rule 2(1)(m) of VPS Rules.

6.1.3 145,000 shares (2019 : 145,000 shares) of Engro Corporation Limited having market value of Rs. 38.70 million as at March 31, 2020 (2019: 38.51 million), have been pledged as collateral in favour of National Clearing Company of Pakistan Limited against exposure margins and mark to market losses.

6.1.4 The status of bonus shares already withheld prior to the introduction of Finance Act, 2018 is the same as that disclosed in the audited financial statements of the Fund for the year ended June 30, 2019. As at March 31, 2020 the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs. 3.79 million.

**6.2 Investment designated at fair value through profit or loss - sukuk certificates**

Name of the Security	Maturity date	Profit rate per annum	As at July 01, 2019	Purchases during the period	Cost of purchase during the period	Sales during the period	Matured during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised (loss) / gain as at March 31, 2020	Percentage of net assets on the basis of market value of the respective sub fund (see note 6.1.2)
			Number of certificates	(Rupees in '000)	Number of certificates	(Rupees in '000)	Number of certificates	(Rupees in '000)	-----	-----	-----	-----
<b>Debt Sub Fund</b>												
<b>Property &amp; Real Estate</b>												
Eden Housing Limited (note 6.2.2)	September 29, 2014	6 months Kibor plus base rate of 2.5%	500	-	-	-	-	500	-	-	-	-
<b>Leasing Companies</b>												
Security Leasing Corporation Limited II (note 6.2.3)	January 19, 2022	-	154	-	-	-	-	154	-	-	-	-
<b>Fertilizer</b>												
Fatima Fertilizer Company Limited (note 6.2.3)	November 28, 2021	6 months Kibor plus base rate of 1.10%	2,820	26,000	55,135	-	1,164	27,656	63,775	63,379	(396)	2.06
<b>Banks</b>												
Dubai Islamic Bank Pakistan Limited (note 6.2.4)	July 14, 2027	6 months Kibor plus base rate of 0.5%	57	-	-	-	-	57	58,066	57,855	(211)	1.88
<b>Pharmaceuticals</b>												
AGP Limited (note 6.2.5)	June 09, 2022	3 months Kibor plus base rate of 1.30%	-	500	27,528	-	50	450	22,523	22,725	202	0.74
<b>Power Generation &amp; Distribution</b>												
K-Electric Limited (note 6.2.3)	June 17, 2022	3 months Kibor plus base rate of 1.00%	1,200	-	-	1,200	-	-	-	-	-	-
K-electric Limited (note 6.2.3)	December 27, 2026	3 months Kibor plus base rate of 1.70%	-	8,000	40,000	-	-	8,000	40,000	40,000	-	1.30
Engro Powergen Thar (Private) Limited (note 6.2.3)	August 02, 2024	3 months Kibor plus base rate of 1.10%	-	12,000	60,000	-	-	12,000	60,000	60,000	-	1.95
The Hub Power Company Limited (note 6.2.3)	November 27, 2019	3 months Kibor plus base rate of 1.00%	380,000	-	-	-	380,000	-	-	-	-	-
Pakistan Energy Sukuk (note 6.2.3)	March 1, 2029	6 months Kibor plus base rate of 0.80%	13,000	-	-	-	-	13,000	650,000	650,000	-	21.14
<b>Cement &amp; Construction</b>												
Javedan Corporation Limited (note 6.2.5)	October 04, 2026	6 months Kibor plus base rate of 1.75%	250	-	-	-	-	250	24,884	25,013	129	0.81
<b>Steel &amp; Allied Products</b>												
Agha Steels Industries Limited (note 6.2.4)	October 9, 2024	3 months Kibor plus base rate of 0.90%	50	-	-	-	-	50	50,000	50,000	-	1.63
<b>Chemicals</b>												
Engro Polymer & Chemicals Limited (note 6.2.1)	July 11, 2026	3 months Kibor plus base rate of 0.90%	250	-	-	-	-	250	25,118	25,328	210	0.82
<b>Miscellaneous</b>												
Shakarganj Foods Product Limited (note 6.2.4)	July 10, 2024	3 months Kibor plus base rate of 1.75%	18	-	-	-	0.88	17	15,849	15,922	73	0.52
International Brand Limited (note 6.2.5)	November 15, 2021	12 months Kibor plus base rate of 0.5%	550	-	-	-	130.80	419	40,791	41,104	313	1.34
<b>Total</b>					<b>182,663</b>				<b>1,051,006</b>	<b>1,051,326</b>	<b>320</b>	
<b>Money Market Sub Fund</b>												
<b>Leasing Companies</b>												
Security Leasing Corporation Limited II (note 6.2.3)	January 19, 2022	-	154	-	-	-	-	154	-	-	-	-
<b>Power Generation &amp; Distribution</b>												
The Hub Power Company Limited (note 6.2.3)	October 02, 2019	3 months Kibor plus base rate of 1.00%	-	16,000	80,000	-	-	16,000	-	-	-	-
The Hub Power Company Limited (note 6.2.1)	May 21, 2020	3 months Kibor plus base rate of 1.50%	-	1,000	100,000	-	-	1,000	100,000	100,000	-	3.37
<b>Total</b>					<b>180,000</b>				<b>100,000</b>	<b>100,000</b>	<b>-</b>	

**6.2.1** The nominal value of the sukuk certificates is Rs.100,000 each.

**6.2.2** The principal buy out reduces the face value per certificate instead of number of certificates. The face value of the sukuk certificates is Rs.984.38 each.

**6.2.3** The nominal value of these sukuk certificates is Rs.5,000 each.

**6.2.4** The nominal value of these sukuk certificates is Rs.1,000,000 each.

**6.2.5** The nominal value of these sukuk certificates is Rs.1,00,000 each.

6.3 Loans and receivables

Note	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
	(Rupees in '000)	
Debt Sub Fund		
Term Deposits	180,000	180,000
Commercial Paper	-	227,499
	<u>180,000</u>	<u>407,499</u>
Money Market Sub Fund		
Term Deposits	540,000	40,000
Commercial Paper	-	143,400
	<u>540,000</u>	<u>183,400</u>

6.3.1 Term Deposits

Name of the Bank	Maturity date	Profit rate per annum	Face value			Rating	Percentage of net assets on the basis of total value of investments of the respective sub fund (see note 6.1.2)	
			As at July 01, 2019	TDR's placed during the period	Matured during the period			As at March 31, 2020
			(Rupees in '000)				%	
<b>Debt Sub Fund</b>								
Orix Modarba	May 08, 2020	13.80%	180,000	-	-	180,000	AA+	5.85
Meezan Bank Limited	December 02, 2019	13.50%	-	450,000	450,000	-	AA+	-
					<u>180,000</u>			
<b>Money Market Sub Fund</b>								
Bank Islami Pakistan Limited	July 04, 2019	11.25%	-	340,000	340,000	-	A+	-
Orix Modarba	November 08, 2019	13.70%	40,000	-	40,000	-	AA+	-
Orix Modarba	May 08, 2020	13.35%	-	40,000	-	40,000	AA+	1.35
Meezan Bank Limited	December 02, 2019	13.50%	-	350,000	350,000	-	AA+	-
Askari Bank Limited	April 16, 2020	12.65%	-	500,000	-	500,000	AA-	16.83
					<u>540,000</u>			

6.3.2 Commercial Paper

Name of the investee company	Maturity date	Profit rate per annum	As at July 01, 2019	Purchases during the period	Cost of purchase during the period	Matured during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Percentage of net assets on the basis of market value (see note 6.1.2)
<b>Debt Sub Fund</b>										
Hascol Petroleum Limited CP (note 6.3.2.2)	July 15, 2019	6 months Kibor plus base rate of 1.50 %	64	-	-	64	-	-	-	-
K-electric Limited CP (note 6.3.2.2)	September 2, 2019	6 months Kibor plus base rate of 0.90 %	167	-	-	167	-	-	-	-
K-electric Limited CP (note 6.3.2.2)	March 19, 2020	6 months Kibor plus base rate of 1.30 %	-	160	148,707	160	-	-	-	-
					<u>148,707</u>					
<b>Money Market Sub Fund</b>										
Hascol Petroleum Limited CP (note 6.3.2.2)	July 15, 2019	6 months Kibor plus base rate of 1.50 %	80	-	-	80	-	-	-	-
K-electric Limited CP (note 6.3.2.2)	September 2, 2019	6 months Kibor plus base rate of 0.90 %	65	-	-	65	-	-	-	-
K-electric Limited CP (note 6.3.2.2)	March 19, 2020	6 months Kibor plus base rate of 1.30 %	-	107	99,448	107	-	-	-	-
					<u>99,448</u>					

6.3.2.1 The securities are valued on the basis of amortization to its face value as per the requirements of Circular 33 of 2012 with respect to thinly and nonn traded debt securities with residual maturity of upto six months.

6.3.2.2 The nominal value of commercial paper is Rs.1,000,000 each.

6.3.2.3 The nominal value of commercial paper is Rs.5,000.

6.4 Investment in gold

Commodity	As at July 01, 2019	Purchases during the period	Cost of purchase during the period	Sales during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised gain as at March 31, 2020	Net Assets of the Fund on the basis of investments (note 6.1.2)
Tola Gold	863	120	10,757	57	926	77,272	85,470	8,198	83.39
Total			<u>10,757</u>			<u>77,272</u>	<u>85,470</u>	<u>8,198</u>	

6.4.1 The Pakistan Mercantile Exchange (PMEX) delivers refined Gold in 10 TOLA Bars. These are physically held by PMEX under their custody in the vaults of a commercial bank.

6.4.2 The investment in gold of Rs. 85.470 million has been measured at fair value based on the quoted market price in active markets.

**7. DEPOSITS AND OTHER RECEIVABLES**

	March 31, 2020 (Unaudited)					June 30, 2019 (Audited)
	Equity sub fund	Debt sub fund	Money Market sub fund	Gold sub fund	Total	Total
Security Deposits	2,600	100	100	-	2,800	2,800
Profit receivable on saving accounts with banks and Term Deposits	3,733	37,513	34,725	97	76,068	39,689
Profit receivable on sukuks certificates	-	19,793	1,643	-	21,436	40,606
Advance tax	4,747	-	-	-	4,747	4,747
	<b>11,080</b>	<b>57,406</b>	<b>36,468</b>	<b>97</b>	<b>105,051</b>	<b>87,842</b>

**8. ACCRUED EXPENSES AND OTHER LIABILITIES**

	March 31, 2020 (Unaudited)					June 30, 2019 (Audited)	
	Equity sub fund	Debt sub fund	Money Market sub fund	Gold sub fund	Total	Total	
	----- (Rupees in '000) -----						
Provision for Sindh Workers' Welfare Fund	8.1	38,142	14,861	9,094	666	62,763	52,848
Federal Excise Duty on remuneration of the Pension Fund Manager	8.2	15,436	8,816	2,449	-	26,701	26,701
Sindh Sales Tax on Federal Excise Duty on remuneration of the Pension Fund Manager		1,800	962	242	-	3,004	3,004
Charity payable		7,880	-	-	-	7,880	4,225
Brokerage payable		4,088	66	-	-	4,154	3,139
Custodian Charges Payable		-	-	-	407	407	107
		<b>67,346</b>	<b>24,705</b>	<b>11,785</b>	<b>1,073</b>	<b>104,909</b>	<b>90,024</b>

- 8.1** The status of Sindh Workers' Welfare Fund is same as disclosed in financial statement for the year ended June 30, 2019. Had the provision of Sindh Workers' Welfare Fund not been made, the net asset value per unit as at March 31, 2020 would have been higher by Rs. 3.87, Rs. 1.24, Re. 0.78 and Re. 0.92 per unit (June 30, 2019: Rs. 3.52, Rs. 0.82, Rs. 0.50 and Rs. 0.76 per unit) for Equity Sub Fund, Debt Sub Fund, Money Market Sub Fund and Gold Sub Fund respectively.
- 8.2** The status of provision of Federal Excise Duty is same as disclosed in financial statement for the year ended June 30, 2019. Had the provision of Federal Excise Duty not been made, the net asset value per unit as at March 31, 2020 would have been higher by Rs. 1.75 (June 30, 2019: Rs. 1.42) per unit, Rs. 0.82 (June 30, 2019: Rs. 0.74) per unit and Rs. 0.23 (June 30, 2019: Rs. 0.27) per unit for Equity Sub Fund, Debt Sub Fund and Money Market Sub Fund respectively.
- 8.3** It represents amount payable in respect of Sindh Sales Tax at the rate of 13 percent (2019: 13 percent) on remuneration of the Pension Fund Manager through the Sindh Sales Tax on Services Act, 2011, being Sindh Sales Tax accrued on Federal Excise Duty (FED) on remuneration of the Pension Fund Manager as fully explained in note 8.2 above.

**9. CONTINGENCIES AND COMMITMENTS**

There were no other contingencies and commitments outstanding as at March 31, 2020 and June 30, 2019.

**10. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES**

- 10.1** Connected persons and related parties include Al Meezan Investment Management Limited being the Pension Fund Manager, Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Pension Fund Manager, Directors and executives of the Pension Fund Manager, other collective investment schemes managed by the Pension Fund Manager, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Pension Fund Manager due to common directorship, post employment benefit funds of the Pension Fund Manager and unit holders holding ten percent or more of the Sub-Fund's net assets.
- 10.2** The transactions with connected persons are carried out in the normal course of business, at contracted rates and terms determined in accordance with the market norms.
- 10.3** Remuneration of the Pension Fund Manager is determined in accordance with the provisions of the provisions of VPS Rules, 2005 and the Trust Deed respectively.
- 10.4** Remuneration payable to the Trustee is determined in accordance with the provisions of the Trust Deed.



10.5 Amount outstanding as at period ended are as follows:

	March 31, 2020 (Unaudited)					June 30, 2019 (Audited) Total
	Equity sub fund	Debt sub fund	Money Market sub fund	Gold sub fund	Total	
----- (Rupees in '000) -----						
<b>Al Meezan Investment Management Limited (Al Meezan) - Pension Fund Manager</b>						
Remuneration payable	4,706	3,892	3,698	126	12,422	11,045
Sindh Sales Tax and Federal Excise Duty on management fee	612	506	481	16	1,615	1,435
Investments as at March 31, 2020: (Equity sub fund: 260,077 units; Gold Sub Fund: 300,000) as at June 30, 2019 (Equity sub fund: 260,077 units ; Gold Sub Fund : 300,000 units)	83,717	-	-	42,691	126,408	137,344
<b>Meezan Bank Limited (MBL)</b>						
Bank balance	45,404	2,629	3,093	17,552	68,678	41,165
Profit receivable on saving account	1,050	26	21	88	1,185	504
<b>Central Depository Company of Pakistan Limited (CDC) - Trustee</b>						
Trustee fee payable	260	216	205	7	688	632
Sindh Sales Tax on trustee fee payable	34	28	27	1	90	83
Deposits	100	100	100	-	300	300
<b>Directors and Executives of the Pension Fund Manager</b>						
Investments as at March 31, 2020: (Equity sub fund: 1,032,753 units; Debt Sub Fund: 602,778 units; Money Market Sub Fund: 187,273 units; Gold Sub Fund: 208,808 Units) as at June 30, 2019: (Equity sub fund: 1,221,616 units; Debt sub fund: 459,033 units; Money Market sub fund: 93,032 units ; Gold Sub Fund : 226,401 units )	332,437	154,870	47,516	29,714	564,537	620,970

10.6 Detail of transactions with connected person and related parties are as follow:

	For the nine months period ended March 31, 2020 (Unaudited)					For the nine months period ended March 31 2019 (Unaudited) Total
	Equity sub fund	Debt sub fund	Money Market sub fund	Gold sub fund	Total	
----- (Rupees in '000) -----						
<b>Al Meezan Investment Management Limited (Al Meezan) - Pension Fund Manager</b>						
Remuneration for the period	45,503	32,010	28,366	1,075	106,954	106,130
Sindh Sales Tax and Federal Excise Duty on management fee	5,915	4,161	3,688	140	13,904	13,797
<b>Meezan Bank Limited (MBL)</b>						
Profit on savings account	4,637	244	420	847	6,148	2,289
Term deposit receipt placed	-	450,000	350,000	-	800,000	-
Profit on term deposit receipt	-	15,645	12,168	-	27,813	-
<b>Central Depository Company of Pakistan Limited (CDC) - Trustee</b>						
Remuneration for the period	2,553	1,800	1,594	61	6,008	5,972
Sindh Sales Tax on trustee fee	332	234	207	8	781	776
CDS Charges for the period	104	73	5	-	182	144
<b>Directors and Executives of the Pension Fund Manager</b>						
Units issued (Equity Sub Fund: 936,111 units; Debt Sub Fund: 1,181,136 units; Money Market Sub Fund: 682,103 units; Gold sub fund: 31,132 units)	329,440	282,490	161,720	4,460	778,110	118,532
Units redeemed / reallocated (Equity Sub Fund 1,124,974 units; Debt Sub Fund: 1,037,391 units; Money Market Sub Fund: 587,861 units; Gold sub fund: 48,725 units)	389,597	247,715	139,504	6,726	783,542	17,973

**11 FAIR VALUE OF FINANCIAL INSTRUMENTS**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- 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 or indirectly.
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The following table presents the assets that are measured at fair value

Note	Carrying amount					Fair value			
	Investments	Other receivables	Cash and cash equivalents	Other payables	Total	Level 1	Level 2	Level 3	Total

March 31, 2020

**Financial assets - measured at fair value**

Investments										
- Investments designated at fair value through profit or loss										
- shares of listed companies	11.3	3,178,407	-	-	-	3,178,407	3,178,407	-	-	3,178,407
- sukuk certificates	11.3	1,151,326	-	-	-	1,151,326	-	1,151,326	-	1,151,326
		<u>4,329,733</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,329,733</u>	<u>3,178,407</u>	<u>1,151,326</u>	<u>-</u>	<u>4,329,733</u>

**Financial assets - not measured at fair value**

Bank balances	11.3	-	-	4,264,597	-	4,264,597	-	-	-	-
Investments - Loans and receivables	11.3	720,000	-	-	-	720,000	-	-	-	-
Dividend receivable	11.3	-	19,630	-	-	19,630	-	-	-	-
Deposits and other receivables	11.3	-	105,051	-	-	105,051	-	-	-	-
Receivable against change of plan / change of fund manager / issuance of units	11.3	-	29,170	-	-	29,170	-	-	-	-
		<u>720,000</u>	<u>153,851</u>	<u>4,264,597</u>	<u>-</u>	<u>5,138,448</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**Total**

5,049,733   153,851   4,264,597   -   9,468,181   3,178,407   1,151,326   -   4,329,733

**Financial liabilities - not measured at fair value**

Payable to Al Meezan Investment Management Limited										
- Pension Fund Manager										
	11.3	-	-	-	14,037	14,037	-	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee										
	11.3	-	-	-	778	778	-	-	-	-
Payable to auditors										
	11.3	-	-	-	192	192	-	-	-	-
Payable against purchase of investments (net)										
	11.3	-	-	-	77,883	77,883	-	-	-	-
Payable against withdrawal / change of plan										
	11.3	-	-	-	38,335	38,335	-	-	-	-
Accrued expenses and other liabilities										
	11.3	-	-	-	12,034	12,034	-	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>143,259</u>	<u>143,259</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Note	Carrying amount					Fair value			
	Investments	Other receivables	Cash and cash equivalents	Other payables	Total	Level 1	Level 2	Level 3	Total

June 30, 2019

**Financial assets - measured at fair value**

Investments										
- Investments designated at fair value through profit or loss										
- shares of listed companies	11.3	3,921,054	-	-	-	3,921,054	3,921,054	-	-	3,921,054
- sukuk certificates	11.3	1,171,834	-	-	-	1,171,834	-	1,171,834	-	1,171,834
		<u>5,092,888</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,092,888</u>	<u>3,921,054</u>	<u>1,171,834</u>	<u>-</u>	<u>5,092,888</u>

**Financial assets - not measured at fair value**

Bank balances	11.3	-	-	3,306,722	-	3,306,722	-	-	-	-
Investments - Loans and receivables	11.3	590,899	-	-	-	590,899	-	-	-	-
Dividend receivable	11.3	-	15,260	-	-	15,260	-	-	-	-
Deposits and other receivables	11.3	-	83,095	-	-	83,095	-	-	-	-
Receivable against change of plan / change of fund manager / issuance of units	11.3	-	14,759	-	-	14,759	-	-	-	-
		<u>590,899</u>	<u>113,114</u>	<u>3,306,722</u>	<u>-</u>	<u>4,010,735</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**Total**

5,683,787   113,114   3,306,722   -   9,103,623   3,921,054   1,171,834   -   5,092,888

**Financial liabilities - not measured at fair value**

Payable to Al Meezan Investment Management Limited										
- Pension Fund Manager										
	11.3	-	-	-	12,480	12,480	-	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee										
	11.3	-	-	-	715	715	-	-	-	-
Payable to auditors										
	11.3	-	-	-	252	252	-	-	-	-
Payable against purchase of investments (net)										
	11.3	-	-	-	17	17	-	-	-	-
Payable against withdrawal / change of plan										
	11.3	-	-	-	24,345	24,345	-	-	-	-
Accrued expenses and other liabilities										
	11.3	-	-	-	3,246	3,246	-	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>41,055</u>	<u>41,055</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

11.1 There were no transfers between above levels during the period

11.2 Underlying the definition of fair values 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.

11.3 The Fund has not disclosed fair value for these financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are reasonable approximation of fair value.

**12. TAXATION**

The income of the Fund is exempt from income tax under clause 57(3) (viii) of part I of the Second Schedule to the Income Tax Ordinance, 2001. Therefore, no provision has been made for current and deferred taxation in these financial statements.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV to the Second Schedule of the Income Tax Ordinance, 2001. Accordingly, Supertax and any other taxes introduced in Finance Act, 2015 is also not applicable on fund.

**13. DATE OF AUTHORISATION FOR ISSUE**

This condensed interim financial information were authorised for issue on \_\_\_\_\_by the Board of Directors of the pension fund manager.

**14. GENERAL**

Figures have been rounded off to the nearest thousand rupees.

**For Al Meezan Investment Management Limited  
(Pension Fund Manager)**

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director



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