



DISCOVERING NEW OPPORTUNITIES

QUARTERLY REPORT
SEPTEMBER 30, 2019



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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

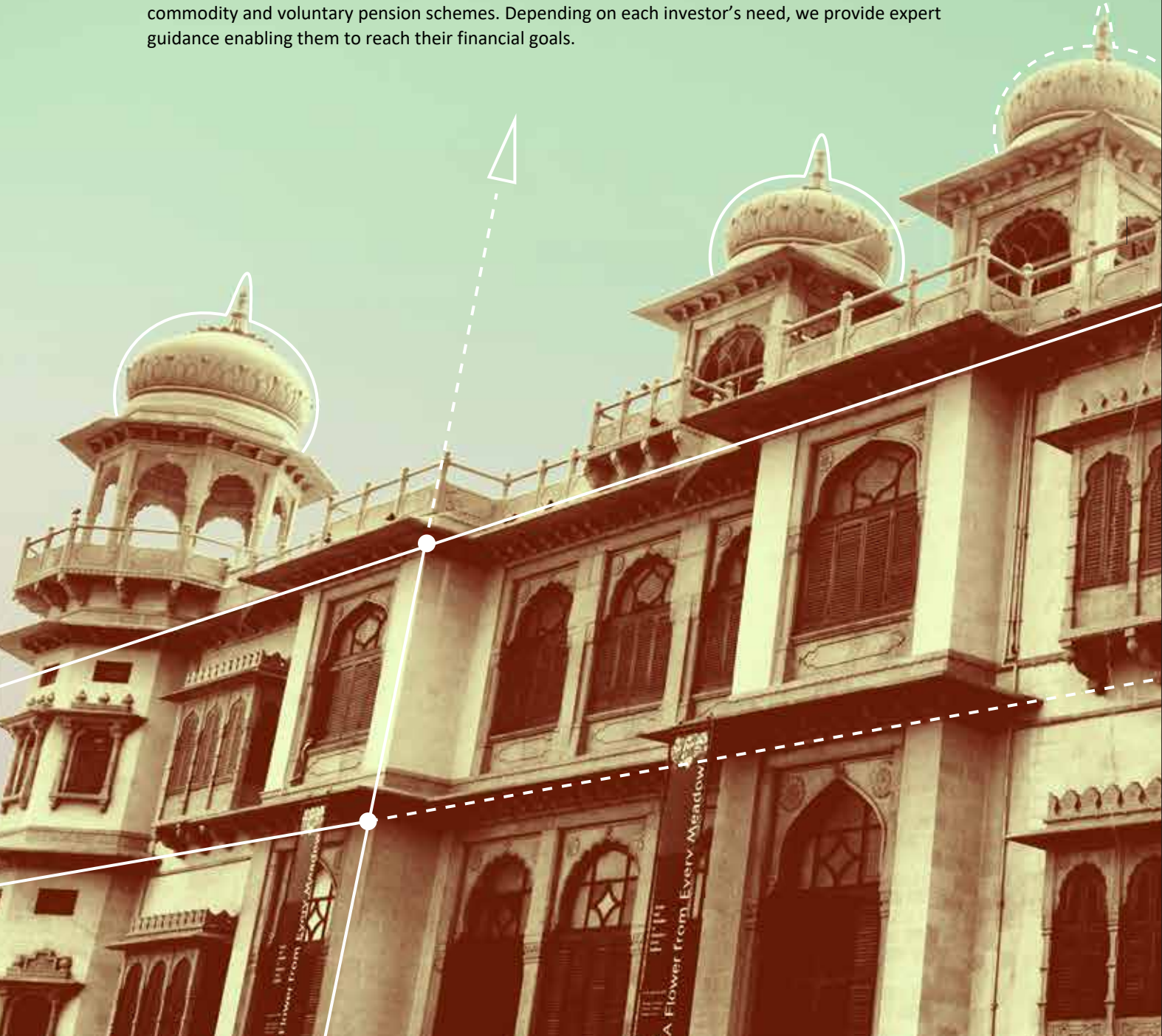
Meezan Islamic Income Fund | **Meezan** Sovereign Fund | **Meezan** Cash Fund | **Meezan** Financial Planning Fund of Funds | **Meezan** Strategic Allocation Fund | **Meezan** Strategic Allocation Fund-II | **Meezan** Strategic Allocation Fund-III | **Meezan** Tahaffuz Pension Fund | **Meezan** Rozana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

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 unaudited financial statements of the following open end funds and a voluntary pension scheme for the period ended September 30, 2019.

Equity Funds

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

Sector Specific Fund

- Meezan Energy Fund

Balanced Fund

- Meezan Balanced Fund

Asset Allocation Fund

- Meezan Asset Allocation Fund

Commodity Fund

- Meezan Gold Fund

Income Funds

- Meezan Islamic Income Fund
- Meezan Sovereign Fund

Money Market Fund

- Meezan Cash Fund
- Meezan Rozana Amdani Fund

Funds of Funds

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

Pension Fund

- Meezan Tahaffuz Pension Fund

Economic Review

The first quarter of FY20 witnessed an array of mixed trends with respect to Pakistan's economy. The year began with Pakistan successfully negotiating an IMF bailout package worth USD 6 bn to avert looming balance of payment crisis and provided much needed stability to rupee. On the monetary policy front, after eight consecutive rate hikes, SBP maintained the key policy rate at 13.25% in September's monetary policy meeting and kept inflation forecast at 11-12% for FY20.

On the external account, sharp depreciation of currency helped in bringing down Current Account Deficit (CAD) to USD 1.3bn during 2MFY20, a massive 55% YoY drop owed largely to 23% YoY decline in imports. However, export growth remained stagnant during the period while remittances showed a decline of 8% YoY to USD 3.7bn. The improvement in the Balance of Payment, receipt of first tranche of IMF bailout package, activation of Saudi oil facility and flows from multilateral institutions (some support has come in the form of hot money following central bank's decision to open up debt markets for foreign investors) helped the SBP Forex reserves to improve by 6% QoQ during first quarter of FY20 to settle at USD 7.74 bn as at September 30, 2019. Consequently, the currency also witnessed an appreciation of ~2.4% against the USD during the quarter under review.

On the fiscal front, the government has faced some challenges especially on the fiscal deficit and primary deficit which came in at 8.9% and 3.5% respectively for FY19. Government has to bring down fiscal deficit to 7.1% and primary deficit to 0.6% of GDP in FY20. During the quarter, the government has been able to raise tax collection to Rs. 960 bn, showing an improvement of 14% over the corresponding period last year, however, it still fell short of target by 10%.

On the monetary front, monthly inflation has remained elevated though stayed within the stipulated range of 11-13% quoted by IMF and SBP. The latest inflation number for the month of September clocked in at 11.37% on new base year of 2015-16, (12.60% on old base of 2007-08) while average inflation for 3MFY20 was recorded at 10.08% on new base year of 2015-16 (11.51% on old base of 2007-08) showing a gradual rise over the previous months and remained high in both YoY and MoM terms. As a result, the SBP increased policy rate by 100 bps in its Monetary Policy in July 2019, driven by likely higher near term inflation and second round effects of previous quarter's exchange rate depreciation. Despite cuts announced by a number of central banks globally and secondary market yields starting to retreat in the local money market, the SBP has kept the Policy Rate unchanged at 13.25% during the September 2019 Monetary Policy citing further improvement needs to be awaited in the macroeconomic environment.

Money Market Review

As mentioned above State Bank of Pakistan (SBP), continued with the monetary tightening stance during the first quarter of FY20 increased the policy rate/discount rate by 1.00% which was set at 13.25% on the back of rising inflation and surging commodity prices. The market had already been anticipating a DR increase since the start of the fiscal year so the raise in the policy rate did not come as a surprise for the market participants.

In line with the increased discount rate, shorter term government paper yields and KIBORs showed an upward trend, T-bills rose by 62-100 bps whereby the 3m, 6m and 12m T-bills closed at 13.75%, 13.76% and 13.75% respectively. However, subsequently due to softening of oil and commodity prices due to slowdown in global economies, money market perceived that inflation may have peaked out in the period under review, triggered an inversion in the yield curve which

was witnessed by steep decline in secondary market PIB yields. Hence, increase in demand for longer tenure government bonds pushed the PIB yields down where 10 years bond closed at 12.18% (down by 154 bps), 5 years closed at 12.30% (down by 158 bps) and 3 years closed at 12.64% (down by 121 bps).

On the liquidity front, money market remained stable due to continuous OMO injections from SBP. During the quarter, Central bank borrowed additional Rs. 2.05 trillion through T-bills and PIBs in the primary market. However, in order to support the market, SBP injected PKR 1.97 trillion liquidity through OMO injections.

On the Islamic money market front, Ijarah Sukuk price witnessed sharp increase due to lack of availability of Shariah compliant government /Ijarah securities. It is pertinent to mention here that out of the four running Ijarah Sukuk issues worth Rs. 385 billion, three Ijarahs worth Rs. 314 billion were matured during FY19 and the government did not carry out any Ijarah Sukuk auction since June 2017. In the last fiscal year, the Government had issued Pakistan Energy Sukuk – I in March 2019 worth PKR 200 billion. The second tranche of Energy Sukuk is expected in the current fiscal year. However, corporate sector continued to raise funds through Sukuks and Islamic Commercial Paper, which played key role in absorbing some portion of excess liquidity available with Islamic institutions.

Equity Review

During the first quarter of FY2020, stock market remained under pressure, as KSE100 dropped by 5.38% to close at 32,079 and KMI-30 dropped by 5.48% and closed at the level of 51,150 points. Participation in the market continued to remain low during the period with the KMI-30 index and KSE-100 index volumes down by 17% and 22% respectively year on year.

The lean and lackluster performance of stock market was attributable to 1) concerns on the large fiscal deficit, 2) uncertainty over the FATF review outcome, 3) tension with India over the Kashmir issue, 4) further monetary tightening in July, and 5) below expectations corporate results. Initially, the quarter started on the negative note on the concerns of monetary tightening despite signing of IMF deal. Later result season for FY 2019 end results and specially cyclical results reported higher anticipated losses, brought further pressure on market and KMI 30 index touched a low of 44,929 points (KSE 100 28,764 points) on August 16, 2019. However, subsequently concerns of global slow-down of economies led to easing of inflationary concerns and news flow pertaining to investment in market by a Pension fund triggered stock market recovery. Sentiment improvement was led by further improvements in the external account, a status-quo stance in the September MPS, and the yield curve exhibiting an inverted shape helped the KMI-30 index closed at 51,150 (KSE 100 closed at 32,079) at the end of first quarter, in fact market staged a recovery of 6,621 points or 13.85% for the KMI-30 and 3,315 pts or 11.5% for the KSE-100 Index from the lowest level.

Globally, ETF outflows from EM markets during the quarter under review, continued in the wake of global slowdown and strengthening US dollar. MSCI EM Index was also under pressure in the same period due to continued liquidation by external investors and ended the quarter down by 5%. Similarly, MSCI EM Currency Index ended the quarter 2.85% down, signaling re-emerging broad-based stresses in the EM markets owing to worsening dollar liquidity conditions.

International oil prices remained under pressure due to broad-based slowdown in the global economy. Negative trend in the oil market persisted despite sharp spike in crude oil prices

resulting from attack on Saudi Oil Refinery in ARAMCO, igniting fears of approximately 6% of global crude supply going offline for extended period. The situation was diligently handled by ARAMCO and oil supplies were promptly restored. The Brent crude prices ended the quarter on a weak note and went down by 7.1% to close at \$59.25 per barrel.

Major contributors to the Index

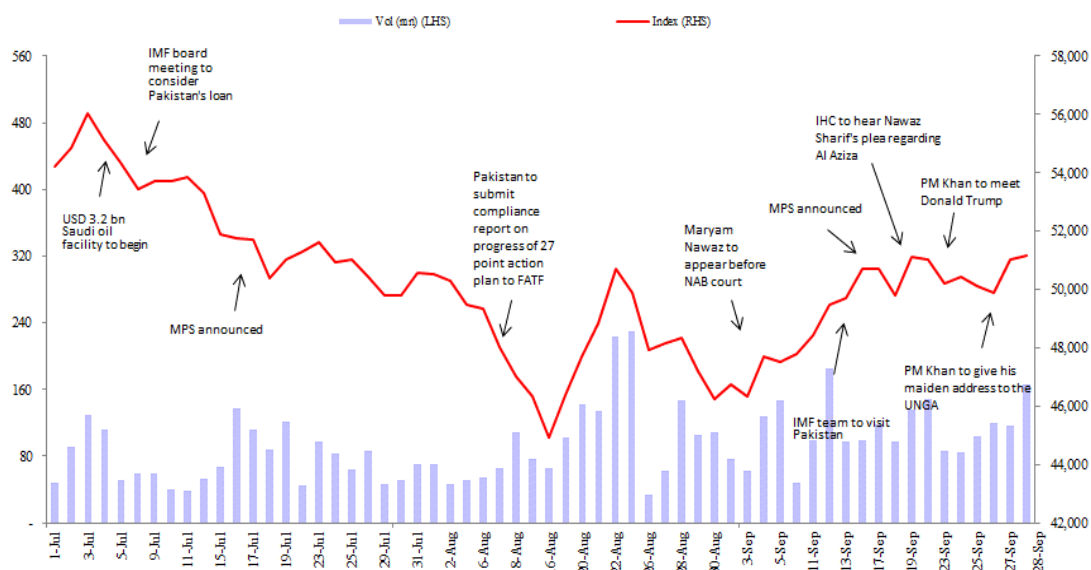
During the quarter, Fertilizer was amongst the top positive contributing sectors. The top contributing stocks in the KMI-30 index during the period were:

Positive Contributors to the Index	Contribution to KMI-30 (Points)	Return (%)
Engro Fertilizers Ltd	386	+12.79
Dawood Hercules Corp Ltd	259	+9.08
Engro Corp Ltd Pakistan	200	+3.17
Attock Petroleum Ltd	36	+6.06

On the flip side, Oil and Gas Exploration and Cements were the worst contributing sectors. The most laggards in the KMI-30 index during the period were:

Negative Contributors to the Index	Contribution to KMI-30 (Points)	Return (%)
Oil & Gas Development Co Ltd	(435)	(6.26)
Pakistan Petroleum Ltd	(342)	(5.62)
Lucky Cement Ltd	(300)	(7.63)
Thal Ltd	(296)	(31.83)

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



Equity Flows

Foreign sentiment remained positive with FIPI settling in at a net buy of USD 23.36mn for 1st quarter FY20. We attribute the positive sentiment of foreigners primarily to the currency stability witnessed this quarter. Furthermore, cheap valuations across the board in the index have also lured foreign interest into the market. Sector-wise, the accumulation was seen concentrated in Cements (USD 13.16mn), Commercial Banks (USD 7.93mn), and Power Generation & Distribution (USD 5.59mn). Selling was primarily witnessed in Oil & Gas Exploration (USD 8.06mn). Locals were mainly sellers in aggregate with bulk of selling being carried out by Mutual Funds (USD 82.28mn), Insurance Companies (USD 23.04mn) and Companies (USD 10.56mn). Individuals, Brokerage houses, Banks and Other Organizations were mainly buyers in the market on the local side.

Mutual Fund Industry Review

During first quarter of FY20, AUMs of the mutual fund industry increased by 6.0% to Rs. 562 bn. Shariah Compliant AUMs increased by 5.8% to Rs. 207 bn which brings the share of Shariah Compliant funds at 36.9% in the mutual fund industry. Al Meezan's share in the Mutual Funds industry stood at 18.2% while amongst the Shariah Compliant Funds, it had a share of 49.2% as of September 30, 2019. This marked an increase in market share by 97 basis points with-in the mutual fund AUMs and 270 basis points with-in the Shariah Compliant segment of the industry, for Al Meezan.

The change in AUMs of industry of 1QFY20 over FY19 is as under;

	FY19	1QFY20	Change
	(Rs. In Billion)		(%)
<u>Sovereign, Money Market and Income Funds</u>			
Shariah Compliant Funds	92	118	28.6
Conventional Funds	192	231	20.1
Total Funds	284	349	22.8
<u>Equity Funds (Including Index Tracker Funds)</u>			
Shariah Compliant Funds	64	54	(16.0)
Conventional Funds	119	102	(14.3)
Total Funds	183	156	(14.9)
<u>Capital protected, balanced, and asset allocation</u>			
Shariah Compliant Funds	23	18	(19.8)
Conventional Funds	14	13	(10.1)
Total Funds	37	31	(16.1)
<u>Commodity funds</u>			
Shariah Compliant Funds	0.48	0.54	14.1
Total Funds	0.48	0.54	14.1
<u>Voluntary Pension Funds</u>			
Shariah Compliant Funds	17	16	(1.1)
Conventional Funds	9	9	1.5
Total Funds	26	26	(0.2)
<u>Meezan Tahaffuz Pension Fund (MTPF) Market Share</u>			
In Overall Segment (%)	34.85	34.30	(0.6)
In Shariah Compliant Segment (%)	54.05	53.68	(0.4)

Performance Review (Funds)

Meezan Islamic Fund

The net assets of Meezan Islamic Fund (MIF) as at September 30, 2019 stood at Rs. 22,133 million compared to Rs. 25,740 million at the end of June 2019, a decline of 14%. The net asset value (NAV) per unit as at September 30, 2019 was Rs. 44.8723 in comparison to Rs. 47.9235 per unit as on June 30, 2019 translating into a negative return of 6.38% during the quarter compared to the benchmark return of KSE Meezan Index (KMI 30) which declined by 5.48%.

Al Meezan Mutual Fund

The net assets of Al Meezan Mutual Fund (AMMF) as at September 30, 2019 were Rs. 3,902 million compared to Rs. 4,768 million at the end of June 2019, a decline of 18%. The net asset value per unit as at September 30, 2019 was Rs. 12.5569 compared to Rs. 13.3539 per unit on June 30, 2019 translating into a negative return of 5.98% during the quarter compared to the benchmark return of KSE Meezan Index (KMI 30) which declined by 5.48%.

KSE Meezan Index Fund

The net assets of KSE Meezan Index Fund (KMIF) as at September 30, 2019 were Rs. 1,493 million compared to Rs. 1,517 million at June 30, 2019, a decline of 2%. The net asset value per unit at September 30, 2019 was Rs. 49.9304 as compared to Rs. 52.9470 per unit on June 30, 2019 translating into a negative return of 5.70% during the quarter compared to the benchmark return of KSE Meezan Index (KMI 30) which declined by 5.48%.

Meezan Dedicated Equity Fund

The net assets of Meezan Dedicated Equity Fund (MDEF) as at September 30, 2019 were Rs. 1,024 million compared to Rs. 1,761 million at June 30, 2019, a decline of 42%. The net asset value per unit at September 30, 2019 was Rs. 32.9959 as compared to Rs. 35.5081 per unit on June 30, 2019 translating into a negative return of 7.09% during the quarter compared to the benchmark return of KSE Meezan Index (KMI 30) which declined by 5.48%.

Meezan Energy Fund

The net assets of Meezan Energy Fund (MEF) as at September 30, 2019 were Rs. 519 million compared to Rs. 599 million in June 2019, a decline of 13%. The net asset value per unit as at September 30, 2019 was Rs. 29.1295 as compared to Rs. 33.3649 per unit on June 30, 2019, translating into a negative return of 12.71% during the quarter compared to the benchmark return of KSE Meezan Index (KMI 30) which declined by 5.48%.

Meezan Balanced Fund

The net assets of Meezan Balanced Fund (MBF) as at September 30, 2019 were Rs. 4,552 million compared to Rs. 5,350 million at June 30, 2019, a decline of 15%. The net asset value per unit as at September 30, 2019 was Rs. 13.1364 as compared to Rs. 13.4608 per unit on June 30, 2019 translating into a negative return of 2.40% during the quarter compared to the benchmark return which declined by 2.21%.

Meezan Asset Allocation Fund

The net assets of Meezan Asset Allocation Fund (MAAF) as at September 30, 2019 were Rs. 1,616 million compared to Rs. 1,854 million at June 30, 2019, a decline of 13%. The net asset value per unit as at September 30, 2019 was Rs. 33.8542 as compared to Rs. 35.4328 per unit on June 30,

2019 translating into a negative return of 4.45% during the quarter compared to the benchmark return which declined by 3.41%.

Meezan Gold Fund

The net assets of the fund as at September 30, 2019 were 545 million compared to Rs. 478 million at June 30, 2019, an increase of 14%. The Fund provided a return of 5.44% during the quarter compared to the benchmark return of 4.99%.

Meezan Islamic Income Fund

The net assets of Meezan Islamic Income Fund (MIIF) as at September 30, 2019 were Rs. 16,591 million compared to Rs. 9,471 million at June 30, 2019, an increase of 75%. The net asset value per unit as at September 30, 2019 was Rs. 52.9192 compared to Rs. 51.4367 per unit on June 30, 2019 translating into an annualized return of 11.42% compared to the benchmark annualized return of 5.74%. At quarter end, the fund was 26% invested in Islamic Corporate Sukuks, 14% in Commercial Papers, 1% in GoP Ijarah Sukuks, 4% in Certificate of Musharaka and 55% 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 September 30, 2019 were Rs. 4,793 million compared to Rs. 5,705 million at June 30, 2019, a decline of 16%. The net asset value per unit at September 30, 2019 was Rs. 52.9845 as compared to Rs. 51.5293 per unit on June 30, 2019 translating into an annualized return of 11.19% compared to the benchmark annualized return of 10.64%. At quarter end, the fund was 23% invested in GoP Ijarah Sukuks and 75% 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 September 30, 2019 were Rs. 10,685 million compared to Rs. 8,851 million at June 30, 2019, an increase of 21%. The net asset value per unit at September 30, 2019 was Rs. 51.8510 as compared to Rs. 50.4731 on June 30, 2019 translating into an annualized return of 10.82% as compared to the benchmark annualized return of 5.40%. At quarter end 18% of the fund was placed in Term Deposit Receipts, 12% of the fund was placed in Commercial Papers, 6% in Islamic Corporate Sukuks and 60% 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 September 30, 2019 were Rs. 25,409 million compared to Rs. 16,134 million at June 30, 2019, an increase of 57%. The net asset value per unit at September 30, 2019 was Rs. 50.0000. During the quarter fund provides an annualized return of 11.70% as compared to the benchmark annualized return of 5.40%.

Meezan Financial Planning Fund of Funds

Aggressive Allocation Plan

The net assets of the plan were Rs. 341 million as at September 30, 2019 compared to Rs. 365 million at June 30, 2019. . The plan provided a negative return of 4.13% during the quarter compared to the benchmark return which declined by 3.82%.

Moderate Allocation Plan

The net assets of the plan were Rs. 138 million as at September 30, 2019 compared to Rs. 203 million at June 30, 2019. The plan provided a negative return of 1.78% during the quarter compared to the benchmark return which declined by 2.16%.

Conservative Allocation Plan

The net assets of the plan as at September 30, 2019 were Rs. 184 million compared to Rs. 222 million at June 30, 2019. The plan provided a return of 0.46% during the quarter compared to the benchmark return which declined by 0.32%.

Meezan Asset Allocation Plan-I

The net assets of the plan as at September 30, 2019 were Rs. 485 million compared to Rs. 593 million at June 30, 2019. The plan provided a negative return of 4.77% during the quarter compared to the benchmark return which declined by 3.49%.

Meezan Strategic Allocation Fund***Meezan Strategic Allocation Plan-I***

The net assets of the plan as at September 30, 2019 were Rs. 898 million compared to Rs. 1,067 million at June 30, 2019. The plan provided a negative return of 3.95% during the quarter compared to the benchmark return which declined by 3.38%.

Meezan Strategic Allocation Plan-II

The net assets of the plan as at September 30, 2019 were Rs. 503 million compared to Rs. 728 million at June 30, 2019. The plan provided a negative return of 3.69% during the quarter compared to the benchmark return which declined by 3.20%.

Meezan Strategic Allocation Plan-III

The net assets of the plan as at September 30, 2019 were Rs. 776 million compared to Rs. 891 million at June 30, 2019. The plan provided a negative return of 3.88% during the quarter compared to the benchmark return which declined by 3.09%.

Meezan Strategic Allocation Plan-IV

The net assets of the plan as at September 30, 2019 were Rs. 838 million compared to Rs. 1,003 million at June 30, 2019. The plan provided a negative return of 4.02% during the quarter compared to the benchmark return which declined by 3.26%.

Meezan Strategic Allocation Plan-V

The net assets of the plan as at September 30, 2019 were Rs. 229 million compared to Rs. 316 million at June 30, 2019. The plan provided a negative return of 4.16% during the quarter compared to the benchmark return which declined by 3.31%.

Meezan Capital Preservation Plan-III

The net assets of the plan as at September 30, 2019 were Rs. 996 million compared to Rs. 1,099 million at June 30, 2019. The plan provided a return of 1.54% during the quarter compared to the benchmark return of 0.57%.

Meezan Strategic Allocation Fund -II

Meezan Capital Preservation Plan-IV

The net assets of the plan as at September 30, 2019 were Rs. 1,362 million compared to Rs. 1,553 million at June 30, 2019. The plan provided a return of 0.69% during the quarter compared to the benchmark return which declined by 0.04%.

Meezan Capital Preservation Plan-V

The net assets of the plan as at September 30, 2019 were Rs. 378 million compared to Rs. 474 million at June 30, 2019. The plan provided a return of 0.60% during the quarter compared to the benchmark return of 0.02%.

Meezan Capital Preservation Plan-VI

The net assets of the plan as at September 30, 2019 were Rs. 314 million compared to Rs. 384 million at June 30, 2019. The plan provided a return of 0.38% during the quarter compared to the benchmark return which declined by 0.12%.

Meezan Capital Preservation Plan-VII

The net assets of the plan as at September 30, 2019 were Rs. 177 million compared to Rs. 207 million at June 30, 2019. The plan provided a return of 0.37% during the quarter compared to the benchmark return which declined by 0.12%.

Meezan Capital Preservation Plan-VIII

The net assets of the plan as at September 30, 2019 were Rs. 102 million compared to Rs. 131 million at June 30, 2019. The plan provided a return of 1.23% during the quarter compared to the benchmark return of 0.64%.

Meezan Strategic Allocation Fund -III

Meezan Capital Preservation Plan-IX

The net assets of the plan as at September 30, 2019 were Rs. 94 million compared to Rs. 34 million at June 30, 2019. The plan provided a return of 1.02% during the quarter compared to the benchmark return which declined by 0.06%.

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 quarter ended September 30, 2019, the equity sub-fund provided a negative return of 5.75% and gold sub fund provided a return of 5.07%, while the debt and money market sub-funds provided annualized returns of 10.63% and 10.50% respectively. Performance review for each sub fund is given as under:

Equity Sub Fund

The net assets of this sub fund stood at Rs. 3,580 million at September 30, 2019 compared to Rs. 4,086 million at June 30, 2019, a decline of 12%. The net asset value per unit of the plan was Rs. 355.9066 at the end of September 30, 2019 as compare to Rs. 377.5765 as at June 30, 2019. For the quarter under review, the equity sub fund earned a gross loss of Rs. 228 million as compared to gross loss of Rs. 133 million in corresponding quarter last year.

Debt Sub Fund

The net assets of this sub fund stood at Rs. 2,734 million at September 30, 2019 compared to Rs. 2,807 million at June 30, 2019, a decline of 3%. The net asset value per unit of the plan was Rs.

242.4522 at the end of September 30, 2019 as compare to Rs. 236.1122 as at June 30, 2019. For the quarter under review, the debt sub fund earned a gross income of Rs. 87 million as compared to Rs. 39 million in corresponding quarter last year.

Money Market Sub Fund

The net assets of this sub fund stood at Rs. 2,433 million at September 30, 2019 compared to Rs. 2,073 million at June 30, 2019, an increase of 17%. The net asset value per unit of the plan was Rs. 240.4525 at the end of September 30, 2019 as compare to Rs. 234.2456 as at June 30, 2019. For the quarter under review, the money market sub fund earned a gross income of Rs. 71 million as compared to Rs. 16 million in corresponding quarter last year.

Gold Sub Fund

The net assets of this sub fund stood at Rs. 99 million at September 30, 2019 compared to Rs. 84 million at June 30, 2019, an increase of 18%. The net asset value per unit of the plan was Rs. 137.0771 at the end of September 30, 2019 as compare to Rs. 130.4834 as at June 30, 2019. For the quarter under review, the gold sub fund earned a gross income of Rs. 5 million as compared to gross loss of Rs. 1 million in corresponding quarter last year.

Outlook

Despite the challenges faced by the Government recently, we have witnessed that some corrective actions have been taken which will bear fruits ahead as it also reflected in significant reduction in current account deficit.

Going forward, the upcoming IMF review and FATF outcome is expected to set tone for the equity market performance. Moreover, with IMF first review under the current program expected in late October, Pakistan is set to gradually meet IMF's quantitative targets as the program is off to a promising start. However further action on the fiscal front will be key to achieve program targets. In line with the economic slowdown being witnessed on account of austerity measures and structural reforms, the SBP has forecasted GDP growth to clock in at around 3.5% for FY20 while IMF forecasts it to remain around 2.4%. The Inflation is expected to average 11-12% in FY20 as utility tariffs are increased and second round impact of currency weakness begins to reflect in CPI. With stability expected in the exchange rate and high base pulling down YoY CPI numbers going forward, it is expected that monetary tightening cycle for the time being is over which will provide confidence to business sentiment in the country.

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
Date: October 15, 2019

Mohammad Shoaib, CFA
Chief Executive Officer

فنڈز کی مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

المیزان انویسٹمنٹ مینجمنٹ لمیٹڈ کا بورڈ آف ڈائریکٹرز 30 ستمبر 2019ء کو ختم ہونے والے عرصے کیلئے درج ذیل اوپن اینڈ فنڈز اور ایک والسٹری پنشن اسکیم کے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرتے ہوئے اظہار مسرت کرتا ہے:

ایکویٹی فنڈز

- میزان اسلامک فنڈ (ایم آئی ایف)
- المیزان میوچل فنڈ (اے ایم ایف)
- کے ایس ای۔ میزان انڈیکس فنڈ (کے ایم آئی ایف)
- میزان ڈیڈ ویٹھڈ ایکویٹی فنڈ (ایم ڈی ای ایف)

سیکرا اسپیسفک فنڈ

- میزان ازجی فنڈ (ایم ای ایف)

بیلنسڈ فنڈ

- میزان بیلنسڈ فنڈ (ایم بی ایف)

ایسیٹ ایلوکیشن فنڈ

- میزان ایسیٹ ایلوکیشن فنڈ (ایم اے اے ایف)

کموڈٹی فنڈ

- میزان گولڈ فنڈ (ایم جی ایف)

انکم فنڈز

- میزان اسلامک انکم فنڈ (ایم آئی آئی ایف)
- میزان سوورن فنڈ (ایم ایس ایف)

منی مارکیٹ فنڈ

- میزان کیش فنڈ (ایم سی ایف)
- میزان روزانہ آمدنی فنڈ (ایم آراے ایف)

فنڈ آف فنڈز

- میزان فنانشل پلاننگ فنڈ آف فنڈز (ایم ایف پی ایف)
- میزان اسٹریٹجک ایلوکیشن فنڈ (ایم ایس اے ایف)
- میزان اسٹریٹجک ایلوکیشن فنڈ-II (ایم ایس اے ایف-II)
- میزان اسٹریٹجک ایلوکیشن فنڈ-III (ایم ایس اے ایف-III)

پنشن فنڈ

- میزان تحفظ پنشن فنڈ (ایم ٹی پی ایف)

مالی سال 20ء کی پہلی سہ ماہی میں پاکستانی معیشت کے لحاظ سے ایک ملے جلے رجحانات کے مجموعے کا مشاہدہ کیا گیا۔ سال کا آغاز 6 ارب امریکی ڈالر مالیت کے ایک آئی ایم ایف بیل آؤٹ پیکج پر پاکستان کے کامیاب مذاکرات سے ہوا تاکہ ادا بینگیوں کے توازن کے بحران کو نالا جائے اور روپے کی قدر کو مطلوب زیادہ استحکام فراہم کیا جائے۔ مالیاتی پالیسی کے محاذ پر، آٹھ لگاتار بلند شرحوں کے بعد، ایس بی پی نے ستمبر کے مالیاتی پالیسی اجلاس میں کلیدی شرح پالیسی 13.25% پر برقرار رکھی اور مالی سال 20ء کیلئے افراط زر کی شرح کو 11% سے 12% تک برقرار رکھنے کی پیش گوئی کر دی۔

بیرونی حسابات کے محاذ پر، مالی سال 20ء کی دوسرے ماہ کے دوران کرنسی کی تیز گراؤٹ نے حسابات جاریہ کے خسارے (سی اے ڈی) کو 1.3 ارب ڈالر تک کم کر دیا، سال بہ سال 55% کا بہت بڑا متزلزل جس کی سب سے بڑی وجہ سال بہ سال 23% کی درآمدات میں کمی تھی۔ تاہم، اس عرصے کے دوران برآمد کی شرح نمو پر جمود رہا جبکہ ترسیلات زر نے 3.7 ارب ڈالر تک کی سال بہ سال 8% کی کمی کو ظاہر کیا۔ ادائیگی، توازن میں بہتری، آئی ایم ایف بیل آؤٹ پیکج کی پہلی قسط کا حصول، سعودی تیل سہولت کی فعالی اور کثیر طرفہ اداروں سے رقوم کے بہاؤ (کچھ امداد سرمائے کی شکل میں بھی اُس وقت آئی جب مرکزی بینک نے غیر ملکی سرمایہ کاروں کیلئے ڈیپٹ مارکیٹس یعنی قرضوں کی منڈیوں کو کھولنے کا فیصلہ کیا) نے بینک دولت پاکستان کے زرمبادلہ کے ذخائر کو مالی سال 20ء کی پہلی سہ ماہی کے دوران سہ ماہی بہ سہ ماہی 6% سے بہتر کرنے میں مدد فراہم کی جس سے وہ 7.74 ارب ڈالر تک بمطابق 30 ستمبر 2019ء کو پہنچا۔ نتیجتاً زہر جائزہ سہ ماہی کے دوران تقریباً 2.4% امریکی ڈالر کے مقابلے میں روپے کی قدر میں اضافے کا مشاہدہ کیا گیا۔

مالی محاذ پر، حکومت کو کچھ چیلنجز کا سامنا رہا خاص طور پر مالی خسارے اور بنیادی خسارے پر جو کہ مالی سال 19ء کیلئے علی الترتیب 8.9% اور 3.5% رہے۔ حکومت کو مالی خسارہ 7.1% تک نیچے لانا پڑا اور بنیادی خسارے کو مالی سال 20ء میں ملکی شرح نمو (جی ڈی پی) کا 0.6% تک کم کرنا پڑا۔ اس سہ ماہی کے دوران، حکومت 960 ارب روپے تک کی ٹیکس وصولی کو ممکن کر سکی جو کہ پچھلے سال کے تقابلی عرصے کے مقابلے میں 14% زیادہ بہتری کو ظاہر کرتی ہے۔ تاہم یہ اب بھی ہدف سے 10% تک کم ہے۔

مالیاتی یعنی موٹیویٹی محاذ پر، ماہانہ افراط زر زیادہ رہا ہے اگرچہ وہ آئی ایم ایف اور ایس بی پی کی جانب سے بیان کردہ 11% سے 13% کی حد کے اندر رہی رہا۔ ستمبر کے مہینے کیلئے افراط زر کے تازہ ترین اعداد و شمار 2015-16ء کے نئی اساس سال پر 11.37% پر رہا (2007-08ء کی پرانی اساس پر 12.60%) جبکہ مالی سال 20ء کے تیسرے ماہ کیلئے اوسط افراط زر کا 2015-16ء کیلئے اساس سال پر 10.08% رہا (2007-08ء کے پرانی اساس پر 11.51%) جو کہ گزشتہ مہینوں پر بتدریج بڑھوتری کو ظاہر کرتا ہے اور سال بہ سال اور ماہ بہ ماہ دونوں لحاظ سے بلند رہا۔ نتیجتاً ایس بی پی نے جولائی 2019ء میں اس کی مالیاتی پالیسی میں شرح پالیسی کو 100 بی پی ایس سے بڑھا دیا، جو کہ ممکنہ طور پر مدت کے قریب بلند تر افراط زر اور پچھلی سہ ماہی کی شرح تبادلہ میں کمی کے اثرات کے دوسرے دور سے متحرک تھے۔ عالمی سطح پر کئی مرکزی بینکس کی جانب سے کمی کے اعلان اور مقامی بازارز میں ثانوی منڈی کے آمدن میں کمی کے آغاز کی وجہ سے، ایس بی پی نے ستمبر 2019ء کے دوران غیر تبدیل شدہ شرح پالیسی 13.25% برقرار رکھی۔ مالیاتی پالیسی میں مزید بہتری کے حوالے کو میکرو اکنامک ماحول میں بہتری کی ضرورت رہے گی۔

بازارز کا جائزہ

جیسا کہ اوپر ظاہر کیا گیا ہے کہ ایس بی پی نے مالی سال 20ء کی پہلی سہ ماہی کے دوران مالیاتی سختی کے موقف کے تسلسل کو جاری رکھتے ہوئے شرح پالیسی/شرح رعایت میں 1.00% کا اضافہ کر دیا جو کہ بڑھتے ہوئے افراط زر اور ایشیائے صرف کی قیمتوں میں اضافے کی اعانت 13.25% پر برقرار تھی۔ مارکیٹ پہلے مالی سال کے آغاز ہی سے شرح رعایت میں اضافے کی توقع رکھے ہوئے تھی اس لیے مارکیٹ کے شرکاء کیلئے شرح پالیسی میں اضافہ کوئی تعجب کی بات نہیں تھی۔

بڑھتی ہوئی شرح رعایت میں قلیل مدتی حکومتی دستاویز کی آمدن اور کے آئی بی او آرز (KIBORs) سے آہنگ نے تیزی کے رجحان کو ظاہر کیا ہے، ٹی۔ بلز 100-62 بی پی ایس سے بڑھ گئے جس میں 3، 6 اور 12 مہینوں کے ٹی۔ بلز 13.75%، 13.76% اور 13.75% پر علی الترتیب بند ہوئے۔ تاہم تیل اور ایشیائے صرف کی قیمتوں میں کچھ کمی کی وجہ سے جس کا سبب عالمی معیشتوں کی سست روی تھا، بازارز نے خیال کر لیا کہ زہر جائزہ عرصے میں افراط زر بلند سے بلند تر ہو سکتا تھا، جس سے خط آمدن میں تبدیلی کا آغاز ہوا جس کا مشاہدہ ثانوی منڈی کی بی آئی بی آمدن میں تیز گراؤٹ سے کیا گیا جہاں 10 سال کے بوئڈ 12.18% پر بند ہوئے (154 بی پی ایس کی کمی)، 5 سالہ بوئڈز 12.30% پر بند ہوئے (158 بی پی ایس کی کمی) اور 3 سالہ بوئڈز 12.64% (121 بی پی ایس کی کمی) پر بند ہوئے۔

زریعہ کے محاذ پر، بازارز مستحکم رہا جس کی وجہ ایس بی پی کی طرف سے او ایم او کا تسلسل تھی۔ سہ ماہی کے دوران، مرکزی بینک نے بنیادی/اولین مارکیٹ میں ٹی بلز اور بی آئی بی کے ذریعے 2.05 کھرب روپے کا اضافی قرضہ حاصل کیا۔ تاہم بازار کی اعانت کی غرض سے، ایس بی پی نے او ایم او کے ذریعے 1.97 کھرب روپے کے زریعہ کی دستیابی کو ممکن بنایا۔

اسلامی بازارز کے محاذ پر، اجارہ صکوک کی قیمتوں نے تیز اضافوں کا مشاہدہ کیا جس کی وجہ موافق شریعہ سرکاری/اجارہ ضمانتوں کی دستیابی کی کمی تھی۔ یہاں یہ بتانا ضروری ہوگا کہ جاری چارہ اجارہ صکوک اجرا جن کی مالیت 385 ارب روپے میں سے تین اجارہ صکوک کی مالیت 314 ارب روپے ہے جو مالی سال 19ء کے دوران پختہ ہوئے اور حکومت نے جون 2017ء سے کسی بھی اجارہ صکوک کے نلام کا انعقاد

نہیں کیا ہے۔ گزشتہ مالی سال میں حکومت نے مارچ 2019ء میں پاکستان انرجی سکلوک-1 کا اجرا کیا تھا جس کی مالیت 200 ارب روپے تھی۔ انرجی سکلوک کی دوسری قسط جاری مالی سال کے دوران متوقع ہے۔ تاہم کارپوریٹ شعبہ سکلوکات اور اسلاک کمرشل پیپرز کے ذریعے رقم کے حصول کے تسلسل کو برقرار رکھے ہوئے ہے، جو اسلامی اداروں سے دستیاب فاضل زریں سال کے کچھ حصے کو جذب کرنے میں کلیدی کردار ادا کر رہا ہے۔

بازار حصص کا جائزہ

مالی سال 2020ء کی پہلی سہ ماہی کے دوران، اسٹاک مارکیٹ زبرد باؤ رہی کیونکہ KSE-100، 5.38% تگلر گیا اور 32,079 پر بند ہوا اور KMI-30، 5.48% تک کم ہو کر 51,150 پوائنٹس کی سطح پر بند ہوا۔ مارکیٹ میں شرکت سال بہ سال علی الترتیب 17% اور 22% سے بالحاظ حجم گم کر کر KMI-30 انڈیکس اور KSE-100 انڈیکس کے ساتھ اس عرصے کے دوران مسلسل کم رہی۔

اسٹاک مارکیٹ کی کمزور اور سست کارکردگی کو درج ذیل سے منسوب کیا جا رہا ہے: (1) وسیع پیمانے پر مالی خسارے کی تشویش، (2) ایف اے ٹی ایف جائزہ نتیجے پر غیر یقینی، (3) کشمیر کے مسئلے پر بھارت کے ساتھ تناؤ، (4) جولائی میں مزید مالیاتی سختی، اور (5) توقعات سے کم ادارہ جاتی نتائج۔ ابتدائی طور پر، آئی ایم ایف سمجھوتے پر دستخط کے باوجود مالیاتی سختی کی تشویش پر اس سہ ماہی کا آغاز منفی نکتے سے ہوا۔ بعد ازاں مالی سال 2019ء کیلئے سیزن نتائج، اختتامی نتائج اور خصوصاً گردش نتائج نے بالاتر متوقع نقصانات کو ظاہر کیا، مارکیٹ پر مزید دباؤ لے آیا اور 16 اگست 2019ء پر KMI-30 نے 44,929 پوائنٹس کی کمی (KSE-100: 28,746 پوائنٹس) کو چھوا۔ تاہم، معیشتوں کی عالمی سست روی کی تشویشات نے بالآخر فراہم کنندہ کی تفکرات کو کم کیا اور ایک پشن فنڈ کی جانب سے مارکیٹ میں سرمایہ کاری سے متعلق نئے بہاؤ نے اسٹاک مارکیٹ کو سنبھال دیا۔ بیرونی حسابات میں مزید بہتری سے رجحانات بہتر ہوئے، ممبر ایم پی ایس میں اسٹیٹس کو مؤقف، اور خط آمدن کا اٹنارخ ظاہر کرنا پہلی سہ ماہی کے آخر میں KMI-30 کو 51,150 (KSE-100: 32,079) پر بند ہوا) پر بند کرنے میں معاون ثابت ہوا، دراصل مارکیٹ نے کم ترین سطح سے KSE-100 کیلئے 11.5% یا 3,315 پوائنٹس اور KMI-30 کیلئے 13.85% یا 6,621 پوائنٹس کی ریکوری (بحالی) کو ظاہر کیا۔

عالمی طور پر، زبرد جائزہ سہ ماہی کے دوران ای ایم مارکیٹس سے ای ٹی ایف آؤٹ فلوز، عالمی سست روی کی وجہ سے جاری رہے اور امریکی ڈالر کو مستحکم کر دیا۔ ایم ایس سی آئی ای ایم انڈیکس اس عرصے کے دوران زبرد باؤ رہی رہا جس کی وجہ بیرونی سرمایہ کاروں کی جانب سے مسلسل لیکویڈیشن (تصفیہ) تھی اور سہ ماہی کا خاتمہ 5% کی کمی پر ہوا۔ اسی طرح، ایم ایس سی آئی ای ایم کرنسی انڈیکس نے سہ ماہی کا خاتمہ 2.85% کی کمی سے کیا، جو کہ ای ایم مارکیٹس میں وسیع البیاد دباؤ کے دوبارہ ابھرنے کی طرف اشارہ ہے جس کی وجہ ڈالر رسال کی بگڑتی ہوئی صورتحال ہے۔

تیل کی بین الاقوامی قیمتیں زبرد باؤ رہیں کیونکہ عالمی معیشت میں وسیع البیاد مندی رہی۔ تیل کی منڈی میں منفی رجحان جاری رہا جو یہ کہ اے آراے ایم سی او میں سعودی آئل ریفاؤنڈری پر حملے کے نتیجے میں خام تیل کی قیمتوں میں تیزی سے اضافہ ہوا جس سے طویل عرصے کیلئے عالمی پیمانے پر خام تیل کی فراہمی میں تقریباً 6% کے تعطل کا خوف طاری ہو گیا۔ اے آراے ایم سی او نے اس صورتحال کو سنبھالا اور تیل کی فراہمی فوری طور پر بحال کر دی گئی۔ برینٹ خام قیمتیں اس سہ ماہی پر کمی کا شکار رہیں اور 7.1% کی کمی سے 59.25 ڈالر فی بیرل پر بند ہوئیں۔

انڈیکس کے بڑے حصے دار

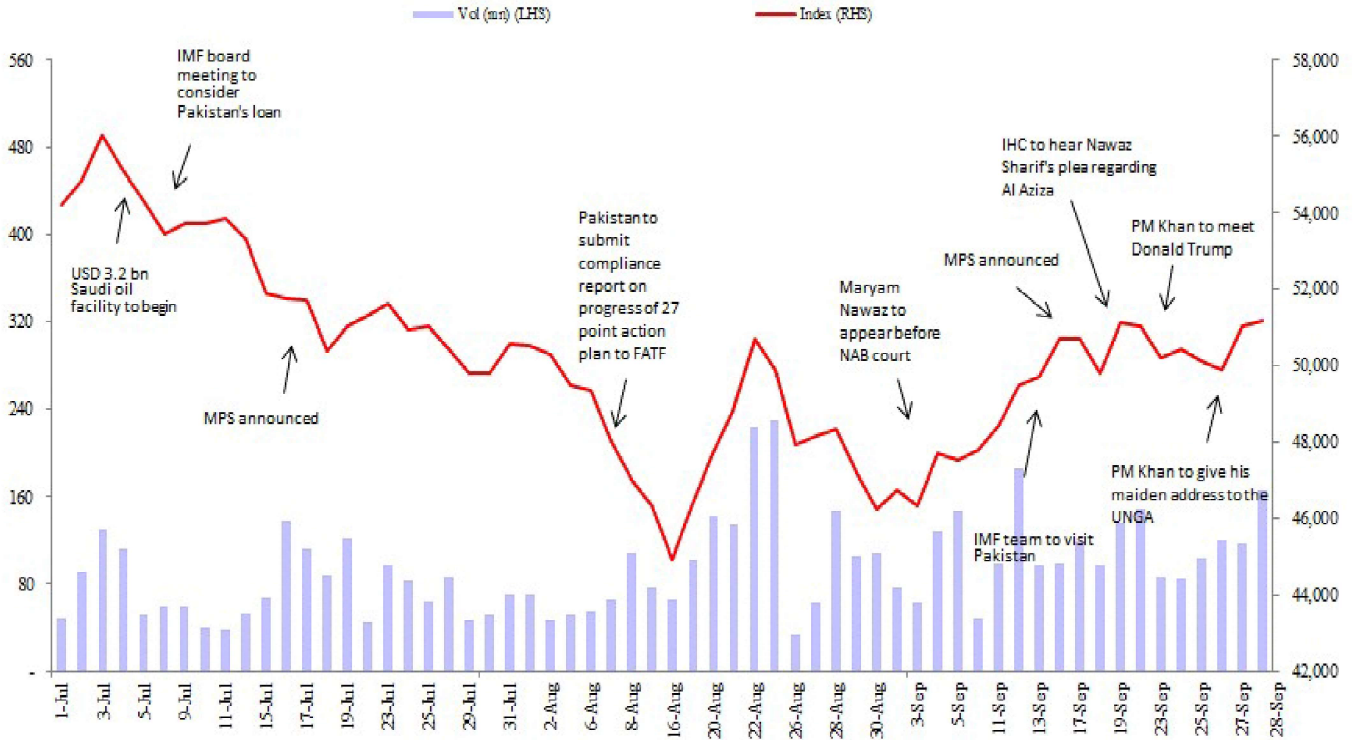
اس سہ ماہی کے دوران، فریڈیا نزر (کھاد) مثبت حصے داروں میں شامل رہا۔ اس عرصے کے دوران KMI-30 انڈیکس میں چوٹی کے حصے دار اسٹاکس پر ہے:

انڈیکس کے مثبت حصے دار	KMI-30 (پوائنٹس) میں حصہ	کل منافع/عائدات (%)
اینگرفریڈیا نزر لمیٹڈ	386	+12.79
داؤد ہر کیولیس کارپوریشن لمیٹڈ	259	+9.08
اینگرو کارپوریشن لمیٹڈ پاکستان	200	+3.17
انک پیٹرو لیم لمیٹڈ	36	+6.06

دوسری جانب، آئل اینڈ گیس ایکسپلوریشن اور سیمینٹس کے شعبے بدترین حصے دار تھے۔ اس عرصے کے دوران KMI-30 انڈیکس میں سب سے سست شعبے یہ رہے:

انڈیکس کے منفی حصے دار	KMI-30 (پوائنٹس) میں حصہ	کل منافع/عائدات (%)
آئل اینڈ گیس ڈیولپمنٹ کمپنی لمیٹڈ	(435)	(6.26)
پاکستان پیٹرو لیم لمیٹڈ	(342)	(5.62)
کلی سینٹ لمیٹڈ	(300)	(7.63)
تھل لمیٹڈ	(296)	(31.83)

اس عرصے کے دوران KMI-30 کی مجموعی حرکت و سکنات درج ذیل گراف سے مشاہدہ کی جاسکتی ہے:



حصص کا بہاؤ:

مالی سال 20ء کی پہلی سہ ماہی کیلئے 23.36 ملین ڈالر کی خالص خریداری میں ایف آئی پی آئی کے ساتھ تھنسی سے غیر ملکی جذبات مثبت رہے۔ ہم غیر ملکیوں کے مثبت جذبات کو اوڈین طور پر اس سہ ماہی میں مشاہدہ کی گئی کرنسی کے استحکام سے منسوب کرتے ہیں۔ مزید برآں، انڈیکس مجموعی طور پر سستی تخمینہ قیمت نے مارکیٹ میں غیر ملکی دلچسپی کو بھی بھایا۔ بالآخر شعبہ جات، مجمع کارڈ کا ریزینٹ میں (13.16 ملین ڈالر)، کرسٹل بینکس میں (7.93 ملین ڈالر) اور پاور جزیٹیشن اینڈ ڈسٹری بیوٹن میں (5.59 ملین ڈالر) دیکھا گیا۔ فروخت زیادہ تر آئل اینڈ گیس ایکسپلوریشن میں (8.06 ملین ڈالر) دکھی گئی۔ مقامی لوگ زیادہ تر فروخت کنندگان رہے جس کا بڑا حجم میوچل فنڈز (82.28 ملین ڈالر)، انشورنس کمپنیز (23.04 ملین ڈالر) اور کمپنیز (10.56 ملین ڈالر) کی جانب سے فروخت کیا گیا۔ افراد، بروکرز اور ہاؤسز اور دیگر ادارے مقامی جانب سے مارکیٹ میں زیادہ تر خریدار تھے۔

میوچل فنڈ انڈسٹری کا جائزہ:

مالی سال 20ء کی پہلی سہ ماہی کے دوران، میوچل فنڈ انڈسٹری کے زیر انتظام اثاثہ جات 6.0% کی شرح سے بڑھ کر 562 ارب روپے ہو گئے۔ شریعہ موافق زیر انتظام اثاثہ جات 5.8% کی شرح سے بڑھ کر 207 ارب روپے ہو گئے جس سے میوچل فنڈ انڈسٹری میں شریعہ موافق فنڈز کا حصہ 36.9% پر آ گیا۔ المیز ان کا میوچل فنڈ انڈسٹری میں حصہ 18.2% ہے جبکہ شریعہ موافق فنڈز میں اس کا حصہ برطانیہ 30 ستمبر 2019ء 49.2% ہے۔ یہ مارکیٹ شیئر میں 97 پیسز پوائنٹس سے میوچل فنڈ کے زیر انتظام اثاثہ جات میں اضافے کو ظاہر کرتا ہے اور المیز ان کیلئے انڈسٹری کے شریعہ موافق شعبے میں 270 بیس پوائنٹس کو ظاہر کرتا ہے۔

مالی سال 19ء میں مالی سال 20ء کی پہلی سہ ماہی کے انڈسٹری کے زیر انتظام اثاثہ جات میں تبدیلی ذیل کے مطابق ہے:

فرق (%)	پہلی سہ ماہی مالی سال 20ء (ارب روپے)	مالی سال 19ء	سوورن، مٹی مارکیٹ اور انکم فنڈز
28.6	118	92	شریعی موافق فنڈز
20.1	231	192	روایتی فنڈز
22.8	349	284	کل فنڈز

ایکویٹی فنڈز (بشمول انڈیکس ٹریڈر فنڈز)

(16.0)	54	64	شرعیہ موافق فنڈز
(14.3)	102	119	روایتی فنڈز
(14.9)	156	183	کل فنڈز

کیپٹل پروڈیکٹس، ہیلنڈ اور ایسٹ ایلیویشن

(19.8)	18	23	شرعیہ موافق فنڈز
(10.1)	13	14	روایتی فنڈز
(16.1)	31	37	کل فنڈز

کمویٹی فنڈز

14.1	0.54	0.48	شرعیہ موافق فنڈز
14.1	0.54	0.48	کل فنڈز

والٹری پنشن فنڈز

(1.1)	16	17	شرعیہ موافق فنڈز
1.5	9	9	روایتی فنڈز
(0.2)	25	26	کل فنڈز

میزان تحفظ پنشن فنڈ (ایم آئی ایف) مارکیٹ شیئر

(0.6)	34.30	34.85	مجموعی شعبے میں (%)
(0.4)	53.68	54.05	شرعیہ موافق شعبے میں (%)

جائزہ کارکردگی (فنڈز)

میزان اسلامک فنڈ (ایم آئی ایف)

میزان اسلامک فنڈ (ایم آئی ایف) کے خالص اثاثہ جات جون 2019ء کے اختتام کے 25,740 ملین روپے کے مقابلے میں 14% تنزلی کے ساتھ 30 ستمبر 2019ء کو 22,133 ملین روپے تھے۔ خالص مالیت اثاثہ جات فی یونٹ (این اے وی) 30 جون 2019ء کے 47.9235 روپے فی یونٹ کے مقابلے میں 30 ستمبر 2019ء کو 44.8723 روپے تھے جو اس سہ ماہی کے دوران کے ایس ای میزبان انڈیکس (کے ایم آئی-30) کے شیئ مارک 5.48% منفی منافع کے مقابلے میں 6.38% کے منفی منافع کی ترجمانی کرتی ہے۔

المیزان میوچل فنڈ (اے ایم ایم ایف)

المیزان میوچل فنڈ (اے ایم ایم ایف) کے خالص اثاثہ جات جون 2019ء کے اختتام کے 4,768 ملین روپے کے مقابلے میں 18% تنزلی کے ساتھ 30 ستمبر 2019ء کو 3,902 ملین روپے تھے۔ خالص مالیت اثاثہ جات فی یونٹ (این اے وی) 30 جون 2019ء کے 13.3539 روپے فی یونٹ کے مقابلے میں 30 ستمبر 2019ء کو 12.5569 روپے تھے جو اس سہ ماہی کے دوران کے ایس ای میزبان انڈیکس (کے ایم آئی-30) کے شیئ مارک 5.48% منفی منافع کے مقابلے میں 5.98% کے منفی منافع کی ترجمانی کرتی ہے۔

کے ایس ای-میزبان انڈیکس فنڈ (کے ایم آئی ایف)

کے ایس ای-میزبان انڈیکس فنڈ (کے ایم آئی ایف) کے خالص اثاثہ جات جون 2019ء کے 1,517 ملین روپے کے مقابلے میں 2% تنزلی کے ساتھ 30 ستمبر 2019ء کو 1,493 ملین روپے تھے۔ خالص مالیت اثاثہ جات فی یونٹ (این اے وی) 30 جون 2019ء کے 52.9470 روپے فی یونٹ کے مقابلے میں 30 ستمبر 2019ء کو 49.9304 روپے تھے جو اس سہ ماہی کے دوران کے ایس ای میزبان انڈیکس (کے ایم آئی-30) کے شیئ مارک 5.48% منفی منافع کے مقابلے میں 5.70% کے منفی منافع کی ترجمانی کرتی ہے۔

میزان ڈیڈ ویلٹیڈ ایکویٹی فنڈ (ایم ڈی ای ایف)

میزان ڈیڈ ویلٹیڈ ایکویٹی فنڈ (ایم ڈی ای ایف) کے خالص اثاثہ جات جون 2019ء کے 1,761 ملین روپے کے مقابلے میں 42% متزلی کے ساتھ 30 ستمبر 2019ء کو 1,024 ملین روپے تھے۔ خالص مالیت اثاثہ جات فی یونٹ (این اے وی) 30 جون 2019ء کے 35.5081 روپے فی یونٹ کے مقابلے میں 30 ستمبر 2019ء کو 32.9959 روپے تھے جو اس سہ ماہی کے دوران کے ایس ای میزبان انڈیکس (کے ایم آئی-30) کے بیچ مارک 5.48% منفی منافع کے مقابلے میں 7.09% کے منفی منافع کی ترجمانی کرتی ہے۔

میزان انرجی فنڈ (ایم ای ایف)

میزان انرجی فنڈ (ایم ای ایف) کے خالص اثاثہ جات جون 2019ء کے 599 ملین روپے کے مقابلے میں 13% متزلی کے ساتھ 30 ستمبر 2019ء کو 519 ملین روپے تھے۔ خالص مالیت اثاثہ جات فی یونٹ (این اے وی) 30 جون 2019ء کے 33.3649 روپے فی یونٹ کے مقابلے میں 30 ستمبر 2019ء کو 29.1295 روپے تھے جو اس سہ ماہی کے دوران کے ایس ای میزبان انڈیکس (کے ایم آئی-30) کے بیچ مارک 5.48% منفی منافع کے مقابلے میں 12.71% کے منفی منافع کی ترجمانی کرتی ہے۔

میزان ہیلتھ فنڈ (ایم بی ایف)

میزان ہیلتھ فنڈ (ایم بی ایف) کے خالص اثاثہ جات جون 2019ء کے 5,350 ملین روپے کے مقابلے میں 15% متزلی کے ساتھ 30 ستمبر 2019ء کو 4,552 ملین روپے تھے۔ خالص مالیت اثاثہ جات فی یونٹ (این اے وی) 30 جون 2019ء کے 13.4608 روپے فی یونٹ کے مقابلے میں 30 ستمبر 2019ء کو 13.1364 روپے تھے جو اس سہ ماہی کے دوران بیچ مارک 2.21% منفی منافع کے مقابلے میں 2.40% کے منفی منافع کی ترجمانی کرتی ہے۔

میزان ایسیٹ ایلوکیشن فنڈ (ایم اے ایف)

میزان ایسیٹ ایلوکیشن فنڈ (ایم اے ایف) کے خالص اثاثہ جات جون 2019ء کے 1,854 ملین روپے کے مقابلے میں 13% متزلی کے ساتھ 30 ستمبر 2019ء کو 1,616 ملین روپے تھے۔ خالص مالیت اثاثہ جات فی یونٹ (این اے وی) 30 جون 2019ء کے 35.4328 روپے فی یونٹ کے مقابلے میں 30 ستمبر 2019ء کو 33.8542 روپے تھے جو اس سہ ماہی کے دوران بیچ مارک 3.41% منفی منافع کے مقابلے میں 4.45% کے منفی منافع کی ترجمانی کرتی ہے۔

میزان گولڈ فنڈ (ایم جی ایف)

فنڈ کے خالص اثاثہ جات جون 2019ء کے 478 ملین روپے کے مقابلے میں 14% کے اضافے کے ساتھ 30 ستمبر 2019ء کو 545 ملین روپے تھے۔ سہ ماہی کے دوران فنڈ نے بیچ مارک 4.99% منفی منافع کے مقابلے میں 5.44% کا منافع فراہم کیا۔

میزان اسلامک آفم فنڈ (ایم آئی آئی ایف)

میزان اسلامک آفم فنڈ (ایم آئی آئی ایف) کے خالص اثاثہ جات جون 2019ء کے 9,471 ملین روپے کے مقابلے میں 75% کے اضافے کے ساتھ 30 ستمبر 2019ء کو 16,591 ملین روپے تھے۔ خالص مالیت اثاثہ جات فی یونٹ (این اے وی) 30 جون 2019ء کے 51.4367 روپے فی یونٹ کے مقابلے میں 30 ستمبر 2019ء کو 52.9192 روپے تھے جو 5.74% کے بیچ مارک سالانہ منافع کے مقابلے میں 11.42% کے سالانہ منافع کی ترجمانی کرتی ہے۔ سہ ماہی کے اختتام پر اس فنڈ کی 26% سرمایہ کاری اسلامک کارپوریٹ صکوک میں، 14% کمرشل پیپرز میں، 1% حکومت پاکستان اجارہ صکوک میں اور 4% مشارکہ شریعت میں کی گئی اور خالص اثاثہ جات کے 55% کو اسلامی بینکس کے ونڈوز یا اسلامی بینکس میں رکھا گیا۔

میزان سوورن فنڈ (ایم ایس ایف)

میزان سوورن فنڈ (ایم ایس ایف) کے خالص اثاثہ جات جون 2019ء کے 5,705 ملین روپے کے مقابلے میں 16% متزلی کے ساتھ 30 ستمبر 2019ء کو 4,793 ملین روپے تھے۔ خالص مالیت اثاثہ جات فی یونٹ (این اے وی) 30 جون 2019ء کے 51.5293 روپے فی یونٹ کے مقابلے میں 30 ستمبر 2019ء کو 52.9845 روپے تھے جو 10.64% کے بیچ مارک سالانہ منافع کے مقابلے میں 11.19% کے سالانہ منافع کی ترجمانی کرتی ہے۔ سہ ماہی کے اختتام پر اس فنڈ کی 23% سرمایہ کاری حکومت پاکستان اجارہ صکوک میں اور خالص اثاثہ جات کے 75% کو اسلامی بینکس کے ونڈوز یا اسلامی بینکس میں رکھا گیا۔

میزان کیش فنڈ (ایم سی ایف)

میزان کیش فنڈ (ایم سی ایف) کے خالص اثاثہ جات 30 جون 2019ء کے 8,851 ملین روپے کے مقابلے میں 21% کے اضافے کے ساتھ 30 ستمبر 2019ء کو 10,685 ملین روپے تھے۔ خالص مالیت اثاثہ جات فی یونٹ (این اے وی) 30 جون 2019ء کے 50.4731 روپے فی یونٹ کے مقابلے میں 30 ستمبر 2019ء کو 51.8510 روپے تھی جو 5.40% کے بیچ مارک سالانہ منافع کے مقابلے میں 10.82% کے سالانہ منافع کی ترجمانی کرتی ہے۔ سرمایہ کے اختتام پر اس فنڈ کا 18% ٹرم ڈپازٹ ریٹ پیس میں، 12% کمرشل پیپرز میں، 16% اسلامی کارپوریٹ سٹاک میں اور خالص اثاثہ جات کا 60% اسلامی بینکس کے ونڈوز یا اسلامی بینکس میں رکھا گیا۔

میزان روزانہ آمدنی فنڈ (ایم آر اے ایف)

میزان روزانہ آمدنی فنڈ (ایم آر اے ایف) کے خالص اثاثہ جات 30 جون 2019ء کے 16,134 ملین روپے کے مقابلے میں 57% کے اضافے کے ساتھ 30 ستمبر 2019ء کو 25,409 ملین روپے تھے۔ خالص مالیت اثاثہ جات فی یونٹ 30 ستمبر 2019ء کو 50.0000 روپے تھی۔ سرمایہ کے دوران فنڈ نے 5.40% کے بیچ مارک سالانہ منافع کے مقابلے میں 11.70% کا سالانہ منافع فراہم کیا۔

میزان فنانشل پلاننگ فنڈ آف فنڈز (ایم ایف پی ایف)

ایگریسیو ایلوکیشن پلان

پلان کے خالص اثاثہ جات 30 جون 2019ء کے 365 ملین روپے کے مقابلے میں 30 ستمبر 2019ء کو 341 ملین روپے تھے۔ سرمایہ کے دوران پلان نے بیچ مارک 3.82% منفی منافع کے مقابلے میں 4.13% کا منفی منافع فراہم کیا۔

موڈریٹ ایلوکیشن پلان

پلان کے خالص اثاثہ جات 30 جون 2019ء کے 203 ملین روپے کے مقابلے میں 30 ستمبر 2019ء کو 138 ملین روپے تھے۔ سرمایہ کے دوران پلان نے بیچ مارک 2.16% منفی منافع کے مقابلے میں 1.78% کا منفی منافع فراہم کیا۔

کنزرویٹو ایلوکیشن پلان

پلان کے خالص اثاثہ جات 30 جون 2019ء کے 222 ملین روپے کے مقابلے میں 30 ستمبر 2019ء کو 184 ملین روپے تھے۔ سرمایہ کے دوران پلان نے بیچ مارک 0.32% منفی منافع کے مقابلے میں 0.46% کا منافع فراہم کیا۔

میزان ایسیٹ ایلوکیشن پلان-I

پلان کے خالص اثاثہ جات 30 جون 2019ء کے 593 ملین روپے کے مقابلے میں 30 ستمبر 2019ء کو 485 ملین روپے تھے۔ سرمایہ کے دوران پلان نے بیچ مارک 3.49% منفی منافع کے مقابلے میں 4.77% کا منفی منافع فراہم کیا۔

میزان اسٹریٹجک ایلوکیشن فنڈ (ایم ایس اے ایف)

میزان اسٹریٹجک ایلوکیشن پلان-I

پلان کے خالص اثاثہ جات 30 جون 2019ء کے 1,067 ملین روپے کے مقابلے میں 30 ستمبر 2019ء کو 898 ملین روپے تھے۔ سرمایہ کے دوران پلان نے بیچ مارک 3.38% منفی منافع کے مقابلے میں 3.95% کا منفی منافع فراہم کیا۔

میزان اسٹریٹجک ایلوکیشن پلان-II

پلان کے خالص اثاثہ جات 30 جون 2019ء کے 728 ملین روپے کے مقابلے میں 30 ستمبر 2019ء کو 503 ملین روپے تھے۔ سرمایہ کے دوران پلان نے بیچ مارک 3.20% منفی منافع کے مقابلے میں 3.69% کا منفی منافع فراہم کیا۔

میزان اسٹریٹجک ایلوکیشن پلان-III

پلان کے خالص اثاثہ جات 30 جون 2019ء کے 891 ملین روپے کے مقابلے میں 30 ستمبر 2019ء کو 776 ملین روپے تھے۔ سرمایہ کے دوران پلان نے بیچ مارک %3.09 منفی منافع کے مقابلے میں %3.88 کا منفی منافع فراہم کیا۔

میزان اسٹریٹجک ایلوکیشن پلان-IV

پلان کے خالص اثاثہ جات 30 جون 2019ء کے 1,003 ملین روپے کے مقابلے میں 30 ستمبر 2019ء کو 838 ملین روپے تھے۔ سرمایہ کے دوران پلان نے بیچ مارک %3.26 منفی منافع کے مقابلے میں %4.02 کا منفی منافع فراہم کیا۔

میزان اسٹریٹجک ایلوکیشن پلان-V

پلان کے خالص اثاثہ جات 30 جون 2019ء کے 316 ملین روپے کے مقابلے میں 30 ستمبر 2019ء کو 229 ملین روپے تھے۔ سرمایہ کے دوران پلان نے بیچ مارک %3.31 منفی منافع کے مقابلے میں %4.16 کا منفی منافع فراہم کیا۔

میزان کیپٹل پریزرویشن پلان-III

پلان کے خالص اثاثہ جات 30 جون 2019ء کے 1,099 ملین روپے کے مقابلے میں 30 ستمبر 2019ء کو 996 ملین روپے تھے۔ سرمایہ کے دوران پلان نے بیچ مارک %0.57 منفی منافع کے مقابلے میں %1.54 کا منافع فراہم کیا۔

میزان اسٹریٹجک ایلوکیشن فنڈ-II (ایم ایس اے ایف-II)

میزان کیپٹل پریزرویشن پلان-IV

پلان کے خالص اثاثہ جات 30 جون 2019ء کے 1,553 ملین روپے کے مقابلے میں 30 ستمبر 2019ء کو 1,362 ملین روپے تھے۔ سرمایہ کے دوران پلان نے بیچ مارک %0.04 منفی منافع کے مقابلے میں %0.69 کا منافع فراہم کیا۔

میزان کیپٹل پریزرویشن پلان-V

پلان کے خالص اثاثہ جات 30 جون 2019ء کے 474 ملین روپے کے مقابلے میں 30 ستمبر 2019ء کو 378 ملین روپے تھے۔ سرمایہ کے دوران پلان نے بیچ مارک %0.02 منفی منافع کے مقابلے میں %0.60 کا منافع فراہم کیا۔

میزان کیپٹل پریزرویشن پلان-VI

پلان کے خالص اثاثہ جات 30 جون 2019ء کے 384 ملین روپے کے مقابلے میں 30 ستمبر 2019ء کو 314 ملین روپے تھے۔ سرمایہ کے دوران پلان نے بیچ مارک %0.12 منفی منافع کے مقابلے میں %0.38 کا منافع فراہم کیا۔

میزان کیپٹل پریزرویشن پلان-VII

پلان کے خالص اثاثہ جات 30 جون 2019ء کے 207 ملین روپے کے مقابلے میں 30 ستمبر 2019ء کو 177 ملین روپے تھے۔ سرمایہ کے دوران پلان نے بیچ مارک %0.12 منفی منافع کے مقابلے میں %0.37 کا منافع فراہم کیا۔

میزان کیپٹل پریزرویشن پلان-VIII

پلان کے خالص اثاثہ جات 30 جون 2019ء کے 131 ملین روپے کے مقابلے میں 30 ستمبر 2019ء کو 102 ملین روپے تھے۔ سرمایہ کے دوران پلان نے بیچ مارک %0.64 منفی منافع کے مقابلے میں %1.23 کا منافع فراہم کیا۔

میزان کیپٹل پریزرویشن پلان-IX

پلان کے خالص اثاثہ جات 30 جون 2019ء کے 34 ملین روپے کے مقابلے میں 30 ستمبر 2019ء کو 94 ملین روپے تھے۔ سہ ماہی کے دوران پلان نے نیچے مارک 0.06% منفی منافع کے مقابلے میں 1.02% کا منافع فراہم کیا۔

میزان تحفظ پنشن فنڈ (ایم ٹی پی ایف)

ایم ٹی پی ایف 4 ذیلی فنڈز یعنی ایکویٹی سب فنڈ، ڈیبٹ سب فنڈ، منی مارکیٹ سب فنڈ اور گولڈ سب فنڈ پر مشتمل ہے۔ 30 ستمبر 2019ء کو اختتام پذیر ہونے والی سہ ماہی کیلئے، ایکویٹی سب فنڈ نے 5.75% کا منفی منافع اور گولڈ سب فنڈ نے 5.07% کا منافع فراہم کیا جبکہ ڈیبٹ اور منی مارکیٹ سب فنڈز نے بالترتیب 10.63% اور 10.50% سالانہ منافع فراہم کیا۔ ہر ایک سب فنڈ کی کارکردگی کا جائزہ ذیل میں دیا گیا ہے:

ایکویٹی سب فنڈ

اس سب فنڈ کے خالص اثاثہ جات 30 جون 2019ء کے 4,086 ملین روپے کے مقابلے میں 12% تنزلی کے ساتھ 30 ستمبر 2019ء کو 3,580 ملین روپے تھے۔ پلان کی خالص مالیت اثاثہ جات فی یونٹ (این اے وی) 30 جون 2019ء کے 377.5765 روپے فی یونٹ کے مقابلے میں 30 ستمبر 2019ء کے اختتام پر 355.9066 روپے تھی۔ زیر جائزہ سہ ماہی کے دوران ایکویٹی سب فنڈ نے گزشتہ سال کی اسی سہ ماہی کے مطابق 133 ملین روپے کے مجموعی خسارے کے مقابلے میں 228 ملین روپے کا مجموعی خسارہ کیا۔

ڈیبٹ سب فنڈ

اس سب فنڈ کے خالص اثاثہ جات 30 جون 2019ء کے 2,807 ملین روپے کے مقابلے میں 3% تنزلی کے ساتھ 30 ستمبر 2019ء کو 2,734 ملین روپے تھے۔ پلان کی خالص مالیت اثاثہ جات فی یونٹ (این اے وی) 30 جون 2019ء کے 236.1122 روپے فی یونٹ کے مقابلے میں 30 ستمبر 2019ء کے اختتام پر 242.4522 روپے تھی۔ زیر جائزہ سہ ماہی کے دوران ڈیبٹ سب فنڈ نے گزشتہ سال کی اسی سہ ماہی کے مطابق 39 ملین روپے کے مقابلے میں 87 ملین روپے کا مجموعی منافع کمایا۔

منی مارکیٹ سب فنڈ

اس سب فنڈ کے خالص اثاثہ جات 30 جون 2019ء کے 2,073 ملین روپے کے مقابلے میں 17% کے اضافے کے ساتھ 30 ستمبر 2019ء کو 2,433 ملین روپے تھے۔ پلان کی خالص مالیت اثاثہ جات فی یونٹ (این اے وی) 30 جون 2019ء کے 234.2456 روپے فی یونٹ کے مقابلے میں 30 ستمبر 2019ء کے اختتام پر 240.4525 روپے تھی۔ زیر جائزہ سہ ماہی کے دوران منی مارکیٹ سب فنڈ نے گزشتہ سال کی اسی سہ ماہی کے مطابق 16 ملین روپے کے مقابلے میں 71 ملین روپے کا مجموعی منافع کمایا۔

گولڈ سب فنڈ

اس سب فنڈ کے خالص اثاثہ جات 30 جون 2019ء کے 84 ملین روپے کے مقابلے میں 18% کے اضافے کے ساتھ 30 ستمبر 2019ء کو 99 ملین روپے تھے۔ پلان کی خالص مالیت اثاثہ جات فی یونٹ (این اے وی) 30 جون 2019ء کے 130.4834 روپے فی یونٹ کے مقابلے میں 30 ستمبر 2019ء کے اختتام پر 137.0771 روپے تھی۔ زیر جائزہ سہ ماہی کے دوران گولڈ سب فنڈ نے گزشتہ سال کی اسی سہ ماہی کے مطابق 1 ملین روپے کے مجموعی خسارے کے مقابلے میں 5 ملین روپے کا مجموعی منافع کمایا۔

توقعات:

حکومت کی جانب سے حالیہ چینلنجز کا سامنا ہونے کے باوجود، ہم نے دیکھا کہ کچھ اصلاحی اقدامات بھی کیے گئے جس کے اثرات آگے آئیں گے کیونکہ اس نے حسابات جاریہ کے خسارے میں اچھی خاصی کمی کی عکاسی کی جاسکتی ہے۔

آگے بڑھتے ہوئے، آنے والا آئی ایم ایف جائزہ اور ایف ٹی اے ایف نتیجے سے توقع کی جاتی ہے کہ وہ بازارِ حصص کی کارکردگی کو درست کر دیں گے۔ علاوہ ازیں، جاری پروگرام کے تحت آئی ایم ایف کے پہلے جائزے سے توقع ہے کہ اُسے اکتوبر کے اواخر میں انجام دے دیا جائے گا، پاکستان بتدریج آئی ایم ایف کے مقدری اہداف کی تکمیل کر لے گا کیونکہ پروگرام کا آغاز امید افزا ہوا ہے۔ تاہم مالی محاذ پر مزید اقدامات پروگرام کے اہداف کے حصول میں کلیدی ہوں گے۔ کفایت شعاری اور اسٹریٹجکل اصلاحات کے سبب سے مشاہدہ کی جارہی اقتصادی سُست روی سے ہم آہنگی کے ساتھ، ایس بی پی نے

مالی سال 20ء کیلئے ملکی شرح نمو تقریباً 3.5% رہنے کی پیش گوئی کر دی ہے جبکہ آئی ایم ایف نے 2.4% کے لگ بھگ رہنے کی پیش گوئی کی ہے۔ افراط زر مالی سال 20ء میں اوسطاً 11% سے 12% تک متوقع ہے کیونکہ یوٹیلٹی کے نرخ بڑھادیے گئے ہیں اور کرنسی میں اس کے اثرات کا دوسرا دور اس میں کمی سے شروع ہو جائے گا جو سی پی آئی میں ظاہر ہوگا۔ شرح مبادلہ میں متوقع استحکام اور سی پی آئی اعداد آگے بڑھتے ہوئے سال بہ سال اساساً بلند کو نیچے لارہا ہے، توقع کی جاتی ہے کہ فی الوقت مالیاتی سختی ختم ہو جائے گی جس سے ملک میں کاروباری جذبات کو اعتماد فراہم ہوگا۔

اعتراف:

ہم اس موقع کو غنیمت جانتے ہوئے ہمارے گرانقدر سرمایہ کاروں سے ان کے لمیز ان انویسٹمنٹس پر یقین کیلئے 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 ٹرٹی، سینٹرل ڈپازٹری کمپنی آف پاکستان سے بھی ان کی بھرپور اعانت و مدد کیلئے اظہار تشکر کرتے ہیں۔ اس کے علاوہ میزان بینک کے اراکین شریعہ سپروائزری بورڈ کا بھی اُن کے مسلسل تعاون اور فنڈ مینجمنٹ کے شریعہ سے متعلق پہلوؤں پر اُن کی رہنمائی کیلئے دل کی گہرائیوں سے اظہار تشکر بجالاتے ہیں۔

محمد شعیب، ہی ایف اے
چیف ایگزیکٹو آفیسر

برائے و بجانب بورڈ
مورخہ 15 اکتوبر 2019ء



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
E-mail: 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

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 SEPTEMBER 30, 2019**



**Meezan
Islamic Fund**

	September 30, 2019 (Unaudited) (Rupees in '000)	June 30, 2019 (Audited)
Assets		
Balances with banks	5 1,565,296	1,340,974
Investments	6 20,936,859	25,014,329
Receivable against conversion of units	22,168	62,891
Dividend receivable	343,258	117,132
Receivable against sale of investment	53,483	152,085
Deposits, prepayments, profit accrued and other receivables	<u>27,900</u>	<u>18,566</u>
Total assets	<u>22,948,964</u>	<u>26,705,977</u>
Liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	64,353	79,964
Payable to Central Depository Company of Pakistan Limited - Trustee	2,081	2,579
Payable to Meezan Bank Limited	77	135
Payable to Securities and Exchange Commission of Pakistan	7 1,131	32,360
Payable on redemption and conversion of units	56,750	74,075
Payable against purchase of investments - net	35,721	122,665
Accrued expenses and other liabilities	8 <u>656,244</u>	<u>653,860</u>
Total liabilities	<u>816,357</u>	<u>965,638</u>
Net assets	<u>22,132,607</u>	<u>25,740,339</u>
Contingencies and commitments	9	
Unitholders' funds (as per statement attached)	<u>22,132,607</u>	<u>25,740,339</u>
	(Number of units)	
Number of units in issue	<u>493,235,771</u>	<u>537,113,594</u>
	(Rupees)	
Net assets value per unit	<u>44.8723</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 QUARTER ENDED SEPTEMBER 30, 2019**

	Note	September 30,	
		2019	2018
		(Rupees in '000)	
Income			
Net realised loss on sale of investments		(412,515)	(89,201)
Dividend income		346,387	412,786
Profit on saving accounts with banks		46,536	38,758
		<u>(19,592)</u>	<u>362,343</u>
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.1	(1,509,279)	(1,267,207)
Total loss		<u>(1,528,871)</u>	<u>(904,864)</u>
Expenses			
Remuneration to Al Meezan Investment Management Limited			
- Management Company		113,138	194,008
Sindh Sales Tax on management fee		14,708	25,221
Remuneration to Central Depository Company of Pakistan Limited			
- Trustee		5,908	9,952
Sindh Sales Tax on trustee fee		768	1,294
Annual fee to Securities and Exchange Commission of Pakistan		1,131	9,215
Auditors' remuneration		196	217
Charity expense		9,365	5,329
Fees and subscription		707	1,067
Legal and professional charges		160	-
Brokerage expense		3,903	3,353
Bank and settlement charges		615	714
Printing charges		-	252
Allocated expenses	12	5,657	9,700
Selling and marketing expense	14	22,628	38,802
Total expenses		<u>178,884</u>	<u>299,124</u>
Net loss for the quarter before taxation		<u>(1,707,755)</u>	<u>(1,203,988)</u>
Taxation	15	-	-
Net loss for the quarter after taxation		<u>(1,707,755)</u>	<u>(1,203,988)</u>
Allocation of net income for the quarter			
Net income for the period after taxation		-	-
Income already paid on units redeemed		-	-
		<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 QUARTER ENDED SEPTEMBER 30, 2019**



Meezan
Islamic Fund

	<u>September 30,</u>	
	<u>2019</u>	<u>2018</u>
	(Rupees in '000)	
Net loss for the quarter after taxation	(1,707,755)	(1,203,988)
Other comprehensive income	-	-
Total comprehensive income for the quarter	<u>(1,707,755)</u>	<u>(1,203,988)</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 ISLAMIC FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

	September 30, 2019			September 30, 2018		
	Capital Value	Accumulated Loss	Total	Capital Value	Undistributed income	Total
	Rupees in '000			Rupees in '000		
Net assets at the beginning of the quarter as previously reported (Audited)	27,600,726	(1,860,387)	25,740,339	32,024,698	7,089,956	39,114,654
Issue of 81,152,457 units (September 30, 2018: 84,804,579 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	3,889,110	-	3,889,110	5,370,674	-	5,370,674
- Element of loss	(314,669)	-	(314,669)	(39,811)	-	(39,811)
Total proceeds on issuance of units	3,574,441	-	3,574,441	5,330,863	-	5,330,863
Redemption of 125,030,280 units (September 30, 2018: 90,779,154 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	5,991,889	-	5,991,889	5,749,044	-	5,749,044
- Element of loss	(517,471)	-	(517,471)	(128,905)	-	(128,905)
Total payments on redemption of units	5,474,418	-	5,474,418	5,620,139	-	5,620,139
Total comprehensive loss for the quarter	-	(1,707,755)	(1,707,755)	-	(1,203,988)	(1,203,988)
Distribution of cash dividend	-	-	-	-	-	-
Net loss for the quarter less distribution	-	(1,707,755)	(1,707,755)	-	(1,203,988)	(1,203,988)
Net assets at end of the quarter	25,700,749	(3,568,142)	22,132,607	31,735,422	5,885,968	37,621,390
Undistributed income brought forward as previously reported (Audited)						
- Realised income		5,520,342			12,814,145	
- Unrealised (loss) / income		(7,380,729)			(6,346,583)	
Change in accounting policy		(1,860,387)			6,467,562	
Undistributed income brought forward		(1,860,387)			7,089,956	
Accounting income available for distribution						
- Relating to capital gains		-			-	
- Excluding capital gains		-			-	
Net loss for the quarter after taxation		(1,707,755)			(1,203,988)	
Undistributed income carried forward		(3,568,142)			5,885,968	
Undistributed income carried forward						
- Realised (loss) / income		(2,058,863)			7,153,175	
- Unrealised loss		(1,509,279)			(1,267,207)	
		(3,568,142)			5,885,968	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the quarter		47.9235			63.3300	
Net assets value per unit at end of the quarter		44.8723			61.5073	

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 QUARTER ENDED SEPTEMBER 30, 2019**



**Meezan
Islamic Fund**

	September 30,	
	2019	2018
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the quarter after taxation	(1,707,755)	(1,203,988)
Adjustments for:		
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	1,509,279	1,267,207
	(198,476)	63,219
Decrease / (increase) in assets		
Investments	2,568,191	782,578
Dividend receivable	(226,126)	(263,950)
Receivable against sale of investment	98,602	-
Deposits, prepayments, profit accrued and other receivables	(9,334)	(25,164)
	2,431,333	493,464
(Decrease) / increase in liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	(15,611)	(22,788)
Payable to Central Depository Company of Pakistan Limited - Trustee	(498)	(162)
Payable to Meezan Bank Limited	(58)	(300)
Payable to Securities and Exchange Commission of Pakistan	(31,229)	(32,798)
Payable against purchase of investments (net)	(86,944)	17,672
Accrued expenses and other liabilities	2,384	2,179
	(131,956)	(36,197)
Net cash generated from operating activities	2,100,901	520,486
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	3,615,164	5,405,649
Payment against redemption and conversion of units	(5,491,743)	(5,782,615)
Net cash used in financing activities	(1,876,579)	(376,966)
Net increase in cash and cash equivalents during the quarter	224,322	143,520
Cash and cash equivalents at beginning of the quarter	1,340,974	2,730,709
Cash and cash equivalents at end of the quarter	1,565,296	2,874,229

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 QUARTER ENDED SEPTEMBER 30, 2019

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 (Al Meezan) as Management Company and Central Depository Company of Pakistan Limited (CDC) as 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, (NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008, (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 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 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 28, 2018 (2018: AM1 dated December 29, 2017) and by PACRA dated June 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 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 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 September 30, 2019.

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

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.

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.



5. BALANCES WITH BANKS	Note	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
		(Rupees in '000)	
In current accounts		4,260	797
In saving accounts	5.1	<u>1,561,036</u>	<u>1,340,177</u>
		<u>1,565,296</u>	<u>1,340,974</u>

5.1 The balance in saving accounts have an expected profit ranging from 3.32% to 13.75% per annum (June 30, 2019: 3.32% to 12.50% per annum).

6. INVESTMENTS	Note	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
		(Rupees in '000)	
Investments - 'at fair value through profit or loss'			
Listed equity securities	6.1	<u>20,936,859</u>	<u>25,014,329</u>

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

Name of the investee company	As at July 1, 2019	Purchases during the quarter	Bonus issue	Sales during the quarter	As at September 30, 2019	Carrying value as at September 30, 2019	Market value as at September 30, 2019	Unrealised gain / (loss) as at September 30, 2019	Percentage in relation to							
									Net assets of the Fund on the basis of market value	Total market value of investments	Paid-up capital of investee company (with face value of investment)					
								-----Number of shares-----			----- (Rupees in '000) -----			----- % -----		

Sectors / companies

Automobile assembler

Honda Atlas Cars (Pakistan) Limited	80,400	-	-	80,400	-	-	-	-				
Gandhara Industries Limited	777,200	-	-	619,500	157,700	13,778	12,495	(1,283)	0.06	0.06	0.37	
Millat Tractors Limited	81,140	5,000	-	29,150	56,990	48,389	38,888	(8,501)	0.18	0.19	0.13	
									0.24	0.25	0.50	

Automobile parts and accessories

Gandhara Nissan Limited	274,372	-	-	274,372	-	-	-	-				
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Chemicals

Engro Polymer & Chemicals Limited	17,640,721	-	-	5,061,500	12,579,221	339,136	308,820	(30,316)	1.40	1.48	1.38	
ICI Pakistan Limited	1,183,735	10,100	-	900	1,192,935	634,326	584,538	(49,788)	2.64	2.79	1.29	
Lotte Chemicals Pakistan Limited	2,784,500	1,000,000	-	1,833,000	1,951,500	30,731	26,618	(4,113)	0.12	0.13	0.13	
Silara Chemicals Industries Limited	30,500	-	-	-	30,500	9,329	7,830	(1,499)	0.04	0.04	0.14	
									4.20	4.44	2.94	

Cement

Attock Cement Company Limited	270,200	-	-	-	270,200	19,295	19,214	(81)	0.09	0.09	0.20	
D.G. Khan Cement Company Limited	2,368,222	-	-	2,368,222	-	-	-	-				
Kohat Cement Company Limited	3,914,350	-	-	150,000	3,764,350	197,741	173,235	(24,506)	0.78	0.83	1.87	
Lucky Cement Limited	4,701,429	140,000	-	599,500	4,241,929	1,609,586	1,451,291	(158,295)	6.56	6.93	1.31	
Maple Leaf Cement Factory Limited	4,782,000	-	-	4,782,000	-	-	-	-				
									7.43	7.85	3.38	

Paper and Board

Cherat Packaging Limited	732,134	-	-	516,000	216,134	17,429	14,310	(3,119)	0.06	0.07	0.56	
Packages Limited	2,474,853	2,200	-	262,700	2,214,353	665,464	662,092	(3,372)	2.99	3.16	2.48	
									3.05	3.23	3.04	

Technology and communication

Avanceon Limited	2,115,300	5,000	-	-	2,120,300	103,879	73,914	(29,965)	0.33	0.35	1.10	
Netsol Technologies Limited	987,100	-	-	-	987,100	65,040	55,603	(9,437)	0.25	0.27	1.10	
Pakistan Telecommunication Company Limited "A"	800,000	-	-	-	800,000	6,616	5,520	(1,096)	0.02	0.03	0.02	
Systems Limited	655,600	-	-	100,000	555,600	53,321	46,254	(7,067)	0.21	0.22	0.45	
									0.81	0.87	2.67	

Commercial Banks

Meezan Bank Limited (an associate of the Fund)	8,040,597	-	-	78,500	7,962,097	693,976	573,589	(120,387)	2.59	2.74	0.62	
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Name of the investee company	As at July 1, 2019	Purchases during the quarter	Bonus issue	Sales during the quarter	As at September 30, 2019	Carrying value as at September 30, 2019	Market value as at September 30, 2019	Unrealised gain / (loss) as at September 30, 2019	Percentage in relation to		
									Net assets of the Fund on the basis of market value	Total market value of investments	Paid-up capital of investee company (with face value of investment)
								-----Number of shares-----			
								------(Rupees in '000)-----			
								-----%-----			
Oil and Gas Marketing Companies											
Attock Petroleum Limited	477,734	81,400	-	2,300	566,834	160,084	171,505	11,421	0.77	0.82	0.56
Hassco Petroleum Limited	2,080,470	150,000	-	1,276,500	953,970	63,660	19,394	(44,266)	0.09	0.09	0.48
Pakistan State Oil Company Limited	4,501,752	862,900	-	2,459,500	2,905,152	478,981	457,532	(21,449)	2.07	2.19	0.74
Sui Southern Gas Pipelines Limited	755,500	-	-	-	755,500	15,624	12,911	(2,713)	0.06	0.06	0.09
Sui Northern Gas Pipelines Limited	14,259,800	55,000	-	991,000	13,323,800	925,600	820,746	(104,854)	3.71	3.92	2.10
								6.70	7.08	3.97	
Oil and Gas Exploration Companies											
Oil and Gas Development											
Company Limited	20,325,900	1,865,400	-	855,000	21,336,300	2,802,972	2,625,005	(177,967)	11.86	12.54	0.50
Pakistan Oilfields Limited	3,909,136	50,000	-	311,200	3,647,936	1,479,979	1,385,851	(94,128)	6.26	6.62	1.29
Pakistan Petroleum Limited	16,807,632	-	-	4,127,300	12,680,332	1,831,420	1,724,906	(106,514)	7.79	8.24	0.56
Mani Petroleum Company Limited	2,102,838	2,000	-	48,080	2,056,758	2,075,636	1,849,355	(226,281)	8.36	8.83	1.70
								34.27	36.23	4.05	
Pharmaceuticals											
Abbott Laboratories (Pakistan) Limited	109,350	-	-	30,300	79,050	37,520	27,816	(9,704)	0.13	0.13	0.08
AGP Limited	4,963,500	2,000	-	5,500	4,960,000	339,881	320,416	(19,465)	1.45	1.53	1.77
Glaxo Smithkline Pakistan Limited	5,816	-	-	-	5,816	554	559	5	-	-	-
Glaxo Smithkline Consumer Healthcare Products Limited	358,656	17,200	-	-	375,856	72,561	78,813	6,252	0.36	0.38	0.32
Hightoon Laboratories Limited	798	-	-	-	798	202	255	53	-	-	-
The Searle Company Limited	3,651,679	79,900	-	905,100	2,826,479	413,694	390,676	(23,018)	1.77	1.87	1.33
								3.71	3.91	3.50	
Power Generation and Distribution											
The Hub Power Company Limited	18,904,517	2,404,500	-	1,794,500	19,514,517	1,515,705	1,380,652	(135,053)	6.24	6.59	1.50
K - Electric Limited (6.1.1)	186,128,500	3,539,500	-	4,234,500	185,433,500	811,160	658,289	(152,871)	2.97	3.14	0.67
								9.21	9.73	2.17	
Fertilizer											
Dawood Hercules Corporation Limited	-	29,600	-	-	29,600	3,397	3,582	185	0.02	0.02	0.01
Engro Corporation Limited (note 6.1.3)	9,480,573	-	-	1,068,900	8,411,673	2,234,140	2,244,991	10,851	10.14	10.72	1.46
Engro Fertilizers Limited	24,461,700	-	-	550,500	23,911,200	1,529,599	1,631,461	101,862	7.37	7.79	1.79
								17.53	18.53	3.26	
Engineering											
International Industries Limited (note 6.1.2)	932,400	-	65,240	280,000	717,640	50,280	49,754	(526)	0.22	0.24	0.54
International Steel Limited	2,467,800	300,000	-	2,567,500	200,300	7,427	7,960	533	0.04	0.04	0.05
K.S.B. Pumps Company Limited	79,900	-	-	-	79,900	8,070	7,364	(706)	0.03	0.04	0.61
								0.29	0.32	1.20	
Food and Personal Care Products											
Al-Shaheer Corporation Limited	60,741	-	-	-	60,741	765	661	(104)	-	(0.01)	0.04
Al-Tahir Limited	109,132	-	-	-	109,132	2,151	1,692	(459)	0.01	-	0.07
Friesland Campina Engro Pakistan Limited (Formerly Engro Foods Limited)	17,721	-	-	17,721	-	-	-	-	-	-	-
National Foods Limited (note 6.1.1)	197,100	-	-	-	197,100	36,298	37,027	729	0.17	0.18	0.16
								0.18	0.17	0.27	
Vanaspati & Allied Industries											
Unity Foods Limited	11,712,846	-	-	2,200,000	9,512,846	97,982	83,998	(13,984)	0.38	0.40	1.75
Vanaspati & Allied Industries											
Tanq Glass Industries Ltd	792,500	-	-	249,500	543,000	41,610	42,490	880	0.19	0.20	0.74
Textile and Apparel											
Interloop Limited	8,335,000	139,500	-	392,500	8,082,000	357,190	355,042	(2,148)	1.60	1.70	0.93
Textile Composite											
Feroze 1888 Mills Limited	1,542,500	67,000	-	-	1,609,500	162,232	147,205	(15,027)	0.67	0.70	0.43
Kohinoor Textile Mills Limited	672,514	-	-	495,500	177,014	4,434	4,202	(232)	0.02	0.02	0.06
Nishat Mills Limited	5,374,700	-	-	1,332,600	4,042,100	377,294	339,538	(37,756)	1.53	1.61	1.15
								2.22	2.33	1.64	
Total as at September 30, 2019						22,446,138	20,936,859	(1,509,279)			
Total as at June 30, 2019						32,395,058	25,014,329	(7,380,729)			

- 6.1.1** All shares have a nominal value of Rs 10 each except for the shares of Thal 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** Finance Act, 2018 effective from July 1, 2018 has omitted Section 236M of Income Tax Ordinance, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold five percent of the bonus shares to be issued. Therefore, bonus shares issued to the Fund during the period were not withheld by the investee companies.

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.

- 6.1.3** Investments include 1,000,000 shares of Engro Corporation Limited, having market value of Rs 266.89 million as at September 30, 2019 (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 (SECP)

SECP vide S.R.O. No. 685(I)/2019 dated June 28, 2019, revised rate of annual fee to 0.02% of net assets, applicable on all categories of Collective Investment Schemes with effective from July 1, 2019. Accordingly Fund has charged SECP Fee @ 0.02% of net assets during the quarter.

		September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
		(Rupees in '000)	
8. ACCRUED EXPENSES AND OTHER LIABILITIES			
Provision for Sindh Workers' Welfare Fund (SWWF)	8.1	340,482	340,482
Charity payable		32,248	30,781
Withholding tax and Capital gain tax payable		5,688	5,159
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
Sales load payable		11	-
Sindh Sales Tax on sales load payable		1	-
Auditors' remuneration		676	480
Zakat payable		173	399
Printing expenses payable		483	483
Shariah advisory fee payable		1,562	2,245
Brokerage Payable		10,446	9,357
		<u>656,244</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 financial statements of the Fund for the period from May 21, 2015 to September 30, 2019, the net asset value of the Fund as at September 30, 2019 would have been higher by Re 0.69 / 1.54% (June 30, 2019: Re 0.63 / 1.32%)

- 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 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 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 September 30, 2019 would have been higher by Re 0.54 (June 30, 2019: Re 0.49) per unit.

9. CONTINGENCIES AND COMMITMENTS

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

	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
	(Rupees in '000)	
AI Meezan Investment Management Limited		
- Management Company		
Remuneration payable	35,200	43,986
Sindh Sales Tax on management fee payable	4,576	5,718
Sales load payable	167	221
Sindh Sales Tax on sales load payable	22	29
Allocated expenses	1,760	2,199
Selling and marketing expense payable	22,628	27,811
Investment of 4,337,668 units (June 30, 2019: 10,011,729 units)	194,641	479,797
Meezan Bank Limited		
Bank balance	101,447	113,831
Profit receivable on saving accounts	520	508
Sales load payable	68	119
Sindh Sales Tax on sales load payable	9	16
Investment in 7,962,097 shares (June 30, 2019: 8,040,597 shares)	573,589	700,818
Investment of 12,475,049 units (June 30, 2019: 12,475,049 units)	559,784	597,848
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	1,841	2,282
Sindh Sales Tax on trustee fee payable	240	297
Security deposit	100	100
AI Meezan Investment Management Limited - Employees' Gratuity Fund		
Investment of 180,189 units (June 30, 2019: 180,189 units)	8,085	8,635
Meezan Financial Planning Fund of Funds		
- Aggressive Allocation Plan		
Investment of 5,600,688 units (June 30, 2019: 5,706,435 units)	251,316	273,472
Meezan Financial Planning Fund of Funds		
- Moderate Allocation Plan		
Investment of 1,490,190 units (June 30, 2019: 2,116,314 units)	66,868	101,421
Meezan Financial Planning Fund of Funds		
- Conservative Allocation Plan		
Investment of 937,983 units (June 30, 2019: 1,149,027 units)	42,089	55,065
Meezan Financial Planning Fund of Funds - MAAP - I		
Investment of 27,595 units (June 30, 2019: 171,373 units)	1,238	8,213
Meezan Strategic Allocation Fund - MSAP - I		
Investment of 1,527,365 units (June 30, 2019: 3,358,170 units)	68,536	160,935
Meezan Strategic Allocation Fund - MSAP - II		
Investment of 2,767,881 units (June 30, 2019: 2,983,781 units)	124,201	142,993
Meezan Strategic Allocation Fund - MSAP - III		
Investment of 10,038,603 units (June 30, 2019: 10,949,083 units)	450,455	524,718
Meezan Strategic Allocation Fund - MSAP - IV		
Investment of 10,722,683 units (June 30, 2019: 12,489,103 units)	481,151	598,522
Meezan Strategic Allocation Fund - MSAP - V		
Investment of 2,644,036 units (June 30, 2019: 3,635,008 units)	118,644	174,202
Directors and executives of the Management Company		
Investment of 6,430,168 units (June 30, 2019: 1,016,776 units)	288,536	48,727



For the quarter ended
September 30,

AI Meezan Investment Management Limited - Management Company

	2019	2018
Remuneration for the period	113,138	194,008
Sindh Sales Tax on management fee	14,708	25,221
Allocated expenses	5,657	9,700
Selling and marketing expense	22,628	38,802
Units issued: 1,721,601 units (September 30, 2018: 2,337,684 units)	75,000	166,000
Units redeemed: 7,395,662 units (September 30, 2018: 2,337,684 units)	317,300	-

Meezan Bank Limited

Profit on saving accounts	1,523	668
Shares purchased: nil (September 30, 2018: 1,675,000 shares)	-	142,375
Shares sold: 78,500 shares (September 30, 2018: nil)	5,913	-
Bonus issue: nil (September 30, 2018: 167,557 shares)	-	-
Dividend income	-	2,513

Central Depository Company of Pakistan Limited - Trustee

Trustee fee	5,908	9,952
Sindh Sales Tax on trustee fee	768	1,294
CDS charges	189	166

Meezan Financial Planning Fund of Funds

- Aggressive Allocation Plan

Units issued: nil (September 30, 2018: 182,060 units)	-	11,539
Units redeemed: 105,747 units (September 30, 2018: 152,566 units)	4,500	9,375

Meezan Financial Planning Fund of Funds

- Moderate Allocation Plan

Units issued: nil (September 30, 2018: 69,570 units)	-	4,268
Units redeemed: 626,124 units (September 30, 2018: 409,877 units)	29,000	25,000

Meezan Financial Planning Fund of Funds

- Conservative Allocation Plan

Units issued: nil (September 30, 2018: 88,904 units)	-	5,466
Units redeemed: 211,044 units (September 30, 2018: 86,485 units)	9,250	5,500

Meezan Financial Planning Fund of Funds - MAAP - I

Units issued: nil (September 30, 2018: 2,337,684 units)	-	-
Units redeemed: 143,778 units (September 30, 2018: nil)	6,700	-

Meezan Financial Planning Fund of Funds - MAAP - IV

Units redeemed: nil (September 30, 2018: 3,990,161 units)	-	249,454
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Meezan Strategic Allocation Fund - MSAP - I

Units issued: nil (September 30, 2018: 2,446,600 units)	-	150,000
Units redeemed: 1,830,805 units (September 30, 2018: 12,164,291 units)	77,760	743,925

Meezan Strategic Allocation Fund - MSAP - II

Units redeemed: 215,901 units (September 30, 2018: 1,251,365 units)	9,810	77,500
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Meezan Strategic Allocation Fund - MSAP - III

Units issued: 35,073 units (September 30, 2018: nil)	1,600	-
Units redeemed: 945,552 units (September 30, 2018: 1,466,022 units)	41,010	90,370

Meezan Strategic Allocation Fund - MSAP - IV

Units redeemed: 1,766,420 units (September 30, 2018: 2,715,415 units)	77,790	167,300
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Meezan Strategic Allocation Fund - MSAP - V

Units redeemed: 990,972 units (September 30, 2018: 400,536 units)	42,340	24,700
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Directors and executives of the Management Company

Units issued: 5,526,758 units (September 30, 2018: 295,139 units)	241,514	18,714
Units redeemed: 113,366 units (September 30, 2018: 42,638 units)	5,152	2,627

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 September 30, 2019 and June 30, 2019, the Fund held the following financial instruments measured at fair value:

ASSETS	As at September 30, 2019			Total
	Level 1	Level 2	Level 3	
(Rupees in '000)				
Financial assets 'at fair value through profit or loss'				
Shares of listed companies - 'ordinary shares'	20,936,859	-	-	20,936,859
As at June 30, 2019				
ASSETS	Level 1	Level 2	Level 3	Total
(Rupees in '000)				
Financial assets 'at fair value through profit or loss'				
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 till June 19, 2019 entitled to charge expenses related to registrar services, accounting, operations and valuation services, related to a Collective Investment Scheme (CIS) at the rate of 0.10% of the average annual net assets of the scheme or actual whichever is less. During the year, SECP vide SRO 639 dated June 20, 2019 has removed the maximum cap of 0.10%. Accordingly, the Management Company can now charge actual expenses related to registrar services, accounting, operations and valuation services to the CIS with effect from June 20, 2019.

However, the Management Company continued to charge expenses at the rate 0.1% of the average annual net assets of the Fund for the period from July 1, 2019 to September 30, 2019, being lower than actual expenses.

13. EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the quarter ended September 30, 2019 is 3.16% which includes 0.30% representing government levies 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 three years (from January 1, 2017 till December 31, 2019). The maximum cap of selling and marketing expense shall be 0.4% per annum of net assets of the fund or actual expenses whichever is lower. Accordingly, such expenses have been charged to the Fund during the quarter at the rate of 0.4% of the net assets of the Fund being lower than actual expenses incurred.

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 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.



17. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on October 15, 2019 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**

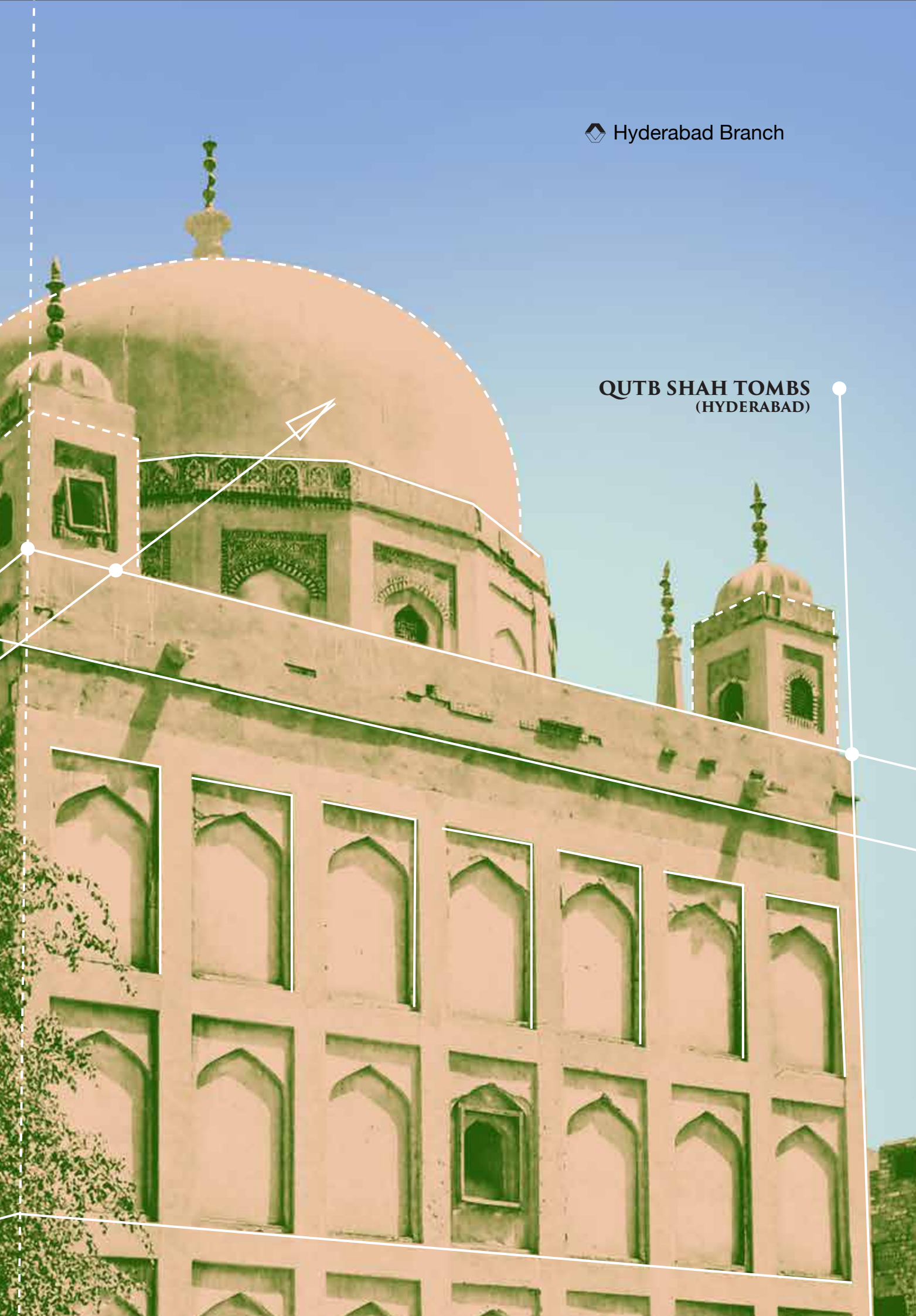
AL-MEEZAN MUTUAL FUND (AMMF)

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
E-mail: 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

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
AS AT SEPTEMBER 30, 2019**

		September 30, 2019 (Unaudited) (Rupees in '000)	June 30, 2019 (Audited)
Assets			
Balances with banks	5	304,798	271,162
Investments	6	3,683,700	4,614,607
Receivable against sale of investments		8,620	20,993
Receivable against conversion of units		3,616	13,534
Dividend receivable		56,616	25,200
Advances, deposits, prepayments and other receivable		7,042	8,444
Total assets		4,064,392	4,953,940
Liabilities			
Payable to Al Meezan Investment Management Limited - Management Company		11,417	14,897
Payable to Central Depository Company of Pakistan Limited - Trustee		905	552
Payable to Securities and Exchange Commission of Pakistan		212	5,952
Payable to Meezan Bank Limited		35	23
Payable against purchase of investments		7,685	3,468
Payable against conversion and redemption of units		29,129	45,466
Dividend payable		4,917	4,917
Accrued expenses and other liabilities	9	107,654	110,859
Total liabilities		161,952	186,134
Net assets		3,902,440	4,767,806
Unitholders' fund (as per statement attached)		3,902,440	4,767,806
CONTINGENCIES AND COMMITMENTS	8		
Number of units in issue		310,781,536	357,035,000
		(Rupees)	
Net assets value per unit		12.5569	13.3539

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 QUARTER ENDED SEPTEMBER 30, 2019**

		<u>September 30,</u>	
		2019	2018
		(Rupees in '000)	
	Note		
Income			
Net realised loss on sale of investments		(84,794)	(14,955)
Dividend income		57,628	75,867
Profit on saving accounts with banks		<u>6,256</u>	<u>7,147</u>
		(20,911)	68,059
Net unrealised diminution on re-measurement of investments classified as "financial assets at fair value through profit or loss"	6.1	<u>(246,454)</u>	<u>(234,556)</u>
Total loss		(267,364)	(166,497)
Expenses			
Remuneration to Al Meezan Investment Management Limited - Management Company		20,224	34,824
Sindh Sales Tax on management fee		2,629	4,560
Allocated expenses	11	1,011	1,741
Remuneration to Central Depository Company of Pakistan Limited - Trustee		1,263	1,993
Sindh Sales Tax on trustee fee		164	259
Annual fee to Securities and Exchange Commission of Pakistan		212	1,654
Auditors' remuneration		192	274
Charity expense		1,596	1,040
Fees and subscription		162	220
Brokerage expense		397	658
Selling and marketing expenses	13	4,045	6,965
Bank and settlement charges		164	206
Total expenses		32,059	54,394
Net loss for the quarter before taxation		(299,424)	(220,891)
Taxation	14	-	-
Net loss for the quarter after taxation		(299,424)	(220,891)
Allocation of net income for the quarter			
Net loss for the quarter after taxation		-	-
Income already paid on units redeemed		-	-
		<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 QUARTER ENDED SEPTEMBER 30, 2019

	September 30,	
	2019	2018
	(Rupees in '000)	
Net loss for the quarter after taxation	(299,424)	(220,891)
Other comprehensive income for the quarter	-	-
Total comprehensive income for the quarter	<u>(299,424)</u>	<u>(220,891)</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 QUARTER ENDED SEPTEMBER 30, 2019

	2019			2018		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the quarter	4,877,433	(109,627)	4,767,806	5,302,941	1,561,069	6,864,010
Issuance of 27,193,977 units (2018: 33,201,865 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	363,145	-	363,145	586,288	-	586,288
- Element of loss	(28,855)	-	(28,855)	(6,456)	-	(6,456)
Total proceeds on issuance of units	334,289	-	334,289	579,832	-	579,832
Redemption of 73,447,441 units (2018: 19,802,161 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	980,811	-	980,811	349,672	-	349,672
- Element of loss	(80,579)	-	(80,579)	(7,200)	-	(7,200)
Total payments on redemption of units	900,232	-	900,232	342,472	-	342,472
Total comprehensive loss for the quarter	-	(299,424)	(299,424)	-	(220,891)	(220,891)
Net assets at end of the quarter	4,311,491	(409,051)	3,902,440	5,540,301	1,340,178	6,880,479
Undistributed income brought forward						
- 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 quarter after taxation		(299,424)			(220,891)	
Distribution during the quarter		-			-	
(Accumulated losses) / Undistributed income carried forward		(409,051)			1,340,178	
(Accumulated losses) / Undistributed income carried forward						
-Realised (loss) / income		(162,597)			1,574,734	
-Unrealised loss		(246,454)			(234,556)	
		(409,051)			1,340,178	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the quarter		13.3539			17.6583	
Net assets value per unit at end of the quarter		12.5569			17.1109	

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 QUARTER ENDED SEPTEMBER 30, 2019**

	September 30,	
	2019	2018
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the quarter after taxation	(299,424)	(220,891)
Adjustments for:		
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	246,454	234,556
	(52,970)	13,665
Decrease/ (increase) in assets		
Investments - net	684,453	(155,378)
Receivable against sale of investments - net	12,373	(7,649)
Dividend receivable	(31,416)	(57,995)
Advances, deposits, prepayments and other receivable	1,402	(3,939)
	666,812	(224,961)
(Decrease) / Increase in liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	(3,480)	(3,112)
Payable to Central Depository Company of Pakistan Limited - Trustee	353	(12)
Payable to the Securities and Exchange Commission of Pakistan	(5,740)	(5,582)
Payable to Meezan Bank Limited	12	46
Payable against purchase of investments	4,217	3,871
Accrued expenses and other liabilities	(3,205)	23,988
	(7,844)	19,199
Net cash generated from / (used in) operating activities	605,998	(192,097)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	344,207	586,158
Payment against issuance and conversion of units	(916,569)	(357,499)
Net cash (used in) / generated from financing activities	(572,362)	228,659
Net increase in cash and cash equivalents during the quarter	33,636	36,562
Cash and cash equivalents at beginning of the quarter	271,162	440,313
Cash and cash equivalents at end of the quarter	304,798	476,875

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 QUARTER ENDED SEPTEMBER 30, 2019**

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 28, 2018 (2018: AM1 dated December 29, 2017) and by PACRA dated June 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 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 September 30, 2019.

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.



5. BALANCES WITH BANKS	Note	September 30, 2019	June 30, 2019
		(Unaudited)	(Audited)
		(Rupees in '000)	
In saving accounts	5.1	284,218	263,605
In current accounts		20,580	7,557
		<u>304,798</u>	<u>271,162</u>

5.1 The balance in saving accounts have an expected profit ranging from 3.00% to 13.40% per annum (June 30, 2019: 3.32% to 12.5% per annum).

6. INVESTMENTS	Note	September 30, 2019	June 30, 2019
		(Unaudited)	(Audited)
		(Rupees in '000)	
Investments - 'at fair value through profit or loss'	6.1	3,683,700	4,614,607
		<u>3,683,700</u>	<u>4,614,607</u>

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

Name of the investee company	As at July 1, 2019	Purchases during the quarter	Bonus / right shares	Sales during the quarter	As at September 30, 2019	Carrying value as at September 30, 2019	Market Value as at September 30, 2019	Unrealised (diminution) / appreciation as at September 30, 2019	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)
(Number of shares)						(Rupees in '000)		%			
Sectors / companies											
Cement											
D.G. Khan Cement Company Limited	348,405	-	-	348,405	-	-	-	-	-	-	-
Kohat Cement Company Limited	730,520	-	-	97,500	633,020	33,253	29,132	(4,121)	0.75	0.79	0.32
Lucky Cement Company Limited	964,067	10,000	-	225,900	748,167	284,320	255,970	(28,350)	6.56	6.95	0.23
Maple Leaf Cement Company Limited	425,312	-	-	425,000	312	7	5	(3)	0.00	0.00	-
Pioneer Cement Limited	7,800	-	-	7,800	-	-	-	-	-	-	-
									7.31	7.74	0.55
Oil and Gas Exploration Companies											
Pakistan Oilfields Limited	661,629	-	-	53,300	608,329	246,915	231,104	(15,810)	5.92	6.27	0.21
Oil and Gas Development Company Limited	3,879,800	150,000	-	276,200	3,753,600	493,478	461,805	(31,673)	11.83	12.54	0.09
Pakistan Petroleum Limited	3,127,022	-	-	695,000	2,432,022	351,257	330,828	(20,429)	8.48	8.98	0.11
Mari Petroleum Company Limited	365,310	-	-	19,000	346,310	349,541	311,388	(38,153)	7.98	8.45	0.29
									34.21	36.24	0.70
Oil & Gas Marketing Companies											
Attock Petroleum Limited	105,138	-	-	6,000	99,138	28,602	30,535	1,932	0.78	0.83	0.10
Pakistan State Oil Company Limited	1,436,907	230,000	-	685,000	981,907	163,844	154,641	(9,203)	3.96	4.20	0.25
Hascol Petroleum Limited	205,757	-	-	120,000	85,757	5,885	1,743	(4,141)	0.04	0.05	0.04
Sui Northern Gas Pipeline Limited	3,411,500	-	-	855,500	2,556,000	177,616	157,450	(20,167)	4.03	4.27	0.40
									8.82	9.34	0.79
Engineering											
International Steel Limited	-	100,000	-	100,000	-	-	-	-	-	-	-
Automobile Assembler											
Milat Tractors Limited	75,750	-	-	27,150	48,600	41,912	34,016	(7,896)	0.87	0.92	0.11
Ghandhara Industries Limited	168,700	-	-	166,500	2,200	192	174	(8)	0.00	0.00	0.01
									0.88	0.93	0.12
Automobile Parts and Accessories											
Ghandhara Nissan	3,163	-	-	3,163	-	-	-	-	-	-	-
Technology and Communication											
Systems Limited	173,250	-	-	75,000	98,250	9,429	8,179	(1,250)	0.21	0.22	0.08
Avanceon Limited	208,400	-	-	70,000	138,400	6,787	4,825	(1,963)	0.12	0.13	0.07
									0.33	0.35	0.15
Chemicals											
Stara Chemical Industries Limited	57,000	-	-	-	57,000	17,435	14,632	(2,802)	0.37	0.40	0.27
ICI Pakistan Limited	231,679	2,000	-	350	233,329	124,072	114,331	(9,741)	2.93	3.10	0.25
Engro Polymer and Chemicals Limited	1,365,541	600,000	-	999,500	966,041	26,744	23,716	(3,028)	0.61	0.64	0.11
									3.91	4.14	0.63
Fertilizer											
Engro Fertilizers Limited	3,976,000	100,000	-	397,000	3,679,000	235,102	251,018	15,916	6.43	6.81	0.28
Engro Corporation Limited (note 6.1.2)	1,846,890	-	-	274,500	1,572,390	417,627	419,655	2,028	10.75	11.39	0.27
Dawood Hercules Corporation Limited	-	25,000	-	-	25,000	2,869	3,025	156	0.08	0.08	0.01
									17.26	18.29	0.56
Paper and Board											
Packages Limited	447,428	-	-	72,500	374,928	112,688	112,103	(585)	2.87	3.04	0.42
Cherat Packaging Limited	248,846	-	-	135,500	113,346	9,140	7,505	(1,636)	0.19	0.20	0.29
									3.06	3.25	0.71
Food and Personal Care Products											
National foods	4,600	-	-	500	4,100	755	770	15	0.02	0.02	0.01
Al-Shaheer Corporation Limited	12,230	-	-	-	12,230	154	133	(21)	0.00	0.00	0.01
									0.02	0.02	0.02
Vanaspati & Allied Industries											
Unity Foods Limited	1,159,845	-	-	1,159,845	-	-	-	-	-	-	-
Glass & Ceramics											
Tariq Glass Industries Ltd	279,700	-	-	76,000	203,700	15,610	15,940	330	0.41	0.43	0.28
Power Generation and Distribution											
The Hub Power Company Limited	3,040,816	687,500	-	200,000	3,528,316	271,504	249,628	(21,875)	6.40	6.78	0.27
K-Electric Limited (note 6.1.1)	30,513,500	-	-	3,751,500	26,762,000	117,485	95,005	(22,480)	2.43	2.58	0.10
									8.83	9.36	0.37

Name of the investee company	As at July 1, 2019	Purchases during the quarter	Bonus / right shares	Sales during the quarter	As at September 30, 2019	Carrying value as at September 30, 2019	Market Value as at September 30, 2019	Unrealised (diminution) / appreciation as at September 30, 2019	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)		%			
Pharmaceuticals											
Abbott Laboratories Pakistan Limited	5,150	-	-	5,150	-	-	-	-	-	-	-
The Searle Company Limited	419,248	25,000	-	148,000	296,248	43,336	40,947	(2,389)	1.05	1.11	0.14
GlaxoSmithKline Pakistan Limited	-	-	-	-	-	-	-	-	-	-	-
AGP Limited	1,205,250	-	-	6,500	1,198,750	82,150	77,439	(4,711)	1.98	2.10	0.43
Highnoon Laboratories Limited	1,592	-	-	-	1,592	403	509	106	0.01	0.01	0.01
GlaxoSmithKline Consumer Health	208,000	700	-	1,600	207,100	39,972	43,427	3,455	1.11	1.18	0.18
									4.16	4.41	0.76
Textile Composite											
Nishat Mills Limited	629,400	-	-	483,000	146,400	13,665	12,298	(1,367)	0.32	0.33	0.04
Textile Weaving											
Feroze 1888 Mills Limited	443,000	-	-	-	443,000	44,685	40,517	(4,169)	1.04	1.10	0.12
Textile and Apparel											
Interloop Limited	2,133,000	-	-	2,000	2,131,000	94,339	93,615	(725)	2.40	2.54	0.25
Commercial Banks											
Meezan Bank Limited (an associate of the Fund)	898,050	-	-	125,000	773,050	67,379	55,691	(11,689)	1.43	1.51	0.06
Total						3,930,154	3,683,700	(246,454)			

- 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.
- 6.1.2 150,000 shares (June 30, 2019: 150,000 shares) of Engro Corporation Limited, having market value of Rs 40.03 million (June 30, 2019: Rs 39.84 million) as at September 30, 2019, have been pledged as collateral in favour of National Clearing Company Pakistan Limited against exposure margins and mark to market losses.
- 6.1.3 Finance Act, 2018 effective from July 1, 2018 has omitted Section 236M of Income Tax Ordinance, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold five percent of the bonus shares to be issued. Therefore, bonus shares issued to the Fund during the period were not withheld by the investee companies.

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, 2018.

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

SECP vide S.R.O. No. 685(I)/2019 dated June 28, 2019, revised rate of annual fee to 0.02% of net assets applicable on all categories of Collective Investment Schemes and effective from July 1, 2019. Accordingly Fund has charged SECP Fee @ 0.02% of net assets during the quarter.

8. CONTINGENCIES AND COMMITMENTS

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

9. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	September 30, 2019	June 30, 2019
		(Unaudited)	(Audited)
		(Rupees in '000)	
Auditors' remuneration payable		757	565
Brokerage payable		3,931	4,775
Shariah advisor fee payable	9.1	162	817
Charity payable		6,793	5,197
Withholding tax payable	8.2	3,969	7,394
Capital gain tax payable		673	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		44	92
		107,654	110,859

- 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 financial statements of the Fund for the period from May 21, 2015 to September 30, 2019, the net asset value of the Fund per unit as at September 30, 2019 would have been higher by Re 0.16 (June 30, 2019: Re 0.14 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% 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 September 30, 2019 would have been higher by Re 0.12 (June 30, 2019: Re 0.12) per unit.

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:

	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	6,193	8,138
Sindh Sales Tax on management fee payable	805	1,058
Sales load payable	57	82
Sindh Sales Tax on sales load payable	7	11
Selling and marketing expense payable	4,045	5,201
Allocated expenses payable	310	407
Investment of 39,280,518 units (June 30, 2019: 37,780,110 units)	493,242	504,511
Meezan Bank Limited		
Balance with bank	31,188	548
Profit receivable on saving account	363	33,383
Sales load payable	31	20
Sindh Sales Tax on sales load	4	3
Investment of 773,050 shares (June 30, 2019: 898,050 shares)	55,691	78,274
Investment of 22,232,227 units (June 30, 2019: 22,232,227 units)	279,168	296,887
Central Depository Company of Pakistan Limited - Trustee		
Security deposit	238	238
Remuneration payable	801	489
Sindh Sales Tax on trustee fee payable	104	63
MSAF- Meezan Strategic Allocation Plan- I		
Investment of 12,905,828 units (June 30, 2019: 18,848,469 units)	162,057	251,700
MSAF - Meezan Strategic Allocation Plan II		
Investment of 13,887,005 units (June 30, 2019: 22,818,600 units)	174,378	304,717
MSAF- Meezan Strategic Allocation Plan IV		
Investment of 1,877,734 units (June 30, 2019: 1,877,734 units)	23,579	25,075
Meezan Financial Planning Fund of Funds - MAAP - I		
Investment of 39,791 units (June 30, 2019: 39,791) units	500	531

	September 30, 2019 (Unaudited) (Rupees in '000)	June 30, 2019 (Audited)
Pakistan Kuwait Investment Company (Private) Limited Investment of 16,895,690 units (June 30, 2019: 16,895,690 units)	<u>212,157</u>	<u>225,623</u>
Directors and executives of the Management Company Investment of 7,520,555 units (June 30 2019: 32,730,550 units)	<u>94,435</u>	<u>437,080</u>
Unitholders holding 10% or more units of the Fund	<u>-</u>	<u>504,511</u>
	For the quarter ended	
	September	
	2019	2018
	(Unaudited)	
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration for the quarter	<u>20,224</u>	<u>34,824</u>
Sindh Sales Tax on management fee	<u>2,629</u>	<u>4,560</u>
Allocated expenses	<u>1,011</u>	<u>1,741</u>
Selling and marketing expense	<u>4,045</u>	<u>6,965</u>
Units issued: 5,209,087 units (September 30, 2018: 1,653,020)	<u>65,000</u>	<u>30,000</u>
Units redeemed: 3,708,679 (September 30, 2018: nil)	<u>45,000</u>	<u>-</u>
Meezan Bank Limited		
Profit on saving accounts with banks	<u>256</u>	<u>118</u>
Shares purchased : Nil shares (September 30, 2018: 300,000 shares)	<u>-</u>	<u>25,500</u>
Shares sold:125,000 shares (September 30, 2018: 300,000 shares)	<u>9,787</u>	<u>-</u>
Bonus shares received: Nil shares (September 30, 2018: 30,000)	<u>-</u>	<u>-</u>
Dividend income from shares	<u>-</u>	<u>450</u>
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee for the quarter	<u>1,263</u>	<u>1,993</u>
Sindh Sales Tax on trustee fee	<u>164</u>	<u>256</u>
CDS charges for the quarter	<u>31</u>	<u>36</u>
MSAF- Meezan Strategic Allocation Plan - I		
Units issued: Nil (September 30, 2018: 2,928,138 units)	<u>-</u>	<u>50,000</u>
Redemption of 5,942,641 units (September 30, 2018: nil)	<u>70,470</u>	<u>-</u>
MSAF -Meezan Strategic Allocation Plan - II		
Units redeemed: 8,931,595 (September 30, 2018: nil)	<u>110,860</u>	<u>-</u>
Directors and executives of the Management Company		
Units issued: 270,270 units (September 30, 2018: 630,364 units)	<u>3,263</u>	<u>10,931</u>
Units redeemed: 25,480,265 units (September 30, 2018: 4,204 units)	<u>315,024</u>	<u>75</u>

11. ALLOCATED EXPENSES

In accordance with Regulation 60 of the NBFC Regulations, the Management Company till June 19, 2019 entitled to charge expenses related to registrar services, accounting, operations and valuation services, related to a Collective Investment Scheme (CIS) at the rate of 0.10% of the average annual net assets of the scheme or actual whichever is less. During the year, SECP vide SRO 639 dated June 20, 2019 has removed the maximum cap of 0.10%. Accordingly, the Management Company can now charge actual expenses related to registrar services, accounting, operations and valuation services to the CIS with effect from June 20, 2019.

However, the Management Company continued to charge expenses at the rate 0.1% of the average annual net assets of the Fund for the period from July 1, 2019 to September 30, 2019, being lower than actual expenses.

12. EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the period ended September 30, 2019 is 3.17% which include 0.31% representing government levy and SECP fee.


13. SELLING AND MARKETING EXPENSE

The SECP vide circular 40 of 2016 dated December 30, 2016 (later amended vide circular 05 of 2017 dated February 13, 2017 and circular 5 of 2018 dated June 4, 2018) has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds and money market funds) initially for three years (from January 1, 2017 till December 31, 2019). The maximum cap of selling and marketing expense shall be 0.4% per annum of net assets of the fund or actual expenses whichever is lower. Accordingly, such expenses have been charged to the Fund during the quarter at the rate of 0.4% of the net assets of the Fund being lower than actual expenses incurred.

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 as the Fund has incurred a net loss during the quarter.

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 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.

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 September 30, 2019 the Fund held the following financial instruments measured at fair value:

	As at September 30, 2019			Total
	Level 1	Level 2	Level 3	
(Rupees in '000)				
ASSETS				
Financial assets 'at fair value through profit or loss'				
Shares of listed companies 'ordinary shares'	3,683,700	-	-	3,683,700

	As at June 30, 2019			Total
	Level 1	Level 2	Level 3	
(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

16. GENERAL

Figures have been rounded off to the nearest thousand rupees.

17. DATE OF AUTHORISATION

This condensed interim financial information was authorised for issue on October 15, 2019 by the Board of Directors of the Management Company.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

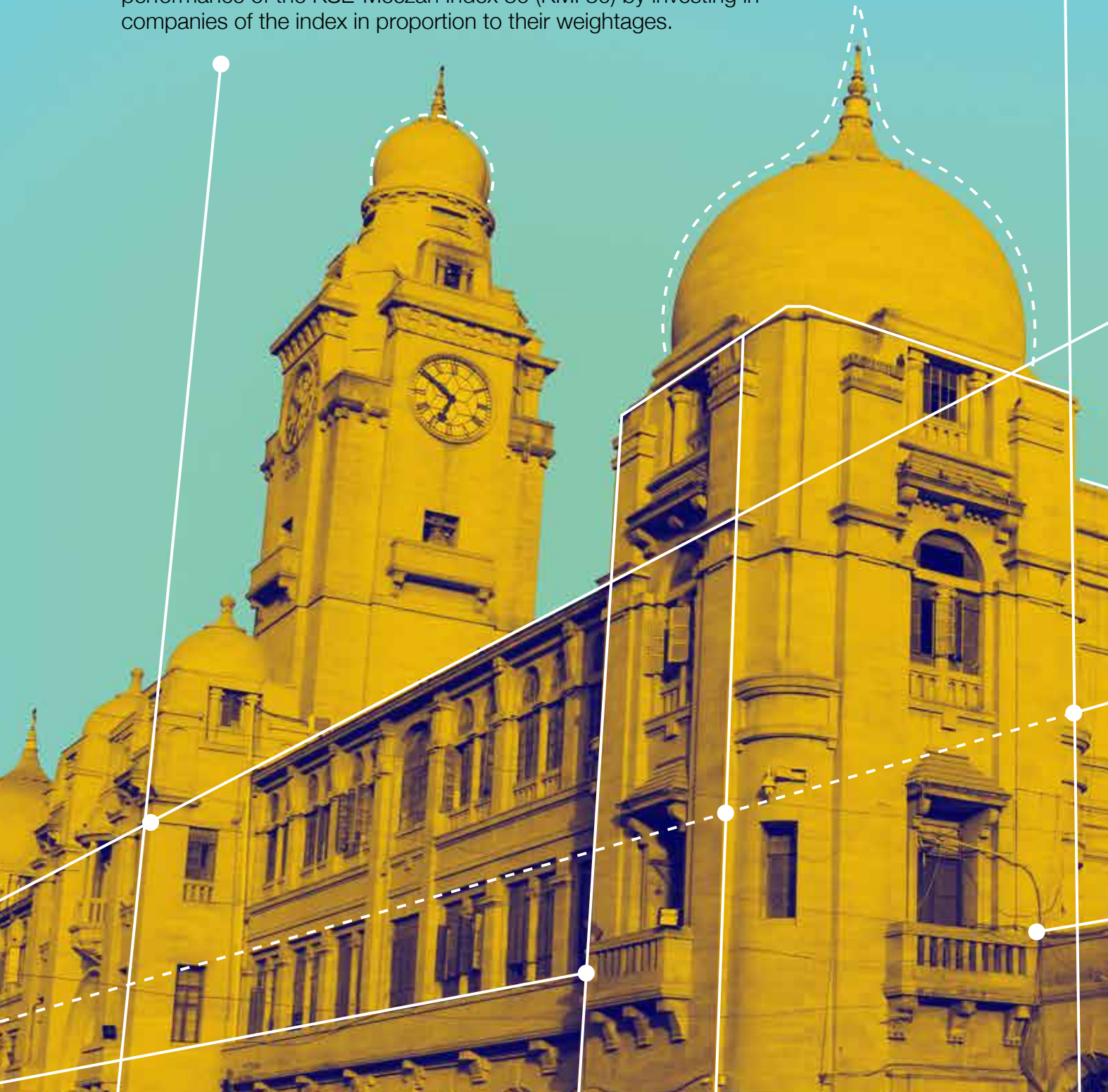
Director



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
E-mail: 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

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited



**KSE MEEZAN INDEX FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2019**

	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
Note	----- (Rupees in '000) -----	
Assets		
Balances with banks	5,976	8,935
Investments	1,479,526	1,522,876
Receivable against conversion of units	271	40,106
Dividend receivable	27,111	9,994
Deposits and other receivables	2,717	2,756
Total assets	1,515,601	1,584,667
Liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	1,518	1,507
Payable to Central Depository Company of Pakistan Limited - Trustee	202	229
Payable to Securities and Exchange Commission of Pakistan	72	1,564
Payable to Meezan Bank Limited	10	14
Payable against purchase of investments	-	44,670
Payable on redemption and conversion of units	43	274
Accrued expenses and other liabilities	20,652	19,271
Total liabilities	22,497	67,529
Net assets	1,493,104	1,517,138
Contingencies and commitments		
Unitholders' fund (as per statement attached)	1,493,104	1,517,138
	(Number of units)	
Number of units in issue	29,903,693	28,653,899
	(Rupees)	
Net assets value per unit	49.9304	52.9470

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

**KSE MEEZAN INDEX FUND
CONDENSED INTERIM INCOME STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2019 (UNAUDITED)**

	September 30,	
	2019	2018
Note	(Rupees in '000)	
Income		
Net realised loss on sale of investments	(6,288)	(4,592)
Dividend income	29,503	24,350
Profit on saving accounts with banks	411	86
Other income	353	210
	<u>23,979</u>	<u>20,055</u>
Net unrealised diminution on re-measurement of investments at 'fair value through profit or loss'	6.1 (100,583)	(64,762)
Total loss	<u>(76,604)</u>	<u>(44,707)</u>
Expenses		
Remuneration to Al Meezan Investment Management Limited - Management Company	3,619	4,235
Sindh Sales Tax on management fee	470	551
Allocated expenses	362	423
Remuneration to Central Depository Company of Pakistan Limited - Trustee	613	674
Sindh Sales Tax on trustee fee	80	88
Annual fee to Securities and Exchange Commission of Pakistan	8 72	402
Auditors' remuneration	93	120
Brokerage	694	209
Charity expense	819	307
Bank and settlement charges	78	133
Fees and subscription	141	142
Printing charges	9	10
Total expenses	<u>7,050</u>	<u>7,294</u>
Net loss for the quarter before taxation	<u>(83,654)</u>	<u>(52,001)</u>
Taxation	13 -	-
Net loss for the quarter after taxation	<u>(83,654)</u>	<u>(52,001)</u>
Allocation of net loss for the Quarter		
Net income for the quarter after taxation	-	-
Income already paid on units redeemed	-	-
	<u>-</u>	<u>-</u>

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

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

Chief Executive

Chief Financial Officer

Director



**KSE MEEZAN INDEX FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2019 (UNAUDITED)**

	<u>September 30,</u>	
	<u>2019</u>	<u>2018</u>
	<u>(Rupees in '000)</u>	
Net loss for the quarter after taxation	(83,654)	(52,001)
Other comprehensive income for the quarter	-	-
Total comprehensive Income for the quarter	<u>(83,654)</u>	<u>(52,001)</u>

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

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

Chief Executive

Chief Financial Officer

Director

KSE MEEZAN INDEX FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND
FOR THE QUARTER ENDED SEPTEMBER 30, 2019 (UNAUDITED)

	Quarter ended September 30, 2019			Quarter ended September 30, 2018		
	(Rupees in '000)			(Rupees in '000)		
	Capital Value	Undistributed income/(loss)	Total	Capital Value	Undistributed income/(loss)	Total
Net assets at the beginning of the quarter	1,779,406	(262,268)	1,517,138	1,469,611	217,869	1,687,480
Issuance of 2,912,444 units (2018: 1,186,241 units)						
- Capital value (at net asset value per unit at the beginning of the period)	154,205	-	154,205	83,818	-	83,818
- Element of loss	(13,141)	-	(13,141)	(42)	-	(42)
Total proceeds on issuance of units	141,064	-	141,064	83,776	-	83,776
Redemption of 1,662,650 units (2018: 1,134,344 units)						
- Capital value (at net asset value per unit at the beginning of the period)	88,032	-	88,032	80,151	-	80,151
- Element of income	(6,588)	-	(6,588)	(1,545)	-	(1,545)
Total payments on redemption of units	81,444	-	81,444	78,606	-	78,606
Total comprehensive loss for the quarter	-	(83,654)	(83,654)	-	(52,001)	(52,001)
Distribution during the quarter	-	-	-	-	-	-
Net loss for the quarter less distribution	-	(83,654)	(83,654)	-	(52,001)	(52,001)
Net assets at the end of the quarter	1,839,026	(345,922)	1,493,104	1,474,781	165,868	1,640,649
Undistributed income brought forward						
- Realised income		184,604			401,372	
- Unrealised loss		(446,872)			(183,503)	
		(262,268)			217,869	
Accounting income available for distribution						
- Relating to capital gains		-			-	
- Excluding capital gains		-			-	
		-			-	
Net loss for the quarter after taxation		(83,654)			(52,001)	
Distribution during the quarter		-			-	
(Accumulated loss) / undistributed income carried forward		(345,922)			165,868	
(Accumulated loss) / undistributed income carried forward						
- Realised (loss)/ Income		(245,339)			230,630	
- Unrealised loss		(100,583)			(64,762)	
		(345,922)			165,868	
				(Rupees)		(Rupees)
Net assets value per unit at the beginning of the quarter		<u>52.9470</u>				<u>70.6581</u>
Net assets value per unit at the end of the quarter		<u>49.9304</u>				<u>68.5483</u>

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



**KSE MEEZAN INDEX FUND
CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2019 (UNAUDITED)**

	September 30,	
	2019	2018
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the quarter before taxation	(83,654)	(52,001)
Adjustments for:		
Net unrealised diminution on re-measurement of investments at 'fair value through profit or loss'	100,583	64,762
	16,929	12,761
(Increase) / decrease in assets		
Investments - net	(57,233)	(8,359)
Receivable against sale of investments	-	(9,557)
Dividend receivable	(17,117)	(24,351)
Deposits and other receivables	39	(19)
	(74,311)	(42,287)
Increase / (decrease) in liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	11	(103)
Payable to Central Depository Company of Pakistan Limited - Trustee	(27)	(9)
Payable to Meezan Bank Limited	(4)	(25)
Payable to Securities and Exchange Commission of Pakistan	(1,492)	(1,245)
Payable against purchase of investments - net	(44,670)	(266)
Accrued expenses and other liabilities	1,381	47
	(44,801)	(1,601)
Net cash used in operating activities	(102,183)	(31,127)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipt against issuance of units	180,899	84,207
Payment against redemption of units	(81,675)	(68,821)
Net cash generated from financing activities	99,224	15,386
Net decrease in cash and cash equivalents during the quarter	(2,959)	(15,740)
Cash and cash equivalents at beginning of the quarter	8,935	19,141
Cash and cash equivalents at end of the quarter	5,976	3,401

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

**For AI 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 INFORMATION (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019 (UNAUDITED)

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 Management Company and Central Depository Company of Pakistan Limited (CDC) as 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, (NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008, (NBFC Regulations, 2008). The Management Company has been licensed by 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 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. 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.
- 1.3** The Fund is an open-end fund listed on Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and be redeemed by surrendering them to the Fund. The Fund is categorized as a Shariah Compliant Index Fund.
- 1.4** The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund.
- 1.5** The Management Company has been assigned a quality rating of AM1 by VIS dated December 28, 2018 (2018: AM1 dated December 29, 2017) and by PACRA 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 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, 2018.

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 September 30, 2019.

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.

	Note	September 30, 2019 (Unaudited) (Rupees in '000)	June 30, 2019 (Audited)
5. BALANCES WITH BANKS			
In saving accounts	5.1	3,861	7,559
In current accounts		2,115	1,376
		<u>5,976</u>	<u>8,935</u>

- 5.1 The balance in saving accounts have an expected profit ranging from 3.32% to 8.15% per annum (June 30, 2019: 3.32% to 12.30% per annum).

	Note	September 30, 2019 (Unaudited) (Rupees in '000)	June 30, 2019 (Audited)
6. INVESTMENTS			
Investments at 'fair value through profit or loss'			
Ordinary shares - Held for trading	6.1	<u>1,479,526</u>	<u>1,522,876</u>

6.1 Held for trading - shares of listed companies

Name of the investee company	As at July 1, 2019	Purchases during the quarter	Rights / Bonus issue	Sales during the quarter	As at September 30, 2019	Carrying value as at September 30, 2019	Market value as at September 30, 2019	Unrealised gain / (loss) as at September 30, 2019	Percentage in relation to		
									Net assets of the Fund on the basis of market value	Paid-up capital of investee company (with face value of investme	Total market value of investm
								Number of shares	(Rupees in '000)	%	
Sectors / companies											
Automobile Assembler											
Honda Atlas Cars (Pakistan) Lim	-	70,400	-	1,300	69,100	10,204	9,166	(1,038)	0.61	0.05	0.62
Thal Limited	-	80,000	-	1,200	78,800	27,889	18,800	(9,089)	1.26	0.19	1.27
Milat Tractors Limited	-	54,450	-	700	53,750	45,502	37,621	(7,881)	2.52	0.12	2.54
									4.39	0.36	4.43
Bank											
Meezan bank limited	-	720,500	-	12,500	708,000	58,201	51,004	(7,196)	3.42	0.06	3.45
Cable & Electrical Goods											
Pak Elektron Limited	565,303	44,500	-	9,500	600,303	11,830	10,109	(1,721)	0.68	0.12	0.68
Cement											
D.G. Khan Cement Company Lir	498,500	45,500	-	12,000	532,000	29,587	25,717	(3,870)	1.72	0.12	1.74
Fauji Cement Company Limited	1,735,375	141,500	-	37,500	1,839,375	28,641	24,648	(3,993)	1.65	0.13	1.67
Lucky Cement Limited	292,680	26,100	-	5,200	313,580	119,052	107,285	(11,767)	7.19	0.10	7.25
Maple Leaf Cement Factory Limit	604,155	57,000	-	14,500	646,655	15,139	9,493	(5,646)	0.64	0.10	0.64
									11.20	0.45	11.30
Chemical											
Engro Polymer & Chemicals Lim	1,027,271	37,500	-	295,500	769,271	20,632	18,886	(1,746)	1.26	0.08	1.28
Lotte Chemicals pakistan Limite	857,500	78,000	-	18,000	917,500	14,036	12,515	(1,522)	0.84	0.06	0.85
									2.10	0.14	2.13
Engineering											
International Industries Limited	122,500	-	-	122,500	-	-	-	-	0.00	0.00	0.00
International Steels Limited	393,400	20,000	-	46,000	367,400	14,452	14,600	149	0.98	0.08	0.99
									0.98	0.08	0.99
Fertilizer											
Dawood Hercules Corporation Li	-	764,400	-	6,000	758,400	85,884	91,766	5,883	6.15	0.16	6.20
Engro Corporation Limited	716,900	41,000	-	59,500	698,400	184,840	186,396	1,556	12.48	0.12	12.60
Engro Fertilizers Limited	1,357,136	127,000	-	28,500	1,455,636	93,295	99,318	6,023	6.65	0.11	6.71
									25.28	0.39	25.51
Food & Personal Care Products											
Frieslandcampins Engro Foods I	174,500	-	-	174,500	-	-	-	-	0.00	0.00	0.00
Oil & Gas Exploration Companies											
Mari Petroleum Company Limite	55,030	4,740	-	1,000	58,770	58,882	52,844	(6,038)	3.54	0.05	3.57
Pakistan Oilfields Limited	294,130	26,300	-	5,300	315,130	127,479	119,718	(7,761)	8.02	0.11	8.09
Pakistan Petroleum Limited (not	1,254,279	73,600	-	75,900	1,251,979	179,010	170,307	(8,704)	11.41	0.06	11.51
Oil and Gas Development Comp	1,459,618	132,900	-	28,300	1,564,218	204,508	192,446	(12,063)	12.89	0.04	13.01
									35.86	0.26	36.18

Name of the investee company	As at July 1, 2019	Purchases during the quarter	Rights / Bonus issue	Sales during the quarter	As at September 30, 2019	Carrying value as at September 30, 2019	Market value as at September 30, 2019	Unrealised gain / (loss) as at September 30, 2019	Percentage in relation to		
									Net assets of the Fund on the basis of market value	Paid-up capital of investee company (with face value of investme	Total market value of investm
Number of shares						(Rupees in '000)			-%		
Oil & Gas Marketing Companies											
Attock Petroleum limited	-	61,700	-	1,400	60,300	17,864	18,572	708	1.24	0.06	1.26
Hascol Petroleum Limited	159,330	12,500	-	19,000	152,830	10,153	3,107	(7,046)	0.21	0.08	0.21
Pakistan state oil company limite	398,700	-	-	398,700	-	-	-	-	0.00	0.00	0.00
Shell pakistan	48,900	-	-	48,900	-	-	-	-	0.00	0.00	0.00
Sui Northern Gas Pipeline Limite	645,833	57,500	-	11,500	691,833	47,567	42,617	(4,950)	2.85	0.11	2.88
Sui Southern Gas Company Limi	695,231	103,000	-	11,500	786,731	16,035	13,445	(2,590)	0.90	0.09	0.91
									5.20	0.28	5.26
Paper and Board											
Packages Limited	60,812	5,300	-	1,100	65,012	19,464	19,439	(26)	1.30	0.07	1.31
Pharmaceuticals											
AGP limited	-	241,500	-	4,500	237,000	14,654	15,310	656	1.03	0.08	1.03
The Searle Company Limited	191,759	43,800	-	4,300	231,259	33,611	31,965	(1,647)	2.14	0.11	2.16
									3.17		3.19
Power Generation & Distribution											
K-Electric Limited (note 6.1.1)	6,251,040	485,000	-	85,000	6,651,040	28,724	23,611	(5,112)	1.58	0.07	1.60
The Hub Power Company Limite	1,703,897	-	-	1,703,897	-	-	-	-	0.00	0.00	0.00
									1.58	0.07	1.60
Refinery											
Attock Refinery Limited	98,091	8,500	-	3,000	103,591	7,915	8,084	169	0.54	0.10	0.55
Byco petroleum	1,211,000	-	-	1,211,000	-	-	-	-	0.00	0.00	0.00
National Refinery Limited	59,048	-	-	59,048	-	-	-	-	0.00	0.00	0.00
									0.54	0.10	0.55
Textile Composite											
Nishat Mills Limited	358,300	32,500	-	7,500	383,300	35,194	32,197	(2,996)	2.16	0.11	2.18
Transport											
Pakistan International Bulk Terminal Ltd.	2,228,000	182,000	-	33,000	2,377,000	19,864	18,541	(1,324)	1.24	0.13	1.25
									1,580,109	1,479,526	(100,583)

6.1.1 All shares have a nominal value of Rs 10 each except for the shares of K-Electric Limited having nominal value of Rs 3.50 each.

6.1.2 682,000 shares (June 30, 2019: 682,000 shares) of Pakistan Petroleum Limited having market value of Rs 92.77 million as at September 30, 2019 (June 30, 2019: Rs 98.50 million), have been pledged as collateral in favour of National Clearing Company of Pakistan Limited against exposure margins and mark to market losses.

Finance Act, 2018 effective from July 1, 2018 has omitted Section 236M of Income Tax Ordinance, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold five percent of the bonus shares to be issued.

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.

7 CONTINGENCIES AND COMMITMENTS

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

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

SECP vide S.R.O. No. 685(I)/2019 dated June 28, 2019, revised rate of annual fee to 0.02% of net assets, applicable on all categories of Collective Investment Schemes with effective from July 1, 2019. Accordingly Fund has charged SECP Fee @ 0.02% of net assets during the quarter.

9. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	September 30,	June 30,
		2019 (Unaudited)	2018 (Audited)
		(Rupees in '000)	
Auditor's remuneration payable		318	225
Provision for Federal Excise Duty and related			
Sindh Sales Tax on management fee	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 Worker's Welfare Fund	9.2	9,270	9,270
Withholding tax payable		293	245
Charity payable		2,462	1,843
Brokerage payable		1,815	1,071
Shariah advisory fee payable		129	264
Printing charges payable		125	115
Zakat payable		1	-
		20,652	19,271

- 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.

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.

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.

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 6.238 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 September 30, 2019 would have been higher by Re 0.21 (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 financial statements of the Fund for the period from May 21, 2015 to June 30, 2019, the net asset value per unit of the Fund as at September 30, 2019 would have been higher by Re. 0.31 (June 30, 2019: Re 0.32).

10. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include Al Meezan Investment Management Limited (Al Meezan) being the Management Company, Central Depository Company of Pakistan Limited (CDC) being the Trustee, Meezan Bank Limited (MBL) 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 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:

	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	1,190	1,224
Sindh Sales Tax on management fee payable	155	159
Sales load payable	48	1
Sindh Sales Tax on sales load payable	6	1
Allocated expenses payable	119	122
Investment of 9,793,856 units (June 30, 2019: 7,651,969 units)	489,011	405,149
Al Meezan Investment Management Limited - (GF)		
Investment of 133,559 units (June 30, 2019: 133,559 units)	6,669	7,072

	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
	(Rupees in '000)	
Meezan Bank Limited		
Sales load payable	9	14
Sindh Sale Tax on sales load payable	1	2
Bank balance	2,452	3,425
Profit receivable on savings account	54	62
Investment of 2,113,224 units (June 30, 2019: 2,113,224 units)	105,514	111,889
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	179	183
Sindh Sales Tax on trustee fee payable	23	46
Security deposit	103	103
Directors and executives of the Management Company		
Investment of 19,331 units (June 30, 2019: 18,925 units)	965	1,002
Unitholders holding 10% or more units of the Fund		
Investment of 9,725,888 units (June 30, 2019: 9,725,888 units)	485,618	514,957
Meezan Strategic Allocation Fund MSAP-I		
Investment of 140,177 units (June 30, 2019: 201,580 units)	6,999	10,673
Meezan Strategic Allocation Fund MSAP-II		
Investment of 137,526 units (June 30, 2019: 137,526 units)	6,867	7,282
Meezan Strategic Allocation Fund MSAP-III		
Investment of 374,075 units (June 30, 2019: 167,669 units)	18,678	8,879
Meezan Strategic Allocation Fund MSAP-IV		
Investment of 396,682 units (June 30, 2019: 190,276 units)	19,806	10,075
Meezan Strategic Allocation Fund MSAP-V		
Investment of 56,518 units (June 30, 2019: 56,518 units)	2,822	2,992
	Quarter ended September 30,	2018
	2019	2018
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration for the quarter	3,619	4,235
Sindh Sales Tax on management fee	470	551
Allocated expenses	362	423
Units issued: 2,141,887 units (September 30, 2018: 225,768)	103,600	15,100
Meezan Bank Limited		
Profit on savings account	229	12
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee	613	674
Sindh Sales Tax on trustee fee for the quarter	80	88
CDS charges	37	21
Directors and executives of the Management Company		
Units issued: 406 units (September 30, 2018: 597 units)	21	41,336
Meezan Strategic Allocation Fund MSAP-I		
Units redeemed of 61,403 units (September 30, 2018: nil units)	3,027	-
Meezan Strategic Allocation Fund MSAP-III		
Issue of 206,406 units (September 30, 2018: nil units)	10,000	-
Meezan Strategic Allocation Fund MSAP-IV		
Issue of 206,406 units (September 30, 2018: nil units)	10,000	-

11. ALLOCATED EXPENSES

In accordance with Regulation 60 of the NBFC Regulations, the Management Company till June 19, 2019 entitled to charge expenses related to registrar services, accounting, operations and valuation services, related to a Collective Investment Scheme (CIS) at the rate of 0.10% of the average annual net assets of the scheme or actual whichever is less. During the year, SECP vide SRO 639 dated June 20, 2019 has removed the maximum cap of 0.10%. Accordingly, the Management Company can now charge actual expenses related to registrar services, accounting, operations and valuation services to the CIS with effect from June 20, 2019.

However, the Management Company continued to charge expenses at the rate 0.1% of the average annual net assets of the Fund for the period from July 1, 2019 to September 30, 2019, being lower than actual expenses.

12. EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the quarter ended September 30, 2019 is 1.95% which include 0.20% 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. 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.

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 September 30, 2019 and June 30, 2019, the Fund held the following financial instruments measured at fair value:

	As at September 30, 2019			
	Level 1	Level 2	Level 3	Total
ASSETS	----- (Rupees in '000) -----			
Financial assets 'at fair value through profit or loss'	1,479,526	-	-	1,479,526
	<u>1,479,526</u>	<u>-</u>	<u>-</u>	<u>1,479,526</u>
	----- (Rupees in '000) -----			
	As at June 30, 2019			
ASSETS	Level 1	Level 2	Level 3	Total
Financial assets 'at fair value through profit or loss'	1,522,876	-	-	1,522,876
	<u>1,522,876</u>	<u>-</u>	<u>-</u>	<u>1,522,876</u>

15. GENERAL

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

16. DATE OF AUTHORISATION

This condensed interim financial information was authorised for issue on October 15, 2019 by the Board of Directors of the Management Company.

**For Al 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
E-mail: 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

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited



MEEZAN ENERGY FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2019

	September 30, 2019	June 30, 2019
	(Unaudited)	(Audited)
Note	(Rupees in '000)	
Assets		
Balances with banks	5 20,003	20,442
Investments	6 491,866	583,850
Receivable against conversion of units	399	557
Dividend receivable	6,995	2,127
Advances, deposits and other receivables	4,484	1,890
Preliminary expenses and floatation costs	433	483
Total assets	524,180	609,349
Liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	1,538	2,039
Payable to Central Depository Company of Pakistan Limited - Trustee	94	129
Payable to Meezan Bank Limited	304	1
Payable to Securities and Exchange Commission of Pakistan	7 28	933
Payable on redemption and conversion of units	768	724
Payable against purchase of investments - net	-	3,424
Accrued expenses and other liabilities	9 2,421	3,396
Total liabilities	5,153	10,646
Net assets	519,027	598,703
Contingencies and commitments	8	
Unitholders' funds (as per statement attached)	519,027	598,703
	(Number of units)	
Number of units in issue	17,817,929	17,944,102
	(Rupees)	
Net assets value per unit	29.1295	33.3649

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

**MEEZAN ENERGY FUND
CONDENSED INTERIM INCOME STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2019 (UNAUDITED)**

	September 30,	
	2019	2018
Note	(Rupees in '000)	
Income		
Net realised loss on sale of investments	(41,008)	(8,456)
Dividend income	6,910	5,996
Profit on saving accounts with banks	903	1,339
	<u>(33,195)</u>	<u>(1,121)</u>
Net unrealised diminution on re-measurement of investments - 'at fair value through profit or loss'	6.1 (50,267)	(54,062)
Total loss	<u>(83,462)</u>	<u>(55,183)</u>
Expenses		
Remuneration to AI Meezan Investment Management Limited - Management Company	2,808	7,196
Sindh Sales Tax on management fee	365	936
Remuneration to Central Depository Company of Pakistan Limited - Trustee	281	612
Sindh Sales Tax on trustee fee	37	80
Annual fee to Securities and Exchange Commission of Pakistan	28	342
Auditors' remuneration	74	81
Charity expense	250	86
Fees and subscription	141	142
Brokerage expense	329	384
Bank and settlement charges	46	26
Printing charges	-	8
Selling and marketing expense	14 562	1,439
Amortisation of preliminary expenses and floatation costs	50	50
Allocated expenses	12 140	360
Total expenses	<u>5,111</u>	<u>11,742</u>
Net loss for the quarter before taxation	<u>(88,573)</u>	<u>(66,925)</u>
Taxation	15 -	-
Net loss for the quarter after taxation	<u>(88,573)</u>	<u>(66,925)</u>
Allocation of net income for the quarter		
Net income for the quarter after taxation	-	-
Income already paid on units redeemed	-	-
	<u>-</u>	<u>-</u>

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

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

Chief Executive

Chief Financial Officer

Director



MEEZAN ENERGY FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2019 (UNAUDITED)

	<u>September 30,</u>	
	<u>2019</u>	<u>2018</u>
	(Rupees in '000)	
Net loss for the quarter after taxation	(88,573)	(66,925)
Other comprehensive income	-	-
Total comprehensive income for the quarter	<u>(88,573)</u>	<u>(66,925)</u>

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN ENERGY FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND
FOR THE QUARTER ENDED SEPTEMBER 30, 2019 (UNAUDITED)

	September 30, 2019			September 30, 2018		
	Capital Value	Accumulated Loss	Total	Capital Value	Accumulated Loss	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at beginning of the quarter	967,743	(369,040)	598,703	1,660,781	(24,208)	1,636,573
Issue of 7,708,283 units (September 30, 2018: 6,458,787 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	257,186	-	257,186	321,533	-	321,533
- Element of loss	(23,581)	-	(23,581)	(9,717)	-	(9,717)
Total proceeds on issuance of units	233,605	-	233,605	311,816	-	311,816
Redemption of 7,834,456 units (September 30, 2018: 13,845,181 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	261,396	-	261,396	689,245	-	689,245
- Element of loss	(36,688)	-	(36,688)	(15,279)	-	(15,279)
Total payments on redemption of units	224,708	-	224,708	673,966	-	673,966
Total comprehensive loss for the quarter	-	(88,573)	(88,573)	-	(66,925)	(66,925)
Distribution during the quarter	-	-	-	-	-	-
Net loss for the quarter less distribution	-	(88,573)	(88,573)	-	(66,925)	(66,925)
Net assets at end of the quarter	<u>976,640</u>	<u>(457,613)</u>	<u>519,027</u>	<u>1,298,631</u>	<u>(91,133)</u>	<u>1,207,498</u>
Accumulated losses brought forward						
- Realised loss		(228,021)			(48,945)	
- Unrealised (loss) / income		(141,019)			24,737	
		(369,040)			(24,208)	
Accounting income available for distribution						
- Realised (loss) / income		-			-	
- Unrealised income / (loss)		-			-	
		-			-	
Net loss for the quarter after taxation		(88,573)			(66,925)	
(Accumulated loss) / undistributed income carried forward		(457,613)			(91,133)	
Accumulated losses carried forward						
- Realised loss		(407,346)			(37,071)	
- Unrealised (loss) / income		(50,267)			(54,062)	
		(457,613)			(91,133)	
		(Rupees)			(Rupees)	
Net assets value per unit at the beginning of the quarter		<u>33.3649</u>			<u>49.7823</u>	
Net assets value per unit at the end of the quarter		<u>29.1295</u>			<u>47.3748</u>	

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



MEEZAN ENERGY FUND
CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2019 (UNAUDITED)

	September 30,	
	2019	2018
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the quarter after taxation	(88,573)	(66,925)
Adjustments for:		
Amortisation of preliminary expenses and floatation costs	50	50
Net unrealised diminution on re-measurement of investments - 'at fair value through profit or loss'	50,267	54,062
	<u>(38,256)</u>	<u>(12,813)</u>
Decrease / (increase) in assets		
Investments	41,717	326,153
Dividend receivable	(4,868)	(2,340)
Advances, deposits and other receivables	(2,594)	(238)
	<u>34,255</u>	<u>323,575</u>
(Decrease) / increase in liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	(501)	(1,529)
Payable to Central Depository Company of Pakistan Limited - Trustee	(35)	(37)
Payable to Meezan Bank Limited	303	(51)
Payable to Securities and Exchange Commission of Pakistan	(905)	(1,090)
Payable against purchase of investments - net	(3,424)	(2,191)
Accrued expenses and other liabilities	(975)	243
	<u>(5,537)</u>	<u>(4,655)</u>
Net cash (used in) / generated from operating activities	<u>(9,538)</u>	<u>306,107</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	233,763	324,551
Payment against redemption and conversion of units	(224,664)	(677,821)
Net cash generated from / (used in) financing activities	<u>9,099</u>	<u>(353,270)</u>
Net decrease in cash and cash equivalents during the quarter	<u>(439)</u>	<u>(47,163)</u>
Cash and cash equivalents at beginning of the quarter	<u>20,442</u>	<u>195,027</u>
Cash and cash equivalents at end of the quarter	<u><u>20,003</u></u>	<u><u>147,864</u></u>

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

For AI 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 INFORMATION
FOR THE QUARTER ENDED SEPTEMBER 30, 2019 (UNAUDITED)

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 Company as the Management Company and Central Depository Company of Pakistan Limited as the Trustee. The Trust Deed was executed on September 09, 2016 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, Shariah-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 dated December 28, 2018 (2018: AM1 dated December 29, 2017) and by PACRA dated June 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 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 September 30, 2019.

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

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.

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.

5. BALANCES WITH BANKS	Note	September 30, 2019	June 30, 2019
		(Unaudited)	(Audited)
		(Rupees in '000)	
In saving accounts	5.1	19,964	19,835
In current accounts		39	607
		<u>20,003</u>	<u>20,442</u>

5.1 The balance in saving accounts have an expected profit ranging from 3.32% to 13.25% per annum (June 30, 2019: 3.32% to 12.35% per annum).

6. INVESTMENTS	Note	September 30, 2019	June 30, 2019
		(Unaudited)	(Audited)
		(Rupees in '000)	
Investments - 'at fair value through profit or loss'			
Listed equity securities	6.1	<u>491,866</u>	<u>583,850</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 / Right issue	Sales during the period	As at September 30, 2019	Carrying value as at September 30, 2019	Market value as at September 30, 2019	Unrealised gain / (loss) as at September 30, 2019	Percentage in relation to		
									Net assets of the Fund on the basis of market value (6.1.2)	Total market value of investments	Paid-up capital of investee company (with face value of investment)
						Number of shares	(Rupees in '000)	%			
Sectors / companies											
Oil and Gas Exploration Companies											
Mari Petroleum Company Limited	105,385	-	-	10,200	95,185	96,073	85,587	(10,486)	16.49	17.40	0.08
Oil and Gas Development Company Limited	676,600	227,000	-	300,000	603,600	78,472	74,261	(4,211)	14.31	15.10	0.01
Pakistan Oilfields Limited	129,180	91,500	-	-	220,680	88,196	83,836	(4,360)	16.15	17.04	0.08
Pakistan Petroleum Limited	621,765	53,000	-	265,000	409,765	58,596	55,740	(2,856)	10.74	11.32	0.02
									57.69	60.86	0.19
Oil and Gas Marketing Companies											
Attock Petroleum Limited	29,000	7,500	-	-	36,500	10,732	11,242	510	2.17	2.29	0.04
Haseco Petroleum Limited	616,652	160,000	-	424,500	362,152	22,212	7,159	(15,053)	1.38	1.46	0.18
Pakistan State Oil Company Limited	318,240	117,000	-	114,000	321,240	52,903	50,592	(2,311)	9.75	10.29	0.08
Sui Northern Gas Pipelines Limited	1,021,300	200,000	-	370,000	851,300	58,111	52,440	(5,671)	10.10	10.66	0.13
Sui Southern Gas Pipelines Limited	17,000	-	-	-	17,000	352	291	(61)	0.06	0.06	-
									23.46	24.76	0.43
Power Generation and Distribution											
Hub Power Company Limited	562,844	488,600	-	350,000	701,444	51,390	49,627	(1,763)	9.56	10.09	0.05
K - Electric Limited (note 6.1.1)	5,916,000	1,000,000	-	975,000	5,941,000	25,096	21,091	(4,005)	4.06	4.29	0.02
									13.62	14.38	0.07
Total as at September 30, 2019						542,133	491,866	(50,267)			
Total as at June 30, 2019						724,869	583,850	(141,019)			

- 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.
- 6.2 Finance Act, 2018 effective from July 1, 2018 has omitted Section 236M of Income Tax Ordinance, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold five percent of the bonus shares to be issued.

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.

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

SECP vide S.R.O. No. 685(I)/2019 dated June 28, 2019, revised rate of annual fee to 0.02% of net assets, applicable on all categories of Collective Investment Schemes with effective from July 1, 2019. Accordingly Fund has charged SECP Fee @ 0.02% of net assets during the quarter.

8. CONTINGENCIES AND COMMITMENTS

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

	Note	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
(Rupees in '000)			
9. ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration payable		269	195
Printing charges payable		38	38
Shariah advisor fee payable		131	265
Charity payable		274	924
Capital gain tax payable		16	211
Provision for Sindh Workers' Welfare Fund	9.1	1,527	1,527
Zakat payable		3	5
Brokerage Payable		163	231
		<u>2,421</u>	<u>3,396</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 financial statements of the Fund for the period from November 30, 2016 to September 30, 2019, the net asset value per unit of the Fund as at September 30, 2019 would have been higher by Re 0.09 / 0.31% (June 30, 2019: Re 0.09 / 0.27%).

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:

	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	825	1,137
Sindh Sales Tax on management fee payable	107	148
Sales load payable	3	13
Sindh Sales Tax on sales load payable	-	2
Allocated expenses	41	57
Selling and marketing expense payable	562	682
Investment of 6,769,502 units (June 30, 2019: 6,150,459 units)	197,192	205,209
Meezan Bank Limited		
Bank balance	8,954	1,120
Profit receivable on saving accounts	58	162
Sales load payable	269	1
Sindh Sales Tax on sales load payable	35	-
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	83	114
Sindh Sales Tax on trustee fee payable	11	15
Security deposit	100	100
Directors and executives of the Management Company		
Investment of 1,671,777 units (June 30, 2019: 234,114 units)	48,698	7,811
For the quarter ended September 30,		
	2019	2018
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration for the period	2,808	7,196
Sindh Sales Tax on management fee	365	936
Allocated expenses	140	360
Selling and marketing expense	562	1,439
Units issued: 967,230 units (September 30, 2018: nil)	30,000	-
Units redeemed: 348,187 units (September 30, 2018: 3,987,713 units)	10,000	196,000
Meezan Bank Limited		
Profit on saving accounts	507	390
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee	281	612
Sindh Sales Tax on trustee fee	37	80
CDS charges	23	11
Directors and executives of the Management Company		
Units issued: 3,295,456 units (September 30, 2018: 37,305 units)	101,000	5,250
Units redeemed: 1,857,793 units (September 30, 2018: 111,756 units)	47,999	1,812

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 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.

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 September 30, 2019 and June 30, 2019, the Fund held the following financial instruments measured at fair value:

ASSETS	As at September 30, 2019			
	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----				
Financial assets 'at fair value through profit or loss'				
Shares of listed companies 'ordinary shares'	491,866	-	-	491,866
ASSETS	As at June 30, 2019			
	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----				
Financial assets 'at fair value through profit or loss'				
Shares of listed companies 'ordinary shares'	583,850	-	-	583,850

12. ALLOCATED EXPENSES

In accordance with Regulation 60 of the NBFC Regulations, the Management Company till June 19, 2019 entitled to charge expenses related to registrar services, accounting, operations and valuation services, related to a Collective Investment Scheme (CIS) at the rate of 0.10% of the average annual net assets of the scheme or actual whichever is less. During the year, SECP vide SRO 639 dated June 20, 2019 has removed the maximum cap of 0.10%. Accordingly, the Management Company can now charge actual expenses related to registrar services, accounting, operations and valuation services to the CIS with effect from June 20, 2019.

However, the Management Company continued to charge expenses at the rate 0.10% of the average annual net assets of the Fund for the period from July 1, 2019 to September 30, 2019, being lower than actual expenses.

13. EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the quarter ended September 30, 2019 is 3.64% which includes 0.34% representing government levies 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 three years (from January 1, 2017 till December 31, 2019). The maximum cap of selling and marketing expense shall be 0.4% per annum of net assets of the fund or actual expenses whichever is lower. Accordingly, such expenses have been charged to the Fund during the quarter at the rate of 0.4% of the net assets of the Fund being lower than actual expenses incurred.

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.

**17. DATE OF AUTHORISATION**

These condensed interim financial statements were authorised for issue on October 15, 2019 by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer


Director

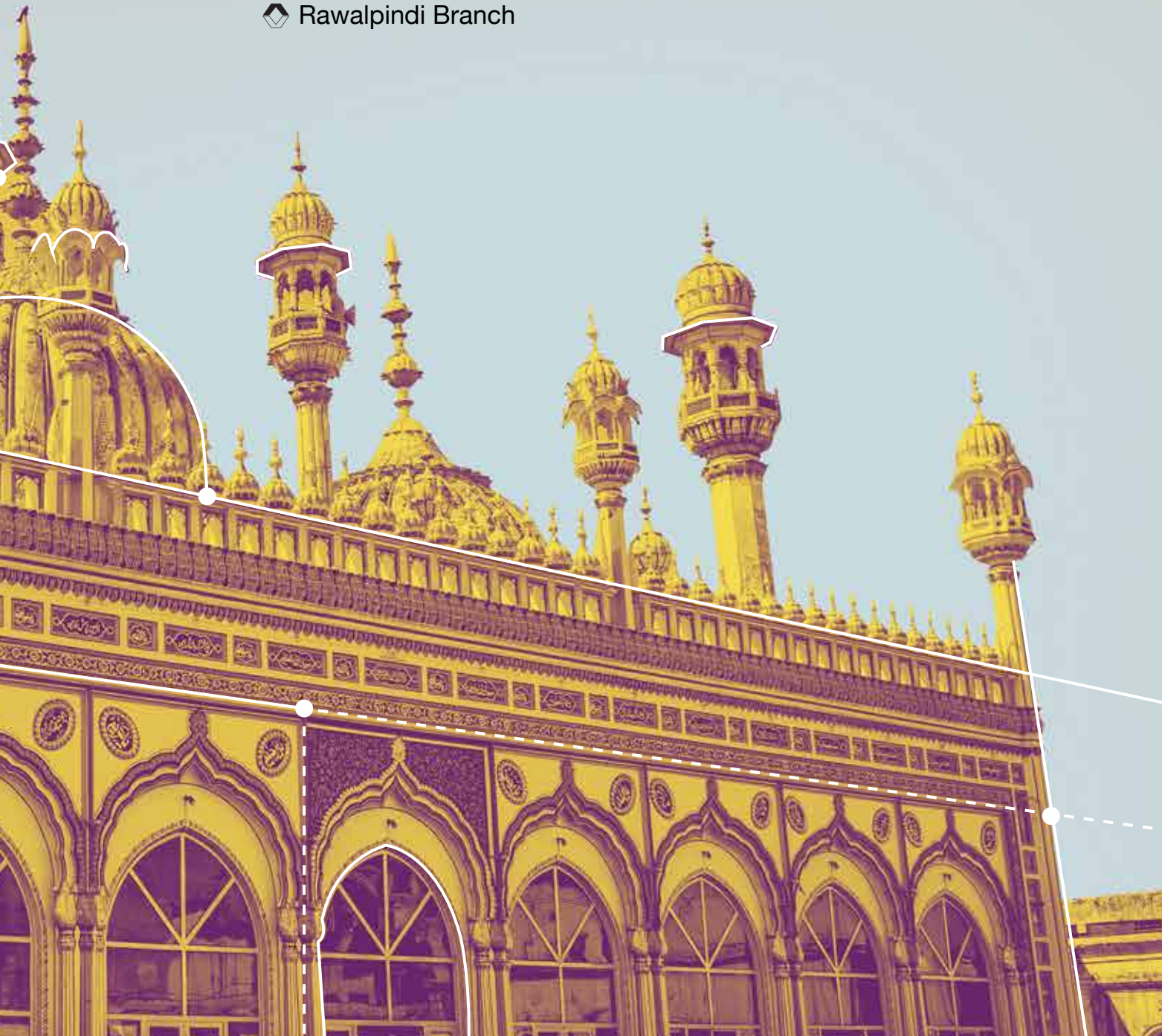


Meezan Balanced Fund

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



PICKING UP SPEED IN THE CITY OF BAZAARS

MAUSOLEUM OF AKHUND
ABDUL GHAFOOR
(RAWALPINDI)



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
E-mail: 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

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited



Meezan Balanced Fund
Condensed Interim Statement of Assets and Liabilities
As at September 30, 2019

		September 30, 2019 (Unaudited) (Rupees in '000)	June 30, 2019 (Audited)
Assets			
Balances with banks	5	598,457	357,560
Investments	6	3,955,803	4,945,739
Receivables against conversion of units		887	673
Dividend receivable		38,960	14,704
Receivable against sale of investments		9,826	75,910
Advances, deposits and other receivables		57,045	73,510
Total assets		4,660,978	5,468,096
Liabilities			
Payable to AI Meezan Investment Management Limited - Management Company		13,555	16,770
Payable to Central Depository Company of Pakistan Limited - Trustee		512	615
Payable to Securities and Exchange Commission of Pakistan		247	5,831
Payable to Meezan Bank Limited		5	1
Payable against redemption and conversion of units		2,972	2,247
Dividend payable		7,490	7,490
Accrued expenses and other liabilities	9	84,548	85,052
Total liabilities		109,329	118,006
Net assets		4,551,649	5,350,090
Contingencies and commitments	7		
Unitholders' fund (as per statement attached)		4,551,649	5,350,090
		(Number of units)	
Number of units in issue		346,490,212	397,457,351
		(Rupees)	
Net assets value per unit		13.1364	13.4608

The annexed notes 1 to 17 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 Balanced Fund
Condensed Interim Income Statement
For the quarter ended September 30, 2019 (Unaudited)

		September 30,	
		2019	2018
		(Rupees in '000)	
	Note		
Income			
Net realised loss on sale of investments		(27,192)	(6,519)
Dividend income		40,081	49,824
Profit on sukuk certificates		51,494	41,107
Profit on saving accounts with banks		19,552	19,029
Other income		-	287
		83,935	103,728
Net unrealised diminution on re-measurement of investments - 'at fair value through profit or loss' (net)	6	(191,285)	(176,305)
Total loss		(107,350)	(72,577)
Expenses			
Remuneration to Al Meezan Investment Management Limited - Management Company		23,736	38,753
Sindh Sales Tax on management fee		3,086	5,038
Allocated expenses	11	1,187	1,938
Selling and marketing expenses	14	4,747	7,750
Remuneration to Central Depository Company of Pakistan Limited - Trustee		1,438	2,190
Sindh Sales Tax on trustee fee		187	284
Annual fee to Securities and Exchange Commission of Pakistan		247	1,647
Auditors' remuneration		135	164
Charity expense		1,097	641
Fees and subscription		145	239
Brokerage expense		314	273
Bank and settlement charges		110	188
Printing expenses		-	27
Total expenses		36,429	59,132
Net loss for the quarter before taxation		(143,778)	(131,709)
Taxation	13	-	-
Net loss for the quarter after taxation		(143,778)	(131,709)
Allocation of net income for the period			
Net income for the period after taxation		-	-
Income already paid on units redeemed		-	-
		-	-

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



Meezan Balanced Fund
Condensed Interim Statement of Comprehensive Income
For the quarter ended September 30, 2019 (Unaudited)

	<u>September 30,</u>	
	<u>2019</u>	<u>2018</u>
	(Rupees in '000)	
Net loss for the quarter after taxation	(143,778)	(131,709)
Other comprehensive income for the period	-	-
Total comprehensive loss for the quarter	<u>(143,778)</u>	<u>(131,709)</u>

The annexed notes 1 to 17 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 Balanced Fund
Condensed Interim Statement Of Movement In Unitholders' Fund
For the quarter ended September 30, 2019 (Unaudited)

	September 30, 2019			September 30, 2018		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at beginning of the period as previously reported (Audited)	5,405,175	(55,085)	5,350,090	7,010,292	832,713	7,843,005
Change in accounting policy	-	-	-	-	-	-
Net assets at beginning of the period	5,405,175	(55,085)	5,350,090	7,010,292	832,713	7,843,005
Issue of 3,544,809 units (2018: 15,784,696 units)						
- Capital value (at net asset value per unit at the beginning of the period)	47,716	-	47,716	243,662	-	243,662
- Element of loss	(1,715)	-	(1,715)	(2,479)	-	(2,479)
Total proceeds on issuance of units	46,001	-	46,001	241,183	-	241,183
Redemption of 54,511,948 units (2018: 26,569,646 units)						
- Capital value (at net asset value per unit at the beginning of the period)	733,774	-	733,774	410,145	-	410,145
- Element of income	(33,111)	-	(33,111)	(6,960)	-	(6,960)
Total payments on redemption of units	700,663	-	700,663	403,185	-	403,185
Total comprehensive loss for the quarter	-	(143,778)	(143,778)	-	(131,709)	(131,709)
Distribution during the quarter	-	-	-	-	-	-
Net loss for the quarter less distribution	-	(143,778)	(143,778)	-	(131,709)	(131,709)
Net assets at end of the quarter	4,750,513	(198,863)	4,551,649	6,848,290	701,004	7,549,294
Undistributed (loss) / income brought forward (as previously reported (Audited))						
- Realised income		819,542			1,498,522	
- Unrealised income		(874,627)			(727,752)	
Change in accounting policy		(55,085)			770,770	
Undistributed (loss) / income brought forward		-			61,943	
		(55,085)			832,713	
Accounting income available for distribution						
- Relating to capital gains		-			-	
- Excluding capital gains		-			-	
Net loss for the quarter after taxation		(143,778)			(131,709)	
Distribution during the quarter		-			-	
Undistributed income carried forward		(198,863)			701,004	
Undistributed income carried forward						
- Realised (loss) / income		(7,579)			877,309	
- Unrealised loss		(191,285)			(176,305)	
		(198,863)			701,004	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the quarter		13.4608			15.4366	
Net assets value per unit at end of the quarter		13.1364			15.1807	

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



Meezan Balanced Fund
Condensed Interim Cash Flow Statement
For the quarter ended September 30, 2019 (Unaudited)

	September 30,	
	2019	2018
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the quarter before taxation	(143,778)	(131,709)
Adjustments for:		
Net unrealised diminution on re-measurement of investments		
- 'at fair value through profit or loss' (net)	191,285	176,305
	47,506	44,596
Decrease / (increase) in assets		
Investments	798,651	(461,326)
Dividend receivable	(24,256)	(33,696)
Receivable against sale of investments (net)	66,084	-
Advances, deposits and other receivables	16,465	39
	856,944	(494,983)
Increase / (decrease) in liabilities		
Payable to Al Meezan Investment Management Limited (Al Meezan)		
- Management Company	(3,215)	7,652
Payable to Central Depository Company of Pakistan Limited (CDC)		
- Trustee	(103)	(32)
Payable to Securities and Exchange Commission of Pakistan (SECP)	(5,584)	(5,519)
Payable to Meezan Bank Limited	4	(69)
Payable against purchase of investments (net)	-	4,353
Accrued expenses and other liabilities	(504)	2,301
	(9,402)	8,686
Net cash generated from / (used in) operating activities	895,049	(441,701)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	45,786	254,494
Payment against redemption and conversion of units	(699,938)	(400,548)
Dividend paid	-	(947)
Net cash used in financing activities	(654,152)	(147,001)
Net decrease in cash and cash equivalents during the quarter	240,897	(588,702)
Cash and cash equivalents at beginning of the quarter	357,560	1,682,989
Cash and cash equivalents at end of the quarter	598,457	1,094,287

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

Meezan Balanced Fund
Notes to and Forming part of the Condensed Interim Financial statements

For the quarter ended September 30, 2019 (Unaudited)

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 with effect 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 and, accordingly, the certificate holders of the closed end scheme at June 30, 2013 were converted to unitholders 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 fund listed on the Pakistan Stock Exchange Limited. The Fund is categorised as a Shariah Compliant Balanced Fund in accordance with Circular 7 of 2009 issued by the SECP.

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

1.6 The Management Company has been assigned a quality rating of AM1 by VIS dated December 28, 2018 (2018: AM1 dated December 29, 2017) and by PACRA 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. 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)
- 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 September 30, 2019.

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 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.

		September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
		(Rupees in '000)	
5. BALANCES WITH BANKS	<i>Note</i>		
In saving accounts	5.1	580,411	339,909
In current accounts		18,046	17,651
		<u>598,457</u>	<u>357,560</u>

5.1 The balance in saving accounts have an expected profit ranging from 3.00% to 13.75% per annum (June 30, 2019: 3.20% to 12.50% per annum).

		September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
		(Rupees in '000)	
6. INVESTMENTS	<i>Note</i>		
Investments - 'at fair value through profit or loss'	6.1	<u>3,955,803</u>	<u>4,945,739</u>
		<u>3,955,803</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	2,553,107	2,966,177
Sukuk certificates	6.1.2	1,253,244	1,508,261
Commercial papers	6.1.3	149,452	471,301
		<u>3,955,803</u>	<u>4,945,739</u>

6.1.1 Shares of listed companies 'Ordinary shares'

Name of the investee company	As at July 01, 2019	Purchases during the period	Right / Bonus issue	Sales during the period	As at September 30, 2019	Carrying value as at September 30, 2019	Market value as at September 30, 2019	Unrealised gain / (loss) as at September 30, 2019	Percentage in relation to		
									Net Assets of the Fund on the basis of investments	Paid-up-Capital of the investee company (with face value of investments)	Total market value of investments
-----Number of Shares-----						----- (Rupees in '000) -----			----- % -----		
Sectors / Companies											
Commercial Banks											
Meezan Bank Limited											
(an associate company of the Fund)	1,212,885	-	-	-	1,212,885	105,715	87,376	(18,339)	1.92	0.09	2.21
BankIslami Pakistan Limited	875	-	-	-	875	10	10	-	0.00	0.00	0.00
									1.92	0.09	2.21
Automobile assemblers											
Ghandhara Industries Limited	67,600	-	-	65,500	2,100	183	166	(17)	-	0.00	0.00
Millat Tractors Company Limited	33,800	-	-	7,750	26,050	22,465	18,233	(4,232)	0.40	0.06	0.46
Honda Atlas Cars (Pakistan) Limited	800	-	-	800	-	-	-	-	-	-	-
									0.40	0.06	0.46
Automobile parts and accessories											
Ghandhara Nissan Limited											
Chemicals											
Engro Polymer & Chemicals Limited	2,398,954	-	-	577,000	1,821,954	49,120	44,729	(4,391)	0.98	0.20	1.13
ICI Pakistan Limited	169,316	-	-	5,700	163,616	87,121	80,172	(6,949)	1.76	0.18	2.03
Lotte Chemical Pakistan Limited	89,000	-	-	50,000	39,000	595	532	(63)	0.01	0.00	0.01
Sitara Chemical Industries Limited	2,100	-	-	2,100	2,100	642	539	(103)	0.01	0.01	0.01
									2.76	0.39	3.18
Cement											
Attock Cement Pakistan Limited	727	-	-	-	727	52	52	-	0.00	0.00	0.00
DG Khan Cement Company Limited	355,409	-	-	355,409	-	-	-	-	-	-	-
Kohat Cement Limited	505,520	-	-	-	505,520	26,555	23,264	(3,291)	0.51	0.25	0.59
Lucky Cement Limited	552,951	-	-	100,000	452,951	172,334	154,968	(17,366)	3.40	0.14	3.92
Maple Leaf Cement Limited	3,125	-	-	-	3,125	75	46	(29)	0.00	0.00	0.00
									3.92	0.39	4.51
Fertilizers											
Dawood Hercules Corporation Limited	-	8,800	-	-	8,800	1,010	1,065	55	0.02	0.00	0.03
Engro Fertilizers Limited	2,705,000	-	-	-	2,705,000	173,039	184,562	11,523	4.05	0.20	4.67
Engro Corporation Pakistan Limited (note 6)	1,084,490	-	-	30,000	1,054,490	280,073	281,433	1,360	6.18	0.18	7.11
Fatima Fertilizer Limited									-	-	-
									10.26	0.39	11.81
Technology & Communication											
Avanceon Limited	240,800	-	-	-	240,800	11,809	8,394	(3,415)	0.18	0.13	0.21
Netsol Technologies	3,600	-	-	-	3,600	237	203	(34)	0.00	0.00	0.01
Systems Limited	187,550	-	-	25,000	162,550	15,600	13,532	(2,068)	0.30	0.13	0.34
									0.49	0.26	0.56
Paper & Board											
Cherat Packaging Limited	52,400	-	-	17,000	35,400	2,855	2,344	(511)	0.05	0.09	0.06
Packages Limited	273,923	-	-	25,000	248,923	74,816	74,428	(388)	1.64	0.28	1.88
									1.69	0.37	1.94
Miscellaneous											
Shifa International Hospitals Limited	84	-	-	-	84	18	19	-	0.00	0.00	0.00
Oil & Gas Exploration											
Oil and Gas Development Company Limited	2,453,000	-	-	27,500	2,425,500	318,929	298,409	(20,520)	3.22	0.06	7.54
Pakistan Oilfields Limited	449,010	37,000	-	60,000	426,010	170,934	161,841	(9,093)	2.11	0.15	4.09
Pakistan Petroleum Limited	1,977,835	-	-	210,000	1,767,835	255,328	240,479	(14,850)	1.03	0.08	6.08
Mari Petroleum Company Limited	152,461	-	-	-	152,461	153,883	137,087	(16,797)	1.63	0.13	3.47
									7.99	0.41	21.18
Oil and Gas Marketing											
Attock Petroleum Limited	12,000	-	-	-	12,000	3,462	3,696	234	0.08	0.01	0.09
Pakistan State Oil Company Limited	771,492	-	-	212,000	559,492	94,907	88,114	(6,792)	1.94	0.14	2.23
Hasecol Petroleum Limited	282,544	-	-	103,000	179,544	12,320	3,650	(8,670)	0.08	0.09	0.09
Hi-Tech Lubricants	-	-	-	-	-	-	-	-	-	-	-
Sui Southern Gas Company Limited	-	-	-	-	-	-	-	-	-	-	-
Sui Northern Gas Pipeline Limited	2,211,500	-	-	93,000	2,118,500	147,215	130,500	(16,715)	2.87	0.33	3.30
									4.96	0.58	5.71
Pharmaceuticals											
Abbott Laboratories (Pakistan) Limited	2,350	-	-	100	2,250	1,068	792	(276)	0.02	0.00	0.02
AGP Limited	626,000	-	-	-	626,000	42,900	40,440	(2,460)	0.89	0.22	1.02
GlaxoSmithKline Consumer Health care	153,800	-	-	-	153,800	29,683	32,250	2,567	0.71	0.16	0.82
The Searle Company Limited	338,470	-	-	-	338,470	49,606	46,783	(2,823)	1.03	0.16	1.18
Highnoon Laboratories Limited	1,598	-	-	-	1,598	405	511	107	0.01	0.01	0.01
									2.65	0.55	3.05

Name of the investee company	As at July 01, 2019	Purchases during the period	Right / Bonus issue	Sales during the period	As at September 30, 2019	Carrying value as at September 30, 2019	Market value as at September 30, 2019	Unrealised gain / (loss) as at September 30, 2019	Percentage in relation to		
									Net Assets of the Fund on the basis of investments	Paid-up-Capital of the investee company (with face value of investments)	Total market value of investments
-----Number of Shares-----						----- (Rupees in '000) -----			-----%-----		
Food & Personal Care Products											
Engro Foods Limited	3,800	-	-	3,800	-	-	-	-	-	-	-
At-Tahur Limited	64,311	-	-	-	64,311	1,268	997	(271)	0.02	0.04	0.03
Al-Shaheer Corporation Limited	7,225	-	-	-	7,225	91	79	(12)	0.00	0.01	0.00
									0.02	0.05	0.03
Glass & Ceramics											
Tariq Glass Industries	5,000	-	-	-	5,000	383	391	8	0.01	0.01	0.01
Power Generation & Distribution											
Hub Power Company Limited	2,432,143	125,000	-	100,000	2,457,143	192,244	173,843	(18,401)	3.82	0.21	2.87
K-Electric Limited (note 6.1.1.1)	19,272,000	-	-	-	19,272,000	84,604	68,416	(16,188)	1.50	0.07	3.42
									5.32	0.28	6.29
Real Estate Investment Trust											
Dolmen City REIT	1,909,000	-	-	-	1,909,000	19,415	18,727	(687)	0.41	0.09	0.47
Textile composite											
Kohinoor Textile	-	-	-	-	-	-	-	-	-	-	-
Nishat Mills Limited	680,800	-	-	245,300	435,500	40,650	36,582	(4,068)	0.80	0.12	0.92
Engineering											
Crescent Steel & Allied Products Limited	-	-	-	-	-	-	-	-	-	-	-
International Industries Limited	200	-	20	-	220	16	15	(1)	0.00	0.00	0.00
International Steel Limited	800	100,000	-	75,000	25,800	840	1,025	185	0.02	0.01	0.03
K.S.B. Pumps	5,000	-	-	-	5,000	505	461	(44)	0.01	0.04	0.01
									0.03	0.04	0.04
Engineering											
Feroze1888 Mills Limited	250,000	-	-	-	250,000	25,218	22,865	(2,353)	0.50	0.07	0.58
Textiles and Apparel											
Interloop Limited	1,438,222	-	-	-	1,438,222	63,670	63,181	(489)	1.39	0.19	1.60
Vanaspati & Allied Industries											
Unity Foods Limited	742,838	-	-	74,000	668,838	6,889	5,906	(983)	0.13	0.40	0.15
Right Shares											
BankIslami Pakistan Limited	87	-	-	-	87	-	0	0	0.00	0.00	0.00
Total						2,740,756	2,553,107	(187,649)			

6.1.1.1 All shares have a face value of Rs. 10 each except for the shares of K-Electric Limited which have a face value of Rs. 3.5 each.

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

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.

6.1.1.3 Investments include 150,000 shares of Engro Corporation Limited, having market value of Rs 40.034 million as at September 30, 2019 (June 30, 2019: Rs. 39.840 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 Corporate Sukuks

Name of the investee company	Maturity	Profit rate	As at July 1, 2019	Purchase s during the period	Sale /Redemptio ns / matured during the period	As at September 30, 2019	Carrying value as at September 30, 2019*	Market value as at September 30, 2019*	Unrealised gain / (loss) as at September 30, 2019	Percentage in relation to		
										Net Assets of the Fund on the basis of investments	Paid-up-Capital of the investee company (with face value of investments)	Total market value of investments
						(Number of certificates)	(Rupees in '000)		%			
Secured												
Enagro Fertilizer Pakistan Limited - (AA, PACRA, non traded) (note 6.1.2.1)	July 9, 2019	6 months KIBOR plus base rate of 1.75%	2,380	-	2,380	-	-	-	-	-	-	-
K Electric Limited - (7 years) (note 6.1.2.1) (AA+, JCR-VIS, non-traded)	June 17, 2022	3 months KIBOR plus base rate of 1%	52,352	-	4,363	47,989	241,572	242,436	864	5.33	0.01	6.13
Security Leasing Corporation Limited II (note 6.1.2.1 & 6.1.2.2)	January 19, 2022	Nil	1,540	-	-	1,540	-	-	-	-	-	-
Eden Housing Limited * (note 6.1.2.1 & 6.1.2.2)	September 29, 2014	Nil	5,000	-	-	5,000	-	-	-	-	-	-
Arzoo Textile Mills Limited * (note 6.1.2.1 & 6.1.2.2)	April 15, 2014	Nil	5,000	-	-	5,000	-	-	-	-	-	-
Hasecol Petroleum Limited - Sukuk (AA, JCR-VIS, non-traded) (note 6.1.2.1)	January 7, 2022	3 months KIBOR plus base rate of 1.50%	27,500	-	2,500	25,000	125,938	124,975	(963)	2.75	0.01	3.16
Fatima Fertilizer Company Limited - Sukuk (AA, PACRA, traded) (note 6.1.2.1)	November 28, 2021	6 months KIBOR plus base rate of	7,356	-	-	7,356	37,062	37,014	(48)	0.81	0.35	0.94
Dubai Islamic Bank Pakistan Limited - Sukuk (AA-, JCR-VIS, non-traded) (note 6.1.2.1)	July 14, 2027	6 months KIBOR plus base rate of	141	-	-	141	143,637	143,637	-	3.16	3.53	3.63
International Brands Limited (AA, JCR-VIS, non-traded) (note 6.1.2.1)	November 15, 2021	3 months KIBOR plus base rate of	3,000	-	-	3,000	93,080	92,792	(288)	2.04	7.50	2.35
Meezan Bank Limited (AA, JCR-VIS, traded) (note 6.1.2.1)	September 22, 2026	6 months KIBOR plus base rate of	200	-	-	200	199,995	199,995	-	4.39	2.86	5.06
Shakargani Food Products Limited (A, JCR-VIS, non traded) (note 6.1.2.1)	July 10, 2024	3 months KIBOR plus base rate of	82	-	-	82	80,225	78,359	(1,866)	1.72	11.31	1.98
Javedan Corporation Limited (AA-, JCR-VIS, non traded) (note 6.1.2.1)	October 4, 2026	6 months KIBOR plus base rate of	750	-	-	750	74,651	73,316	(1,335)	1.61	2.51	1.85
Agha Steel Industries Limited (A+, JCR-VIS) (note 6.1.2.1)	October 9, 2024	3 months KIBOR plus base rate of	100	-	-	100	100,000	100,000	-	2.20	2.00	2.53
AGP Limited (A+, PACRA, non-traded) (note 6.1.2.1)	June 9, 2022	3 months KIBOR plus base rate of	498	-	-	498	45,650	45,650	-	1.00	2.03	1.15
Hub Power Company Limited (A+, PACRA, non traded) (note 6.1.2.1)	November 27, 2019	3 months KIBOR plus base rate of	20,000	-	-	20,000	100,000	100,000	-	2.20	0.45	2.53
Enagro Polymer and Chemicals Lim (AA, PACRA, non traded) (note 6.1.2.1)	July 11, 2026	3 months KIBOR plus base rate of	150	-	-	150	15,070	15,070	-	0.33	0.17	0.38
Total							1,256,880	1,253,244	(3,636)			

* 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 Dubai Islamic Bank Pakistan Limited, Eden Housing Limited, International Brands Limited, Meezan Bank Limited, Shakargani Food Products Limited, AGP Limited, Javedan Corporation Limited, Agha Steel Industries Limited and Enagro Polymer and Chemicals Limited having nominal value of Rs 1,000,000, Rs 984,375, Rs 100,000, Rs. 1,000,000, Rs. 1,000,000, Rs. 100,000, Rs. 100,000 Rs. 1,000,000 and Rs. 100,000 respectively.

6.1.2.2 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 December 31, 2018, 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).

The following are the details of the non-compliant investments held by the Fund:

Name of the investee company	Type of investments	Value of investments before provision	Provision held as at September 30, 2019	Value of investments after provision	Percentage of net assets	Percentage of total assets
		(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	-	-	-
		37,623	37,623			

6.1.3 Commercial papers

Name of the security	Maturity date	Profit rate	As at July 1, 2019	Purchase s during the period	Sales / redemption s / maturity during the period	As at September 30, 2019	* Carrying value as at September 30, 2019	* Market value as at September 30, 2019	Total market value of investment
Hasecol Petroleum Limited CP-3 (note 6.2.3.1)	July 15, 2019	6 months KIBOR plus base rate of	300	-	300	-	-	-	
K-Electric Limited CP-2 (note 6.2.3.1)	September 02, 2019	6 months KIBOR plus base rate of	176	-	176	-	-	-	
K-Electric Limited CP-3 (note 6.2.3.1)	March 19, 2020	6 months KIBOR plus base rate of	160	-	-	160	149,452	149,452	
							149,452	149,452	

6.1.3.1 The nominal value of these sukuk certificates is Rs 1,000,000 each.

7. CONTINGENCIES AND COMMITMENTS

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

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

SECP vide S.R.O. No. 685(I)/2019 dated June 28, 2019, revised rate of annual fee to 0.02% of net assets, applicable on all categories of Collective Investment Schemes with effective from July 1, 2019. Accordingly Fund has charged SECP Fee @ 0.02% of net assets during the quarter.

9. ACCRUED EXPENSES AND OTHER LIABILITIES

	Note	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
(Rupees in '000)			
Withholding tax payable		633	629
Provision for Sindh Workers' Welfare Fund (SWWF)	8.1	38,656	38,656
Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	8.2	31,961	31,961
Provision for Federal Excise Duty and related Sindh Sales Tax on sales load		6,838	6,838
Brokerage expenses payable		1,578	1,578
Charity payable		3,847	4,351
Shariah advisory fee		318	488
Auditors' remuneration payable		504	369
Others		213	182
		84,548	85,052

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 financial statements of the Fund for the period from May 21, 2015 to September 30, 2019, the net asset value of the Fund as at September 30, 2019 would have been higher by Re. 0.11 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.

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.

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.

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 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,

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 respec

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

	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	7,410	9,227
Sindh Sales Tax payable on management fee	963	1,200
Sales load payable	57	70
Sindh Sales Tax payable on sales load	7	9
Allocated expenses payable	371	462
Selling and Marketing expenses payable	4,747	5,802
Investment of 900,638 units (June 30, 2019: 900,638 units)	11,831	12,123
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	453	544
Sindh Sales Tax payable on trustee fee	59	71
Security deposits refundable	300	300
Meezan Bank Limited		
Bank balance	24,074	26,870
Sales load payable	4	0,838
Sindh Sales Tax on sales load payable	1	0,109
Investment of 18,886,746 units (June 30, 2019: 18,886,746 units)	248,105	254,231
Investment in 200 sukuk certificates (June 30, 2019: 200 sukuk certificates)	199,995	199,995
Investment in 1,212,885 shares (June 30, 2019: 1,212,885 shares)	87,376	105,715
Al Meezan Investment Management Limited - Employees Gratuity Fund		
Investment of 445,734 units (June 30, 2019: 445,734 units)	5,855	6,000
Directors and Executives of the Management Company		
Investment of 6,327,714 units (June 30, 2019: 6,395,216 units)	83,124	86,085
For the quarter ended		
September 30		
	2019	2018
	(Unaudited)	
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration for the quarter	23,736	38,753
Sindh Sales Tax on management fee	3,086	5,038
Allocated expenses	1,187	1,938
Selling and Marketing expenses	4,747	7,750
Central Depository Company of Pakistan Limited - Trustee		
Remuneration for the period	1,438	2,190
Sindh Sales Tax on trustee fee	187	284
CDS Charges	19	21
Meezan Bank Limited		
Profit on saving account	173	95
Profit on sukuk certificates	6,270	3,777
Purchase of shares: nil (September 30, 2018: 200,000 shares)	-	17,000
Bonus shares: nil (September 30, 2018: 20,031 shares)	-	-
Cash dividend income during the quarter	-	300
Directors and Executives of the Management Company		
Units issued: 1,765 units (September 30, 2018: 101,633 units)	23	1,567
Units redeemed: 69,267 units (September 30, 2018: 3,860 units)	911	60

11. ALLOCATED EXPENSES

In accordance with Regulation 60 of the NBFC Regulations, the Management Company till June 19, 2019 entitled to charge expenses related to registrar services, accounting, operations and valuation services, related to a Collective Investment Scheme (CIS) at the rate of 0.10% of the average annual net assets of the scheme or actual whichever is less. During the year, SECP vide SRO 639 dated June 20, 2019 has removed the maximum cap of 0.10%. Accordingly, the Management Company can now charge actual expenses related to registrar services, accounting, operations and valuation services to the CIS with effect from June 20, 2019.

However, the Management Company continued to charge expenses at the rate 0.1% of the average annual net assets of the Fund for the period from July 1, 2019 to September 30, 2019, being lower than actual expenses.

12. EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the period ended September 30, 2019 is 3.07% which include 0.30% 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 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 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 three years (from January 1, 2017 till December 31, 2019). The maximum cap of selling and marketing expense shall be 0.4% per annum of net assets of the fund or actual expenses whichever is lower. Accordingly, such expenses have been charged to the Fund during the quarter at the rate of 0.4% of the net assets of the Fund being lower than actual expenses incurred.

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 September 30, 2019 and June 30, 2019, the Fund held the following financial instruments measured at fair value:

	As at September 30, 2019			Total
	Level 1	Level 2	Level 3	
ASSETS	----- (Rupees in '000) -----			
Financial assets 'at fair value through profit or loss'				
Shares of listed companies - 'ordinary shares'	2,553,107	-	-	2,553,107
Sukuk certificates	-	1,253,244	-	1,253,244
Commercial papers	-	149,452	-	149,452
	2,553,107	1,402,696	-	3,955,803
	----- (Rupees in '000) -----			
	As at June 30, 2019			Total
	Level 1	Level 2	Level 3	
ASSETS	----- (Rupees in '000) -----			
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
	2,966,177	1,979,562	-	4,945,739

* 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 are placed with counterparties which have high credit rating.

16. GENERAL

Figures have been rounded off to the nearest thousand rupees.

17. Date of authorization

These condensed interim financial statements were authorised for issue on October 15, 2019 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.

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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
E-mail: 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

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited



**MEEZAN ASSET ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2019**

	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
Note	-----Rupees in 000-----	
Assets		
Balances with banks	288,274	421,539
Investments	1,294,830	1,448,626
Dividend receivable	20,161	-
Receivable against sale of investment	22,849	5,288
Deposits, profit accrued and other receivable	13,388	9,794
Preliminary expenses and flotation costs	281	326
Total assets	1,639,783	1,885,573
Liabilities		
Payable to AI Meezan Investment Management Limited -Management Company	4,038	4,914
Payable to the Central Depository Company of Pakistan Limited - Trustee	216	533
Payable to Securities and Exchange Commission of Pakistan	87	2,380
Payable to Meezan Bank Limited	-	35
Payable on redemption and conversion of units	4,499	9,113
Accrued expenses and other liabilities	14,985	14,587
Total liabilities	23,825	31,562
Net assets	1,615,958	1,854,011
Contingencies and commitments		
Unitholders' fund (as per statement attached)	1,615,958	1,854,011
	(Number of units)	
Number of units in issue	47,732,939	52,324,763
	(Rupees)	
Net assets value per unit	33.8542	35.4328

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

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

Chief Executive

Chief Financial Officer

Director

**MEEZAN ASSET ALLOCATION FUND
CONDENSED INTERIM INCOME STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2019 (UNAUDITED)**

		September 30,	
		2019	2018
		----- Rupees in 000 -----	
Income			
	Realised loss on sale of investments - net	(19,396)	(256)
	Dividend income	20,429	24,437
	Profit on saving accounts with banks	10,711	6,582
		<u>11,744</u>	<u>30,763</u>
	Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(87,996)	(96,536)
6.1	Total loss	<u>(76,252)</u>	<u>(65,773)</u>
Expenses			
	Remuneration of Al Meezan Investment Management Limited - Management Company	6,250	10,794
	Sindh Sales Tax on remuneration of the Management Company	813	1,403
11	Allocated expenses	417	720
14	Selling and marketing expense	1,667	2,878
	Remuneration of the Central Depository Company of Pakistan Limited - Trustee	668	972
	Sindh Sales Tax on remuneration of the Trustee	87	126
	Annual fees to the Securities and Exchange Commission of Pakistan	87	684
	Auditors' remuneration	76	97
	Brokerage expenses	269	130
	Charity expense	517	296
	Bank and settlement charges	147	112
	Amortisation of preliminary expenses and floatation costs	46	46
	Fees and subscription	140	162
	Total expenses	<u>11,184</u>	<u>18,420</u>
	Net loss for the quarter before taxation	(87,436)	(84,193)
	Taxation	-	-
12	Net loss for the quarter after taxation	<u>(87,436)</u>	<u>(84,193)</u>
Allocation of net income for the quarter			
	Net income for the quarter after taxation	-	-
	Income already paid on units redeemed	-	-
		<u>-</u>	<u>-</u>

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

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

Chief Executive

Chief Financial Officer

Director



**MEEZAN ASSET ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2019 (UNAUDITED)**

	<u>September 30,</u>	
	2019	2018
	----- Rupees in 000 -----	
Net loss for the quarter after taxation	(87,436)	(84,193)
Other comprehensive income for the quarter	-	-
Total comprehensive income for the quarter	<u>(87,436)</u>	<u>(84,193)</u>

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

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

Chief Executive

Chief Financial Officer

Director

**MEEZAN ASSET ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND
FOR THE QUARTER ENDED SEPTEMBER 30, 2019 (UNAUDITED)**

	September 2019			September 2018		
	Capital Value	Accumulated losses	Total	Capital Value	Accumulated losses	Total
	Rupees in 000			Rupees in 000		
Net assets at beginning of the quarter	2,862,681	(1,008,670)	1,854,011	3,339,382	(462,218)	2,877,164
Issuance of 582,793 units (2018: 2,577,981 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	20,650	-	20,650	114,798	-	114,798
- Element of loss	(1,403)	-	(1,403)	(1,056)	-	(1,056)
Total proceeds on issuance of units	19,247	-	19,247	113,742	-	113,742
Redemption of 5,174,617 units (2018: 1,777,451 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	183,351	-	183,351	79,150	-	79,150
- Element of income	(13,487)	-	(13,487)	(1,486)	-	(1,486)
Total payments on redemption of units	169,864	-	169,864	77,664	-	77,664
Total comprehensive loss for the quarter	-	(87,436)	(87,436)	-	(84,193)	(84,193)
Distribution during the quarter	-	-	-	-	-	-
Net loss for the quarter less distribution	-	(87,436)	(87,436)	-	(84,193)	(84,193)
Net assets at end of the quarter	2,712,064	(1,096,106)	1,615,958	3,375,460	(546,411)	2,829,049
Accumulated losses brought forward						
- Realised loss		(593,083)			(109,140)	
- Unrealised loss		(415,587)			(353,078)	
		(1,008,670)			(462,218)	
Accounting income available for distribution						
- Relating to capital gains		-			-	
- Excluding capital gains		-			-	
		-			-	
Net loss for the quarter after taxation		(87,436)			(84,193)	
Distribution during the quarter		-			-	
Accumulated losses carried forward		(1,096,106)			(546,411)	
Accumulated losses carried forward						
- Realised loss		(1,008,110)			(449,875)	
- Unrealised loss		(87,996)			(96,536)	
		(1,096,106)			(546,411)	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the quarter		35.4328			44.5301	
Net assets value per unit at end of the quarter		33.8542			43.2496	

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

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

Chief Executive

Chief Financial Officer

Director



**MEEZAN ASSET ALLOCATION FUND
CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2019 (UNAUDITED)**

	September 30,	
	2019	2018
	-----Rupees in 000-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the quarter before taxation	(87,436)	(84,193)
Adjustments for		
Amortisation of preliminary expenses and flotation costs	46	46
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	87,996	96,536
	606	12,389
Decrease / (Increase) in assets		
Investments	65,800	(2,917)
Dividend receivable	(20,161)	(18,476)
Deposits, profit accrued and other receivable	(3,594)	323
Receivable against sale of investment -net	(17,561)	-
	24,484	(21,070)
(Decrease) / Increase in liabilities		
Payable to Al Meezan Investment Management Limited -Management Company	(877)	(1,326)
Payable to the Central Depository Company of Pakistan Limited - Trustee	(317)	(8)
Payable to Securities and Exchange Commission of Pakistan	(2,293)	(2,212)
Payable to Meezan Bank Limited	(35)	(28)
Payable against purchase of investments	-	(2,190)
Accrued expenses and other liabilities	398	494
	(3,124)	(5,270)
Net cash generated from / (used in) operating activities	21,966	(13,951)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	19,247	123,421
Payments against redemption and conversion of units	(174,478)	(75,813)
Net cash (used in) / generated from financing activities	(155,231)	47,608
Net decrease / increase in cash and cash equivalents during the quarter	(133,265)	33,657
Cash and cash equivalents at beginning of the quarter	421,539	454,128
Cash and cash equivalents at end of the quarter	288,274	487,785

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

**For Al 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 INFORMATION
FOR THE QUARTER ENDED SEPTEMBER 30, 2019 (UNAUDITED)

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Meezan Asset Allocation Fund was established under a trust deed executed between Al Meezan Investment Management Company (Al Meezan) as the Management Company and Central Depository Company of Pakistan Limited 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, (NBFC Regulations). 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 registered office of the Management Company is situated at Ground floor Block B, Finance Trade Centre (FTC), 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 December 28, 2018 (2018: AM1 dated December 29, 2017) and by PACRA dated June 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 (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. 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 September 30, 2019.

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.

		September 30,	June 30,
		2019	2019
		(Unaudited)	(Audited)
		-----Rupees in 000-----	
5. BALANCES WITH BANKS	Note		
In saving accounts	5.1	285,285	419,654
In current accounts		2,989	1,885
		288,274	421,539

- 5.1 The balance in saving accounts have an expected profit ranging from 3.00% to 13.35% per annum (June 30, 2019: 3.32% to 12.35% per annum).

		September 30,	June 30,
		2019	2019
		(Unaudited)	(Audited)
		-----Rupees in 000-----	
6. INVESTMENTS	Note		
Investments at 'fair value through profit or loss'			
Held for trading - shares of listed companies	6.1	1,294,830	1,448,626

6.1 Held for trading - shares of listed companies

Name of the investee company	As at July 1, 2019	Purchases during the quarter	Bonus / right issue	Sales during the quarter	As at September 30, 2019	Carrying value as at September 30, 2019	Market value as at September 30, 2019	Unrealised (loss) / gain as at September 30, 2019	Percentage in relation to			
									Net assets of the Fund on the basis of market value (see note 6.1.1)	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												
Honda Atlas Cars (Pakistan) Limited	1,800	-	-	1,800	-	-	-	-	0.00	0.00	0.00	
Ghandhara Industries Limited	55,000	-	-	55,000	-	-	-	-	0.00	0.00	0.00	
Millat Tractors Limited	5,000	-	-	5,000	-	-	-	-	0.00	0.00	0.00	
									0.00	0.00	0.00	
Chemicals												
Engro Polymer & Chemicals Limited	1,110,761	-	-	548,000	562,761	15,172	13,816	(1,356)	0.85	0.06	1.07	
ICI Pakistan Limited	80,650	1,000	-	2,750	78,900	41,929	38,661	(3,268)	2.39	0.09	2.99	
									3.24	0.15	4.06	
Cement												
D.G. Khan Cement Company Limited	129,000	-	-	129,000	-	-	-	-	0.00	0.00	0.00	
Kohat Cement Company Limited	225,000	-	-	-	225,000	11,819	10,355	(1,464)	0.64	0.11	0.80	
Lucky Cement Limited	304,700	-	-	35,000	269,700	102,612	92,271	(10,341)	5.71	0.08	7.13	
Maple Leaf Cement Factory Limited	11,112	-	-	11,000	112	3	2	(1)	0.00	0.00	0.00	
Pioneer Cement Limited	500	-	-	-	500	11	10	(1)	0.00	0.00	0.00	
									6.35	0.19	7.93	
Engineering												
International Industries Limited	107,500	-	9,600	11,500	105,600	7,399	7,321	(78)	0.45	0.09	0.57	
International Steels Limited	105,000	450,000	-	432,500	122,500	4,022	4,868	846	0.30	0.03	0.38	
									0.75	0.12	0.95	
Fertilizer												
Engro Corporation Limited (note 6.1.2)	609,400	-	-	25,000	584,400	155,217	155,971	754	9.65	0.11	12.05	
Engro Fertilizers Limited	1,745,000	-	-	75,000	1,670,000	106,830	113,944	7,114	7.05	0.13	8.80	
									16.70	0.24	20.85	
Food and personal care products												
Frieslandcampins Engro Foods Limited	700	-	-	700	-	-	-	-	0.00	0.00	0.00	
Al-Shaheer Corporation Limited	3,750	-	-	-	3,750	47	41	(6)	0.00	0.00	0.00	
									0.00	0.00	0.00	
Glass and Ceramics												
Tariq Glass Industries Limited	10,000	-	-	-	10,000	766	783	17	0.05	0.01	0.06	
Oil and gas exploration companies												
Oil and Gas Development Company Limited	1,319,800	350,000	-	110,000	1,559,800	201,693	191,901	(9,792)	11.88	0.04	14.82	
Mari Petroleum Company Limited	60,720	-	-	-	60,720	61,287	54,597	(6,690)	3.38	0.05	4.22	
Pakistan Oilfields Limited	93,950	50,000	-	-	143,950	55,659	54,687	(972)	3.38	0.05	4.22	
Pakistan Petroleum Limited	1,161,390	-	-	195,200	966,190	139,547	131,431	(8,116)	8.13	0.04	10.15	
									26.77	0.18	33.41	
Oil and gas marketing companies												
Hasco Petroleum Limited	301,675	-	-	100,000	201,675	13,839	4,100	(9,739)	0.25	0.11	0.32	
Sui Northern Gas Pipelines Limited	1,317,400	-	-	75,000	1,242,400	86,334	76,532	(9,802)	4.74	0.20	5.91	
Pakistan State Oil Company Limited	323,348	30,800	-	75,000	279,148	46,809	43,963	(2,846)	2.72	0.07	3.40	
									7.71	0.38	9.63	
Paper and Board												
Cherat Packaging Limited	21,752	-	-	13,500	8,252	665	546	(119)	0.03	0.02	0.04	
Packages Limited	51,350	-	-	-	51,350	15,434	15,354	(80)	0.95	0.06	1.19	
									0.98	0.08	1.23	
Pharmaceuticals												
Abbott Laboratories (Pakistan) Limited	50	-	-	-	50	24	18	(6)	0.00	0.00	0.00	
AGP Limited	289,000	-	-	-	289,000	19,805	18,669	(1,136)	1.16	0.10	1.44	
GlaxoSmithKline Consumer Healthcare Limited	47,000	-	-	-	47,000	9,071	9,855	784	0.61	0.05	0.76	
The Searle Company Limited	132,849	-	-	-	132,849	19,470	18,362	(1,108)	1.14	0.06	1.42	
									2.91	0.21	3.62	
Power generation and distribution												
K-Electric Limited (Note 6.1.1)	11,955,000	-	-	200,000	11,755,000	51,605	41,731	(9,874)	2.58	0.04	3.22	
The Hub Power Company Limited	942,512	321,500	-	-	1,264,012	96,275	89,430	(6,845)	5.53	0.11	6.91	
									8.11	0.15	10.13	
Textile Composite												
Interloop Limited	724,712	-	-	-	724,712	32,083	31,837	(246)	1.97	0.08	2.46	
Nishat Mills Limited	398,400	-	-	238,900	159,500	14,888	13,398	(1,490)	0.83	0.05	1.03	
Feroze1888 Mills Limited	131,000	-	-	-	131,000	13,214	11,981	(1,233)	0.74	0.03	0.93	
									3.54	0.16	4.42	
Commercial Banks												
Meezan Bank Limited (an associate of the Fund)	528,446	-	-	-	528,446	46,059	38,069	(7,990)	2.36	0.05	2.94	
Technology and Communication												
Systems Limited	79,200	-	-	25,000	54,200	5,202	4,512	(690)	0.28	0.05	0.35	
Avanceon Limited	147,000	-	-	-	147,000	7,209	5,124	(2,085)	0.32	0.08	0.40	
Pakistan Telecommunication Company Limited	100,000	-	-	-	100,000	827	690	(137)	0.04	0.00	0.05	
									0.64	0.13	0.80	
Total						1,382,826	1,294,830	(87,996)				

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 3.50 each.

6.1.2 105,000 shares (June 30, 2019: 105,000 shares) of Engro Corporation Limited, having market value of Rs 28.02 million as at September 30, 2019 (June 30, 2019: Rs 27.89 million), have been pledged as collateral in favour of

6.2 Finance Act, 2018 effective from July 1, 2018 has omitted Section 236M of Income Tax Ordinance, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to 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.

		September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
	Note	-----Rupees in 000-----	
7. ACCRUED EXPENSES AND OTHER LIABILITIES			
Charity payable		2,451	1,933
Brokerage payable		1,385	1,455
Auditors' remuneration payable		271	195
Withholding tax payable		7	26
Capital gain tax payable		11	1
Provision for Sindh Workers' Welfare Fund (SWWF)	7.1	10,080	10,080
Provision for Federal Excise Duty and related Sindh Sales Tax	7.2	627	627
Shariah advisory fee payable		130	266
Zakat payable		23	4
		<u>14,985</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).

The Management Company has recognised SWWF charge for the period from April 21, 2016 to September 30, 2019, amounting to Rs. 10.08 million (June 30, 2019: Rs 10.08 million). Had the SWWF not been provided, the NAV per unit of the Fund would have been higher by Re 0.22 / 0.62% per unit as at September 30, 2019 (June 30, 2019 : 0.19 / 0.54% 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.

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.

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.

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, 2018: Rs 0.627 million) is being retained in the 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 September 30, 2019 would have been higher by Re 0.01 (June 30, 2019: Re 0.01) per unit.

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

SECP vide S.R.O. No. 685(I)/2019 dated June 28, 2019, revised rate of annual fee to 0.02% of net assets, applicable on all categories of Collective Investment Schemes with effective from July 1, 2019. Accordingly Fund has charged SECP Fee @ 0.02% of net assets during the quarter.

9. CONTINGENCIES AND COMMITMENTS

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

	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
	-----Rupees in 000-----	
AI Meezan Investment Management Limited - Management Company		
Remuneration payable	1,970	2,383
Sindh Sales Tax on management fee payable	256	310
Sales load payable	12	16
Sindh sales tax on sales load payable	2	2
Allocated expense payable	131	159
Selling & marketing expense payable	1,667	2,044
Meezan Bank Limited		
Sales load payable	-	47
Sindh Sales Tax on sales load payable	-	6
Bank balance	47,591	6,620
Profit receivable on saving account	84	37
Investment in 528,446 shares (June,30 2019: 528,446 shares)	38,069	46,059
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	191	472
Sindh Sales Tax on Trustee Fee payable	25	61
Deposits	100	100
Directors and Executives of the Management Company		
Investments as at September 30, 2019: 30,242 units (June 30, 2019: 30,242 units)	1,024	1,072

	For the quarter ended September 30,	
	2019	2018
	-----Rupees in 000-----	
AI Meezan Investment Management Company Limited (AI Meezan) - Management Company		
Remuneration for the quarter	6,250	10,794
Sindh Sales Tax on management fee for the quarter	813	1,403
Allocated expenses	417	720
Selling and marketing expense	1,667	2,878
Meezan Bank Limited		
Shares purchased during the quarter: Nil shares (September 30, 2018: 125,000 shares)	-	10,625
Bonus shares issued: Nil (September 30, 2018: 12,541 shares)	-	1,053
Profit on saving account	250	341
Dividend income from shares	-	188
Central Depository Company of Pakistan Limited - Trustee		
Remuneration for the quarter	668	972
Sindh Sales Tax on Trustee Fee for the quarter	87	126
CDS charges	22	10
Directors and Executives of the Management Company		
Units issued: Nil units (September 30, 2018: 1,626 units)	-	72

11. ALLOCATED EXPENSES

In accordance with Regulation 60 of the NBFC Regulations, the Management Company till June 19, 2019 entitled to charge expenses related to registrar services, accounting, operations and valuation services, related to a Collective Investment Scheme (CIS) at the rate of 0.10% of the average annual net assets of the scheme or actual whichever is less. During the year, SECP vide SRO 639 dated June 20, 2019 has removed the maximum cap of 0.10%. Accordingly, the Management Company can now charge actual expenses related to registrar services, accounting, operations and valuation services to the CIS with effect from June 20, 2019.

However, the Management Company continued to charge expenses at the rate 0.1% of the average annual net assets of the Fund for the quarter from July 1, 2019 to September 30, 2019, being lower than actual expenses.

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 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, 2019 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.

13. EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the period ended September 30, 2019 is 2.69% which include 0.25% 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 three years (from January 1, 2017 till December 31, 2019). The maximum cap of selling and marketing expense shall be 0.4% per annum of net assets of the fund or actual expenses whichever is lower. Accordingly, such expenses have been charged to the Fund during the quarter at the rate of 0.4% of the net assets of the Fund being lower than actual expenses incurred.

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.

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: 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 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 September 30, 2019, the Fund held the following financial instruments measured at fair values:

ASSETS	As at September 30, 2019			Total
	Level 1	Level 2	Level 3	
Financial assets 'at fair value through profit or loss'	----- (Rupees in '000) -----			
Shares of listed companies 'Ordinary Shares'	1,294,830	-	-	1,294,830

ASSETS	As at June 30, 2019			Total
	Level 1	Level 2	Level 3	
Financial assets 'at fair value through profit or loss'	----- (Rupees in '000) -----			
Shares of listed companies 'Ordinary Shares'	1,448,626	-	-	1,448,626

16. GENERAL

Figures have been rounded off to the nearest thousand rupees.

17. DATE OF AUTHORISATION FOR ISSUE AND GENERAL

This condensed interim financial information was authorised for issue on **October 15, 2019** 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
E-mail: 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

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited



MEEZAN DEDICATED EQUITY FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2019

		September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
	Note	(Rupees in '000)	
Assets			
Balances with banks	5	40,858	110,688
Investments	6	948,609	1,658,927
Receivable against sale of investment		18,854	-
Dividend receivable		18,924	1,120
Advances, prepayments and other receivables		2,878	1,886
Total assets		<u>1,030,123</u>	<u>1,772,621</u>
Liabilities			
Payable to Al Meezan Investment Management Limited - Management Company		3,403	5,286
Payable to Central Depository Company of Pakistan Limited - Trustee		194	263
Payable to Securities and Exchange Commission of Pakistan	8	68	1,864
Payable against Conversion and redemption of units		-	1,500
Accrued expenses and other liabilities	9	2,030	2,634
Total liabilities		<u>5,695</u>	<u>11,547</u>
Net assets		<u>1,024,428</u>	<u>1,761,074</u>
Contingencies and commitments			
	7		
Unitholders' fund (as per statement attached)		<u>1,024,428</u>	<u>1,761,074</u>
		(Number of units)	
Number of units in issue		<u>31,047,120</u>	<u>49,596,421</u>
		(Rupees)	
Net assets value per unit		<u>32.9959</u>	<u>35.5081</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 INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

		September 30,	
		2019	2018
		----- (Rupees in '000) -----	
Income			
	Net realised loss on sale of investments	(69,896)	(6,492)
	Dividend income	18,897	18,321
	Profit on saving accounts with banks	3,852	597
	Other Income	500	-
		<u>(46,647)</u>	<u>12,426</u>
	Net unrealised diminution re-measurement of investments 'at fair value through profit or loss'	6.1 (72,455)	(74,321)
		<u>(119,102)</u>	<u>(61,895)</u>
Total loss			
Expenses			
	Remuneration to Al Meezan Investment Management Limited		
	- Management Company	6,431	9,631
	Sindh Sales Tax on management fee	836	1,252
	Allocated expenses	11 322	482
	Selling and marketing expenses	14 1,286	1,926
	Remuneration to Central Depository Company of Pakistan Limited		
	- Trustee	573	734
	Sindh Sales Tax on trustee fee	75	95
	Annual fee to Securities and Exchange Commission of Pakistan	8 68	457
	Auditors' remuneration	57	70
	Brokerage expenses	740	398
	Charity expense	532	234
	Bank and settlement charges	38	108
	Fees and subscription	140	141
	Printing expenses	10	10
	Total expenses	<u>11,108</u>	<u>15,538</u>
	Net loss for the quarter before taxation	<u>(130,210)</u>	<u>(77,433)</u>
	Taxation	13 -	-
	Net loss for the quarter after taxation	<u>(130,210)</u>	<u>(77,433)</u>
Allocation of net income for the quarter			
	Net income for the quarter after taxation	-	-
	Income already paid on units redeemed	-	-
		<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 QUARTER ENDED SEPTEMBER 30, 2019**

	September 30,	
	2019	2018
	----- (Rupees in '000) -----	
Net loss for the quarter after taxation	(130,210)	(77,433)
Other comprehensive Income for the quarter	-	-
Total comprehensive Income for the quarter	<u>(130,210)</u>	<u>(77,433)</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
STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

	Quarter Ended September 30, 2019			Quarter Ended September 30, 2018		
	Capital Value	Accumulated losses	Total	Capital Value	Accumulated losses	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the quarter	2,436,503	(675,429)	1,761,074	1,925,907	(69,075)	1,856,832
Issue of 5,823,986 units (2018: 28,747,994 units)						
- Capital value (at net asset value per unit at the beginning of the year)	206,799	-	206,799	1,395,275	-	1,395,275
- Element of loss	(19,800)	-	(19,800)	(30,675)	-	(30,675)
Total proceeds on issuance of units	186,999	-	186,999	1,364,600	-	1,364,600
Redemption of 24,373,287 units (2018: 26,473,271 units)						
- Capital value (at net asset value per unit at the beginning of the year)	865,449	-	865,449	1,284,874	-	1,284,874
- Element of income	(72,014)	-	(72,014)	(41,978)	-	(41,978)
Total payments on redemption of units	793,435	-	793,435	1,242,896	-	1,242,896
Total comprehensive loss for the quarter	-	(130,210)	(130,210)	-	(77,433)	(77,433)
Distribution during the quarter	-	-	-	-	-	-
Net loss for the quarter less distribution	-	(130,210)	(130,210)	-	(77,433)	(77,433)
Net assets at the end of the quarter	1,830,067	(805,639)	1,024,428	2,047,611	(146,508)	1,901,103
Accumulated losses brought forward						
- Realised 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 quarter after taxation		(130,210)			(77,433)	
Distribution during the year		-			-	
Accumulated losses carried forward		<u>(805,639)</u>			<u>(146,508)</u>	
Accumulated losses carried forward						
- Realised loss		(733,184)			(72,187)	
- Unrealised loss		(72,455)			(74,321)	
		<u>(805,639)</u>			<u>(146,508)</u>	
		(Rupees)			(Rupees)	
Net assets value per unit at the beginning of the quarter	<u>35.5081</u>			<u>48.5347</u>		
Net assets value per unit at the end of the quarter	<u>32.9959</u>			<u>46.9031</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 QUARTER ENDED SEPTEMBER 30, 2019**

	September 30,	
	2019	2018
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the quarter before taxation	(130,210)	(77,433)
Adjustments for		
Net unrealised diminution re-measurement of investments 'at fair value through profit or loss'	72,455	74,321
	(57,755)	(3,112)
Decrease / (Increase) in assets		
Investments - net	637,863	(32,996)
Dividend receivable	(17,804)	(16,229)
Receivable against sale of investment	(18,854)	(10,295)
Advances, prepayments and other receivables	(92)	795
	600,213	(58,725)
(Decrease) / Increase in liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	(1,883)	1,075
Payable to Central Depository Company of Pakistan Limited - Trustee	(69)	1
Payable to Securities and Exchange Commission of Pakistan	(1,796)	(465)
Payable against purchase of investments - net	-	(2,530)
Accrued expenses and other liabilities	(604)	368
	(4,352)	(1,551)
Net cash generated from / (used) in operating activities	538,106	(63,388)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	186,999	1,364,600
Payment against redemption and conversion of units	(794,935)	(1,242,896)
Net cash (used) in / generated from financing activities	(607,936)	121,704
Net (decrease)/Increase in cash and cash equivalents during the quarter	(69,830)	58,316
Cash and cash equivalents at the beginning of the quarter	110,688	122,500
Cash and cash equivalents at the end of the quarter	40,858	180,816

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 QUARTER ENDED SEPTEMBER 30, 2019

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 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 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 title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund.
- 1.5 The Management Company has been assigned a quality rating of AM1 by VIS dated December 28, 2018 (2018: AM1 dated December 29, 2017) and by PACRA 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 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,
- 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 September 30, 2019.

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 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.

		September 30, 2019	June 30, 2019
		(Unaudited)	(Audited)
		(Rupees in '000)	
5. BALANCES WITH BANKS	Note		
In saving accounts	5.1	39,834	109,870
In current accounts		1,024	818
		<u>40,858</u>	<u>110,688</u>

- 5.1 The balances in saving accounts have an expected profit ranging from 3.32% to 13.35% per annum. (June 30, 2019: 3.32% to 12.35% per annum).

		September 30, 2019	June 30, 2019
		(Unaudited)	(Audited)
		(Rupees in '000)	
6. INVESTMENTS	Note		
Investments - 'at fair value through profit or loss'	6.1	<u>948,609</u>	<u>1,658,927</u>

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

Name of the investee company	As at July 01, 2019	Purchases during the quarter	Bonus/Rights issue	Sales during the quarter	As at September 30, 2019	Carrying value as at September 30, 2019	Market value as at September 30, 2019	Unrealised gain / (loss) as at September 30, 2019	Percentage in relation to		
									Net assets of the fund on the basis of market value	Paid up capital of investee company (with face value of)	Percentage of total market value of investment
					Number of shares	Rupees in '000			%		
Sectors / companies											
Automobile Assembler											
Ghandhara Industries Limited	19,300	-	-	19,300	-	-	-	-	0.00	0.00	0.00
Honda Atlas Car	300	-	-	300	-	-	-	-	0.00	0.00	0.00
Millat Tractors Limited	800	-	-	800	-	-	-	-	0.00	0.00	0.00
									0.00	0.00	0.00
Automobile Parts & Accessories											
Ghandhara Nissan Limited	158	-	-	158	-	-	-	-	0.00	0.00	0.00
Commercial Bank											
Meezan Bank Limited (an associate)	575,505	-	-	1,500	574,005	50,030	41,351	(8,679)	4.04	0.04	4.36
Cement											
Attock Cement Pakistan Limited	15,200	-	-	-	15,200	1,085	1,081	(4)	0.11	0.01	0.11
Lucky Cement Limited	313,650	60,000	-	180,200	193,450	73,455	66,185	(7,270)	6.46	0.06	6.98
DG Khan Cement Limited	206,100	-	-	206,100	-	-	-	-	0.00	0.00	0.00
Maple Leaf Cement Company Limited	400,000	-	-	400,000	-	-	-	-	0.00	0.00	0.00
Kohat Cement Company Limited	274,370	-	-	90,000	184,370	9,685	8,485	(1,200)	0.83	0.09	0.89
									7.40	0.16	7.98
Chemical											
Engro Polymer & Chemicals Limited	1,324,644	100,000	-	1,107,000	317,644	8,623	7,798	(825)	0.76	0.03	0.82
ICI Pakistan Limited	51,100	-	-	11,800	39,300	20,926	19,257	(1,669)	1.88	0.04	2.03
Lotte Chemicals Pakistan limited	294,000	800,000	-	1,000,000	94,000	1,568	1,282	(286)	0.13	0.01	0.14
									2.77	0.08	2.99
Engineering											
International Industries Limited	38,800	-	-	38,800	-	-	-	-	0.00	0.00	0.00
International Steel Limited	255,000	200,000	-	455,000	-	-	-	-	0.00	0.00	0.00
									0.00	0.00	0.00
Fertilizer											
Engro Corporation Limited	606,830	25,000	-	210,000	421,830	111,849	112,582	733	10.99	0.07	11.87
Engro Fertilizers Limited	1,365,000	-	-	294,500	1,070,500	68,480	73,040	4,560	7.13	0.08	7.70
									18.12	0.15	19.57
Food & Personal Care Product											
At-Tahur limited	83	-	-	-	83	2	1	(1)	0.00	0.00	0.00
Glass & Ceramics											
Tariq Glass Ind.	142,500	-	-	104,500	38,000	2,912	2,974	62	0.29	0.05	0.31
Oil and Gas Exploration Companies											
Mari Petroleum Company Limited	93,360	-	-	16,480	76,880	77,597	69,127	(8,470)	6.75	0.06	7.29
Pakistan Oilfields Limited	305,560	10,000	-	140,600	174,960	71,006	66,467	(4,539)	6.49	0.06	7.01
Pakistan Petroleum Limited	1,107,500	-	-	612,400	495,100	71,507	67,348	(4,159)	6.57	0.02	7.10
Oil and Gas Development Company Limited	1,430,900	25,000	-	525,100	930,800	122,292	114,516	(7,776)	11.18	0.02	12.07
									30.99	0.16	33.47
Oil and Gas Marketing Companies											
Hascol Petroleum Limited	326,230	-	-	250,000	76,230	5,231	1,550	(3,681)	0.15	0.04	0.16
Attock Petroleum Limited	35,000	-	-	35,000	35,000	10,098	10,780	682	1.05	0.04	1.14
Pakistan State Oil Company Limited	438,260	50,000	-	327,700	160,560	26,414	25,287	(1,127)	2.47	0.04	2.67
Sui Northern Gas Pipeline Limited	1,231,100	-	-	575,000	656,100	45,592	40,416	(5,176)	3.95	0.10	4.26
Sui Southern Gas Company Limited	9,500	-	-	9,500	-	-	-	-	0.00	0.00	0.00
									7.62	0.22	8.23
Paper and Board											
Cherat Packaging Limited	32,100	-	-	32,100	-	-	-	-	0.00	0	0.00
Packages Limited	20,350	-	-	20,350	6,116	6,085	(31)	(31)	0.59	0.02	0.64
									0.59	0.02	0.64
Pharmaceuticals											
AGP Limited	233,000	-	-	13,500	219,500	15,042	14,180	(862)	1.38	0.08	1.49
GlaxoSmithKline Consumer HealthCare	15,000	-	-	15,000	2,895	3,145	250	250	0.31	0.01	0.33
The Searle Company Limited	218,055	-	-	134,000	84,055	12,319	11,618	(701)	1.13	0.04	1.22
									2.82	0.13	3.04
Power Generation and Distribution											
K-Electric Limited (note 6.1.1)	10,961,500	-	-	2,124,000	8,837,500	38,797	31,373	(7,424)	3.06	0.09	3.31
The Hub Power Company Limited	1,323,117	31,000	-	360,500	993,617	78,003	70,298	(7,705)	6.86	0.08	7.41
									9.92	0.17	10.72
TECHNOLOGY & COMMUNICATION											
Avancenon Limited	290,300	-	-	157,500	132,800	6,513	4,629	(1,884)	0.45	0.07	0.49
Netsol Technology	206,900	-	-	93,500	113,400	7,472	6,388	(1,084)	0.62	0.13	0.67
System limited	102,500	-	-	25,000	77,500	7,438	6,452	(986)	0.63	0.06	0.68
									1.70	0.26	1.84
Refinery											
Attock Refinery Limited	1,000	-	-	1,000	-	-	-	-	0.00	0	0.00
Textile Composite											
Nishat Mills Limited	384,400	-	-	310,200	74,200	6,926	6,233	(693)	0.61	0.02	0.66
Textile Weaving											
Feroze 1888 Mills Ltd.	236,500	-	-	236,500	23,855	21,631	(2,224)	(2,224)	2.11	0.06	2.28
Textile And Apparel											
Interloop Limited	883,382	-	-	40,000	843,382	37,336	37,050	(286)	3.62	0.10	3.91
Vanaspatti & Allied Industries											
Unity Foods limited	287,376	-	-	287,376	-	-	-	-	0.00	-	0.00
Total						1,021,064	948,609	(72,455)			

.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.

6.1.2 Finance Act, 2018 effective from July 1, 2018 has omitted Section 236M of Income Tax Ordinance, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold five percent of the bonus shares to be issued.

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.

7. CONTINGENCIES AND COMMITMENTS

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

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

SECP vide S.R.O. No. 685(I)/2019 dated June 28, 2019, revised rate of annual fee to 0.02% of net assets, applicable on all categories of Collective Investment Schemes with effective from July 1, 2019. Accordingly Fund has charged SECP Fee @ 0.02% of net assets during the quarter.

9. ACCRUED EXPENSES AND OTHER LIABILITIES

	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
	(Rupees in '000)	
Withholding tax payable	-	5
Printing expenses payable	69	60
Auditors' remuneration payable	207	150
Brokerage payable	80	640
Charity payable	1,547	1516
Shariah advisor fee payable	127	263
	<u>2,030</u>	<u>2,634</u>

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:

	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	1,788	3,013
Sindh Sales Tax payable on management fee	233	392
Selling and marketing expense	1,286	1,723
Allocated expense payable	96	158
Meezan Bank Limited		
Balances with bank	4,981	32,482
Profit receivable on saving accounts	755	297
Investments of 574,005 shares: (June 30, 2019: 575,505 Shares)	41,351	50,164
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	172	233
Sindh Sales Tax on trustee fee payable	22	30
Security deposit	103	103
Meezan Financial Planning Fund of Funds MAAP I		
Investment of 6,516,256 units (June 30, 2019: 11,269,149)	215,010	400,146
Meezan Strategic Allocation Fund MSAP - I		
Investment of 6,226,541 units (June 30, 2019: 8,724,481 units)	205,450	309,790
Meezan Strategic Allocation Fund MSAP - II		
Investment of 1,003,881 units (June 30, 2019: 1,238,827 units)	33,124	43,988
Meezan Strategic Allocation Fund MSAP - III		
Investment of 1,730,972 units (June 30, 2019: 1,980,130 units)	57,115	70,311
Meezan Strategic Allocation Fund MSAP - IV		
Investment of 1,423,583 units (June 30, 2019: 1,740,577 units)	46,972	61,805
Meezan Strategic Allocation Fund MSAP - V		
Investment of 874,622 units (June 30, 2019: 978,486 units)	28,860	34,744
Meezan Strategic Allocation Fund MCPP-III		
Investment of 698,075 units (June 30, 2019: 5,644,620 units)	23,034	200,430
Meezan Strategic Allocation Fund -II MCPP-IV		
Investment of 6,842,373 units (June 30, 2019: 10,044,192 units)	225,770	356,650
Meezan Strategic Allocation Fund -II MCPP-V		
Investment of 2,349,993 units (June 30, 2019: 3,081,261 units)	77,540	109,410



Meezan Strategic Allocation Fund-II MCPP-VI Investment of 2,088,291 units (June 30, 2019: 2,745,310 units)	68,905	97,481
Meezan Strategic Allocation Fund-II MCPP-VII Investment of 1,292,530 units (June 30, 2019: 1,477,397 units)	42,648	52,460
Meezan Strategic Allocation Fund-II MCPP-VIII Investment of nil units (June 30, 2019: 518,566 units)	-	18,413
Meezan Strategic Allocation Fund-III MCPP-IX Investment of nil units (June 30, 2019: 153,424 units)	-	5,448
	Quarter ended September 30,	
	2019	2018
	(Unaudited)	
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration for the quarter	6,431	9,631
Sindh Sales Tax on management fee for the quarter	836	1,252
Allocated expenses	322	482
Selling and marketing expense	1,286	1,926
Meezan Bank Limited		
Profit on saving account	2,875	376
Shares purchased during the period: nil shares (September 30, 2018: 100,000 shares)	-	8,500
Bonus shares received: nil shares (September 30, 2018: 10,050 shares)	-	-
Shares sold 1500 during the period: 450,500 shares (September 30, 2018: nil shares)	116	-
Central Depository Company of Pakistan Limited - Trustee		
Remuneration for the quarter	573	734
Sindh Sales Tax on trustee fee	75	95
CDS charges	34	26
Meezan Financial Planning Fund of Funds - MAAP - I Units redeemed: 4,752,893 units (September 30, 2018: 634,367)	156,640	30,000
Meezan Financial Planning Fund of Funds MAAP - IV Units redeemed: nil units (September 30, 2018: 2,136,720)	-	99,023
Meezan Strategic Allocation Fund MSAP - I Units issued: nil units (September 30, 2018: 13,834,033) Units redeemed: 2,497,940 units (September 30, 2018: 4,253,522)	-	648,000
	81,700	200,000
Meezan Strategic Allocation Fund MSAP - II Units redeemed: 234,946 units (September 30, 2018: nil units)	8,300	-
Meezan Strategic Allocation Fund MSAP - III Units redeemed: 249,158 units (September 30, 2018: nil units)	8,900	-
Meezan Strategic Allocation Fund MSAP - IV Units redeemed: 316,994 units (September 30, 2018: 53,282 units)	11,230	2,470
Meezan Strategic Allocation Fund MSAP - V Units redeemed: 103,863 units (September 30, 2018: nil units)	3,650	75,000
Meezan Strategic Allocation Fund MCPP-III Units issued: 3,504,335 units (September 30, 2018: 3,056,682 units) Units redeemed: 8,450,880 units (September 30, 2019: 3,156,481 units)	111,000	148,200
	275,547	148,260
Meezan Strategic Allocation Fund -II MCPP-IV Units issued: nil units (September 30, 2018: 8,252,360 units) Units redeemed: 3,201,819 units (September 30, 2018: 13,558,104 units)	-	733,719
	105,540	976,200
Meezan Strategic Allocation Fund -II MCPP-V Units issued: nil units (September 30, 2018: 4,193,118 units) Units redeemed: 731,268 units (September 30, 2018: 4,283,901 units)	-	202,586
	23,610	204,656
Meezan Strategic Allocation Fund-II MCPP-VI Units issued: nil units (September 30, 2018: 1,533,589 units) Units redeemed: 657,019 units (September 30, 2018: 521,455 units)	-	75,000
	22,060	25,150
Meezan Strategic Allocation Fund-II MCPP-VII Units issued: nil units (September 30, 2018: nil units) Units redeemed: 184,867 units (September 30, 2018: nil units)	-	-
	6,830	-
Meezan Strategic Allocation Fund-II MCPP-VIII Units issued: 1,286,112 units (September 30, 2018: nil units) Units redeemed: 1,804,678 units (September 30, 2018: nil units)	43,000	-
	59,579	-
Meezan Strategic Allocation Fund-III MCPP-IX Units issued: 1,170,836 units (September 30, 2018: nil units) Units redeemed: 1,324,259 units (September 30, 2018: nil units)	37,949	-
	41,998	-

11. ALLOCATED EXPENSES

In accordance with Regulation 60 of the NBFC Regulations, the Management Company till June 19, 2019 entitled to charge expenses related to registrar services, accounting, operations and valuation services, related to a Collective Investment Scheme (CIS) at the rate of 0.10% of the average annual net assets of the scheme or actual whichever is less. During the year, SECP vide SRO 639 dated June 20, 2019 has removed the maximum cap of 0.10%. Accordingly, the Management Company can now charge actual expenses related to registrar services, accounting, operations and valuation services to the CIS with effect from June 20, 2019.

However, the Management Company continued to charge expenses at the rate 0.1% of the average annual net assets of the Fund for the period from July 1, 2019 to September 30, 2019, being lower than actual expenses.

12. EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the period ended September 30, 2019 is 3.46% which include 0.33% 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 net loss during the quarter.

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 three years (from January 1, 2017 till December 31, 2019). The maximum cap of selling and marketing expense shall be 0.4% per annum of net assets of the fund or actual expenses whichever is lower. Accordingly, such expenses have been charged to the Fund during the quarter at the rate of 0.4% of the net assets of the Fund being lower than actual expenses incurred.

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 September 30, 2019 and June 30, 2019, the Fund held the following financial instruments measured at fair value:

	As at September 30, 2019			
	Level 1	Level 2	Level 3	Total
ASSETS	----- (Rupees in '000) -----			
Financial assets 'at fair value through profit or loss'	948,609	-	-	948,609

	As at June 30, 2019			
	Level 1	Level 2	Level 3	Total
ASSETS	----- (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.

**17. DATE OF AUTHORISATION**

These condensed interim financial statements were authorised for issue on October 15, 2019 by the Board of Directors of the Management Company.

**For Al 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
E-mail: 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

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited



**MEEZAN GOLD FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2019**

	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
Note	----- (Rupees in '000) -----	
Assets		
Balances with banks	5 56,687	86,014
Investment in gold	6 492,517	364,344
Profit receivable on saving accounts	1,022	227
Receivable against sale of investments - net	496	3,065
Receivables against conversion of units	1,684	18,716
Advances and other receivables	371	11,850
Total assets	<u>552,777</u>	<u>484,216</u>
Liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	1,408	776
Payable to the Central Depository Company of Pakistan Limited - Trustee	88	131
Payable to Securities and Exchange Commission of Pakistan	28	224
Payable to Meezan Bank Limited	15	6
Payable against purchase of investments - net	-	684
Payable on redemption and conversion of units	704	288
Accrued expenses and other liabilities	10 5,770	4,546
Total liabilities	<u>8,013</u>	<u>6,655</u>
Net assets	<u>544,764</u>	<u>477,561</u>
Contingencies and commitments	8	
Unitholders' fund (as per statement attached)	<u>544,764</u>	<u>7,008,422</u>
	(Number of units)	
Number of units in issue	<u>7,596,049</u>	<u>7,008,422</u>
	(Rupees)	
Net assets value per unit	<u>71.7168</u>	<u>68.1410</u>

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

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

Chief Executive

Chief Financial Officer

Director

**MEEZAN GOLD FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

		September 30,	
		2019	2018
		(Rupees in '000)	
Income			
		1,961	377
	Profit on saving accounts with banks	419	(641)
	Realised gain / (loss) on sale of investments	2,414	1,647
	Price adjustment factor	4,794	1,383
	Unrealised appreciation / (diminution) on re-measurement of investment in gold	24,322	(4,473)
6.1	Total income / (loss)	29,116	(3,090)
Expenses			
	Remuneration to AI Meezan Investment Management Limited - Management Company	1,354	649
	Sindh Sales Tax on management fee	176	84
9	Allocated expenses	135	65
	Selling and marketing expense	542	259
	Remuneration to Central Depository Company of Pakistan Limited - Trustee	230	110
	Sindh Sales Tax on trustee fee	30	14
	Annual fee to Securities and Exchange Commission of Pakistan	28	49
	Auditors' remuneration	72	92
	Brokerage expense	17	8
	Fees and subscription	87	88
	Legal and professional charges	-	-
	Bank and settlement charges	221	153
	Custodian expense	1,181	569
10.2	Provision for Sindh Workers' Welfare Funds (SWWF)	501	-
	Printing expenses	-	-
	Total expenses	4,574	2,140
	Net income / (loss) for the quarter before taxation	24,542	(5,230)
	Taxation	-	-
	Net income for the quarter after taxation	24,542	(5,230)
Allocation of net income for the quarter			
	Net income for the quarter after taxation	24,542	(5,230)
	Income already paid on units redeemed	(4,959)	-
		19,583	(5,230)
Accounting income available for distribution			
	- Related to capital gains	24,741	(4,096)
	- Excluding capital gains	(5,158)	(1,134)
		19,583	(5,230)

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

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

Chief Executive

Chief Financial Officer

Director



MEEZAN GOLD FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

	September 30,	
	2019	2018
	------(Rupees in '000)-----	
Net income for the quarter after taxation	24,542	(5,230)
Other comprehensive income for the quarter	-	-
Total comprehensive income for the quarter	<u>24,542</u>	<u>(5,230)</u>

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN GOLD FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

	2019			2018		
	Capital Value	Undistributed income	Total	Capital Value	(Accumulated loss) / Undistributed income	Total
	----- (Rupees in '000) -----			----- (Rupees in '000) -----		
Net assets at beginning of the quarter	434,630	42,931	477,561	233,180	9,904	243,084
Issue of 1,998,703 units (2018: 1,551,623 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	136,194	-	136,194	87,927	-	87,927
- Element of income	9,148	-	97,898	(800)	-	(800)
Total proceeds on issuance of units	145,342	-	145,342	87,127	-	87,127
Redemption of 1,411,076 units (2018: 1,388,562 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	96,151	-	96,151	78,687	-	78,687
- Element of loss	1,571	4,959	6,530	(1,731)	-	(1,731)
Total payments on redemption of units	97,722	4,959	102,681	76,956	-	76,956
Total comprehensive income for the quarter	-	24,542	24,542	-	(5,230)	(5,230)
Distribution during the year	-	-	-	-	-	-
Net income for the year less distribution	-	24,542	24,542	-	(5,230)	(5,230)
Net assets at end of the quarter	482,250	62,514	544,764	243,351	4,674	248,025
Undistributed income/ (accumulated loss) brought forward			-			
- Realised (loss) / income		(23,741)			9,147	
- Unrealised income / (loss)		66,672			(4,473)	
		42,931			4,674	
Accounting income available for distribution						
- Relating to capital gains		24,741			-	
- Excluding capital gains		(5,158)			-	
		19,583			-	
Undistributed income carried forward		62,514			4,674	
Undistributed income carried forward						
- Realised gain		38,192			9,147	
- Unrealised income / (loss)		24,322			(4,473)	
		62,514			4,674	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the quarter		68.1410			56.6676	
Net assets value per unit at end of the quarter		71.7168			55.7021	

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

For AI-Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



**MEEZAN GOLD FUND
CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

	September 30,	
	2019	2018
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the quarter before taxation	24,542	(5,230)
Adjustments for:		
Unrealised appreciation on re-measurement of investment in gold	(24,322)	4,473
	220	(757)
(Increase) / Decrease in assets		
Investments - net	(103,851)	(17,884)
Receivable against investments - net	2,569	1,490
Profit receivable on saving accounts	(795)	(111)
Advances and other receivables	11,479	(20)
	(90,598)	(16,525)
Increase / (Decrease) in liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	632	298
Payable to Central Depository Company of Pakistan Limited - Trustee	(43)	3
Payable to Securities and Exchange Commission of Pakistan	(196)	(225)
Payable to Meezan Bank Limited	9	(7)
Payable against purchase of investments - net	(684)	-
Accrued expenses and other liabilities	1,224	314
	942	383
Net cash (used in) / generated from operating activities	(89,436)	(16,899)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	162,374	90,628
Payment against redemption and conversion of units	(102,265)	(77,032)
Net cash generated from financing activities	60,109	13,596
Net (decrease) in cash and cash equivalents during the quarter	(29,327)	(3,303)
Cash and cash equivalents at beginning of the quarter	86,014	29,332
Cash and cash equivalents at end of the quarter	56,687	26,029

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

**For Al 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 INFORMATION
FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

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 rating of AM1 by VIS dated December 28, 2018 (2018: AM1 dated December 29, 2017) and PACRA dated June 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 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 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, 2018.

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 September 30, 2019.

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.

	Note	September 30,	June 30,
		2019 (Unaudited)	2019 (Audited)
		------(Rupees in '000)-----	
5. BALANCES WITH BANKS			
In saving accounts	5.1	56,593	85,920
In current accounts		94	94
		<u>56,687</u>	<u>86,014</u>

- 5.1** The balance in saving accounts have an expected profit ranging from 3.7% to 12.75% per annum (June 30, 2019: 6.30% to 11.85% per annum).

	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
	----- (Rupees in '000) -----	
6. INVESTMENTS	Note	
Investment in gold	6.1	492,517 364,344

6.1 Investment in gold

Commodity	As at July 1, 2019	Purchases during the quarter	Sales during the quarter	As at September 30, 2019	Carrying value as at September 30, 2019	Market value as at September 30, 2019	Unrealised gain	Percentage in relation to Net Assets of the Fund on the basis of market value of investments (note 6.1.1)
	----- (Tola) -----				----- (Rupees in '000) -----			-- (%) --
TOLAGOLD	4,400	1,254	67	5,587	468,195	492,517	24,322	90.41
MITOLA	15,000	-	-	15,000				
Total					468,195	492,517	24,322	

6.1.1 Net assets are defined in regulation 66 of the NBFC Regulations.

6.1.2 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.

6.1.3 The investment in gold of Rs 492.517 million (June 30, 2019: Rs 364.343 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 (SECP)

SECP vide S.R.O. No. 685(I)/2019 dated June 28, 2019, revised rate of annual fee to 0.02% of net assets, applicable on all categories of Collective Investment Schemes with effective from July 1, 2019. Accordingly Fund has charged SECP Fee @ 0.02% of net assets during the quarter.

8. CONTINGENCIES AND COMMITMENTS

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

9. ALLOCATED EXPENSES

In accordance with Regulation 60 of the NBFC Regulations, the Management Company till June 19, 2019 entitled to charge expenses related to registrar services, accounting, operations and valuation services, related to a Collective Investment Scheme (CIS) at the rate of 0.10% of the average annual net assets of the scheme or actual whichever is less. During the year, SECP vide SRO 639 dated June 20, 2019 has removed the maximum cap of 0.10%. Accordingly, the Management Company can now charge actual expenses related to registrar services, accounting, operations and valuation services to the CIS with effect from June 20, 2019.

However, the Management Company continued to charge expenses at the rate 0.1% of the average annual net assets of the Fund for the period from July 1, 2019 to September 30, 2019, being lower than actual expenses.

	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
	----- (Rupees in '000) -----	
10. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	
Custodian fee payable		780 257
Auditor's remuneration		247 175
Provision for Federal Excise Duty and related Sindh Sales Tax	10.1	711 711
Provision for Sindh Worker's Welfare Fund	10.2	3,667 3,166
Withholding tax payable		20 21
Capital gain tax payable		261 51
Shariah advisory fee payable		78 159
Zakat payable		6 6
		5,770 4,546

10.1 As per the requirement of the Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16 percent on the remuneration of the Management Company and sales load was applied effective from June 13, 2013. The Management Company is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED results in double taxation, which does not appear to be the spirit of the law, hence, a petition was collectively filed by the Mutual Funds Association of Pakistan with the Sindh High Court (SHC) on September 4, 2013.

The SHC while disposing of the Constitutional Petition No. D-3184 of 2014 relating to levy of FED on Mutual Funds had declared the said provisions to be ultra vires and as a result no FED was payable with effect from July 1, 2011, (i.e., the date on which Sindh Sales Tax on Services Act, 2011 came into force). However, the tax authorities subsequently filed an appeal against the decision of the SHC in the Supreme Court of Pakistan, which is pending for decision.

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.

Since the appeal is pending in the Supreme Court of Pakistan, the Management Company, as a matter of abundant caution, has retained the provision on FED and related Sindh Sales Tax on management fee and sales load made with effect from August 18, 2015 till June 30, 2016, aggregating to Rs 0.71 million (June 30, 2019: Rs 0.71 million). Had the provision not been made, the Net Asset Value per unit of the Fund would have been higher by Re 0.09 (June 30, 2019: Re 0.10) per unit.

- 10.2** 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, 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 SWWF not been provided, the NAV per unit/fund return would have been higher by Re 0.48 / 0.67% (June 30, 2019: Re 0.45 / 0.66%).

11. EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the period ended September 30, 2019 is 3.38% which includes 0.54% representing government levy, Sindh Workers' Welfare Fund and SECP fee.

12. 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 Regulations and the Trust Deed.

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

	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
	------(Rupees in '000)-----	
Al Meezan Investment Management Limited (Al Meezan) - Management Company		
Remuneration payable	461	297
Sindh Sales Tax on management fee payable	60	39
Sales load payable	265	33
Sindh Sales Tax on sales load payable	34	4
Allocated expenses	46	30
Selling and marketing expenses	542	373
Meezan Bank Limited		
Sales load payable	13	5
Sindh Sales Tax on sales load payable	2	1
Bank balance	13,375	38,321
Profit receivable on saving account	57	11
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	78	116
Sindh Sales Tax on trustee fee payable	10	15
Directors and Executives of the Management Company		
Investment of 295,619 units (June 30, 2019: 284,313 units)	21,201	19,374
Unitholders holding 10% or more of units of the Fund		
Investment of 1,236,347 units (June 30, 2019: 1,236,347 units)	88,667	84,246



	September 30,	
	2019	2018
	(Unaudited)	
	----- (Rupees in '000) -----	
Al Meezan Investment Management Company Limited - Management Company		
Remuneration for the quarter	1,354	649
Sindh Sales Tax on management fee for the quarter	176	84
Allocated expenses	135	64
Selling and marketing expense	542	259
Meezan Bank Limited		
Profit on saving account	472	62
Central Depository Company of Pakistan Limited - Trustee		
Remuneration for the quarter	230	110
Sindh Sales Tax on trustee fee for the quarter	30	14
Directors and Executives of the Management Company		
Units issued: 71,488 units (September 30, 2019: 5,671 units)	52,785	305
Units redeemed: 60,182 units (September 30, 2019: 27,814 units)	4,335	1,564

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 ninety 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 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 sufficient income of the Fund for the year ending June 30, 2019 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.

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:

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 30 September, 2019, the fund does not hold any asset which required fair valuation

15. 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 three years (from January 1, 2017 till December 31, 2019). The maximum cap of selling and marketing expense shall be 0.4% per annum of net assets of the fund or actual expenses whichever is lower. Accordingly, such expenses have been charged to the Fund during the quarter at the rate of 0.4% of the net assets of the Fund being lower than actual expenses incurred.

16. GENERAL

Figures have been rounded off to the nearest thousand rupees.

17. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorised for issue on **October 15, 2019** by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

Director



Meezan
Islamic Income Fund

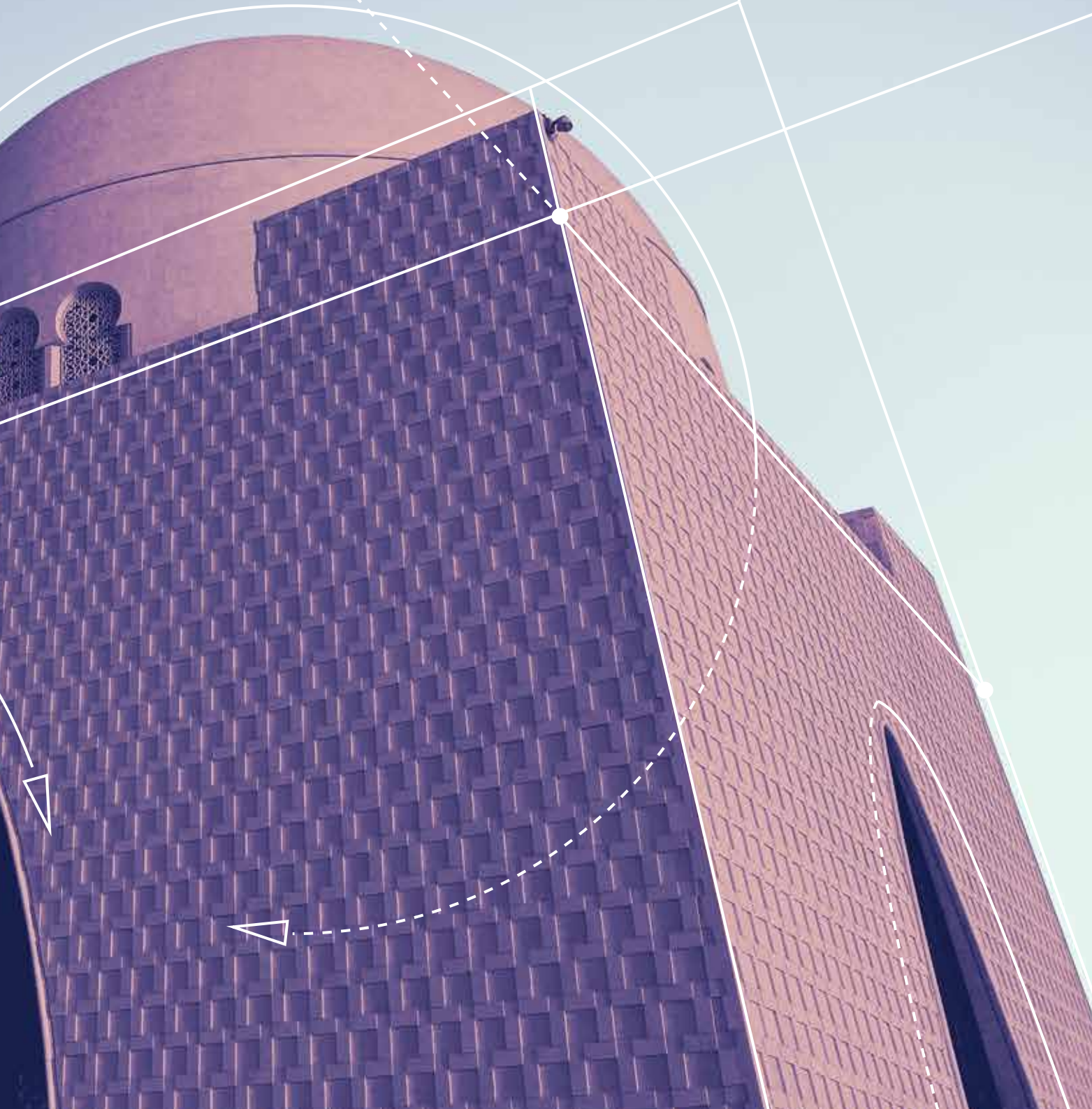
MEEZAN ISLAMIC INCOME FUND (MIIF)

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
E-mail: 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

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited



MEEZAN ISLAMIC INCOME FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2019

		September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
	Note	----- (Rupees in '000) -----	
Assets			
Balances with banks	5	9,201,818	2,971,017
Investments	6	7,211,711	6,454,219
Receivable against conversion of units		112,285	3,802
Deposits, prepayments and other receivables		<u>236,284</u>	<u>258,982</u>
Total assets		16,762,098	9,688,020
Liabilities			
Payable to AI Meezan Investment Management Limited - Management Company		<u>30,470</u>	19,857
Payable to Central Depository Company of Pakistan Limited - Trustee	7	1,087	838
Payable to Securities and Exchange Commission of Pakistan	8	727	7,822
Payable to Meezan Bank Limited		2,144	399
Payable against redemption and conversion of units		31,281	45,063
Accrued expenses and other liabilities	9	<u>105,534</u>	<u>142,719</u>
Total liabilities		171,243	216,698
Net assets		<u>16,590,855</u>	<u>9,471,322</u>
Contingencies and commitments	10		
Unitholders' fund (as per statement attached)		<u>16,590,855</u>	<u>9,471,322</u>
		(Number of units)	
Number of units in issue		<u>313,513,028</u>	<u>184,135,657</u>
		(Rupees)	
Net asset value per unit		<u>52.9192</u>	<u>51.4367</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 INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

	Note	September 30,	
		2019	2018
		----- (Rupees in '000) -----	
Income			
Profit on saving accounts with banks		268,969	67,966
Profit on term deposit receipts		-	13,741
Profit on certificates of musharakah		24,471	16,180
Profit on sukuk certificates		188,314	87,400
Net realised gain / (loss) on sale of sukuk certificates		5,362	(5,468)
Other Income		1,075	364
		<u>488,191</u>	<u>180,183</u>
Net unrealised diminution on re-measurement of investments classified as "financial assets at fair value through profit or loss"	6.1.2	(6,943)	(13,692)
Total income		<u>481,248</u>	<u>166,491</u>
Expenses			
Remuneration to AI Meezan Investment Management Limited - Management Company		31,281	16,649
Sindh Sales Tax on management fee		4,067	2,164
Allocated expenses	12	5,135	2,550
Selling and marketing expense	14	14,541	-
Remuneration to Central Depository Company of Pakistan Limited - Trustee		2,727	2,188
Sindh Sales Tax on trustee fee		354	284
Annual fee to Securities and Exchange Commission of Pakistan		727	1,912
Auditors' remuneration		168	199
Fees and subscription		352	361
Brokerage expense		66	140
Bank and settlement charges		129	33
Provision for Sindh Workers' Welfare Fund		8,434	2,797
Printing expense		-	140
Total expenses		<u>67,981</u>	<u>29,417</u>
Net income for the quarter before taxation		<u>413,267</u>	<u>137,074</u>
Taxation	15	-	-
Net income for the quarter after taxation		<u>413,267</u>	<u>137,074</u>
Allocation of net income for the quarter			
Net income for the quarter after taxation		413,267	137,074
Income already paid on units redeemed		(69,306)	(18,553)
		<u>343,961</u>	<u>118,521</u>
Accounting income available for distribution			
- Relating to capital gains		-	-
- Excluding capital gains		343,961	118,521
		<u>343,961</u>	<u>118,521</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 QUARTER ENDED SEPTEMBER 30, 2019**

	September 30,	
	2019	2018
	----- (Rupees in '000) -----	
Net income for the quarter after taxation	413,267	137,074
Other comprehensive income	-	-
Total comprehensive income for the quarter	<u>413,267</u>	<u>137,074</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
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

	September 30, 2019			September 30, 2018		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	----- (Rupees in '000) -----			----- (Rupees in '000) -----		
Net assets at the beginning of the quarter	9,297,919	173,403	9,471,322	9,755,035	410,879	10,165,914
Issuance of 262,808,903 units (2018: 74,769,583 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	13,518,024	-	13,518,024	3,842,514	-	3,842,514
- Element of income	160,102	-	160,102	25,969	-	25,969
Total proceeds on issuance of units	13,678,126	-	13,678,126	3,868,483	-	3,868,483
Redemption of 133,431,532 units (2018: 65,224,672 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	6,863,278	-	6,863,278	3,351,987	-	3,351,987
- Element of income	39,276	69,306	108,582	5,062	18,553	23,615
Total payments on redemption of units	6,902,554	69,306	6,971,860	3,357,049	18,553	3,375,602
Total comprehensive income for the quarter	-	413,267	413,267	-	137,074	137,074
Distribution during the quarter	-	-	-	-	(245,803)	(245,803)
Refund of capital	-	-	-	(170,684)	-	(170,684)
	-	413,267	413,267	(170,684)	(108,729)	(279,413)
Net assets at the end of the quarter	16,073,491	517,364	16,590,855	10,095,784	283,597	10,379,381
Undistributed income brought forward						
- Realised income		192,274			441,879	
- Unrealised income		(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		-			-	
- Excluding capital gains		343,961			118,521	
		343,961			118,521	
Distribution during the period 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		517,364			283,597	
Undistributed income carried forward						
- Realised income		524,307			297,289	
- Unrealised loss		(6,943)			(13,692)	
		517,364			283,597	
		(Rupees)			(Rupees)	
Net assets value per unit at the beginning of the quarter - (Ex-NAV)	51.4367			51.3914		
Net assets value per unit at the end of the quarter	52.9192			52.0912		

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 CASH FLOW STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

	September 30,	
	2019	2018
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the quarter before taxation	413,267	137,074
Adjustments for		
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6,943	13,692
	420,210	150,766
(Increase) / decrease in assets		
Investments - net	(764,435)	(1,048,264)
Deposits, prepayments and other receivables	22,698	(5,252)
	(741,737)	(1,053,516)
Increase / (decrease) in liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	10,613	(936)
Payable to Central Depository Company of Pakistan Limited - Trustee	249	37
Payable to Securities and Exchange Commission of Pakistan	(7,095)	(6,296)
Payable to Meezan Bank Limited	1,745	145
Accrued expenses and other liabilities	(37,185)	2,776
	(31,673)	(4,274)
Net cash used in operating activities	(353,200)	(907,024)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	13,569,643	3,550,805
Payments against redemption and conversion of units	(6,985,642)	(3,380,301)
Dividend paid	-	(40,232)
Net cash generated from financing activities	6,584,001	130,272
Net increased / (decrease) in cash and cash equivalents during the quarter	6,230,801	(776,752)
Cash and cash equivalents at the beginning of the quarter	2,971,017	5,200,871
Cash and cash equivalents at the end of the quarter	9,201,818	4,424,119

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 QUARTER ENDED SEPTEMBER 30, 2019

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 28, 2018 (2018: AM1 dated December 29, 2017) and by PACRA dated June 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 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 September 30, 2019.

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

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. 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.

		September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
	Note	----- (Rupees in '000) -----	
5. BALANCES WITH BANKS			
In saving accounts	5.1	9,201,774	2,970,973
In current accounts		44	44
		<u>9,201,818</u>	<u>2,971,017</u>

5.1 The balance in saving accounts have an expected profit ranging from 3.00% to 13.75% per annum (June 30, 2019: 3.32% to 12.50% per annum).

		September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
	Note	----- (Rupees in '000) -----	
6. INVESTMENTS			
Investments - 'at fair value through profit or loss'			
Sukuk certificates	6.1	4,331,977	4,277,722
Certificates of musharakah	6.2	600,000	750,000
Commercial papers	6.3	2,279,734	1,426,497
		<u>7,211,711</u>	<u>6,454,219</u>

6.1 Sukuk certificates

Government securities	6.1.1	100,000	600,000
Corporate sukuku	6.1.2	4,231,977	3,677,722
		<u>4,331,977</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 quarter	Sales / maturity during the quarter	As at September 30, 2019	Carrying value as at September 30, 2019	Market value as at September 30, 2019	Unrealised appreciation / (diminution)	Percentage in relation to	
										Number of certificates	(Rupees in '000)
Pakistan Energy Sukuk (note 6.1.1.1)	March 1, 2029	6 months KIBOR plus base rate of 0.8%	120,000	-	100,000	20,000	100,000	100,000	-	0.60	1.39
Total as at September 30, 2019							100,000	100,000	-	0.60	1.39
Total as at June 30, 2019							600,000	600,000	-	6.33	9.30

6.1.1.1 The nominal value of this sukuk certificates is Rs 5,000 each.

6.1.2 Corporate sukuks

Name of the security	Maturity date	Profit rate	As at July 1, 2019	Purchases during the quarter	Sales / redemptions during the quarter	As at September 30, 2019	* Carrying value as at September 30, 2019	* Market value as at September 30, 2019	Unrealised appreciation / (diminution)	Percentage in relation to		
										(Number of certificates)	(Rupees in '000)	Net assets of the Fund
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	-	
BANKS												
Dubai Islamic Bank Pakistan Limited (AA-, VIS, non-traded) (note 6.1.2.1)	July 14, 2027	6 months KIBOR plus base rate of 0.5%	513	-	-	513	522,595	522,595	-	3.15	12.83	7.25
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	-	-	368	367,991	367,991	-	2.22	5.26	5.10
FERTILIZER												
Fatima Fertilizer Company Limited (AA-, PACRA, traded) (note 6.1.2.1)	November 28, 2021	6 months KIBOR plus base rate of 1.10%	29,833	-	-	29,833	150,322	150,127	(195)	0.90	2.84	2.08
OIL & GAS MARKETING COMPANIES												
Hascol Petroleum Limited (BBB+, VIS, traded) (note 6.1.2.1)	January 06, 2022	3 months KIBOR plus base rate of 1.50%	44,000	-	4,000	40,000	201,500	199,960	(1,540)	1.21	20.00	2.77
POWER GENERATION & DISTRIBUTION												
K-Electric Limited (sukuk 4) (AA+, VIS, traded) (note 6.1.2.1)	June 17, 2022	3 months KIBOR plus base rate of 1.00%	15,692	-	15,692	-	-	-	-	-	-	0.00
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	600,000	600,000	-	3.62	15.00	8.32
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	350,000	350,000	-	2.11	7.78	4.85
Hub Power Company Limited (AA+, PACRA) (note 6.1.2.1)	August 22, 2023	3 months KIBOR plus base rate of 1.90%	-	5,185	-	5,185	518,500	518,500	-	3.13	7.41	7.19
Engro Powergen Thar (Private) Limited (A, PACRA) (note 6.1.2.1)	August 2, 2024	3 months KIBOR plus base rate of 1.10%	-	50,000	-	50,000	250,000	250,000	-	1.51	8.33	3.47

Name of the security	Maturity date	Profit rate	As at July 1, 2019	Purchases during the quarter	Sales / redemptions during the quarter	As at September 30, 2019	* Carrying value as at September 30, 2019	* Market value as at September 30, 2019	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) -----			----- % -----			
PHARMACEUTICALS												
AGP Limited (A+, PACRA, non-traded) (note 6.1.2.1)	June 9, 2022	3 months KIBOR plus base rate of 1.30%	1,712	-	143	1,569	156,915	156,915	-	0.95	11.65	2.18
CEMENT & CONSTRUCTION												
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	97,754	(1,781)	0.59	3.34	1.36
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	-	1.51	5.00	3.47
CHEMICALS												
Engro Polymer and Chemicals Limited (AA, PACRA) (note 6.1.2.1)	July 11, 2026	3 months KIBOR plus base rate of 0.90%	3,000	-	-	3,000	301,407	301,405	(2)	1.82	3.43	4.18
MISCELLANEOUS												
International Brands Limited (AA, VIS, non-traded) (note 6.1.2.1)	November 15, 2021	12 months KIBOR plus base rate of 0.50%	4,000	-	-	4,000	372,319	371,170	(1,149)	2.24	14.13	5.15
Shakarganj Food Products Limited (A, VIS) (note 6.1.2.1)	July 10, 2024	3 months KIBOR plus base rate of 1.75%	100	-	-	100	97,836	95,560	(2,276)	0.58	13.79	1.33
Total as at September 30, 2019							4,238,920	4,231,977	(6,943)			
Total as at June 30, 2019							3,696,593	3,677,722	(18,872)			

* 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 Dubai Islamic Bank Pakistan Limited, Eden Housing Limited, International Brands Limited, Meezan Bank Limited, Shakarganj Food Products Limited, AGP Limited, Javedan Corporation Limited, Agha Steel Industries Limited, Engro Polymer and Chemicals Limited and Hub Power Company Limited having nominal value of Rs 1,000,000, Rs 984,375, Rs 100,000, Rs 100,000, Rs. 1,000,000, Rs. 1,000,000, Rs. 100,000, Rs. 100,000, Rs. 1,000,000, Rs. 100,000 and Rs. 100,000 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 September 30, 2019, 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.

Following investments of the Funds are in sukuks which are below 'investment grade' securities:

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	-	-	-
Total - September 30, 2019		143,875	143,875	-	-	-
Total - June 30, 2019		143,875	143,875	-	-	-

6.2 Certificates of Musharakah

Name of the investee company	Maturity date	Profit rate	As at July 1, 2019	Placed during the quarter	Matured during the quarter	Carrying value as at September 30, 2019	Market value as at September 30, 2019	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	-	-	-	-	0.00
Orix Modaraba	September 27, 2019	10.69-12.94	150,000	-	150,000	-	-	-	-	0.00
Orix Modaraba	September 4, 2020	13.92	-	200,000	-	200,000	200,000	-	1.21	2.77
Orix Modaraba	September 4, 2020	13.92	-	200,000	-	200,000	200,000	-	1.21	2.77
Orix Modaraba	September 16, 2020	13.84	-	200,000	-	200,000	200,000	-	1.21	2.77
Total as at September 30, 2019			750,000	600,000	750,000	600,000	600,000	-	3.62	8.31
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 quarter	Sales / redemptions / maturity during the quarter	As at September 30, 2019	Carrying value as at September 30, 2019	Market value as at September 31, 2019	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	47,919	47,919	0.29	0.66
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	1,129,610	1,129,610	6.81	15.66
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	1,102,205	1,102,205	6.64	15.28
Total as at September 30, 2019							2,279,734	2,279,734	13.74	31.60
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.

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

During the period, Trustee has revised its tariff as follows;

Existing Tariff		Revised Tariff (Flat Rate)
Net Assets (Rs.)	Fee	
Up to Rs 1,000 million	Rs 0.6 million or 0.17% per annum of net assets, whichever is higher.	0.075% p.a. of Net Assets
From Rs 1,000 million to Rs.5,000 million	Rs 1.7 million plus 0.085% per annum of net assets exceeding Rs 1,000 million.	
Exceeding Rs.5,000 million	Rs 5.1 million plus 0.07% per annum of net assets exceeding Rs 5,000 million.	

Accordingly Fund has charged Trustee Fee @ 0.075% p.a. of Net Assets during the quarter.

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

SECP vide S.R.O. No. 685(I)/2019 dated June 28, 2019, revised rate of annual fee to 0.02% of net assets, applicable on all categories of Collective Investment Schemes with effective from July 1, 2019. Accordingly Fund has charged SECP Fee @ 0.02% of net assets during the quarter.

9. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	September 30,	June 30,
		2019 (Unaudited)	2019 (Audited)
		----- (Rupees in '000) -----	
Auditors' remuneration payable		598	430
Printing expenses payable		566	566
Brokerage payable		146	159
Shariah advisor fee payable		395	529
Withholding tax payable		-	37,969
Capital gain tax payable		3,248	11,065
Provision for Sindh Workers' Welfare Fund (SWWF)	9.1	47,188	38,755
Zakat payable		334	187
Provision for Federal Excise Duty payable on remuneration of the Management Company and related Sindh Sales Tax	9.2	50,417	50,417
Provision for Federal Excise Duty payable on sales load and related Sindh Sales Tax	9.2	2,642	2,642
		<u>105,534</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, was required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs/mutual funds, MUFAP recommended that, as a matter of abundant caution, provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the SWWF Act, 2014 (i.e. starting from May 21, 2015).

Had the provision for SWWF not been recorded in the financial statements of the Fund for the period from May 21, 2015 to September 30, 2019, the net asset value of the Fund as at September 30, 2019 would have been higher by Re. 0.15 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 September 30, 2019 amounting to Rs 53.059 million (June 30, 2019: 53.059 million) is being retained in these 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 September 30, 2019 would have been higher by Re 0.17 (June 30, 2019: Re 0.29) per unit.

10. CONTINGENCIES AND COMMITMENTS

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

	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
	----- (Rupees in '000) -----	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	11,492	6,904
Sindh Sales Tax on management fee	1,494	898
Sales load payable	897	523
Sindh Sales Tax on sales load	117	68
Allocated expenses payable	1,924	872
Selling and marketing expense payable	14,545	10,591
Certificate charges payable	1	1
Investment of 61,626 units (June 30, 2019: 1,287,879 units)	3,261	66,244
Meezan Bank Limited		
Balances with bank	35,159	44,405
Sales load payable	1,897	353
Sindh Sales Tax on sales load	247	46
Profit receivable on saving account	1,241	466
Profit receivable on sukuk certificates	4,407	13,925
Investment of 368 sukuk certificates (June 30, 2019: 368 sukuk certificates)	367,991	367,991
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	962	742
Sindh Sales Tax on Trustee Fee payable	125	96
Security deposit	100	100



	September 30, 2019 (Unaudited) ----- (Rupees in '000) -----	June 30, 2019 (Audited) ----- (Rupees in '000) -----
Meezan Financial Planning Fund of Funds		
- Aggressive Allocation Plan		
Investment of 1,734,660 units (June 30, 2019: 882,014 units)	<u>91,797</u>	<u>45,368</u>
Meezan Financial Planning Fund of Funds		
- Moderate Allocation Plan		
Investment of 1,401,807 units (June 30, 2019: 981,323 units)	<u>74,182</u>	<u>50,476</u>
Meezan Financial Planning Fund of Funds		
- Conservative Allocation Plan		
Investment of 2,661,394 units (June 30, 2019: 1,598,392 units)	<u>140,839</u>	<u>84,616</u>
Meezan Strategic Allocation Fund - MSAP - I		
Investments of nil units (June 30, 2019: 4,983,963 units)	<u>-</u>	<u>256,359</u>
Meezan Strategic Allocation Fund - MSAP - II		
Investments of nil units (June 30, 2019: 3,408,091 units)	<u>-</u>	<u>175,301</u>
Meezan Strategic Allocation Fund - MSAP - III		
Investments of nil units (June 30, 2019: 4,056,911 units)	<u>-</u>	<u>208,674</u>
Meezan Strategic Allocation Fund - MSAP - IV		
Investments of nil units (June 30, 2019: 4,583,447 units)	<u>-</u>	<u>235,757</u>
Meezan Strategic Allocation Fund - MSAP - V		
Investments of nil units (June 30, 2019: 787,065 units)	<u>-</u>	<u>40,484</u>
Directors and Executives of the Management Company		
Investments of 5,953,904 units (June 30, 2019: 288,053 units)	<u>315,076</u>	<u>14,816</u>
	For the quarter ended	
	September 30,	
	2019	2018
	(Unaudited)	
	----- (Rupees in '000) -----	
Al Meezan Investment Management Limited - Management Company		
Remuneration for the quarter	<u>31,281</u>	<u>16,649</u>
Sindh Sales Tax on management fee	<u>4,067</u>	<u>2,164</u>
Allocated expenses	<u>5,135</u>	<u>2,550</u>
Selling and marketing expense	<u>14,541</u>	<u>-</u>
Units issued: 61,626 units (September 30, 2018: 4,393,245 units)	<u>3,224</u>	<u>227,114</u>
Units redeemed: 1,287,879 units (September 30, 2018: 8,630,556 units)	<u>66,259</u>	<u>445,100</u>
Cash dividend paid	<u>-</u>	<u>17,356</u>
Refund of capital	<u>-</u>	<u>23,214</u>
Meezan Bank Limited		
Profit on saving account	<u>2,514</u>	<u>528</u>
Profit on sukuk certificate	<u>11,537</u>	<u>5,666</u>
Central Depository Company of Pakistan Limited - Trustee		
Remuneration for the quarter	<u>2,727</u>	<u>2,188</u>
Sindh Sales Tax on trustee fee	<u>354</u>	<u>284</u>
CDS Charges	<u>83</u>	<u>4</u>

	For the quarter ended September 30,	
	2019	2018
	(Unaudited)	
	----- (Rupees in '000) -----	
Meezan Financial Planning Fund of Funds		
- Aggressive Allocation Plan		
Units issued: 874,262 units (September 30, 2018: 78,557 units)	45,464	4,049
Units redeemed: 21,616 units (September 30, 2018: 18,154 units)	1,125	938
Cash dividend paid	-	2,325
Refund of capital	-	224
Meezan Financial Planning Fund of Funds		
- Moderate Allocation Plan		
Units issued: 738,690 units (September 30, 2018: 61,736 units)	38,414	3,173
Units redeemed: 318,206 units (September 30, 2018: 688,584 units)	16,500	11,500
Cash dividend paid	-	2,809
Refund of capital	-	363
Meezan Financial Planning Fund of Funds		
- Conservative Allocation Plan		
Units issued: 1,387,612 units (September 30, 2018: 182,092 units)	72,159	9,409
Units redeemed: 324,610 units (September 30, 2018: 159,461 units)	16,875	8,250
Cash dividend paid	-	3,989
Refund of capital	-	358
Meezan Financial Planning Fund of Funds - MAAP - I		
Units issued: 3,782,012 units (September 30, 2018: 730,488 units)	194,649	37,614
Units redeemed: 3,782,012 units (September 30, 2018: nil)	197,912	-
Cash dividend paid	-	4,610
Refund of capital	-	3,003
Meezan Financial Planning Fund of Funds - MAAP - IV		
Units issued: nil (September 30, 2018: 63,834 units)	-	3,280
Units redeemed: nil (September 30, 2018: 1,558,051 units)	-	80,267
Cash dividend paid	-	1,736
Refund of capital	-	1,544
Meezan Strategic Allocation Fund - MSAP - I		
Units issued: 1,653,461 units (September 30, 2018: 1,495,165 units)	85,606	76,984
Units redeemed: 6,637,424 units (September 30, 2018: nil)	346,444	-
Cash dividend paid	-	9,138
Refund of capital	-	7,846
Meezan Strategic Allocation Fund - MSAP - II		
Units issued: 1,128,244 units (September 30, 2018: 1,107,933 units)	58,413	57,052
Units redeemed: 4,536,335 units (September 30, 2018: nil)	236,405	-
Cash dividend paid	-	5,875
Refund of capital	-	4,177
Meezan Strategic Allocation Fund - MSAP - III		
Units issued: 1,361,671 units (September 30, 2018: 1,213,227 units)	70,498	62,481
Units redeemed: 5,418,582 (September 30, 2018: nil)	282,706	-
Cash dividend paid	-	9,098
Refund of capital	-	7,863

**For the quarter ended
September 30,**

2019 2018

(Unaudited)

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

Meezan Strategic Allocation Fund - MSAP - IV

Units issued: 1,536,740 units (September 30, 2018: 1,166,844 units)

Units redeemed: 6,120,187 (September 30, 2018: nil)

Cash dividend paid

Refund of capital

79,563	60,087
319,197	-
-	11,056
-	9,119

Meezan Strategic Allocation Fund - MSAP - V

Units issued: 272,284 units (September 30, 2018: 384,345 units)

Units redeemed: 1,059,349 (September 30, 2018: nil)

Cash dividend paid

Refund of capital

14,090	19,798
55,177	-
-	744
-	852

Al Meezan Investment Management Limited - Employees' Gratuity Fund

Units issued: nil (September 30, 2018: 9,077 units)

Cash dividend paid

Refund of capital

-	466
-	2
-	465

Directors and Executives of the Management Company

Units issued: 14,661,173 units (September 30, 2018: 131,943 units)

Units redeemed: 8,995,338 units (September 30, 2018: 113,100 units)

Cash dividend paid

Refund of capital

761,981	6,817
470,309	5,831
-	167
-	476

12. ALLOCATED EXPENSES

In accordance with Regulation 60 of the NBFC Regulations, the Management Company till June 19, 2019 entitled to charge expenses related to registrar services, accounting, operations and valuation services, related to a Collective Investment Scheme (CIS) at the rate of 0.10% of the average annual net assets of the scheme or actual whichever is less. During the year, SECP vide SRO 639 dated June 20, 2019 has removed the maximum cap of 0.10%. Accordingly, the Management Company can now charge actual expenses related to registrar services, accounting, operations and valuation services to the CIS with effect from June 20, 2019.

However, the Management Company from July 22, 2019, has charged allocated expense @ 0.15% of the average annual net assets (0.10% till July 21, 2019).

13. EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the quarter ended September 30, 2019 is 1.87% which include 0.37% 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 three years (from January 1, 2017 till December 31, 2019). The maximum cap of selling and marketing expense shall be 0.4% per annum of net assets of the fund or actual expenses whichever is lower. Accordingly, such expenses have been charged to the Fund during the quarter at the rate of 0.4% of the net assets of the Fund being lower than actual expenses incurred.

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 September 30, 2019 and June 30, 2019, the Fund held the following financial instruments measured at fair value:

ASSETS	As at September 30, 2019			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
Financial assets 'at fair value through profit or loss'				
Sukuk Certificates	-	4,331,977	-	4,331,977
Certificates of Musharakah*	-	600,000	-	600,000
Commercial Papers**	-	2,279,734	-	2,279,734
	<u>-</u>	<u>7,211,711</u>	<u>-</u>	<u>7,211,711</u>
ASSETS	As at June 30, 2019			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
Financial assets 'at fair value through profit or loss'				
Sukuk Certificates	-	4,277,722	-	4,277,722
Certificates of Musharakah*	-	750,000	-	750,000
Commercial Papers**	-	1,426,497	-	1,426,497
	<u>-</u>	<u>6,454,219</u>	<u>-</u>	<u>6,454,219</u>

* 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. The commercial papers having maturity slightly more than six months have also been valued on the same basis.



17. GENERAL

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

18. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on October 15, 2019 by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

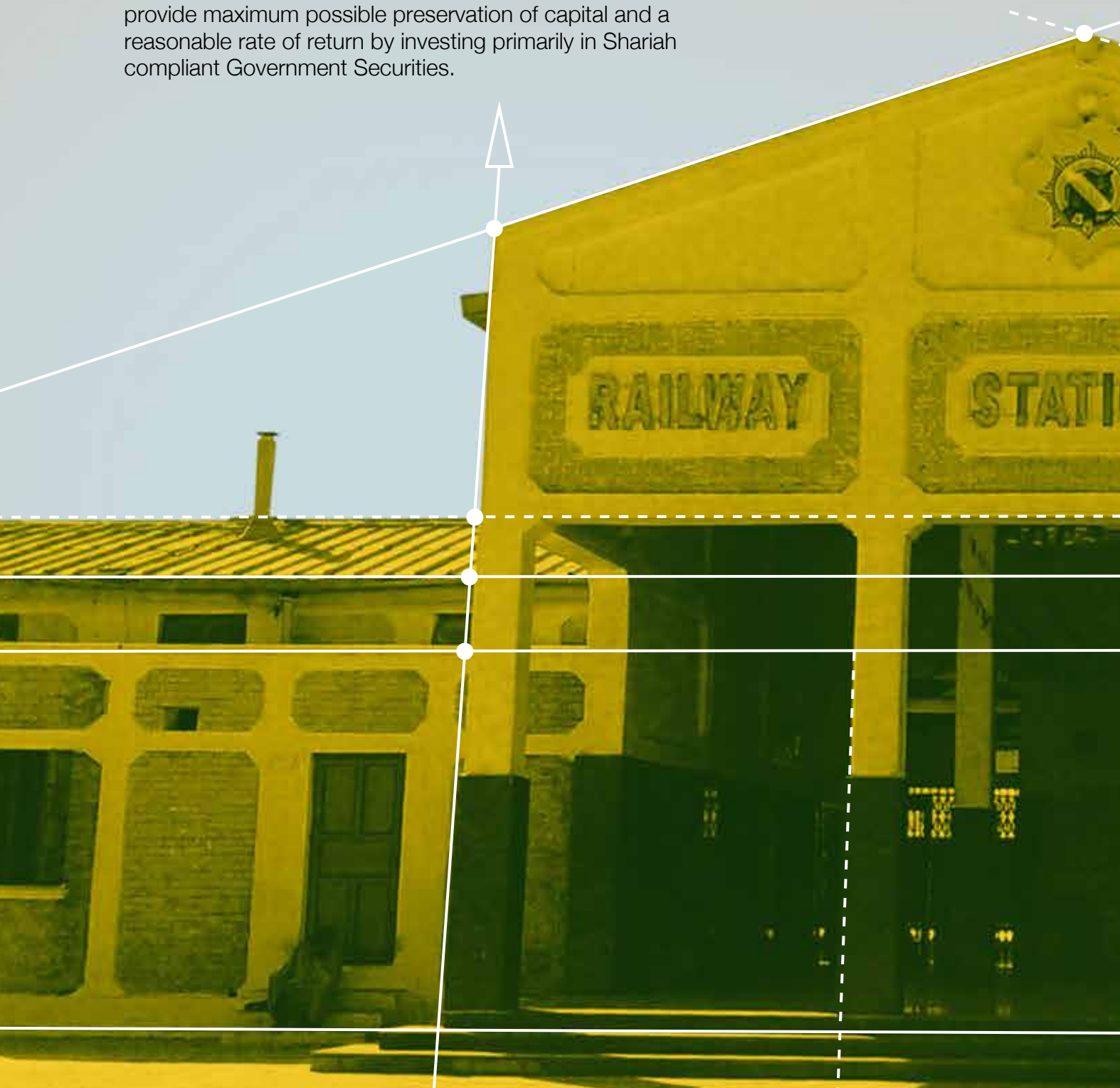
Director




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
E-mail: 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

DISTRIBUTORS

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



**MEEZAN SOVEREIGN FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2019**

		September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
	Note	(Rupees in '000)	
Assets			
Balances with banks	5	3,721,179	5,132,514
Investments	6	1,124,715	1,124,715
Receivable against conversion of units		55,520	59,236
Deposits, prepayments and other receivables		66,075	70,900
Total assets		4,967,489	6,387,365
Liabilities			
Payable to AI Meezan Investment Management Limited - Management Company	9	6,540	4,228
Payable to Central Depository Company of Pakistan Limited - Trustee	7	502	538
Payable to Securities and Exchange Commission of Pakistan	8	191	1,400
Payable to Meezan Bank Limited		171	68
Payable on redemption and conversion of units		50,757	562,316
Accrued expenses and other liabilities	11	116,544	113,666
Total liabilities		174,705	682,216
Net assets		4,792,784	5,705,149
Unitholders' fund (as per statement attached)		4,792,784	5,705,149
Contingencies and commitments	10		
Number of units in issue		90,456,258	110,716,688
		(Rupees)	
Net assets value per unit		52.9845	51.5293

The annexed notes 1 to 19 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
FOR THE QUARTER ENDED SEPTEMBER 30, 2019 (UNAUDITED)**

		September 30,	
	Note	2019	2018
		(Rupees in '000)	
Income			
Profit on sukuk certificates		36,442	10,451
Net realised gain / (loss) on sale of sukuk certificates		95	(11,810)
Profit on saving accounts with banks		<u>80,135</u>	<u>21,487</u>
		116,672	20,128
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.1.1	<u>-</u>	<u>(3,072)</u>
Total income		116,672	17,056
Expenses			
Remuneration to Al Meezan Investment Management Limited - Management Company		6,288	4,785
Sindh Sales Tax on remuneration of the Management Company		817	622
Remuneration to Central Depository Company of Pakistan Limited - Trustee	7	597	548
Sindh Sales Tax on remuneration of the Trustee		78	71
Annual fee to Securities and Exchange Commission of Pakistan	8	191	359
Auditors' remuneration		124	179
Fees and subscription		275	160
Brokerage expense		-	207
Bank and settlement charges		191	53
Allocated expenses	13	1,269	478
Selling and marketing expense	16	2,843	-
Provision for Sindh Workers' Welfare Fund (SWWF)		<u>2,080</u>	<u>192</u>
Total expenses		14,753	7,654
Net income for the quarter before taxation		101,919	9,402
Taxation	15	<u>-</u>	<u>-</u>
Net income for the quarter after taxation		101,919	9,402
Allocation of net income for the quarter			
Net income for the quarter after taxation		101,919	9,402
Income already paid on units redeemed		<u>12,260</u>	<u>(22)</u>
		89,659	9,380
Accounting income available for distribution			
- Relating to capital gains		95	-
- Excluding capital gains		<u>89,564</u>	<u>9,380</u>
		89,659	9,380

The annexed notes 1 to 19 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
FOR THE QUARTER ENDED SEPTEMBER 30, 2019 (UNAUDITED)**

	September 30,	
	2019	2018
	(Rupees in '000)	
Net income for the quarter after taxation	101,919	9,402
Other comprehensive income for the quarter	-	-
Total comprehensive income for the quarter	<u>101,919</u>	<u>9,402</u>

The annexed notes 1 to 19 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 STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND
FOR THE QUARTER ENDED SEPTEMBER 30, 2019 (UNAUDITED)**

	September 30, 2019			September 30, 2018		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at beginning of the quarter	5,409,260	295,889	5,705,149	1,792,404	328,112	2,120,516
Issue of 67,529,786 units (2018: 12,832,443 units)						
- Capital value (at ex-net asset value per unit at the beginning of the quarter)	3,479,762	-	3,479,762	660,688	-	660,688
- Element of income	49,856	-	49,856	260	-	260
Total proceeds on issuance of units	3,529,618	-	3,529,618	660,948	-	660,948
Redemption of 87,790,216 units (2018: 19,079,830 units)						
- Capital value (at ex-net asset value per unit at the beginning of the quarter)	4,523,769	-	4,523,769	982,336	-	982,336
- Element of income	7,873	12,260	20,133	(32)	22	(10)
Total payments on redemption of units	4,531,642	12,260	4,543,902	982,304	22	982,326
Total comprehensive income for the quarter	-	101,919	101,919	-	9,402	9,402
Distribution for the year ended June 30, 2018	-	-	-	-	(37,026)	(37,026)
Refund of capital for the year ended June 30, 2018	-	-	-	(12,782)	-	(12,782)
Total distribution during the quarter	-	-	-	(12,782)	(27,624)	(40,406)
Net assets at end of the quarter	4,407,236	385,548	4,792,784	1,458,266	300,466	1,758,732
Undistributed income brought forward						
- 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		95			-	
- Excluding capital gains		89,564			9,380	
		89,659			9,380	
Final distribution during the year at Rs. 1.2384 per unit i.e 2.48% of the par value of Rs. 50/ each (July 6, 2018)		-			(37,026)	
Undistributed income carried forward		385,453			300,466	
Undistributed income carried forward						
- Realised income		385,453			303,538	
- Unrealised loss		-			(3,072)	
		385,453			300,466	
Net assets value per unit at beginning of the quarter			(Rupees) 51.5293			(Rupees) 51.4856
Net assets value per unit at end of the quarter			52.9845			51.7704

The annexed notes 1 to 19 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
FOR THE QUARTER ENDED SEPTEMBER 30, 2019 (UNAUDITED)**

	September 30,	
	2019	2018
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the quarter before taxation	101,919	9,402
Adjustments for		
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	-	3,072
	101,919	12,474
Decrease / (Increase) in assets		
Investments - net	-	198,160
Deposits, prepayments and other receivables	4,825	907
	4,825	199,067
Increase / (Decrease) in liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	2,312	(369)
Payable to Central Depository Company of Pakistan Limited - Trustee	(36)	(27)
Payable to Securities and Exchange Commission of Pakistan	(1,209)	(1,758)
Payable to Meezan Bank Limited	103	(292)
Accrued expenses and other liabilities	2,878	500
	4,048	(1,946)
Net cash generated from operating activities	110,792	209,595
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	3,533,334	641,613
Payments against redemption and conversion of units	(5,055,461)	(988,054)
Dividend paid	-	(3,775)
Net cash used in financing activities	(1,522,127)	(350,216)
Net decrease in cash and cash equivalents during the quarter	(1,411,335)	(140,621)
Cash and cash equivalents at beginning of the quarter	5,132,514	673,082
Cash and cash equivalents at end of the quarter	3,721,179	532,461

The annexed notes 1 to 19 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
FOR THE QUARTER ENDED SEPTEMBER 30, 2019 (UNAUDITED)**

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 rating of AM1 by VIS Credit Rating Company Limited dated December 28, 2018 (2018: AM1 dated December 29, 2017) and PACRA dated June 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** The title to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as the Trustee

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 VIII A of the repealed
- 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

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements

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 September 30, 2019.

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 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.

5. BALANCES WITH BANKS	Note	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
		(Rupees in '000)	
In saving accounts	5.1	3,718,335	5,129,670
In current accounts		2,844	2,844
		<u>3,721,179</u>	<u>5,132,514</u>

- 5.1 The balance in saving accounts have an expected profit ranging from 3.00% to 13.40% per annum (June 30, 2019: 3.32% to 12.50% per annum).

6. INVESTMENTS	Note	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
		(Rupees in '000)	
Investments - 'at fair value through profit or loss'			
Sukuk Certificates	6.1	<u>1,124,715</u>	<u>1,124,715</u>
6.1 Sukuk Certificates			
Government securities	6.1.1	950,000	950,000
Corporate sukus	6.1.2	174,715	174,715
		<u>1,124,715</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 quarter	Disposed/ matured during the quarter	As at September 30, 2019	Carrying value as at September 30, 2019	Market value as at September 30, 2019	Unrealised gain as at September 30, 2019	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%	950,000	-	-	950,000	950,000	950,000	-	19.82%	84.47%
Total - September 30, 2019							950,000	950,000	-	19.82%	84.47%

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 quarter	Sales / redemptions during the quarter	As at September 30, 2019	Carrying value as at September 30, 2019	Market value as at September 30, 2019	Unrealised (diminution) / appreciation as at September 30, 2019	Percentage in relation to	
			(Number of certificates)			(Rupees in '000)			----- % -----		
Power generation & distribution											
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%	1,706	-	-	1,706	174,715	174,715	-	3.65%	15.53%
Total - September 30, 2019							174,715	174,715	-		

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

During the period, Trustee has revised its tariff as follows;

Existing Tariff		Revised Tariff (Flat Rate)
Net Assets (Rs.)	Fee	
- up to Rs. 1 billion	0.15% p.a. of net assets	0.075% p.a. of Net Assets
- Rs 1 billion to Rs. 10 billion	Rs 1.5 million plus 0.075% p.a. of net assets exceeding Rs 1 billion	
- over Rs. 10 billion	Rs 8.25 million plus 0.06% p.a. of net assets exceeding Rs 10 billion	

Accordingly Fund has charged Trustee Fee @ 0.075% p.a. of Net Assets during the quarter.

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

SECP vide S.R.O. No. 685(I)/2019 dated June 28, 2019, revised rate of annual fee to 0.02% of net assets, applicable on all categories of Collective Investment Schemes with effective from July 1, 2019. Accordingly Fund has charged SECP Fee @

9 PAYABLE TO ALMEEZAN MANAGEMENT LIMITED - MANAGEMENT COMPANY

During the period, the Management Company has reduced charging of the remuneration from 1% to 0.6% of average annual net assets. The reduction in remuneration is effective from July 22, 2019.

10. CONTINGENCIES AND COMMITMENTS

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

	Note	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
11. ACCRUED EXPENSES AND OTHER LIABILITIES		(Rupees in '000)	
Auditors' remuneration payable		472	348
Printing expenses payable		156	156
Brokerage payable		487	501
Shariah advisor fee payable		546	360
Withholding tax payable		12,311	12,021
Capital gain tax payable		1,186	968
Provision for Sindh Workers' Welfare Fund (SWWF)	11.1	18,611	16,531
Zakat payable		136	142
Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	11.2	80,077	80,077
Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	11.2	2,562	2,562
		116,544	113,666

11.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, 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).

- 11.2 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.

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.

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.

Since the appeal is pending in the Supreme Court of Pakistan, the Management Company as a matter of abundant caution has retained the provision on FED and related Sindh Sales Tax on management fee and sales load with effect from June 13, 2013 till June 30, 2016, aggregating to Rs 82.639 million (June 30, 2019: Rs 82.639 million). Had the provision not been made, the

12. 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

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:

	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	2,217	2,859
Sindh Sales Tax payable on management fee	288	372
Sales load payable	567	629
Sindh Sales Tax payable on sales load	74	82
Allocated expense payable	552	286
Selling and marketing expense payable	2842	-
Investment 14,292 units (June 30, 2019 : Nil units)	757	-
Meezan Bank Limited		
Balances with bank	63,874	485,689
Profit receivable on saving accounts	930	1,117
Sales load payable	151	60
Sindh Sales Tax on sales load payable	20	8
Central Depository Company of Pakistan Limited - Trustee		
Security deposits refundable	100	100
Remuneration Payable	444	476
Sindh Sales Tax on trustee fee	58	62
Meezan Financial Planning Fund of Funds - MAAP I		
Investment of 1,220,300 units (June 30, 2019: 3,775,285 units)	64,657	194,538
Meezan Strategic Allocation Fund - MCPP - III		
Investment of nil units (June 30, 2019: 13,138,233 units)	-	677,003
Meezan Strategic Allocation Fund - II - MCPP - IV		
Investment of nil units (June 30, 2019: 17,633,059 units)	-	908,618

Meezan Strategic Allocation Fund - II - MCPP - V Investment of nil units (June 30, 2019: 5,140,342 units)	-	264,878
Meezan Strategic Allocation Fund - II - MCPP - VI Investment of nil units (June 30, 2019: 4,162,469 units)	-	214,489
Meezan Strategic Allocation Fund - II - MCPP - VII Investment of nil units (June 30, 2019: 2,218,732 units)	-	114,330
Meezan Strategic Allocation Fund - II - MCPP - VIII Investment of nil units (June 30, 2019: 1,692,281 units)	-	87,202
Meezan Strategic Allocation Fund - III - MCPP - IX Investment of nil units (June 30, 2019: 198,820 units)	-	10,245
AI Meezan Investment Management Limited - Employees Gratuity Fund Investment of 145,267 units (June 30, 2019: 145,267 units)	7,697	7,486
Directors and their close family members and key management personnel of the Management Company Investment of 4,367,695 units (June 30, 2019: 1,743,755 units)	231,420	89,854
	For the quarter ended September 30	
	2019	2018
	(Unaudited)	
	(Rupees in '000)	
AI Meezan Investment Management Limited - Management Company		
Remuneration for the quarter	6,288	4,785
Sindh Sales Tax on remuneration of the Management Company	817	622
Allocated expenses	1,269	478
Selling and marketing expense	2,843	-
Units issued: 14,292 units (September 30, 2018: nil units)	749	-
Meezan Bank Limited		
Profit on saving accounts	845	224
Central Depository Company of Pakistan Limited - Trustee		
Remuneration for the quarter	597	548
Sindh Sales Tax on trustee fee	78	71
CDS charges for the quarter	175	1
Meezan Financial Planning Fund of Funds - MAAP - I		
Units issued: 1,231,272 units (September 30, 2018: 9 units)	65,000	-
Units redeemed: 3,786,257 units (September 30, 2018: nil units)	200,613	-
Meezan Strategic Allocation Fund - MCPP - III		
Units redeemed: 13,138,233 units (September 30, 2018: nil units)	677,395	-
Meezan Strategic Allocation Fund - II - MCPP - IV		
Units redeemed: 17,633,059 units (September 30, 2018: nil units)	909,145	-
Meezan Strategic Allocation Fund - II - MCPP - V		
Units redeemed: 5,140,342 units (September 30, 2018: nil units)	265,030	-
Meezan Strategic Allocation Fund - II - MCPP - VI		
Units redeemed: 4,162,469 units (September 30, 2018: nil units)	214,613	-
Meezan Strategic Allocation Fund - II - MCPP - VII		
Units redeemed: 2,218,732 units (September 30, 2018: nil units)	114,396	-
Meezan Strategic Allocation Fund - II - MCPP - VIII		
Units redeemed: 1,692,281 units (September 30, 2018: nil units)	87,252	-

	For the quarter ended September 30	
	2019	2018
	(Unaudited) (Rupees in '000)	
Meezan Strategic Allocation Fund - III - MCPP - IX		
Units redeemed: 198,820 units (September 30, 2018: nil units)	<u>10,251</u>	<u>-</u>
Directors and executives of the Management Company		
Units issued: 6,202,110 units (September 30, 2018: 132 units)	<u>325,905</u>	<u>7</u>
Units redeemed: 3,578,170 units (September 30, 2018: nil units)	<u>186,857</u>	<u>-</u>

13. ALLOCATED EXPENSES

In accordance with Regulation 60 of the NBFC Regulations, the Management Company till June 19, 2019 entitled to charge expenses related to registrar services, accounting, operations and valuation services, related to a Collective Investment. However, the Management Company from July 22, 2019, has charged allocated expense @ 0.15% of the average annual net assets (0.10% till July 21, 2019).

14. EXPENSE RATIO

Total Expense Ratio (TER) of the Fund for the quarter ended September 30, 2019 is 1.62% 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, 2018 as

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule

16. 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 three years (from January 1, 2017 till December 31, 2019). The maximum cap of selling and marketing expense shall be 0.4% per annum of net assets of the fund or actual expenses whichever is lower. Accordingly Fund has charged Selling and Marketing expenses @ 0.4% of net assets effective from July 22, 2019.

17. 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.

17.1. 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: quoted price (unadjusted) in an active market 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).
- Level 3: inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at September 30, 2019, the Fund held the following financial instruments measured at fair value:

	As at September 30, 2019		
	Level 1	Level 2	Level 3
ASSETS	----- (Rupees in '000) -----		
Financial assets 'at fair value through profit or loss'			
Sukuk Certificates	-	1,124,715	-
	<u> </u>	<u>1,124,715</u>	<u> </u>
	<u> </u>	<u>1,124,715</u>	<u> </u>
	As at June 30, 2019		
ASSETS	Level 1	Level 2	Level 3
	----- (Rupees in '000) -----		
Financial assets 'at fair value through profit or loss'			
Sukuk Certificates	-	1,124,715	-
	<u> </u>	<u>1,124,715</u>	<u> </u>
	<u> </u>	<u>1,124,715</u>	<u> </u>

16.2 The Fund has not disclosed the fair values for these financial assets and financial liabilities because their carrying amounts are a reasonable approximation of their fair values.

18. GENERAL

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

19. DATE OF AUTHORISATION

This condensed interim financial information was authorised for issue on October 15, 2019 by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

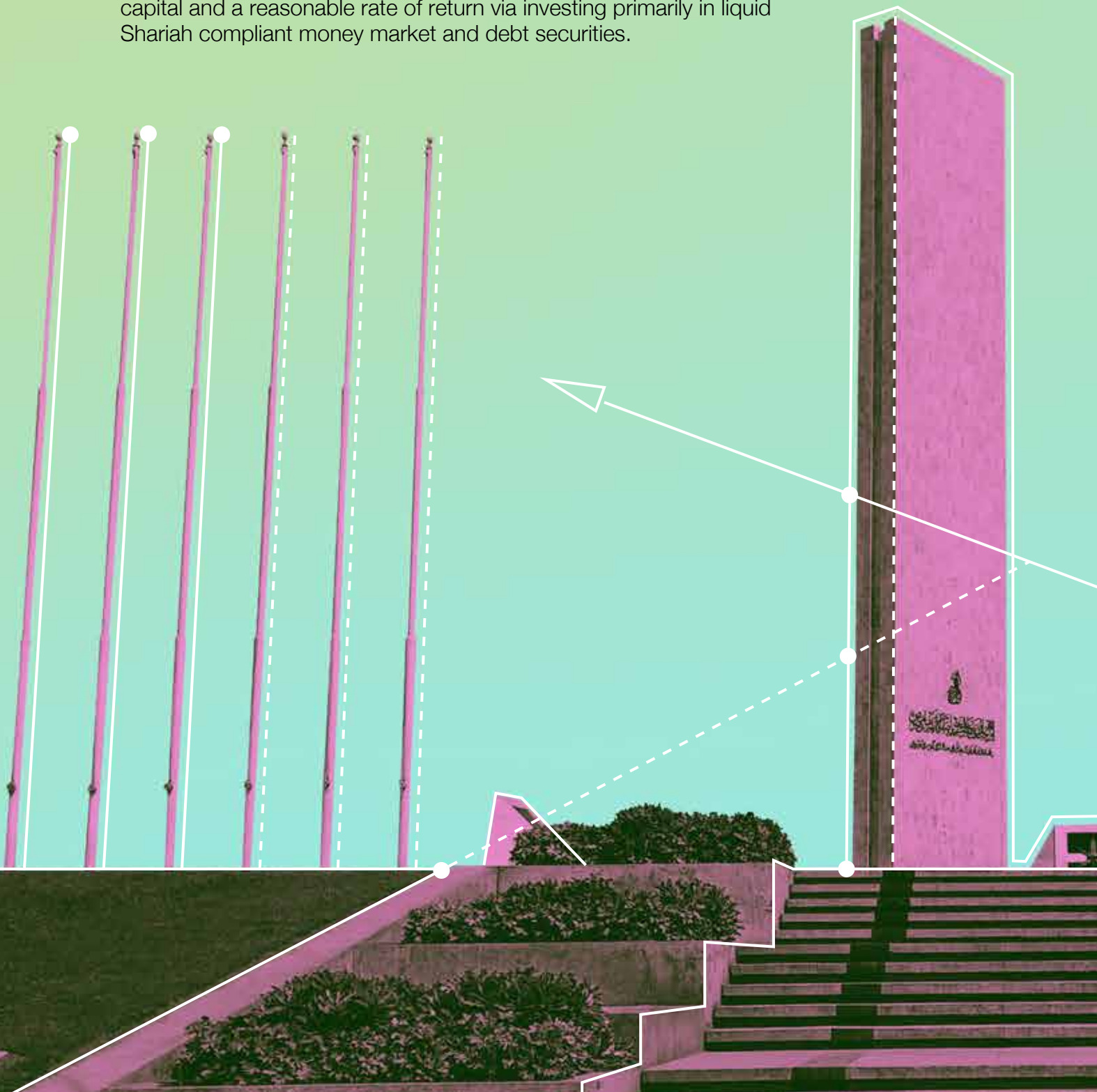
Director




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
E-mail: 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

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited



MEEZAN CASH FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2019

		September 30, 2019 (Unaudited) (Rupees in '000)	June 30, 2019 (Audited)
Assets	Note		
Balances with banks	5.1	6,630,651	2,580,335
Investments	6	3,993,361	6,270,999
Receivable against conversion of units		277,083	130,600
Profit receivable		119,892	92,348
Deposits and prepayments		523	579
Total assets		<u>11,021,510</u>	<u>9,074,861</u>
Liabilities			
Payable to Al Meezan Investment Management Limited - Management Company	8	15,754	11,306
Payable to Central Depository Company of Pakistan Limited - Trustee	10	647	834
Payable to Securities and Exchange Commission of Pakistan	11	552	8,764
Payable against conversion and redemption of units		248,054	98,921
Accrued expenses and other liabilities	9	71,446	103,948
Total liabilities		<u>336,453</u>	<u>223,773</u>
Net assets		<u>10,685,057</u>	<u>8,851,088</u>
Contingencies and commitments	7		
Unitholders' fund (as per statement attached)		<u>10,685,057</u>	<u>8,851,088</u>
		(Number of units)	
Number of units in issue		<u>206,072,440</u>	<u>175,362,634</u>
		(Rupees)	
Net assets value per unit		<u>51.8510</u>	<u>50.4731</u>

The annexed notes 1 to 19 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

**MEEZAN CASH FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

	Note	September 30, 2019 2018 (Rupees in '000)	
Income			
Profit on term deposit receipts		83,006	13,257
Profit on sukuk certificates		58,914	8,496
Profit on Bai Moajjal transactions		15,073	-
Profit on saving accounts with banks		183,454	157,221
Total income		<u>340,447</u>	<u>178,974</u>
Expenses			
Remuneration to AI Meezan Investment Management Limited - Management Company		19,082	25,350
Sindh Sales Tax on management fee		2,481	3,295
Allocated expenses	12	3,825	2,535
Selling and Marketing expense	14	8,521	-
Remuneration to Central Depository Company of Pakistan Limited - Trustee		1,794	2,089
Sindh Sales Tax on trustee fee		233	272
Annual fee to Securities and Exchange Commission of Pakistan		552	1,901
Auditors' remuneration		139	146
Fees and subscription		352	294
Bank and settlement charges		9	12
Provision for Sindh Workers' Welfare Fund		6,069	2,861
Printing expense		-	46
Total expenses		<u>43,057</u>	<u>38,799</u>
Net income for the quarter before taxation		<u>297,390</u>	<u>140,174</u>
Taxation	16	-	-
Net income for the quarter after taxation		<u>297,390</u>	<u>140,174</u>
Allocation of net income for the quarter			
Net income for the period after taxation		297,390	140,174
Income already paid on units redeemed		(70,613)	(18,734)
		<u>226,777</u>	<u>121,440</u>
Accounting income available for distribution			
- Relating to capital gains		-	-
- Excluding capital gains		226,777	121,440
		<u>226,777</u>	<u>121,440</u>

The annexed notes 1 to 19 form an integral part of this condensed interim financial information.

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

Chief Executive

Chief Financial Officer

Director



**MEEZAN CASH FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

	September 30,	
	2019	2018
	(Rupees in '000)	
Net income for the quarter after taxation	297,390	140,174
Other comprehensive income	-	-
Total comprehensive income for the quarter	<u>297,390</u>	<u>140,174</u>

The annexed notes 1 to 19 form an integral part of this condensed interim financial information.

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

Chief Executive

Chief Financial Officer

Director

MEEZAN CASH FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

	September 30,					
	2019			2018		
	Capital Value	Undistributed income / (loss)	Total	Capital Value	Undistributed income / (loss)	Total
	(Rupees in '000)					
Net assets at beginning of the quarter	8,807,969	43,119	8,851,088	9,707,096	213,856	9,920,952
Issuance of 203,672,075 units (September 30,2019: 97,723,041 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	10,279,961	-	10,279,961	4,928,320	-	4,928,320
- Element of income	93,076	-	93,076	27,512	-	27,512
Total proceeds on issuance of units	10,373,037	-	10,373,037	4,955,832	-	4,955,832
Redemption of 172,962,269 units (September 30,2019: 86,758,848 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	8,729,942	-	8,729,942	4,375,379	-	4,375,379
- Element of income	35,903	70,613	106,516	7,433	18,734	26,167
Total payments on redemption of units	8,765,845	70,613	8,836,458	4,382,812	18,734	4,401,546
Total comprehensive income for the quarter	-	297,390	297,390	-	140,174	140,174
Distribution during the quarter	-	-	-	-	(178,008)	(178,008)
Refund of Capital during the quarter	-	-	-	(230,343)	-	(230,343)
Net income for the quarter less distribution	-	297,390	297,390	(230,343)	(37,834)	(268,177)
Net assets at end of the quarter	10,415,161	269,896	10,685,057	10,049,773	157,288	10,207,060
Undistributed income carried forward						
- Realised		43,119			157,288	
- Unrealised		-			-	
		43,119			157,288	
Accounting income available for distribution						
- Relating to capital gains		-			-	
- Excluding capital gains		226,777			157,288	
		226,777			157,288	
Undistributed Income carried forward						
-Realised Income		269,896			157,288	
-Unrealised Income		-			-	
		269,896			157,288	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the quarter	50.4731			50.4315		
Net assets value per unit at end of the quarter	51.8510			51.1406		

The annexed notes 1 to 19 form an integral part of this condensed interim financial information.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



MEEZAN CASH FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

	September 30, 2019	2018
Note	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the quarter before taxation	297,390	140,174
(Increase) / decrease in assets		
Investments - net	1,447,638	(1,058,496)
Deposits and prepayments	56	54
Profit receivable	(27,544)	17,505
	1,420,150	(1,040,937)
Increase / (decrease) in liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	4,448	28
Payable to Central Depository Company of Pakistan Limited - Trustee	(187)	7
Payable to Securities and Exchange Commission of Pakistan	(8,212)	(3,635)
Accrued expenses and other liabilities	(32,502)	3,948
	(36,453)	348
Net cash generated / (used in) from operating activities	1,681,087	(900,415)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	10,226,554	4,586,814
Payments against redemption and conversion of units	(8,687,325)	(4,603,698)
Dividend paid	-	(17,985)
Net cash generated / (used in) from financing activities	1,539,229	(34,869)
Net increase / (decrease) in cash and cash equivalents during the quarter	3,220,316	(935,283)
Cash and cash equivalents at beginning of the quarter	5,430,335	10,127,637
Cash and cash equivalents at end of the quarter	8,650,651	9,192,354
5.3		

The annexed notes 1 to 19 form an integral part of this condensed interim financial information.

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 INFORMATION (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

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 unitholders 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 JCR-VIS dated December 28, 2018 (2018: AM1 dated December 29, 2017) and by PACRA dated June 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.
- 1.5 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 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

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 September 30, 2019.

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

4.2 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. 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.

	Note	September 30, 2019 (Unaudited) (Rupees in '000)	June 30, 2019 (Audited)
5. BALANCES WITH BANKS			
In saving accounts	5.1 & 5.2	6,629,895	2,579,578
In current accounts		756	757
		<u>6,630,651</u>	<u>2,580,335</u>

5.1 The balances in saving accounts have an expected profit ranging from 3.00 % to 14.30 % per annum (June 30, 2019: 3.32% to 12.50% per annum).

5.2 The balances include Rs 56.696 million (June 30, 2019: Rs 131.399 million) with a related party, Meezan Bank Limited, on which average return is earned at 8.15 % (June 30, 2019: 4.00%) per annum.

	Note	September 30, 2019 (Unaudited) (Rupees in '000)	June 30, 2019 (Audited)
5.3 Cash and cash equivalents			
Balances with banks	5	6,630,651	2,580,335
Term deposit receipts - having original maturity of 3 months or less	6.1	2,020,000	2,850,000
		<u>8,650,651</u>	<u>5,430,335</u>

	Note	2019	2018
6 INVESTMENTS			
Investments - at fair value through profit or loss		3,993,361	6,270,999
Investments - loans and receivables		-	-
		<u>3,993,361</u>	<u>6,270,999</u>
At fair value through profit or loss			
Term deposit receipts - having original maturity of 3 months or less	6.1	2,020,000	2,850,000
Corporate sukuku	6.2	675,000	675,000
Commercial papers	6.3	1,298,361	1,471,289
Bai muajjal receivable		-	1,274,710
		<u>3,993,361</u>	<u>6,270,999</u>

6.1 Term Deposit Receipts

Name of the bank	Maturity	Profit rate	As at July 1, 2019	Term deposit receipts placed during the quarter	Matured during the quarter	As at September 30, 2018	Percentage in relation to	
							Net assets of the fund on the basis of market value	Total market value of investment
		%	(Rupees in '000)				%	

Having original maturity of 3 months or less

Faysal Bank Limited	September 6, 2019	10.75%	450,000	-	(450,000)	-	-	-
Askari Bank Limited	September 1, 2019	12.05%	1,200,000	-	(1,200,000)	-	-	-
United Bank Limited - Ameen	September 6, 2019	12.10%	1,200,000	-	(1,200,000)	-	-	-
Meezan Bank Limited	December 2, 2019	13.50%	-	1,000,000	-	1,000,000	9.80	48.58
Askari Bank Limited	December 10, 2019	13.10%	-	1,020,000	-	1,020,000	9.99	50

Total

2,020,000

6.2 Corporate Sukuks

Name of the security	Maturity date	Profit rate	As at July 1, 2019	Purchases during the quarter	Sales / redemptions / maturity during the quarter	As at September 30, 2019	* Carrying value as at September 30, 2019	* Market value as at September 30, 2019	Total market value of investment
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	675,000	675,000	6.32%
Total						<u>135,000</u>	<u>675,000</u>	<u>675,000</u>	

6.2.1 The nominal value of these sukuk certificates is Rs 5,000 each.

6.3 Commercial Papers

Name of the security	Maturity date	Profit rate	As at July 1, 2019	Purchases during the quarter	Sales / redemptions / maturity during the quarter	As at September 30, 2019	Carrying value as at September 30, 2019	Market value as at September 30, 2019	Unrealised (loss) / gain as at September 30, 2019	As a percentage of net assets of the fund	As a percentage of total market value of investment
K-Electric Limited CP II (note 6.3.1)	September 2, 2019	6 months Kibor plus base rate of 0.90%	1,500.0	-	1,500.0	-	-	-	-	-	-
K-Electric Limited CP III (note 6.3.1)	March 19, 2020	6 months Kibor plus base rate of 1.30%	-	1,390.0	-	1,390.0	1,298,361	1,298,361	-	12.15%	32.51%
Total as at September 30, 2019						<u>1,298,361</u>	<u>1,298,361</u>	<u>-</u>			

7. CONTINGENCIES AND COMMITMENTS

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

8. PAYABLE TO ALMEEZAN MANAGEMENT LIMITED - MANAGEMENT COMPANY

During the period, the management company has reduced charging of the management fee from 1% to 0.6% of annual average net assets of the fund. The reduction of management fee is effective from July 22, 2019.

	Note	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
9. ACCRUED EXPENSES AND OTHER LIABILITIES			
(Rupees in '000)			
Auditors' remuneration payable	9.1	474	335
Printing expenses payable		111	111
Brokerage payable		85	85
Shariah advisor fee payable		337	472
Withholding tax payable		6,154	44,483
Federal Excise Duty payable on remuneration of the Management Company	9.2	27,018	27,018
Provision for Sindh Workers' Welfare Fund (SWWF)		36,965	30,896
Zakat payable		302	548
		71,446	103,948

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 SWWF not been provided, the NAV per unit/fund return would have been higher by Re 0.18/ 0.35% (June 30, 2019: Re 0.18).

9.2 As per the requirement of the Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16 percent on the remuneration of the Management Company and sales load was applied effective from June 13, 2013. The Management Company is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED results in double taxation, which does not appear to be the spirit of the law, hence, a petition was collectively filed by the Mutual Funds Association of Pakistan with the Sindh High Court (SHC) on September 4, 2013.

The SHC while disposing of the Constitutional Petition No. D-3184 of 2014 relating to levy of FED on Mutual Funds had declared the said provisions to be ultra vires and as a result no FED was payable with effect from July 1, 2011, (i.e., the date on which Sindh Sales Tax on Services Act, 2011 came into force). However, the tax authorities subsequently filed an appeal against the decision of the SHC in the Supreme Court of Pakistan, which is pending for decision.

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.

Since the appeal is pending in the Supreme Court of Pakistan, the Management Company, as a matter of abundant caution, the Fund has retained the provision on FED and related Sindh Sales Tax on management fee made with effect from June 13, 2013 till June 30, 2016, aggregating to Rs 24.69 million (June 30, 2018: Rs 24.69 million). Had the provision not been made, the NAV per unit of the Fund would have been higher by Re 0.10 (June 30, 2018: Re 0.13) per unit.

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

During the period, Trustee has revised its tariff as follows;

Net Assets (Rs.)	Existing Tariff		Revised Tariff (Flat Rate)
	Fee		
Up to Rs 1 billion	0.15% per annum of net assets, whichever is higher.		0.065% p.a. 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.5 billion	Rs 8.25 million plus 0.06% per annum of net assets exceeding Rs 10 billion.		

Accordingly Fund has charged Trustee Fee @ 0.065% p.a. of Net Assets during the quarter.

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

SECP vide S.R.O. No. 685(I)/2019 dated June 28, 2019, revised rate of annual fee to 0.02% of net assets applicable on all categories of Collective Investment Schemes and effective from July 1, 2019. Accordingly Fund has charged SECP Fee @ 0.02% of net assets during the quarter.

12. ALLOCATED EXPENSES

Uptil June 19, 2019 in accordance with Regulation 60 of the NBFC Regulations, the Management Company was entitled to charge expenses related to registrar services, accounting, operations and valuation services, related to a Collective Investment Scheme (CIS) at the rate of 0.1% of the average annual net assets of the scheme or actual whichever is less. During the year, SECP vide SRO 639 dated June 20, 2019 has removed the maximum cap of 0.1%. Accordingly, the Management Company can now charge actual expenses related to registrar services, accounting, operations and valuation services to the CIS with effect from June 20, 2019.

However, the Management Company continued to charge expenses at the rate 0.1% of the average annual net assets of the Fund for the period from July 1, 2019 to September 30, 2019, being lower than actual expenses.

13. EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the period ended September 30,2019 is 1.56 % which include 0.34 % 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 three years (from January 1, 2017 till December 31, 2019). The maximum cap of selling and marketing expense shall be 0.4% per annum of net assets of the fund or actual expenses whichever is lower. Accordingly, such expenses have been charged to the Fund during the quarter at the rate of 0.4% of the net assets of the Fund being lower than actual expenses incurred.

15. 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 Regulations and the Trust Deed respectively.

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



	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	5,244	9,192
Sindh Sales Tax payable on management fee	682	1,195
Selling and Marketing Payable	8,521	-
Allocated expenses payable	1,308	919
Meezan Bank Limited		
Balance with bank	56,713	131,399
Profit receivable on saving accounts	728	170
Term deposit receipt	1,000,000	-
Profit receivable on Term deposit receipt	10,726	-
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	573	738
Sindh Sales Tax on trustee fee payable	74	96
Security deposit	100	100
Meezan Financial Planning Fund of Funds - Aggressive Allocation Plan		
Investment of nil units (June 30, 2019: 898,802 units)	-	45,365
Meezan Financial Planning Fund of Funds- Conservative Allocation Plan		
Investment of nil units (June 30, 2019: 1,628,815 units)	-	82,211
Meezan Financial Planning Fund of Funds - Moderate Allocation Plan		
Investment of nil units (June 30, 2019: 1,000,001 units)	-	50,473
Meezan Financial Planning Fund of Funds - MAAP - I		
Investment of 3,714,568 units (June 30, 2019: 8,448 units)	192,604	426
Meezan Strategic Allocation Fund - MSAP - II		
Investment of nil units (June 30, 2019: 1,616 units)	-	82
Meezan Strategic Allocation Fund - MSAP - III		
Investment of nil units (June 30, 2019: 116,450 units)	-	5,878
Meezan Strategic Allocation Fund - MSAP - IV		
Investment of nil units (June 30, 2019: 158,203 units)	-	7,985
Meezan Strategic Allocation Fund - MSAP - V		
Investment of nil units (June 30, 2019: 786,614 units)	-	39,703
Meezan Strategic Asset Allocation Fund - MCPP - III		
Investment of 16,149,623 units (June 30, 2019: nil units)	837,374	-
Meezan Strategic Allocation Fund II- MCPP - V		
Investment of 46 units (June 30, 2019: nil units)	2	-
Meezan Strategic Allocation Fund II- MCPP - VI		
Investment of 42 units (June 30, 2019: nil units)	2	-
Meezan Strategic Allocation Fund III- MCPP - IX		
Investment of nil units (June 30, 2019: 64,627 units)	-	3,262
Directors and Executives of the Management Company		
Investment of 494,902 units (June 30, 2019: 485,288 units)	25,661	24,494

	For the quarter ended September 30,	
	2019	2018
	(Unaudited)	(Unaudited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration for the period	19,082	25,350
Sindh Sales Tax on management fee	2,481	3,295
Allocated expenses	3,825	2,535
Selling and Marketing	8,521	-
Units issued: 16 units (September 30, 2018: 992 units)	1	51
Units redeemed: 16 units (September 30, 2018: nil units)	1	-
Meezan Bank Limited		
Profit on saving accounts	1,568	704
Term deposit receipt placed	1,000,000	-
Profit on Term deposit receipt	10,726	-
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee for the period	1,794	2,089
Sindh Sales Tax on trustee fee for the period	233	272
CDS charges	1	2
Meezan Financial Planning Fund of Funds - Aggressive Allocation Plan		
Units issued: Nil units (September 30, 2018: 24,621 units)	-	1,250
Units redeemed: 898,802 units (September 30, 2018: 13,596 units)	45,839	688
Dividend Paid	-	2,304
Refund of Capital	-	257
Meezan Financial Planning Fund of Funds - Conservative Allocation Plan		
Units issued: Nil units (September 30, 2018: 69,960 units)	-	3,563
Units redeemed: 1,628,815 units (September 30, 2018: 162,532 units)	83,034	8,250
Dividend Paid	-	3,957
Refund of Capital	-	410
Meezan Financial Planning Fund of Funds - Moderate Allocation Plan		
Units redeemed: 1,000,001 units (September 30, 2018: 227,324 units)	50,914	11,500
Dividend Paid	-	2,766
Refund of Capital	-	421
Meezan Financial Planning Fund of Funds - MAAP - I		
Units issued: 3,820,836 units (September 30, 2018: Nil units)	196,312	-
Units redeemed: 114,716 units (September 30, 2018: 40,096 units)	5,900	2,040
Dividend Paid	-	855
Refund of Capital	-	368
Meezan Financial Planning Fund of Funds - MAAP - IV		
Units issued: Nil units (September 30, 2018: 7,327,574 units)	-	370,000
Units redeemed: Nil units (September 30, 2018: 8,331,559 units)	-	421,491
Dividend Paid	-	1,833
Refund of Capital	-	251
Meezan Strategic Allocation Fund - MSAP - I		
Units redeemed: Nil units (September 30, 2018: 313,127 units)	-	15,875
Dividend Paid	-	7,744
Refund of Capital	-	136
Meezan Strategic Allocation Fund - MSAP - II		
Units redeemed: 1,616 units (September 30, 2018: 290,542 units)	83	14,740
Dividend Paid	-	3,550
Meezan Strategic Allocation Fund - MSAP - III		
Units redeemed: 116,450 units (September 30, 2018: 310,242 units)	5,926	15,740
Dividend Paid	-	6,326
Refund of Capital	-	95
Meezan Strategic Allocation Fund - MSAP - IV		
Units redeemed: 158,203 units (September 30, 2018: 879,895 units)	233,600	44,810
Dividend Paid	-	15,075
Refund of Capital	-	185

For the quarter ended
September 30,

	2019 (Unaudited)	2018 (Unaudited)
	(Rupees in '000)	
Meezan Strategic Allocation Fund - MSAP - V		
Units redeemed: 786,614 units (September 30,2018: 67,834 units)	40,274	3,450
Dividend Paid	-	3,312
Refund of Capital	-	1,332
Meezan Strategic Asset Allocation Fund - MCPP-III		
Units Issued: 37,706,480 units (September 30,2018: 2,862,078 units)	1,920,788	145,100
Units redeemed: 21,556,857 units (September 30,2018: 11,722,848 units)	1,102,953	169,140
Dividend Paid	-	16,480
Refund of Capital	-	33,815
Meezan Strategic Allocation Fund II- MCPP - IV		
Units issued: 25,324,885 units (September 30,2018: 12,049,693 units)	1,281,258	612,941
Units redeemed: 25,324,885 units (September 30,2018: 9,277,041 units)	1,295,287	471,698
Dividend Paid	-	26,419
Refund of Capital	-	113,883
Meezan Strategic Allocation Fund II- MCPP - V		
Units issued: 7,369,902 units (September 30,2018: 5,568,122 units)	372,855	281,600
Units redeemed: 7,369,858 units (September 30,2018: 2,898,898 units)	375,734	146,720
Dividend Paid	-	1,360
Refund of Capital	-	19,413
Meezan Strategic Allocation Fund II- MCPP - VI		
Units issued: 5,855,367 units (September 30,2018: 13,134,096 units)	296,207	668,000
Units redeemed: 5,855,325 units (September 30,2018: 1,535,967)	298,555	77,970
Meezan Strategic Allocation Fund II- MCPP - VII		
Units issued: 3,058,517 units (September 30,2018: Nil units)	154,708	-
Units redeemed: 3,058,517 units (September 30,2018: Nil units)	155,937	-
Meezan Strategic Allocation Fund II- MCPP - VIII		
Units issued: 4,124,642 units (September 30,2018: Nil units)	209,083	-
Units redeemed: 4,124,635 units (September 30,2018: Nil units)	209,717	-
Meezan Strategic Allocation Fund III- MCPP - IX		
Units issued: 1,474,895 units (September 30,2018: Nil units)	74,789	-
Units redeemed: 1,539,522 units (September 30,2018: Nil units)	78,256	-
Directors and Executives of the Management Company		
Units issued: 269,542 units (September 30,2018: 213,524 units)	13,758	10,822
Units redeemed: 259,928 units (September 30,2018: 184,069 units)	13,250	9,344
Dividend Paid	-	111
Refund of Capital	-	186

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 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, 2018 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.

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 September 30, 2019, the Fund held the following financial instruments measured at fair values:

	As at September 30, 2019			
	Level 1	Level 2	Level 3	Total
ASSETS	(Rupees in '000)			
Financial assets 'at fair value through profit or loss'				
Corporate sukuks	-	675,000	-	675,000
Commercial papers	-	1,298,361	-	1,298,361
Term deposit receipts	-	2,020,000	-	2,020,000
- having original maturity of 3 months or less	-	3,993,361	-	3,993,361
	As at June 30, 2019			
	Level 1	Level 2	Level 3	Total
ASSETS	(Rupees in '000)			
Financial assets 'at fair value through profit or loss'				
Corporate sukuks *	-	675,000	-	675,000
Commercial papers	-	1,471,289	-	1,471,289
Term deposit receipts*	-	2,850,000	-	2,850,000
- having original maturity of 3 months or less	-	1,274,710	-	1,274,710
Bai Muajjal receivable	-	6,270,999	-	6,270,999

* 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.



18. GENERAL

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

19 DATE OF AUTHORISATION

This condensed interim financial information was authorised for issue on October 15, 2019 by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

Director

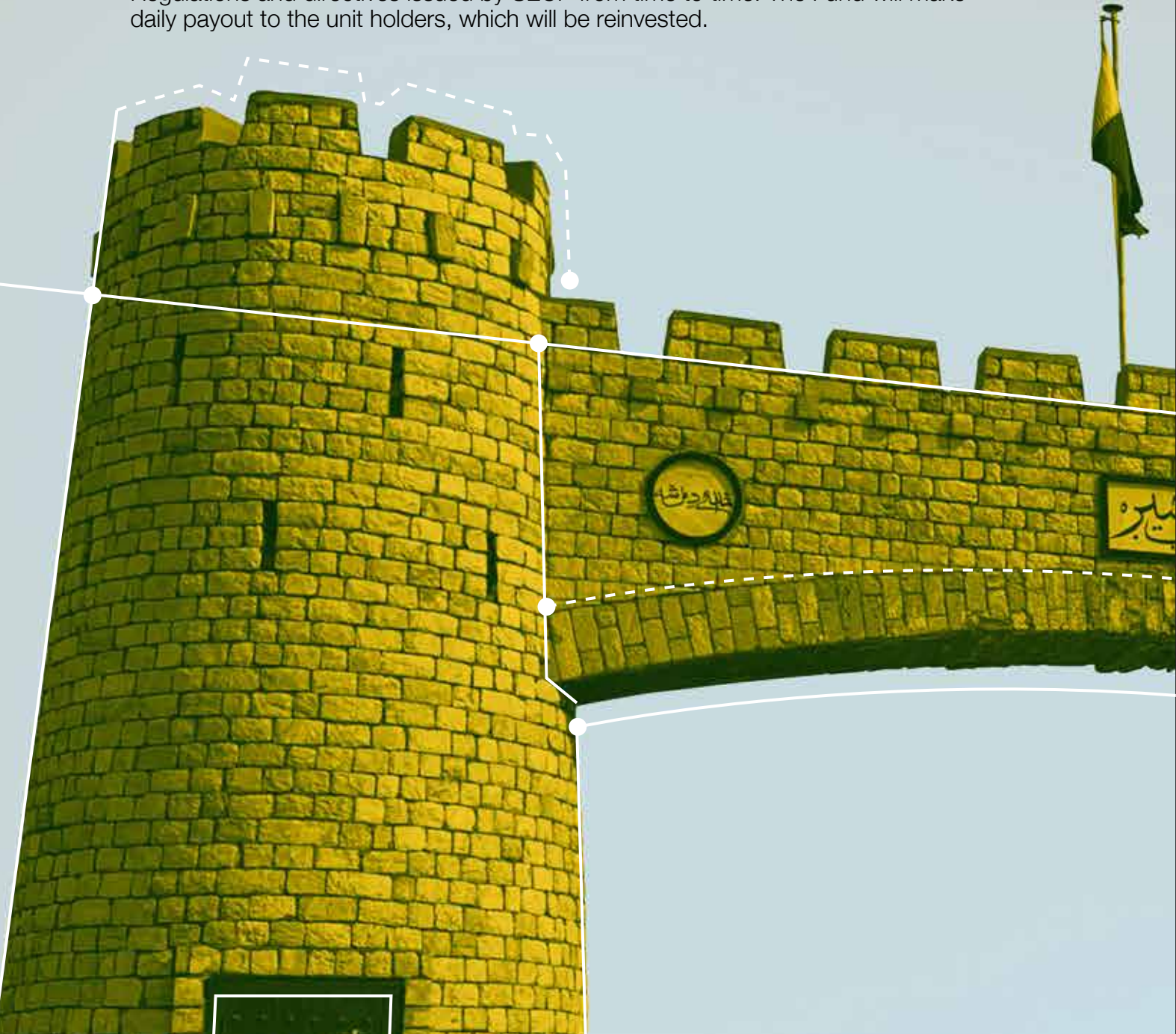


Meezan
Rozana Amdani Fund


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.

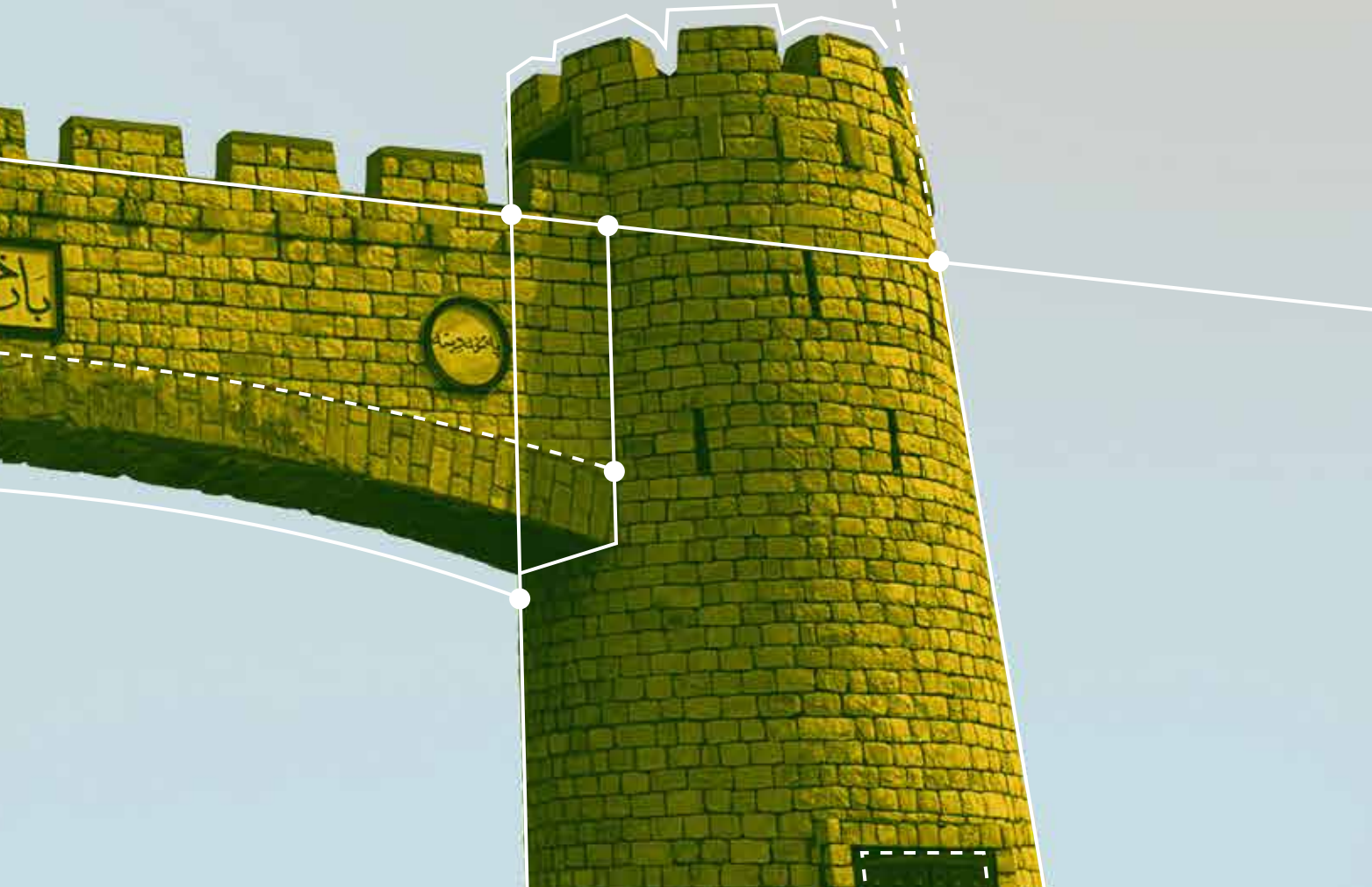
The Fund shall be subject to such exposure limits as are specified in the Rules, the Regulations and directives issued by SECP from time to time. The Fund will make daily payout to the unit holders, which will be reinvested.



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
E-mail: 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

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited



**MEEZAN ROZANA AMDANI FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2019**

		September 30, 2019	June 30, 2019
	Note	(Unaudited)	(Audited)
		(Rupees in '000)	
Assets			
Balances with banks	5	14,412,340	7,673,651
Investments	6	10,876,284	8,359,401
Receivable against conversion of units		66,028	74,205
Profit receivable		228,665	160,695
Deposits and prepayments		216	266
Preliminary expenses and floatation costs		849	899
Total assets		25,584,382	16,269,117
Liabilities			
Payable to AI Meezan Investment Management Limited - Management Company	10	22,719	9,360
Payable to Central Depository Company of Pakistan Limited - Trustee	11	1,625	1,173
Payable to Securities and Exchange Commission of Pakistan	12	1,160	3,418
Payable on redemption and conversion of units		81,323	96,609
Dividend payable		25,443	9,333
Accrued expenses and other liabilities	8	43,358	14,784
Total liabilities		175,628	134,677
Net assets		25,408,754	16,134,440
Contingencies and commitments	7		
Unitholders' fund (as per statement attached)		25,408,754	16,134,440
		(Number of units)	
Number of units in issue		508,175,088	322,688,791
		(Rupees)	
Net assets value per unit		50.0000	50.0000

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

**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 QUARTER ENDED SEPTEMBER 30, 2019**

	September 30, 2019	
		Note
		(Rupees in '000)
Income		
Net realised loss on sale of investment	(828)	
Profit on sukuk certificates	23,733	
Profit on commercial papers	54,300	
Profit on term deposit receipts	156,555	
Profit on Bai Moajjal	70,288	
Profit on saving accounts with banks	429,214	
Total income	<u>733,262</u>	
Expenses		
Remuneration to Al Meezan Investment Management Limited - Management Company	18,391	10
Sindh Sales Tax on management fee	2,391	
Selling and Marketing expense	16,208	13
Remuneration to Central Depository Company of Pakistan Limited - Trustee	3,770	11
Sindh Sales Tax on trustee fee	490	
Annual fee to Securities and Exchange Commission of Pakistan	1,160	12
Auditors' remuneration	100	
Fees and subscription	319	
Brokerage expense	388	
Bank and settlement charges	446	
Amortization of Preliminary expense and floatation costs	50	
Provision for Sindh Workers' Welfare Fund	13,791	
Total expenses	<u>57,504</u>	
Net income for the quarter before taxation	<u>675,758</u>	
Taxation	-	12
Net income for the quarter after taxation	<u><u>675,758</u></u>	
Allocation of net income for the quarter		
Net income for the quarter after taxation	675,758	
Income already paid on units redeemed	-	
	<u><u>675,758</u></u>	
Accounting income available for distribution		
- Relating to capital gains	-	
- Excluding capital gains	675,758	
	<u><u>675,758</u></u>	

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

**For Al 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 QUARTER ENDED SEPTEMBER 30, 2019**

	September 30, 2019
	(Rupees in '000)
Net income for the quarter after taxation	675,758
Other comprehensive income	-
Total comprehensive income for the quarter	<u><u>675,758</u></u>

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

**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 QUARTER ENDED SEPTEMBER 30, 2019**

	September 30, 2019 (Rupees in '000)
CASH FLOWS FROM OPERATING ACTIVITIES	
Net income for the quarter before taxation	675,758
(Increase) / decrease in assets	
Investments - net	(2,466,883)
Deposits and prepayments	50
Profit receivable	(67,970)
Preliminary expense and flotation costs	50
	(2,534,753)
Increase / (decrease) in liabilities	
Payable to Al Meezan Investment Management Limited - Management Company	13,359
Payable to Central Depository Company of Pakistan Limited - Trustee	452
Payable to Securities and Exchange Commission of Pakistan	(2,258)
Accrued expenses and other liabilities	28,574
	40,127
Net cash used in operating activities	(1,818,868)
CASH FLOWS FROM FINANCING ACTIVITIES	
Receipts against issuance and conversion of units	32,046,447
Payments against redemption and conversion of units	(22,779,243)
Dividend paid	(659,648)
Net cash generated from financing activities	8,607,557
Net increase in cash and cash equivalents during the quarter	6,788,689
Cash and cash equivalents at the beginning of the quarter	12,323,651
Cash and cash equivalents at end of the quarter	5.3 19,112,340

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

**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 QUARTER ENDED SEPTEMBER 30, 2019

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 unitholders on a daily basis.
- (b) Daily dividend received by the unitholder 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 in the process of listing on the Pakistan Stock Exchange.

1.5 As per the offering document approved by the SECP, the accounting period, in case of the first such period, shall commence from the date on which the trust property is first paid or transferred to the Trustee. Accordingly, these financial statements have been prepared from December 28, 2018.

1.6 The Management Company has been assigned a quality rating of AM1 by VIS dated December 28, 2018 (2018: AM1 dated December 29, 2017) and PACRA dated June 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.

1.7 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 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 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.

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 september 30, 2019.

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 condensed interim financial statements of the Fund for the period ended June 30,2019.
- 4.2 The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Fund for the period ended June 30.2019

		September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
	Note	(Rupees in '000)	
5. BALANCES WITH BANKS			
In saving accounts	5.1 & 5.2	14,412,315	7,673,626
In current accounts		25	25
		<u>14,412,340</u>	<u>7,673,651</u>

- 5.1 The balances in saving accounts have an expected profit ranging from 3.00 % to 14.30 % per annum .
- 5.2 The balances include Rs 86 million with a related party, Meezan Bank Limited, on which average return is earned at 8.15% per annum.

		September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
	Note	(Rupees in '000)	
5.3 Cash and cash equivalents			
Balances with banks	5	14,412,340	7,673,651
Term deposit receipts - having original maturity of 3 months or less	6	4,700,000	4,650,000
		<u>19,112,340</u>	<u>12,323,651</u>

		September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
	Note	(Rupees in '000)	
6. INVESTMENTS			
At fair value through profit or loss			
Commercial Paper	6.1	2,456,509	1,558,584
Corporate Sukuk	6.2	675,000	675,000
Term deposit receipts - having original maturity of 3 months or less	6.3	4,700,000	4,650,000
Bai Moajjal Receivable	6.4	3,044,775	1,475,817
		<u>8,419,775</u>	<u>6,800,817</u>

6.1 Commercial papers

Name of the security	Maturity date	Profit rate	As at July 1, 2019	Purchases during the quarter	Sales / redemptions / maturity during the quarter	As at September 30, 2019	* Carrying value as at September 30, 2019	* Market value as at September 30, 2019	Total market value of investment
			(Number of certificates)			(Rupees in '000)			— % —
K-Electric Limited CP-2 Sukuk (note 6.2.1)	September 2, 2019	6 months Kibor plus base rate of 0.90%	1,589	-	(1,589)	-	-	-	0.00%
K-Electric Limited CP-A Sukuk (note 6.2.1)	February 28, 2020	6 months Kibor plus base rate of 1.30%	-	1,200	-	1,200	1,120,264	1,120,264	7.77%
K-Electric Limited CP-3 Sukuk (note 6.2.1)	March 09, 2020	6 months Kibor plus base rate of 1.30%	-	1,420	-	1,420	1,336,245	1,336,245	12.29%
Total						2,620	2,456,509	2,456,509	

6.1.1 The nominal value of these commercial papers is Rs 1,000,000 each.

6.2 Corporate Sukuk

Name of the security	Maturity date	Profit rate	As at July 1, 2019	Purchases during the quarter	Sales / redemptions during the quarter	As at September 30, 2019	Carrying value as at September 30, 2019	Market value as at September 30, 2019	Unrealised appreciation / (diminution)	Percentage in relation to	
										Net assets of the Fund	Total market value of investment
			(Number of certificates)			(Rupees in '000)			% -----		
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	675,000	675,000	-	6.21%	6.21%

Total as at September 30, 2019

675,000 675,000

6.3 Term deposit receipts

Name of the bank	Maturity	Profit rate	As at July 1, 2019	Term deposit receipts placed during the quarter	Matured during the quarter	As at September 30, 2019	Percentage in relation to	
							Net assets of the fund	Total market value of investment
		%	(Rupees in '000)			% -----		
Faysal Bank Limited	September 8, 2019	12.15%	1,550,000	-	1,550,000	-	0.00%	0.00%
Askari Bank Limited	September 17, 2019	12.05%	1,600,000	-	1,600,000	-	0.00%	0.00%
Meezan Bank Limited	September 20, 2019	12.25%	1,500,000	-	1,500,000	-	0.00%	0.00%
Faysal Bank Limited	December 6, 2019	13.53%	-	2,000,000	-	2,000,000	7.87%	18.39%
Meezan Bank Limited	December 2, 2019	13.50%	-	1,200,000	-	1,200,000	4.72%	11.03%
Meezan Bank Limited	December 20, 2019	13.50%	-	1,500,000	-	1,500,000	5.90%	13.79%
Total						4,700,000		

6.4 Bai Muajjal receivable

The fund entered in a Bai Muajjal transaction on August 05, 2019 and August 27, 2019 respectively against K-Electric Commercial Paper II (issued on March 1, 2019) at an effective interest rate of 13.00% and 13.40%. The final payment is agreed to be received on November 04, 2019 and November 25, 2019.

7. CONTINGENCIES AND COMMITMENTS

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

	Note	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
8. ACCRUED EXPENSES AND OTHER LIABILITIES			
(Rupees in '000)			
Auditors' remuneration		300	200
Brokerage payable		472	85
Shariah advisor fee payable		269	538
Withholding tax payable		19,182	4,649
Provision for Sindh Workers' Welfare Fund (SWWF)	8.1	23,090	9,299
Zakat Payable		45	13
		43,358	14,784

- 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 provided, the net asset value per unit of the Fund as at September 30, 2019 would have been higher by Re 0.05/0.10% (June 30, 2019 :0.03 per unit)

9. EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the period ended September 30, 2019 is 0.99 % which include 0.31% representing government levy, Sindh Workers' Welfare Fund and SECP fee.

10. PAYABLE TO ALMEEZAN 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

During the period, Trustee has revised its tariff as follows;

Existing Tariff		Revised Tariff (Flat Rate)
Net Assets (Rs.)	Fee	
Up to Rs 1 billion	0.15% per annum of net assets,	0.065% p.a. 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 Fund has charged Trustee Fee @ 0.065% p.a. of Net Assets during the quarter.

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

SECP vide S.R.O. No. 685(I)/2019 dated June 28, 2019, revised rate of annual fee to 0.02% of net assets, applicable on all categories of Collective Investment Schemes with effective from July 1, 2019. Accordingly Fund has charged SECP Fee @ 0.02% of net assets during the quarter.

13. 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 three years (from January 1, 2017 till December 31, 2019). The maximum cap of selling and marketing expense shall be 0.34% per annum of net assets of the fund or actual expenses whichever is lower. Accordingly Fund has charged Selling and Marketing expenses @ 0.34% of net assets effective from July 22, 2019.

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 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 Regulations and the Trust Deed respectively.

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

	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	5,762	8283
Sindh Sales Tax payable on management fee	749	1077
Selling and Marketing Payable	16,208	-
Investment of 22,395,405 units (June 30, 2019:16,629,842 units)	1,119,770	835,975
Meezan Bank Limited		
Balance with bank	86,650	55,616
Profit receivable on saving accounts	744	364
Term deposit receipt	2,700,000	-
Profit receivable on Term deposit receipts	20,256	-
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	1,438	1,038
Sindh Sales Tax on trustee fee payable	187	135
Security deposit	100	100
Meezan Strategic Allocation Fund - MSAP - I		
Investment of 9,227,322 units (June 30, 2019:1,486,486 units)	461,366	74,324
Meezan Strategic Allocation Fund - MSAP - II		
Investment of 3,319,363 units (June 30, 2019:1,014,332 units)	165,968	50,717
Meezan Strategic Allocation Fund - MSAP - III		
Investment of 4,997,294 units (June 30, 2019:1,222,400 units)	249,865	61,120
Meezan Strategic Allocation Fund - MSAP - IV		
Investment of 5,324,142 units (June 30, 2019:1,378,452 units)	266,207	68,923



	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
	(Rupees in '000)	
Meezan Strategic Allocation Fund - MSAP - V		
Investment of 1,539,038 units (June 30, 2019:220,080 units)	76,952	11,004
Meezan Strategic Asset Allocation Fund - MCPP - III		
Investment of 2,730,732 units (June 30, 2019:4,521,293 units)	136,537	226,065
Meezan Strategic Allocation Fund -II - MCPP - IV		
Investment of 22,762,465 units (June 30, 2019:6,081,739 units)	1,138,123	304,087
Meezan Strategic Allocation Fund-II- MCPP - V		
Investment of 6,106,264 units (June 30, 2019:2,000,572 units)	305,313	100,029
Meezan Strategic Allocation Fund II- MCPP - VI		
Investment of 4,976,270 units (June 30, 2019:1,420,406 units)	248,814	71,020
Meezan Strategic Allocation Fund II- MCPP - VII		
Investment of 2,742,169 units (June 30, 2019:760,217 units)	137,108	38,011
Meezan Strategic Allocation Fund II- MCPP - VIII		
Investment of 2,053,678 units (June 30, 2019:460,132 units)	102,684	23,007
Meezan Strategic Allocation Fund III- MCPP - IX		
Investment of 1,962,807 units (June 30, 2019: Nil units)	98,140	-
Unitholders holding 10 percent or more of the Fund		
Investment of 132,407,832 units (June 30, 2019:58,295,559 units)	6,620,392	2,914,778
Directors and Executives of the Management Company		
Investment of 41,711 units (June 30, 2019: 2,054,642 units)	2,086	114,559
		For the quarter ended September 30, 2019
		-(Unaudited) (Rupees in '000)
AI Meezan Investment Management Limited - Management Company		
Remuneration for the period		18,391
Sindh Sales Tax on management fee		2,391
Selling and Marketing Expense		16,208
Units issued: 11,718,886 units		585,944
Units redeemed: 5,953,323 units		297,666
Dividend Paid		27,865
Meezan Bank Limited		
Profit on saving accounts		2,148
Term deposit receipt placed		2,700,000
Term deposit receipt matured		1,500,000
Profit on Term deposit receipts		20,256

**For the
quarter ended
September 30,
2019**

**(Unaudited)
(Rupees in '000)**

Central Depository Company of Pakistan Limited - Trustee

Trustee fee for the period	3,770
Sindh Sales Tax on trustee fee for the period	490
CDS charges	375

Meezan Strategic Allocation Fund - MSAP - I

Units issued: 9,696,755 units	484,838
Units redeemed: 1,955,919 units	97,796
Dividend paid	5,604

Meezan Strategic Allocation Fund - MSAP - II

Units issued: 3,451,102 units	172,555
Units redeemed: 1,146,071 units	57,304
Dividend paid	2,697

Meezan Strategic Allocation Fund - MSAP - III

Units issued: 5,309,861 units	265,493
Units redeemed: 1,534,967 units	76,748
Dividend paid	3,981

Meezan Strategic Allocation Fund - MSAP - IV

Units issued: 5,605,930 units	280,297
Units redeemed: 1,660,240 units	83,012
Dividend paid	4,258

Meezan Strategic Allocation Fund - MSAP - V

Units issued: 1,755,760 units	87,788
Units redeemed: 436,802 units	21,840
Dividend paid	1,176

Meezan Strategic Asset Allocation Fund - MCPP-III

Units issued: 24,127,681 units	1,206,384
Units redeemed: 25,918,243 units	1,295,912
Dividend paid	7,064

Meezan Strategic Allocation Fund II- MCPP - IV

Units issued: 24,857,383 units	1,242,869
Units redeemed: 8,176,657 units	408,833
Dividend Paid	18,633

Meezan Strategic Allocation Fund II- MCPP - V

Units issued: 7,076,572 units	353,829
Units redeemed: 2,970,880 units	148,544
Dividend Paid	6,465

Meezan Strategic Allocation Fund II- MCPP - VI

Units issued: 5,851,355 units	292,568
Units redeemed: 2,295,491 units	114,775
Dividend Paid	5,180

Meezan Strategic Allocation Fund II- MCPP - VII

Units issued: 2,902,040 units	145,102
Units redeemed: 920,088 units	46,004
Dividend Paid	2,773

Meezan Strategic Allocation Fund II- MCPP - VIII

Units issued: 4,656,902 units	232,845
Units issued: 3,063,357 units	153,167
Dividend Paid	2,412



**For the
quarter ended
September 30,
2019**

**(Unaudited)
(Rupees in '000)**

Meezan Strategic Allocation Fund III- MCPP - IX

Units issued: 3,369,887 units	168,494
Units issued: 1,407,079 units	70,354
Dividend Paid	1,859

Directors and Executives of the Management Company

Units issued: 13,779 units	689
Units redeemed: 2,263,247 units	113,162
Dividend Paid	810

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, 2019 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 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 December 31, 2018, the Fund held the following financial instruments measured at fair values:

	As at September 30, 2019			Total
	Level 1	Level 2	Level 3	
ASSETS	(Rupees in '000)			
Financial assets 'at fair value through profit or loss'				
Corporate sukuks *	-	675,000	-	675,000
Commercial papers		2,456,509	-	2,456,509
Term deposit receipts - having original maturity of 3 months or less *		4,700,000	-	4,700,000
Bai Muajjal receivable		3,044,775	-	3,044,775
	<u>10,876,284</u>	<u>10,876,284</u>	<u>10,876,284</u>	<u>10,876,284</u>

ASSETS	As at June 30, 2019			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
Financial assets 'at fair value through profit or loss'	-	-	-	-
Corporate sukuku *	-	675,000	-	675,000
Commercial papers	-	1,558,584	-	1,558,584
Term deposit receipts - having original maturity of 3 months	-	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.

18. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on October 15, 2019 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
E-mail: 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

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited



**MEEZAN FINANCIAL PLANNING FUND OF FUNDS
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2019**

September 30, 2019

----- (Unaudited) -----						
	Aggressive	Moderate	Conservative	MAAP-I	Total	
Note ----- (Rupees in '000) -----						
Assets						
Balances with banks	5	2,409	2,800	2,824	23,239	31,272
Investments	6	343,112	141,050	182,928	472,639	1,139,729
Receivable against conversion of units		1	-	56	-	57
Receivable against sale of investments		6,019	3,657	3,643	6,370	19,689
Profit receivable on saving accounts with banks		34	38	24	146	242
Total assets		<u>351,575</u>	<u>147,545</u>	<u>189,475</u>	<u>502,394</u>	<u>1,190,989</u>
Liabilities						
Payable to AI Meezan Investment Management Limited - Management Company		44	14	19	60	137
Payable to Central Depository Company of Pakistan Limited - Trustee	7	26	9	20	22	77
Payable to Meezan Bank Limited		1	-	1	-	2
Payable to Securities and Exchange Commission of Pakistan	8	16	8	10	26	60
Payable on redemption and conversion of units		210	2,366	228	1,482	4,286
Payable against purchase of investments		6,019	3,657	3,643	5,001	18,320
Accrued expenses and other liabilities	10	4,201	3,065	1,941	11,014	20,221
Total liabilities		<u>10,517</u>	<u>9,119</u>	<u>5,862</u>	<u>17,605</u>	<u>43,103</u>
Net assets		<u>341,058</u>	<u>138,426</u>	<u>183,613</u>	<u>484,789</u>	<u>1,147,886</u>
Contingencies and commitments	9					
Unitholders' fund (as per statement attached)		<u>341,058</u>	<u>138,426</u>	<u>183,613</u>	<u>484,789</u>	<u>1,147,886</u>
----- (Number of units) -----						
Number of units in issue		<u>6,113,316</u>	<u>2,610,200</u>	<u>3,346,640</u>	<u>10,662,348</u>	
----- (Rupees) -----						
Net assets value per unit		<u>55.7894</u>	<u>53.0326</u>	<u>54.8648</u>	<u>45.4673</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 STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2019**

		As at June 30, 2019				As at July 24, 2018		
		----- (Audited) -----						
		Aggressive	Moderate	Conservative	MAAP-I	Total	MAAP-IV	
		----- (Rupees in '000) -----						
Assets								
Note								
	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
	Total assets		<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>
Liabilities								
	Payable to Al Meezan Investment Management Limited - Management Company		60	26	21	52	159	111
	Payable to Central Depository Company of Pakistan Limited - Trustee	7	38	18	27	44	127	33
	Payable to Meezan Bank Limited		1	-	-	-	1	-
	Payable to Securities and Exchange Commission of Pakistan	8	440	232	237	701	1,610	630
	Payable on redemption and conversion of units		192	338	314	-	844	-
	Accrued expenses and other liabilities	10	4,162	3,045	1,917	10,974	20,098	5,438
	Total liabilities		<u>4,893</u>	<u>3,659</u>	<u>2,516</u>	<u>11,771</u>	<u>22,839</u>	<u>6,212</u>
	NET ASSETS		<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>
	UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		<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>
	CONTINGENCIES AND COMMITMENTS	9						
		----- (Number of units) -----						
	NUMBER OF UNITS IN ISSUE		<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) -----						
	NET ASSET VALUE PER UNIT		<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 Al 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 QUARTER ENDED SEPTEMBER 30, 2019**

September 30, 2019

	Aggressive	Moderate	Conservative	MAAP-I	Total	
Note	(Rupees in '000)					
Income						
Net realised gain / (loss) on sale of investments	91	(320)	267	(14,811)	(14,773)	
Profit on saving accounts with banks	92	80	84	212	468	
	183	(240)	351	(14,599)	(14,305)	
Net unrealised (diminution) / appreciation on re-measurement of investments at 'fair value through profit or loss'	6.1	(15,144)	(2,928)	301	(14,112)	(31,883)
Total (loss) / Income	(14,961)	(3,168)	652	(28,711)	(46,188)	
Expenses						
Remuneration to AI Meezan Investment Management Limited - Management Company	12	10	9	22	53	
Sindh Sales Tax on remuneration of management Company	2	1	1	3	7	
Allocated expenses	12	85	38	49	128	300
Remuneration to Central Depository Company of Pakistan Limited - Trustee	59	27	34	90	210	
Sindh Sales Tax on remuneration of the trustee	8	3	4	12	27	
Annual fee to Securities and Exchange Commission of Pakistan	17	8	10	26	61	
Auditors' remuneration	46	20	26	69	161	
Fees and subscription	26	13	16	40	95	
Bank and settlement charges	1	-	-	-	1	
Provision for Sindh Workers' Welfare Fund	-	-	10	-	10	
Total expenses	256	120	159	390	925	
Net (loss) / Income for the quarter before taxation	(15,217)	(3,288)	493	(29,101)	(47,113)	
Taxation	14	-	-	-	-	
Net (loss) / Income for the quarter after taxation	(15,217)	(3,288)	493	(29,101)	(47,113)	
Allocation of net income for the quarter						
Net Income for the period after taxation	-	-	493	-	493	
Income already paid on units redeemed	-	-	(437)	-	(437)	
	-	-	56	-	56	
Accounting income available for distribution						
- Relating to capital gains	-	-	56	-	56	
- Excluding capital gains	-	-	-	-	-	
	-	-	56	-	56	

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 QUARTER ENDED SEPTEMBER 30, 2019**

Note	September 30, 2018					From July 01, 2018 to July 24, 2018
	Aggressive	Moderate	Conservative	MAAP-I	Total	MAAP-IV
	----- (Rupees in '000) -----					
Income						
Dividend income	4,629	5,576	7,946	5,465	23,616	3,569
Back end load income	-	-	-	63	63	167
Profit on saving accounts with banks	39	33	43	12	127	152
Net realised loss on sale of investments	(377)	(1,707)	(474)	(831)	(3,389)	(11,515)
	<u>4,291</u>	<u>3,902</u>	<u>7,515</u>	<u>4,709</u>	<u>20,417</u>	<u>(7,627)</u>
Net unrealised diminution on re-measurement of investments at 'fair value through profit or loss'	6.1 (13,628)	(6,656)	(6,519)	(22,469)	(49,272)	-
Total (loss) / income	<u>(9,337)</u>	<u>(2,755)</u>	<u>996</u>	<u>(17,760)</u>	<u>(28,856)</u>	<u>(7,627)</u>
Expenses						
Remuneration of Al Meezan Investment Management Limited - Management Company	25	11	20	12	68	69
Sindh Sales Tax on remuneration of the Management Company	3	1	3	2	9	9
Allocated expenses	12 126	68	70	207	471	32
Remuneration of Central Depository Company of Pakistan Limited - Trustee	110	60	62	181	413	27
Sindh Sales Tax on remuneration of the Trustee	14	8	8	24	54	4
Annual fees to the Securities and Exchange Commission of Pakistan	119	65	67	197	448	30
Auditors' remuneration	45	24	25	74	168	9
Fees and subscription	24	13	14	40	91	4
Bank and settlement charges	4	3	2	2	11	-
Printing charges	17	10	9	27	63	3
Provision for Sindh Workers' Welfare Fund	-	-	14	-	14	-
Total expenses	<u>487</u>	<u>263</u>	<u>294</u>	<u>766</u>	<u>1,810</u>	<u>187</u>
Net (loss) / income for the quarter / period before taxation	<u>(9,824)</u>	<u>(3,018)</u>	<u>702</u>	<u>(18,525)</u>	<u>(30,665)</u>	<u>(7,814)</u>
Taxation	14 -	-	-	-	-	-
Net (loss) / income for the quarter after taxation	<u>(9,824)</u>	<u>(3,018)</u>	<u>702</u>	<u>(18,525)</u>	<u>(30,665)</u>	<u>(7,814)</u>
Allocation of net income for the quarter						
Net (loss) / income for the quarter after taxation	-	-	702	-	702	-
Income already paid on units redeemed	-	-	(85)	-	(85)	-
	<u>-</u>	<u>-</u>	<u>617</u>	<u>-</u>	<u>617</u>	<u>-</u>
Accounting income available for distribution						
- Relating to capital gains	-	-	-	-	-	-
- Excluding capital gains	-	-	617	-	-	-
	<u>-</u>	<u>-</u>	<u>617</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 FINANCIAL PLANNING FUND OF FUNDS
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

September 30, 2019

	Aggressive	Moderate	Conservative	MAAP-I	Total
	----- (Rupees in '000) -----				
Net (loss) / Income for the period after taxation	(15,217)	(3,288)	493	(29,101)	(47,113)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive Income for the period	(15,217)	(3,288)	493	(29,101)	(47,113)

September 30, 2018

From
July 01, to
July 24,
2018

	Aggressive	Moderate	Conservative	MAAP-I	Total	MAAP-IV
	----- (Rupees in '000) -----					
Net loss for the period after taxation	(9,824)	(3,018)	702	(18,525)	(30,665)	(7,814)
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive Income for the period	(9,824)	(3,018)	702	(18,525)	(30,665)	(7,814)

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 STATEMENT OF MOVEMENT IN UNITHOLDERS' FUNDS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

	September 30, 2019			September 30, 2019			September 30, 2019			September 30, 2019			September 30, 2019		
	Aggressive (Rupees in '000)			Moderate (Rupees in '000)			Conservative (Rupees in '000)			MAAP-I (Rupees in '000)			Total (Rupees in '000)		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
Net assets at beginning of the quarter	347,237	17,835	365,072	166,989	36,050	203,039	178,157	43,621	221,778	537,356	55,354	592,710	1,229,740	152,860	1,382,599
Issuance of units:															
Aggressive: 185,305 units / Moderate: 94,709 units / Conservative: 178,814 units															
- Capital value (at net asset value per unit at the beginning of the quarter)	10,783	-	10,783	5,112	-	5,112	9,763	-	9,763	-	-	-	25,658	-	25,658
- Element of (loss) / Income	(695)	-	(695)	(116)	-	(116)	(89)	-	(89)	-	-	-	(900)	-	(900)
Total proceeds on issuance of units	10,088	-	10,088	4,996	-	4,996	9,674	-	9,674	-	-	-	24,758	-	24,758
Redemption of units:															
Aggressive: 345,525 units / Moderate: 1,246,526 units / Conservative: 894,013 units / MAAP I: 1,751,804 units/															
- Capital value (at net asset value per unit at the beginning of the quarter)	20,107	-	20,107	67,276	-	67,276	48,813	-	48,813	83,639	-	83,639	219,835	-	219,835
Element of income	(1,222)	-	(1,222)	(955)	-	(955)	(918)	437	(481)	(4,819)	-	(4,819)	(7,913)	437	(7,476)
Total payments on redemption of units	18,885	-	18,885	66,321	-	66,321	47,895	437	48,332	78,820	-	78,820	211,922	-	212,359
Total comprehensive income for the period	-	(15,217)	(15,217)	-	(3,288)	(3,288)	-	493	493	-	(29,101)	(29,101)	-	(47,113)	(47,113)
Distribution during the quarter	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net loss for the quarter less distribution	-	(15,217)	(15,217)	-	(3,288)	(3,288)	-	493	493	-	(29,101)	(29,101)	-	(47,113)	(47,113)
Net assets at end of the quarter	338,440	2,618	341,058	105,664	32,762	138,426	139,936	43,677	183,613	458,536	26,253	484,789	1,042,576	105,747	1,147,886
Undistributed income brought forward															
- Realised income		101,711			67,539			62,595			196,400			428,245	
- Unrealised (loss) / income		(83,876)			(31,489)			(18,974)			(141,046)			(275,385)	
Accounting income available for distribution		17,835			36,050			43,621			55,354			152,860	
- Relating to capital gains		-			-			56			-			56	
- Excluding capital gains		-			-			-			-			-	
Net loss for the quarter after taxation		(15,217)			(3,288)			-			(29,101)			(47,606)	
Distribution during the quarter		-			-			-			-			-	
Undistributed income carried forward		<u>2,618</u>			<u>32,762</u>			<u>43,677</u>			<u>26,253</u>			<u>105,310</u>	
Undistributed income / loss carried forward															
- Realised income		17,762			35,690			43,376			40,365			137,193	
- Unrealised (loss) / income		(15,144)			(2,928)			301			(14,112)			(31,883)	
		<u>2,618</u>			<u>32,762</u>			<u>43,677</u>			<u>26,253</u>			<u>105,310</u>	
Net asset value per unit at the beginning of the quarter															
		Rupees			Rupees			Rupees			Rupees			Rupees	
Net asset value per unit as at beginning of the quarter		<u>58.1924</u>			<u>53.9707</u>			<u>54.6004</u>			<u>47.7447</u>			<u>45.4673</u>	
Net asset value per unit as at end of the quarter		<u>55.7894</u>			<u>53.0326</u>			<u>54.8648</u>			<u>45.4673</u>			<u>45.4673</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 FINANCIAL PLANNING FUND OF FUNDS
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUNDS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

	September 30, 2018			September 30, 2018			September 30, 2018			September 30, 2018			September 30, 2018			For the period from July 01, 2018 to July 24, 2018		
	Aggressive (Rupees in '000)			Moderate (Rupees in '000)			Conservative (Rupees in '000)			MAAP-I (Rupees in '000)			Total (Rupees in '000)			MAAP-IV (Rupees in '000)		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
Net assets at beginning of the quarter / 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: 524,517 units / Moderate: 65,443 units / Conservative: 493,132 units																		
- Capital value (at net asset value per unit at the beginning of the quarter / period)	36,866	-	36,866	4,393	-	4,393	32,186	-	32,186	-	-	-	73,445	-	73,445	-	-	-
- Element of loss	110	-	110	24	-	24	120	-	120	-	-	-	255	-	255	-	-	-
Total proceeds on issuance of units	36,976	-	36,976	4,417	-	4,417	32,306	-	32,306	-	-	-	73,700	-	73,700	-	-	-
Redemption of units:																		
Aggressive: 561,322 units / Moderate: 778,950 units / Conservative: 750,661 units / MAAP I: 36,210 units / MAAP IV: 626,419 units																		
- Capital value (at net asset value per unit at the beginning of the quarter / period)	39,452	-	39,452	52,292	-	52,292	48,995	-	48,995	2,122	-	2,122	142,861	-	142,861	29,378	-	29,378
- Element of income	(318)	-	(318)	(1,116)	-	(1,116)	177	-	177	(28)	-	(28)	(1,285)	-	(1,285)	(502)	-	(502)
Total payments on redemption of units	39,134	-	39,134	51,176	-	51,176	49,172	-	49,172	2,094	-	2,094	141,576	-	141,576	28,876	-	28,876
Total comprehensive (loss) / income for the quarter / period	-	(9,824)	(9,824)	-	(3,018)	(3,018)	-	702	702	-	(18,525)	(18,525)	-	(30,665)	(30,665)	-	(7,814)	(7,814)
Distribution during the quarter / period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net (loss) / income for the quarter / period less distribution	-	(9,824)	(9,824)	-	(3,018)	(3,018)	-	702	702	-	(18,525)	(18,525)	-	(30,665)	(30,665)	-	(7,814)	(7,814)
Net assets at end of the quarter	392,732	92,073	484,805	179,799	79,521	259,319	193,090	81,214	274,304	628,797	179,498	808,295	1,394,418	432,305	1,826,723	502,556	(31,509)	471,047
Undistributed income brought forward																		
- Realised income		163,797			100,832			83,187			207,736			555,554			25,150	
- Unrealised loss		(61,900)			(18,296)			(2,675)			(9,713)			(92,584)			(48,845)	
		<u>101,897</u>			<u>82,536</u>			<u>80,512</u>			<u>198,023</u>			<u>462,970</u>			<u>(23,695)</u>	
Accounting income available for distribution																		
- Relating to capital gains		-			-			-			-			-			-	
- Excluding capital gains		-			-			702			-			702			-	
		<u>-</u>			<u>-</u>			<u>-</u>			<u>-</u>			<u>-</u>			<u>-</u>	
Net loss / income for the quarter after taxation		(9,824)			(3,018)			702			(18,525)			(30,665)			(7,814)	
Distribution during the quarter		-			-			-			-			-			-	
Undistributed income carried forward		<u>92,073</u>			<u>79,521</u>			<u>81,214</u>			<u>179,498</u>			<u>432,305</u>			<u>(31,509)</u>	
Undistributed income / loss carried forward																		
- Realised income		105,701			86,177			87,733			201,967						(31,509)	
- Unrealised (loss) / income		(13,628)			(6,656)			(6,519)			(22,469)						-	
		<u>92,073</u>			<u>79,521</u>			<u>81,214</u>			<u>179,498</u>						<u>(31,509)</u>	
Net asset value per unit as at beginning of the quarter / period		<u>70,2849</u>			<u>67,1319</u>			<u>65,2685</u>			<u>58,6014</u>						<u>46,8987</u>	
Net asset value per unit as at end of the quarter / period		<u>68,9487</u>			<u>66,6496</u>			<u>65,4222</u>			<u>57,2903</u>						<u>46,1818</u>	

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

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 QUARTER ENDED SEPTEMBER 30, 2019**

September 30, 2019					
	Aggressive	Moderate	Conservative	MAAP-I	Total
Note ----- (Rupees in '000) -----					
CASH FLOWS FROM OPERATING ACTIVITIES					
Net (loss) / Income for the quarter before taxation	(15,217)	(3,288)	493	(29,101)	(47,113)
Adjustments for					
Net unrealised diminution / (appreciation) on re-measurement of investments 'at fair value through profit or loss'	6 15,144	2,928	(301)	14,112	31,883
	(73)	(360)	192	(14,989)	(15,230)
(Increase) / decrease in assets					
Investments - net	5,909	58,320	36,733	117,001	217,963
Receivable against investments - net	(6,019)	(3,657)	(3,643)	(6,370)	(19,689)
Profit receivable on saving accounts with banks	(5)	(4)	(7)	(142)	(158)
	(115)	54,659	33,083	110,489	198,116
(Decrease) / Increase in liabilities					
Payable to Al Meezan Investment Management Limited - Management Company	(16)	(12)	(2)	8	(22)
Payable to Central Depository Company of Pakistan Limited - Trustee	(12)	(9)	(7)	(22)	(50)
Payable to Meezan Bank Limited	-	-	1	-	1
Payable to Securities and Exchange Commission of Pakistan	(424)	(224)	(227)	(675)	(1,550)
Payable against purchase of investments (net)	6,019	3,657	3,643	5,001	18,320
Accrued expenses and other liabilities	39	20	24	40	123
	5,606	3,432	3,432	4,352	16,822
Net cash generated from operating activities	5,418	57,731	36,707	99,852	199,708
CASH FLOWS FROM FINANCING ACTIVITIES					
Receipts against issuance and conversion of units	10,093	4,996	9,673	-	24,762
Payments against redemption and conversion of units	(18,867)	(64,293)	(48,417)	(77,338)	(208,915)
Net cash used in financing activities	(8,774)	(59,297)	(38,744)	(77,338)	(184,153)
Net (decrease) / increase in cash and cash equivalents during the quarter	(3,356)	(1,566)	(2,037)	22,514	15,555
Cash and cash equivalents at beginning of the quarter	5,765	4,366	4,861	725	15,717
Cash and cash equivalents at end of the quarter	5 2,409	2,800	2,824	23,239	31,272

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 QUARTER ENDED SEPTEMBER 30, 2019**

	September 30, 2018					From July 01, 2018 to July 24, 2018
	Aggressive	Moderate	Conservative	MAAP-I	Total	MAAP-IV
Note ----- (Rupees in '000) -----						
CASH FLOWS FROM OPERATING ACTIVITIES						
Net (loss) / income for the quarter / period before taxation	(9,824)	(3,018)	702	(18,525)	(30,665)	(7,814)
Adjustments for						
Net unrealised diminution on re-measurement of investments 'at fair value through profit or loss'	6	13,628	6,656	6,519	22,469	49,272
	3,804	3,638	7,221	3,944	18,607	(7,814)
(Increase) / decrease in assets						
Investments - net	(1,752)	44,132	1,028	(2,595)	40,813	510,146
Receivable against investments - net	(7,000)	-	-	-	(7,000)	(468,018)
Profit accrued on balances with banks	(11)	(1)	(5)	-	(17)	(147)
	(8,763)	44,131	1,023	(2,595)	33,795	41,981
Increase / (decrease) in liabilities						
Payable to AI Meezan Investment Management Limited - Management Company	64	(26)	(12)	(1)	24	66
Payable to Central Depository Company of Pakistan Limited - Trustee	1	(4)	-	-	(3)	(10)
Payable to Meezan Bank Limited	(1)	(15)	-	-	(16)	-
Payable to Securities and Exchange Commission of Pakistan	(399)	(259)	(249)	(685)	(1,592)	30
Accrued expenses and other liabilities	44	58	43	93	238	(32)
	(291)	(246)	(218)	(593)	(1,349)	54
Net cash (used in) / generated from operating activities	(5,250)	47,522	8,026	756	51,054	34,221
CASH FLOWS FROM FINANCING ACTIVITIES						
Receipts against issuance and conversion of units	36,976	4,430	32,301	-	73,708	-
Payments against redemption and conversion of units	(30,023)	(51,177)	(49,163)	(2,094)	(132,457)	(33,109)
Net cash generated from / (used in) financing activities	6,953	(46,746)	(16,862)	(2,094)	(58,750)	(33,109)
Net increase / (decrease) in cash and cash equivalents during the quarter / period	1,703	776	(8,837)	(1,338)	(7,696)	1,113
Cash and cash equivalents at beginning of the quarter / period	3,899	2,965	9,841	5,204	21,909	2,932
Cash and cash equivalents at end of the quarter / period	5,602	3,741	1,004	3,866	14,213	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 INFORMATION (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

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 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 rating of AM1 by VIS dated December 28, 2018 (2018: AM1 dated December 29, 2017) and by PACRA dated June 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 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 prior period, Meezan Asset Allocation Plan-I (MAAP-I) was reopened for investment, after completion of two years. The plan has a new maturity date of two years from the close of the re-subscription period (i.e. November 24, 2017).

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 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 IFRS Standards, 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 the true and fair view of the state of affairs of the Fund as at September 30, 2019.

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 for the year ended June 30, 2019.

5 BALANCES WITH BANKS

		----- As at September 30, 2019 -----				
		Aggressive	Moderate	Conservative	MAAP-I	Total
		----- (Rupees in '000) -----				
Saving accounts	5.1	1,982	2,790	2,814	23,229	30,815
Current accounts		427	10	10	10	457
		<u>2,409</u>	<u>2,800</u>	<u>2,824</u>	<u>23,239</u>	<u>31,272</u>

		----- As at June 30, 2019 -----					As at July 24, 2018
		Aggressive	Moderate	Conservative	MAAP-I	Total	MAAP-IV
		----- (Rupees in '000) -----					
Saving accounts	5.1	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 2.50% to 12.75% (June 30, 2019: 3.32% to 12.30%) per annum.

6 INVESTMENTS

		September 30, 2019				
		Aggressive	Moderate	Conservative	MAAP-I	Total
		(Rupees in '000)				
Investments - 'at fair value through profit or loss' - held for trading	Note 6.1	343,112	141,050	182,928	472,639	1,139,729

		June 30, 2019					As at July 24, 2018
		Aggressive	Moderate	Conservative	MAAP-I	Total	MAAP-IV
		(Rupees in '000)					
Investments - 'at fair value through profit or loss' - held for trading	Note 6.1	497,702	309,708	282,881	835,526	1,925,817	-

6.1 At fair value through profit or loss - Held for Trading - Units of mutual funds

Name of investee funds	As at July 1, 2019	Purchases during the quarter	Sale during the quarter	As at September 30, 2019	Carrying value as at September 30, 2019	Market value as at September 30, 2019	Unrealised (diminution)/appreciation as at September 30, 2019	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)	
Aggressive Allocation Plan											
Meezan Islamic Fund	5,706,434	134,129	105,746	5,734,817	274,459	257,334	(17,125)	75.45	75.00		
Meezan Islamic Income Fund	882,014	874,263	135,350	1,620,927	83,797	85,778	1,981	25.15	25.00		
Meezan Cash Fund	898,802	-	898,802	-	-	-	-	-	-		
					358,256	343,112	(15,144)	100.60	100.00		
Moderate Allocation Plan											
Meezan Islamic Fund	2,116,314	81,501	626,124	1,571,691	75,082	70,525	(4,557)	50.95	50.00		
Meezan Islamic Income Fund	981,320	738,688	387,315	1,332,693	68,896	70,525	1,629	50.95	50.00		
Meezan Cash Fund	999,999	-	999,999	-	-	-	-	-	-		
					143,978	141,050	(2,928)	101.90	100.00		
Conservative Allocation Plan											
Meezan Islamic Fund	1,149,027	81,177	211,043	1,019,161	48,600	45,732	(2,868)	24.91	25.00		
Meezan Islamic Income Fund	1,598,388	1,387,610	393,444	2,592,554	134,027	137,196	3,169	74.72	75.00		
Meezan Cash Fund	1,628,812	-	1,628,812	-	-	-	-	-	-		
					182,627	182,928	301	99.63	100.00		
Meezan Asset Allocation Plan I											
Al Meezan Mutual Fund	39,791	-	-	39,791	531	500	(31)	0.10	0.11		
Meezan Islamic Fund	171,373	-	143,778	27,595	1,323	1,238	(85)	0.26	0.26		
Meezan Islamic Income Fund	-	3,782,009	3,782,009	-	-	-	-	-	-		
Meezan Cash Fund	8,448	3,820,833	129,566	3,699,715	190,087	191,834	1,747	39.57	40.59		
Meezan Sovereign Fund	3,775,282	1,325,639	3,786,254	1,314,667	69,422	69,657	235	14.37	14.74		
Meezan Dedicated Equity Fund	11,269,149	-	4,922,611	6,346,538	225,388	209,410	(15,978)	43.20	44.30		
					486,751	472,639	(14,112)	97.50	100.00		
Total investments in units of mutual funds											
Al Meezan Mutual Fund	39,791	-	-	39,791	531	500	(31)	0.04	0.04		
Meezan Islamic Fund	9,143,148	296,807	1,086,691	8,353,264	399,464	374,829	(24,635)	32.65	32.90		
Meezan Islamic Income Fund	3,461,722	6,782,570	4,698,118	5,546,174	286,720	293,499	6,779	25.57	25.75		
Meezan Cash Fund	3,536,061	3,820,833	3,657,179	3,699,715	190,087	191,834	1,747	16.71	16.83		
Meezan Sovereign Fund	3,775,282	1,325,639	3,786,254	1,314,667	69,422	69,657	235	6.07	6.11		
Meezan Dedicated Equity Fund	11,269,149	-	4,922,611	6,346,538	225,388	209,410	(15,978)	18.24	18.37		
					1,171,612	1,139,729	(31,883)	99.28	100.00		

7 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

During the quarter, Trustee has revised its tariff as follows;

Existing 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 Fund has charged Trustee Fee @ 0.070% p.a. of Net Assets during the quarter.

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

SECP vide S.R.O. No. 685(I)/2019 dated June 28, 2019, revised rate of annual fee to 0.02% of net assets, applicable on all categories of Collective Investment Schemes with effective from July 1, 2019. Accordingly Fund has charged SECP Fee @ 0.02% of net assets during the quarter.

9 CONTINGENCIES AND COMMITMENTS

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

10 ACCRUED EXPENSES AND OTHER LIABILITIES

Note	----- As at September 30, 2019 -----					Total
	Aggressive	Moderate	Conservative	MAAP-I		
	(Rupees in '000)					
Withholding tax payable	126	469	15	409		1,019
Provision for Sindh Workers' Welfare Fund	3,380	1,916	1,224	6,886		13,406
Provision for Federal Excise Duty and related Sindh Sales Tax on sales load and management fee	440	537	564	3,311		4,852
Shariah advisor fee payable	24	10	11	35		80
Auditors' remuneration payable	142	71	77	220		510
Printing charges payable	89	62	50	153		354
	<u>4,201</u>	<u>3,065</u>	<u>1,941</u>	<u>11,014</u>		<u>20,221</u>

	----- As at June 30, 2019 -----					As at July 24, 2018
	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	3,380	1,916	1,214	6,886	13,396	2,621
Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	440	537	564	3,311	4,852	2,667
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
	<u>4,162</u>	<u>3,045</u>	<u>1,917</u>	<u>10,974</u>	<u>20,098</u>	<u>5,438</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 SWWF not been provided, the NAV per unit/fund return would have been higher by Re 0.55/0.99%, 0.73/1.38%, 0.37/0.67%, and 0.65/1.42% for Aggressive Allocation Plan, Moderate Allocation Plan, Conservative Allocation Plan, and MAAP-I respectively (June 30, 2019 by Re 0.54/0.93%, 0.51/0.94%, 0.30/0.55% and 0.55/1.16%, 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 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 0.44 million, Rs 0.54 million, Rs 0.56 and million Rs 3.31 million in Aggressive Allocation Plan, Moderate Allocation Plan, Conservative Allocation Plan and MAAP- I has been retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision of FED not been made, the Net Assets Value (NAV) of the Fund as at September 30, 2019 would have been higher by Re 0.07, Re 0.21, Re 0.17, Re 0.31, per unit (June 30, 2019: Re 0.07, Re 0.14, Re 0.14, and Re 0.27 per unit) for Aggressive Allocation Plan, Moderate Allocation Plan, Conservative Allocation Plan, and MAAP- I respectively.

11 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

- 11.1 Connected persons include Al Meezan Investment Management Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Management Company, any entity in which the Management Company, its CISs or their connected persons have material interest, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.
- 11.2 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.
- 11.3 Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.
- 11.4 Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.
- 11.5 Detail of transactions with connected persons and balances with them are as follows:

	September 30, 2019				
	Aggressive	Moderate	Conservative	MAAP I	Total
Al Meezan Investment Management Limited - Management Company					
Remuneration Payable (Rs in '000)	4	1	3	19	27
Sindh Sales Tax on management fee payable (Rs in '000)	1	-	-	2	3
Sales load payable (Rs in '000)	10	1	-	-	11
Sindh Sales Tax on sales load payable (Rs in '000)	1	-	-	-	1
Allocated expenses payable (Rs in '000)	28	12	16	39	95
Investment amount (Rs in '000)	-	-	6,880	-	6,880
Investment units	-	-	125,407	-	125,407
Meezan Bank Limited					
Bank balance (Rs in '000)	2,171	2,579	2,627	23,125	30,502
Profit receivable (Rs in '000)	30	26	23	146	225
Sales load payable (Rs in '000)	1	-	1	-	2
Central Depository Company of Pakistan Limited - Trustee					
Trustee Fee payable (Rs in '000)	22	7	18	17	64
Sindh Sales Tax on trustee fee payable (Rs in '000)	4	2	2	5	13
Directors and Executives of the Management Company					
Investment amount (Rs in '000)	94	-	598	-	692
Investment units	1,680	3	10,905	-	12,589
Meezan Islamic Fund					
Investment amount (Rs in '000)	257,334	70,525	45,732	1,238	374,829
Investment units	5,734,817	1,571,691	1,019,161	27,595	8,353,264
Meezan Sovereign Fund					
Investment amount (Rs in '000)	-	-	-	69,657	69,657
Investment units	-	-	-	1,314,668	1,314,668
Al Meezan Mutual Fund					
Investment amount (Rs in '000)	-	-	-	500	500
Investment units	-	-	-	39,791	39,791
Meezan Cash Fund					
Investment amount (Rs in '000)	-	-	-	191,834	191,834
Investment units	-	-	-	3,699,715	3,699,715
Meezan Islamic Income Fund					
Investment amount (Rs in '000)	85,778	70,525	137,196	-	293,499
Investment units	1,620,927	1,332,693	2,592,554	-	5,546,174
Meezan Dedicated Equity Fund					
Investment amount (Rs in '000)	-	-	-	209,410	209,410
Investment units	-	-	-	6,346,538	6,346,538
Unit Holders holding 10% or more units of the Fund					
Investment amount (Rs in '000)	176,691	-	47,934	264,935	489,560
Investment units	3,167,104	-	873,669	5,826,939	9,867,712

	June 30, 2019				As at July 24, 2018	
	Aggressive	Moderate	Conservative	MAAP I	Total	MAAP IV
AI Meezan Investment Management Limited - Management Company						
Remuneration payable (Rs in '000)	5	3	2	2	12	69
Sindh Sales Tax Management fee payable (Rs in '000)	1	-	-	-	1	10
Sales load payable (Rs in '000)	19	5	1	-	25	-
Sindh Sales load payable (Rs in '000)	2	1	-	-	3	-
Allocated expenses payable (Rs '000)	33	17	18	50	118	32
Investment amount (Rs in '000)	-	-	6,847	-	6,847	-
Investment units	-	-	125,406	-	125,406	-
Meezan Bank Limited						
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	-
Central Depository Company of Pakistan Limited - Trustee						
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
Directors and Executives of the Management Company						
Investment amount (Rs in '000)	106	-	1,621	-	1,727	-
Investment units	1,818	3	29,687	-	31,508	-
Meezan Islamic Fund						
Investment amount (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	-
Meezan Sovereign Fund						
Investment amount (Rs in '000)	-	-	-	194,373	194,373	-
Investment units	-	-	-	3,775,282	3,775,282	-
AI Meezan Mutual fund						
Investment amount (Rs in '000)	-	-	-	531	531	-
Investment units	-	-	-	39,791	39,791	-
Meezan Cash Fund						
Investment amount (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	-
Meezan Islamic Income Fund						
Investment amount (Rs in '000)	45,328	50,431	82,144	-	177,903	-
Investment units	882,014	981,320	1,598,388	-	3,461,722	-
Meezan Dedicated Equity Fund						
Investment amount (Rs in '000)	-	-	-	400,208	400,208	-
Investment units	-	-	-	11,269,149	11,269,149	-
Unit Holders holding 10% or more units of the Fund						
Investment amount (Rs in '000)	184,302	49,515	47,703	278,205	559,725	192,410
Investment units	3,167,104	917,442	873,669	5,826,939	10,785,154	4,166,358

	For the quarter ended September 30, 2019				
	Aggressive	Moderate	Conservative	MAAP I	Total
AI Meezan Investment Management Limited - Management Company					
Remuneration for the quarter (Rs in '000)	12	10	9	22	53
Sindh Sales Tax on management fee (Rs in '000)	2	1	1	3	7
Allocated expense (Rs in '000)	85	38	49	128	300
Meezan Bank Limited					
Profit on saving account (Rs in '000)	87	77	80	210	454
Central Depository Company of Pakistan Limited - Trustee					
Trustee fee for the quarter (Rs in '000)	59	27	34	90	210
Sindh Sales Tax on trustee fee (Rs in '000)	8	3	4	12	27
Directors and Executives of the Management Company					
Amount invested during the quarter (Rs in '000)	3,825	-	3,964	-	7,789
Units issued during the quarter	70,170	-	72,575	-	142,745
Amount redeemed during the quarter (Rs in '000)	3,875	-	4,975	-	8,850
Units redeemed during the quarter	70,308	-	91,357	-	161,664

For the quarter ended September 30, 2019

	Aggressive	Moderate	Conservative	MAAP I	Total
Meezan Islamic Fund					
Amount invested during the quarter (Rs in '000)	6,019	3,657	3,643	-	13,319
Units issued during the quarter	134,129	81,501	81,177	-	296,807
Amount redeemed during the quarter (Rs in '000)	4,500	29,000	9,250	6,700	49,450
Units redeemed during the quarter	105,746	626,124	211,043	143,778	1,086,691
Meezan Sovereign Fund					
Amount invested during the quarter (Rs in '000)	-	-	-	70,000	70,000
Units issued during the quarter	-	-	-	1,325,639	1,325,639
Amount redeemed during the quarter (Rs in '000)	-	-	-	195,230	195,230
Units redeemed during the quarter	-	-	-	3,786,254	3,786,254
Meezan Cash Fund					
Amount invested during the quarter (Rs in '000)	-	-	-	196,312	196,312
Units issued during the quarter	-	-	-	3,820,833	3,820,833
Amount redeemed during the quarter (Rs in '000)	45,839	50,914	83,034	6,670	186,457
Units redeemed during the quarter	898,802	999,999	1,628,812	129,566	3,657,179
Meezan Islamic Income Fund					
Amount invested during the quarter (Rs in '000)	45,464	38,414	72,159	194,650	350,687
Units issued during the quarter	874,263	738,688	1,387,610	3,782,009	6,782,570
Amount redeemed during the quarter (Rs in '000)	7,144	20,157	20,518	197,912	245,731
Units redeemed during the quarter	135,350	387,315	393,444	3,782,009	4,698,118
Meezan Dedicated Equity Fund					
Amount invested during the quarter (Rs in '000)	-	-	-	-	-
Units issued during the quarter	-	-	-	-	-
Amount redeemed during the quarter (Rs in '000)	-	-	-	156,640	156,640
Units redeemed during the quarter	-	-	-	4,922,611	4,922,611

For the quarter ended September 30, 2018

From July 01,
2018 to July 24,
2018

	Aggressive	Moderate	Conservative	MAAP I	Total	MAAP IV
Al Meezan Investment Management Limited - Management Company						
Remuneration for the quarter (Rs in '000)	25	11	20	12	68	69
Sindh Sales Tax on management fee (Rs in '000)	3	1	3	2	9	9
Allocated expense (Rs in '000)	126	68	70	207	471	32
Meezan Bank Limited						
Profit on saving account (Rs in '000)	34	28	39	9	110	152
Central Depository Company of Pakistan Limited - Trustee						
Trustee fee for the quarter (Rs in '000)	110	60	62	181	413	27
Sindh Sales Tax on Trustee Fee (Rs in '000)	14	8	8	24	54	4
Directors and Executives of the Management Company						
Amount invested during the quarter (Rs in '000)	-	-	8	-	8	-
Units issued during the quarter	1	-	116	-	117	-
Amount redeemed during the quarter (Rs in '000)	7	-	8	-	15	-
Units redeemed during the quarter	102	-	116	-	218	-
Meezan Islamic Fund						
Amount invested during the quarter (Rs in '000)	7,500	-	3,375	-	10,875	-
Units issued during the quarter	116,394	-	54,853	-	171,247	-
Amount redeemed during the quarter (Rs in '000)	9,375	25,000	5,500	-	39,875	249,454
Units redeemed during the quarter	152,565	409,877	86,485	-	648,927	3,990,160

For the quarter ended September 30, 2018

From July 01,
2018 to July 24,
2018

	Aggressive	Moderate	Conservative	MAAP I	Total	MAAP IV
Meezan Sovereign Fund						
Amount invested during the quarter / period (Rs in '000)	-	-	-	-	-	-
Units issued during the quarter / period	-	-	-	10	10	-
Dividend received (Rs in '000)	-	-	-	-	-	-
Units issued during the quarter / period	-	-	-	4	4	-
Capital refund	-	-	-	-	-	-
Units issued during the quarter / period	-	-	-	5	5	-
Meezan Cash Fund						
Amount invested during the quarter / period (Rs in '000)	3,554	2,766	9,020	855	16,195	371,833
Units issued during the quarter / period	75,404	63,204	185,898	24,238	348,744	7,368,899
Amount redeemed during the quarter / period (Rs in '000)	1,563	11,500	8,250	2,040	23,353	421,491
Units redeemed during the quarter / period	30,712	227,324	162,532	40,097	460,665	8,331,559
Dividend received (Rs in '000)	2,304	2,766	3,957	855	9,882	1,833
Units issued during the quarter / period	45,686	54,852	78,471	16,949	195,959	36,347
Capital refund	257	421	410	368	1,455	251
Units issued during the quarter / period	5,096	8,352	8,121	7,289	28,858	4,978
AI Meezan Mutual Fund						
Amount redeemed during the quarter / period (Rs in '000)	-	-	-	-	-	21,964
Units redeemed during the quarter / period	-	-	-	-	-	1,304,322
Meezan Islamic Income Fund						
Amount invested during the quarter / period (Rs in '000)	3,575	2,809	9,052	34,610	50,046	1,736
Units issued during the quarter / period	73,765	61,736	182,092	730,486	1,048,079	63,875
Amount redeemed during the quarter / period (Rs in '000)	1,563	11,500	8,250	-	21,313	80,267
Units redeemed during the quarter / period	30,146	223,007	159,465	-	412,618	1,558,092
Dividend received (Rs in '000)	2,325	2,809	3,989	4,610	13,734	1,736
Units issued during the quarter / period	45,244	54,664	77,620	89,709	267,237	33,786
Capital refund	224	363	358	3,003	3,948	1,544
Units issued during the quarter / period	4,359	7,072	6,960	58,438	76,829	30,048
Meezan Dedicated Equity Fund						
Amount redeemed during the quarter / period (Rs in '000)	-	-	-	30,000	30,000	99,023
Units redeemed during the quarter / period	-	-	-	634,368	634,368	2,136,720

12 ALLOCATED EXPENSES

In accordance with Regulation 60 of the NBFC Regulations, the Management Company till June 19, 2019 entitled to charge expenses related to registrar services, accounting, operations and valuation services, related to a Collective Investment Scheme (CIS) at the rate of 0.10% of the average annual net assets of the scheme or actual whichever is less. During the year, SECP vide SRO 639 dated June 20, 2019 has removed the maximum cap of 0.10%. Accordingly, the Management Company can now charge actual expenses related to registrar services, accounting, operations and valuation services to the CIS with effect from June 20, 2019.

However, the Management Company continued to charge expenses at the rate 0.10% of the average annual net assets of the Fund for the period from July 1, 2019 to September 30, 2019, being lower than actual expenses.

13 EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the quarter ended September 30, 2019 are;

	As at September 30, 2019			
	Aggressive	Moderate	Conservative	MAAP I
Total Expense Ratio (TER)	0.30%	0.32%	0.33%	0.30%
Government levy and SECP fee	0.03%	0.03%	0.05%	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 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 quarter.

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

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

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 September 30, 2019 and June 30, 2019, the Fund held the following financial instruments measured at fair value:

	----- (Unaudited) -----				----- (Audited) -----			
	As at September 30, 2019				As at June 30, 2019			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
ASSETS	----- (Rupees in '000) -----				----- (Rupees in '000) -----			
Financial assets 'at fair value through profit or loss'								
Units of mutual fund	1,139,729			1,139,729	1,389,575			1,389,575



16 DATE OF AUTHORISATION

These financial statements were authorised for issue by the Board of Directors of the Management Company on October 15, 2019.

17 GENERAL

Figures have been rounded off to the nearest thousand Rupees unless otherwise stated.

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

Chief Executive

Chief Financial Officer

Director



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

**GUMTI WATER
FOUNTAIN
(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
E-mail: 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

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 SEPTEMBER 30, 2019**

		September 30, 2019 (Unaudited)							
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total		
----- (Rupees in '000) -----									
Assets									
	Balances with banks	5	5,210	524	447	2,889	5,362	2,233	16,665
	Investments	6	903,756	503,071	776,000	837,544	227,000	996,811	4,244,182
	Receivable against sale of investments		10,320	1,300	-	-	1,090	-	12,710
	Profit receivables on saving account with banks		5	16	1	28	48	92	190
	Total assets		919,291	504,911	776,448	840,461	233,500	999,136	4,273,747
Liabilities									
	Payable to AI Meezan Investment Management Limited - Management Company		78	42	64	72	24	85	365
	Payable to Central Depository Company of Pakistan Limited - Trustee		58	32	50	53	15	66	274
	Payable to Securities and Exchange Commission of Pakistan		50	30	42	46	428	1,278	1,874
	Payable against purchase of investments		10,278	55	82	88	626	25	11,154
	Payable against redemption and conversion of units		5,841	1,583	50	1,752	3,152	-	12,378
	Accrued expenses and other liabilities	10	4,743	192	201	397	92	1,184	6,810
	Total liabilities		21,048	1,934	489	2,408	4,337	2,639	32,855
	Net assets		898,243	502,977	775,959	838,053	229,163	996,497	4,240,892
Contingencies and commitments									
	Unitholders' fund (as per statement attached)		898,243	502,977	775,959	838,053	229,163	996,497	4,240,892
----- (Number of units) -----									
	Number of units in issue		25,636,410	14,432,058	22,901,725	24,367,030	5,829,676	19,167,322	
----- (Rupees) -----									
	Net assets value per unit		35.0378	34.8514	33.8821	34.3929	39.3097	51.9894	

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

**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 SEPTEMBER 30, 2019**

		June 30, 2019 (Audited)						
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total	
----- (Rupees in '000) -----								
Assets								
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
Profit receivables on saving account with banks		54	11	13	11	11	9	109
Total assets		1,075,718	729,408	892,688	1,008,392	316,549	1,104,118	5,126,873
Liabilities								
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		84	55	68	76	24	84	391
Payable to Securities and Exchange Commission of Pakistan		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
Total liabilities		8,235	1,610	1,557	5,618	553	5,224	22,796
Net assets		1,067,483	727,798	891,131	1,002,774	315,996	1,098,894	5,104,077
Contingencies and commitments	9							
Unitholders' fund (as per statement attached)		1,067,483	727,798	891,131	1,002,774	315,996	1,098,894	5,104,077
----- (Number of units) -----								
Number of units in issue		29,262,088	20,213,719	25,406,240	28,125,336	7,747,051	21,462,301	
----- (Rupees) -----								
Net assets value per unit		36.4801	36.0051	35.0753	35.6538	40.7893	51.2011	

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

**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 QUARTER ENDED SEPTEMBER 30, 2019**

		September 30, 2019					
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
(Rupees in '000)							
Income							
Net realised loss on sale of investments	(22,157)	(6,224)	(604)	(2,708)	(3,953)	(1,381)	(37,027)
Profit on saving accounts with banks	224	106	171	97	99	156	853
Dividend income	5,604	2,697	3,981	4,258	1,176	7,064	24,780
Other income	-	-	-	-	-	1,174	1,174
	<u>(16,329)</u>	<u>(3,421)</u>	<u>3,548</u>	<u>1,647</u>	<u>(2,678)</u>	<u>7,013</u>	<u>(10,220)</u>
Net unrealised (diminution) / appreciation on re-measurement of investments - 'at fair value through profit or loss'	6.1 (30,375)	(22,447)	(34,919)	(38,114)	(10,458)	9,005	(127,308)
Total (loss) / income	<u>(46,704)</u>	<u>(25,868)</u>	<u>(31,371)</u>	<u>(36,467)</u>	<u>(13,136)</u>	<u>16,018</u>	<u>(137,528)</u>
Expenses							
Remuneration to AI Meezan Investment Management Limited - Management Company	22	15	20	8	28	17	110
Sindh Sales Tax on management fee	3	2	3	1	4	2	15
Allocated expenses	12 239	140	201	218	65	260	1,123
Remuneration to Central Depository Company of Pakistan Limited - Trustee	168	98	141	153	46	182	788
Sindh Sales Tax on trustee fee	22	13	18	20	6	24	103
Annual fee to Securities and Exchange Commission of Pakistan	50	30	42	46	14	54	236
Auditors' remuneration	19	11	16	18	5	21	90
Fees and subscription	20	12	17	18	5	22	94
Provision for Sindh Workers' Welfare Fund	-	-	-	-	-	308	308
Bank and settlement charges	-	2	-	-	-	12	14
Total expenses	<u>544</u>	<u>324</u>	<u>458</u>	<u>481</u>	<u>173</u>	<u>902</u>	<u>2,882</u>
Net (loss) / income for the quarter before taxation	<u>(47,248)</u>	<u>(26,192)</u>	<u>(31,829)</u>	<u>(36,948)</u>	<u>(13,309)</u>	<u>15,116</u>	<u>(140,410)</u>
Taxation	14 -	-	-	-	-	-	-
Net (loss) / income for the quarter after taxation	<u>(47,248)</u>	<u>(26,192)</u>	<u>(31,829)</u>	<u>(36,948)</u>	<u>(13,309)</u>	<u>15,116</u>	<u>(140,410)</u>
Allocation of net income for the quarter							
Net income for the quarter after taxation	-	-	-	-	-	15,116	15,116
Income already paid on units redeemed	-	-	-	-	-	(7)	(7)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,109</u>	<u>15,109</u>
Accounting income available for distribution							
- Relating to capital gains	-	-	-	-	-	7,624	7,624
- Excluding capital gains	-	-	-	-	-	7,485	7,485
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,109</u>	<u>15,109</u>

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

**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 QUARTER ENDED SEPTEMBER 30, 2019**

		September 30, 2018					
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
----- (Rupees in '000) -----							
Income							
	(26,482)	(2,268)	(3,045)	(6,157)	(739)	(5,885)	(44,577)
	37	78	29	62	31	23	260
	13,001	9,425	10,866	13,046	3,676	16,481	66,495
	-	-	-	-	185	484	669
	(13,445)	7,235	7,849	6,951	3,153	11,103	22,846
	Net unrealised diminution on re-measurement of investments - 'at fair value through profit or loss'						
6.1	(24,585)	(30,688)	(33,292)	(36,349)	(12,298)	(3,512)	(140,724)
	Total (loss) / income	(38,030)	(23,453)	(25,443)	(29,398)	(9,145)	7,591
Expenses							
	Remuneration to AI Meezan Investment Management Limited - Management Company						
	21	33	11	28	13	10	116
	3	5	1	4	2	1	16
12	478	319	348	402	129	342	2,018
	Remuneration to Central Depository Company of Pakistan Limited - Trustee						
	374	249	272	314	101	267	1,577
	49	32	35	41	13	35	205
	Annual fee to Securities and Exchange Commission of Pakistan						
	454	303	331	382	123	325	1,918
	42	28	29	34	10	27	170
	22	15	18	19	6	16	96
	24	16	17	20	6	17	100
	9	2	20	4	1	-	36
	-	-	-	-	-	131	131
	Total expenses	1,476	1,002	1,082	1,248	404	6,383
	Net (loss) / income for the quarter before taxation	(39,506)	(24,455)	(26,525)	(30,646)	(9,549)	6,420
	Taxation						
14	-	-	-	-	-	-	-
	Net (loss) / income for the quarter after taxation	(39,506)	(24,455)	(26,525)	(30,646)	(9,549)	6,420
Allocation of net income for the quarter							
	Net income for the quarter after taxation						
	-	-	-	-	-	6,420	6,420
	Income already paid on units redeemed						
	-	-	-	-	-	(20)	(20)
	-	-	-	-	-	6,400	6,400
Accounting income available for distribution							
	- Relating to capital gains						
	-	-	-	-	-	6,420	6,420
	- Excluding capital gains						
	-	-	-	-	-	(20)	(20)
	-	-	-	-	-	6,400	6,400

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

**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 QUARTER ENDED SEPTEMBER 30, 2019

	September 30, 2019						
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
	------(Rupees in '000)-----						
Net (loss) / income for the quarter after taxation	(47,248)	(26,192)	(31,829)	(36,948)	(13,309)	15,116	(140,410)
Other comprehensive income for the quarter	-	-	-	-	-	-	-
Total comprehensive (loss) / income for the quarter	<u>(47,248)</u>	<u>(26,192)</u>	<u>(31,829)</u>	<u>(36,948)</u>	<u>(13,309)</u>	<u>15,116</u>	<u>(140,410)</u>

	September 30, 2018						
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
	------(Rupees in '000)-----						
Net (loss) / income for the quarter after taxation	(39,506)	(24,455)	(26,525)	(30,646)	(9,549)	6,420	(124,261)
Other comprehensive income for the quarter	-	-	-	-	-	-	-
Total comprehensive (loss) / income for the quarter	<u>(39,506)</u>	<u>(24,455)</u>	<u>(26,525)</u>	<u>(30,646)</u>	<u>(9,549)</u>	<u>6,420</u>	<u>(124,261)</u>

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

For Al 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 QUARTER ENDED SEPTEMBER 30, 2019**

	September 30, 2019			September 30, 2019			September 30, 2019			September 30, 2019		
	MSAP-I			MSAP-II			MSAP-III			MSAP-IV		
	(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(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 quarter	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
Redemption of units:												
MSAP - I: 3,625,678 units / MSAP - II: 5,781,661 units /												
MSAP - III: 2,504,515 units / MSAP - IV: 3,758,306 units / MSAP - V: 1,917,375 units,												
MCPP - III: 2,294,979 units												
- Capital value (at net asset value per unit at the beginning of the quarter)	132,265	-	132,265	208,169	-	208,169	87,847	-	87,847	133,998	-	133,998
- Element of (loss) / income	(10,273)	-	(10,273)	(9,541)	-	(9,541)	(4,504)	-	(4,504)	(6,225)	-	(6,225)
Total payments on redemption of units	121,992	-	121,992	198,628	-	198,628	83,343	-	83,343	127,774	-	127,773
Total comprehensive (loss) / income for the quarter	-	(47,248)	(47,248)	-	(26,192)	(26,192)	-	(31,829)	(31,829)	-	(36,948)	(36,948)
Distribution during the quarter	-	-	-	-	-	-	-	-	-	-	-	-
Net (loss) / income for the quarter less distribution	-	(47,248)	(47,248)	-	(26,192)	(26,192)	-	(31,829)	(31,829)	-	(36,948)	(36,948)
Net assets at end of the quarter	1,507,224	(608,981)	898,243	933,093	(430,115)	502,977	1,296,835	(520,876)	775,959	1,393,730	(555,678)	838,053
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 quarter after taxation		(47,248)			(26,192)			(31,829)			(36,948)	
Distribution during the quarter		-			-			-			-	
Undistributed (loss) / income carried forward		(608,981)			(430,115)			(520,876)			(555,678)	
Undistributed (loss) / income carried forward												
- Realised (loss) / income		(578,606)			(407,668)			(485,957)			(517,564)	
- Unrealised (loss) / income		(30,375)			(22,447)			(34,919)			(38,114)	
		(608,981)			(430,115)			(520,876)			(555,678)	
	Rupees			Rupees			Rupees			Rupees		
Net asset value per unit as at beginning of the quarter	36.4801			36.0051			35.0753			35.6538		
Net asset value per unit as at end of the quarter	35.0378			34.8514			33.8821			34.3929		

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

**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 QUARTER ENDED SEPTEMBER 30, 2019**

	September 30, 2019			September 30, 2019			September 30, 2019		
	MSAP-V			MCCP-III			Total		
	(Rupees in '000)			(Rupees in '000)			(Rupees in '000)		
	Capital Value	Accumulated loss	Total	Capital Value	Undistributed income	Total	Capital Value	Accumulated loss	Total
Net assets at beginning of the quarter	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: 3,625,678 units / MSAP - II: 5,781,661 units /									
MSAP - III: 2,504,515 units / MSAP - IV: 3,758,306 units / MSAP - V: 1,917,375 units,									
MCCP - III: 2,294,979 units									
- Capital value (at net asset value per unit at the beginning of the quarter)	78,208	-	78,208	117,506	-	117,506	757,995	-	757,995
- Element of (loss) / income	(4,686)	-	(4,686)	-	7	7	(35,228)	7	(35,221)
Total payments on redemption of units	73,524	-	73,523	117,506	7	117,513	722,767	7	722,775
Total comprehensive (loss) / income for the quarter	-	(13,309)	(13,309)	-	15,116	15,116	-	(140,410)	(140,410)
Distribution during the quarter	-	-	-	-	-	-	-	-	-
Net (loss) / income for the quarter less distribution	-	(13,309)	(13,309)	-	15,116	15,116	-	(140,410)	(140,410)
Net assets at end of the quarter	321,740	(92,577)	229,163	960,344	36,153	996,497	6,412,967	(2,172,074)	4,240,892
Undistributed (loss) / income brought forward									
- Realised loss		(50,077)			(7,886)			(1,569,362)	
- Unrealised (loss) / income		(29,191)			28,930			(462,295)	
		(79,268)			21,044			(2,031,657)	
Accounting income available for distribution									
- Relating to capital gains		-			7,624			7,624	
- Excluding capital gains		-			7,485			7,485	
		-			15,109			15,109	
Net (loss) / income for the quarter after taxation		(13,309)			-			(155,526)	
Distribution during the quarter		-			-			-	
Undistributed (loss) / income carried forward		(92,577)			36,153			(2,172,074)	
Undistributed (loss) / income carried forward									
- Realised (loss) / income		(82,119)			27,148			(2,044,766)	
- Unrealised (loss)		(10,458)			9,005			(127,308)	
		(92,577)			36,153			(2,172,074)	
		Rupees			Rupees				
Net asset value per unit as at beginning of the quarter		40.7893			51.2011				
Net asset value per unit as at end of the quarter		39.3097			51.9894				

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

**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 QUARTER ENDED SEPTEMBER 30, 2019**

	September 30, 2018			September 30, 2018			September 30, 2018			September 30, 2018		
	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 quarter	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
Redemption of units:												
MSAP - I: 1,156,615 units / MSAP - II: 698,750 units / MSAP - III: 1,146,001 units / MSAP - IV: 3,920,639 units / MSAP - V: 169,223 units, MCPP - III: 487,166 units												
- Capital value (at net asset value per unit at the beginning of the quarter)	50,907	-	50,907	30,079	-	30,079	48,147	-	48,147	167,491	-	167,491
- Element of (loss) / income	(1,052)	-	(1,052)	(567)	-	(567)	(1,138)	-	(1,138)	(3,121)	-	(3,121)
Total payments on redemption of units	49,855	-	49,855	29,511	-	29,512	47,010	-	47,009	164,370	-	164,370
Total comprehensive (loss) / income for the quarter	-	(39,506)	(39,506)	-	(24,455)	(24,455)	-	(26,525)	(26,525)	-	(30,646)	(30,646)
Distribution during the quarter	-	-	-	-	-	-	-	-	-	-	-	-
Net (loss) / income for the quarter less distribution	-	(39,506)	(39,506)	-	(24,455)	(24,455)	-	(26,525)	(26,525)	-	(30,646)	(30,646)
Net assets at end of the quarter	2,193,366	(337,265)	1,856,100	1,487,047	(251,668)	1,235,379	1,662,495	(312,819)	1,349,677	1,793,560	(323,070)	1,470,489
Undistributed (loss) / income brought forward												
- Realised (loss) / income		(105,369)			(74,165)			(116,408)			(121,353)	
- Unrealised loss		(192,390)			(153,048)			(169,886)			(171,071)	
		(297,759)			(227,213)			(286,294)			(292,424)	
Accounting income available for distribution												
- Relating to capital gains		-			-			-			-	
- Excluding capital gains		-			-			-			-	
Net (loss) / income for the quarter after taxation		(39,506)			(24,455)			(26,525)			(30,646)	
Distribution during the quarter		-			-			-			-	
Undistributed (loss) / income carried forward		(337,265)			(251,668)			(312,819)			(323,070)	
Undistributed (loss) / income carried forward												
- Realised (loss) / income		(312,680)			(220,980)			(279,527)			(286,721)	
- Unrealised loss		(24,585)			(30,688)			(33,292)			(36,349)	
		(337,265)			(251,668)			(312,819)			(323,070)	
	Rupees			Rupees			Rupees			Rupees		
Net asset value per unit as at beginning of the quarter	44.0138			43.0461			42.0135			42.7203		
Net asset value per unit as at end of the quarter	43.1204			42.2295			41.2378			41.9353		

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

**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 QUARTER ENDED SEPTEMBER 30, 2019**

	September 30, 2018			September 30, 2018			September 30, 2018		
	MSAP-V (Rupees in '000)			MCPP-III (Rupees in '000)			Total (Rupees in '000)		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
Net assets at beginning of the quarter	528,299	(7,187)	521,112	1,367,662	(2,491)	1,365,171	9,323,174	(1,113,368)	8,209,806
Redemption of units:									
MSAP - I: 1,156,615 units / MSAP - II: 698,750 units /									
MSAP - III: 1,146,001 units / MSAP - IV: 3,920,639 units / MSAP - V: 169,223 units,									
MCPP - III: 487,167 units									
- Capital value (at net asset value per unit at the beginning of the quarter)	8,248	-	8,248	24,405	-	24,405	329,277	-	329,277
- Element of (loss) / income	(245)	-	(245)	-	20	20	(6,123)	20	(6,103)
Total payments on redemption of units	8,003	-	8,003	24,425	20	24,445	323,154	40	323,194
Total comprehensive (loss) / income for the quarter	-	(9,549)	(9,549)	-	6,420	6,420	-	(124,261)	(124,261)
Distribution during the quarter	-	-	-	-	-	-	-	-	-
Net (loss) / income for the quarter less distribution	-	(9,549)	(9,549)	-	6,420	6,420	-	(124,261)	(124,261)
Net assets at end of the quarter	520,296	(16,736)	503,560	1,343,237	3,909	1,347,146	9,000,020	(1,237,669)	7,762,350
Undistributed (loss) / income brought forward		5,171			(14,702)			(426,826)	
- Realised (loss) / income		(12,358)			12,211			(686,542)	
- Unrealised loss		(7,187)			(2,491)			(1,113,368)	
Accounting income available for distribution									
- Relating to capital gains		-			6,420			6,420	
- Excluding capital gains		-			(20)			(20)	
		-			6,400			6,400	
Net loss for the quarter after taxation		(9,549)			6,420			(124,261)	
Distribution during the quarter		-			-			-	
Undistributed (loss) / income carried forward		(16,736)			3,929			(1,237,629)	
Undistributed (loss) / income carried forward									
- Realised (loss) / income		(4,438)			7,421			(1,096,945)	
- Unrealised loss		(12,298)			(3,512)			(140,724)	
		(16,736)			3,909			(1,237,669)	
		Rupees			Rupees				
Net asset value per unit as at beginning of the quarter		48,7410			50,0951				
Net asset value per unit as at end of the quarter		47,8568			50,3343				

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

**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 QUARTER ENDED SEPTEMBER 30, 2019**

	September 30, 2019						Total
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	
	------(Rupees in '000)-----						
CASH FLOWS FROM OPERATING ACTIVITIES							
Net (loss) / income for the quarter before taxation	(47,248)	(26,192)	(31,829)	(36,948)	(13,309)	15,116	(140,410)
Adjustments for:							
Net unrealised diminution / (appreciation) on re-measurement of investments 'at fair value through profit or loss'	30,375	22,447	34,919	38,114	10,458	(9,005)	127,308
	(16,873)	(3,745)	3,090	1,166	(2,851)	6,111	(13,102)
Decrease / (increase) in assets							
Investments - net	129,563	199,502	68,576	132,388	65,630	115,155	710,814
Receivable against sale of investments - net	(10,320)	(1,300)	-	-	(1,090)	-	(12,710)
Profit receivables on saving account with banks	49	(5)	12	(17)	(37)	(83)	(81)
	119,292	198,197	68,588	132,371	64,503	115,072	698,023
(Decrease) / increase in liabilities							
Payable to Al Meezan Investment Management Limited - Management Company	(26)	(24)	(16)	(19)	(9)	(9)	(103)
Payable to Central Depository Company of Pakistan Limited - Trustee	(26)	(23)	(18)	(23)	(9)	(18)	(117)
Payable to Securities and Exchange Commission of Pakistan	(1,441)	(1,002)	(1,122)	(1,246)	14	54	(4,743)
Payable against purchase of investments - net	10,278	55	82	88	626	25	11,154
Accrued expenses and other liabilities	5	-	6	4	10	328	353
	8,790	(994)	(1,068)	(1,196)	632	380	6,543
Net cash generated from operating activities	111,210	193,458	70,610	132,341	62,284	121,563	691,465
CASH FLOWS FROM FINANCING ACTIVITIES							
Receipts against issuance and conversion of units	-	-	-	-	-	-	-
Payments against redemption and conversion of units	(117,970)	(197,310)	(83,343)	(129,787)	(70,372)	(120,478)	(719,260)
Net cash used in financing activities	(117,970)	(197,310)	(83,343)	(129,787)	(70,372)	(120,478)	(719,455)
Net (decrease) / increase in cash and cash equivalents during the quarter	(6,760)	(3,853)	(12,733)	2,554	(8,088)	1,085	(27,794)
Cash and cash equivalents at beginning of the quarter	11,970	4,377	13,180	335	13,450	1,148	44,460
Cash and cash equivalents at end of the quarter	5,210	524	447	2,889	5,362	2,233	16,665

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

**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 QUARTER ENDED SEPTEMBER 30, 2019**

	September 30, 2018						
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCCP-III	Total
	----- (Rupees in '000) -----						
CASH FLOWS FROM OPERATING ACTIVITIES							
Net (loss) / income for the quarter before taxation	(39,506)	(24,455)	(26,525)	(30,646)	(9,549)	6,420	(124,261)
Adjustments for:							
Net unrealised diminution on re-measurement of investments 'at fair value through profit or loss'	24,585	30,688	33,292	36,349	12,298	3,512	140,724
	(14,921)	6,233	6,767	5,703	2,749	9,932	16,463
Decrease / (increase) in assets							
Investments - net	65,282	38,083	45,109	157,691	6,213	13,985	326,363
Receivable against sale of investments - net	-	-	(820)	-	-	-	(820)
Profit receivables on saving account with banks	3	(27)	(12)	2	-	3	(31)
	65,285	38,056	44,277	157,693	6,213	13,988	325,512
(Decrease) / increase in liabilities							
Payable to Al Meezan Investment Management Limited - Management Company	(16)	9	1	(12)	(2)	113	93
Payable to Central Depository Company of Pakistan Limited - Trustee	(8)	(5)	(7)	(11)	(1)	(1)	(33)
Payable to Securities and Exchange Commission of Pakistan	(1,650)	(1,070)	(1,161)	(1,300)	(267)	(242)	(5,690)
Accrued expenses and other liabilities	100	21	24	104	13	185	447
	(1,574)	(1,045)	(1,143)	(1,219)	(257)	55	(5,182)
Net cash generated from / (used in) operating activities	48,790	43,244	49,901	162,177	8,705	23,975	336,793
CASH FLOWS FROM FINANCING ACTIVITIES							
Receipts against issuance and conversion of units	-	-	-	200	-	270	470
Payments against redemption and conversion of units	(50,839)	(29,501)	(47,010)	(164,370)	(8,003)	(24,903)	(324,625)
Net cash (used in) from financing activities	(50,839)	(29,501)	(47,010)	(164,170)	(8,003)	(24,633)	(324,155)
Net (decrease) / increase in cash and cash equivalents during the quarter	(2,049)	13,743	2,892	(1,993)	702	(658)	12,637
Cash and cash equivalents at beginning of the quarter	9,147	1,707	2,158	6,740	5,090	2,939	27,781
Cash and cash equivalents at end of the quarter	7,098	15,450	5,050	4,747	5,792	2,281	40,418

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

**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 QUARTER ENDED SEPTEMBER 30, 2019

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 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 rating of AM1 by VIS dated December 28, 2018 (2018: AM1 dated December 29, 2017) and by PACRA dated June 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.
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.
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). The units are still being offered for public subscription till 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 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 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 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 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 this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the quarter ended September 30, 2019.

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 the true and fair view of the state of affairs of the Fund as at September 30, 2019.

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

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.

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.

5. BALANCES WITH BANKS

	Note	September 30, 2019 (Unaudited)						
		MSAP -I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPP-III	Total
----- (Rupees in '000) -----								
Saving accounts	5.1	3,443	327	437	2,651	4,719	1,588	13,165
Current accounts		1,766	197	10	238	643	645	3,499
		<u>5,210</u>	<u>524</u>	<u>447</u>	<u>2,889</u>	<u>5,362</u>	<u>2,233</u>	<u>16,665</u>
----- (Rupees in '000) -----								
June 30, 2019 (Audited)								
		MSAP -I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPP-III	Total
Saving accounts	5.1	11,904	4,180	13,170	97	7,807	503	37,661
Current accounts		66	197	10	238	5,643	645	6,799
		<u>11,970</u>	<u>4,377</u>	<u>13,180</u>	<u>335</u>	<u>13,450</u>	<u>1,148</u>	<u>44,460</u>

- 5.1 The balance in saving accounts have an expected profit ranging from 3.20% to 12.75% per annum (June 30, 2019: 6.30% to 11.85% per annum).

6. INVESTMENTS

Note	September 30, 2019 (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'	6.1	903,756	503,071	776,000	837,544	227,000	996,811	4,244,182
							June 30, 2019 (Audited)	
							(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 quarter	Redemptions during the quarter	As at September 30, 2019	Carrying value as at September 30, 2019	Market value as at September 30, 2019	Unrealised (loss) / gain as at September 30, 2019	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)	
Meezan Strategic Allocation Plan-I									
Al Meezan Mutual Fund	18,848,470	-	6,181,554	12,666,915	169,181	159,057	(10,123)	17.71	17.60
Kse Meezan Index Fund	202,085	-	61,908	140,177	7,422	6,999	(423)	0.78	0.77
Meezan Dedicated Equity Fund	8,724,482	-	2,649,475	6,075,007	215,745	200,450	(15,295)	22.32	22.18
Meezan Islamic Fund	3,358,169	-	1,875,376	1,482,794	71,070	66,536	(4,534)	7.41	7.36
Meezan Cash Fund	-	-	-	-	-	-	-	-	-
Meezan Islamic Income Fund	4,983,964	1,653,461	6,637,425	-	-	-	-	-	-
Meezan Rozana Amdani Fund	1,486,485	9,887,500	1,959,719	9,414,266	470,713	470,713	-	52.40	52.08
					934,132	903,756	(30,375)	100.61	100.00
Meezan Strategic Allocation Plan-II									
Al Meezan Mutual Fund	22,818,599	-	9,003,268	13,815,331	184,519	173,478	(11,041)	34.49	34.48
Kse Meezan Index Fund	137,871	-	345	137,526	7,282	6,867	(415)	1.37	1.36
Meezan Dedicated Equity Fund	1,238,827	-	234,945	1,003,881	35,651	33,124	(2,527)	6.59	6.58
Meezan Islamic Fund	2,983,781	-	215,901	2,767,881	132,665	124,201	(8,463)	24.69	24.69
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	3,465,765	1,172,070	3,308,027	165,401	165,401	-	32.88	32.88
					525,518	503,071	(22,447)	100.02	100.00
Meezan Strategic Allocation Plan-III									
Kse Meezan Index Fund	168,089	206,923	420	374,592	18,878	18,704	(174)	2.41	2.41
Meezan Dedicated Equity Fund	1,980,130	-	249,158	1,730,972	61,473	57,115	(4,358)	7.36	7.36
Meezan Islamic Fund	10,949,099	-	1,011,314	9,937,785	476,318	445,931	(30,387)	57.47	57.47
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	5,397,568	1,534,967	5,085,002	254,250	254,250	-	32.77	32.76
					810,919	776,000	(34,919)	100.01	100.00
Meezan Strategic Allocation Plan-IV									
Al Meezan Mutual Fund	1,877,734	-	-	1,877,734	25,079	23,579	(1,501)	2.81	2.82
Kse Meezan Index Fund	190,753	206,923	477	397,199	20,075	19,832	(242)	2.37	2.37
Meezan Dedicated Equity Fund	1,740,577	-	316,994	1,423,583	50,557	46,972	(3,584)	5.60	5.61
Meezan Islamic Fund	12,489,097	-	1,766,420	10,722,677	513,938	481,151	(32,787)	57.41	57.45
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	5,600,588	1,658,840	5,320,200	266,010	266,010	-	31.74	31.76
					875,658	837,544	(38,114)	99.94	100.00
Meezan Strategic Allocation Plan-V									
Kse Meezan Index Fund	56,659	-	142	56,518	2,993	2,822	(171)	1.23	1.24
Meezan Dedicated Equity Fund	978,486	-	103,863	874,622	31,061	28,859	(2,202)	12.59	12.71
Meezan Islamic Fund	3,635,008	-	990,972	2,644,036	126,729	118,644	(8,085)	51.77	52.27
Meezan Cash Fund	786,420	-	786,420	-	-	-	-	-	-
Meezan Islamic Income Fund	787,065	272,289	1,059,353	-	-	-	-	-	-
Meezan Rozana Amdani Fund	220,080	1,754,026	440,607	1,533,499	76,675	76,675	-	33.46	33.78
					237,457	227,000	(10,458)	99.06	100.00
Meezan Strategic Allocation Plan - MCPP-III									
Meezan Dedicated Equity Fund	5,644,575	3,504,335	8,450,834	698,076	21,878	23,034	1,156	2.31	2.31
Meezan Cash Fund	-	37,706,592	21,556,969	16,149,623	829,525	837,374	7,849	84.03	84.01
Meezan Rozana Amdani Fund	4,521,293	24,124,990	25,918,212	2,728,070	136,404	136,404	-	13.69	13.68
					987,806	996,811	9,005	100.03	100.00
Total investments in units of mutual funds									
Al Meezan Mutual Fund	43,544,803	-	15,184,822	28,359,980	378,779	356,113	(22,665)	8.40	8.39
Kse Meezan Index Fund	755,458	413,846	63,292	1,106,012	56,649	55,224	(1,425)	1.30	1.30
Meezan Dedicated Equity Fund	20,307,076	3,504,335	12,005,269	11,806,142	416,365	389,554	(26,811)	9.19	9.18
Meezan Islamic Fund	33,415,155	-	5,859,983	27,555,172	1,320,719	1,236,464	(84,255)	29.16	29.13
Meezan Cash Fund	1,062,684	37,706,592	22,619,654	16,149,623	829,525	837,374	7,848	19.75	19.73
Meezan Islamic Income Fund	17,819,478	5,974,246	23,793,726	-	-	-	-	-	-
Meezan Rozana Amdani Fund	9,843,042	50,230,437	32,684,415	27,389,064	1,369,453	1,369,453	-	32.29	32.27
					4,371,490	4,244,182	(127,308)	100.08	100.00

7 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

During the quarter, Trustee has revised its tariff as follows;

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 @ 0.075% p.a. of Net Assets during the quarter.

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

SECP vide S.R.O. No. 685(I)/2019 dated June 28, 2019, revised rate of annual fee to 0.02% of net assets applicable on all categories of Collective Investment Schemes with effective from July 1, 2019. Accordingly Fund has charged SECP Fee @ 0.02% of net assets during the quarter.

9 CONTINGENCIES AND COMMITMENTS

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

10 ACCRUED EXPENSES AND OTHER LIABILITIES

		September 30, 2019 (Unaudited)						
Note		MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	M CPP-III	Total
		(Rupees in '000)						
	Auditors' remuneration payable	87	59	70	77	25	96	414
	Shariah advisory fee payable	16	15	13	13	2	13	72
	Zakat Payable	4	11	-	176	18	26	236
	Printing fee payable	155	105	118	131	47	109	665
	Capital gain tax	-	2	-	-	-	49	51
	Provision for Sindh Workers' Welfare Fund	4,481	-	-	-	-	891	5,372
		<u>4,743</u>	<u>192</u>	<u>201</u>	<u>397</u>	<u>92</u>	<u>1,184</u>	<u>6,810</u>
		June 30, 2019 (Audited)						
Note		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	4,481	-	-	-	-	583	5,064
		<u>4,737</u>	<u>192</u>	<u>195</u>	<u>394</u>	<u>82</u>	<u>857</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, 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 for SWWF not been recorded in the financial statements of the Fund for the period from May 21, 2015 to September 30, 2019, the net asset value of MSAP-I and MCPP-III as at June 30, 2019 would have been higher by Re 0.17/0.50% and 0.05/0.09% (June 30, 2019: 0.153 and 0.027).

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:

	September 30, 2019 (Unaudited)						Total
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPP-III	
Al Meezan Investment Management Limited - Management Company							
Remuneration payable (Rs in '000)	4	2	1	3	4	3	17
Sindh Sales Tax on management fee (Rs in '000)	1	1	-	1	1	-	4
Allocated expenses (Rs in '000)	73	39	63	68	19	82	344
Meezan Bank Limited							
Bank balance (Rs in '000)	5,198	524	447	2,889	5,362	2,223	16,643
Profit receivable (Rs in '000)	5	16	1	28	48	92	190
Central Depository Company of Pakistan Limited - Trustee							
Trustee fee payable (Rs. in '000)	51	28	44	48	13	58	242
Sindh Sales Tax on trustee fee payable (Rs. in '000)	7	4	6	5	2	8	32
Al Meezan Mutual Fund							
Investment (Rs in '000)	159,057	173,478	-	23,579	-	-	356,113
Investment (Units)	12,666,915	13,815,331	-	1,877,734	-	-	28,359,980
Kse Meezan Index Fund							
Investment (Rs in '000)	6,999	6,867	18,704	19,832	2,822	-	55,224
Investment (Units)	140,177	137,526	374,592	397,199	56,518	-	1,106,012
Meezan Dedicated Equity Fund							
Investment (Rs in '000)	200,450	33,124	57,115	46,972	28,859	23,034	389,554
Investment (Units)	6,075,007	1,003,881	1,730,972	1,423,583	874,622	698,076	11,806,142
Meezan Islamic Fund							
Investment (Rs in '000)	66,536	124,201	445,931	481,151	118,644	-	1,236,464
Investment (Units)	1,482,794	2,767,881	9,937,785	10,722,677	2,644,036	-	27,555,172
Meezan Cash Fund							
Investment (Rs in '000)	-	-	-	-	-	837,374	837,374
Investment (Units)	-	-	-	-	-	16,149,623	16,149,623
Meezan Rozana Amdani Fund							
Investment (Rs in '000)	470,713	165,401	254,250	266,010	76,675	136,404	1,369,453
Investment (Units)	9,414,266	3,308,027	5,085,002	5,320,200	1,533,499	2,728,070	27,389,064
Unitholders holding 10% or more units of the Fund							
Investment (Rs in '000)	-	92,185	225,175	343,585	62,988	172,285	896,218
Investment (Units)	-	2,645,091	6,645,828	9,990,010	1,602,342	3,313,849	24,197,120
June 30, 2019							
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPP-III	Total
Al Meezan Investment Management Limited - Management Company							
Remuneration payable (Rs in '000)	10	4	4	4	5	2	29
Sindh Sales Tax on management fee (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
Meezan Bank Limited							
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
Central Depository Company of Pakistan Limited - Trustee							
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
Directors and Executives of the management company							
Investment (Rs in '000)	-	-	12,369	-	-	-	12,369
Investment (Units)	-	-	352,640	-	-	-	352,640
Al Meezan Mutual Fund							
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
Kse Meezan Index Fund							
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
Meezan Dedicated Equity Fund							
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
Meezan Islamic Fund							
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
Meezan Rozana Amdani Fund							
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
Meezan Cash Fund							
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
Meezan Islamic Income Fund							
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
Meezan Sovereign Fund							
Investment (Rs in '000)	-	-	-	-	-	676,437	676,437
Investment (Units)	-	-	-	-	-	13,138,372	13,138,372
Unitholders holding 10% or more units of the Fund							
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



September 30, 2019 (Unaudited)						
MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPP-III	Total
Al Meezan Investment Management Limited - Management Company						
Remuneration for the quarter (Rs in '000)						
22	15	20	8	28	17	110
Sindh Sales Tax on management fee (Rs in '000)						
3	2	3	1	4	2	15
Allocated expenses (Rs in '000)						
239	140	201	218	65	260	1,123
Redeemed during the quarter (Rs in '000)						
-	68,876	-	-	-	-	68,876
Redeemed during the quarter (Units)						
-	1,999,600	-	-	-	-	1,999,600
Meezan Bank Limited						
Profit on saving account (Rs in '000)						
224	106	172	98	98	156	853
Central Depository Company of Pakistan Limited - Trustee						
Trustee fee (Rs in '000)						
168	98	141	153	46	182	788
Sindh Sales Tax on trustee fee (Rs in '000)						
22	13	18	20	6	24	103
Al Meezan Mutual Fund						
Redeemed during the quarter (Rs in '000)						
73,470	111,760	-	-	-	-	185,230
Redeemed during the quarter (Units)						
6,181,554	9,003,268	-	-	-	-	15,184,822
Kse Meezan Index Fund						
Invested during the quarter (Rs in '000)						
-	-	10,000	10,000	-	-	20,000
Invested during the quarter (Units)						
-	-	206,923	206,923	-	-	413,846
Redeemed during the quarter (Rs in '000)						
3,027	18	22	25	7	-	3,100
Redeemed during the quarter (Units)						
61,908	345	420	477	142	-	63,292
Meezan Dedicated Equity Fund						
Invested during the quarter (Rs in '000)						
-	-	-	-	-	111,000	111,000
Invested during the quarter (Units)						
-	-	-	-	-	3,504,335	3,504,335
Redeemed during the quarter (Rs in '000)						
86,700	8,300	8,900	11,230	3,650	275,545	394,325
Redeemed during the quarter (Units)						
2,649,475	234,945	249,158	316,994	103,863	8,450,834	12,005,269
Meezan Islamic Fund						
Redeemed during the quarter (Rs in '000)						
79,760	9,810	44,010	77,790	42,340	-	253,710
Redeemed during the quarter (Units)						
1,875,376	215,901	1,011,314	1,766,420	990,972	-	5,859,983
Meezan Cash Fund						
Invested during the quarter (Rs in '000)						
-	-	-	-	-	1,920,793	1,920,793
Invested during the quarter (Units)						
-	-	-	-	-	37,706,592	37,706,592
Redeemed during the quarter (Rs in '000)						
-	83	5,962	8,081	40,264	1,102,957	1,157,348
Redeemed during the quarter (Units)						
-	1,615	116,448	158,201	786,420	21,556,969	22,619,654
Meezan Islamic Income Fund						
Invested during the quarter (Rs in '000)						
85,606	58,413	70,498	80,687	14,090	-	309,295
Invested during the quarter (Units)						
1,653,461	1,128,244	1,361,670	1,558,582	272,289	-	5,974,246
Redeemed during the quarter (Rs in '000)						
346,444	236,405	282,706	320,327	55,178	-	1,241,059
Redeemed during the quarter (Units)						
6,637,425	4,536,335	5,418,583	6,142,029	1,059,353	-	23,793,726
Meezan Rozana Amdani Fund						
Invested during the quarter (Rs in '000)						
494,375	173,288	269,878	280,029	87,701	1,206,250	2,511,522
Invested during the quarter (Units)						
9,887,500	3,465,765	5,397,568	5,600,588	1,754,026	24,124,990	50,230,437
Redeemed during the quarter (Rs in '000)						
97,986	58,603	76,748	82,942	22,030	1,295,911	1,634,221
Redeemed during the quarter (Units)						
1,959,719	1,172,070	1,534,967	1,658,840	440,607	25,918,212	32,684,415
Dividend during the quarter (Rs in '000)						
5,604	2,697	3,981	4,258	1,176	7,064	24,780
Dividend during the quarter (Units)						
112,082	53,938	79,622	85,154	23,525	141,282	495,603
September 30, 2018 (Unaudited)						
MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPP-III	Total
Al Meezan Investment Management Limited - Management Company						
Remuneration for the quarter (Rs in '000)						
21	33	11	28	13	10	116
Sindh Sales Tax on management fee (Rs in '000)						
3	5	1	4	2	1	16
Allocated expenses (Rs in '000)						
478	319	348	402	129	342	2,018
Meezan Bank Limited						
Profit on saving account (Rs in '000)						
37	78	29	62	31	23	260
Central Depository Company of Pakistan Limited - Trustee						
Trustee fee (Rs in '000)						
374	249	272	314	101	267	1,577
Sindh Sales Tax on trustee fee (Rs in '000)						
49	32	35	41	13	35	205
September 30, 2018 (Unaudited)						
MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPP-III	Total
Al Meezan Mutual Fund						
Invested during the quarter (Rs in '000)						
50,000	-	-	-	-	-	50,000
Invested during the quarter (Units)						
2,928,138	-	-	-	-	-	2,928,138
Meezan Dedicated Equity Fund						
Invested during the quarter (Rs in '000)						
648,000	-	-	-	-	148,200	796,200
Invested during the quarter (Units)						
13,834,033	-	-	-	-	3,056,882	16,890,915
Redeemed during the quarter (Rs in '000)						
200,000	-	-	2,470	-	148,260	350,730
Redeemed during the quarter (Units)						
4,253,522	-	-	53,282	-	3,156,481	7,463,285
Meezan Islamic Fund						
Invested during the quarter (Rs in '000)						
150,000	-	-	-	-	-	150,000
Invested during the quarter (Units)						
2,446,600	-	-	-	-	-	2,446,600
Redeemed during the quarter (Rs in '000)						
743,925	77,500	90,370	167,300	24,700	-	1,103,795
Redeemed during the quarter (Units)						
12,164,291	1,251,365	1,466,022	2,715,415	400,536	-	17,997,630
Meezan Cash Fund						
Invested during the quarter (Rs in '000)						
3,863	3,550	6,326	7,528	3,312	161,580	186,158
Invested during the quarter (Units)						
78,130	70,457	127,316	151,285	92,100	3,859,364	4,378,652
Redeemed during the quarter (Rs in '000)						
15,875	14,740	16,560	44,810	3,450	169,620	265,055
Redeemed during the quarter (Units)						
313,127	290,542	326,373	879,895	67,834	3,348,079	5,225,851
Dividend received during the quarter (Rs in '000)						
3,863	3,550	6,326	7,528	3,312	16,480	41,058
Dividend received during the quarter (Units)						
76,590	70,388	125,430	149,265	65,681	326,778	814,132
Capital refund of during the quarter (Rs in '000)						
78	0	95	102	1,332	33,815	35,422
Capital refund of during the quarter (Units)						
1,539	1	1,886	2,020	26,419	670,507	702,372

Meezan Islamic Income Fund

Invested during the quarter (Rs in '000)	69,138	52,875	58,540	55,519	19,363	-	255,435
Invested during the quarter (Units)	1,495,164	1,107,933	1,213,246	1,166,843	384,345	-	5,367,532
Dividend received during the quarter (Rs in '000)	9,138	5,875	4,540	5,519	363	-	25,435
Dividend received during the quarter (Units)	177,821	114,319	88,341	107,383	7,061	-	494,925
Capital refund of during the quarter (Rs in '000)	7,846	4,177	3,941	4,569	435	-	20,968
Capital refund of during the quarter (Units)	152,668	81,285	76,679	88,898	8,470	-	408,000

12 ALLOCATED EXPENSES

In accordance with Regulation 60 of the NBFC Regulations, the Management Company till June 19, 2019 entitled to charge expenses related to registrar services, accounting, operations and valuation services, related to a Collective Investment Scheme (CIS) at the rate of 0.10% of the average annual net assets of the scheme or actual whichever is less. During the year, SECP vide SRO 639 dated June 20, 2019 has removed the maximum cap of 0.10%. Accordingly, the Management Company can now charge actual expenses related to registrar services, accounting, operations and valuation services to the CIS with effect from June 20, 2019.

However, the Management Company continued to charge expenses at the rate of 0.1% of the average annual net assets of the Fund for both the periods i.e from July 1, 2018 to June 19, 2019 and from June 20, 2019 to June 30, 2019, being lower than actual expenses.

13 EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the quarter ended September 30, 2019 are;

	MSAP - I	MSAP - II	MSAP - III	MSAP - IV	MSAP - V	MCPPI - III
	-----Percentage (%)-----					
Total Expense Ratio (TER)	0.23	0.23	0.23	0.22	0.27	0.35
Government levy and SECP fee	0.03	0.03	0.03	0.03	0.04	0.15

	MSAP - I	MSAP - II	MSAP - III	MSAP - IV	MSAP - V	MCPPI - III
	-----Percentage (%)-----					
	As at June 30, 2019					
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 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 unitholders. The Fund has not recorded any tax liability in respect of income MCPPI - III relating to the current period as the Management Company has intends to distribute at least 90 percent of the Fund's accounting income for the year ending June 30, 2019, 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.

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 September 30, 2019 and June 30, 2019, the Fund held the following financial instruments measured at fair value:

	As at September 30, 2019			
	Level 1	Level 2	Level 3	Total
ASSETS	----- (Rupees in '000) -----			
Financial assets 'at fair value through profit or loss'				
Units of mutual funds	-	4,244,182	-	4,244,182

	As at June 30, 2019			
	Level 1	Level 2	Level 3	Total
ASSETS	----- (Rupees in '000) -----			
Financial assets 'at fair value through profit or loss'				
Units of mutual funds	-	5,082,304	-	5,082,304



16. GENERAL

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

17. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on October 15, 2019 by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

Director

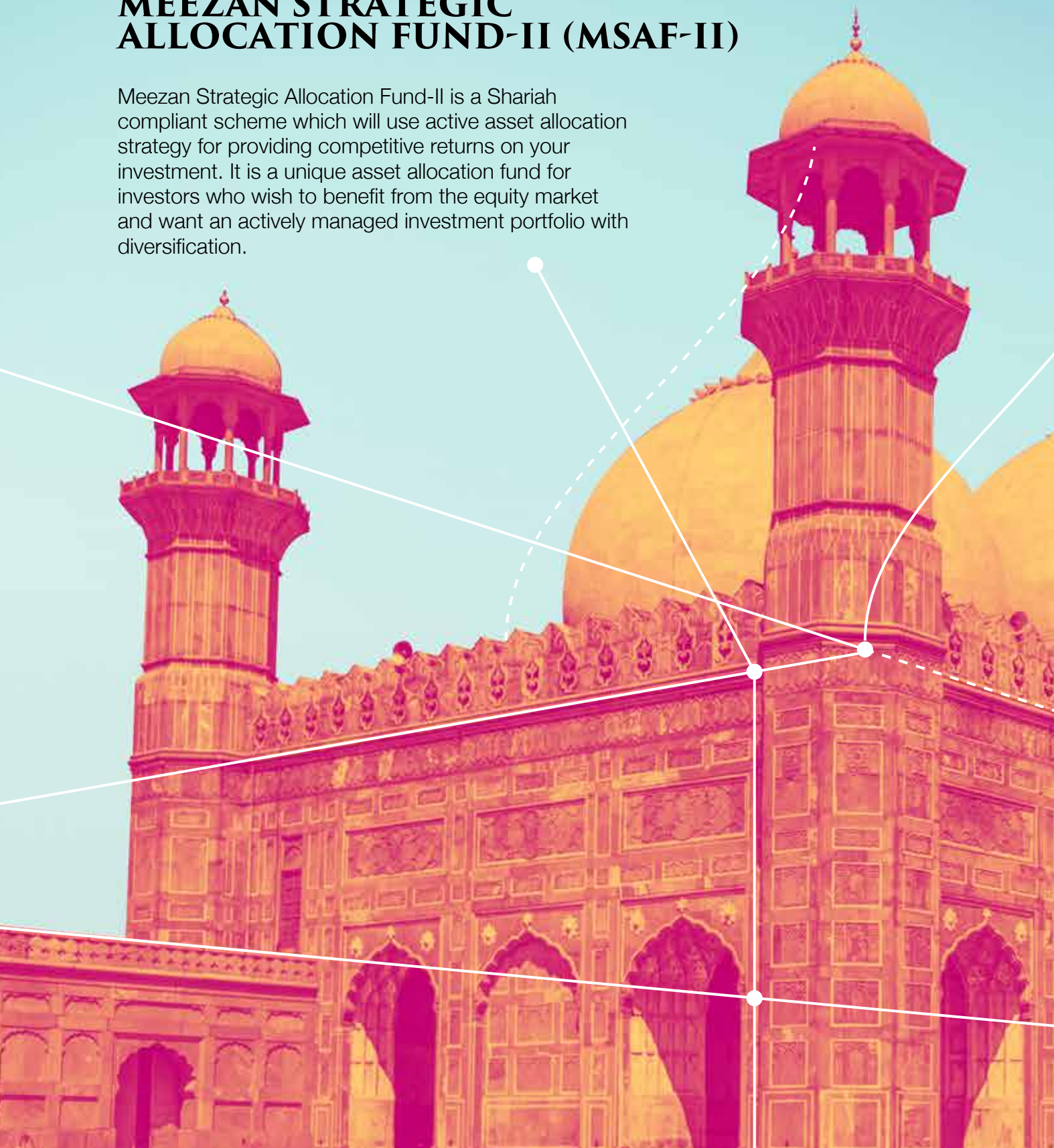


Meezan

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
E-mail: 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

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

MEEZAN STRATEGIC ALLOCATION FUND - II
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2019

September 30, 2019 (Unaudited)							
Note	M CPP-IV	M CPP-V	M CPP-VI	M CPP-VII	M CPP-VIII	Total	
----- (Rupees in '000) -----							
Assets							
Balances with banks	5	3,144	792	340	770	3,636	8,682
Investments	6	1,360,852	377,847	313,718	176,459	98,911	2,327,787
Receivable against sale of investments		1,900	4,700	3,760	3,160	3,670	17,190
Profit receivable on saving account with banks		31	6	5	5	24	71
Total assets		1,365,927	383,345	317,823	180,394	106,241	2,353,730
Liabilities							
Payable to Al Meezan Investment Management Limited - Management Company		116	33	29	16	24	218
Payable to Central Depository Company of Pakistan Limited - Trustee		89	25	20	12	8	154
Payable to Securities and Exchange Commission of Pakistan		74	22	18	10	6	130
Payable against purchase of investments		375	353	82	80	35	925
Payable against redemption and conversion of units		2,625	4,719	3,778	3,180	3,668	17,970
Accrued expenses and other liabilities	10	915	214	109	31	48	1,317
Total liabilities		4,194	5,366	4,036	3,329	3,789	20,714
NET ASSETS		1,361,733	377,979	313,787	177,065	102,452	2,333,016
CONTINGENCIES AND COMMITMENTS							
Unitholders' fund (as per statement attached)	9	1,361,733	377,979	313,787	177,065	102,452	2,333,016
----- (Number of units) -----							
Number of units in issue		26,981,029	7,496,977	6,257,054	3,525,340	2,065,538	
----- (Rupees) -----							
Net assets value per unit		50.4700	50.4176	50.1493	50.2263	49.6007	

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 ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2019**

		June 30, 2019 (Audited)						
		MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	MCPP-VIII	Total	
Note	-----	(Rupees in '000)					-----	
Assets								
	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
	Profit receivable on saving account with banks		52	5	21	12	7	97
	Total assets		<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>
Liabilities								
	Payable to AI Meezan Investment Management Limited - Management Company		137	44	45	20	25	271
	Payable to Central Depository Company of Pakistan Limited - Trustee		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
	Total liabilities		<u>17,521</u>	<u>1,115</u>	<u>663</u>	<u>271</u>	<u>120</u>	<u>19,690</u>
	NET ASSETS		<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>
CONTINGENCIES AND COMMITMENTS								
	Unitholders' fund (as per statement attached)		<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) -----								
	Number of units in issue		<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) -----								
	Net assets value per unit		<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 QUARTER ENDED SEPTEMBER 30, 2019

September 30, 2019						
Note	M CPP-IV	M CPP-V	M CPP-VI	M CPP-VII	M CPP-VIII	Total
----- (Rupees in '000) -----						
Income						
Net realised gain / (loss) on sale of investments	7,151	827	522	796	(1,078)	8,218
Profit on saving accounts with banks	134	22	31	43	68	298
Dividend income	18,633	6,465	5,180	2,773	2,412	35,463
	<u>25,918</u>	<u>7,314</u>	<u>5,733</u>	<u>3,612</u>	<u>1,402</u>	<u>43,979</u>
Net unrealised diminution on re-measurement of investments - 'at fair value through profit or loss'	6.1 (17,227)	(5,848)	(5,197)	(3,193)	-	(31,465)
Total income	<u>8,691</u>	<u>1,466</u>	<u>536</u>	<u>419</u>	<u>1,402</u>	<u>12,514</u>
Expenses						
Remuneration to AI Meezan Investment Management Limited - Management Company	5	4	4	6	9	28
Sindh Sales Tax on management fee	1	-	1	1	1	4
Allocated expenses	12 356	105	86	47	30	624
Remuneration to Central Depository Company of Pakistan Limited - Trustee	250	73	61	33	21	438
Sindh Sales Tax on trustee fee	32	9	8	4	3	56
Annual fee to Securities and Exchange Commission of Pakistan	74	22	18	10	6	130
Auditors' remuneration	48	12	10	6	3	79
Fees and subscription	39	12	10	5	3	69
Provision for Sindh Workers' Welfare Fund	158	25	6	6	27	222
Bank and settlement charges	-	-	5	-	-	5
Total expenses	<u>963</u>	<u>262</u>	<u>209</u>	<u>118</u>	<u>103</u>	<u>1,655</u>
Net income for the quarter before taxation	<u>7,728</u>	<u>1,204</u>	<u>327</u>	<u>301</u>	<u>1,299</u>	<u>10,859</u>
Taxation	14 -	-	-	-	-	-
Net income for the quarter after taxation	<u>7,728</u>	<u>1,204</u>	<u>327</u>	<u>301</u>	<u>1,299</u>	<u>10,859</u>
Allocation of net income for the quarter						
Net income for the quarter after taxation	7,728	1,204	327	301	1,299	10,859
Income already paid on units redeemed	-	-	-	-	(54)	(54)
	<u>7,728</u>	<u>1,204</u>	<u>327</u>	<u>301</u>	<u>1,245</u>	<u>10,805</u>
Accounting income available for distribution						
- Relating to capital gains	-	-	-	-	-	-
- Excluding capital gains	7,728	1,204	327	301	1,245	10,805
	<u>7,728</u>	<u>1,204</u>	<u>327</u>	<u>301</u>	<u>1,245</u>	<u>10,805</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 QUARTER ENDED SEPTEMBER 30, 2019

	September 30, 2018	For the period from July 10, 2018 to September 30, 2018	For the period from September 26, 2018 to September 30, 2018		
	M CPP-IV	M CPP-V	M CPP-VI	M CPP-VII	Total
Note	(Rupees in '000)				
Income					
Net realised loss on sale of investments	(16,511)	(2,390)	(202)	-	(19,103)
Profit on saving accounts with banks	101	160	285	3	549
Dividend income	13,834	1,360	-	-	15,194
	<u>(2,576)</u>	<u>(870)</u>	<u>83</u>	<u>3</u>	<u>(3,360)</u>
Net unrealised appreciation on re-measurement of investments - 'at fair value through profit or loss' (net)	6.1 10,176	3,882	682	-	14,740
Total Income	<u>7,600</u>	<u>3,012</u>	<u>765</u>	<u>3</u>	<u>11,380</u>
Expenses					
Remuneration to Al Meezan Investment Management Limited - Management Company	30	60	116	1	207
Sindh Sales Tax on management fee	4	8	15	-	27
Allocated expenses	12 521	191	67	-	779
Remuneration to Central Depository Company of Pakistan Limited - Trustee	433	159	56	-	648
Sindh Sales Tax on trustee fee	56	21	7	-	84
Annual fee to Securities and Exchange Commission of Pakistan	495	181	64	-	740
Auditors' remuneration	42	15	5	-	62
Fees and subscription	45	17	3	-	65
Printing charges	34	12	4	-	50
Provision for Sindh Workers' Welfare Fund	119	47	-	-	166
Bank and settlement charges	2	1	10	-	13
Total expenses	<u>1,781</u>	<u>712</u>	<u>347</u>	<u>1</u>	<u>2,841</u>
Net Income for the quarter / period before taxation	<u>5,819</u>	<u>2,300</u>	<u>418</u>	<u>2</u>	<u>8,539</u>
Taxation	14 -	-	-	-	-
Net Income for the quarter / period after taxation	<u>5,819</u>	<u>2,300</u>	<u>418</u>	<u>2</u>	<u>8,539</u>
Allocation of net income for the quarter / period					
Net Income for the quarter / period after taxation	5,819	2,300	418	2	8,539
Income already paid on units redeemed	(28)	-	(41)	-	(69)
	<u>5,791</u>	<u>2,300</u>	<u>377</u>	<u>2</u>	<u>8,470</u>
Accounting income available for distribution					
- Relating to capital gains	-	-	-	-	-
- Excluding capital (loss) / gains	5,791	2,300	377	2	8,470
	<u>5,791</u>	<u>2,300</u>	<u>377</u>	<u>2</u>	<u>8,470</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
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

	September 30, 2019					Total
	MCCP-IV	MCCP-V	MCCP-VI	MCCP-VII	MCCP-VIII	
	----- (Rupees in '000) -----					
Net income for the quarter after taxation	7,728	1,204	327	301	1,299	10,859
Other comprehensive income for the quarter	-	-	-	-	-	-
Total comprehensive income for the quarter	<u>7,728</u>	<u>1,204</u>	<u>327</u>	<u>301</u>	<u>1,299</u>	<u>10,859</u>

	September 30, 2018	For the period from July 10, 2018 to September 30, 2018		For the period from September 26, 2018 to September 30, 2018		
		MCCP-IV	MCCP-V	MCCP-VI	MCCP-VII	Total
	----- (Rupees in '000) -----					
Net Income for the quarter / period after taxation	5,819	2,300	418	2	8,539	
Other comprehensive income for the quarter / period	-	-	-	-	-	
Total comprehensive Income for the quarter / period	<u>5,819</u>	<u>2,300</u>	<u>418</u>	<u>2</u>	<u>8,539</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 MOVEMENT IN UNITHOLDERS' FUND (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

	September 30, 2019			September 30, 2019			September 30, 2019			September 30, 2019			September 30, 2019			September 30, 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
Net assets at the beginning of the quarter	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
Redemption of units:																		
MCPPIV: 4,004,733/ MCPPIV: 1,959,628 / MCPPIV: 1,429,819																		
MCPPIV: 619,653 / MCPPIV: 602,406 units																		
- Capital value (at net asset value per unit at the beginning of the quarter)	200,722	-	200,722	98,205	-	98,205	71,432	-	71,432	31,007	-	31,007	29,517	-	29,517	430,883	-	430,883
- Element of (loss) / income	(1,679)		(1,679)	(1,073)		(1,073)	(866)		(866)	(359)		(359)	-	54	54	(3,977)	54	(3,923)
Total payments on redemption of units	199,043	-	199,043	97,132	-	97,132	70,566	-	70,566	30,648	-	30,648	29,517	54	29,571	426,906	54	426,960
Total comprehensive income for the quarter	-	7,728	7,728	-	1,204	1,204	-	327	327	-	301	301	-	1,299	1,299	-	10,859	10,859
Net income for the quarter less distribution	-	7,728	7,728	-	1,204	1,204	-	327	327	-	301	301	-	1,299	1,299	-	10,859	10,859
Net assets at the end of the quarter	1,364,012	(2,279)	1,361,733	375,970	2,009	377,979	314,989	(1,202)	313,787	178,661	(1,596)	177,065	104,827	(2,375)	102,452	2,338,459	(5,443)	2,333,016
(Accumulated losses) / undistributed income brought forward																		
- Realised income / (loss)	26,661		26,661	13,730		13,730	10,331		10,331	4,551		4,551	(3,616)		(3,616)	51,657		51,657
- Unrealised income / (loss)	(36,668)		(36,668)	(12,925)		(12,925)	(11,860)		(11,860)	(6,448)		(6,448)	(4)		(4)	(67,905)		(67,905)
	(10,007)		(10,007)	805		805	(1,529)		(1,529)	(1,897)		(1,897)	(3,620)		(3,620)	(16,248)		(16,248)
Accounting income available for distribution																		
- Relating to capital gains	-		-	-		-	-		-	-		-	-		-	-		-
- Excluding capital gains	7,728		7,728	1,204		1,204	327		327	301		301	1,245		1,245	10,805		10,805
Distribution during the quarter	-		-	-		-	-		-	-		-	-		-	-		-
(Accumulated losses) / undistributed income carried forward	(2,279)		(2,279)	2,009		2,009	(1,202)		(1,202)	(1,596)		(1,596)	(2,375)		(2,375)	(5,443)		(5,443)
(Accumulated losses) / undistributed income carried forward																		
- Realised income / loss	14,948		14,948	7,857		7,857	3,995		3,995	1,597		1,597	(2,375)		(2,375)	26,022		26,022
- Unrealised loss	(17,227)		(17,227)	(5,848)		(5,848)	(5,197)		(5,197)	(3,193)		(3,193)	-		-	(31,465)		(31,465)
	(2,279)		(2,279)	2,009		2,009	(1,202)		(1,202)	(1,596)		(1,596)	(2,375)		(2,375)	(5,443)		(5,443)
		Rupees			Rupees			Rupees		Rupees			Rupees		Rupees			
Net asset value per unit as at the beginning of the quarter		50.1213			50.1139			49.9586		50.0391			48.9980					
Net asset value per unit as at the end of the quarter		50.4700			50.4176			50.1493		50.2263			49.6007					

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 MOVEMENT IN UNITHOLDERS' FUND (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

	September 30, 2018			September 30, 2018			For the period from July 10, 2018 to September 30, 2018			For the period from September 26, 2018 to September 30, 2018			September 30, 2018		
	MCPPIV			MCPPIV			MCPPIV			MCPPIV			Total		
	(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)		
	Capital Value	Undistributed loss / Income	Total	Capital Value	Undistributed loss / Income	Total	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
Net assets at beginning of the Quarter / Period	2,135,335	(19,965)	2,115,370	733,520	(152)	733,368	-	-	-	-	-	-	2,868,855	(20,117)	2,848,738
Issuance of units:															
MCPPIV: 1,594,607 / MCPPIV: 13,201,106 / MCPPIV: 151,313 units															
- Capital value (at net asset value per unit at the beginning of the quarter / Period)	-	-	-	79,778	-	79,778	660,055	-	660,055	7,565	-	7,565	747,398	-	747,398
- Element of income	-	-	-	(435)	-	(435)	3,028	-	3,028	-	-	-	2,593	-	2,593
Total proceeds on issuance of units	-	-	-	79,343	-	79,343	663,083	-	663,083	7,565	-	7,565	749,991	-	749,991
Redemption of units:															
MCPPIV: 1,885,295 units / MCPPIV: 1,379,730/															
MCPPIV: 466,387 units															
- Capital value (at net asset value per unit at the beginning of the quarter / period)	93,887	-	93,887	69,028	-	69,028	23,319	-	23,319	-	-	-	186,234	-	186,234
- Element of (loss) / income	(4)	28	24	(192)	-	(192)	85	41	126	-	-	-	(111)	-	(111)
Total payments on redemption of units	93,883	28	93,911	68,836	-	68,836	23,404	41	23,445	-	-	-	186,123	-	186,123
Total comprehensive income / (loss) for the period	-	5,819	5,819	-	2,300	2,300	-	418	418	-	2	2	-	8,539	8,539
Distribution during the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Income for the quarter / period less distribution	-	5,819	5,819	-	2,300	2,300	-	418	418	-	2	2	-	8,539	8,539
Net assets at end of the quarter / period	<u>2,041,452</u>	<u>(14,174)</u>	<u>2,027,278</u>	<u>744,027</u>	<u>2,148</u>	<u>746,175</u>	<u>639,679</u>	<u>377</u>	<u>640,056</u>	<u>7,565</u>	<u>2</u>	<u>7,567</u>	<u>3,432,723</u>	<u>(11,647)</u>	<u>3,421,076</u>
Accumulated loss brought forward															
- Realised loss		(24,192)			(857)			-			-			(25,049)	
- Unrealised income		4,227			705			-			-			4,932	
		<u>(19,965)</u>			<u>(152)</u>			<u>-</u>			<u>-</u>			<u>(20,117)</u>	
Accounting income available for distribution															
- Relating to capital gains		-			-			-			-			-	
- Excluding capital gains		5,791			2,300			377			2			8,470	
		<u>5,791</u>			<u>2,300</u>			<u>377</u>			<u>2</u>			<u>8,470</u>	
Distribution during the quarter / period		-			-			-			-			-	
(Accumulated losses) / undistributed income carried forward		<u>(14,174)</u>			<u>2,148</u>			<u>377</u>			<u>2</u>			<u>(11,647)</u>	
(Accumulated losses) / undistributed income carried forward															
- Realised loss		(24,350)			(1,734)			(305)			2			(26,387)	
- Unrealised income		10,176			3,882			682			-			14,740	
		<u>(14,174)</u>			<u>2,148</u>			<u>377</u>			<u>2</u>			<u>(11,647)</u>	
		Rupees			Rupees			Rupees			Rupees			Rupees	
Net asset value per unit as at Beginning of the quarter / period		<u>49,7996</u>			<u>50,0298</u>			<u>-</u>			<u>-</u>			<u>-</u>	
Net asset value per unit as at end of the quarter / period		<u>49,9424</u>			<u>50,1681</u>			<u>50,2607</u>			<u>50,0112</u>			<u>50,0112</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
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

September 30, 2019

	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	MCPP-VIII	Total
	------(Rupees in '000)-----					
CASH FLOWS FROM OPERATING ACTIVITIES						
Net income for the quarter before taxation	7,728	1,204	327	301	1,299	10,859
Adjustments for:						
Net unrealised appreciation on re-measurement of investments 'at fair value through profit or loss'	17,227	5,848	5,197	3,193	-	31,465
	24,955	7,052	5,524	3,494	1,299	42,324
(Increase) / decrease in assets						
Investments - net	190,562	90,414	63,908	25,059	29,640	399,583
Receivable against sale of investments - net	(1,900)	(4,700)	(3,760)	(3,160)	(3,670)	(17,190)
Other receivables	21	(1)	16	7	(17)	26
	188,683	85,713	60,164	21,906	25,953	382,419
(Decrease) / increase in liabilities						
Payable to Al Meezan Investment Management Limited - Management Company	(21)	(11)	(16)	(4)	(1)	(53)
Payable to Central Depository Company of Pakistan Limited - Trustee	(34)	(15)	(16)	(5)	(2)	(72)
Payable to Securities and Exchange Commission of Pakistan	(1,729)	(604)	(449)	(166)	(50)	(2,998)
Payable against purchase of investments - net	375	101	82	45	35	638
Accrued expenses and other liabilities	170	61	44	8	28	311
	(1,239)	(468)	(355)	(122)	10	(2,174)
Net cash generated from operating activities	212,399	92,297	65,333	25,278	27,262	422,569
CASH FLOWS FROM FINANCING ACTIVITIES						
Payments against redemption and conversion of units	(211,131)	(92,413)	(66,838)	(27,468)	(25,912)	(423,762)
Net cash used in financing activities	(211,131)	(92,413)	(66,838)	(27,468)	(25,912)	(423,762)
Net increase / (decrease) in cash and cash equivalents during the quarter	1,268	(116)	(1,505)	(2,190)	1,350	(1,193)
Cash and cash equivalents at the beginning of the quarter	1,876	908	1,845	2,960	2,286	9,875
Cash and cash equivalents at the end of the quarter	3,144	792	340	770	3,636	8,682

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 QUARTER ENDED SEPTEMBER 30, 2019**

	September 30, 2018		For the period from July 10, 2018 to September 30, 2018	For the period from September 26, 2018 to September 30, 2018	Total
	M CPP-IV	M CPP-V	M CPP-VI	M CPP-VII	
..... (Rupees in '000)					
CASH FLOWS FROM OPERATING ACTIVITIES					
Net Income for the quarter / period before taxation	5,819	2,300	418	2	8,539
Adjustments for:					
Net unrealised appreciation on re-measurement of investments 'at fair value through profit or loss'	(10,176)	(3,882)	(682)	-	(14,740)
	(4,357)	(1,582)	(264)	2	(6,201)
(Increase) / Decrease in assets					
Investments - net	102,737	(134,280)	(639,678)	-	(671,221)
Receivable against sale of investments - net	(11,290)	(340)	-	-	(11,630)
Other receivables	(1)	129	(141)	(3)	(16)
	91,446	(134,491)	(639,819)	(3)	(682,866)
(Decrease) / Increase in liabilities					
Payable to Al Meezan Investment Management Limited - Management Company	(14)	(9,188)	7,337	122	(1,743)
Payable to Central Depository Company of Pakistan Limited - Trustee	(10)	18	42	-	50
Payable to Meezan Bank Limited	-	(5,913)	6,102	-	189
Payable to Securities and Exchange Commission of Pakistan	32	130	64	-	226
Accrued expenses and other liabilities	(6,840)	(980)	23	11	(7,787)
	(6,832)	(15,933)	13,568	133	(9,065)
Net cash generated from / (used in) operating activities	80,257	(152,006)	(626,515)	132	(698,132)
CASH FLOWS FROM FINANCING ACTIVITIES					
Receipts against issuance and conversion of units	-	82,132	663,083	7,470	752,685
Payments against redemption and conversion of units	(79,716)	(68,828)	(23,445)	-	(171,989)
Net cash (used in) / generated from financing activities	(79,716)	13,304	639,638	7,470	580,696
Net increase / decrease in cash and cash equivalents during the quarter / period	541	(138,702)	13,123	7,602	(117,436)
Cash and cash equivalents at the beginning of the quarter / period	1,743	139,238	-	-	140,981
Cash and cash equivalents at end of the quarter / period	2,284	536	13,123	7,602	23,545

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 QUARTER ENDED SEPTEMBER 30, 2019

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 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 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 rating of AM1 by VIS dated December 28, 2018 (2018: AM1 dated December 29, 2017) and by PACRA dated June 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 (MCP-IV), Meezan Capital Preservation Plan-V (MCP-V), Meezan Capital Preservation Plan-VI (MCP-VI), Meezan Capital Preservation Plan-VII (MCP-VII) and Meezan Capital Preservation Plan-VIII (MCP-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 (MCP-IV)	Low risk - High return through asset allocation 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 (MCP-V)	Low risk - High return through asset allocation 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 (MCP-VI)	Low risk - High return through asset allocation 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 (MCP-VII)	Low risk - High return through asset allocation 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 (MCP-VIII)	Low risk - High return through asset allocation 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 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 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.

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

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.

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.

5. **BALANCES WITH BANKS**

	Note	September 30, 2019 (Unaudited)					Total
		MCCPP-IV	MCCPP-V	MCCPP-VI	MCCPP-VII	MCCPP-VIII	
----- (Rupees in '000) -----							
Saving accounts	5.1	3,134	792	340	770	3,636	8,672
Current accounts		10	-	-	-	-	10
		<u>3,144</u>	<u>792</u>	<u>340</u>	<u>770</u>	<u>3,636</u>	<u>8,682</u>
----- (Rupees in '000) -----							
June 30, 2019 (Audited)							
----- (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 6.45% to 8.15% (June 30, 2019 6.30% to 11.85%) per annum.

6. **INVESTMENTS**

	Note	September 30, 2019 (Unaudited)					Total
		MCCPP-IV	MCCPP-V	MCCPP-VI	MCCPP-VII	MCCPP-VIII	
----- (Rupees in '000) -----							
Investments - 'at fair value through profit or loss'	6.1	<u>1,360,852</u>	<u>377,847</u>	<u>313,718</u>	<u>176,459</u>	<u>98,911</u>	<u>2,327,787</u>
----- (Rupees in '000) -----							
June 30, 2019 (Audited)							
----- (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 quarter	Redemptions during the quarter	As at September 30, 2019	Carrying value as at September 30, 2019	Market value as at September 30, 2019	Unrealised (dimuni-tion) as at September 30, 2019	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)		
Meezan Capital Preservation Plan - IV									
Meezan Dedicated Equity Fund	10,044,192	-	3,201,819	6,842,373	242,997	225,770	(17,227)	16.58	16.59
Meezan Cash Fund	-	25,330,703	25,330,703	-	-	-	-	-	-
Meezan Sovereign Fund	17,633,059	-	17,633,059	-	-	-	-	-	-
Meezan Rozana Amdani Fund	6,081,739	24,803,812	8,183,916	22,701,634	1,135,082	1,135,082	-	83.36	83.41
					<u>1,378,079</u>	<u>1,360,852</u>	<u>(17,227)</u>	<u>99.94</u>	<u>100</u>
Meezan Capital Preservation Plan - V									
Meezan Dedicated Equity Fund	3,081,261	-	758,544	2,322,717	82,488	76,640	(5,848)	20.28	20.28
Meezan Cash Fund	-	7,369,913	7,369,913	-	-	-	-	-	-
Meezan Sovereign Fund	5,140,343	-	5,140,343	-	-	-	-	-	-
Meezan Rozana Amdani Fund	2,000,572	7,056,850	3,033,280	6,024,142	301,207	301,207	-	79.69	79.72
					<u>383,695</u>	<u>377,847</u>	<u>(5,848)</u>	<u>99.97</u>	<u>100</u>
Meezan Capital Preservation Plan - VI									
Meezan Dedicated Equity Fund	2,745,310	-	681,264	2,064,046	73,302	68,105	(5,197)	21.70	21.71
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	5,851,355	2,359,502	4,912,259	245,613	245,613	-	78.27	78.29
					<u>318,915</u>	<u>313,718</u>	<u>(5,197)</u>	<u>99.98</u>	<u>100</u>
Meezan Capital Preservation Plan - VII									
Meezan Dedicated Equity Fund	1,477,397	-	209,112	1,268,285	45,041	41,848	(3,193)	23.63	23.72
Meezan Cash Fund	-	3,058,517	3,058,517	-	-	-	-	-	-
Meezan Sovereign Fund	2,218,732	-	2,218,732	-	-	-	-	-	-
Meezan Rozana Amdani Fund	760,217	2,902,040	970,039	2,692,219	134,611	134,611	-	76.02	76.28
					<u>179,652</u>	<u>176,459</u>	<u>(3,193)</u>	<u>99.65</u>	<u>100</u>
Meezan Capital Preservation Plan - VIII									
Meezan Dedicated Equity Fund	518,566	1,286,112	1,804,678	-	-	-	-	-	-
Meezan Cash Fund	-	4,124,642	4,124,642	-	-	-	-	-	-
Meezan Sovereign Fund	1,692,281	-	1,692,281	-	-	-	-	-	-
Meezan Rozana Amdani Fund	460,132	4,656,902	3,138,808	1,978,226	98,911	98,911	-	96.54	100.00
					<u>98,911</u>	<u>98,911</u>	<u>-</u>	<u>96.54</u>	<u>100</u>
Total investments in units of mutual funds									
Meezan Dedicated Equity Fund	17,866,726	1,286,112	6,655,417	12,497,421	443,828	412,363	(31,465)	17.68	17.71
Meezan Cash Fund	-	45,739,149	45,739,149	-	-	-	-	-	-
Meezan Sovereign Fund	30,846,884	-	30,846,884	-	-	-	-	-	-
Meezan Rozana Amdani Fund	10,723,066	45,270,959	17,685,544	38,308,481	1,915,424	1,915,424	-	82.10	82.29
					<u>2,359,252</u>	<u>2,327,787</u>	<u>(31,465)</u>	<u>99.78</u>	<u>100</u>

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

During the quarter, Trustee has revised its tariff as follows;

Net Assets (Rs.)	Existing 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 Fund has charged Trustee Fee @ 0.070% p.a. of Net Assets during the quarter.

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

SECP vide S.R.O. No. 685(I)/2019 dated June 28, 2019, revised rate of annual fee to 0.02% of net assets, applicable on all categories of Collective Investment Schemes with effective from July 1, 2019. Accordingly Fund has charged SECP Fee @ 0.02% of net assets during the quarter.

9. CONTINGENCIES AND COMMITMENTS

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

10. ACCRUED EXPENSES AND OTHER LIABILITIES

		September 30, 2019 (Unaudited)					
		MCCP-IV	MCCP-V	MCCP-VI	MCCP-VII	MCCP-VIII	Total
		(Rupees in '000)					
	Note						
Auditors' remuneration payable		162	52	40	17	8	279
Withholding tax payable		14	-	-	-	-	14
Shariah advisory fee payable		55	11	9	5	3	83
Printing charges payable		213	9	7	1	1	231
Provision for Sindh Workers' Welfare Fund	10.1	467	84	6	6	26	589
Capital gain tax payable		2	2	1	1	-	6
Other payable		-	-	-	-	10	10
Zakat Payable		2	56	46	1	-	105
		<u>915</u>	<u>214</u>	<u>109</u>	<u>31</u>	<u>48</u>	<u>1,317</u>

		June 30, 2019 (Audited)					
		MCCP-IV	MCCP-V	MCCP-VI	MCCP-VII	MCCP-VIII	Total
		(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		310	60	-	-	-	370
Capital gain tax payable	10.1	2	5	1	-	-	8
Other payable		-	-	-	-	10	10
Zakat Payable		2	15	6	-	-	23
		<u>745</u>	<u>153</u>	<u>65</u>	<u>23</u>	<u>20</u>	<u>1,006</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). 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 SWWF not been provided, the NAV per unit / Fund return would have been higher by Re 0.017/0.0343%, Re 0.011/0.0223%, Re 0.001/0.0020% ,Re 0.002/0.0035% and 0.013/0.0258% in MCCP-IV, MCCP-V, MCCP-VI, MCCP-VII and MCCP-VIII 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	September 30, 2019 (Unaudited)					Total
	MCCPP-IV	MCCPP-V	MCCPP-VI	MCCPP-VII	MCCPP-VIII	
Al Meezan Investment Management Limited						
- Management Company						
Remuneration payable (Rs in '000)	4	1	3	2	13	23
Sindh Sales Tax on management fee (Rs in '000)	1	-	-	-	2	3
Allocated expenses (Rs in '000)	111	32	26	14	9	192
Meezan Bank Limited						
Bank balance (Rs in '000)	3,144	792	340	770	3,636	8,682
Profit receivable (Rs in '000)	31	6	5	5	24	71
Central Depository Company of Pakistan Limited - Trustee						
Trustee fee payable (Rs. in '000)	79	22	18	11	7	137
Sindh Sales Tax on trustee fee payable (Rs. in '000)	10	3	2	1	1	17
Directors and Executives of the Management Company						
Investment (Rs in '000)	5,035	-	-	-	-	5,035
Investment (Units)	99,772	-	-	-	-	99,772
Meezan Dedicated Equity Fund						
Investment (Rs in '000)	225,770	76,640	68,105	41,848	-	412,363
Investment (Units)	6,842,373	2,322,717	2,064,046	1,268,285	-	12,497,421
Meezan Rozana Amdani Fund						
Investment (Rs in '000)	1,135,082	301,207	245,613	134,611	98,911	1,915,424
Investment (Units)	22,701,634	6,024,142	4,912,259	2,692,219	1,978,226	38,308,481
Unitholders holding 10% or more units of the Fund						
Investment (Rs in '000)	165,078	39,841	-	28,001	-	232,920
Investment (Units)	3,270,818	790,215	-	987,119	-	5,048,152

Balances

June 30, 2019

	MCCP-IV	MCCP-V	MCCP-VI	MCCP-VII	MCCP-VIII	Total
Al Meezan Investment Management Limited - Management Company						
Remuneration payable (Rs in '000)	5	1	5	3	12	26
Sindh Sales Tax on management fee (Rs in '000)	1	0	1	-	2	4
Allocated expenses (Rs in '000)	131	43	39	17	11	241
Meezan Bank Limited						
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
Central Depository Company of Pakistan Limited - Trustee						
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
Directors and Executives of the Management Company						
Investment (Rs in '000)	5,001	-	-	-	-	5,001
Investment (Units)	99,772	-	-	-	-	99,772
Meezan Dedicated Equity Fund						
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
Meezan Sovereign Fund						
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
Meezan Rozana Amdani Fund						
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 quarter ended September 30, 2019 (Unaudited)

	MCCP-IV	MCCP-V	MCCP-VI	MCCP-VII	MCCP-VIII	Total
----- (Unaudited) -----						
Al Meezan Investment Management Limited - Management Company						
Remuneration for the period (Rs in '000)	5	4	4	6	9	28
Sindh Sales Tax on management fee (Rs in '000)	1	-	1	1	1	4
Allocated expenses (Rs in '000)	356	105	86	47	30	624
Meezan Bank Limited						
Profit on saving account (Rs in '000)	134	21	31	44	68	298
Central Depository Company of Pakistan Limited - Trustee						
Trustee fee (Rs in '000)	250	73	61	33	21	438
Sindh Sales Tax on trustee fee (Rs in '000)	32	9	8	4	3	56

For the quarter ended September 30, 2019 (Unaudited)

	MCCP-IV	MCCP-V	MCCP-VI	MCCP-VII	MCCP-VIII	Total
Meezan Dedicated Equity Fund						
Invested during the quarter (Rs. in '000)	-	-	-	-	43,000	43,000
Invested during the quarter (Units)	-	-	-	-	1,286,112	1,286,112
Redeemed during the quarter (Rs. in '000)	105,540	24,510	22,060	6,830	59,579	218,519
Redeemed during the quarter (Units)	3,201,819	758,544	681,264	209,112	1,804,678	6,655,417
Meezan Cash Fund						
Invested during the quarter (Rs. in '000)	1,281,552	372,855	296,207	154,708	209,083	2,314,406
Invested during the quarter (Units)	25,330,703	7,369,913	5,855,373	3,058,517	4,124,642	45,739,149
Redeemed during the quarter (Rs. in '000)	1,295,575	375,734	298,558	155,937	209,717	2,335,520
Redeemed during the quarter (Units)	25,330,703	7,369,913	5,855,373	3,058,517	4,124,642	45,739,149
Meezan Sovereign Fund						
Invested during the quarter (Rs. in '000)	-	-	-	-	-	-
Invested during the quarter (Units)	-	-	-	-	-	-
Redeemed during the quarter (Rs. in '000)	909,145	265,031	214,613	114,396	87,252	1,590,438
Redeemed during the quarter (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 quarter (Rs. in '000)	1,240,191	352,843	292,568	145,102	232,845	2,263,548
Invested during the quarter (Units)	24,803,812	7,056,850	5,851,355	2,902,040	4,656,902	45,270,959
Redeemed during the quarter (Rs. in '000)	409,196	151,664	117,975	48,502	156,940	884,277
Redeemed during the quarter (Units)	8,183,916	3,033,280	2,359,502	970,039	3,138,808	17,685,544
Dividend received during the quarter (Rs. in '000)	18,633	6,465	5,180	2,773	2,412	35,462
Dividend received during the quarter (Units)	372,651	129,301	103,596	55,458	48,235	709,241

	For the quarter ended September 30, 2018	For the period from July 10, 2018 to September 30, 2018	For the period from September 26, 2018 to September 30, 2018	Total
MCCP - IV MCCP - V MCCP - VI MCCP - VII				
(Rs. in '000)				

Al Meezan Investment Management Limited - Management Company

Remuneration for the quarter / period	30	60	116	1	207
Sindh Sales Tax on management fee	4	8	15	-	27
Allocated expenses	521	191	67	-	779

Meezan Bank Limited

Profit on saving account	101	160	285	3	549
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Central Depository Company of Pakistan Limited - Trustee

Trustee fee (Rs in '000)	433	159	56	-	648
Sindh Sales Tax on trustee fee (Rs in '000)	56	21	7	-	84

Meezan Dedicated Equity Fund

Invested during the period (Rs. in '000)	393,800	202,586	75,000	-	671,386
Invested during the period (Units)	8,252,360	4,193,118	1,533,589	-	13,979,066
Redeemed during the period (Rs. in '000)	636,541	204,656	25,150	-	866,347
Redeemed during the period (Units)	13,558,104	4,283,901	521,455	-	18,363,459

Meezan Cash Fund

Invested during the quarter / period (Rs. in '000)	629,825	790,067	668,000	-	2,087,892
Invested during the quarter / period (Units)	13,564,698	15,624,566	13,134,096	-	42,323,360
Redeemed during the quarter / period (Rs. in '000)	473,310	651,327	77,970	-	1,202,607
Redeemed during the quarter / period (Units)	9,309,707	12,494,088	1,535,967	-	23,339,762
Dividend Received during the Quarter (Rs. in '000)	13,834	1,360	-	-	15,193
Dividend Received during the Quarter (Units)	274,308	26,959	-	-	301,267
Refund of Capital during the Quarter (Rs. in '000)	59,534	19,413	-	-	78,947
Refund of Capital during the Quarter (Units)	1,180,484	384,939	-	-	1,565,423

12. ALLOCATED EXPENSES

Uptil June 19, 2019 in accordance with Regulation 60 of the NBFC Regulations, the Management Company was entitled to charge expenses related to registrar services, accounting, operations and valuation services, related to a Collective Investment Scheme (CIS) at the rate of 0.1% of the average annual net assets of the scheme or actual whichever is less. During the year, SECP vide SRO 639 dated June 20, 2019 has removed the maximum cap of 0.1%. Accordingly, the Management Company can now charge actual expenses related to registrar services, accounting, operations and valuation services to the CIS with effect from June 20, 2019.

However, the Management Company continued to charge expenses at the rate 0.1% of the average annual net assets of the Fund for the period from July 1, 2019 to September 30, 2019, being lower than actual expenses.

13. EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the year ended September 30, 2019 are;

	As at September 30, 2019				
	MCPPIV	MCPPIV	MCPPIV	MCPPIV	MCPPIV
Total Expense ratio (including government levies)	0.27%	0.25%	0.24%	0.25%	0.34%
Government levies	0.07%	0.05%	0.04%	0.04%	0.12%

	As at June 30, 2019				
	MCPPIV	MCPPIV	MCPPIV	MCPPIV	MCPPIV
Total Expense ratio (including government levies)	0.33%	0.33%	0.33%	0.27%	0.24%
Government levies	0.00%	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 unitholders. 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 unitholders. The Fund has not recorded any tax liability in respect of income relating to the current quarter as the Management Company has 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 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 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. 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 September 30, 2019 and June 30, 2019, the Fund held the following financial instruments measured at fair value:

ASSETS	As at September 30, 2019			
	Level 1	Level 2	Level 3	Total
Financial assets 'at fair value through profit or loss'	----- (Rupees in '000) -----			
Units of mutual funds	-	2,327,787	-	2,327,787

ASSETS	As at June 30, 2019			
	Level 1	Level 2	Level 3	Total
Financial assets 'at fair value through profit or loss'	----- (Rupees in '000) -----			
Units of mutual funds	-	2,758,835	-	2,758,835

16. GENERAL

Figures have been rounded off to the nearest thousand rupees.

17. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on October 15, 2019 by the Board of Directors of the Management Company.

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

Chief Eecutive

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
E-mail: 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

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 SEPTEMBER 30, 2019**

		September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
	Note	MCPPI-IX ----- (Rupees in '000) -----	
Assets			
Balances with banks	5	1,635	15,908
Investments	6	93,152	18,944
Profit accrued on balances with banks		90	26
Receivable against investments		4,890	-
Total assets		99,767	34,878
Liabilities			
Payable to AI Meezan Investment Management Limited - Management Company		14	866
Payable to Central Depository Company of Pakistan Limited - Trustee	7	7	1
Payable to Securities and Exchange Commission of Pakistan	8	4	1
Payable against investments		33	-
Payable against redemption and conversions		5,195	-
Accrued expenses and other liabilities	10	187	80
Total liabilities		5,440	948
Net assets		94,327	33,930
Unitholders' fund (as per statement attached)		94,327	33,930
Contingencies and commitments	9		
		----- (Number of units) -----	
Number of units in issue		1,936,322	703,396
		----- (Rupees) -----	
Net assets value per unit		48.7146	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 QUARTER ENDED SEPTEMBER 30, 2019**

	September 30, 2019
Note	MCPPI-IX (Rupees in '000)
Income	
Realised loss on sale of investments (net)	(1,173)
Profit on balance with banks	98
Dividend income	1,859
Total Income	<u>784</u>
Expenses	
Remuneration to AI Meezan Investment Management Limited - Management Company	19
Sindh Sales Tax on remuneration to Management Company	2
Allocated expenses	12 21
Remuneration to Central Depository Company of Pakistan Limited - Trustee	16
Sindh Sales Tax on remuneration of the Trustee	2
Annual fee to Securities and Exchange Commission of Pakistan	8 4
Auditors' remuneration	15
Fees and subscription	68
Provision for Sindh Workers' Welfare Fund	13
Total expenses	<u>160</u>
Net income for the quarter before taxation	<u>624</u>
Taxation	14 -
Net income for the quarter after taxation	<u><u>624</u></u>
Allocation of net income for the quarter	
Net income for the quarter after taxation	624
Income already paid on units redeemed	(32)
	<u>592</u>
Accounting income available for distribution	
- Relating to capital gains	-
- Excluding capital gains	592
	<u><u>592</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 STRATEGIC ALLOCATION FUND - III
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

	September 30, 2019 MCPPI-IX (Rupees in '000)
Net income for the quarter after taxation	624
Other comprehensive income for the quarter	-
Total comprehensive income for the quarter	624

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 UNITHOLDERS' FUND (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

September 30, 2019

MCPP-IX

Capital Value	(Accumulated loss) / Undistributed income	Total
---------------	---	-------

(Rupees in '000)

Net Assets at the beginning of the quarter

34,246 (316) 33,930

Issuance of units:

Issuance of 1,816,116 units

- Capital value (at net asset value per unit at the beginning of the quarter)

87,605 - 87,605

- Element of loss

279 - 279

Total proceeds on issuance of units

87,884 - 87,884

Redemption of units:

Redemption of 583,190 units

- Capital value (at net asset value per unit at the beginning of the quarter)

28,132 - 28,132

- Element of (loss) / income

(21) - (21)

Total payments on redemption of units

28,111 - 28,111

Total comprehensive income for the quarter

- 624 624

Net assets at the end of the quarter

94,019 308 94,327

Accumulated loss brought forward

- Realised loss

(105)

- Unrealised income

(211)

(316)

Accounting income available for distribution

- Relating to capital gains

32

- Excluding capital gains

592

624

Undistributed income carried forward

308

Undistributed income carried forward

- Realised income

308

- Unrealised income

-

308

Rupees

Net asset value per unit as at the beginning of the quarter

48.2374

Net asset value per unit as at the end of the quarter

48.7146

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 QUARTER ENDED SEPTEMBER 30, 2019**

	September 30, 2019
	MCCP-IX (Rupees in '000)
CASH FLOWS FROM OPERATING ACTIVITIES	
Net income for the quarter before taxation	624
Increase in assets	
Investments - net	(74,208)
Profit accrued on balances with banks	(64)
Receivable against investments	(4,890)
	(79,162)
(Decrease) /Increase in liabilities	
Payable to AI Meezan Investment Management Limited - Management Company	(852)
Payable to Central Depository Company of Pakistan Limited - Trustee	6
Payable to Securities and Exchange Commission of Pakistan	3
Payable against investments	33
Accrued expenses and other liabilities	107
	(703)
Net cash used in operating activities	(79,241)
CASH FLOWS FROM FINANCING ACTIVITIES	
Receipts against issuance and conversion of units	87,884
Payments against redemption and conversion of units	(22,916)
Net cash generated from financing activities	64,968
Net decrease in cash and cash equivalents	(14,273)
Cash and cash equivalents at the beginning of the quarter	15,908
Cash and cash equivalents at the end of the quarter	1,635

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 QUARTER ENDED SEPTEMBER 30, 2019

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 of the Fund has been given quality rating of AM1 by VIS Credit Rating Company Limited dated December 28, 2018 and by PACRA dated June 28, 2019 the rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.6 As per the offering document approved by the SECP, the accounting period, in case of the first such period, shall commence from the date on which the trust property is first paid or transferred to the Trustee. Accordingly these financial statements have been prepared from May 20, 2019 to June 30, 2019 (former being the date from which the proceeds from the issue of units were received). The initial offering of Meezan Capital Preservation Plan-IX (MCPPI-IX) was on May 14, 2019 for one business day respectively.
- 1.7 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 SECP.
- 1.8 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.
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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. BASIS OF PREPARATION

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.

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

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.

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.

5. BALANCES WITH BANKS

	Note	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
MCCP-IX -----(Rupees in '000)----			
Saving accounts	5.1	1,635	15,908

5.1 The balances in savings accounts have an expected profit which ranges from 6.45% to 13.35% per annum. (June 30, 2019 : 6.30% to 11.85% per annum)

6. INVESTMENTS

	Note	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
MCCP-IX -----(Rupees in '000)----			
Investments - 'at fair value through profit or loss'	6.1	93,152	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 quarter	Sales during the quarter	As at September 30, 2019	Carrying value as at September 30, 2019	Market value as at September 30, 2019	Unrealised (loss) / gain as at September 30, 2019	Percentage in relation to
								Total market value of investments
				(Number of units)	(Rupees in '000)	(Percentage)		
Meezan Capital Preservation Plan - IX								
Meezan Dedicated Equity Fund	153,424	1,017,411	1,170,836	-	-	-	-	-
Meezan Cash Fund	64,627	1,474,895	1,539,522	-	-	-	-	-
Meezan Sovereign Fund	198,820	232,743	431,562	-	-	-	-	-
Meezan Rozana Amdani Fund	-	3,367,918	1,504,879	1,863,038	93,152	93,152	-	100
					93,152	93,152	-	100

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

During the quarter, Trustee has revised its tariff as follows;

Net Assets (Rs.)	Existing Tariff	Revised Tariff
	Fee	
Upto 1 Billion	0.10% per annum	0.070% per annum of Net Assets
Above 1 Billion	Rs. 1 million plus 0.075% p.a of Net Assets exceeding Rs. 1000 million	

Accordingly Fund has charged Trustee Fee @ 0.070% p.a. of Net Assets during the quarter.

8. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

SECP vide S.R.O. No. 685(I)/2019 dated June 28, 2019, revised rate of annual fee to 0.02% of net assets, applicable on all categories of Collective Investment Schemes with effective from July 1, 2019. Accordingly Fund has charged SECP Fee @ 0.02% of net assets during the quarter.

9. CONTINGENCIES AND COMMITMENTS

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

10. ACCRUED EXPENSES AND OTHER LIABILITIES

	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
MCCP-IX -----(Rupees in '000)----		
Auditors' remuneration payable	65	50
Shariah advisory fee payable	99	30
Other Payable	10	-
Provision for Sindh Workers' Welfare Fund	13	-
	187	80

- 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 SWWF not been recorded the NAV per unit of the plan (MCPP IX) would have been higher by Re.0.0066.

11. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

- 11.1 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.
- 11.2 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.
- 11.3 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.
- 11.4 Detail of transactions with connected persons and balances with them are as follows:

	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
	MCPP IX	
	----(Rupees in '000)----	
Al Meezan Investment Management Limited		
- Management Company		
Remuneration payable (Rs in '000)	2	4
Sindh Sales Tax on management fee (Rs in '000)	-	1
Allocated expenses (Rs in '000)	12	1
Sales load payable (Rs in '000)	-	761
Sindh Sales Tax on sales load payable (Rs in '000)	-	99
Meezan Bank Limited		
Bank balance (Rs in '000)	1,615	15,898
Profit receivable (Rs in '000)	91	26
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable (Rs. in '000)	6	1
Sindh Sales Tax on trustee fee payable (Rs. in '000)	1	-
Meezan Dedicated Equity Fund		
Investment (Rs in '000)	-	5,449
Investment (Units)	-	153,424
Meezan Cash Fund		
Investment (Rs in '000)	-	3,259
Investment (Units)	-	64,627
Meezan Sovereign Fund		
Investment (Rs in '000)	-	10,236
Investment (Units)	-	198,820
Meezan Rozana Amdani Fund		
Investment (Rs in '000)	93,152	-
Investment (Units)	1,863,038	-
Unitholders holding 10% or more units of the Fund		
Investment (Rs in '000)	69,290	4,802
Investment (Units)	1,422,356	99,555



**September 30,
2019
(Unaudited)
MCPPIX
(Rupees in '000)**

**Al Meezan Investment Management Limited
- Management Company**

Remuneration for the quarter (Rs in '000)	19
Sindh Sales Tax on management fee (Rs in '000)	2
Allocated expenses (Rs in '000)	21

Meezan Bank Limited

Profit on saving account (Rs in '000)	98
---------------------------------------	----

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

Trustee fee for the quarter (Rs in '000)	16
Sindh Sales Tax on trustee fee (Rs in '000)	2

Meezan Dedicated Equity Fund

Invested during the quarter (Rs in '000)	32,500
Invested during the quarter (Units)	1,017,411
Redeemed during the quarter (Rs in '000)	36,549
Redeemed during the quarter (Units)	1,170,836

Meezan Cash Fund

Invested during the quarter (Rs in '000)	74,789
Invested during the quarter (Units)	1,474,895
Redeemed during the quarter (Rs in '000)	78,255
Redeemed during the quarter (Units)	1,539,522

Meezan Sovereign Fund

Invested during the quarter (Rs in '000)	12,000
Invested during the quarter (Units)	232,743
Redeemed during the quarter (Rs in '000)	22,255
Redeemed during the quarter (Units)	431,562

Meezan Rozana Amdani Fund

Invested during the quarter (Rs in '000)	168,396
Invested during the quarter (Units)	3,367,918
Redeemed during the quarter (Rs in '000)	75,244
Redeemed during the quarter (Units)	1,504,879
Dividend received during the quarter (Units)	37,184
Dividend received during the quarter (Rs. In '000)	1,859

12. ALLOCATED EXPENSES

In accordance with Regulation 60 of the NBFC Regulations, the Management Company till June 19, 2019 entitled to charge expenses related to registrar services, accounting, operations and valuation services, related to a Collective Investment Scheme (CIS) at the rate of 0.10% of the average annual net assets of the scheme or actual whichever is less. During the year, SECP vide SRO 639 dated June 20, 2019 has removed the maximum cap of 0.10%. Accordingly, the Management Company can now charge actual expenses related to registrar services, accounting, operations and valuation services to the CIS with effect from June 20, 2019.

However, the Management Company continued to charge expenses at the rate 0.1% of the average annual net assets of the Fund for the quarter from July 1, 2019 to September 30, 2019, being lower than actual expenses.

13. EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the quarter ended September 30, 2019 is:

	September 30, 2019 MCPPIX ----(Rupees in '000)---
Total Expense ratio (including government levies)	0.76%
Government levies	0.10%

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 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 intends to distribute the required level of profit to avail the exemption.

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 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. 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 September 30, 2019 and June 30, 2019, the Fund held the following financial instruments measured at fair value:

ASSETS	As at September 30, 2019		
	Level 1	Level 2	Level 3
	Rupees in '000		
Financial assets 'at fair value through profit or loss'			
Units of mutual funds	93,152	-	-
	As at June 30, 2019		
	Level 1	Level 2	Level 3
	Rupees in '000		
Financial assets 'at fair value through profit or loss'			
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 October 15, 2019 by the Board of Directors of the Management Company.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director




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





● ILYASI MOSQUE
(ABBOTTABAD)

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
E-mail: 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

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 SEPTEMBER 30, 2019**

Note	September 30, 2019 (Unaudited)					June 30, 2019 (Audited) Total
	Equity sub fund	Debt sub fund	Money Market sub fund	Gold sub fund	Total	

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

ASSETS

Bank balances	5	265,981	784,698	1,812,339	13,224	2,876,242	3,306,722
Investments	6	3,340,748	1,919,500	569,946	86,423	5,916,617	5,752,971
Dividend receivable		56,913	-	-	-	56,913	15,260
Deposits and other receivables	7	11,555	51,024	56,408	126	119,113	87,842
Receivable against sale of investments (net)		11,384	-	-	-	11,384	3,698
Receivable against change of plan / change of fund manager / issuance of units		-	8,858	22,001	637	31,496	14,759
Total assets		3,686,581	2,764,080	2,460,694	100,410	9,011,765	9,181,252

LIABILITIES

Payable to Al Meezan Investment Management Limited - Pension Fund Manager		4,845	3,770	3,344	141	12,100	12,480
Payable to Central Depository Company of Pakistan Limited - Trustee		279	218	193	8	698	715
Payable to auditors		92	92	92	91	367	252
Payable to Securities and Exchange Commission of Pakistan		300	231	191	8	730	3,100
Payable against purchase of investments (net)		-	-	-	38	38	17
Payable against withdrawal / change of plan		36,035	4,832	15,106	14	55,987	24,345
Accrued expenses and other liabilities	8	64,793	21,118	8,411	636	94,958	90,024
Total liabilities		106,344	30,261	27,337	936	164,878	130,933

NET ASSETS

	3,580,237	2,733,819	2,433,357	99,474	8,846,887	9,050,319
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Contingencies and commitments

9

PARTICIPANTS' SUB - FUNDS

(as per statement attached)

	3,580,237	2,733,819	2,433,357	99,474	8,846,887	9,050,319
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----- (Number of units) -----

Number of units in issue

(as per statement attached)

	10,059,483	11,275,702	10,119,908	725,678
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----- (Rupees) -----

Net assets value per unit

	355.9066	242.4522	240.4525	137.0771
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The annexed notes from 1 to 13 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 SEPTEMBER 30, 2019 (UNAUDITED)

Note	September 30, 2019				Total	September 30, 2018
	Equity sub fund	Debt sub fund	Money Market sub fund	Gold sub fund		Total

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

INCOME

Profit from sukuk certificates	-	41,730	4,910	-	46,640	20,333
Profit on saving accounts with banks	5,465	34,983	60,704	208	101,360	26,676
Profit on term deposit receipts	-	11,434	5,804	-	17,238	19,266
Dividend income	58,336	-	-	-	58,336	57,215
Unrealised diminution on 're-measurement of investments at 'fair value through profit or loss' (net)	6.1 & 6.2 (234,807)	(1,031)	-	-	(235,838)	(191,860)
Unrealised appreciation / (diminution) on investment in gold	6.4 -	-	-	4,448	4,448	(918)
Net realised (loss) / gain on sale of investments	(57,217)	56	-	-	(57,161)	(9,676)
Other income	-	-	-	128	128	82
Total (loss) / income	(228,223)	87,172	71,418	4,784	(64,849)	(78,882)

EXPENSES

Remuneration to Al Meezan Investment Management Limited - Pension Fund Manager	13,500	10,414	8,595	360	32,869	35,163
Sindh Sales Tax on remuneration of the Pension Fund Manager	1,755	1,354	1,117	47	4,273	4,570
Remuneration of Central Depository Company of Pakistan Limited - Trustee	778	600	495	21	1,894	1,987
Sindh Sales Tax on remuneration of the Trustee	101	78	64	3	246	258
Annual fee to Securities and Exchange Commission of Pakistan	300	231	191	8	730	781
Auditors' remuneration	28	28	28	28	112	133
Brokerage charges	506	1	-	207	714	922
Bank and settlement charges	71	69	3	21	164	150
Charity expense	1,691	-	-	-	1,691	776
Provision for Sindh Workers' Welfare Fund	-	1,459	1,282	98	2,839	779
Total expenses	18,730	14,234	11,775	793	45,532	45,519

Net (loss) / income from operating activities (246,953) 72,938 59,643 3,991 (110,381) (124,401)

Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed (net) 28,966 (1,450) 3,171 794 31,481 1,728

Net (loss) / income for the quarter before taxation (217,987) 71,488 62,814 4,785 (78,900) (122,673)

Taxation 12 - - - - -

Net (loss) / income for the quarter after taxation (217,987) 71,488 62,814 4,785 (78,900) (122,673)

Total comprehensive income for the quarter (217,987) 71,488 62,814 4,785 (78,900) (122,673)

The annexed notes from 1 to 13 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 CASH FLOW STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2019 (UNAUDITED)

Note	September 30, 2019				Total	September 30, 2018
	Equity sub fund	Debt sub fund	Money Market sub fund	Gold sub fund		Total

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

CASH FLOW FROM OPERATING ACTIVITIES

Net (loss) / income for the quarter before taxation (217,987) 71,488 62,814 4,785 (78,900) (122,673)

Adjustments :

Unrealised diminution on 're-measurement of investments at 'fair value through profit or loss' (net)	6.1 & 6.2	234,807	1,031	-	-	235,838	191,860
Unrealised appreciation / (diminution) on investment in gold	6.4	-	-	-	(4,448)	(4,448)	918
Element of loss / (income) and capital losses / (gains) included in prices of units issued less those in units redeemed (net)		(28,966)	1,450	(3,171)	(794)	(31,481)	(1,728)
		(12,146)	73,969	59,643	(457)	121,009	68,377

Decrease / (increase) in assets

Investments (net)	345,499	(423,232)	(306,546)	(10,757)	(395,036)	(133,844)
Receivable against sale of investments (net)	(7,686)	-	-	-	(7,686)	-
Dividend receivable	(41,653)	-	-	-	(41,653)	(40,665)
Deposits and other receivables	(2,937)	2,258	(30,521)	(70)	(31,270)	(12,916)
	293,223	(420,974)	(337,067)	(10,827)	(475,645)	(187,425)

(Decrease) / increase in liabilities

Payable to Al Meezan Investment Management Limited - Pension fund Manager	(999)	5	581	33	(380)	212
Payable to Central Depository Company of Pakistan Limited - Trustee	(56)	2	35	2	(17)	7
Payable to Securities and Exchange Commission of Pakistan	(1,397)	(662)	(299)	(12)	(2,370)	(2,127)
Payable to auditors	29	29	29	28	115	133
Payable against purchase of investments (net)	-	-	-	21	21	794
Accrued expenses and other liabilities	2,163	1,459	1,281	30	4,933	2,056
	(260)	833	1,627	102	2,302	1,075

Net cash generated from / (used in) operating activities 280,817 (346,172) (275,797) (11,182) (352,334) (117,973)

CASH FLOW FROM FINANCING ACTIVITIES

Receipts of contribution / change of plan / change of fund manager / issuance of units	546,749	726,246	866,952	13,153	2,153,100	894,177
Payments on withdrawal / change of plan	(784,545)	(865,582)	(580,387)	(732)	(2,231,246)	(613,607)
Net cash (used in) / generated from financing activities	(237,796)	(139,336)	286,565	12,421	(78,146)	280,570

Net increase / (decrease) in cash and cash equivalents during the quarter 43,021 (485,508) 10,768 1,239 (430,480) 162,597

Cash and cash equivalents at beginning of the quarter 222,960 1,270,206 1,801,571 11,985 3,306,722 1,450,885

Cash and cash equivalents at end of the quarter 5 265,981 784,698 1,812,339 13,224 2,876,242 1,613,482

The annexed notes from 1 to 13 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 STATEMENT OF MOVEMENT IN PARTICIPANTS SUB FUNDS
FOR THE QUARTER ENDED SEPTEMBER 30, 2019 (UNAUDITED)

	September 30, 2019				Total	September 30, 2018
	Equity sub fund	Debt sub fund	Money Market sub fund	Gold sub fund		Total
	----- (Rupees in '000) -----					
Net assets at beginning of the quarter	4,086,115	2,807,052	2,072,836	84,316	9,050,319	9,257,013
Amount received on issuance of units (2019: Equity sub fund: 1,600,553 units Debt sub fund: 3,022,758 units; Money market sub fund: 3,748,082 units ; Gold sub fund: 85,021 units) (2018: Equity sub fund: 539,668 units Debt sub fund: 1,126,920 units; Money market sub fund: 1,718,077 units ; Gold sub fund: 15,340 units)	546,749	722,222	888,953	11,913	2,169,837	893,776
Amount paid on withdrawal of units (2019: Equity sub fund: 2,363,024 units Debt sub fund: 3,635,691 units; Money market sub fund: 2,477,160 units ; Gold sub fund: 5,527 units) (2018: Equity sub fund: 280,323 units; Debt sub fund: 844,473 units; Money market sub fund: 1,401,296 units ; Gold sub fund: 3,371 units)	(805,674)	(868,393)	(588,075)	(746)	(2,262,888)	(631,071)
Element of income /(loss) and capital gains / (losses) included in prices of units issued less those in units redeemed (net)	(258,925)	(146,171)	300,878	11,167	(93,051)	262,705
Net realised (loss) / gain on sale of investments Unrealised diminution on 're-measurement of investments at 'fair value through profit or loss' (net) Unrealised appreciation / (diminution) on investment in gold Other net income for the quarter	(57,217) (234,807) - 74,037 (217,987)	56 (1,031) - 72,463 71,488	- - - 62,814 62,814	- - 4,448 337 4,785	(57,161) (235,838) 4,448 209,651 (78,900)	(9,676) (191,860) (918) 79,781 (122,673)
Net assets at end of the quarter	3,580,237	2,733,819	2,433,357	99,474	8,846,887	9,395,317

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information.

For AI Meezan Investment Management Limited
(Pension Fund Manager)

Chief Executive

Chief Financial Officer

Director



MEEZAN TAHAFFUZ PENSION FUND
CONDENSED INTERIM CONTRIBUTION TABLE
FOR THE QUARTER ENDED SEPTEMBER 30, 2019 (UNAUDITED)

September 30, 2019								Total	September 30, 2018
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)	Total
								(Rupees in '000)	(Rupees in '000)

Contribution net of front end fee for the quarter

Individuals

- issuance of units	<u>1,600,553</u>	<u>546,749</u>	<u>3,022,758</u>	<u>722,222</u>	<u>3,748,082</u>	<u>888,953</u>	<u>85,021</u>	<u>11,913</u>	<u>2,169,837</u>	<u>893,776</u>
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The annexed notes from 1 to 13 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 QUARTER ENDED SEPTEMBER 30, 2019 (UNAUDITED)

September 30, 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 quarter	10,821,954	11,888,635	8,848,986	646,184
Add: Units issued / converted / reallocated during the quarter	1,600,553	3,022,758	3,748,082	85,021
Less: Units redeemed / converted / reallocated during the quarter	(2,363,024)	(3,635,691)	(2,477,160)	(5,527)
Total units in issue at the end of the quarter	<u>10,059,483</u>	<u>11,275,702</u>	<u>10,119,908</u>	<u>725,678</u>

September 30, 2018			
Equity sub fund	Debt sub fund	Money market sub fund	Gold sub fund

----- (Number of units) -----

Total units in issue at beginning of the quarter	10,977,414	12,523,118	4,643,622	491,873
Add: Units issued / converted / reallocated during the quarter	539,668	1,126,920	1,718,077	15,340
Less: Units redeemed / converted / reallocated during the quarter	(280,323)	(844,473)	(1,401,296)	(3,371)
Total units in issue at the end of the quarter	<u>11,236,759</u>	<u>12,805,565</u>	<u>4,960,403</u>	<u>503,842</u>

The annexed notes from 1 to 13 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 QUARTER ENDED SEPTEMBER 30, 2019 (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:

- 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".
- 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.
- 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.
- 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 PACRA and VIS Credit Rating Company Limited has assigned management quality rating of 'AM1' to the Pension Fund Manager.

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
- 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 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.

Note	September 30, 2019 (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	3,066	-	-	-	3,066	1,295
Savings accounts	262,915	784,698	1,812,339	13,224	2,873,176	3,305,427
	<u>265,981</u>	<u>784,698</u>	<u>1,812,339</u>	<u>13,224</u>	<u>2,876,242</u>	<u>3,306,722</u>

5.1 The balance in savings accounts carry expected profit which ranges from 3.00% to 13.40% (2019: 3.00% to 12.50%) per annum.

Note	September 30, 2019 (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						
Investments designated at fair value through profit or loss						
- shares of listed companies	3,340,748	-	-	-	3,340,748	3,921,054
- sukuk certificates	-	1,140,049	80,000	-	1,220,049	1,169,800
	<u>3,340,748</u>	<u>1,140,049</u>	<u>80,000</u>	<u>-</u>	<u>4,560,797</u>	<u>5,090,854</u>
Loans and receivables						
term deposits	-	630,000	390,000	-	1,020,000	220,000
commercial paper	-	149,451	99,946	-	249,397	370,899
	<u>-</u>	<u>779,451</u>	<u>489,946</u>	<u>-</u>	<u>1,268,847</u>	<u>590,899</u>
Investment in gold						
	-	-	-	86,423	86,423	71,218
	<u>-</u>	<u>-</u>	<u>-</u>	<u>86,423</u>	<u>86,423</u>	<u>71,218</u>
	<u>3,340,748</u>	<u>1,919,500</u>	<u>569,946</u>	<u>86,423</u>	<u>5,916,617</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 quarter	Cost of purchase during the quarter	Bonus / Rights issue during the quarter	Sales during the quarter	As at September 30, 2019	Carrying value as at September 30, 2019	Market value as at September 30, 2019	Unrealised (loss) / gain as at September 30, 2019	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) -----		-----	---%---	
Equity Sub Fund											
Sector / companies											
Automobile Assembler											
Atlas Honda Limited	24,360	-	-	-	24,360	-	-	-	-	-	-
Milatt Tractors Limited	50,550	-	-	-	1,800	48,750	42,041	34,121	(7,920)	0.95	0.12
Ghandhara Industries Limited	200,800	-	-	-	188,100	12,700	1,110	1,006	(104)	0.03	0.03
										0.98	0.15
Cement											
D.G Khan Cement Company Limited	477,800	-	-	-	477,800	-	-	-	-	-	-
Lucky Cement Limited	792,456	-	-	-	53,000	739,456	281,341	252,990	(28,351)	7.07	0.23
Pioneer Cement Company Limited	2,600	-	-	-	2,600	-	-	-	-	-	-
Maple Leaf Cement Factory Limited	354,062	-	-	-	354,000	62	1	1	-	-	-
Kohat Cement Company Limited	658,820	-	-	-	90,000	568,820	29,880	26,177	(3,703)	0.73	0.28
Attock Cement Pakistan Limited	20,500	-	-	-	20,000	500	36	36	-	-	-
										7.80	0.51
Chemical											
Engropolymer & Chemicals Limited	1,976,709	600,000	17,564	-	1,228,000	1,348,709	37,088	33,111	(3,977)	0.92	0.15
ICI Pakistan Limited	205,820	5,000	2,225	-	300	210,520	111,658	103,155	(8,503)	2.88	0.23
Sitara Chemical Industries Limited	36,600	-	-	-	-	36,600	11,195	9,396	(1,799)	0.26	0.17
										4.06	0.55
Engineering											
K.S.B Pumps Company Limited	67,500	-	-	-	3,600	63,900	6,454	5,889	(565)	0.16	0.48
International Steels Limited	359,100	250,000	8,230	-	609,100	-	-	-	-	-	-
International Industries Limited	209,500	-	-	50	209,000	550	39	38	(1)	-	-
										0.16	0.48
Fertilizer											
Engro Corporation Limited (note 6.1.3)	1,473,120	-	-	-	151,700	1,321,420	350,969	352,674	1,705	9.85	0.23
Engro Fertilizers Limited	3,063,000	269,000	7,360	-	100,000	3,232,000	206,635	220,519	13,884	6.16	0.24
Dawood Hercules Corporation Limited	-	25,000	2,869	-	-	25,000	2,869	3,025	156	0.08	0.01
										16.09	0.48
Food and Personal Care Products											
National Foods Limited	100,000	-	-	-	81,600	18,400	3,389	3,457	68	0.10	0.03
Al-Shaheer Corporation Limited	33,160	-	-	-	-	33,160	418	361	(57)	0.01	0.02
AF Tahur Limited	8,318	-	-	-	-	8,318	164	129	(35)	-	0.01
										0.11	0.06
Oil and Gas Exploration Companies											
Oil and Gas Development Company Limited	2,965,300	-	-	-	279,100	2,686,200	353,208	330,483	(22,725)	9.23	0.06
Pakistan Oilfields Limited	802,520	-	-	-	1,200	801,320	325,248	304,421	(20,872)	8.50	0.28
Pakistan Petroleum Limited	2,303,765	-	-	-	235,400	2,068,365	298,734	281,360	(17,374)	7.86	0.09
Mari Petroleum Company Limited	251,440	-	-	-	3,000	248,440	250,758	223,387	(27,371)	6.24	0.20
										31.83	0.63
Oil and Gas Marketing Companies											
Pakistan State Oil Company Limited	1,335,450	-	-	-	80,000	1,255,450	212,962	197,721	(15,241)	5.52	0.32
Attock Petroleum Limited	68,144	-	-	-	-	68,144	19,660	20,988	1,328	0.59	0.07
Sui Northern Gas Pipelines Limited	2,860,600	-	-	-	65,000	2,795,600	194,266	172,209	(22,057)	4.81	0.44
Sui Southern Gas Company Limited	142,500	-	-	-	-	142,500	2,947	2,435	(512)	0.07	0.02
Hascol Petroleum Limited	228,638	-	-	-	226,050	2,588	178	53	(125)	-	-
										10.99	0.85
Paper and Board											
Packages Limited	209,601	3,000	847	-	15,000	197,601	59,337	59,083	(254)	1.65	0.22
Cherat Packaging Limited	328,540	-	-	-	63,000	265,540	21,413	17,581	(3,832)	0.49	0.69
										2.14	0.91
Glass & Chemical											
Tariq Glass Industries	382,600	-	-	-	50,000	332,600	25,487	26,026	539	0.73	0.45
Pharmaceuticals											
AGP Limited	830,000	-	-	-	-	830,000	56,880	53,618	(3,262)	1.50	0.30
GlaxoSmithKline Consumer Healthcare	17,500	-	-	-	-	17,500	3,378	3,670	292	0.10	0.01
The Searle Company Limited	530,825	25,000	3,586	-	215,000	340,825	49,873	47,109	(2,764)	1.32	0.16
Highnoon Laboratories Limited	1,760	-	-	-	1,760	446	446	563	117	0.02	0.01
										2.94	0.48
Power Generation & Distribution											
The Hub Power Company Limited	3,249,307	481,500	33,511	-	-	3,730,807	289,394	263,955	(25,439)	7.37	0.32
K-Electric Limited (note 6.1.1)	26,611,000	-	-	-	115,500	26,495,500	116,315	94,059	(22,256)	2.63	0.27
										10.00	0.59
Textile Composite											
Nishat Mills Limited	532,700	-	-	-	335,000	197,700	18,453	16,607	(1,846)	0.46	0.06
Textile Weaving											
Feroze1888 Mills Limited	295,000	-	-	-	-	295,000	29,757	26,981	(2,776)	0.75	0.08
Technology & Communication											
Pakistan Telecommunication Company Limited "A"	208,000	-	-	-	-	208,000	1,720	1,435	(285)	0.04	0.01
Avanceon Limited	370,500	-	-	-	13,000	357,500	17,532	12,462	(5,070)	0.35	0.19
Systems Limited	253,550	-	-	-	25,000	228,550	21,931	19,026	(2,905)	0.53	0.19
Natsol Technologies Limited	15,000	-	-	-	15,000	-	-	-	-	-	-
										0.92	0.39
Vanaspati & Allied Industries											
Unily Foods Limited	2,025,669	-	-	-	2,000,000	25,669	264	227	(37)	0.01	-
Textile & Apparel											
Interloop Limited	2,713,500	-	-	-	-	2,713,500	120,127	119,204	(923)	3.33	-
Total			76,192			53,975,524	3,575,555	3,340,748	(234,807)		

6.1.1 All shares have a nominal value of Rs. 10 each except K-Electric Limited having nominal value of Rs. 3.50.

6.1.2 Net assets are as defined in Rule 2(1)(m) of VPS Rules.

6.1.3 145,000 shares (2018 : 145,000 shares) of Engro Corporation Limited having market value of Rs. 38.70 million as at June 30, 2019 (2018: 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.

6.2 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 quarter	Cost of purchase during the quarter	Sales during the quarter	Matured during the quarter	As at September 30, 2019	Carrying value as at September 30, 2019	Market value as at September 30, 2019	Unrealised loss as at September 30, 2019	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) -----		---%---
Debt Sub Fund												
Eden Housing Limited (note 6.2.2)	September 29, 2014	3 months Kibor plus base rate of 2.5%	500	-	-	-	-	500	-	-	-	-
Security Leasing Corporation Limited II (note 6.2.3)	January 19, 2022	-	154	-	-	-	-	154	-	-	-	-
Fatima Fertilizer Company Limited (note 6.2.3)	November 28, 2021	6 months Kibor plus base rate of 1.10%	2,820	-	-	-	-	2,820	14,209	14,191	(18)	0.52
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	58,066	-	2.12
International Brand Limited (note 6.2.5)	November 15, 2021	12 months Kibor plus base rate of 0.5%	550	-	-	-	27.35	523	51,194	51,036	(158)	1.87
K-electric Limited (note 6.2.3)	June 17, 2022	3 months Kibor plus base rate of 1.00%	1,200	-	-	1,200	-	-	-	-	-	-
Shakarganj Foods Product Limited (note 6.2.4)	July 10, 2024	3 months Kibor plus base rate of 1.75%	18	-	-	-	-	18	17,610	17,201	(409)	0.63
Javedan Corporation Limited (note 6.2.5)	October 04, 2026	6 months Kibor plus base rate of 1.75%	250	-	-	-	-	250	24,884	24,438	(446)	0.89
Agha Steels Industries Limited (note 6.2.4)	October 9, 2024	3 months Kibor plus base rate of 0.80%	50	-	-	-	-	50	50,000	50,000	-	1.83
Engro Polymer & Chemicals Limited (note 6.2.1)	July 11, 2026	3 months Kibor plus base rate of 0.90%	250	-	-	-	-	250	25,117	25,117	-	0.92
Pakistan Energy Sukuk I (note 6.2.3)	March 1, 2029	6 months Kibor plus base rate of 0.80%	13,000	-	-	-	-	13,000	650,000	650,000	-	23.78
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	190,000	190,000	-	6.95
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	-	2.19
Total					60,000				1,141,080	1,140,049	(1,031)	
Money Market Sub Fund												
Security Leasing Corporation Limited II (note 6.2.3)	January 19, 2022	-	154	-	-	-	-	154	-	-	-	-
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	80,000	80,000	-	3.29
Total					80,000				80,000	80,000	-	

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	September 30, 2019	June 30, 2019
	(Rupees in '000)	
6.3.1	630,000	180,000
6.3.2	149,451	227,499
	<u>779,451</u>	<u>407,499</u>
6.3.1	390,000	40,000
6.3.2	99,946	143,400
	<u>489,946</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 quarter	Matured during the quarter			As at September 30, 2019
(Rupees in '000)								
Debt Sub Fund								
Orix Modarba	May 08, 2020	13.80%	-	180,000	-	180,000	AA+	6.58
Meezan Bank Limited	December 02, 2019	13.50%	-	450,000	-	450,000	AA+	16.46
Total						<u>630,000</u>		
Money Market Sub Fund								
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+	1.64
Meezan Bank Limited	December 02, 2019	13.50%	-	450,000	-	350,000	AA+	14.38
Total						<u>390,000</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 quarter	Cost of purchase during the quarter	Matured during the quarter	As at September 30, 2019	Carrying value as at September 30, 2019	Market value as at September 30, 2019	Percentage of net assets on the basis of market value (see note 6.1.2)
Debt Sub Fund										
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	-	149,451	149,451	5.47
Money Market Sub Fund				<u>148,707</u>				<u>149,451</u>		
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	99,946	99,946	4.11
				<u>99,448</u>				<u>99,946</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 quarter	Cost of purchase during the quarter	Sales during the quarter	As at September 30, 2019	Carrying value as at September 30, 2019	Market value as at September 30, 2019	Unrealised gain as at June 30, 2019	Net Assets of the Fund on the basis of investments (note 6.1.2)
Tola Gold	863	120	10,757	-	983	81,975	86,423	4,448	86.88
Total			<u>10,757</u>			<u>81,975</u>	<u>86,423</u>	<u>4,448</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. 86.423 million has been measured at fair value based on the quoted market price in active markets.

7. DEPOSITS AND OTHER RECEIVABLES

	September 30, 2019 (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	4,208	28,001	53,414	126	85,749	39,689
Profit receivable on sukuks certificates	-	22,923	2,894	-	25,817	40,606
Advance tax	4,747	-	-	-	4,747	4,747
	11,555	51,024	56,408	126	119,113	87,842

8. ACCRUED EXPENSES AND OTHER LIABILITIES

	September 30, 2019 (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	11,235	5,720	589	55,686	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		5,916	-	-	-	5,916	4,225
Brokerage payable		3,499	105	-	-	3,604	3,139
Custodian Charges Payable		-	-	-	47	47	107
		64,793	21,118	8,411	636	94,958	90,024

8.1 Had the provision of Sindh Workers' Welfare Fund not been made, the net asset value per unit as at September 30, 2019 would have been higher by Rs. 3.79, Re. 0.1, Re. 0.57 and Re. 0.81 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. The status of Sindh Workers' Welfare Fund is the same as disclosed in the annual financial statements of the Fund for the year ended June 30, 2019.

8.2 Had the provision of Federal Excise Duty not being made, the net asset value per unit as at September 30, 2019 would have been higher by Rs. 1.53 (June 30, 2019: Rs. 1.42) per unit, Rs. 0.78 (June 30, 2019: Rs. 0.74) per unit and Rs. 0.24 (June 30, 2019: Rs. 0.27) per unit for Equity Sub Fund, Debt Sub Fund and Money Market Sub Fund respectively. The status of Federal Excise Duty is the same as disclosed in the annual financial statements of the Fund for the year ended June 30, 2019.

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 September 30, 2019 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 quarter end are as follows:

September 30, 2019 (Unaudited)					June 30, 2019 (Audited) Total
Equity sub fund	Debt sub fund	Money Market sub fund	Gold sub fund	Total	

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

**Al Meezan Investment Management Limited
(Al Meezan) - Pension Fund Manager**

Remuneration payable	4,288	3,336	2,959	125	10,708	11,045
Sindh Sales Tax and Federal Excise Duty on management fee	557	434	337	16	1,344	1,435
Investments as at September 30, 2019: (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)	92,563	-	-	41,123	133,686	159,163

Meezan Bank Limited (MBL)

Bank balance	101,054	11,084	9,570	13,160	134,868	41,165
Profit receivable on saving account	470	197	198	124	989	504
Term deposit receipt	-	450,000	350,000	-	800,000	-
Profit receivable on term deposit receipt	-	5,326	4,142	-	9,468	-

**Central Depository Company of Pakistan
Limited (CDC) - Trustee**

Trustee fee payable	247	193	171	7	618	632
Sindh Sales Tax on trustee fee payable	32	25	22	1	80	83
Deposits	100	100	100	-	300	300

**Directors and Executives of the
Pension Fund Manager**

Investments as at September 30, 2019: (Equity sub fund: 959,270 units; Debt Sub Fund: 585,352 units; Money Market Sub Fund: 200,443 units; Gold Sub Fund: 213,190 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)	411,515	141,920	48,197	29,223	630,855	620,970
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10.6 Detail of transactions with connected person and related parties are as follow:

For the quarter ended September 30, 2019 (Unaudited)					For the quarter ended September 30 2018 (Unaudited) Total
Equity sub fund	Debt sub fund	Money Market sub fund	Gold sub fund	Total	

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

**Al Meezan Investment Management Limited
(Al Meezan) - Pension Fund Manager**

Remuneration for the quarter	13,500	10,414	8,595	360	32,869	35,163
Sindh Sales Tax and Federal Excise Duty on management fee	1,755	1,354	1,117	47	4,273	4,570

Meezan Bank Limited (MBL)

Profit on savings account	411	122	337	208	1,078	688
Term deposit receipt placed	-	450,000	350,000	-	800,000	-
Profit on term deposit receipt	-	5,326	4,142	-	9,468	-

**Central Depository Company of Pakistan
Limited (CDC) - Trustee**

Remuneration for the quarter	778	600	495	21	1,894	1,987
Sindh Sales Tax on trustee fee	101	78	64	3	246	258
CDS Charges for the quarter	26	65	2	-	93	39

**Directors and Executives of the
Pension Fund Manager**

Units issued (Equity Sub Fund: 853,412 units; Debt Sub Fund: 1,129,351 units; Money Market Sub Fund: 666,659 units; Gold sub fund: 21,137 units)	294,739	269,557	157,904	3,018	725,218	70,054
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Units redeemed / reallocated (Equity Sub Fund 1,115,758 units; Debt Sub Fund: 1,003,032 units; Money Market Sub Fund: 559,248 units; Gold sub fund: 34,348 units)

	359,628	229,885	127,240	4,750	721,503	1,151
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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	
September 30, 2019										
(Rupees in '000)										
Financial assets - measured at fair value										
Investments										
- Investments designated at fair value through profit or loss										
	- shares of listed companies	11.3	3,340,748	-	-	-	3,340,748	-	-	3,340,748
	- sukuk certificates	11.3	1,220,049	-	-	-	1,220,049	-	-	1,220,049
			<u>4,560,797</u>	-	-	-	<u>4,560,797</u>	-	-	<u>4,560,797</u>
Financial assets - not measured at fair value										
	Bank balances	11.3	-	-	2,876,242	-	-	-	-	2,876,242
	Investments - Loans and receivables	11.3	1,269,397	-	-	-	1,269,397	-	-	1,269,397
	Dividend receivable	11.3	-	56,913	-	-	56,913	-	-	56,913
	Deposits and other receivables	11.3	-	119,113	-	-	119,113	-	-	119,113
	Receivable against change of plan / change of fund manager / issuance of units	11.3	-	31,496	-	-	31,496	-	-	31,496
			<u>1,269,397</u>	<u>207,522</u>	<u>2,876,242</u>	-	<u>4,353,161</u>	-	-	<u>4,353,161</u>
Total			<u>5,830,194</u>	<u>207,522</u>	<u>2,876,242</u>	-	<u>8,913,958</u>	<u>3,340,748</u>	<u>1,220,049</u>	<u>4,560,797</u>

Financial liabilities - not measured at fair value

Payable to Al Meezan Investment Management Limited										
	- Pension Fund Manager	11.3	-	-	-	12,100	12,100	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee										
		11.3	-	-	-	698	698	-	-	-
Payable to auditors										
		11.3	-	-	-	367	367	-	-	-
Payable against purchase of investments (net)										
		11.3	-	-	-	38	38	-	-	-
Payable against withdrawal / change of plan										
		11.3	-	-	-	55,987	55,987	-	-	-
Accrued expenses and other liabilities										
		11.3	-	-	-	9,520	9,520	-	-	-
			-	-	-	<u>78,710</u>	<u>78,710</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										
(Rupees in '000)										
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
	- sukuk certificates	11.3	1,171,834	-	-	-	1,171,834	-	-	1,171,834
			<u>5,092,888</u>	-	-	-	<u>5,092,888</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	-	-	590,899
	Dividend receivable	11.3	-	15,260	-	-	15,260	-	-	15,260
	Deposits and other receivables	11.3	-	83,095	-	-	83,095	-	-	83,095
	Receivable against change of plan / change of fund manager / issuance of units	11.3	-	14,759	-	-	14,759	-	-	14,759
			<u>590,899</u>	<u>113,114</u>	<u>3,306,722</u>	-	<u>4,010,735</u>	-	-	<u>4,010,735</u>
Total			<u>5,683,787</u>	<u>113,114</u>	<u>3,306,722</u>	-	<u>9,103,623</u>	<u>3,921,054</u>	<u>1,171,834</u>	<u>5,092,888</u>
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>41,055</u>	<u>41,055</u>	-	-	-

11.1 There were no transfers between above levels during the quarter

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 October 15, 2019 by the Board of Directors of the pension fund manager.

**For AI Meezan Investment Management Limited
(Pension Fund Manager)**

Chief Executive

Chief Financial Officer

Director



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(AM1 rating by VIS & PACRA)

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