



**EXPERTISE THAT
WEATHERS WIND AND CURRENT
QUARTERLY REPORT
SEPTEMBER 30, 2018**



QUARTERLY REPORT
SEPTEMBER 30, 2018
(UNAUDITED)

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



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DIRECTORS' REPORT – FUNDS UNDER MANAGEMENT COMPANY

The Board of Directors of Al Meezan Investment Management Limited is pleased to present the financial statements of the following open end funds and a voluntary pension scheme for the period ended September 30, 2018.

Equity Funds

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

Sector Specific Fund

- Meezan Energy Fund

Income Funds

- Meezan Islamic Income Fund
- Meezan Sovereign Fund

Money Market Fund

- Meezan Cash Fund

Balanced Fund

- Meezan Balanced Fund

Funds of Funds

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

Commodity Fund

- Meezan Gold Fund

Asset Allocation Fund

- Meezan Asset Allocation Fund (MAAF)

Pension Fund

- Meezan Tahaffuz Pension Fund

Economic Review:

During the first quarter of FY19, Pakistan's economic challenges have further aggravated and economy's weaknesses have become more glaring. The trade deficit and current account deficit remained on the higher side, inflation rate kept on the rising trajectory and monetary policy had to pick up most of the slack. The PKR depreciated by 2.2% against US Dollar during the quarter. However, PKR's 18% depreciation against US Dollar since Dec 2017 has now started to reflect in monthly inflation numbers. Headline CPI averaged 5.60% during the first quarter FY19 compared to 3.40% during the same period last year. Meanwhile the core inflation (non-food and non-energy) averaged 7.77% compared to 5.50% during the same period last year depicting that inflationary pressures are creeping in.



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With inflation edging up, foreign exchange reserves depleting rapidly and current account deficit worsening, the State Bank increased the policy rate twice in July and September, by aggregate 200 bps to 8.5%. The cumulative increase in the policy rate during the current calendar year has reached 275bps, the highest in the last three years.

In view of these challenges, the new government is targeting both fiscal and external deficits through higher interest rates, currency adjustments, imposition of import to control duties etc. These measures are likely to slow down domestic demand during FY19. The State Bank in its recent MPS has revised down projected GDP growth to 5.0% from 5.5% in Jul'18.

On the external front, the current account deficit rose by 10% to \$ 2.7bn (As % of GDP: 5.28%) for 2MFY19 driven by increase in oil imports. The exports provided some relief as they were up 4.5% (YoY) to \$ 4.1bn owing to increase in knitwear and readymade garments' exports by 11% (YoY) and 4% (YoY) respectively. The remittances stood at \$ 3.9bn (13% YoY) during 2MFY18 on the back of surge in inflows from USA and UAE by 32% (YoY) and 15% (YoY) respectively. However, subject to rising international oil prices and Pakistan's reliance on imported fuel (~30% weight in imports), current account deficit is likely to remain under pressure.

According to State Bank, the country's debt servicing shall be in excess of \$ 10bn during the next 12 months which along with large current account deficit are likely to keep pressure on foreign exchange reserves during FY19. The State Bank's reserves have plunged by 39% to \$8.4bn by the end of September 2018 representing import cover of less than 2 months. The depleting reserves increase the possibility of further PKR devaluations.

With both fiscal and external imbalances ballooning, country seems poised to opt for another IMF bailout programme with some support expected to come from friendly countries like Saudi Arabia and China. As the country enters into a new IMF programme, the external imbalances are likely to get addressed. The government has also recently introduced amendment in finance bill, thereby giving some respite to export oriented sectors like Textile by announcing PKR44bn subsidy. Furthermore, import curbs, in the form of RD on imported cars having capacity of 1800cc and above have been increased to 20%. With these measures, we believe that although the situation looks grim right now, there is light at the end of the tunnel.

Money Market Review:

The State Bank of Pakistan (SBP), continuing with the monetary tightening stance during the first quarter of FY19 cumulatively increased the policy rate/discount rate by 2.00% and set at 8.50% on the back of deteriorating foreign exchange reserves, rising inflation and surging commodity prices. The market had already been anticipating a DR increase since the start of the fiscal year so the first raise in the policy rate did not come as a surprise for the market participants.

Overall, in line with the increased discount rate, the government paper yields and KIBORs showed an upward trend compared to their FY18 levels; T-bills rose by 136-143 bps, PIB yields increased in the range of 77-102 bps, while the KIBORs, climbed 140-155 bps post the SBP's decision to increase the interest rate. With expectations of monetary tightening to continue going forward, further increase in the yields could be witnessed during the next quarter.

On the liquidity front, the Money Market continued facing a tight liquidity scenario during FY19, evidenced by Rs. 9.90 trillion worth of OMO injections by the SBP coupled with Rs. 492 billion worth of discounting availed by various counters compared to mop-ups by the SBP worth Rs. 1.70 trillion and



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floor placements of Rs. 107 billion by various counters. Alongside, seven T-bill and three PIB auctions were conducted.

The Shariah compliant end of the money market has witnessed a sharp decline in Ijarah Sukuks prices throughout this fiscal year due to a lack in demand of fixed rate Ijarah Sukuks on account of a rising interest rate scenario; it is pertinent to note here that out of the four running Ijarah Sukuks issues, three are fixed rate and the government did not carry out any Ijarah Sukuks auction throughout this fiscal year. Resultantly, mutual funds carrying Ijarah Sukuks exposures witnessed an acute decline in returns during this period. However, a gradual increase is being witnessed in the preference of raising debt through Sukuks issuance by the corporate sector. Continuance of this trend is expected to bode well for deployment of excess liquidity available with Islamic financial institutions.

Equity Review:

The equity market continued its period of volatility fueled by economic and political challenges. The KMI-30 Index closed the quarter down by 2.57% to close at 69,230 pts while the KSE-100 Index posted a decline of 2.18% to end the quarter at 40,998 pts. The participation continued to remain low during the period with the KMI-30 index and KSE-100 index volumes down by 17% and 2% respectively year on year.

The KMI-30 remained under pressure mostly during the quarter characterized by lackluster trading activity and thin volumes. Market's subdued performance during the first quarter was attributable to, i) unabated foreign portfolio outflows, ii) insipid second quarter earnings season, and lastly iii) Economic concerns and lastly iv) rising cost of business due to measures taken by the government in mini budget, which weighed down on investor sentiment.

The benchmark index started the year with subdued/lackluster performance because of election uncertainty. After smooth transition of power, the incumbent government took its first few steps towards long terms policy formulation including the announcement of a mini budget and hike in gas rates. The general theme of the budget is to incentivize export sectors with an aim to bolster exports, discourage luxury imports and curtail expenditures to reduce the pressure on current account deficit. Later due to anticipated inflationary pressure in the wake of rising oil prices (which trading on four year high), SBP during the quarter also raised discount rate by 200 bps in two phases to 8.5%. Alongside, foreigners remained net sellers during the quarter which also exerted a downward pressure on the market; FIPI witnessed a net outflow of USD 189 mn. Despite successful election and transition of power, investor sentiment remained weak due to concerns about weak health of economy. Thin liquidity combined with weak sentiments dominated the last month of the first quarter FY19, where the index retraced most of the gains achieved post- elections.

Outflows from EM markets in the wake of strengthening US dollar and Fed rate tightening continued to take its toll on regional equity indices. MSCI EM Index posted its yearly lows in the later part of the quarter under review as investor's channeled flows from emerging markets to developed markets. US FED continued to hike interest rates during the period under review, leading to further pressure on the regional currencies. MSCI EM Currency Index ended the quarter 4.76% down, signaling broad-based stresses in the EM markets.

Oil prices recorded uptrend during the quarter with Brent registering a multi-year high due to ongoing turmoil in the Middle East and sanctions on Iran. The market is expecting probable reduction in supply of more than 3mn barrels per day on the back of Iran sanctions, decline in Venezuelan production and turmoil in Libya in already tight conditions with limited spare capacity available with OPEC and non-

OPEC to increase supply. The Brent crude prices ended the quarter on a strong note up by 4.1% to close at \$82.72 per barrel.

Major contributors to the Index:

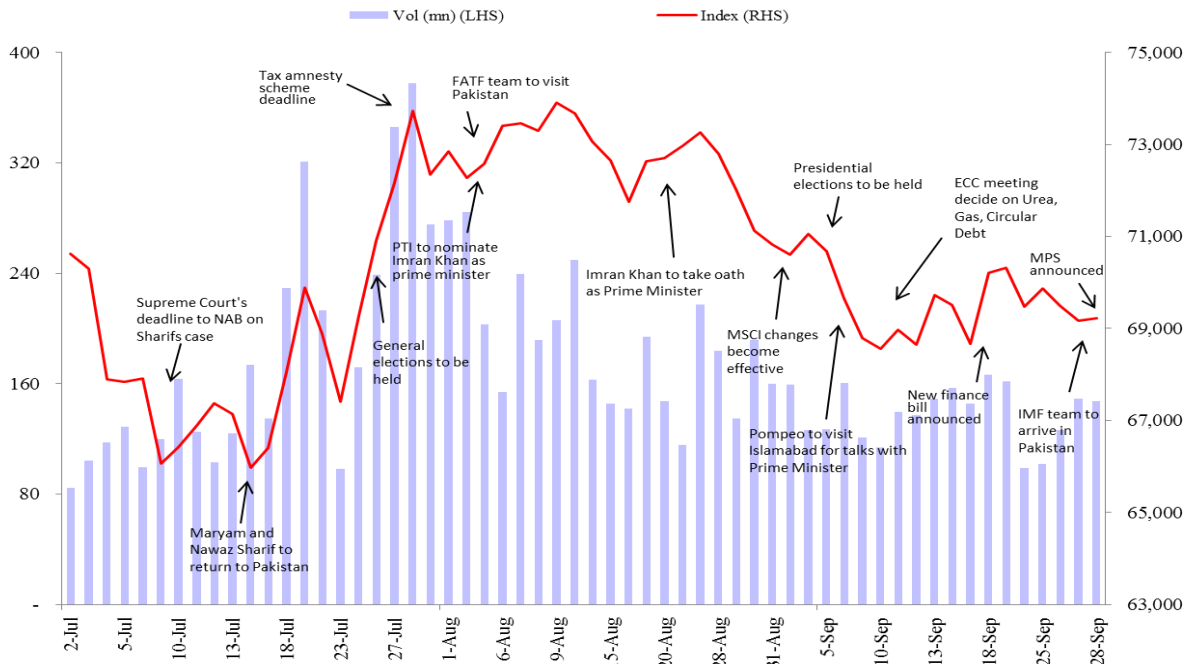
During the quarter, Fertilizer was amongst the top positive contributing sectors. The top contributing stocks in the KMI-30 index during the period were:

Positive Contributors to the Index	Contribution to KMI-30 (Points)	Total Return (%)
Engro Fertilizers Ltd	208	6.09
Lucky Cement Ltd	131	2.60
Pakistan Oilfields Ltd	104	1.97
Engro Corp Ltd/Pakistan	104	1.51

On the flip side, Cements and Cable & Electric 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)	Total Return (%)
Millat Tractors Ltd	-300	-16.42
Sui Northern Gas Pipeline	-247	-13.47
DG Khan Cement Co Ltd	-206	-11.24
National Refinery Ltd	-187	-10.24

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





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Equity Flows:

Foreign investment remained dismal, with net sell by FI investors during the period under review clocking-in at USD 189 mn. Major foreign outflows of USD 81.9 million and USD 58.8 million were recorded in Banking and Oil & Gas exploration sectors which made up a major bulk of the net outflows witnessed during the period. This was followed by Cement and Power sectors with outflows of USD 28mn and USD 10mn respectively. During the period, Mutual Funds were net sellers of USD 23.5 million while Insurance Companies and Individuals were net buyers worth USD 102 million and USD 97 million respectively. Banks, Individuals, NBFCs, Others and Brokers were net buyers of roughly USD 13.6 million collectively.

Mutual Fund Industry Review:

During the two months of FY19, AUMs of mutual funds industry increased by 1.6% to the size of Rs. 614 bn. Shariah Compliant AUMs decreased by 1.6% during the period under review to Rs. 222 bn which brings share of Shariah Compliant funds at 36.2% in the mutual fund industry. Al Meezan's share in the overall Mutual Funds industry stands at 15.2% while among the Shariah Compliant Funds, it has a share of 42.0% as of August 31, 2018.

In terms of net assets, open end sovereign, money market and income funds depicted growth in their sizes during the first two months period; the combined category showed an increase of 2.6% to reach Rs. 263 bn. While conventional funds in this category rose by 4.2%, Shariah Compliant funds decreased by 2.1%. Open end Equity funds (including index tracker), increased by 1.3% to Rs. 267 bn as of August 31, 2018 compared to Rs. 264 bn as on June 30, 2018. Conventional funds in this category increased by 3.6% while Shariah Compliant equity based funds declined by 2.3% in the period under review and stood at Rs. 102 bn.

Net assets of Capital protected, balanced, and asset allocation funds combined decreased by 1.0% to reach Rs. 57 bn at period end. While conventional funds in this category declined by 1.3%, Shariah Compliant funds showed a decline of 0.8% in the period under review and stood at Rs. 37 bn. Commodity funds in the industry increased to Rs. 264 mn compared to Rs 242 mn as on June 2018, reflecting an increase of 9.1%.

Voluntary Pension Funds increased by 1.5% during the period under review with their cumulative fund size clocking in over Rs. 27 bn mark, as on August 31, 2018. Shariah compliant Pension Funds also increased by 2.1% in the period under review to clock in at Rs. 17 bn as of August 2018. Meezan Tahaffuz Pension Fund (MTPF) continues to lead the pension fund market with a 35.4% market share in the overall segment while in the Shariah Compliant segment, MTPF's share decreased to 54.7% compared to 55.7% in the corresponding period last year.

Performance Review (Funds)

Meezan Islamic Fund

The net assets of Meezan Islamic Fund (MIF) as at September 30, 2018 stood at Rs. 37,621 million compared to Rs. 39,115 million at the end of June 2018, a decline of 4%. The net asset value (NAV) per unit as at September 30, 2018 was Rs. 61.5073 in comparison to Rs. 63.3300 per unit as on June 30, 2018 translating into a negative return of 2.89% during the quarter compared to the return of benchmark KSE Meezan Index (KMI 30) which declined by 2.57%.



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Al Meezan Mutual Fund

The net assets of Al Meezan Mutual Fund (AMMF) as at September 30, 2018 were Rs. 6,880 million compared to Rs. 6,864 million at the end of June 2018. The net asset value per unit as at September 30, 2018 was Rs. 17.1109 compared to Rs. 17.6583 per unit on June 30, 2018, translating into a negative return of 3.11% during the quarter compared to the return of benchmark KSE Meezan Index (KMI 30) which declined by 2.57%.

KSE Meezan Index Fund

The net assets of KSE Meezan Index Fund (KMIF) as at September 30, 2018 were Rs. 1,641 million compared to Rs. 1,687 million at June 30, 2018, a decline of 3%. The net asset value per unit at September 30, 2018 was Rs. 68.5483 as compared to Rs. 70.6581 per unit on June 30, 2018 translating into a negative return of 2.97% during the period compared to the return of benchmark KSE Meezan Index (KMI 30) decline of 2.57%.

Meezan Dedicated Equity Fund

The net assets of Meezan Dedicated Equity Fund (MDEF) as at September 30, 2018 were Rs. 1,901 million compared to Rs. 1,857 million at June 30, 2018, an increase of 2%. The net asset value per unit at September 30, 2018 was Rs. 46.9031 as compared to Rs. 48.5347 per unit on June 30, 2018 translating into a negative return of 3.37% during the quarter compared to the return of benchmark KSE Meezan Index (KMI 30) decline of 2.57%.

Meezan Energy Fund

The net assets of Meezan Energy Fund (MEF) as at September 30, 2018 were Rs. 1,207 million compared to Rs. 1,637 million in June 2018, a decline of 26%. The net asset value per unit as at September 30, 2018 was Rs. 47.3748 as compared to Rs. 49.7823 per unit on June 30, 2018, providing a negative return of 4.84% during the quarter to its investors as compared to benchmark KSE Meezan Index (KMI 30) which declined by 2.57%.

Meezan Asset Allocation Fund

The net assets of Meezan Asset Allocation Fund (MAAF) as at September 30, 2018 were Rs. 2,829 million compared to Rs. 2,877 million at June 30, 2018, a decline of 2%. The net asset value per unit as at September 30, 2018 was Rs. 43.2496 as compared to Rs. 44.5301 per unit on June 30, 2018 providing a negative return of 2.88% to its investors compared to its benchmark return of negative 2.09%.

Meezan Islamic Income Fund

The net assets of Meezan Islamic Income Fund (MIIF) as at September 30, 2018 were Rs. 10,379 million compared to Rs. 10,166 million at June 30, 2018, an increase of 2%. The net asset value per unit (Ex-dividend) as at September 30, 2018 was Rs. 52.0912 compared to Rs. 53.5868 per unit on June 30, 2018 providing an annualized return of 5.40% compared to the benchmark return of 2.68%. At quarter end, the fund was invested 33% in Islamic Corporate Sukuks, 10% in Commercial Papers, 3% in GoP Ijarah Sukuks while 6% was placed in Term Deposit Receipts, 10% in Certificate of Musharaka and 37% 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, 2018 were Rs. 1,759 million compared to Rs. 2,121 million at June 30, 2018, a decline of 17%. The net asset value per unit (Ex-dividend) at September 30, 2018 was Rs. 51.7704 as compared to Rs. 52.7240 per unit on June 30, 2018, translating into an annualized return of 2.22% to the investors compared to the benchmark return of



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7.28%. The loss was attributable to a sharp decline in Ijarah Sukuks prices during the first quarter of the fiscal year. As at September 30, 2018, the fund was invested 59% in GoP Ijarah Sukuks, 15% in Government guaranteed Sukuks and 30% 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, 2018 were Rs. 10,207 million compared to Rs. 9,921 million at June 30, 2018, an increase of 3%. The net asset value per unit (Ex-dividend) at September 30, 2018 was Rs. 51.1406 as compared to Rs. 52.5964 on June 30, 2018 providing an annualized return of 5.57% as compared to the benchmark return of 2.61%. As at September 30, 2018, 10% of the fund was placed in Term Deposit Receipts, 10% of the fund was placed in CP Sukuks and 80% of the net assets were placed with Islamic Banks/windows of Islamic banks.

Meezan Balanced Fund

The net assets of Meezan Balanced Fund (MBF) as at September 30, 2018 were Rs. 7,549 million compared to Rs. 7,843 million at June 30, 2018, a decline of 4%. The net asset value per unit as at September 30, 2018 was Rs. 15.1807 compared to Rs. 15.4366 per unit on June 30, 2018 translating into a negative return of 1.66% to its investors compared to the benchmark return of negative 1.15%.

Meezan Financial Planning Fund of Funds

Aggressive Allocation Plan

The net assets of the plan were Rs. 485 million as at September 30, 2018 compared to Rs. 497 million at June 30, 2018. The plan provided a negative return of 1.90% during the quarter compared to the benchmark return of negative 1.70%.

Moderate Allocation Plan

The net assets of the plan were Rs. 259 million at September 30, 2018 compared to Rs. 309 million at June 30, 2018. The plan provided a negative return of 0.72% during the quarter compared to the benchmark return of negative 0.90%.

Conservative Allocation Plan

The net assets of the plan as at September 30, 2018 were Rs. 274 million compared to Rs. 290 million at June 30, 2018. The plan provided a return of 0.23% during the period compared to the benchmark return of negative 0.17%.

Meezan Asset Allocation Plan-I

The net assets of the plan as at September 30, 2018 were Rs. 808 million compared to Rs. 829 million at June 30, 2018. The plan provided a negative return of 2.24% during the quarter compared to the benchmark return of negative 1.58%.

Meezan Strategic Allocation Fund

Meezan Strategic Allocation Plan-I

The net assets of the plan as at September 30, 2018 were Rs. 1,856 million compared to Rs. 1,945 million at June 30, 2018. The plan provided a negative return of 2.03% during the quarter compared to the benchmark return of negative 1.57%.



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Meezan Strategic Allocation Plan-II

The net assets of the plan as at September 30, 2018 were Rs. 1,235 million compared to Rs. 1,289 million at June 30, 2018. The plan provided a negative return of 1.90% during the quarter compared to the benchmark return of negative 1.53%.

Meezan Strategic Allocation Plan-III

The net assets of the plan as at September 30, 2018 were Rs. 1,350 million compared to Rs. 1,423 million at June 30, 2018. The plan provided a negative return of 1.85% during the quarter compared to the benchmark return of negative 1.55%.

Meezan Strategic Allocation Plan-IV

The net assets of the plan as at September 30, 2018 were Rs. 1,470 million compared to Rs. 1,666 million at June 30, 2018. The plan provided a negative return of 1.84% during the quarter compared to the benchmark return of negative 1.55%.

Meezan Strategic Allocation Plan-V

The net assets of the plan as at September 30, 2018 were Rs. 504 million compared to Rs. 521 million at June 30, 2018. The plan provided a negative return of 1.82% during the quarter compared to the benchmark return of negative 1.55%.

Meezan Capital Preservation Plan III

The net assets of the plan as at September 30, 2018 were Rs. 1,347 million compared to Rs. 1,365 million at June 30, 2018. The plan provided a return of 0.47% during the quarter compared to the benchmark return of 0.25%.

Meezan Strategic Allocation Fund -II

Meezan Capital Preservation Plan IV

The net assets of the plan as at September 30, 2018 were Rs. 2,027 million compared to Rs. 2,115 million at June 30, 2018. The plan provided a return of 0.29% during the quarter compared to the benchmark return of 0.25%.

Meezan Capital Preservation Plan V

The net assets of the plan as at September 30, 2018 were Rs. 746 million compared to Rs. 733 million at June 30, 2018. The plan provided a return of 0.27% during the quarter compared to the benchmark return of 0.05%.

Meezan Capital Preservation Plan VI

This plan was launched in July 2018 and its net assets clocked in at Rs. 640 million at September 30, 2018. The plan provided a return of 0.52% during the period compared to a benchmark return of negative 0.19%.

Meezan Capital Preservation Plan VII

This plan was launched in September 2018 and its net assets clocked in at Rs. 8 million at September 30, 2018. The plan provided a return of 0.02% during the period compared to a benchmark return of 0.02%.



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Meezan Gold Fund (MGF)

The net assets of the fund as at September 30, 2018 were 248 million compared to Rs. 243 million at June 30, 2018, an increase of 2%. During the quarter under review, MGF has provided a negative return of 1.71% as compared to benchmark return of negative 1.27%.

Meezan Tahaffuz Pension Fund (MTPF)

MTPF comprises of four sub funds namely Equity sub fund, Debt sub fund, Money Market sub fund and Gold sub fund. For the period ended September 30, 2018, the equity sub-fund provided a negative return of 2.88% and gold sub fund provided a negative return of 2.41%, while the debt and money market sub-funds provided annualized returns of 3.69% and 4.37% respectively. Performance review for each sub fund is given as under:

Equity Sub Fund

The net assets of this sub fund stood at Rs. 5,401 million at September 30, 2018 compared to Rs. 5,432 million at June 30, 2018, a decline of 1%. The net asset value per unit of the plan was Rs. 480.6165 at the end of September 30, 2018 as compare to Rs. 494.8205 as at June 30, 2018. For the quarter under review, the equity sub fund earned a gross loss of Rs. 133 million as compared to gross loss of Rs. 654 million in corresponding quarter last year.

Debt Sub Fund

The net assets of this sub fund stood at Rs. 2,850 million at September 30, 2018 compared to Rs. 2,762 million at June 30, 2018, an increase of 3%. The net asset value increased from Rs. 222.5699 to Rs. 220.5205. For the quarter under review, the debt sub fund earned a gross income of Rs. 40 million as compared to Rs. 16 million in corresponding quarter last year.

Money Market Sub Fund

The net assets of this sub fund stood at Rs. 1,095 million at September 30, 2018 compared to Rs. 1,014 million at June 30, 2018, an increase of 8%. The net asset value increased from Rs. 220.6815 to Rs. 218.2775. For the quarter under review, the money market sub fund earned a gross income of Rs. 17 million as compared to Rs. 6 million in corresponding quarter last year.

Gold Sub Fund

The net assets of this sub fund stood at Rs. 50 million at September 30, 2018 compared to Rs. 50 million at June 30, 2018. The net asset value per unit of the plan was Rs. 99.1248 at the end of September 30, 2018 as compare to Rs. 101.5719 as at June 30, 2018. For the quarter under review, the gold sub fund reported a gross loss of Rs. 0.8 million as compared to gross income of Rs. 1 million in corresponding quarter last year.

Outlook

After recording the highest GDP growth in FY18 in more than a decade, Pakistan is now headed towards consolidation in FY19 as the State Bank of Pakistan has revised the growth target to 5% for the next year. Some restrictive measures have been taken by the government which includes monetary tightening and currency devaluation, which are likely to continue in the next fiscal year.

Happenings on the macro front are likely to dictate the direction of market in the coming month. In this regard, arrangement of financing inflows from China or in the form of oil deferment facility from Saudi Arabia and subsequently possible entry into IMF program may provide relief to volatile and depressed



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stock market. We reiterate that market valuations are attractive and KSE 100 index is hovering around forward price multiple of 7.5 which is at steep discount to regional peers.

For the fixed income side, a tight monetary policy is expected to continue thereby keeping the interest rates and yields on a rising trend. On the Shariah compliant end of the money market however, the issuance of new GoP Ijarah Sukuks as well as corporate Sukuks will be really important to deal with the excess liquidity issue.

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 18, 2018

Mohammad Shoaib, CFA
Chief Executive Officer

فنڈز کی مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

المیز ان انویسٹمنٹ مینجمنٹ لمیٹڈ کا بورڈ آف ڈائریکٹرز 30 ستمبر 2018ء کو ختم ہونے والے عرصے کیلئے درج ذیل اوپن اینڈ فنڈز اور ایک والنٹری پنشن اسکیم کے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرتے ہوئے اظہار مسرت کرتا ہے:

ایکویٹی فنڈز

- میزان اسلامک فنڈ
- المیز ان میوچل فنڈ
- کے ایس ای۔ میزان انڈیکس فنڈ
- میزان ڈیڈیکوئڈ ایکویٹی فنڈ

سیکرا اسپیکٹ فنڈ

- میزان انرجی فنڈ

آکم فنڈز

- میزان اسلامک آکم فنڈ
- میزان سوورن فنڈ

منی مارکیٹ فنڈ

- میزان کیش فنڈ

بیلینسڈ فنڈ

- میزان بیلینسڈ فنڈ

فنڈ آف فنڈز

- میزان فنانشل پلاننگ فنڈ آف فنڈز
- میزان اسٹریٹجک ایلوکیشن فنڈ
- میزان اسٹریٹجک ایلوکیشن فنڈ-II

کموڈٹی فنڈ

- میزان گولڈ فنڈ

ایسیٹ ایلوکیشن فنڈ

- میزان ایسیٹ ایلوکیشن فنڈ (MAAF)

پنشن فنڈ

- میزان تحفظ پنشن فنڈ

اقتصادی جائزہ:

مالی سال 19 کی پہلی سہ ماہی کے دوران، پاکستان کے معاشی چیلنجز مزید مشکلات کا شکار ہو گئے اور اقتصادی کمی زیادہ واضح ہونے لگی ہے۔ تجارتی خسارہ اور حسابات جاریہ کا خسارہ بلند تر سطح پر رہا، افراط زر کی شرح اوپر کی جانب محور پر اوڑھی اور مالیاتی حکمت عملی مزید سست ہوتی چلی گئی۔ سہ ماہی کے دوران ڈالر کے مقابلے میں پاکستانی روپے کی قدر مزید 2.2% گر گئی۔ تاہم دسمبر 2017ء سے اب تک امریکی ڈالر کے مقابلے میں پاکستانی روپے کی 18% گراوٹ اب ماہانہ افراط زر کے اعداد میں بھی ظاہر ہونا شروع ہو گئی ہے۔ مالی سال 19 کی پہلی سہ ماہی کے دوران پچھلے سال کے اسی عرصے کے دوران اوسط سی پی آئی کے 3.4% کے مقابلے میں 5.6% ہو گئی ہے۔ دریں اثناء، بنیادی افراط زر (غیر اشیائے خورد و نوش اور غیر توانائی) پچھلے سال کے اسی عرصے کے دوران کے 5.50% کے مقابلے میں اوسطاً 7.77% ہو گیا ہے جو ظاہر کرتا ہے کہ افراط زر کا دباؤ آہستہ آہستہ سرایت کر رہا ہے۔

بڑھتے ہوئے افراط زر، تیزی سے کم ہوتے غیر ملکی زرمبادلہ کے ذخائر اور خراب ہوتا ہوا حسابات جاریہ کے خسارے کے ساتھ، اسٹیٹ بینک نے جولائی اور ستمبر میں شرح پالیسی کو دوبار بڑھا دیا، جو مجموعی طور پر 200 بی پی ایس سے 8.5% ہو گیا۔ جاری تقویمی سال کے دوران شرح پالیسی میں مجموعی اضافہ 275 بی پی ایس تک پہنچ چکا ہے، جو گزشتہ تین برسوں میں بلند ترین ہے۔

ان چیلنجز کو مد نظر رکھتے ہوئے، نئی حکومت بلند تر شرح ہائے سود، کرنسی ایڈجسٹمنٹس، ڈیویڈنڈ پر قابو کرنے کی غرض درآمدات کی پابندی وغیرہ کے ذریعے مالیاتی اور بیرونی خسارے دونوں کو ہدف بنا رہی ہے۔ ان اقدامات سے امکان ہے کہ مالی سال 19 کے دوران ملکی طلب سست روی کا شکار ہو جائے گی۔ اسٹیٹ بینک نے اپنی حالیہ نظر ثانی شدہ مانیٹری پالیسی بیان میں جولائی 18 میں متوقع شرح نمو کو 5.5% سے 5.0% تک کم کر دیا ہے۔

بیرونی محاذ پر، حسابات جاریہ کا خسارہ تیل کی درآمدات میں اضافے سے تحریک پاتے ہوئے مالی سال 19 کے پہلے دو مہینوں کیلئے 10% کے اضافے سے 2.7 ارب ڈالر تک (بمطابق شرح نمو کے فی صد 5.28%) بڑھ گیا ہے۔ برآمدات نے کچھ سکون فراہم کیا ہے کیونکہ وہ 4.5% (سال بہ سال) اضافے سے 4.1 ارب ڈالر ہو گئی ہیں جس کی وجہ سے نیٹ اور ریڈی میڈ گارمنٹس کی برآمدات میں 11% (سال بہ سال) اور 4% (سال بہ سال) علی الترتیب اضافہ ہے۔ ترسیلات زر مالی سال 18 کے دو مہینوں کے دوران امریکہ اور متحدہ عرب امارات سے 32% (سال بہ سال) اور 15% (سال بہ سال) علی الترتیب آمد میں اضافے کی اعانت سے 3.9 ارب ڈالر (13% سال بہ سال) پر ہیں۔ تاہم تیل کی بین الاقوامی قیمتوں میں اضافے کے اطلاق اور پاکستان کے درآمد کردہ ایندھن کے انحصار پر (تقریباً 30% برآمدی بوجھ)، حسابات جاریہ کا خسارہ ممکنہ طور پر زبردباؤ ہی رہے گا۔

اسٹیٹ بینک کے مطابق، آئندہ بارہ مہینوں کے دوران ملک کو 10 ارب ڈالر سے زائد کے قرضے واپس لوٹانے ہوں گے جو کہ مالی سال 19 کے دوران ممکنہ طور پر بڑے حسابات جاریہ کے خسارے کے ساتھ غیر ملکی زرمبادلہ کے ذخائر پر دباؤ کو برقرار رکھیں گے۔ اسٹیٹ بینک آف پاکستان کے غیر ملکی زرمبادلہ کے ذخائر ستمبر 2018ء کے اختتام پر 39% کی شرح سے کم ہوتے ہوئے 8.4 ارب ڈالر تک آ گئے ہیں جو ہماری دو ماہ سے بھی کم کی درآمدات کے احاطے کی ترجمانی کرتے ہیں۔ کم ہوتے ہوئے ذخائر پاکستانی روپے کی قدر میں مزید کمی کے اضافے کے امکان کو ظاہر کرتے ہیں۔

مالی اور بیرونی دونوں کے بڑھتے ہوئے عدم توازن کے ساتھ، بظاہر نظر آتا ہے کہ پاکستان دوست ممالک جیسے سعودی عرب اور چین کی متوقع کچھ مدد کے ساتھ ایک بار پھر آئی ایم ایف بیل آؤٹ پروگرام کا انتخاب کرے۔ کیونکہ ملک نئے آئی ایم ایف پروگرام میں داخل ہو رہا ہے، بیرون عدم توازن کے سلسلے میں امکان ہے کہ اس پر غور کیا جائے۔ حکومت نے حال ہی میں فنانس بل کے اندر کچھ رد و بدل متعارف کروائی ہیں، جس کی وجہ سے برآمدات سے متعلق شعبے جیسے ٹیکسٹائل کو کچھ راحت مل جائے گی کیونکہ 44 ارب روپے کی سبسڈی کا اعلان بھی کیا گیا ہے۔ مزید برآں، درآمدی بندشوں، 1800 سی سی کی گنجائش اور اس سے اوپر کی درآمدی کاروں پر ریگولیٹری ڈیوٹی کی شکل میں 20% تک بڑھادی گئی ہے۔ ان اقدامات سے، ہمیں یقین ہے کہ ابھی روشنی کی کرن باقی ہے اگرچہ صورت حال اب بھی بہتر نہیں ہے۔

بازار زر کا جائزہ:

اسٹیٹ بینک آف پاکستان مالی سال 19 کی پہلی سہ ماہی کے دوران مجموعی طور پر شرح پالیسی/رعایت کو 2.00% کے اضافے کے ساتھ مالیاتی سختی کے موقف پر ڈٹا ہوا ہے اور غیر ملکی زرمبادلہ کے ذخائر کی بگڑتی صورتحال، بڑھتے ہوئے افراط زر اور ایشیائے صرف کی بڑھتی ہوئی قیمتوں کے پیچھے شرح پالیسی/رعایت کو 8.5% پر متعین کر دیا ہے۔ مارکیٹ مالی سال کے آغاز سے اب تک ڈالر کی قیمت میں اضافے کی پہلے ہی پیش بینی کر چکی ہے اس لیے مارکیٹ کے شرکاء کیلئے شرح پالیسی میں پہلے اضافے پر کسی حیرت کا سامنا نہیں تھا۔

اضافہ شدہ شرح رعایت سے ہم آہنگ، مجموعی طور پر حکومتی وثائق یعنی گورنمنٹ پیپرز نے کمائی کی اور کائی بورز نے ان کے مالی سال 18 سال کی سطحوں کے مقابلے میں اضافے کے رجحان کو ظاہر کیا۔ ٹی بلز 136 سے 143 بی پی ایس تک بڑھ گئے، پی آئی بی آمدن میں 77 سے 102 بی پی ایس کی حد میں اضافہ ہوا، جبکہ کائی بورز اسٹیٹ بینک کی شرح سود میں اضافے کے فیصلے کے بعد 140 سے 155 بی پی ایس تک اوپر ہو گیا۔ آگے بھی مالیاتی سختی کے تسلسل کی توقعات کے ساتھ، آئندہ سہ ماہی کے دوران آمدن میں مزید اضافے کا مشاہدہ ہو سکتا ہے۔

زر سیال کے محاذ پر، بازار زر نے مالی سال 19 کے دوران سخت زر سیال منظر نامے کے تسلسل کا سامنا کیا ہے، جس کا ثبوت ایس بی پی کی جانب سے او ایم اوجس کی مالیت 9.9 کھرب روپے تھی مع مختلف کاؤنٹرز سے 492 کھرب روپے کی مالیت کی حاصل کردہ رعایات ایس بی پی کی جانب سے 1.70 کھرب روپے مالیت کے موپ۔ ایس کے مقابلے میں پیش کیا جاتا ہے اور ساتھ ہی کئی کاؤنٹرز کی جانب سے 107 ارب روپے کی فلور پلسمنٹس بھی ثبوت کے طور پر پیش کیے جاتے ہیں۔ سات ٹی۔ بلز اور تین پی آئی بی آکشنز بھی ساتھ ساتھ منعقد کیے گئے۔

بازار زر کے موافق شریعہ حد نے اس پورے مالی سال کے دوران اجارہ صکوک کی قیمتوں میں تیزی سے گراؤ کا مشاہدہ کیا جس کی وجہ بڑھتی ہوئی شرح ہائے سود کے منظر نامے میں اجارہ صکوک کی مقررہ شرح کی طلب میں کمی تھی، یہاں یہ بات قابل توجہ ہے کہ چار جاری اجارہ صکوک ایڈیٹوز میں تین مقررہ شرح پر ہیں اور اس پورے مالی سال کے دوران حکومت نے کوئی اجارہ صکوک آکشن منعقد نہیں کیا۔ نتیجتاً، میوچل فنڈز جو اجارہ صکوک میں سرمایہ کاری کرتے ہیں نے اس عرصے کے دوران منافع جات میں شدید کمی کا مشاہدہ کیا۔ تاہم کارپوریٹ سیکنڈری مارکیٹ کی جانب سے صکوک اجراء کے ذریعے قرضہ جات کے حصول کی ترجیح میں بتدریج اضافے کا مشاہدہ کیا جا رہا ہے۔ اس رجحان کے تسلسل سے توقع ہے کہ اسلامی مالیاتی اداروں کے پاس دستیاب فاضل زر سیال کو بروئے کار لائے جانے سے اچھے پیشرفت ہوگی۔

ایکویٹی کا جائزہ

بازار حصص (ایکویٹی مارکیٹ) نے معاشی و سیاسی چیلنجز سے بنائے گئے غیر یقینی ماحول کے اس عرصے کے تسلسل کو جاری رکھا ہوا ہے۔ کے ایم آئی 130 انڈیکس نے اس سہ ماہی میں 2.57% کی کمی سے 69.230 پوائنٹس پر اختتام کیا جبکہ کے ایس ای-100 انڈیکس نے سہ ماہی کے آخر میں 2.18% کی کمی سے 40,998 پر اختتام کیا۔ شرکاء نے سال بہ سال کے ایم آئی-30 انڈیکس اور سال بہ سال کے ایس ای-100 انڈیکس میں حجم کی 17% اور 2% علی الترتیب کمی کے ساتھ اس عرصے کے دوران بھی مندی کے تسلسل کو جاری رکھا اس سہ ماہی کے دوران کے ایم آئی-30 انڈیکس زیادہ تر زبرد باورہا جس کی خاصیت تجارتی سرگرمیوں میں سست روی اور اجام یعنی وایلیومز میں کمی رہی۔ پہلی سہ ماہی میں مارکیٹ کی کمزور کارکردگی کو (i) پوری شدت کے ساتھ غیر ملکی پورٹ فولیو کا اخراج، (ii) دوسری سہ ماہی میں کمپنیوں کے منافع کی کم شرح (iii) معاشی تشویش و تفکرات اور (v) کاروباری بڑھتی ہوئی لاگت سے منسوب کیا جاتا ہے جس کی وجہ حکومت کی جانب سے منی بجٹ میں لیے گئے اقدامات کو ٹھہرایا جاتا ہے جس نے سرمایہ کار کے جذبات کو مجروح کر دیا۔

بینچ مارک انڈیکس نے سال کا آغاز کمزور کارکردگی سے کیا جس کی وجہ انتخابات کی غیر یقینی صورتحال تھی۔ اقتدار کی آسان منتقلی کے بعد، موجودہ حکومت نے اپنا پہلا قدم طویل المدت پالیسی کی تشکیل کی جانب لیا جس میں منی بجٹ کا اعلان اور گیس کی قیمتوں میں اضافہ بھی شامل ہے۔

بجٹ کا عمومی موضوع برآمدات بڑھانے، پرتعیش درآمدات کی حوصلہ شکنی اور حسابات جاریہ کے خسارے پر دباؤ کم کرنے کی غرض سے خرچوں میں کمی کے مقصد کے ساتھ برآمدی شعبوں کو ترغیب دینا ہے۔ آگے بڑھتی ہوئی تیل کی قیمتوں کے متوقع افراط زر کے دباؤ کی وجہ سے (جو کہ اس وقت چار سال کی بلند سطح پر فروخت ہو رہا ہے) اسٹیٹ بینک نے اس سہ ماہی کے دوران شرح رعایت دومرحلوں میں 200 بی پی ایس سے 8.5% تک بڑھا دی ہے۔ ساتھ ساتھ، غیر ملکی اس سہ ماہی کے دوران خاص فروخت کنندگان رہے جس نے مارکیٹ پر کمی کا دباؤ ڈالے رکھا۔ ایف آئی پی آئی نے 189 ملین ڈالر کے خالص اخراج کا مشاہدہ کیا۔ کامیاب انتخابات اور قدار کی منتقلی کے باوجود، سرمایہ کاروں کا رجحان کم رہا کیونکہ انھیں معیشت کی خراب صحت کی فکر لاحق رہی۔ کم زریں اور سرمایہ کاروں کی طرف سے رجحان کی کمی مالی سال 19 کی پہلی سہ ماہی کے آخری ماہ میں چھائے رہے، جہاں انڈیکس نے بعد از انتخابات زیادہ تر منافع جات بحال کیے۔

امریکی ڈالر کے استحکام اور فیڈرل ریٹ کے مسلسل زیادہ ہو جانے کے نتیجے میں ایمرجنگ مارکیٹس سے اخراج (آؤٹ فلوز) نے علاقائی ایکویٹی انڈیکس پر بڑے اثرات مرتب کیے۔ ایم ایس سی آئی ای ایم انڈیکس نے زیر جائزہ سہ ماہی کے آخری حصے میں اس کے سالانہ سب سے کم پوائنٹ درج کیے ہیں کیونکہ سرمایہ کاروں نے ایمرجنگ مارکیٹس سے ڈیولپڈ مارکیٹس کی طرف بہاؤ کا رخ کر دیا ہے۔ زیر جائزہ عرصے کے دوران یو ایس فیڈ نے شرح ہائے سود میں اضافے کا تسلسل رکھا ہے، جس سے علاقائی کرنسیز پر مزید دباؤ بڑھ گیا ہے۔ ایم ایس سی آئی ای ایم کرنسی انڈیکس نے سہ ماہی 4.76% مندی پر اختتام کیا، جس نے ایمرجنگ مارکیٹس میں وسیع البناد دباؤ کا اشارہ دے دیا ہے۔

برینٹ کی ایک کثیر سالہ بلندی کے اندراج کے ساتھ سہ ماہی کے دوران تیل کی قیمتوں میں تیزی کا رجحان دیکھا گیا ہے جس کی وجہ مشرق وسطیٰ میں جاری کشمکش اور ایران پر پابندیاں ہیں۔ مارکیٹ کو ایران پابندیوں، وینزویلا کی پیداوار میں کمی اور لیبیا میں خلفشار کی وجہ سے 3 ملین بیرلز یومیہ سے زیادہ کی فراہمی میں ممکنہ کمی کی توقع ہے جو کہ پہلے ہی اوپیک اور غیر اوپیک کے پاس دستیاب محدود فاضل صلاحیت سے سخت صورتحال اختیار کر گئی ہے کہ تا کہ فراہمی میں اضافہ کرے۔ برینٹ خام تیل کی قیمتوں نے 4.1% کی شرح کی بلندی سے 82.72 ڈالر فی بیرل پر سہ ماہی کا اختتام کیا ہے۔

انڈیکس میں بڑے حصے ڈالنے والے

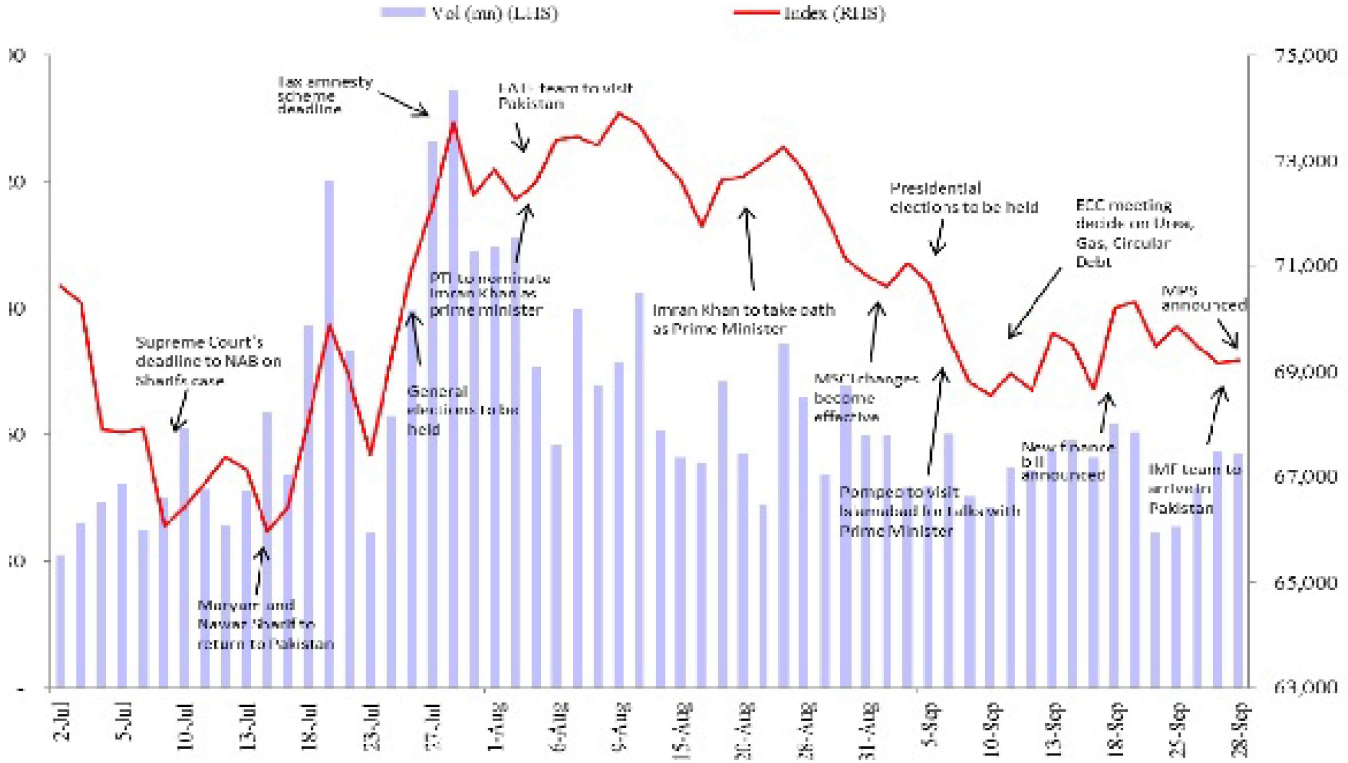
سہ ماہی کے دوران مثبت کارکردگی والے شعبہ جات میں فریٹلائزر سب سے بہتر تھا۔ اس عرصے کے دوران KMI-30 انڈیکس میں بہترین کارکردگی والے شراکت دار یہ تھے:

انڈیکس میں مثبت کارکردگی کے شراکت دار	KMI-30 میں شرکت (پوائنٹس)	گھل منافع فیصد
اینگرفریٹلائزر لمیٹڈ	208	6.09
کلی سینٹ لمیٹڈ	131	2.60
پاکستان آئل فیلڈز لمیٹڈ	104	1.97
اینگروکارپوریشن لمیٹڈ/پاکستان	104	1.51

دوسری طرف سینٹ اور کیبل اینڈ الیکٹرک بری کارکردگی کا مظاہرہ کرنے والے شعبے رہے۔ اس مدت کے دوران KMI-30 میں بری کارکردگی کے اسٹاک یہ تھے:

انڈیکس میں منفی کارکردگی کے شراکت دار	KMI-30 میں شرکت (پوائنٹس)	گھل منافع فیصد
ملٹ ٹریڈرز لمیٹڈ	-300	-16.42
سوئی نادرنگیس پائپ لائن	-247	-13.47
ڈی جی خان سینٹ کولمبیٹڈ	-206	-11.24
نیشنل ریفرنسز لمیٹڈ	-187	-10.24

اس عرصے کے دوران KMI-30 کی مجموعی حرکت کو درج ذیل گراف سے دیکھا جاسکتا ہے:



ایکویٹی کا بہاؤ:

غیر ملکی سرمایہ کاری زیر جائزہ عرصے کے دوران غیر ملکی سرمایہ کاری کے سرمایہ کاروں کی جانب سے تقریباً 189 ملین ڈالر کی خالص فروخت کے ساتھ کافی سست رہی۔ 81.9 ملین ڈالر اور 58.8 ملین ڈالر کے بڑے غیر ملکی اخراج بینکنگ اور آئل اینڈ گیس ایکسپلوریشن شعبوں میں ریکارڈ کی گئیں جس نے اس عرصے کے دوران خالص اخراج کا ایک بڑا حصہ تشکیل دیا۔ اس کی پیروی 28 ملین ڈالر اور 10 ملین ڈالر کی ترتیب کے اخراج کے ساتھ سیمنٹ اور توانائی کے شعبوں نے کی۔ اس عرصے کے دوران، میوچل فنڈز 23.5 ملین ڈالر کے خالص فروخت کنندگان رہے جبکہ انشورنس کمپنیز اور افراد 102 ملین ڈالر اور 97 ملین ڈالر کی ترتیب مالیت کے خالص خریدار تھے۔ پینکس، افراد، این بی ایف سیز، دیگر اور بروکرز مجموعی طور پر لگ بھگ 13.6 ملن ڈالر کے خالص خریدار تھے۔

میوچل فنڈ انڈسٹری کا جائزہ:

مالی سال 19 کے دو مہینوں کے دوران، میوچل فنڈز انڈسٹری کے زیر انتظام اثاثہ جات 1.6% سے بڑھ کر 614 ارب روپے کی جسامت کو پہنچ گئے۔ شریعہ موافق زیر انتظام اثاثہ جات زیر جائزہ عرصے کے دوران 1.6% کی شرح سے کم ہو کر 222 ارب روپے تک پہنچ گئے جس سے میوچل فنڈ انڈسٹری میں شریعہ موافق فنڈز کا حصہ 36.2% پر آ گیا۔ المیزان کا حصہ پوری میوچل فنڈز انڈسٹری میں مجموعی طور پر 15.2% پر موجود ہے جبکہ شریعہ موافق فنڈز میں اس کا حصہ 31 اگست 2018ء کے مطابق 42.0% ہے۔

خالص اثاثہ جات کے لحاظ سے، اوپن اینڈ سوورن، منی مارکیٹ اور انکم فنڈز نے پہلے دو ماہ کے عرصے میں ان کی جسامت میں اضافے کو ظاہر کیا ہے، مشترکہ کیٹیگری 2.6% کا اضافہ ظاہر کرتے ہوئے 263 ارب روپے تک جا پہنچی ہے جبکہ اس کیٹیگری میں کنوشنل فنڈز 4.2% کا اضافہ ظاہر کیا اور شریعہ موافق فنڈز 2.1% نیچے آ گئے۔ اوپن اینڈ ایکویٹی فنڈز (بشمول انڈیکس ٹریڈر) 1.3% کے اضافے سے 30 جون 2018ء کے برعکس 264 ارب روپے کے مقابلے میں 31 اگست 2018ء کے برعکس 267 ارب روپے تک جا پہنچے۔ اس کیٹیگری میں کنوشنل فنڈز 3.6% تک کا اضافہ ظاہر کیا جبکہ شریعہ موافق ایکویٹی پرنی فنڈز زیر جائزہ عرصے کے دوران 2.3% سے نیچے ہو کر 102 ارب روپے پر آ گئے۔

کیپٹل پروٹیکٹیڈ، ہیلنڈ، اور ایسیٹ ایلوکیشن فنڈز با مجموع کے خالص اثاثہ جات اس عرصے کے اختتام پر 1.0% تک کم ہو کر 57 ارب روپے پر جانچے۔ جبکہ اس کیٹگری میں کنٹینل فنڈز 1.3% کی شرح سے کم ہو گئے، زیر جائزہ عرصے میں شریعہ موافق فنڈز نے 0.8% کی کمی ظاہر کی اور 37 ارب روپے پر رہے۔ انڈسٹری میں کموڈٹی فنڈز جون 2018ء کے بمطابق 242 ملین روپے کے مقابلے میں 264 ملین روپے تک بڑھ گئے جو کہ 9.1% کے اضافے کی عکاسی کرتے ہیں۔

والنٹری پنشن فنڈز بمطابق 31 اگست 2018، 27 ارب روپے کی لگ بھگ ان کی مجموعی فنڈ جسامت کے ساتھ زیر جائزہ عرصے کے دوران 1.5% کی شرح سے بڑھ گئے۔ زیر جائزہ عرصے کے دوران شریعہ موافق پنشن فنڈز بھی 2.1% کی شرح سے بڑھ گئے اور اگست 2018ء کے مطابق لگ بھگ 17 ارب روپے رہے۔ میزان تحفظ پنشن فنڈ (ایم ٹی پی ایف) مجموعی شعبے میں 35.4% مارکیٹ شیئر کے ساتھ پنشن فنڈ مارکیٹ کی قیادت کرتا رہا جبکہ شریعہ موافق شعبے میں، ایم ٹی پی ایف کا حصہ پچھلے سال کے مطابق عرصے میں 55.7% کے مقابلے میں 54.7% تک کم ہو گیا ہے۔

کارکردگی کا جائزہ (فنڈز)

میزان اسلامک فنڈ:

30 ستمبر 2018ء کے مطابق میزان اسلامک فنڈ کے خالص اثاثہ جات 4% کی تیزی کے ساتھ جون 2018ء کے 39,115 ملین روپے کے مقابلے میں 37,621 ملین روپے تھے۔ 30 ستمبر 2018ء کے اختتام پر مجموعی اثاثہ جات کی فی قدر قیمت 30 جون 2018ء کے 63.3300 روپے فی یونٹ کے مقابلے میں 61.5073 روپے رہی جو کہ زیر جائزہ عرصہ کے دوران 2.89% کے منفی منافع کو ظاہر کرتی ہے جبکہ اسی عرصے میں کے ایس ای میزان انڈیکس (کے ایم آئی 30) بیچ مارک میں کمی 2.57% تھی۔

المیزان میوچل فنڈ:

30 ستمبر 2018ء کے مطابق المیزان میوچل فنڈ کے خالص اثاثہ جات جون 2018ء کے 6,864 ملین روپے کے مقابلے میں 6,880 ملین روپے تھے۔ 30 ستمبر 2018ء کے اختتام پر مجموعی اثاثہ جات کی فی قدر قیمت 30 جون 2018ء کے 17.6583 روپے فی یونٹ کے مقابلے میں 17.1109 روپے رہی جو کہ زیر جائزہ عرصہ کے دوران 3.11% کے منفی منافع کو ظاہر کرتی ہے جبکہ اسی عرصے میں کے ایس ای میزان انڈیکس (کے ایم آئی 30) بیچ مارک میں کمی 2.57% تھی۔

کے ایس ای میزان انڈیکس فنڈ:

30 ستمبر 2018ء کے مطابق کے ایس ای میزان انڈیکس فنڈ کے خالص اثاثہ جات 3% کی تیزی کے ساتھ جون 2018ء کے 1,687 ملین روپے کے مقابلے میں 1,641 ملین روپے رہے۔ 30 ستمبر 2018ء کے اختتام پر مجموعی اثاثہ جات کی فی قدر قیمت 30 جون 2018ء کے 70.6581 روپے فی یونٹ کے مقابلے میں 68.5483 روپے رہی جو کہ زیر جائزہ عرصہ کے دوران 2.97% کے منفی منافع کو ظاہر کرتی ہے جبکہ اسی عرصے میں کے ایس ای میزان انڈیکس (کے ایم آئی 30) بیچ مارک 2.57% کم رہا۔

میزان ڈیڈیکٹیڈ ایکویٹی فنڈ:

30 ستمبر 2018ء کے مطابق میزان ڈیڈیکٹیڈ ایکویٹی فنڈ کے خالص اثاثہ جات 2% کے اضافے کے ساتھ جون 2018ء کے 1,857 ملین روپے کے مقابلے میں 1,901 ملین روپے رہے۔ 30 ستمبر 2018ء کے اختتام پر مجموعی اثاثہ جات کی فی قدر قیمت 30 جون 2018ء کے 48.5347 روپے فی یونٹ کے مقابلے میں 46.9031 روپے رہی جو کہ زیر جائزہ عرصہ کے دوران 3.37% کے منفی منافع کو ظاہر کرتی ہے جبکہ اسی عرصے میں کے ایس ای میزان انڈیکس (کے ایم آئی 30) بیچ مارک 2.57% کم رہا۔

میزان انرجی فنڈ:

30 ستمبر 2018ء کے مطابق میزان انرجی فنڈ کے خالص اثاثہ جات %26 کی تنزلی کے ساتھ جون 2018ء کے 1,637 ملین روپے کے مقابلے میں 1,207 ملین روپے رہے۔ 30 ستمبر 2018ء کے اختتام پر مجموعی اثاثہ جات کی فی قدر قیمت 30 جون 2018ء کے 49.7823 روپے فی یونٹ کے مقابلے میں 47.3748 روپے رہی جو کہ زیر جائزہ عرصہ کے دوران %4.84 کے منفی منافع کو ظاہر کرتی ہے جبکہ اسی عرصے میں کے ایس ای میزان انڈیکس (کے ایم آئی 30) بیچ مارک %2.57 کم رہا۔

میزان ایسیٹ ایلوکیشن فنڈ:

30 ستمبر 2018ء کے مطابق میزان ایسیٹ ایلوکیشن فنڈ کے خالص اثاثہ جات %2 تنزلی کے ساتھ جون 2018ء کے 2,877 ملین روپے کے مقابلے میں 2,829 ملین روپے رہے۔ 30 ستمبر 2018ء کے اختتام پر مجموعی اثاثہ جات کی فی قدر قیمت 30 جون 2018ء کے 44.5301 روپے فی یونٹ کے مقابلے میں 43.2496 روپے رہی جو کہ زیر جائزہ عرصہ کے دوران %2.88 کے منفی منافع کو ظاہر کرتی ہے جبکہ اسی عرصے میں بیچ مارک %2.09 کم رہا۔

میزان اسلامک انکم فنڈ:

30 ستمبر 2018ء کے مطابق میزان اسلامک انکم فنڈ کے خالص اثاثہ جات %2 کے اضافے کے ساتھ جون 2018ء کے 10,166 ملین روپے کے مقابلے میں 10,379 ملین روپے رہے۔ 30 ستمبر 2018ء کے اختتام پر مجموعی اثاثہ جات کی فی قدر قیمت 30 جون 2018ء کے 53.5868 روپے فی یونٹ کے مقابلے میں 52.0912 روپے رہی جو کہ زیر جائزہ عرصہ کے دوران %5.40 کے سالانہ منافع کو ظاہر کرتی ہے جبکہ اسی عرصے میں بیچ مارک %2.68 رہا۔ عرصے کے اختتام پر اسلامی ادارہ جاتی صکوک میں فنڈ کا %33، کمرشل پیپر میں %10، حکومت پاکستان اجارہ صکوک میں %3 کی سرمایہ کاری کی گئی جبکہ %6 ٹرم ڈپازٹ ریسیٹس %10 سٹریٹجکٹ آف مشارکہ میں رکھے گئے اور خالص اثاثہ جات کے %37 اسلامی بینکس یا بینکس کے اسلامی ونڈوز میں مختص کیے گئے۔

میزان سوورن فنڈ:

30 ستمبر 2018ء کے مطابق میزان سوورن فنڈ کے خالص اثاثہ جات %17 کی تنزلی کے ساتھ جون 2018ء کے 2,121 ملین روپے کے مقابلے میں 1,759 ملین روپے رہے۔ 30 ستمبر 2018ء کے اختتام پر مجموعی اثاثہ جات کی فی قدر قیمت 30 جون 2018ء کے 52.7240 روپے فی یونٹ کے مقابلے میں 51.7704 روپے رہی جو کہ زیر جائزہ عرصہ کے دوران %2.22 کے سالانہ منافع کو ظاہر کرتی ہے جبکہ اسی عرصے میں بیچ مارک %7.28 رہا۔ اس نقصان کو عرصے کی پہلی سہ ماہی کے دوران اجارہ صکوک کی تیزی سے گرتی ہوئی قیمتوں سے منسوب کیا جاتا ہے۔ عرصے کے اختتام پر حکومت پاکستان اجارہ صکوک میں %59 حکومت پاکستان کے ضمانتی صکوک میں %15 کی سرمایہ کاری کی اور جبکہ خالص اثاثہ جات کے %30 اسلامی بینکس یا بینکس کے اسلامی ونڈوز میں رکھے گئے۔

میزان کیش فنڈ:

30 ستمبر 2018ء کے مطابق میزان کیش فنڈ کے خالص اثاثہ جات %3 اضافے کے ساتھ جون 2018ء کے 9,921 ملین روپے کے مقابلے میں 10,207 ملین روپے رہے۔ 30 ستمبر 2018ء کے اختتام پر مجموعی اثاثہ جات کی فی قدر قیمت 30 جون 2018ء کے 52.5964 روپے فی یونٹ کے مقابلے میں 51.1406 روپے رہی جو کہ زیر جائزہ عرصہ کے دوران %5.57 کے سالانہ منافع کو ظاہر کرتی ہے جبکہ اسی عرصے میں بیچ مارک %2.61 رہا۔ عرصے کے اختتام پر %10 ٹرم ڈپازٹ ریسیٹس (TDR) جبکہ %10 سی پی صکوک رکھے گئے اور خالص اثاثہ جات کے %80 اسلامی بینکس یا بینکس کے اسلامی ونڈوز میں رکھے گئے۔

میزان بیلینڈ فنڈ:

30 ستمبر 2018ء کے میزان بیلینڈ فنڈ کے خالص اثاثہ جات %4 کی تنزلی کے ساتھ جون 2018ء کے 7,843 ملین روپے کے مقابلے میں 7,549

ملین روپے رہے۔ 30 ستمبر 2018ء کے اختتام پر مجموعی اثاثہ جات کی فی قدر قیمت 30 جون 2018ء کے 15.4366 روپے فی یونٹ کے مقابلے میں 15.1807 روپے رہی جو کہ زیر جائزہ عرصہ کے دوران 1.66% کے منفی منافع کو ظاہر کرتی ہے جبکہ اسی عرصے میں بیچ مارک 1.15% کم رہا۔

میزان فنانشل پلاننگ فنڈ آف فنڈز

ایگریسیو ایلوکیشن پلان

30 ستمبر 2018ء کے مطابق پلان کے خالص اثاثہ جات 30 جون 2018ء کے 497 ملین روپے کے مقابلے میں 485 ملین روپے رہے۔ پلان نے زیر جائزہ عرصے کے دوران 1.90% منفی منافع فراہم کیا جبکہ بیچ مارک منفی 1.70% رہا۔

موڈریٹ ایلوکیشن فنڈ

30 ستمبر 2018ء کے مطابق پلان کے خالص اثاثہ جات 30 جون 2018ء کے 309 ملین روپے کے مقابلے میں 259 ملین روپے رہے۔ پلان نے زیر جائزہ عرصے کے دوران 0.72% منفی منافع فراہم کیا جبکہ بیچ مارک منفی 0.90% رہا۔

کنزرویٹو ایلوکیشن فنڈ

30 ستمبر 2018ء کے مطابق پلان کے خالص اثاثہ جات 30 جون 2018ء کے 290 ملین روپے کے مقابلے میں 274 ملین روپے رہے۔ پلان نے زیر جائزہ عرصے کے دوران 0.23% منفی منافع فراہم کیا جبکہ بیچ مارک منفی 0.17% رہا۔

میزان ایسیٹ ایلوکیشن پلان-I

30 ستمبر 2018ء کے مطابق پلان کے خالص اثاثہ جات 30 جون 2018ء کے 829 ملین روپے کے مقابلے میں 808 ملین روپے رہے۔ پلان نے زیر جائزہ عرصے کے دوران 2.24% منفی منافع فراہم کیا جبکہ بیچ مارک منفی 1.58% رہا۔

میزان اسٹریٹجک ایلوکیشن فنڈ

میزان اسٹریٹجک ایلوکیشن پلان-I

30 ستمبر 2018ء کے مطابق پلان کے خالص اثاثہ جات 30 جون 2018ء کے 1,945 ملین روپے کے مقابلے میں 1,856 ملین روپے رہے۔ پلان نے زیر جائزہ عرصے کے دوران 2.03% منفی منافع فراہم کیا جبکہ بیچ مارک منفی 1.57% رہا۔

میزان اسٹریٹجک ایلوکیشن پلان-II

30 ستمبر 2018ء کے مطابق پلان کے خالص اثاثہ جات 30 جون 2018ء کے 1,289 ملین روپے کے مقابلے میں 1,235 ملین روپے رہے۔ پلان نے زیر جائزہ عرصے کے دوران 1.90% منفی منافع فراہم کیا جبکہ بیچ مارک منفی 1.53% رہا۔

میزان اسٹریٹجک ایلوکیشن پلان-III

30 ستمبر 2018ء کے مطابق پلان کے خالص اثاثہ جات 30 جون 2018ء کے 1,423 ملین روپے کے مقابلے میں 1,350 ملین روپے رہے۔ پلان نے زیر جائزہ عرصے کے دوران 1.85% منفی منافع فراہم کیا جبکہ بیچ مارک منفی 1.55% رہا۔

میزان اسٹریٹجک ایلوکیشن پلان-IV

30 ستمبر 2018ء کے مطابق پلان کے خالص اثاثہ جات 30 جون 2018ء کے 1,666 ملین روپے کے مقابلے میں 1,470 ملین روپے رہے۔ پلان نے زیر جائزہ عرصے کے دوران 1.84% منفی منافع فراہم کیا جبکہ بیچ مارک منفی 1.55% رہا۔

میزان اسٹریٹجک ایلوکیشن پلان-V

30 ستمبر 2018ء کے مطابق پلان کے خالص اثاثہ جات 30 جون 2018ء کے 521 ملین روپے کے مقابلے میں 504 ملین روپے رہے۔ پلان نے زیر جائزہ عرصے کے دوران 1.82% منفی منافع فراہم کیا جبکہ بیچ مارک منفی 1.55% رہا۔

میزان کیپٹل پریزرویشن پلان-III

30 ستمبر 2018ء کے مطابق پلان کے خالص اثاثہ جات 30 جون 2018ء کے 1,365 ملین روپے کے مقابلے میں 1,374 ملین روپے رہے۔ پلان نے زیر جائزہ عرصے کے دوران 0.47% منافع فراہم کیا جبکہ بیچ مارک 0.25% رہا۔

میزان اسٹریٹجک ایلوکیشن فنڈ-II

میزان کیپٹل پریزرویشن پلان-IV

30 ستمبر 2018ء کے مطابق پلان کے خالص اثاثہ جات 30 جون 2018ء کے 2,115 ملین روپے کے مقابلے میں 2,027 ملین روپے رہے۔ پلان نے زیر جائزہ عرصے کے دوران 0.29% منافع فراہم کیا جبکہ بیچ مارک 0.25% رہا۔

میزان کیپٹل پریزرویشن پلان-V

30 ستمبر 2018ء کے مطابق پلان کے خالص اثاثہ جات 30 جون 2018ء کے 733 ملین روپے کے مقابلے میں 746 ملین روپے رہے۔ پلان نے زیر جائزہ عرصے کے دوران 0.27% منافع فراہم کیا جبکہ بیچ مارک 0.05% رہا۔

میزان کیپٹل پریزرویشن پلان-VI

یہ پلان جولائی 2018ء میں شروع کیا گیا اور 30 ستمبر 2018ء پر اس کے خالص اثاثہ جات 640 ملین روپے تھے۔ پلان نے اس عرصے کے دوران 0.52% منافع فراہم کیا جبکہ بیچ مارک منفی 0.19% رہا۔

میزان کیپٹل پریزرویشن پلان-VII

یہ پلان ستمبر 2018ء میں شروع کیا گیا اور 30 ستمبر 2018ء پر اس کے خالص اثاثہ جات 8 ملین روپے تھے۔ پلان نے اس عرصے کے دوران 0.02% منافع فراہم کیا جبکہ بیچ مارک 0.02% رہا۔

میزان گولڈ فنڈ (MGF)

30 ستمبر 2018ء پر میزبان گولڈ فنڈ کے خالص اثاثہ جات 2% کے اضافے کے ساتھ 30 جون 2018ء کے 243 ملین روپے کے مقابلے میں 248 ملین روپے رہے۔ زیر جائزہ عرصے کے دوران فنڈ نے منفی 1.27% کے بیچ مارک کے مقابلے میں 1.71% کا منفی منافع فراہم کیا۔

میزان تحفظ پنشن فنڈ (MTPF)

ایم ٹی پی ایف 4 ذیلی فنڈز یعنی ایکویٹی سب فنڈ، ڈیٹ سب فنڈ، منی مارکیٹ سب فنڈ اور گولڈ سب فنڈ پر مشتمل ہے۔ 30 ستمبر 2018ء کو اختتام پذیر ہونے والے عرصے کیلئے، ایکویٹی سب فنڈ نے 2.88% کا منفی منافع اور گولڈ سب فنڈ نے 2.41% کا منفی منافع فراہم کیا جبکہ ڈیٹ اور منی مارکیٹ سب فنڈز نے بالترتیب 3.69% اور 4.37% سالانہ منافع فراہم کیا۔ ہر ایک سب فنڈ کی کارکردگی کا جائزہ ذیل میں دیا گیا ہے۔

ایکویٹی سب فنڈ

30 ستمبر 2018ء کے مطابق ایکویٹی سب فنڈ کے خالص اثاثہ جات جون 2018ء کے 5,432 ملین روپے کے مقابلے میں 5,401 ملین روپے رہے۔ 30 ستمبر 2018ء کے اختتام پر مجموعی اثاثہ جات کی فی قدر قیمت 30 جون 2018ء کے 494.8205 روپے فی یونٹ کے مقابلے میں 480.6165 روپے رہی۔ زیر جائزہ عرصہ کے دوران ایکویٹی سب فنڈ نے گزشتہ سال کی اسی عرصے کے مطابق 654 ملین روپے کے مجموعی خسارے کے مقابلے میں 133 ملین روپے کا مجموعی خسارہ کیا۔

ڈیٹ سب فنڈ

30 ستمبر 2018ء کے مطابق ڈیٹ سب فنڈ کے خالص اثاثہ جات جون 2018ء کے 2,762 ملین روپے کے مقابلے میں 2,850 ملین روپے رہے۔ 30 ستمبر 2018ء کے اختتام پر مجموعی اثاثہ جات کی فی قدر قیمت 30 جون 2018ء کے 222.5699 روپے فی یونٹ کے مقابلے میں 220.5205 روپے رہی۔ زیر جائزہ عرصہ کے دوران ڈیٹ سب فنڈ نے گزشتہ سال کی اسی عرصے کے مطابق 16 ملین روپے کے مقابلے میں 40 ملین روپے کا مجموعی منافع کمایا۔

منی مارکیٹ سب فنڈ

30 ستمبر 2018ء کے مطابق منی مارکیٹ سب فنڈ کے خالص اثاثہ جات جون 2018ء کے 1,014 ملین روپے کے مقابلے میں 1,095 ملین روپے رہے۔ 30 ستمبر 2018ء کے اختتام پر مجموعی اثاثہ جات کی فی قدر قیمت 30 جون 2018ء کے 220.6815 روپے فی یونٹ کے مقابلے میں 218.2775 روپے رہی۔ زیر جائزہ عرصہ کے دوران منی مارکیٹ سب فنڈ نے گزشتہ سال کی اسی عرصے کے مطابق 6 ملین روپے کے مقابلے میں 17 ملین روپے کا مجموعی منافع کمایا۔

گولڈ سب فنڈ

30 ستمبر 2018ء کے مطابق گولڈ سب فنڈ کے خالص اثاثہ جات جون 2018ء کے 50 ملین روپے کے مقابلے میں 50 ملین روپے رہے۔ 30 ستمبر 2018ء کے اختتام پر مجموعی اثاثہ جات کی فی قدر قیمت 30 جون 2018ء کے 101.5719 روپے فی یونٹ کے مقابلے میں 99.1248 روپے رہی۔ زیر جائزہ عرصہ کے دوران گولڈ سب فنڈ نے گزشتہ سال کے اسی عرصے کے مطابق 1 ملین روپے کی مجموعی آمدنی کے مقابلے میں 0.8 ملین روپے کا مجموعی خسارہ کمایا۔

توقعات (Outlooks)

ایک دہائی سے زیادہ عرصے میں مالی سال 18 میں بلند ترین شرح نمو درج کرنے کے بعد پاکستان مالی سال 19 میں استحکام کی طرف گامزن ہے جیسا کہ اسٹیٹ بینک آف پاکستان نے آئندہ سال کیلئے 5% تک کا ہدف نمو تجویز کیا ہے۔ حکومت کی جانب سے کچھ پابندیوں کے اقدامات کیے ہیں جس میں مالیاتی سختی اور روپے کی قدر میں کمی شامل ہیں جس کا امکان ہے کہ وہ آئندہ مالی سال میں جاری رہیں گے۔

وسیع تر محاذ پر واقعات آنے والے ماہ میں مارکیٹ کی سمت کا ممکنہ تعین کریں گے۔ اس سلسلے میں، چین سے مالی بہاؤ کے انتظامات یا سعودی عرب سے دیر سے تیل کی خریداری کی ادائیگی کی سہولت اور بالآخر آئی ایم ایف پروگرام میں مکمل داخلہ غیر یقینی اور زبردباؤ اسٹاک مارکیٹ میں کوئی راحت فراہم کر سکتے ہیں۔ ہم پھر واضح کرتے ہیں کہ مارکیٹ ویلیو ایڈیشنز (قیمتیں) پرکشش ہیں اور کے ایس ای 100 انڈیکس لگ بھگ 7.5 کی ملٹی پل قیمت پر ہے جو کہ زبردست رعایت پر ہے۔

مقررہ آمدن کے پہلو پر ایک سخت مالیاتی پالیسی کے تسلسل کی توقع ہے جس کی ذریعے شرح ہائے سود اور آمدن کو بڑھتے رہ جان پر قائم رکھنا ہے۔ بازار زر کے شریعہ موافق پہلو پر تاہم نئے حکومت پاکستان اجارہ صکوک کے اجرا کے ساتھ ساتھ کارپوریٹ صکوک با کثرت زریں کے مسئلے سے نمٹنے کیلئے حقیقی طور پر اہم ہوگا۔

اظہار تشکر:

ہم اس موقع کو غنیمت جانتے ہوئے ہمارے گراں قدر سرمایہ کاروں کا ان کے لمیز ان انویسٹمنٹس پریفین پر شکریہ ادا کرتے ہیں جنہوں نے اسے پاکستان کے نجی شعبے کی سب سے بڑی ایسیٹ مینجمنٹ کمپنی بنا دیا ہے۔ ہم ضابطہ کار، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور ہمارے ٹرسٹی، سینٹرل ڈپازٹری کمپنی آف پاکستان کا بھی ان کے تعاون کیلئے شکریہ ادا کرتے ہیں۔ اس کے علاوہ، ہم میزان بینک کے شریعہ سپروائزر بورڈ کے ارکان کا بھی فنڈ مینجمنٹ کے شریعہ پہلوؤں پر ان کی مسلسل اعانت اور مدد پر شکریہ ادا کرنا چاہیں گے۔

محمد شعیب، سی ایف اے
چیف ایگزیکٹو آفیسر

برائے وجانب بورڈ
مورخہ 18 اکتوبر 2018ء

FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre,
Shahrah-e-Faisal, Karachi 74400, Pakistan.
Phone (9221) 35630722-6111-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. Atif Azim	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Main 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. Main 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. Atif Azim	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
Al Baraka Islamic Bank B.S.C (E.C)
Askari Bank Limited - Islamic Banking
Bank Al Habib Limited - Islamic Banking
Bank Alfalah Limited
Bank Islami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited - Islamic Banking
Habib Bank Limited - Islamic Banking

Habib Metropolitan Bank Limited - Islamic Banking
MCB Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited
National Bank of Pakistan - Islamic Banking
Samba 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: bawaney@cyber.net.pk

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, 2018**

	September 30, 2018 (Unaudited)	June 30, 2018 (Audited)
Note	(Rupees in '000)	
Assets		
Balances with banks	5 2,874,229	2,730,709
Investments	6 35,138,897	37,188,682
Receivable against conversion of units	24,101	98,887
Dividend receivable	414,695	150,745
Advances, deposits and other receivables	47,496	22,332
Total assets	38,499,418	40,191,355
Liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	172,321	195,109
Payable to the Central Depository Company of Pakistan Limited - Trustee	3,643	3,805
Payable to Meezan Bank Limited	954	1,254
Payable to the Securities and Exchange Commission of Pakistan	9,215	42,013
Payable against redemption and conversion of units	21,453	183,929
Payable against purchase of investments - net	34,102	16,430
Accrued expenses and other liabilities	7 636,340	634,161
Total liabilities	878,028	1,076,701
Net assets	37,621,390	39,114,654
Contingencies and commitments	8	
Unitholders' funds (as per statement attached)	37,621,390	39,114,654
	(Number of units)	
Number of units in issue	611,657,279	617,631,854
	(Rupees)	
Net assets value per unit	61.5073	63.3300

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

MEEZAN ISLAMIC FUND
CONDENSED INTERIM INCOME STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)

	Note	September 30,	
		2018	2017
		(Rupees in '000)	
Income			
Realised loss on sale of investments - net		(89,201)	(126,899)
Dividend income		412,786	422,091
Profit on balances with banks		38,758	60,008
		<u>362,343</u>	<u>355,200</u>
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.1.1	(1,267,207)	(5,690,989)
Total income		<u>(904,864)</u>	<u>(5,335,789)</u>
Expenses			
Remuneration to AI Meezan Investment Management Limited - Management Company		194,008	254,049
Sindh Sales Tax on management fee		25,221	33,026
Remuneration to the Central Depository Company of Pakistan Limited - Trustee		9,952	12,954
Sindh Sales Tax on trustee fee		1,294	1,684
Annual fee to the Securities and Exchange Commission of Pakistan		9,215	12,067
Auditors' remuneration		217	244
Charity expense		5,329	2,178
Fees and subscription		1,067	1,924
Brokerage expense		3,353	7,179
Bank and settlement charges		714	1,208
Printing charges		252	249
Allocated expenses	11	9,700	12,702
Selling and marketing expense	13	38,802	50,810
Total expenses		<u>299,124</u>	<u>390,274</u>
Net loss for the quarter before taxation		<u>(1,203,988)</u>	<u>(5,726,063)</u>
Taxation	14	-	-
Net loss for the quarter after taxation		<u>(1,203,988)</u>	<u>(5,726,063)</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>

* Due to 'Nil' distributable income for the quarter, disclosure related to accounting income available for distribution is not required.

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

MEEZAN ISLAMIC FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)

	<u>September 30,</u>	
	<u>2018</u>	<u>2017</u>
Note	(Rupees in '000)	
Net loss for the quarter after taxation	(1,203,988)	(5,726,063)
Other comprehensive income for the quarter		
<i>Item that may be reclassified subsequently to Income Statement</i>		
Net unrealised diminution on re-measurement of investments classified as 'available for sale'	-	(378,304)
Total comprehensive loss for the quarter	<u>(1,203,988)</u>	<u>(6,104,367)</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

MEEZAN ISLAMIC FUND
CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)

	September 30,	
	2018	2017
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the quarter after taxation	(1,203,988)	(5,726,063)
Adjustments for:		
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	1,267,207	5,690,989
	63,219	(35,074)
Decrease / (increase) in assets		
Investments - net	782,578	97,716
Receivable against sale of investments - net	-	(15,835)
Dividend receivable	(263,950)	(144,913)
Advances, deposits and other receivables	(25,164)	11,636
	493,464	(51,396)
(Decrease) / increase in liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	(22,788)	311
Payable to Central Depository Company of Pakistan Limited - Trustee	(162)	(804)
Payable to Meezan Bank Limited	(300)	(5,639)
Payable to Securities and Exchange Commission of Pakistan	(32,798)	(30,720)
Payable against purchase of investments (net)	17,672	(64,953)
Accrued expenses and other liabilities	2,179	(204,444)
	(36,197)	(306,249)
Net cash generated from / (used in) operating activities	520,486	(392,719)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	5,405,649	9,815,767
Dividend paid	-	(345,340)
Payment against redemption and conversion of units	(5,782,615)	(10,031,352)
Net cash used in financing activities	(376,966)	(560,925)
Net increase / (decrease) in cash and cash equivalents during the quarter	143,520	(953,644)
Cash and cash equivalents at beginning of the quarter	2,730,709	4,188,108
Cash and cash equivalents at end of the quarter	5 2,874,229	3,234,464

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



**MEEZAN ISLAMIC FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Meezan Islamic Fund (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited as the Management Company and the Central Depository Company of Pakistan Limited as the Trustee. The Trust Deed was executed on June 16, 2003 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on June 4, 2003 under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations, 2008). The Management Company has been licensed by the Securities and Exchange Commission of Pakistan (SECP) to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund, is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2 The Fund has been formed to enable the unitholders to participate in a diversified portfolio of securities, which are Shariah compliant. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah 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 principles.
- 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) Equity Scheme in accordance with Circular 7 of 2009 issued by the SECP.
- 1.4 The Management Company of the Fund has been given a quality rating of AM1 by JCR-VIS Credit Rating Company Limited.
- 1.5 Title to the assets of the Fund are held in the name of CDC as the Trustee of the Fund.

2. BASIS OF PRESENTATION

The transactions undertaken by the Fund 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 approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the repealed Companies Ordinance, 1984 (now Companies Act, 2017), the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

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 year ended June 30, 2018.

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

- 4.1 The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements of the Fund for the year ended June 30, 2018 except for the following:

4.1.1 Reclassification of financial assets

During the current period IFRS-9 became applicable, according to the standard, all equity investments are to be measured at fair value in the statement of financial position with value change recognized in profit or loss. Standard also retains an option in respect of equity investments (other than held for trading) for which the entity may elect to report value change in 'other comprehensive income'. However, the fund adopted reclassification of its 'available for sale' investments and measured its all financial assets at fair value through profit or loss (FVTPL). The adoption of this reclassification resulted in recording of revaluation gain of Rs. 622.394 million as at June 30, 2018 which has been adjusted in the opening retained earnings as allowed under IFRS – 9.

- 4.1.2 The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2018.

		September 30, 2018 (Unaudited)	June 30, 2018 (Audited)
		(Rupees in '000)	
5. BALANCES WITH BANKS	Note		
In current accounts		27,533	44,150
In saving accounts	5.1	<u>2,846,696</u>	<u>2,686,559</u>
		<u>2,874,229</u>	<u>2,730,709</u>

5.1 The balance in saving accounts have an expected profit ranging from 2.00% to 7.55% per annum (June 30, 2018: 2.00% to 6.60% per annum).

		September 30, 2018 (Unaudited)	June 30, 2018 (Audited)
		(Rupees in '000)	
6. INVESTMENTS	Note		
Investments - 'at fair value through profit or loss'	6.1	35,138,897	34,063,436
Investments - 'available for sale'		-	3,125,246
		<u>35,138,897</u>	<u>37,188,682</u>
6.1 Investments - 'at fair value through profit or loss'			
Held for trading - shares of listed companies		-	34,063,253
Fair value through profit or loss upon initial recognition		-	183
		<u>-</u>	<u>34,063,436</u>

6.1.1 Held for trading - shares of listed companies

Name of the investee company	As at July 1, 2018	Purchases during the period	Bonus / Right issue	Sales during the period	As at September 30, 2018	Carrying value as at September 30, 2018	Market value as at September 30, 2018	Unrealised gain / (loss) as at September 30, 2018	Percentage in relation to		
									Net assets of the Fund on the basis of market value (6.1.4)	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	2,733,900	-	-	336,500	2,397,400	758,513	610,642	(147,871)	1.62	1.74	1.68
Ghandhara Industries Limited	364,000	10,000	-	-	374,000	264,030	253,576	(10,454)	0.67	0.72	1.76
Milat Tractors Limited	116,900	840	-	15,000	102,740	122,077	104,194	(17,883)	0.28	0.30	0.23
Pak Suzuki Motor Company Limited	110,700	700	-	96,000	15,400	6,040	4,771	(1,269)	0.01	0.01	0.02
									2.58	2.77	3.69
Automobile parts and accessories											
Ghandhara Nissan Limited	1,742,972	-	-	93,000	1,649,972	296,450	203,937	(92,513)	0.54	0.58	2.89
The General Tyre and Rubber Company of Pakistan Limited	109,600	-	-	70,000	39,600	6,582	6,452	(130)	0.02	0.02	0.07
Thal Limited (note 5.1.2)	7	-	-	-	7	3	3	-	-	-	-
									0.02	0.02	0.07
Chemicals											
Engro Polymer & Chemicals Limited	12,403,500	1,362,926	4,866,795	1,204,500	17,428,721	508,466	506,130	(2,336)	1.35	1.44	1.92
ICI Pakistan Limited	1,074,185	-	-	-	1,074,185	860,959	814,855	(46,104)	2.17	2.32	1.16
Sitara Chemicals Industries Limited	30,500	-	-	-	30,500	11,234	10,370	(864)	0.03	0.03	0.14
									3.55	3.79	3.22
Cement											
Cherat Cement Company Limited	6,437,212	-	-	791,000	5,646,212	548,981	454,802	(94,179)	1.21	1.29	3.20
D.G. Khan Cement Company Limited	6,054,822	58,400	-	1,443,000	4,670,222	534,771	478,277	(56,494)	1.27	1.36	1.07
DewanCement Company Limited	2,619,000	-	-	1,537,000	1,082,000	19,476	15,289	(4,187)	0.04	0.04	0.22
Fauji Cement Company Limited	2,000	29,000	-	31,000	-	-	-	-	-	-	-
Kohat Cement Company Limited	3,352,500	-	-	-	3,352,500	412,592	419,532	6,940	1.12	1.19	2.17
Lucky Cement Limited	5,356,829	82,400	-	24,600	5,414,629	2,754,412	2,777,380	22,968	7.38	7.90	1.67
Maple Leaf Cement Factory Limited	2,276,500	4,295,500	-	657,000	5,915,000	308,545	278,597	(29,948)	0.74	0.79	0.90
Pioneer Cement Limited	10,983,300	-	-	822,500	10,160,800	476,135	441,588	(34,547)	1.17	1.26	4.47
									12.93	13.83	13.70

Name of the investee company	As at July 1, 2018	Purchases during the period	Bonus / Right issue	Sales during the period	As at September 30, 2018	Carrying value as at September 30, 2018	Market value as at September 30, 2018	Unrealised gain / (loss) as at September 30, 2018	Percentage in relation to				
									Net assets of the Fund on the basis of market value (6.1.4)	Total market value of investments	Paid-up capital of investee company (with face value of investment)		
									Number of shares	(Rupees in '000)	%		
Paper and Board													
Cherat Packaging Limited	344,813	-	-	-	344,813	49,546	59,666	10,120	0.16	0.17	1.03		
Century Paper & Board Mills Packages Limited	500	-	-	-	500	32	31	(1)	4.05	4.34	3.81		
	3,641,903	1,200	-	235,000	3,408,103	1,669,008	1,524,171	(144,837)	4.21	4.51	4.84		
Technology and communication													
Avencon Limited	25,000	576,500	-	-	601,500	43,940	49,900	5,960	0.13	0.14	0.44		
Systems Limited	852,000	20,000	-	170,000	702,000	70,988	84,514	13,526	0.22	0.24	0.63		
									0.35	0.38	1.07		
Refinery													
Attock Refinery Limited	154,400	1,400	200	155,000	1,000	172	151	(21)	-	-	-		
National Refinery Limited	89,306	1,000	-	20,000	70,306	31,096	24,607	(6,489)	0.07	0.07	0.09		
Pakistan Refinery Limited	-	3,500	-	-	3,500	146	115	(31)	0.07	0.07	0.09		
									0.07	0.07	0.09		
Miscellaneous													
Shifa International Hospitals Limited	88	-	-	-	88	24	24	-	-	-	-		
Commercial Banks													
Meezan Bank Limited (an associate of the Fund)	577	1,675,000	167,500	-	1,843,077	142,422	164,371	21,949	0.44	0.47	0.16		
BankIslami Pakistan Limited	875	-	-	-	875	10	11	1	-	-	-		
									0.44	0.47	0.16		
Oil and Gas Marketing Companies													
Attock Petroleum Limited	327,579	-	65,515	-	393,094	193,268	174,475	(18,793)	0.46	0.50	0.39		
Hascol Petroleum Limited	980,397	163,500	-	25,000	1,118,897	348,877	304,776	(44,101)	0.81	0.87	0.77		
Hi-Tech Lubricants Limited	2,035,500	-	-	21,000	2,014,500	204,109	168,110	(35,999)	0.45	0.48	1.74		
Pakistan State Oil Company Limited (note 7)	5,971,127	55,700	-	283,200	5,743,627	1,829,259	1,831,298	2,039	4.87	5.21	1.76		
Sui Southern Gas Pipelines Limited	1,693,500	312,000	-	-	2,005,500	65,972	55,552	(10,420)	0.15	0.16	0.23		
Sui Northern Gas Pipelines Limited	14,258,300	110,500	-	1,062,000	13,306,800	1,333,002	1,185,902	(147,100)	3.15	3.37	2.10		
									9.89	10.59	6.99		
Oil and Gas Exploration Companies													
Oil and Gas Development													
Company Limited	25,784,700	274,900	-	2,411,800	23,647,800	3,679,075	3,617,877	(61,198)	9.62	10.30	0.55		
Pakistan Oilfields Limited	3,036,197	176,350	512,319	195,350	3,529,516	2,019,450	1,983,987	(35,463)	5.27	5.65	1.24		
Pakistan Petroleum Limited	9,530,950	346,600	-	213,000	9,664,550	2,073,817	2,062,415	(11,402)	5.48	5.87	0.49		
Mari Petroleum Company Limited	1,975,820	27,560	-	-	2,003,380	3,017,694	3,121,927	104,233	8.30	8.88	1.82		
									28.67	30.70	4.10		
Pharmaceuticals													
Abbott Laboratories (Pakistan) Limited	562,350	1,800	-	-	564,150	386,255	348,109	(38,146)	0.93	0.99	0.58		
AGP Limited	5,623,500	-	-	-	5,623,500	499,311	485,196	(14,115)	1.29	1.38	2.01		
Glaxo Smithkline Pakistan Limited	50,816	-	-	-	50,816	8,435	7,512	(923)	0.02	0.02	0.02		
Glaxo Smithkline Consumer Healthcare Products Limited	411,256	11,500	-	-	422,756	170,535	146,916	(23,619)	0.39	0.42	0.44		
Hightoon Laboratories Limited	726	-	-	-	726	298	258	(40)	-	-	-		
The Searle Company Limited (note 7)	3,485,726	37,800	-	-	3,523,526	1,196,305	1,113,188	(83,117)	2.96	3.17	1.91		
									5.59	5.98	4.96		
Power Generation and Distribution													
The Hub Power Company Limited	17,116,616	26,500	-	645,500	16,497,616	1,520,534	1,443,047	(77,487)	3.84	4.11	1.43		
K - Electric Limited (5.1.2)	181,109,500	2,000	-	1,000,000	180,111,500	1,023,033	963,597	(59,436)	2.56	2.74	0.65		
									6.40	6.85	2.08		
Cable & Electrical Goods													
Pak Elektron Limited	1,850	9,500	-	-	11,350	415	349	(66)	-	-	-		
Fertilizer													
Dawood Hercules Corporation Limited	4,503,400	13,000	-	773,300	3,743,100	414,786	398,827	(15,959)	1.06	1.14	0.78		
Engro Corporation Limited (note 5.1.3)	9,915,267	240,600	-	200,000	9,955,867	3,129,293	3,102,547	(26,746)	8.25	8.83	1.90		
Engro Fertilizers Limited	31,274,200	23,000	-	3,962,000	27,335,200	2,047,799	2,063,534	15,735	5.49	5.87	2.05		
									14.80	15.84	4.73		
Engineering													
Amreli Steels Limited	-	300,000	-	300,000	-	-	-	-	-	-	-		
Crescent Steel & Allied Products Limited	70,600	-	-	-	70,600	6,437	5,402	(1,035)	0.01	0.02	0.09		
International Industries Limited	737,400	2,100	-	-	739,500	171,796	159,140	(12,656)	0.42	0.45	0.62		
International Steel Limited	2,988,000	206,700	-	-	3,194,700	323,910	290,622	(33,288)	0.77	0.83	0.73		
Mughal Iron & Steel Industries Limited	566,000	2,000	-	-	568,000	34,886	27,792	(7,094)	0.07	0.08	0.23		
K.S.B. Pumps Company Limited	79,900	-	-	-	79,900	22,372	19,576	(2,796)	0.05	0.06	0.61		
									1.32	1.44	2.28		
Food and Personal Care Products													
Al-Shaheer Corporation Limited	60,741	-	-	-	60,741	1,655	1,670	15	0.01	0.01	0.04		
At-Tahur Limited	-	1,019,632	-	872,000	147,632	3,100	3,720	620	-	-	-		
Engro Foods Limited	14,221	3,500	-	-	17,721	1,586	1,502	(84)	0.01	0.01	0.14		
									0.01	0.01	0.14		
Vanaspati & Allied Industries													
Unity Foods Limited	1,159,000	3,626,000	-	1,013,500	3,771,500	134,391	118,538	(15,853)	0.32	0.34	2.23		
Glass & Ceramics													
Tariq Glass Industries Ltd	-	461,700	-	-	461,700	45,265	43,755	(1,510)	0.12	0.12	0.63		
Textile Composite													
Kohinoor Textile Mills Limited	2,014	-	-	-	2,014	111	109	(2)	-	-	-		
Nishat Mills Limited	4,095,400	406,100	-	235,800	4,265,700	602,423	599,716	(2,707)	1.59	1.70	1.21		
									1.59	1.70	1.21		
Total						36,406,104	35,138,897	(1,267,207)					

6.1.2 All shares have a nominal value of Rs 10 each except for the shares of Thal Limited and K-Electric Limited which have face values of Rs 5 each and Rs 3.5 each respectively.

6.1.3 1,000,000 shares of Engro Corporation Limited having market value of Rs 311.63 million (June 2018: Rs 313.86 million) have been pledged as collateral in favour of National Clearing Company of Pakistan Limited against exposure margins and mark to market losses.

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

		September 30, 2018 (Unaudited)	June 30, 2018 (Audited)
	Note	(Rupees in '000)	
7. ACCRUED EXPENSES AND OTHER LIABILITIES			
Provision for Sindh Workers' Welfare Fund (SWWF)	7.1	340,482	340,482
Charity payable		30,511	29,281
Withholding tax and Capital gain tax payable		4,518	5,213
Provision for Federal Excise Duty and related Sindh Sales Tax on management fee and sales load	7.2	255,889	255,889
Sales load payable		9	11
Sindh Sales Tax on sales load payable		1	1
Auditors' remuneration		676	630
Zakat payable		471	185
Printing expenses payable		575	321
Shariah advisory fee payable		3,208	2,148
Others		-	-
		<u>636,340</u>	<u>634,161</u>

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

Had the SWWF not been provided, the NAV per unit/fund return would have been higher by Re 0.56 / 0.91% (June 30, 2018: Re 0.55 / 0.87%).

- 7.2 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, has retained the provision on FED and related Sindh Sales Tax on management fee and sales load made with effect from June 13, 2013 till June 30, 2016, aggregating to Rs 255.889 million (June 30, 2017: Rs 255.889 million). Had the provision not been made, the NAV per unit of the Fund would have been higher by Re 0.42 (June 30, 2018: Re 0.41) per unit.

8. CONTINGENCIES AND COMMITMENTS

The status of withholding on bonus shares is the same as disclosed in the annual financial statements for the year ended June 30, 2018. In the current period, Meezan Bank Limited, Attock Petroleum Limited, Attock Refinery Limited and Pakistan Oilfield Limited issued bonus shares after withholding 5 percent shares on account of tax on bonus shares. These have not been deposited with the Government Treasury due to pending adjudication of the constitutional petition and the stay order mentioned in the annual financial statements for the year ended June 30, 2018.

There were no other contingencies and commitments outstanding as at September 30, 2018 and June 30, 2018.

9. 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, 2018 (Unaudited)	June 30, 2018 (Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited		
- Management Company		
Remuneration payable	62,832	65,700
Sindh Sales Tax on management fee payable	8,168	8,541
Sales load payable	3,496	2,636
Sindh Sales Tax and on sales load payable	454	343
Allocated expenses	3,142	3,285
Selling and marketing expense payable	94,229	114,604
Investment of 9,861,941 units (June 30, 2018: 7,290,007 units)	606,581	461,676

	September 30, 2018 (Unaudited)	June 30, 2018 (Audited)
	(Rupees in '000)	
Meezan Bank Limited		
Bank balance	155,911	514,696
Profit receivable on saving accounts	1,170	482
Sales load payable	844	1,110
Sindh Sales Tax on sales load payable	110	144
Investment in 1,843,134 shares (June 30, 2018: 577 shares)	164,371	47
Investment of 12,475,049 units (June 30, 2018: 12,475,049 units)	767,307	790,045
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	3,224	3,367
Sindh Sales Tax on trustee fee payable	419	438
Security deposit	100	100
Al Meezan Investment Management Limited - Employees' Gratuity Fund		
Investment of 180,189 units (June 30, 2018: 180,189 units)	11,083	11,411
Meezan Financial Planning Fund of Funds		
- Aggressive Allocation Plan		
Investment of 5,923,197 units (June 30, 2018: 5,893,702 units)	364,320	373,276
Meezan Financial Planning Fund of Funds		
- Moderate Allocation Plan		
Investment of 2,104,604 units (June 30, 2018: 2,444,911 units)	129,449	154,836
Meezan Financial Planning Fund of Funds		
- Conservative Allocation Plan		
Investment of 1,118,978 units (June 30, 2018: 1,116,559 units)	68,825	70,712
Meezan Financial Planning Fund of Funds - MAAP - IV		
Investment: nil (June 30, 2018: 3,990,160 units)	-	252,697
Meezan Strategic Allocation Fund - MSAP - I		
Investment of 6,437,267 units (June 30, 2018: 16,154,958 units)	395,939	1,023,093
Meezan Strategic Allocation Fund - MSAP - II		
Investment of 6,012,397 units (June 30, 2018: 7,263,762 units)	369,806	460,014
Meezan Strategic Allocation Fund - MSAP - III		
Investment of 13,591,818 units (June 30, 2018: 15,057,857 units)	835,996	953,614
Meezan Strategic Allocation Fund - MSAP - IV		
Investment of 14,651,845 units (June 30, 2018: 17,367,260 units)	901,195	1,099,869
Meezan Strategic Allocation Fund - MSAP - V		
Investment of 4,567,973 units (June 30, 2018: 4,968,509 units)	280,964	314,656
Directors and executives of the Management Company		
Investment of 6,863,513 units (June 30, 2018: 6,611,012 units)	422,156	418,675

	For the quarter ended	
	September 30,	
	2018	2017
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration for the period	194,008	254,049
Sindh Sales Tax on management fee	25,221	33,026
Allocated expenses	9,700	12,702
Selling and marketing expense	38,802	50,810
Units issued: 2,571,935 units (September 30, 2017: 681,385 units)	166,000	50,000
Units redeemed: nil (September 30, 2017: 680,272 units)	-	50,000
Meezan Bank Limited		
Profit on saving accounts	688	5,119
Shares purchased: 1,675,000 shares (September 30, 2017: 840,910 shares)	142,375	54,730
Bonus Units received: 167,500 units (September 30, 2017: nil)	-	-
Shares sold: nil (September 30, 2017: 2,372,000 shares)	-	170,191
Dividend income	2,513	8,820
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee	9,952	12,954
Sindh Sales Tax on trustee fee	1,294	1,684
CDS charges	166	392
Meezan Financial Planning Fund of Funds		
- Aggressive Allocation Plan		
Units issued: 182,060 units (September 30, 2017: 748,041 units)	11,539	53,783
Units redeemed: 152,566 units (September 30, 2017: 382,610 units)	9,375	27,420
Meezan Financial Planning Fund of Funds		
- Moderate Allocation Plan		
Units issued: 69,570 units (September 30, 2017: 174,873 units)	4,268	11,881
Units redeemed: 409,877 units (September 30, 2017: 184,807 units)	25,000	13,200
Meezan Financial Planning Fund of Funds		
- Conservative Allocation Plan		
Units issued: 88,904 units (September 30, 2017: 181,255 units)	5,466	12,319
Units redeemed: 86,485 units (September 30, 2017: 110,665 units)	5,500	8,100
Meezan Financial Planning Fund of Funds - MAAP - I		
Units issued: nil (September 30, 2017: 5,743,872 units)	-	396,000
Units redeemed: nil (September 30, 2017: 19,161,670 units)	-	1,358,884
Meezan Financial Planning Fund of Funds - MAAP - II		
Units issued: nil (September 30, 2017: 339,033 units)	-	23,000
Units redeemed: nil (September 30, 2017: 1,000,023 units)	-	72,000
Meezan Financial Planning Fund of Funds - MAAP - III		
Units issued: nil (September 30, 2017: 1,120,283 units)	-	76,000
Units redeemed: nil (September 30, 2017: 4,421,971 units)	-	325,000

	For the quarter ended September 30,	
	2018	2017
	(Rupees in '000)	
Meezan Financial Planning Fund of Funds - MAAP - IV		
Units redeemed: 3,990,161 units (September 30, 2017: 1,944,116 units)	249,454	144,000
Meezan Strategic Allocation Fund - MSAP - I		
Units issued: 2,446,600 units (September 30, 2017: 884,434 units)	150,000	60,000
Units redeemed: 12,164,291 units (September 30, 2017: 1,626,069 units)	743,925	117,000
Meezan Strategic Allocation Fund - MSAP - II		
Units issued: nil (September 30, 2017: 604,363 units)	-	41,000
Units redeemed: 1,251,365 units (September 30, 2017: 361,505 units)	77,500	26,000
Meezan Strategic Allocation Fund - MSAP - III		
Units issued: nil (September 30, 2017: 633,830 units)	-	43,000
Units redeemed: 1,466,022 units (September 30, 2017: 99,389 units)	90,370	7,000
Meezan Strategic Allocation Fund - MSAP - IV		
Units issued: nil (September 30, 2017: 3,260,831 units)	-	239,000
Units redeemed: 2,715,415 units (September 30, 2017: 373,284 units)	167,300	28,000
Meezan Strategic Allocation Fund - MSAP - V		
Units issued: nil (September 30, 2017: 1,336,287 units)	-	91,838
Units redeemed: 400,536 units (September 30, 2017: nil)	24,700	-
Directors and executives of the Management Company		
Units issued: 295,139 units (September 30, 2017: 111,944 units)	18,714	8,266
Units redeemed: 42,638 units (September 30, 2017: 117,559 units)	2,627	8,479

10. 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.

Note	Carrying amount					Fair value			
	Investments	Other receivables	Cash and cash equivalents	Other payables	Total	Level 1	Level 2	Level 3	Total
September 30, 2018									
(Rupees in '000)									
Financial assets - measured at fair value									
Investments	35,138,897	-	-	-	35,138,897	35,138,897	-	-	35,138,897
Financial assets - not measured at fair value									
Balance with banks	9.1	-	2,874,229	-	2,874,229				
Receivable against conversion of units	9.1	24,101	-	-	24,101				
Dividend receivable	9.1	414,695	-	-	414,695				
Deposits, profit accrued and other receivable	9.1	47,475	-	-	47,475				
		35,138,897	486,271	2,874,229	-	38,499,397			
Financial liabilities - not measured at fair value									
Payable to AI Meezan Investment Management Limited - Management Company	9.1	-	-	172,321	172,321				
Payable to Central Depository Company of Pakistan Limited - Trustee	9.1	-	-	3,643	3,643				
Payable to Meezan Bank Limited	9.1	-	-	954	954				
Payable on redemption and conversion of units	9.1	-	-	21,453	21,453				
Payable against purchase of investments - nil	9.1	-	-	34,102	34,102				
Accrued expenses and other liabilities	9.1	-	-	290,868	290,868				
		-	-	523,341	523,341				

June 30, 2018	Note	Carrying amount				Fair value				
		Investments	Other receivables	Cash and cash equivalents	Other payables	Total	Level 1	Level 2	Level 3	Total
----- (R upees in '000) -----										
Financial assets - measured at fair value										
		37,188,682	-	-	-	37,188,682	37,188,682	-	-	37,188,682
Financial assets - not measured at fair value										
				2,730,709		2,730,709				
	9.1	-	-	2,730,709	-	2,730,709				
	9.1	-	98,887	-	-	98,887				
	9.1	-	150,745	-	-	150,745				
	9.1	-	22,332	-	-	22,332				
		<u>37,188,682</u>	<u>271,964</u>	<u>2,730,709</u>	<u>-</u>	<u>40,191,355</u>				
Financial liabilities - not measured at fair value										
					195,109	195,109				
	9.1	-	-	-	195,109	195,109				
	9.1	-	-	-	3,805	3,805				
	9.1	-	-	-	1,254	1,254				
	9.1	-	-	-	183,929	183,929				
	9.1	-	-	-	-	-				
	9.1	-	-	-	16,430	16,430				
	9.1	-	-	-	32,392	32,392				
		<u>-</u>	<u>-</u>	<u>-</u>	<u>432,919</u>	<u>432,919</u>				

10.1 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 value.

11. ALLOCATED EXPENSES

During the quarter, the Fund was charged 0.1% of the average annual net assets as allocated expenses by the Management Company according to regulation 60 of the NBFC Regulations.

12. EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the period ended September 30, 2018 is 3.09% which includes 0.37% representing government levy and SECP fee.

13. SELLING AND MARKETING EXPENSE

SECP vide a circular no.40 SCD/PRDD/ Circular/361/2016 dated December 30, 2016, allowed the Asset Management Companies to charge selling and marketing expenses to open end equity, asset allocation and index funds, initially for three years (from January 1, 2017 till December 31, 2019). Maximum cap of selling and marketing expense shall be 0.4% per annum of net assets of fund or actual expenses whichever lower. Accordingly, such expenses have been charged at the rate of 0.4% of 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 period.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

15. GENERAL

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

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

16. DATE OF AUTHORISATION

This condensed interim financial information was authorised for issue on October 18, 2018 by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

Director

FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre,
Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (9221) 35630722-6111-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. Atif Azim	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Main 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. Main 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. Atif Azim	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
Al Baraka Islamic Bank B.S.C (E.C)
Askari Bank Limited - Islamic Banking
Bank Al Habib Limited - Islamic Banking
Bank Alfalah Limited
Bank Islami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited - Islamic Banking
Habib Bank Limited - Islamic Banking

Habib Metropolitan Bank Limited - Islamic Banking
MCB Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited
National Bank of Pakistan - Islamic Banking
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: bawaney@cyber.net.pk

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

**AL MEEZAN MUTUAL FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2018**



	September 30, 2018 (Unaudited)	June 30, 2018 (Audited)
Note	(Rupees in '000)	
Assets		
Balances with banks	5 476,875	440,313
Investments	6 6,475,870	6,555,048
Receivable against sale of investments - net	7,649	-
Receivable against conversion of units	177	6,503
Dividend receivable	77,086	19,091
Deposits, profit accrued, prepayments and other receivables	12,384	8,445
Total assets	7,050,041	7,029,400
Liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	30,584	33,696
Payable to Central Depository Company of Pakistan Limited - Trustee	735	747
Payable to Securities and Exchange Commission of Pakistan	1,654	7,236
Payable to Meezan Bank Limited	245	199
Payable on redemption and conversion of units	4,384	19,411
Accrued expenses and other liabilities	7 103,055	99,184
Payable against investments (net)	23,988	-
Dividend payable	4,917	4,917
Total liabilities	169,562	165,390
Net assets	6,880,479	6,864,010
Contingencies and commitments	8	
Unitholders' fund (as per statement attached)	6,880,479	6,864,010
	(Number of units)	
Number of units in issue	402,111,584	388,711,880
	(Rupees)	
Net assets value per unit	17.1109	17.6583

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

**AL MEEZAN MUTUAL FUND
CONDENSED INTERIM INCOME STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

	Note	September 30,	
		2018	2017
		(Rupees in '000)	
Income			
Net realised (loss) / gain on sale of investments		(14,955)	5,641
Dividend income		75,867	66,702
Profit on saving accounts with banks		7,147	7,695
		<u>68,059</u>	<u>80,038</u>
Unrealised diminution on re-measurement of investments 'at fair value through profit or loss' (net)	6.1	(234,556)	(822,698)
Total loss		<u>(166,497)</u>	<u>(742,660)</u>
Expenses			
Remuneration to Al Meezan Investment Management Limited - Management Company		34,824	42,713
Sindh Sales Tax on Management Fee		4,560	5,553
Allocated expenses	11	1,741	2,136
Remuneration to Central Depository Company of Pakistan Limited - Trustee		1,993	2,388
Sindh Sales Tax on trustee fee		259	310
Annual fee to Securities and Exchange Commission of Pakistan		1,654	2,029
Auditors' remuneration		274	279
Fees and subscription		220	295
Charity expense		1,040	316
Brokerage expense		658	1,004
Selling and marketing expenses	13	6,965	8,543
Bank and settlement charges		206	273
Total expenses		<u>54,394</u>	<u>65,839</u>
Net loss for the quarter before taxation		<u>(220,891)</u>	<u>(808,499)</u>
Taxation	14	-	-
Net loss for the quarter after taxation		<u>(220,891)</u>	<u>(808,499)</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>

* Due to 'NIL' distributable income for the quarter, disclosure related to accounting income available for distribution is not required.

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

**AL MEEZAN MUTUAL FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

	September 30,	
	2018	2017
	(Rupees in '000)	
Net loss for the quarter after taxation	(220,891)	(808,499)
Other comprehensive income for the quarter		
Item that may be reclassified subsequently to Income Statement		
Net unrealised diminution on re-measurement of investments classified as 'available for sale'	-	(210,839)
Total comprehensive loss for the quarter	<u>(220,891)</u>	<u>(1,019,338)</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

**AL MEEZAN MUTUAL FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

	2018			2017			
	Capital Value	Undistributed income / (loss)	Total	Capital Value	Undistributed income / (loss)	Unrealised appreciation/ (diminution) on 'available for sale' investments	Total
	(Rupees in '000)			(Rupees in '000)			
Net assets at beginning of the quarter	5,302,941	1,561,069	6,864,010	6,004,281	2,526,702	548,482	9,079,465
Issue of 33,201,865 units (2017: 22,480,485 units)							
- Capital value (at net asset value per unit at the beginning of the quarter)	586,288	-	586,288	475,237	-	-	475,237
- Element of income	(6,456)	-	(6,456)	74,352	-	-	74,352
Total proceeds on issuance of units	579,832	-	579,832	549,589	-	-	549,589
Redemption of 19,802,161 units (2017: 27,558,527 units)							
- Capital value (at net asset value per unit at the beginning of the quarter)	349,672	-	349,672	582,587	-	-	582,587
- Element of income	(2,892)	(4,308)	(7,200)	50,193	-	-	50,193
Total payments on redemption of units	346,780	(4,308)	342,472	632,780	-	-	632,780
Total comprehensive loss for the quarter	-	(220,891)	(220,891)	-	(808,499)	(210,839)	(1,019,338)
Distribution during the quarter	-	-	-	-	-	-	-
Net loss for the quarter less distribution	-	(220,891)	(220,891)	-	(808,499)	(210,839)	(1,019,338)
Net assets at end of the quarter	5,535,993	1,344,486	6,880,479	5,921,090	1,718,203	337,643	7,976,936
Undistributed income carried forward							
- Realised income		1,579,042			2,540,901		
- Unrealised loss		(234,556)			(822,698)		
		<u>1,344,486</u>			<u>1,718,203</u>		
Accounting income available for distribution							
- Relating to capital gains		-			-		
- Excluding capital gains		-			-		
		<u>-</u>			<u>-</u>		
Net assets value per unit at beginning of the quarter			(Rupees) 17,6583				(Rupees) 21,1400
Net assets value per unit at end of the quarter			<u>17,1109</u>				<u>18,8000</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

**AL MEEZAN MUTUAL FUND
CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

Note	September 30,	
	2018	2017
(Rupees in '000)		
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the quarter before taxation	(220,891)	(808,499)
Adjustments for:		
Unrealised diminution on re-measurement of investments 'at fair value through profit or loss' (net)	234,556	822,698
	<u>13,665</u>	<u>14,199</u>
(Increase) / decrease in assets		
Investments - net	(155,378)	(142,084)
Receivable against investments (net)	(7,649)	(10,485)
Dividend receivable	(57,995)	(26,388)
Deposits, profit accrued, prepayments and other receivables	(3,939)	994
	<u>(224,961)</u>	<u>(177,963)</u>
(Decrease) / increase in liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	(3,112)	1,730
Payable to Central Depository Company of Pakistan Limited - Trustee	(12)	(126)
Payable to Securities and Exchange Commission of Pakistan	(5,582)	(5,324)
Payable to Meezan Bank Limited	46	(268)
Accrued expenses and other liabilities	3,871	(17,919)
Payable against investments - net	23,988	2,374
	<u>19,199</u>	<u>(19,533)</u>
Net cash used in operating activities	<u>(192,097)</u>	<u>(183,297)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against conversion of units	586,158	561,005
Payment against redemption and conversion of units	(357,499)	(626,510)
Dividend paid	-	(36,888)
Net cash generated from / (used in) financing activities	<u>228,659</u>	<u>(102,393)</u>
Net increase / (decrease) in cash and cash equivalents during the quarter	<u>36,562</u>	<u>(285,690)</u>
Cash and cash equivalents at beginning of the quarter	440,313	798,436
Cash and cash equivalents at end of the quarter	5 <u>476,875</u>	<u>512,746</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

**AL MEEZAN MUTUAL FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

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 as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the 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, 2008 (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 and Notified Entities Regulations (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 prevailing rules and regulations. 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.
- 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 categorised as an Equity Scheme.
- 1.4** The Management Company of the Fund has been given quality rating of AM1 by JCR-VIS Credit Rating Company Limited.
- 1.5** Title of the assets of the Fund is held in the name of CDC as a Trustee of the Fund.

2. BASIS OF PRESENTATION

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

3. STATEMENT OF COMPLIANCE

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the repealed Companies Ordinance, 1984 (now Companies Act, 2017), the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail

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 year ended June 30, 2018.

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

4.1 The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements of the Fund for the year ended June 30, 2018 except for the following:

4.1.1 Reclassification of financial assets

During the current period IFRS-9 became applicable, according to the standard, all equity investments are to be measured at fair value in the statement of financial position with value change recognized in profit or loss. Standard also retains an option in respect of equity investments (other than held for trading) for which the entity may elect to report value change in 'other comprehensive income'. However, the fund adopted reclassification of its 'available for sale' investments and measured its all financial assets at fair value through profit or loss (FVTPL). The adoption of this reclassification resulted in recording of revaluation gain of Rs. 199.55 million as at June 30, 2018 which has been adjusted in the opening retained earnings as allowed under IFRS – 9.

4.2 The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2018.

5. BALANCES WITH BANKS	Note	September 30, 2018 (Unaudited)	June 30, 2018 (Audited)
		(Rupees in '000)	
In saving accounts	5.1	460,955	427,181
In current accounts		15,920	13,132
		<u>476,875</u>	<u>440,313</u>

5.1 Profit and loss sharing accounts of the Fund carries profit rates ranging from 2.00% to 7.70% per annum (2017: 2.00% to 6.60% per annum).

6. INVESTMENTS	Note	September 30, 2018 (Unaudited)	June 30, 2018 (Audited)
		(Rupees in '000)	
Investments - 'at fair value through profit or loss'	6.1	<u>6,475,870</u>	<u>6,555,048</u>

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

Name of the investee company	As at July 1, 2018	Purchases during the quarter	Bonus / right shares	Sales during the quarter	As at September 30, 2018	Carrying value as at September 30, 2018	Market Value as at September 30, 2018	Unrealised (diminution) / appreciation as at September 30, 2018	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	1,313,405	95,000	-	-	1,408,405	161,582	144,234	(17,348)	2.10	2.23	0.32
Kohat Cement Company Limited	610,400	-	-	-	610,400	75,122	76,385	1,263	1.11	1.18	0.40
Cherat Cement Company Limited	1,360,940	-	-	150,000	1,210,940	117,740	97,541	(20,199)	1.42	1.51	0.69
Lucky Cement Company Limited	901,667	25,000	-	-	926,667	472,380	475,325	2,945	6.31	7.34	0.29
Maple Leaf Cement Company Limited	713,812	550,000	-	-	1,263,812	64,596	59,526	(5,070)	0.87	0.92	0.21
Pioneer Cement Limited	1,709,300	-	-	300,000	1,409,300	66,040	61,248	(4,792)	0.89	0.95	0.62
Dewan Cement Limited	928,500	-	-	251,500	677,000	12,186	9,566	(2,620)	0.14	0.15	0.14
									13.44	14.28	2.67
Oil and Gas Exploration Companies											
Pakistan Oilfields Limited	632,191	45,000	117,438	90,000	704,629	393,939	386,968	(6,971)	5.62	5.98	0.30
Oil and Gas Development Company Limited	3,627,400	600,000	-	50,000	4,177,400	648,184	639,100	(9,084)	9.29	9.87	0.10
Pakistan Petroleum Limited	1,665,533	150,000	-	45,600	1,769,933	378,848	377,704	(1,144)	5.49	5.83	0.09
Mari Petroleum Company Limited	322,100	10,000	-	-	332,100	500,391	517,521	17,130	7.52	7.99	0.30
									27.92	29.67	0.79
Oil & Gas Marketing Companies											
Attock Petroleum Limited	71,740	-	14,348	-	86,088	42,326	38,210	(4,116)	0.56	0.59	0.10
Pakistan State Oil Company Limited	1,023,140	43,200	-	-	1,066,340	340,214	339,991	(223)	4.94	5.25	0.33
Sui Southern Gas Company Limited	-	50,000	-	-	50,000	1,696	1,385	(311)	0.02	0.02	0.01
Hasco Petroleum Limited	144,196	59,000	-	9,100	194,096	59,315	52,870	(6,445)	0.77	0.82	0.13
Hi-Tech Lubricant Limited	195,000	-	-	-	195,000	19,757	16,273	(3,484)	0.24	0.25	0.17
Sui Northern Gas Pipeline Limited	2,936,500	200,000	-	250,000	2,886,500	287,942	257,245	(30,697)	3.74	3.97	0.46
									10.27	10.90	1.20
Engineering											
Crescent Steel and Allied Product Limited	121,600	-	-	-	121,600	11,086	9,305	(1,781)	0.14	0.14	0.16
K.S.B. Pumps Company Limited	500	-	-	-	500	140	123	(17)	-	-	-
International Industries Limited	88,700	-	-	-	88,700	20,604	19,068	(1,516)	0.28	0.29	0.07
International Steel Limited	25,100	-	-	-	25,100	2,553	2,283	(270)	0.03	0.04	0.01
									0.45	0.47	0.24
Automobile Assembler											
Honda Atlas Cars Pakistan Limited	392,800	-	-	77,000	315,800	99,916	80,437	(19,479)	1.17	1.24	0.22
Milat Tractors Limited	85,750	-	-	5,000	80,750	95,936	81,893	(14,043)	1.19	1.26	0.18
Pak Suzuki Motor Company Limited	117,500	-	-	49,300	68,200	26,629	21,130	(5,599)	0.31	0.33	0.08
Gandhara Industries Limited	63,850	-	-	-	63,850	45,122	43,291	(1,831)	0.63	0.67	0.30
									3.30	3.50	0.78
Automobile Parts and Accessories											
Gandhara Nissan	297,663	-	-	40,000	257,663	46,294	31,847	(14,447)	0.46	0.49	0.29
Thal Limited (note 6.1.1)	213	-	-	-	213	102	93	(9)	-	-	-
Technology and Communication											
Pakistan Telecommunication Company Limited 'A'	-	200,000	-	-	200,000	2,310	2,000	(310)	0.03	0.03	0.01
Systems Limited	155,500	-	-	25,000	130,500	13,209	15,711	2,502	0.23	0.24	0.12
Avanceon Limited	65,000	169,000	-	-	234,000	16,940	19,413	2,473	0.28	0.30	0.17
									0.54	0.57	0.30
Chemicals											
Sitara Chemical Industries Limited	57,000	-	-	-	57,000	20,994	19,380	(1,614)	0.28	0.30	0.27
ICI Pakistan Limited	210,679	1,000	-	-	211,679	169,609	160,575	(9,034)	2.33	2.48	0.23
Dyneen Pakistan Limited (note 6.1.1)	1,000	-	-	-	1,000	127	108	(19)	-	-	0.01
Enoro Polymer and Chemicals Limited	2,741,000	1,468,041	-	380,000	3,829,041	112,367	111,195	(1,172)	1.62	1.72	0.58
									4.23	4.50	1.09
Fertilizer											
Enoro Fertilizers Limited	5,297,000	-	-	251,000	5,046,000	377,996	380,923	2,927	5.54	5.88	0.38
Enoro Corporation Limited (note 6.1.2)	1,947,900	117,000	-	-	2,064,900	648,205	643,485	(4,720)	9.35	9.94	0.39
Dawood Hercules Corporation Limited	905,200	-	-	50,000	855,200	94,739	91,122	(3,617)	1.32	1.41	0.18
									16.21	17.23	0.95
Paper and Board											
Packages Limited	567,728	-	-	15,000	552,728	270,682	247,191	(23,491)	3.59	3.82	0.62
Century Paper	500	-	-	-	500	32	31	(1)	-	-	-
Cherat Packaino Limited	146,301	-	-	-	146,301	21,022	25,316	4,294	0.37	0.39	0.44
									3.96	4.21	1.06
Food and Personal Care Products											
Enoro Foods Limited	800	-	-	-	800	71	68	(3)	-	-	-
Al-Shaheer Corporation Limited	12,230	-	-	-	12,230	333	336	3	-	0.01	0.01
At-Tahur Limited	-	255,042	-	255,000	42	1	1	-	-	0.01	0.01
									0.26	0.27	0.33
Vanaspatti & Allied Industries											
Univ Foods Limited	400,000	322,000	-	161,500	560,500	18,196	17,617	(579)	0.26	0.27	0.33
Glass & Ceramics											
Tario Glass Industries Ltd	-	50,700	-	-	50,700	5,042	4,805	(237)	0.07	0.07	-
Power Generation and Distribution											
The Hub Power Company Limited	2,837,600	-	-	116,500	2,721,100	250,776	238,014	(12,762)	3.46	3.68	0.24
K-Electric Limited (note 6.1.1)	29,861,500	3,515,500	-	3,929,000	29,448,000	166,790	157,547	(9,243)	2.29	2.43	0.11
									5.75	6.11	0.35
Pharmaceuticals											
Abbott Laboratories Pakistan Limited	43,200	-	-	-	43,200	29,590	26,657	(2,933)	0.39	0.41	0.04
The Searle Company Limited	501,007	15,000	-	-	516,007	175,237	163,022	(12,215)	2.37	2.52	0.28
GlaxoSmithKline Pakistan Limited	20,000	-	-	-	20,000	3,320	2,956	(364)	0.04	0.05	0.01
AGP Limited	1,019,250	-	-	-	1,019,250	90,499	87,941	(2,558)	1.28	1.36	0.36
Hichnoon Laboratories Limited	1,448	-	-	-	1,448	594	514	(80)	0.01	0.01	0.01
GlaxoSmithKline Consumer Health	249,900	-	-	-	249,900	101,222	86,845	(14,377)	1.28	1.34	-
									5.35	5.69	0.70
Textile Composite											
Nishat Mills Limited	624,700	200,000	-	100,000	724,700	102,691	101,886	(805)	1.48	1.57	0.21
Refinery											
Attock Refinery Limited	600	-	150	-	750	129	114	(15)	-	-	-
National Refinery Limited	3,000	-	-	-	3,000	1,329	1,050	(279)	0.02	0.02	-
Commercial Banks											
Meezan Bank Limited	-	300,000	30,000	-	330,000	25,500	29,429	3,929	0.43	0.45	0.03
(an associate of the Fund)	-	-	-	-	-	-	-	-	-	-	-
BankIslami Pakistan Limited	875	-	-	-	875	10	11	1	-	-	-
Miscellaneous											
Shifa International Hospitals Limited	90	-	-	-	90	24	25	1	-	-	-
Total						6,710,426	6,475,870	(234,556)			

6.1.1 All shares have a nominal value of Rs 10 each except for the shares of Thal Limited and Dyneen Pakistan which have face values of Rs 5 each and K-Electric Limited which have a nominal value of Rs 3.5 each.

6.1.2 150,000 shares of Enoro Corporation Limited having market value of Rs 46,744 million (June 2018: Rs 47,079 million) have been pledged as collateral in favour of National Clearing Company of Pakistan Limited against exposure margins and mark to market losses.

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

		September 30, 2018 (Unaudited)	June 30, 2018 (Audited)
	Note	(Rupees in '000)	
7 ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration payable		200	695
Brokerage payable		1,998	1,694
Shariah advisor fee payable		592	372
Charity payable		5,469	4,929
Withholding tax payable		4,756	1,237
Capital gain tax payable		485	721
Provision for Sindh Workers' Welfare Fund (SWWF)	7.1	50,068	50,068
Provision for Federal Excise Duty and related Sindh Sales Tax on management fee and sales load	7.2	39,446	39,446
Zakat payable		41	22
		<u>103,055</u>	<u>99,184</u>

7.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs/ mutual funds, the MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the SWWF Act (i.e. starting from May 21, 2015). Had the SWWF not been provided, the NAV per unit/fund return would have been higher by Re 0.12 / 0.73% (June 30, 2018: Re 0.13 / 0.73%).

7.2 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, has retained the provision on FED and related Sindh Sales Tax on management fee and sales load made with effect from June 13, 2013 till June 30, 2016, aggregating to Rs 39.45 million (June 30, 2017: Rs 39.45 million). Had the provision not been made, the NAV per unit of the Fund would have been higher by Re 0.09 (June 30, 2018: Re 0.10) per unit.

8. CONTINGENCIES AND COMMITMENTS

The status of withholding on bonus shares is the same as disclosed in the annual financial statements for the year ended June 30, 2018. In the current period, Meezan Bank Limited, Attock Petroleum Limited, Attock Refinery Limited and Pakistan Oilfield Limited issued bonus shares after withholding 5 percent shares on account of tax on bonus shares. These have not been deposited with the Government Treasury due to pending adjudication of the constitutional petition and the stay order mentioned in the annual financial statements for the year ended June 30, 2018.

There were no other contingencies and commitments outstanding as at September 30, 2018 and June 30, 2018.

9. 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, 2018 (Unaudited)	June 30, 2018 (Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration Payable	11,358	11,568
Sindh Sales Tax on management fee payable	1,477	1,504
Sales load payable	351	94
Sindh Sales Tax on sales load payable	46	12
Allocated expenses payable	568	579
Selling and marketing expenses payable	16,784	19,939
Investment of 51,397,615 units (June 30, 2018: 49,744,595) units	879,459	878,407

Meezan Bank Limited		
Balance with bank	32,219	62,131
Profit receivable on saving account	522	394
Sales load payable	217	176
Sindh Sales Tax on sales load	28	23
Investment of 22,232,227 units (June 30, 2018: 22,232,227) units	380,413	392,583
Central Depository Company of Pakistan Limited - Trustee		
Security deposit	238	238
Remuneration payable	650	661
Sindh Sales Tax on trustee fee payable	85	86
Meezan Strategic Allocation Fund - MSAP - I		
Investment of 15,861,506 units (June 30, 2018: 12,933,368 units)	271,405	228,381
Meezan Strategic Allocation Fund - MSAP - II		
Investment of 22,818,600 units (June 30, 2018: 22,818,600 units)	390,447	402,938
Meezan Strategic Allocation Fund - MSAP - IV		
Investment of 1,877,734 units (June 30, 2018: 1,877,734 units)	32,130	33,158
Meezan Financial Planning Fund of Funds - MAAP - I		
Investment of 39,791 units (June 30, 2018: 39,791) units	681	703
Meezan Financial Planning Fund of Funds - MAAP - IV		
Investment of 1,304,322 units (June 30, 2018: 1,304,322) units	22,318	23,034
Pakistan Kuwait Investment Company (Private) Limited		
Investment of 16,895,690 units (June 30, 2018: 16,895,690 units)	289,100	298,349
Directors and executives of the Management Company		
Investment of 19,864,814 units (June 30 2018: 19,238,654 units)	339,905	339,722
	For the quarter ended	
	September 30,	
	(Unaudited)	
	2018	2017
	(Rupees in '000)	
Al Meezan Investment Management Limited		
- Management Company		
Remuneration for the quarter	34,824	42,713
Sindh Sales Tax on management fee	4,560	5,553
Allocated expenses	1,741	2,136
Selling and marketing expense	6,965	8,543
Units issued : 1,653,020 units (September 30, 2017: nil)	30,000	-
Meezan Bank Limited		
Profit on saving accounts with bank	118	118
Units redeemed : nil (September 30, 2017: 1,131,073)	-	22,316
Shares purchased: 300,000 shares (September 30, 2017: nil)	25,500	-
Bonus shares received: 30,000 shares (September 30, 2017: nil)	-	-
Dividend income	450	-
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	1,993	2,388
Sindh Sales tax on Trustee payable	259	310
CDS Charges	36	57
Meezan Strategic Allocation Fund - MSAP - I		
Units issued: 2,928,138 units (September 30, 2017 : nil units)	50,000	-
Meezan Financial Planning Fund of Funds - MAAP - I		
Units redeemed : nil (September 30, 2017: 3,416,582)	-	72,227
Directors and executives of the Management Company		
Units issued: 630,364 units (September 30, 2017 : 57,893 units)	10,931	1,148
Redemptions : 4,204 units (September 30, 2017 : 26,745 units)	75	509

10. FINANCIAL INSTRUMENTS - FAIR VALUES

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.

Note	Carrying amount					Fair value			
	Investments	Other receivables	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
September 30, 2018 ------(Rupees in '000)-----									
Financial assets - measured at fair value									
Investments	6,475,870	-	-	-	6,475,870	6,475,870	-	-	6,475,870
Financial assets - not measured at fair value									
Balances with banks	10.1	-	476,875	-	476,875				
Dividend receivable	10.1	77,086	-	-	77,086				
Receivable on issuance and conversion of units	10.1	177	-	-	177				
Receivable against sale of investments - net	10.1	7,649	-	-	7,649				
Deposits, profit accrued, prepayments and other receivables	10.1	12,384	-	-	12,384				
		<u>6,475,870</u>	<u>97,296</u>	<u>476,875</u>	<u>-</u>				<u>7,042,392</u>
Financial liabilities - not measured at fair value									
Payable to Al Meezan Investment Management Limited - Management Company	10.1	-	-	30,584	30,584				
Payable to Central Depository Company of Pakistan Limited - Trustee	10.1	-	-	735	735				
Payable to Meezan Bank Limited	10.1	-	-	245	245				
Payable on redemption and conversion of units	10.1	-	-	4,384	4,384				
Accrued expenses and other liabilities	10.1	-	-	8,259	8,259				
Payable against purchase of investments - net	10.1	-	-	23,988	23,988				
Dividend payable	10.1	-	-	4,917	4,917				
		<u>-</u>	<u>-</u>	<u>73,112</u>	<u>73,112</u>				

Note	Carrying amount					Fair value			
	Investments	Other receivables	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
June 30, 2018 ------(Rupees in '000)-----									
Financial assets - measured at fair value									
Investments	6,555,048	-	-	-	6,555,048	6,555,048	-	-	6,555,048
Financial assets - not measured at fair value									
Balances with banks	10.1	-	440,313	-	440,313				
Receivable against sale of investments (net)	10.1	-	-	-	-				
Dividend receivable	10.1	19,091	-	-	19,091				
Receivable on issuance and conversion of units	10.1	6,503	-	-	6,503				
Deposits, profit accrued, prepayments and other receivables	10.1	8,445	-	-	8,445				
		<u>6,555,048</u>	<u>34,039</u>	<u>440,313</u>	<u>-</u>				<u>7,029,400</u>
Financial liabilities - not measured at fair value									
Payable to Al Meezan Investment Management Limited - Management Company	10.1	-	-	33,696	31,425				
Payable to Central Depository Company of Pakistan Limited - Trustee	10.1	-	-	747	961				
Payable to Meezan Bank Limited	10.1	-	-	199	784				
Payable on redemption and conversion of units	10.1	-	-	19,411	6,830				
Accrued expenses and other liabilities	10.1	-	-	7,690	47,624				
Payable against purchase of investments - net	10.1	-	-	-	15,116				
Dividend payable	10.1	-	-	4,917	42,149				
		<u>-</u>	<u>-</u>	<u>66,660</u>	<u>144,889</u>				

10.1 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 value.

11. ALLOCATED EXPENSES

During the quarter, Fund was charged 0.1% of the average annual net assets as allocated expenses by the Management Company according to regulation 60 of the NBFC regulations.

12. EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the period ended September 30, 2018 is 3.12% which includes 0.38% representing government levy and SECP fee.

13. SELLING AND MARKETING EXPENSE

Securities and Exchange Commission of Pakistan (SECP) vide Circular No. 40 of 2016 dated December 30, 2016 allowed asset management companies to charge selling and marketing expense upto 0.4% per annum of net assets of fund initially for three years (from January 1, 2017 till December 31, 2019) to open end equity, asset allocation and index funds only. Accordingly such expenses have been charged in the fund effective from February 27, 2017

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 period.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

15. GENERAL

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

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

16. DATE OF AUTHORISATION

This condensed interim financial information was authorised for issue on October 18, 2018 by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

Director

FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre,
Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (9221) 35630722-6111-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. Atif Azim	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Main 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. Main 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. Atif Azim	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

Dubai Islamic Bank Pakistan Limited
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: bawaney@cyber.net.pk

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 bank

**KSE MEEZAN INDEX FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2018**

	September 30, 2018 (Unaudited)	June 30, 2018 (Audited)
Note	------(Rupees in '000)-----	
Assets		
Balances with banks	5 3,401	19,141
Investments	6 1,630,526	1,686,929
Receivable against sale of investments - net	9,557	-
Receivable on issuance and conversion of units	223	654
Dividend receivable	24,413	62
Deposits and other receivables	2,800	2,781
Total assets	<u>1,670,920</u>	<u>1,709,567</u>
Liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	1,700	1,803
Payable to Central Depository Company of Pakistan Limited - Trustee	244	253
Payable to Securities and Exchange Commission of Pakistan	402	1,647
Payable to Meezan Bank Limited	18	43
Payable on redemption and conversion of units	9,854	69
Payable against purchase of investments - net	-	266
Accrued expenses and other liabilities	7 18,053	18,006
Total liabilities	<u>30,271</u>	<u>22,087</u>
Net assets	<u>1,640,649</u>	<u>1,687,480</u>
Contingencies and commitments	8	
Unitholders' fund (as per statement attached)	<u>1,640,649</u>	<u>1,687,480</u>
	(Number of units)	
Number of units in issue	<u>23,934,221</u>	<u>23,882,324</u>
	(Rupees)	
Net assets value per unit	<u>68.5483</u>	<u>70.6581</u>

The annexed notes 1 to 15 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 INCOME STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

	September 30,	
	2018	2017
Note	----- (Rupees in '000) -----	
Income		
Net realised loss on sale of investments	(4,592)	(10,597)
Dividend income	24,350	14,567
Profit on saving accounts with banks	86	153
Other income	210	306
	<u>20,055</u>	<u>4,429</u>
Net unrealised diminution on re-measurement of investments at 'fair value through profit or loss'	6.1 (64,762)	(178,749)
Total loss	<u>(44,707)</u>	<u>(174,320)</u>
Expenses		
Remuneration to Al Meezan Investment Management Limited - Management Company	4,235	4,588
Sindh Sales Tax on management fee	551	596
Allocated expenses	423	459
Remuneration to Central Depository Company of Pakistan Limited - Trustee	674	709
Sindh Sales Tax on trustee fee	88	92
Annual fee to Securities and Exchange Commission of Pakistan	402	436
Auditors' remuneration	120	138
Brokerage	209	238
Charity expense	307	68
Bank and settlement charges	133	262
Fees and subscription	142	189
Printing charges	10	10
Total expenses	<u>7,294</u>	<u>7,785</u>
Net loss for the quarter before taxation	<u>(52,001)</u>	<u>(182,105)</u>
Taxation	13 -	-
Net loss for the quarter after taxation	<u>(52,001)</u>	<u>(182,105)</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>

* Due to "NIL" distributable income for the quarter , disclosure related to accounting income available for the distribution is not required.

The annexed notes 1 to 15 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, 2018 (UNAUDITED)**

	<u>September 30,</u>	
	<u>2018</u>	<u>2017</u>
	(Rupees in '000)	
Net loss for the quarter after taxation	(52,001)	(182,105)
Other comprehensive income for the quarter	-	-
Total comprehensive loss for the quarter	<u>(52,001)</u>	<u>(182,105)</u>

The annexed notes 1 to 15 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 STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

	Quarter ended September 30, 2018			Quarter ended September 30, 2017		
	(Rupees in '000)			(Rupees in '000)		
	Capital Value	Undistributed loss	Total	Capital Value	Undistributed loss	Total
Net assets at beginning of the quarter	1,469,611	217,869	1,687,480	1,473,507	435,367	1,908,874
Issuance of 1,186,241 units (2017: 1,667,959 units)						
- Capital value (at net asset value per unit at the beginning of the period)	83,818	-	83,818	132,703	-	132,703
- Element of income	(42)	-	(42)	18,542	-	18,542
Total proceeds on issuance of units	83,776	-	83,776	151,245	-	151,245
Redemption of 1,134,344 units (2017: 1,873,865 units)						
- Capital value (at net asset value per unit at the beginning of the period)	80,151	-	80,151	149,085	-	149,085
- Amount paid out of element of income	-	-	-	-	-	-
- Relating to 'Net income for the period after taxation'	-	-	-	-	-	-
- Relating to 'Other comprehensive income for the period'	-	-	-	-	-	-
- Element of income	(1,545)	-	(1,545)	15,976	-	15,976
Total payments on redemption of units	78,606	-	78,606	165,061	-	165,061
Element of income and capital gains included in prices of units issued less those in units redeemed - net	-	-	-	-	-	-
Total comprehensive (loss) / income for the period	-	(52,001)	(52,001)	-	(182,105)	(182,105)
Distribution during the period	-	-	-	-	-	-
Net (loss) / income for the period less distribution	-	(52,001)	(52,001)	-	(182,105)	(182,105)
Net assets at end of the quarter	1,474,781	165,868	1,640,649	1,459,691	253,262	1,712,953
Undistributed income brought forward						
- Realised income		230,630			432,011	
- Unrealised (loss) / income		(64,762)			(178,749)	
		165,868			253,262	
Accounting income available for distribution						
- Relating to capital gains		-			-	
- Excluding capital gains		-			-	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the quarter		<u>70.6581</u>			<u>79.5600</u>	
Net assets value per unit at end of the quarter		<u>68.5483</u>			<u>72.0100</u>	

The annexed notes 1 to 15 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 CASH FLOW STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

	September 30,	
	2018	2017
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the quarter before taxation	(52,001)	(182,105)
Adjustments for:		
Net unrealised diminution on re-measurement at 'fair value through profit or loss'	64,762	178,749
	12,761	(3,356)
(Increase) / decrease in assets		
Investments - net	(8,359)	24,250
Receivable against sale of investments - net	(9,557)	155,028
Dividend receivable	(24,351)	(7,455)
Deposits and other receivables	(19)	50
	(42,287)	171,873
(Decrease) / Increase in liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	(103)	(378)
Payable to Central Depository Company of Pakistan Limited - (CDC)-Trustee	(9)	(33)
Payable to Meezan Bank Limited	(25)	36
Payable to Securities and Exchange Commission of Pakistan (SECP)	(1,245)	(656)
Accrued expenses and other liabilities	47	(13,122)
	(1,601)	(14,153)
Net cash (used in) / generated from operating activities	(31,127)	154,364
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipt against issuance of units	84,207	151,655
Payment against redemption of units	(68,821)	(165,745)
Dividend paid	-	(146,426)
Net cash generated from / (used in) financing activities	15,386	(160,516)
Net decrease in cash and cash equivalents during the quarter	(15,740)	(6,152)
Cash and cash equivalents at beginning of the quarter	19,141	10,585
Cash and cash equivalents at end of the quarter	3,401	4,433

The annexed notes 1 to 15 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
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (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 the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on March 13, 2012 and was approved by Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The Management Company has been licensed by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2 The Fund is a Shariah Compliant Index Fund that aims to provide investors an opportunity to track closely the performance of the KSE-Meezan Index 30 (KMI 30) by investing in companies of the index in proportion to their weightages. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah principles. The Management Company has appointed Meezan Bank Limited (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 the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund is categorised as a Shariah Compliant Index Fund.
- 1.4 The Management Company has been maintained the asset manager rating of AMI given by JCR - VIS Credit Rating Company Limited.
- 1.5 Title to the assets of the Fund are held in the name of the CDC as the Trustee of the Fund.

2. BASIS OF PRESENTATION

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

3. STATEMENT OF COMPLIANCE

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the repealed Companies Ordinance, 1984 (now Companies Act, 2017), the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

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 year ended June 30, 2018.

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

- 4.1 The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements of the Fund for the year ended June 30, 2018 except for the following:

4.1.1 Reclassification of financial assets.

During the current period IFRS-9 became applicable, according to the standard, all equity investments are to be measured at fair value in the statement of financial position with value change recognized in profit or loss. Standard also retains an option in respect of equity investments (other than held for trading) for which the entity may elect to report value change in 'other comprehensive income'. However, the fund measured its all financial assets at fair value through profit or loss (FVTPL).

- 4.2 The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2018.

5. BALANCES WITH BANKS	Note	September 30,	June 30,
		2018 (Unaudited)	2018 (Audited)
In saving accounts	5.1	2,495	18,559
In current accounts		906	582
		<u>3,401</u>	<u>19,141</u>

- 5.1 The balance in saving accounts have an expected profit ranging from 2.00% to 2.40% per annum (June 30, 2018: 2.00% to 2.40% per annum).

	September 30, 2018 (Unaudited)	June 30, 2018 (Audited)
	(Rupees in '000)	
6. INVESTMENTS		
Investments at 'fair value through profit or loss'		
Ordinary shares - Held for trading	6.1	<u>1,630,526</u> <u>1,686,929</u>

6.1 Held for trading - shares of listed companies

Name of the investee company	As at July 1, 2018	Purchases during the quarter	Rights / Bonus issue	Sales during the quarter	As at September 30, 2018	Carrying value as at September 30, 2018	Market value as at September 30, 2018	Unrealised gain / (loss) as at September 30, 2018	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											
Pak Suzuki Motors Company Limited	41,000	46,100	-	46,500	40,600	15,670	12,579	(3,091)	0.77	0.05	0.77
Milat Tractors Limited	39,920	43,240	-	42,060	41,100	48,727	41,682	(7,046)	2.54	0.09	2.56
									3.31	0.14	3.33
Cable & Electrical Goods											
Pak Elektron Limited	448,803	495,303	-	484,303	459,803	16,328	14,134	(2,194)	0.86	0.02	0.87
Cement											
D.G. Khan Cement Company Limited	400,000	426,500	-	419,700	406,800	46,492	41,660	(4,831)	2.54	0.09	2.56
Fauji Cement Company Limited	1,370,875	1,486,875	-	1,445,875	1,411,875	32,369	31,570	(799)	1.92	0.10	1.94
Lucky Cement Limited	237,130	251,880	-	249,080	239,930	122,084	123,070	886	7.50	0.07	7.55
Maple Leaf Cement Factory Limited	491,955	524,165	-	519,955	496,155	25,192	23,369	(1,824)	1.42	0.09	1.43
									13.38	0.35	13.48
Chemical											
Engro Polymer & Chemicals Limited	420,000	460,481	154,290	604,000	430,771	12,526	12,510	(16)	0.76	0.06	0.77
Engineering											
International Industries Limited	97,100	106,400	-	103,700	99,800	23,124	21,477	(1,647)	1.31	0.08	1.32
International Steels Limited	314,000	339,800	-	330,500	323,300	32,922	29,411	(3,511)	1.79	0.07	1.80
Mughal Iron And Steels Industries Limited	113,000	138,500	-	134,500	117,000	7100.2958	5724.81	(1,375)	0.35	0.05	0.35
									3.45	0.20	3.47
Fertilizer											
Dawood Hercules Corporation Limited	607,875	656,175	-	638,775	625,275	69,485	66,623	(2,862)	4.06	0.13	4.09
Engro Corporation Limited	530,819	561,419	-	557,719	534,519	168,140	166,572	(1,568)	10.15	0.10	10.22
Engro Fertilizers Limited	1,106,636	1,170,636	-	1,161,136	1,116,136	83,868	84,257	389	5.14	0.08	5.17
									19.35	0.31	19.48
Food & Personal Care Products											
Engro Foods Limited	140,500	162,500	-	161,500	141,500	12,608	11,991	(617)	0.73	0.02	0.74
Oil & Gas Exploration Companies											
Meri Petroleum Company Limited	39,731	43,051	-	41,871	40,911	61,594.82	63,752.84	2,158	3.89	0.04	3.91
Pakistan Oilfields Limited	197,867	245,417	40,113	241,967	241,430	133,699	132,589	(1,110)	8.08	0.10	8.13
Pakistan Petroleum Limited (note 6.1.3)	885,526	937,626	-	928,926	894,226	191,950	190,828	(1,122)	11.63	0.05	11.70
Oil and Gas Development Company Limited	1,188,218	1,257,018	-	1,247,718	1,197,518	186,106	183,208	(2,898)	11.17	0.03	11.24
									34.77	0.22	34.98
Oil & Gas Marketing Companies											
Hascor Petroleum Limited	93,453	100,153	-	99,753	93,853	29,343	25,565	(3,778)	1.56	0.08	1.57
Sui Northern Gas Pipeline Limited	513,833	561,833	-	544,833	530,833	53,038	47,308	(5,731)	2.88	0.08	2.90
Sui Southern Gas Company Limited	567,231	606,231	-	602,731	570,731	18,661	15,809	(2,852)	0.96	0.06	0.97
									5.40	0.22	5.44
Paper and Board											
Packages Limited	56,462	61,462	-	59,812	58,112	28,409	25,989	(2,421)	1.58	0.07	1.59
Pharmaceuticals											
The Searle Company Limited (note 7)	135,995	145,195	-	144,095	137,095	46,373	43,312	(3,061)	2.64	0.09	2.66
Power Generation & Distribution											
K-Electric Limited (note 6.1.2)	5,001,540	5,284,540	-	5,175,540	5,110,540	28,988	27,341	(1,616)	1.67	0.05	1.68
Kot Addu Power Company Limited	262,000	262,000	-	262,000	-	-	-	-	0.00	0.00	0.00
The Hub Power Company Limited	1,256,732	1,352,232	-	1,320,732	1,288,232	118,796	112,682	(6,115)	6.87	0.11	6.91
									8.54	0.16	8.59
Refinery											
Attock Refinery Limited	62,733	82,433	15,658	82,133	78,691	13,447	11,911	(1,536)	0.73	0.09	0.73
Pakistan Refinery Limited	165,000	189,500	-	188,500	166,000	5,877	5,446	(430)	1.03	0.02	1.04
National Refinery Limited	46,348	53,048	-	51,048	48,348	21,125	16,922	(4,204)	1.03	0.06	1.04
									2.79	0.17	2.81
Textile Composite											
Nishat Mills Limited	285,700	309,700	-	302,100	293,300	41,277	41,235	(42)	2.51	0.08	2.53
									1,695,288	1,630,526	(64,762)

- 6.1.1 Net assets are as defined in regulation 66 of the NBFC regulations.
- 6.1.2 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.
- 6.1.3 682,000 shares (June 30, 2018: 682,000 shares) of Pakistan Petroleum Limited having market value of Rs 145.54 million as at September 30, 2018 (June 30, 2018: Rs 146.56 million), have been pledged as collateral in favour of National Clearing Company of Pakistan Limited against exposure margins and mark to market losses.

7. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	(Rupees in '000)	
Auditor's remuneration payable		331	325
Provision for Federal Excise Duty and related			
Sindh Sales Tax on management fee and sales load	7.1	5,833	5,833
Provision for Sindh Worker's Welfare Fund	7.2	9,270	9,270
Withholding tax payable		367	323
Charity payable		924	1,117
Brokerage payable		811	769
Shariah advisory fee payable		404	269
Zakat payable		23	23
Printing charges payable		91	77
		<u>18,053</u>	<u>18,006</u>

- 7.1 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 was 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 a 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 5.83 million (June 30, 2018: Rs 5.83 million). Had the provision not been made, the Net Asset Value per unit of the Fund would have been higher by Re 0.24 (June 30, 2018: Re 0.24) per unit.

- 7.2 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 0.39 / 0.57% (June 30, 2018: Re 0.39 / 0.55%).

8 CONTINGENCIES AND COMMITMENTS

The status of withholding on bonus shares is the same as disclosed in the annual financial statements for the year ended June 30, 2018. In the current period, Attock Refinery Limited and Pakistan Oilfield Limited issued bonus shares after withholding 5 percent shares on account of tax on bonus shares. These have not been deposited with the Government Treasury due to pending adjudication of the constitutional petition and the stay order mentioned in the annual financial statements for the year ended June 30, 2018.

There were no other contingencies and commitments outstanding as at September 30, 2018 and June 30, 2018.

9. 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, 2018 (Unaudited)	June 30, 2018 (Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	1,365	1,422
Sindh Sales Tax on management fee payable	178	185
Sales load payable	18	48
Sindh Sales Tax on sales load payable	2	6
Allocated expenses payable	137	142
Investment of 4,467,642 units (June 30, 2018: 4,241,874 units)	306,249	299,723
Meezan Bank Limited		
Sales load payable	16	43
Sindh Sale Tax on sales load payable	2	6
Bank balance	1,322	1,744
Profit receivable on savings account	24	25
Investment of 2,113,224 units (June 30, 2018: 2,113,224 units)	144,858	149,316
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	197	204
Sindh Sales Tax on trustee fee payable	48	49
Security deposit	103	103
Directors and executives of the Management Company		
Investment of 20,487 units (June 30, 2018: 19,890 units)	1,404	1,405
Unitholders holding 10% or more units of the Fund		
Investment of 9,725,888 units (June 30, 2018: 9,725,888 units)	666,693	687,213
Quarter ended September 30,		
	2018	2017
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration for the Quarter	4,235	4,588
Sindh Sales Tax on management fee	551	596
Allocated expenses	423	459
Units issued: 225,768 units (September 30, 2017: 27,258)	15,100	2,000
Meezan Bank Limited		
Profit on savings account	12	39
Central Depository Company of Pakistan Limited - Trustee		
Remuneration for the Quarter	674	709
Sindh Sales Tax on trustee fee for the period	88	92
CDS charges	21	59
Meezan Financial Planning Fund of Funds -MAAP I		
Units issued: nil units (September 30, 2017: 911,030)	-	64,736
Units redeemed: nil units (September 30, 2017: 1,259,359)	-	91,118
Directors and executives of the Management Company		
Units issued: 597 units (September 30, 2017: 2749 units)	41,336	200
Units redeemed: nil units (September 30, 2017: 2,749)	-	200

10. 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.

Note	Carrying amount					Fair value			
	Investments	Other receivables	Cash and cash equivalents	Other payables	Total	Level 1	Level 2	Level 3	Total
September 30, 2018									
(Rupees in '000)									
Financial assets - measured at fair value									
Investments - Held for trading	1,630,526	-	-	-	1,630,526	1,630,526	-	-	1,630,526
Financial assets - not measured at fair value									
Balances with banks	9.1	-	3,401	-	3,401				
Receivable against issuance and conversion units	9.1	-	223	-	223				
Dividend receivable	9.1	-	24,413	-	24,413				
Receivable against sale of investments - net	9.1	-	9,557	-	9,557				
Deposit and other receivables	9.1	-	2,800	-	2,800				
		<u>1,630,526</u>	<u>36,994</u>	<u>3,401</u>	<u>-</u>	<u>1,670,920</u>			
Financial liabilities - not measured at fair value									
Payable to Al Meezan Investment Management Limited- Management Company	9.1	-	-	1,700	1,700				
Payable to Central Depository Company of Pakistan Limited - Trustee	9.1	-	-	244	244				
Payable to Meezan Bank Limited	9.1	-	-	18	18				
Payable on redemption and conversion of units	9.1	-	-	9,854	9,854				
Accrued expense and other liabilities	9.1	-	-	2,583	2,583				
		<u>-</u>	<u>-</u>	<u>14,399</u>	<u>14,399</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, 2018									
(Rupees in '000)									
Financial assets - measured at fair value									
Investments - Held for trading	1,686,929	-	-	-	1,686,929	1,686,929	-	-	1,686,929
Financial assets - not measured at fair value									
Balances with banks	9.1	-	8,141	-	8,141				
Receivable against sale of investment - net	9.1	-	-	-	-				
Receivable against issuance and conversion units	9.1	-	654	-	654				
Dividend receivable	9.1	-	62	-	62				
Deposit and other receivables	9.1	-	2,781	-	2,781				
		<u>1,686,929</u>	<u>3,497</u>	<u>8,141</u>	<u>-</u>	<u>1,709,567</u>			
Financial liabilities - not measured at fair value									
Payable to Al Meezan Investment Management Limited- Management Company	9.1	-	-	1,803	1,803				
Payable to Central Depository Company of Pakistan Limited - Trustee	9.1	-	-	253	253				
Payable to Meezan Bank Limited	9.1	-	-	43	43				
Payable against purchase of investments - net	9.1	-	-	266	266				
Payable on redemption and conversion of units	9.1	-	-	69	69				
Accrued expense and other liabilities	9.1	-	-	2,580	2,580				
		<u>-</u>	<u>-</u>	<u>5,014</u>	<u>5,014</u>				

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

11 ALLOCATED EXPENSES

During the quarter, the Fund was charged 0.1% of the average annual net assets as allocated expenses by the Management Company according to regulation 60 of the NBFC Regulations.

12 EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the period ended September 30, 2018 is 1.73% which include 0.26% 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. GENERAL

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

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

15. DATE OF AUTHORISATION

This condensed interim financial information was authorised for issue on October 18, 2018 by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

Director

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 Shoab, CFA	Chief Executive Officer
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Atif Azim	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 Syed	Chairman
Amir Ali Zaidi	Member
Mr. Naeem Abdul Sattar	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Atif Azim	Chairman
Mr. Ariful Islam	Member
Mr. Naeem Abdul Sattar	Member
Mr. Mohammad Shoab, 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 - Islamic Banking
Bank Al-Habib Limited - Islamic Banking
Faysal Bank Limited - Islamic Banking

Habib Metropolitan Bank - 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: bawaney@cyber.net.pk

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, 2018

	September 30,	June 30,
	2018	2018
	(Unaudited)	(Audited)
Note	(Rupees in '000)	
Assets		
Balances with banks	5 147,864	195,027
Investments	6 1,061,676	1,441,891
Receivable against conversion of units	1	12,736
Dividend receivable	6,037	3,697
Advances, deposits and other receivables	2,311	2,073
Preliminary expenses and floatation costs	633	683
Total assets	1,218,522	1,656,107
Liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	6,487	8,016
Payable to the Central Depository Company of Pakistan Limited - Trustee	207	244
Payable to Meezan Bank Limited	1	52
Payable to the Securities and Exchange Commission of Pakistan	342	1,432
Payable against redemption and conversion of units	30	3,885
Payable against purchase of investments - net	123	2,314
Accrued expenses and other liabilities	8 3,834	3,591
Total liabilities	11,024	19,534
Net assets	1,207,498	1,636,573
Contingencies and commitments	7	
Unitholders' funds (as per statement attached)	1,207,498	1,636,573
	(Number of units)	
Number of units in issue	25,488,179	32,874,573
	(Rupees)	
Net assets value per unit	47.3748	49.7823

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

MEEZAN ENERGY FUND
CONDENSED INTERIM INCOME STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)

	September 30,	
	2018	2017
Note	(Rupees in '000)	
Income		
(Loss) / gain on sale of investments - net	(8,456)	1,553
Dividend income	5,996	3,557
Profit on balances with banks	1,339	686
	<u>(1,121)</u>	<u>5,796</u>
Net unrealised diminution on re-measurement of investments - 'at fair value through profit or loss'	6.1 (54,062)	(29,115)
Total income	<u>(55,183)</u>	<u>(23,319)</u>
Expenses		
Remuneration to AI Meezan Investment Management Limited - Management Company	7,196	6,572
Sindh Sales Tax on management fee	936	854
Remuneration to Central Depository Company of Pakistan Limited - Trustee	612	581
Sindh Sales Tax on trustee fee	80	75
Annual fee to Securities and Exchange Commission of Pakistan	342	312
Auditors' remuneration	81	118
Charity expense	86	14
Fees and subscription	142	145
Legal and professional charges	-	8
Brokerage expense	384	1,109
Bank and settlement charges	26	106
Printing charges	8	-
Selling and marketing expense	13 1,439	1,314
Amortisation of preliminary expenses and floatation costs	50	50
Provision for Sindh Workers' Welfare Fund (SWWF)	-	-
Allocated expenses	11 360	329
Total expenses	<u>11,742</u>	<u>11,587</u>
Net loss for the quarter before taxation	<u>(66,925)</u>	<u>(34,906)</u>
Taxation	14 -	-
Net loss for the quarter after taxation	<u>(66,925)</u>	<u>(34,906)</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>

* Due to 'Nil' distributable income for the quarter, disclosure related to accounting income available for distribution is not required.

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

MEEZAN ENERGY FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)

	<u>September 30,</u>	
	<u>2018</u>	<u>2017</u>
	(Rupees in '000)	
Net loss for the quarter after taxation	(66,925)	(34,906)
Other comprehensive income	-	-
Total comprehensive loss for the quarter	<u>(66,925)</u>	<u>(34,906)</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

**MEEZAN ENERGY FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

	September 30, 2018			September 30, 2017		
	Capital Value	Undistributed income / (loss)	Total	Capital Value	Undistributed income / (loss)	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at beginning of the quarter	1,660,781	(24,208)	1,636,573	1,134,009	5,255	1,139,264
Issue of 6,458,787 units (September 30, 2017: 21,368,092 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	321,533	-	321,533	1,073,319	-	1,073,319
- Element of income	(9,717)	-	(9,717)	13,698	-	13,698
Total proceeds on issuance of units	311,816	-	311,816	1,087,017	-	1,087,017
Redemption of 13,845,181 units (September 30, 2017: 11,068,651 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	689,245	-	689,245	555,978	-	555,978
- Element of income	(15,279)	-	(15,279)	2,235	-	2,235
Total payments on redemption of units	673,966	-	673,966	558,213	-	558,213
Total comprehensive loss for the quarter	-	(66,925)	(66,925)	-	(34,906)	(34,906)
Distribution during the quarter	-	-	-	-	-	-
Net loss for the year less distribution	-	(66,925)	(66,925)	-	(34,906)	(34,906)
Net assets at end of the quarter	1,298,631	(91,133)	1,207,498	1,662,813	(29,651)	1,633,162
Undistributed income carried forward						
- Realised income / (loss)		(37,071)			(536)	
- Unrealised loss		(54,062)			(29,115)	
		<u>(91,133)</u>			<u>(29,651)</u>	
Accounting income available for distribution						
- Relating to capital gains		-			-	
- Excluding capital gains		-			-	
		<u>-</u>			<u>-</u>	
			(Rupees)			
Net assets value per unit at beginning of the quarter			<u>49.7823</u>			<u>50.2300</u>
Net assets value per unit at end of the quarter			<u>47.3748</u>			<u>49.5200</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

MEEZAN ENERGY FUND
CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)

Note	September 30,	
	2018	2017
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the quarter after taxation	(66,925)	(34,906)
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'	54,062	29,115
	(12,813)	(5,741)
Decrease / (increase) in assets		
Investments - net	326,153	(447,675)
Dividend receivable	(2,340)	(365)
Receivable against investments - net	-	(2,977)
Deposit, profit accrued and other receivables	(238)	(292)
	323,575	(451,309)
(Decrease) / Increase in liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	(1,529)	459
Payable to Central Depository Company of Pakistan Limited - Trustee	(37)	22
Payable to Meezan Bank Limited	(51)	(806)
Payable to Securities and Exchange Commission of Pakistan	(1,090)	(202)
Payable against purchase of investments - net	(2,191)	(116)
Accrued expenses and other liabilities	243	(8,540)
	(4,655)	(9,183)
Net cash generated from / (used in) operating activities	306,107	(466,233)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	324,551	1,090,303
Dividend paid	-	(4,028)
Payment against redemption and conversion of units	(677,821)	(558,078)
Net cash (used in) / generated from financing activities	(353,270)	528,197
Net (decrease) / increase in cash and cash equivalents during the quarter	(47,163)	61,964
Cash and cash equivalents at beginning of the quarter	195,027	91,575
Cash and cash equivalents at end of the quarter	5 147,864	153,539

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

MEEZAN ENERGY FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (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 Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on September 9, 2016 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The Management Company has been licensed by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2 The objective of the Fund is to seek long term capital appreciation through investments in Shariah compliant equity stocks, primarily from the energy sector / segment / industry, as defined in the constitutive documents. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah principles. The Management Company has appointed Meezan Bank Limited as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.3 Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited. The Fund is categorised as an Open End Shariah Compliant (Islamic) Equity Scheme in accordance with Circular 7 of 2009 issued by the SECP.
- 1.4 The Management Company of the Fund has been given quality rating of AM1 by JCR-VIS Credit Rating Company Limited.
- 1.5 Title to the assets of the Fund are held in the name of CDC as the Trustee of the Fund.

2. BASIS OF PRESENTATION

The transactions undertaken by the Fund 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 approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the repealed Companies Ordinance, 1984 (now Companies Act, 2017), the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

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 year ended June 30, 2018.

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

- 4.1 The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements of the Fund for the year ended June 30, 2018 except for the following:

4.1.1 Reclassification of financial assets

During the current period IFRS-9 became applicable, according to the standard, all equity investments are to be measured at fair value in the statement of financial position with value change recognized in profit or loss. Standard also retains an option in respect of equity investments (other than held for trading) for which the entity may elect to report value change in 'other comprehensive income'. However, the fund measured its all financial assets at fair value through profit or loss (FVTPL).

- 4.1.2 The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2018.

5. BALANCES WITH BANKS	Note	September 30, 2018	June 30, 2018
		(Unaudited)	(Audited)
In saving accounts	5.1	143,682	191,184
In current accounts		4,182	3,843
		<u>147,864</u>	<u>195,027</u>

- 5.1 The balance in saving accounts have an expected profit ranging from 2.00% to 7.40% per annum (June 30, 2018: 2.00% to 6.60% per annum).

6. INVESTMENTS	Note	September 30, 2018	June 30, 2018
		(Unaudited)	(Audited)
Investments - 'at fair value through profit or loss'			
Ordinary shares - Held for trading	6.1	<u>1,061,676</u>	<u>1,441,891</u>

6.1 Ordinary shares - Held for trading

Name of the investee company	As at July 1, 2018	Purchases during the period	Bonus / Right issue	Sales during the period	As at September 30, 2018	Carrying value as at September 30, 2018	Market value as at September 30, 2018	Unrealised gain / (loss) as at September 30, 2018	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	80,550	3,000	-	-	83,550	125,773	130,198	4,425	0.78	12.26	0.08	
Oil and Gas Development Company Lim	1509,100	-	-	404,000	1,105,100	7,1976	169,069	(2,907)	14.00	15.92	0.03	
Pakistan Oilfields Limited	223,400	-	33,880	54,000	203,280	13,801	11,637	(2,164)	9.25	10.52	0.07	
Pakistan Petroleum Limited	1343,100	20,000	-	528,000	835,100	179,391	178,210	(1,181)	11.76	16.79	0.04	
									48.79	55.49	0.22	
Oil and Gas Marketing Companies												
Attock Petroleum Limited	10,000	-	2,000	-	12,000	5,900	5,326	(574)	0.44	0.50	0.01	
Hascol Petroleum Limited	423,920	-	-	100	423,820	132,978	16,444	(17,534)	9.56	10.87	0.29	
Hi-Tech Lubricants Limited	560,200	-	-	40,000	510,200	5,1693	42,576	(9,117)	3.53	4.01	0.44	
Pakistan State Oil Company Limited	369,700	-	-	60,000	309,700	98,581	98,745	164	8.18	9.30	0.09	
Shell (Pakistan) Limited	-	-	-	-	-	-	-	-	-	-	-	
Sui Northern Gas Pipelines Limited	1740,300	130,000	-	471,000	1,399,300	139,224	124,706	(14,518)	10.33	11.75	0.22	
Sui Southern Gas Pipelines Limited	1557,000	-	-	-	1,557,000	5,101	43,129	(7,972)	3.57	4.06	0.18	
									35.61	40.49	1.23	
Power Generation and Distribution												
The Hub Power Company Limited	360,000	-	-	350,000	10,000	922	875	(47)	0.07	0.08	-	
K - Electric Limited (note 6.11)	7,728,000	-	-	-	7,728,000	43,895	41,345	(2,550)	3.42	3.89	0.03	
									3.49	3.97	0.03	
Refinery												
Attock Refinery Limited	900	-	225	-	1,125	94	70	(24)	0.01	0.02	-	
National Refinery Limited	72,000	-	-	71,300	700	309	246	(63)	0.02	0.02	-	
									0.03	0.04	-	
									<u>1,115,738</u>	<u>1,061,676</u>	<u>(54,062)</u>	

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

- 6.1.2 Net assets are as defined in regulation 66 of the NBFC Regulations.

7. CONTINGENCIES AND COMMITMENTS

The status of withholding on bonus shares is the same as disclosed in the annual financial statements for the year ended June 30, 2018. In the current period, Attock Petroleum Limited, Attock Refinery Limited and Pakistan Oilfield Limited issued bonus shares after withholding 5 percent shares on account of tax on bonus shares. These have not been deposited with the Government Treasury due to pending adjudication of the constitutional petition and the stay order mentioned in the annual financial statements for the year ended June 30, 2018.

There were no other contingencies and commitments outstanding as at September 30, 2018 and June 30, 2018.

		September 30, 2018 (Unaudited)	June 30, 2018 (Audited)
	Note	(Rupees in '000)	
8. ACCRUED EXPENSES AND OTHER LIABILITIES			
Withholding tax and Capital Gain Tax payable		10	25
Provision for Sindh Workers Welfares' Fund	8.1	1,527	1,527
Charity payable		1,579	1,492
Shariah advisory fee		402	267
Auditors' remuneration payable		269	245
Printing Charges Payable		27	21
Zakat and other payable		20	14
		3,834	3,591

- 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 SWWF not been provided, the NAV per unit/fund return would have been higher by Re 0.06 / 0.13% (June 30, 2018: Re 0.05 / 0.09%).

9. 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, 2018 (Unaudited)	June 30, 2018 (Audited)
	(Rupees in '000)	
AI Meezan Investment Management Limited - Management Company		
Remuneration payable	2,007	2,670
Sindh Sales Tax on management fee payable	261	347
Sales load payable	313	538
Sindh Sales Tax on sales load payable	41	70
Allocated expenses	100	133
Selling and marketing expense payable	3,765	4,258
Investment of 4,102,956 units (June 30, 2018: 8,090,670 units)	194,377	402,772
Meezan Bank Limited		
Bank balance	28,403	128,649
Profit receivable on saving accounts	16	203
Sales load payable	1	46
Sindh Sales Tax on sales load payable	-	6
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	183	216
Sindh Sales Tax on trustee fee payable	24	28
Security deposit	100	100
Directors and executives of the Management Company		
Investment of 960,014 units (June 30, 2018: 885,563 units)	45,480	44,085
Unitholders holding 10 percent or more of the Fund		
Investment of 2,758,649 units (June 30, 2018: 3,826,614 units)	130,690	190,498
For the quarter ended		
September 30,		
	2018	2017
	(Rupees in '000)	
AI Meezan Investment Management Limited - Management Company		
Remuneration for the period	7,196	6,572
Sindh Sales Tax on management fee	936	854
Allocated expenses	360	329
Selling and marketing expense	1,439	1,314
Units issued: nil (September 30, 2017: 3,968,254 units)	-	200,000
Units redeemed: 3,987,713 units (September 30, 2017: 539,676 units)	196,000	27,000
Meezan Bank Limited		
Profit on saving accounts	390	541
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee	612	581
Sindh Sales Tax on trustee fee	80	75
CDS charges	11	23
Directors and executives of the Management Company		
Units issued: 37,305 units (September 30, 2017: 25,987 units)	5,250	1,319
Units redeemed: 111,756 units (September 30, 2017: 4,216 units)	1,812	209

10. 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.

Note	Carrying amount					Fair value			
	Investments	Other receivables	Cash and cash equivalents	Trade and Other payables	Total	Level 1	Level 2	Level 3	Total

September 30, 2018

(Rupees in '000)

Financial assets - measured at fair value

Investments	1061676	-	-	-	1061676	1061676	-	-	1061676
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Financial assets - not measured at fair value

Balance with banks	10.1	-	147,864	-	147,864				
Receivable against conversion of units	10.1	-	1	-	1				
Dividend receivable	10.1	-	6,037	-	6,037				
Advances, deposits and other receivables	10.1	-	420	-	420				
		1061676	6,458	147,864	-	125,998			

Financial liabilities - not measured at fair value

Payable to Al Meezan Investment Management Limited - Management Company	10.1	-	-	6,487	6,487				
Payable to Central Depository Company of Pakistan Limited - Trustee	10.1	-	-	207	207				
Payable to Meezan Bank Limited	10.1	-	-	1	1				
Payable against purchase of investments - net	10.1	-	-	123	123				
Payable on redemption and conversion of units	10.1	-	-	30	30				
Accrued expenses and other liabilities	10.1	-	-	2,277	2,277				
		-	-	9,125	9,125				

Note	Carrying amount					Fair value			
	Investments	Other receivables	Cash and cash equivalents	Trade and Other payables	Total	Level 1	Level 2	Level 3	Total

June 30, 2018

(Rupees in '000)

Financial assets - measured at fair value

Investments	1441891	-	-	-	1441891	1441891	-	-	1441891
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Financial assets - not measured at fair value

Balances with banks	10.1	-	195,027	-	195,027				
Receivable against conversion of units	10.1	-	12,736	-	12,736				
Dividend receivable	10.1	-	3,697	-	3,697				
Advances, deposits and other receivables	10.1	-	637	-	637				
		1441891	17,070	195,027	-	1653,988			

Financial liabilities - not measured at fair value

Payable to Al Meezan Investment Management Limited - Management Company	10.1	-	-	8,016	8,016				
Payable to Central Depository Company of Pakistan Limited - Trustee	10.1	-	-	244	244				
Payable to Meezan Bank Limited	10.1	-	-	52	52				
Payable against redemption and conversion of units	10.1	-	-	3,885	3,885				
Dividend Payable	10.1	-	-	-	-				
Payable against purchase of investments - net	10.1	-	-	2,314	2,314				
Accrued expenses and other liabilities	10.1	-	-	2,025	2,025				
		-	-	16,536	16,536				

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

11. ALLOCATED EXPENSES

During the quarter, the Fund was charged 0.1% of the average annual net assets as allocated expenses by the Management Company according to regulation 60 of the NBFC Regulations.

12. EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the period ended September 30, 2018 is 3.27% which includes 0.39% representing government levy, SWWF and SECP fee.

13. SELLING AND MARKETING EXPENSE

SECP vide a circular no.40 SCD/PRDD/ Circular/361/2016 dated December 30, 2016, allowed the Asset Management Companies to charge selling and marketing expenses to open end equity, asset allocation and index funds, initially for three years (from January 01, 2017 till December 31, 2019). Maximum cap of selling and marketing expense shall be 0.4% per annum of net assets of the fund or actual expenses whichever lower. Accordingly, such expenses have been charged at the rate of 0.4% of 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 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.

15. GENERAL

- 15.1** Figures have been rounded off to the nearest thousand rupees.
- 15.2** Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in this condensed interim financial information during the period for better presentation.

16. DATE OF AUTHORISATION

This condensed interim financial information was authorised for issue on October 18, 2018 by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

Director

FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre,
Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (9221) 35630722-6111-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. Atif Azim	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Main 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. Main 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. Atif Azim	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)
Allied Bank Limited
Askari Bank Limited – Islamic Banking
Bank Al Habib Limited
Bank Islami Pakistan Limited
Bank Alfalah – Islamic Banking Branch
Dubai Islamic Bank

Faysal Bank Limited
Habib Metropolitan Bank Limited - Islamic Banking
MCB Islamic Bank Limited
Meezan Bank Limited
National Bank of Pakistan - Islamic Banking
Samba 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: bawaney@cyber.net.pk

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 BALANCED FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2018

	September 30, 2018 (Unaudited)	June 30, 2018 (Audited)
Note	(Rupees in '000)	
Assets		
Balances with banks	5 1,094,287	1,682,989
Investments	6 6,489,988	6,204,967
Receivables against conversion of units	1 13,311	13,311
Dividend receivable	47,713	14,017
Advances, deposits and other receivables	63,084	63,124
Total assets	7,695,073	7,978,408
Liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	25,654	18,002
Payable to Central Depository Company of Pakistan Limited - Trustee	799	831
Payable to Securities and Exchange Commission of Pakistan	1,647	7,166
Payable to Meezan Bank Limited	238	307
Payable against purchase of investments - net	20,437	16,084
Payable against redemption and conversion of units	6,017	3,380
Accrued expenses and other liabilities	8 83,497	81,196
Dividend payable	7,490	8,437
Total liabilities	145,779	135,403
Net assets	7,549,294	7,843,005
Contingencies and commitments	7	
Unitholders' fund (as per statement attached)	7,549,294	7,843,005
	(Number of units)	
Number of units in issue	497,295,118	508,080,068
	(Rupees)	
Net assets value per unit	15.1807	15.4366

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

MEEZAN BALANCED FUND
CONDENSED INTERIM INCOME STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)

		September 30,	
	Note	2018	2017
		(Rupees in '000)	
Income			
Realised loss on sale of investments - net		(6,519)	(7,176)
Dividend income		49,824	45,820
Profit on term deposit receipts		-	14,227
Profit on sukuk certificates		41,107	24,064
Profit on saving accounts with banks		19,029	23,987
Other income		287	-
		103,728	100,922
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6	(176,305)	(638,672)
Total (loss) / income		<u>(72,577)</u>	<u>(537,750)</u>
Expenses			
Remuneration to AI Meezan Investment Management Limited - Management Company		38,753	45,902
Sindh Sales Tax on management fee		5,038	5,967
Allocated expenses	10	1,938	2,295
Selling and marketing expenses		7,750	-
Remuneration to Central Depository Company of Pakistan Limited - Trustee		2,190	2,547
Sindh Sales Tax on trustee fee		284	331
Annual fee to Securities and Exchange Commission of Pakistan		1,647	1,951
Auditors' remuneration		164	177
Charity expense		641	208
Fees and subscription		239	163
Brokerage expense		273	558
Bank and settlement charges		188	360
Printing expenses		27	16
Total expenses		59,132	60,475
Net loss from operating activities		<u>(131,709)</u>	<u>(598,225)</u>
Net loss for the period before taxation		<u>(131,709)</u>	<u>(598,225)</u>
Taxation	13	-	-
Net loss for the period after taxation		<u>(131,709)</u>	<u>(598,225)</u>
Allocation of net income for the period			
Net income for the period after taxation		-	-
Income already paid on units redeemed		-	-
		<u>-</u>	<u>-</u>

* Due to "NIL" distributable income for the quarter, disclosure related to accounting income available for distribution is not required.

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



MEEZAN BALANCED FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)

	September 30,	
	2018	2017
	(Rupees in '000)	
Note		
Net loss for the period after taxation	(131,709)	(598,225)
Other comprehensive income for the quarter		
<i>Item that may be reclassified subsequently to Income Statement</i>		
Net unrealised diminution on re-measurement of investments classified as 'available for sale'	-	(26,260)
Total comprehensive loss for the quarter	<u>(131,709)</u>	<u>(624,485)</u>

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

**MEEZAN BALANCED FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

	September 30, 2018			September 30, 2017			
	(Rupees in '000)			(Rupees in '000)			
	Capital Value	Undistributed income / (loss)	Total	Capital Value	Undistributed income / (loss)	Unrealised appreciation / (diminution) 'available for sale' investments	Total
Net assets at beginning of the period	7,010,292	832,713	7,843,005	7,829,313	1,559,823	126,969	9,516,105
Issue of 15,784,696 units (2017: 65,465,431 units)							
- Capital value (at net asset value per unit at the beginning of the quarter)	243,662	-	243,662	1,109,639	-	-	1,109,639
- Element of income	(2,479)	-	(2,479)	79,090	-	-	79,090
Total proceeds on issuance of units	241,183	-	241,183	1,188,729	-	-	1,188,729
Redemption of 26,569,646 units (2017: 76,100,353 units)							
- Capital value (at net asset value per unit at the beginning of the quarter)	410,145	-	410,145	1,289,901	-	-	1,289,901
- Element of income	(6,960)	-	(6,960)	63,884	-	-	63,884
Total payments on redemption of units	403,185	-	403,185	1,353,785	-	-	1,353,785
Total comprehensive loss for the period	-	(131,709)	(131,709)	-	(598,225)	(26,260)	(624,485)
Distribution during the period	-	-	-	-	-	-	-
Net loss for the period less distribution	-	(131,709)	(131,709)	-	(598,225)	(26,260)	(624,485)
Net assets at end of the quarter	6,848,290	701,004	7,549,294	7,664,257	961,598	100,709	8,726,564
Undistributed income brought forward							
- Realised income		877,309			1,600,270		
- Unrealised loss		(176,305)			(638,672)		
		701,004			961,598		
Accounting income available for distribution							
- Relating to capital gains		-			-		
- Excluding capital gains		-			-		
		-			-		
			(Rupees)				(Rupees)
Net assets value per unit at beginning of the quarter			15.4366				16.9500
Net assets value per unit at end of the quarter			15.1807				15.8500

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

MEEZAN BALANCED FUND
CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)

	September 30, 2018	2017
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period before taxation	(131,709)	(598,225)
Adjustments for:		
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	176,305	638,672
	44,596	40,447
(Increase) / decrease in assets		
Investments - net	(461,326)	(547,089)
Dividend receivable	(33,696)	(25,389)
Receivable against sale of investments - net	-	1,851
Deposits, profit accrued and other receivables	39	1,753
	(494,983)	(568,874)
Increase / (decrease) in liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	7,652	(11,457)
Payable to Central Depository Company of Pakistan Limited - Trustee	(32)	(87)
Payable to Securities and Exchange Commission of Pakistan	(5,519)	(4,259)
Payable to Meezan Bank Limited	(69)	(60)
Payable against purchase of investments - net	4,353	2,743
Accrued expenses and other liabilities	2,301	(73,968)
	8,686	(87,088)
Net cash used in operating activities	(441,701)	(615,515)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	254,494	1,631,871
Payment against redemption and conversion of units	(400,548)	(1,431,053)
Dividend paid	(947)	(78,933)
Net cash (used in) / generated from financing activities	(147,001)	121,885
Net decrease in cash and cash equivalents during the quarter	(588,702)	(493,630)
Cash and cash equivalents at beginning of the period	1,682,989	1,842,313
Cash and cash equivalents at end of the quarter	1,094,287	1,348,683

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



MEEZAN BALANCED FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (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 TFCs, 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** 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 Management Company has been maintained the asset manager rating of AMI given by JCR - VIS Credit Rating Company Limited.
- 1.5** The Fund is an open-end fund listed on the Pakistan Stock Exchange Limited. The Fund is categorised as Shariah Compliant Balanced Fund in accordance with Circular 7 of 2009 issued by the SECP.
- 1.6** Title to the assets of the Fund are held in the name of CDC as the Trustee of the Fund.

2. BASIS OF PRESENTATION

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

3. STATEMENT OF COMPLIANCE

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the repealed Companies Ordinance, 1984 (now Companies Act, 2017), the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

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 year ended June 30, 2018.

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

4.1 The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements of the Fund for the year ended June 30, 2018 except for the following:

4.1.1 Reclassification of financial assets

During the current period IFRS-9 became applicable, according to the standard, all equity investments are to be measured at fair value in the statement of financial position with value change recognized in profit or loss. Standard also retains an option in respect of equity investments (other than held for trading) for which the entity may elect to report value change in 'other comprehensive income'. However, the fund adopted reclassification of its 'available for sale' investments and measured its all financial assets at fair value through profit or loss (FVTPL). The adoption of this reclassification resulted in recording of revaluation gain of Rs. 61.943 million as at June 30, 2018 which has been adjusted in the opening retained earnings as allowed under IFRS – 9. For the purpose of measurement of debt instruments, SECP vide its letter to MUFAP dated November 21, 2017 relaxed the applicability of IFRS-9 impairment requirements for debt securities on mutual funds and deferred it till further instructions.

4.2 The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2018.

5. BALANCES WITH BANKS	Note	September 30,	June 30,
		2018 (Unaudited) (Rupees in '000)	2018 (Audited)
In saving accounts	5.1	1,080,715	1,673,837
In current accounts		13,572	9,152
		<u>1,094,287</u>	<u>1,682,989</u>

5.1 The balance in saving accounts have an expected profit ranging from 2.00% to 7.50% per annum (June 30, 2018: 2.00% to 6.50% per annum).

6. INVESTMENTS	Note	September 30,	June 30,
		2018 (Unaudited) (Rupees in '000)	2018 (Audited)
Investments - 'at fair value through profit or loss' - Shares of listed securities	6.1.1.1	4,307,647	4,242,544
Investments - 'at fair value through profit or loss' - Sukuk Certificates	6.1.1.5, 6.1.2 & '6.1.2.1	2,182,341	1,779,570
Investments - 'available for sale'		-	182,853
		<u>6,489,988</u>	<u>6,204,967</u>

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

Held for trading	-	4,625,464
Investments `at fair value through profit or loss upon initial recognition	-	1,396,650
	-	<u>6,022,114</u>

6.1.1 Held for trading

Shares of listed companies 'ordinary shares'	-	4,241,333
Sukuk certificates	-	384,131
	-	<u>4,625,464</u>

6.1.1.1 Shares of listed companies 'ordinary shares'

Name of the investee company	As at July 1, 2018	Purchases during the quarter	Bonus issue	Sales during the quarter	As at September 30, 2018	Carrying value as at September 30, 2018	Market value as at September 30, 2018	Unrealised gain / (loss) as at September 30,	Percentage in relation to		
									Net Assets of the Fund on the basis of investm	Paid-up Capital of the investee company (with face	Total market value of investments
Sectors / companies									-----%		
Commercial Banks											
Meezan Bank Limited (an associate of the Fund)	319	200,000	20,031	-	220,350	17,025	19,651	2,626	0.26	0.02	0.30
BankIslami Pakistan Limited	875	-	-	-	875	10	11	1	-	-	-
									0.26	0.02	0.30
Automobile assemblers											
Ghandhara Industries Limited	76,300	-	-	-	76,300	53,920	51,732	(2,188)	0.69	0.36	0.80
Millat Tractors Company Limited	28,800	-	-	-	28,800	34,216	29,208	(5,008)	0.39	0.07	0.45
Pak Suzuki Motor Company Limited	60	-	-	-	60	24	19	(5)	-	-	-
Honda Atlas Cars (Pakistan) Limited	218,600	-	-	30,000	188,600	59,671	48,038	(11,633)	0.64	0.13	0.74
									1.72	0.56	1.99
Automobile parts and accessories											
Ghandhara Nissan Limited	264,096	-	-	30,000	234,096	42,060	28,934	(13,126)	0.38	0.41	0.45
Chemicals											
Engro Polymer & Chemicals Limited	1,496,000	868,454	-	215,000	2,149,454	63,253	62,420	(833)	0.83	0.24	0.96
ICI Pakistan Limited	148,116	10,650	-	-	158,766	127,016	120,437	(6,579)	1.60	0.17	1.86
Lotte Chemical Pakistan Limited	1,000	-	-	-	1,000	12	13	1	-	-	-
Sitara Chemical Industries Limited	2,100	-	-	-	2,100	773	714	(59)	0.01	0.01	0.01
									2.44	0.42	2.83
Cement											
Attock Cement Pakistan Limited	689	-	-	-	689	93	102	9	-	-	-
Cherat Cement Company Limited	769,000	-	-	100,000	669,000	65,047	53,888	(11,159)	0.71	0.38	0.83
Dewan Cement Limited	620,500	-	-	11,000	609,500	10,971	8,612	(2,359)	0.11	0.13	0.13
DG Khan Cement Company Limited	895,009	-	-	-	895,009	102,470	91,658	(10,812)	1.21	0.20	1.41
Fauji Cement Company Limited	4,000	-	-	4,000	-	-	-	-	-	-	-
Kohat Cement Limited	465,400	-	-	-	465,400	57,277	58,240	963	0.77	0.30	0.90
Lucky Cement Limited	542,851	-	-	-	542,851	275,731	278,450	2,719	3.69	0.17	4.29
Maple Leaf Cement Limited	550,625	100,000	-	-	650,625	33,385	30,644	(2,741)	0.41	0.10	0.47
Pioneer Cement Limited	1,58,500	-	-	173,500	985,000	46,157	42,808	(3,349)	0.57	0.43	0.66
									7.47	1.71	8.69
Fertilizers											
Dawood Hercules Corporation Limited	493,000	-	-	-	493,000	54,614	52,529	(2,085)	0.70	0.10	0.81
Engro Fertilizers Limited	#####	-	-	225,000	3,015,000	225,853	227,602	1,749	3.01	0.23	3.51
Engro Corporation Pakistan Limited (note 6.114)	1,331,500	-	-	-	1,331,500	417,904	414,935	(2,969)	5.50	0.25	6.39
Fatima Fertilizer Company Limited	6,500	-	-	-	6,500	211	243	32	-	-	-
									9.21	0.58	10.71
Technology & Communication											
Avanceon Limited	-	125,000	-	-	125,000	9,065	10,370	1,305	0.14	0.09	0.16
Systems Limited	160,000	-	-	30,000	130,000	13,159	15,651	2,492	0.21	0.12	0.24
									0.35	0.21	0.40
Paper & Board											
Packages Limited	359,923	-	-	15,000	344,923	168,916	154,257	(14,659)	2.04	0.39	2.38
Refinery											
National Refinery Limited	35,000	-	-	10,000	25,000	11,075	8,750	(2,325)	0.12	0.03	0.13
Miscellaneous											
Shifa International Hospitals Limited	84	-	-	-	84	23	23	-	-	-	-
Oil & Gas Exploration											
Oil and Gas Development Company Limited	3,421,400	-	-	208,500	3,212,900	499,991	491,541	(8,450)	6.51	0.07	7.57
Pakistan Oilfields Limited	398,425	10,000	74,085	38,000	444,510	248,620	244,116	(4,504)	3.23	0.16	3.76
Pakistan Petroleum Limited	988,944	30,000	-	15,000	1,003,944	215,601	214,242	(1,359)	2.84	0.05	3.30
Mari Petroleum Company Limited	84,250	59,060	-	-	143,310	215,223	223,324	8,101	2.96	0.13	3.44
									15.54	0.41	18.07
Oil and Gas Marketing											
Attock Petroleum Limited	10,000	-	2,000	-	12,000	5,900	5,326	(574)	0.07	0.01	0.08
Pakistan State Oil Company Limited	894,244	8,500	-	-	902,744	287,481	287,831	350	3.81	0.28	4.44
Hascol Petroleum Limited	163,491	25,000	-	-	188,491	58,122	51,343	(6,779)	0.68	0.13	0.79
Hi-Tech Lubricants Limited	145,400	-	-	-	145,400	14,732	12,134	(2,598)	0.16	0.13	0.19
Sui Southern Gas Company Limited	100,000	-	-	-	100,000	3,282	2,770	(512)	0.04	0.01	0.04
Sui Northern Gas Pipeline Limited	2,151,000	25,000	-	120,000	2,056,000	205,973	183,231	(22,742)	2.43	0.32	2.82
									7.19	0.88	8.36

Name of the investee company	As at July 1, 2018	Purchases during the quarter	Bonus issue	Sales during the quarter	As at September 30, 2018	Carrying value as at September 30, 2018	Market value as at September 30, 2018	Unrealised gain / (loss) as at September 30, 2018	Percentage in relation to		
									Net Assets of the Fund on the basis of investments (note 6.1.1.3)	Paid-up-Capital of the investee company (with face value of investments)	Total market value of investments
						(Rupees in '000)		%			
Pharmaceuticals											
Abbott Laboratories (Pakistan) Limited	32,200	-	-	-	32,200	22,057	19,869	(2,188)	0.26	0.03	0.31
AGP Limited	705,000	-	-	-	705,000	62,597	60,827	(1,770)	0.81	0.25	0.94
GlaxoSmithKline Consumer Health care	203,800	-	-	-	203,800	82,549	70,825	(11,724)	0.94	0.21	1.09
The Searle Company Limited	419,974	-	-	-	419,974	142,581	132,683	(9,899)	1.76	0.23	2.04
Highnoon Laboratories Limited	1,453	-	-	-	1,453	597	516	(81)	0.01	0.01	0.01
									3.78	0.73	4.39
Food & Personal Care Products											
Engro Foods Limited	3,800	-	-	-	3,800	338	322	(16)	-	-	-
At-Tahur Limited	-	293,311	-	204,000	89,311	1,876	2,251	375	0.03	0.06	0.03
Al-Shaheer Corporation Limited	7,225	-	-	-	7,225	197	199	2	-	0.01	-
									0.03	0.07	0.03
Power Generation & Distribution											
The Hub Power Company Limited	2,270,147	-	-	-	2,270,147	209,217	198,570	(10,648)	2.63	0.20	3.06
K-Electric Limited (note 6.1.1.2)	22,685,000	-	-	-	22,685,000	128,851	121,365	(7,486)	1.61	0.08	1.87
									4.24	0.28	4.93
Real Estate Investment Trust											
Dolmen City REIT	4,659,000	-	-	-	4,659,000	60,101	58,703	(1,398)	0.78	0.21	0.90
Textile composite											
Nishat Mills Limited	296,300	250,000	-	150,000	396,300	56,503	55,716	(787)	0.74	0.11	0.86
Engineering											
Crescent Steel & Allied Products Limited	153,450	-	-	-	153,450	13,990	11,742	(2,248)	0.16	0.20	0.18
International Industries Limited	78,500	-	-	-	78,500	18,235	16,893	(1,342)	0.22	0.07	0.26
International Steel Limited	207,500	-	-	-	207,500	21,103	18,876	(2,227)	0.25	0.05	0.29
K.S.B. Pumps	-	5,000	-	-	5,000	1,387	1,225	(162)	0.02	0.04	0.02
									0.65	0.36	0.75
Vanaspati & Allied Industries											
Unity Foods Limited	100,000	328,500	-	70,000	358,500	11,862	11,268	(594)	0.15	0.21	0.17
									53,834,941	4,478,897	4,307,647
									(171,252)		

6.1.1.2 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.

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

6.1.1.4 150,000 shares of Engro Corporation Limited, having market value of Rs 46.744 million as at March 31, 2018 (June 30, 2018: Rs 47.079 million) have been pledged as collateral in favour of National Clearing Company of Pakistan Limited against exposure margins and mark-to-market losses.

6.1.1.5 GoP Ijarah - Sukuk certificates

Name of the Security	Maturity date	Profit rate	As at July 1, 2018	Purchases during the quarter	Sales / matured during the quarter	As at September 30, 2018	Carrying value as at September 30, 2018	Market value as at September 30, 2018	Unrealised loss as at September 30, 2018	Percentage in relation to	
										Net Assets of the Fund on the basis of investments (note 6.1.1.3)	Total market value of investments
						(Rupees in '000)		%			
GoP Ijarah Sukuk Certificates - XVII (Note 6.1.1.6)	February 15, 2019	Weighted Average 6 months T-Bills	1,840	-	550	1,290	129,555	128,278	(1,277)	1.70	1.98
GoP Ijarah Sukuk Certificates - XVIII (Note 6.1.1.6)	March 29, 2019	Weighted Average 6 months T-Bills	2,000	-	-	2,000	199,340	197,540	(1,800)	2.62	3.04
Total							328,895	325,818	(3,077)		

6.1.1.6 The nominal value of the sukuk certificates of GoP Ijarah is Rs 100,000 each.

6.1.2 Sukuk certificates

Name of the investee company	Maturity	Profit rate	As at July 1, 2017	Purchases during the quarter	Sale / Redemptions / matured during the quarter	As at September 30, 2018	Carrying value as at September 30, 2018*	Market value as at September 30, 2018*	Unrealised gain / (loss) as at September 30, 2018	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	Total market value of investments
-----Number of certificates-----						----- (Rupees in '000) -----			----- % -----			
Secured												
Engro Fertilizer Pakistan Limited - II (AA-, PACRA, non-traded) (note 6.12.3)	July 9, 2019	6 months KIBOR plus base rate of 1.75%	7,40	-	2,380	4,760	24,038	23,944	(94)	0.32	0.74	0.37
K Electric Limited - (7 years) (note 6.12.3) (AA+, JCR-VIS, traded)	June 17, 2022	3 months KIBOR plus base rate of 1%	69,802	-	4,363	65,439	331,673	329,289	(2,384)	4.36	149	5.07
Security Leasing Corporation Limited II* (note 6.12.3 & 6.12.4)	January 19, 2022	Nil	1,540	-	-	1,540	-	-	-	-	-	-
Eden Housing Limited* (note 6.12.3 & 6.12.4)	September 29, 2014	6 months KIBOR plus base rate of 2.5%	5,000	-	-	5,000	-	-	-	-	-	-
Arzoo Textile Mills Limited* (note 6.12.3 & 6.12.4)	April 15, 2014	6 months KIBOR plus base rate of 2%	5,000	-	-	5,000	-	-	-	-	-	-
Hascol Petroleum Limited - Sukuk (AA, JCR-VIS, non-traded) (note 6.12.3)	January 7, 2022	3 months KIBOR plus base rate of 150%	37,500	-	2,500	35,000	179,438	178,588	(850)	2.37	8.75	2.75
Fatima Fertilizer Company Limited - Sukuk (AA-, PACRA, non-traded)	November 28, 2021	6 months KIBOR plus base rate of 1.10%	10,298	-	-	10,298	52,312	51,858	(454)	0.69	0.49	0.80
Dubai Islamic Bank Pakistan Limited - Sukuk (A+, JCR-VIS, traded) (note 6.12.3)	July 14, 2027	6 months KIBOR plus base rate of 0.50%	441	-	-	441	143,637	143,637	-	1.90	3.53	2.21
International Brands Limited (AA, JCR-VIS) (note 6.12.3)	November 15, 2021	12 months KIBOR plus base rate of 0.50%	3,000	-	-	3,000	300,000	303,451	3,451	4.02	10.60	4.68
Neelum Jhelum Hydropower Company (Pvt.) Limited (AAA, JCR-VIS)	June 29, 2026	6 months KIBOR plus base rate of 1.13%	1,100	-	-	1,100	114,395	113,850	(545)	1.51	0.11	1.75
Meezan Bank Limited (AA, JCR-VIS, traded) (note 6.12.3)	September 22, 2026	6 months KIBOR plus base rate of 0.50%	200	-	-	200	203,000	201,900	(1,100)	2.67	2.86	3.11
Shakarganj Food Products Limited (A, JCR-VIS) (note 6.12.3)	July 10, 2024	3 months KIBOR plus base rate of 1.75%	-	82	-	82	82,000	82,000	-	1.09	11.31	1.26
Total							1,430,493	1,428,517	(1,976)			

* In case of debt securities against which provision has been made, these are carried at carrying value less provision.

6.1.2.1 Commercial papers

Name of the security	Maturity date	Profit rate	As at July 1, 2018	Purchases during the quarter	Sales / redemptions / maturity during the quarter	As at September 31, 2018	* Carrying value as at September 30, 2018	* Market value as at September 30, 2018	Total market value of investment
Hascol Petroleum Limited CP Sukuk (note 6.14 & 6.15)	January 4, 2019	6 months KIBOR plus base rate of 1.25%	-	70,072	-	70,072	357,440	357,440	5.51
K-Electric Limited CP sukuk (note 6.14 & 6.15)*	March 01, 2019	6 months KIBOR plus base rate of 0.90%	-	70	-	70	70,566	70,566	1.09
Total							428,006	428,006	

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

6.1.2.3 The securities are valued on the basis of amortization to its face value as per the requirements of Circular 33 of 2012 with respect to thinly and non traded debt securities with residual maturity of upto six months.

6.1.2.4 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, Neelum Jhelum Hydropower Company (Pvt.) Limited, Meezan Bank Limited and Shakarganj Food Products Limited having nominal value of Rs 1,000,000, Rs 984,375, Rs 100,000, Rs 100,000, Rs. 1,000,000 and Rs. 1,000,000 respectively.

6.1.2.5 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. The Management Company classified the Fund as a 'Balanced Scheme' in accordance with the said circular. As at September 30, 2018, the Fund is compliant with all the requirements of the said circular except for clause 2 (iv) which requires that the rating of any security in the portfolio shall not be lower than the A- (A Minus).

Following investments of the Fund are in the sukuk certificates which are below 'investments grade' securities:

Name of the investee company	Type of investments	Value of investments before provision	Provision held as at September 30, 2018	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	-		

7. CONTINGENCIES AND COMMITMENTS

The status of withholding tax on bonus shares is the same as disclosed in the annual financial statements for the year ended June 30, 2018. In the current period, Meezan Bank Limited, Attock Petroleum and Pakistan Oilfields Limited issued bonus shares after withholding 5 percent shares on account of tax on bonus shares. These have not been deposited with the Government Treasury due to pending adjudication of the constitutional petition and the stay order mentioned in the annual financial statements for the year ended June 30, 2018.

There were no other contingencies and commitments outstanding as at September 30, 2018 and June 30, 2018.

	Note	September 30, 2018 (Unaudited)	June 30, 2018 (Audited)
(Rupees in '000)			
8. ACCRUED EXPENSES AND OTHER LIABILITIES			
Withholding tax payable		670	-
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 and sales load	8.2	37,627	37,627
Brokerage expenses payable		812	180
Charity payable		4,388	3,732
Shariah advisory fee		642	429
Auditors' remuneration payable		519	480
Others		183	92
		83,497	81,196

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 SWWF not been provided, the NAV per unit/fund return would have been higher by Re 0.08 / 0.51% (June 30, 2018: Re 0.08 / 0.49%).

- 8.2 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 of 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 with effect from June 13, 2013, till June 30, 2016, aggregating to Rs 37.627 million (June 30, 2017: Rs 37.627 million). Had the provision not been made, the NAV per unit of the Fund would have been higher by Re 0.08 (June 30, 2018: Re 0.07) per unit.

9. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

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

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

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

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

	September 30, 2018 (Unaudited)	June 30, 2018 (Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	12,490	13,044
Sales load payable	723	232
Allocated expenses payable	625	653
Selling and Marketing expenses payable	10,098	2,347
Sindh Sales Tax on management fee payable	1,624	1,696
Sindh Sales Tax on sales load payable	94	30
Investment of 900,638 units (June 30, 2018: 900,638 units)	13,672	13,903
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	707	735
Sindh Sales Tax on trustee fee payable	92	96
Security deposit	300	300
Meezan Bank Limited		
Bank balance	17,106	45,222
Sales load payable	211	272
Sindh Sales Tax on sales load payable	27	35
Profit receivable in sukuk certificates	1,440	4,684
Investment in 200 sukuk certificates (June 30, 2018: 200 sukuk certificates)	201,900	203,000
Investment in 220,350 shares (June 30, 2018: 319 shares)	19,681	25
Investment of 18,886,746 units (June 30, 2018: 18,886,746 units)	286,714	291,547

Al Meezan Investment Management Limited - Employees Gratuity Fund

Investment of 445,734 units (June 30, 2018: 445,734 units)

6,767	6,881
-------	-------

Directors and Executives of the Management Company

Investment of 6,375,342 units (June 30, 2018: 6,277,570 units)

96,782	96,904
--------	--------

**For the quarter ended
September 30****2018** **2017****(Unaudited)****(Rupees in '000)****Al Meezan Investment Management Limited - Management Company**

Remuneration for the quarter

38,753	45,902
--------	--------

Sindh Sales Tax on management fee

5,038	5,967
-------	-------

Allocated expenses

1,938	2,295
-------	-------

Selling and marketing expenses

7,750	-
-------	---

Central Depository Company of Pakistan Limited - Trustee

Remuneration for the quarter

2,190	2,547
-------	-------

Sindh Sales Tax on trustee fee

284	331
-----	-----

CDS charges

21	61
----	----

Meezan Bank Limited

Profit on saving account

95	165
----	-----

Cash dividend income during the quarter

300	132
-----	-----

Purchase of shares: 200,000 shares (September 30, 2017: 79,518 shares)

17,000	5,682
--------	-------

Profit on sukuk certificates

3,777	-
-------	---

Bonus shares: 20,031 shares (September 30, 2017: nil)

-	-
---	---

Directors and Executives of the Management Company

Units issued: 101,633 units (September 30, 2017: 31,784 units)

1,567	513
-------	-----

Units redeemed: 3,860 units (September 30, 2017: 75,456 units)

60	1,206
----	-------

10. ALLOCATED EXPENSES

During the period, the Fund was charged 0.1% of the average annual net assets as allocated expenses by the Management Company according to regulation 60 of the NBFC Regulations.

11. EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the period ended September 30, 2018 is 3.05% which include 0.36% representing government levy and SECP fee.

12. SELLING AND MARKETING EXPENSE

SECP vide a circular no.40 SCD/PRDD/ Circular/361/2016 dated December 30, 2016, allowed the Asset Management Companies to charge selling and marketing expenses to open end equity, asset allocation and index funds, initially for three years (from January 1, 2017 till December 31, 2019). Maximum cap of selling and marketing expense shall be 0.4% per annum of net assets of fund or actual expenses whichever lower. Accordingly, such expenses have been charged at the rate of 0.4% of net assets of the Fund, being lower than actual expenses incurred.

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. 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.

Note	Carrying amount					Fair value				
	Investments	Other receivables	Cash and cash equivalents	Other payables	Total	Level 1	Level 2	Level 3	Total	
September 30, 2018										
Financial assets - measured at fair value										
Investments - 'at fair value through profit or loss'	6,489,988	-	-	-	6,489,988	6,489,988	-	-	6,489,988	
Financial assets - not measured at fair value										
Balances with banks	14.1	-	1,094,287	-	1,094,287					
Receivables against conversion of units	14.1	-	1	-	1					
Dividend receivable	14.1	-	47,713	-	47,713					
Advances, deposits and other receivable:	14.1	-	62,137	-	62,137					
		<u>6,489,988</u>	<u>1,098,511</u>	<u>1,094,287</u>	<u>-</u>	<u>7,694,126</u>				
Financial liabilities - not measured at fair value										
Payable to Al Meezan Investment Management Limited - Management Company	14.1	-	-	25,654	25,654					
Payable to Central Depository Company of Pakistan Limited - Trustee	14.1	-	-	799	799					
Payable to Meezan Bank Limited	14.1	-	-	238	238					
Payable on redemption and conversion of units	14.1	-	-	6,017	6,017					
Payable against purchase of investments	14.1	-	-	20,437	20,437					
Accrued expenses and other liabilities	14.1	-	-	44,711	44,711					
Dividend payable	14.1	-	-	7,490	7,490					
		<u>-</u>	<u>-</u>	<u>104,806</u>	<u>104,806</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, 2018										
Financial assets - measured at fair value										
Investments - 'at fair value through profit or loss'	6,204,967	-	-	-	6,204,967	6,204,967	-	-	6,204,967	
Financial assets - not measured at fair value										
Balances with banks	14.1	-	1,682,989	-	1,682,989					
Receivables against conversion of units	14.1	-	13,311	-	13,311					
Dividend receivable	14.1	-	14,017	-	14,017					
Advances, deposits and other receivable:	14.1	-	61,677	-	61,677					
		<u>6,204,967</u>	<u>89,005</u>	<u>1,682,989</u>	<u>-</u>	<u>7,976,961</u>				
Financial liabilities - not measured at fair value										
Payable to Al Meezan Investment Management Limited - Management Company	14.1	-	-	18,002	18,002					
Payable to Central Depository Company of Pakistan Limited - Trustee	14.1	-	-	831	831					
Payable to Meezan Bank Limited	14.1	-	-	307	307					
Payable on redemption and conversion of units	14.1	-	-	3,380	3,380					
Payable against purchase of investments	14.1	-	-	16,084	16,084					
Accrued expenses and other liabilities	14.1	-	-	42,540	42,540					
Dividend payable	14.1	-	-	8,437	8,437					
		<u>-</u>	<u>-</u>	<u>89,581</u>	<u>89,581</u>					

14.1 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 value.

15. GENERAL

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

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

16. DATE OF AUTHORISATION

This condensed interim financial information was authorised for issue on October 18, 2018 by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

Director

FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre,
Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (9221) 35630722-6111-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. Atif Azim	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Main 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. Main 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. Atif Azim	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)
Bank Islami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Habib Metropolitan Bank Limited – Islamic Banking
Meezan Bank Limited
Bank Al Habib Limited
Faysal 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: bawaney@cyber.net.pk

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, 2018

	September 30, 2018 (Unaudited)	June 30, 2018 (Audited)
Note	-----Rupees in 000-----	
Assets		
Balances with banks	5 487,785	454,128
Investments	6 2,339,466	2,433,085
Dividend receivable	24,285	5,809
Receivable against conversion of units	-	9,679
Advances, deposits and other receivables	7,711	8,034
Preliminary expenses and flotation costs	461	507
Total assets	2,859,708	2,911,242
Liabilities		
Payable to Al Meezan Investment Management Limited -Management Company	11,347	12,673
Payable to the Central Depository Company of Pakistan Limited - Trustee	332	340
Payable to Securities and Exchange Commission of Pakistan	684	2,896
Payable to Meezan Bank Limited	16	44
Payable on redemption and conversion of units	3,520	1,669
Payable against purchase of investments	-	2,190
Accrued expenses and other liabilities	7 14,760	14,266
Total liabilities	30,659	34,078
Net assets	2,829,049	2,877,164
Contingencies and commitments	8	
Unitholders' fund (as per statement attached)	2,829,049	2,877,164
	(Number of units)	
Number of units in issue	65,412,135	64,611,605
	(Rupees)	
Net assets value per unit	43.2496	44.5301

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

MEEZAN ASSET ALLOCATION FUND
CONDENSED INTERIM INCOME STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)

		September 30,	
		2018	2017
Note	-----	Rupees in 000 -----	
Income			
		24,437	24,307
		6,582	7,415
		(256)	1,850
		(96,536)	(328,138)
6.1		(96,792)	(326,288)
		(65,773)	(294,566)
Total loss			
Expenses			
		10,794	12,407
		1,403	1,613
	11	720	827
	13	2,878	3,308
		972	1,079
		126	140
		684	786
		97	116
		130	1,052
		296	117
		112	336
		46	45
		162	202
		18,420	22,028
		(84,193)	(316,594)
	14	-	-
		(84,193)	(316,594)
Allocation of net income for the quarter			
		-	-
		-	-
		-	-

* Due to 'NIL' distributable income for the quarter, disclosure related to accounting income available for distribution is not required.

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

**MEEZAN ASSET ALLOCATION FUND
 CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
 FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

	<u>September 30,</u>	
	<u>2018</u>	<u>2017</u>
	-----Rupees in 000-----	
Net loss for the quarter after taxation	(84,193)	(316,594)
Other comprehensive income for the quarter	-	-
Total comprehensive loss for the quarter	<u>(84,193)</u>	<u>(316,594)</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

**MEEZAN ASSET ALLOCATION FUND
 CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND
 FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

	September 30, 2018			September 30, 2017		
	Capital Value	Undistributed income / (loss)	Total	Capital Value	Undistributed income / (loss)	Total
	----- Rupees in 000-----			----- Rupees in 000-----		
Net assets at beginning of the quarter	3,339,382	(462,218)	2,877,164	3,253,053	(1,618)	3,251,435
Issuance of 2,577,981 units (2017: 12,501,780 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	114,798	-	114,798	636,216	-	-
- Element of loss	(1,056)	-	(1,056)	51,457	-	-
Total proceeds on issuance of units	113,742	-	113,742	687,673	-	687,673
Redemption of 1,777,451 units (2017: 7,463,298 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	79,150	-	79,150	379,807	-	379,807
- Element of income	(1,486)	-	(1,486)	39,776	-	39,776
Total payments on redemption of units	77,664	-	77,664	419,583	-	419,583
Total comprehensive loss for the quarter	-	(84,193)	(84,193)	-	(316,594)	(316,594)
Distribution during the quarter	-	-	-	-	-	-
Net loss for the quarter less distribution	-	(84,193)	(84,193)	-	(316,594)	(316,594)
Net assets at end of the quarter	3,375,460	(546,411)	2,829,049	3,521,143	(318,212)	3,202,931
Undistributed loss carried forward						
- Realised loss		(449,875)			9,926	
- Unrealised loss		(96,536)			(328,138)	
		<u>(546,411)</u>			<u>(318,212)</u>	
Accounting income available for distribution						
- Relating to capital gains	-	-	-	-	-	-
- Excluding capital gains	-	-	-	-	-	-
			(Rupees)			
Net assets value per unit at beginning of the quarter			<u>44,5301</u>			<u>50,8900</u>
Net assets value per unit at end of the quarter			<u>43,2496</u>			<u>46,4600</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

**MEEZAN ASSET ALLOCATION FUND
 CONDENSED INTERIM CASH FLOW STATEMENT
 FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

	September 30,	
	2018	2017
	-----Rupees in 000-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the quarter before taxation	(84,193)	(316,594)
Adjustments for		
Amortisation of preliminary expenses and flotation costs	46	45
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	96,536	328,138
	12,389	11,589
(Increase) / Decrease in assets		
Investments	(2,917)	(380,782)
Dividend receivable	(18,476)	(12,654)
Advances, deposits and other receivables	323	(1,954)
Receivable against sale of investment -net	-	(5,410)
	(21,070)	(400,800)
Increase / (Decrease) in liabilities		
Payable to Al Meezan Investment Management Limited -Management Company	(1,326)	929
Payable to the Central Depository Company of Pakistan Limited - Trustee	(8)	(1)
Payable to Securities and Exchange Commission of Pakistan	(2,212)	(564)
Payable to Meezan Bank Limited	(28)	887
Payable against purchase of investments	(2,190)	-
Accrued expenses and other liabilities	494	(63,581)
	(5,270)	(62,330)
Net cash used in operating activities	(13,951)	(451,541)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	123,421	910,656
Payments against redemption and conversion of units	(75,813)	(443,343)
Dividend paid	-	(42,321)
Net cash generated from financing activities	47,608	424,992
Net increase / (decrease) in cash and cash equivalents during the quarter	33,657	(26,549)
Cash and cash equivalents at beginning of the quarter	454,128	569,028
Cash and cash equivalents at end of the quarter	487,785	542,479

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

MEEZAN ASSET ALLOCATION FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2018 (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. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).
- 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 instrument as permitted by the SECP and Shariah Advisor.
- 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 of the Fund has been given quality rating of AM1 by JCR-VIS Credit Rating Company Limited.
- 1.5** Title to the assets of the Fund are held in the name of CDC as the Trustee of the Fund.

2. BASIS OF PRESENTATION

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

3. STATEMENT OF COMPLIANCE

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the repealed Companies Ordinance, 1984 (now Companies Act, 2017), the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

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 year ended June 30, 2018.

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

- 4.1** The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2018 except for the following:
- 4.1.1** During the current period IFRS-9 became applicable, according to the standard, all equity investments are to be measured at fair value in the statement of financial position with value change recognized in profit or loss. Standard also retains an option in respect of equity investments (other than held for trading) for which the entity may elect to report value change in 'other comprehensive income'. However, the fund measured its all financial assets at fair value through profit or loss (FVTPL).
- 4.2** The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2018.

5. BALANCES WITH BANKS

		September 30,	June 30,
		2018	2018
		(Unaudited)	(Audited)
	Note	-----Rupees in 000-----	
In saving accounts	5.1	480,019	449,911
In current accounts		7,766	4,217
		487,785	454,128

- 5.1** The balance in saving accounts have an expected profit ranging from 2.00% to 7.70% per annum (June 30, 2018: 2% to 6.55% per annum).

		September 30, 2018 (Unaudited)	June 30, 2018 (Audited)
	Note	-----Rupees in 000-----	
6. INVESTMENTS			
Investments at 'fair value through profit or loss'			
Held for trading - shares of listed companies	6.1	2,339,466	2,433,085

6.1 Held for trading - shares of listed companies

Name of the investee company	As at July 1, 2018	Purchases during the quarter	Bonus / right issue	Sales during the quarter	As at September 30, 2018	Carrying value as at September 30, 2018	Market value as at September 30, 2018	Unrealised (loss) / gain as at September 30, 2018	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	74,000	-	-	-	74,000	23,413	18,849	(4,564)	0.67	0.05	0.81	
Pak Suzuki Motor Company Limited	15,000	-	-	-	15,000	5,901	4,647	(1,254)	0.16	0.02	0.20	
Ghandhara Industries Limited	50,000	-	-	-	50,000	35,335	33,901	(1,434)	1.20	0.23	1.45	
									2.03	0.30	2.46	
Automobile parts & accessories												
Ghandhara Nissan	131,098	-	-	20,000	111,098	19,961	13,732	(6,229)	0.49	0.19	0.59	
Chemicals												
Enro Polymer & Chemicals Limited	1,113,000	561,761	-	150,000	1,524,761	44,920	44,279	(641)	1.57	0.17	1.89	
ICI Pakistan Limited	65,800	-	-	-	65,800	52,739	49,915	(2,824)	1.76	0.07	2.13	
									3.33	0.24	4.02	
Cement												
Cherat Cement Company Limited	256,000	-	-	30,000	226,000	21,974	18,204	(3,770)	0.64	0.13	0.78	
Dewan Cement Limited	450,000	-	-	3,000	447,000	8,046	6,316	(1,730)	0.22	0.09	0.27	
D.G. Khan Cement Company Limited	489,000	-	-	-	489,000	55,986	50,078	(5,908)	1.77	0.11	2.14	
Kohat Cement Company Limited	150,000	-	-	-	150,000	18,461	18,771	310	0.66	0.10	0.80	
Lucky Cement Limited	337,900	10,000	-	-	347,900	176,954	178,452	1,498	6.31	0.11	7.63	
Maple Leaf Cement Limited	384,112	100,000	-	-	484,112	24,930	22,802	(2,128)	0.81	0.07	0.97	
Pioneer Cement Limited	45,500	-	-	45,000	500	23	22	(1)	0.00	0.00	0.00	
									10.41	0.61	12.59	
Engineering												
Crescent Steel and Allied Products Limited	70,800	-	-	-	70,800	6,455	5,418	(1,037)	0.19	0.09	0.23	
International Industries Limited	120,000	-	-	-	120,000	27,875	25,824	(2,051)	0.91	0.10	1.10	
International Steels Limited	244,000	-	-	-	244,000	24,815	22,197	(2,618)	0.78	0.06	0.95	
Mughal Iron & Allied Steels	35,000	-	-	-	35,000	2,150	1,713	(437)	0.06	0.01	0.07	
									1.94	0.26	2.35	
Fertilizer												
Dawood Hercules Corporation Limited	180,000	-	-	-	180,000	19,940	19,179	(761)	0.68	0.04	0.82	
Engro Corporation Limited (note 6.1.3)	722,000	-	-	-	722,000	226,607	224,997	(1,610)	7.95	0.14	9.62	
Engro Fertilizers Limited	2,115,000	-	-	175,000	1,940,000	145,325	146,451	1,126	5.18	0.15	6.26	
									13.81	0.33	16.70	
Food and personal care products												
Enro Foods Limited	700	-	-	-	700	62	59	(3)	0.00	0.00	0.00	
Al-Tahir Limited	-	764,857	-	530,000	234,857	4,932	5,918	986	0.21	0.16	0.25	
Al-Shaheer Corporation Limited	3,750	-	-	-	3,750	102	103	1	0.00	0.00	0.00	
									0.21	0.16	0.25	
Glass and Ceramics												
Tariq Glass Industries	-	10,000	-	-	10,000	1,000	948	(52)	0.03	0.01	0.04	
Oil and gas exploration companies												
Oil and Gas Development Company Limited	2,083,300	-	-	100,000	1,983,300	308,641	303,425	(5,216)	10.73	0.05	12.97	
Mari Petroleum Company Limited	38,460	16,740	-	-	55,200	83,038	86,020	2,982	3.04	0.05	3.68	
Pakistan Oilfields Limited	81,000	-	13,800	12,000	82,800	46,354	45,472	(882)	1.61	0.03	1.94	
Pakistan Petroleum Limited	874,600	-	-	-	874,600	187,952	186,640	(1,312)	6.60	0.04	7.98	
									21.98	0.17	26.57	
Oil and gas marketing companies												
Hascol Petroleum Limited	229,400	10,000	-	-	239,400	75,004	65,210	(9,794)	2.31	0.17	2.79	
Hi-Tech Lubricants Limited	213,900	-	-	-	213,900	21,672	17,850	(3,822)	0.63	0.18	0.76	
Sui Northern Gas Pipelines Limited	1,636,400	-	-	120,000	1,516,400	151,974	135,142	(16,832)	4.78	0.24	5.78	
Sui Southern Gas Company Limited	780,000	-	-	-	780,000	25,600	21,606	(3,994)	0.76	0.09	0.92	
Pakistan State Oil Company Limited	412,540	-	-	-	412,540	131,316	131,534	218	4.65	0.13	5.62	
									13.13	0.81	15.87	
Paper and Board												
Cherat Packaging Limited	11,350	-	-	-	11,350	1,631	1,964	333	0.07	0.03	0.08	
Packages Limited	102,900	-	-	7,050	95,850	46,940	42,866	(4,074)	1.52	0.11	1.83	
									1.59	0.14	1.91	
Pharmaceuticals												
Abbott Laboratories (Pakistan) Limited	19,050	-	-	-	19,050	13,049	11,755	(1,294)	0.42	0.02	0.50	
AGP Limited	422,500	-	-	-	422,500	37,514	36,453	(1,061)	1.29	0.15	1.56	
GlaxoSmithKline Consumer Healthcare Limited	97,000	-	-	-	97,000	39,290	33,709	(5,581)	1.19	0.10	1.44	
GlaxoSmithKline Pakistan Limited	10,600	-	-	-	10,600	1,760	1,567	(193)	0.06	0.00	0.07	
The Searle Company Limited	218,304	-	-	-	218,304	74,114	68,969	(5,145)	2.44	0.12	2.95	
									5.40	0.39	6.52	
Power generation and distribution												
K-Electric Limited (face value Rs. 3.5)	12,355,000	-	-	-	12,355,000	70,175	66,099	(4,076)	2.34	0.05	2.83	
The Hub Power Company Limited	738,200	-	-	-	738,200	68,032	64,570	(3,462)	2.28	0.06	2.76	
									4.62	0.11	5.59	
Refinery												
National Refinery Limited	24,000	-	-	7,000	17,000	7,530	5,949	(1,581)	0.21	0.02	0.25	
Textile composite												
Nishat Mills Limited	457,000	90,000	-	50,000	497,000	70,224	69,873	(351)	2.47	0.14	2.99	
Commercial Banks												
Meezan Bank Limited (an associate of the Fund)	410	125,000	12,541	-	137,951	10,658	12,301	1,643	0.43	0.01	0.53	
Technology and Communication												
Systems Limited	70,000	-	-	14,000	56,000	5,668	6,742	1,074	0.24	0.05	0.29	
Avanceon Limited	30,000	25,000	-	-	55,000	3,987	4,563	576	0.16	0.04	0.20	
									0.40	0.09	0.49	
Vanaspatti & Allied Industries												
Unity Foods Limited	250,000	-	-	46,000	204,000	5,973	6,412	439	0.23	0.12	0.27	
Total						2,436,002	2,339,466	(96,536)				

6.1.1 Net assets are as defined in regulation 66 of NBFC Regulations, 2008.

6.1.2 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.

6.1.3 105,000 shares (June 30, 2018: 105,000 shares) of Engro Corporation Limited, having market value of Rs. 32.72 million as at September 30, 2018 (June 30, 2018: Rs. 32.96 million), have been pledged as collateral in favour of National Clearing Company of Pakistan Limited against exposure margins and mark to market losses.

7. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	September 30, 2018 (Unaudited)	June 30, 2018 (Audited)
		-----Rupees in 000-----	
Charity payable		2,482	2,186
Brokerage payable		792	745
Auditors' remuneration payable		282	270
Withholding tax payable		28	28
Capital gain tax payable		-	4
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		403	269
Zakat payable		66	57
		<u>14,760</u>	<u>14,266</u>

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

Had the SWWF not been provided, the NAV per unit/fund return would have been higher by Re 0.15 / 0.35% as at September 30, 2018.

- 7.2** 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.

Effectively 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 April 21, 2016 till June 30, 2016, aggregating to Rs 0.627 million (June 30, 2018: Rs 0.627 million). Had the provision not been made, the Net Asset Value per unit of the Fund would have been higher by Re 0.01 (June 30, 2018: Re 0.01) per unit.

8. CONTINGENCIES AND COMMITMENTS

The status of withholding tax on bonus shares is the same as disclosed in the annual financial statements for the year ended June 30, 2018. In the current period, Pakistan Oilfields Limited and Meezan Bank Limited issued bonus shares after withholding 5 percent shares on account of tax on bonus shares. These have not been deposited by the Companies with the Government Treasury due to pending adjudication of the constitutional petition and the stay order mentioned in the annual financial statements for the year ended June 30, 2018.

There were no other contingencies and commitments outstanding as at September 30, 2018 and June 30, 2018.

9. 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:

	<u>September 30,</u> <u>2018</u> <u>(Unaudited)</u>	<u>June 30,</u> <u>2018</u> <u>(Audited)</u>
	-----Rupees in 000-----	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	3,514	3,621
Sindh Sales Tax on management fee payable	457	471
Sales load payable	149	212
Sindh sales tax on sales load payable	20	28
Allocated expense payable	234	241
Selling & marketing expense payable	6,973	8,100
Meezan Bank Limited		
Sales load payable	14	39
Sindh Sales Tax on sales load payable	2	5
Bank balance	79,937	97,801
Profit receivable on saving account	134	190
Investment in 137,951 shares (June,30 2018: 410 Units)	12,301	34
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	294	301
Sindh Sales Tax on Trustee Fee payable	38	39
Deposits	100	100
Directors and Executives of the Management Company		
Investments as at September 30, 2018: 3,638 units (June 30, 2018: 2,012 units)	157	90
	For the quarter ended	
	September 30,	
	2018	2017
	-----Rupees in 000-----	
Al Meezan Investment Management Company Limited (Al Meezan) - Management Company		
Remuneration for the quarter	10,794	12,407
Sindh Sales Tax on management fee for the quarter	1,403	1,613
Allocated expenses	720	827
Selling and marketing expense	2,878	3,308
Meezan Bank Limited		
Shares purchased during the quarter: 125,000 shares (September 30, 2017: 104,410 shares)	10,625	7,596
Shares disposed off during the quarter: Nil (September 30, 2017: 98,000 shares)	-	6,983
Bonus shares issued: 12,541 shares (September 30, 2017: Nil)	1,053	-
Profit on saving account	341	1,901
Dividend income	188	172
Central Depository Company of Pakistan Limited - Trustee		
Remuneration for the quarter	972	1,079
Sindh Sales Tax on Trustee Fee for the quarter	126	140
CDS charges	10	51
Directors and Executives of the Management Company		
Units issued: 1,626 units (September 30, 2017: Nil units)	72	-
Units redeemed: Nil units (September 30, 2017: 45 units)	-	2

10. 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.

Note	Carrying amount					Fair value			
	Investments	Other receivables	Cash and cash equivalents	Other payables	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)									
September 30, 2018									
Financial assets - measured at fair value									
Investments	2,339,466	-	-	-	2,339,466	2,339,466	-	-	2,339,466
Financial assets - not measured at fair value									
Balances with banks	10.1	-	487,785	-	487,785				
Dividend receivable	10.1	24,285	-	-	24,285				
Deposits, profit accrued and other receivable	10.1	5,241	-	-	5,241				
		<u>2,339,466</u>	<u>29,526</u>	<u>487,785</u>	<u>-</u>	<u>2,856,777</u>			
Financial liabilities - not measured at fair value									
Payable to Al Meezan Investment Management Limited - Management Company	10.1	-	-	11,347	11,347				
Payable to Central Depository Company of Pakistan Limited - Trustee	10.1	-	-	332	332				
Payable to Meezan Bank Limited	10.1	-	-	16	16				
Payable on redemption and conversion of units	10.1	-	-	3,520	3,520				
Accrued expenses and other liabilities	10.1	-	-	3,959	3,959				
		<u>-</u>	<u>-</u>	<u>19,174</u>	<u>19,174</u>				

Note	Carrying amount					Fair value			
	Investments	Other receivables	Cash and cash equivalents	Other payables	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)									
June 30, 2018									
Financial assets - measured at fair value									
Investments	2,433,085	-	-	-	2,433,085	2,433,085	-	-	2,433,085
Financial assets - not measured at fair value									
Balances with banks	10.1	-	454,128	-	454,128				
Dividend receivable	10.1	5,809	-	-	5,809				
Receivable against conversion of units	10.1	9,679	-	-	9,679				
Deposits, profit accrued and other receivable	10.1	5,064	-	-	5,064				
		<u>2,433,085</u>	<u>20,552</u>	<u>454,128</u>	<u>-</u>	<u>2,907,765</u>			
Financial liabilities - not measured at fair value									
Payable to Al Meezan Investment Management Limited - Management Company	10.1	-	-	12,673	12,673				
Payable to Central Depository Company of Pakistan Limited - Trustee	10.1	-	-	340	340				
Payable to Meezan Bank Limited	10.1	-	-	44	44				
Payable on redemption and conversion of units	10.1	-	-	1,669	1,669				
Payable against purchase of investments	10.1	-	-	2,190	2,190				
Accrued expenses and other liabilities	10.1	-	-	3,470	3,470				
		<u>-</u>	<u>-</u>	<u>20,386</u>	<u>20,386</u>				

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

11. ALLOCATED EXPENSES

During the quarter, the Fund was charged 0.1% of the average annual net assets as allocated expenses by the Management Company according to regulation 60 of the NBFC Regulations.

12. EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the quarter ended September 30, 2018 is 2.56% which include 0.31% representing government levy and SECP fee.

13. SELLING AND MARKETING EXPENSE

SECP vide a circular no.40 SCD/PRDD/ Circular/361/2016 dated December 30, 2016, allowed the Asset Management Companies to charge selling and marketing expenses to open end equity, asset allocation and index funds, initially for three years (from January 1, 2017 till December 31, 2019).

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 at the rate of 0.4% of net assets of the Fund, being lower than the 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 period.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

15. GENERAL

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

16. DATE OF AUTHORISATION FOR ISSUE AND GENERAL

16.1 This condensed interim financial information was authorised for issue on October 18, 2018 by the Board of Directors of the Management Company.



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

Chief Executive

Chief Financial Officer

Director

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 Shoab, CFA	Chief Executive Officer
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Atif Azim	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 Syed	Chairman
Amir Ali Zaidi	Member
Mr. Naeem Abdul Sattar	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Atif Azim	Chairman
Mr. Ariful Islam	Member
Mr. Naeem Abdul Sattar	Member
Mr. Mohammad Shoab, 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

Faysal Bank Limited - Islamic Banking
 Habib Metropolitan Bank - Islamic Banking
 Meezan Bank Limited
 Al Baraka Islamic bank
 Dubai Islamic Bank Pakistan 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: bawaney@cyber.net.pk

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

MEEZAN DEDICATED EQUITY FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2018

		September 30, 2018 (Unaudited)	June 30, 2018 (audited)
	Note	(Rupees in '000)	
Assets			
Balances with banks	5	180,816	122,500
Investments	6	1,700,282	1,741,607
Receivable against sale of investments - net		10,295	-
Dividend receivable		18,332	2,103
Advances, deposits and other receivables		1,866	2,661
Total assets		1,911,591	1,868,871
Liabilities			
Payable to Al Meezan Investment Management Limited - Management Company		8,394	7,319
Payable to Central Depository Company of Pakistan Limited - Trustee		270	269
Payable to Securities and Exchange Commission of Pakistan		457	922
Payable against purchase of investments - net		-	2,530
Accrued expenses and other liabilities	7	1,367	999
Total liabilities		10,488	12,039
Net assets		1,901,103	1,856,832
Contingencies and commitments	8		
Unitholders' fund (as per statement attached)		1,901,103	1,856,832
Number of units in issue		40,532,540	38,257,817
		(Rupees)	
Net assets value per unit		46.9031	48.5347

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

**MEEZAN DEDICATED EQUITY FUND
 CONDENSED INTERIM INCOME STATEMENT
 FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

	Quarter Ended September 30, 2018
Note	(Rupees in '000)
Income	
Net realised loss on sale of investments	(6,492)
Dividend income	18,321
Profit on saving accounts with banks	597
	<u>12,426</u>
Net unrealised diminution on re-measurement of investments 'at fair value through profit or loss'	6.1 <u>(74,321)</u>
Total loss	(61,895)
Expenses	
Remuneration to AI Meezan Investment Management Limited - Management Company	9,631
Sindh Sales Tax on management fee	1,252
Allocated expenses	482
Selling and marketing expenses	1,926
Remuneration to Central Depository Company of Pakistan Limited - Trustee	734
Sindh Sales Tax on trustee fee	95
Annual fee to Securities and Exchange Commission of Pakistan	457
Auditors' remuneration	70
Brokerage expenses	398
Charity expense	234
Bank and settlement charges	108
Fees and subscription	141
Printing expenses	10
Total expenses	15,538
Net loss for the quarter before taxation	(77,433)
Taxation	14 -
Net loss for the quarter after taxation	(77,433)
Allocation of net loss for the quarter	
Net income for the quarter after taxation	-
Income already paid on units redeemed	-
	<u>-</u>

* Due to "NIL" distributable income for the quarter , disclosure related to accounting income available for the distribution is not required.

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



**MEEZAN DEDICATED EQUITY FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

**Quarter Ended
September 30, 2018**

(Rupees in '000)

Net loss for the quarter after taxation	(77,433)
Other comprehensive income for the quarter	-
Total comprehensive loss for the quarter	<u><u>(77,433)</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

**MEEZAN DEDICATED EQUITY FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

For the quarter ended September 30, 2018

	Capital Value	Undistributed income	Total
------(Rupees in '000)-----			
Net assets at beginning of the quarter	1,925,907	(69,075)	1,856,832
Issuance of 28,747,994 units			
- Capital value (at par value)	1,395,275	-	1,395,275
- Element of loss	(30,675)	-	(30,675)
Total proceeds on issuance of units	1,364,600	-	1,364,600
Redemption of 26,473,271 units			
- Capital value	1,284,874	-	1,284,874
- Element of income	(27,732)	(14,246)	(41,978)
Total payments on redemption of units	1,257,142	(14,246)	1,242,896
Total comprehensive loss for the quarter	-	(77,433)	(77,433)
Distribution during the quarter	-	-	-
Net loss for the quarter less distribution	-	(77,433)	(77,433)
Net assets at end of the quarter	2,033,365	(132,262)	1,901,103
Undistributed loss carried forward			
- Realised loss		(57,941)	
- Unrealised loss		(74,321)	
		(132,262)	
Accounting income available for distribution			
- Relating to capital gains		-	
- Excluding capital gains		-	
		-	
			(Rupees)
Net assets value per unit at beginning of the quarter			<u>48.5347</u>
Net assets value per unit at end of the quarter			<u>46.9031</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

**MEEZAN DEDICATED EQUITY FUND
CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

	Quarter Ended September 30, 2018
Note	(Rupees in '000)
CASH FLOWS FROM OPERATING ACTIVITIES	
Net loss for the quarter before taxation	(77,433)
Adjustments for	
Net unrealised diminution on re-measurement of investments at 'fair value through profit or loss'	6.1 <u>74,321</u> (3,112)
Increase in assets	
Investments - net	<u>(32,996)</u>
Dividend receivable	(16,229)
Receivable against sale of investments - net	(10,295)
Deposits and other receivable	795
	<u>(58,725)</u>
Increase in liabilities	
Payable to Al Meezan Investment Management Limited - Management Company	<u>1,075</u>
Payable to Central Depository Company of Pakistan Limited - Trustee	1
Payable to Securities and Exchange Commission of Pakistan	(465)
Payable against purchase of investments - net	(2,530)
Accrued expenses and other liabilities	368
	<u>(1,551)</u>
Net cash used in operating activities	<u>(63,388)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Receipts against issuance and conversion of units	<u>1,364,600</u>
Payment against redemption and conversion of units	<u>(1,242,896)</u>
Net cash generated from financing activities	<u>121,704</u>
Net increase in cash and cash equivalents during the quarter	<u>58,316</u>
Cash and cash equivalents at beginning of the quarter	122,500
Cash and cash equivalents at end of the quarter	5 <u><u>180,816</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



**MEEZAN DEDICATED EQUITY FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

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 (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 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 in the process of listing on the Pakistan Stock Exchange.
- 1.4** The Management Company of the Fund has been given quality rating of AM1 by JCR-VIS Credit Rating Company Limited.
- 1.5** Title to the assets of the Fund are held in the name of CDC as the Trustee of the Fund.

2. BASIS OF PRESENTATION

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

3. Statement of compliance

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the repealed Companies Ordinance, 1984, (now Companies Act, 2017), the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

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 year ended June 30, 2018.

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

- 4.1** The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements of the Fund for the year ended June 30, 2018 except for the following:

4.1.1 Reclassification of financial assets

During the current period IFRS-9 became applicable, according to the standard, all equity investments are to be measured at fair value in the statement of financial position with value change recognized in profit or loss. Standard also retains an option in respect of equity investments (other than held for trading) for which the entity may elect to report value change in 'other comprehensive income'. However, the fund measured its all financial assets at fair value through profit or loss (FVTPL).

- 4.2** The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2018.

5. BALANCES WITH BANKS

	Note	September 30, 2018 (Unaudited)	June 30, 2018 (audited)
		(Rupees in '000)	
On saving accounts	5.1	180,321	122,326
Current accounts		495	174
		<u>180,816</u>	<u>122,500</u>

- 5.1** The balance in saving accounts have an expected profit ranging from 2.00% to 2.40% per annum (June 30, 2018: 2.00% to 2.40% per annum).

6. INVESTMENTS	Note	September 30,	June 30,
		2018 (Unaudited)	2018 (audited)
Investments at 'fair value through profit or loss'			
Ordinary shares - Held for trading	6.1	1,700,282	1,741,607

6.1 Ordinary shares - Held for trading

Name of the investee company	As at July 01, 2018	Purchases during the quarter	Bonus/rights issue	Sales during the quarter	As at September 30, 2018	Carrying value as at September 30, 2018	Market value as at September 30, 2018	Unrealised gain / (loss) as at September 30, 2018	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												
Gandhara Industries Limited	33,000	-	-	-	33,000	23,321	22,374	(947)	1.18	0.15	1.32	
Milat Tractors limited	13,000	-	-	-	13,000	15,445	13,184	(2,261)	0.69	0.03	0.78	
Pak Suzuki Motors Company Limited	27,100	-	-	-	27,100	10,661	8,396	(2,265)	0.44	0.03	0.49	
									2.31	0.21	2.59	
Automobile Parts & Accessories												
General Tyre & Rubber Company Limited	25,000	-	-	12,000	13,000	2,161	2,118	(43)	0.11	0.02	0.12	
Gandhara Nissan Limited	139,458	-	-	15,000	124,458	22,361	15,383	(6,978)	0.81	0.28	0.90	
									0.92	0.30	1.02	
Commercial Bank												
Meezan Bank Limited	500	100,000	10,050	-	110,550	8,541	9,859	1,318	0.52	0.01	0.58	
Cement												
Lucky Cement Limited	263,400	24,700	-	-	288,100	147,126	147,778	652	7.77	0.09	8.69	
Cherat Cement Company Limited	96,500	-	-	30,000	66,500	6,466	5,357	(1,109)	0.28	0.04	0.32	
Dewan Cement Limited	369,500	-	-	100,500	269,000	4,842	3,801	(1,041)	0.2	0.06	0.22	
DG Khan Cement Limited	305,600	285,000	-	250,000	340,600	41,552	34,881	(6,671)	1.83	0.08	2.05	
Maple Leaf Cement Factory Limited	570,000	95,000	-	-	665,000	34,091	31,322	(2,769)	1.65	0.11	1.84	
Kohat Cement Company Limited	29,900	-	-	-	29,900	3,680	3,742	62	0.2	0.02	0.22	
Poioneer Cement Limited	98,000	-	-	25,000	73,000	3,421	3,173	(248)	0.17	0.03	0.19	
									12.10	0.43	13.53	
Chemical												
Engro Polymer & Chemicals Limited	588,450	349,968	273,226	175,000	1,036,644	31,835	30,104	(1,731)	1.58	0.16	1.77	
ICI Pakistan Limited	73,200	-	-	-	73,200	58,670	55,528	(3,142)	2.92	0.08	3.27	
									4.50	0.24	5.04	
Engineering												
Amreli Steels Limited	139,000	-	-	-	139,000	9,806	9,028	(778)	0.47	0.05	0.53	
International Industries Limited	64,800	-	-	-	64,800	15,052	13,945	(1,107)	0.73	0.05	0.82	
International Steel Limited	247,500	-	-	-	247,500	25,171	22,515	(2,656)	1.18	0.06	1.32	
Mughal Iron & Steel Industries Limited	382,500	-	-	-	382,500	23,493	18,716	(4,777)	0.98	0.15	1.10	
									3.36	0.31	3.77	
Fertilizer												
Engro Corporation Limited	544,900	30,000	-	100,000	474,900	149,573	147,993	(1,580)	7.78	0.09	8.70	
Engro Fertilizers Limited	1,403,000	-	-	420,000	983,000	73,637	74,207	570	3.90	0.07	4.36	
									11.68	0.16	13.06	
Food & Personal Care Product												
AT- Tahir limited	-	510,083	-	310,000	200,083	4,202	5,042	840	0.27	0.14	0.30	
Glass & Ceramics												
Tariq Glass Industries	-	10,000	-	-	10,000	1,010	948	(62)	0.05	0.01	0.06	
Oil and Gas Exploration Companies												
Mari Petroleum Company Limited	42,320	7,080	-	-	49,400	74,555	76,982	2,427	4.05	0.04	4.53	
Pakistan Oilfields Limited	142,800	-	28,560	-	171,360	95,932	94,107	(1,825)	4.95	0.07	5.53	
Pakistan Petroleum Limited	642,000	-	-	-	642,000	137,966	137,003	(963)	7.21	0.03	8.06	
Oil and Gas Development Company Limited	919,600	375,000	-	231,100	1,063,500	164,542	162,705	(1,837)	8.56	0.02	9.57	
									24.77	0.16	27.69	
Oil and Gas Marketing Companies												
Haseco Petroleum Limited	106,400	81,800	-	10,000	178,200	55,856	48,540	(7,316)	2.55	0.15	2.85	
Pakistan State Oil Company Limited (note 8)	210,300	25,000	-	40,000	195,300	62,580	62,269	(311)	3.28	0.06	3.66	
Sui Northern Gas Pipeline Limited	689,100	40,000	-	90,000	639,100	63,931	56,957	(6,974)	3.00	0.10	3.35	
Sui Southern Gas Company Limited	1,159,000	162,500	-	-	1,321,500	43,385	36,606	(6,779)	1.93	0.15	2.15	
									10.76	0.46	12.01	
Paper and Board												
Packages Limited	125,550	-	-	15,000	110,550	54,139	49,440	(4,699)	2.6	0.12	2.91	
Pharmaceuticals												
GlaxoSmithKline Consumer HealthCare	22,000	-	-	-	22,000	8,911	7,645	(1,266)	0.4	0.02	0.45	
Abbott laboratories (Pakistan)	6,000	-	-	-	6,000	4,110	3,702	(408)	0.19	0.01	0.22	
AGP Limited	462,500	-	-	-	462,500	41,065	39,905	(1,160)	2.1	0.17	2.35	
GlaxoSmithKline Pakistan Limited	10,000	-	-	-	10,000	1,660	1,478	(182)	0.08	0.00	0.09	
The Searle Company Limited	147,700	50,000	-	-	197,700	66,765	62,458	(4,307)	3.29	0.13	3.67	
									6.06	0.33	6.78	
Power Generation and Distribution												
K-Electric Limited (note 6.1.1)	7,435,000	450,000	-	-	7,885,000	44,706	42,185	(2,521)	2.22	0.08	2.48	
The Hub Power Company Limited	621,500	-	-	-	621,500	57,277	54,362	(2,915)	2.9	0.05	3.20	
									5.12	0.13	5.68	
Refinery												
Attock Refinery Limited	15,800	-	200	15,000	1,000	172	151	(21)	0.01	0.00	0.01	
National Refinery Limited	58,650	-	-	50,000	8,650	3,832	3,028	(804)	0.16	0.01	0.18	
									0.17	0.01	0.19	
Technology and Communication												
Awanecon Limited	50,000	150,000	-	-	200,000	14,394	16,592	2,198	0.87	0.15	0.98	
System Limited	120,000	-	-	25,000	95,000	9,616	11,437	1,821	0.6	0.08	0.67	
									1.47	0.23	1.65	
Textile Composite												
Nishat Mills Limited	305,600	50,000	-	50,000	305,600	43,169	42,964	(205)	2.26	0.09	2.53	
Vanaspatti & Allied Industries												
Unity Foods limited	300,000	50,000	-	20,000	330,000	9,923	10,372	449	0.55	0.2	0.61	
Total						1,774,603	1,700,282	(74,321)				

6.1.1 All shares have a nominal value of Rs10 each except for the shares of K-Electric Limited which have nominal value of Rs 3.50 each.

	September 30, 2018 (Unaudited)	June 30, 2018 (audited)
7. ACCRUED EXPENSES AND OTHER LIABILITIES		
Auditors' remuneration payable	213	200
Withholding tax payable	-	23
Printing expenses payable	30	20
Charity payable	721	487
Shariah advisory fee payable	403	269
	1,367	999

8. CONTINGENCIES AND COMMITMENTS

The status of withholding on bonus shares is the same as disclosed in the annual financial statements for the year ended June 30, 2018. In the current period, Meezan Bank Limited, Attock Refinery Limited and Pakistan Oilfield Limited issued bonus shares after withholding 5 percent shares on account of tax on bonus shares. These have not been deposited with the Government Treasury due to pending adjudication of the constitutional petition and the stay order mentioned in the annual financial statements for the year ended June 30, 2018.

There were no other contingencies and commitments outstanding as at September 30, 2018 and June 30, 2018.

9. 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, 2018	June 30, 2018
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	3,144	3,129
Sindh Sales Tax on management fee payable	409	407
Selling and marketing expense	4,684	3,627
Allocated expense payable	157	156
Meezan Bank Limited		
Bank balance	104,569	110,322
Profit receivable on saving accounts	268	281
Investment of 110,500 (June 30, 2018: 500 shares)	9,859	32
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	239	239
Sindh Sales Tax on trustee fee payable	31	30
Deposit	103	103
Meezan Financial Planning Fund of Funds MAAP - I		
Investment of 12,124,882 units (June 30, 2018: 12,759,249 units)	568,695	619,266
Meezan Financial Planning Fund of Funds MAAP - IV		
Investment of nil units (June 30, 2018: 2,136,721 units)	-	103,705
Meezan Strategic Allocation Fund MSAP - I		
Investment of 13,343,471 units (June 30, 2018: 3,762,961 units)	625,851	182,634
Meezan Strategic Allocation Fund MSAP - II		
Investment of 1,953,574 units (June 30, 2018: 1,953,574 units)	91,629	94,817
Meezan Strategic Allocation Fund MSAP - III		
Investment of 2,190,402 units (June 30, 2018: 2,190,402 units)	102,737	106,311
Meezan Strategic Allocation Fund MSAP - IV		
Investment of 1,926,093 units (June 30, 2018: 1,979,375 units)	90,340	96,068
Meezan Strategic Allocation Fund MSAP - V		
Investment of 1,433,085 units (June 30, 2018: 1,433,085 units)	67,216	69,554
Meezan Strategic Allocation Fund MCPP-III		
Investment of 2,817,623 units (June 30, 2018: 2,917,421 units)	132,155	141,596
Meezan Strategic Allocation Fund-II MCPP-IV		
Investment of 1,697,500 units (June 30, 2018: 7,003,244 units)	79,618	339,900
Meezan Strategic Allocation Fund-II MCPP-V		
Investment of 2,031,002 units (June 30, 2018: 2,121,785 units)	95,260	102,980
Meezan Strategic Allocation Fund-II MCPP-VI		
Investment of 1,012,134 units	47,472	-

Quarterly
September 30,
2018
(Unaudited)

**Al Meezan Investment Management Company Limited -
Management Company**

(Rupees in '000)

Remuneration for the period	9,631
Sindh Sales Tax on management fee for the period	1,252
Allocated expenses	482
Selling and marketing expense	1,926
Meezan Bank Limited	
Profit on saving account	376
Shares Purchased during the quarter: 100,000 shares	8,500
Bonus shares received: 10,050 units	-
Central Depository Company of Pakistan Limited - Trustee	
Remuneration fee for the period	734
Sindh Sales Tax on trustee fee for the period	95
CDS charges	26
Meezan Financial Planning Fund of Funds MAAP - I	
Units redeemed: 634,367 units	30,000
Meezan Financial Planning Fund of Funds MAAP - IV	
Units redeemed: 2,136,720 units	99,023
Meezan Strategic Allocation Fund MSAP - I	
Units issued: 13,834,033 units	648,000
Units redeemed: 4,253,522 units	200,000
Meezan Strategic Allocation Fund MSAP - IV	
Units redeemed: 53,282 units	2,470
Meezan Strategic Allocation Fund MCPP-III	
Units issued: 3,056,682 units	148,200
Units redeemed: 3,156,481 units	148,260
Meezan Strategic Allocation Fund-II MCPP-IV	
Units issued: 8,252,360 units	733,719
Units redeemed: 13,558,104 units	976,200
Meezan Strategic Allocation Fund-II MCPP-V	
Units issued: 4,193,118 units	202,585.92
Units redeemed: 4,283,901 units	204,655.92
Meezan Strategic Allocation Fund-II MCPP-VI	
Units issued: 1,533,589 units	75,000.00
Units redeemed: 521,455 units	25,150.00

10 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.

Note	Carrying amount					Fair value			
	Investments	Other receivables	Cash and cash equivalents	Other payables	Total	Level 1	Level 2	Level 3	Total
September 30, 2018									
(Rupees in '000)									
Financial assets - measured at fair value									
		1,700,282	-	-	-	1,700,282	-	-	1,700,282
Financial assets - not measured at fair value									
		-	-	180,816	-	-	-	-	180,816
10.1		-	18,332	-	-	-	-	-	18,332
10.1		-	10,295	-	-	-	-	-	10,295
10.1		-	1,866	-	-	-	-	-	1,866
		1,700,282	30,493	180,816	-	-	-	-	1,911,591
Financial liabilities - not measured at fair value									
		-	-	-	8,394	-	-	-	8,394
10.1		-	-	-	270	-	-	-	270
10.1		-	-	-	1,367	-	-	-	1,367
		-	-	-	10,031	-	-	-	10,031

Note	Carrying amount					Fair value			
	Investments	Other receivables	Cash and cash equivalents	Other payables	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)									
June 30, 2018									
Financial assets - measured at fair value									
Investments	1,741,607	-	-	-	1,741,607	1,741,607	-	-	1,741,607
Financial assets - not measured at fair value									
Balances with banks	10.1	-	-	122,500	-	-	-	-	122,500
Dividend receivable	10.1	-	2,103	-	-	-	-	-	2,103
Receivable against sale of investments - net	10.1	-	-	-	-	-	-	-	-
Deposits and other receivables	10.1	-	2,661	-	-	-	-	-	2,661
		1,741,607	4,764	122,500	-	-	-	-	1,868,871
Financial liabilities - not measured at fair value									
Payable to Al Meezan Investment Management Limited - Management Company	10.1	-	-	-	7,319	-	-	-	7,319
Payable to Central Depository Company of Pakistan Limited - Trustee	10.1	-	-	-	269	-	-	-	269
Payable against investments - net	10.1	-	-	-	2,530	-	-	-	2,530
Accrued expenses and other liabilities	10.1	-	-	-	976	-	-	-	976
		-	-	-	11,094	-	-	-	11,094

- 10.1 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 value.

11 ALLOCATED EXPENSES

During the quarter, the Fund was charged 0.1% of the average annual net assets as allocated expenses by the Management Company according to regulation 60 of the NBFC Regulations.

12. EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the year ended September 30, 2018 is 3.23% which include 0.40 % representing government levy and SECP fee.

13. SELLING AND MARKETING EXPENSE

SECP vide a circular no.40 SCD/PRDD/ Circular/361/2016 dated December 30, 2016, allowed the Asset Management Companies to charge selling and marketing expenses to open end equity, asset allocation and index funds, initially for three years (from January 1, 2017 till December 31, 2019). Maximum cap of selling and marketing expense shall be 0.4% per annum of net assets of fund or actual expenses whichever lower. Accordingly, such expenses have been charged at the rate of 0.4% of 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 period.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

15. GENERAL

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

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

16 DATE OF AUTHORISATION

This condensed interim financial information was authorised for issue on October 18, 2018 by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

Director

FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre,
Shahrah-e-Faisal, Karachi 74400, Pakistan.
Phone (9221) 35630722-6111-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. Atif Azim	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Main 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. Main 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. Atif Azim	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

Sindh Bank Limited
UBL Ameen - Islamic Banking
Meezan Bank Limited
Bank Al Habib 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: bawaney@cyber.net.pk

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, 2018

	September 30, 2018 (Unaudited)	June 30, 2018 (Audited)
Note	------(Rupees in '000)-----	
Assets		
Balances with banks	5 26,029	29,332
Investment in gold	6 225,276	211,865
Profit receivable on saving accounts	226	115
Receivable against sale of investments - net	437	1,927
Receivables against conversion of units	15	3,516
Advances and other receivables	20	-
Total assets	252,003	246,755
Liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	609	311
Payable to the Central Depository Company of Pakistan Limited - Trustee	40	37
Payable to Securities and Exchange Commission of Pakistan	49	274
Payable to Meezan Bank Limited	2	9
Payable on redemption and conversion of units	204	280
Accrued expenses and other liabilities	7 3,074	2,760
Total liabilities	3,978	3,671
Net assets	248,025	243,084
Contingencies and commitments	8	
Unitholders' fund (as per statement attached)	248,025	243,084
	(Number of units)	
Number of units in issue	4,452,712	4,289,651
	(Rupees)	
Net assets value per unit	55.7021	56.6676

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

**MEEZAN GOLD FUND
CONDENSED INTERIM INCOME STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

		<u>September 30,</u>	
		2018	2017
		------(Rupees in '000)-----	
Income			
		377	298
	Profit on saving accounts with banks	(641)	1,138
	Realised (loss) / gain on sale of investments	1,647	-
	Price adjustment factor	1,383	1,436
	Unrealised (diminution) / appreciation on re-measurement of investment in gold	6.1 (4,473)	10,147
	Total income / (loss)	(3,090)	11,583
Expenses			
	Remuneration to Al Meezan Investment Management Limited - Management Company	649	1,154
	Sindh Sales Tax on management fee	84	150
	Allocated expenses	65	115
	Selling and marketing expense	259	-
	Remuneration to Central Depository Company of Pakistan Limited - Trustee	110	196
	Sindh Sales Tax on trustee fee	14	25
	Annual fee to Securities and Exchange Commission of Pakistan	49	86
	Auditors' remuneration	92	106
	Brokerage expense	8	7
	Fees and subscription	88	109
	Legal and professional charges	-	-
	Bank and settlement charges	153	30
	Custodian expense	569	1,028
	Provision for Sindh Workers' Welfare Funds (SWWF)	7.2 -	172
	Total expenses	2,140	3,178
	Net (loss) / income for the quarter before taxation	(5,230)	8,405
	Taxation	14 -	-
	Net (loss) / income for the quarter after taxation	(5,230)	8,405
Allocation of net (loss) / income for the quarter			
	Net income for the quarter after taxation	-	8,405
	Income already paid on units redeemed	-	(1,907)
		-	6,498

* Due to 'NIL' distributable income for the quarter, disclosure related to accounting income available for distribution is not required.

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

**MEEZAN GOLD FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

	<u>September 30,</u>	
	<u>2018</u>	<u>2017</u>
	------(Rupees in '000)-----	
Net (loss) / income for the quarter after taxation	(5,230)	8,405
Other comprehensive income for the quarter	-	-
Total comprehensive (loss) / income for the quarter	<u>(5,230)</u>	<u>8,405</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

**MEEZAN GOLD FUND
CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

	<u>September 30,</u>	
	<u>2018</u>	<u>2017</u>
	------(Rupees in '000)-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) / income for the quarter before taxation	(5,230)	8,405
Adjustments for:		
Unrealised diminution / (appreciation) on re-measurement of investment in gold	<u>4,473</u>	(10,147)
	(757)	(1,742)
(Increase) / Decrease in assets		
Investments - net	(17,884)	21,441
Receivable against investments - net	1,490	(10,782)
Profit receivable on saving accounts	(111)	(10)
Advances and other receivables	(20)	-
	(16,525)	10,649
Increase / (Decrease) in liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	298	12
Payable to Central Depository Company of Pakistan Limited - Trustee	3	3
Payable to Securities and Exchange Commission of Pakistan	(225)	(205)
Payable to Meezan Bank Limited	(7)	-
Accrued expenses and other liabilities	314	262
	383	72
Net cash (used in) / generated from operating activities	(16,899)	8,979
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	90,628	79,122
Payment against redemption and conversion of units	(77,032)	(119,700)
Net cash generated from / (used in) financing activities	13,596	(40,578)
Net decrease in cash and cash equivalents during the quarter	(3,303)	(31,599)
Cash and cash equivalents at beginning of the quarter	29,332	61,757
Cash and cash equivalents at end of the quarter	<u>26,029</u>	<u>30,158</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

**MEEZAN GOLD FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Meezan Gold Fund (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 October 15, 2014 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) on September 23, 2014. The Fund commenced its operations on August 18, 2015. The Management Company has been licensed by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2** The Fund is an open-ended Shariah Compliant 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 the Pakistan Mercantile Exchange (PMEX). Furthermore, all investments of the Fund's property shall be in accordance with the Shariah principles 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 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 the Shariah Advisor. 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 listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund is categorised as a Shariah Compliant Commodity Scheme.
- 1.4** The Management Company of the Fund has been given quality rating of AM1 by JCR-VIS Credit Rating Company Limited.
- 1.5** Title to the assets of the Fund are held in the name of CDC as a trustee of the Fund.

2. BASIS OF PRESENTATION

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

3. STATEMENT OF COMPLIANCE

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the repealed Companies Ordinance, 1984 (now Companies Act, 2017), the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

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 year ended June 30, 2018.

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 this condensed interim financial information are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2018.
- 4.2** The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2018.

5. BALANCES WITH BANKS	Note	September 30, 2018 (Unaudited)	June 30, 2018 (Audited)
------(Rupees in '000)-----			
In saving accounts	5.1	23,623	27,190
In current accounts		<u>2,406</u>	<u>2,142</u>
		<u>26,029</u>	<u>29,332</u>

- 5.1** The balance in saving accounts have an expected profit ranging from 2.40% to 7.50% per annum (June 30, 2018: 2.40% to 6.05% per annum).

6. INVESTMENTS	Note	September 30, 2018 (Unaudited)	June 30, 2018 (Audited)
------(Rupees in '000)-----			
Investment in gold	6.1	<u>225,276</u>	<u>211,865</u>

6.1 Investment in gold

Commodity	As at July 1, 2018	Purchases during the quarter	Sales during the quarter	As at September 30, 2018	Carrying value as at September 30, 2018	Market value as at September 30, 2018	Unrealised loss	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	3,541	605	300	3,846	229,749	225,276	(4,473)	90.83
Total					229,749	225,276	(4,473)	

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 225.276 million (June 30, 2018: Rs 211.865 million) has been measured at fair value based on the quoted market price in active markets.

7. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	September 30, 2018	June 30, 2018
		(Unaudited)	(Audited)
		----- (Rupees in '000) -----	
Custodian fee payable		385	164
Auditor's remuneration		257	250
Provision for Federal Excise Duty and related Sindh Sales Tax	7.1	711	711
Provision for Sindh Worker's Welfare Fund	7.2	1,435	1,435
Withholding tax payable		21	21
Capital gain tax payable		13	8
Shariah advisory fee payable		242	161
Zakat payable		10	10
		3,074	2,760

7.1 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, 2018: 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 0.16 (June 30, 2018: Re 0.17) per unit.

7.2 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 0.32 / 0.57% (June 30, 2018: Re 0.33 / 0.59%).

8. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2018 and June 30, 2018.

9. 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, 2018 (Unaudited)	June 30, 2018 (Audited)
	------(Rupees in '000)-----	
Al Meezan Investment Management Limited (Al Meezan) - Management Company		
Remuneration payable	209	193
Sindh Sales Tax on management fee payable	27	26
Sales load payable	20	3
Sindh Sales Tax on sales load payable	3	-
Allocated expenses	21	19
Selling and marketing expenses	329	70
Meezan Bank Limited		
Sales load payable	2	8
Sindh Sales Tax on sales load payable	-	1
Bank balance	8,155	11,650
Profit receivable on saving account	13	24
Investment of 1,000,000 units (June 30, 2018: 1,000,000 units)	55,702	56,668
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	35	33
Sindh Sales Tax on trustee fee payable	5	4
Directors and Executives of the Management Company		
Investment of 175,595 units (June 30, 2018: 197,738 units)	9,781	11,205
Unitholders holding 10% or more of units of the Fund		
Investment of Nil units (June 30, 2018: 1,363,271 units)	-	77,253
	For the quarter ended	
	September 30,	
	2018	2017
	(Unaudited)	
	------(Rupees in '000)-----	
Al Meezan Investment Management Company Limited - Management Company		
Remuneration for the quarter	649	1,154
Sindh Sales Tax on management fee for the quarter	84	150
Allocated expenses	65	115
Selling and marketing expense	259	-
Meezan Bank Limited		
Profit on saving account	62	296
Central Depository Company of Pakistan Limited - Trustee		
Remuneration for the quarter	110	196
Sindh Sales Tax on trustee fee for the quarter	14	25
Directors and Executives of the Management Company		
Units issued: 5,671 units (September 30, 2017: 10,638 units)	305	555
Units redeemed: 27,814 units (September 30, 2017: 11,878 units)	1,564	599

10. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

	Carrying amount				Total
	Investments	Other receivables	Cash and cash equivalents	Other payables	
----- (Rupees in '000) -----					
September 30, 2018					
Financial assets					
Balances with banks	-	-	26,029	-	26,029
Profit receivable on saving accounts	-	226	-	-	226
Receivable on conversion of units	-	15	-	-	15
Receivable against investments - net	-	437	-	-	437
Advances and other receivables	-	20	-	-	20
	-	698	26,029	-	26,727
Financial liabilities					
Payable to Al Meezan Investment Management Limited - Management Company	-	-	-	609	609
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	40	40
Payable to Meezan Bank Limited	-	-	-	2	2
Payable on redemption and conversion of units	-	-	-	204	204
Accrued expenses and other liabilities	-	-	-	884	884
	-	-	-	1,739	1,739

	Carrying amount				Total
	Investments	Other receivables	Cash and cash equivalents	Other payables	
----- (Rupees in '000) -----					
June 30, 2018					
Financial assets					
Balances with banks	-	-	29,332	-	29,332
Profit receivable on saving accounts	-	115	-	-	115
Receivable on conversion of units	-	3,516	-	-	3,516
Receivable against investments - net	-	1,927	-	-	1,927
	-	5,558	29,332	-	34,890
Financial liabilities					
Payable to Al Meezan Investment Management Limited - Management Company	-	-	-	311	311
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	37	37
Payable to Meezan Bank Limited	-	-	-	9	9
Payable on redemption and conversion of units	-	-	-	280	280
Accrued expenses and other liabilities	-	-	-	575	575
	-	-	-	1,212	1,212

11. ALLOCATED EXPENSES

During the quarter, the Fund was charged 0.1% of the average annual net assets as allocated expenses by the Management Company according to regulation 60 of the NBFC Regulations.

12. EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the quarter ended September 30, 2018 is 3.31% which includes 0.23% representing government levy, Sindh Workers' Welfare Fund 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 the net assets of the fund or actual expenses whichever is lower. Accordingly, such expenses have been charged to the Fund with effect from June 4, 2018 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 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, 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.

15. GENERAL

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

16. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorised for issue on October 18, 2018 by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

Director

FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre,
Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (9221) 35630722-6111-MEEZAN
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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. Atif Azim	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Main 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. Main 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. Atif Azim	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
Al Baraka Islamic Bank B.S.C (E.C)
Askari Bank Limited - Islamic Banking
Bank Al Habib Limited - Islamic Banking
Bank Alfalah Limited
Bank Islami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited - Islamic Banking
Habib Bank Limited - Islamic Banking

Habib Metropolitan Bank Limited - Islamic Banking
MCB Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited
National Bank of Pakistan - Islamic Banking
Samba 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: bawaney@cyber.net.pk

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 INCOME STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

	Note	September 30,	
		2018	2017
		(Rupees in '000)	
Income			
Profit earned	9	185,287	173,352
Realised loss on sale of investments - net		(5,468)	(8,054)
Other Income		364	16
		<u>180,183</u>	<u>165,314</u>
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	5.1	(13,692)	(12,213)
Total income		<u>166,491</u>	<u>153,101</u>
Expenses			
Remuneration to AI Meezan Investment Management Limited - Management Company		16,649	44,394
Sindh Sales Tax on management fee		2,164	5,771
Allocated expenses	12	2,550	2,960
Remuneration to Central Depository Company of Pakistan Limited - Trustee		2,188	2,475
Sindh Sales Tax on trustee fee		284	322
Annual fee to Securities and Exchange Commission of Pakistan		1,912	2,220
Auditors' remuneration		199	177
Fees and subscription		361	487
Brokerage expense		140	75
Bank and settlement charges		33	90
Provision for Sindh Workers' Welfare Fund		2,797	1,882
Printing expense		140	47
Total expenses		<u>29,417</u>	<u>60,900</u>
Net income for the quarter before taxation		<u>137,074</u>	<u>92,201</u>
Taxation	14	-	-
Net income for the quarter after taxation		<u>137,074</u>	<u>92,201</u>
Allocation of net income for the quarter			
Net income for the quarter after taxation		137,074	92,201
Income already paid on units redeemed		(18,553)	(13,321)
		<u>118,521</u>	<u>78,880</u>
Accounting income available for distribution			
- Relating to capital gains		-	-
- Excluding capital gains		118,521	78,880
		<u>118,521</u>	<u>78,880</u>

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

**MEEZAN ISLAMIC INCOME FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

	<u>September 30,</u>	
	<u>2018</u>	<u>2017</u>
	<u>(Rupees in '000)</u>	
Net income for the quarter after taxation	137,074	92,201
Other comprehensive income	-	-
Total comprehensive income for the quarter	<u>137,074</u>	<u>92,201</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

MEEZAN ISLAMIC INCOME FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)

	September 30, 2018			September 30, 2017		
	(Rupees in '000)			(Rupees in '000)		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
Net assets at beginning of the quarter	9,755,035	410,879	10,165,914	11,616,350	165,076	11,781,426
Issuance of 74,769,583 units (2017: 136,590,771 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	3,842,514	-	3,842,514	7,019,400	-	7,019,400
- Element of income	25,969	-	25,969	15,743	-	15,743
Total proceeds on issuance of units	3,868,483	-	3,868,483	7,035,143	-	7,035,143
Redemption of 65,224,672 units (2017: 137,413,381 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	3,351,987	-	3,351,987	7,061,674	-	7,061,674
- Element of income	5,062	18,553	23,615	4,427	13,321	17,748
Total payments on redemption of units	3,357,049	18,553	3,375,602	7,079,422	13,321	7,079,422
Total comprehensive income for the quarter	-	137,074	137,074	-	92,201	92,201
Distribution during the quarter	-	(245,803)	(245,803)	-	-	-
Refund of Capital	(170,684)	-	(170,684)	-	-	-
Net income for the quarter less distribution	(170,684)	(108,729)	(279,413)	-	92,201	92,201
Net assets at end of the quarter	10,095,784	283,597	10,379,381	11,572,071	243,956	11,829,348
Undistributed income carried forward						
- Realised income		297,289			256,169	
- Unrealised loss		(13,692)			(12,213)	
		283,597			243,956	
Accounting income available for distribution						
- Relating to capital gains		-			-	
- Excluding capital gains		118,521			78,880	
		118,521			78,880	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the quarter (EX-NAV)			51.3914			51.3900
Net assets value per unit at end of the quarter			52.0912			51.7900

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

**MEEZAN ISLAMIC INCOME FUND
 CONDENSED INTERIM CASH FLOW STATEMENT
 FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

	<u>September 30,</u>	
	2018	2017
Note	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the quarter before taxation	137,074	92,201
Adjustments for		
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	13,692	12,213
	<u>150,766</u>	<u>104,414</u>
(Increase) / decrease in assets		
Investments - net	(1,048,264)	407,316
Deposits, prepayments and other receivables	(5,252)	13,433
	(1,053,516)	420,749
Increase / (decrease) in liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	(936)	2,996
Payable to Central Depository Company of Pakistan Limited - Trustee	37	138
Payable to Securities and Exchange Commission of Pakistan	(6,296)	(5,760)
Payable to Meezan Bank Limited	145	(447)
Accrued expenses and other liabilities	2,776	(29,953)
	<u>(4,274)</u>	<u>(33,026)</u>
Net cash (used in) / generated from operating activities	<u>(907,024)</u>	<u>492,137</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	3,550,805	8,181,268
Payments against redemption and conversion of units	(3,380,301)	(9,723,186)
Dividend paid	(40,232)	-
Net cash generated from / (used in) financing activities	<u>130,272</u>	<u>(1,541,918)</u>
Net decrease in cash and cash equivalents during the quarter	<u>(776,752)</u>	<u>(1,049,781)</u>
Cash and cash equivalents at beginning of the quarter	5,200,871	8,138,062
Cash and cash equivalents at end of the quarter	<u>5.2</u> <u>4,424,119</u>	<u>7,088,281</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

MEEZAN ISLAMIC INCOME FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)

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.
- 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 Fund has been given a stability rating of A(f) by JCR - VIS Credit Rating Company Limited. The Management Company of the Fund has been given quality rating of AM1 by JCR - 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 approved accounting standards as applicable in Pakistan.

3. STATEMENT OF COMPLIANCE

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the repealed Companies Ordinance, 1984 (now Companies Act, 2017), the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

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 year ended June 30, 2018.

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

4.1 The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements of the Fund for the year ended June 30, 2018 except for the following:

4.1.1 Reclassification of financial assets

During the current period IFRS-9 became applicable, according to the standard, all equity investments are to be measured at fair value in the statement of financial position with value change recognized in profit or loss. Standard also retains an option in respect of equity investments (other than held for trading) for which the entity may elect to report value change in 'other comprehensive income'. However, the fund measured its all financial assets at fair value through profit or loss (FVTPL). For the purpose of measurement of debt instruments, SECP vide its letter to MUFAP dated November 21, 2017 relaxed the applicability of IFRS-9 impairment requirements for debt securities on mutual funds and deferred it till further instructions.

4.2 The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2018.

5. BALANCES WITH BANKS	Note	September 30, 2018 (Unaudited) (Rupees in '000)	June 30, 2018 (Audited)
In saving accounts	5.1	3,791,294	4,061,947
In current accounts		2,825	8,924
		<u>3,794,119</u>	<u>4,070,871</u>

5.1 The balance in saving accounts have an expected profit ranging from 2.00% to 7.70% per annum (June 30, 2018: 2.00% to 6.60% per annum).

5.2 Cash and cash equivalents	Note	September 30, 2018 (Unaudited) (Rupees in '000)	June 30, 2018 (Audited)
Balances with banks	5	3,794,119	4,070,871
Term deposit receipts - having original maturity of 3 months or less	6.2	630,000	1,130,000
		<u>4,424,119</u>	<u>5,200,871</u>

6. INVESTMENTS

Investments - 'at fair value through profit or loss'	6.1	3,785,702	3,963,947
Investments - 'loans and receivables'	6.2	2,742,817	2,030,000
		<u>6,528,519</u>	<u>5,993,947</u>

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

Name of the security	Maturity date	Profit rate	As at July 1, 2018	Purchases during the quarter	Sales / redemption / maturity during the quarter	As at September 30, 2018	* Carrying value as at September 30, 2018	* Market value as at September 30, 2018	Unrealised (diminution) / appreciation	Percentage in relation to		
										(Number of certificates)	(Rupees in '000)	Net assets of the Fund on the basis of market value	Total issue (with face value of investment)	Total market value of investment
Arzoo Textile Mills Limited (face value of Rs. 5,000 per certificate) (note 6.1) *	April 15, 2014	6 months KIBOR plus base rate of 2%	14,000	-	-	14,000	-	-	-	-	9.46	-
Eden Housing Limited (face value of Rs. 984.375 per certificate) (note 6.1) *	September 29, 2014	6 months KIBOR plus base rate of 2.5%	59,400	-	-	59,400	-	-	-	-	12.32	-
Security Leasing Corporation Limited II (face value of Rs. 5,000 per certificate) (note 6.1) *	January 9, 2022	Nil	3,081	-	-	3,081	-	-	-	-	6.67	-
GOP IJARAH SUKUK												
GoP Ijarah Sukuk Certificates - XVIII (face value of Rs. 100,000 per certificate)	March 29, 2019	Weighted average 6	1,250	-	-	1,250	124,588	123,463	(1,125)	119	-	189
GoP Ijarah Sukuk Certificates - XIX (face value of Rs. 100,000 per certificate)	June 30, 2020	Weighted average 6	4,250	-	2,150	2,100	206,136	201,180	(4,956)	194	-	3.08
BANKS												
Dubai Islamic Bank Pakistan Limited (face value of Rs. 1,000,000 per certificate) (A+, JCR-VIS, non traded)	July 14, 2027	6 months KIBOR plus base rate of 0.50%	513	-	-	513	522,595	522,595	-	5.03	12.83	8.00
Meezan Bank Limited Tier - II (face value of Rs. 1,000,000 per certificate) (AA, JCR-VIS, traded)	September 22, 2026	6 months KIBOR plus base rate of 0.50%	300	-	-	300	304,500	302,850	(1,650)	2.92	4.29	4.64
FERTILIZER												
Engro Fertilizer Limited (face value of Rs. 5,000 per certificate) (AA-, PACRA, non traded)	July 9, 2019	6 months KIBOR plus base rate of 17.5%	44,625	-	14,875	29,750	150,237	149,649	(588)	1.44	13.28	2.29
Fatima Fertilizer Company Limited (face value of Rs. 5,000 per certificate) (AA-, PACRA, traded)	November 28, 2021	6 months KIBOR plus base rate of 11%	26,086	14,980	-	41,066	207,818	206,807	(1,011)	1.99	2.79	3.17
OIL & GAS MARKETING COMPANIES												
Hascof Petroleum Limited (face value of Rs. 5,000 per certificate) (AA, JCR-VIS, non-traded)	January 06, 2022	3 months KIBOR plus base rate of 150%	45,000	-	3,000	42,000	215,325	214,305	(1,020)	2.06	15.00	3.28
POWER GENERATION & DISTRIBUTION												
K-Electric Limited (sukuk 4) (face value of Rs. 5,000 per certificate) (AA+, JCR-VIS, traded)	June 17, 2022	3 months KIBOR plus base rate of 100%	160,000	-	21,250	138,750	703,238	698,183	(5,055)	6.73	4.20	10.69
Neelum Jhelum Hydropower Company (Private) Limited (face value of Rs. 100,000 per certificate) (AAA, JCR-VIS, traded)	June 29, 2026	6 months KIBOR plus base rate of 13%	7,650	-	1,000	6,650	691,568	688,275	(3,293)	6.63	0.67	10.54
PHARMACEUTICALS												
AGP Limited (face value of Rs. 100,000 per certificate) (A, PACRA, traded)	June 9, 2022	3 months KIBOR plus base rate of 130%	-	1815	90	1,725	173,389	173,794	405	1.67	9.40	2.66
MISCELLANEOUS												
International Brands Limited (face value of Rs. 100,000 per certificate) (AA, JCR-VIS, non traded)	November 15, 2021	12 months KIBOR plus base rate of 0.50%	4,000	-	-	4,000	400,000	404,601	4,601	3.90	14.13	6.20
Shakarganj Food Products Limited (face value of Rs. 1,000,000 per certificate) (A, JCR-VIS)	July 10, 2024	3 months KIBOR plus base rate of 17.5%	-	100	-	100	100,000	100,000	-	0.96	13.79	1.53
Total							3,799,394	3,785,702	(13,692)			

* In case of debt securities against which provision has been made, these are carried at carrying value less provision.

- 6.1.1 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, 2018, 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	-	-	-
		143,875	143,875	-		

6.2 Investments - loans and receivables	Note	September 30, 2018	June 30, 2018
		(Unaudited)	(Audited)
		(Rupees in '000)	
Term deposit receipts			
- having original maturity of 3 months or less	6.2.1	630,000	1,130,000
Certificates of Musharakah	6.2.2	1,050,000	900,000
Commercial Papers	6.2.3	1,062,817	-
		<u>2,742,817</u>	<u>2,030,000</u>

6.2.1 Term deposit receipts

Name of the bank	Maturity date	Profit rate	As at July 1, 2018	Term deposit receipts placed during the quarter	Matured during the quarter	As at September 30, 2018	Percentage of total market value of investments
		%	(Rupees in '000)				%
Dubai Islamic Bank Limited	October 5, 2018	6.65	630,000	630,000	630,000	630,000	9.65
Faysal Bank Limited	August 18, 2018	6.13	500,000	-	500,000	-	0.00
			1,130,000	630,000	1,130,000	630,000	

6.2.2 Certificates of Musharakah

Name of the investee company	Maturity date	Profit rate	As at July 1, 2018	Placed during the quarter	Matured during the quarter	As at September 30, 2018	Percentage of total market value of investments
		%	(Rupees in '000)				%
First Habib Modaraba	December 5, 2018	7.80	300,000	300,000	300,000	300,000	4.60
Orix Modaraba	September 14, 2019	7.97	600,000	600,000	600,000	600,000	9.19
Orix Modaraba	September 27, 2019	8.19	-	150,000	-	150,000	2.30
			900,000	1,050,000	900,000	1,050,000	

6.2.3 Commercial papers

Name of the security	Maturity date	Profit rate	As at July 1, 2018	Purchases during the quarter	Sales / redemptions / maturity during the quarter	As at September 31, 2018	Carrying value as at September 30, 2018	Market value as at September 30, 2018	Total market value of investment
			(Number of certificates)			(Rupees in '000)		---- %----	
Hascol Petroleum Limited CP Sukuk (note 6.2.3.1& 6.2.3.2)	January 4, 2019	6 months KIBOR plus base rate of 1.25%	-	375	-	375	367,233	367,233	5.63
K-Electric Limited CP sukuk (note 6.2.3.1& 6.2.3.2)	March 1, 2019	6 months KIBOR plus base rate of 0.90%	-	721	-	721	695,583	695,583	10.65
Total							1,062,817	1,062,817	

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

6.2.3.2 The securities are valued on the basis of amortization to its face value as per the requirements of Circular 33 of 2012 with respect to thinly and nonn traded debt securities with residual maturity of upto six months.

	Note	September 30, 2018 (Unaudited)	June 30, 2018 (Audited)
7. ACCRUED EXPENSES AND OTHER LIABILITIES			
Provision for Sindh Workers' Welfare Fund	7.1	25,133	22,336
Withholding tax payable		562	1,103
Provision for Federal Excise Duty and related Sindh Sales Tax on management fee and sales load	7.2	51,366	51,366
Auditors' remuneration payable		498	550
Printing expenses payable		581	438
Brokerage payable		155	204
Zakat payable		337	127
Shariah advisor fee payable		806	538
		79,438	76,662

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

Had the SWWF not been provided, the NAV per unit/fund return would have been higher by Re 0.13 / 0.24% (June 30, 2018: Re 0.12 / 0.22%).

7.2 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 and sales load made with effect from June 13, 2013 till June 30, 2016, aggregating to Rs 51.366 million (June 30, 2018: Rs 51.366 million). Had the provision not been made, the NAV per unit of the Fund would have been higher by Re 0.26 (June 30, 2018: Re 0.27) per unit.

8. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2018 and June 30, 2018.

9. PROFIT EARNED

Profit on:

	<u>September 30,</u>	
	2018	2017
	(Unaudited)	
	(Rupees in '000)	
Balances with banks	67,966	82,950
Term deposit receipts	13,741	42,361
Musharika certificates	16,180	-
Sukuk certificates	87,400	48,041
	<u>185,287</u>	<u>173,352</u>

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 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:

	<u>September 30,</u>	<u>June 30,</u>
	2018	2018
	(Unaudited)	(Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited		
- Management Company		
Remuneration payable	4,922	5,757
Sales load payable	349	383
Allocated expenses payable	849	803
Certificate charges payable	1	1
Sindh Sales Tax on management fee	640	749
Sindh Sales Tax on sales load	46	50
Investment of 14,242,370 units (June 30, 2018: 18,479,681 units)	<u>741,902</u>	<u>990,267</u>
Meezan Bank Limited		
Balances with bank	68,723	141,814
Sales load payable	1,640	1,512
Sindh Sales Tax on sales load	213	196
Profit receivable on saving account	452	371
Profit receivable on sukuk certificates	2,161	7,026
Investment as at September 30, 2018: 300 sukuk certificates (June 30, 2018: 300 sukuk certificates)	<u>302,850</u>	<u>304,500</u>

	September 30, 2018 (Unaudited) (Rupees in '000)	June 30, 2018 (Audited)
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	726	693
Sindh Sales Tax on Trustee Fee payable	94	90
Security deposit	100	100
Meezan Financial Planning Fund of Funds		
- Aggressive Allocation Plan		
Investment of 1,221,540 units (June 30, 2018: 1,161,137 units)	63,631	62,222
Meezan Financial Planning Fund of Funds		
- Moderate Allocation Plan		
Investment of 1,283,875 units (June 30, 2018: 1,445,143 units)	66,879	77,441
Meezan Financial Planning Fund of Funds		
- Conservative Allocation Plan		
Investment of 2,002,535 units (June 30, 2018: 1,979,904 units)	104,314	106,097
Meezan Financial Planning Fund of Funds - MAAP - I		
Investment of 4,198,420 units (June 30, 2018: 3,467,932 units)	218,701	185,835
Meezan Financial Planning Fund of Funds - MAAP - IV		
Investments of units: nil (June 30, 2018: 1,494,217 units)	-	80,070
Meezan Strategic Allocation Fund - MSAP - I		
Investments of 9,231,473 units (June 30, 2018: 7,736,308 units)	480,879	414,564
Meezan Strategic Allocation Fund - MSAP - II		
Investments of 5,686,771 units (June 30, 2018: 4,578,838 units)	296,231	245,365
Meezan Strategic Allocation Fund - MSAP - III		
Investments of 5,076,129 units (June 30, 2018: 3,862,902 units)	264,422	207,001
Meezan Strategic Allocation Fund - MSAP - IV		
Investments of 5,761,510 units (June 30, 2018: 4,594,666 units)	300,124	246,213
Meezan Strategic Allocation Fund - MSAP - V		
Investments of 747,907 units (June 30, 2018: 363,562 units)	38,959	19,482
AI Meezan Investment Management Limited - Employees' Gratuity Fund		
Investments of 221,676 units (June 30, 2018: 212,599 units)	11,547	11,393
Directors and Executives of the Management Company		
Investments of 311,518 units (June 30, 2018: 292,675 units)	16,227	15,684
For the quarter ended		
September 30,		
	2018	2017
	(Unaudited)	
	(Rupees in '000)	
AI Meezan Investment Management Limited - Management Company		
Remuneration for the quarter	16,649	44,394
Sindh Sales Tax on management fee for the quarter	2,164	5,771
Allocated expenses	2,550	2,960
Units issued: 4,393,245 units (September 30, 2017: 6,540,760 units)	227,114	337,000
Units redeemed: 8,630,556 units (September 30, 2017: 11,495,237 units)	445,100	592,000
Cash dividend paid	17,356	-
Refund of capital	23,214	-

	For the quarter ended September 30,	
	2018	2017
	(Unaudited)	
	(Rupees in '000)	
Meezan Bank Limited		
Profit on saving account	528	695
Profit on sukuk certificate	5,666	-
Central Depository Company of Pakistan Limited - Trustee		
Remuneration for the quarter	2,188	2,475
Sindh Sales Tax on trustee fee for the quarter	284	322
CDS Charges for the quarter	4	2
Meezan Financial Planning Fund of Funds - Aggressive Allocation Plan		
Units issued: 78,557 units (September 30, 2017: 31,432 units)	4,049	1,625
Units redeemed: 18,154 units (September 30, 2017: 429,170 units)	938	22,103
Cash dividend paid	2,325	-
Refund of capital	224	-
Meezan Financial Planning Fund of Funds - Moderate Allocation Plan		
Units issued: 61,736 units (September 30, 2017: nil)	3,173	-
Units redeemed: 223,004 units (September 30, 2017: 128,158 units)	11,500	6,600
Cash dividend paid	2,809	-
Refund of capital	363	-
Meezan Financial Planning Fund of Funds - Conservative Allocation Plan		
Units issued: 182,092 units (September 30, 2017: 105,086 units)	9,409	5,438
Units redeemed: 159,461 units (September 30, 2017: 235,915 units)	8,250	12,150
Cash dividend paid	3,989	-
Refund of capital	358	-
Meezan Financial Planning Fund of Funds - MAAP - I		
Units issued: 730,488 units (September 30, 2017: 28,159,390 units)	37,614	1,449,662
Units redeemed: nil (September 30, 2017: 10,247,012 units)	-	527,866
Cash dividend paid	4,610	-
Refund of capital	3,003	-
Meezan Financial Planning Fund of Funds - MAAP - II		
Units issued: nil (September 30, 2017: 2,978,435 units)	-	153,200
Units redeemed: nil (September 30, 2017: 1,196,823 units)	-	61,660
Meezan Financial Planning Fund of Funds - MAAP - III		
Units issued: nil (September 30, 2017: 6,318,683 units)	-	325,000
Units redeemed: nil (September 30, 2017: 8,460,338 units)	-	435,280
Meezan Financial Planning Fund of Funds - MAAP - IV		
Units issued: 63,834 units (September 30, 2017: 2,798,475 units)	3,280	144,000
Units redeemed: 1,558,051 units (September 30, 2017: 2,031,943 units)	80,267	104,690
Cash dividend paid	1,736	-
Refund of capital	1,544	-
Meezan Strategic Allocation Fund - MSAP - I		
Units issued: 1,495,165 units (September 30, 2017: 2,269,451 units)	76,984	117,000
Units redeemed: nil (September 30, 2017: 6,656,940 units)	-	342,560
Cash dividend paid	9,138	-
Refund of capital	7,846	-
Meezan Strategic Allocation Fund - MSAP - II		
Units issued: 1,107,933 units (September 30, 2017: 505,115 units)	57,052	26,000
Units redeemed: nil (September 30, 2017: 1,155,958 units)	-	59,550
Cash dividend paid	5,875	-
Refund of capital	4,177	-

		For the quarter ended September 30,	
		2018	2017
		(Unaudited)	
		(Rupees in '000)	
Meezan Strategic Allocation Fund - MSAP - III			
Units issued: 1,213,227 units (September 30, 2017: 135,975 units)		62,481	7,000
Units redeemed: nil (September 30, 2017: 4,627,747 units)		-	237,980
Cash dividend paid		9,098	-
Refund of capital		7,863	-
Meezan Strategic Allocation Fund - MSAP - IV			
Units issued: 1,166,844 units (September 30, 2017: 2,488,582)		60,087	128,000
Units redeemed: nil (September 30, 2017: 6,381,052)		-	328,380
Cash dividend paid		11,056	-
Refund of capital		9,119	-
Meezan Strategic Allocation Fund - MSAP - V			
Units issued: 384,345 units (September 31, 2017: 772,648 units)		19,798	40,000
Cash dividend paid		744	-
Refund of capital		852	-
AI Meezan Investment Management Limited - Employees' Gratuity Fund			
Units issued: 9,077 units (September 31, 2017: nil)		466	-
Cash dividend paid		2	-
Refund of capital		465	-
Directors and Executives of the Management Company			
Units issued: 131,943 units (September 30, 2017: 186,116 units)		6,817	9,585
Units redeemed: 113,100 units (September 30, 2017: 129,888 units)		5,831	6,695
Cash dividend paid		167	-
Refund of capital		476	-

11. FAIR VALUES 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.

Note	Carrying amount					Fair value				
	Investments	Other receivables	Cash and cash equivalents	Other payables	Total	Level 1	Level 2	Level 3	Total	
September 30, 2018										
(Rupees in '000)										
Financial assets - measured at fair value										
Investments - at fair value through profit or loss upon initial recognition	3,785,702	-	-	-	3,785,702	-	3,785,702	-	3,785,702	
Financial assets - not measured at fair value										
Balances with banks	11.1	-	-	3,794,119	-	3,794,119				
Investments - 'loans and receivables'	11.1	2,12,817	-	630,000	-	2,742,817				
Receivable against conversion of units	11.1	-	70,686	-	-	70,686				
Deposits, profit accrued and other receivables	11.1	-	19,309	-	-	19,309				
		5,898,519	189,995	4,424,119	-	10,512,633				
Financial liabilities - not measured at fair value										
Payable to AI Meezan Investment Management Limited - Management Company	11.1	-	-	-	6,807	6,807				
Payable to Central Depository Company of Pakistan Limited - Trustee	11.1	-	-	-	820	820				
Payable to Meezan Bank Limited	11.1	-	-	-	1,853	1,853				
Payable on redemption and conversion of units	11.1	-	-	-	44,760	44,760				
Payable against purchase of investments	11.1	-	-	-	-	-				
Accrued expenses and other liabilities	11.1	-	-	-	2,041	2,041				
		-	-	-	56,281	56,281				

Note	Carrying amount					Fair value			
	Investments	Other receivables	Cash and cash equivalents	Other payables	Total	Level 1	Level 2	Level 3	Total
June 30, 2018									
(Rupees in '000)									
Financial assets - measured at fair value									
Investment - Held for trading	541,768	-	-	-	541,768	-	541,768	-	541,768
Investments - at fair value through profit or loss upon initial recognition	3,422,179	-	-	-	3,422,179	-	3,422,179	-	3,422,179
Financial assets - not measured at fair value									
Balances with banks	111	-	-	4,070,871	-	4,070,871	-	-	-
Investments - 'loans and receivables'	111	2,030,000	-	-	-	2,030,000	-	-	-
Receivable against conversion of units	111	-	129,263	-	-	129,263	-	-	-
Deposits, profit accrued and other receivabl	111	-	111,301	-	-	111,301	-	-	-
		<u>5,993,947</u>	<u>240,564</u>	<u>4,070,871</u>	<u>-</u>	<u>10,305,382</u>			
Financial liabilities - not measured at fair value									
Payable to Al Meezan Investment Management Limited - Management Company	111	-	-	-	7,743	7,743	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	111	-	-	-	783	783	-	-	-
Payable to Meezan Bank Limited	111	-	-	-	1,708	1,708	-	-	-
Payable on redemption and conversion of u	111	-	-	-	49,459	49,459	-	-	-
Accrued expenses and other liabilities	111	-	-	-	1,730	1,730	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>61,423</u>	<u>61,423</u>			

11.1 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 value.

12. ALLOCATED EXPENSES

During the quarter, the Fund was charged 0.1% of the average annual net assets as allocated expenses by the Management Company according to regulation 60 of the NBFC Regulations.

13. EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the quarter ended September 30, 2018 is 1.14% which include 0.28% representing government levy, Sindh Workers' Welfare Fund and SECP fee.

14. TAXATION

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

15. GENERAL

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

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

16. DATE OF AUTHORISATION

This condensed interim financial information was authorised for issue on October 18, 2018 by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

Director

FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre,
Shahrah-e-Faisal, Karachi 74400, Pakistan.
Phone (9221) 35630722-6111-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. Atif Azim	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Main 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. Main 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. Atif Azim	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
Al Baraka Bank
Askari Bank Limited - Islamic Banking
Bank Al Habib Limited - Islamic Banking
Bank Alfalah Limited
Bank Islami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited - Islamic Banking
Habib Bank Limited - Islamic Banking

Habib Metropolitan Bank Limited - Islamic Banking
MCB Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited
National Bank of Pakistan - Islamic Banking
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: bawaney@cyber.net.pk

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 SOVEREIGN FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2018

	September 30, 2018 (Unaudited)	June 30, 2018 (Audited)
	(Rupees in '000)	
Assets		
Balances with banks	5 532,461	673,082
Investments	6 1,288,301	1,489,533
Receivable against conversion of units	4,771	31,469
Deposits, prepayments, profit accrued and other receivables	<u>33,252</u>	<u>34,159</u>
Total assets	<u>1,858,785</u>	<u>2,228,243</u>
Liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	1,834	2,203
Payable to Central Depository Company of Pakistan Limited - Trustee	193	220
Payable to Securities and Exchange Commission of Pakistan	359	2,117
Payable to Meezan Bank Limited	30	322
Payable on redemption and conversion of units	6,119	11,847
Accrued expenses and other liabilities	7 91,518	91,018
Total liabilities	<u>100,053</u>	<u>107,727</u>
Net assets	<u>1,758,732</u>	<u>2,120,516</u>
Contingencies and commitments	8	
Unitholders' fund (as per statement attached)	<u>1,758,732</u>	<u>2,120,516</u>
	(Number of units)	
Number of units in issue	<u>33,971,785</u>	<u>40,219,172</u>
	(Rupees)	
Net assets value per unit	<u>51.7704</u>	<u>52.7240</u>

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

MEEZAN SOVEREIGN FUND
CONDENSED INTERIM INCOME STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)

	September 30,	
	2018	2017
Note	(Rupees in '000)	
Income		
Profit earned	31,938	59,474
Net realised loss on sale of sukuk certificates	<u>(11,810)</u>	<u>(14,386)</u>
	20,128	45,088
Net unrealised diminution on re-measurement of investments 'at fair value through profit or loss' (net)	6.1 <u>(3,072)</u>	<u>(35,874)</u>
Total income	<u>17,056</u>	<u>9,214</u>
Expenses		
Remuneration to AI Meezan Investment Management Limited		
- Management Company	4,785	10,170
Sindh Sales Tax on Management Fee	622	1,322
Allocated expenses	478	1,017
Remuneration to Central Depository Company of Pakistan Limited - Trustee	548	951
Sindh Sales Tax on Trustee Fee	71	124
Annual fee to Securities and Exchange Commission of Pakistan	359	763
Auditors' remuneration	179	174
Fees and subscription	160	519
Brokerage	207	127
Bank and settlement charges	53	89
Provision for Sindh Workers' Welfare Fund (SWWF)	192	-
Total expenses	<u>7,654</u>	<u>15,256</u>
Net income / (loss) from for the quarter before taxation	<u>9,402</u>	<u>(6,042)</u>
Taxation	14 -	-
Net income / (loss) for the quarter after taxation	<u>9,402</u>	<u>(6,042)</u>
Allocation of net income for the quarter		
Net income / (loss) for the quarter after taxation	9,402	-
Income already paid on units redeemed	<u>(22)</u>	<u>-</u>
	<u>9,380</u>	<u>-</u>
Accounting income available for distribution		
-Relating to capital gains	-	-
-Excluding capital gains	<u>9,380</u>	<u>-</u>
	<u>9,380</u>	<u>-</u>

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

**MEEZAN SOVEREIGN FUND
 CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
 FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

	September 30, 2018	September 30, 2017
	(Rupees in '000)	
Net income / (loss) for the quarter after taxation	9402	(6,042)
Other comprehensive income	-	-
Total comprehensive income / (loss) for the quarter	<u>9,402</u>	<u>(6,042)</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

MEEZAN SOVEREIGN FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)

	September 30, 2018			September 30, 2017		
	Rupees in '000			Rupees in '000		
	Capital Value	Undistributed income /	Total	Capital Value	Undistributed income /	Total
Net assets at beginning of the quarter	1,792,404	328,112	2,120,516	4,042,582	291,086	4,333,668
Issue of 12,832,443 units (2017 : 22,390,988)						
- Capital value (at net asset value per unit at the beginning of the quarter)	660,688	-	660,688	1,150,897	-	1,150,897
- Element of income	260	-	260	7,314	-	7,314
Total proceeds on issuance of units	660,948	-	660,948	1,158,211	-	1,158,211
Redemption of 19,079,830 units (2017: 28,565,981)						
- Capital value (at net asset value per unit at the beginning of the quarter)	982,336	-	982,336	1,468,291	-	1,468,291
- Element of income	(32)	22	(10)	7,077	2,167	9,244
Total payments on redemption of units	982,304	22	982,326	1,475,368	2,167	1,477,535
Total comprehensive income for the quarter	-	9,402	9,402	-	(3,875)	(3,875)
Distribution during the quarter	-	(37,026)	(37,026)	-	-	-
Capital Refund	(12,782)	-	(12,782)	-	-	-
Net income for the quarter less distribution	(12,782)	(27,624)	(40,406)	-	(3,875)	(3,875)
Net assets at end of the quarter	1,458,266	300,466	1,758,732	3,725,425	285,044	4,010,469
Undistributed income brought forward						
- Realised income		303,538			320,918	
- Unrealised loss		(3,072)			(35,874)	
		300,466			285,044	
Accounting income available for distribution *						
- Relating to capital gains		-			-	
- Excluding capital gains		9,380			-	
		9,380			-	
Net assets value per unit at beginning of the quarter (EX-NAV)			(Rupees)			(Rupees)
Net assets value per unit at end of the quarter			51.4856			51.4000
			51.7704			51.3200

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

MEEZAN SOVEREIGN FUND
CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)

	Note	September 30,	
		2018	2017
		(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income / (loss) for the quarter before taxation		9,402	(6,042)
Adjustments for			
Net unrealised diminution on re-measurement of investments 'at fair value through profit or loss' (net)		3,072	35,874
		12,474	29,832
Decrease in assets			
Investments - net		198,160	1,108,704
Deposits, prepayments, profit accrued and other receivables		907	16,524
		199,067	1,125,228
(Decrease) / increase in liabilities			
Payable to Al Meezan Investment Management Limited - Management Company		(369)	(243)
Payable to Central Depository Company of Pakistan Limited - Trustee		(27)	(22)
Payable to Securities and Exchange Commission of Pakistan		(1,758)	(5,322)
Payable to Meezan Bank Limited		(292)	285
Accrued expenses and other liabilities		500	(18,819)
		(1,946)	(24,121)
Net cash generated from operating activities		209,595	1,130,939
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts against issuance and conversion of units		641,613	1,856,232
Payments against redemption and conversion of units		(988,054)	(2,636,111)
Dividend paid		(3,775)	(67,289)
Net cash used in financing activities		(350,216)	(847,168)
Net (decrease) / increase in cash and cash equivalents during the quarter		(140,621)	283,771
Cash and cash equivalents at beginning of the quarter		673,082	1,243,261
Cash and cash equivalents at end of the quarter	5	532,461	1,527,032

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

MEEZAN SOVEREIGN FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (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 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 (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 maximum possible preservation of capital along with reasonable Halal returns by investing primarily in a portfolio of Shariah compliant government securities, thus minimising the credit risk of investments. The Fund also keeps 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 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 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 of the Fund has been given quality rating of AM1 and the Fund has been given a stability rating of AA-(f) by JCR-VIS Credit Rating Company Limited.
- 1.5** Title to the assets of the Fund are held in the name of CDC as the Trustee of the Fund.

2. BASIS OF PRESENTATION

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

3. STATEMENT OF COMPLIANCE

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the repealed Companies Ordinance, 1984 (now Companies Act, 2017), the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

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 year ended June 30, 2018.

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

- 4.1** The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements of the Fund for the year ended June 30, 2018 except for the following:
- 4.1.1 Reclassification of financial assets**
- During the current period IFRS-9 became applicable, according to the standard, all equity investments are to be measured at fair value in the statement of financial position with value change recognized in profit or loss. Standard also retains an option in respect of equity investments (other than held for trading) for which the entity may elect to report value change in 'other comprehensive income'. However, the fund measured its all financial assets at fair value through profit or loss (FVTPL). For the purpose of measurement of debt instruments, SECP vide its letter to MUFAP dated November 21, 2017 relaxed the applicability of IFRS-9 impairment requirements for debt securities on mutual funds and deferred it till further instructions.
- 4.2** The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2018.

5. BALANCES WITH BANKS	Note	September 30,	June 30,
		2018 (Unaudited)	2018 (Audited)
		(Rupees in '000)	
In saving accounts	5.1	522,591	667,641
In current accounts		9,870	5,441
		532,461	673,082

5.1 The balances in saving accounts have an expected profit ranging from 2.00% to 7.70% per annum (June 30, 2018: 2.00% to 6.60% per annum).

6. INVESTMENTS	Note	September 30,	June 30,
		2018 (Unaudited)	2018 (Audited)
		(Rupees in '000)	
Investments - 'at fair value through profit or loss'	6.1	1,288,301	1,489,533

6.1 Investments' at fair value through profit of loss - sukuk certificates

Name of the Security	Maturity date	Profit rate	As at July 01, 2018	Purchases during the quarter	Sales / maturity during the quarter	As at September 30, 2018	Carrying value as at September 30, 2018	Market value as at September 30, 2018	Unrealised loss / (gain) as at September 30, 2018	Percentage in relation to		
										Net assets of the fund on the basis of market value	Total Issue (with face value of investment)	Total market value of investments
						Number of certificates		(Rs in '000)		%		
GOP IJARAH SUKUK												
GoP Ijarah Sukuk Certificates - XVI (Face value of Rs. 100,000 per certificate)	December 18, 2018	Weighted average 6 months T-Bills	4,130	-	-	4,130	953,048	950,449	(2,599)	54.04	-	73.78
GoP Ijarah Sukuk Certificates - XVII (Face value of Rs. 100,000 per certificate)	February 15, 2019	Weighted average 6 months T-Bills	10,958	-	-	10,958	5,825	5,767	(58)	0.33	-	0.45
GoP Ijarah Sukuk Certificates - XVIII (Face value of Rs. 100,000 per certificate)	March 29, 2019	Weighted average 6 months T-Bills	500	-	-	500	49,835	49,385	(450)	2.81	-	3.83
GoP Ijarah Sukuk Certificates - XIX (Face value of Rs. 100,000 per certificate)	June 30, 2020	Weighted average 6 months T-Bills	250	-	-	250	24,540	23,950	(590)	1.36	-	1.86
POWER GENERATION AND DISTRIBUTION												
Neelum Jhelum Hydropower Company (Private) Limited (Face value of Rs. 100,000 per certificate) (AAA, JCR-VIS traded)	June 29, 2026	6 months kibar plus base rate of 1.13%	-	2,500	-	2,500	258,125	258,750	625	14.71	0.25	20.08
Total							1,291,373	1,288,301	(3,072)			

	September 30, 2018 (Unaudited)	June 30, 2018 (Audited)
Note	(Rupees in '000)	
7. ACCRUED EXPENSES AND OTHER LIABILITIES		
Auditors' remuneration payable	398	470
Printing charges payable	174	174
Brokerage payable	496	289
Shariah advisor fee payable	244	161
Withholding tax payable	279	136
Capital gain tax payable	70	155
Provision for Sindh Workers' Welfare Fund	7.1 14,094	13,902
Zakat payable	119	87
Provision for Federal Excise Duty and related Sindh Sales Tax on management fee and sales load	7.2 75,644	75,644
	<u>91,518</u>	<u>91,018</u>

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

Had the SWWF not been provided, the NAV per unit/fund return would have been higher by Re 0.41 /0.79% (June 30, 2018: Re 0.35 / 0.66%).

7.2 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, 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 75.64 million (June 30, 2018: Rs 75.64 million). Had the provision not been made, the Net Asset Value per unit of the Fund would have been higher by Rs 2.22 (June 30, 2018: Rs 1.88) per unit.

8. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2018 and June 30, 2018.

	September 30, 2018 (Unaudited)	2017
	(Rupees in '000)	
9. PROFIT EARNED		
Profit on:		
Balances with banks	10,451	14,285
Sukuk certificates	21,487	45,189
	<u>31,938</u>	<u>59,474</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, 2018 (Unaudited)	June 30, 2018 (Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration Payable	1,457	1,775
Sindh Sales Tax on management fee	189	231
Sales load payable	37	17
Sindh Sales Tax on sales load	5	2
Allocated expenses	146	178
Meezan Bank Limited		
Balances with bank	30,582	42,023
Profit receivable on saving accounts	1,016	946
Sales load payable	27	285
Sindh Sales Tax on sales load payable	3	37
Central Depository Company of Pakistan Limited - Trustee		
Security deposits refundable	100	100
Remuneration Payable	171	195
Sindh Sales Tax on trustee fee	22	25
Meezan Financial Planning Fund of Funds		
Investment of 395 units - MAAP - I (June 30, 2018: 386)	20	20
Directors and executives of the Management Company		
Investment of 137 units (June 30, 2018: 5 units)	7	-
For the quarter ended September 30, (Unaudited)		
	2018	2017
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration for the quarter	4,785	10,170
Sindh Sales Tax on management fee	622	1,322
Allocated expenses	478	1,017
Meezan Bank Limited		
Profit on saving accounts	224	191
Central Depository Company of Pakistan Limited - Trustee		
Remuneration for the quarter	548	951
Sindh Sales Tax on trustee fee	71	124
CDS Charges for the quarter	1	1
MFPF - Meezan Asset Allocation Plan I		
Units issued: 9 units (September 30, 2017: nil units)	-	-
Redemptions: nil units (September 30, 2017: 908,229 units)	-	46,700
MFPF - Meezan Asset Allocation Plan II		
Redemptions: nil units (September 30, 2017: 1,579,152 units)	-	81,200
Directors and executives of the Management Company		
Units issued: 132 units (September 30, 2017: nil units)	7	-
Redemptions: nil units (September 30, 2017: 29,881 units)	-	1,530

11. FAIR VALUES 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.

Note	Carrying amount					Fair value			
	Investments	Other receivables	Cash and cash equivalents	Other payables	Total	Level 1	Level 2	Level 3	Total
September 30, 2018 (Rupees in '000)									
Financial assets - measured at fair value									
	1,288,301	-	-	-	1,288,301	-	1,288,301	-	1,288,301
Financial assets - not measured at fair value									
Balances with banks	11.1	-	532,461	-	532,461				
Receivable against conversion of units	11.1	-	4,771	-	4,771				
Deposits, profit accrued and other receivables	11.1	-	33,252	-	33,252				
	1,288,301	38,023	532,461	-	1,858,785				
Financial liabilities - not measured at fair value									
Payable to Al Meezan Investment Management Limited - Management Company	11.1	-	-	1,834	1,834				
Payable to Central Depository Company of Pakistan Limited - Trustee	11.1	-	-	193	193				
Payable to Meezan Bank Limited	11.1	-	-	30	30				
Payable on redemption and conversion of units	11.1	-	-	6,119	6,119				
Accrued expenses and other liabilities	11.1	-	-	1,312	1,312				
	-	-	-	9,488	9,488				

Note	Investments	Other receivables	Cash and cash equivalents	Other payables	Total	Fair value			
						Level 1	Level 2	Level 3	Total
June 30, 2018 (Rupees in '000)									
Financial assets - measured at fair value									
Investments	11.1	1,489,533	-	-	1,489,533	-	1,489,533	-	3,689,101
Financial assets - not measured at fair value									
Balances with banks	11.1	-	673,082	-	673,082				
Receivable against conversion of units	11.1	-	31,469	-	31,469				
Deposits, profit accrued and other receivables	11.1	-	34,159	-	34,159				
	1,489,533	65,628	673,082	-	2,228,243				
Financial liabilities - not measured at fair value									
Payable to Al Meezan Investment Management Limited - Management Company	11.1	-	-	2,203	2,203				
Payable to Central Depository Company of Pakistan Limited - Trustee	11.1	-	-	220	220				
Payable to Meezan Bank Limited	11.1	-	-	322	322				
Payable on redemption and conversion of units	11.1	-	-	11,847	11,847				
Accrued expenses and other liabilities	11.1	-	-	1,094	1,094				
	-	-	-	15,686	15,686				

11.1 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.

12. ALLOCATED EXPENSES

During the quarter, the Fund was charged 0.1% of the average annual net assets as allocated expenses by the Management Company according to regulation 60 of the NBFC Regulations.

13. EXPENSE RATIO

Total Expense Ratio (TER) of the Fund for the quarter ended September 30, 2018 is 1.58% which include 0.26% representing government levy, Sindh Workers' Welfare Fund and SECP fee.

14. TAXATION

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

15. GENERAL

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

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

16. DATE OF AUTHORISATION

This condensed interim financial information was authorized for issue on October 18, 2018 by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

Director

FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre,
Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (9221) 35630722-6111-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. Atif Azim	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Main 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. Main 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. Atif Azim	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 AlHabib 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

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: bawaney@cyber.net.pk

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, 2018**

	September 30, 2018 (Unaudited)	June 30, 2018 (Audited)
Note	(Rupees in '000)	
Assets		
Balances with banks	5 8,192,353	8,470,637
Investments	6 2,058,496	1,657,000
Receivable against conversion of units	65,263	86,612
Profit Accrued	56,021	73,526
Deposits and prepayments	518	572
Total assets	10,372,651	10,288,347
Liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	10,226	10,198
Payable to the Central Depository Company of Pakistan Limited - Trustee	770	763
Payable to the Securities and Exchange Commission of Pakistan	1,901	5,536
Payable against redemption and conversion of units	106,776	308,928
Accrued expenses and other liabilities	9 45,918	41,970
Total liabilities	165,591	367,395
Net assets	10,207,060	9,920,952
Contingencies and commitments	7	
Unitholders' fund (as per statement attached)	10,207,060	9,920,952
	(Number of units)	
Number of units in issue	199,588,209	188,624,016
	(Rupees)	
Net assets value per unit	51.1406	52.5964

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

**MEEZAN CASH FUND
CONDENSED INTERIM INCOME STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

	Note	September 30,	
		2018	2017
(Rupees in '000)			
Income			
Profit earned	8	178,974	69,208
Total income		178,974	69,208
Expenses			
Remuneration to Al Meezan Investment Management Limited - Management Company		25,350	12,580
Sindh Sales Tax on management fee		3,295	1,635
Allocated expenses	10	2,535	1,258
Remuneration to Central Depository Company of Pakistan Limited - Trustee		2,089	1,133
Sindh Sales Tax on trustee fee		272	147
Annual fee to the Securities and Exchange Commission of Pakistan		1,901	944
Auditors' remuneration		146	146
Fees and subscription		294	216
Bank and settlement charges		12	98
Provision for Sindh Workers' Welfare Fund		2,861	1,020
Printing expense		46	30
Total expenses		38,799	19,207
Net income for the quarter before taxation		140,174	50,001
Taxation	13	-	-
Net income for the quarter after taxation		140,174	50,001
Allocation of net income for the quarter			
Net income for the quarter after taxation		140,174	50,001
Income already paid on units redeemed		(18,734)	(6,287)
		121,440	43,714
Accounting income available for distribution			
- Relating to capital gains		-	-
- Excluding capital gains		121,440	43,714
		121,440	43,714

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

**MEEZAN CASH FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

	September 30,	
	2018	2017
	(Rupees in '000)	
Net income for the quarter after taxation	140,174	50,001
Other comprehensive income	-	-
Total comprehensive income for the quarter	<u>140,174</u>	<u>50,001</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

MEEZAN CASH FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)

	September 30, 2018			Quarter ended September 30, 2017		
	2018	2017		2017		
	Capital Value	Undistributed income / (loss)	Total	Capital Value	Undistributed income / (loss)	Total
	(Rupees in '000)					
Net assets at beginning of the quarter	9,707,096	213,856	9,920,952	3,314,546	35,848	3,350,394
Issuance of 97,723,041 units (September 30,2017:113,312,887 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	4,928,320	-	4,928,320	5,714,369	-	5,714,369
- Element of income	27,512	-	27,512	27,020	-	27,020
Total proceeds on issuance of units	4,955,831	-	4,955,831	5,741,389	-	5,741,389
Redemption of 86,758,848 units (September 30,2017: 60,249,277 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	4,375,379	-	4,375,379	3,038,371	-	3,038,371
- Element of income	7,433	18,734	26,167	9,874	6,287	16,161
Total payments on redemption of units	4,382,812	18,734	4,401,546	3,048,245	6,287	3,054,532
Total comprehensive income for the quarter	-	140,174	140,174	-	50,001	50,001
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	(230,343)	(37,834)	(268,177)	-	50,001	50,001
Net assets at end of the quarter	10,049,772	157,288	10,207,060	6,007,690	79,562	6,087,252
Undistributed income carried forward						
- Realised		157,288			79,562	
- Unrealised		-			-	
		157,288			79,562	
Accounting income available for distribution						
- Relating to capital gains		-			-	
- Excluding capital gains		157,288			79,562	
		157,288			79,562	
Net assets value per unit at beginning of the quarter (EX-NAV)			(Rupees) 50.4315			(Rupees) 50.4300
Net assets value per unit at end of the quarter			51.1406			50.9400

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

**MEEZAN CASH FUND
CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

		September 30	
Note	2018	2017	
(Rupees in '000)			
CASH FLOWS FROM OPERATING ACTIVITIES			
	140,174	50,001	
Net income for the quarter before taxation			
(Increase) / decrease in assets			
Investments - net	(1,058,496)	(420,000)	
Deposits and prepayments	54	53	
Profit receivable	17,505	(13,646)	
	(1,040,937)	(433,593)	
Increase / (decrease) in liabilities			
Payable to AI Meezan Investment Management Limited - Management Company	28	1,315	
Payable to Central Depository Company of Pakistan Limited - Trustee	7	511	
Payable to Securities and Exchange Commission of Pakistan	(3,635)	(1,960)	
Accrued expenses and other liabilities	3,948	(14,207)	
	348	(14,341)	
Net cash used in operating activities	(900,415)	(397,933)	
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts against issuance and conversion of units	4,586,814	6,328,662	
Payments against redemption and conversion of units	(4,603,698)	(4,062,671)	
Dividend paid	(17,985)	(4,552)	
Net cash (used in) / generated from financing activities	(34,869)	2,261,439	
Net (decrease) / increase in cash and cash equivalents during the quarter	(935,284)	1,863,505	
Cash and cash equivalents at beginning of the quarter	10,127,637	3,730,705	
Cash and cash equivalents at end of the quarter	9,192,353	5,594,210	5.3

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

MEEZAN CASH FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)

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 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 given a quality rating of AM1 and the Fund has been given a stability rating AA(f) given by JCR-VIS Credit Rating Company Limited.
- 1.5 Title to the assets of the Fund are held in the name of CDC as the Trustee of the Fund.

2. BASIS OF PRESENTATION

The transactions undertaken by the Fund 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 approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the repealed Companies Ordinance, 1984 (now Companies Act, 2017), the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

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 year ended June 30, 2018.

This condensed interim financial information is unaudited. However, a limited scope review has been performed by the statutory auditors in accordance with the requirements of the Code of Corporate Governance. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that this condensed interim financial information gives a true and fair view of the state of affairs of the Fund as at December 31, 2017.

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

4.1 The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements of the Fund for the year ended June 30, 2018

4.1.1 Reclassification of financial assets

During the current period IFRS-9 became applicable, according to the standard, all equity investments are to be measured at fair value in the statement of financial position with value change recognized in profit or loss. Standard also retains an option in respect of equity investments (other than held for trading) for which the entity may elect to report value change in 'other comprehensive income'. However, the fund measured its all financial assets at fair value through profit or loss (FVTPL). For the purpose of measurement of debt instruments, SECP vide its letter to MUFAP dated November 21, 2017 relaxed the applicability of IFRS-9 impairment requirements for debt securities on mutual funds and deferred it till further instructions.

4.2 The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2018.

	Note	September 30, 2018 (Unaudited) (Rupees in '000)	June 30, 2018 (Audited)
5. BALANCES WITH BANKS			
In saving accounts	5.1 & 5.2	8,190,245	8,468,137
In current accounts		2,108	2,500
		<u>8,192,353</u>	<u>8,470,637</u>

5.1 The balances in saving accounts have an expected profit ranging from 2.40% to 7.70% per annum (June 30, 2018: 2.40% to 6.60% per annum).

5.2 The balances include Rs 33.766 million (June 30, 2018: Rs 33.86 million) with a related party, Meezan Bank Limited, on which average return is earned at 2.40% (June 30, 2017: 2.40%) per annum.

	Note	September 30, 2018 (Unaudited) (Rupees in '000)	June 30, 2018 (Audited)
5.3 Cash and cash equivalents			
Balances with banks	5	8,192,353	8,470,637
Term deposit receipts - having original maturity of 3 months or less	6	1,000,000	1,657,000
		<u>9,192,353</u>	<u>10,127,637</u>

6. INVESTMENTS

Term deposit receipts

- having original maturity of 3 months or less

6.1 1,000,000 1,657,000

Commercial Papers

- having original maturity of more than 3 months

5.2 1,058,496 -

2,058,496 1,657,000

6.1 Loans and receivables - Term deposit receipts (TDR)

Name of the bank	Maturity	Profit rate	As at July 1, 2018	Term deposit receipts placed during the period	Matured during the period	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)				-----%		
Bank AlHabib Limited	July 30, 2018	6.05%	757,000	-	(757,000)	-	-	-	
Bank AlHabib Limited	August 18, 2018	6.13%	900,000	-	(900,000)	-	-	-	
Faysal Bank Limited	October 13, 2018	7.55%	-	1,000,000	-	1,000,000	9.80	48.58	
Total							1,000,000		

6.2 Loans and receivables - Commercial paper

Name of the security	Maturity date	Profit rate	As at July 1, 2018	Purchases during the quarter	Sales / redemptions / maturity during the quarter	As at September 30, 2018	Carrying value as at September 30, 2018	Market value as at September 30, 2018	Total market value of investment	
										(Number of certificates)	(Rupees in '000)	-----%
K- Electric Limited CP sukuk (note 5.2.1 & 5.2.2)*	March 1, 2019	6 months Kibor plus base	-	1,050	-	1,050	1,058,496	1,058,496	51.42%	
Total							1,050	1,058,496	1,058,496	

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

6.2.2 The securities are valued on the basis of amortization to its face value as per the requirements of Circular 33 of 2012 with respect to thinly and non traded debt securities with residual maturity of upto six months.

7. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2018 and June 30, 2018.

	September 30, 2018 (Unaudited) (Rupees in '000)	September 30, 2017 (Audited)
8. PROFIT EARNED		
Profit on:		
Term deposit receipts	13,257	4,071
Sukuk certificates	8,496	-
Saving accounts with balance	157,221	65,137
	<u>178,974</u>	<u>69,208</u>

	Note	September 30, 2018 (Unaudited)	June 30, 2018 (Audited)
9. ACCRUED EXPENSES AND OTHER LIABILITIES			
	9.1	15,358	12,497
Provision for Sindh Workers' Welfare Fund (SWWF)		4,354	3,659
Withholding tax payable			
Provision for Federal Excise Duty and related Sindh Sales tax on management fee	9.2	24,687	24,687
Shariah advisor fee payable		615	403
Auditors' remuneration		466	445
Printing expense payable		96	40
Zakat payable		342	239
		<u>45,918</u>	<u>41,970</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 SWWF not been provided, the NAV per unit/fund return would have been higher by Re 0.08 / 0.15% (June 30, 2018: Re 0.07 / 0.13%).

- 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 0.12 (June 30, 2018: Re 0.13) per unit.

10. ALLOCATED EXPENSES

During the quarter, the Fund was charged 0.1% of the average annual net assets as allocated expenses by the Management Company according to regulation 60 of the NBFC Regulations.

11. EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the quarter ended September 30, 2018 is 1.51 % which include 0.32 % 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, 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, 2018 (Unaudited) (Rupees in '000)	June 30, 2018 (Audited)
Al Meezan Investment Management Limited - Management Company	8,314	8,291
Remuneration payable	1,081	1,078
Sindh Sales Tax payable on management fee	831	829
Allocated expenses payable	51	-
Investment of 992 units (June 30, 2018: Nil units)		
Meezan Bank Limited		
Balance with bank	33,766	133,042
Profit receivable on saving accounts	416	1,288
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	689	683
Sindh Sales Tax on trustee fee payable	81	80
Security deposit	100	100
Meezan Financial Planning Fund of Funds - Aggressive Allocation Plan		
Investment of 1,244,793 units (June 30, 2018: 1,182,986 units)	63,659	62,221
Meezan Financial Planning Fund of Funds - Conservative Allocation Plan		
Investment of 2,011,184 units (June 30, 2018: 2,017,164 units)	102,853	106,096
Meezan Financial Planning Fund of Funds - Moderate Allocation Plan		
Investment of 1,308,220 units (June 30, 2018: 1,472,341 units)	66,903	77,440
Meezan Financial Planning Fund of Funds - MAAP - I		
Investment of 548,767 units (June 30, 2018: 564,625 units)	28,064	29,697
Meezan Financial Planning Fund of Funds - MAAP - IV		
Investment of Nil units (June 30, 2018: 962,661 units)	-	50,632
	September 30, 2018 (Unaudited) (Rupees in '000)	June 30, 2018 (Audited)
Meezan Strategic Allocation Fund - MSAP - I		
Investment of 1,585,044 units (June 30, 2018: 1,820,041 units)	81,060	95,728
Meezan Strategic Allocation Fund - MSAP - II		
Investment of 1,419,566 units (June 30, 2018: 1,639,719 units)	72,597	86,243
Meezan Strategic Allocation Fund - MSAP - III		
Investment of 2,782,898 units (June 30, 2018: 2,965,825 units)	142,319	155,992
Meezan Strategic Allocation Fund - MSAP - IV		
Investment of 2,795,591 units (June 30, 2018: 3,524,201 units)	142,968	185,360
Meezan Strategic Allocation Fund - MSAP - V		
Investment of 2,169,739 units (June 30, 2018: 2,145,473 units)	110,962	112,844
Meezan Strategic Asset Allocation Fund - MCPP - III		
Investment of 38,116,922 units (June 30, 2018: 23,231,836 units)	1,949,322	1,221,911
Meezan Strategic Asset Allocation Fund - MCPP - IV		
Investment of 3,034,216 units (June 30, 2018: 33,889,478 units)	155,172	1,782,465
Meezan Strategic Asset Allocation Fund - MCPP - V		
Investment of 12,676,311 units (June 30, 2018: 9,595,190 units)	648,274	504,672
Meezan Strategic Asset Allocation Fund - MCPP - VI		
Investment of 11,598,129 units (June 30, 2018: Nil units)	593,135	-
Directors and Executives of the Management Company		
Investment of 137,551 units (June 30, 2018: 86,239 units)	7,034	5,685

	September 30,	
	2018	2017
	(Unaudited)	(Unaudited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration for the period	25,350	12,580
Sindh Sales Tax on management fee	3,295	1,635
Allocated expenses	2,535	1,258
Units issued: 992 (September 30, 2017: nil units)	51	-
Meezan Bank Limited		
Profit on saving accounts	704	637
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee for the period	2,089	1,133
Sindh Sales Tax on trustee fee for the period	272	147
CDS charges	2	2
Meezan Financial Planning Fund of Funds		
- Aggressive Allocation Plan		
Units issued: 24,621 units (September 30,2017: 31,957 units)	1,250	1,625
Units redeemed: 13,596 units (September 30,2017: 439,045 units)	688	22,216
Dividend Paid	2,304	-
Refund of Capital	257	-
Meezan Financial Planning Fund of Funds		
- Conservative Allocation Plan		
Units issued: 69,960 units (September 30,2017: 106,828 units)	3,563	5,438
Units redeemed: 162,532 units (September 30,2017: 239,924 units)	8,250	12,150
Dividend Paid	3,957	-
Refund of Capital	410	-
Meezan Financial Planning Fund of Funds		
- Moderate Allocation Plan		
Units issued: Nil units (September 30,2017: 130,397 units)	-	6,600
Units redeemed: 227,324 units (September 30,2017: Nil units)	11,500	-
Dividend Paid	2,766	-
Refund of Capital	421	-

	September 30,	
	2018 (Unaudited)	2017 (Unaudited)
	(Rupees in '000)	
Meezan Financial Planning Fund of Funds - MAAP - I		
Units issued: Nil units (September 30,2017: 2,263,677 units)	-	115,030
Units redeemed: 40,096 units (September 30,2017: Nil units)	2,040	-
Dividend Paid	855	-
Refund of Capital	368	-
Meezan Financial Planning Fund of Funds - MAAP - II		
Units issued: Nil units (September 30,2017: 39,479 units)	-	2,000
Units redeemed: Nil units (September 30,2017: 92,620 units)	-	4,700
Dividend Paid	-	-
Refund of Capital	-	-
Meezan Financial Planning Fund of Funds - MAAP - III		
Units issued: Nil units (September 30,2017: 4,611,177 units)	-	232,680
Units redeemed: Nil units (September 30,2017: 49,427 units)	-	2,500
Dividend Paid	-	-
Refund of Capital	-	-
Meezan Financial Planning Fund of Funds - MAAP - IV		
Units issued: 7,327,574 units (September 30,2017: Nil units)	370,000	-
Units redeemed: 8,331,559 units (September 30,2017: Nil units)	421,491	-
Dividend Paid	1,833	-
Refund of Capital	251	-
Meezan Strategic Allocation Fund - MSAP - I		
Units issued: Nil units (September 30,2017: 3,993,262 units)	-	201,500
Units redeemed: 313,127 units (September 30,2017: 434,955 units)	15,875	22,000
Dividend Paid	7,744	-
Refund of Capital	136	-
Meezan Strategic Allocation Fund - MSAP - II		
Units issued: Nil units (September 30,2017: Nil units)	-	-
Units redeemed: 290,542 units (September 30,2017: Nil units)	14,740	-
Dividend Paid	3,550	-
Refund of Capital	-	-
Meezan Strategic Allocation Fund - MSAP - III		
Units issued: Nil units (September 30,2017: 3,606,817 units)	-	182,000
Units redeemed: 310,242 units (September 30,2017: Nil units)	15,740	-
Dividend Paid	6,326	-
Refund of Capital	95	-
Meezan Strategic Allocation Fund - MSAP - IV		
Units issued: Nil units (September 30,2017: 2,576,298 units)	-	130,000
Units redeemed: 879,895 units (September 30,2017: Nil units)	44,810	-
Dividend Paid	15,075	-
Refund of Capital	185	-
Meezan Strategic Allocation Fund - MSAP - V		
Units issued: Nil units (September 30,2017: 3,027,682 units)	-	154,000
Units redeemed: 67,834 units (September 30,2017: 1,122,204 units)	3,450	57,048
Dividend Paid	3,312	-
Refund of Capital	1,332	-
Meezan Strategic Asset Allocation Fund - MCPP-III		
Units Issued: 2,862,078 units (September 30,2017: nil)	145,100	-
Units Issued: 11,722,848 units (September 30,2017: nil)	169,140	-
Dividend Paid	16,480	-
Refund of Capital	33,815	-
Meezan Strategic Allocation Fund II- MCPP - IV		
Units issued: 12,049,693 units (September 30,2017: Nil units)	612,941	-
Units redeemed: 9,277,041 units (September 30,2017: Nil units)	471,698	-
Dividend Paid	26,419	-
Refund of Capital	113,883	-
Meezan Strategic Allocation Fund II- MCPP - V		
Units issued: 5,568,122 units (September 30,2017: Nil units)	281,600	-
Units redeemed: 2,898,898 units (September 30,2017: Nil units)	146,720	-
Dividend Paid	1,360	-
Refund of Capital	19,413	-
Meezan Strategic Allocation Fund II- MCPP - VI		
Units issued: 13,134,096 units (September 30,2017: Nil units)	668,000	-
Units redeemed: 1,535,967 units (September 30,2017: Nil units)	77,970	-
Directors and Executives of the Management Company		
Units issued: 213,524 units (September 30,2017: 28,474 units)	10,822	2,963
Units redeemed: 184,069 units (September 30,2017: 93,658 units)	9,344	1,759
Dividend Paid	111	-
Refund of Capital	186	-

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 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.

14. FINANCIAL INSTRUMENTS

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

Carrying amount				
Investments	Other receivables	Cash and cash equivalents	Other payables	Total
(Rupees in '000)				
September 30, 2018				
Financial assets				
Balances with banks	-	8,192,353	-	8,192,353
Investments - 'loans and receivables'	-	-	-	-
- Term deposit receipts	-	1,000,000	-	1,000,000
- Sukuk Certificates	1,050,000	-	-	1,050,000
Receivable against conversion of units	65,263	-	-	65,263
Profit Accrued	56,021	-	-	56,021
Deposits	300	-	-	300
	1,050,000	9,192,353	-	10,363,937
Financial liabilities				
Payable to Al Meezan Investment Management Limited - Management Company	-	-	10,226	10,226
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	770	770
Payable on redemption and conversion of units	-	-	106,776	106,776
Accrued expenses and other liabilities	-	-	583	583
	-	-	118,355	118,355

Carrying amount				
Investments	Other receivables	Cash and cash equivalents	Other payables	Total
(Rupees in '000)				
June 30, 2018				
Financial assets				
Balances with banks	-	8,470,637	-	8,470,637
Investments - 'loans and receivables'	-	-	-	-
- Term deposit receipts	-	1,657,000	-	1,657,000
Receivable against conversion of units	86,612	-	-	86,612
Profit Accrued	73,526	-	-	73,526
Deposits	300	-	-	300
	160,438	10,127,637	-	10,288,075
Financial liabilities				
Payable to Al Meezan Investment Management Limited - Management Company	-	-	10,198	10,198
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	763	763
Payable on redemption and conversion of units	-	-	308,928	308,928
Dividend payable	-	-	-	-
Accrued expenses and other liabilities	-	-	25,348	25,348
	-	-	345,237	345,237

15. GENERAL

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

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

16 DATE OF AUTHORISATION

This condensed interim financial information was authorised for issue on October 18, 2018 by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

Director

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. Atif Azim	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. Atif Azim	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

Dubai Islamic Bank Pakistan Limited
Habib Metropolitan Bank Limited - Islamic Banking
Meezan Bank Limited
Bankislami Pakistan 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: bawaney@cybenet.pk

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 JULY 24, 2018 AND SEPTEMBER 30, 2018

	Note	September 30, 2018 (Unaudited)				As at July 24, 2018	
		Aggressive	Moderate	Conservative	MAAP-I	Total	Unaudited MAAP-IV
(Rupees in '000)							
Assets							
Balances with banks	5	5,602	3,741	1,004	3,866	14,213	4,045
Investments	6	485,826	258,920	275,334	815,652	1,835,732	-
Receivable against conversion of units		1	-	61	-	62	-
Receivable against sale of investments - net		7,000	-	-	-	7,000	473,018
Profit accrued on balances with banks		15	20	19	12	66	196
Total assets		498,444	262,681	276,418	819,530	1,857,073	477,259
Liabilities							
Payable to Al Meezan Investment Management Limited - Management Company		126	39	37	73	274	111
Payable to Central Depository Company of Pakistan Limited - Trustee		45	21	31	64	161	33
Payable to Meezan Bank Limited		1	-	1	-	2	-
Payable to Securities and Exchange Commission of Pakistan		119	65	67	197	448	630
Payable on redemption and conversion of units		9,295	288	152	-	9,735	-
Accrued expenses and other liabilities	7	4,053	2,950	1,827	10,901	19,731	5,438
Total liabilities		13,639	3,363	2,114	11,235	30,351	6,212
Net assets		484,805	259,319	274,304	808,295	1,826,723	471,047
Contingencies and commitments							
Unitholders' fund (as per statement attached)		484,805	259,319	274,304	808,295	1,826,723	471,047
(Number of units)							
Number of units in issue		7,031,381	3,890,784	4,192,821	14,108,750		10,199,830
(Rupees)							
Net assets value per unit		68.9487	66.6496	65.4222	57.2903		46.1818

The annexed notes 1 to 15 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 FINANCIAL PLANNING FUND OF FUNDS
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT JULY 24, 2018 AND SEPTEMBER 30, 2018

	Note	June 30, 2018 (Audited)					As at January	As at March	
		Aggressive	Moderate	Conservative	MAAP-I	MAAP-IV	11, 2018 (Audited)	30, 2018 (Audited)	
(Rupees in '000)									
Assets									
Balances with banks	5	3,899	2,965	9,841	5,204	2,932	24,841	3,037	8,715
Investments	6	497,702	309,708	282,881	835,526	510,146	2,435,963	-	-
Receivable against conversion of units		1	13	56	-	-	70	-	-
Receivable against sale of investments - net		-	-	-	-	5,000	5,000	707,643	2,223,711
Profit accrued on balances with banks		4	19	14	12	49	98	136	607
Total assets		501,606	312,705	292,792	840,742	518,127	2,465,972	710,816	2,233,033
Liabilities									
Payable to Al Meezan Investment Management Limited - Management Company		62	65	49	74	45	295	23	190
Payable to Central Depository Company of Pakistan Limited - Trustee		44	25	31	64	43	207	19	166
Payable to Meezan Bank Limited		2	15	1	-	-	18	-	-
Payable to the Securities and Exchange Commission of Pakistan		518	324	316	882	600	2,640	430	1,739
Payable on redemption and conversion of units		184	289	143	-	4,232	4,848	11,097	10,698
Accrued expenses and other liabilities	7	4,009	2,892	1,784	10,808	5,470	24,963	9,247	30,089
Total liabilities		4,819	3,610	2,324	11,828	10,390	32,971	20,816	42,882
Net assets		496,787	309,095	290,468	828,914	507,737	2,433,001	690,000	2,190,151
Unitholders' fund (as per statement attached)		496,787	309,095	290,468	828,914	507,737	2,433,001	690,000	2,190,151
Contingencies and commitments	8								
(Number of units)									
Number of units in issue		7,068,186	4,604,291	4,450,352	14,144,960	10,826,249		13,799,997	43,803,025
(Rupees)									
Net assets value per unit		70,2849	67,1319	65,2685	58,6014	46,8987		50,0000	50,0000

The annexed notes 1 to 15 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 FINANCIAL PLANNING FUND OF FUNDS
CONDENSED INTERIM INCOME STATEMENT
FOR THE PERIOD / QUARTER ENDED JULY 24, 2018 AND SEPTEMBER 30, 2018 (UNAUDITED)

Note	September 30, 2018					From July 01, 2018 to July 24, 2018
	Aggressive	Moderate	Conservative	MAAP-I	Total	MAAP-IV
	(Rupees in '000)					
Income						
	(377)	(1,707)	(474)	(831)	(3,389)	(11,515)
	4,629	5,576	7,946	5,465	23,616	3,569
	-	-	-	63	63	167
	39	33	43	12	127	152
	4,291	3,902	7,515	4,709	20,417	(7,627)
	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)	-
	(9,337)	(2,755)	996	(17,760)	(28,856)	(7,627)
Expenses						
	25	11	20	12	68	69
	3	1	3	2	9	9
11	126	68	70	207	471	32
	110	60	62	181	413	27
	14	8	8	24	54	4
	119	65	67	197	448	30
	45	24	25	74	168	9
	24	13	14	40	91	4
	4	3	2	2	11	-
	17	10	9	27	63	3
	-	-	14	-	14	-
	487	263	294	766	1,810	187
	(9,824)	(3,018)	702	(18,525)	(30,665)	(7,814)
	Taxation					
13	-	-	-	-	-	-
	(9,824)	(3,018)	702	(18,525)	(30,665)	(7,814)
Allocation of net income for the quarter						
	-	-	702	-	702	-
	-	-	(85)	-	(85)	-
	-	-	617	-	617	-
Accounting income available for distribution						
- Relating to capital gains						
	-	-	-	-	-	-
	-	-	617	-	-	-
	-	-	617	-	-	-

The annexed notes 1 to 15 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 INCOME STATEMENT
FOR THE PERIOD / QUARTER ENDED JULY 24, 2018 AND SEPTEMBER 30, 2018 (UNAUDITED)

		September 30, 2017								
		Aggressive	Moderate	Conservative	MAAP-I	MAAP-II	MAAP-III	MAAP-IV	Total	
Note		(Rupees in '000)								
Income										
	Net realised loss on sale of investments	(1,542)	(779)	(204)	(67,142)	(4,142)	(12,462)	(4,363)	(90,635)	
	Back end load income	-	-	-	-	7	-	32	39	
	Profit on saving accounts with banks	72	28	61	23	17	95	18	314	
		(1,470)	(751)	(143)	(67,119)	(4,118)	(12,367)	(4,313)	(90,282)	
	Unrealised (diminution) / appreciation on re-measurement of investments at 'fair value' through profit or loss' (net)	6.1	(47,339)	(19,519)	(7,948)	6,331	(82,202)	(243,659)	(68,084)	(462,420)
	Total (loss) / income	(48,809)	(20,270)	(8,091)	(60,788)	(86,320)	(256,026)	(72,398)	(552,702)	
Expenses										
	Remuneration to Al Meezan - Management Company	43	22	32	28	7	49	20	201	
	Sindh Sales Tax on Management Fee	5	3	4	4	1	6	3	26	
11	Allocated Expenses	143	96	99	296	229	683	191	1,737	
	Remuneration to CDC - Trustee	116	75	78	233	180	537	150	1,369	
	Sindh Sales Tax on Trustee Fee	15	9	10	30	23	70	20	177	
	Annual fee to SECP	140	91	94	281	218	649	182	1,655	
	Auditors' remuneration	14	10	10	29	23	68	19	173	
	Fees and subscription	8	5	5	16	13	37	10	94	
	Amortisation of preliminary expenses and floatation costs	-	-	50	-	-	-	-	50	
	Transaction cost	-	-	-	161	-	-	-	161	
	Bank and settlement charges	5	6	7	2	4	11	4	39	
	Printing charges	1	1	1	2	1	4	2	12	
	Total expenses	490	318	390	1,082	699	2,114	601	5,694	
	Net loss for the quarter before taxation	(49,299)	(20,588)	(8,481)	(61,870)	(87,019)	(258,141)	(72,999)	(558,396)	
	Taxation	13	-	-	-	-	-	-	-	
	Net loss for the quarter after taxation	(49,299)	(20,588)	(8,481)	(61,870)	(87,019)	(258,141)	(72,999)	(558,396)	
Allocation of net (loss) / income for the quarter										
	Net loss for the quarter after taxation	-	-	-	-	-	-	-	-	
	Loss on units redeemed	-	-	-	-	-	-	-	-	
	Accounting income available for distribution	-	-	-	-	-	-	-	-	

*Due to "NIL" distributable income for the quarter, disclosure related to accounting income available for distribution is not required.

The annexed notes 1 to 15 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 FINANCIAL PLANNING FUND OF FUNDS
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD / QUARTER ENDED JULY 24, 2018 AND SEPTEMBER 30, 2018 (UNAUDITED)

	September 30, 2018					From July 01, 2018 to July 24, 2018
	Aggressive	Moderate	Conservative	MAAP-I	Total	MAAP-IV
	----- (Rupees in '000) -----					
Net (loss) / income for the quarter / period after taxation	(9,824)	(3,018)	702	(18,525)	(30,665)	(7,814)
Other comprehensive income for the quarter / period	-	-	-	-	-	-
Total comprehensive (loss) / income for the quarter / period	<u>(9,824)</u>	<u>(3,018)</u>	<u>702</u>	<u>(18,525)</u>	<u>(30,665)</u>	<u>(7,814)</u>

	September 30, 2017							
	Aggressive	Moderate	Conservative	MAAP-I	MAAP-II	MAAP-III	MAAP-IV	Total
	----- (Rupees in '000) -----							
Net loss for the quarter after taxation	(49,299)	(20,588)	(8,481)	(61,870)	(87,019)	(258,141)	(72,999)	(558,396)
Other comprehensive income for the quarter	-	-	-	-	-	-	-	-
Total comprehensive income for the quarter	<u>(49,299)</u>	<u>(20,588)</u>	<u>(8,481)</u>	<u>(61,870)</u>	<u>(87,019)</u>	<u>(258,141)</u>	<u>(72,999)</u>	<u>(558,396)</u>

The annexed notes 1 to 15 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 FINANCIAL PLANNING FUND OF FUNDS
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUNDS
FOR THE PERIOD / QUARTER ENDED JULY 24, 2018 AND SEPTEMBER 30, 2018 (UNAUDITED)

	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	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)	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)	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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net (loss) / income for the quarter 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 carried forward																		
- Realised income	105,701			86,177			87,733			201,967			481,577					(31,509)
- Unrealised loss	(13,628)			(6,656)			(6,519)			(22,469)			(49,272)					
	<u>92,073</u>			<u>79,521</u>			<u>81,214</u>			<u>179,498</u>			<u>432,305</u>					<u>(31,509)</u>
Accounting income available for distribution																		
- Relating to capital gains	-			-			-			-			-			-		
- Excluding capital gains	-			-			-			-			-			-		
	<u>-</u>			<u>-</u>			<u>-</u>			<u>-</u>			<u>-</u>			<u>-</u>		
Net asset value per unit at beginning of the quarter		<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 at end of the quarter		<u>68.9487</u>			<u>66.8496</u>			<u>65.4222</u>			<u>57.2903</u>							<u>46.1818</u>

The annexed notes 1 to 15 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 STATEMENT OF MOVEMENT IN UNITHOLDERS' FUNDS
FOR THE PERIOD / QUARTER ENDED JULY 24, 2018 AND SEPTEMBER 30, 2018 (UNAUDITED)

September 30, 2017

	Aggressive	Moderate	Conservative	MAAP-I	MAAP-II	MAAP-III	MAAP-IV	Total
	-----Rupees-----							
Capital value	447,919	298,428	325,714	987,898	777,741	2,339,353	782,692	5,959,745
Undistributed income brought forward								
- Realised income	186,768	116,539	100,829	169,904	117,251	311,690	13,129	1,016,110
- Unrealised (loss) / income	(12,553)	(7,158)	(13,146)	93,510	82,985	271,498	64,423	479,559
Net assets at beginning of the quarter	<u>622,134</u>	<u>407,809</u>	<u>413,397</u>	<u>1,251,312</u>	<u>977,977</u>	<u>2,922,541</u>	<u>860,244</u>	<u>7,455,414</u>
Issuance of units:								
Aggressive: 744,585 units,	56,650	-	-	-	-	-	-	56,650
Moderate: 308,364 units,	-	21,757	-	-	-	-	-	21,757
Conservative: 1,629,674 units	-	-	106,592	-	-	-	-	106,592
Total proceeds on issuance of units	56,650	21,757	106,592	-	-	-	-	184,999
Redemption of units:								
Aggressive: 965,976 units,	73,582	-	-	-	-	-	-	73,582
Moderate: 663,114 units,	-	46,340	-	-	-	-	-	46,340
Conservative: 1,894,308 units,	-	-	124,471	-	-	-	-	124,471
MAAP I: 1,152,108 units,	-	-	-	69,245	-	-	-	69,245
MAAP II: 601,050 units,	-	-	-	-	34,600	-	-	34,600
MAAP III: 1,719,840 units,	-	-	-	-	-	102,019	-	102,019
MAAP IV: 1,852,320 units	-	-	-	-	-	-	100,422	100,422
Total payments on redemption of units	73,582	46,340	124,471	69,245	34,600	102,019	100,422	550,679
Net realised loss on sale of investments	(1,542)	(779)	(204)	(67,142)	(4,142)	(12,462)	(4,363)	(90,635)
Unrealised (diminution) / appreciation on re-measurement of investments 'at fair value through profit or loss' (net)	(47,339)	(19,519)	(7,948)	6,331	(82,202)	(243,659)	(68,084)	(462,420)
Net other income for the quarter	(418)	(290)	(329)	(1,059)	(675)	(2,019)	(551)	(5,341)
Total comprehensive loss for the quarter	(49,299)	(20,588)	(8,481)	(61,870)	(87,019)	(258,141)	(72,999)	(558,396)
Distribution during the quarter	-	-	-	-	-	-	-	-
Net loss for the quarter less distribution	(49,299)	(20,588)	(8,481)	(61,870)	(87,019)	(258,141)	(72,999)	(558,396)
Net assets at end of the quarter	<u>555,903</u>	<u>362,638</u>	<u>387,037</u>	<u>1,120,197</u>	<u>856,358</u>	<u>2,562,381</u>	<u>686,823</u>	<u>6,531,337</u>
Represented by								
Capital value	428,810	272,561	307,338	915,353	740,220	2,232,554	681,889	5,578,723
Undistributed income carried forward								
- Realised income	174,432	109,596	87,647	198,513	198,340	573,487	73,019	1,415,034
- Unrealised (loss) / income	(47,339)	(19,519)	(7,948)	6,331	(82,202)	(243,659)	(68,084)	(462,420)
	<u>555,903</u>	<u>362,638</u>	<u>387,037</u>	<u>1,120,197</u>	<u>856,358</u>	<u>2,562,381</u>	<u>686,823</u>	<u>6,531,337</u>
	-----Rupees-----							
Net asset value per unit as at beginning of the quarter	79.8300	72.0400	66.3300	62.4100	62.4000	61.8700	54.4200	
Net asset value per unit as at end of the quarter	<u>73.4200</u>	<u>68.3400</u>	<u>64.8500</u>	<u>59.2800</u>	<u>56.8200</u>	<u>56.3000</u>	<u>49.2200</u>	

The annexed notes 1 to 15 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 FINANCIAL PLANNING FUND OF FUNDS
CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE PERIOD / QUARTER ENDED JULY 24, 2018 AND SEPTEMBER 30, 2018 (UNAUDITED)

	September 30, 2018					From July 01, 2018 to July 24, 2018
	Aggressive	Moderate	Conservative	MAAP-I	Total	MAAP-IV
	(Rupees in '000)					
CASH FLOWS FROM OPERATING ACTIVITIES						
Net (loss) / income for the quarter 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'	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 15 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
FOR THE PERIOD / QUARTER ENDED JULY 24, 2018 AND SEPTEMBER 30, 2018 (UNAUDITED)

	September 30, 2017							Total
	Aggressive	Moderate	Conservative	MAAP-I	MAAP-II	MAAP-III	MAAP-IV	
(Rupees in '000)								
CASH FLOWS FROM OPERATING ACTIVITIES								
Net loss for the quarter before taxation	(49,299)	(20,588)	(8,481)	(61,870)	(87,019)	(258,141)	(72,999)	(558,396)
Adjustments for								
Unrealised diminution / (appreciation) on re-measurement of investments at fair value through profit or loss' (net)	47,339	19,519	7,948	(6,331)	82,202	243,659	68,084	462,420
Amortisation of preliminary expenses and floatation costs	-	-	50	-	-	-	-	50
	(1,960)	(1,069)	(483)	(68,201)	(4,817)	(14,482)	(4,915)	(95,927)
Decrease / (increase) in assets								
Investments (net)	26,441	27,178	18,104	145,723	45,502	144,192	109,053	516,193
Receivable against investments (net)	5,000	33,875	19,000	(11,289)	5,700	22,070	-	74,356
Profit receivable on saving accounts with banks	(11)	5	14	2	3	(13)	4	4
	31,430	61,058	37,118	134,436	51,205	166,249	109,057	590,553
Increase / (decrease) in liabilities								
Remuneration to Al Meezan - Management Company	10	43	(57)	394	205	799	333	1,727
Remuneration to CDC - Trustee	(9)	(6)	(2)	(14)	(11)	(32)	(14)	(88)
Payable to MBL	(2)	-	-	-	-	-	-	(2)
Annual fee to SECP	(461)	(386)	(327)	(1,049)	(764)	(2,354)	(710)	(6,051)
Accrued expenses and other liabilities	(7,050)	(1,611)	(249)	(4,240)	(4,319)	(10,724)	(2,699)	(30,892)
	(7,512)	(1,960)	(635)	(4,909)	(4,889)	(12,311)	(3,090)	(35,305)
Net cash generated from / (used in) operating activities	21,958	58,029	36,000	61,326	41,499	139,456	101,052	459,320
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts against issuance and conversion of units	56,595	21,757	108,252	-	-	-	-	186,604
Payments against redemption and conversion of units	(85,307)	(80,642)	(139,085)	(57,340)	(44,388)	(134,573)	(100,464)	(641,799)
Dividend paid	(298)	(900)	(63)	-	-	-	-	(1,261)
Net cash used in financing activities	(29,010)	(59,785)	(30,896)	(57,340)	(44,388)	(134,573)	(100,464)	(456,456)
Net (decrease) / increase in cash and cash equivalents during the quarter	(7,052)	(1,756)	5,104	3,986	(2,889)	4,883	588	2,864
Cash and cash equivalents at beginning of the quarter	12,939	6,239	2,634	2,009	5,981	12,981	2,670	45,453
Cash and cash equivalents at end of the quarter	5,887	4,483	7,738	5,995	3,092	17,864	3,258	48,317

The annexed notes 1 to 15 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 FINANCIAL PLANNING FUND OF FUNDS
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE PERIOD / QUARTER ENDED JULY 24, 2018 AND SEPTEMBER 30, 2018 (UNAUDITED)**

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Meezan Financial Planning Fund of Funds (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on July 27, 2012 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The Fund is registered as a Notified entity under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) issued through S.R.O.1203(I)/2008 on November 21, 2008. The Management Company has been licensed by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi, 74400, Pakistan.
- 1.2 The Fund has been formed to enable the unitholders to participate in a diversified portfolio of securities, which are Shariah compliant. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah guidelines. The Management Company has appointed Meezan Bank Limited as its Shariah advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.3 The Fund is an open-end Shariah compliant Fund of Funds Scheme listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis except for two plans Meezan Asset Allocation Plan-I (MAAP-I), and Meezan Asset Allocation Plan-IV (MAAP-IV) 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 of the Fund has been given quality rating of AM1 by JCR-VIS Credit Rating Company Limited.
- 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 Plan, Moderate Plan, Conservative Plan, MAAP-I, and MAAP-IV 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.
Meezan Asset Allocation Plan IV (MAAP-IV)	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. July 25, 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.

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.

- 1.7 During the period, Meezan Asset Allocation Plan-IV (MAAP-IV) has matured on July 24, 2018.

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 approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the repealed Companies Ordinance, 1984 (now Companies Act, 2017), the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

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 year ended June 30, 2018.

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

4.1 The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements of the Fund for the year ended June 30, 2018 except for the following:

4.1.1 Reclassification of financial assets

During the current period IFRS-9 became applicable. According to the standard, all equity investments are to be measured at fair value in the statement of financial position with value change recognized in profit or loss. Standard also retains an option in respect of equity investments (other than held for trading) for which the entity may elect to report value change in 'other comprehensive income'. However, the fund measured its all financial assets at fair value through profit or loss (FVTPL).

4.2 The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2018.

5 BALANCES WITH BANKS

Note	As at September 30, 2018						As at July 24, 2018			
	Aggressive	Moderate	Conservative	MAAP-I	Total	MAAP-IV				
(Rupees in '000)										
Saving accounts	2,772	3,325	550	713	7,360	3,964				
Current accounts	2,830	416	454	3,153	6,853	81				
	<u>5,602</u>	<u>3,741</u>	<u>1,004</u>	<u>3,866</u>	<u>14,213</u>	<u>4,045</u>				
Note	As at June 30, 2018						As at January 11, 2018		As at March 30, 2018	
	Aggressive	Moderate	Conservative	MAAP-I	MAAP-IV	Total	MAAP-II	MAAP-III		
(Rupees in '000)										
Saving accounts	1,444	1,047	5,408	1,864	2,851	12,614	3,037	7,574		
Current accounts	2,455	1,918	4,433	3,340	81	12,227	-	1,141		
	<u>3,899</u>	<u>2,965</u>	<u>9,841</u>	<u>5,204</u>	<u>2,932</u>	<u>24,841</u>	<u>3,037</u>	<u>8,715</u>		

5.1 The balance in savings accounts have an expected profit ranging from 2.00% to 7.55% (June 30, 2018: 2.00% to 6.55%) per annum.

6 INVESTMENTS

Note	As at September 30, 2018 (Unaudited)						As at July 24, 2018			
	Aggressive	Moderate	Conservative	MAAP-I	Total	MAAP-IV				
(Rupees in '000)										
Investments - 'at fair value through profit or loss' - units of mutual funds	485,826	258,920	275,334	815,652	1,835,732	-				
Note	As at June 30, 2018 (Audited)						As at January 11, 2018		As at March 30, 2018	
	Aggressive	Moderate	Conservative	MAAP-I	MAAP-IV	Total	MAAP-II	MAAP-III		
(Rupees in '000)										
Investments - 'at fair value through profit or loss' - held for trading	497,702	309,708	282,881	835,526	510,146	2,435,963	-	-		

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

Name of investee funds	As at July 1, 2018	Purchases during the quarter	Sale during the quarter	As at September 30, 2018	Carrying value as at September 30, 2018	Market value as at September 30, 2018	Unrealised diminution as at September 30, 2018	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	5,893,702	116,394	152,565	5,857,531	371,112	360,330	(10,782)	74.32	74.17
Meezan Islamic Income Fund	1,161,137	73,765	30,146	1,204,756	64,182	62,734	(1,448)	12.94	12.91
Meezan Cash Fund	1,182,986	75,404	30,712	1,227,678	64,161	62,762	(1,399)	12.95	12.92
					<u>499,455</u>	<u>485,826</u>	<u>(13,628)</u>	<u>100.21</u>	<u>100.00</u>
Moderate Allocation Plan									
Meezan Islamic Fund	2,444,911	-	409,877	2,035,034	128,888	125,186	(3,702)	48.27	48.35
Meezan Cash Fund	1,472,337	63,204	227,324	1,308,217	68,324	66,879	(1,445)	25.79	25.83
Meezan Islamic Income Fund	1,445,143	61,736	223,007	1,283,872	68,364	66,855	(1,509)	25.78	25.82
					<u>265,576</u>	<u>258,920</u>	<u>(6,656)</u>	<u>99.84</u>	<u>100.00</u>
Conservative Allocation Plan									
Meezan Islamic Fund	1,116,559	54,853	86,485	1,084,927	68,618	66,740	(1,878)	24.33	24.24
Meezan Cash Fund	2,017,161	185,898	162,532	2,040,527	106,602	104,316	(2,286)	38.03	37.89
Meezan Islamic Income Fund	1,979,904	182,092	159,465	2,002,531	106,633	104,278	(2,355)	38.02	37.87
					<u>281,853</u>	<u>275,334</u>	<u>(6,519)</u>	<u>100.38</u>	<u>100.00</u>
Meezan Asset Allocation Plan I									
Al Meezan Mutual Fund	39,791	-	-	39,791	703	681	(22)	0.08	0.08
Meezan Sovereign Fund	385	10	-	395	21	20	(1)	-	-
Meezan Islamic Income Fund	3,467,932	730,486	-	4,198,418	220,419	218,624	(1,795)	27.05	26.80
Meezan Cash Fund	564,626	24,238	40,097	548,767	28,468	28,054	(414)	3.47	3.44
Meezan Dedicated Equity Fund	12,759,249	-	634,368	12,124,881	588,510	568,273	(20,237)	70.31	69.68
					<u>838,121</u>	<u>815,652</u>	<u>(22,469)</u>	<u>100.91</u>	<u>100.00</u>
Meezan Asset Allocation Plan IV									
Al Meezan Mutual Fund	1,304,322	-	1,304,322	-	-	-	-	-	-
Meezan Islamic Fund	3,990,160	-	3,990,160	-	-	-	-	-	-
Meezan Islamic Income Fund	1,494,217	63,875	1,558,092	-	-	-	-	-	-
Meezan Cash Fund	962,660	7,368,899	8,331,559	-	-	-	-	-	-
Meezan Dedicated Equity Fund	2,136,720	-	2,136,720	-	-	-	-	-	-
					<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total investments in units of mutual funds									
Al Meezan Mutual Fund	1,344,113	-	1,304,322	39,791	703	681	(22)	0.04	0.04
Meezan Islamic Fund	13,445,332	171,247	4,639,087	8,977,492	568,618	552,256	(16,362)	30.23	30.08
Meezan Cash Fund	6,199,770	7,717,643	8,792,224	5,125,189	267,555	262,011	(5,544)	14.34	14.27
Meezan Sovereign Fund	385	10	-	395	21	20	(1)	0	-
Meezan Islamic Income Fund	9,548,333	1,111,954	1,970,710	8,689,577	459,598	452,491	(7,107)	24.77	24.65
Meezan Dedicated Equity Fund	14,895,969	-	2,771,088	12,124,881	588,510	568,273	(20,237)	31.11	30.96
					<u>1,885,005</u>	<u>1,835,732</u>	<u>(49,272)</u>	<u>100.49</u>	<u>100.00</u>

7 ACCRUED EXPENSES AND OTHER LIABILITIES

Note	-----As at September 30, 2018 -----						As at July 24, 2018	
	Aggressive	Moderate	Conservative	MAAP-I	Total	MAAP-IV		
	----- (Rupees in '000) -----							
Withholding tax payable	116	489	11	416	1,032	8		
Provision for Sindh Workers' Welfare Fund	3,380	1,916	1,229	6,886	13,411	2,621		
Provision for Federal Excise Duty and related Sindh Sales Tax on sales load and management fee	383	433	485	3,301	4,602	2,666		
Shariah advisor fee payable	40	23	22	65	150	27		
Auditors' remuneration payable	90	51	52	147	340	80		
Printing charges payable	44	38	28	86	196	36		
	<u>4,053</u>	<u>2,950</u>	<u>1,827</u>	<u>10,901</u>	<u>19,731</u>	<u>5,438</u>		

	----- As at June 30, 2017 -----						As at January 11, 2018	As at March 30, 2018
	Aggressive	Moderate	Conservative	MAAP-I	MAAP-IV	Total	MAAP-II	MAAP-III
	----- (Rupees in '000) -----							
Withholding tax payable	127	458	14	417	52	1,068	1,734	6,636
Provision for Sindh Workers' Welfare Fund	3,380	1,916	1,214	6,886	2,621	16,017	5,615	16,339
Provision for Federal Excise Duty and related Sindh Sales Tax on sales load and management fee	383	433	485	3,311	2,667	7,279	1,817	6,763
Shariah advisor fee payable	22	14	13	37	24	110	22	91
Auditors' remuneration payable	62	39	38	105	71	315	39	145
Printing charges payable	35	32	20	52	35	174	20	87
Zakat payable	-	-	-	-	-	-	-	28
	<u>4,009</u>	<u>2,892</u>	<u>1,784</u>	<u>10,808</u>	<u>5,470</u>	<u>24,963</u>	<u>9,247</u>	<u>30,089</u>

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

Had the SWWF not been provided, the NAV per unit/fund return would have been higher by Re 0.48/0.70%, 0.29/0.45%, 0.49/0.74%, 0.49/0.85% and 0.26/0.56% for Aggressive Allocation Plan, Conservative Allocation Plan, Moderate Allocation Plan, MAAP-I, and MAAP-IV respectively (June 30, 2018 by Re 0.48/0.68%, 0.42/0.62%, 0.27/0.42%, 0.49/0.83%, 0.41/0.81%, 0.37/0.75 and 0.24/0.52% and for Aggressive Allocation Plan, Conservative Allocation Plan, Moderate Allocation Plan, MAAP-I, MAAP-II, MAAP-III and MAAP-IV respectively.

- 7.2 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 has 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 of 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 with effect from June 13, 2013, till June 30, 2016, aggregating to Rs 0.38 million, Rs 0.44 million, Rs 0.49 million, Rs 3.31 million, Rs 1.82 million, Rs 6.77 million and Rs 2.67 million in Aggressive Allocation Plan, Moderate Allocation Plan, Conservative Allocation Plan, MAAP-I, MAAP-II, MAAP-III and MAAP-IV (June 30, 2018 Rs 0.38 million, Rs 0.44 million, Rs 0.49 million, Rs 3.31 million, Rs 1.82 million, Rs 6.77 million and Rs 2.67 million in Aggressive Allocation Plan, Moderate Allocation Plan, Conservative Allocation Plan, MAAP-I, MAAP-II, MAAP-III, and MAAP-IV respectively). The impact of this provision on the Net Assets Value per unit as at September 30, 2018 in each specified plan is not significant.

8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2018 and June 30, 2018.

9 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 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.

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

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

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

	September 30, 2018 (Unaudited)					From July 01, 2018 to July 24, 2018
	Aggressive	Moderate	Conservative	MAAP I	Total	MAAP IV
Al Meezan Investment Management Limited - Management Company						
Remuneration Payable (Rs in '000)	8	3	9	4	24	69
Sindh Sales Tax on management fee payable (Rs in '000)	1	1	1	1	4	10
Sales load payable (Rs in '000)	67	12	4	-	82	-
Sindh Sales Tax on sales load payable (Rs in '000)	9	2	-	-	11	-
Allocated expenses payable (Rs in '000)	41	21	23	68	153	32
Investment amount (Rs in '000)	-	-	6,933	-	6,933	-
Investment units	-	-	105,971	-	105,971	-
Meezan Bank Limited						
Bank balance (Rs in '000)	5,376	3,503	816	3,755	13,450	4,045
Profit receivable (Rs in '000)	10	1	17	12	40	196
Sales load payable (Rs in '000)	1	-	1	-	2	-
Central Depository Company of Pakistan Limited - Trustee						
Trustee Fee payable (Rs in '000)	39	18	28	55	140	28
Sindh Sales Tax on trustee fee payable (Rs in '000)	6	3	3	9	21	5
Directors and Executives of the Management Company						
Investment amount (Rs in '000)	483	0.1	0.1	-	483	-
Investment units	6,999	2	2	-	7,003	-
Meezan Islamic Fund						
Investment amount (Rs in '000)	360,330	125,186	66,740	-	552,256	-
Investment units	5,857,531	2,035,034	1,084,927	-	8,977,492	-
Meezan Sovereign Fund						
Investment amount (Rs in '000)	-	-	-	20	20	-
Investment units	-	-	-	395	395	-
Al Meezan Mutual Fund						
Investment amount (Rs in '000)	-	-	-	681	681	-
Investment units	-	-	-	39,791	39,791	-
Meezan Cash Fund						
Investment amount (Rs in '000)	62,762	66,879	104,316	28,054	262,011	-
Investment units	1,227,678	1,308,217	2,040,527	548,767	5,125,189	-
Meezan Islamic Income Fund						
Investment amount (Rs in '000)	62,734	66,855	104,278	216,624	452,491	-
Investment units	1,204,756	1,283,872	2,002,531	4,198,418	8,689,577	-
Meezan Dedicated Equity Fund						
Investment amount (Rs in '000)	-	-	-	568,273	568,273	-
Investment units	-	-	-	12,124,881	12,124,881	-
Unit Holders holding 10% or more units of the Fund						
Investment amount (Rs in '000)	218,368	54,243	48,299	333,827	654,737	192,410
Investment units	3,167,104	813,850	738,269	5,826,939	10,546,162	4,166,358

	June 30, 2018 (Audited)					As at January 11, 2018	As at March 30, 2018	
	Aggressive	Moderate	Conservative	MAAP I	MAAP IV	Total	MAAP II	MAAP III
Al Meezan Investment Management Limited - Management Company								
Remuneration payable (Rs in '000)	4	1	10	4	2	21	1	4
Sindh Sales Tax Management fee payable (Rs in '000)	1	-	1	1	-	3	-	1
Sales load payable (Rs in '000)	13	34	12	-	-	59	-	1
Sindh Sales load payable (Rs in '000)	2	4	2	-	-	8	-	-
Allocated expenses payable (Rs '000)	42	26	24	69	43	204	22	184
Investment amount (Rs in '000)	-	-	6,917	-	-	6,917	-	-
Investment units	-	-	105,971	-	-	105,971	-	-
Meezan Bank Limited								
Bank balance (Rs in '000)	3,676	2,730	9,653	5,094	2,932	24,085	3,037	8,715
Profit receivable (Rs in '000)	1	2	13	13	49	78	136	607
Sales load payable	2	15	1	-	-	18	-	-
Central Depository Company of Pakistan Limited - Trustee								
Trustee fee payable (Rs in '000)	39	22	28	56	38	183	17	147
Sindh Sales Tax on trustee fee payable (Rs in '000)	5	3	3	8	5	24	2	19
Directors and Executives of the Management Company								
Investment amount (Rs in '000)	499	0.1	0.1	-	-	499	-	-
Investment units	7,100	2	2	-	-	7,104	-	-
Meezan Islamic Fund								
Investment amount (Rs in '000)	373,276	154,848	70,717	-	252,716	851,557	-	-
Investment units	5,893,702	2,444,911	1,116,559	-	3,990,160	13,445,332	-	-
Meezan Sovereign Fund								
Investment amount (Rs in '000)	-	-	-	20	-	20	-	-
Investment units	-	-	-	385	-	385	-	-
Al Meezan Mutual fund								
Investment amount (Rs in '000)	-	-	-	703	23,034	23,737	-	-
Investment units	-	-	-	39,791	1,304,322	1,344,113	-	-
Meezan Cash Fund								
Investment amount (Rs in '000)	62,213	77,430	106,082	29,693	50,626	326,044	-	-
Investment units	1,182,986	1,472,337	2,017,161	564,626	962,660	6,199,770	-	-
Meezan Islamic Income Fund								
Investment amount (Rs in '000)	62,213	77,430	106,082	185,809	80,059	511,593	-	-
Investment units	1,161,137	1,445,143	1,979,904	3,467,932	1,494,217	9,548,333	-	-
Meezan Dedicated Equity Fund								
Investment amount (Rs in '000)	-	-	-	619,301	103,711	723,012	-	-
Investment units	-	-	-	12,759,249	2,136,720	14,895,969	-	-
Unit Holders holding 10% or more of the Fund								
Investment amount (Rs in '000)	222,600	54,635	48,186	341,467	195,397	862,285	-	-
Investment units	3,167,104	813,850	738,269	5,826,939	4,166,358	14,712,520	-	-

For the quarter ended September 30, 2018 (Unaudited)

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 / period (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 / period (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 / period (Rs in '000)	0.1	-	8	-	8	-
Units issued during the quarter / period	1	-	116	-	117	-
Amount redeemed during the quarter / period (Rs in '000)	7	-	8	-	15	-
Units redeemed during the quarter / period	102	-	116	-	218	-
Meezan Islamic Fund						
Amount invested during the quarter / period (Rs in '000)	7,500	-	3,375	-	10,875	-
Units issued during the quarter / period	116,394	-	54,853	-	171,247	-
Amount redeemed during the quarter / period (Rs in '000)	9,375	25,000	5,500	-	39,875	249,454
Units redeemed during the quarter / period	152,565	409,877	86,485	-	648,927	3,990,160
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	-

For the quarter ended September 30, 2018 (Unaudited)

From July
01, 2018 to July
24, 2018
(Unaudited)

	Aggressive	Moderate	Conservative	MAAP I	Total	MAAP IV
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

For the period ended September 30, 2017 (Unaudited)

	Aggressive	Moderate	Conservative	MAAP I	MAAP II	MAAP III	MAAP IV	Total
AI Meezan Investment Management Limited - Management Company								
Remuneration for the quarter / period (Rs in '000)	43	22	32	28	7	49	20	201
Sindh Sales Tax on management fee (Rs in '000)	5	3	4	4	1	6	3	26
Allocated expense (Rs in '000)	143	96	99	296	229	683	191	1,737
Meezan Bank Limited								
Profit on saving account (Rs in '000)	69	26	59	24	18	95	18	309
Central Depository Company of Pakistan Limited - Trustee								
Trustee fee for the quarter / period (Rs in '000)	116	75	78	233	180	537	150	1,369
Sindh Sales Tax on Trustee Fee (Rs in '000)	15	9	10	30	23	70	20	177
Directors and Executives of the Management Company								
Amount invested during the quarter / period (Rs in '000)	20	-	-	-	-	-	-	20
Units issued during the quarter / period	255	-	-	-	-	-	-	255
Amount redeemed during the quarter / period (Rs in '000)	32	1	-	-	-	-	-	33
Units redeemed during the quarter / period	407	17	-	-	-	-	-	425
Meezan Islamic Fund								
Amount invested during the quarter / period (Rs in '000)	53,783	11,881	12,319	396,000	23,000	76,000	-	572,983
Units issued during the quarter / period	748,041	174,873	181,255	5,743,872	339,033	1,120,283	-	8,307,357
Amount redeemed during the quarter / period (Rs in '000)	26,970	13,200	6,600	1,244,884	52,000	325,000	144,000	1,812,654
Units redeemed during the quarter / period	382,610	184,808	110,665	19,161,669	1,000,023	4,421,971	1,944,116	27,205,862
Meezan Sovereign Fund								
Amount redeemed during the quarter / period (Rs in '000)	-	-	-	46,700	81,200	-	-	127,900
Units redeemed during the quarter / period	-	-	-	908,207	1,579,152	-	-	2,487,359
Meezan Cash Fund								
Amount invested during the quarter / period (Rs in '000)	1,625	-	5,438	115,030	2,000	232,680	-	356,773
Units issued during the quarter / period	31,957	-	106,828	2,263,677	39,479	4,611,177	-	7,053,118
Amount redeemed during the quarter / period (Rs in '000)	27,286	12,666	14,437	-	4,700	2,500	-	61,589
Units redeemed during the quarter / period	540,049	249,484	328,993	-	92,620	49,427	-	1,260,573
AI Meezan Mutual Fund								
Amount redeemed during the quarter / period (Rs in '000)	-	-	-	67,990	-	-	-	67,990
Units redeemed during the quarter / period	-	-	-	3,416,582	-	-	-	3,416,582
Meezan Islamic Income Fund								
Amount invested during the quarter / period (Rs in '000)	1,625	-	5,438	1,335,662	133,200	325,000	144,000	1,944,925
Units issued during the quarter / period	31,430	-	105,086	28,159,388	2,978,435	6,318,680	2,796,434	40,391,453
Amount redeemed during the quarter / period (Rs in '000)	27,077	12,415	14,057	535,636	61,520	436,910	103,630	1,191,245
Units redeemed during the quarter / period	526,686	240,452	316,187	10,465,049	1,196,823	8,511,130	2,031,943	23,288,270
KSE Meezan Index Fund								
Amount invested during the quarter / period (Rs in '000)	-	-	-	64,736	-	-	-	64,736
Units issued during the quarter / period	-	-	-	913,313	-	-	-	913,313
Amount Redeemed during the quarter / period (Rs in '000)	-	-	-	91,118	-	-	-	91,118
Units Redeemed during the quarter / period	-	-	-	1,261,642	-	-	-	1,261,642

10 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.

September 30, 2018		Carrying amount					Fair value			
Note	Investments	Other receivables	Cash and cash equivalents	Other payables	Total	Level 1	Level 2	Level 3	Total	
------(Rupees in '000)-----										
Financial assets - measured at fair value										
	Investments	1,835,732	-	-	-	1,835,732	1,835,732	-	-	1,835,732
Financial assets - not measured at fair value										
	Balances with banks	10.1	-	-	14,213	-	-	-	14,213	
	Receivable against conversion of units	10.1	-	62	-	-	-	-	62	
	Receivable against sale of investments - net	10.1	-	7,000	-	-	-	-	7,000	
	Profit receivable on saving accounts with banks	10.1	-	66	-	-	-	-	66	
			1,835,732	7,128	14,213	-	-	-	1,857,073	
Financial liabilities - not measured at fair value										
	Payable to Al Meezan Investment Management Limited - Management Company	10.1	-	-	-	274	-	-	274	
	Payable to Central Depository Company of Pakistan Limited - Trustee	10.1	-	-	-	161	-	-	161	
	Payable to Meezan Bank Limited	10.1	-	-	-	2	-	-	2	
	Payable on redemption and conversion of units	10.1	-	-	-	9,735	-	-	9,735	
	Accrued expenses and other liabilities	10.1	-	-	-	686	-	-	686	
			-	-	-	10,858	-	-	10,858	
June 30, 2018		Carrying amount					Fair value			
Note	Investments	Other receivables	Cash and cash equivalents	Other payables	Total	Level 1	Level 2	Level 3	Total	
------(Rupees in '000)-----										
Financial assets - measured at fair value										
	Investments	2,435,963	-	-	-	2,435,963	2,435,963	-	-	2,435,963
Financial assets - not measured at fair value										
	Balances with banks	10.1	-	-	24,841	-	-	-	24,841	
	Receivable against conversion of units	10.1	-	70	-	-	-	-	70	
	Receivable against sale of investment - net	10.1	-	5,000	-	-	-	-	5,000	
	Profit receivable on saving accounts with banks	10.1	-	98	-	-	-	-	98	
			2,435,963	5,168	24,841	-	-	-	2,465,972	
Financial liabilities - not measured at fair value										
	Payable to Al Meezan Investment Management Limited - Management Company	10.1	-	-	-	295	-	-	295	
	Payable to Central Depository Company of Pakistan Limited - Trustee	10.1	-	-	-	207	-	-	207	
	Payable to Meezan Bank Limited	10.1	-	-	-	18	-	-	18	
	Payable on redemption and conversion of units	10.1	-	-	-	4,848	-	-	4,848	
	Accrued expenses and other liabilities	10.1	-	-	-	599	-	-	599	
			-	-	-	5,967	-	-	5,967	

10.1 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 value.

11 ALLOCATED EXPENSES

During the quarter / period, the Fund was charged 0.1% of the average annual net assets as allocated expenses by the Management Company according to regulation 60 of the NBFC Regulations.

12 EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the period ended September 30, 2018 is 0.39%, 0.42%, 0.38%, and 0.37% for Aggressive Allocation Plan, Conservative Allocation Plan, Moderate Allocation Plan and MAAP-I, respectively, which includes 0.11%, 0.11%, 0.11% and 0.11%, for Aggressive Allocation Plan, Conservative Allocation Plan, Moderate Allocation Plan and MAAP-I, respectively, representing government levy and SECP fee in each plan.

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, 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 of Conservative Allocation Plan relating to the current period as the Management Company has intends to distribute at 90 percent of the funds accounting income for the year ending June 30, 2019, as reduced by capital gains (whether realised or unrealised) to its unit holders.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

14 GENERAL

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

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

15 DATE OF AUTHORISATION

This condensed interim financial information was authorised for issue on October 18, 2018 by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

Director

FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre,
Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (9221) 35630722-6111-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. Atif Azim	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Main 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. Main 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. Atif Azim	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: bawaney@cyber.net.pk

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, 2018

		September 30, 2018 (Unaudited)						
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total	
----- (Rupees in '000) -----								
Assets								
Balances with banks	5	7,098	15,450	5,050	4,747	5,792	2,281	40,418
Investments	6	1,854,566	1,220,623	1,344,543	1,466,660	498,036	1,345,860	7,730,288
Receivable against sale of investments - net		-	-	820	-	-	-	820
Profit receivables		13	30	15	13	13	11	95
Total assets		1,861,677	1,236,103	1,350,428	1,471,420	503,841	1,348,152	7,771,621
Liabilities								
Payable to AI Meezan Investment Management Limited - Management Company		161	119	121	134	47	228	810
Payable to Central Depository Company of Pakistan Limited - Trustee		136	90	98	111	37	98	570
Payable to Securities and Exchange Commission of Pakistan		454	303	331	382	123	325	1,918
Payable against redemption and conversion of units		-	10	-	-	-	-	10
Accrued expenses and other liabilities	7	4,826	202	201	304	74	335	5,942
Total liabilities		5,577	724	751	931	281	986	9,251
Net assets		1,856,100	1,235,379	1,349,677	1,470,489	503,560	1,347,166	7,762,370
Contingencies and commitments	8							
Unitholders' fund (as per statement attached)		1,856,100	1,235,379	1,349,677	1,470,489	503,560	1,347,146	7,762,350
----- (Number of units) -----								
Number of units in issue		43,044,602	29,253,939	32,729,098	35,065,647	10,522,218	26,764,388	
----- (Rupees) -----								
Net assets value per unit		43.1204	42.2295	41.2378	41.9353	47.8568	50.3343	

The annexed notes 1 to 15 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 JUNE 30, 2018**

		June,30 2018 (Audited)						
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total	
----- (Rupees in '000) -----								
Assets								
Balances with banks	5	9,147	1,707	2,158	6,740	5,090	2,939	27,781
Investments	6	1,944,433	1,289,394	1,422,944	1,660,700	516,547	1,363,357	8,197,375
Receivable against sale of investments - net		-	-	-	200	-	270	470
Profit receivable		16	3	3	15	13	14	64
Total assets		<u>1,953,596</u>	<u>1,291,104</u>	<u>1,425,105</u>	<u>1,667,655</u>	<u>521,650</u>	<u>1,366,580</u>	<u>8,225,690</u>
Liabilities								
Payable to AI Meezan Investment Management Limited - Management Company		177	110	120	146	49	115	717
Payable to Central Depository Company of Pakistan Limited - Trustee		144	95	105	122	38	99	603
Payable to Securities and Exchange Commission of Pakistan		2,104	1,373	1,492	1,682	390	567	7,608
Payable against redemption and conversion of units		983	-	-	-	-	478	1,461
Accrued expenses and other liabilities	7	4,726	181	177	200	61	150	5,495
Total liabilities		<u>8,134</u>	<u>1,759</u>	<u>1,894</u>	<u>2,150</u>	<u>538</u>	<u>1,409</u>	<u>15,884</u>
Net assets		<u>1,945,462</u>	<u>1,289,345</u>	<u>1,423,211</u>	<u>1,665,505</u>	<u>521,112</u>	<u>1,365,171</u>	<u>8,209,806</u>
Unitholders' fund (as per statement attached)		<u>1,945,462</u>	<u>1,289,345</u>	<u>1,423,211</u>	<u>1,665,505</u>	<u>521,112</u>	<u>1,365,171</u>	<u>8,209,806</u>
Contingencies and commitments	8							
Number of units in issue		<u>44,201,217</u>	<u>29,952,689</u>	<u>33,875,099</u>	<u>38,986,286</u>	<u>10,691,441</u>	<u>27,251,554</u>	
Net asset value per unit		<u>44.0138</u>	<u>43.0461</u>	<u>42.0135</u>	<u>42.7203</u>	<u>48.7410</u>	<u>50.0951</u>	

The annexed notes 1 to 15 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
 FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

		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
	<u>(13,445)</u>	<u>7,235</u>	<u>7,849</u>	<u>6,951</u>	<u>3,153</u>	<u>11,103</u>	<u>22,846</u>
	Net unrealised diminution on re-measurement of investments - 'at fair value through profit or loss'						
6.1	<u>(24,585)</u>	<u>(30,688)</u>	<u>(33,292)</u>	<u>(36,349)</u>	<u>(12,298)</u>	<u>(3,512)</u>	<u>(140,724)</u>
	(38,030)	(23,453)	(25,443)	(29,398)	(9,145)	7,591	(117,878)
Expenses							
	21	33	11	28	13	10	116
	3	5	1	4	2	1	16
11	<u>478</u>	<u>319</u>	<u>348</u>	<u>402</u>	<u>129</u>	<u>342</u>	<u>2,018</u>
	374	249	272	314	101	267	1,577
	49	32	35	41	13	35	205
	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
	<u>1,476</u>	<u>1,002</u>	<u>1,082</u>	<u>1,248</u>	<u>404</u>	<u>1,171</u>	<u>6,383</u>
	(39,506)	(24,455)	(26,525)	(30,646)	(9,549)	6,420	(124,261)
	Taxation						
13	-	-	-	-	-	-	-
	<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>
Allocation of net income for the quarter							
	-	-	-	-	-	6,420	6,420
	-	-	-	-	-	(20)	(20)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,400</u>	<u>6,400</u>
Accounting income available for distribution							
	-	-	-	-	-	6,420	6,420
	-	-	-	-	-	(20)	(20)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,400</u>	<u>6,400</u>

The annexed notes 1 to 15 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
 FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

Note	September 30, 2017					Total
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	
	(Rupees in '000)					
						For the period from August 15, 2017 to September 30, 2017
Income						
Net realised (loss) / gain on sale of investments	(6,643)	(1,488)	(437)	356	52	(8,160)
Profit on saving accounts with banks	97	22	1	222	106	448
Other income	3,118	357	372	580	-	4,427
	(3,428)	(1,109)	(64)	1,158	158	(3,285)
Unrealised diminution on re-measurement of investments - 'at fair value through profit or loss' (net)	6.1 (220,653)	(142,648)	(151,644)	(153,274)	(982)	(669,201)
Total Income	(224,081)	(143,757)	(151,708)	(152,116)	(824)	(672,486)
Expenses						
Remuneration to Al Meezan Investment Management Limited (Al Meezan) - Management Company	26	11	1	118	43	199
Sindh Sales Tax on management fee	3	1	-	15	6	25
Allocated expenses	620	395	420	472	10	1,917
Remuneration to Central Depository Company of Pakistan Limited (CDC) - Trustee	485	309	329	369	8	1,500
Sindh Sales Tax on trustee fee	63	40	43	48	1	195
Annual fee to Securities and Exchange Commission of Pakistan (SECP)	589	375	399	448	9	1,820
Auditors' remuneration	32	20	21	19	-	92
Fees and subscription	30	21	21	23	-	95
Legal and professional charges	3	2	2	2	-	9
Bank and settlement charges	5	1	8	1	1	16
Total expenses	1,856	1,175	1,244	1,515	78	5,868
Net loss for the quarter / period before taxation	(225,937)	(144,932)	(152,952)	(153,631)	(902)	(678,354)
Taxation	13 -	-	-	-	-	-
Net loss for the quarter / period after taxation	(225,937)	(144,932)	(152,952)	(153,631)	(902)	(678,354)
Allocation of net income for the quarter / period						
Net loss for the quarter / period after taxation	-	-	-	-	-	-
Loss on units redeemed	-	-	-	-	-	-
	-	-	-	-	-	-

* Due to net loss for the quarter, disclosure related to accounting income available for distribution is not required.

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

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

Chief Executive

Chief Financial Officer

Chief Executive

**MEEZAN STRATEGIC ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

	September 30, 2018						Total
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPP-III	
	------(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>

	September 30, 2017					Total
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	
	------(Rupees in '000)-----					
Net loss for the quarter / period after taxation	(225,937)	(144,932)	(152,952)	(153,631)	(902)	(678,354)
Other comprehensive income for the quarter / period	-	-	-	-	-	-
Total comprehensive loss for the quarter / period	<u>(225,937)</u>	<u>(144,932)</u>	<u>(152,952)</u>	<u>(153,631)</u>	<u>(902)</u>	<u>(678,354)</u>

The annexed notes 1 to 15 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
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

	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 carried forward												
- Realised (loss) / income		(312,680)			(220,980)			(279,527)			(286,721)	
- Unrealised loss		(24,585)			(30,688)			(33,292)			(36,349)	
		<u>(337,265)</u>			<u>(251,668)</u>			<u>(312,819)</u>			<u>(323,070)</u>	
Accounting income available for distribution												
- Relating to capital gains		-			-			-			-	
- Excluding capital gains		-			-			-			-	
		<u>-</u>			<u>-</u>			<u>-</u>			<u>-</u>	
		<u>Rupees</u>			<u>Rupees</u>			<u>Rupees</u>			<u>Rupees</u>	
Net asset value per unit as at beginning of the quarter		<u>44.0138</u>			<u>43.0461</u>			<u>42.0135</u>			<u>42.7203</u>	
Net asset value per unit as at end of the quarter		<u>43.1204</u>			<u>42.2295</u>			<u>41.2378</u>			<u>41.9353</u>	

The annexed notes 1 to 15 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
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

	September 30, 2018			September 30, 2018			September 30, 2018		
	MSAP-V			MCPP-III			Total		
	(Rupees in '000)			(Rupees in '000)			(Rupees in '000)		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
Net assets at beginning of the 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, MCPPI - 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 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)	
Accounting income available for distribution									
- Relating to capital gains		-			6,420			6,420	
- Excluding capital gains		-			(20)			(20)	
		-			6,400			6,400	
			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 15 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
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)

	September 30, 2017					For the period from August 15, 2017 to September 30, 2017
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	Total
	----- (Rupees in '000) -----					
Capital Value	2,604,463	1,682,599	1,827,011	2,034,480	-	8,148,553
Undistributed income / (accumulated loss) brought forward						
- Realised	14,757	123,883	99,795	82,154	-	320,589
- Unrealised	9,456	(144,632)	(160,349)	(143,384)	-	(438,909)
Net Assets at beginning of the quarter	<u>2,628,676</u>	<u>1,661,850</u>	<u>1,766,457</u>	<u>1,973,250</u>	<u>-</u>	<u>8,030,233</u>
Issuance of units:						
MSAP - I: Nil	-	-	-	-	-	-
MSAP - II: Nil	-	-	-	-	-	-
MSAP - III: Nil	-	-	-	-	-	-
MSAP - IV: Nil	-	-	-	-	-	-
MSAP - V: 4,917,566 units	-	-	-	-	244,799	244,799
	-	-	-	-	244,799	244,799
Redemption of units:						
MSAP - I: 1,504,213 units	71,884	-	-	-	-	-
MSAP - II: 254,070 units	-	11,961	-	-	-	-
MSAP - III: 265,561 units	-	-	12,459	-	-	-
MSAP - IV: 422,052 units	-	-	-	20,383	-	-
MSAP - V: 4,399 units	-	-	-	-	220	116,907
	71,884	11,961	12,459	20,383	220	116,907
Net realised (loss) / gain on sale of investments	(6,643)	(1,488)	(437)	356	52	(8,160)
Unrealised diminution on re-measurement of investments - 'at fair value through profit or loss' (net)	(220,653)	(142,648)	(151,644)	(153,274)	(982)	(669,201)
Net other income / (loss) for the quarter / period	1,359	(796)	(871)	(713)	28	(993)
Total comprehensive income for the quarter / period	(225,937)	(144,932)	(152,952)	(153,631)	(902)	(678,354)
Distribution during the quarter / period	-	-	-	-	-	-
Net loss for the quarter / period less distribution	(225,937)	(144,932)	(152,952)	(153,631)	(902)	(678,354)
Net assets at end of the quarter / period	<u>2,330,855</u>	<u>1,504,957</u>	<u>1,601,046</u>	<u>1,799,236</u>	<u>243,677</u>	<u>7,479,771</u>
Represented by						
Capital value	2,084,019	1,339,865	1,387,919	1,584,464	242,615	6,691,408
Undistributed income / (accumulated loss) carried forward						
- Realised	26,183	(22,444)	(61,483)	(61,498)	80	(119,162)
- Unrealised	(220,653)	(142,648)	(151,644)	(153,274)	(982)	(669,201)
	<u>2,330,855</u>	<u>1,504,957</u>	<u>1,601,046</u>	<u>1,799,236</u>	<u>243,677</u>	<u>7,479,771</u>
	----- (Rupees) -----					
Net assets value per unit at beginning of the quarter / period	<u>50,4600</u>	<u>49,3800</u>	<u>48,3400</u>	<u>48,5000</u>	<u>-</u>	
Net assets value per unit at end of the quarter / period	<u>46,0779</u>	<u>45,0614</u>	<u>44,1368</u>	<u>44,6820</u>	<u>49,5967</u>	

The annexed notes 1 to 15 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
 FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

Note	September 30, 2018						Total
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCCP-III	
	----- (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	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 AI 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 15 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
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

	September 30, 2017				For the period from August 15, 2017 to September 30, 2017	
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	Total
----- (Rupees in '000) -----						
CASH FLOWS FROM OPERATING ACTIVITIES						
Net loss for the quarter / period before taxation	(225,937)	(144,932)	(152,952)	(153,631)	(902)	(678,354)
Adjustments for:						
Unrealised diminution on re-measurement of investments 'at fair value through profit or loss' (net)	220,653	142,648	151,644	153,274	982	669,201
	(5,284)	(2,284)	(1,308)	(357)	80	(9,153)
Decrease / (increase) in assets						
Investments (net)	109,703	20,038	13,418	(140,984)	(242,842)	(240,667)
Other receivables	(27)	(11)	350	605	(92)	825
	109,676	20,027	13,768	(140,379)	(242,934)	(239,842)
(Decrease) / increase in liabilities						
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company	(32)	(11)	(33)	(10,079)	2,775	(7,380)
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee	(28)	(14)	(15)	44	8	(5)
Payable to Meezan Bank Limited (MBL)	-	-	-	(5,446)	879	(4,567)
Payable to Securities and Exchange Commission of Pakistan (SECP)	(1,064)	(380)	(75)	342	9	(1,168)
Payable against investments (net)	-	-	-	(54,993)	54,000	(993)
Accrued expenses and other liabilities	(30,485)	(50)	(40)	(25,662)	1	(56,236)
	(31,609)	(455)	(163)	(95,794)	57,672	(70,349)
Net cash generated from / (used in) operating activities	72,783	17,288	12,297	(236,530)	(185,182)	(319,344)
CASH FLOWS FROM FINANCING ACTIVITIES						
Receipts against issuance and conversion of units	-	10	-	10,450	244,739	255,199
Payments against redemption and conversion of units	(71,884)	(12,142)	(12,459)	(20,383)	(220)	(117,088)
Dividend paid	(75)	-	-	-	-	(75)
Net cash (used in) / generated from financing activities	(71,959)	(12,132)	(12,459)	(9,933)	244,519	138,036
Net increase / (decrease) in cash and cash equivalents during the quarter	824	5,156	(162)	(246,463)	59,337	(181,308)
Cash and cash equivalents at beginning of the quarter / period	9,497	2,172	278	252,575	-	264,522
Cash and cash equivalents at end of the quarter / period	10,321	7,328	116	6,112	59,337	83,214

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

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

Chief Financial Officer

Chief Executive

Director



**MEEZAN STRATEGIC ALLOCATION FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Meezan Strategic Allocation Fund (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on September 8, 2016 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The Fund is registered as a Notified entity under the Non-Banking Finance Companies and Notified Entities Regulations, 2008, (the NBFC Regulations) issued through S.R.O.1203(I)/2008 on October 10, 2016. The Management Company has been licensed by the SECP to act as an Asset Management Company under the the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2 The Fund has been formed to enable the unitholders to participate in a diversified portfolio of equity schemes and fixed income / money market schemes, which are Shariah compliant. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah guidelines. The Management Company has appointed Meezan Bank Limited as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.3 The Fund is an open-end Shariah compliant Fund of Funds Scheme. Units are offered for public subscription on a continuous basis till the end of the subscription period. However, the subscription in units may be reopened for fresh issuance by the Management Company with prior approval of the Commission after intimation to the Trustee and by providing notice to investors in order to protect the interest of the unitholders. The units of the plan are transferable and can be redeemed by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange.
- 1.4 Title to the assets of the Fund are held in the name of CDC as the Trustee of the Fund. The Fund's property comprises of different types of allocation plans which are accounted for and maintained separately in the books of accounts and collectively constitute the Fund's property.
- 1.5 The Management Company of the Fund has been given quality rating of AM1 by JCR-VIS Credit Rating Company Limited.
- 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. February 16, 2018). 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 STATEMENT OF COMPLIANCE

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

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 year ended June 30, 2018.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements of the Fund for the year ended June 30, 2018 except for the following:

4.1.1 Reclassification of financial assets

During the current period IFRS-9 became applicable, according to the standard, all equity investments are to be measured at fair value in the statement of financial position with value change recognized in profit or loss. Standard also retains an option in respect of equity investments (other than held for trading) for which the entity may elect to report value change in 'other comprehensive income'. However, the fund measured it's all financial assets at fair value through profit or loss (FVTPL).

4.2 The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2018.

5 BALANCES WITH BANKS

	Note	September 30, 2018 (Unaudited)						Total
		MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	
----- (Rupees in '000) -----								
Saving accounts	5.1	2,988	14,627	4,643	3,880	5,729	1,785	33,652
Current accounts		4,110	823	407	867	63	496	6,766
		<u>7,098</u>	<u>15,450</u>	<u>5,050</u>	<u>4,747</u>	<u>5,792</u>	<u>2,281</u>	<u>40,418</u>

	Note	June 30, 2018 (Audited)						Total
		MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	
----- (Rupees in '000) -----								
Saving accounts		5,625	632	2,148	6,569	5,027	2,939	22,940
Current accounts		3,522	1,075	10	171	63	-	4,841
		<u>9,147</u>	<u>1,707</u>	<u>2,158</u>	<u>6,740</u>	<u>5,090</u>	<u>2,939</u>	<u>27,781</u>

5.1 The balance in saving accounts have an expected profit ranging from 2.00% to 2.40% per annum (June 30, 2018: 2.00% to 2.40% per annum).

6 INVESTMENTS

	Note	September 30, 2018 (Unaudited)						Total
		MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPII	
----- (Rupees in '000) -----								
Investments - 'at fair value through profit or loss'	6.1	<u>1,854,566</u>	<u>1,220,623</u>	<u>1,344,543</u>	<u>1,466,660</u>	<u>498,036</u>	<u>1,345,860</u>	<u>7,730,288</u>

	Note	June 30, 2018 (Audited)						Total
		MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPII	
----- (Rupees in '000) -----								
Investments - 'at fair value through profit or loss'		<u>1,944,433</u>	<u>1,289,394</u>	<u>1,422,944</u>	<u>1,660,700</u>	<u>516,547</u>	<u>1,363,357</u>	<u>8,197,375</u>

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

Name of investee funds	As at July 1, 2018	Purchases during the quarter	Redemptions during the quarter	As at September 30, 2018	Carrying value as at September 30, 2018	Market value as at September 30, 2018	Unrealised (diminution) / appreciation as at September 30, 2018	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	12,933,368	2,928,138	-	15,861,505	278,397	271,447	(6,949)	14.62	14.64
Meezan Dedicated Equity Fund	3,762,960	13,834,033	4,253,522	13,343,471	629,562	625,386	(4,176)	33.69	33.72
Meezan Islamic Fund	16,154,959	2,446,600	12,164,291	6,437,269	404,398	395,992	(8,406)	21.33	21.35
Meezan Cash Fund	1,820,040	78,130	313,127	1,585,043	83,151	81,031	(2,120)	4.37	4.37
Meezan Islamic Income Fund	7,736,308	1,495,164	-	9,231,473	483,644	480,710	(2,934)	25.90	25.92
					1,879,151	1,834,566	(24,585)	99.92	100.00
Meezan Strategic Allocation Plan-II									
Al Meezan Mutual Fund	22,818,600	-	-	22,818,600	402,965	390,508	(12,457)	31.61	31.99
Meezan Dedicated Equity Fund	1,953,575	-	-	1,953,575	94,821	91,561	(3,261)	7.41	7.50
Meezan Islamic Fund	7,263,762	-	1,251,365	6,012,397	380,794	369,856	(10,938)	29.94	30.30
Meezan Cash Fund	1,639,649	70,457	290,542	1,419,564	74,525	72,571	(1,954)	5.87	5.95
Meezan Islamic Income Fund	4,578,838	1,107,933	-	5,686,771	298,205	296,127	(2,079)	23.97	24.26
					1,251,311	1,220,623	(30,688)	98.81	100.00
Meezan Strategic Allocation Plan-III									
Meezan Dedicated Equity Fund	2,190,402	-	-	2,190,402	106,316	102,660	(3,656)	7.61	7.64
Meezan Islamic Fund	15,057,857	-	1,466,022	13,591,835	860,836	836,110	(24,726)	61.95	62.19
Meezan Cash Fund	2,965,823	127,316	326,373	2,766,766	145,172	141,443	(3,729)	10.48	10.52
Meezan Islamic Income Fund	3,862,883	1,213,246	-	5,076,130	265,510	264,329	(1,181)	19.58	19.66
					1,377,835	1,344,543	(33,292)	99.62	100.00
Meezan Strategic Allocation Plan-IV									
Al Meezan Mutual Fund	1,877,735	-	-	1,877,735	33,160	32,135	(1,025)	2.19	2.19
Meezan Dedicated Equity Fund	1,979,375	-	53,282	1,926,093	93,488	90,273	(3,215)	6.14	6.15
Meezan Islamic Fund	17,367,254	-	2,715,415	14,651,839	927,971	901,317	(26,655)	61.29	61.45
Meezan Cash Fund	3,524,198	151,285	879,895	2,795,589	146,693	142,917	(3,776)	9.72	9.74
Meezan Islamic Income Fund	4,594,666	1,166,843	-	5,761,509	301,697	300,019	(1,679)	20.40	20.46
					1,503,009	1,466,660	(36,349)	99.74	100.00
Meezan Strategic Allocation Plan-V									
Meezan Dedicated Equity Fund	1,433,085	-	-	1,433,085	69,558	67,166	(2,392)	13.34	13.49
Meezan Islamic Fund	4,968,509	-	400,536	4,567,973	289,312	281,002	(8,310)	55.80	56.42
Meezan Cash Fund	2,145,473	92,100	67,834	2,169,739	112,621	110,922	(1,699)	22.03	22.27
Meezan Islamic Income Fund	363,562	384,345	-	747,907	38,842	38,946	103	7.73	7.82
					510,333	498,036	(12,298)	98.90	100.00
Meezan Strategic Allocation Plan - MCPP-III									
Meezan Dedicated Equity Fund	2,917,422	3,056,682	3,156,481	2,817,623	137,032	132,057	(4,975)	9.80	9.81
Meezan Cash Fund	23,231,836	3,859,364	3,348,079	23,743,121	1,212,340	1,213,803	1,463	90.10	90.19
					1,349,372	1,345,860	(3,512)	99.90	100.00
Total investments in units of mutual funds									
Al Meezan Mutual Fund	37,629,703	2,928,138	-	40,557,840	714,522	694,091	(20,431)	8.94	8.98
Meezan Dedicated Equity Fund	12,046,418	16,890,714	7,463,285	23,664,249	1,130,777	1,109,103	(21,674)	14.29	14.35
Meezan Islamic Fund	60,812,341	2,446,600	17,997,630	45,261,311	2,863,311	2,784,277	(79,034)	35.87	36.02
Meezan Cash Fund	35,327,020	4,378,652	5,225,851	34,479,821	1,774,503	1,762,688	(11,815)	22.71	22.80
Meezan Islamic Income Fund	21,136,257	5,367,532	-	26,503,790	1,387,899	1,380,129	(7,769)	17.78	17.85
					7,871,012	7,730,288	(140,724)	99.99	100.00

7 ACCRUED EXPENSES AND OTHER LIABILITIES

Note	September 30, 2018 (Unaudited)						Total
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCCP-III	
							(Rupees in '000)
Auditors' remuneration payable	122	80	87	99	30	92	510
Shariah advisory fee payable	50	38	36	41	11	29	205
Printing charges payable	107	71	78	89	33	67	445
Zakat payable	66	13	-	75	-	16	-
Provision for Sindh Workers' Welfare Fund	4,481	-	-	-	-	131	4,612
	4,826	202	201	304	74	335	5,942
							(Rupees in '000)
							(Rupees in '000)
							(Rupees in '000)
							(Rupees in '000)
							(Rupees in '000)
							(Rupees in '000)
Auditors' remuneration payable	129	84	92	103	27	65	500
Shariah advisory fee payable	34	27	25	28	7	18	139
Printing charges payable	82	56	60	69	27	51	345
Zakat payable	-	14	-	-	-	16	30
Provision for Sindh Workers' Welfare Fund	4,481	-	-	-	-	-	4,481
	4,726	181	177	200	61	150	5,495

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

Had the SWWF not been provided, the NAV per unit / Fund return would have been higher by Re 0.10/0.24% and Re 0.004/0.009% (June 30, 2018: Re 0.10 / 0.22%) in MSAP-I and MCPP-III

8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2018 and June 30, 2018.

9 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include AI 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, AI 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, 2018 (Unaudited)						Total
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPP-III	
AI Meezan Investment Management Limited							
- Management Company							
Remuneration payable (Rs in '000)	6	13	8	6	4	1	38
Sindh Sales Tax on management fee (Rs in '000)	1	3	1	2	1	-	8
Allocated expenses (Rs in '000)	154	103	112	126	42	227	764
Investment (Rs in '000)	-	86,078	-	-	-	-	86,078
Investment (Units)	-	1,999,600	-	-	-	-	1,999,600
Meezan Bank Limited							
Bank balance (Rs in '000)	6,988	15,450	5,050	4,747	5,792	2,281	40,308
Profit receivable (Rs in '000)	13	30	15	13	13	11	95
Central Depository Company of Pakistan Limited - Trustee							
Trustee fee payable (Rs. in '000)	120	80	87	99	33	87	506
Sindh Sales Tax on trustee fee payable (Rs. in '000)	16	10	11	12	4	11	64
Directors and Executives of the Management Company							
Investment (Rs in '000)	-	-	14,816	-	-	-	14,816
Investment (Units)	-	-	352,640	-	-	-	352,640
AI Meezan Mutual Fund							
Investment (Rs in '000)	271,447	390,508	-	32,135	-	-	694,091
Investment (Units)	15,861,505	22,818,600	-	1,877,735	-	-	40,557,840
Meezan Dedicated Equity Fund							
Investment (Rs in '000)	625,386	91,561	102,660	90,273	67,166	132,057	1,109,103
Investment (Units)	13,343,471	1,953,575	2,190,402	1,926,093	1,433,085	2,817,623	23,664,249
Meezan Islamic Fund							
Investment (Rs in '000)	395,992	369,856	836,110	901,317	281,002	-	2,784,277
Investment (Units)	6,437,269	6,012,397	13,591,835	14,651,839	4,567,973	-	45,261,312
Meezan Cash Fund							
Investment (Rs in '000)	81,031	72,571	141,443	142,917	110,922	1,213,803	1,762,688
Investment (Units)	1,585,043	1,419,564	2,766,766	2,795,589	2,169,739	23,743,121	34,479,821
Meezan Islamic Income Fund							
Investment (Rs in '000)	480,710	296,127	264,329	300,019	38,946	-	1,380,129
Investment (Units)	9,231,473	5,686,771	5,076,130	5,761,509	747,907	-	26,503,790
Unitholders holding 10% or more units of the Fund							
Investment (Rs in '000)	-	-	274,059	418,934	-	166,800	859,793
Investment (Units)	-	-	6,645,828	9,990,010	-	3,313,849	19,949,687

June 30, 2018 (Audited)

	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
AI Meezan Investment Management Limited - Management Company							
Remuneration payable (Rs in '000)	12	1	1	5	4	2	25
Sindh Sales Tax on management fee (Rs in '000)	2	-	-	2	1	-	6
Allocated expenses (Rs in '000)	163	108	119	139	44	113	686
Investment (Rs in '000)	-	86,075	-	-	-	-	86,075
Investment (Units)	-	1,999,600	-	-	-	-	1,999,600
Meezan Bank Limited							
Bank balance (Rs in '000)	9,037	1,707	2,158	6,740	5,090	2,939	27,671
Profit receivable (Rs in '000)	16	3	3	15	13	14	64
Central Depository Company of Pakistan Limited - Trustee							
Trustee fee payable (Rs in '000)	127	84	93	109	34	88	535
Sindh Sales Tax on trustee fee payable (Rs in '000)	17	11	12	13	4	11	68
Directors and Executives of the Management Company							
Investment (Rs in '000)	-	-	14,816	-	-	-	14,816
Investment (Units)	-	-	352,640	-	-	-	352,640
AI Meezan Mutual Fund							
Investment (Rs in '000)	228,398	402,965	-	33,160	-	-	664,523
Investment (Units)	12,933,368	22,818,600	-	1,877,735	-	-	37,629,703
Meezan Dedicated Equity Fund							
Investment (Rs in '000)	182,644	94,821	106,316	96,074	69,558	141,604	691,017
Investment (Units)	3,762,960	1,953,575	2,190,402	1,979,375	1,433,085	2,917,422	14,236,819
Meezan Islamic Fund							
Investment (Rs in '000)	1,023,171	460,049	953,686	1,099,952	314,680	-	3,851,538
Investment (Units)	16,154,959	7,263,762	15,057,857	17,367,254	4,968,509	-	60,812,341
Meezan Cash Fund							
Investment (Rs in '000)	95,715	86,229	155,971	185,336	112,830	1,221,753	1,857,834
Investment (Units)	1,820,040	1,639,649	2,965,823	3,524,198	2,145,473	23,231,837	35,327,020
Meezan Islamic Income Fund							
Investment (Rs in '000)	414,505	245,330	206,971	246,178	19,479	-	1,132,463
Investment (Units)	7,736,308	4,578,838	3,862,883	4,594,666	363,562	-	21,136,257
Unitholders holding 10% or more units of the Fund							
Investment (Rs in '000)	-	-	279,214	426,776	-	166,008	871,998
Investment (Units)	-	-	6,645,828	9,990,010	-	3,313,849	19,949,687

September 30, 2018 (Unaudited)

	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
AI 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
AI 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	-	-	-	-	3,056,682	16,890,714
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

For the period
from August 15,
2017 to September
30, 2017

	For the quarter ended September 30, 2017					Total
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	
AI Meezan Investment Management Limited - Management Company						
Remuneration for the quarter / period (Rs. in '000)	26	11	1	118	43	199
Sindh Sales Tax on management fee (Rs. in '000)	3	1	-	15	6	25
Allocated expenses (Rs. in '000)	620	395	420	472	10	1,917
Meezan Bank Limited						
Profit on saving account (Rs in '000)	97	22	1	222	106	448
Central Depository Company of Pakistan Limited - Trustee						
Trustee fee (Rs in '000)	485	309	329	369	8	1,500
Sindh Sales Tax on trustee fee (Rs in '000)	63	40	43	48	1	195
Meezan Cash Fund						
Invested during the quarter / period (Rs. in '000)	201,500	-	182,000	130,000	168,000	681,500
Invested during the quarter / period (Units)	3,993,262	-	3,606,817	2,576,298	3,302,515	13,478,892
Redeemed during the quarter / period (Rs. in '000)	22,000	-	-	-	57,048	79,048
Redeemed during the quarter / period (Units)	434,355	-	-	-	1,122,204	1,557,159
Meezan Islamic Fund						
Invested during the quarter / period (Rs. in '000)	60,000	41,000	43,000	211,007	91,838	446,845
Invested during the quarter / period (Units)	884,434	604,363	633,844	2,887,631	1,336,287	6,346,559
Redeemed during the quarter / period (Rs. in '000)	117,000	26,000	7,000	-	-	150,000
Redeemed during the quarter / period (Units)	1,626,069	361,505	99,389	-	-	2,086,963
Meezan Islamic Income Fund						
Invested during the quarter / period (Rs. in '000)	117,000	26,000	7,000	100,000	40,000	290,000
Invested during the quarter / period (Units)	2,269,451	505,115	135,976	1,945,526	772,648	5,628,716
Redeemed during the quarter / period (Rs. in '000)	342,560	59,550	237,980	300,380	-	940,470
Redeemed during the quarter / period (Units)	6,656,940	1,155,958	4,627,748	5,837,996	-	18,278,642

10 FAIR VALUES 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.

Note	Carrying amount					Fair value			
	Investments	Other receivables	Cash and cash equivalents	Other payables	Total	Level 1	Level 2	Level 3	Total
------(Rupees in '000)-----									
September 30, 2018									
Financial assets - measured at fair value									
Investments	7,730,288	-	-	-	7,730,288	#####	-	-	#####
Financial assets - not measured at fair value									
Balances with banks	10	-	-	40,418	-	40,418			
Receivable against sale of investments - net	10	-	820	-	-	820			
Profit receivables	10	-	95	-	-	95			
		7,730,288	915	40,418	-	7,771,621			
Financial liabilities - not measured at fair value									
Payable to AI Meezan Investment Management Limited - Management Company	10	-	-	-	810	810			
Payable to Central Depository Company Pakistan Limited - Trustee	10	-	-	-	570	570			
Payable against redemption and conversion of unit	10	-	-	-	10	10			
Accrued expenses and other liabilities	10	-	-	-	1,160	1,160			
		-	-	-	2,550	2,550			

Note	Carrying amount					Fair value			
	Investments	Other receivables	Cash and cash equivalents	Other payables	Total	Level 1	Level 2	Level 3	Total
------(Rupees in '000)-----									
June 30, 2018									
Financial assets - measured at fair value									
Investments	8,197,375	-	-	-	8,197,375	#####	-	-	8,197,375
Financial assets - not measured at fair value									
Balances with banks	10.1	-	-	27,781	-	27,781			
Receivable against sale of investments - net	10.1	-	470	-	-	470			
Other receivables	10.1	-	64	-	-	64			
		8,197,375	534	27,781	-	8,225,690			
Financial liabilities - not measured at fair value									
Payable to AI Meezan Investment Management Limited - Management Company	10.1	-	-	-	717	717			
Payable to Central Depository Company Pakistan Limited - Trustee	10.1	-	-	-	603	603			
Payable against redemption and conversion of unit	10.1	-	-	-	1,461	1,461			
Accrued expenses and other liabilities	10.1	-	-	-	984	984			
		-	-	-	3,765	3,765			

11 ALLOCATED EXPENSES

During the quarter, the Fund was charged 0.1% of the average annual net assets as allocated expenses by the Management Company according to regulation 60 of the NBFC Regulations.

12 EXPENSE RATIO

The Total Expense Ratio of the Fund for the quarter ended September 30, 2018 is 0.31%, 0.31%, 0.31%, 0.31%, 0.31% and 0.34% which include 0.11%, 0.11%, 0.11%, 0.11%, 0.11% and 0.11% representing government levy and SECP fee for MSAP-I, MSAP-II, MSAP-III, MSAP-IV, MSAP-V and MCPP-III respectively.

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 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 MCPP - 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.

14 GENERAL

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

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

15 DATE OF AUTHORISATION

This condensed interim financial information was authorised for issue on October 18, 2018 by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

Director



FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre,
Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (9221) 35630722-6111-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. Atif Azim	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Main 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. Main 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. Atif Azim	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: bawaney@cyber.net.pk

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 - II
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UNAUDITED)
AS AT SEPTEMBER 30, 2018

September 30, 2018 (Unaudited)						
	MCCP-IV	MCCP-V	MCCP-VI	MCCP-VII	Total	
Note	..... (Rupees in '000)					
Assets						
Balances with banks	5	2,284	536	13,123	7,602	23,545
Investments	6	2,029,592	745,755	640,360	-	3,415,707
Receivable against sale of investments - net		11,290	340	-	-	11,630
Receivable against conversion of units		-	-	-	95	95
Profit receivable on saving accounts with banks		9	13	141	3	166
Total assets		2,043,175	746,644	653,624	7,700	3,451,143
Liabilities						
Payable to AI Meezan Investment Management Limited - Management Company		170	67	7,337	122	7,696
Payable to Central Depository Company of Pakistan Limited - Trustee		156	57	42	-	255
Payable to Meezan Bank Limited		-	-	6,102	-	6,102
Payable to Securities and Exchange Commission of Pakistan		495	181	64	-	740
Payable against redemption and conversion of units		14,348	13	-	-	14,361
Accrued expenses and other liabilities	7	728	151	23	11	913
Total liabilities		15,897	469	13,568	133	30,067
Net assets		2,027,278	746,175	640,056	7,567	3,421,076
Contingencies and commitments						
8						
Unitholders' fund (as per statement attached)		2,027,278	746,175	640,056	7,567	3,421,076
		.....(Number of units).....				
Number of units in issue		40,592,321	14,873,499	12,734,719	151,313	
		.....(Rupees).....				
Net assets value per unit		49.9424	50.1681	50.2607	50.0112	

The annexed notes 1 to 15 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 - II
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UNAUDITED)
AS AT SEPTEMBER 30, 2018

		June 30, 2018 (Audited)		
		MCPPIV	MCPPIV	Total
		----- (Rupees in '000) -----		
Assets	Note			
Balances with banks	5	1,743	139,238	140,981
Investments	6	2,122,153	607,593	2,729,746
Receivable against conversion of units		-	2,789	2,789
Profit receivable on saving accounts with banks		8	142	150
Total assets		<u>2,123,904</u>	<u>749,762</u>	<u>2,873,666</u>
Liabilities				
Payable to Al Meezan Investment Management Limited - Management Company		184	9,255	9,439
Payable to Central Depository Company of Pakistan Limited - Trustee		166	39	205
Payable to Meezan Bank Limited		-	5,913	5,913
Payable to Securities and Exchange Commission of Pakistan		463	51	514
Payable against redemption and conversion of units		153	5	158
Accrued expenses and other liabilities	7	7,568	1,131	8,699
Total liabilities		<u>8,534</u>	<u>16,394</u>	<u>24,928</u>
Net assets		<u>2,115,370</u>	<u>733,368</u>	<u>2,848,738</u>
Contingencies and commitments	8			
Unitholders' fund (as per statement attached)		<u>2,115,370</u>	<u>733,368</u>	<u>2,848,738</u>
.....(Number of units).....				
Number of units in issue		<u>42,477,616</u>	<u>14,658,622</u>	
.....(Rupees).....				
Net asset value per unit		<u>49.7996</u>	<u>50.0298</u>	

The annexed notes 1 to 15 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 - II
CONDENSED INTERIM INCOME STATEMENT
FOR THE QUARTER / PERIOD ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

	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
Note	..... (Rupees in '000)				
Income					
Realised loss on sale of investments (net)	(16,511)	(2,390)	(202)	-	(19,103)
Profit on balances 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 AI Meezan Investment Management Limited - Management Company	30	60	116	1	207
Sindh Sales Tax on management fee	4	8	15	-	27
Allocated expenses	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
Bank and settlement charges	2	1	10	-	13
Provision for Sindh Workers' Welfare Fund	119	47	-	-	166
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	13 -	-	-	-	-
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	10,176	3,882	682	-	14,740
- Excluding capital (loss) / gains	(4,385)	(1,582)	(305)	2	(6,270)
	<u>5,791</u>	<u>2,300</u>	<u>377</u>	<u>2</u>	<u>8,470</u>

The annexed notes 1 to 15 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 - II
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER / PERIOD ENDED SEPTEMBER 30, 2018 (UNAUDITED)

	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
	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	
			.....(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	5,819	2,300	418	2	8,539

The annexed notes 1 to 15 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 - II
CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE QUARTER / PERIOD ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

	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	
(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 15 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 - II
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND
FOR THE QUARTER / PERIOD ENDED SEPTEMBER 30, 2018 (UNAUDITED)

	September 30, 2018			September 30, 2018			For the period from July 10, 2018 to September 30,			For the period from September 26, 2018 to September			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:															
MCPPIV-1,594,607 / MCPPIV-13,201,106 / MCPPIV-151,313 units	-	-	-	79,778	-	79,778	660,055	-	660,055	7,565	-	7,565	747,398	-	747,398
- Capital value (at net asset value per unit at the beginning of the quarter / Period)	-	-	-	(435)	-	(435)	3,028	-	3,028	-	-	-	2,593	-	2,593
- Element of income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total proceeds on issuance of units	-	-	-	79,343	-	79,343	663,083	-	663,083	7,565	-	7,565	749,991	-	749,991
Redemption:															
MCPPIV-1,885,295 units / MCPPIV-1,379,730 / MCPPIV-466,387 units	93,887	-	93,887	69,028	-	69,028	23,319	-	23,319	-	-	-	186,234	-	186,234
- Capital value (at net asset value per unit at the beginning of the quarter / period)	(4)	28	24	(192)	-	(192)	85	41	126	-	-	-	(111)	-	(111)
- (Adjustment) / refund on units as element of income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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 for the quarter / period	-	5,819	5,819	-	2,300	2,300	-	418	418	-	-	2	-	8,539	8,539
Distribution during the quarter / period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Income for the quarter / period less distribution	-	5,819	5,819	-	2,300	2,300	-	418	418	-	-	2	-	8,539	8,539
Net assets at end of the quarter / period	2,041,452	(14,174)	2,027,278	744,027	2,148	746,175	639,679	377	640,056	7,565	2	7,567	3,432,723	(11,647)	3,421,076

Undistributed income carried forward

- Realised loss
- Unrealised income

(24,350)
10,176
(14,174)

(1,734)
3,882
2,148

(305)
682
377

2
-
2

(26,387)
14,740
(11,647)

Accounting income available for distribution

- Relating to capital gains
- Excluding capital (loss) / gains

10,176
(4,385)
5,791

3,882
(1,582)
2,300

682
(305)
377

-
2
2

14,740
(6,270)
8,470

Net asset value per unit as at Beginning of the quarter / period

Rupees

49.7996

Rupees

50.0298

Rupees

-

Rupees

-

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

49.9424

50.1681

50.2607

50.0112

The annexed notes 1 to 15 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 - II
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE QUARTER / PERIOD ENDED SEPTEMBER 30, 2018 (UNAUDITED)

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 (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 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 a Trustee of the Fund. The fund's property comprises of different types of allocation plans which are accounted for and maintained separately in 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 JCR-VIS Credit Rating Company Limited.
- 1.6 The Fund is an open-end Shariah compliant Fund of Funds Scheme that aims to generate returns on investment as per capital preservation plan (sub fund) namely Meezan Capital Preservation Plan - IV (MCP-IV), Meezan Capital Preservation Plan - V (MCP-V), Meezan Capital Preservation Plan - VI (MCP-VI) and Meezan Capital Preservation Plan - VII (MCP-VII) 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.
- 1.7 In the current period, two plans Meezan Capital Preservation Plan - VI (MCP - VI) and Meezan Capital Preservation Plan - VII (MCP - VII) were introduced. The brief description of the plans are as follows:

Meezan Capital Preservation Plan-IV (MCP-IV)	<i>Low risk - High return through asset allocation</i> 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)	<i>Low risk - High return through asset allocation</i> 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)	<i>Low risk - High return through asset allocation</i> 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)	<i>Low risk - High return through asset allocation</i> 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.

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 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 approved accounting standards as applicable in Pakistan.

3. STATEMENT OF COMPLIANCE

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the repealed Companies Ordinance, 1984 (now Companies Act, 2017), the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

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 year ended June 30, 2018.

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

4.1 The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements of the Fund for the year ended June 30, 2018 except for the following:

4.1.1 Reclassification of financial assets

During the current period IFRS-9 became applicable. According to the standard, all equity investments are to be measured at fair value in the statement of financial position with value change recognized in profit or loss. Standard also retains an option in respect of equity investments (other than held for trading) for which the entity may elect to report value change in 'other comprehensive income'. However, The fund measured its all financial assets at fair value through profit or loss (FVTPL).

4.2 The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2018.

5. BALANCES WITH BANKS

Note	September 30, 2018 (Unaudited)				Total
	MCPP -IV	MCPP -V	MCPP -VI	MCPP -VII	
	.....(Rupees in '000).....				
Saving accounts	2,279	536	13,123	7,602	23,540
Current accounts	5	-	-	-	5
	<u>2,284</u>	<u>536</u>	<u>13,123</u>	<u>7,602</u>	<u>23,545</u>
	June 30, 2018 (Audited)				
			MCPP -IV	MCPP -V	Total
	.....(Rupees in '000).....				
Saving accounts			1,742	139,238	140,980
Current accounts			1	-	1
			<u>1,743</u>	<u>139,238</u>	<u>140,981</u>

5.1 The balances in savings accounts have an expected profit which ranges from 2.00% to 7.30% (June 30, 2018 2.00% to 2.40%) per annum.

6. INVESTMENTS

	September 30, 2018 (Unaudited)				Total
	MCPP -IV	MCPP -V	MCPP -VI	MCPP -VII	
	.....(Rupees in '000).....				
Investments - 'at fair value through profit or loss' - Units of Mutual Fund	2,029,592	745,755	640,360	-	3,415,707
	June 30, 2018 (Audited)				
			MCPP -IV	MCPP -V	Total
	.....(Rupees in '000).....				
Investments - 'at fair value through profit or loss' - Units of Mutual Fund			2,122,153	607,593	2,729,746

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

Name of investee funds	As at July 01, 2018	Purchases during the Quarter / period	Redemptions during the Quarter / period	As at September 30, 2018	Carrying value as at September 30, 2018	Market value as at September 30, 2018	Unrealised (diminutions)/appreciation as at September 30, 2018	Net assets of the Fund on the basis of market value	Percentage of market value of total investment
	----- (Number of units) -----				----- (Rupees in '000) -----			--- (%) ---	
Meezan Capital Preservation Plan - IV									
Meezan Dedicated Equity Fund	7,003,244	8,252,360	13,558,104	1,697,499	80,408	79,559	(849)	3.92	3.92
Meezan Cash Fund	33,889,478	13,564,698	9,309,707	38,144,469	1,939,008	1,950,033	11,025	96.19	96.08
					2,019,416	2,029,592	10,176	100.11	100.00
Meezan Capital Preservation Plan - V									
Meezan Dedicated Equity Fund	2,121,785	4,193,118	4,283,901	2,031,002	98,325	95,190	(3,135)	12.76	12.76
Meezan Cash Fund	9,595,190	15,624,566	12,494,088	12,725,669	643,548	650,565	7,017	87.19	87.24
					741,873	745,755	3,882	99.93	100.00
Meezan Capital Preservation Plan - VI									
Meezan Dedicated Equity Fund	-	1,533,589	521,455	1,012,134	49,502	47,437	(2,065)	7.41	7.41
Meezan Cash Fund	-	13,134,096	1,535,967	11,598,129	590,176	592,923	2,747	92.64	92.59
					639,678	640,360	682	100.04	100.00
Total investments in units of mutual funds									
Meezan Dedicated Equity Fund	9,125,029	13,979,066	18,363,459	4,740,636	228,235	222,186	(6,049)	6.49	6.50
Meezan Cash Fund	43,484,668	42,323,360	23,339,762	62,468,267	3,172,732	3,193,521	20,789	93.35	93.50
					3,400,967	3,415,707	14,740	99.83	100.00

7. ACCRUED EXPENSES AND OTHER LIABILITIES

		September 30, 2018 (Unaudited)				
Note	MCCP - IV	MCCP - V	MCCP - VI	MCCP - VII	Total	
	.....(Rupees in '000).....				
Auditors' remuneration payable	165	43	5	-	213	
Shariah advisor fee payable	168	25	3	-	196	
Provision for Sindh Workers' Welfare Fund	7.1	119	47	-	166	
Other Payable	-	10	10	11	31	
Printing Expense Payable	214	26	4	-	244	
Withholding Tax	15	-	1	-	16	
Zakat	47	-	-	-	47	
	<u>728</u>	<u>151</u>	<u>23</u>	<u>11</u>	<u>913</u>	

		June 30, 2018 (Audited)		
	MCCP - IV	MCCP - V	Total	
	.....(Rupees in '000).....			
Auditors' remuneration payable		123	27	150
Shariah advisor fee payable		122	9	131
Printing Charges Payable		182	13	195
Zakat Payable		2	-	2
Sales load payable		6,315	949	7,264
Sindh Sales Tax on sales load		821	123	944
Withholding Tax		3	-	3
Other Payable		-	10	10
		<u>7,568</u>	<u>1,131</u>	<u>8,699</u>

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

Had the SWWF not been provided, the NAV per unit / Fund return would have been higher by Re 0.003/0.0059% and Re 0.003/0.0063% in MCCP-IV & MCCP-V.

8. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2018 and June 30, 2018.

9. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

The 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 / 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 provision of NBFC Rules, 2003, NBFC Regulations, 2008, and the Trust Deed respectively.

Detail of transactions with connected persons and balances with them at the period end are as follows:

September 30, 2018 (Unaudited)

	MCCP - IV	MCCP - V	MCCP - VI	MCCP - VII	Total
	.....( Rs. In '000).....				
Al Meezan Investment Management Limited (Al Meezan) - Management Company					
Remuneration payable	2	5	59	1	66
Sindh Sales Tax on management fee	-	1	8	-	9
Sales load payable	-	-	6,394	107	6,501
Sindh Sales Tax on sales load payable	-	-	831	14	845
Allocated expenses	168	61	45	-	274
Meezan Bank Limited					
Bank balance	2,274	526	13,123	7,602	23,525
Profit receivable	9	13	142	3	167
Sales load payable	-	-	5,400	-	5,400
Sindh Sales Tax on sales load payable	-	-	702	-	702
Central Depository Company of Pakistan Limited (CDC) - Trustee					
Trustee fee payable	138	50	37	-	225
Sindh Sales Tax on trustee fee payable	18	7	5	-	30
Directors and executives of the management company					
Investment	4,983	-	-	-	4,983
Investment (Units)	99,772	-	-	-	99,772
Meezan Dedicated Equity Fund					
Investment	79,559	95,190	47,437	-	222,186
Investment (Units)	1,697,499	2,031,002	1,012,134	-	4,740,636
Meezan Cash Fund					
Investment	1,950,033	650,565	592,923	-	3,193,521
Investment (Units)	38,144,469	12,725,669	11,598,129	-	62,468,267
Unitholders holding 10% or more units of the Fund					
Investment (Rs. in '000)	-	74,028	99,963	6,380	180,371
Investment (Units)	-	1,475,603	1,988,882	127,579	3,592,064

June 30, 2018 (Audited)

	MCCP - IV	MCCP - V	Total
	.....( Rs. In '000).....		
Al Meezan Investment Management Limited (Al Meezan) - Management Company			
Remuneration payable	9	81	90
Sindh Sales Tax on management fee	1	11	12
Sales load payable	-	8,073	8,073
Sindh Sales Tax on sales load payable	-	1,049	1,049
Allocated expenses	174	41	215
Meezan Bank Limited			
Bank balance	1,743	139,238	140,981
Profit receivable	8	142	150
Sales load payable	-	5,233	5,233
Sindh Sales Tax on sales load payable	-	680	680

**Central Depository Company of Pakistan Limited (CDC) -
Trustee**

Trustee fee payable	147	35	183
Sindh Sales Tax on trustee fee payable	19	4	23

Directors and executives of the management company

Investment (Rs. in '000)	4,969	-	4,969
Investment (Units)	99,772	-	99,772

Meezan Dedicated Equity Fund

Investment (Rs. in '000)	339,919	102,986	442,905
Investment (Units)	7,003,244	2,121,785	9,125,029

Meezan Cash Fund

Investment (Rs. in '000)	1,782,234	504,607	2,286,841
Investment (Units)	33,889,478	9,595,190	43,484,668

Unitholders holding 10% or more units of the Fund

Investment (Rs. in '000)	-	73,824	73,824
Investment (Units)	-	1,475,603	1,475,603

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
MCPP - IV	MCPP - V	MCPP - VI	MCPP - 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 (CDC) -
Trustee**

Trustee fee	433	159	56	-	648
Sindh Sales Tax on trustee fee	56	21	7	-	84

Meezan Dedicated Equity Fund

Invested during the quarter / period (Rs. in '000)	393,800	202,586	75,000	-	671,386
Invested during the quarter / period (Units)	8,252,360	4,193,118	1,533,589	-	13,979,066
Redeemed during the quarter / period (Rs. in '000)	636,541	204,656	25,150	-	866,347
Redeemed during the quarter / 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

10. FAIR VALUES 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.

September 30, 2018

Note	Investments	Other receivables	Cash and cash equivalents	Other payables	Total	Fair value			
						Level 1	Level 2	Level 3	Total
(Rupees in '000)									
Financial assets - measured at fair value									
	3,415,707	-	-	-	3,415,707	3,415,707	-	-	3,415,707
Financial assets - not measured at fair value									
Balances with banks	10.1	-	23,545	-	23,545				
Receivable against sale of investments - net	10.1	11,630	-	-	11,630				
Receivable against issuance and conversion of units	10.1	95	-	-	95				
Other receivables	10.1	166	-	-	166				
		<u>3,415,707</u>	<u>11,891</u>	<u>23,545</u>	<u>-</u>				<u>3,451,143</u>
Financial liabilities - not measured at fair value									
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company	10.1	-	-	7,696	7,696				
Payable to Central Depository Company Pakistan Limited (CDC) - Trustee	10.1	-	-	255	255				
Payable to Meezan Bank Limited (MBL)	10.1	-	-	6,102	6,102				
Payable against redemption and conversion of units	10.1	-	-	14,361	14,361				
Payable against investments (net)	10.1	-	-	-	-				
Accrued expenses and other liabilities	10.1	-	-	684	684				
		<u>-</u>	<u>-</u>	<u>29,098</u>	<u>29,098</u>				

June 30, 2018

Note	Investments	Other receivables	Cash and cash equivalents	Other payables	Total	Fair value			
						Level 1	Level 2	Level 3	Total
(Rupees in '000)									
Financial assets - measured at fair value									
	2,729,746	-	-	-	2,729,746	2,729,746			
Financial assets - not measured at fair value									
Balances with banks	10.1	-	140,981	-	140,981				
Receivable against issuance and conversion of units	10.1	2,789.40	-	-	2,789				
Other receivables	10.1	149.95	-	-	150				
		<u>2,729,746</u>	<u>2,939</u>	<u>140,981</u>	<u>-</u>				<u>2,873,666</u>
Financial liabilities - not measured at fair value									
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company	10.1	-	-	9,439	9,439				
Payable to Central Depository Company Pakistan Limited (CDC) - Trustee	10.1	-	-	206	206				
Payable to Meezan Bank Limited (MBL)	10.1	-	-	5,913	5,913				
Payable against redemption and conversion of units	10.1	-	-	158	158				
Accrued expenses and other liabilities	10.1	-	-	7,750	7,750				
		<u>-</u>	<u>-</u>	<u>23,466</u>	<u>23,466</u>				

10.1 The Fund has not disclosed fair value for these financial assets and financial liabilities because their carrying amounts are reasonable approximation of fair value.

11. ALLOCATED EXPENSES

During the quarter, the Fund was charged 0.1% of the average annual net assets as allocated expenses by the Management Company according to regulation 60 of the NBFC Regulations.

12. EXPENSE RATIO

Securities and Exchange Commission of Pakistan (SECP) vide directive no. SCD/PRDD/ Direction / 18/2016 dated July 20, 2016 which require that collective Investment Scheme (CIS) shall disclose Total Expense Ratio (TER) in the periodic financial statements of the fund. TER of the fund for the period ended September 30, 2018 is 0.34% , 0.37%,0.54% & 1.32% which include 0.13%,0.13%,0.13%, & 0.26% representing government levy, Worker Welfare Fund and SECP fee for MCPP - IV , MCPP-V, MCPP-VI, MCPP-VII.

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 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, 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 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).

14. GENERAL

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

14.2 Corresponding figures for MCPP-IV, MCPP-V, MCPP-VI and MCPP-VII have not been presented as these plans commenced their operations from March 06, 2018, May 04, 2018, July 10, 2018 and September 26, 2018 respectively. hence no corresponding figures has been presented in the 'Condensed Interim Income Statement', 'Condensed Interim Statement of Comprehensive Income', 'Condensed Interim Statement of Movement in Unitholders' Fund' and 'Condensed Interim Cash flow Statement'.

15. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on October 18, 2018 by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

Director



FUND INFORMATION

PENSION FUND MANAGER

Al Meezan Investment Management Limited Ground Floor,
Block "B", Finance & Trade Centre, Shahrah-43-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 PENSION FUND MANAGER

Mr. Ariful Islam	Non-Executive	Chairman
Mr. Mohammad Shoaib, CFA	Chief Executive	
Mr. P.Ahmed	Independent	
Mr. Moin M. Fudda	Independent	
Mr. Alif Azeem	Independent	
Mr. Mazhar Sharif	Non-Executive	
Mr. Jaz Farooq	Non-Executive	
Mr. Abdullah Ahmed Mohammad	Non-Executive	
Syed Amir Ali	Non-Executive	
Syed Amir Ali Zaidi	Non-Executive	

CFO & COMPANY SECRETARY OF THE PENSION FUND MANAGER

Syed Owais Wasli

AUDIT COMMITTEE

Mr. P.Ahmed	Chairman
Mr. Mazhar Sharif	Member
Syed Amir Ali	Member

RISK MANAGEMENT COMMITTEE

Mr. P.Ahmed	Chairman
Mr. Mazhar Sharif	Member
Syed Amir Ali	Member

HUMAN RESOURCES & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Jaz Farooq	Member
Mr. Mazhar Sharif	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

Deloitte Yousuf Adil
Chartered Accountants
Cavish Court, A-35, Block 7&8,
KCHSU, Shahrah-e-Faisal, Karachi-75350, Pakistan

SHARIAH ADVISER

Meezan Bank Limited

BANKERS TO THE FUND

Al Baraka Islamic Bank B.S.C (E.C)	Habib Metropolitan Bank Limited - Islamic Banking
Askari Bank Limited - Islamic Banking	MCB Islamic Bank Limited
Bank Alfalah - Islamic Banking Branch	Meezan Bank Limited
Bank Islami Pakistan Limited	National Bank of Pakistan - Islamic Banking
Dubai Islamic Bank Pakistan Limited	Sindh Bank Pakistan 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: bawaney@cyber.net.pk

TRANSFER AGENT

Meezan Bank Limited
Meezan House,
C-25, Estate Avenue, S.I.T.E., Karachi
Phone: (9221) 33810538 Fax: (9221) 96406017
Website: www.meezanbank.com

CONTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited



MEEZAN TAHAFFUZ PENSION FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2018

Note	September 30, 2018 (Unaudited)					June 30, 2018 (Audited) Total	
	Equity sub fund	Debt sub fund	Money Market sub fund	Gold sub fund	Total		
----- (Rupees in '000) -----							
ASSETS							
Bank balances	5	264,754	726,206	615,827	6,695	1,613,482	1,450,885
Investments	6	5,153,630	2,117,323	480,549	43,579	7,795,081	7,854,015
Dividend receivable		56,275	-	-	-	56,275	15,610
Deposits and other receivables	7	9,921	39,135	10,700	13	59,769	46,853
Receivable against change of plan / change of fund manager / issuance of units		-	-	-	-	-	401
Total assets		5,484,580	2,882,664	1,107,076	50,287	9,524,607	9,367,764
LIABILITIES							
Payable to Al Meezan Investment Management Limited - Pension Fund Manager		7,596	3,906	1,426	69	12,997	12,785
Payable to Central Depository Company of Pakistan Limited - Trustee		428	220	80	4	732	725
Payable to auditors		90	90	90	103	373	240
Payable to Securities and Exchange Commission of Pakistan		459	233	85	4	781	2,908
Payable against purchase of investments (net)		7,293	-	-	-	7,293	6,499
Payable against withdrawal / change of plan		7,173	11,977	6,374	-	25,524	8,060
Accrued expenses and other liabilities	8	60,969	16,105	4,352	164	81,590	79,534
Total liabilities		84,008	32,531	12,407	344	129,290	110,751
NET ASSETS		5,400,572	2,850,133	1,094,669	49,943	9,395,317	9,257,013
Contingencies and commitments	9						
PARTICIPANTS' SUB - FUNDS (as per statement attached)		5,400,572	2,850,133	1,094,669	49,943	9,395,317	9,257,013
----- (Number of units) -----							
Number of units in issue (as per statement attached)		11,236,759	12,805,565	4,960,403	503,842		
----- (Rupees) -----							
Net assets value per unit		480.6165	222.5699	220.6815	99.1248		

The annexed notes from 1 to 13 form an integral part of these condensed interim financial informations.

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, 2018 (UNAUDITED)

Note	September 30, 2018				Total	September 30, 2017
	Equity sub fund	Debt sub fund	Money Market sub fund	Gold sub fund		Total
----- (Rupees in '000) -----						
INCOME						
Profit from sukuk certificates	-	17,609	2,724	-	20,333	24,527
Profit on saving accounts with banks	2,257	14,680	9,699	40	26,676	9,761
Profit on term deposit receipts	-	14,630	4,636	-	19,266	11,373
Dividend income	57,215	-	-	-	57,215	43,086
Unrealised diminution on 're-measurement of investments at 'fair value through profit or loss' (net)	6.1 & 6.2 (183,296)	(7,619)	(945)	-	(191,860)	(719,307)
Unrealised (diminution) / appreciation on investment in gold	6.4 -	-	-	(918)	(918)	1,014
Net realised loss on sale of investments	(9,438)	(238)	-	-	(9,676)	(1,530)
Other Income	-	63	-	19	82	-
Total (loss) / income	(133,262)	39,125	16,114	(859)	(78,882)	(631,076)
EXPENSES						
Remuneration to Al Meezan Investment Management Limited - Pension Fund Manager	20,656	10,495	3,825	187	35,163	33,049
Sindh Sales Tax and Federal Excise Duty on remuneration of the Pension Fund Manager	2,685	1,364	497	24	4,570	4,296
Remuneration of Central Depository Company of Pakistan Limited - Trustee	1,167	593	216	11	1,987	1,901
Sindh Sales Tax on remuneration of the Trustee	152	77	28	1	258	246
Annual fee to Securities and Exchange Commission of Pakistan	459	233	85	4	781	735
Auditors' remuneration	33	33	33	34	133	148
Brokerage charges	811	6	-	105	922	1,246
Bank and settlement charges	94	22	28	6	150	149
Charity expense	776	-	-	-	776	202
Provision for Sindh Workers' Welfare Fund	-	536	243	-	779	161
Total expenses	26,833	13,359	4,955	372	45,519	42,133
Net (loss) / income from operating activities	(160,095)	25,766	11,159	(1,231)	(124,401)	(673,209)
Element of gain / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed (net)	488	477	765	(2)	1,728	(14,535)
Net (loss) / income for the quarter before taxation	(159,607)	26,243	11,924	(1,233)	(122,673)	(687,744)
Taxation	12 -	-	-	-	-	-
Net (loss) / income for the quarter after taxation	(159,607)	26,243	11,924	(1,233)	(122,673)	(687,744)
Other comprehensive income for the quarter	-	-	-	-	-	-
Total comprehensive income for the quarter	(159,607)	26,243	11,924	(1,233)	(122,673)	(687,744)

The annexed notes from 1 to 13 form an integral part of these condensed interim financial informations.

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, 2018 (UNAUDITED)

Note	September 30, 2018				Total	September 30,
	Equity sub fund	Debt sub fund	Money Market sub fund	Gold sub fund		2017
----- (Rupees in '000) -----						

CASH FLOW FROM OPERATING ACTIVITIES

Net (loss) / income for the quarter before taxation (159,607) 26,243 11,924 (1,233) (122,673) (687,744)

Adjustments :

Unrealised diminution on 're-measurement of investments at 'fair value through profit or loss' (net) 183,296 7,619 945 - 191,860 719,307
 Unrealised diminution on investment in gold - - - 918 918 (1,014)
 Element of loss / (income) and capital losses / (gains) included in prices of units issued less those in units redeemed (net) (488) (477) (765) 2 (1,728) 14,535
 23,201 33,385 12,104 (313) 68,377 45,084

(Increase) / Decrease in assets

Investments (net) (71,134) (37,272) (23,841) (1,597) (133,844) (1,096,590)
 Dividend receivable (40,665) - - - (40,665) (15,974)
 Deposits and other receivables 614 (10,345) (3,184) (1) (12,916) 18,447
 (111,185) (47,617) (27,025) (1,598) (187,425) (1,094,117)

(Decrease) / Increase in liabilities

Payable to Al Meezan Investment Management Limited - Pension fund Manager (73) 198 86 1 212 (845)
 Payable to Central Depository Company of Pakistan Limited - Trustee (7) 10 4 - 7 (32)
 Payable to Securities and Exchange Commission of Pakistan (1,372) (580) (164) (11) (2,127) (1,940)
 Payable to auditors 33 33 33 34 133 (109)
 Payable against purchase of investments (net) 794 - - - 794 38,008
 Accrued expenses and other liabilities 1,253 544 242 17 2,056 (230)
 628 205 201 41 1,075 34,852
 Net cash used in operating activities (87,356) (14,027) (14,720) (1,870) (117,973) (1,014,181)

CASH FLOW FROM FINANCING ACTIVITIES

Receipts of contribution / change of plan / change of fund manager 265,500 249,828 377,314 1,535 894,177 1,043,817
 Payments on withdrawal / change of plan (135,192) (176,729) (301,365) (321) (613,607) (877,094)
 Net cash generated from financing activities 130,308 73,099 75,949 1,214 280,570 166,723

Net increase / (decrease) in cash and cash equivalents during the quarter

42,952 59,072 61,229 (656) 162,597 (847,458)
 Cash and cash equivalents at beginning of the quarter 221,802 667,134 554,598 7,351 1,450,885 1,484,202
 Cash and cash equivalents at end of the quarter 5 264,754 726,206 615,827 6,695 1,613,482 636,744

The annexed notes from 1 to 13 form an integral part of these condensed interim financial informations.

For Al Meezan Investment Management Limited
(Pension Fund Manager)

Chief Executive

Chief Financial Officer

Director



MEEZAN TAHAFFUZ PENSION FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS SUB FUNDS
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)

	September 30, 2018				Total	September 30, 2017
	Equity sub fund	Debt sub fund	Money Market sub fund	Gold sub fund		Total
	----- (Rupees in '000) -----					
Net assets at beginning of the quarter	5,431,850	2,761,605	1,013,598	49,960	9,257,013	9,023,252
Amount received on issuance of 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) (2017: Equity sub fund: 943,357 units Debt sub fund: 1,025,296 units; Money market sub fund: 937,248 units ; Gold sub fund: 4,087 units)	265,500	249,511	377,230	1,535	893,776	984,600
Amount paid on withdrawal of 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) (2017: Equity sub fund: 490,991 units; Debt sub fund: 1,331,237 units; Money market sub fund: 975,768 units ; Gold sub fund: 76,895 units)	(136,683)	(186,749)	(307,318)	(321)	(631,071)	(804,643)
	128,817	62,762	69,912	1,214	262,705	179,957
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed (net)	(488)	(477)	(765)	2	(1,728)	14,535
Net realised loss on sale of investments	(9,438)	(238)	-	-	(9,676)	(1,530)
Unrealised diminution on 're-measurement of investments at 'fair value through profit or loss' (net)	(183,296)	(7,619)	(945)	-	(191,860)	(719,307)
Unrealised (diminution) / appreciation on investment in gold	-	-	-	(918)	(918)	1,014
Other net income / (loss) for the quarter	33,127	34,100	12,869	(315)	79,781	32,079
	(159,607)	26,243	11,924	(1,233)	(122,673)	(687,744)
Net assets at end of the quarter	5,400,572	2,850,133	1,094,669	49,943	9,395,317	8,530,000

The annexed notes from 1 to 13 form an integral part of these condensed interim financial informations.

For Al Meezan Investment Management Limited
(Pension Fund Manager)

Chief Executive

Chief Financial Officer

Director

MEEZAN TAHAFFUZ PENSION FUND
CONDENSED INTERIM CONTRIBUTION TABLE
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UNAUDITED)

September 30, 2018								Total	September 30, 2017
Equity sub fund		Debt sub fund		Money Market sub fund		Gold sub fund			Total
Units	(Rupees in '000)	Units	(Rupees in '000)	Units	(Rupees in '000)	Units	(Rupees in '000)	(Rupees in '000)	

Contribution net of front end fee received during the quarter

Individuals

- issuance of units	539,668	265,500	1,126,920	249,511	1,718,077	377,230	15,340	1,535	893,776	984,600
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The annexed notes from 1 to 13 form an integral part of these condensed interim financial informations.

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, 2018 (UNAUDITED)

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>

September 30, 2017				
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	9,802,505	11,701,249	3,123,860	477,358
Add: Units issued / converted / reallocated during the quarter	943,357	1,025,296	937,248	4,087
Less: Units redeemed / converted / reallocated during the quarter	(490,991)	(1,331,237)	(975,768)	-
Total units in issue at the end of the quarter	<u>10,254,871</u>	<u>11,395,308</u>	<u>3,085,340</u>	<u>481,445</u>

The annexed notes from 1 to 13 form an integral part of these condensed interim financial informations.

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, 2018 (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 SECP 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, 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 NAV 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** JCR-VIS Credit Rating Company Limited has assigned management quality rating of 'AMI' 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 financial information have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Act, 2017, the 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 IFRS, the requirements of the VPS Rules or the directives issued by the SECP shall prevail.

The disclosures made in this condensed interim financial information have, however, been limited based on the requirement of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosure required in a full set of financial statements and, therefore, should be read in conjunction with the annual financial statements of the Fund for the year ended June 30, 2018.

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

- 4.1** The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements of the Fund for the year ended June 30, 2018 except for the following:

4.1.1 Reclassification of financial assets

During the current period IFRS-9 became applicable, according to the standard, all equity investments are to be measured at fair value in the statement of financial position with value change recognized in profit or loss. Standard also retains an option in respect of equity investments (other than held for trading) for which the entity may elect to report value change in 'other comprehensive income'. However, the fund measured it's all financial assets at fair value through profit or loss (FVTPL).

- 4.2** The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2018.

Note	September 30, 2018 (unaudited)					June 30, 2018 (Audited)
	Equity sub fund	Debt sub fund	Money Market sub fund	Gold sub fund	Total	Total

5. BANK BALANCES

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

Current accounts	2,552	-	-	-	2,552	1,477
Savings accounts	262,202	726,206	615,827	6,695	1,610,930	1,449,408
	<u>264,754</u>	<u>726,206</u>	<u>615,827</u>	<u>6,695</u>	<u>1,613,482</u>	<u>1,450,885</u>

5.1 The balance in savings accounts carry expected profit which ranges from 2.00% to 7.70% (2018: 2.00% to 6.60%) per annum.

Note	September 30, 2018 (unaudited)					June 30, 2018 (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	6.1	5,153,630	-	-	-	5,153,630	5,265,792
- sukuk certificates	6.2	-	934,580	103,708	-	1,038,288	953,323
		<u>5,153,630</u>	<u>934,580</u>	<u>103,708</u>	-	<u>6,191,918</u>	<u>6,219,115</u>
Loans and receivables	6.3	-	930,000	290,000	-	1,220,000	1,592,000
term deposits		-	252,743	86,841	-	339,584	-
commercial paper		-	-	-	43,579	43,579	42,900
Investment in gold	6.4	<u>5,153,630</u>	<u>2,117,323</u>	<u>480,549</u>	<u>43,579</u>	<u>7,795,081</u>	<u>7,854,015</u>

6.1 Investment designated as 'fair value through profit or loss - shares of listed companies

Name of the investee company	As at July 01, 2018	Purchases during the quarter	Cost of purchase during the quarter	Bonus / Rights issue during the quarter	Sales during the quarter	As at September 30, 2018	Carrying value as at September 30, 2018	Market value as at September 30, 2018	Unrealised (loss) / gain as at September 30, 2018	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) -----		----- (Rupees in '000) -----	-----%-----	
Equity Sub Fund											
Sector / companies											
Automobile Assembler											
Pak Suzuki Motor Company Limited	92,600	-	-	-	34,700	57,900	22,777	17,939	(4,838)	0.33	0.07
Honda Atlas Cars Pakistan Limited	273,500	-	-	-	55,000	218,500	69,131	55,654	(13,477)	1.03	0.15
Millat Tractors Limited	25,000	-	-	-	-	25,000	29,702	25,354	(4,348)	0.47	0.06
Ghandhara Industries Limited	84,650	-	-	-	-	84,650	59,821	57,394	(2,427)	1.06	0.40
										2.89	0.68
Automobile parts and Accessories											
General Tyre & Rubber Company	62,500	-	-	-	32,000	30,500	5,069	4,969	(100)	0.09	0.05
Ghandhara Nissan Limited	271,316	-	-	-	35,000	236,316	42,459	29,209	(13,250)	0.54	0.41
										0.63	0.46
Cement											
D.G Khan Cement Company Limited	637,900	375,000	46,870	-	-	1,012,900	119,903	103,731	(16,172)	1.92	0.23
Dewan Cement Limited	2,362,500	-	-	-	1,555,000	807,500	14,535	11,410	(3,125)	0.21	0.17
Lucky Cement Limited	653,456	45,000	25,755	-	-	698,456	357,665	358,266	601	6.63	0.22
Fauji Cement Company Limited	7,000	-	-	-	7,000	-	-	-	-	-	-
Cherat Cement Company Limited	741,000	-	-	-	100,000	641,000	62,324	51,633	(10,691)	0.96	0.36
Pioneer Cement Company Limited	545,100	-	-	-	300,000	245,100	11,485	10,652	(833)	0.20	0.11
Maple Leaf Cement Factory Limited	559,062	550,000	28,367	-	-	1,109,062	56,734	52,237	(4,497)	0.97	0.17
Kohat Cement Company Limited	586,400	-	-	-	-	586,400	72,168	73,382	1,214	1.36	0.38
										12.25	1.64
Chemical											
Engro Polymer & Chemicals Limited	2,782,000	1,619,209	41,092	-	360,000	4,041,209	117,993	117,357	(636)	2.17	0.44
ICI Pakistan Limited	185,920	-	-	-	-	185,920	149,015	141,035	(7,980)	2.61	0.20
Sitara Chemical Industries Limited	36,600	-	-	-	-	36,600	13,481	12,444	(1,037)	0.23	0.17
										5.01	0.81
Engineering											
K.S.B Pumps Company Limited	99,200	-	-	-	-	99,200	27,776	24,304	(3,472)	0.45	0.75
Crescent Steel & Allied Products Limited	77,300	-	-	-	-	77,300	7,047	5,915	(1,132)	0.11	0.10
International Steels Limited	269,200	-	-	-	-	269,200	27,378	24,489	(2,889)	0.45	0.06
International Industries Limited	227,500	-	-	-	-	227,500	52,846	48,958	(3,888)	0.91	0.19
Mughal Iron & Steel Industries	573,000	-	-	-	-	573,000	35,194	28,037	(7,157)	0.52	0.23
										2.44	1.33
Fertilizer											
Engro Corporation Limited (note 6.1.3)	1,412,200	82,000	25,884	-	-	1,494,200	469,117	465,638	(3,479)	8.62	0.29
Engro Fertilizers Limited	4,163,000	-	-	-	900,000	3,263,000	244,431	246,324	1,893	4.56	0.24
Dawood Hercules Corporation Limited	585,200	-	-	-	70,000	515,200	57,074	54,895	(2,179)	1.02	0.11
										14.20	0.64
Food and Personal Care Products											
Engro Foods Limited	100	-	-	-	-	100	9	8	(1)	-	-
Al-Shaheer Corporation Limited	33,160	-	-	-	-	33,160	904	912	8	0.02	0.02
At-Tahur Limited	-	688,318	14,455	-	505,000	183,318	3,850	4,620	770	0.09	0.12
										0.11	0.14
Oil and Gas Exploration Companies											
Pakistan Oil & Gas Development Company Limited	2,953,900	470,000	71,658	-	-	3,423,900	531,344	523,822	(7,522)	9.70	0.08
Pakistan Oilfields Limited	493,350	59,750	39,383	90,820	99,000	544,920	304,303	299,259	(5,044)	5.54	0.19
Pakistan Petroleum Limited	1,792,057	110,000	22,302	-	60,000	1,842,057	394,563	393,095	(1,468)	7.28	0.09
Mari Petroleum Company Limited	205,400	5,000	7,550	-	-	210,400	316,919	327,873	10,954	6.07	0.19
										28.59	0.55
Oil and Gas Marketing Companies											
Pakistan State Oil Company Limited	924,559	8,400	2,812	-	-	932,959	297,108	297,465	357	5.51	0.29
Attock Petroleum Limited	42,370	-	-	8,474	-	50,844	24,998	22,567	(2,431)	0.42	0.05
Sui Northern Gas Pipelines Limited	2,169,600	25,000	2,316	-	60,000	2,134,600	213,741	190,236	(23,505)	3.52	0.34
Shell Pakistan	-	30,300	9,803	-	-	30,300	9,803	8,898	(905)	0.16	0.03
Hasco Petroleum Limited	151,683	71,700	20,862	-	26,700	196,683	60,160	53,574	(6,586)	0.99	0.14
Hi-tech Lubricants	320,000	-	-	-	-	320,000	32,422	26,704	(5,718)	0.49	0.28
										11.09	1.13
Paper and Board											
Packages Limited	408,501	-	-	-	15,000	393,501	192,705	175,982	(16,723)	3.26	0.44
Cherat Packaging Limited	160,035	-	-	-	-	160,035	22,995	27,692	4,697	0.51	0.48
										3.77	0.92
Pharmaceuticals											
Abbott Laboratories (Pakistan) Limited	45,550	50	28	-	-	45,600	31,230	28,137	(3,093)	0.52	0.05
ACIP Limited	806,000	-	-	-	-	806,000	71,565	69,542	(2,023)	1.29	0.29
GlaxoSmithKline Consumer Healthcare	17,500	-	-	-	-	17,500	7,088	6,082	(1,006)	0.11	0.02
GlaxoSmithKline Pakistan Limited	10,000	-	-	-	-	10,000	1,660	1,478	(182)	0.03	-
The Searle Company Limited	380,935	10,000	3,430	-	-	390,935	132,757	123,508	(9,249)	2.29	0.21
Hightnoon Laboratories Limited	1,600	-	-	-	-	1,600	657	568	(89)	0.01	0.01
										4.25	0.58
Power Generation & Distribution											
The Hub Power Company Limited	2,158,145	-	-	-	150,000	2,008,145	185,071	175,649	(9,422)	3.25	0.17
K-Electric Limited (note 6.1.1)	23,742,500	925,000	4,931	-	-	24,667,500	139,789	131,971	(7,818)	2.44	0.26
										5.69	0.43
Refinery											
Attock Refinery Limited	69,200	-	-	550	67,000	2,750	474	416	(58)	0.01	-
National Refinery Limited	76,200	-	-	-	40,000	36,200	16,037	12,670	(3,367)	0.23	0.05
										0.24	0.05
Textile Composite											
Nishat Mills Limited	654,800	250,000	35,887	-	125,600	779,200	110,462	109,548	(914)	2.03	0.22
Technology & Communication											
Pakistan Telecommunication Company Limited "A"	-	108,000	1,253	-	-	108,000	1,253	1,080	(173)	0.02	-
Avanconer Limited	155,000	200,000	14,798	-	-	355,000	25,066	29,451	4,385	0.55	0.26
Systems Limited	385,500	25,000	2,425	-	80,000	330,500	33,368	39,789	6,421	0.74	0.30
										1.31	0.56
Miscellaneous											
Shifa International Hospitals Limited	60	-	-	-	-	60	16	16	-	-	-
Vanaspali & Allied Industries											
Unity Foods Limited	922,500	220,000	73,665	-	191,500	951,000	28,777	29,890	1,113	0.55	0.56
Glass & Ceramic											
Tariq Glass Industries	-	210,000	20,706	-	-	210,000	20,707	19,902	(805)	0.37	-
Total			516,232			57,712,380	5,336,926	5,153,630	(183,296)		

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 of Engro Corporation Limited having market value of Rs. 45.19 million as at September 30, 2018, 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, 2018	Purchases during the quarter	Cost of purchase during the quarter	Sales during the quarter	Maturity during the quarter	As at September 30, 2018	Carrying value as at September 30, 2018	Market value as at September 30, 2018	Unrealised (loss) / gain as at September 30, 2018	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												
GoP - Ijarah sukuk XVI (note 6.2.1)	December 18, 2018	Expected Profit rate is 6.33%	1,900	-	-	-	-	1,900	190,722	189,392	(1,330)	6.65
GoP - Ijarah sukuk XVII (note 6.2.1)	February 15, 2019	Expected Profit rate is 6.1%	1,650	-	-	220	-	1,430	143,615	142,199	(1,416)	4.99
GoP - Ijarah sukuk XVIII (note 6.2.1)	March 29, 2019	Expected Profit rate is 5.59%	3,000	-	-	-	-	3,000	299,010	296,310	(2,700)	10.40
GoP - Ijarah sukuk XIX (note 6.2.1)	June 30, 2020	Expected Profit rate is 5.24%	-	1,000	98,130	-	-	1,000	98,130	95,800	(2,330)	3.36
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%	3,948	-	-	-	-	3,948	20,056	19,882	(174)	0.70
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	-	2.04
International Brand Limited (note 6.2.5)	November 15, 2021	12 months Kibor plus base rate of 0.5%	550	-	-	-	-	550	55,000	55,633	633	1.95
K-electric Limited (note 6.2.3)	June 17, 2022	3 months Kibor plus base rate of 1.00%	1,600	-	-	-	100	1,500	7,603	7,548	(55)	0.26
Neelum Jhelum Power Company Sukuk (note 6.2.5)	July 01, 2026	6 months Kibor plus base rate of 1.13%	5,625	-	-	-	-	5,625	51,997	51,750	(247)	1.82
Shakarganj Foods Product Limited (note 6.2.4)	July 10, 2024	3 months Kibor plus base rate of 1.75%	-	18	18,000	-	-	18	18,000	18,000	-	0.63
Total				18	18,000			18	18,000	18,000	(7,619)	
Money Market Sub Fund												
GoP - Ijarah sukuk XVIII (note 6.2.1)	March 29, 2019	Expected Profit rate is 5.59%	1,050	-	-	-	-	1,050	104,653	103,708	(945)	9.47
Security Leasing Corporation Limited II (note 6.2.3)	January 19, 2022	-	154	-	-	-	-	154	-	-	-	
Total									104,653	103,708	(945)	

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

(Unaudited) (Audited)
September 30, June 30,
2018 2018
(Rupees in '000)

Note	(Unaudited) September 30, 2018	(Audited) June 30, 2018
Debt Sub Fund		
Term Deposits	6.3.1 930,000	1,239,000
Commercial Paper	6.3.2 252,743	-
	<u>1,182,743</u>	<u>1,239,000</u>
Money Market Sub Fund		
Term Deposits	6.3.1 290,000	353,000
Commercial Paper	6.3.2 86,841	-
	<u>376,841</u>	<u>353,000</u>

6.3.1 Term Deposits

Name of the Bank	Maturity date	Profit rate per annum	Face value				Rating	Percentage of net assets value on the basis of total value of investments of the respective sub fund (see note 6.1.2)
			As at July 01, 2018	TDR's placed during the quarter	Matured during the quarter	As at September 30, 2018		
Debt Sub Fund								
(Rupees in '000)								
Dubai Islamic Bank Pakistan Limited	July 05, 2018	6.15%	400,000	-	400,000	-	AA-	-
Bank Al Habib Limited	July 30, 2018	6.05%	469,000	-	469,000	-	AA+	-
Orix Modarba	May 22, 2019	6.90%	180,000	-	-	180,000	AA+	6.32
Faysal Bank Limited	August 09, 2018	6.13%	190,000	-	190,000	-	AA	-
Dubai Islamic Bank Pakistan Limited	October 06, 2018	6.65%	-	400,000	-	400,000	AA-	14.03
Faysal Bank Limited	October 13, 2018	7.55%	-	350,000	-	350,000	AA	12.28
Total					<u>930,000</u>			
Money Market Sub Fund								
Bank Al Habib Limited	July 30, 2018	6.05%	153,000	-	153,000	-	AA+	-
Orix Modarba	May 22, 2018	6.90%	40,000	-	-	40,000	AA+	3.65
Faysal Bank Limited	August 09, 2018	6.13%	160,000	-	160,000	-	AA	-
Dubai Islamic Bank Pakistan Limited	October 06, 2018	6.65%	-	100,000	-	100,000	AA-	9.14
Faysal Bank Limited	October 13, 2018	7.55%	-	150,000	-	150,000	AA	13.70
					<u>290,000</u>			

6.3.2 Commercial Paper

Name of the investee company	Maturity date	Profit rate per annum	As at July 01, 2018	Purchases during the quarter	Cost of purchase during the quarter	Matured during the quarter	As at September 30, 2018	Carrying value as at September 30, 2018	Market value as at September 30, 2018	Unrealised gain / (loss) as at September 30, 2018	Percentage of net assets on the basis of market value (see note 6.1.2)
Debt Sub Fund											
Hascol Petroleum Limited	January 3, 2019	6 months Kibor plus base rate of 1.25 %	-	61,206	61,206	-	61,206	61,206	61,206	-	2.15
K-electric Limited	March 1, 2019	6 months Kibor plus base rate of 0.90 %	-	191,537	191,537	-	191,537	191,537	191,537	-	6.72
									<u>252,743</u>		
Money Market Sub Fund											
Hascol Petroleum Limited	January 3, 2019	6 months Kibor plus base rate of 1.25 %	-	46,517	46,517	-	46,517	46,517	46,517	-	4.25
K-electric Limited	March 1, 2019	6 months Kibor plus base rate of 0.90 %	-	40,324	40,324	-	40,324	40,324	40,324	-	3.68
									<u>86,841</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.

6.4 Investment in gold

Commodity	As at July 01, 2018	Purchases during the quarter	Cost of purchase during the quarter	Sales during the quarter	As at September 30, 2018	Carrying value as at September 30, 2018	Market value as at September 30, 2018	Unrealised loss as at September 30, 2018	Net Assets of the Fund on the basis of investments (note 6.1.2)
(Quantity in Tola)					(Rupees in '000)			(%)	
Tola Gold	717	27	1,597	0	744	44,497	43,579	(918)	87.257
Total						<u>44,497</u>	<u>43,579</u>	<u>(918)</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. 43,579 million has been measured at fair value based on the quoted market price in active markets.

7. DEPOSITS AND OTHER RECEIVABLES

	September 30, 2018 (Unaudited)					June 30, 2018 (Audited)
	Equity sub fund	Debt sub fund	Money Market sub fund	Gold sub fund	Total	Total
	----- (Rupees in '000) -----					
Security Deposits	2,600	100	100	-	2,800	2,800
Profit receivable on saving accounts with banks and Term Deposit Receipts	2,574	18,106	7,610	13	28,303	24,436
Profit receivable on sukuku certificates	-	20,929	2,990	-	27,915	14,370
Advance tax	4,747	-	-	-	4,747	4,747
Advance against investments	-	-	-	-	-	500
	9,921	39,135	10,700	13	63,765	46,853

8. ACCRUED EXPENSES AND OTHER LIABILITIES

	September 30, 2018 (Unaudited)					June 30, 2018 (Audited)	
	Equity sub fund	Debt sub fund	Money Market sub fund	Gold sub fund	Total	Total	
	----- (Rupees in '000) -----						
<i>Note</i>							
Provision for Sindh Workers' Welfare Fund	8.1	38,142	6,529	1,798	110	46,579	45,799
Federal Excise Duty and Sindh Sales Tax on Federal Excise Duty on remuneration of the Pension Fund Manager		16,868	9,497	2,554	-	28,919	28,919
Charity payable		4,486	-	-	-	4,486	3,710
Brokerage payable		1,451	79	-	4	1,534	1,047
Custodian Charged Payable		-	-	-	50	50	37
Sindh Sales Tax withheld on brokerage		22	-	-	-	22	22
		60,969	16,105	4,352	164	81,590	79,534

- 8.1 This includes provision for Sindh Workers' Welfare Fund (SWWF) as at September 30, 2018 amounting to Rs.38.142 million, Rs. 6.529 million, Rs. 1.798 million, Rs 0.11 million in Equity Sub Fund, Debt Sub Fund, Money Market Sub Fund and Gold Sub Fund respectively (June 30,2018: 38,142 million, 5.993 million, 1.554 million and 0.11 million in Equity Sub Fund, Debt Sub Fund, Money Market Sub Fund and Gold Sub Fund). Had the SWWF not been provided, the NAV per unit / fund return would be higher by Rs.3.39 (0.71%), 0.51(0.23%), 0.36(0.16%), 0.21(0.22%) in Equity Sub Fund, Debt Sub Fund, Money Market Sub Fund and Gold Sub Fund respectively. The status of Sindh Workers' Welfare Fund (SWWF) is same as disclosed in the annual financial statements for the year ended June 30, 2018.

9. CONTINGENCIES AND COMMITMENTS

The status of withholding tax on bonus shares is the same as disclosed in the annual financial statements for the year ended June 30, 2018. In the current quarter, Attock Petroleum Limited, Attock Refinery Limited and Pakistan Oilfield Limited issued bonus share after withholding 5 percent shares on account of tax on bonus shares. These have not been deposited by the Companies with the Government Treasury due to pending adjudication of the constitutional petition and the stay order mentioned in annual financial statements for the year ended June 30, 2018.

There were no other contingencies and commitments outstanding as at September 30, 2018 other than as disclosed in the annual financial statements for the year ended June 30, 2018.

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 and related parties 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, 2018 (unaudited)					June 30, 2018 (Audited)
	Equity sub fund	Debt sub fund	Money Market sub fund	Gold sub fund	Total	Total
----- (Rupees in '000) -----						
Al Meezan Investment Management Limited						
- Pension Fund Manager						
Remuneration payable	6,722	3,457	1,262	61	11,502	11,314
Sindh Sales Tax and Federal Excise Duty on management fee	874	449	164	8	1,495	1,471
Investments as at September 30, 2018: (Equity sub fund: 260,077 units; Gold Sub Fund: 300,000) as at June 30, 2018 (Equity sub fund: 260,077 units ; Gold Sub Fund : 300,000 units)	124,997	-	-	29,737	154,734	159,163
Meezan Bank Limited						
Bank balance	61,913	4,165	2,475	6,676	75,229	51,488
Profit receivable on saving account	548	38	14	13	613	736
Central Depository Company of Pakistan Limited - Trustee						
Trustee fee payable	379	195	71	3	648	641
Sindh Sales Tax on trustee fee payable	49	25	9	1	84	84
Deposits	100	100	100	-	300	300
Directors and Executives of the Pension Fund Manager						
Investments as at September 30, 2018: (Equity sub fund: 1,049,597 units; Debt Sub Fund: 415,540 units; Money Market Sub Fund: 27,933 units; Gold Sub Fund: 167,100 Units) as at June 30, 2018: (Equity sub fund: 961,580 units; Debt sub fund: 376,620 units; Money Market sub fund: 9,173 units ; Gold Sub Fund : 155,053 units)	504,454	92,487	6,164	14,576	617,681	576,612

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

	For the quarter ended September 30, 2018 (unaudited)					For the quarter ended September 30, 2017 (unaudited)
	Equity sub fund	Debt sub fund	Money Market sub fund	Gold sub fund	Total	Total
----- (Rupees in '000) -----						
Al Meezan Investment Management Limited						
- Pension Fund Manager						
Remuneration for the quarter	20,656	10,495	3,825	187	35,163	33,049
Sindh Sales Tax and Federal Excise Duty on management fee	2,685	1,364	497	24	4,570	4,296
Meezan Bank Limited						
Profit on savings accounts	608	25	15	40	688	315
Central Depository Company of Pakistan Limited - Trustee						
Remuneration for the quarter	1,167	593	216	11	1,987	1,901
Sindh Sales Tax on trustee fee	152	77	28	1	258	246
CDS Charges for the quarter	35	2	2	-	39	44
Directors and Executives of the Pension Fund Manager						
Units issued (Equity Sub Fund: 90,379 units; Debt Sub Fund: 38,920 units; Money Market Sub Fund: 18,760 units; Gold sub fund: 12,047 units)	43,328	5,013	4,094	17,619	70,054	53,283
Units redeemed / reallocated (Equity Sub Fund: 2,362 units; Debt Sub Fund: nil units; Money Market Sub Fund: nil units; Gold sub fund: nil units)	1,151	-	-	-	1,151	-

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 this condensed interim financial information.

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

These condensed interim financial information were authorised for issue on October 18, 2018 by the Board of Directors of the pension fund manager.

**For Al Meezan Investment Management Limited
(Pension Fund Manager)**

Chief Executive

Chief Financial Officer

Director



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