

**HBL**

**ASSET MANAGEMENT LTD.**  
ایسٹٹ مینجمنٹ لمیٹڈ

AMC Rating : AM2+ by JCR-VIS



# NINE MONTHS REPORT 2021

For the Nine Months ended March 31, 2021

MOVING TOWARDS  
**EXCELLENCE**

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# CORPORATE INFORMATION

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## Management Company

HBL Asset Management Limited

### Board of Directors (Composition as of October 29, 2020)

Chairman	Mr. Shahid Ghaffar	(Independent Director)
Directors	Mr. Mir Adil Rashid	(Chief Executive Officer)
	Ms. Shabbir Hussain Hashmi	(Independent Director)
	Ms. Ava Ardeshir Cowasjee	(Independent Director)
	Mr. Rayomond H. Kotwal	(Non-Executive Director)
	Mr. Muhammad Afaq Khan	(Non-Executive Director)
	Mr. Abrar Ahmed Mir	(Non-Executive Director)
	Mr. Tariq Masaud *	(Non-Executive Director)

### Audit Committee

Chairman	Mr. Shabbir Hussain Hashmi	(Independent Director)
Members	Ms. Ava Ardeshir Cowasjee	(Independent Director)
	Mr. Rayomond H. Kotwal	(Non-Executive Director)

### Human Resource Committee

Chairman	Mr. Shahid Ghaffar	(Independent Director)
Members	Ms. Ava Ardeshir Cowasjee	(Independent Director)
	Mr. Shabbir Hussain Hashmi	(Independent Director)
	Mr. Rayomond H. Kotwal	(Non-Executive Director)

### Risk Management Committee

Chairman	Mr. Shahid Ghaffar	(Independent Director)
Members	Mr. Muhammad Afaq Khan	(Non-Executive Director)
	Mr. Tariq Masaud *	(Non-Executive Director)

### Technology Committee

Chairman	Mr. Abrar Ahmed Mir	(Non-Executive Director)
Members	Mr. Shabbir Hussain Hashmi	(Independent Director)
	Mr. Muhammad Afaq Khan	(Non-Executive Director)

### Company Secretary &

Chief Financial Officer	Mr. Noman Qurban
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**AMC Rating** AM2+ (Positive Outlook)

**Legal Advisors** Mandviwalla & Zafar, Advocates and Legal Consultants,  
Mandviwalla Chambers, C-15, Block-2, Clifton, Karachi.

**Website** [www.hblasset.com](http://www.hblasset.com)

Head Office & Registered Office 7th Floor, Emerald Tower, G-19, Block-5, Main Clifton Road, Clifton, Karachi.

\* Appointment is subject to SECP approval.

# REVIEW REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS ENDED MARCH 31, 2021.

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The Board of Directors of HBL Asset Management Limited is pleased to present its report together with Financial Statements of HBL Income Fund, HBL Government Securities Fund, HBL Money Market Fund, HBL Cash Fund, HBL Stock Fund, HBL Equity Fund, HBL Energy Fund, HBL Multi Asset Fund and HBL Financial Planning Fund, HBL Growth Fund & HBL Investment Fund the Funds) for the nine months ended March 31, 2021.

## Economic Review

The policy decisions taken by the government after Covid-19 epidemic has resulted in an improvement in the macroeconomic landscape. The country has witnessed significant improvement in the current account position on the back of strong remittances growth and decline in Services deficit. The current account surplus along with flows from multilateral and bilateral sources has shored up our reserves which has helped the local currency to depict strength.

The PKR appreciated by around 9.1% during 9MFY21 taking Real Effective Exchange Rate to 97 (SBP Feb-21 number). The Central bank maintained the interest rates in 9MFY21 after a cumulative 625 bps decrease in interest rates in 2HFY20 in response to the Covid-19 pandemic. On the external front export declined by 2.3% compared to increase in import by 8.6%, leading 8MFY21 trade deficit to increase by 22.2% to USD 16.1bn. However Services Deficit decreased by 41.8% to USD 1.3bn in the period. Remittances also showed encouraging trend as it witnessed an uptick of 24.1% in 8MFY21 clocking at USD 18.7bn. These factors led the Current Account Surplus for 8MFY21 to clock at USD 0.9bn (0.5% of GDP) compared to a current account deficit of USD 2.7bn (1.5% of GDP) during same period last year. Pakistan economy has started to regain its pre-Covid trajectory as there has been a notable pickup in economic activity, as evident by LSM growth of 7.9% YoY in 7MFY21. The overall Foreign exchange reserves increased to USD 20.8bn compared to USD 18.9bn at the end of FY20.

CPI for 9MFY21 has averaged 8.4% compared to 11.5% in the same period last year due to economic slowdown and hike in utilities price in base period. We expect inflation to remain elevated for the next few months due to Ramadan and low base effect but will taper down from the start of FY22. On the fiscal side FBR tax collection went up by 10.3% YoY to PKR 3,394bn during 9MFY21 against the tax collection target of PKR 3,287bn.

Moving ahead, we believe that the GDP growth is likely to show recovery as most of the businesses have opened but the ongoing third wave of Covid-19 can dampen the recovery. The focus would remain on Covid-19 numbers and the policy actions taken by the government to control the fallout from the pandemic.

## Stock Market Review

The market sustained its bullish momentum in 9MFY21 as it rallied by 63.8% from its low in Mar-20. The stellar performance of the index can be attributed to 1) relative improvement in domestic COVID-19 infection and recovery rates, 2) flows into equities post 625bps cut in interest rates, 3) business friendly policies induced by the GoP and 4) Improvement in macroeconomic indicators led by strengthening currency and current account surplus.

The benchmark KSE-100 index recorded 10,166 points increase (+29.5%) during 9MFY21 to close at 44,588 points. During the period construction linked industries (Cement, Steel, and Glass) rallied on the back of the monetary easing done by the SBP and government focus on construction sector. Technology sector also remained in limelight due to increasing focus on technology post Covid-19 pandemic. Banking Sector also rallied due to attractive valuations. On the flows side, foreigners were the net sellers during 9MFY21 and sold shares of worth USD 295mn, compared to net selling of USD 130mn during same period last year.

Pakistan equities are likely to continue the positive momentum due to cheaper valuation (trading at a Forward P/E of 6.0x against peer average 15.1x) and improvement in the macroeconomic landscape. Market participants would closely follow trend of coronavirus cases and the ensuring macro numbers. Cyclical sectors (Cement, Steel) are expected to continue their rally due to Government's push towards Naya Pakistan Housing Scheme. Textile sector is also expected to garner investors' attention due to huge export potential. Technology sector would also remain in limelight due to rerating of the sector due to improved earnings outlook. We will maintain our strategic focus towards "bottom-up" approach and align exposure towards stocks with strong earnings potential.

## Money Market Review

The Central bank maintained the interest rates in the period after a cumulative 625 bps decrease in interest rates in 2HFY20 in response to the Covid-19 pandemic. At the start of the pandemic SBP clearly stated that it will hold forward looking real interest rate at zero to cushion the impact of the Coronavirus shock on growth and employment.



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Yields across all the tenors changed between +50bps to +171 bps during 9MFY21 due to a general market consensus that the monetary easing cycle is over and we may witness some hike in interest rate in CY21. Secondary market yields of 3, 5 and 10-year PIBs increased by 182, 175 and 173 bps respectively while yields of 3, 6 and 12 month T-Bills increased in tandem by 33, 72 and 84 bps respectively during the period. The cut-off yields in the last T-Bill Auction were 7.54% and 7.80% for 3M and 6M tenor whereas the cut offs in the last PIB Auction were 9.41%, 9.90% and 10.29% for the 3Y, 5Y, and 10Y tenor.

During 9MFY21, Government largely managed its borrowing requirement through commercial banks. Government borrowed PKR 1,980bn from scheduled banks compared to borrowing of PKR 1,447bn during same period last year. Meanwhile, Government borrowing from SBP declined by PKR 1,203bn during the period against decline in borrowing of PKR 480bn during same period last year. This further decline in borrowing took place as IMF has restricted borrowing from the central bank to avoid inflationary pressure. Going forward the government will continue to meet additional borrowing requirements from the commercial banks.

In the monetary policy held in Mar-21, SBP maintained status quo in the interest rates. Going forward, we feel that the monetary easing has taken place and we are at the bottom of the interest rate cycle. Due to the ongoing third wave of Covid-19 we expect the government to maintain status quo in the SBP policy rate for the next few months to support the recovery of the economy while at the same time addressing the root cause of cost push inflation by controlling food prices.

#### Future Outlook

Pakistan equities are expected to perform well in CY21 due to cheaper valuation and improvement in macroeconomic outlook. GDP growth is expected to bounce back as most of the business activity has resumed. The external account position is also comfortable with current account to remain at manageable level in the year. We believe Pakistan equities offers a good entry opportunity for long term investors.

The valuations of Pakistan Stock market are now attractive with a Price to Earnings multiple of 6.0x compared to the past five years' average of 8+. KSE-100 discount to emerging as well as frontier peers is 56.1% and 40.7% against 5-year averages of 39.6% and 33.7%, respectively, reflecting a good entry point. We feel this discount should narrow as market earnings are expected to increase significantly during 2021. Construction related sectors (Cement, Steel) are expected to continue their rally due to Government's push towards Naya Pakistan Housing Scheme. Textile sector is also expected to garner investors' attention due to huge export potential. Technology sector would also remain in limelight due to potential of further re-rating on the back of good growth outlook. Thus we expect the overall market to re-rate and continue its positive momentum.

On the fixed income front, inflation is expected to remain in a range of 7-9% and would depend on food prices and international oil prices trajectory. Going forward, we feel that the monetary easing has taken place and we are at the bottom of the interest rate cycle. Due to the ongoing third wave of Covid-19 we expect the government to maintain status quo in the SBP policy rate for the next few months to support the recovery of the economy. The central bank has given its forward looking guidance to maintain mildly positive interest rates when economy return to full capacity. Thus we expect any future increase in the policy rate to be measured and gradual.

#### FUND'S PERFORMANCE AND PAYOUTS

##### HBL Income Fund

The total income and net income of the Fund was Rs. 140.20 million and Rs. 100.78 million respectively during the period ended March 31, 2021. The Net Asset Value (NAV) per unit of the Fund was Rs. 108.2828 per unit as on June 30, 2020 which increased to Rs. 114.0108 per unit as on March 31, 2021 thereby giving an annualized return of 7.05%. During the same period, the benchmark (6 Month KIBOR) return was 7.34%. The size of Fund was Rs. 3.01 billion as on March 31, 2021 as compared to Rs. 1.54 billion at the start of the year.

JCR-VIS Credit Rating Company Limited has upgraded A+(f) Fund Stability Rating to the Fund.

##### HBL Government Securities Fund

The total income and net income of the Fund was Rs. 90.75 million and Rs. 54.03 million respectively during the period ended March 31, 2021. The Net Asset Value (NAV) per unit of the Fund was Rs. 112.2745 per unit as on June 30, 2020 which increased to Rs. 115.3056 per unit as on March 31, 2021 thereby giving an annualized return of 3.60%. During the same period the benchmark

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(6 Month PKRV Rates) return was 7.20%. The size of Fund was Rs. 1.18 billion as on March 31, 2021 as compared to Rs. 3.51 billion at the start of the year.

JCR-VIS Credit Rating Company Limited has upgraded AA(f) Fund Stability Rating to the Fund.

#### HBL Money Market Fund

The total income and net income of the Fund was Rs. 728.96 million and Rs. 653.95 million respectively during the period ended March 31, 2021. The Net Asset Value (NAV) per unit of the Fund was Rs. 102.3799 per unit as on June 30, 2020 which increased to Rs. 107.5296 per unit as on March 31, 2021 thereby giving an annualized return of 6.70%. During the same period the benchmark (70% 3M PKRV & 30% 3M deposit rates) return was 6.69%. The size of Fund was Rs. 13.24 billion as on March 31, 2021 as compared to Rs. 9.98 billion at the start of the year.

JCR-VIS Credit Rating Company Limited has upgraded AA+(f) Fund Stability Rating to the Fund.

#### HBL Cash Fund

The total income and net income of the Fund was Rs. 1.38 billion and Rs. 1.26 billion respectively during the period ended March 31, 2021. The ex-dividend Net Asset Value (NAV) per unit of the Fund was Rs 101.1599 per unit as on June 30, 2020. The NAV of the Fund was Rs 101.6259 per unit as on March 31, 2021 (after incorporating interim monthly dividends of Rs. 4.6182 per unit); thereby giving an annualized return of 6.85%. During the same period, the benchmark (70% 3M PKRV & 30% 3M deposit rates) return was 6.69%. The size of Fund was Rs 30.96 billion as on March 31, 2021 as compared to Rs. 17.97 billion at the start of the year.

JCR-VIS Credit Rating Company Limited has upgraded AA+(f) Fund Stability Rating to the Fund.

#### HBL Stock Fund

The total and net income of the Fund was Rs. 488.43 million and Rs. 407.69 million respectively during the period ended March 31, 2021. The Net Asset Value (NAV) per unit of the Fund was Rs 86.3419 per unit as on June 30, 2020. The NAV of the Fund was Rs. 105.8306 per unit as on March 31, 2021; thereby giving a return of 22.57%. During the same period, the benchmark KSE 30 index yielded a return of 28.90%. The size of Fund was Rs 2.15 billion as on March 31, 2021 as compared to Rs. 1.84 billion at the start of the year.

#### HBL Equity Fund

The total and net income of the Fund was Rs. 168.01 million and Rs. 126.39 million respectively during the period ended March 31, 2021. The Net Asset Value (NAV) per unit of the Fund was Rs. 100.3410 per unit as on June 30, 2020. The NAV of the Fund was Rs. 130.0692 per unit as on March 31, 2021; thereby giving a return of 29.63%. During the same period, the benchmark KSE 100 index yielded a return of 29.53%. The size of Fund was Rs. 1.82 billion as on March 31, 2021 as compared to Rs. 0.42 billion at the start of the year.

#### HBL Energy Fund

The total and net income of the Fund was Rs. 153.35 million and Rs. 122.49 million respectively during the period ended March 31, 2021. The Net Asset Value (NAV) per unit of the Fund was Rs. 10.0106 per unit as on June 30, 2020. The NAV of the Fund was Rs. 12.0998 per unit as on March 31, 2021; thereby giving a return of 20.87%. During the same period, the benchmark KSE 30 index yielded a return of 28.90%. The size of Fund was Rs. 0.80 billion as on March 31, 2021 as compared to Rs. 0.57 billion at the start of the year.

#### HBL Multi Asset Fund

The total and net income of the Fund was Rs. 39.43 million and Rs. 32.49 million respectively during the period ended March 31, 2021. The Net Asset Value (NAV) per unit of the Fund was Rs 94.0814 per unit as on June 30, 2020. The NAV of the Fund was Rs



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110.1080 per unit as on March 31, 2021; thereby giving a return of 17.03%. During the same period, the benchmark index (Weighted average daily return KSE 100 and 6 Month PKRV rates) yielded a return of 21.26%. The size of Fund was Rs 0.20 billion as on March 31, 2021 as compared to Rs. 0.19 billion at the start of the year.

#### HBL Financial Planning Fund

The Fund comprises of three sub funds (plans) namely Active allocation plan, Conservative allocation plan and Strategic allocation plan.

The Fund as a whole earned a total and net income of Rs. 18.09 million and Rs. 16.37 million respectively during the period under review. The fund size of the fund stood at Rs. 0.22 billion as on March 31, 2021.

Performance review for plans is given below:

#### Active Allocation Plan

During the period under review, the Active allocation plan earned a total and net income of Rs. 8.70 million and Rs 8.08 million respectively. The net assets of the Active allocation plan stood at Rs. 0.06 billion representing Net Asset Value (NAV) of Rs. 109.6271 per unit as at March 31, 2021 as compared to Net Asset Value (NAV) of 95.9459 per unit as at the start of the year, thereby giving a return of 14.26% as compared to its Benchmark return of 17.89%.

#### Conservative Allocation Plan

During the period under review, the Conservative allocation plan earned total and net income of Rs. 4.54 million and Rs. 3.98 million respectively. The net assets of the Conservative allocation plan stood at Rs. 0.05 billion representing Net Asset Value (NAV) of Rs. 115.9418 per unit as at March 31, 2021 as compared to Net Asset Value (NAV) of Rs. 108.3030 as at the start of the year, thereby giving a return of 7.05% as compared to its Benchmark return of 9.79%.

#### Special Income Plan

During the period under review, the Plan earned a total and net income of Rs. 4.86 million and Rs. 4.30 million respectively. The net assets of the Special Income Plan stood at Rs. 0.11 billion representing Net Asset Value (NAV) per unit of Rs. 107.9631 as at March 31, 2021 (after incorporating quarterly dividends of Rs. 0.50 per unit) as compared to Net Asset Value (NAV) of Rs. 104.7978 as at the start of the year. The Plan posted a return of 3.51% as compared to its Benchmark return of 5.21% during the period under review.

#### HBL Growth Fund

The Fund as a whole earned a total and net income of Rs. 587.76 million and Rs. 361.41 million respectively during the period under review. The size of the fund stood at Rs. 8.74 billion as on March 31, 2021 as compared to Rs. 6.63 billion at the start of the year.

Performance review of each class is presented below:

#### HBL Growth Fund – Class ‘A’

HBL Growth Fund – Class ‘A’ earned total and net income of Rs. 166.86 million and Rs. 6.10 million respectively during the period ended March 31, 2021. The Net Asset Value (NAV) per unit of the Class ‘A’ was Rs. 24.5617 per unit as on March 31, 2021 as compared to Rs. 18.0827 as at June 30, 2020, thereby giving a return of 35.83%. During the same period the benchmark KSE 100 index yielded a return of 29.53%. The size of Class ‘A’ was Rs. 6.96 billion as on March 31, 2021 as compared to Rs. 5.13 billion at the start of the year.

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#### HBL Growth Fund – Class ‘B’

HBL Growth Fund – Class ‘B’ earned a total and net income of Rs. 420.90 million and Rs. 355.30 million respectively during the period ended March 31, 2021. The Net Asset Value (NAV) per unit of the Class ‘B’ was Rs. 18.8381 per unit as on March 31, 2021 as compared to Rs. 15.2116 as at June 30, 2020, thereby giving a return of 23.84%. During the same period the benchmark KSE 100 index yielded a return of 29.53%. The size of Class ‘B’ was Rs. 1.78 billion as on March 31, 2021 as compared to Rs. 1.50 billion at the start of the year.

#### HBL Investment Fund

The Fund as a whole earned a total and net income of Rs. 374.55 million and Rs. 264.67 million respectively during the period under review. The size of the fund stood at Rs. 3.87 billion as on March 31, 2021 as compared to Rs. 3.00 billion at the start of the year.

Performance review of each class is presented below:

#### HBL Investment Fund – Class ‘A’

HBL Investment Fund – Class ‘A’ earned a total and net income of Rs. 59.55 million and Rs. 0.18 million respectively during the period ended March 31, 2021. The Net Asset Value (NAV) per unit of the Class ‘A’ was Rs. 8.9695 per unit as on March 31, 2021 as compared to Rs. 6.4934 as at June 30, 2020, thereby giving a return of 38.13%. During the same period the benchmark KSE 100 index yielded a return of 29.53%. The size of Class ‘A’ was Rs. 2.55 billion as on March 31, 2021 as compared to Rs. 1.84 billion at the start of the year.

#### HBL Investment Fund – Class ‘B’

HBL Investment Fund – Class ‘B’ earned a total and net income of Rs. 315.00 million and Rs. 264.48 million respectively during the period ended March 31, 2021. The Net Asset Value (NAV) per unit of the Class ‘B’ was Rs. 9.6891 per unit as on March 31, 2021 as compared to Rs. 7.8872 as at June 30, 2020, thereby giving a return of 22.85%. During the same period the benchmark KSE 100 index yielded a return of 29.53%. The size of Class ‘B’ was Rs. 1.33 billion as on March 31, 2021 as compared to Rs. 1.16 billion at the start of the year.

#### MANAGEMENT COMPANY RATING

The VIS Credit Rating Company Limited has upgraded the management quality rating to ‘AM2++’ (AM Two Plus Plus) from ‘AM2+’ (AM Two Plus) to the Management Company and the outlook on the assigned rating has been assessed as ‘Stable’.

#### Acknowledgement

The Board takes this opportunity to thank its valued unit-holders for their confidence and patronage. It would like to place on record its appreciation for the help and guidance provided by Securities & Exchange Commission of Pakistan, Central Depository Company of Pakistan & MCB Financial Services Limited as Trustee, the Pakistan Stock Exchange Limited and State Bank of Pakistan.

The Board also wishes to place on record its appreciation for the hard work and dedication shown by the staff.

On behalf of the Board of  
HBL Asset Management Limited

Chief Executive Officer

## ایچ بی ایل انویسٹمنٹ فنڈ

فنڈ نے مکمل طور پر پریز چارجزہ مدت کے دوران بالترتیب 374.55 ملین روپے اور 264.67 ملین روپے کی مجموعی اور خالص آمدنی حاصل کی۔ فنڈ کا حجم 31 مارچ 2021 کے مطابق 3.87 بلین روپے پر موجود رہا جبکہ اس کے مقابلے میں سال کے آغاز میں 3.00 بلین روپے تھا۔

ہر ایک کلاس کی کارکردگی کا جائزہ ذیل میں دیا جا رہا ہے۔

## ایچ بی ایل انویسٹمنٹ فنڈ - کلاس 'اے'

ایچ بی ایل انویسٹمنٹ فنڈ - کلاس 'اے' نے 31 مارچ 2021 کو ختم ہونے والی مدت کے دوران بالترتیب 59.55 ملین روپے اور 0.18 ملین روپے کی مجموعی اور خالص آمدنی حاصل کی۔ کلاس 'اے' کی فی یونٹ خالص اثاثہ جات کی مالیت (NAV) 30 جون 2020 کے 6.4934 روپے فی یونٹ کے مقابلے میں 31 مارچ 2021 کو 8.9695 روپے فی یونٹ رہی جس کے ذریعے 38.13% کا ایک منافع حاصل ہوا۔ اسی مدت کے دوران بیچ مارک کے ایس ای 100 انڈیکس نے 29.53% کا منافع حاصل کیا تھا۔ کلاس 'اے' کا حجم 31 مارچ 2021 کے مطابق 2.55 بلین روپے رہا جو اس کے مقابلے میں سال کے آغاز میں 1.84 بلین روپے تھا۔

## ایچ بی ایل انویسٹمنٹ فنڈ - کلاس 'بی'

ایچ بی ایل انویسٹمنٹ فنڈ - کلاس 'بی' نے 31 مارچ 2021 کو ختم ہونے والی مدت کے دوران بالترتیب 315.00 ملین روپے اور 264.48 ملین روپے کی مجموعی اور خالص آمدنی حاصل کی۔ کلاس 'بی' کی فی یونٹ خالص اثاثہ جات کی مالیت (NAV) 30 جون 2020 کے 7.8872 روپے فی یونٹ کے مقابلے میں 31 مارچ 2021 کو 9.6891 روپے فی یونٹ رہی جس کے ذریعے 22.85% کا ایک منافع حاصل ہوا۔ اسی مدت کے دوران بیچ مارک کے ایس ای 100 انڈیکس نے 29.53% کا منافع حاصل کیا تھا۔ کلاس 'بی' کا حجم 31 مارچ 2021 کے مطابق 1.33 بلین روپے رہا جو اس کے مقابلے میں سال کے آغاز میں 1.16 بلین روپے تھا۔

## انتظامی کمپنی کی رینٹنگ

VIS کریڈٹ رینٹنگ کمپنی لمیٹڈ نے انتظامی کمپنی کے لیے بیجمنٹ کو الٹی رینٹنگ کو 'AM2+' (اے ایم ٹو پلس) سے 'AM2++' (اے ایم ٹو پلس پلس) پر اپ گریڈ کیا ہے اور تفویض کردہ رینٹنگ پراڈکٹ لک 'مستحکم' ظاہر کیا ہے۔

## اظہار تشکر

بورڈ اس موقع پر اپنے معزز یونٹ - ہولڈرز کا ان کے مستقل تعاون اور سرپرستی کے لیے شکریہ ادا کرنا چاہتا ہے۔ اس سلسلے میں ہم سیکورٹیز ریٹریبونڈ ایکسچینج کمیشن آف پاکستان، بینٹل ڈپازٹری کمپنی آف پاکستان اور ایم سی بی فنانشل سروسز لمیٹڈ بطور ٹرسٹی، پاکستان اسٹاک ایکسچینج لمیٹڈ اور اسٹیٹ بینک آف پاکستان کی جانب سے فراہم کردہ تعاون اور رہنمائی پر ان کو خراج تحسین پیش کرتے ہیں۔

بورڈ اپنے اسٹاف کی انتھک کاوشوں اور مخلصانہ جدوجہد پر ان کو بھی خراج تحسین پیش کرتا ہے۔

منجانب بورڈ

ایچ بی ایل ایسٹ بیجمنٹ لمیٹڈ

چیف ایگزیکٹو آفیسر

## کنزرویٹو ایلوکیشن پلان

زیر جائزہ مدت کے دوران کنزرویٹو ایلوکیشن پلان نے بالترتیب 4.54 ملین روپے اور 3.98 ملین روپے کی مجموعی اور خالص آمدنی حاصل کی۔ کنزرویٹو ایلوکیشن پلان کے خالص اثاثہ جات 0.05 بلین روپے پر موجود رہے جو 31 مارچ 2021 کے مطابق 115.9418 روپے فی یونٹ کے خالص اثاثہ جات کی ویلیو (NAV) کی نمائندگی کرتے ہیں جبکہ اس کے مقابلے میں سال کے آغاز پر خالص اثاثہ جات (NAV) کی مالیت 108.3030 روپے فی یونٹ تھی جس کے ذریعے 9.79% کے شیئنگ مارک منافع کے برخلاف 7.05% کا منافع حاصل ہوا۔

## اسپیشل انکم پلان

زیر جائزہ مدت کے دوران کنزرویٹو ایلوکیشن پلان نے بالترتیب 4.86 ملین روپے اور 4.30 ملین روپے کی مجموعی اور خالص آمدنی حاصل کی۔ اسپیشل انکم پلان کے خالص اثاثہ جات 0.11 بلین روپے پر موجود رہے جو 31 مارچ 2021 کے مطابق 107.9631 روپے فی یونٹ (0.50 روپے فی یونٹ کا سہ ماہی منافع منقسمہ تشکیل دینے کے بعد) کے خالص اثاثہ جات کی ویلیو (NAV) کی نمائندگی کرتے ہیں جبکہ اس کے مقابلے میں سال کے آغاز پر خالص اثاثہ جات (NAV) کی مالیت 104.7978 روپے فی یونٹ تھی۔ پلان نے 3.51% کا منافع زیر جائزہ مدت کے دوران 5.21% کے شیئنگ مارک منافع کے مقابلے میں ظاہر کیا۔

## ایچ بی ایل گروٹھ فنڈ

فنڈ نے مجموعی طور پر زیر جائزہ مدت کے دوران بالترتیب 587.76 ملین روپے اور 361.41 ملین روپے کی مجموعی اور خالص آمدنی حاصل کی۔ فنڈ کا حجم 31 مارچ 2021 کے مطابق 8.74 بلین روپے پر موجود رہا جو اس کے مقابلے میں سال کے آغاز میں 6.63 بلین روپے تھا۔

ہر ایک کلاس کی کارکردگی کا جائزہ ذیل میں پیش کیا گیا ہے:

## ایچ بی ایل گروٹھ فنڈ - کلاس 'اے'

ایچ بی ایل گروٹھ فنڈ - کلاس 'اے' نے 31 مارچ 2021 کو ختم ہونے والی مدت کے دوران بالترتیب 166.86 ملین روپے اور 6.10 ملین روپے کی مجموعی اور خالص آمدنی حاصل کی۔ کلاس 'اے' کی نی یونٹ خالص اثاثہ جات کی مالیت (NAV) 31 مارچ 2021 کے مطابق 24.5617 روپے فی یونٹ تھی، جو اس کے مقابلے میں 30 جون 2020 کے مطابق 18.0827 روپے فی یونٹ تھی جس کے ذریعے 35.83% کا منافع دیا گیا۔ اسی مدت کے دوران شیئنگ مارک کے ایس ای 100 انڈیکس نے 29.53% کا منافع حاصل کیا۔ کلاس 'اے' کا حجم 31 مارچ 2021 کے مطابق 6.96 بلین روپے تھا جو اس کے مقابلے میں سال کے آغاز میں 5.13 بلین روپے رہا تھا۔

## ایچ بی ایل گروٹھ فنڈ - کلاس 'بی'

ایچ بی ایل گروٹھ فنڈ - کلاس 'بی' نے 31 مارچ 2021 کو ختم ہونے والی مدت کے دوران بالترتیب 420.90 ملین روپے اور 355.30 ملین روپے کی مجموعی اور خالص آمدنی حاصل کی۔ کلاس 'بی' کی نی یونٹ خالص اثاثہ جات کی مالیت (NAV) 31 مارچ 2021 کے مطابق 18.8381 روپے فی یونٹ تھی، جبکہ اس کے مقابلے میں 30 جون 2020 کے مطابق 15.2116 روپے فی یونٹ تھی جس کے ذریعے 23.84% کا منافع دیا گیا۔ اسی مدت کے دوران شیئنگ مارک کے ایس ای 100 انڈیکس نے 29.53% کا منافع حاصل کیا تھا۔ کلاس 'بی' کا حجم 31 مارچ 2021 کے مطابق 1.78 بلین روپے تھا جو اس کے مقابلے میں سال کے آغاز میں 1.50 بلین روپے رہا تھا۔

## ایچ بی ایل ایل کیٹیگری فنڈ ایکٹوائیویشن پلان

فنڈ کی مجموعی اور خالص آمدنی 31 مارچ 2021 کو ختم ہونے والی مدت کے دوران بالترتیب 168.01 ملین روپے اور 126.39 ملین روپے رہی۔ فنڈ کی نی یونٹ خالص اثاثہ زیر جات کی مالیت سے (NAV) 30 ایلویشن پلان کے مطابق 100.38478 ملین روپے پر فونڈ تھی۔ 31 مارچ 2021 کو مجموعی اور خالص فنڈ کا کل ان اے وی کیٹیگری پلان 130.06992 ملین روپے پر فونڈ جات 8.06 ملین روپے پر فونڈ پر 29.63% کا منافع دیا گیا۔ اس مدت کے دوران ایچ بی ایل کیٹیگری پلان کے ایس ای 30 انڈیکس نے 30.53% کا منافع حاصل کیا۔ فنڈ کی نی یونٹ کا حجم 31 مارچ 2021 کے مطابق 82 ملین روپے پر فونڈ تھا جو اس کے مقابلے میں (NAV) کی مالیت 95.9459 ملین روپے پر فونڈ تھی۔ فنڈ کے ذریعے 17.89% کے ایچ بی ایل کیٹیگری پلان کے برخلاف 14.26% کا منافع حاصل ہوا۔

فنڈ کی مجموعی اور خالص آمدنی 31 مارچ 2021 کو ختم ہونے والی مدت کے دوران بالترتیب 153.35 ملین روپے اور 122.49 ملین روپے رہی۔ فنڈ کی نی یونٹ خالص اثاثہ جات کی مالیت (NAV) 30 جون 2020 کے مطابق 10.0106 روپے پر فونڈ تھی۔ 31 مارچ 2021 کے مطابق فنڈ کا این اے وی 12.0998 روپے پر فونڈ ہو گیا جس کے ذریعے 20.87% کا منافع دیا گیا۔ اس مدت کے دوران ایچ بی ایل کیٹیگری پلان کے ایس ای 30 انڈیکس نے 28.90% کا منافع حاصل کیا۔ فنڈ کا حجم 31 مارچ 2021 کے مطابق 0.80 ملین روپے تھا جو اس کے مقابلے میں سال کے آغاز میں 0.57 ملین روپے رہا تھا۔

## ایچ بی ایل ایل کیٹیگری فنڈ

فنڈ کی مجموعی اور خالص آمدنی 31 مارچ 2021 کو ختم ہونے والی مدت کے دوران بالترتیب 39.43 ملین روپے اور 32.49 ملین روپے رہی۔ فنڈ کی نی یونٹ خالص اثاثہ جات کی مالیت (NAV) 30 جون 2020 کے مطابق 94.0814 روپے پر فونڈ تھی۔ 31 مارچ 2021 کے مطابق فنڈ کا این اے وی 110.1080 روپے پر فونڈ ہو گیا جس کے ذریعے 17.03% کا منافع دیا گیا۔ اس مدت کے دوران ایچ بی ایل کیٹیگری پلان کے ایس ای 30 انڈیکس (KSE 100) اور چھ ماہ کے PKRV انڈیکس کے روزانہ اوسطاً حجم شدہ) نے 21.26% کا منافع حاصل کیا۔ فنڈ کا حجم 31 مارچ 2021 کے مطابق 0.20 ملین روپے تھا جو اس کے مقابلے میں سال کے آغاز میں 0.19 ملین روپے رہا تھا۔

## ایچ بی ایل فنانشل پلاننگ فنڈ

فنڈ تین ذیلی فنڈز (پلانز) بنام ایکٹوائیویشن پلان، کنزرویٹو ایکٹوائیویشن پلان اور اسٹریٹیجک ایکٹوائیویشن پلان پر مشتمل ہے۔

فنڈ نے مجموعی طور پر زیر جائزہ مدت کے دوران بالترتیب 18.09 ملین روپے اور 16.37 ملین روپے کی مجموعی اور خالص آمدنی حاصل کی۔ فنڈ کا حجم 31 مارچ 2021 کے مطابق 0.22 ملین روپے پر موجود ہے۔

پلانز کے لیے کارکردگی کا جائزہ ذیل میں دیا گیا ہے۔

## ایکٹوائیویشن پلان

زیر جائزہ مدت کے دوران ایکٹوائیویشن پلان نے بالترتیب 8.70 ملین روپے اور 8.08 ملین روپے کی مجموعی اور خالص آمدنی حاصل کی۔ ایکٹوائیویشن پلان کے خالص اثاثہ جات 0.06 ملین روپے پر موجود ہے جو 31 مارچ 2021 کے مطابق 109.6271 روپے پر فونڈ کے خالص اثاثہ جات کی ویلیو (NAV) کی نمائندگی کرتے ہیں جبکہ اس کے مقابلے میں سال کے آغاز پر خالص اثاثہ جات (NAV) کی مالیت 95.9459 روپے پر فونڈ تھی جس کے ذریعے 17.89% کے ایچ بی ایل کیٹیگری پلان کے برخلاف 14.26% کا منافع حاصل ہوا۔

## ایچ بی ایل گورنمنٹ سیکورٹیز فنڈ

فنڈ کی مجموعی اور خالص آمدنی 31 مارچ 2021 کو ختم ہونے والے سال کے لیے بالترتیب 90.75 ملین روپے اور 54.03 ملین روپے رہی۔ فنڈ کی فی یونٹ خالص اثاثہ جات کی مالیت (NAV) 30 جون 2020 کے مطابق 112.2745 روپے فی یونٹ تھی جو 31 مارچ 2021 کو بڑھ کر 115.3056 روپے فی یونٹ ہو گئی جس کے ذریعے 3.60% کا سالانہ منافع دیا گیا۔ سال کے دوران بیچ مارک (چھ ماہ PKRV ریٹس) منافع 7.20% تھا۔ فنڈ کا حجم 31 مارچ 2021 کے مطابق 1.18 بلین روپے تھا جو اس کے مقابلے میں سال کے آغاز میں 3.51 بلین روپے رہا تھا۔

جے سی آر۔ وی آئی ایس کریڈٹ ریٹنگ کمپنی نے فنڈ کے لیے AA(f) فنڈ اسٹیبلٹی ریٹنگ کو اپ گریڈ کیا ہے۔

## ایچ بی ایل منی مارکیٹ فنڈ

فنڈ کی مجموعی اور خالص آمدنی 31 مارچ 2021 کو ختم ہونے والے سال کے لیے بالترتیب 728.96 ملین روپے اور 653.95 ملین روپے رہی۔ فنڈ کی فی یونٹ خالص اثاثہ جات کی مالیت (NAV) 30 جون 2020 کے مطابق 102.3799 روپے فی یونٹ تھی جو 31 مارچ 2021 کو بڑھ کر 107.5296 روپے فی یونٹ ہو گئی جس کے ذریعے 6.70% کا سالانہ منافع دیا گیا۔ سال کے دوران بیچ مارک (3M PKRV اور 3M 30% ڈپازٹس ریٹس) منافع 6.69% تھا۔ فنڈ کا حجم 31 مارچ 2021 کے مطابق 13.24 بلین روپے تھا جو اس کے مقابلے میں سال کے آغاز میں 9.98 بلین روپے رہا تھا۔

جے سی آر۔ وی آئی ایس کریڈٹ ریٹنگ کمپنی نے فنڈ کے لیے AA(f) فنڈ اسٹیبلٹی ریٹنگ کو اپ گریڈ کیا ہے۔

## ایچ بی ایل کیش فنڈ

فنڈ کی مجموعی اور خالص آمدنی 31 مارچ 2021 کو ختم ہونے والی مدت کے دوران بالترتیب 1.38 ملین روپے اور 1.26 ملین روپے رہی۔ فنڈ کی فی یونٹ قبل از منافع منقسمہ خالص اثاثہ جات کی مالیت (NAV) 30 جون 2020 کے مطابق 101.1599 روپے فی یونٹ تھی۔ 31 مارچ 2021 کے مطابق فنڈ کا NAV 101.6259 روپے فی یونٹ (182.6) روپے فی یونٹ کا عبوری ماہانہ منافع منقسمہ تشکیل دینے کے بعد) ہو گیا۔ جس کے ذریعے 6.85% کا سالانہ منافع دیا گیا۔ اسی مدت کے دوران بیچ مارک (3M PKRV اور 3M 30% ڈپازٹس ریٹس) منافع 6.69% تھا۔ فنڈ کا حجم 31 مارچ 2021 کے مطابق 30.96 بلین روپے تھا جو اس کے مقابلے میں سال کے آغاز میں 17.97 بلین روپے رہا تھا۔

جے سی آر۔ وی آئی ایس کریڈٹ ریٹنگ کمپنی نے فنڈ کے لیے AA+(f) فنڈ اسٹیبلٹی ریٹنگ کو اپ گریڈ کیا ہے۔

## ایچ بی ایل اسٹاک فنڈ

فنڈ نے 31 مارچ 2021 کو ختم ہونے والی مدت کے دوران بالترتیب 488.43 ملین روپے اور 407.69 ملین روپے کا مجموعی اور خالص آمدنی حاصل کی۔ فنڈ کی فی یونٹ خالص اثاثہ جات کی مالیت (NAV) 30 جون 2020 کے مطابق 86.3419 روپے فی یونٹ تھی۔ 31 مارچ 2021 کے مطابق فنڈ کا این اے وی 105.8306 روپے فی یونٹ ہو گیا جس کے ذریعے 22.57% کا منافع دیا گیا۔ اس مدت کے دوران بیچ مارک کے ایس ای 30 انڈیکس نے 28.90% کا منافع حاصل کیا۔ فنڈ کا حجم 31 مارچ 2021 کے مطابق 2.15 بلین روپے تھا جو اس کے مقابلے میں سال کے آغاز میں 1.84 بلین روپے رہا تھا۔



مارچ-21 میں پیش کی گئی مانیٹری پالیسی میں ایس بی پی نے پالیسی ریٹ کو جوں کا توں برقرار رکھتے ہوئے اسے موجودہ سطح پر رکھا۔ آگے بڑھتے ہوئے ہم محسوس کرتے ہیں بڑے پیمانے پر مالیاتی آسانی ظاہر ہوگی اور ہم شرح سود کے دائرے کی چلی سطح پر ہوں گے۔ کوویڈ-19 کی جاری تیسری لہر کے باعث ہم توقع رکھتے ہیں حکومت آئندہ چند ماہ تک ایس بی پی کے پالیسی ریٹ کو برقرار رکھے گی تاکہ معیشت کی بحالی میں معاونت مل سکے جبکہ اس کے ساتھ ایشیائے خوردونوش کے نرخوں پر بھی کنٹرول کر کے افراط زر کی بنیادی وجوہ پر قابو پانے کی کوشش کی جائے گی۔

### مستقبل کے خدوخال

توقع کی جارہی ہے پاکستان ایکویٹیز کم ویلیویشن اور معاشی منظر نامے میں بہتری کے باعث CY21 میں بہتر کارکردگی کا مظاہرہ کرے گی۔ جبکہ بیشتر کاروباری سرگرمیوں کے دوبارہ شروع ہونے سے مجموعی ملکی پیداوار (GDP) میں مثبت رجحان کی توقع ہے۔ بیرونی اکاؤنٹ کی پوزیشن کرنٹ اکاؤنٹ کے ساتھ سال میں قابل انتظام سطح پر رہنے کے لیے اطمینان بخش ہے۔ ہمیں یقین ہے کہ پاکستان ایکویٹیوں کی مدتی سرمایہ کاروں کے لیے داخلے کے بہترین مواقع فراہم کرے گی۔

پاکستان اسٹاک مارکیٹ کی ویلیویشنز گزشتہ پانچ سالوں کے اوسط +8 کے مقابلے میں 6.0x گنا قیمت سے آمدنی کے تناسب کے ساتھ پرکشش رہی۔ KSE-100 ڈیٹا کاؤنٹ ابھرتے ہوئے اور فرٹینئر پیرز (frontier peers) کے لیے پانچ سال کے اوسط کے 39.6% اور 33.7% فیصد بالترتیب کے خلاف 56.1% اور 40.7% فیصد ہے، جو کہ ایک اچھے داخلے کے پوائنٹ کی عکاسی کرتا ہے۔ خیال کیا جا رہا ہے کہ یہ ڈیٹا کاؤنٹ کم ہو جائے گا کیونکہ 2021 کے دوران آمدنی میں نمایاں اضافہ متوقع ہے۔ تعمیرات سے تعلق رکھنے والے سیکٹرز (سینٹ، اسٹیل) میں حکومت کی نیا پاکستان ہاؤسنگ اسکیم کے سبب سرگرمیاں جاری رہنے کی توقع ہے۔ ٹیکسٹائل سیکٹرز میں بھی برآمدات کی زبردست صلاحیت کے باعث سرمایہ کاروں کی توجہ حاصل ہونے کی توقع ہے۔ سیکٹرز کی بہتر کارکردگی کے سبب مزید بحالی کے باعث ٹیکنالوجی سیکٹرز بھی توجہ کا مرکز رہے گا۔ اس طرح ہم توقع کر رہے ہیں کہ مارکیٹ مجموعی طور پر مثبت رفتار کو بحال اور مستحکم رکھے گی۔

متوقع آمدنی کے مجاز پر، افراط زر 9%-7 فیصد کے درمیان رہنے کی توقع ہے اور اس کا انحصار ایشیائے خوردونوش کی قیمتوں اور تیل کے بین الاقوامی نرخوں پر ہوگا۔ آگے بڑھتے ہوئے ہم محسوس کرتے ہیں بڑے پیمانے پر مالیاتی آسانی ظاہر ہوگی اور ہم شرح سود کے دائرے کی چلی سطح پر ہوں گے۔ کوویڈ-19 کی تیسری لہر کے باعث ہم توقع کر رہے ہیں کہ حکومت آئندہ چند ماہ تک SBP پالیسی ریٹ میں استحکام برقرار رکھے گی تاکہ معیشت کی بحالی میں مدد ہو سکے۔ سینٹرل بینک نے معیشت کے مکمل بحال ہونے پر معمولی مثبت شرح سود کو برقرار رکھنے کے لیے اپنی رہنمائی پیش کی ہے۔ لہذا ہم مستقبل میں کسی بھی قسم کے پالیسی ریٹ میں تعین کردہ اور بتدریج اضافے کی توقع کر رہے ہیں۔

### فنڈ کی کارکردگی اور پے آؤٹس

#### ایچ بی ایل آف فنڈ

فنڈ کی مجموعی اور خالص آمدنی 31 مارچ 2021 کو ختم ہونے والے سال کے لیے بالترتیب 140.20 ملین روپے اور 100.78 ملین روپے رہی۔ فنڈ کی نیٹ خالص اثاثہ جات کی مالیت (NAV) 30 جون 2020 کے مطابق 108.2828 روپے نیٹ تھی جو 31 مارچ 2021 کو بڑھ کر 114.0108 روپے نیٹ ہو گئی جس کے ذریعے 7.05% کا سالانہ منافع دیا گیا۔ سال کے دوران بیچ مارک (چھ ماہ KIBOR) منافع 7.34% تھا۔ فنڈ کا حجم 31 مارچ 2021 کے مطابق 3.01 بلین روپے تھا جو اس کے مقابلے میں سال کے آغاز میں 1.54 بلین روپے رہا تھا۔

جے سی آر۔ وی آئی ایس کریڈٹ ریٹنگ کمپنی نے فنڈ کے لیے A+(f) فنڈ اسٹیٹس ریٹنگ کو اپ گریڈ کیا ہے۔

## اسٹاک مارکیٹ کا جائزہ

مارکیٹ نے مالی سال 21 کی نو ماہی میں اپنا تیزی کا رجحان برقرار رکھا جیسا کہ یہ مارچ 20 میں اپنی کم تر شرح سے 63.8% فیصد پر پہنچ چکی ہے۔ انڈیکس کی مستحکم کارکردگی کو (1) کوویڈ-19 کی وبائی صورتحال میں مقامی سطح پر بہتری اور کرنسی ریٹس کی بحالی (2) شرح سود میں 625 بی پی ایس کی کٹوتی کے بعد ایکویٹیٹیز میں بہاؤ (3) حکومت پاکستان کی جانب سے اختیار کی گئی کاروبار دوست پالیسیوں اور (4) مستحکم کرنسی اور کرنٹ اکاؤنٹ سرپلس کے باعث میکرو اکنامک اشاریوں میں بہتری سے منسوب کیا جاسکتا ہے۔

مالی سال 21 کی نو ماہی کے دوران بیٹچ مارک KSE-100 نے 10,166 پوائنٹس کا اضافہ (+29.5%) ریکارڈ کیا اور 44,588 پوائنٹس پر بند ہوا۔ اس مدت کے دوران تعمیرات سے منسلک صنعتوں (سینٹ، اسٹیل اور گلاس) کو ایس بی پی اور حکومت کی جانب سے مالیاتی سہولتیں تعمیراتی صنعت پر خصوصی توجہ کے تحت فراہم کی گئیں۔ ٹیکسٹائل اور جی سیکٹر کو بھی کوویڈ-19 کی وبائی صورتحال کے بعد ٹیکسٹائل اور جی سیکٹر پر خصوصی توجہ کے تحت ترجیح دی گئی۔ پرکشش ویلیو ایڈیشن کے باعث بیکارمی کا شعبہ بھی توجہ کا مرکز رہا۔ رقومات کے بہاؤ کا جائزہ لیا جائے تو غیر ملکی فروخت کنندگان مالی سال 21 کی نو ماہی کے دوران خالص سیلز رہے اور انہوں نے 295 بلین امریکی ڈالر کے شیئر فروخت کیے جو مقابلتا گزشتہ برس اسی مدت کے دوران 130 بلین امریکی ڈالر تھے۔

پاکستان ایکویٹیٹیز مہم طور پر سستی ترین ویلیو ایڈیشن (ہم مرتبہ اوسطاً 15.1x کے برخلاف 6.0x کی فارورڈ P/E پر تجارت) اور میکرو اکنامک جائزے میں بہتری کے باعث مثبت رجحان کا سلسلہ برقرار رکھیں گے۔ مارکیٹ کے شرکت کنندگان کو رونا وائرس کے کیسز کے رجحان پر قریبی نگاہ رکھیں گے اور میکرو اعداد و شمار کو یقینی بنائیں گے۔ گردش میں رہنے والے شعبے (سینٹ، اسٹیل) کے بارے میں توقع ہے کہ یہ حکومت کی جانب سے شروع کی گئی نیا پاکستان ہاؤسنگ اسکیم کے باعث فروغ حاصل کر سکیں گے۔ ٹیکسٹائل سیکٹر بھی برآمدات کی زبردست صلاحیت کے باعث سرمایہ کاروں کی توجہ حاصل کرتا رہے گا۔ آمدنی میں بہتری کے سبب سیکٹر کی بحالی کے باعث ٹیکسٹائل اور جی سیکٹر بھی توجہ کا مرکز رہے گا۔ ہم ٹیکسٹائل سیکٹر پر حکمت عملی پر توجہ دینے کے ساتھ مستحکم آمدنی کی صلاحیت کے حصول اور اسٹاک کی جانب سے خصوصی توجہ دینے کا سلسلہ برقرار رکھیں گے۔

## معنی مارکیٹ کا جائزہ

مرکزی بینک کے کوویڈ-19 کی وبا کے پیش نظر مالی سال 20 کی دوسری ششماہی میں شرح سود میں مجموعی طور پر 625 بی پی ایس کی کمی کے بعد اس مدت کے دوران بھی اسی شرح سود کو برقرار رکھا۔ ایس بی پی نے واضح کر دیا تھا کہ ترقی کے عمل اور روزگار کے مواقع پر مرتبہ کورونا کے اثرات کو کم کرنے کے لیے شرح سود کو زبردستی سطح پر لایا جاسکتا ہے۔

مارکیٹ کے عمومی رجحان کے باعث منافعات مالی سال 21 کی نو ماہی کے دوران +50bps +171bps کے درمیان تمام مدتوں میں تبدیل ہوتے رہے جیسا کہ مالی سہولتوں کا دورانیہ ختم ہو گیا اور CY21 میں شرح سود میں کچھ اضافہ ہوتا دیکھ رہے ہیں۔ 5.3% اور 10 سالہ PIBs کے سینڈری مارکیٹ منافع جات اس مدت کے دوران بالترتیب 175، 182 اور 173 بی پی ایس تک بڑھ گئے جبکہ اسی مدت کے دوران 3 ماہ، 6 ماہ اور 12 ماہ کے ٹی بلز کے منافع جات بڑھ کر بالترتیب 33، 72 اور 84 بی پی ایس پر موجود تھے۔ گزشتہ ٹی بلز نیلام میں کٹ-آف منافع جات 3 ماہ اور 6 ماہ کی مدت کے لیے 7.54% فیصد اور 7.80% فیصد تھے جبکہ گزشتہ ٹی بلز نیلام میں کٹ-آف 3 سال، 5 سال اور 10 سال کی مدتوں کے لیے بالترتیب 9.41%، 9.90% اور 10.29% تھے۔

مالی سال 21 کی نو ماہی کے دوران حکومت نے اپنی قرضوں کی بڑی ضرورتوں کا مقامی وسائل اور وسیع بنیاد پر کمرشل بینکوں کے ذریعے انتظام کیا۔ حکومت نے اس مدت کے دوران شیڈولڈ بینکوں سے 1,980 بلین روپے کے قرضہ جات حاصل کیے جبکہ گزشتہ برس اس مدت کے دوران 1,447 بلین روپے کے قرضے حاصل کیے گئے تھے۔ اسی دوران حکومت نے ایس بی پی سے اپنے قرضوں میں 1,203 بلین روپے کی کمی کی، اس کے برخلاف گزشتہ برس کی اسی مدت میں 480 بلین روپے کے قرضوں کی کمی کی گئی تھی۔ قرضوں میں یہ مزید کمی اس وجہ سے کی گئی کیونکہ آئی ایم ایف نے افراط زر کے دباؤ سے بچنے کے لئے مرکزی بینک سے قرض لینے پر پابندی عائد کی تھی۔ آگے بڑھتے ہوئے حکومت اضافی قرضوں کی ضروریات کو کمرشل بینکوں کے ذریعے پورا کرنے کا سلسلہ جاری رکھے گی۔

## انتظامی کمپنی کے ڈائریکٹرز کی رپورٹ

ایچ بی ایل ایسیٹ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بمسرت اپنی رپورٹ بشمول ایچ بی ایل ایل اے فنڈ، ایچ بی ایل گورنمنٹ سیکورٹیز فنڈ، ایچ بی ایل منی مارکیٹ فنڈ، ایچ بی ایل کیش فنڈ، ایچ بی ایل اسٹاک فنڈ، ایچ بی ایل ایکویٹی فنڈ، ایچ بی ایل انرجی فنڈ، ایچ بی ایل ملٹی ایسیٹ فنڈ، ایچ بی ایل فنانشل پلاننگ فنڈ، ایچ بی ایل گروتھ فنڈ اور ایچ بی ایل انویسٹمنٹ فنڈ (دی فنڈز) کے مالیاتی حسابات برائے نو ماہی ختمہ 31 مارچ 2021 پیش کر رہے ہیں۔

### اقتصادی جائزہ

کوویڈ-19 کی وبائی صورتحال کے بعد حکومت کی جانب سے کیے گئے پالیسی فیصلوں کے نتیجے میں میکرو اکنامک کی صورتحال بہتر ہوئی۔ انتہائی مستحکم زرتریسیلات گروتھ اور سروسز خسارے میں کمی کے پیش نظر ملک میں کرنٹ اکاؤنٹ کی پوزیشن میں نمایاں بہتری کے آثار دیکھے گئے۔ کرنٹ اکاؤنٹ سرپلس بشمول لچھتی اور باہمی ذرائع سے رقومات کے حصول سے ہمارے ذخائر بڑھ رہے ہیں جس سے مقامی کرنسی کو مستحکم بنانے میں بھی مدد ملی ہے۔

مالی سال 21 کی نو ماہی کے دوران پاک روپے کی قدر میں لگ بھگ 9.1% کی بہتری دیکھنے میں آئی جس سے حقیقی موثر زرمبادلہ کی شرح 97 تک پہنچی (ایس بی پی فروری-21 نمبر) جو اس امر کا اشارہ ہے کہ کرنسی اپنی فیئر ویلیو سے نیچے گردش کر رہی ہے۔ مرکزی بینک نے کوویڈ-19 کی وبائی صورتحال کے رد عمل میں مالی سال 20 کی دوسری ششماہی میں شرح سود میں 625 بی پی ایس کی مجموعی کمی کے بعد مالی سال 21 کی نو ماہی میں بھی اسی شرح سود کو برقرار رکھا۔ بیرونی محاذ پر درآمدات میں 8.6% فیصد کے اضافے کے مقابلے میں برآمدات میں 2.3% فیصد کمی کی واقع ہوئی اور نتیجے میں مالی سال 21 کے 8 ماہ کے دوران تجارتی خسارہ 22.2% فیصد بڑھ کر 16.1 بلین امریکی ڈالر ہو گیا۔ جبکہ سروسز خسارہ 41.8% فیصد کم ہو کر اس مدت میں 1.3 بلین امریکی ڈالر ہو گیا۔ زرتریسیلات نے بھی حوصلہ افزا رجحان ظاہر کیا اور یہ مالی سال 21 کے 8 ماہ کے دوران 24.1% تک بڑھ کر 18.7 بلین امریکی ڈالر ہو گئے۔ ان عناصر کی وجہ سے کرنٹ اکاؤنٹ سرپلس مالی سال 21 کے 8 ماہ کے لیے 0.9 بلین امریکی ڈالر تک پہنچ گیا (جی ڈی پی کا 0.5%) جبکہ اس کے مقابلے میں گزشتہ سال کی اسی مدت کے دوران یہ 2.7 بلین امریکی ڈالر (جی ڈی پی کا 1.5%) تھا۔ اقتصادی سرگرمیوں میں قابل ذکر تیزی کے ساتھ پاکستانی معیشت نے کورونا سے قبل کی رفتار دوبارہ حاصل کرنا شروع کر دی ہے جیسا کہ مالی سال 21 کے 7 ماہ میں ایل ایس ایم گروتھ 7.9% YoY تک رہی۔ غیر ملکی زرمبادلہ کے مجموعی ذخائر 20.8 بلین امریکی ڈالر تک بڑھ گئے جو نسبتاً مالی سال 20 کے اختتام پر 18.9 بلین امریکی ڈالر تھے۔

مالی سال 21 کے نو ماہ کے لیے اوسطاً سی پی آئی کی شرح 8.4% رہی جو گزشتہ سال کی اسی مدت کے دوران 11.5% ریکارڈ کی گئی تھی جس کی وجہ اس مدت میں یوٹیلٹی کے نرخوں میں اضافہ اور معاشی سست روی تھی۔ ہم خیال کر رہے ہیں کہ رمضان اور کم بنیادی اثر کے باعث چند مہینوں تک افراط زر میں اضافہ رہے گا لیکن مالی سال 22 کے آغاز سے ہی اس میں کمی آنا شروع ہو جائے گی۔ مالیاتی جانب مالی سال 21 کی نو ماہی کے دوران ایف بی آر کی ٹیکس وصولی 10.3% YoY تک بڑھ کر 3,394 بلین روپے رہی جبکہ اس کے برخلاف ٹیکس وصولی کا ہدف 3,287 بلین روپے تھا۔

آگے بڑھتے ہوئے ہمیں یقین ہے کہ جی ڈی پی گروتھ میں ممکنہ طور پر بحالی دیکھنے میں آئے گی کیونکہ بہت سے کاروبار کھل چکے ہیں تاہم کوویڈ-19 کی جاری تیسری لہر سے بحالی متاثر ہو سکتی ہے۔ توجہ کوویڈ-19 کے اعداد و شمار اور حکومت کی جانب سے اس وبائی صورتحال کے کنٹرول کے لیے کیے جانے والے پالیسی اقدامات پر مرکوز رہے گی۔

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# **HBL**

## **Income Fund**

## FUND INFORMATION

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Name of Fund	HBL Income Fund
Name of Auditor	Yousuf Adil Chartered Accountants
Name of Trustee	Central Depository Company of Pakistan Limited (CDC)
Bankers	Habib Bank Limited Bank Al-Habib Limited Habib Metropolitan Bank Limited Faysal Bank Limited Allied Bank Limited JS Bank Limited Samba Bank Limited MCB Bank Limited Askari Bank Limited Zarai Taraqati Bank Limited Soneri Bank Limited Sindh Bank Limited Telenor Microfinance Bank Limited Meezan Bank Limited NRSP Microfinance Bank Limited Industrial & Commercial Bank of China Limited First Microfinance Bank Limited U Microfinance Bank Limited
Rating	A+(f) (JCR-VIS)

**HBL Income Fund**  
**Condensed Interim Statement of Assets and Liabilities (Un-Audited)**  
*As at March 31, 2021*

		March 31, 2021 (Un-Audited)	June 30, 2020 (Audited)
	Note	----- (Rupees in '000) -----	
<b>Assets</b>			
Bank balances	4	1,793,535	622,132
Investments	5	1,479,888	956,596
Accrued mark-up		24,573	20,695
Advances, deposits, prepayments and other receivables	6	29,532	34,691
<b>Total assets</b>		<b>3,327,528</b>	1,634,114
<b>Liabilities</b>			
Payable to the Management Company	7	7,045	4,860
Payable to the Trustee		269	123
Payable to the Securities and Exchange Commission of Pakistan		308	304
Accrued expenses and other liabilities	8	67,891	85,000
Payable against purchase of investments		240,404	-
<b>Total liabilities</b>		<b>315,917</b>	90,287
<b>Net assets</b>		<b>3,011,611</b>	1,543,827
<b>Unit holders' fund (as per statement attached)</b>		<b>3,011,611</b>	1,543,827
<b>Contingencies and commitments</b>	9		
		----- (Number of units) -----	
<b>Number of units in issue</b>		<b>26,415,125</b>	14,257,362
		----- (Rupees) -----	
<b>Net assets value per unit</b>		<b>114.0108</b>	108.2828

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

**For HBL Asset Management Limited**  
**(Management Company)**

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

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

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



**HBL Income Fund**  
**Condensed Interim Income Statement**  
*For The Nine Months and Quarter Ended March 31, 2021*

Note	Nine months ended		Quarter ended	
	March 31,		March 31,	
	2021	2020	2021	2020
	------(Rupees in '000)-----			
<b>Income</b>				
Mark-up on deposits with banks	28,765	67,578	16,970	21,805
Mark-up / return on investments	76,953	84,719	21,753	25,976
Dividend income	6,134	643	1,331	479
Unrealised appreciation / (diminution) on revaluation of investments classified as financial asset at fair value through profit or loss - net	24,432	7,554	6,336	19,193
Capital gain/ (loss) on sale of investments - net	3,641	10,467	8,457	4,578
Other Income	273	310	-	216
	<b>140,198</b>	<b>171,271</b>	<b>54,847</b>	<b>72,247</b>
Reversal of provision against non-performing Term Finance Certificates	5.1.2	555	-	-
<b>Expenses</b>				
Remuneration of the Management Company	22,795	14,624	9,310	5,261
Remuneration of the Trustee	1,307	943	534	302
Annual fee to Securities and Exchange Commission of Pakistan	308	223	126	72
Allocation of expenses related to registrar services, accounting, operation and valuation services	1,542	1,577	630	356
Selling and marketing expenses	6,169	5,843	2,520	1,424
Settlement and bank charges	5,321	1,381	2,816	475
Auditors' remuneration	212	325	104	106
Legal and professional charges	-	-	-	-
Listing fee	21	20	8	7
Rating fee	238	229	77	80
	<b>37,913</b>	<b>25,165</b>	<b>16,125</b>	<b>8,083</b>
<b>Net income from operating activities</b>	<b>102,840</b>	<b>146,106</b>	<b>38,722</b>	<b>64,164</b>
Element of (loss) / income and capital (losses) / gains included in prices of units issued less those in units redeemed - net	-	-	-	-
Provision for Sindh Workers' Welfare Fund	8.2	(2,057)	(774)	(1,335)
<b>Net income for the period before taxation</b>	<b>100,783</b>	<b>143,184</b>	<b>37,948</b>	<b>62,829</b>
Taxation	10	-	-	-
<b>Net income for the period after taxation</b>	<b>100,783</b>	<b>143,184</b>	<b>37,948</b>	<b>62,829</b>
<b>Allocation of net income for the period</b>				
Income already paid on redemption of units	16,478	24,128	10,679	10,456
Accounting income available for distribution:				
- Relating to capital gains	24,191	17,890	12,356	17,890
- Excluding capital gains	60,114	101,166	14,913	37,072
	<b>84,305</b>	<b>119,056</b>	<b>27,269</b>	<b>54,962</b>
	<b>100,783</b>	<b>143,184</b>	<b>37,948</b>	<b>65,418</b>

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

**For HBL Asset Management Limited**  
**(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

**HBL Income Fund**  
**Condensed Interim Statement of Comprehensive Income (Un-Audited)**  
*For The Nine Months and Quarter Ended March 31, 2021*

	Nine months ended		Quarter ended	
	March 31,		March 31,	
	2021	2020	2021	2020
	----- (Rupees in '000') -----			
Net income for the period after taxation	100,783	143,184	37,948	65,418
Other comprehensive income / (loss) for the period	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>100,783</b>	<b>121,705</b>	<b>37,948</b>	<b>43,939</b>

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

**For HBL Asset Management Limited**  
**(Management Company)**

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

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

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

**HBL Income Fund**  
**Condensed Interim Statement Of Movement In Unit Holders' Fund**  
*For The Nine Months Ended March 31, 2021*

	2021				Nine months ended March 31, 2020			
	Capital Value	Undistributed Income	Unrealised (loss) / income of investment	Total	Capital Value	Undistributed Income	Unrealised (loss) / income of investment	Total
-----Rupees in '000'-----								
<b>Net assets at beginning of the year</b>	1,400,100	143,727	-	1,543,827	1,388,862	121,881	-	1,510,743
Adoption of IFRS 9	-	(503)	503	-	-	(503)	503	-
Issue of 23,219,541 units (2020: 9,168,134 units)								
- Capital value (at net asset value per unit at the beginning of the period)	2,514,277	-	-	2,514,277	1,020,312	-	-	1,020,312
- Element of income	87,424	-	-	87,424	(367)	-	-	(367)
Total proceeds on issuance of units	2,601,701	-	-	2,601,701	1,019,945	-	-	1,019,945
Redemption of 11,061,778 units (2020: 9,352,963 units)								
- Capital value (at net asset value per unit at the beginning of the period)	(1,197,800)	-	-	(1,197,800)	(1,040,882)	-	-	(1,040,882)
- Element of loss	(36,900)	-	-	(20,422)	33,839	-	-	33,839
- Income already paid on redemption of units	-	(16,478)	-	(16,478)	-	(24,128)	-	(24,128)
	(1,234,700)	(16,478)	-	(1,234,700)	(1,007,043)	(24,128)	-	(1,031,171)
Element of income and capital gains included in prices of units issued less those in units redeemed	-	-	-	-	-	-	-	-
Element of loss and capital losses included in prices of units issued less those in units redeemed - transferred to distribution statement	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	100,783	-	100,783	-	143,184	-	143,184
Refund of Capital	-	-	-	-	-	-	-	-
Distribution during the period	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	100,783	-	100,783	-	143,184	-	143,184
<b>Net assets at end of the year</b>	2,767,101	227,529	503	3,011,611	1,401,764	240,434	503	1,642,701
<b>Undistributed income brought forward</b>								
- Realised		132,942				125,538		
- Unrealised		10,785				(3,657)		
		143,727				121,881		
Adoption of IFRS 9		(503)				(503)		
Accounting income available for distribution								
- Relating to capital losses		24,191				17,890		
- Excluding capital losses		60,114				101,166		
		84,305				119,056		
Distribution during the period		-				-		
<b>Undistributed income carried forward</b>		227,529				240,434		
<b>Undistributed income carried forward</b>								
- Realised		203,097				232,880		
- Unrealised		24,432				7,554		
		227,529				240,434		
				(Rupees)				(Rupees)
<b>Net assets value per unit at beginning of the period</b>				108.2828				106.1134
<b>Net assets value per unit at end of the period</b>				114.0108				116.8995

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

**For HBL Asset Management Limited**  
**(Management Company)**

**Chief Financial Officer**

**Chief Executive Officer**

**Director**

**HBL Income Fund**  
**Condensed Interim Cash Flow Statement (Un-Audited)**  
*For The Nine Months Ended March 31, 2021*

	Nine months ended March 31,	
	2021	2020
Note	----- (Rupees in '000) -----	
<b>Cash flows from operating activities</b>		
Net income for the period before taxation	100,783	143,184
<b>Adjustments for non-cash items:</b>		
Mark-up on deposits with banks	(28,765)	(67,578)
Mark-up / return on investments	(76,953)	(84,719)
Dividend income	(6,134)	(643)
Provision for Sindh Workers' Welfare Fund	2,057	2,922
Unrealised (appreciation) / diminution on revaluation of investments classified as financial asset at fair value through profit or loss - net	(24,432)	(7,554)
Capital (gain) / loss on sale of investments - net	(3,641)	(10,467)
	<u>(37,085)</u>	<u>(24,855)</u>
<b>(Increase) / Decrease in assets</b>		
Investments	(495,219)	120,954
Advances, deposits, prepayments and other receivables	5,159	(4,374)
Receivable against sale of investments	-	-
	<u>(490,060)</u>	<u>116,580</u>
<b>Increase / (decrease) in liabilities</b>		
Payable to the Management Company	2,185	1,337
Payable to the Trustee	146	(83)
Payable to the Securities and Exchange Commission of Pakistan	4	(1,255)
Accrued expenses and other liabilities	(19,166)	(35,126)
Payable against purchase of investments	240,404	-
	<u>223,573</u>	<u>(35,127)</u>
<b>Net cash (used in) / generated from operating activities</b>	<u>(303,572)</u>	<u>56,598</u>
Dividend received	6,134	643
Profit received	101,840	145,703
	<u>107,974</u>	<u>146,346</u>
<b>Net cash generated from operating activities</b>	<u>(195,598)</u>	<u>202,944</u>
<b>Cash flows from financing activities</b>		
Amount received on issue of units	2,601,701	1,019,945
Payment against redemption of units	(1,234,700)	(1,031,171)
Distribution paid	-	-
	<u>1,367,001</u>	<u>(11,226)</u>
<b>Net cash generated from / (used in) financing activities</b>	<u>1,367,001</u>	<u>(11,226)</u>
<b>Net decrease in cash and cash equivalents</b>	<u>1,171,403</u>	<u>191,718</u>
Cash and cash equivalents at beginning of the period	622,132	552,761
<b>Cash and cash equivalents at end of the period</b>	<u>1,793,535</u>	<u>744,479</u>

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

**For HBL Asset Management Limited**  
**(Management Company)**

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

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

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

# **HBL Income Fund**

## **Notes to the Condensed Interim Financial Information (Un-Audited)**

### *For The Nine Months Ended March 31, 2021*

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

HBL Income Fund (the Fund) was established under a Trust Deed, dated September 06, 2006, executed between HBL Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Fund was authorised by the Securities and Exchange Commission of Pakistan (SECP) as a unit trust scheme on July 25, 2006.

The Management Company of the Fund has been registered as a Non-Banking Finance Company (NBFC) under the NBFC Rules, 2003 and has obtained the requisite license from the SECP to undertake Asset Management Services. The registered office of the Management Company is situated at 7th Floor, Emerald Tower, G-19, Block 5, Main Clifton Road, Clifton, Karachi.

The Fund is an open ended mutual fund and offers units for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at par from March 15, 2007 to March 17, 2007.

The principal activity of the Fund is to make investments in fixed income securities. Other avenues of investments include ready future arbitrage in listed securities and transactions under Continuous Funding System.

JCR-VIS Credit Rating Agency has assigned management quality rating of 'AM2++' to the Management Company and the fund stability rating of A+(f) to the Fund.

Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as trustee of the Fund.

#### **2. BASIS OF PREPARATION**

##### **2.1 Statement of compliance**

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

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

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

**2.1.2** The disclosures made in these condensed interim financial information have, however, been limited based on the requirements of IAS 34. These 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, 2020.

**2.1.3** In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that these condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2020.

##### **2.2 Basis of measurement**

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

### 2.3 Functional and presentation currency

These condensed interim financial information are presented in Pakistani Rupees which is the Fund's functional and presentation currency.

### 3. SIGNIFICANT ACCOUNTING POLICIES, RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENTS AND CHANGES THEREIN

3.1 The accounting policies adopted in the preparation of this condensed interim financial information are consistent with those applied in the preparation of the annual audited financial statements of the Fund for the year ended June 30, 2020.

3.2 The significant judgments made by management in applying its accounting policies and the key sources of estimation uncertainty were the same as those applied to the annual audited financial statements of the Fund for the year ended June 30, 2020.

3.3 There are certain new and amended standards, interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2020 but are considered not to be relevant or do not have any significant effect on the Fund's operations and therefore not detailed in these condensed interim financial information

3.4 The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Fund for the year ended June 30, 2020.

4. BANK BALANCES	Note	(Unaudited)	(Audited)
		March 31, 2021	June 30, 2020
Balances with banks in:		(Rupees in '000)	
- Savings accounts	4.1	1,793,535	622,132
- Term deposit receipt (TDR)		-	-
		<u>1,793,535</u>	<u>622,132</u>

4.1 This represents bank accounts held with different banks. Mark-up rates on these accounts ranges between 4% - 8.85% (June 30, 2020: 4.7% - 14.75%) per annum.

5. INVESTMENTS	Note	(Unaudited)	(Audited)
		March 31, 2021	June 30, 2020
Financial assets at fair value through profit or loss		(Rupees in '000)	
- Term finance certificates - Listed	5.1	473,855	159,768
- Term finance certificates and sukuk bonds - Unlisted	5.2	-	292,842
- Investment in ready / future - spread transaction	5.3	562,388	-
- Investment in Government securities	5.2.4	409,436	444,311
		<u>1,445,679</u>	<u>896,921</u>
Financial assets at amortized cost			
- Investment in Commercial paper	5.4	34,209	59,675
		<u>1,479,888</u>	<u>956,596</u>



## 5.1 Term finance certificates - Listed

Name of the Investee Company	Number of certificates			As at March 31, 2021	Market value as at March 31, 2021	Market value as a percentage of	
	As at July 1, 2020	Purchases during the period	Sales / Matured during the period			Total Investments	Net Assets
					(Rupees in '000')		
<b>Financial Services</b>							
Saudi Pak Leasing Company Limited - (Note 5.1.1)**	2,000	-	2,000	-	-	-	-
<b>Commercial Banks</b>							
JS Bank Limited	1,264	-	-	1,264	127,300	8.60	4.23
<b>Chemicals</b>							
Dawood Hercules Chemical Limited*	710	-	710	-	-	-	-
<b>Fixed Line Telecommunication</b>							
World Call Telecom Limited - (Note 5.1.2)**	23,750	-	-	23,750	-	-	-
	<b>27,724</b>	<b>-</b>	<b>2,710</b>	<b>25,014</b>	<b>127,300</b>	<b>8.60</b>	<b>4.23</b>
<b>Cost of investments at March 31, 2021</b>					<b>109,554</b>		

\* Related party due to common directorship

\*\* In case of debt securities against which a provision has been made, these are carried at amortised cost less provision. For non-performing securities market value / valuation by MUFAP is not available.

**5.1.1** Saudi Pak Leasing Company Limited defaulted towards payment falling due in September 2010. Accordingly, the exposure was classified as non-performing and provision was recognised in accordance with the SECP's provisioning guidelines.

Subsequently, on the request of the Issuer, TFC holders approved the restructuring of the facility by extending repayment period from 5 years to 9 years and by reducing mark-up rate to 6% for 24 months from restructuring date and 8% for next 24 months and thereafter fixing the mark-up rate at 1 month KIBOR. Further, half of the accrued mark-up is to be paid in cash and the balance is being deferred.

The Issuer defaulted again in the payment of principal and mark-up due on September 13, 2011. In accordance with the requirements of Circular No. 33 of 2012 dated October 24, 2012 issued by the Securities Exchange Commission of Pakistan (SECP), the exposure has been classified as non-performing and no further mark-up is being accrued after classification as non performing exposure. A provision of Rs. 5.550 million equivalent to 100% of the amount outstanding has been made. During the period, the fund has received Rs. 0.550 million which is 10% of the total amount of provision as per final settlement."

**5.1.2** World call Telecom Limited TFC's were classified by MUFAP as non-performing on November 8, 2012 after default of instalment due on October 7, 2012 (earlier default on April 7, 2012) for the second time. A restructuring agreement was signed on December 26, 2012. The restructuring included the extension of repayment period by 2 years, deferral of principal instalments till October 7, 2014 and payment of regular mark-up during the restructuring period. In accordance with Circular No. 33 of 2012 dated October 24, 2012, a provision of Rs. 47.767 million has been made out of which during the period ended March 31, 2020 Rs. 7.576 million is received leaving outstanding balance as at March 31, 2020 of Rs. 40.191 million.

## 5.2 Term finance certificates and sukuk bonds - Unlisted

Name of the Investee Company	As at July 1, 2020	Number of certificates		As at March 31, 2021	Market value as at March 31, 2021	Market value as a percentage of	
		Purchases during the period	Sales / Matured during the period			Total Investments	Net Assets
(Rupees in '000)							
<b>Commercial Banks</b>							
Bank of Punjab *	1,550	-	-	1,550	154,752	10.46	5.14
JS Bank Limited	7,450	-	-	7,450	36,767	2.48	1.22
Bank Al falah Limited - TFC	-	7,600	-	7,600	38,000	2.57	1.26
	9,000	-	-	9,000	229,519	12.94	6.36
<b>Chemicals</b>							
Agritech Limited (Note: 5.2.1)	2,430	-	-	2,430	-	-	-
Agritech Limited (4th issue)	430	-	-	430	-	-	-
Ghani Gases Limited	200	-	-	200	8,591	0.58	0.29
	3,060	-	-	3,060	8,591	0.58	0.29
<b>Investment Companies</b>							
Jahangir Siddiqui & Company Limited	10,000	-	-	10,000	33,040	2.23	1.10
Jahangir Siddiqui & Company Limited	15,100	-	-	15,100	28,405	1.92	0.94
	25,100	-	-	25,100	61,445	4.15	2.04
<b>Technology and communication</b>							
TPL Trakker Limited - Sukuk	-	4,400	-	4,400	47,000	3.18	1.56
<b>Others</b>							
New Allied Electronic Industries (Private) Limited (Note: 5.2.2)**	9,000	-	-	9,000	-	-	-
New Allied Electronic Industries (Private) Limited (Note: 5.2.2)**	9,000	-	-	9,000	-	-	-
	18,000	-	-	18,000	-	-	-
<b>Total</b>	<b>55,160</b>	<b>4,400</b>	<b>-</b>	<b>59,560</b>	<b>346,555</b>	<b>20.85</b>	<b>10.25</b>
<b>Cost of investments at March 31, 2021</b>	<b><u>342,831</u></b>						

\* These TFCs have face value of Rs. 100,000 per TFC.

\*\* In case of debt securities against which a provision has been made, these are carried at amortised cost less provision. For non-performing securities market value / valuation by MUFAP is not available.

### 5.2.1 Installments amounting to Rs. 1.998 million became due for payment of the following TFCs / sukuks.

	(Unaudited) March 31, 2021	(Audited) June 30, 2020
	(Rupees in '000)	
Agritech Limited	<u>1,998</u>	<u>1,998</u>

5.2.2 These represent investments in privately placed Term Finance Certificates and Sukuk bonds of the investee company. These investments have been fully provided.

5.2.3 Significant terms and conditions of Term Finance Certificates Sukuk bonds outstanding as at March 31, 2021 are as follows:

Name of security	Remaining principal (per TFC)	Mark-up rate (per annum)	Issue date	Maturity date
<b>Term Finance Certificates and Sukuk bonds - Listed</b>				
Dawood Hercules Corporation Limited - Sukuk	60,000	3 months KIBOR + 1.4%	November 16, 2017	November 16, 2022
JS Bank Limited - TFC	99,880	6 months KIBOR + 1.4%	December 29, 2017	December 29, 2024
<b>Term Finance Certificates and Sukuk bonds - Unlisted</b>				
Jahangir Siddiqui & Company Ltd - TFC	4,167	6 months KIBOR + 1.4%	March 6, 2018	March 6, 2023
JS Bank Limited - TFC	4,992	6 months KIBOR + 1.4%	December 14, 2016	December 16, 2023
Bank Of Punjab - TFC	99,840	6 months KIBOR + 1.4%	December 23, 2016	December 23, 2026
Jahangir Siddiqui & Company Ltd - TFC	2,500	6 months KIBOR + 1.4%	July 18, 2017	July 18, 2022
JS Bank Limited - TFC	99,960	6 months KIBOR + 1.4%	December 29, 2017	December 29, 2024
Ghani Gasses Limited - Sukuk	50,000	3 months KIBOR + 1%	February 2, 2017	February 2, 2023
Bank Al Falah Limited Series A - TFC		Terms yet to be provided by issuer		
TPL Trakker - Sukuk		Terms yet to be provided by issuer		

#### 5.2.4 Investment in Government Securities

Issue Date	Tenure	Face value				Market value as at March 31, 2021	Market Value as a percentage of	
		As at July 1, 2020	Purchases during the period	Sales / Matured during the period	As at March 31, 2021		Total Investments	Net Assets
----- Rupees in '000 -----								
<b>Treasury bill</b>								
October 10, 2019	12 months	-	500,000	500,000	-	-	-	-
August 1, 2019	12 months	-	200,000	200,000	-	-	-	-
July 2, 2020	12 months	-	100,000	100,000	-	-	-	-
September 12, 2019	12 months	-	300,000	300,000	-	-	-	-
October 24, 2019	12 months	-	140,000	140,000	-	-	-	-
September 26, 2019	12 months	-	500,000	500,000	-	-	-	-
August 29, 2019	12 months	-	275,000	275,000	-	-	-	-
February 25, 2020	6 months	-	600,000	600,000	-	-	-	-
September 24, 2020	6 months	-	100,000	100,000	-	-	-	-
July 16, 2020	6 months	-	75,000	75,000	-	-	-	-
July 2, 2020	6 months	-	75,000	75,000	-	-	-	-
December 31, 2020	3 months	-	700,000	700,000	-	-	-	-
July 16, 2020	3 months	-	75,000	75,000	-	-	-	-
January 14, 2021	3 months	-	710,000	300,000	410,000	409,436	27.67%	13.60%
August 3, 2020	3 months	-	1,100,000	1,100,000	-	-	-	-
July 2, 2020	3 months	-	75,000	75,000	-	-	-	-
October 22, 2020	3 months	-	200,000	200,000	-	-	-	-
		-	5,725,000	5,315,000	410,000	409,436	27.67%	13.60%
<b>Pakistan Investment Bonds</b>								
September 19, 2019	10 years	50,000	-	50,000	-	-	-	-
September 19, 2019	5 years	137,500	50,000	187,500	-	-	-	-
September 19, 2019	3 years	237,500	450,000	687,500	-	-	-	-
		425,000	500,000	925,000	-	-	-	-
<b>Grand total</b>		<b>425,000</b>	<b>6,225,000</b>	<b>6,240,000</b>	<b>410,000</b>	<b>409,436</b>	<b>28%</b>	<b>14%</b>
<b>Cost of investments at March 31, 2021</b>						<b>409,439</b>		

### 5.3 Listed equity securities (Spread transactions)- at fair value through profit and loss

Name of Investee Company	Number of shares	Market value as at March 31, 2021	Market Value as a percentage of	
			Total Investments	Net Assets
Aisha Steel Mills Limited	12,500	316	0.02%	0.01%
Avanceon Limited	1,000	92	0.01%	0.00%
Azgard Nine Limited	4,902,500	173,704	11.74%	5.77%
Engro Corporation Limited	1,000	289	0.02%	0.01%
Engro Polymer & Chemicals Limited	12,000	622	0.04%	0.02%
Fauji Cement Company Limited	3,000	70	0.00%	0.00%
Fauji Fertilizer Bin Qasim Limited	10,500	284	0.02%	0.01%
Ghandhara Nissan Limited	6,000	621	0.04%	0.02%
Hascol Petroleum Limited	1,000	12	0.00%	0.00%
Hum Network Limited	1,112,500	7,801	0.53%	0.26%
Lotte Chemical Pakistan Limited	430,500	6,810	0.46%	0.23%
National Refinery Limited	62,000	38,785	2.62%	1.29%
Netsol Technologies	221,500	56,459	3.82%	1.87%
Oil & Gas Development Company Limited	1,500	158	0.01%	0.01%
Pak Suzuki Motor Company	8,000	2,230	0.15%	0.07%
Sui Northern Gas Pipeline Limited	17,500	722	0.05%	0.02%
The Hub Power Company Limited	38,500	3,296	0.22%	0.11%
TRG Pakistan Limited	1,699,500	269,367	18.20%	8.94%
Unity Foods Limited	25,500	751	0.05%	0.02%
<b>Total as at March 31, 2021</b>	<b>8,566,500</b>	<b>562,388</b>		
<b>Cost of investments at March 31, 2021</b>		<b>559,423</b>		

5.4 This represent commercial paper which will mature on July 16,2020 and carries profit rate of 15.99%.

	(Unaudited)	(Audited)
	March 31, 2021	June 30, 2020
<b>6. ADVANCES, DEPOSITS PREPAYMENTS AND OTHER RECEIVABLES</b>	<b>(Rupees in '000)</b>	
Security deposit with National Clearing Company of Pakistan Limited	3,000	9,311
Security deposit with Central Depository Company of Pakistan Limited	100	100
Receivable against investments of term finance certificates and sukuk bonds	1,998	1,998
Advance tax	24,980	24,980
Dividend receivable	1,382	-
Prepaid expenses	70	300
	<b>31,530</b>	<b>36,689</b>
Less: Provision against overdue installments of term finance certificates and sukuk bonds	1,998	1,998
	<b>29,532</b>	<b>34,691</b>
	<b>29,532</b>	<b>34,691</b>

		(Unaudited) March 31, 2021	(Audited) June 30, 2020
<b>7. PAYABLE TO THE MANAGEMENT COMPANY</b>			
		(Rupees in '000)	
Management fee		3,026	1,713
Sindh Sales Tax		393	223
Sales load payable		875	1,158
Selling and marketing payable		2,520	1,635
Allocation of expenses related to registrar services, accounting, operation and valuation services		231	131
		<u>7,045</u>	<u>4,860</u>
<b>8. ACCRUED EXPENSES AND OTHER LIABILITIES</b>			
Auditors' remuneration		210	422
Brokerage payable		3,515	2
Federal Excise Duty payable	8.1	27,578	27,578
Dividend payable		4,491	8,858
Other payables		398	315
Capital gain tax payable		593	1,250
Withholding tax payable		645	18,170
Provision for Sindh Workers' Welfare Fund	8.2	30,461	28,405
		<u>67,891</u>	<u>85,000</u>
<b>8.1</b>	The legal status of applicability of Federal Excise Duty on the Fund is same as that disclosed in the note 13.1 to the annual audited financial statements of the Fund for the year ended June 30, 2020, and the appeal filed by tax authorities against the order by Supreme Court of Pakistan dated July 16, 2016, is pending for decision.		
	In view of above, the Management Company, being prudent, is carrying a provision for FED for the period from January 13, 2013 to June 30, 2016 aggregating to Rs. 27.578 million. Had the provision not been retained, NAV per unit of the Fund as at March 31, 2021 would have been higher by Rs. 1.04 per unit (June 30, 2020: 1.93 per unit)		
<b>8.2</b>	The legal status of applicability of Worker's Welfare Fund and Sindh Workers' Welfare Fund is same as that disclosed in note 13.2 to the annual audited financial statements of the Fund for the year ended June 30, 20		
	In view of the above, the Management Company, being prudent, recognized provision for SWWF amounting to Rs. 30.461 million (June 30, 2020: Rs. 28.405 million). Had the provision not been retained, NAV per unit of the Fund as at March 31, 2021 would have been higher by Rs. 1.15 per unit (June 30, 2020: Rs. 1.99 per unit)		
<b>9. CONTINGENCIES AND COMMITMENTS</b>			
	There are no contingencies and commitments outstanding as at March 31, 2021 and June 30, 2020		
<b>10. TAXATION</b>			
	The Fund's income is exempt from income tax as per clause 99 of Part 1 of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by the capital gains whether realised or unrealised, is distributed to the unit holders in cash. The Fund is also exempt from the provision of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded a tax liability in the current period, as the Management Company intends to distribute more than 90 percent of the Fund's accounting income as reduced by capital gains (whether realised or unrealised) for the year June 30, 2021 to its unit holders.		

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**11. TOTAL EXPENSE RATIO**

In accordance with the directive 23 of 2016 dated July 20, 2016 issued by the Securities and Exchange Commission of Pakistan, the total expense ratio of the Fund for the nine months ended March 31, 2021 is 1.95% (March 31, 2020: 1.90%), which includes 0.30% (March 31, 2020: 0.40%) representing government levy, Worker's Welfare Fund and SECP fee.

**12. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS**

Connected persons / related parties comprise HBL Asset Management Limited being the Management Company, Habib Bank Limited being the Sponsor, Central Depository Company of Pakistan Limited, being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company and the directors of the connected persons.

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 Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.

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

	Nine months ended March 31,	
	2021	2020
	----- (Rupees in '000) -----	
<b>12.1 Transactions during the period</b>		
HBL Asset Management Limited - Management Company		
Management fee inclusive of sales tax	22,795	14,624
Allocation of expenses related to registrar services, accounting, operation and valuation services	1,542	1,577
Habib Bank Limited - Sponsor		
Bank charges paid	64	54
Mark-up earned during the period	3,270	5,575
MCBFSL Trustee HBL Financial Planning Fund Strategic Allocation Plan - CIS Managed by the Management Company		
Redemption of Nil units (2020: 745,068 units)	-	81,178
MCBFSL Trustee HBL Financial Planning Fund Active Allocation Plan - CIS Managed by the Management Company		
Redemption of 265 units (2020: 16,575 units)	30	1,910
Central Depository Company of Pakistan Limited - Trustee		
Remuneration	1,307	943
CDC charges	310	15

		Nine months ended March 31,	
		2021	2020
		----- (Rupees in '000) -----	
Executives and their relatives			
	Issue of 166,603 units (2020: 133 units)	18,394	15
	Redemption of 61,041 units (2020: 5,298 units)	6,891	567
Pakistan Society For The Welfare Of Mentally Retarded Children- Related party due to holding more than 10%			
	Issue of 1,367,100 units (2020: Nil units)	151,916	-
Nishat Mills Limited Employees Provident Fund Trust- Related Party Due To Holding More Than 10%			
	Issue of 4,452,350 units (2020: Nil units)	506,365	-
		<b>March 31,</b>	<b>June 30,</b>
		<b>2021</b>	<b>2020</b>
<b>12.2</b>	<b>Balances outstanding as at period / year end</b>	<b>(Un-Audited)</b>	<b>(Audited)</b>
		----- (Rupees in '000) -----	
HBL Asset Management Limited - Management Company			
	Management fee payable	3,026	1,713
	Sindh Sales Tax	393	223
	Sales load payable	875	1,158
	Selling and marketing payable	2,520	1,635
	Allocation of expenses related to registrar services, accounting, operation and valuation services	231	131
Habib Bank Limited - Sponsor			
	Investment held by HBL in the Fund: 2,000,000 units (June 30, 2020: 2,000,000 units)	228,022	216,566
	Bank balances with HBL	410,099	360,964
The First Microfinance Bank - Associate			
	Bank balances	10	10
MCBFSL Trustee HBL Financial Planning Fund Active Allocation Plan - CIS Managed by the Management Company			
	Investment held in the Fund: 67,473 units (June 30, 2020: 67,728 units)	7,692	7,334
Directors and Executives of the Management Company and their relatives			
Executives and their relatives			
	Investment held in the Fund: 105,573 units (June 30, 2020: 84,951 units)	12,037	9,415

	<b>March 31, 2021 (Un-Audited)</b>	<b>June 30, 2020 (Audited)</b>
	----- <b>(Rupees in '000)</b> -----	
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	<b>238</b>	98
Sindh Sales tax	<b>31</b>	13
Security deposit	<b>100</b>	100
CDC Charges	<b>73</b>	12
Pakistan Society For The Welfare Of Mentally Retarded Children- Related party due to holding more than 10%		
Investment held in the Fund: 2,593,728 units (June 30, 2020: Nil units)	<b>295,713</b>	-
Nishat Mills Limited Employees Provident Fund Trust- Related Party Due To Holding More Than 10%		
Investment held in the Fund: 4,452,350 units (June 30, 2020: Nil units)	<b>507,616</b>	-

### 13. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

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

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



The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

		March 31, 2021 (Un-Audited)						
		Carrying amount			Fair Value			
		Fair value through profit or loss	Other financial assets / liabilities	Total	Level 1	Level 2	Level 3	Total
Note		(Rupees in '000)						
<b>On-balance sheet financial instruments</b>								
<b>Financial assets measured at fair value</b>								
Investments								
	- Term finance certificates and sukuk bonds	473,855	-	473,855	-	473,855	-	473,855
		<u>1,036,243</u>	<u>-</u>	<u>1,036,243</u>	<u>562,388</u>	<u>473,855</u>	<u>-</u>	<u>1,036,243</u>
<b>Financial assets not measured at fair value</b>								
13.1	Bank balances	-	1,793,535	1,793,535				
	Accrued mark-up	-	24,573	24,573				
	Deposits and other receivables	-	4,482	4,482				
			<u>1,822,590</u>	<u>1,822,590</u>				
<b>Financial liabilities not measured at fair value</b>								
13.1	Payable to the Management Company	-	6,652	6,652				
	Payable to Trustee	-	238	238				
	Accrued expenses and other liabilities	-	608	608				
			<u>7,498</u>	<u>7,498</u>				
		June 30, 2020 (Audited)						
		Carrying amount			Fair Value			
		At fair value through profit or loss	At amortised cost	Total	Level 1	Level 2	Level 3	Total
		(Rupees in '000)						
<b>On-balance sheet financial instruments</b>								
<b>Financial assets measured at fair value</b>								
Investments								
	- Term finance certificates and sukuk bonds	956,596	-	956,596	-	956,596	-	956,596
	- Investment in ready / future - spread transaction	-	-	-	-	-	-	-
		<u>956,596</u>	<u>-</u>	<u>956,596</u>	<u>-</u>	<u>956,596</u>	<u>-</u>	<u>956,596</u>
<b>Financial assets not measured at fair value</b>								
	Bank balances	-	622,132	622,132				
	Accrued mark-up	-	20,695	20,695				
	Deposits and other receivables	-	9,311	9,311				
			<u>652,138</u>	<u>652,138</u>				
<b>Financial liabilities not measured at fair value</b>								
	Payable to Management Company	-	4,860	4,860				
	Payable to Trustee	-	123	123				
	Dividend payable	-	8,858	8,858				
	Accrued expenses and other liabilities	-	739	739				
			<u>14,580</u>	<u>14,580</u>				

**13.1** The Fund has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or reprice frequently. Therefore, their carrying amounts are reasonable approximation of fair value.

**14. DISCLOSURE UNDER CIRCULAR 16 OF 2010 ISSUED BY THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN - CATEGORISATION OF OPEN END SCHEME**

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. HBL Asset Management Limited (Management Company) classified HBL Income Fund (the Fund) as Income Scheme' in accordance with the said circular. As at December 31, 2018, the Fund is compliant with all the requirements of the said circular except for clause 9 (v) which requires that the rating of any security in the portfolio shall not be lower than the investment grade.

<b>Name of Non-Compliant Investment</b>	<b>Type of Investment</b>	<b>Value of Investment before provision (Rupees in '000)</b>	<b>Provision held</b>	<b>Value of Investment after provision</b>	<b>% of Gross Assets</b>
New Allied Electronics Industries (Private) Limited	TFC	19,025	19,025	-	-
New Allied Electronics Industries (Private) Limited	Sukuk	44,149	44,149	-	-
AgriTech Limited	TFC	9,992	9,992	-	-
World Call Telecom Limited	TFC	40,191	40,191	-	-

The above securities have ratings lower than investment grade.

#### **15. DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial information were authorised for issue by the Board of Directors of the Management Company on April 30, 2021.

#### **16. GENERAL**

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

**16.2** Corresponding figures have been rearranged and reclassified, wherever necessary, for better presentation and disclosure.

**16.3** In continuation of note 1.7 to annual audited financial statements for the year ended June 30, 2020, we state that as a result of measures taken by Government, there has not been any material adverse impact on fiscal and economic fronts facing the country. The Management of the Fund is closely monitoring the situation and so far, there is no impact on this interim financial information of the Fund.

**For HBL Asset Management Limited  
(Management Company)**

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

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

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

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# **HBL**

## **Government Securities Fund**

## FUND INFORMATION

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Name of Fund	HBL Government Securities Fund
Name of Auditor	BDO Ebrahim & Co. Chartered Accountants
Name of Trustee	Central Depository Company of Pakistan Limited (CDC)
Bankers	Habib Bank Limited Habib Metropolitan Bank Limited Bank Al-Falah Limited Allied Bank Limited JS Bank Limited Samba Bank Limited MCB Bank Limited Zarai Taraqati Bank Limited Soneri Bank Limited Sindh Bank Limited Dubai Islamic Bank Faysal Bank Limited

**HBL Government Securities Fund**  
**Condensed Interim Statement Of Assets And Liabilities (Unaudited)**  
*As at March 31, 2021*

		March 31, 2021 (Un-Audited)	June 30, 2020 (Audited)
	Note	-----Rupees in '000-----	
<b>Assets</b>			
Bank balances	4	456,221	523,734
Investments	5	757,213	2,994,984
Accrued markup on bank balances and investments		8,985	83,265
Deposits, prepayments and other receivables		1,566	2,279
<b>Total assets</b>		<b>1,223,985</b>	<b>3,604,262</b>
<b>Liabilities</b>			
Payable to the Management Company	6	3,598	14,233
Payable to the Trustee		81	233
Payable to Securities and Exchange Commission of Pakistan		323	690
Accrued expenses and other liabilities	7	36,998	80,220
<b>Total liabilities</b>		<b>41,000</b>	<b>95,376</b>
<b>Net assets</b>		<b>1,182,985</b>	<b>3,508,886</b>
<b>Units holders' fund (as per statement attached)</b>		<b>1,182,985</b>	<b>3,508,886</b>
<b>Contingencies and commitments</b>	8		
-----Number of units-----			
<b>Number of units in issue</b>		<b>10,259,564</b>	<b>31,252,745</b>
-----Rupees-----			
<b>Net assets value per unit</b>		<b>115.3056</b>	<b>112.2745</b>

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

**For HBL Asset Management Limited**  
**(Management Company)**

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

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

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

**HBL Government Securities Fund**  
**Condensed Interim Income Statement And Comprehensive Income (Unaudited)**  
*For the Nine months and Quarter ended March 31, 2021*

	Note	Nine months ended March 31,		Quarter ended March 31,	
		2021	2020	2021	2020
-----Rupees in '000-----					
<b>Income</b>					
Capital (loss) / gain on sale of investments - net		(48,584)	22,432	(15,401)	1,824
Income from government securities		125,522	160,679	21,530	75,002
Income from Money Market Placements		-	677	-	-
Income from Term Finance Certificates		4,041	13,366	1,030	3,098
Profit on bank deposits		13,051	114,428	5,688	29,475
		<b>94,030</b>	<b>311,582</b>	<b>12,847</b>	<b>109,399</b>
Unrealised (diminution) / appreciation on re-measurement of investments at 'fair value through profit or loss - held-for-trading' - net		(3,285)	96,479	7,430	89,420
		<b>90,745</b>	<b>408,061</b>	<b>20,277</b>	<b>198,819</b>
<b>Expenses</b>					
Remuneration of the Management Company	6.1 & 6.2	22,835	30,102	4,967	12,651
Remuneration of the Trustee		1,187	1,689	258	658
Annual fee to Securities and Exchange Commission of Pakistan		323	460	70	179
Allocation of expenses related to registrar services, accounting, operation and valuation services	6.3	3,589	5,328	781	1,989
Selling and marketing expense	6.4	6,467	11,303	1,407	3,583
Auditors' remuneration		324	333	109	110
Fees and subscription		223	227	73	76
Securities transaction cost		526	1,809	188	567
Bank charges		136	722	14	326
Printing charges		-	-	-	-
		<b>35,610</b>	<b>51,973</b>	<b>7,867</b>	<b>20,139</b>
<b>Net income from operating activities</b>		<b>55,135</b>	<b>356,088</b>	<b>12,410</b>	<b>178,680</b>
Provision for Sindh Workers' Welfare Fund / Reversal of Workers' Welfare Fund	7.1	(1,103)	(7,122)	(249)	(3,574)
<b>Net income for the period before taxation</b>		<b>54,032</b>	<b>348,966</b>	<b>12,161</b>	<b>175,106</b>
Taxation	9	-	-	-	-
<b>Net income for the period after taxation</b>		<b>54,032</b>	<b>348,966</b>	<b>12,161</b>	<b>175,106</b>
<b>Allocation of net income for the period</b>	3.6				
Income already paid on redemption of units		24,279	71,401	13,105	33,699
<b>Accounting income available for distribution:</b>					
- Relating to capital gains / (losses)		-	324	-	173
- Excluding capital gains / (losses)		29,753	277,241	(944)	141,234
		<b>29,753</b>	<b>277,565</b>	<b>(944)</b>	<b>141,407</b>

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

**For HBL Asset Management Limited**  
**(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

**HBL Government Securities Fund**  
**Condensed Statement of Comprehensive Income**  
*For the Nine months and Quarter ended March 31, 2021*

	Nine months ended		Quarter ended	
	March 31,		March 31,	
	2021	2020	2021	2020
	-----Rupees in '000-----			
Net income for the period after taxation	54,032	348,966	12,161	175,106
<b>Other comprehensive income for the period</b>				
Items that may be reclassified to income statement	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>54,032</b>	<b>348,966</b>	<b>12,161</b>	<b>175,106</b>

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

**For HBL Asset Management Limited**  
**(Management Company)**

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

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

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

**HBL Government Securities Fund**  
**Condensed Interim Statement Of Movement In Unit Holders' Fund**  
*For the Nine months ended March 31, 2021*

	Nine months ended March 31,					
	2021			2020		
	Capital Value	Undistributed Income	Total	Capital Value	Undistributed Income	Total
	-----Rupees in '000-----					
<b>Net assets at beginning of the period</b>	3,314,588	194,298	3,508,886	2,041,657	74,625	2,116,282
<b>Issuance of 38,067,117 units (2020: 38,067,117 units)</b>						
Capital value (at net asset value per unit at the beginning of the period)	631,703	-	631,703	4,029,096	-	4,029,096
Element of income	(58,796)	-	(58,796)	193,413	-	193,413
<b>Total proceeds on issuance of units</b>	572,907	-	572,907	4,222,509	-	4,222,509
<b>Redemption of 24,584,243 units (2020: 24,584,243 units)</b>						
Capital value (at net asset value per unit at the beginning of the period)	(2,988,702)	-	(2,988,702)	(2,602,043)	-	(2,602,043)
Income already paid on redemption of units	-	(24,279)	(24,279)	-	(71,401)	(71,401)
Element of loss	60,141	-	60,141	(55,198)	-	(55,198)
<b>Total payments on redemption of units</b>	(2,928,561)	(24,279)	(2,952,840)	(2,657,241)	(71,401)	(2,728,642)
Total comprehensive income for the period	-	54,032	54,032	-	348,966	348,966
<b>Net assets at end of the period</b>	958,934	224,051	1,182,985	3,606,925	352,190	3,959,115
Undistributed income brought forward						
Realised		74,342			74,572	
Unrealised		119,956			53	
		194,298			74,625	
Accounting income available for distribution						
Relating to capital gains		-			324	
Excluding capital gains		29,753			277,241	
		29,753			277,565	
Distribution during the period		-			-	
Undistributed income carried forward		224,051			352,190	
<b>Undistributed income carried forward</b>						
Realised		227,336			255,711	
Unrealised		(3,285)			96,479	
		224,051			352,190	
			(Rupees)			(Rupees)
<b>Net assets value per unit at beginning of the period</b>			112.2745			105.8419
<b>Net assets value per unit at end of the period</b>			115.3056			118.2615

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

**For HBL Asset Management Limited**  
**(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director



**HBL Government Securities Fund**  
**Condensed Interim Cash Flow Statement (Unaudited)**  
*For the Nine months ended March 31, 2021*

	Note	Nine months ended	
		March 31,	
		2021	2020
		Rupees in '000-----	
<b>Cash flows from operating activities</b>			
Net income for the period after taxation		54,032	348,966
<b>Adjustments for:</b>			
Income from government securities		(125,522)	(160,679)
Income from Money Market Placements		-	(677)
Income from Term Finance Certificates		(4,041)	(13,366)
Profit on bank deposits		(13,051)	(114,428)
Unrealised diminution / (appreciation) on re-measurement of investments at 'fair value through profit or loss - held-for-trading' - net		3,285	(96,479)
Capital loss / (gain) on sale of investments - net		48,584	(22,432)
		<b>(36,713)</b>	<b>(59,095)</b>
<b>Decrease / (Increase) in assets</b>			
Investments - net		2,207,013	(2,846,562)
Deposits, prepayments and other receivables		713	(21,885)
		<b>2,207,726</b>	<b>(2,868,447)</b>
<b>(Decrease) / Increase in liabilities</b>			
Payable to the Management Company		(10,635)	950
Payable to the Trustee		(152)	11
Payable to the Securities and Exchange Commission of Pakistan		(367)	(210)
Accrued expenses and other liabilities		(43,190)	997
		<b>(54,344)</b>	<b>1,748</b>
		<b>2,116,669</b>	<b>(2,925,794)</b>
Income received from government securities		178,348	82,155
Income received from money market placements		-	677
Income received from term finance certificates		4,067	12,628
Income received from margin trading system		-	-
Bank profits received		13,368	125,621
<b>Net cash generated/ (used) from operating activities</b>		<b>2,312,452</b>	<b>(2,704,713)</b>
<b>Cash flows from financing activities</b>			
Amount received on issue of units		572,907	4,222,509
Payment against redemption of units		(2,952,840)	(2,749,416)
Dividend paid		(32)	(971)
<b>Net cash (used) / flow in financing activities</b>		<b>(2,379,965)</b>	<b>1,472,122</b>
<b>Net (decrease) in cash and cash equivalents</b>		<b>(67,513)</b>	<b>(1,232,591)</b>
Cash and cash equivalents at beginning of the period		523,734	2,013,539
<b>Cash and cash equivalents at end of the period</b>	4	<b>456,221</b>	<b>780,948</b>

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

**For HBL Asset Management Limited**  
**(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

# **HBL Government Securities Fund**

## **Notes to the Condensed Interim Financial Information (Unaudited)**

*For the Nine months and Quarter ended March 31, 2021*

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### 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 HBL Government Securities Fund ("the Fund") was established under a Trust Deed executed between PICIC Asset Management Company Limited (now, HBL Asset Management Limited) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Fund was approved by the Securities and Exchange Commission of Pakistan (SECP) vide its letter No. NBFC-II/DD/PICICIF/199 dated March 10, 2010 and the Trust Deed was executed on March 17, 2010.
- 1.2 Through an order dated August 31, 2016, SECP approved the merger of PICIC Asset Management Company Limited with and into HBL Asset Management Limited effective from August 31, 2016 and the trust deed was revised on February 17, 2017. Effective from September 1, 2016, HBL Asset Management Limited became Management Company of the Fund which is a wholly owned subsidiary of Habib Bank Limited. The Aga Khan Fund For Economic Development (AKFED), S.A. is the parent company of Habib Bank Limited.
- 1.3 The Management Company of the Fund has been registered as a Non-Banking Finance Company (NBFC) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules, 2003) and has obtained the requisite license from the SECP to undertake Asset Management Services. The registered office of the Management Company is situated at 7th Floor, Emerald Tower, G-19, Block 5, Main Clifton Road, Clifton, Karachi.
- 1.4 The Fund is an open-ended sovereign income scheme and is listed on Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at par value of Rs. 100 per unit from December 11, 2010 to December 13, 2010. Thereafter, the units are offered to the public for subscription on a continuous basis and are transferable and redeemable by surrendering them to the Fund.
- 1.5 The Fund has been categorised as a sovereign income scheme as per the criteria laid down by the SECP for categorisation of open-end Collective Investment Schemes (CISs).
- 1.6 The core objective of the Fund is to provide competitive returns to its investors through active investments in low risk portfolio of short duration, while maintaining high liquidity.
- 1.7 JCR-VIS Credit Rating Company has assigned a management quality rating of 'AM2++' (Stable Outlook) to the Management Company and assigned stability rating of AA(f) to the Fund as at December 30, 2020 and December 31, 2020, respectively.
- 1.8 Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as trustee of the Fund.

### 2. BASIS OF PREPARATION

#### 2.1 Statement of compliance

- 2.1.1 This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017, the requirements of the Trust Deed, the NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the 'NBFC Regulations'), provisions of and directives issued under the Companies Act, 2017 and the directives issued by the SECP.

Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations, provisions of and directives issued under the Companies Act, 2017 and the directives issued by the SECP differ with the requirements of the IAS 34, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations, provisions of and directives issued under the Companies Act, 2017 and the directives issued by the SECP have been followed.

2.1.2 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of IAS - 34. 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, 2020.

2.1.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2021.

2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except that certain financial assets are stated at fair value.

2.3 Functional and presentation currency

This condensed interim financial information is presented in Pakistani Rupees which is the Fund's functional and presentation currency.

3. SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENTS AND CHANGES THEREIN

3.1 The accounting policies adopted for the preparation of the condensed interim financial information are the same as those applied in the preparation of the annual audited financial statements of the Fund for the year ended June 30, 2020.

3.2 The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

3.3 The significant estimates, judgements and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual audited financial statements as at and for the year ended June 30, 2020.

3.4 There are certain standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan effective for the first time in this condensed interim financial information and are mandatory for the Fund's accounting period beginning on or after July 01, 2020. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information.

3.5 The financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2020.

3.6 The accounting policies applied in 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, 2020.

		<b>March 31, 2021 (Un-Audited)</b>	June 30, 2020 (Audited)
	<i>Note</i>	<b>(Rupees in '000)</b>	
4. BANK BALANCES			
In current account		-	-
In savings accounts		456,221	523,734
	4.1	<u>456,221</u>	<u>523,734</u>

4.1 Mark-up rates on these accounts range between 5.60% - 7.80% per annum (June 30, 2020: 6.00% - 14.50% per annum).

		<b>March 31,</b>	
		<b>2021</b>	
		<b>(Un-Audited)</b>	<b>June 30,</b>
		<b>2020</b>	
		<b>(Audited)</b>	
		<b>(Rupees in '000)</b>	
5.	INVESTMENTS	<i>Note</i>	
	Financial assets		
	At fair value through profit or loss	5.1	757,213
	At amortized cost	5.2	-
		<u>757,213</u>	<u>2,994,984</u>
5.1	Financial assets at fair value through profit or loss - held-for-trading		
	Investments in government securities:		
	Market treasury bills	5.1.1	207,293
	Pakistan investment bond	5.1.2	581,032
	GOP ijara sukuk certificates	5.1.3	-
		<u>707,293</u>	<u>2,913,158</u>
	Investment in Term Finance Certificates	5.1.4	49,920
			81,826
	Total investments	<u>757,213</u>	<u>2,994,984</u>

5.1.1 - Market treasury bills

Issue date	Tenure	Face value				Balance as at March 31, 2021			Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 1, 2020	Purchases during the period	Sales / matured during the period	As at March 31, 2021	Carrying value	Market value	Appreciation / (diminution)		
-----Rupees in '000-----										
December 19, 2019	12 Month	-	400,000	400,000	-	-	-	-	-	-
August 29, 2019	12 Month	-	375,000	375,000	-	-	-	-	-	-
July 16, 2020	12 Month	-	100,000	100,000	-	-	-	-	-	-
March 12, 2020	12 Month	250,000	-	250,000	-	-	-	-	-	-
January 30, 2020	12 Month	100,000	-	100,000	-	-	-	-	-	-
July 2, 2020	12 Month	-	100,000	100,000	-	-	-	-	-	-
July 2, 2020	6 Month	-	75,000	75,000	-	-	-	-	-	-
March 12, 2020	6 Month	250,000	-	250,000	-	-	-	-	-	-
July 16, 2020	6 Month	-	325,000	325,000	-	-	-	-	-	-
February 25, 2021	6 Month	-	400,000	400,000	-	-	-	-	-	-
March 25, 2021	6 Month	-	215,000	-	215,000	207,265	207,293	28	18%	27%
January 30, 2021	6 Month	-	275,000	275,000	-	-	-	-	-	-
November 19, 2020	3 Month	-	409,000	409,000	-	-	-	-	-	-
December 17, 2020	3 Month	-	750,000	750,000	-	-	-	-	-	-
July 16, 2020	3 Month	-	75,000	75,000	-	-	-	-	-	-
September 10, 2020	3 Month	-	100,000	100,000	-	-	-	-	-	-
October 8, 2020	3 Month	-	100,000	100,000	-	-	-	-	-	-
July 2, 2020	3 Month	-	75,000	75,000	-	-	-	-	-	-
December 3, 2020	3 Month	-	700,000	700,000	-	-	-	-	-	-
January 14, 2021	3 Month	-	100,000	100,000	-	-	-	-	-	-
August 27, 2020	3 Month	-	100,000	100,000	-	-	-	-	-	-
December 31, 2020	3 Month	-	550,000	550,000	-	-	-	-	-	-
<b>Total - As at March 31, 2021</b>		<b>600,000</b>	<b>5,224,000</b>	<b>5,609,000</b>	<b>215,000</b>	<b>207,265</b>	<b>207,293</b>	<b>28</b>	<b>18%</b>	<b>27%</b>
<b>Total - As at June 30, 2020</b>		<b>1,000,000</b>	<b>48,209,000</b>	<b>48,609,000</b>	<b>600,000</b>	<b>569,032</b>	<b>581,032</b>	<b>12,000</b>	<b>16.56%</b>	<b>19.40%</b>

5.1.1 T-bills with face value aggregating to Rs. 215 million (June 30, 2020: Rs. 600 million) carrying effective yield of 7.8% (2020: 7.05% to 7.10%) per annum.

5.1.2 - Pakistan Investment Bonds  
Non Floating

Issue date	Tenure	Face value				Balance as at March 31, 2021			Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 1, 2020	Purchases during the period	Sales / matured during the period	As at March 31, 2021	Carrying value	Market value	Appreciation / (diminution)		
-----Rupees in '000-----										
September 19, 2019	3 Years	953,000	241,900	1,194,900	-	-	-	-	-	-
September 19, 2019	5 Years	462,500	125,000	587,500	-	-	-	-	-	-
September 19, 2019	10 Years	50,000	-	50,000	-	-	-	-	-	-
<b>Total - As at March 31, 2021</b>		<b>1,465,500</b>	<b>366,900</b>	<b>1,832,400</b>	-	-	-	-	-	-
<b>Total - As at June 30, 2020</b>		<b>100</b>	<b>9,823,500</b>	<b>8,358,100</b>	<b>1,465,500</b>	<b>1,406,199</b>	<b>1,525,326</b>	<b>119,127</b>	<b>43.470%</b>	<b>50.930%</b>

5.1.2.1 The effective yield on these Pakistan investment bonds is nil (June 30, 2020: 7.36% to 8.62%) per annum.

Floating

Issue date	Tenure	Face value				Balance as at March 31, 2021			Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 1, 2020	Purchases during the period	Sales / matured during the period	As at March 31, 2021	Carrying value	Market value	Appreciation / (diminution)		
-----Rupees in '000-----										
August 22, 2019	10 Years F	800,000	-	300,000	500,000	504,250	500,000	(4,250)	42%	66%
<b>Total - As at March 31, 2021</b>		<b>800,000</b>	<b>-</b>	<b>300,000</b>	<b>500,000</b>	<b>504,250</b>	<b>500,000</b>	<b>(4,250)</b>	<b>42%</b>	<b>66%</b>
<b>Total - As at June 30, 2020</b>		<b>-</b>	<b>1,800,000</b>	<b>1,000,000</b>	<b>800,000</b>	<b>816,230</b>	<b>806,800</b>	<b>(9,430)</b>	<b>22.990%</b>	<b>26.940%</b>

5.1.2.2 The effective yield on these Pakistan investment bonds is 8.22% (June 30, 2020: 8.61%) per annum.

5.1.3 GOP ijara sukuk certificates

Issue details	Tenure	Face value				Balance as at March 31, 2021			Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 1, 2020	Purchases during the period	Sales / matured during the period	As at March 31, 2021	Carrying value	Market value	Appreciation / (diminution)		
-----Rupees in '000-----										
<b>Total - As at March 31, 2021</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total - As at June 30, 2020</b>		<b>-</b>	<b>460,000</b>	<b>460,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### 5.1.4 Term Finance Certificates and Corporate Sukuk Bonds

##### Term finance certificates - Unlisted

Name of Investee Company	Number of Certificates			Balance as at March 31, 2021			Market value as a percentage of net assets	Market value as a percentage of total investments
	As at July 1, 2020	Purchases during the period	Sales / matured during the period	As at March 31, 2021	Carrying value	Market value		
	Rupees in '000							
Askari Bank Limited	7,000	-	7,000	-	-	-	-	-
Bank of Punjab	500	-	-	500	48,982	49,920	938	4%
<b>Total - As at March 31, 2021</b>	<b>7,000</b>	<b>-</b>	<b>7,000</b>	<b>500</b>	<b>48,982</b>	<b>49,920</b>	<b>938</b>	<b>4%</b>
<b>Total - as at March 31, 2021</b>	<b>7,000</b>	<b>-</b>	<b>7,000</b>	<b>500</b>	<b>48,982</b>	<b>49,920</b>	<b>938</b>	<b>0</b>

5.1.5 These Term Finance Certificates and Sukuk Bonds carry mark-up at the rate of 8.35% per annum (2020: 8.68% to 12.45%).

5.1.6 Significant terms and conditions of Term Finance Certificates as at March 31, 2021 are as follows:

Name of the investee company	Remaining principal (per certificate)	Mark-up rate (per annum)	Issue date	Maturity date
<b>Term finance certificates - unlisted</b>				
Askari Bank Limited	4,986	6 months KIBOR + 1.20%	30-Sep-14	30-Sep-24
Bank of Punjab	99,840	6 months KIBOR + 1.00%	23-Dec-16	23-Dec-26

		March 31, 2021 (Un-Audited)	June 30, 2020 (Audited)
6.	PAYABLE TO THE MANAGEMENT COMPANY	<b>(Rupees in '000)</b>	
	Remuneration of the Management Company	1,309	3,945
	Sindh Sales Tax on Management Company's remuneration	170	513
	Sales load payable	480	4,476
	Allocation of expenses related to registrar services, accounting, operation and valuation services	232	701
	Selling and marketing expense	1,407	4,598
		3,598	14,233

6.1 As per the offering document of the Fund, the Management Company charges a fee at the rate of 1.25% of the average annual net assets on daily basis of the Scheme subject to the guidelines issued by the Commission from time to time. The fee is payable monthly in arrears.

6.2 The Sindh Government has levied Sindh Sales Tax at the rate of 13% (June 30, 2020: 13%) on the remuneration of the Management Company through Sindh Sales Tax on Services Act, 2011.

6.3 As per Regulation 60(3)(s) of the NBFC Regulations, fee and expenses pertaining to registrar services, accounting, operation and valuation services related to a Collective Investment Scheme (CIS) are chargeable to the CIS. Previously, such expenses were chargeable maximum upto 0.1% of the average annual net assets on daily basis of the Scheme or the actual cost, whichever is lower. However, SECP, vide S.R.O. 639(I)/2019, dated June 20, 2019, has removed the maximum limit of 0.1%. The fee is being charged at the rate of 0.22% from October 16, 2019 onwards.

6.4 As per SECP vide its circular No. SCD/PRDD/Circular/361/2016, dated December 30, 2016, selling and marketing expenses was chargeable to open end equity, asset allocation and index funds only, upto maximum 0.4% of the average annual net assets of the Scheme or the actual cost, whichever is lower.

However, circular No. SCD/PRDD/Circular/04/2019, dated July 5, 2019, issued by SECP, supersedes all previous circulars

issued with respect to selling and marketing expenses, according to which, selling and marketing expenses can be charged to all categories of open end mutual funds, except fund of funds with no cap. The fee is being charged at the rate of 0.40% from July 8, 2019 onwards.

		<b>March 31, 2021 (Un-Audited)</b>	June 30, 2020 (Audited)
	<i>Note</i>	<b>(Rupees in '000)</b>	
7. ACCRUED EXPENSES AND OTHER LIABILITIES			
Provision for Sindh Workers' Welfare Fund	7.1	19,384	15,531
Provision for Federal Excise Duty and additional sales tax on management fee	7.2	15,531	18,280
Withholding tax payable		954	44,835
Auditors' remuneration		350	281
Printing charges		86	142
Zakat		452	452
Dividend payable		-	32
Other		241	667
		<u>36,998</u>	<u>80,220</u>

7.1 The legal status of applicability of Worker's Welfare Fund and Sindh Workers' Welfare Fund is the same as that disclosed in note 12.1 to the annual audited financial statements of the Fund for the year ended June 30, 2020.

The Fund, as a matter of abundant caution, recognised provision for SWWF amounting to Rs. 19.384 million for the nine months ended March 31, 2021 in this condensed interim financial information, Had the provision not been made, net assets value per unit at March 31, 2021 would have been higher by Rs. 1.89 per unit (June 30, 2020: Re. 0.586 per unit).

7.2 The legal status of applicability of Federal Excise Duty on the Fund is the same as that disclosed in note 12.2 to the annual audited financial statements of the Fund for the year ended June 30, 2020, and the appeal which was filed by tax authorities against the order passed by the Honourable Supreme Court of Pakistan dated July 16, 2016, is pending for decision.

In view of the above, the Management Company, as a matter of abundant caution, is carrying provision for FED for the period from January 13, 2013 to June 30, 2016 aggregating to Rs. 15.531 million. Had the provision not been retained, NAV per unit of the Fund as at March 31, 2021 would have been higher by Rs. 1.5138 per unit (June 30, 2020: Rs. Re. 0.4969 per unit).

## 8 CONTINGENCIES AND COMMITMENTS

### 8.1 Contingencies

There are no contingencies outstanding as at March 31, 2021.

## 9. TAXATION

The Fund's income is exempt from income tax as per clause 99 of Part 1 of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by the capital gains whether realised or unrealised, is distributed to the unit holders in cash. The Fund is also exempt from the provision of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded a tax liability in the current period, as the Management Company intends to distribute more than 90 percent of the Fund's accounting income as reduced by capital gains (whether realised or unrealised) for the year June 30, 2021 to its unit holders.

10. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include HBL Asset Management Limited being the Management Company, Habib Bank Limited being the Sponsor, Central Depository Company of Pakistan Limited being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, directors of the connected persons and persons having 10% or more beneficial ownership of the units of the Fund.

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 Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.

Details of the transactions with connected persons and balances with them, if not disclosed elsewhere in the condensed interim financial information are as follows:

	(Unaudited) Nine months ended March 31, 2021	(Unaudited) 2020
	(Rupees in '000)	
10.1 Transactions during the period		
HBL Asset Management Limited - Management Company		
Remuneration of the Management Company	20,208	26,639
Sindh Sales Tax on remuneration of the Management Company	2,627	3,463
Sales load paid	7,467	21,660
Allocation of expenses related to registrar services, accounting, operation and valuation services	3,589	5,328
Selling & Marketing expense	6,467	11,303
Habib Bank Limited - Sponsor		
Bank charges paid	124	634
Profit on bank deposits earned	1,786	9,002
Central Depository Company of Pakistan Limited - Trustee		
Remuneration	1,187	1,689
Central Depository system charges	14	48
CDC Trustee - HBL Income Fund		
Purchase of Bank of Punjab - Term Finance Certificate	-	50,201
Executives of the Management		
Investment of 7,804 units (2020: 40,604 units)	879	4,567
Redemption of 20,643 units (2020: 42,536 units)	2,311	4,719
HBL Financial Planning Fund Strategic Allocation Plan - Fund under common management		
Investment of Nil units (2020: 354,994 units)	-	36,967
Redemption of Nil units (2020: 658,073 units)	-	72,496
HBL Financial Planning Fund Special Income Plan - Fund under common management		
Investment of Nil units (2020: 1,220,437 units)	-	133,000
Redemption of 1,279,310 units (2020: 41,552 units)	144,994	4,734



	<b>March 31, 2020 (Un-Audited)</b>	<b>June 30, 2020 (Audited)</b>
	<b>(Rupees in '000)</b>	
10.2 Balances outstanding as at period / year end		
HBL Asset Management Limited - Management Company		
Remuneration of the Management Company	1,309	3,945
Sindh Sales Tax on remuneration of the Management Company	170	513
Sales Load payable	480	4,476
Allocation of expenses related to registrar services, accounting, operation and valuation services	232	701
Selling and marketing payable	1,407	4,598
Habib Bank Limited - Sponsor		
Bank balances	18,096	282,377
Profit receivable	123	614
Executive of the Management		
Investment held in the Fund: Nil units (June 30, 2020: 1,312 units)	-	147,269
HBL Financial Planning Fund Special Income Plan - Fund under common management		
Investment held in the Fund: Nil units (June 30, 2020: 1,279,309 units)	-	143,634
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	77	205
CDC charges payable	4	1
Security deposit	100	100

## 11. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

The fair value of financial assets and liabilities traded in active markets are based on the quoted market prices at the close of trading on the period end date. The quoted market price used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2); and

- Fair value measurements using inputs for assets or liability that are not based on observable market data (i.e. unobservable inputs) (level 3).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

		March 31, 2021						
		Carrying Amount			Fair Value			
		Fair value through profit or loss- held-for-trading	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Note		----- Rupees in '000-----						
<b>On-balance sheet financial instruments</b>								
<b>Financial assets measured at fair value</b>								
11.1	Market treasury bills	207,293	-	207,293	-	207,293	-	207,293
	Pakistan Investment bonds	500,000	-	500,000	-	500,000	-	500,000
	Term finance certificates	49,920	-	49,920	-	49,920	-	49,920
		<u>757,213</u>	<u>-</u>	<u>757,213</u>	<u>-</u>	<u>757,213</u>	<u>-</u>	<u>757,213</u>
<b>Financial assets not measured at fair value</b>								
11.1	Bank balances	-	456,221	456,221				
	Profit / mark-up receivable	-	8,985	8,985				
	Deposits and other receiveables	-	1,566	1,566				
		<u>-</u>	<u>466,772</u>	<u>466,772</u>				
<b>Financial liabilities not measured at fair value</b>								
11.1	Payable to Management Company	-	3,598	3,598				
	Payable to the Trustee	-	81	81				
	Accrued expenses and other liabilities	-	677	677				
		<u>-</u>	<u>4,356</u>	<u>4,356</u>				
		June 30, 2020						
		Carrying Amount			Fair Value			
		Fair value through profit or loss- held-for-trading	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Note		----- (Rupees in '000)-----						
<b>On-balance sheet financial instruments</b>								
<b>Financial assets measured at fair value</b>								
11.1	Market treasury bills	581,032	-	581,032	-	581,032	-	581,032
	Pakistan Investment bonds	2,332,126	-	2,332,126	-	2,332,126	-	2,332,126
	Term Finance Certificates and Corporate Sukuk Bonds	81,826	-	81,826	-	81,826	-	81,826
		<u>2,994,984</u>	<u>-</u>	<u>2,994,984</u>	<u>-</u>	<u>2,994,984</u>	<u>-</u>	<u>2,994,984</u>
<b>Financial assets not measured at fair value</b>								
11.1	Bank balances	-	523,734	523,734				
	Profit / mark-up receivable	-	83,265	83,265				
	Deposits and other receiveables	-	1,679	1,679				
		<u>-</u>	<u>608,678</u>	<u>608,678</u>				
<b>Financial liabilities not measured at fair value</b>								
11.1	Payable to the Management Company	-	13,720	13,720				
	Payable to the Trustee	-	182	182				
	Dividend payable	-	31	31				
	Accrued expenses and other liabilities	-	1,076	1,076				
		<u>-</u>	<u>15,009</u>	<u>15,009</u>				

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11.1 The Fund has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are reasonable approximation of fair value.

11.2 Transfers during the period

No transfers were made between various levels of fair value hierarchy during the period.

12. TOTAL EXPENSE RATIO

In accordance with the directive 23 of 2016 dated July 20, 2016 issued by the Securities and Exchange Commission of Pakistan (SECP), the total expense ratio of the Fund for the nine months ended March 31, 2021 is 1.70% (March 31, 2020: 1.94%) which includes 0.19% (March 31, 2020: 0.38%) representing government levy and SECP fee.

13. DATE OF AUTHORISATION FOR ISSUE

The condensed interim financial information was authorised for issue by the Board of Directors of the Management Company on April 23, 2021.

14. GENERAL

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

14.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for better presentation and disclosure.

15. IMPACT OF COVID-19

In continuation of note 30.2 to annual audited financial statements for the year ended June 30, 2020, we state that as a result of measures taken by Government, there has not been any material adverse impact on fiscal and economic fronts facing the country. The Management of the Fund is closely monitoring the situation and so far, there is no impact on this interim financial information of the Fund.

**For HBL Asset Management Limited  
(Management Company)**

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**Chief Financial Officer**

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**Chief Executive Officer**

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**Director**

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# **HBL**

## **Money Market Fund**

## FUND INFORMATION

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Name of Fund	HBL Money Market Fund
Name of Auditor	Yousuf Adil Chartered Accountants
Name of Trustee	Central Depository Company of Pakistan Limited (CDC)
Bankers	Habib Bank Limited Bank Al-Habib Limited Habib Metropolitan Bank Limited Bank Al-Falah Limited Faysal Bank Limited Allied Bank Limited Meezan Bank Limited Askari Bank Limited Samba Bank Limited Zarai Taraqati Bank Limited Sindh Bank Limited United Bank Limited Soneri bank limited
Fund Rating	AA+(f) (JCR-VIS)

**HBL Money Market Fund**  
**Condensed Interim Statement of Assets and Liabilities**  
*As at March 31, 2021*

		March 31, 2021 (Un-Audited)	June 30, 2020 (Audited)
	Note	----- (Rupees in '000) -----	
<b>Assets</b>			
Bank balances	4	13,270,044	7,992,986
Investments	5.	-	3,334,100
Accrued mark up		103,638	34,531
Advances, deposits and prepayments		184	105
<b>Total assets</b>		<b>13,373,866</b>	11,361,722
<b>Liabilities</b>			
Payable to the Management Company	6.	5,744	4,664
Payable to the Trustee		796	604
Payable to Securities and Exchange Commission of Pakistan		1,992	1,753
Payable against Purchase of investments		-	1,181,200
Accrued expenses and other liabilities	7.	125,030	198,206
<b>Total liabilities</b>		<b>133,562</b>	1,386,427
<b>Net assets</b>		<b>13,240,303</b>	9,975,295
<b>Unit holders' fund (as per statement attached)</b>		<b>13,240,303</b>	9,975,295
<b>Contingencies and commitments</b>	8.	----- (Number of units) -----	
<b>Number of units in issue</b>		<b>123,131,678</b>	97,434,106
<b>Net assets value per unit</b>		<b>107.5296</b>	102.3799

For HBL Asset Management Limited  
(Management Company)

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

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

\_\_\_\_\_  
Director

**HBL Money Market Fund**  
**Condensed Interim Income Statement (Un-Audited)**  
*For the nine months and quarter ended March 31, 2021*

	Note	Nine month ended March 31,		Quarter ended March 31,	
		2021	2020	2021	2020
----- (Rupees in '000) -----					
<b>Income</b>					
Mark-up on deposits with banks		272,996	423,920	94,292	85,199
Mark-up / return on investments		460,679	440,151	148,063	206,476
Capital (loss) / gain on sale of investments - net		(4,714)	(408)	(396)	3,278
Unrealised diminution on re-measurement of investments classified as financial asset at fair value through profit or loss - net		-	6,149	-	6,182
		<b>728,961</b>	<b>869,812</b>	<b>241,959</b>	<b>301,135</b>
<b>Expenses</b>					
Remuneration of the Management Company		50,657	61,517	16,711	22,560
Remuneration of the Trustee		7,317	4,616	2,414	1,565
Annual fee of Securities and Exchange Commission of Pakistan		1,992	1,258	657	369
Allocation of expenses related to registrar services, accounting, operation and valuation services		-	4,136	-	-
Settlement and bank charges		926	842	134	283
Auditors' remuneration		479	474	157	152
Fee and subscription		264	237	105	80
Securities transaction cost		31	471	8	254
Selling and Marketing Expense		-	4,647	-	-
		<b>61,667</b>	<b>78,198</b>	<b>20,187</b>	<b>25,263</b>
<b>Net income from operating activities</b>		<b>667,294</b>	<b>791,614</b>	<b>221,772</b>	<b>275,872</b>
Element of (loss) / income and capital (losses) / gains included in prices of units issued less those in units redeemed - net		-	-	-	-
Provision for Sindh Workers' Welfare Fund	7.2	(13,346)	(15,832)	(4,436)	(5,517)
<b>Net income for the period before taxation</b>		<b>653,948</b>	<b>775,782</b>	<b>217,336</b>	<b>270,355</b>
Taxation	9.	-	-	-	-
<b>Net income for the period after taxation</b>		<b>653,948</b>	<b>775,782</b>	<b>217,336</b>	<b>270,355</b>
<b>Allocation of income for the period</b>					
Income already paid on redemption of units		265,238	293,865	134,570	189,368
Accounting income available for distribution:					
- Relating to capital gains		-	5,686	-	5,686
- Excluding capital gains		388,710	476,231	82,766	75,301
		<b>388,710</b>	<b>481,917</b>	<b>82,766</b>	<b>80,987</b>
		<b>653,948</b>	<b>775,782</b>	<b>217,336</b>	<b>270,355</b>

**For HBL Asset Management Limited**  
**(Management Company)**

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

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

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

**HBL Money Market Fund**  
**Condensed Interim Statement of Comprehensive Income (Un-Audited)**  
*For the nine months and quarter ended March 31, 2021*

	Nine month ended		Quarter ended,	
	March 31,		March 31,	
	2021	2020	2021	2020
	----- (Rupees in '000) -----			
Net income for the period after taxation	653,948	775,782	217,336	270,355
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>653,948</b>	<b>775,782</b>	<b>217,336</b>	<b>270,355</b>

Payable to the Trustee

**For HBL Asset Management Limited**  
**(Management Company)**

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

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

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



**HBL Money Market Fund**  
**Condensed Interim Statement of Movement in Unitholders' Fund (Un-Audited)**  
*For the nine months and quarter ended March 31, 2021*

	Nine month ended March 31,					
	2021			2020		
	Capital Value	Undistributed income / (accumulated loss)	Total	Capital Value	Undistributed income / (accumulated loss)	Total
	(Rupees in '000)					
<b>Net assets at beginning of the period</b>	9,909,419	65,876	9,975,295	6,192,950	59,788	6,252,738
Issue of 268,627,662 units (2020: 102,485,478 units)						
- Capital value (at net asset value per unit at the beginning of the period)	27,502,076	-	27,502,076	10,476,066	-	10,476,066
- Element of income	659,769	-	659,769	519,706	-	519,706
Total proceeds on issuance of units	28,161,845	-	28,161,845	10,995,772	-	10,995,772
Redemption of 242,930,090 units (2020: 83,232,748 units)						
- Capital value (at net asset value per unit at the beginning of the period)	(24,871,161)	-	(24,871,161)	(8,508,051)	-	(8,508,051)
- Income already paid on redemption of units	-	(265,238)	(265,238)	-	(293,865)	(293,865)
- Element of loss	(414,386)	-	(414,386)	(204,455)	-	(204,455)
	(25,285,547)	(265,238)	(25,550,785)	(8,712,506)	(293,865)	(9,006,371)
Element of income and capital gains included in prices of units issued less those in units redeemed - net	-	-	-	-	-	-
Net income for the period after taxation	-	653,948	653,948	-	775,782	775,782
Refund of Capital	-	-	-	-	-	-
Distribution during the period	-	-	-	-	-	-
Other comprehensive income for the period	-	-	-	-	-	-
Net income for the period less distribution	-	653,948	653,948	-	775,782	775,782
<b>Net assets at end of the period</b>	12,785,717	454,586	13,240,303	8,476,216	541,705	9,017,921
<b>Undistributed income brought forward</b>						
- Realised		59,424			59,788	
- Unrealised		6,452			-	
		65,876			59,788	
Distribution during the period		-			-	
Accounting income available for distribution:						
- Relating to capital gains		-			5,686	
- Excluding capital gains		388,710			476,231	
		388,710			481,917	
<b>Undistributed income carried forward</b>		454,586			541,705	
<b>Undistributed income carried forward</b>						
- Realised		454,586			541,705	
- Unrealised		-			-	
		454,586			541,705	
			(Rupees)			(Rupees)
<b>Net assets value per unit at beginning of the period</b>			102.3799			102.3799
<b>Net assets value per unit at end of the period</b>			107.5296			112.1323

The annexed notes 1 to 14 form an integral part of these condensed interim financial information.

**For HBL Asset Management Limited**  
**(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

**HBL Money Market Fund**  
**Condensed Interim Statement of Cash Flows (Un-Audited)**  
*For the nine months and quarter ended March 31, 2021*

	Nine month ended March 31,	
	2021	2020
	----- (Rupees in '000) -----	
<b>Cash flows from operating activities</b>		
Net income for the period before taxation	653,948	775,782
<b>Adjustments for non-cash items:</b>		
Capital (gain) / loss on sale of investments - net	4,714	408
Mark-up / return on investments	(460,679)	(440,151)
Profit on bank deposits	(272,996)	(423,920)
Unrealised diminution on re-measurement of investments classified as financial asset at fair value through profit or loss - net	-	(6,149)
Provision for Sindh Worker's Welfare Fund	13,346	15,832
Payable to the Trustee	(61,667)	(78,198)
<b>Decrease / (increase) in assets</b>		
Investments	3,329,386	(269,831)
Advances, deposits and prepayments	(79)	(79)
	3,329,307	(269,910)
<b>Increase / (decrease) in liabilities</b>		
Payable to the Management Company	1,080	3,446
Payable to the Trustee	192	(59)
Payable to the Securities and Exchange Commission of Pakistan	239	(495)
Payable against purchase of investment	(1,181,200)	290,916
Accrued expenses and other liabilities	(86,521)	(113,918)
	(1,266,209)	179,890
<b>Net cash used in operations</b>	2,001,430	(168,218)
Profit received on bank deposits	203,887	388,441
Markup received on investments	460,680	450,040
	664,567	838,481
<b>Net cash used in operating activities</b>	2,665,997	670,263
<b>Cash flows from financing activities</b>		
Amount received on issue of units	28,161,845	10,995,772
Payment against redemption of units	(25,550,785)	(9,006,371)
Cash dividend paid	-	-
<b>Net cash generated from / (used) in financing activities</b>	2,611,060	1,989,401
<b>Net (decrease) / increase in cash and cash equivalents</b>	5,277,058	2,659,664
Cash and cash equivalents at beginning of the period	7,992,986	7,992,986
<b>Cash and cash equivalents at end of the period</b>	13,270,044	10,652,650

**For HBL Asset Management Limited  
(Management Company)**

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

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

\_\_\_\_\_  
Director

# **HBL Money Market Fund**

## **Notes to the Condensed Interim Financial Information (Unaudited)**

*For the nine months and quarter ended March 31, 2021*

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

HBL Money Market Fund ('the Fund') was established under a Trust Deed, dated March 18, 2010, executed between HBL Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited as the Trustee. The Fund has been authorized by the Securities and Exchange Commission of Pakistan (SECP) as a unit trust scheme on April 9, 2010.

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 through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 7th Floor, Emerald Tower, G-19, Block 5, Main Clifton Road, Clifton, Karachi.

The Fund is an open ended mutual fund and offers units for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at par from July 12, 2010 to July 14, 2010.

The principal activity of the Fund is to seek high liquidity and comparative return for investors by investing in low risk securities of shorter duration and maturity.

JCR-VIS Credit Rating Company has assigned a management quality rating of AM2++' (Positive outlook) to the Management Company.

Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.

### **2. BASIS OF PREPARATION**

#### **2.1 Statement of compliance**

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

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

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

**2.1.2** The disclosures made in these condensed interim financial information have, however, been limited based on the requirements of IAS-34. These 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, 2020.

**2.1.3** In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that these condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2021.

**2.2 Basis of measurement**

These condensed interim financial information have been prepared under the historical cost convention, except that certain financial assets are stated at fair value.

**2.3 Functional and presentation currency**

This condensed interim financial information is presented in Pakistani Rupees which is the Fund's functional and presentation currency.

**3. SIGNIFICANT ACCOUNTING POLICIES, RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENTS AND CHANGES THEREIN**

**3.1** The accounting policies adopted in the preparation of these condensed interim financial information are consistent with those applied in the preparation of the annual audited financial statements of the Fund for the year ended June 30, 2020.

**3.2** The significant judgments made by management in applying its accounting policies and the key sources of estimation uncertainty were the same as those applied to the annual audited financial statements of the Fund for the year ended June 30, 2020.

**3.4** There are certain new and amended standards, interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2019 but are considered not to be relevant or do not have any significant effect on the Fund's operations and therefore not detailed in these condensed interim financial information.

**3.5** The Fund's financial risk management objectives and policies and are consistent with those disclosed in the annual audited financial statements of the Fund for the year ended June 30, 2020.

		(Un-Audited) March 31, 2021	(Audited) June 30, 2020
	Note	----- (Rupees in '000) -----	
<b>4 BANK BALANCES</b>			
Balances with banks in:			
- Savings accounts	4.1	<u>13,270,044</u>	<u>7,992,986</u>
		<u>13,270,044</u>	<u>7,992,986</u>

**4.1** This represents bank accounts held with different banks. Mark-up rates on these accounts ranges between 5.00% - 8.00% per annum (June 30, 2020: 6.00% - 14.35% per annum).

		(Un-Audited) March 31, 2021	(Audited) June 30, 2020
	Note	----- (Rupees in '000) -----	
<b>5. INVESTMENTS</b>			
<b>Financial asset at fair value through profit or loss</b>			
- Government Securities	5.1	-	2,988,658
<b>Financial assets at amortised cost</b>			
- Commercial paper	5.2	-	345,442
		<u>-</u>	<u>3,334,100</u>

## 5.1 Investment in Government Securities - Held-for-trading

Issue Date	Tenure	Face value			Market Value as at March 31, 2021	Market value as a percentage of	
		As at July 01, 2020	Purchases during the year	Sales / Matured during the year		Total Investments	Net Assets
----- (Rupees in '000) -----							
<b>Treasury bills</b>							
August 1, 2019	12 Month	-	550,000	550,000	-	-	-
August 29, 2019	12 Month	-	1,900,000	1,900,000	-	-	-
September 12, 2019	12 Month	494,000	3,450,000	3,944,000	-	-	-
September 26, 2019	12 Month	-	600,000	600,000	-	-	-
October 10, 2019	12 Month	500,000	2,800,000	3,300,000	-	-	-
December 19, 2019	12 Month	-	9,568,000	9,568,000	-	-	-
January 30, 2020	12 Month	-	500,000	500,000	-	-	-
February 27, 2020	12 Month	-	12,642,000	12,642,000	-	-	-
March 12, 2020	12 Month	-	500,000	500,000	-	-	-
March 26, 2020	12 Month	-	3,250,000	3,250,000	-	-	-
April 9, 2020	12 Month	-	800,000	800,000	-	-	-
March 12, 2020	6 Month	750,000	750,000	1,500,000	-	-	-
March 26, 2020	6 Month	-	2,655,000	2,655,000	-	-	-
April 9, 2020	6 Month	375,000	300,000	675,000	-	-	-
April 23, 2020	6 Month	-	3,150,000	3,150,000	-	-	-
May 7, 2020	6 Month	925,000	-	925,000	-	-	-
May 21, 2020	6 Month	-	235,500	235,500	-	-	-
July 2, 2020	6 Month	-	475,000	475,000	-	-	-
July 16, 2020	6 Month	-	775,000	775,000	-	-	-
August 27, 2020	6 Month	-	400,000	400,000	-	-	-
September 24, 2020	6 Month	-	1,700,000	1,700,000	-	-	-
May 21, 2020	3 Month	-	300,000	300,000	-	-	-
June 4, 2020	3 Month	-	468,560	468,560	-	-	-
July 2, 2020	3 Month	-	149,840	149,840	-	-	-
July 16, 2020	3 Month	-	6,350,000	6,350,000	-	-	-
July 30, 2020	3 Month	-	400,000	400,000	-	-	-
August 27, 2020	3 Month	-	1,875,000	1,875,000	-	-	-
October 8, 2020	3 Month	-	4,000,000	4,000,000	-	-	-
October 22, 2020	3 Month	-	10,630,000	10,630,000	-	-	-
November 19, 2020	3 Month	-	3,325,000	3,325,000	-	-	-
November 5, 2020	3 Month	-	400,000	400,000	-	-	-
January 14, 2021	3 Month	-	3,174,000	3,174,000	-	-	-
December 31, 2020	3 Month	-	245,000	245,000	-	-	-
December 3, 2020	3 Month	-	3,125,000	3,125,000	-	-	-
December 17, 2020	3 Month	-	830,000	830,000	-	-	-
February 25, 2021	3 Month	-	1,850,000	1,850,000	-	-	-
<b>Total - As at March 31, 2021</b>		<b>3,044,000</b>	<b>84,122,900</b>	<b>87,166,900</b>	-	-	-
<b>Total - As at June 30, 2020</b>		<b>500,000</b>	<b>72,713,500</b>	<b>70,169,500</b>	<b>3,044,000</b>	<b>2,988,658</b>	<b>90%</b>

## 5.2 Letter of Placement

Name of Company	As at July 01, 2020	Purchased made during the period	Matured during the period	As at March 31, 2021	Percentage of total value of investments (%)	Percentage of Net Assets (%)
----- (Rupees in '000) -----						
Pak Kuwait Investment Company Limited	-	2,325,000	2,325,000	-	-	-
Pak Oman Investment Company (Private) Limited	-	1,360,000	1,360,000	-	-	-
Saudi Pak Ind & Agri Investment Company (Private)	-	800,000	800,000	-	-	-
Pak Brunei Investment Company Limited	-	900,000	900,000	-	-	-
<b>Total - As at March 31, 2021</b>	<b>-</b>	<b>5,385,000</b>	<b>5,385,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total - As at June 30, 2020</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 5.3 Investment in Commercial Papers - At fair value through profit or loss

Particulars	As at July 01, 2020	Purchases during the year	Sales / Matured during the year	As at March 31, 2021	Carrying Value	Percentage of total value of investments	Carrying value as a % of total investment
----- (Rupees in '000) -----							
K - Electric - II (ICP-6)	150,000	-	150,000	-	-	-	-
K - Electric - III (ICP-8)	205,000	-	205,000	-	-	-	-
K - Electric - III (ICP-14)	-	141,000	141,000	-	-	-	-
Total as at March 31, 2021					-	-	
Total as at June 30, 2020					355,000	354,442	

	(Un-Audited) March 31, 2021	(Audited) June 30, 2020
<b>Note</b>	----- (Rupees in '000) -----	
<b>6. PAYABLE TO THE MANAGEMENT COMPANY</b>		
Management fee	4,877	3,701
Sindh sales tax on Management Company's remuneration	634	481
Sale load payable to management company	233	482
	<b>5,744</b>	<b>4,664</b>

## 7. ACCRUED EXPENSES AND OTHER LIABILITIES

Auditors' remuneration		475	638
Withholding tax payable		-	97,595
Capital gain tax payable		4,475	4,451
Federal Excise Duty	7.1	41,211	41,211
Provision for Sindh Workers' Welfare Fund	7.2	58,449	45,103
Advance received against units to be issued		2,500	2,500
Dividend payable		2,325	1,758
Others		15,596	4,950
		<b>125,030</b>	<b>198,206</b>

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**7.1** The legal status of applicability of Federal Excise Duty on the Fund is same as that disclosed in the note 12.2 to the annual audited financial statements of the Fund for the year ended June 30, 2018, and the appeal filed by tax authorities against the order by Supreme Court of Pakistan dated July 16, 2016, is pending for decision.

In view of above, the Management Company, being prudent, is carrying a provision for FED to Rs. 41.211 million. Had the provision not been retained, NAV per unit of the Fund as at March 31, 2021 would have been higher by Rs. 0.335 per unit (June 30, 2020: 0.423 per unit)

**7.2 PROVISION FOR SINDH WORKERS' WELFARE FUND**

The legal status of applicability of Sindh Workers' Welfare Fund (SWWF) is same as disclosed in note 12.1 to the annual audited financial statements of the Fund for the year ended June 30, 2020.

In view of the above, the Management Company, being prudent, recognized provision for SWWF amounting to Rs. 58.449 million (June 30, 2020: Rs. 45.103 million). Had the provision not been retained, NAV per unit of the Fund as at March 31, 2020 would have been higher by Rs. 0.4747 per unit (June 30, 2020: Rs. 0.423 per unit)

**8. CONTINGENCIES AND COMMITMENTS**

There are no contingencies and commitments outstanding as at March 31, 2021 and June 30, 2020.

**9. TAXATION**

The Fund's income is exempt from income tax as per Clause 99 of Part 1 of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by the capital gains whether realised or unrealised, is distributed to the unit holders in cash. The Fund is also exempt from the provision of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded a tax liability in the current period, as the Management Company intends to distribute more than 90 percent of the Fund's accounting income as reduced by capital gains (whether realised or unrealised) for the year June 30, 2020 to its unit holders.

**10. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS**

Connected persons include HBL Asset Management Limited being the Management Company, Habib Bank Limited being the Sponsor, Central Depository Company of Pakistan Limited, being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company and directors of connected persons.

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

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

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

(Un-Audited)	
Nine month ended	
March 31,	
2021	2020
----- (Rupees in '000) -----	

**10.1 Transactions during the period**

**HBL Asset Management Limited - Management Company**

Management fee inclusive of Sales tax	50,657	61,517
Allocation of expenses related to registrar services, accounting, operation and valuation services	-	4,136
Issue of Nil units (2020: 2,086,378 units)	-	228,115
Redemption of Nil units (2020: 1,501,781 units)	-	163,653

**Habib Bank Limited - Sponsor**

Mark-up earned during the period	183,514	76,288
Redemption of Nil units (2020: 4,621,263 units)	-	500,000

**MCBFSL Trustee HBL Financial Planning Fund Conservative Allocation  
Fund - Connected Persons**

Investment held in the Fund : 1,168,760 units (2020: 111,975 units)	121,082	12,406
Redemption of 1,160,139 units (2020: 294,699 units)	120,289	31,670

**CDC Trustee HBL Money Market Fund - Funds under common management**

Sale of KEL - Commercial paper	341,346	-
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**Central Depository Company of Pakistan Limited - Trustee**

Remuneration of the Trustee	7,317	4,616
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**Directors, Executives and Key Management personnel**

Issue of 73,461 units (2020: 1,905 units)	7,678	736
Redemption of 45,172 units (2020: 1,627 units)	4,675	780



(Un-Audited)                      (Audited)  
**March 31,**                      June 30,  
**2021**                              2020  
----- (Rupees in '000) -----

**11.2 Amounts outstanding as at period / year end**

**HBL Asset Management Limited - Management Company**

Management Fee	4,877	3,701
Sindh Sales Tax	634	481
Allocation of expenses related to registrar services, accounting, operation and valuation services	-	-
Sales load payable	233	482

**Habib Bank Limited - Sponsor**

Investment held in the Fund : 4,116,245 units (June 30, 2020: 8,737,507 units)	442,618	421,421
Bank balances	10,698,820	503,798
Sales load payable	15,238	4,575

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

Remuneration payable	796	535
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**Directors, Executives and Key Management personnel**

Investment held in the Fund : 75,719 units (June 30, 2020: 46,802 units)	8,142	4,792
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**MCBFSL Trustee HBL Financial Planning Fund Conservative Allocation Fund - Connected Persons**

Investment held in the Fund : 421,716 units (June 30, 2020: 413,094 units)	45,347	42,293
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**11. TOTAL EXPENSE RATIO**

In accordance with the directive 23 of 2016 dated July 20, 2016 issued by the Securities and Exchange Commission of Pakistan, the total expense ratio of the Fund for the nine months ended March 31, 2020 is 1.13% (March 31, 2019: 1.08%) which includes 0.30% (March 31, 2019: 0.26%) representing government levies and SECP fee.

**12. FAIR VALUE OF FINANCIAL INSTRUMENTS**

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

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

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

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

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

	March 31, 2021							
	Carrying amount			Fair Value				
	Fair value through profit or loss	Financial asset at amortised cost	Other financial assets / liabilities	Total	Level 1	Level 2	Level 3	Total
	----- (Rupees in '000) -----							
- Government Securities		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
<b>On-balance sheet financial instruments</b>								
<b>Financial assets measured at fair value</b>								
- Government securities	-	-	-	-				
<b>Financial assets not measured at fair value</b>								
Bank balance	-	-	13,270,044	13,270,044				
Investments								
- Term deposit receipts	-	-	-	-				
- Commercial paper	-	-	-	-				
Accrued mark-up	-	-	103,638	103,638				
Deposits and prepayments	-	-	184	184				
	-	-	13,373,866	13,373,866				
<b>Financial liabilities not measured at fair value</b>								
Payable to the Management Company	-	-	5,110	5,110				
Payable to SECP	-	-	1,992	1,992				
Accrued expenses and other liabilities	-	-	20,896	20,896				
	-	-	27,998	27,998				

	June 30, 2020						
	Carrying amount			Fair Value			
	Fair value through profit or loss	At amortised Cost	Total	Level 1	Level 2	Level 3	Total
	----- (Rupees in '000) -----						
<b>On-balance sheet financial instruments</b>							
<b>Financial assets not measured at fair value</b>							
- Government securities		2,988,658		2,988,658			
<b>Financial assets not measured at fair value</b>							
Bank balance		-	7,992,986	7,992,986			
Investments							
- Term deposit receipts		-	-	-			
- Clean placements		-	-	-			
Accrued mark-up		-	34,531	34,531			
Deposits and prepayments		-	105	105			
		2,988,658	8,027,622	11,016,280			
<b>Financial liabilities not measured at fair value</b>							
Payable to the Management Company		-	4,664	4,664			
Payable to Trustee		-	604	604			
Dividend payable		-	1,758	1,758			
Accrued expenses and other liabilities		-	5,588	5,588			
Payable against purchase of investment			1,181,200	1,181,200			
		-	1,193,814	1,193,814			

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**12.1** The Fund has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or reprice periodically. Therefore, their carrying amounts are reasonable approximation of fair value.

**12.2 Transfers during the period**

There were no transfers between various levels of fair value hierarchy during the period.

**13. DATE OF AUTHORIZATION FOR ISSUE**

These condensed interim financial information were authorized for issue by the Board of Directors of the Management Company on April 30, 2021.

**14. GENERAL**

**Update on CoVID-19 Impact :**

**14.1** In continuation of note 1.7 to annual audited financial statements for the year ended June 30, 2020, we state that as a result of measures taken by Government, there has not been any material adverse impact on fiscal and economic fronts facing the country. The Management of the Fund is closely monitoring the situation and so far, there is no impact on this interim financial information of the Fund.

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

**14.3** Corresponding figures have been rearranged and reclassified, wherever necessary, for better presentation and disclosure, the effect of which is not material.

These condensed interim financial information is unaudited and has been reviewed by the auditors. Further, the figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarter ended March 31, 2021 have not been reviewed.

**For HBL Asset Management Limited  
(Management Company)**

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**Chief Financial Officer**

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**Chief Executive Officer**

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**Director**

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# **HBL**

## **Cash Fund**

## FUND INFORMATION

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Name of Fund	HBL Cash Fund
Name of Auditor	BDO Ebrahim & Co. Chartered Accountants
Bankers	Habib Bank Limited Bank Al-Habib Limited Habib Metropolitan Bank Limited Bank Al Falah Limited Faysal Bank Limited Allied Bank Limited MCB Bank Limited Samba Bank Limited Zarai Taraqati Bank Limited Soneri Bank Limited Sindh Bank Limited
Fund Rating	'AA+(f)' (JCR-VIS)

**HBL Cash Fund**  
**Condensed Interim Statement of Assets and Liabilities (Un-Audited)**  
*AS AT MARCH 31, 2021*

		March 31, 2021 (Un-Audited)	June 30, 2020 (Audited)
	Note	----- (Rupees in '000) -----	
<b>ASSETS</b>			
Bank balances	4	30,617,331	13,602,521
Investments	5	319,910	10,689,435
Mark-up receivable		154,916	47,645
Advances, deposits and prepayments	6	1,301	1,183
<b>TOTAL ASSETS</b>		<b>31,093,458</b>	<b>24,340,784</b>
<b>LIABILITIES</b>			
Payable to the Management Company	7	11,003	5,544
Payable to the Trustee	8	1,856	989
Payable to Securities and Exchange Commission of Pakistan	9	3,770	2,462
Payable against purchase of investments - net		-	6,279,629
Dividend payable		-	-
Accrued expenses and other liabilities	10	120,217	80,374
<b>TOTAL LIABILITIES</b>		<b>136,846</b>	<b>6,368,998</b>
<b>NET ASSETS</b>		<b>30,956,612</b>	<b>17,971,786</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<b>30,956,612</b>	<b>17,971,786</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	11	----- (Number of Units) -----	
<b>Number of units in issue</b>		<b>304,613,394</b>	<b>177,657,203</b>
		----- (Rupees) -----	
<b>Net assets value per unit</b>		<b>101.6259</b>	<b>101.1599</b>

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

**For HBL Asset Management Limited**  
**(Management Company)**

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

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

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

**HBL Cash Fund**  
**Condensed Interim Income Statement (Un-Audited)**  
**FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021**

	Note	Nine Months ended March 31,		Quarter ended March 31,	
		2021	2020	2021	2020
------(Rupees in '000)-----					
<b>Income</b>					
Capital (loss)/gain on sale of investments - net		(5,288)	6,991	(784)	10,369
Income from Government securities		825,156	392,475	290,923	195,503
Income from money market transactions and placements		73,775	173,056	30,377	47,868
Mark-up on bank deposits		486,424	566,844	196,660	194,953
		<u>1,380,067</u>	<u>1,139,367</u>	<u>517,176</u>	<u>448,693</u>
Unrealised appreciation on re-measurement of investments classified as financial assets at 'fair value through profit or loss' - net		-	10,143	-	10,143
		<u>1,380,067</u>	<u>1,149,510</u>	<u>517,176</u>	<u>458,837</u>
<b>Expenses</b>					
Remuneration of the Management Company	7.1	56,554	42,021	21,141	15,127
Sindh Sales Tax on remuneration of the Management Company	7.2	7,352	5,463	2,748	1,967
Remuneration of the Trustee	8.1	12,253	5,391	4,580	2,113
Sindh Sales Tax on remuneration of the Trustee	8.2	1,593	701	596	275
Annual fee to Securities and Exchange Commission of Pakistan		3,770	1,659	1,409	650
Allocation of expenses related to registrar services, accounting, operation and valuation services	7.3	4,713	10,677	1,762	2,821
Selling and marketing expense	7.4	4,713	5,707	-	-
Auditors' remuneration		332	336	109	111
Fee and subscription		207	256	79	92
Securities transaction costs and settlement charges		519	1,346	185	638
Bank charges		662	467	180	173
Printing charges		41	30	-	10
		<u>92,709</u>	<u>74,054</u>	<u>32,789</u>	<u>23,977</u>
<b>Net income for the period from operating activities</b>		<u>1,287,358</u>	<u>1,075,457</u>	<u>484,387</u>	<u>434,860</u>
Provision for Sindh Workers' Welfare Fund	10.2	(25,747)	(21,509)	(9,652)	(8,697)
<b>Net income for the period before taxation</b>		<u>1,261,611</u>	<u>1,053,947</u>	<u>474,734</u>	<u>426,163</u>
Taxation	12	-	-	-	-
<b>Net income for the period after taxation</b>		<u>1,261,611</u>	<u>1,053,947</u>	<u>472,973</u>	<u>426,163</u>
<b>Allocation of net income for the period</b>					
Income already paid on redemption		55,539	49,647	15,381	21,844
Accounting income available for distribution:					
Relating to capital gains		-	16,285	-	16,285
Excluding capital gains		1,206,072	988,015	457,592	388,034
		<u>1,206,072</u>	<u>1,004,300</u>	<u>457,592</u>	<u>404,319</u>
		<u>1,261,611</u>	<u>1,053,947</u>	<u>472,973</u>	<u>426,163</u>
Earnings per unit	13				

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

**For HBL Asset Management Limited**  
**(Management Company)**

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

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

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

**HBL Cash Fund**  
**Condensed Interim Statement of Comprehensive Income**  
**FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021**

	Nine Months ended March 31,		Quarter ended March 31,	
	2021	2020	2021	2020
	----- (Rupees in '000) -----			
Net income for the period after taxation	1,261,611	1,053,947	472,973	426,163
Other comprehensive income				
Items that will be reclassified subsequently to income statement	-	-	-	-
Items that will not be reclassified subsequently to income statement	-	-	-	-
Total comprehensive income for the period	<u>1,261,611</u>	<u>1,053,947</u>	<u>472,973</u>	<u>426,163</u>

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

**For HBL Asset Management Limited**  
**(Management Company)**

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

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

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



# HBL Cash Fund

## Statement Of Movement In Unitholders' Fund

### FOR THE NINE MONTHS ENDED MARCH 31, 2021

	Nine Months ended March 31,					
	2021			2020		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	(Rupees in '000)					
<b>Net assets at beginning of the period</b>	17,880,077	91,709	17,971,786	8,764,853	44,070	8,808,923
<b>Issuance of 164,351,088 units (2019: 208,801,782 units)</b>						
Capital value (at net asset value per unit at the beginning of the period)	36,533,600	-	36,533,600	16,628,792	-	16,628,792
Element of income	13,554	-	13,554	16,246	-	16,246
<b>Total proceeds on issuance of units</b>	36,547,154	-	36,547,154	16,645,039	-	16,645,038
<b>Redemption of 106,406,310 units (2019: 173,173,598 units)</b>						
Capital value (at net asset value per unit at the beginning of the period)	(23,600,750)	-	(23,600,750)	(10,735,184)	-	(10,735,184)
Income already paid on redemption of units	-	(55,539)	(55,539)	-	(49,647)	(49,647)
Element of loss	(4,941)	-	(4,941)	(11,114)	-	(11,114)
<b>Total payments on redemption of units</b>	(23,605,691)	(55,539)	(23,661,230)	(10,746,298)	(49,647)	(10,795,945)
Total comprehensive income for the period	-	1,261,611	1,261,611	-	1,053,947	1,053,947
Interim distribution of Rs. 1.1585 per unit declared on August 02, 2019 as cash dividend	-	-	-	-	-	-
Refund of capital	-	-	-	(10,589)	-	(10,589)
Distribution for the year	-	-	-	-	(95,237)	(95,237)
Interim distribution of Rs. 1.0317 per unit declared on September 03, 2019 as cash dividend	-	-	-	-	-	-
Refund of capital	-	-	-	(961)	-	(961)
Distribution for the period	-	-	-	-	(94,473)	(94,473)
Interim distribution of Rs. 1.0471 per unit declared on October 02, 2019 as cash dividend	-	-	-	-	-	-
Refund of capital	-	-	-	(4,030)	-	(4,030)
Distribution for the period	-	-	-	-	(96,321)	(96,321)
Interim distribution of Rs. 1.1689 per unit declared on November 04, 2019 as cash dividend	-	-	-	-	-	-
Refund of capital	-	-	-	(5,371)	-	(5,371)
Distribution for the period	-	-	-	-	(111,020)	(111,020)
Interim distribution of Rs. 0.9464 per unit declared on December 03, 2019 as cash dividend	-	-	-	-	-	-
Refund of capital	-	-	-	(5,373)	-	(5,373)
Distribution for the period	-	-	-	-	(99,595)	(99,595)
Interim distribution of Rs. 1.0760 per unit declared on January 02, 2020 as cash dividend	-	-	-	-	-	-
Refund of capital	-	-	-	(4,000)	-	(4,000)
Distribution for the period	-	-	-	-	(106,883)	(106,883)
Interim distribution of Rs. 1.1608 per unit declared on February 04, 2020 as cash dividend	-	-	-	-	-	-
Refund of capital	-	-	-	(7,784)	-	(7,784)
Distribution for the period	-	-	-	-	(129,346)	(129,346)
Interim distribution of Rs. 0.9473 per unit declared on March 03, 2020 as cash dividend	-	-	-	-	-	-
Refund of capital	-	-	-	(9,542)	-	(9,542)
Distribution for the period	-	-	-	-	(115,097)	(115,097)
Interim distribution of Rs. 0.7298 per unit declared on August 07, 2020 as cash dividend	(8,203)	-	(8,203)	-	-	-
Refund of capital	-	(138,046)	(138,046)	-	-	-
Distribution for the period	-	-	-	-	-	-
Interim distribution of Rs. 0.4954 per unit declared on September 04, 2020 as cash dividend	(25,191)	-	(25,191)	-	-	-
Refund of capital	-	(84,019)	(84,019)	-	-	-
Distribution for the period	-	-	-	-	-	-
Interim distribution of Rs. 0.5295 per unit declared on October 02, 2020 as cash dividend	(7,305)	-	(7,305)	-	-	-
Refund of capital	-	(115,476)	(115,476)	-	-	-
Distribution for the period	-	-	-	-	-	-
Interim distribution of Rs. 0.6651 per unit declared on November 06, 2020 as cash dividend	(9,923)	-	(9,923)	-	-	-
Refund of capital	-	(159,887)	(159,887)	-	-	-
Distribution for the period	-	-	-	-	-	-
Interim distribution of Rs. 0.5039 per unit declared on December 04, 2020 as cash dividend	(2,811)	-	(2,811)	-	-	-
Refund of capital	-	(128,760)	(128,760)	-	-	-
Distribution for the period	-	-	-	-	-	-
Interim distribution of Rs. 1.0760 per unit declared on January 01, 2021 as cash dividend	(10,681)	-	(10,681)	-	-	-
Refund of capital	-	(139,094)	(139,094)	-	-	-
Distribution for the period	-	-	-	-	-	-
Interim distribution of Rs. 1.1608 per unit declared on February 04, 2021 as cash dividend	(22,783)	-	(22,783)	-	-	-
Refund of capital	-	(162,909)	(162,909)	-	-	-
Distribution for the period	-	-	-	-	-	-
Interim distribution of Rs. 0.9473 per unit declared on March 05, 2021 as cash dividend	(3,077)	-	(3,077)	-	-	-
Refund of capital	-	(144,545)	(144,545)	-	-	-
Distribution for the period	-	-	-	-	-	-
<b>Net assets at end of the period</b>	<b>30,731,566</b>	<b>225,044</b>	<b>30,956,612</b>	<b>14,615,945</b>	<b>200,399</b>	<b>14,816,343</b>
<b>Undistributed income brought forward</b>						
Realised income		80,763			44,070	
Unrealised income		10,946			-	
		91,709			44,070	
<b>Accounting income available for distribution</b>						
Relating to capital gains		-			16,285	
Excluding capital gains		1,206,072			988,015	
		1,206,072			1,004,300	
<b>Distribution for the period:</b>						
Interim distribution of Rs. 0.7298 per unit declared on August 07, 2020 as cash dividend		(138,046)			-	
Interim distribution of Rs. 0.4954 per unit declared on September 04, 2020 as cash dividend		(84,019)			-	
Interim distribution of Rs. 0.5295 per unit declared on October 02, 2020 as cash dividend		(115,476)			-	
Interim distribution of Rs. 0.6651 per unit declared on November 06, 2020 as cash dividend		(159,887)			-	
Interim distribution of Rs. 0.5039 per unit declared on December 04, 2020 as cash dividend		(128,760)			-	
Interim distribution of Rs. 1.0760 per unit declared on January 01, 2021 as cash dividend		(139,094)			-	
Interim distribution of Rs. 1.1608 per unit declared on February 04, 2021 as cash dividend		(162,909)			-	
Interim distribution of Rs. 0.9473 per unit declared on March 05, 2021 as cash dividend		(144,545)			-	
		(1,072,737)			(847,971)	
<b>Undistributed income carried forward</b>		<b>225,044</b>			<b>200,399</b>	
<b>Undistributed income carried forward</b>						
Realised income		225,044			200,399	
Unrealised income		-			-	
		225,044			200,399	

(Rupees)

(Rupees)

Net assets value per unit at beginning of the period

101.1599

100.8886

Net assets value per unit at end of the period

101.6259

102.0001

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

**For HBL Asset Management Limited  
(Management Company)**

**Chief Financial Officer**

**Chief Executive Officer**

**Director**

**HBL Cash Fund**  
**Condensed Interim Statement of Cash Flow (Un-Audited)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2021**

	Nine Months Ended	
	March 31,	
	2021	2020
Note -----	(Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	1,261,611	1,053,947
Adjustments for:		
Capital loss/(gain) on sale of investment - net	5,288	(6,991)
Income from Government securities	(825,156)	(392,475)
Income from money market placements	(73,775)	(173,056)
Mark-up on bank deposits	(486,424)	(566,844)
	<u>(118,456)</u>	<u>(85,419)</u>
<b>Decrease / (increase) in assets</b>		
Investments - net	4,084,608	(2,007,359)
Advances, deposits and prepayments	(118)	2,157
	4,084,490	(2,005,202)
<b>(Decrease) / increase in liabilities</b>		
Payable to the Management Company	5,459	(3,164)
Payable to the Trustee	867	105
Payable to Securities and Exchange Commission of Pakistan	1,308	(7,228)
Accrued expenses and other liabilities	39,843	28,943
Dividend payable	-	(138)
	<u>47,477</u>	<u>18,518</u>
Cash generated from / (used in) operations	4,013,511	(2,072,103)
Income received from Government securities	825,156	392,475
Income received from money market placement	73,775	179,581
Mark-up received on bank deposits	379,153	551,513
	<u>1,278,084</u>	<u>1,123,569</u>
Net cash generated from / (used in) operating activities	5,291,595	(948,534)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Amount received on issue of units	36,547,154	16,645,038
Amount paid on redemption of units	(23,661,230)	(10,795,945)
Dividend paid	(1,162,710)	(895,620)
Net cash generated from / (used in) financing activities	<u>11,723,214</u>	<u>4,953,473</u>
Net increase / (decrease) in cash and cash equivalents during the period	17,014,809	4,004,939
Cash and cash equivalents at the beginning of the period	13,602,521	7,064,377
Cash and cash equivalents at the end of the period	4 <u><u>30,617,331</u></u>	<u><u>11,069,316</u></u>

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

**For HBL Asset Management Limited**  
**(Management Company)**

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

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

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

# HBL Cash Fund

## Notes to the Condensed Interim Financial Information (Un-Audited)

FOR THE NINE MONTHS ENDED MARCH 31, 2021

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### 1 LEGAL STATUS AND NATURE OF BUSINESS

HBL Cash Fund ('the Fund') was established under a Trust Deed executed between PICIC Asset Management Company Limited (now, HBL Asset Management Limited) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Fund was approved by the Securities and Exchange Commission of Pakistan (SECP) vide its letter No. SCD/NBFC-II/DD/PCF/844/2010 dated November 11, 2010 and the Trust Deed was executed on October 22, 2010.

Through an order dated August 31, 2016, SECP approved the merger of PICIC Asset Management Company Limited with and into HBL Asset Management Limited effective from August 31, 2016 and the trust deed was revised on February 17, 2017. Effective from September 1, 2016, HBL Asset Management Limited became Management Company of the Fund which is a wholly owned subsidiary of Habib Bank Limited. The Aga Khan Fund for Economic Development (AKFED), S.A., is the parent company of Habib Bank Limited.

The Management Company of the Fund has been registered as a Non-Banking Finance Company (NBFC) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and has obtained the requisite license from the SECP to undertake Asset Management Services. The registered office of the Management Company is at 7th Floor, Emerald Tower, G-19, Block 5, Main Clifton Road, Clifton, Karachi.

The Fund is an open-ended money market scheme and is listed on Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at par value of Rs. 100 per unit from December 11, 2010 to December 13, 2010. Thereafter, the units are offered to the public for subscription on a continuous basis and are transferable and redeemable by surrendering them to the Fund.

The Fund has been categorized as a money market scheme as per the criteria laid down by the SECP for categorization of open-end Collective Investment Schemes (CISs).

The core objective of the Fund is to provide competitive returns to its investors through active investments in low risk portfolio of short duration, while maintaining high liquidity.

JCR-VIS Credit Rating Company has assigned a management quality rating of 'AM2++' (stable outlook) to the Management Company and assigned stability rating of AA+(f) to the Fund as at December 31, 2020 and December 30, 2020, respectively.

Title of the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as trustee of the Fund.

### 2 BASIS OF PREPARATION

#### 2.1 Statement of compliance

**2.1.1** This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017, the provisions of and directives issued under the Companies Act, 2017, along with part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the 'NBFC Regulations'), the directives issued by the SECP and the requirements of the Trust Deed.

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

**2.1.2** The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of IAS 34. 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, 2020.

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**2.1.3** The comparative statement of assets and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2020, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial information for the nine months ended March 31, 2020.

**2.1.4** This condensed interim financial information is unaudited, but has been reviewed by the auditors. Further, the figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarter ended December 31, 2020 have not been reviewed.

**2.1.5** In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2020

## **2.2 Basis of measurement**

This condensed interim financial information has been prepared under the historical cost convention, except that certain financial assets are stated at fair value.

This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

## **2.3 Functional and presentation currency**

This condensed interim financial information is presented in Pakistani Rupees which is the Fund's functional and presentation currency.

## **3 SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENTS AND CHANGES THEREIN**

**3.1** The accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual audited financial statements of the Fund for the year, ended June 30, 2020, unless otherwise stated.

**3.2** The preparation of this condensed interim financial information in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

**3.3** The significant estimates, judgements and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual audited financial statements as at and for the year ended June 30, 2020.

**3.4** There are certain standards, interpretations and amendments to approved accounting and reporting standards as applicable in Pakistan, effective for the first time in this condensed interim financial information and are mandatory for the Fund's accounting period beginning on or after July 01, 2019. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information.

**3.5** The Fund's financial risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the Fund for the year ended June 30, 2020.

4	BANK BALANCES	Note	March 31,	June 30,
			2021 (Un-Audited)	2020 (Audited)
			(Rupees in '000)	
	Cash at bank			
	In savings accounts	4.1	26,652,324	4,000,007
	Call deposit receipts		3,965,007	9,602,514
			<b>30,617,331</b>	<b>13,602,521</b>

4.1 This represents bank accounts held with various banks. profit rates on these accounts range between 7.7% to 7.8% per annum (June 30, 2020: 5% to 14.50% per annum). This includes a balance held by Habib Bank Limited (a related party), amounting to Rs. 20,351.302 million (June 30, 2020: Rs. 7,083.668 million).

5	INVESTMENTS	Note	March 31,	June 30,
			2021 (Un-Audited)	2020 (Audited)
			(Rupees in '000)	
	Financial assets			
	At fair value through profit or loss	5.1	-	9,742,269
	At amortized cost	5.2	319,910	947,166
			<b>319,910</b>	<b>10,689,435</b>

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

Market treasury bills	5.1.1	-	9,742,269
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#### 5.1.1 Market Treasury Bills

Issue date	Tenure	As at July 1, 2020	Purchases during the period	Sales / matured during the period	As at March 31, 2021	Balance as at March 31, 2021			Market value as percentage of net assets	Market value as percentage of total investments
						Carrying value	Market value	Appreciation / (diminution)		
(Rupees in '000)										
March 26, 2019	1 year	-	2,000,000,000.00	2,000,000,000.00	-	-	-	-	-	-
August 1, 2019	1 year	-	750,000,000	750,000,000	-	-	-	-	-	-
August 29, 2019	1 year	-	1,900,000,000	1,900,000,000	-	-	-	-	-	-
September 12, 2019	1 year	-	7,350,000,000	7,350,000,000	-	-	-	-	-	-
September 26, 2019	1 year	-	3,200,000,000	3,200,000,000	-	-	-	-	-	-
October 10, 2019	3 months	2,500,000,000	-	2,500,000,000	-	-	-	-	-	-
October 10, 2019	1 year	-	8,200,000,000	8,200,000,000	-	-	-	-	-	-
October 24, 2019	1 year	-	250,000,000	250,000,000	-	-	-	-	-	-
December 5, 2019	3 months	533,730,000	-	533,730,000	-	-	-	-	-	-
January 30, 2020	3 months	100,000,000	-	100,000,000	-	-	-	-	-	-
March 12, 2020	3 months	1,250,000,000	-	1,250,000,000	-	-	-	-	-	-
March 12, 2020	6 months	-	1,050,000,000	1,050,000,000	-	-	-	-	-	-
March 26, 2020	3 months	-	550,000,000	550,000,000	-	-	-	-	-	-
March 26, 2020	6 months	-	6,100,000,000	6,100,000,000	-	-	-	-	-	-
April 9, 2020	3 months	1,375,000,000	225,000,000	1,600,000,000	-	-	-	-	-	-
May 7, 2020	3 months	3,625,000,000	-	3,625,000,000	-	-	-	-	-	-
October 24, 2019	1 year	-	250,000,000	250,000,000	-	-	-	-	-	-
December 19, 2019	1 year	-	16,800,000,000	16,800,000,000	-	-	-	-	-	-
January 30, 2020	1 year	-	150,000,000	150,000,000	-	-	-	-	-	-
February 27, 2020	1 year	-	20,850,000,000	20,850,000,000	-	-	-	-	-	-
March 12, 2020	1 year	-	1,500,000,000	1,500,000,000	-	-	-	-	-	-
March 26, 2020	1 year	-	6,800,000,000	6,800,000,000	-	-	-	-	-	-
April 9, 2020	1 year	-	1,700,000,000	1,700,000,000	-	-	-	-	-	-
April 23, 2020	6 months	-	1,987,000,000	1,987,000,000	-	-	-	-	-	-
May 21, 2020	6 months	-	200,000,000	200,000,000	-	-	-	-	-	-
June 18, 2020	6 months	-	125,000,000	125,000,000	-	-	-	-	-	-
July 2, 2020	3 months	-	75,000,000	75,000,000	-	-	-	-	-	-
July 2, 2020	6 months	-	75,000,000	75,000,000	-	-	-	-	-	-
July 16, 2020	3 months	-	325,000,000	325,000,000	-	-	-	-	-	-
July 16, 2020	6 months	-	3,175,000,000	3,175,000,000	-	-	-	-	-	-
August 27, 2020	3 months	-	730,000,000	730,000,000	-	-	-	-	-	-
August 27, 2020	6 months	-	3,100,000,000	3,100,000,000	-	-	-	-	-	-
September 10, 2020	3 months	-	500,000,000	500,000,000	-	-	-	-	-	-
September 10, 2020	6 months	-	300,000,000	300,000,000	-	-	-	-	-	-
September 24, 2020	3 months	-	250,000,000	250,000,000	-	-	-	-	-	-
September 24, 2020	6 months	-	4,300,000,000	4,300,000,000	-	-	-	-	-	-
October 8, 2020	3 months	-	9,510,000,000	9,510,000,000	-	-	-	-	-	-
October 22, 2020	3 months	-	13,288,000,000	13,288,000,000	-	-	-	-	-	-
November 5, 2020	3 months	-	2,600,000,000	2,600,000,000	-	-	-	-	-	-
November 19, 2020	3 months	-	4,940,000,000	4,940,000,000	-	-	-	-	-	-
December 3, 2020	3 months	-	480,000,000	480,000,000	-	-	-	-	-	-
December 17, 2020	3 months	-	1,400,000,000	1,400,000,000	-	-	-	-	-	-
December 31, 2020	3 months	-	530,000,000	530,000,000	-	-	-	-	-	-
January 14, 2021	3 months	-	7,370,000,000	7,370,000,000	-	-	-	-	-	-
January 28, 2021	3 months	-	1,250,000,000	1,250,000,000	-	-	-	-	-	-
February 25, 2021	3 months	-	4,107,000,000	4,107,000,000	-	-	-	-	-	-
<b>Total - As at March 31, 2021</b>			<b>9,933,730,000</b>	<b>139,692,000,000</b>	<b>149,625,730,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Total - June 30, 2020</b>			<b>1,000,000</b>	<b>138,946,215</b>	<b>130,012,485</b>	<b>9,933,730</b>	<b>9,731,323</b>	<b>9,742,269</b>	<b>10.946</b>	<b>54.21%</b>

		<b>March 31, 2021 (Un-Audited)</b>	<b>June 30, 2020 (Audited)</b>
	<b>Note</b>	<b>(Rupees in '000)</b>	
<b>5.2 Financial assets at amortized cost</b>			
Commercial paper	5.2.1	<u>319,910</u>	<u>947,166</u>
		<u><b>319,910</b></u>	<u><b>947,166</b></u>

### 5.2.1 Commercial paper

Name of investee company	As at July 1, 2020	Placement made during the year	Income accrued	Placement matured during the year	As at March 31, 2021	Percentage of total of investments	Percentage of net assets
----- (Rupees in '000) -----							
K Electric Limited	375,548	-	6,452	382,000	-	0%	0.00%
K Electric Limited	132,105	-	2,895	135,000	-	0%	0.00%
K Electric Limited	100,390	-	2,609	102,999	-	0%	0.00%
K Electric Limited	339,123	-	10,114	349,237	-	0%	0.00%
K Electric Limited	-	316,507	3,403	-	319,910	100%	1.03%
Total - as at March 31, 2021	<u>947,166</u>	<u>316,507</u>	<u>25,474</u>	<u>969,237</u>	<u>319,910</u>	<u>100%</u>	<u>1.03%</u>
Total - as at June 30, 2020	<u>1,308,874</u>	<u>1,355,484</u>	<u>92,808</u>	<u>1,810,000</u>	<u>947,166</u>	<u>6%</u>	<u>8.86%</u>

These commercial papers carry mark-up at the rate of 7.81% (June 30, 2020: 11.76% to 14.13%) per annum.

		<b>March 31, 2021 (Un-Audited)</b>	<b>June 30, 2020 (Audited)</b>
	<b>Note</b>	<b>(Rupees in '000)</b>	
<b>6 ADVANCES, DEPOSITS AND PREPAYMENTS</b>			
Security deposit with:			
Central Depository Company of Pakistan Limited		<u>100</u>	<u>100</u>
		<u>100</u>	<u>100</u>
Prepaid expenses		<u>186</u>	<u>72</u>
Advance tax	6.1	<u>1,015</u>	<u>1,011</u>
		<u><b>1,301</b></u>	<u><b>1,183</b></u>

**6.1** The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule of the Income Tax Ordinance, 2001 (ITO 2001). Furthermore, the Fund is exempt under clause 47(B) of Part IV of Second Schedule of ITO 2001 from withholding of tax under section 150, 150A, 151 and 233 of ITO 2001.

The Federal Board of Revenue through a circular "C.No.1 (43) DG (WHT)/2008-Vol.II- 66417-R", dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159 (1) of the ITO 2001 from Commissioner Inland Revenue (CIR). However, various withholding agents have deducted advance tax under section 151 of ITO 2001. The management is confident that the same shall be refunded after filing refund application within stipulated time, as per ITO 2001.

		<b>March 31, 2021 (Un-Audited)</b>	<b>June 30, 2020 (Audited)</b>
	<b>Note</b>	<b>(Rupees in '000)</b>	
<b>7</b>	<b>PAYABLE TO THE MANAGEMENT COMPANY</b>		
	Remuneration to the Management Company	7,582	4,038
	Sindh sales tax payable on the Management Company's remuneration	986	525
	Allocation of expenses related to registrar services, accounting, operation and valuation services	632	337
	Sales load payable	41	133
	Selling & Marketing expense payable	1,762	511
		<u>11,003</u>	<u>5,544</u>
<b>8</b>	<b>PAYABLE TO THE TRUSTEE</b>		
	Trustee fee payable	1,856	989
<b>9</b>	<b>PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN</b>		
	Annual fee payable	3,770	2,462
<b>10</b>	<b>ACCRUED EXPENSES AND OTHER LIABILITIES</b>		
	Provision for Federal Excise Duty	7,528	7,528
	Provision for Sindh Workers' Welfare Fund	89,314	63,567
	Withholding tax payable	22,338	8,254
	Sales Load-payable to the related parties	423	253
	Auditors' remuneration	361	313
	Printing charges	-	-
	Brokerage payable	148	408
	Zakat Payable	51	51
	Others	54	-
		<u>120,217</u>	<u>80,374</u>

**10.1** The legal status of applicability of Federal Excise Duty (FED) on the Fund is the same as disclosed in note 12.1 to the annual audited financial statements of the Fund for the year ended June 30, 2020, and the appeal filed by tax authorities with Honorable Supreme Court of Pakistan is pending for decision.

In view of the above, the Management Company, as a matter of abundant caution, is carrying provision for FED for the period from January 13, 2013 to June 30, 2016 aggregating to Rs. 7.528 million. Had the provision not been retained, NAV per unit of the Fund as at March 31, 2021 would have been higher by Rs. 0.025 per unit (June 30, 2020: Rs. 0.072 per unit).

**10.2** The legal status of applicability of Worker's Welfare Fund and Sindh Workers' Welfare Fund is the same as that disclosed in note 12.2 to the annual audited financial statements of the Fund for the year ended June 30, 2020.

The Fund, as a matter of abundant caution, recognised provision for SWWF amounting to Rs. 89.314 million as at March 31, 2021 in this condensed interim financial information, Had the provision not been made, net assets value per unit at March 31, 2021 would have been higher by Rs.0.293 per unit (June 30, 2020: Rs.0.36 per unit).

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**11 CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments as at March 31, 2021 (June 30, 2020: Nil).

**12 TAXATION**

The Fund's income is exempt from income tax as per clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by the capital gains whether realised or unrealized, is distributed to the unit holders in cash. The Fund is also exempt from the provision of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded a tax liability in the current period, as the Management Company intends to distribute more than 90 percent of the Fund's accounting income as reduced by capital gains (whether realised or unrealized) for the period ending March 31, 2021 to its unit holders.

**13 EARNINGS PER UNIT**

Earnings per unit (EPU) has not been disclosed in this condensed interim financial information as in the opinion of the Management Company the determination of the cumulative weighted average number of outstanding units is not practicable.

**14 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES**

Connected persons include HBL Asset Management Limited being the Management Company, Habib Bank Limited being the Sponsor, Central Depository Company of Pakistan Limited, being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, directors of connected persons and persons having 10% or more beneficial ownership of the units of the Fund.

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 Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.

Transactions and balances with parties who were connected persons due to holding 10% or more units in the comparative period and not in the current period are not disclosed in the comparative period.

Details of the transactions with connected persons and balances with them, if not disclosed elsewhere in this condensed interim financial information are as follows:



14.1	Transaction during the period	Nine Months ended	
		2021	2020
		March 31,	
		----- (Rupees in '000) -----	
	<b>HBL Asset Management Limited</b>		
	Remuneration of the Management Company	56,554	42,021
	Sindh Sales Tax on remuneration of the Management Company	7,352	5,463
	Allocation of expenses related to registrar services, accounting, operation and valuation services	4,713	10,677
	Selling and marketing expense	4,713	5,707
	Issuance of 7,511,992 (2020: 12,115,124) units	762,401	1,228,690
	Redemption of 7,511,992 (2020: 10,761,370) units	762,101	1,092,000
	Dividend paid	4,804	5,483
	<b>Central Depository Company Of Pakistan Limited - Trustee</b>		
	Remuneration of the Trustee	12,253	5,391
	Sindh Sales Tax on remuneration of the Trustee	1,593	701
	CDS connection charges	49	768
	<b>Habib Bank Limited - Sponsor</b>		
	Mark-up on bank deposits	325,968	116,256
	Bank charges paid	620	311
	<b>First Micro Finance Bank Limited-Associate Company Due to Common Directorship</b>		
	Sale of treasury bills	247,219	-
	<b>Directors and Executives of the Management Company</b>		
	Issuance of 466,700 (2020: 38,979) units	47,358	3,953
	Redemption of 140,895 (2020: 30,203) units	14,300	3,062
	Dividend Income	281	70
	<b>HBL Financial Planning Fund - Active Allocation Plan - Associate</b>		
	<b>Issue of 21,659 (2020: 82,297) units</b>	2,191	8,327
	Redemption of 169,834 (2020: 405,595) units	17,213	41,144
	Dividend paid	640	2,503
	<b>HBL Financial Planning Fund - Conservative Allocation Plan - Associate</b>		
	<b>Issue of 126 (2020: 158,385) units</b>	13	16,019
	Redemption of NIL (2020: 158,273) units	-	16,038
	Dividend paid	1	1

	Nine Months ended March 31,	
	2021	2020
	----- (Rupees in '000) -----	
<b>HBL Financial Planning Fund - Special Income Plan - Associate</b>		
Issue of 1,381,154 (2020: 47,154) units	140,275	4,795
Redemption of 314,475 (2020: 47,154) units	31,913	4,780
Dividend paid	2,854	157
<b>HBL Financial Planning Fund - Strategic Allocation Plan - Associate</b>		
Issue of NIL (2020: 5,435) units	-	548
Redemption of NIL (2020: 182,477) units	-	18,456
Dividend paid	-	548
<b>Fauji Fertilizers Company Limited - Connected person due to holding of more than 10% units</b>		
Issue of 130,076,200 (2020: 14,880,112) units	13,199,856	1,510,328
Redemption of 84,381,290 (2020: 4,858,690) units	8,558,192	494,000
Dividend paid	253,535	195,569
<b>HBL Islamic Money Market Fund - under common management</b>		
Sale of Commercial Papers	199,489	-
<b>HBL Income Fund- under common management</b>		
Purchase of The Hub Power Company Limited - Sukuk Certificates	-	187,022
<b>HBL Islamic Asset Allocation Fund-under common management</b>		
Purchase of The Hub Power Company Limited - Sukuk Certificates	-	101,404
Purchase of K-Electric Limited - Sukuk Certificates	-	29,188

14.2 Balances outstanding as at period / year end	March 31, 2020 (Un-Audited)	June 30, 2020 (Audited)
	(Rupees in '000)	
<b>HBL Asset Management Limited</b>		
Units held: NIL (june 30,2020: Nil)	-	-
Payable to Management Company	7,582	4,038
Sindh sales tax on Management Company's remuneration	986	525
Payable against allocation of expenses related to registrar services, accounting, operation and valuation services	632	337
Sales load payable	41	133
Selling and marketing expense payable	1,762	511
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Trustee fee payable	1,856	989
Security deposit held	100	100
<b>Habib Bank Limited - Sponsor</b>		
Bank balances	20,351,302	7,083,668
Mark-up receivable	113,407	25,169
Sales load payable	263	253
<b>Directors and Executives of the Management Company</b>		
Units held: 357,545 (June 30, 2020: 23,332)	36,336	2,360
<b>HBL Financial Planning Fund - Active Allocation Plan - Associate</b>		
Units held: 36,917 (June 30, 2020: 185,093)	3,752	18,724
<b>HBL Financial Planning Fund - Conservative Allocation Plan - Associate</b>		
Units held: 121 (June 30, 2020: 116)	12	12
<b>HBL Financial Planning Fund - Special Income Plan - Associate</b>		
Units held: 1,066,678 (June 30, 2020: Nil)	108,402	-
<b>Fauji Fertilizers Company Limited - Connected person due to holding of more than 10% units</b>		
Units held: 83,491,915 (June 30, 2020: 37,797,004)	8,484,941	3,823,542

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**15 FAIR VALUE OF FINANCIAL INSTRUMENTS**

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

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

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

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

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

		March 31, 2021 (Un-Audited)						
		Carrying amount			Fair value			
		Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Note		(Rupees in '000)						
	<b>Financial assets not measured at fair value</b>							
15.2	Bank balances	-	30,617,331	30,617,331				
	Investments	-	319,910	319,910				
	Mark-up receivable	-	154,916	154,916				
	Deposits	-	100	100				
		-	<u>31,092,157</u>	<u>31,092,157</u>				
	<b>Financial liabilities not measured at fair value</b>							
15.2	Payable to the Management Company	-	10,017	10,017				
	Payable to the Trustee	-	1,642	1,642				
	Accrued expenses and other liabilities	-	1,037	1,037				
		-	<u>12,697</u>	<u>12,697</u>				
		June 30, 2020 (Audited)						
		Carrying amount			Fair value			
		Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Note		(Rupees in '000)						
	<b>Financial assets measured at fair value</b>							
15.1	Investments							
	Market treasury bills	9,742,269	-	9,742,269	-	9,742,269	-	9,742,269
		<u>9,742,269</u>	-	<u>9,742,269</u>	-	<u>9,742,269</u>	-	<u>9,742,269</u>
	<b>Financial assets not measured at fair value</b>							
15.2	Bank balances	-	13,602,521	13,602,521				
	Investments	-	947,166	947,166				
	Mark-up receivable	-	47,645	47,645				
	Deposits	-	100	100				
		-	<u>14,597,432</u>	<u>14,597,432</u>				
	<b>Financial liabilities not measured at fair value</b>							
15.2	Payable to the Management Company	-	5,019	5,019				
	Payable to the Trustee	-	716	716				
	Payable against purchase of investment	-	6,279,629	6,279,629				
	Accrued expenses and other liabilities	-	974	974				
		-	<u>6,286,338</u>	<u>6,286,338</u>				

## 15.1 Valuation techniques

For level 2 investments at fair value through profit or loss - investment in Treasury Bills, Fund uses rates which are derived from PKRV rates at reporting date per certificate multiplied by the number of certificates held as at period end.

15.2 The Fund has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are reasonable approximation of fair value.

## 15.3 Transfers during the period

No transfers were made between various levels of fair value hierarchy during the period.

## 16 TOTAL EXPENSE RATIO

In accordance with the directive 23 of 2016 dated July 20, 2016 issued by the Securities and Exchange Commission of Pakistan, the total expense ratio of the Fund for the nine months ended March 31, 2021 is 0.47% (2020: 0.87%) which includes 0.15% (2020: 0.18%) representing Government levy and SECP fee.

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**17 DATE OF AUTHORIZATION FOR ISSUE**

This condensed interim financial information was authorized for issue by the Board of Directors of the Management Company on April 30, 2021.

**18 GENERAL**

**18.1** Figures have been rounded off to the nearest thousand rupees, unless otherwise stated.

**18.2** Corresponding figures have been rearranged and reclassified, wherever necessary, for better presentation and disclosure, the effect of which is not material.

**18.3** In continuation of note 30.2 to annual audited financial statements for the year ended June 30, 2020, we state that as a result of measures taken by Government, there has not been any material adverse impact on fiscal and economic fronts facing the country. The Management of the Fund is closely monitoring the situation and so far, there is no impact on this interim financial information of the Fund.

**For HBL Asset Management Limited  
(Management Company)**

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**Chief Financial Officer**

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**Chief Executive Officer**

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**Director**

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# **HBL**

## **Stock Fund**

## FUND INFORMATION

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Name of Fund	HBL Stock Fund
Name of Auditor	Yousuf Adil Chartered Accountants
Name of Trustee	Central Depository Company of Pakistan Limited (CDC)
Bankers	Habib Bank Limited Allied Bank Limited JS Bank Limited MCB Bank Limited Soneri Bank Limited Zarai Taraqati Bank Limited Habib Metropolitan Bank Limited



**HBL Stock Fund**  
**Condensed Interim Statement of Assets and Liabilities (Un-Audited)**  
*As At March 31, 2021*

		(Un-Audited) March 31, 2021	(Audited) June 30, 2020
	Note	----- (Rupees in '000) -----	
<b>Assets</b>			
Bank balances	4	91,441	209,661
Investments	5	2,052,783	1,708,222
Dividend receivable and accrued mark-up		23,378	2,587
Advances, deposits, prepayments and other receivables	6	106,129	8,407
<b>Total assets</b>		<b>2,273,732</b>	<b>1,928,877</b>
<b>Liabilities</b>			
Payable to the Management Company	7	11,015	8,994
Payable to the Trustee		306	263
Payable to the Securities and Exchange Commission of Pakistan		319	417
Accrued expenses and other liabilities	8	107,451	78,459
<b>Total liabilities</b>		<b>119,092</b>	<b>88,133</b>
<b>Net assets</b>		<b>2,154,640</b>	<b>1,840,744</b>
<b>Unit holders' fund (as per statement attached)</b>		<b>2,154,640</b>	<b>1,840,744</b>
<b>Contingencies and commitments</b>	9		
		----- (Number of units) -----	
<b>Number of units in issue</b>		<b>20,359,338</b>	<b>21,319,246</b>
		----- (Rupees) -----	
<b>Net assets value per unit</b>		<b>105.8306</b>	<b>86.3419</b>

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

**For HBL Asset Management Limited**  
**(Management Company)**

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

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

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

**HBL Stock Fund**  
**Condensed Interim Income Statement (Un-Audited)**  
*For the Nine Months and Quarter Ended March 31, 2021*

	Nine Months ended March 31,		Quarter ended March 31,	
	2021	2020	2021	2020
	Note -----(Rupees in '000)-----			
<b>Income</b>				
Dividend income	68,645	84,305	31,809	24,328
Mark-up on deposits with banks	5,839	23,575	1,621	7,635
Income from Government Securities	-	281	-	102
Capital loss on sale of investments - net	232,152	47,503	108,913	(7,564)
	<b>306,636</b>	155,664	<b>142,343</b>	24,501
Unrealised (diminution) / appreciation on re-measurement of investments classified as financial asset at fair value through profit or loss - net	181,798	(396,920)	(75,844)	(697,231)
Impairment loss on equity securities classified as 'available-for-sale'	-	-	-	-
	<b>488,434</b>	(241,256)	<b>66,499</b>	(672,730)
<b>Expenses</b>				
Remuneration of the Management Company	36,011	36,079	12,448	13,117
Remuneration of the Trustee	2,649	2,705	901	938
Annual fee to the Securities and Exchange Commission of Pakistan	319	328	110	116
Allocation of expenses related to registrar services, accounting, operation and valuation services	8,764	4,296	3,030	1,621
Selling and marketing expense	16,731	12,706	5,784	4,902
Securities transaction costs	6,871	6,808	2,998	1,731
Auditors' remuneration	476	479	157	158
Settlement and bank charges	574	628	227	199
Other expenses	26	19	10	8
	<b>72,421</b>	64,049	<b>25,665</b>	22,790
<b>Net loss from operating activities</b>	<b>416,013</b>	(305,305)	<b>40,834</b>	(695,520)
Element of income and capital gains included	-	-	-	-
Provision for Sindh Workers' Welfare Fund	8.2 (8,320)	-	(817)	-
<b>Net loss for the period before taxation</b>	<b>407,692</b>	(305,305)	<b>40,018</b>	(695,520)
Taxation	10 -	-	-	-
<b>Net loss for the period after taxation</b>	<b>407,692</b>	(305,305)	<b>40,018</b>	(695,520)
Other comprehensive Income for the period	-	-	-	-
<b>Total comprehensive (loss) / income for the period</b>	<b>407,692</b>	(305,305)	<b>40,018</b>	(695,520)
<b>Allocation of net income for the period:</b>				
Income already paid on redemption of units	30,849	-	13,585	-
Accounting income available for distribution:				
- Relating to capital gains	376,843	-	26,433	-
- Excluding capital gains	-	-	-	-
	<b>376,843</b>	-	<b>26,433</b>	-
	<b>407,692</b>	-	<b>40,018</b>	-

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

**For HBL Asset Management Limited**  
**(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

# HBL Stock Fund

## Statement Of Movement In Unitholders' Fund

### For the Nine Months and Quarter Ended March 31, 2021

	Nine Months ended March 31,							
	2021			2020				
	Capital Value	Undistributed income / (accumulated loss)	Unrealised income / (loss) on investment	Total	Capital Value	Undistributed income / (accumulated loss)	Unrealised income / (loss) on investment	Total
	Rupees in '000							
<b>Net assets as at the beginning of the period</b>	<b>2,925,074</b>	<b>(1,084,330)</b>	<b>-</b>	<b>1,840,744</b>	3,154,963	(1,008,446)	-	2,146,517
Adoption of IFRS 9	-	-	-	-	-	-	-	-
Issue of 5,462,421 units (2020: 7,902,539 units)								
- Capital value (at net asset value per unit at the beginning of the period)	471,636	-	-	471,636	709,032	-	-	709,032
- Element of loss	85,456	-	-	85,456	48,164	-	-	48,164
Total proceeds on issue of units	557,092	-	-	557,092	757,197	-	-	757,197
Redemption of 6,422,329 units (2020: 11,290,523 units)								
- Capital value (at net asset value per unit at the beginning of the period)	(554,516)	-	-	(554,516)	(1,013,009)	-	-	(1,013,009)
- Element of income	(65,523)	-	-	(65,523)	-	-	-	-
- Income already paid on redemption	-	(30,849)	-	(30,849)	(39,576)	-	-	(39,576)
Total payments on redemption of units	(620,039)	(30,849)	-	(650,888)	(1,052,585)	-	-	(1,052,585)
Total comprehensive loss for the period	-	407,692	-	407,692	-	(305,305)	-	(305,305)
Distribution during the period	-	-	-	-	-	-	-	-
Net loss for the period less distribution	-	407,692	-	407,692	-	(305,305)	-	(305,305)
<b>Net assets as at the end of the period</b>	<b>2,862,127</b>	<b>(707,487)</b>	<b>-</b>	<b>2,154,640</b>	2,859,575	(1,313,751)	-	1,545,824
<b>Accumulated loss</b>								
- Realised		(1,084,330)				(1,008,446)		
- Unrealised		-				-		
		(1,084,330)				(1,008,446)		
Accounting income available for distribution:								
- Relating to capital gains		376,843				-		
- Excluding capital gains		-				-		
Net Income / (loss) available for distribution		376,843				(305,305)		
<b>Accumulated loss carried forward</b>		<b>(707,487)</b>				<b>(1,313,751)</b>		
<b>Accumulated loss carried forward</b>								
- Realised		(889,285)				(916,831)		
- Unrealised		181,798				(396,920)		
		(707,487)				(1,313,751)		
					Rupees			Rupees
Net asset value per unit at the beginning of the period					<u>86.3419</u>			<u>89.7221</u>
Net asset value per unit at end of the period					<u>105.8306</u>			<u>75.2736</u>

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

**For HBL Asset Management Limited  
(Management Company)**

**Chief Financial Officer**

**Chief Executive Officer**

**Director**

**HBL Stock Fund**  
**Condensed Interim Cash Flow Statement (Un-Audited)**  
*For the Nine Months and Quarter Ended March 31, 2021*

	2021	2020
	----- Rupees in '000 -----	
<b>Cash flows from operating activities</b>		
Net loss for the period before taxation	407,692	(305,305)
<b>Adjustments for Non-cash items:</b>		
Mark-up on deposits with banks	(5,839)	(23,575)
Dividend income	(68,645)	(84,305)
Capital loss on sale of investments - net	(232,152)	(47,503)
Income on Government Securities	-	(281)
Unrealised diminution on re-measurement of investments classified as financial asset at fair value through profit or loss - net	(181,798)	396,920
	<b>(80,742)</b>	(64,049)
<b>Decrease / (Increase) in assets</b>		
Investments - net	69,389	169,431
Advances, deposits, prepayments and other receivables	(97,722)	36,014
	<b>(28,333)</b>	205,445
<b>Increase / (Decrease) Increase in liabilities</b>		
Payable to the Management Company	2,021	2,542
Payable to the Trustee	43	(24)
Payable to the Securities and Exchange Commission of Pakistan	(98)	(3,853)
Accrued expenses and other liabilities	28,992	(10,847)
	<b>30,958</b>	(12,182)
Mark-up on bank deposits received	6,514	23,948
Dividend received	47,179	65,486
<b>Net cash generated from operating activities</b>	<b>(24,423)</b>	218,648
<b>Cash flows from financing activities</b>		
Amount received on issue of units	557,092	757,197
Payments against redemption of units	(650,888)	(1,052,585)
<b>Net cash used in financing activities</b>	<b>(93,796)</b>	(295,388)
<b>Net (decrease) / increase in cash and cash equivalents</b>	(118,219)	(76,740)
Cash and cash equivalents at beginning of the year	<b>209,661</b>	236,034
<b>Cash and cash equivalents at end of the year</b>	<b>91,441</b>	159,294

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

**For HBL Asset Management Limited**  
**(Management Company)**

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

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

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

## HBL Stock Fund

### Notes to the Condensed Interim Financial Information (Un-Audited)

For the Nine Months and Quarter Ended March 31, 2021

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

- 1.1 HBL Stock Fund (the Fund) was established under a Trust Deed, dated August 09, 2007, executed between HBL Asset Management Limited (the Management Company) and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Fund was authorised by the Securities and Exchange Commission of Pakistan (SECP) as a unit trust scheme on August 21, 2007.
- 1.2 The Management Company of the Fund has been registered as a Non-Banking Finance Company (NBFC) under the NBFC Rules, 2003 and has obtained the requisite license from the SECP to undertake Asset Management Services. The registered office of the Management Company is located at 7th Floor, Emerald Tower, G-19, Block 5, Main Clifton Road, Clifton, Karachi.
- 1.3 The Fund is an open-ended mutual fund and offers units for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at par from August 29, 2007 to August 31, 2007.
- 1.4 The principal activity of the Fund is to provide long-term capital growth by investing primarily in a diversified pool of equities and equities related instruments.
- 1.5 JCR-VIS Credit Rating Company has assigned a management quality rating of AM2++' (Stable Outlook) to the Management Company.
- 1.6 Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.

#### 2. BASIS OF PREPARATION

##### 2.1. Statement of Compliance

2.1.1 This condensed interim financial information have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

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

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

2.1.2 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of IAS-34. 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, 2020.

2.1.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2021.

##### 2.2. Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except that certain financial assets are stated at fair value.

##### 2.3. Functional and presentation currency

This condensed interim financial information is presented in Pakistani Rupees which is the Fund's functional and presentation currency.

## 2.4 Use of judgments and estimates

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

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

- (i) classification and valuation of financial assets ; and
- (ii) impairment of financial assets

## 3. SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENT AND CHANGES THEREIN

3.1 The accounting policies adopted in the preparation of this condensed interim financial information are consistent with those applied in the preparation of the annual audited financial statements of the Fund for the year ended June 30, 2020.

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

3.3 The significant judgments made by management in applying its accounting policies and the key sources of estimation uncertainty were the same as those applied to the annual audited financial statements of the Fund for the year ended June 30, 2020,

3.4 There are certain new and amended standards, interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2020 but are considered not to be relevant or do not have any significant effect on the Fund's operations and therefore not detailed in this condensed interim financial information.

4. BANK BALANCES	Note	(Un-Audited) March 31, 2021	(Audited) June 30, 2020
----- (Rupees in '000) -----			
Balances with banks in:			
Savings accounts	4.1	91,423	209,637
Current accounts		18	24
		91,441	209,661

4.1 This represents bank accounts held with different banks. Mark-up rates on these accounts range between 5% - 6.2% (June 30, 2020: 6.31% - 14.05%) per annum.

5. INVESTMENTS	Note	(Un-Audited) March 31, 2021	(Audited) June 30, 2020
----- (Rupees in '000) -----			
<b>Financial assets at fair value through profit or loss account</b>			
- Listed equity securities	5.1	2,052,783	1,708,222
		2,052,783	1,708,222

## 5.1 Listed Equity Securities

Shares of listed companies - fully paid up ordinary shares of Rs. 10 each unless stated otherwise

Name of the Investee Company	Number of shares					Market Value As At Mar 31, 2021	2021		Par value as a percentage of issued capital of the investee company
	As at July 01, 2020	Purchases during the period	Bonus / Rights issue	Sales during the period	As at Mar 31, 2021		Total Investments	Net Assets	
<b>INSURANCE</b>									
Adamjee Insurance Co Ltd	791,000	-	-	615,500	175,500	6,885	0.34%	0.32%	0.05%
IGI Holdings Limited	407,600	57,500	-	15,000	450,100	76,463	3.72%	3.55%	0.37%
IGI LIFE INSURANCE LIMITED	-	284,500	-	-	284,500	16,418	0.80%	0.76%	0.02%
TPL Insurance Limited	654,000	-	-	-	654,000	23,086	1.12%	1.07%	0.87%
	1,852,600	342,000	-	630,500	1,564,100	122,853	5.98%	5.70%	
<b>TEXTILE COMPOSITE</b>									
Azgard Nine Ltd	-	2,580,000	-	945,000	1,635,000	60,413	2.94%	2.80%	0.52%
Gul Ahmed Textile Mills Ltd	913,500	15,000	-	442,000	486,500	23,011	1.12%	1.07%	0.14%
Interloop Limited	425,250	43,000	-	80,000	388,250	25,671	1.25%	1.19%	4.47%
Nishat (Chunian) Ltd	-	773,000	-	-	773,000	35,635	1.74%	1.65%	0.32%
Nishat Mills Ltd	445,200	65,000	-	510,200	-	-	0.00%	0.00%	0.00%
	1,783,950	3,476,000	-	1,977,200	3,282,750	144,731	7.05%	6.72%	
<b>CEMENT</b>									
Attock Cement Pakistan Ltd	-	80,000	-	-	80,000	13,575	0.66%	0.63%	0.07%
Cherat Cement Company Ltd.	314,000	1,500	-	191,500	124,000	19,914	0.97%	0.92%	0.07%
D G Khan Cement Co.Ltd.	-	545,400	-	68,000	477,400	57,531	2.80%	2.67%	0.11%
Fauji Cement Company Limited	-	200,000	-	200,000	-	-	0.00%	0.00%	0.00%
Kohat Cement Ltd	189,000	2,000	-	97,500	93,500	19,375	0.94%	0.90%	0.07%
Lucky Cement Ltd	266,150	9,000	-	83,800	191,350	156,446	7.62%	7.26%	0.06%
Maple Leaf Cement Factory Ltd	1,083,000	75,000	-	399,500	758,500	33,981	1.66%	1.58%	0.14%
Pioneer Cement Limited	-	219,000	-	-	219,000	26,674	1.30%	1.24%	0.10%
	1,852,150	1,131,900	-	1,040,300	1,943,750	327,497	15.95%	15.20%	
<b>ENGINEERING</b>									
Agha Steel Ind. Ltd	-	298,000	-	-	298,000	9,202	0.45%	0.43%	0.00%
Aisha Steel Mills Ltd	-	3,000,000	-	334,000	2,666,000	63,318	3.08%	2.94%	0.32%
Amreli Steels Limited	-	226,000	-	-	226,000	9,420	0.46%	0.44%	0.08%
International Industries Ltd	92,600	34,000	-	92,600	34,000	6,908	0.34%	0.32%	0.03%
International Steels Limited	387,000	540,000	-	493,000	434,000	37,142	1.81%	1.72%	0.10%
Mughal Iron & Steel Inds Ltd	18,165	332,000	-	109,000	241,165	22,448	1.09%	1.04%	0.10%
Mughal Iron & Steel Inds Ltd - LoR	-	48,026	-	2,906	45,120	1,021	0.05%	0.05%	0.04%
	497,765	4,478,026	-	1,031,506	3,944,285	149,457	7.28%	6.94%	
<b>POWER GENERATION &amp; DISTRIBUTION</b>									
Hub Power Company Ltd	1,134,863	58,500	-	184,000	1,009,363	81,900	3.99%	3.80%	0.08%
K-Electric Limited	4,393,000	-	-	4,393,000	-	-	0.00%	0.00%	0.00%
	5,527,863	58,500	-	4,577,000	1,009,363	81,900	3.99%	3.80%	
<b>AUTOMOBILE PARTS &amp; ACCESSORIES</b>									
Honda Atlas Cars (Pakistan) Ltd	-	66,500	-	25,000	41,500	11,320	0.55%	0.53%	0.03%
Indus Motor Company Limited	-	9,500	-	9,500	-	-	0.00%	0.00%	0.00%
Millat Tractors Ltd	-	10,000	-	10,000	-	-	0.00%	0.00%	0.00%
Pak Suzuki Motor Company Limited	-	153,500	-	81,000	72,500	22,829	1.11%	1.06%	0.09%
Sazgar Engineering Works Limited	-	25,000	-	25,000	-	-	0.00%	0.00%	0.00%
	-	264,500	-	150,500	114,000	34,149	1.66%	1.58%	
<b>CABLE &amp; ELECTRICAL GOODS</b>									
Pak Elektron Ltd	-	915,000	-	355,000	560,000	18,502	0.90%	0.86%	0.11%
Waves Singer Pakistan Limited	-	1,317,000	-	1,317,000	-	-	0.00%	0.00%	0.00%
	-	2,232,000	-	1,672,000	560,000	18,502	0.90%	0.86%	
<b>TRANSPORT</b>									
Pakistan National Shipping Corp Ltd	136,500	-	-	36,500	100,000	7,480	0.36%	0.35%	0.08%
<b>PHARMACEUTICALS</b>									
AGP Limited	219,500	128,000	-	250,500	97,000	11,071	0.54%	0.51%	0.00%
Ferozsons Laboratories Ltd	-	43,000	2,600	45,600	-	-	0.00%	0.00%	0.00%
GlaxoSmithKline Pakistan Ltd	129,900	-	-	129,900	-	-	0.00%	0.00%	0.00%
Highnoon Laboratories Limited	79,750	500	-	80,250	-	-	0.00%	0.00%	0.00%
The Searl Co Ltd LOR	-	3,880	-	3,880	-	-	0.00%	0.00%	0.00%
The Searle Company Ltd	96,181	-	-	59,000	37,181	9,185	0.45%	0.43%	0.02%
	525,331	175,380	2,600	569,130	134,181	20,255	0.99%	0.94%	

Name of the Investee Company	Number of shares					Market Value As At Mar 31, 2021	2021		Par value as a percentage of issued capital of the investee company
	As at July 01, 2020	Purchases during the period	Bonus / Rights issue	Sales during the period	As at Mar 31, 2021		Total Investments	Net Assets	
<b>VANASPATI AND ALLIED INDUSTRIES</b>									
Unity Foods Limited	-	6,753,000	-	6,378,000	375,000	11,153	0.54%	0.52%	0.07%
<b>LEATHER &amp; TANNERIES</b>									
Service Industries Ltd	-	12,200	-	2,600	9,600	10,759	0.52%	0.50%	0.08%
<b>FOOD &amp; ALLIED INDUSTRIES</b>									
The Organic Meat Company Limited	-	5,147,272	-	2,305,000	2,842,272	86,860	4.23%	4.03%	0.25%
<b>GLASS &amp; CERAMICS</b>									
Tariq Glass Industries Ltd	126,000	238,000	50,250	163,000	251,250	21,020	1.02%	0.98%	0.34%
<b>MISCELLANEOUS</b>									
Tri-Pack Films Ltd	-	19,500	-	19,500	-	-	0.00%	0.00%	0.00%
<b>OIL &amp; GAS EXPLORATION COMPANIES</b>									
Mari Petroleum Company Ltd	99,489	-	-	58,680	40,809	62,491	3.04%	2.90%	0.04%
Oil & Gas Development Co Ltd	1,201,800	100,000	-	367,500	934,300	94,934	4.62%	4.41%	0.02%
Pakistan Oilfields Ltd	26,000	27,500	-	10,000	43,500	16,525	0.81%	0.77%	0.02%
Pakistan Petroleum Ltd	820,374	285,145	-	132,000	973,519	85,017	4.14%	3.95%	0.05%
	2,147,663	412,645	-	568,180	1,992,128	258,968	12.62%	12.02%	
<b>OIL &amp; GAS MARKETING COMPANIES</b>									
Hascol Petroleum Ltd	200,000	600,000	-	800,000	-	-	0.00%	0.00%	0.00%
Pakistan State Oil Company Ltd	358,241	62,500	-	54,000	366,741	84,581	4.12%	3.93%	0.11%
Sui Northern Gas Pipeline Ltd	820,400	-	-	820,400	-	-	0.00%	0.00%	0.00%
	1,378,641	662,500	-	1,674,400	366,741	84,581	4.12%	3.93%	
<b>REFINERY</b>									
Attock Refinery Ltd	-	227,500	-	150,000	77,500	19,792	0.96%	0.92%	0.09%
National Refinery Ltd	-	256,000	-	109,000	147,000	86,605	4.22%	4.02%	0.18%
Pakistan Refinery Limited	-	1,891,500	-	1,891,500	-	-	0.00%	0.00%	0.00%
	-	2,375,000	-	2,150,500	224,500	106,397	5.18%	4.94%	
<b>COMMERCIAL BANKS</b>									
Bank Al-Falah Ltd	2,607,980	-	-	2,607,980	-	-	0.00%	0.00%	0.00%
Bank Al-Habib Limited	345,604	-	-	345,000	604	39	0.00%	0.00%	0.00%
Bank of Punjab Ltd	6,249,500	-	-	5,021,000	1,228,500	9,889	0.48%	0.46%	0.23%
BankIslami Pakistan Limited	918,500	-	-	918,500	-	-	0.00%	0.00%	0.00%
Faysal Bank Limited	26,018	-	-	-	26,018	421	0.02%	0.02%	0.00%
Habib Bank Ltd	400,419	329,000	-	386,915	342,504	39,792	1.94%	1.85%	0.02%
MCB Bank Ltd	270,200	87,220	-	74,000	283,420	48,791	2.38%	2.26%	0.03%
National Bank of Pakistan Ltd	878,000	85,000	-	963,000	-	-	0.00%	0.00%	0.00%
Standard Chartered Bank (Pakistan) Ltd	278,500	2,313,000	-	-	2,591,500	76,579	3.73%	3.55%	0.07%
United Bank Limited	550,900	755,210	-	263,500	1,042,610	124,008	6.04%	5.76%	0.09%
	12,525,621	3,569,430	-	10,579,895	5,515,156	299,519	14.59%	13.90%	
<b>FERTILIZER</b>									
Engro Corporation Ltd	322,450	32,500	-	354,950	-	-	0.00%	0.00%	0.00%
Engro Fertilizers Limited	460,568	12,000	-	472,568	-	-	0.00%	0.00%	0.00%
Fauji Fertilizer Bin Qasim Ltd	-	1,142,500	-	1,142,500	-	-	0.00%	0.00%	0.00%
Fauji Fertilizer Co Ltd	515,000	396,500	-	515,000	396,500	41,430	2.02%	1.92%	0.03%
	1,298,018	1,583,500	-	2,485,018	396,500	41,430	2.02%	1.92%	
<b>CHEMICAL</b>									
Engro Polymer & Chemicals Ltd	1,236,079	244,000	-	892,000	588,079	32,338	1.58%	1.50%	0.06%
Ghani Global Holdings Limited	-	742,000	-	742,000	-	-	0.00%	0.00%	0.00%
ICI Pakistan Ltd	-	14,000	-	14,000	-	-	0.00%	0.00%	0.00%
Lotte Chemical Pakistan Ltd	-	720,000	-	-	720,000	11,484	0.56%	0.53%	0.05%
Sitara Chemical Industries Limited	105,700	3,000	-	108,700	-	-	0.00%	0.00%	0.00%
Sitara Peroxide Limited	-	456,000	-	456,000	-	-	0.00%	0.00%	0.00%
	1,341,779	2,179,000	-	2,212,700	1,308,079	43,822	2.13%	2.03%	



Name of the Investee Company	Number of shares					Market Value As At Mar 31, 2021	2021		Par value as a percentage of issued capital of the investee company
	As at July 01, 2020	Purchases during the period	Bonus / Rights issue	Sales during the period	As at Mar 31, 2021		Total Investments	Net Assets	
<b>AUTOMOBILE PARTS &amp; ACCESSORIES</b>									
General Tyre & Rubber Co of Pakistan Ltd	-	481,000	-	57,000	424,000	37,155	1.81%	1.72%	0.71%
PANTHER TYRES LIMITED	-	162,311	-	-	162,311	10,461	0.51%	0.49%	0.04%
Thal Limited	143,300	-	-	143,300	-	-	0.00%	0.00%	0.00%
	143,300	643,311	-	200,300	586,311	47,616	2.32%	2.21%	
<b>TECHNOLOGY &amp; COMMUNICATION</b>									
Avanceon Limited	-	307,000	-	307,000	-	-	0.00%	0.00%	0.00%
Netsol Technologies	-	185,500	-	62,000	123,500	25,200	1.23%	1.17%	0.16%
TPL Corp Limited	-	5,657,500	-	-	5,657,500	36,943	1.80%	1.71%	2.60%
TPL Trakker Limited	-	1,566,000	-	-	1,566,000	15,535	0.76%	0.72%	0.08%
TRG Pakistan Ltd	-	600,000	-	291,000	309,000	46,415	2.26%	2.15%	0.08%
	-	8,316,000	-	660,000	7,656,000	124,093	6.05%	5.76%	
<b>FOOD &amp; PERSONAL CARE PRODUCTS</b>									
Clover Pakistan Limited	-	160,000	-	-	160,000	9,741	0.47%	0.45%	0.05%
National Foods Ltd	-	94,000	-	94,000	-	-	0.00%	0.00%	0.00%
	-	254,000	-	94,000	160,000	9,741	0.47%	0.45%	
<b>Total as at Mar 31, 2021</b>	<b>31,137,181</b>	<b>44,323,664</b>	<b>52,850</b>	<b>41,177,729</b>	<b>34,335,966</b>	<b>2,052,783</b>	<b>100%</b>	<b>95%</b>	
<b>Carrying value as at Mar 31, 2021</b>						<b>1,870,985</b>			

\*Sponsor of the Management Company

5.1.1 Investments include shares having market value aggregating to Rs. 348.86 million (June 30, 2020: Rs. 279.809 million) that have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in terms of Circular No. 11 dated October 23, 2007 issued by the SECP.

5.1.2 This includes gross bonus shares as per Fund's entitlement declared by the investee company. Finance Act, 2014 has brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5 percent is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the investee company which shall be considered as final discharge of tax liability on such income. However, the Management Company of the Fund jointly with other asset management companies and Mutual Fund Association of Pakistan (MUFAP), has filed a petition in Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the funds based on the premise of exemption given to mutual funds under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001. The Sindh High Court has granted stay order till the final outcome of the case. However, the investee company(s) has withheld the share equivalent to 5% of bonus announcement of the Fund having aggregate fair market value of Rs. 4.73 million at March 31, 2021 (June 30, 2020: Rs. 3.10 million) and not yet deposited in CDC account of department of Income tax. Management is of the view that the decision will be in the favor and accordingly has recorded the bonus shares on gross basis at fair value in its investments at period end.

	(Un-Audited) March 31, 2021	(Audited) June 30, 2020
Note	----- (Rupees in '000) -----	
<b>6. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES</b>		
Security deposit with National Clearing Company of Pakistan Limited	2,500	2,500
Security deposit with Central Depository Company of Pakistan Limited	100	100
Receivable against sale of securities	103,129	5,415
Advance tax	392	392
Advance against subscription of Term Finance Certificates (TFC)	25,000	25,000
Prepaid annual listing fee	8	-
	<b>131,129</b>	<b>33,407</b>
Less: Provision in respect of advance against subscription of term finance certificates	<b>(25,000)</b>	<b>(25,000)</b>
	<b>106,129</b>	<b>8,407</b>

7.	PAYABLE TO HBL ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	(Un-Audited)	(Audited)
			March 31, 2021	June 30, 2020
			(Rupees in '000)	
	Management fee		3,724	3,025
	Sindh Sales Tax		484	393
	Sales load payable		-	259
	Selling and marketing payable		5,783	4,485
	Allocation of expenses related to registrar services, accounting, operation and valuation services		1,024	832
			<b>11,015</b>	<b>8,994</b>
8.	<b>ACCRUED EXPENSES AND OTHER LIABILITIES</b>			
	Federal Excise Duty	8.1	37,838	37,838
	Provision for Sindh Workers' Welfare Fund	8.2	42,701	34,381
	Withholding tax payable		758	807
	Auditors remuneration		954	478
	Payable against sale of securities		22,585	4,106
	Payable to broker		1,849	138
	Others		765	711
			<b>107,451</b>	<b>78,458</b>

8.1 The legal status of applicability of Federal Excise Duty on the Fund is same as that disclosed in note to the annual audited financial statements of the Fund for the year ended June 30, 2020, and the appeal filed by tax authorities against the order by Supreme Court of Pakistan dated July 16, 2016, is pending for decision.

In view of above, the Management Company, being prudent, is carrying provision for FED for the period from January 13, 2013 to June 30, 2016 aggregating to Rs. 37.838 million. Had the provision not been retained, NAV per unit of the Fund as at March 31, 2021 would have been higher by Rs. 1.86 per unit (June 30, 2020: 1.77 per unit).

#### 8.2 PROVISION FOR SINDH WORKERS' WELFARE FUND

The legal status of applicability of Worker's Welfare Fund and Sindh Workers' Welfare Fund is same as that disclosed in note 12.2 to the annual audited financial statements of the Fund for the year ended June 30, 2020.

As there is profit for the nine months ended March 31, 2021, a provision of 8.32 million for SWWF has been recognised in this condensed interim financial information. As at March 31, 2021, the provision in relation to SWWF amounted to Rs. 42.701 million (2020: Rs. 34.381 million). Had the provision not being made, the Net Asset Value per unit as at March 31, 2021 would have been higher by Rs.2.0974 (June 30, 2020: Rs. 1.6127) per unit.

#### 9. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments outstanding as at March 31, 2021 and June 30, 2020.

#### 10. TAXATION

The Fund's income is exempt from income tax as per Clause 99 of Part 1 of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by the capital gains whether realised or unrealised, is distributed to the unit holders in cash. The Fund is also exempt from the provision of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded a tax liability in the current period, as the Management Company intends to distribute more than 90 percent of the Fund's accounting income as reduced by capital gains (whether realised or unrealised) for the year June 30, 2020 to its unit holders.

## 11. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS

Connected persons include HBL Asset Management Limited being the Management Company, Habib Bank Limited being the Sponsor, Central Depository Company of Pakistan Limited, being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, directors of connected persons and persons having 10% or more beneficial ownership of the units of the Fund.

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 Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.

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

	(Un-Audited) Nine Months ended March 31,	
	2021	2020
	----- (Rupees in '000) -----	
<b>11.1 Transactions during the period</b>		
<b>HBL Asset Management Limited - Management Company</b>		
Management Fee including sales tax thereon	36,011	36,079
Allocation of expenses related to registrar services, accounting, operation and valuation services	8,764	4,296
Selling and marketing expense	16,731	12,706
Issuance of 102,631 units (March 31, 2020: 1,944,438 units)	11,000	200,000
Redemption of Nil units (March 31, 2020: 1,789,099 units)	-	181,348
<b>Habib Bank Limited - Sponsor</b>		
Bank charges paid	16	13
Mark-up on deposits with banks earned	2,584	1,926
Dividend income earned	1,403	2,874
<b>Executives and their relatives</b>		
Issuance of 2,554 units (March 31, 2020: 8,958 units)	250	926
Redemption of 3,825 units (March 31, 2020: 10,319 units)	395	1,092
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Trustee remuneration	2,649	2,705
Central Depository service charges	149	147
<b>MCBFSL - HBL Financial Planning Fund Active Allocation Plan - Trustee</b>		
Issuance of 522 units (March 31, 2020 : 195,769 units)	51	16,500
Redemption of 326,476 units (March 31, 2020 : 337,880 units)	34,672	29,451
<b>MCBFSL - HBL Financial Planning Fund Conservative Allocation Plan - Trustee</b>		
Issuance of 285,263 units (March 31, 2020 : 224,516 units)	29,575	20,319
Redemption of 414,440 units (March 31, 2020 : 220,509 units)	42,659	20,390
<b>MCBFSL - HBL Financial Planning Fund Strategic Allocation Plan - Trustee</b>		
Issuance of Nil units (March 31, 2020 : Nil units)	-	-
Redemption of Nil units (March 31, 2020 : 440,522 units)	-	36,967

11.2 Balances outstanding as at period / year end	(Un-Audited) March 31, 2021	(Audited) June 30, 2020
	----- (Rupees in '000) -----	
<b>HBL Asset Management Limited - Management Company</b>		
Management fee	3,724	3,025
Sindh Sales Tax	484	393
Sales load payable	-	259
Selling and marketing payable	5,783	4,485
Allocation of expenses related to registrar services, accounting, operation and valuation services	1,024	832
Investment held in the Fund: 102,631 units (June 30, 2020: Nil units)	11	-
<b>Habib Bank Limited - Sponsor</b>		
Investment held in the Fund: 8,616,219 units (June 30, 2020: 8,616,219 units)	911,860	743,941
Bank balances	6,654	57,932
Mark-up receivable	62	270
<b>Directors and Executives of the Management Company and their relatives</b>		
<b>Directors and their relatives</b>		
Investment held in the Fund: 1,579 units (June 30, 2020: 4,727 units)	167	408
<b>HBL Employees Provident Fund - Associated Entity</b>		
Investment held in the Fund: 7,125,389 units (June 30, 2020: 7,125,389 units)	754,084	615,220
<b>MCBFSL - HBL Financial Planning Fund Active Allocation Plan - Trustee</b>		
Investment held in the Fund: Nil units (June 30, 2020: 325,954 units)	-	28,143
<b>MCBFSL - HBL Financial Planning Fund Conservative Allocation Plan - Trustee</b>		
Investment held in the Fund: Nil units (June 30, 2020: 129,177 units)	-	11,153
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration payable including sales tax thereon	306	233
Sindh Sales Tax	40	30
Security deposit	100	100

## 12. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

The fair value of financial assets and liabilities traded in active markets (i.e. listed equity shares) are based on the quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13, 'Fair Value Measurements' requires the Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

		March 31, 2021 (Un-Audited)						
		Carrying Amount			Fair Value			
		Fair value through profit or loss	At amortised cost	Total	Level 1	Level 2	Level 3	Total
		(Rupees in '000)						
<b>On-balance sheet financial instruments</b>	<b>Note</b>	-----						
<b>Financial assets measured at fair value</b>								
Investments								
- Listed equity securities		2,052,783	-	2,052,783	2,052,783	-	-	2,052,783
		<u>2,052,783</u>	<u>-</u>	<u>2,052,783</u>	<u>2,052,783</u>	<u>-</u>	<u>-</u>	<u>2,052,783</u>
<b>Financial assets not measured at fair value</b>								
Bank balances:		-	91,441	91,441				
Dividend receivable and accrued mark-up		-	5,141	5,141				
Advances, deposits and other receivables		-	105,729	105,729				
		<u>-</u>	<u>202,311</u>	<u>202,311</u>				
<b>Financial liabilities not measured at fair value</b>								
Payable to the Management Company		-	10,531	10,531				
Payable to the Trustee		-	271	271				
Payable to the Securities and Exchange Commission of Pakistan		-	319	319				
Accrued expenses and other liabilities		-	26,153	26,153				
		<u>-</u>	<u>37,274</u>	<u>37,274</u>				
		-----						
		June 30, 2020 (Audited)						
		Carrying amount			Fair Value			
		Fair value through profit or loss	At amortised cost	Total	Level 1	Level 2	Level 3	Total
		(Rupees in '000)						
<b>On-balance sheet financial instruments</b>	<b>Note</b>	-----						
<b>Financial assets measured at fair value</b>								
Investments - Listed equity securities		1,708,222	-	1,708,222	1,708,222	-	-	1,708,222
		<u>1,708,222</u>	<u>-</u>	<u>1,708,222</u>	<u>1,708,222</u>	<u>-</u>	<u>-</u>	<u>1,708,222</u>
<b>Financial assets not measured at fair value</b>								
Bank balances		-	209,661	209,661				
Dividend receivable and accrued mark-up		-	2,587	2,587				
Receivable against sale of securities		-	5,415	5,415				
Advances, deposits and other receivables		-	2,600	2,600				
		<u>-</u>	<u>220,263</u>	<u>220,263</u>				
<b>Financial liabilities not measured at fair value</b>								
Payable to the Management Company		-	8,994	8,994				
Payable to Trustee		-	263	263				
Payable against purchase of investment		-	4,106	4,106				
Accrued expenses and other liabilities		-	1,327	1,327				
		<u>-</u>	<u>14,690</u>	<u>10,584</u>				

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12.1 The Fund has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or reprice periodically. Therefore, their carrying amounts are reasonable approximation of fair value.

**13. TOTAL EXPENSE RATIO**

In accordance with the directive 23 of 2016 dated July 20, 2016 issued by the Securities and Exchange Commission of Pakistan, the total expense ratio of the Fund for the nine months ended March 31, 2021 is 3.80%, which includes 0.61% representing government levy, Sindh Worker's Welfare Fund and SECP fee.

**14. DATE OF AUTHORISATION FOR ISSUE**

This condensed interim financial information were authorised for issue by the Board of Directors of the Management Company on April 30, 2021.

**15. DISCLOSURE UNDER CIRCULAR 16 OF 2010 ISSUED BY THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN - CATEGORISATION OF OPEN END SCHEME**

<b>Name of Non-Complaint Investment</b>	<b>Type of Investment</b>	<b>Value of Investment before Provision</b>	<b>Provision held (if any)</b>	<b>Value of Investment after Provision</b>	<b>% of Net Assets</b>	<b>% of Gross Assets</b>
<b>----- (Rupees in '000) -----</b>						
Dewan Cement Limited	Advance	25,000	25,000	-	-	-

**16. GENERAL**

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

16.2 This condensed interim financial information are unaudited. Further, the figures of the condensed interim income statement and statement of comprehensive income for the quarter and nine months ended March 31, 2020 have not been reviewed.

16.3 Corresponding figures have been rearranged and reclassified, wherever necessary, for better presentation and disclosure.

16.4 In continuation of note 1 to the annual audited financial statements for the year ended June 30, 2020, we state that as a result of measures taken by Government, there has not been any material adverse impact on fiscal and economic fronts facing the country. The Management of the Fund is closely monitoring the situation and so far, there is no impact on this interim financial information of the Fund.

**For HBL Asset Management Limited  
(Management Company)**

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**Chief Financial Officer**

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**Chief Executive Officer**

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**Director**

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# **HBL**

## **Equity Fund**

## FUND INFORMATION

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Name of Fund	HBL Equity Fund
Name of Auditor	BDO Ebrahim & Co. Chartered Accountants
Name of Trustee	Central Depository Company of Pakistan Limited (CDC)
Bankers	MCB Bank Limited Soneri Bank Limited HBL Bank Limited JS Bank Limited



**HBL Equity Fund**  
**Condensed Interim Statement of Assets and Liabilities (Un-Audited)**  
*As at March 31, 2021*

		<b>March 31, 2021 (Un-Audited)</b>	June 30, 2020 (Audited)
	Note	----- (Rupees in '000) -----	
<b>Assets</b>			
Bank balances	4	<b>109,008</b>	26,474
Investments	5	<b>1,762,937</b>	406,330
Dividend and profit receivable		<b>9,599</b>	166
Receivable against sale of investments		<b>32,226</b>	1,657
Advance, Deposits and prepayments		<b>2,811</b>	2,804
<b>Total assets</b>		<b>1,916,581</b>	437,431
<b>Liabilities</b>			
Payable to the Management Company	6	<b>8,756</b>	1,786
Payable to the Trustee		<b>474</b>	84
Payable to Securities and Exchange Commission of Pakistan		<b>149</b>	60
Payable against purchase of investments		<b>24,427</b>	-
Payable against redemption of units		<b>40,110</b>	2,112
Accrued expenses and other liabilities	7	<b>18,024</b>	10,637
<b>Total liabilities</b>		<b>91,940</b>	14,679
<b>Net assets</b>		<b>1,824,641</b>	422,752
<b>Unit holders' fund (as per statement attached)</b>		<b>1,824,641</b>	422,752
		----- (Number of Units) -----	
<b>Number of units in issue</b>		<b>14,028,235</b>	4,213,147
		----- (Rupees) -----	
<b>Net assets value per unit</b>		<b>130.0692</b>	<b>100.3410</b>

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

**For HBL Asset Management Limited  
(Management Company)**

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

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

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

**HBL Equity Fund**  
**Condensed Interim Income Statement (Un-Audited)**  
*For the nine months and quarter ended March 31, 2021*

		Nine months ended		Quarter ended	
		March 31,		March 31,	
		2021	2020	2021	2020
Note ----- (Rupees in '000) -----					
<b>Income</b>					
Capital gain / (loss) on sale of investments - net		151,063	27,124	67,600	13,156
Dividend income		24,642	11,025	12,719	3,600
Profit on bank deposits		1,996	2,790	777	982
		<b>177,701</b>	40,939	<b>81,096</b>	17,738
Unrealised (diminution) / appreciation on re-measurement of investments at 'fair value through profit and loss - held-for-trading' - net		(9,696)	(63,490)	(90,215)	(99,988)
		<b>168,005</b>	(22,551)	<b>(9,119)</b>	(82,250)
<b>Expenses</b>					
Remuneration of the Management Company	6.1 & 6.2	16,843	4,657	8,298	1,790
Remuneration of the Trustee		1,546	477	691	179
Annual fee to Securities and Exchange Commission of Pakistan		149	42	73	16
Allocation of expenses related to registrar services, accounting, operation and valuation services	6.3	3,063	553	1,509	232
Selling and marketing expenses	6.4	5,987	1,649	3,488	677
Amortisation of preliminary expenses and floatation costs		-	-	-	-
Securities transaction costs and bank charges		585	383	(4,588)	(975)
Auditors' remuneration		336	352	110	110
Printing and postage expenses		-	-	-	-
Fees and subscription		10,529	2,778	10,512	2,757
		<b>39,038</b>	10,891	<b>20,093</b>	4,786.00
<b>Net Income / (loss) from operating activities</b>		<b>128,967</b>	(33,442)	<b>(29,212)</b>	(87,036)
Provision for Sindh Workers' Welfare Fund	8	(2,579)	-	585	1,072
<b>Net Income / (loss) for the period before taxation</b>		<b>126,388</b>	(33,442)	<b>(28,627)</b>	(85,964)
Taxation	9	-	-	-	-
<b>Net Income / (loss) for the period after taxation</b>		<b>126,388</b>	(33,442)	<b>(28,627)</b>	(85,964)
<b>Allocation of net income / loss for the period</b>					
Income already paid on units redeemed		62,913	-	-	-
<b>Accounting income available for distribution</b>					
- Relating to capital gains		88,150	-	-	-
- Excluding capital gains		(24,675)	-	-	-
		<b>63,475</b>	-	-	-
		<b>126,388</b>	-	-	-
<b>Earnings per unit</b>	10				

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

**For HBL Asset Management Limited**  
**(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

**HBL Equity Fund**  
**Statement Of Movement In Unitholders' Fund**  
*For the nine months and quarter ended March 31, 2021*

	Nine months ended		Quarter ended,	
	March 31,	2020	March 31,	2020
	2021		2021	2020
	----- (Rupees in '000) -----			
Net Income / (loss) for the period after taxation	126,388	(33,442)	(28,627)	116
Other comprehensive income for the period				
Item that may be reclassified subsequently to income statement	-	-	-	-
<b>Total comprehensive Income / (loss) for the period</b>	<b>126,388</b>	<b>(15,335)</b>	<b>(28,627)</b>	<b>18,223</b>

**For HBL Asset Management Limited**  
**(Management Company)**

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

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

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

**HBL Equity Fund**  
**Statement Of Movement In Unitholders' Fund**  
*For the nine months and quarter ended March 31, 2021*

Note	Nine months ended March 31,					
	2021			2020		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)					
<b>Net assets at beginning of the period</b>	412,122	10,630	422,752	247,193	(1,596)	245,597
<b>Issuance of 19,972,698 units (2020: 760,874 units)</b>						
- Capital value (at net asset value per unit at the beginning of the period)	2,004,080	-	2,004,080	373,017	-	373,017
- Element of loss	541,056	-	541,056	46,342	-	46,342
<b>Total proceeds on issuance of units</b>	2,545,136	-	2,545,136			419,359
<b>Redemption of 10,157,610 units (2020: 785,913 units)</b>						
- Capital value (at net asset value per unit at the beginning of the period)	(1,019,225)	-	(1,019,225)	(385,066)	-	(385,066)
- Element of income	(250,410)	-	(187,497)	(38,165)	-	(38,165)
- Income already paid on units redeemed	-	(62,913)	(62,913)			
<b>Total payments on redemption of units</b>	(1,269,635)	(62,913)	(1,269,635)			(423,231)
Net income for the period after taxation	-	126,388	126,388	-	(33,442)	(33,442)
<b>Net assets at end of the period</b>	1,687,623	74,105	1,824,641	247,193	(35,038)	208,283
<b>Undistributed income brought forward</b>						
- Realised		24,551			29,469	
- Unrealised		(13,921)			(31,065)	
		10,630			(1,596)	
- Relating to capital losses		88,150			(33,442)	
- Excluding capital losses		(24,675)				
		63,475				
<b>Undistributed income carried forward</b>		74,105			(35,038)	
<b>Undistributed income carried forward</b>						
- Realised		83,801			28,452	
- Unrealised		(9,696)			(63,490)	
		74,105			(35,038)	
			(Rupees)			(Rupees)
<b>Net assets value per unit at beginning of the period</b>			100.3410			93.3868
<b>Net assets value per unit at end of the period</b>			130.0692			83.2844

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

**For HBL Asset Management Limited**  
**(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

**HBL Equity Fund**  
**Condensed Interim Statement of Cash Flow (Un- Audited)**  
*For the nine months ended March 31, 2021*

	Nine months ended March 31,	
	2021	2020
<b>Note</b>	----- (Rupees in '000) -----	
<b>Cash flows from operating activities</b>		
Net Income / (loss) for the period after taxation	126,388	(33,442)
<b>Adjustments for:</b>		
Dividend Income	(24,642)	(11,025)
Profit on bank deposits	(1,996)	(2,790)
Capital (gain) / loss on sale of investments - net	(151,063)	(27,124)
Unrealised dimunition on re-measurement of investments at fair value through 'profit and loss - held-for-trading' - net	9,696	63,490
	<u>(41,617)</u>	<u>(10,891)</u>
<b>(Increase) / decrease in assets</b>		
Investments - net	(1,215,240)	(23,610)
Receivable against sale of investments	(30,569)	6,012
Deposits, prepayments and other receivables	(7)	(14)
	<u>(1,245,816)</u>	<u>(17,612)</u>
<b>Increase / (decrease) in liabilities</b>		
Payable to the Management Company	6,970	663
Payable to the Trustee	390	(7)
Payable to Securities and Exchange Commission of Pakistan	89	(233)
Payable against purchase of investments	24,427	18,637
Payable against redemption of units	37,998	440
Accrued expenses and other liabilities	7,387	1,337
	<u>77,261</u>	<u>20,837</u>
<b>Net cash generated from / (used in) operations</b>	<u>(1,210,172)</u>	<u>(7,666)</u>
Dividend received	15,615	8,939
Profit received on bank deposits	1,590	2,632
	<u>17,205</u>	<u>11,571</u>
<b>Net cash generated from / (used in) operating activities</b>	<u>(1,192,967)</u>	<u>3,905</u>
<b>Cash flows from financing activities</b>		
Amount received on issue of units	2,545,136	419,359
Payment against redemption of units	(1,269,635)	(423,231)
<b>Net cash generated from / (used in) financing activities</b>	<u>1,275,501</u>	<u>(3,872)</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<u>82,534</u>	<u>33</u>
Cash and cash equivalents at beginning of the period	<u>26,474</u>	<u>28,239</u>
<b>Cash and cash equivalents at end of the period</b>	<u>109,008</u>	<u>28,272</u>

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

**For HBL Asset Management Limited  
(Management Company)**

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

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

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

# **HBL Equity Fund**

## **Notes to the Condensed Interim Financial Information (Unaudited)**

*For the nine months and quarter ended March 31, 2021*

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### 1. LEGAL STATUS AND NATURE OF BUSINESS

HBL Equity Fund ("the Fund") was established under a Trust Deed executed between PICIC Asset Management Company Limited (now, HBL Asset Management Limited) as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Fund was approved by the Securities and Exchange Commission of Pakistan (SECP) vide its letter no. SCD/NBFC-II/PSF/249/2011 dated June 1, 2011 and the trust deed was executed on June 14, 2011.

SECP approved merger of PICIC Asset Management Company Limited with and into HBL Asset Management Limited effective from August 31, 2016 through an order dated August 31, 2016. Effective from September 1, 2016, HBL Asset Management Limited became Management Company of the Fund, which is a wholly owned subsidiary of Habib Bank Limited. After the merger, trust deed was revised on February 17, 2017.

The Management Company of the Fund has been registered as a Non-Banking Finance Company (NBFC) under the NBFC Rules, 2003 and has obtained the requisite license from the SECP to undertake Asset Management Services. The registered office of the Management Company is at 7th Floor, Emerald Tower, G-19, Block 5, Main Clifton Road, Clifton, Karachi.

The Fund is an open-ended mutual fund and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered to the public for subscription at par value of Rs 100 per unit from September 24, 2011 to September 26, 2011. Thereafter, the units are offered to the public for subscription on a continuous basis and are transferrable and redeemable by surrendering them to the Fund.

The Fund has been categorised as an equity scheme as per the criteria laid down by the SECP for categorisation of the Collective Investment Schemes (CISs).

The investment objective of the Fund is to provide investors a diversified equity portfolio with a primary objective of maximizing risk-adjusted returns over longer investment horizon through a combination of capital gains and dividend income.

Title to the assets of the Fund is held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.

JCR-VIS Credit Rating Company has assigned a management quality rating of 'AM2++' (Stable Outlook) to the Management Company

### 2. BASIS OF PREPARATION

#### 2.1 Statement of compliance

2.1.1 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 Companies Act, 2017, the requirements of the Trust Deed, the NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (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.

2.1.2 The disclosures made in this condensed interim financial information have; however, been limited based on the requirements of 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 audited financial statements of the Fund for the year ended June 30, 2020.

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2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except that certain financial assets are stated at fair value.

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupees which is the functional and presentation currency of the Fund. Figures have been rounded off to the nearest thousand rupees, except otherwise stated.

3. SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENT AND CHANGES THEREIN

3.1 The accounting policies adopted for the preparation of the condensed interim financial information are the same as those applied in the preparation of the annual audited financial statements of the Fund for the year, ended June 30, 2020 except as explained in note 3.6.

3.2 The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

3.3 The significant estimates, judgements and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual audited financial statements as at and for the year ended June 30, 2020.

3.4 There are certain standards, interpretations and amendments to approved accounting standards which have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2020. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information except as disclosed in note 3.6.

3.5 The financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Fund for the year ended June 30, 2020.

3.6 The accounting policies applied in 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, 2020.

	<b>Note</b>	<b>Unaudited March 31, 2021</b>	<b>Audited June 30, 2020</b>
4. BANK BALANCES		----- (Rupees in '000) -----	
In saving accounts	4.1	108,505	26,210
In current accounts		503	264
		<u>109,008</u>	<u>26,474</u>

4.1 These accounts carry rate of return from 8.23% to 11.15% per annum (2019: 5.35% to 7.5% per annum).

	Note	Unaudited March 31, 2021	Audited June 30, 2020
----- (Rupees in '000) -----			
5. INVESTMENTS			
Financial assets at fair value through profit or loss - held-for-trading			
- Listed equity securities	5.1	1,762,937	406,330
- Advanced against Book Building	5.2	-	-
		1,762,937	406,330

### 5.1 Financial assets at fair value through profit or loss - held-for-trading - listed equity securities

Shares of listed companies - fully paid up ordinary shares of Rs. 10 each unless otherwise stated.

Name of the Investee Company	Number of Shares				Market Value				Par value as a percentage of issued capital of the investee
	As at July 1, 2021	Purchases during the year	Bonus / right issues	Sales during the period	As at March 31, 2021	As at March 31, 2021 (Rupees in '000)	As a percentage of net assets	As a percentage of total investments	
<b>AUTOMOBILE ASSEMBLER</b>									
Ghandhara Nissan Limited	116,000	-	-	116,000	-	-	-	-	-
HondaAtlas Cars (Pakistan) Limited	54,200	-	-	54,200	-	-	-	-	-
Indus Motor Company Limited	49,850	-	-	49,800	50	58	0.32%	0.00%	-
Millat Tractors Limited	5,000	-	-	5,000	-	-	-	-	-
Pak Suzuki Motor Company Limited	118,400	-	-	26,500	91,900	28,937	1.59%	1.64%	0.11
	343,450	-	-	251,500	91,950	28,995	1.90%	1.64%	
<b>AUTOMOBILE PARTS &amp; ACCESSORIES</b>									
General Tyre & Rubber Company of Pakistan Limited	601,000	341,500	-	-	942,500	82,591	51.65%	4.68%	1.58
Panther Tyres Limited	286,682	350,000	-	-	636,682	41,034	2.25%	2.33%	0.16
	887,682	691,500	-	-	1,579,182	123,625	6.78%	7.01%	
<b>CABLE &amp; ELECTRICAL GOODS</b>									
Pak Elektron Limited	979,000	-	-	424,000	555,000	18,337	1.00%	1.04%	0.11
	979,000	-	-	424,000	555,000	18,337	1.04%	1.04%	
<b>CEMENT</b>									
Attock Cement Pakistan Limited	247,100	270,000	-	-	517,100	87,747	4.81%	4.98%	0.45
D G Khan Cement Company Limited	475,000	263,000	-	16,000	722,000	87,008	4.77%	4.94%	0.16
Lucky Cement Limited	40,200	7,700	-	7,000	40,900	33,439	1.83%	1.90%	0.01
Maple Leaf Cement Factory Limited	505,500	47,700	-	186,000	367,200	16,451	0.90%	0.93%	0.07
Pioneer Cement Limited	300,500	373,000	-	120,000	553,500	67,416	3.69%	3.82%	0.24
Thatta Cement Company Limited	1,802,000	588,500	-	-	2,390,500	42,862	2.35%	2.43%	2.40
	3,370,300	1,549,900	-	329,000	4,591,200	334,923	18.36%	19.00%	
<b>CHEMICAL</b>									
Engro Polymer & Chemicals Limited	167,500	195,000	-	37,000	325,500	17,899	0.98%	1.02%	0.04
Lotte Chemical Pakistan Limited	2,134,000	185,000	-	1,166,000	1,153,000	18,390	1.01%	1.04%	0.08
Nimir Resins Limited	1,350,000	187,000	-	-	1,537,000	17,814	0.98%	0.00%	0.01
	3,651,500	567,000	-	1,203,000	3,015,500	54,103	2.97%	2.06%	0.13
<b>COMMERCIAL BANKS</b>									
Bank Al-Falah Limited	50	-	-	-	50	2	-	0.00%	-
Faysal Bank Limited	1,440	-	-	-	1,440	23	-	0.00%	-
Standard Chartered Bank (Pakistan) Limited	2,056,000	25,000	-	-	2,081,000	61,494	3.37%	3.49%	0.05
Askari Bank Limited	-	-	-	-	-	-	-	-	-
Habib Metropolitan Bank Limited	-	-	-	-	-	-	-	-	-
Meezan Bank Limited	-	-	-	-	-	-	-	-	-
	2,057,490	25,000	-	-	2,082,490	61,518	3.37%	0.03	
<b>ENGINEERING</b>									
Agha Steel Industries Limited	427,000	105,000	-	-	532,000	16,428	0.90%	0.93%	-
Aisha Steel Mills Limited	1,346,500	247,000	-	188,000	1,405,500	33,381	1.83%	1.89%	0.17
Amreli Steels Limited	263,500	-	-	263,500	-	-	-	-	-
International Industries Limited	90,000	12,500	-	19,000	83,500	16,965	0.93%	0.96%	0.07
International Steels Limited	347,000	62,000	-	15,500	393,500	33,676	1.85%	1.91%	0.09
Mughal Iron & Steel Industries Limited	294,500	56,000	-	23,000	327,500	30,484	1.67%	1.73%	0.13
Mughal Iron & Steel Industries Limited - LoR	-	43,440	-	-	43,440	983	0.05%	0.00%	0.03
	2,768,500	525,940	-	509,000	2,785,440	131,916	7.23%	7.43%	



Name of the Investee Company	Number of Shares				Market Value			Par value as a percentage of issued capital of the investee	
	As at July 1, 2021	Purchases during the year	Bonus / right issues	Sales during the period	As at March 31, 2021	As at March 31, 2021 (Rupees in '000)	As a percentage of net assets		As a percentage of total investments
<b>FERTILIZER</b>									
Fauji Fertilizer Company Limited	546,128	140,000	-	20,000	666,128	69,604	3.81%	3.95%	-
	546,128	140,000	-	20,000	666,128	69,604	3.81%	3.95%	
<b>OIL &amp; GAS EXPLORATION COMPANIES</b>									
Oil & Gas Development Company	525,216	470,000	-	141,500	853,716	86,746	4.75%	4.92%	0.02
Pakistan Petroleum Limited	374,500	200,800	-	65,500	509,800	44,521	2.44%	2.53%	0.03
	899,716	670,800	-	207,000	1,363,516	131,267	7.19%	7.45%	
<b>OIL &amp; GAS MARKETING COMPANIES</b>									
Pakistan State Oil Company Limited	263,831	28,500	-	-	292,331	67,420	3.69%	3.82%	0.09
	263,831	28,500	-	-	292,331	67,420	3.69%	3.82%	
<b>PHARMACEUTICALS</b>									
The Searle Company Limited	25,274	-	-	25,000	274	68	0.00%	0.00	0.00
	25,274	-	-	25,000	274	68	0.00%	0.00	
<b>POWER GENERATION &amp; DISTRIBUTION</b>									
Kot Addu Power Company Limited	-	200,000	-	-	200,000	7,948	0.44%	0.45%	0.02
	-	200,000	-	-	200,000	7,948	0.44%	0.45%	
<b>TECHNOLOGY &amp; COMMUNICATION</b>									
Avanceon Limited	245,000	70,000	-	315,000	-	-	-	-	-
Netsol Technologies Systems Limited	258,000	97,000	-	172,500	182,500	37,239	2.04%	2.11%	0.23
	2,338	-	233	-	2,571	1,210	0.07%	0.07%	-
TPL Corp Limited	5,545,500	-	-	-	5,545,500	36,212	1.98%	2.05%	2.55
TPL Trakker Limited	1,236,000	-	-	-	1,236,000	12,261	0.67%	0.70%	0.07
TRG Pakistan Limited	177,000	315,000	-	177,000	315,000	47,316	2.59%	2.68%	0.08
	7,463,838	482,000	233	664,500	7,281,571	134,238	7.36%	7.61%	
<b>TEXTILE COMPOSITE</b>									
Nishat (Chunian) Limited	-	3,826,500	-	1,629,000	2,197,500	81,198	4.45%	4.61%	0.70
Gul Ahmed Textile Mills Limited	-	545,000	-	153,000	392,000	18,542	1.02%	1.05%	0.11
Interloop Limited	385,000	95,000	-	191,500	288,500	19,076	1.05%	1.08%	3.32
Nishat (Chunian) Limited	1,220,500	734,000	-	100,000	1,854,500	85,492	4.69%	4.85%	0.77
Nishat Mills Limited	268,000	-	-	268,000	-	-	-	-	-
	1,873,500	5,200,500	-	2,341,500	4,732,500	204,307	11.20%	11.59%	
<b>INSURANCE</b>									
IGI Holdings Limited	144,000	8,000	-	-	152,000	25,822	1.42%	1.46%	0.12
IGI LIFE INSURANCE LIMITED	190,000	92,500	-	-	282,500	16,303	0.89%	0.92%	0.02
TPL Insurance Limited	100,000	-	-	-	100,000	3,530	0.19%	0.20%	0.13
	434,000	100,500	-	-	534,500	45,655	2.50%	2.59%	
<b>GLASS &amp; CERAMICS</b>									
Tariq Glass Industries Limited	154,000	-	-	154,000	-	-	-	-	-
	154,000	-	-	154,000	-	-	-	-	
<b>INVESTMENT BANKS/COs./SECURITIES</b>									
EFG Hermes Pakistan Limited	100,000	-	-	-	100,000	2,076	0.11%	0.12%	0.05
Jahangir Siddiqui & Company	210,000	259,000	-	42,000	427,000	8,694	0.48%	0.49%	0.06
	310,000	259,000	-	42,000	527,000	10,770	0.59%	0.61%	
<b>Wollen</b>									
Bunnys Limited	473,000	-	141,900	-	614,900	21,165	1.16%	1.20%	0.01
	473,000	-	141,900	-	614,900	21,165	1.16%	1.20%	
<b>Vanaspati &amp; Allied Industries</b>									
Unity Foods Limited	250,000	380,000	-	44,000	586,000	17,428	0.96%	0.99%	
	250,000	380,000	-	44,000	586,000	17,428	0.96%	0.99%	
<b>LEATHER &amp; TANNERIES</b>									
Service Industries Limited	19,000	-	-	19,000	-	-	-	-	
	19,000	-	-	19,000	-	-	-	-	
<b>FOOD &amp; ALLIED INDUSTRIES</b>									
The Organic Meat Company Limited	1,748,300	955,000	-	-	2,703,300	82,613	4.53%	4.69%	0.24
	1,748,300	955,000	-	-	2,703,300	82,613	4.53%	4.69%	

Name of the Investee Company	Number of Shares				Market Value				Par value as a percentage of issued capital of the investee
	As at July 1, 2021	Purchases during the year	Bonus / right issues	Sales during the period	As at March 31, 2021	As at March 31, 2021 (Rupees in '000)	As a percentage of net assets	As a percentage of total investments	
<b>FOOD &amp; PERSONAL CARE PRODUCTS</b>									
Clover Pakistan Limited	298,500	-	-	-	298,500	18,173	1.00%	1.03%	0.10
National Foods Limited	83,000	-	-	83,000	-	-	-	-	-
Treet Corporation Limited	793,000	-	-	34,000	759,000	19,871	1.09%	1.09%	0.54
	<u>1,174,500</u>	<u>-</u>	<u>-</u>	<u>117,000</u>	<u>1,057,500</u>	<u>38,043</u>	<u>2.08%</u>	<u>2.12%</u>	
<b>REFINERY</b>									
Attock Refinery Limited	-	429,000	-	70,000	359,000	91,681	5.02%	5.20%	0.42
National Refinery Limited	147,700	33,000	-	32,500	148,200	87,312	4.79%	4.95%	0.19
Pakistan Refinery Limited	107,000	-	-	107,000	-	-	-	-	-
	<u>254,700</u>	<u>462,000</u>	<u>-</u>	<u>209,500</u>	<u>507,200</u>	<u>178,993</u>	<u>9.81%</u>	<u>10.15%</u>	
<b>Total March 31, 2021</b>					<u>35,767,482</u>	<u>1,762,937</u>	<u>96.62%</u>	<u>100.00%</u>	
<b>Carrying Value as at March 31, 2021</b>						<u>1,772,633</u>			

\*Sponsor of the management company

\*\*Related party due to holding more than 10% of units

- 5.1.1 The above investments include shares with market value aggregating to Rs. 103.48 million (June 2020: Rs. 50.06 million) which have been pledged with the National Clearing Company of Pakistan Limited (NCCPL) as collateral for guaranteeing settlement of the fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.
- 5.1.2 These investments include gross bonus shares as per Fund's entitlement declared by the investee companies. Finance Act, 2014 has brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5% is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the investee company which shall be considered as final discharge of tax liability on such income. However, the Management Company of the Fund jointly with other asset management companies and Mutual Fund Association of Pakistan, has filed a petition in Honorable Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the funds based on the premise of exemption given to mutual funds under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001. The Honorable Sindh High Court has granted stay order till the final outcome of the case. However, the investee company(s) has withheld the share equivalent to 5% of bonus announcement of the Fund having aggregate fair market value of Rs. 0.36 million at March 31, 2021 (June 30, 2020: Rs. 0.38 million) and not yet deposited on CDC account of department of Income tax. Management is of the view that the decision will be in the favor and accordingly has recorded the bonus shares on gross basis at fair value in its investments at period end.
- 5.2 This represents participation amount against book building of Interloop Limited, subsequently converted into shares.

	<b>Note</b>	<b>Unaudited March 31, 2021</b>	<b>Audited June 30, 2020</b>
6. PAYABLE TO MANAGEMENT COMPANY		----- (Rupees in '000) -----	
Remuneration of the Management Company	6.1	2,855	700
Sindh Sales tax on remuneration of the Management Company	6.2	371	91
Sales load payable		1,455	8
Allocation of expenses related to registrar services, accounting, operation and valuation services	6.3	587	144
Selling and marketing expenses	6.4	3,488	843
		<u>8,756</u>	<u>1,786</u>

6.1 As per the amendment introduced through SRO 639(I)/2019, dated June 20, 2019, in regulation 61 of the NBFC regulation, the Management Company may charge variable fee or fixed fee or the combination of both which shall not exceed the limit disclosed in the offering document, further subject to the guidelines as may be issued by the Commission from time to time. During the year, the fee has been charged, accordingly, at the rate ranging between 1.7% to 2% of average annual net assets of the Fund. The fee is being charged at the rate of 2% from October 1, 2019 onwards. The fee is payable monthly in arrears.

6.2 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% (2019: 13 %) on the remuneration of Management Company through Sindh Sales Tax on Services Act, 2011.

6.3 As per Regulation 60(3)(s) of the NBFC Regulations, previously fee and expenses related to registrar services, accounting, operation and valuation services related to a Collective Investment Scheme (CIS) were chargeable to the CIS, maximum upto 0.1% of the average annual net assets or the actual cost whichever is lower. However, SECP vide S.R.O. 639(I)/2019 dated June 20, 2019 has removed the maximum limit of 0.1%. During the year, the fee has been charged at the rate ranging between 0.1% to 0.5% of the average annual net assets of the Fund. The fee is being charged at the rate of 0.411% from February 13, 2020 onwards.

6.4 As per SECP vide its circular No. SCD/PRDD/Circular/361/2016, dated December 30, 2016, selling and marketing expenses was chargeable to open end equity, asset allocation and index funds only, upto maximum 0.4% of the average annual net assets of the fund or the actual expense, whichever is lower.

However, circular No. SCD/PRDD/Circular/04/2019, dated July 5, 2019, issued by SECP, supersedes all previous circulars issued with respect to selling and marketing expenses, according to which, selling and marketing expenses is allowed on all categories of open end mutual funds, except fund of funds with no cap. During the year, the fee has been charged at the rate ranging between 0.4% to 0.75% of the average annual net assets of the Fund. The fee is being charged at the rate of 0.95% from February 13, 2020 onwards.

	<b>Note</b>	<b>Unaudited March 31, 2021</b>	<b>Audited June 30, 2020</b>
7. ACCRUED EXPENSES AND OTHER LIABILITIES		----- (Rupees in '000) -----	
Provision for Federal Excise Duty	7.1	5,685	5,685
Withholding tax payable		2,355	494
Provision for Sindh Workers' Welfare Fund	7.2	5,617	3,037
Dividend payable		-	-
Brokerage payable		3,733	729
Auditors' remuneration		332	282
Printing and other related cost		81	112
Others		221	84
		<u>18,024</u>	<u>10,423</u>

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- 7.1 The legal status of applicability of Federal Excise Duty on the Fund is same as that disclosed in note 12.1 to the annual audited financial statements of the Fund for the year ended June 30, 2020, and the appeal filed by tax authorities against the order by Honourable Supreme Court of Pakistan dated July 16, 2016, is pending for decision.

In view of above, the Management Company, as a matter of abundant caution, is carrying provision for FED for the period from January 13, 2013 to June 30, 2016 aggregating to Rs. 5.685 million. Had the provision not been retained, NAV per unit of the Fund as at March 31, 2019 would have been higher by Rs. 0.41 per unit (June 30, 2020: Rs. 1.349 per unit).

- 7.2 The legal status of applicability of Workers' Welfare Fund and Sindh Workers' Welfare Fund is same as that disclosed in note 12.2 to the annual audited financial statements of the Fund for the year ended June 30, 2020.

As at March 31, 2020, provision in relation to SWWF amounted to Rs.5.617 million (2020: Rs Nil). Had the provision not been made, net assets value per unit at March 31, 2021 would have been higher by Rs 0.40 per unit (June 30, 2020: Rs 0.720 per unit).

## 8. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2021 and June 30, 2020.

## 9. TAXATION

The Fund's income is exempt from income tax as per clause 99 of Part 1 of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by the capital gains whether realised or unrealised, is distributed to the unit holders in cash. The Fund is also exempt from the provision of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded a tax liability in the current period, as the Management Company intends to distribute more than 90 percent of the Fund's accounting income as reduced by capital gains (whether realised or unrealised) for the year June 30, 2021 to its unit holders.

## 10. EARNINGS PER UNIT

Earnings per unit has not been disclosed as in the opinion of the management determination of cumulative weighted average number of outstanding units for calculating earnings per unit is not practicable.

## 11. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include HBL Asset Management Limited being the Management Company, Habib Bank Limited being the Sponsor, Central Depository Company of Pakistan Limited, being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, directors of connected persons and persons having 10% or more beneficial ownership of the units of the Fund.

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 Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.

Details of the transactions with connected persons and balances with them, if not disclosed elsewhere in the condensed interim financial information are as follows:

11.1	Transactions during the period	Nine months ended March 31,	
		2021	2020
		----- (Rupees in '000) -----	
	HBL Asset Management Limited - Management Company		
	Remuneration of the Management Company	14,905	4,121
	Sindh Sales Tax on remuneration of the Management Company	1,938	536
	Allocation of expenses related to registrar services, accounting, operation and valuation services	3,063	553
	Sales load paid	-	1
	Issue units 813,119 (2020: 2,474,060 units)	103,000	260,000
	Redemption of units 221,440 (2020: 2,572,643 units)	25,000	263,136
	Directors and Executives of the Management Company		
	Issue of 171,112 units (2020: 15,266 units)	21,459	1,531
	Redemption of 202,741 units (2020: 12,683 units)	25,324	1,167
	Central Depository Company of Pakistan Limited - Trustee		
	Trustee remuneration	1,546	477
	Central Depository Service charges	148	55
	Habib Bank Limited - associated company		
	Bank charges	13	4
	MCBFSL Trustee HBL Financial Planning Fund Active Allocation Plan		
	Issue of 349,765 units (2020: Nil units)	45,011	-
	MCBFSL Trustee HBL Financial Planning Fund Conservative Allocation Plan		
	Issue of 84,784 units (2020: Nil units)	10,975	-
	Data Steel Pipes Industries (Pvt) Ltd- Related party due to holding more than 10 percent		
	Issue of 3,159,753 units (2020: Nil units)	402,535	-
	Redemption of 1,595,241 units (2020: Nil units)	203,153	-
	Interloop Holdings Pvt Ltd- Related party due to holding more than 10 percent		
	Issue of 2,273,121 units (2020: Nil units)	299,852	-

	<b>Unaudited March 31, 2021</b>	Audited June 30, 2020
	----- (Rupees in '000) -----	
11.2 Balances outstanding as at period / year end		
HBL Asset Management Limited - Management Company		
Units held: 1,169,996 units (June 30, 2020: 578,317 units)	152,180	58,029
Remuneration payable to the Management Company	2,855	700
Sindh sales tax on remuneration of the Management Company	371	91
Sales load payable	1,455	8
Selling and marketing expenses	3,488	843
Allocation of expenses related to registrar services, accounting, operation and valuation services	587	144
Habib Bank Limited - associated company		
Bank balances	19,151	14,008
Directors and Executives of the Management Company		
Units held in the Fund: 5,837 units (June 30, 2020 :30,472 units)	759	3,058
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	474	79
CDS Charges payable	10	5
Security deposit	100	100
MCBFSL Trustee HBL Financial Planning Fund Active Allocation Plan Issue of 349,765 units (2020: Nil units)		
	45,494	-
MCBFSL Trustee HBL Financial Planning Fund Conservative Allocation Plan Issue of 84,784 units (2020: Nil units)		
	11,028	-
Data Steel Pipes Industries (Pvt) Ltd- Related party due to holding more than 10 percent Units held in the Fund:1,564,521 (June 30, 2020 Nil units)		
	203,495	-
Interloop Holdings Pvt Ltd- Related party due to holding more than 10 percent Units held in the Fund:2,273,121 (June 30, 2020:Nil units)		
	295,663	-

## 12. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

The fair value of financial assets and liabilities traded in active markets (i.e. listed equity shares) are based on the quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13, 'Fair Value Measurements' requires the Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

		March 31, 2021							
		Carrying amount			Fair Value				
		Fair value through profit or loss - held-for-trading	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
<b>Note</b>		(Rupees in '000)							
<b>On-balance sheet financial instruments</b>									
<b>Financial assets measured at fair value</b>									
At fair value through profit or loss account - held-for-trading - Listed equity securities		1,762,937	-	-	1,762,937	1,762,937	-	-	1,762,937
		<b>1,762,937</b>	<b>-</b>	<b>-</b>	<b>1,762,937</b>	<b>1,762,937</b>	<b>-</b>	<b>-</b>	<b>1,762,937</b>
<b>Financial assets not measured at fair value</b>									
	12.1								
		-	109,008	-	109,008				
		-	9,599	-	9,599				
		-	32,226	-	32,226				
		<b>-</b>	<b>150,833</b>	<b>-</b>	<b>150,833</b>				
<b>Financial liabilities not measured at fair value</b>									
	12.1								
		-	-	8,756	8,756				
		-	-	474	474				
		-	-	4,201	4,201				
		<b>-</b>	<b>-</b>	<b>13,431</b>	<b>13,431</b>				

		June 30, 2020							
		Carrying amount			Fair Value				
On-balance sheet financial instruments		Fair value through profit or loss - held-for-trading	At amortized cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
<b>Note</b>		----- (Rupees in '000) -----							
<b>Financial assets measured at fair value</b>									
At fair value through profit or loss - held-for-trading									
- Listed equity securities									
		406,330	-	-	406,330	-	-	406,330	406,330
		406,330	-	-	406,330	-	-	406,330	406,330
<b>Financial assets not measured at fair value</b>									
	12.1								
Bank balances		-	26,474	-	26,474				
Dividend receivable and accrued mark-up		-	166	-	166				
Receivable against sale of investments		-	1,657	-	1,657				
Deposits			2,600		2,600				
		-	30,897	-	30,897				
<b>Financial liabilities not measured at fair value</b>									
	12.1								
Payable to the Management Company		-	-	1,695	1,695				
Payable to the Trustee		-	-	75	75				
Accrued expenses and other liabilities		-	-	2,112	2,112				
Payable against redemption of units		-	-	214	214				
				1,138	1,138				
		-	-	5,234	5,234				

12.1 The Fund has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or reprice periodically. Therefore, their carrying amounts are reasonable approximation of fair value.

#### 12.2 Transfers during the period

No transfers were made between various levels of fair value hierarchy during the period.

#### 13. TOTAL EXPENSE RATIO

In accordance with the directive 23 of 2016 dated July 20, 2017 issued by the Securities and Exchange Commission of Pakistan (SECP), the total expense ratio of the Fund for the half year ended March 31, 2021 is 4.30% which includes 0.61% representing government levy and SECP fee.

#### 14. DATE OF AUTHORISATION FOR ISSUE

The condensed interim financial information was authorised for issue by the Board of Directors of the Management Company on April 30, 2021.

#### 15. GENERAL

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



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- 15.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for better presentation and disclosure.
- 15.3 In continuation of note 30.2 to annual audited financial statements for the year ended June 30, 2020, we state that as a result of measures taken by Government, there has not been any material adverse impact on fiscal and economic fronts facing the country. The Management of the Fund is closely monitoring the situation and so far, there is no impact on this interim financial information of the Fund.

**For HBL Asset Management Limited  
(Management Company)**

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**Chief Financial Officer**

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**Chief Executive Officer**

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**Director**

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# **HBL**

## **Energy Fund**

## FUND INFORMATION

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Name of Fund	HBL Energy Fund
Name of Auditor	BDO Ebrahim & Co. Chartered Accountants
Name of Trustee	Central Depository Company of Pakistan Limited (CDC)
Bankers	MCB Bank Limited Habib Bank Limited Soneri Bank Limited JS Bank Limited Habib Metropolitan Bank Limited Zarai Taraqaiti Bank Limited

**HBL Energy Fund**  
**Condensed Interim Statement of Assets and Liabilities (Un-Audited)**  
*AS AT MARCH 31, 2021*

		<b>March 31, 2021 (Un-Audited)</b>	<b>June 30, 2020 (Audited)</b>
	Note	----- (Rupees in '000) -----	
<b>ASSETS</b>			
Bank balances	4	23,399	39,502
Investments	5	776,041	556,251
Dividends and profit receivable		3,560	198
Deposits and prepayments		<u>28,270</u>	<u>2,969</u>
<b>TOTAL ASSETS</b>		<b>831,270</b>	<b>598,920</b>
<b>LIABILITIES</b>			
Payable to the Management Company	6	4,077	2,773
Payable to the Trustee		157	110
Payable to Securities and Exchange Commission of Pakistan		118	137
Accrued expenses and other liabilities	7	22,753	19,701
Unclaimed dividend (including dividend payable)		5,382	5,388
<b>TOTAL LIABILITIES</b>		<u>32,487</u>	<u>28,109</u>
<b>NET ASSETS</b>		<u><u>798,781</u></u>	<u><u>570,811</u></u>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<u><u>798,781</u></u>	<u><u>570,811</u></u>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	8	----- (Number of units) -----	
<b>Number of units in issue</b>		<u><u>66,015,856</u></u>	<u><u>57,020,563</u></u>
		----- (Rupees) -----	
<b>Net assets value per unit</b>		<u><u>12.0998</u></u>	<u><u>10.0106</u></u>

For HBL Asset Management Limited  
(Management Company)

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

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

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

**HBL Energy Fund**  
**Condensed Interim Income Statement And Other Comprehensive Income (Un-audited)**  
**FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021**

	Note	Nine months ended March 31,		Quarter ended March 31,	
		2021	2020	2021	2020
<b>INCOME</b>					
Capital loss on sale of investments - net		84,198	(1,502)	27,663	(5,097)
Dividend income		22,856	16,909	6,333	3,754
Profit on bank deposits		2,079	5,893	587	2,203
		109,133	21,300	34,583	860
Unrealised diminution on re-measurement of investments classified as financial asset at 'fair value through profit or loss' - net		44,214	(200,830)	16,331	(313,793)
		153,347	(179,530)	50,914	(312,933)
<b>EXPENSES</b>					
Remuneration of the Management Company	6.1 & 6.2	13,279	11,952	4,473	4,393
Remuneration of the Trustee		1,328	1,228	448	439
Annual fee to Securities and Exchange Commission of Pakistan		118	109	40	39
Allocation of expenses related to registrar services, accounting, operation and valuation services	6.3	3,231	1,412	1,088	532
Selling and marketing expenses	6.4	6,169	4,201	2,078	1,633
Securities transaction costs		3,447	1,701	962	584
Auditors' remuneration		325	330	107	110
Settlement and bank charges		434	366	158	121
Fees and subscription		19	19	2	8
		28,356	21,318	9,363	7,859
Net loss for the period from operating activities		124,991	(200,848)	41,551	(320,792)
Provision for Sindh Workers' Welfare Fund	7.2	(2,500)	-	(831)	-
Net loss for the period before taxation		122,491	(200,848)	40,720	(320,792)
Taxation	9	-	-	-	-
Net loss for the period after taxation		122,491	(200,848)	40,720	(320,792)
<b>Allocation of net income for the period</b>					
Income already paid on redemption of units		29,538	-	10,129	-
Accounting income available for distribution:					
Relating to capital gains		92,953	-	-	-
Excluding capital gains		-	-	-	-
		92,953	(200,848)	30,591	(320,792)
Other comprehensive loss for the period		-	-	-	-
Total comprehensive loss for the period		122,491	(200,848)	40,720	(320,792)
<b>Earnings per unit</b>	11				

For HBL Asset Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

**HBL Energy Fund**  
**Condensed Interim Statement Of Movement In Unit Holders' Fund (Un-audited)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2021**

	Nine month ended March 31,					
	2021			2020		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
----- (Rupees in '000) -----						
<b>Net assets at beginning of the period</b>	633,476	(62,665)	570,811	720,151	14,191	734,342
<b>Issuance of 78,675,290 (2020: 671,898,837 units)</b>						
Capital value (at net asset value per unit at the beginning of the period)	787,588	-	787,588	7,471,563	-	7,471,563
Element of loss	115,221	-	115,221	(7,116,987)	-	(7,116,987)
<b>Total proceeds on issuance of units</b>	902,809	-	902,809	354,576	-	354,576
<b>Redemption of 69,679,998 (2020: 34,723,315 units)</b>						
Capital value (at net asset value per unit at the beginning of the period)	(697,540)	-	(697,540)	(386,126)	-	(386,126)
Income already paid on redemption of units	-	(29,538)	(29,538)	-	-	-
Element of income	(70,252)	-	(70,252)	(17,603)	-	(17,603)
<b>Total payments on redemption of units</b>	(767,792)	(29,538)	(797,330)	(403,729)	-	(403,729)
<b>Total comprehensive loss for the period</b>	-	122,491	122,491	-	(200,848)	(200,848)
<b>Net assets at end of the period</b>	768,493	30,288	798,781	670,998	(186,657)	484,341
Undistributed income brought forward						
Realised		(11,960)			191,887	
Unrealised		(50,705)			(177,696)	
		(62,665)			14,191	
<b>Accounting income available for distribution</b>						
Relating to capital gains		92,953			-	
Excluding capital gains		-			-	
<b>Net Income / (loss) available for distribution</b>		92,953			(200,848)	
<b>Undistributed income carried forward</b>		30,288			(186,657)	
<b>Undistributed income carried forward</b>						
Realised		(13,926)			14,173	
Unrealised		44,214			(200,830)	
		30,288			(186,657)	
				(Rupees)		(Rupees)
<b>Net assets value per unit at beginning of the period</b>			10.0106			11.1201
<b>Net assets value per unit at end of the period</b>			12.0998			7.9860

**For HBL Asset Management Limited**  
**(Management Company)**

**Chief Financial Officer**

**Chief Executive Officer**

**Director**

**HBL Energy Fund**  
**Condensed Interim Cash Flow Statement (Un-audited)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2021**

	Half year ended March 31,	
	2020	2019
Note	----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss for the period before taxation	122,491	(200,848)
Adjustments for:		
Capital loss on sale of investments - net	(84,198)	1,502
Dividend income	(22,856)	(16,909)
Profit on bank deposits	(2,079)	(5,893)
Unrealised diminution on re-measurement of investments classified at 'fair value through profit or loss' - net	(44,214)	200,830
	<u>(30,856)</u>	<u>(21,318)</u>
<b>Decrease / (Increase) in assets</b>		
Investments - net	(91,378)	65,742
Deposits and prepayments	(25,301)	(18)
	(116,679)	65,724
<b>(Decrease) / Increase in liabilities</b>		
Payable to the Management Company	1,304	665
Payable to the Trustee	47	(35)
Payable to Securities and Exchange Commission of Pakistan	(19)	(759)
Accrued expenses and other liabilities	3,052	(103)
Unclaimed dividend (including dividend payable)	(6)	-
	<u>4,378</u>	<u>(232)</u>
<b>Cash generated from / (used in) operations</b>	(143,157)	44,174
Dividend received	19,458	13,920
Profit received on bank deposits	2,115	5,949
	<u>21,572</u>	<u>19,869</u>
<b>Net cash generated from / (used in) operating activities</b>	(121,584)	64,043
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Amount received against issuance of units	902,809	354,576
Amount paid against redemption of units	(797,330)	(403,729)
Net cash (used in) / generated from financing activities	105,479	(49,153)
Net increase in cash and cash equivalents	(16,105)	14,890
Cash and cash equivalents at beginning of the period	39,502	61,148
Cash and cash equivalents at end of the period	<u>4</u> 23,399	<u>76,037</u>

**For HBL Asset Management Limited  
(Management Company)**

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

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

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

# **HBL Energy Fund**

## **Condensed Interim Statement of Cash Flow (Un- Audited)**

### **FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2020**

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

HBL Energy Fund ("the Fund") was established in 2006 as a closed-end scheme under a Trust Deed executed between PICIC Asset Management Company Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee.

In accordance with clause 65(1) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, a meeting of the certificate holders of the Fund was held on January 31, 2013 whereby the conversion of the Fund into an open-end scheme was duly approved through a resolution passed by the majority of the certificate holders present in the meeting who were entitled to vote. The Securities and Exchange Commission of Pakistan accorded its final approval for conversion of the Fund into an open-end scheme through its letter dated May 3, 2013. The second supplemental Trust Deed and replacement Offering Document were approved by SECP vide its letter no D/PRDD/AMCW/PEF/567/2013 dated May 31, 2013 and letter no SCD/PRDD/AMCW/PEF/606/2013 dated June 24, 2013 respectively. The conversion of the Fund from a closed end fund to an open-end fund was authorised by the Securities and Exchange Commission of Pakistan (SECP) vide its letter No. SCD/PRDD/AMCW/PEF/607/2013 dated June 24, 2013. The Fund converted into an open end scheme on the effective date i.e. June 25, 2013. The certificates of the closed-end fund were cancelled on the effective date and were exchanged with the units of the open-end scheme in the swap ratio of 1:1. Each certificate holder was allotted units according to their respective holdings as at that date on the basis of a ratio of 1 certificate to 1 unit. Accordingly 100,000,000 units were issued on the date of conversion.

Since the effective date of conversion, the certificates of the closed-end scheme were de-listed from Pakistan Stock Exchange. Units of the open-end scheme are listed on the Pakistan Stock Exchange Limited. The units are offered to the public for subscription on a continuous basis and are transferable and redeemable by surrendering them to the Fund.

Through an order dated August 31, 2016, SECP approved the merger of PICIC Asset Management Company Limited with and into HBL Asset Management Limited effective from August 31, 2016 and the trust deed was revised on February 17, 2017. Effective from September 1, 2016, HBL Asset Management Limited became Management Company of the Fund which is a wholly owned subsidiary of Habib Bank Limited. The Aga Khan Fund For Economic Development (AKFED), S.A. is the parent company of Habib Bank Limited.

The Management Company of the Fund has been registered as a Non-Banking Finance Company (NBFC) under the NBFC Rules, 2003 and has obtained the requisite license from the SECP to undertake Asset Management Services. The registered office of the Management Company is located at 7th Floor, Emerald Tower, G-19, Block 5, Main Clifton Road, Clifton, Karachi.

The Fund has been categorised as an equity scheme as per the criteria laid down by the SECP for categorisation of open-end Collective Investment Schemes (CISs).

The core objective of the Fund is to invest in securities of the energy sector in Pakistan so as to provide investors an access to high quality blue chip stocks in the energy sector. The eligible stocks comprise of investment in shares of companies engaged in the following activities:

- Oil and Gas Exploration
- Oil and Gas Marketing
- Oil Refining
- Power Generation and Distribution

JCR-VIS Credit Rating Company has assigned an asset manager rating of 'AM2++(Stable outlook)' to the Management Company.

Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as trustee of the Fund.



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## **2. BASIS OF PREPARATION**

### **2.1 Statement of compliance**

**2.1.1** This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017, the requirements of the Trust Deed, the NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the 'NBFC Regulations'), provisions of and directives issued under the Companies Act, 2017 and the directives issued by the SECP.

Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations, provisions of and directives issued under the Companies Act, 2017 and the directives issued by the SECP differ with the requirements of the IAS 34, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations, provisions of and directives issued under the Companies Act, 2017 and the directives issued by the SECP have been followed.

**2.1.2** The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of 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, 2020.

**2.1.3** The comparative statement of asset and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2020, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial information for the nine months ended March 31, 2021.

**2.1.4** This condensed interim financial information is unaudited and has not been reviewed by the auditors. Further, the figures of the condensed interim income statement and condensed interim statement of comprehensive income for the nine months March 31, 2021 have not been reviewed.

**2.1.5** In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2021.

### **2.2 Basis of measurement**

This condensed interim financial information has been prepared under the historical cost convention, except that certain financial assets are stated at fair value.

This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

### **2.3 Functional and presentation currency**

This condensed interim financial information are presented in Pak Rupees which is the functional and presentation currency of the Fund. Figures have been rounded off to the nearest thousand rupees, except otherwise stated.

## **3. SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING JUDGEMENT AND CHANGES THEREIN**

**3.1** The accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual audited financial statements of the Fund for the year ended June 30, 2020, unless otherwise stated

- 3.2** The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.
- 3.3** The significant estimates, judgements and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual audited financial statements as at and for the year ended June 30, 2020.
- 3.4** There are certain standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan, standards effective for the first time in this condensed interim financial information and are mandatory for the Fund's accounting period beginning on or after July 01, 2020. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information.
- 3.5** The Fund's financial risk management objectives and policies are consistent with that disclosed in the annual audited financial statements of the Fund for the year ended June 30, 2020.

		<b>March 31, 2021 (Un-Audited)</b>	<b>June 30, 2020 (Audited)</b>
<b>4</b>	<b>BANK BALANCES</b>	<b>(Rupees in '000)</b>	
		<b>Note</b>	
	In saving accounts	4.1	39,490
	In Current Accounts		12
			<u>23,399</u>
			<u>23,388</u>
<b>4.1</b>	Mark-up rates on these accounts range between 5% to 6.2% per annum (June 30, 2020: 7% to 14.05% per annum).		
<b>5</b>	<b>INVESTMENTS</b>	<b>(Rupees in '000)</b>	
		<b>Note</b>	
	Financial assets at 'fair value through profit or loss'		
	Listed equity securities	5.1	556,251
			<u>776,041</u>

## 5.1 Investment in listed equity securities - Financial Assets at 'fair value through profit or loss'

### Shares of Listed Companies - Fully paid up ordinary shares of Rupees 10 each unless stated otherwise

Name of the Investee Company	Notes	Number of shares					As at March 31, 2021			Market value as percentage of		Par value as a percentage of issued capital of the investee company
		As at July 1, 2020	Purchases during the period	Bonus Issue	Sales during the period	As at March 31, 2021	Carrying Amount	Market Value	Unrealised appreciation/(diminution) on re-measurement of investments	Total investments	Net assets	
(Rupees in '000)												
<b>POWER GENERATION &amp; DISTRIBUTION</b>												
Hub Power Company Ltd		910,898	965,000	-	790,500	1,085,398	83,635	88,069	4,434	11.35%	11.03%	0.08%
K-Electric Limited		4,438,000	2,940,000	-	3,510,500	3,867,500	13,500	15,393	1,893	1.98%	1.93%	0.01%
Kot Addu Power Company Ltd		-	700,000	-	300,000	400,000	16,671	15,896	(775)	2.05%	1.99%	0.05%
		<b>5,348,898</b>	<b>4,605,000</b>	-	<b>4,601,000</b>	<b>5,352,898</b>	<b>113,806</b>	<b>119,358</b>	<b>5,552</b>	<b>15.38%</b>	<b>14.94%</b>	
<b>OIL &amp; GAS EXPLORATION COMPANIES</b>												
Mari Petroleum Company Ltd		82,709	26,160	-	68,120	40,749	52,181	62,399	10,218	8.04%	7.81%	0.04%
Oil & Gas Development Co Ltd		831,263	961,500	-	703,605	1,089,158	119,384	110,669	(8,715)	14.26%	13.85%	0.03%
Pakistan Oilfields Ltd		104,729	159,600	-	117,600	146,729	56,988	55,741	(1,247)	7.18%	6.98%	0.06%
Pakistan Petroleum Ltd		723,332	1,173,000	-	616,000	1,280,332	120,520	111,811	(8,708)	14.41%	14.00%	0.06%
		<b>1,742,033</b>	<b>2,320,260</b>	-	<b>1,505,325</b>	<b>2,556,968</b>	<b>349,074</b>	<b>340,621</b>	<b>(8,453)</b>	<b>43.89%</b>	<b>42.64%</b>	
<b>OIL &amp; GAS MARKETING COMPANIES</b>												
Attock Petroleum Ltd		82,990	15,900	-	98,890	-	-	-	-	0.00%	0.00%	0.00%
Hascol Petroleum Ltd		1,230,000	2,565,500	-	3,795,500	-	-	-	-	0.00%	0.00%	0.00%
Hi-Tech Lubricants Ltd		-	170,000	-	170,000	-	-	-	-	0.00%	0.00%	0.00%
Pakistan State Oil Company Ltd		467,395	563,929	-	418,000	613,324	119,111	141,451	22,340	18.23%	17.71%	0.19%
Shell Pakistan Ltd		-	128,900	-	128,900	-	-	-	-	0.00%	0.00%	0.00%
Sui Northern Gas Pipeline Ltd		1,003,900	885,000	-	1,475,900	413,000	17,168	16,198	(970)	2.09%	2.03%	0.07%
Sui Southern Gas Co Ltd		404,500	101,500	-	404,500	101,500	1,537	1,303	(234)	0.17%	0.16%	0.01%
		<b>3,188,785</b>	<b>4,430,729</b>	-	<b>6,491,690</b>	<b>1,127,824</b>	<b>137,816</b>	<b>158,952</b>	<b>21,136</b>	<b>20.48%</b>	<b>19.90%</b>	
<b>REFINERY</b>												
Attock Refinery Ltd		61,500	336,000	-	397,500	-	-	-	-	0.00%	0.00%	0.00%
Byco Petroleum Pakistan Ltd		-	2,831,000	-	187,500	2,643,500	23,202	27,651	4,449	3.56%	3.46%	0.27%
National Refinery Ltd		26,000	466,200	-	326,200	166,000	81,213	97,799	16,586	12.60%	12.24%	0.21%
Pakistan Refinery Limited		-	3,982,500	-	2,769,000	1,213,500	26,716	31,660	4,945	4.08%	3.96%	0.21%
		<b>87,500</b>	<b>7,615,700</b>	-	<b>3,680,200</b>	<b>4,023,000</b>	<b>131,131</b>	<b>157,110</b>	<b>25,979</b>	<b>20.25%</b>	<b>19.67%</b>	
<b>Total - As at March 31, 2021</b>		<b>10,367,216</b>	<b>18,971,689</b>	-	<b>16,278,215</b>	<b>13,060,690</b>	<b>731,827</b>	<b>776,041</b>	<b>44,214</b>	<b>100.00%</b>	<b>97.15%</b>	
<b>Total - As at June 30, 2020</b>		<b>14,667,786</b>	<b>7,678,775</b>	<b>208,852</b>	<b>12,188,197</b>	<b>10,367,216</b>	<b>606,956</b>	<b>556,251</b>	<b>(50,705)</b>	<b>100.00%</b>	<b>97.00%</b>	

5.2 These above investments include shares having market value of Rs. 70.09 million (June 30, 2020: Rs. 50.06 million) that have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in terms of Circular 11 dated October 23, 2007 issued by the SECP.

- Oil and Gas Development Company Limited (300,000 shares)
- Pakistan Petroleum Limited (200,000 shares)
- Pakistan State Oil (100,000 shares)

5.3 These investments include gross bonus shares as per Fund's entitlement declared by the investee companies. Finance Act, 2014 has brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5% is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the investee company which shall be considered as final discharge of tax liability on such income. However, the Management Company of the Fund jointly with other asset management companies and Mutual Fund Association of Pakistan, has filed a petition in Honorable High Court of Sindh to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the funds based on the premise of exemption given to mutual funds under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001. The Honorable High Court of Sindh has granted stay order till the final outcome of the case. However, the investee companies has withheld the share equivalent to 5% of bonus announcement of the Fund having aggregate fair market value of Rs. 0.46 million at March 31, 2021 (June 30, 2020: Rs.0.337 million) and not yet deposited on CDC account of department of Income tax. Management is of the view that the decision will be in the favor of the Fund and accordingly has recorded the bonus shares on gross basis at fair value in its investments at period end.

		<b>March 31, 2020 (Un-Audited)</b>	<b>June 30, 2020 (Audited)</b>
<b>6</b>	<b>PAYABLE TO THE MANAGEMENT COMPANY</b>	<b>(Rupees in '000)</b>	
	<b>Note</b>		
	Remuneration to the Management Company	<b>1,393</b>	951
	Sindh Sales Tax on Management Company's remuneration	<b>181</b>	124
	Sales load payable	<b>42</b>	-
	Allocation of expenses related to registrar services, accounting, operation and valuation services	<b>383</b>	262
	Selling and marketing expenses	<b>2,078</b>	1,436
		<b>4,077</b>	<b>2,772</b>

		<b>March 31, 2020 (Un-Audited)</b>	<b>June 30, 2020 (Audited)</b>
<b>7</b>	<b>ACCRUED EXPENSES AND OTHER LIABILITIES</b>	<b>(Rupees in '000)</b>	
	<b>Note</b>		
	Provision for Federal Excise Duty	<b>13,920</b>	13,920
	Provision for Sindh Workers' Welfare Fund	<b>7,485</b>	4,985
	Auditors' remuneration	<b>325</b>	292
	Payable to brokers	<b>626</b>	118
	Withholding tax payable	<b>78</b>	79
	Printing charges payable	<b>-</b>	35
	Zakat payable	<b>241</b>	207
	Other payables	<b>78</b>	65
		<b>22,753</b>	<b>19,701</b>

**7.1** The legal status of applicability of Federal Excise Duty (FED) on the Fund is the same as that disclosed in note 12.1 to the annual audited financial statements of the Fund for the year ended June 30, 2020, and the appeal filed by tax authorities with Honorable Supreme Court of Pakistan is pending for decision.

In view of the above, the Management Company, as a matter of abundant caution, is carrying provision for FED for the period from January 13, 2013 to June 30, 2016 aggregating to Rs. 13.920 million. Had the provision not been retained, NAV per unit of the Fund as at March 31, 2021 would have been higher by Rs. 0.21 per unit (June 30, 2020: Rs. 0.24 per unit).

**7.2** The legal status of applicability of Sindh Workers' Welfare Fund (SWWF) is the same as that disclosed in note 12.2 to the annual audited financial statements of the Fund for the year ended June 30, 2021.

As there is Profit for the nine months ended March 31, 2021, therefore, a provision for SWWF has been recognised in this condensed interim financial information amount to Rs.2.5 million. However, the Management is carrying provision of SWWF amounting to 7.48 million. Had the provision not been retained, NAV per unit of the Fund as at March 31, 2021 would have been higher by Rs. 0.11 per unit (June 30, 2020: Rs. 0.087 per unit).

## **8 CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments outstanding as at March 31, 2021 and June 30, 2020.

## 9 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 its accounting income for the year, as reduced by the capital gains whether realised or unrealised, is distributed to the unit holders in cash. The Fund is also exempt from the provision of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded a tax liability in the current period, as the Management Company intends to distribute more than 90 percent of the Fund's accounting income as reduced by capital gains (whether realised or unrealised) for the year ending June 30, 2020 to its unit holders.

## 10 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include HBL Asset Management Limited, being the Management Company, Habib Bank Limited being the Sponsor, Central Depository Company of Pakistan Limited, being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, directors of connected persons and persons having 10% or more beneficial ownership of the units of the Fund.

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 Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.

Transactions and balances with parties who were connected persons due to holding 10% or more units in the comparative period and not in the current period are not disclosed in the comparative period.

Details of the transactions with connected persons and balances with them, if not disclosed elsewhere in the condensed interim financial information are as follows:

	<b>Nine months ended March 31, Un-Audited</b>	
	<b>2021</b>	<b>2020</b>
	------(Rupees in '000)-----	
<b>10.1 Transactions during the period</b>		
<b>HBL Asset Management Limited - Management Company</b>		
<b>Remuneration of the Management Company</b>	<b>11,751</b>	10,577
Sindh Sales Tax on remuneration of the Management Company	<b>1,528</b>	1,375
Allocation of expenses related to registrar services, accounting, operation and valuation services	<b>3,231</b>	1,412
Selling and marketing expenses	<b>6,169</b>	4,201
Issue of Nil (2020: 5,791,795) units	-	75,000
Redemption of Nil (2020: 7,917,522) units	-	99,215
<b>Habib Bank Limited - Sponsor</b>		
Bank charges	<b>23</b>	7
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Trustee remuneration	<b>1,328</b>	1,228
CDS charges	<b>90</b>	47
CDC Annual Fee	-	-
<b>Directors and Executives of the Management Company</b>		
Issue of 487,476 (2020: 22,180) units	<b>5,596</b>	226
Redemption of 281,215 (2020: 7,628) units	<b>3,287</b>	100

		<b>Nine months ended March 31, Un-Audited</b>	
		<b>2021</b>	<b>2020</b>
		------(Rupees in '000)-----	
<b>Rohtas Associates (Pvt) Ltd - CP More Than 10% Units</b>			
	Issue of 16,674,442 (2020: Nil.) units	<b>192,111</b>	-
	Redemption of 10,396,527 (2020: Nil) units	<b>120,731</b>	-
		<b>March 31, 2021</b>	June 30, 2020
<b>10.2</b>	<b>Balances outstanding as at period / year end</b>	<b>(Un-Audited)</b>	<b>(Audited)</b>
		<b>(Rupees in '000)</b>	
<b>HBL Asset Management Limited - Management Company</b>			
	Management fee payable	<b>1,393</b>	951
	Sindh Sales Tax on Management Company's remuneration	<b>181</b>	124
	Sales load payable	<b>42</b>	-
	Allocation of expenses related to registrar services, accounting, operation and valuation services	<b>383</b>	262
	Selling and marketing expenses	<b>2,078</b>	1,436
<b>MCB Bank Limited- Connected person due to holding more than 10% units</b>			
	Bank balances	<b>9,841</b>	14,792
	Profit receivable on bank deposits	<b>316</b>	470
	Units held: Nil (June 30, 2018: 6,468,401) units	-	94,993
<b>Habib Bank Limited - Sponsor</b>			
	Bank balances	<b>2,884</b>	2,933
	Units held: 19,690,192 ( June 30, 2020: 19,690,192) units	<b>238,247</b>	197,111
<b>MCB Bank Limited - Connected Person - Holding more than 10% of Units</b>			
	Units held: 6,468,401 ( June 30, 2020: 6,468,400) units	<b>78,266</b>	64,753
<b>Rohtas Associates (Pvt) Ltd - CP More Than 10% Units</b>			
	Units held: 6,277,914 ( June 30, 2020: Nil) units	<b>75,962</b>	-
<b>Central Depository Company of Pakistan Limited - Trustee</b>			
	Trustee fee payable	<b>157</b>	95
	CDS charges payable	<b>3</b>	3
	Security deposit	<b>300</b>	300
<b>Directors and Executives of the Management Company</b>			
	Units held: 251,892 (June 30, 2020: Nil) units	<b>3,048</b>	-

## 11 EARNINGS PER UNIT

Earnings per unit has not been disclosed as in the opinion of the management determination of cumulative weighted average number of outstanding units for calculating earnings per unit is not practicable.

## 12 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13, 'Fair Value Measurements' requires the Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

		March 31, 2021 (Un-Audited)						
		Carrying amount			Fair Value			
		Fair value through profit or loss	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Note		(Rupees in '000)						
<b>On-balance sheet financial instruments</b>								
<b>Financial assets measured at fair value</b>								
	Investments - Listed equity securities	776,041	-	776,041	776,041	-	-	776,041
		776,041	-	776,041	776,041	-	-	776,041
<b>Financial assets not measured at fair value</b>								
12.1	Bank balances	-	23,399	23,399				
	Deposits	-	28,126	28,126				
	Dividend and profit receivable	-	3,560	3,560				
		-	55,085	55,085				
<b>Financial liabilities not measured at fair value</b>								
12.1	Payable to the Management Company	-	3,854	3,854				
	Payable to the Trustee	-	139	139				
	Accrued expenses and other liabilities	-	1,029	1,029				
	Unclaimed dividend	-	5,382	5,382				
		-	10,404	10,404				

		June 30, 2020 (Audited)						
		Carrying amount			Fair Value			
		Fair value through profit or loss	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
		----- (Rupees in '000) -----						
<b>On-balance sheet financial instruments</b>								
<b>Financial assets measured at fair value</b>								
		556,251	-	556,251	556,251	-	-	556,251
		556,251	-	556,251	556,251	-	-	556,251
<b>Financial assets not measured at fair value</b>								
	12.1	-	39,502	39,502				
		-	2,893	2,893				
		-	198	198				
		-	42,593	42,593				
<b>Financial liabilities not measured at fair value</b>								
	12.1	-	2,649	2,649				
		-	96	96				
		-	2,519	2,519				
		-	5,388	5,388				
		-	10,652	10,652				

**12.1** The Fund has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are reasonable approximation of fair value.

**12.2** Transfers during the period  
No transfers were made between various levels of fair value hierarchy during the period.

### **13 TOTAL EXPENSE RATIO**

In accordance with the directive 23 of 2016 dated July 20, 2016 issued by the Securities and Exchange Commission of Pakistan (SECP), the total expense ratio of the Fund for the nine months ended March 31, 2021 is 3.94% (March 2020: 2.96%) which includes 0.60% (March 2020: 0.26%) representing government levy and SECP fee.

### **14 DATE OF AUTHORISATION FOR ISSUE**

This condensed interim financial information was authorised for issue by the Board of Directors of the Management Company on April 30, 2021.

### **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 better presentation and disclosure.

**15.3** In continuation of note 1 to annual audited financial statements for the year ended June 30, 2020, we state that as a result of measures taken by Government, there has not been any material adverse impact on fiscal and economic fronts facing the country. The Management of the Fund is closely monitoring the situation and so far, there is no impact on this interim financial information of the Fund.

**For HBL Asset Management Limited  
(Management Company)**

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

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

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



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# **HBL**

## **Multi Asset Fund**

## FUND INFORMATION

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Name of Fund	HBL Multi Asset Fund
Name of Auditor	KPMG Taseer Hadi & Co., Chartered Accountants.
Name of Trustee	Central Depository Company of Pakistan Limited (CDC)
Bankers	Habib Bank Limited Allied Bank Limited JS Bank Limited MCB Bank Limited Zarai Taraqati Bank Limited Sindh Bank Limited Soneri Bank Limited Dubai Islamic Bank Limited Habib Metropolitan Bank Limited

**HBL Multi Asset Fund**  
**Condensed Interim Statement of Assets and Liabilities (Un-Audited)**  
*As at March 31, 2021*

	March 31, 2021 (Un-Audited)	June 30, 2020 (Audited)
Note	----- Rupees in '000-----	
<b>Assets</b>		
Bank balances	6 <b>49,195</b>	69,747
Investments	7 <b>154,082</b>	136,901
Dividend receivable and accrued mark-up	<b>1,976</b>	550
Receivable against sale of investments	<b>1,620</b>	0
Advances, deposits and prepayments	8 <b>2,972</b>	3,515
<b>Total assets</b>	<b>209,845</b>	210,713
<b>Liabilities</b>		
Payable to the Management Company	9 <b>680</b>	1,150
Payable to the Trustee	<b>38</b>	34
Payable to the Securities and Exchange Commission of Pakistan	<b>31</b>	39
Payable against purchase of investments	-	416
Accrued expenses and other liabilities	10 <b>12,459</b>	15,310
<b>Total liabilities</b>	<b>13,208</b>	16,949
<b>Net assets</b>	<b>196,637</b>	193,764
<b>Unit holders' fund (as per statement attached)</b>	<b>196,637</b>	193,764
<b>Contingencies and Commitments</b>		
	11	
	-----Number of units-----	
<b>Number of units in issue</b>	<b>1,785,850</b>	2,059,534
	-----Rupees-----	
<b>Net assets value per unit</b>	<b>110.1080</b>	94.0814

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

**For HBL Asset Management Limited**  
**(Management Company)**

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

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

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

**HBL Multi Asset Fund**  
**Condensed Interim Income Statement And Other Comprehensive Income (Un-Audited)**  
**For The Nine Months Ended March 31, 2021**

	Nine Months ended		Quarter ended	
	March 31,		March 31,	
	2021	2020	2021	2020
Note -----Rupees in '000-----				
<b>Income</b>				
Dividend income	4,526	5,133	1,957	1,256
Mark-up on deposits with banks	2,577	6,353	747	1,857
Mark-up / return on investments	1,328	2,651	526	633
Capital Gain on sale of investments - net	14,609	2,987	5,281	304
Reversal of provision against non-performing Term Finance Certificates and Sukuk bonds	1,520	-	-	-
Other income	16	43	2	10
	<b>24,576</b>	<b>17,167</b>	<b>8,513</b>	<b>4,060</b>
Unrealised diminution on re-measurement of investments classified as financial asset at fair value through profit or loss - net	14,850	(20,101)	(3,991)	(41,155)
<b>Expenses</b>				
Remuneration of the Management Company	3,527	3,222	1,125	1,101
Remuneration of the Trustee	353	339	113	111
Annual fee to Securities and Exchange Commission of Pakistan	31	30	10	10
Allocation of expenses related to registrar services, accounting, operation and valuation services	546	326	174	109
Auditors' remuneration	338	301	104	101
Securities transaction costs	402	241	143	28
Settlement and bank charges	263	216	86	80
Fee and subscription	20	21	6	7
Selling and marketing expense	757	519	242	186
Printing charges	37	-	12	-
	<b>6,274</b>	<b>5,215</b>	<b>2,015</b>	<b>1,733</b>
<b>Net Gain from operating activities</b>	<b>33,152</b>	<b>(8,149)</b>	<b>2,507</b>	<b>(38,828)</b>
Provision for Sindh Workers' Welfare Fund	10.2 (663)	-	(50)	614
<b>Net Gain for the period before taxation</b>	<b>32,489</b>	<b>(8,149)</b>	<b>2,457</b>	<b>(38,214)</b>
Taxation	12 -	-	-	-
<b>Net Gain for the period after taxation</b>	<b>32,489</b>	<b>(8,149)</b>	<b>2,457</b>	<b>(38,214)</b>
<b>Allocation of income for the period</b>				
Income already paid on redemption of units	(5,055)	-		
Accounting income available for distribution:				
- Relating to capital gains	24,709	-		
- Excluding capital gains	2,725	-		
	<b>27,434</b>	<b>(8,149)</b>		

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

**For HBL Asset Management Limited**  
**(Management Company)**

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

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

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

**HBL Multi Asset Fund**  
**Condensed Interim Statement of Comprehensive Income (Un-Audited)**  
*For The Nine Months Ended March 31, 2021*

	Nine Months ended		Quarter ended	
	March 31,		March 31,	
	2021	2020	2021	2020
	-----Rupees in '000-----			
Net Gain for the period after taxation	32,489	(8,149)	2,457	(38,214)
Other comprehensive (loss) / income for the period	-	-	-	-
<b>Total comprehensive Gain for the period</b>	<b>32,489</b>	<b>(8,149)</b>	<b>2,457</b>	<b>(38,214)</b>

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

**For HBL Asset Management Limited**  
**(Management Company)**

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

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

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

**HBL Multi Asset Fund**  
**Statement of Movement in Unitholders' Fund (Un-Audited)**  
*For The Nine Months Ended March 31, 2021*

	Nine Months ended March 31,							
	2021			2020				
	Capital Value	Undistributed Income / (Accumulated loss)	Unrealised income / (loss) on investment	Total	Capital Value	Undistributed Income / (Accumulated loss)	Unrealised income / (loss) on investment	Total
(Rupees in '000)								
<b>Net assets at beginning of the period</b>	<b>243,068</b>	<b>(49,304)</b>	-	<b>193,764</b>	252,548	(49,394)	-	203,154
Adoption of IFRS 9	-	-	-	-	-	-	-	-
Issue of 702,363 units (2020: 78,267 units)								
- Capital value (at net asset value per unit at the beginning of the period)	<b>66,080</b>	-	-	<b>66,080</b>	7,364	-	-	7,364
- Element of loss	<b>(19,594)</b>	-	-	<b>(19,594)</b>	1,013	-	-	1,013
Total proceeds on issuance of units	<b>46,486</b>	-	-	<b>46,486</b>	8,377	-	-	8,377
Redemption of 976,046 units (2020: 414,548 units)								
- Capital value (at net asset value per unit at the beginning of the period)	<b>(91,826)</b>	-	-	<b>(91,826)</b>	(38,999)	-	-	(38,999)
- Element of income	<b>15,724</b>	-	-	<b>15,724</b>	(4,481)	-	-	(4,481)
Total payments on redemption of units	<b>(76,102)</b>	-	-	<b>(76,102)</b>	(43,480)	-	-	(43,480)
Element of loss and capital losses included in prices of units issued less those in units redeemed - net	-	-	-	-	-	-	-	-
Net loss for the period after taxation	-	<b>32,489</b>	-	<b>32,489</b>	-	(8,149)	-	(8,149)
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	<b>32,489</b>	-	<b>32,489</b>	-	(8,149)	-	(8,149)
<b>Net assets at end of the period</b>	<b>213,452</b>	<b>(16,815)</b>	-	<b>196,637</b>	217,445	(57,543)	-	159,902
<b>(Accumulated loss) / undistributed income brought forward</b>								
- Realised		<b>(28,505)</b>				<b>(38,129)</b>		
- Unrealised		<b>(20,799)</b>				<b>(11,265)</b>		
		<b>(49,304)</b>				<b>(49,394)</b>		
Adoption of IFRS 9		-				-		
Net loss for the period		<b>32,489</b>				<b>(8,149)</b>		
Element of income and capital gains included in prices of units issued less those in units redeemed - transferred to distribution statement		-				-		
<b>Accumulated loss carried forward</b>		<b>(16,815)</b>				<b>(57,543)</b>		
<b>Accumulated loss carried forward</b>								
- Realised		<b>(31,665)</b>				<b>(37,442)</b>		
- Unrealised		<b>14,850</b>				<b>(20,101)</b>		
		<b>(16,815)</b>				<b>(57,543)</b>		
					Rupees			Rupees
<b>Net assets value per unit at beginning of the period</b>					<b>94.0814</b>			<b>94.0814</b>
<b>Net assets value per unit at end of the period</b>					<b>110.1080</b>			<b>89.4482</b>

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

**For HBL Asset Management Limited**  
**(Management Company)**

**Chief Financial Officer**

**Chief Executive Officer**

**Director**

**HBL Multi Asset Fund**  
**Condensed Interim Cash Flow Statement (Un-Audited)**  
*For The Nine Months Ended March 31, 2021*

	Nine Months ended March 31,	
	2021	2020
	-----Rupees in '000-----	
<b>Cash flows from operating activities</b>		
Net loss for the period before taxation	32,489	(8,149)
<b>Adjustments for non-cash items:</b>		
Capital Gain on sale of investments - net	(14,609)	(2,987)
Profit from bank deposits	(2,577)	(6,353)
Return from investments	(1,328)	(2,651)
Dividend income	(4,526)	(5,133)
Unrealised diminution on re-measurement of investments classified as financial asset at fair value through profit or loss - net	(14,850)	20,101
	(5,401)	(5,172)
<b>Decrease / (increase) in assets</b>		
Investments	10,242	28,454
Advances, deposits and prepayments	543	(42)
	10,785	28,412
<b>Increase / (decrease) in liabilities</b>		
Payable to the Management Company	(470)	37
Payable to the Trustee	4	(32)
Payable to the Securities and Exchange Commission of Pakistan	(8)	(204)
Accrued expenses and other liabilities	(2,851)	(4)
	(3,325)	(203)
<b>Net cash generated from operations</b>	2,059	23,037
Profits received on bank deposits	2,750	6,512
Markup received on investments	977	2,356
Dividend income received	3,278	4,201
	7,005	13,069
<b>Net cash generated from operating activities</b>	9,064	36,106
<b>Cash flows from financing activities</b>		
Amount received on issue of units	46,486	8,377
Payment against redemption of units	(76,102)	(43,481)
<b>Net cash used in financing activities</b>	(29,616)	(35,104)
<b>Net decrease in cash and cash equivalents</b>	(20,552)	1,002
Cash and cash equivalents at beginning of the period	69,747	60,225
<b>Cash and cash equivalents at end of the period</b>	49,195	61,227

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

**For HBL Asset Management Limited**  
**(Management Company)**

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

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

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

# **HBL Multi Asset Fund**

## **Notes to the Condensed Interim Financial Information (Unaudited)**

### *For The Nine Months Ended March 31, 2021*

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

HBL Multi Asset Fund (the Fund) was established under a Trust Deed, dated October 08, 2007, executed between HBL Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Fund was authorised by the Securities and Exchange Commission of Pakistan (SECP) as a unit trust scheme on September 28, 2007.

The Management Company of the Fund has been registered as a Non-Banking Finance Company (NBFC) under the NBFC Rules, 2003 and has obtained the requisite license from the SECP to undertake Asset Management services. The registered office of the Management Company is situated at 7th Floor, Emerald Tower, G-19, Block 5, Main Clifton Road, Clifton, Karachi.

The Fund is an open ended mutual fund and offers units for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited.

The fund has been categorised as a balanced fund as per the criteria laid down by SECP for categorization of open-end Collective Investment Scheme (CISs).

The objective of the Fund is to provide long-term capital growth and income by investing in multiple asset classes, such as equity securities, government securities, fixed income securities, continuous funding system, derivatives, money market instruments and other asset classes / securities / instruments.

VIS Credit Rating Company has assigned a management quality rating of AM2+' (Positive outlook) to the Management Company while the Fund is currently not rated.

Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as trustee of the Fund.

#### **2. BASIS OF PREPARATION**

##### **2.1 Statement of compliance**

**2.1.1** The condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

In case where requirements differ, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

**2.1.2** This condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the annual financial statements of the Fund as at and for the year ended June 30, 2020. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Fund's financial position and performance since the last financial statements.

**2.1.3** In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that these condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2021.

##### **2.2 Basis of measurement**

These condensed interim financial information have been prepared under the historical cost convention, except that certain financial assets are stated at fair value.



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### 2.3 Functional and presentation currency

These condensed interim financial information are presented in Pakistani Rupees which is the Fund's functional and presentation currency.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of the 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, 2020.

### 4. USE OF ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial information requires management to make judgments, estimates and assumption that affect the application of accounting policies and reported amount of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended June 30, 2020.

### 5. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies are consistent with that disclosed in the financial statements as at and for the year ended June 30, 2020.

		(Un-Audited) March 31, 2021	(Audited) June 30, 2020
	Note	-----Rupees in '000-----	
<b>6. BANK BALANCES</b>			
Balances with banks in:			
Savings accounts	6.1	<u>49,195</u>	<u>69,747</u>

6.1 This represents bank accounts held with different banks. Mark-up rates on these accounts ranges between 4.00% - 7.8% per annum (June 30, 2020: 6.00% - 14.5% per annum).

		(Un-Audited) March 31, 2021	(Audited) June 30, 2020
	Note	-----Rupees in '000-----	
<b>7. INVESTMENTS</b>			
<b>Financial assets at fair value through profit or loss</b>			
- Listed equity securities	7.1	132,324	119,600
- Term finance certificates	7.2	17,478	17,301
- Commercial Paper		4,280	
		<u>154,082</u>	<u>136,901</u>

## 7.1 Listed equity securities - At fair value through profit or loss

Shares of listed companies - fully paid up ordinary shares of Rs. 10 each unless stated otherwise.

Name of Investee Company	Number of Shares				As at March 31, 2021	Market value as at March 31, 2021 (Rupees in '000)	Market value as a percentage of		Par value as a percentage of issued capital of the investee company
	As at July 1, 2020	Purchases during the period	Bonus / Rights issue	Sales during the period			Total Investments	Net Assets	
<b>Automobile Assembler</b>									
Honda Atlas Cars (Pakistan) Ltd	-	6,500	-	6,500	-	-	-	-	-
Millat Tractors Ltd	-	2,500	137	2,500	137	151	0.10	0.08	0.00%
Pak Suzuki Motor Company Limited	-	5,000	-	-	5,000	1,574	1.02	0.80	0.01%
	-	<b>14,000</b>	<b>137</b>	<b>9,000</b>	<b>5,137</b>	<b>1,725</b>	<b>1</b>	<b>1</b>	
<b>AUTOMOBILE PARTS &amp; ACCESSORIES</b>									
General Tyre & Rubber Co of Pakistan Ltd	-	30,000	-	-	30,000	2,629	1.71	1.34	0.05%
PANTHER TYRES LIMITED	-	19,526	-	-	19,526	1,258	0.82	0.64	0.00%
Thal Limited	13,000	-	-	12,900	100	37	0.02	0.02	0.00%
	<b>13,000</b>	<b>49,526</b>	-	<b>12,900</b>	<b>49,626</b>	<b>3,924</b>	<b>3</b>	<b>2</b>	
<b>TECHNOLOGY &amp; COMMUNICATION</b>									
Avanceon Limited	-	35,000	-	5,000	30,000	2,651	1.72	1.35	0.02%
Netsol Technologies	-	6,000	-	-	6,000	1,224	0.79	0.62	0.01%
TPL Trakker Limited	-	153,500	-	-	153,500	1,523	0.99	0.77	0.01%
TRG Pakistan Ltd	-	35,000	-	25,000	10,000	1,502	0.97	0.76	0.00%
	-	<b>229,500</b>	-	<b>30,000</b>	<b>199,500</b>	<b>6,900</b>	<b>4</b>	<b>4</b>	
<b>REFINERY</b>									
Attock Refinery Ltd	-	22,000	-	11,000	11,000	2,809	1.82	1.43	0.01%
National Refinery Ltd	-	18,600	-	16,000	2,600	1,532	0.99	0.78	0.00%
Pakistan Refinery Limited	-	162,000	-	162,000	-	-	-	-	-
	-	<b>202,600</b>	-	<b>189,000</b>	<b>13,600</b>	<b>4,341</b>	<b>3</b>	<b>2</b>	
<b>Vanaspati &amp; Allied Industries</b>									
Unity Foods Limited	-	255,500	-	207,500	48,000	1,428	0.93	0.73	0.01%
	-	<b>255,500</b>	-	<b>207,500</b>	<b>48,000</b>	<b>1,428</b>	<b>0.93</b>	<b>0.73</b>	
<b>LEATHER &amp; TANNERIES</b>									
Service Industries Ltd	-	1,000	-	-	1,000	1,121	0.73	0.57	0.01%
	-	<b>1,000</b>	-	-	<b>1,000</b>	<b>1,121</b>	<b>0.73</b>	<b>0.57</b>	
<b>FOOD &amp; ALLIED INDUSTRIES</b>									
The Organic Meat Company Limited	-	160,725	-	-	160,725	4,912	3.19	2.50	0.01%
	-	<b>160,725</b>	-	-	<b>160,725</b>	<b>4,912</b>	<b>3.19</b>	<b>2.50</b>	
<b>GLASS &amp; CERAMICS</b>									
Tariq Glass Industries Ltd	-	15,000	3,125	2,500	15,625	1,307	0.85	0.66	0.02%
	-	<b>15,000</b>	<b>3,125</b>	<b>2,500</b>	<b>15,625</b>	<b>1,307</b>	<b>0.85</b>	<b>0.66</b>	
<b>INSURANCE</b>									
Adamjee Insurance Co Ltd	45,000	-	-	29,000	16,000	628	0.41	0.32	0.00%
IGI Holding Limited	10,000	2,200	-	-	12,200	2,073	1.35	1.05	0.01%
IGI Life Insurance Limited	-	9,000	-	-	9,000	519	0.34	0.26	0.00%
	<b>55,000</b>	<b>11,200</b>	-	<b>29,000</b>	<b>37,200</b>	<b>3,220</b>	<b>2.09</b>	<b>1.64</b>	
<b>Cement</b>									
Attock Cement Pakistan Limited	-	8,000	-	-	8,000	1,358	0.88	0.69	0.01%
D G Khan Cement Co. Limited	-	37,500	-	10,600	26,900	3,242	2.10	1.65	0.01%
Kohat Cement Limited	9,500	-	-	3,300	6,200	1,285	0.83	0.65	0.00%
Lucky Cement Limited	17,400	-	-	4,600	12,800	10,464	6.79	5.32	0.00%
Maple Leaf Cement Factory Limited	19,000	103,000	-	34,000	88,000	3,942	2.56	2.00	0.02%
Pioneer Cement Limited	-	15,000	-	-	15,000	1,827	1.19	0.93	0.01%
	<b>45,900</b>	<b>163,500</b>	-	<b>52,500</b>	<b>156,900</b>	<b>22,118</b>	<b>14.35</b>	<b>11.25</b>	

Name of Investee Company	Number of Shares				Market value as at March 31, 2021 (Rupees in '000)	Market value as a percentage of		Par value as a percentage of issued capital of the investee company	
	As at July 1, 2020	Purchases during the period	Bonus / Rights issue	Sales during the period		As at March 31, 2021	Total Investments		Net Assets
<b>Chemical</b>									
Engro Polymer & Chemicals Limited	86,000	14,000	-	29,000	71,000	3,904	2.53	1.99	0.01%
Lotte Chemical Pakistan Ltd	-	125,000	-	125,000	-	-	-	-	-
Nimir Resins Limited	-	120,000	-	-	120,000	1,391	0.90	0.71	0.00%
Sitara Chemical Industries Limited	10,400	1,800	-	12,200	-	-	-	-	-
Sitara Peroxide Limited	90,000	-	-	90,000	-	-	-	-	-
	<b>186,400</b>	<b>260,800</b>	<b>-</b>	<b>256,200</b>	<b>191,000</b>	<b>5,295</b>	<b>3.44</b>	<b>2.69</b>	
<b>Commercial Banks</b>									
Allied Bank Limited	14,500	-	-	14,500	-	-	-	-	-
Bank Alfalah Limited	149,100	4,000	-	143,000	10,100	308	0.20	0.16	0.00%
Bank Al-Habib Limited	72,000	1,500	-	73,500	-	-	-	-	-
Bank of Punjab	141,000	-	-	84,000	57,000	459	0.30	0.23	0.01%
Faysal Bank Limited	2,250	102,000	-	32,000	72,250	1,169	0.76	0.59	0.01%
Habib Bank Limited *	41,971	21,000	-	13,500	49,471	5,748	3.73	2.92	0.00%
MCB Bank Limited	15,900	10,000	-	3,500	22,400	3,856	2.50	1.96	0.00%
Meezan Bank Limited	-	7,000	-	700	6,300	713	0.46	0.36	0.00%
National Bank of Pakistan Limited	74,500	-	-	74,500	-	-	-	-	-
Standard chartered Bank (Pakistan) Limited	-	73,000	-	-	73,000	2,157	1.40	1.10	0.00%
United Bank Limited	46,300	37,400	-	21,300	62,400	7,422	4.82	3.77	0.01%
	<b>557,521</b>	<b>255,900</b>	<b>-</b>	<b>460,500</b>	<b>352,921</b>	<b>21,832</b>	<b>14.17</b>	<b>11.10</b>	
<b>Engineering</b>									
Agha Steel Industries Limited	-	48,000	-	-	48,000	1,482	0.96	0.75	0.00%
Aisha Steel Mills Limited	-	60,000	-	-	60,000	1,425	0.92	0.72	0.01%
Amreli Steels Limited	-	15,000	-	-	15,000	625	0.41	0.32	0.01%
International Industries Limited	-	10,000	-	1,500	8,500	1,727	1.12	0.88	0.01
International Steels Limited	-	12,000	-	3,000	9,000	770	0.50	0.39	0.00%
Mughal Iron & Steel Inds Limited	24,500	9,000	-	8,500	25,000	2,327	1.51	1.18	0.01%
Mughal Iron & Steel Inds Limited - LOR	-	3,613	-	1	3,612	82	0.05	0.04	0.00%
	<b>24,500</b>	<b>157,613</b>	<b>-</b>	<b>13,001</b>	<b>169,112</b>	<b>8,438</b>	<b>5</b>	<b>4</b>	
<b>Fertilizers</b>									
Engro Corporation Limited	24,550	2,500	-	27,050	-	-	-	-	-
Engro Fertilizers Limited	40,000	25,000	-	65,000	-	-	-	-	-
Fauji Fertilizer Company Limited	46,200	12,500	-	46,200	12,500	1,306	0.85	0.66	0.00%
	<b>110,750</b>	<b>40,000</b>	<b>-</b>	<b>138,250</b>	<b>12,500</b>	<b>1,306</b>	<b>0.85</b>	<b>0.66</b>	
<b>Oil &amp; Gas Exploration</b>									
Mari Petroleum Company Limited	6,575	1,500	-	4,560	3,515	5,383	3.49	2.74	0.00%
Oil & Gas Development Company Limited	101,300	5,500	-	41,000	65,800	6,686	4.34	3.40	0.00%
Pakistan Oilfields Limited	-	7,500	-	1,300	6,200	2,355	1.53	1.20	0.00%
Pakistan Petroleum Limited	101,306	1,500	-	29,500	73,306	6,402	4.15	3.26	0.00%
	<b>209,181</b>	<b>16,000</b>	<b>-</b>	<b>76,360</b>	<b>148,821</b>	<b>20,826</b>	<b>13.52</b>	<b>10.59</b>	
<b>Oil &amp; Gas Marketing Companies</b>									
Hascol Petroleum Ltd	-	25,000	-	25,000	-	-	-	-	-
Pakistan State Oil Company Ltd	23,404	4,500	-	5,000	22,904	5,282	3.43	2.69	0.01%
Shell Pakistan Ltd	-	2,500	-	2,500	-	-	-	-	-
Sui Northern Gas Pipeline Ltd	45,000	-	-	45,000	-	-	-	-	-
	<b>68,404</b>	<b>32,000</b>	<b>-</b>	<b>77,500</b>	<b>22,904</b>	<b>5,282</b>	<b>3.43</b>	<b>2.69</b>	
<b>CABLE &amp; ELECTRICAL GOODS</b>									
Waves Singer Pakistan Limited	-	189,000	-	189,000	-	-	-	-	-
	<b>-</b>	<b>189,000</b>	<b>-</b>	<b>189,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Pharmaceuticals</b>									
AGP Limited	17,500	11,500	-	17,500	11,500	1,312	0.85	0.67	0.00%
Hignoon Laboratories Limited	8,000	-	-	8,000	-	-	-	-	-
The Searle Company Limited	9,961	5,000	-	9,099	5,862	1,448	0.94	0.74	0.00%
	<b>35,461</b>	<b>16,500</b>	<b>-</b>	<b>34,599</b>	<b>17,362</b>	<b>2,760</b>	<b>1.79</b>	<b>1.40</b>	

Name of Investee Company	Number of Shares					Market value as at March 31, 2021 (Rupees in '000)	Market value as a percentage of		Par value as a percentage of issued capital of the investee company
	As at July 1, 2020	Purchases during the period	Bonus / Rights issue	Sales during the period	As at March 31, 2021		Total Investments	Net Assets	
<b>Power Generation and Distribution</b>									
Hub Power Company Limited	97,483	21,000	-	54,000	64,483	5,232	3.40	2.66	0.00%
	<b>97,483</b>	<b>21,000</b>	<b>-</b>	<b>54,000</b>	<b>64,483</b>	<b>5,232</b>	<b>3.40</b>	<b>2.66</b>	
<b>Textile Composite</b>									
Gul Ahmed Textile Mills Ltd	70,000	-	-	18,000	52,000	2,460	1.60	1.25	0.01%
Interloop Limited	34,250	-	-	6,000	28,250	1,868	1.21	0.95	0.31%
Kohinoor Textile Mills Ltd	-	61,500	-	21,500	40,000	2,454	1.59	1.25	0.04%
Nishat (Chunain) Limited	-	39,000	-	-	39,000	1,798	1.17	0.91	0.02%
Nishat Mills Limited	19,700	5,000	-	16,000	8,700	805	0.52	0.41	0.00%
	<b>123,950</b>	<b>105,500</b>	<b>-</b>	<b>61,500</b>	<b>167,950</b>	<b>9,385</b>	<b>6.09</b>	<b>4.77</b>	
<b>TRANSPORT</b>									
Pakistan National Shipping Corp Ltd	13,000	-	-	-	13,000	972	0.63	0.49	0.01%
	<b>13,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,000</b>	<b>972</b>	<b>0.63</b>	<b>0.49</b>	
	<b>1,540,550</b>	<b>2,196,864</b>	<b>3,262</b>	<b>1,893,310</b>	<b>1,847,366</b>	<b>132,324</b>	<b>85.88</b>	<b>67.29</b>	
<b>Cost of investments at March 31, 2021</b>						<b>117,727</b>			

**7.1.1** Investments include shares having market value aggregating to Rs. 33.171 million (June 30, 2020: 29.678 million) that have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in terms of Circular No. 11 dated October 23, 2007 issued by the SECP.

**7.1.2** These investments include gross bonus shares as per Fund's entitlement declared by the investee companies. Finance Act, 2014 has brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5% is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the investee company which shall be considered as final discharge of tax liability on such income. However, the Management Company of the Fund jointly with other asset management companies and Mutual Fund Association of Pakistan (MUFAP), has filed a petition in Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the funds based on the premise of exemption given to mutual funds under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001. The Sindh High Court has granted stay order till the final outcome of the case. However, the investee company(s) has withheld the share equivalent to 5% of bonus announcement of the Fund having aggregate fair market value of Rs. 547,100 at March 31, 2020 (June 30, 2020: Rs 345,080 ) and not yet deposited in CDC account of department of Income tax. Management is of the view that the decision will be in the favor and accordingly has recorded the bonus shares on gross basis at fair value in its investments at period end.

**7.2 Term Finance Certificates - Fair value through profit and loss**

**7.2.1 Term Finance Certificates - Unlisted**

All Term Finance Certificates and Sukuk bonds have a face value of Rs. 100,000 each unless stated otherwise.

Investee Company	Number of certificates				Market value as at March 31, 2021 (Rupees in '000)	Market value as a percentage		
	As at July 01, 2020	Purchases during the period	Sales / Matured during the period	As at March 31, 2021		Total Investments	Net Assets	
<b>Commercial Banks</b>								
The Bank of Punjab	135	-	-	135	13,478	8.7%	6.9%	
Dawood Harcules Corporation Limited**	50	-	50	-	-	-	-	
TPL Trakker Limited	-	40	-	40	4,000	2.6%	2.0%	
	<b>185</b>	<b>40</b>	<b>50</b>	<b>175</b>	<b>17,478</b>	<b>11.34%</b>	<b>8.89%</b>	
<b>Cost of investments at March 31, 2021</b>						<b>17,225</b>		

7.2.2 Significant terms and conditions of Term Finance Certificates outstanding at March 31, 2021 are:

Name of security	Remaining principal (per TFC)	Mark-up rate (per annum)	Issue date	Maturity date
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**Term Finance Certificates - Unlisted**

Bank of Punjab	99,880	6 Month KIBOR + 0.5%	February 19, 2016	February 19, 2026
TPL Traker Sukuk	100,000	3 month KIBOR + 3.0%	March 30, 2021	March 30, 2026

8. ADVANCES, DEPOSITS AND PREPAYMENTS	Note	(Un-Audited)	(Audited)
		March 31, 2021	June 30, 2020
		-----Rupees in '000-----	
Security deposit with National Clearing Company of Pakistan Limited		2,500	3,051
Security deposit with Central Depository Company of Pakistan Limited		100	100
Advance against subscription of Term Finance Certificates (TFC)	8.1	25,000	25,000
Prepaid annual Legal and listing fee		7	-
Advance tax		364	364
		<u>27,972</u>	<u>28,515</u>
Provision in respect of advance against subscription of term finance certificates	8.1 & 15	(25,000)	(25,000)
		<u>2,972</u>	<u>3,515</u>

8.1 The Fund had subscribed towards the term finance certificates of an issuer as Pre-IPO investor on January 9, 2008. Under the agreement, the issuer was required to complete the public offering by October 9, 2008. However, no public offering has been carried out by the issuer as at March 31, 2021. In addition, profit on the advance against subscription, due after six months from the date of subscription, has also not been received by the Fund. As at March 31, 2020, the advance against subscription has been fully provided in accordance with the provisioning policy of the Fund as approved by the Board of Directors of the Management Company.

9. PAYABLE TO THE MANAGEMENT COMPANY	Note	(Un-Audited)	(Audited)
		March 31, 2021	June 30, 2020
		-----Rupees in '000-----	
Management fee		335	303
Sindh Sales Tax		44	40
Sales load payable		-	541
Allocation of expenses related to registrar services, accounting, operation and valuation services		59	53
Selling and marketing payable		242	213
		<u>680</u>	<u>1,150</u>

10. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	(Un-Audited)	(Audited)
		March 31, 2021	June 30, 2020
Auditors' remuneration		313	318
Federal Excise Duty	10.1	6,610	6,610
Dividend Payable		3	3,001
Withholding tax Payable		-	522
Payable to brokers		78	67
Provision for Sindh Workers' Welfare Fund	10.2	5,394	4,731
Other payables		61	61
		<u>12,459</u>	<u>15,310</u>

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**10.1** The legal status of applicability of Federal Excise Duty on the Fund is the same as that disclosed in note 11.1 to the annual audited financial statements of the Fund for the year ended June 30, 2020, and the appeal which was filed by tax authorities against the order by the Supreme Court of Pakistan dated July 16, 2016, is pending for decision.

In view of above, the Management Company, being prudent, is carrying provision for FED for the period from January 13, 2013 to March 31, 2021 aggregating to Rs. 6.610 million. Had the provision not been retained, NAV per unit of the Fund as at March 31, 2021 would have been higher by Rs. 3.70 per unit (June 30, 2020: 3.2094 per unit).

**10.2 PROVISION FOR SINDH WORKERS' WELFARE FUND**

The legal status of applicability of Sindh Workers' Welfare Fund (SWWF) is the same as that disclosed in note 11.2 to the annual audited financial statements of the Fund for the year ended June 30, 2020.

As there is gain for the half year ended March 31, 2021, no provision for SWWF has been recognised in these condensed interim financial information. Had the provision not been retained, NAV per unit of the Fund as at March 31, 2021 would have been higher by Rs. 3.02 per unit (June 30, 2020: 2.297 per unit).

**11. CONTINGENCIES AND COMMITMENTS**

There are no contingencies and commitments outstanding as at March 31, 2021 and June 30, 2020.

**12. TAXATION**

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed to the unit holders in cash. 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. The Fund has not recorded tax liability in the current period, as the Management Company intends to distribute more than 90 percent of the Fund's accounting income as reduced by capital gains (whether realised or unrealised) for the year ended June 30, 2020 to its unit holders.

**13. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS**

Connected persons / related parties comprise HBL Asset Management Limited being the Management Company, Habib Bank Limited being the Sponsor, Central Depository Company of Pakistan Limited, being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, directors of connected persons and persons having 10% or more beneficial ownership of the units of the Fund.

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

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

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

13.1	Transactions during the period	Nine months ended	
		March 31,	
		2021	2020
		-----Rupees in '000-----	
<b>HBL Asset Management Limited - Management Company</b>			
	Remuneration of the Management Company	3,527	3,222
	Allocation of expenses related to registrar services, accounting, operation and valuation services	546	326
	Selling and marketing cost payable	757	519
<b>Habib Bank Limited - Sponsor</b>			
	Redemption of Nil units (2020: 179,998 units)	-	20,000
	Bank charges paid during the period	1	7
	Mark-up earned during the period	210	308
	Mark-up received during the period	215	326
	Dividend income earned during the period	156	204
<b>Central Depository Company of Pakistan Limited - Trustee</b>			
	Remuneration	353	339
	Central Depository service charges	17	13
		(Un-Audited)	(Audited)
13.2	Amounts outstanding as at period / year end	March 31, 2021	June 30, 2020
		-----Rupees in '000-----	
<b>HBL Asset Management Limited - Management Company</b>			
	Management fee payable	335	303
	Sales tax payable	44	40
	Sales load payable	-	541
	Allocation of expenses related to registrar services, accounting, operation and valuation services	59	53
	Selling and Marketing Cost	242	213
<b>Habib Bank Limited - Sponsor</b>			
	Investment held in the Fund: 822,848units (June 2020: 822,848 units)	90,602	77,415
	Bank balances	6,240	4,277
	Mark-up receivable on deposits with bank	14	18
<b>Central Depository Company of Pakistan Limited - Trustee</b>			
	Remuneration payable	34	30
	Sindh Sales Tax	4	4
<b>Mr. Rafiuddin Zakir Mahmood Connected Persons Due to 10% and more</b>			
	Investment held in the Fund: 308,237 units (June 2020: 308,237 units)	33,939	28,999
<b>Mr. Mubashir Hasan Connected Persons Due to 10% and more</b>			
	Investment held in the Fund: Nil units (June 2020: 253,567 units)	-	23,856

## 14. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

The fair value of financial assets and liabilities traded in active markets (i.e. listed equity shares) are based on the quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13, 'Fair Value Measurements' requires the Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

		March 31, 2021							
		Carrying amount			Fair Value				
		Mandatorily at Fair value	Designated as at Fair through profit or loss	Amortized cost	Total	Level 1	Level 2	Level 3	Total
	Note	----- (Rupees in '000) -----							
<b>On-balance sheet financial instruments</b>									
<b>Financial assets measured at fair value</b>									
<b>Investments</b>									
Listed equity securities		132,324	-	-	132,324	132,324	-	-	132,324
Term Finance Certificates		17,478	-	-	17,478	-	17,478	-	17,478
Commercial Paper		4,280	-	-	4,280	-	4,280	-	4,280
		<b>149,802</b>	<b>-</b>	<b>-</b>	<b>149,802</b>				
<b>Financial assets not measured at fair value</b>									
	14.1								
Bank balances		-	-	49,195	49,195				
Dividend receivable and accrued mark-up		-	-	1,976	1,976				
Advances, deposits and other receivables		-	-	2,972	2,972				
		<b>-</b>	<b>-</b>	<b>54,143</b>	<b>54,143</b>				
<b>Financial liabilities not measured at fair value</b>									
	14.2								
Payable to the Management Company		-	-	636	636				
Payable to the SECP		-	-	31	31				
Payable to the Trustee		-	-	38	38				
Payable against purchase of investments		-	-	-	-				
Accrued expenses and other liabilities		-	-	455	455				
		<b>-</b>	<b>-</b>	<b>1,160</b>	<b>1,160</b>				



	June 30, 2020							
	Carrying amount				Fair Value			
	Mandatorily at Fair value through profit	Designated as at Fair value	Amortized cost	Total	Level 1	Level 2	Level 3	Total
------(Rupees in '000)-----								
<b>On-balance sheet financial instruments</b>								
<b>Financial assets measured at fair value</b>								
<b>Investments</b>								
- Listed equity securities	119,600	-	-	119,600	119,600	-	-	119,600
- Term finance certificates	17,301	-	-	17,301	-	17,301	-	17,301
	136,901	-	-	136,901				
<b>Financial assets not measured at fair value</b>								
Bank balances	-	-	69,747	69,747				
Dividend receivable and accrued mark-up	-	-	550	550				
Receivable against sale of investments	-	-	-	-				
Advances, deposits and other receivables	-	-	3,151	3,151				
	-	-	73,448	73,448				
<b>Financial liabilities not measured at fair value</b>								
Payable to the Management Company	-	-	1,110	1,110				
Payable to the Trustee	-	-	30	30				
Accrued expenses and other liabilities	-	-	3,447	3,447				
	-	-	4,587	4,587				

**14.1** The Fund has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are reasonable approximation of fair value.

**14.2 Transfers during the period**

No transfers were made between various levels of fair value hierarchy during the period.

**15. DISCLOSURE UNDER CIRCULAR 16 OF 2010 ISSUED BY THE SECP  
- CATEGORISATION OF OPEN END SCHEME**

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 said circular. The Management Company classified the Fund as 'Balanced Scheme' in accordance with the said circular. As at December 31, 2018, the Fund is compliant with all the requirements of the said circular except for clause 2 (iv) which requires that the rating of any debt security in the portfolio shall not be lower than A- (A Minus).

The following securities are included in the portfolio of the Fund which have rating lower than A- (A minus).

Name of Non-Compliant Investment	Type of Investment	Value of Investment before Provision	Provision held (if any)	Value of Investment after Provision	% of Net Assets	% of Gross Assets
(Rupees in '000)						
Dewan Cement Limited	Advance	25,000	25,000	-	-	-

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**16. TOTAL EXPENSE RATIO**

In accordance with the directive 23 of 2016 dated July 20, 2016 issued by the SECP, the total expense ratio of the Fund for the nine months ended March 31, 2021 is 3.34% (March 31, 2020: 2.62%) which includes 0.55% (March 31, 2020: 0.22%) representing government levy, Worker's Welfare Fund and SECP fee.

**17. DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial information were authorised for issue by the Board of Directors of the Management Company on April 30, 2021.

**18. GENERAL**

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

**18.2** Corresponding figures have been rearranged and reclassified, wherever necessary, for better presentation and disclosure.

**18.3** These condensed interim financial information is unaudited and has been reviewed by the auditors. Further, the figures of the condensed interim income statement and statement of comprehensive income for the quarter ended March 31, 2021 have not been reviewed.

**18.4 Update on CoVID-19 Impact**

In continuation of note 1.8 to annual audited financial statements for the year ended June 30, 2020, we state that as a result of measures taken by Government, there has not been any material adverse impact on fiscal and economic fronts facing the country. The Management of the Fund is closely monitoring the situation and so far, there is no impact on this interim financial information of the Fund.

**For HBL Asset Management Limited  
(Management Company)**

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**Chief Financial Officer**

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**Chief Executive Officer**

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**Director**

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# **HBL**

## **Financial Planning Fund**

## FUND INFORMATION

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Name of Fund	HBL Financial Planning Fund
Name of Auditor	BDO Ebrahim & Co. Chartered Accountants
Name of Trustee	MCB Financial Services Limited (MCBFSL)
Bankers	Habib Bank Limited JS Bank Limited Soneri Bank Limited

**HBL Financial Planning Fund**  
**Condensed Interim Statement of Assets and Liabilities**  
**AS AT MARCH 31, 2021**

	March 31, 2021 (Un-Audited)				June 30, 2020 (Audited)					
	Active	Conservative	Special	Total	Active	Conservative	Strategic	Special	Total	
	Allocation	Allocation	Income		Allocation	Allocation	Allocation	Income		
Note	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan	
(Rupees in '000)										
<b>ASSETS</b>										
Bank balances	4	248	714	560	1,522	3,468	4,116	185	954	8,723
Investments	5	56,936	56,379	108,381	221,696	54,195	53,447	-	143,634	251,276
Mark-up accrued		-	-	-	-	-	-	-	-	-
Preliminary expenses and flotation costs		442	430	-	872	644	603	-	-	1,247
Advances and prepayments	6	76	42	4	122	90	55	-	-	145
<b>TOTAL ASSETS</b>		<b>57,702</b>	<b>57,565</b>	<b>108,945</b>	<b>224,212</b>	<b>58,397</b>	<b>58,221</b>	<b>185</b>	<b>144,588</b>	<b>261,391</b>
<b>LIABILITIES</b>										
Payable to the Management Company	7	10	22	19	51	10	2,325	-	24	2,359
Payable to the Trustee		5	5	9	19	5	5	-	10	20
Payable to Securities and Exchange Commission of Pakistan	8	9	10	19	38	15	12	9	23	59
Payable against redemption of units		-	-	-	-	-	-	-	-	-
Accrued expenses and other liabilities	9	536	356	836	1,728	920	3,330	176	3,037	7,463
<b>TOTAL LIABILITIES</b>		<b>560</b>	<b>393</b>	<b>883</b>	<b>1,836</b>	<b>950</b>	<b>5,672</b>	<b>185</b>	<b>3,094</b>	<b>9,901</b>
<b>NET ASSETS</b>		<b>57,142</b>	<b>57,172</b>	<b>108,062</b>	<b>222,376</b>	<b>57,447</b>	<b>52,549</b>	<b>-</b>	<b>141,494</b>	<b>251,490</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<b>57,142</b>	<b>57,172</b>	<b>108,062</b>	<b>222,376</b>	<b>57,447</b>	<b>52,549</b>	<b>-</b>	<b>141,494</b>	<b>251,490</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	10									
(Number of Units)										
Number of units in issue		521,241	493,109	1,000,919	2,015,270	598,746	485,204	-	1,350,169	2,434,119
(Rupees)										
Net assets value per unit		109.6271	115.9418	107.9631		95.9459	108.3030	-	104.7978	

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

**For HBL Asset Management Limited**  
**(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

**HBL Financial Planning Fund**  
**Condensed Interim Income Statement (Un-audited)**  
**FOR THE NINE MONTHS AND PERIOD ENDED MARCH 31, 2021**

	For the nine months ended March 31, 2021				For the nine months ended March 31, 2020	For the nine months ended March 31, 2020	For the period from July 1, 2019 to October 10, 2019	For the period from September 16, 2019 to March 31, 2020		
	Active Allocation Plan	Conservative Allocation Plan	Special Income Plan	Total	Active Allocation Plan	Conservative Allocation Plan	Strategic Allocation Plan	Special Income Plan	Total	
	(Rupees in '000)									
<b>Income</b>										
Capital gain on sale of investments - net	7,119	2,495	1,460	11,074	67	1,334	2,123	229	3,753	
Dividend income	640	1	2,854	3,495	2,503	1	548	157	3,209	
Mark-up on bank deposits	51	291	39	381	73	28	3	833	937	
Back-end load	-	-	26	26	-	-	-	240	240	
	7,810	2,787	4,379	14,976	2,643	1,363	2,674	1,459	8,139	
Unrealized appreciation / (diminution) on re-measurement of investments classified as 'fair value through profit or loss' - net	886	1,751	476	3,113	(3,353)	1,169	-	10,945	8,761	
	8,696	4,538	4,855	18,089	(710)	2,532	2,674	12,404	16,900	
<b>Expenses</b>										
Remuneration of the Management Company	7.1	10	53	2	65	9	9	-	61	79
Sindh Sales Tax on remuneration of the Management Company	7.2	1	7	-	8	1	2	-	8	11
Remuneration of the Trustee		41	43	87	171	55	39	43	73	210
Sindh Sales Tax on remuneration of the Trustee		5	6	11	22	7	5	5	9	26
Annual fee to the Securities and Exchange Commission of Pakistan	8.1	9	10	19	38	12	9	9	16	46
Allocation of expenses / (reversal) related to registrar services, accounting, operation and valuation services	7.3	91	97	193	381	118	10	(169)	163	122
Amortisation of preliminary expenses and flotation costs		201	173	-	374	201	174	188	-	563
Auditors' remuneration		51	47	125	223	70	60	29	74	233
Fees and subscription		21	19	12	52	24	18	58	3	103
Bank charges		7	12	5	24	14	12	3	14	43
Printing Charges		11	7	11	29	-	-	-	-	-
		448	474	465	1,387	511	338	166	421	1,436
<b>Net income / (loss) from operating activities</b>		8,248	4,064	4,390	16,702	(1,221)	2,194	2,508	11,983	15,464
Provision for Sindh Workers' Welfare Fund	9.1	(165)	(81)	(88)	(334)	-	(44)	(50)	(240)	(334)
<b>Net income / (loss) for the period before taxation</b>		8,083	3,983	4,302	16,368	(1,221)	2,150	2,458	11,743	15,130
Taxation	11	-	-	-	-	-	-	-	-	-
<b>Net income / (loss) for the period after taxation</b>		8,083	3,983	4,302	16,368	(1,221)	2,150	2,458	11,743	15,130
<b>Allocation of net income for the period</b>										
Income already paid on redemption of units		1,005	368	768			74	-	940	
Accounting income available for distribution										
Relating to capital gains		7,023	3,615	1,801			2,189	2,080	10,233	
Excluding capital gains		55	-	1,733			(113)	378	570	
		7,078	3,615	3,534			2,076	2,458	10,803	
		8,083	3,983	4,302			2,150	2,458	11,743	
<b>Earnings per unit</b>	12									

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

**For HBL Asset Management Limited**  
**(Management Company)**

**Chief Financial Officer**

**Chief Executive Officer**

**Director**

**HBL Financial Planning Fund**  
**Condensed Interim Income Statement (Un-audited)**  
**FOR THE QUARTER AND PERIOD ENDED MARCH 31, 2021 (CONTINUED)**

	For the quarter ended March 31, 2021				For the quarter ended March 31, 2020	For the quarter ended March 31, 2020	For the period from October 1, 2019 to October 10, 2019	For the quarter ended March 31, 2020		
	Active Allocation	Conservative Allocation	Special Income	Total	Active Allocation	Conservative Allocation	Strategic Allocation	Special Income	Total	
	Plan	Plan	Plan		Plan	Plan	Plan	Plan		
<b>Note</b>	(Rupees in '000)									
<b>Income</b>										
Capital gain on sale of investments - net	7,052	658	49	7,759	977	1,215	-	229	2,421	
Dividend income	69	1	1,927	1,997	756	1	-	50	807	
Mark-up on bank deposits	7	6	6	19	7	22	-	326	355	
Back-end load	-	-	-	-	-	-	-	210	210	
	7,128	665	1,982	9,775	1,740	1,238	-	815	3,793	
Unrealized (diminution) / appreciation on re-measurement of investments classified as 'fair value through profit or loss' - net	(5,175)	357	(66)	(4,884)	(11,860)	(3,145)	-	6,279	(8,726)	
	1,953	1,022	1,916	4,891	(10,120)	(1,907)	-	7,094	(4,933)	
<b>Expenses</b>										
Remuneration of the Management Company	7.1	1	2	-	3	3	6	-	21	30
Sindh Sales Tax on remuneration of the Management Company	7.2	-	-	-	-	-	1	-	3	4
Remuneration of the Trustee		13	12	26	51	17	13	-	32	62
Sindh Sales Tax on remuneration of the Trustee		1	2	3	6	2	2	-	4	8
Annual fee to the Securities and Exchange Commission of Pakistan		3	3	5	11	4	3	-	7	14
Allocation of expenses / (reversal) related to registrar services, accounting, operation and valuation services	7.3	29	28	57	114	36	29	-	73	138
Amortisation of preliminary expenses and flotation costs		66	55	-	121	66	57	-	-	123
Auditors' remuneration		17	16	41	74	18	15	-	44	77
Fees and subscription		7	7	4	18	8	6	-	3	17
Bank charges		2	1	1	4	3	3	-	4	10
Printing Charges		3	7	(20)	(10)	-	-	-	-	-
		142	133	117	392	157	135	-	191	483
<b>Net income / (loss) from operating activities</b>		1,811	889	1,799	4,499	(10,277)	(2,042)	-	6,903	(5,416)
Provision for Sindh Workers' Welfare Fund	9.1	(36)	(18)	(36)	(90)	181	41	-	(138)	84
<b>Net income / (loss) for the period before taxation</b>		1,775	871	1,763	4,409	(10,096)	(2,001)	-	6,765	(5,332)
Taxation	11	-	-	-	-	-	-	-	-	-
<b>Net income / (loss) for the period after taxation</b>		1,775	871	1,763	4,409	(10,096)	(2,001)	-	6,765	(5,332)
<b>Earnings per unit</b>	12									

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

**For HBL Asset Management Limited**  
**(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

**HBL Financial Planning Fund**  
**Condensed Statement of Comprehensive Income**  
**FOR THE NINE MONTHS AND PERIOD ENDED MARCH 31, 2021**

	For the nine months ended March 31, 2021				For the nine month ended March 31, 2020	For the nine month ended March 31, 2020	For the period from July 1, 2019 to October 10, 2019	For the period from September 16, 2019 to March 31, 2020	Total
	Active Allocation Plan	Conservative Allocation Plan	Special Income Plan	Total	Active Allocation Plan	Conservative Allocation Plan	Strategic Allocation Plan	Special Income Plan	
	(Rupees in '000)								
Net income / (loss) for the period after taxation	8,083	3,983	4,302	16,368	(1,221)	2,150	2,458	11,743	15,130
Other comprehensive income									
Items that will be reclassified subsequently to income statement	-	-	-	-	-	-	-	-	-
Items that will not be reclassified subsequently to income statement	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income / (loss) for the period</b>	<b>8,083</b>	<b>3,983</b>	<b>4,302</b>	<b>16,368</b>	<b>(1,221)</b>	<b>2,150</b>	<b>2,458</b>	<b>11,743</b>	<b>15,130</b>

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

**For HBL Asset Management Limited**  
**(Management Company)**

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

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

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



**HBL Financial Planning Fund**  
**Statement of Movement In Unitholders' Fund**  
**FOR THE QUARTER AND PERIOD ENDED MARCH 31, 2021 (CONTINUED)**

	For the quarter ended March 31, 2021				For the quarter ended March 31, 2020	For the quarter ended March 31, 2020	For the period from October 1, 2019 to October 10, 2019	For the quarter ended March 31, 2020		
	Active Allocation Plan	Conservative Allocation Plan	Special Income Plan	Total	Active Allocation Plan	Conservative Allocation Plan	Strategic Allocation Plan	Special Income Plan	Total	
	(Rupees in '000)									
Net income / (loss) for the period after taxation	1,775	871	1,763	4,409	(10,096)	(2,001)	-	6,765	(5,332)	
Other comprehensive income										
Items that will be reclassified subsequently to income statement	-	-	-	-	-	-	-	-	-	-
Items that will not be reclassified subsequently to income statement	-	-	-	-	-	-	-	-	-	-
Total comprehensive income / (loss) for the period	<u>1,775</u>	<u>871</u>	<u>1,763</u>	<u>4,409</u>	<u>(10,096)</u>	<u>(2,001)</u>	<u>-</u>	<u>6,765</u>	<u>(5,332)</u>	

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

**For HBL Asset Management Limited**  
**(Management Company)**

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

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

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

# HBL Financial Planning Fund

## Condensed Interim Statement of Cashflow

### FOR THE NINE MONTHS AND PERIOD ENDED MARCH 31, 2021

	For the nine months ended March 31, 2021				For the nine months ended March 31, 2020	For the nine months ended March 31, 2020	For the period from July 1, 2019 to October 10, 2019	For the period from September 16, 2019 to March 31, 2020		
	Active Allocation Plan	Conservative Allocation Plan	Special Income Plan	Total	Active Allocation Plan	Conservative Allocation Plan	Strategic Allocation Plan	Special Income Plan	Total	
Note (Rupees in '000)										
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>										
Net income / (loss) for the period before taxation	8,083	3,983	4,302	16,368	(1,221)	2,150	2,458	11,743	15,130	
Adjustments for:										
Capital (gain) on sale of investment - net	(7,119)	(2,495)	(1,460)	(11,074)	(67)	(1,334)	(2,123)	(229)	(3,753)	
Dividend income	(640)	(1)	(2,854)	(3,495)	(2,503)	(1)	(548)	(157)	(3,209)	
Mark-up on bank deposits	(51)	(291)	(39)	(381)	(73)	(28)	(3)	(833)	(937)	
Unrealized (appreciation) / diminution on re-measurement of investments classified as 'fair value through profit or loss' - net	(886)	(1,751)	(476)	(3,113)	3,353	(1,169)	-	(10,945)	(8,761)	
Back-end load	-	-	(26)	(26)	-	-	-	(240)	(240)	
Provision of Sindh Workers' Welfare fund	165	81	88	334	-	44	50	240	334	
Amortisation of preliminary expenses and flotation costs	201	173	-	374	201	174	188	-	563	
	(247)	(301)	(465)	(1,013)	(310)	(164)	22	(421)	(873)	
<b>Decrease / (increase) in assets</b>										
Investments - net	5,265	1,314	37,189	43,768	47,703	17,773	171,581	(128,243)	108,814	
Advances and prepayments	14	13	(4)	23	15	14	44	-	73	
	5,279	1,327	37,185	43,791	47,718	17,787	171,625	(128,243)	108,887	
<b>(Decrease) / Increase in liabilities</b>										
Payable to the Management Company	-	(2,303)	(5)	(2,308)	1	876	(14)	29	892	
Payable to the Trustee	-	-	(1)	(1)	(4)	(1)	(15)	11	(9)	
Payable to Securities and Exchange Commission of Pakistan	(6)	(2)	(4)	(12)	(156)	(82)	(175)	16	(397)	
Accrued expenses and other liabilities	(549)	(3,055)	(2,289)	(5,893)	21	(1,347)	(42)	73	(1,295)	
	(555)	(5,260)	(2,299)	(8,214)	(138)	(554)	(246)	129	(809)	
Cash generated from / (used in) operations	4,477	(4,334)	34,421	34,564	47,270	17,069	171,401	(128,535)	107,205	
Dividend received	640	1	2,854	3,495	2,503	1	548	157	3,209	
Mark-up received on bank deposits	51	291	39	381	73	28	3	819	923	
Back-end load	-	-	26	26	-	-	-	240	240	
Net cash generated from / (used in) operating activities	5,168	(4,042)	37,340	38,466	49,846	17,098	171,952	(127,319)	111,577	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
Amount received on issue of units	1,379	290,616	430	292,425	2,546	43,900	1,538	152,733	200,717	
Amount paid on redemption of units	(9,767)	(289,976)	(37,564)	(337,307)	(52,163)	(60,416)	(172,475)	(24,010)	(309,064)	
Dividend paid	-	-	(600)	(600)	-	-	(823)	(314)	(1,137)	
Net cash (used in) / generated from financing activities	(8,388)	640	(37,734)	(45,482)	(49,617)	(16,516)	(171,760)	128,409	(109,484)	
Net (decrease) / increase in cash and cash equivalents during the period	(3,220)	(3,402)	(394)	(7,016)	229	582	192	1,090	2,093	
Cash and cash equivalents at the beginning of the period	3,468	4,116	954	8,538	1,293	31	41	-	1,365	
Cash and cash equivalents at the end of the period	4	714	560	1,522	1,522	612	233	1,089	3,458	

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

**For HBL Asset Management Limited  
(Management Company)**

**Chief Financial Officer**

**Chief Executive Officer**

**Director**

**HBL Financial Planning Fund**  
**Statement of Unit Holder's Fund**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2021**

	Nine months ended March 31, 2021			Nine months ended March 31, 2020		
	Conservative Allocation Plan					
	Capital value	Undistributed	Total	Capital value	Undistributed	Total
(Rupees in '000)						
Net assets at beginning of the period	46,342	6,207	52,549	62,239	4,812	67,051
<b>Issuance of 2,619,129 units (2020: 392,801 units)</b>						
Capital value (at net asset value per unit at the beginning of the period)	283,659	-	283,659	42,542	-	42,542
Element of income	6,957	-	6,957	1,358	-	1,358
<b>Total proceeds on issuance of units</b>	<b>290,616</b>	<b>-</b>	<b>290,616</b>	<b>43,900</b>	<b>-</b>	<b>43,900</b>
<b>Redemption of 2,611,222 units (2020: 554,746 units)</b>						
Capital value (at net asset value per unit at the beginning of the period)	(282,803)	-	(282,803)	(60,081)	-	(60,081)
Income already paid on redemption of units	-	(368)	(368)	-	(74)	(74)
Element of income	(6,805)	-	(6,805)	(260)	-	(260)
<b>Total payments on redemption of units</b>	<b>(289,608)</b>	<b>(368)</b>	<b>(289,976)</b>	<b>(60,341)</b>	<b>(74)</b>	<b>(60,415)</b>
Total comprehensive income for the period	-	3,983	3,983	-	2,150	2,150
<b>Net assets at end of the period</b>	<b>47,350</b>	<b>9,822</b>	<b>57,172</b>	<b>45,798</b>	<b>6,888</b>	<b>52,686</b>
<b>Undistributed income brought forward</b>						
Realised income		6,074			7,045	
Unrealized (loss) / income		133			(2,233)	
		6,207			4,812	
<b>Accounting income available for distribution</b>						
Relating to capital gains		3,615			2,189	
Excluding capital gains		-			(113)	
		3,615			2,076	
<b>Undistributed income carried forward</b>		<b>9,822</b>			<b>6,888</b>	
<b>Undistributed income carried forward</b>						
Realised income		8,071			5,719	
Unrealized income / (loss)		1,751			1,169	
		9,822			6,888	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the period			108.3030			108.3030
Net assets value per unit at end of the period			115.9418			115.9418

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

**For HBL Asset Management Limited**  
**(Management Company)**

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

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

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

**HBL Financial Planning Fund**  
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2021**

	Nine months ended March 31, 2020		
	Strategic Allocation Plan		
	Capital value	Accumulated loss	Total
	(Rupees in '000)		
<b>Net assets at beginning of the period</b>	170,570	(1,257)	169,313
<b>Issuance of Nil units (2020: 15,377 units)</b>			
Capital value (at net asset value per unit at the beginning of the period)	1,523	-	1,523
Element of income	15	-	15
<b>Total proceeds on issuance of units</b>	1,538	-	1,538
<b>Redemption of Nil units (2020: 1,725,044 units)</b>			
Capital value (at net asset value per unit at the beginning of the period)	(170,836)	-	(170,836)
Income already paid on redemption of units	-	-	-
Element of (loss) / income	(1,650)	-	(1,650)
<b>Total payments on redemption of units</b>	(172,486)	-	(172,486)
<b>Total comprehensive income / (loss) for the period</b>	-	2,458	2,458
Interim distribution			
Rs. 0.4851 per unit declared on October 10, 2019 as cash dividend			
Distribution for the period	-	(823)	(823)
	-	1,635	1,635
<b>Net assets at end of the period</b>	(378)	378	-
<b>Accumulated (loss) / undistributed income brought forward</b>			
Realised income		3,709	
Unrealized loss / income		(4,966)	
		(1,257)	
<b>Accounting income available for distribution</b>			
Relating to capital gains		2,080	
Excluding capital gains		378	
		2,458	
Total comprehensive loss for the period		2,458	
Interim distribution of Rs. 0.4851 per unit declared on October 10, 2019 as cash dividend		(823)	
<b>Undistributed income / accumulated (loss) carried forward</b>		2,836	
<b>Undistributed income / accumulated (loss) carried forward</b>			
Realised income		2,836	
Unrealized loss		-	
		2,836	
			(Rupees)
<b>Net assets value per unit at beginning of the period</b>			-
<b>Net assets value per unit at end of the period</b>			-

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

**For HBL Asset Management Limited**  
**(Management Company)**

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

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

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

**HBL Financial Planning Fund**  
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2021**

	Nine months ended March 31, 2021			For the period from September 16, 2019 to March 31, 2020		
	Special Income Plan			Special Income Plan		
	Capital value	Undistributed income (Rupees in '000)	Total	Capital value	Undistributed income (Rupees in '000)	Total
<b>Net assets at beginning of the period</b>	135,761	5,733	141,494	-	-	-
<b>Issuance of 9,729 units (2020: 1,530,015 units)</b>						
Capital value (at net asset value per unit at the beginning of the period)	1,020	-	1,020	153,001	-	153,001
Element of income	(590)	-	(590)	(268)	-	(268)
<b>Total proceeds on issuance of units</b>	430	-	430	152,733	-	152,733
<b>Redemption of 358,978 units (2020: 233,148 units)</b>						
Capital value (at net asset value per unit at the beginning of the period)	(37,620)	-	(37,620)	(23,315)	-	(23,315)
Income already paid on redemption of units	-	(768)	(768)	-	(940)	(940)
Element of loss	824	-	824	245	-	245
<b>Total payments on redemption of units</b>	(36,796)	(768)	(37,564)	(23,070)	(940)	(24,010)
Total comprehensive income for the period	-	4,302	4,302	-	11,743	11,743
Interim distributions						
Rs 0.2000 per unit declared on October 02, 2020 as cash dividend						
Refund of capital	-	-	-	(2)	-	(2)
Distribution during the period	-	(265)	(265)	-	(312)	(312)
Rs. 0.3 per unit declared on January 03, 2021 as cash dividend						
Refund of capital	-	-	-	-	-	-
Distribution during the period	-	(335)	(335)	-	-	-
	-	3,702	3,702	(2)	11,431	11,429
<b>Net assets at end of the period</b>	99,395	8,667	108,062	129,661	10,491	140,152
<b>Undistributed income brought forward</b>						
Realised income		(1,029)			-	
Unrealized income		6,762			-	
		5,733			-	
<b>Accounting income available for distribution</b>						
Relating to capital gains		1,801			10,233	
Excluding capital gains		1,733			570	
		3,534			10,803	
<b>Undistributed income carried forward</b>		9,267			10,803	
<b>Undistributed income carried forward</b>						
Realised income		8,791			(142)	
Unrealized income		476			10,945	
		9,267			10,803	
			(Rupees)			(Rupees)
<b>Net assets value per unit at beginning of the period</b>			104.7978			-
<b>Net assets value per unit at end of the period</b>			107.9631			108.0698

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

**For HBL Asset Management Limited  
(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

# **HBL Financial Planning Fund**

## **Notes to the Condensed Interim Financial Information (Un-Audited)**

### **FOR THE NINE MONTHS ENDED MARCH 31, 2021**

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#### 1 LEGAL STATUS AND NATURE OF BUSINESS

HBL Financial Planning Fund (the Fund), was established under the Trust Deed executed between HBL Asset Management Limited as the Management Company and MCB Financial Services Limited (MCBFSL) as the Trustee. The Trust Deed was executed on March 22, 2017 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on April 14, 2017 in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The registered office of the Management Company is situated at 7th Floor, Emerald Tower, G-19, Block 5, Main Clifton Road, Clifton. The Fund commenced its operations from October 10, 2017.

The Fund is an open ended fund of fund scheme and the Fund is listed on Pakistan Stock Exchange Limited. The Fund currently has three different plans; namely, Active Allocation Plan, Conservative Allocation Plan and Special Income Plan (collectively referred as 'Plans'). The units of Conservative Allocation Plan and Active Allocation Plan were initially offered to public (IPO) from September 11, 2017 to October 10, 2017, the units of Strategic Allocation Plan were offered from August 07, 2017 to October 10, 2017 and the units of Special Income Plan were offered from June 11, 2019 to September 13, 2019. The units are transferable and can be redeemed by surrendering them to the Fund at the option of unit holder. The Fund is perpetual, however, the Allocation Plans may have a set time frame. Each Allocation Plan will announce separate NAVs which will rank pari passu inter se according to the number of units of the respective Allocation Plans. Units are offered for public subscription on a continuous basis. However, term-based plans may be offered for a limited subscription period.

The Fund aims to generate returns on investment as per the respective Allocation Plan by investing in Mutual Funds in line with the risk tolerance of the investor. Following is the description of the plans currently in operation:

- The "Active Allocation Plan" is an Allocation Plan under the "HBL Financial Planning Fund" with an objective to earn a potentially high return through active asset allocation between equity scheme(s), income scheme(s) and money market scheme(s) based on the Fund Manager's outlook on the asset classes.
- The "Conservative Allocation Plan" is an Allocation Plan under the "HBL Financial Planning Fund" and primarily aims to provide stable returns with some capital appreciation through a pre-determined mix of investments in equity scheme(s), income scheme(s) and money market scheme(s). This Allocation Plan is suitable for investors who have moderate risk tolerance and have a short to medium term investment horizon.
- The "Strategic Allocation Plan" is an Allocation Plan under the "HBL Financial Planning Fund" with an objective to earn a potentially high return through active allocation of funds between equity scheme(s), income scheme(s) and money market scheme(s) based on fundamental analysis of economic indicators, underlying asset values and a strategy of risk aversion to market volatility. The plan commenced on October 11, 2017 for the duration of 24 months (two years) and matured on October 10, 2019.
- The "Special Income Plan" is an Allocation Plan under the "HBL Financial Planning Fund" with an objective to earn a potentially high return through active allocation of funds between income scheme(s) and money market scheme(s) based on fundamental analysis of economic indicators, interest rate environment, market liquidity conditions and a strategy of minimizing risk and volatility. The duration of this plan is 24 months (two years). However, SECP or the Management Company may wind it up or revoke, on the occurrence of certain events as specified in the Regulations or clause no.10.4 of the offering document of the Fund. HBL Financial Planning Fund - Special Income Plan is due to mature on September 16, 2021, unless the Management Company decides otherwise.

JCR-VIS Credit Rating Agency has assigned management quality rating of 'AM2++ (Stable Outlook)' to the Management Company while the Fund is currently not rated.

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

## 2 BASIS OF PREPARATION

### 2.1 Statement of compliance

- 2.1.1 This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017, the provisions of and directives issued under the Companies Act, 2017, along with part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the 'NBFC Regulations'), the directives issued by the SECP and the requirements of the Trust Deed.

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

- 2.1.2 The disclosures made in this condensed interim financial information have; however, been limited based on the requirements of 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 audited financial statements of the Fund for the year ended June 30, 2020.
- 2.1.3 The comparative statement of asset and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2020, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial information for the nine months ended March 31, 2020.
- 2.1.4 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2021.

### 2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except that certain financial assets are stated at fair value.

This condensed interim financial information has been prepared following accrual basis of accounting, except for cash flow information.

### 2.3 Functional and presentation currency

This condensed interim financial information is presented in Pakistani Rupees, which is the Fund's functional and presentation currency.

## 3 SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENTS AND CHANGES THEREIN

- 3.1 The accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual audited financial statements of the Fund for the year ended June 30, 2020, unless otherwise stated.

3.2 The preparation of this condensed interim financial information in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

3.3 The significant estimates, judgements and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual audited financial statements as at and for the year ended June 30, 2020.

3.4 There are certain standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan, effective for the first time in this condensed interim financial information and are mandatory for the Fund's accounting period beginning on or after July 01, 2019. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information.

3.5 The Fund's financial risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the Fund for the year ended June 30, 2020.

#### 4 BANK BALANCES

Note	March 31, 2021 (Un-Audited)					June 30, 2020 (Audited)				
	Active Allocation Plan	Conservative Allocation Plan	Strategic Allocation Plan	Special Income Plan	Total	Active Allocation Plan	Conservative Allocation Plan	Strategic Allocation Plan	Special Income Plan	Total
	(Rupees in '000)									
In savings accounts	248	714	-	560	1,522	3,468	4,116	185	954	8,723

4.1 This represents bank accounts held with various banks. Mark-up rates on these accounts range between 5.5% to 5.6% per annum (June 30, 2020: 6% to 7.8% per annum).

#### 5 INVESTMENTS

Financial assets classified at fair value through profit or loss

Units of mutual funds	5.1	56,936	56,379	-	108,381	221,696	54,195	53,447	-	143,634	251,276
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##### 5.1 Units of Mutual Funds

Name of Investee Funds	As at July 01, 2020	Purchases during the period	Redemptions during the period	As at September 30, 2020	Total carrying value as at September 30, 2020	Total market value as at September 30, 2020	Appreciation/ (diminution) as at September 30, 2020	Market value as a percentage of net assets	Market value as a percentage of total investment
	----- Number of units -----			----- (Rupees in '000) -----			----- % -----		
<b>Active Allocation Plan</b>									
HBL Cash Fund	185,093	17,076	-	202,169	20,446	20,538	92	33.49	34.13
HBL Income Fund	67,727	-	-	67,727	7,334	7,501	167	12.23	12.46
HBL Stock Fund	325,953	-	-	325,953	28,143	32,139	3,996	52.41	53.41
	578,773	17,076	-	595,849	55,923	60,178	4,255	98.13	100.00
<b>Conservative Allocation Plan</b>									
HBL Cash Fund	116	1	-	117	12	12	-	0.02	0.02
HBL Money Market Fund	413,095	1,155,391	1,150,494	417,992	43,224	43,477	253	80.32	80.27
HBL Stock Fund	129,178	279,867	300,770	108,275	10,852	10,676	(176)	19.72	19.71
	542,389	1,435,259	1,451,264	526,384	54,088	54,165	77	100.06	100.00
<b>Special Income Plan</b>									
HBL Government Securities Fund	1,279,309	-	45,385	1,233,924	138,538	139,587	1,049	99.82	54.97
	1,279,309	-	45,385	1,233,924	138,538	139,587	1,049	99.82	54.97
<b>Total as at September 30, 2020</b>	2,400,471	1,452,335	1,496,649	2,356,157	248,549	253,930	5,381		
<b>Total as at June 30, 2020</b>	3,403,702	2,572,148	3,575,379	2,400,471	244,800	251,276	6,476		



Name of investee funds	Number of units				As at March 31, 2021			Market value as a percentage of	
	As at July 1, 2020	Purchases during the period	Redemptions during the period	As at March 31, 2021	Carrying amount	Market value	Appreciation / (diminution)	Net assets of the plan	Total investments of the plan
(Rupees in '000)									
<b>Special Income Plan</b>									
HBL Cash Fund	-	1,381,154	314,476	1,066,678	107,905	108,381	476	100.30	100
HBL Government Securities Fund	1,279,310	-	1,279,310	-	-	-	-	-	-
As at March 31, 2021 (Un-Audited)	1,279,310	1,381,154	1,593,786	1,066,678	107,905	108,381	476	100.30	100
As at June 30, 2020 (Audited)	-	1,377,660	98,351	1,279,309	136,872	143,634	6,762	102.00	100
<b>Total as at March 31, 2021 (Un-Audited)</b>	<b>2,400,472</b>	<b>3,451,534</b>	<b>3,824,558</b>	<b>2,027,448</b>	<b>218,582</b>	<b>221,696</b>	<b>3,113</b>		
<b>Total as at June 30, 2020</b>	<b>3,403,702</b>	<b>2,572,148</b>	<b>3,575,379</b>	<b>2,400,471</b>	<b>244,800</b>	<b>251,276</b>	<b>6,476</b>		

March 31, 2021 (Un-Audited)					June 30, 2020 (Audited)				
Active Allocation Plan	Conservative Allocation Plan	Special Income Plan	Total	Active Allocation Plan	Conservative Allocation Plan	Strategic Allocation Plan	Special Income Plan	Total	
Note ----- (Rupees in '000) ----- (Rupees in '000) -----									

## 7 PAYABLE TO THE MANAGEMENT COMPANY

Remuneration payable of the Management Company	7.1	-	1	-	1	1	1	-	-	2
Sindh Sales Tax payable on the Management Company's remuneration	7.2	-	-	-	-	-	-	-	-	-
Allocation of expenses related to registrar services, accounting, operation and valuation services	7.3	10	10	19	39	9	9	-	24	42
Sales Load		-	11	-	11	-	2,315	-	-	2,315
		10	22	19	51	10	2,325	-	24	2,359

- 7.1 As per the offering document of the Fund, the Management Company shall charge a fee at the rate not exceeding 1% of the average annual net assets on daily basis of the plans. However, no management fee is charged on that part of the net assets which have been invested in mutual funds managed by the Management Company. The fee is payable monthly in arrears.
- 7.2 This represents amount payable in respect of Sindh Sales Tax at the rate of 13% (June 30, 2020: 13%) on the services provided by the Management Company as required by Sindh Sales Tax on Services Act, 2011.
- 7.3 As per Regulation 60(3)(s) of the NBFC Regulations, fee and expenses pertaining to registrar services, accounting, operation and valuation services related to a Collective Investment Scheme (CIS) are chargeable to the CIS. Previously, such expenses were chargeable maximum upto 0.1% of the average annual net assets on daily basis of the Scheme or the actual cost, whichever is lower. However, SECP vide S.R.O. 639(I)/2019, dated June 20, 2019, has removed the maximum limit of 0.1%.

The fee is being charged at the rate of 0.1%, from July 8, 2019 onwards, in case of Active Allocation Plan and Conservative Allocation Plan and, from September 16, 2019 onwards, in case of Special Income Plan.

March 31, 2021 (Un-Audited)					June 30, 2020 (Audited)				
Active Allocation Plan	Conservative Allocation Plan	Special Income Plan	Total	Active Allocation Plan	Conservative Allocation Plan	Strategic Allocation Plan	Special Income Plan	Total	
Note ----- (Rupees in '000) ----- (Rupees in '000) -----									

## 9 ACCRUED EXPENSES AND OTHER LIABILITIES

Provision for Sindh Workers' Welfare Fund	9.1	336	305	434	1,075	171	224	155	346	896
Withholding tax payable		-	-	-	-	510	558	-	1,845	2,913
Printing charges payable		-	-	-	-	-	4	18	-	22
Auditors' remuneration		68	49	141	258	61	43	-	124	228
Others		131	2	263	396	178	2,501	3	722	3,404
		535	356	838	1,729	920	3,330	176	3,037	7,463

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9.1 The legal status of applicability of Sindh Workers' Welfare Fund is same as that disclosed in note 12.1 to the audited financial statements of the Fund for the year ended June 30, 2020. MUFAP has taken up the matter with the concerned ministry (Sindh Finance Ministry) for appropriate resolution of the matter which is pending.

As at March 31, 2021, the provision in relation to SWWF amounted to Rs. 0.336 million, Rs. 0.305 million, and Rs. 0.434 million in Active Allocation Plan, Conservative Allocation Plan and Special Income Plan, respectively (June 30, 2020: Rs. 0.171 million, Rs. 0.224 million, Rs. 0.155 million and Rs. 0.346 million, respectively). Had the provision not been made, the net asset value per unit as at March 31, 2021 would have been higher by Rs. 0.64, Rs. 0.62 and Rs. 0.43 per unit of the Active Allocation Plan, Conservative Allocation Plan and Special Income Plan, respectively (June 30, 2020: Re. 0.285, Re. 0.462, Nil and Re. 0.256, respectively).

## 10 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at March 31, 2021 (June 30, 2020: Nil).

## 11 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% of its accounting income for the year, as reduced by the capital gains, whether realised or unrealized, is distributed to the unit holders in cash. The Fund is also exempt from the provision of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded a tax liability in the current period, as the Management Company intends to distribute at least 90% of the Fund's accounting income, as reduced by the capital gains, whether realised or unrealized, for the year ending June 30, 2020, to its unit holders.

## 12 EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed in this condensed interim financial information, as, in the opinion of the Management Company, the determination of cumulative weighted average number of outstanding units for calculating earnings per unit is not practicable.

## 13 TRANSACTIONS WITH CONNECTED PERSONS

Connected persons include HBL Asset Management Limited, being the Management Company, Habib Bank Limited, being the Sponsor, MCB Financial Services Limited, being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, directors of connected persons and persons having 10% or more beneficial ownership of the units of the Fund.

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.

Transactions and balances with parties who were connected persons due to holding 10% or more units in the comparative period and not in the current period are not disclosed in the comparative period.

Details of the transactions with connected persons and balances with them, if not disclosed elsewhere in this condensed interim financial information are as follows:

## 13.1 Transactions during the period

	For the nine months ended March 31, 2021				For the nine months ended March 31, 2020	For the nine months ended March 31, 2020	For the period from July 1, 2019 to October 10, 2019	For the period from September 16, 2019 to March 31, 2020			
	Active Allocation Plan	Conservative Allocation Plan	Special Income Plan	Total	Active Allocation Plan	Conservative Allocation Plan	Strategic Allocation Plan	Special Income Plan	Total		
(Rupees in '000)				(Un-Audited)				(Rupees in '000)			
<b>HBL Asset Management Limited - Management Company</b>											
Remuneration of the Management Company	10	53	2	65	9	9	-	61	79		
Sindh Sales Tax on remuneration of the Management Company	1	7	-	8	1	2	-	8	11		
Allocation of expenses related to registrar services, accounting, operation and valuation services	91	97	193	381	118	10	(169)	163	122		
Issue of Nil (2020: 4,120) units	-	-	-	-	-	-	412	-	412		
Redemption of Nil (2020: 1,003,322) units	-	-	-	-	-	-	100,332	-	100,332		
Dividend income	-	-	-	-	-	-	485	-	485		
<b>Habib Bank Limited - Sponsor</b>											
Bank charges	7	12	5	24	14	12	3	14	43		
Mark-up on bank deposits	50	248	21	319	72	8	2	1	83		
<b>MCB Financial Services Limited - Trustee</b>											
Remuneration of the Trustee	41	43	87	171	55	39	43	73	210		
Sindh Sales Tax on remuneration of the Trustee	5	6	11	22	7	5	5	9	26		
<b>Asif Nadeem Minhas - Connected Person due to 10% holding</b>											
Redemption of 14,821 (2020: 9,199) units	1,538	-	-	1,538	962	-	-	-	962		
Dividend Reinvestment	-	-	40	40	-	-	-	-	-		
<b>Jamil Iqbal - Connected Person due to 10% holding</b>											
Issue of Nil (2020: 141,504) units	-	-	-	-	-	-	-	14,311	14,311		
<b>Shazia Afshan Minhas - Connected Person due to 10% holding</b>											
Issue of 188,343 (2020: 188,343) units	-	-	19,234	19,234	-	-	-	19,234	19,234		
Dividend Reinvestment	-	-	69	69	-	-	-	-	-		
<b>HBL Income Fund - CIS managed by the Management Company</b>											
Purchase of Nil (2020: Nil) units	-	-	-	-	-	-	-	-	-		
Redemption of 265 (2020: 16,575) units	30	-	-	30	1,910	-	-	-	1,910		
Redemption of Nil (2020: 745,068) units	-	-	-	-	-	-	81,178	-	81,178		
<b>HBL Stock Fund - CIS managed by the Management Company</b>											
Purchase of 522 (2020: 195,769) units	51	-	-	51	16,500	-	-	-	16,500		
Purchase of 285,263 (2020: 224,516) units	-	29,575	-	29,575	-	20,319	-	-	20,319		
Purchase of Nil (2020: Nil) units	-	-	-	-	-	-	-	-	-		
Redemption of 326,476 (2020: 337,880) units	34,672	-	-	34,672	29,451	-	-	-	29,451		
Redemption of 414,441 (2020: 220,509) units	-	42,659	-	42,659	-	20,390	-	-	20,390		
Redemption of Nil (2020: 440,522) units	-	-	-	-	-	-	36,967	-	36,967		
<b>HBL Islamic Dedicated Equity Fund - CIS managed by the Management Company</b>											
Purchase of 159,617 (2020: Nil) units	15,600	-	-	15,600	-	-	-	-	-		
Redemption of 159,617 (2020: Nil) units	16,203	-	-	16,203	-	-	-	-	-		
<b>HBL Cash Fund - CIS managed by the Management Company</b>											
Purchase of 21,661 (2020: 82,297) units	2,191	-	-	2,191	8,303	-	-	-	8,303		
Purchase of 5 (2020: 158,385) units	-	1	-	1	-	16,017	-	-	16,017		
Purchase of Nil (2020: 5,435) units	-	-	-	-	-	-	548	-	548		
Purchase of 1,381,154 (2020: 47,154) units	-	-	139,717	139,717	-	-	-	4,757	4,757		
Redemption of 169,834 (2020: 405,595) units	17,213	-	-	17,213	41,144	-	-	-	41,144		
Redemption of Nil (2020: 158,273) units	-	-	-	-	-	16,038	-	-	16,038		
Redemption of Nil (2020: 182,478) units	-	-	-	-	-	-	18,456	-	18,456		
Redemption of 314,476 (2020: 47,154) units	-	-	31,913	31,913	-	-	-	4,780	4,780		
Dividend income	640	1	2,854	3,495	2,503	1	548	157	3,209		

	For the nine months ended March 31, 2021				For the nine months ended March 31, 2020	For the nine months ended March 31, 2020	For the period from July 1, 2019 to October 10, 2019	For the period from September 16, 2019 to March 31, 2020		
	Active Allocation Plan	Conservative Allocation Plan	Special Income Plan	Total	Active Allocation Plan	Conservative Allocation Plan	Strategic Allocation Plan	Special Income Plan	Total	
	(Rupees in '000)				(Un-Audited)					
<b>HBL Equity Fund -</b>										
<b>CIS managed by the Management Company</b>										
Purchase of 349,765 (2020: Nil) units	45,011	-	-	45,011	-	-	-	-	-	-
Purchase of 84,785 (2020: Nil) units	-	10,976	-	10,976	-	-	-	-	-	-
<b>HBL Money Market Fund -</b>										
<b>CIS managed by the Management Company</b>										
Purchase of 1,168,761 (2020: 112,002) units	-	121,082	-	121,082	-	12,406	-	-	-	12,406
Redemption of 1,160,139 (2020: 280,574) units	-	120,289	-	120,289	-	30,087	-	-	-	30,087
<b>HBL Government Securities Fund -</b>										
<b>CIS managed by the Management Company</b>										
Purchase of Nil (2020: 345,994) units	-	-	-	-	-	-	36,967	-	-	36,967
Purchase of Nil (2020: 1,220,437) units	-	-	-	-	-	-	-	133,000	-	133,000
Redemption of Nil (2020: 658,073) units	-	-	-	-	-	-	72,496	-	-	72,496
Redemption of 1,279,310 (2020: 41,552) units	-	-	144,994	144,994	-	-	-	-	4,734	4,734

### 13.2 Balances outstanding as at period / year end

	March 31, 2021 (Un-Audited)				June 30, 2020 (Audited)					
	Active Allocation Plan	Conservative Allocation Plan	Special Income Plan	Total	Active Allocation Plan	Conservative Allocation Plan	Strategic Allocation Plan	Special Income Plan	Total	
	(Rupees in '000)				(Rupees in '000)					
<b>HBL Asset Management Limited - Management Company</b>										
Remuneration payable of the Management Company	-	1	-	1	1	1	-	-	2	
Sindh Sales Tax payable on remuneration of the Management Company	-	-	-	-	-	-	-	-	-	
Allocation of expenses related to registrar services, accounting, operation and valuation services	10	10	19	39	9	9	-	24	42	
Sales load payable	-	-	-	-	-	2,315	-	-	2,315	
<b>Habib Bank Limited - Sponsor</b>										
Bank balances	245	631	465	1,341	3,457	2,489	200	328	6,474	
<b>MCB Financial Services Limited - Trustee</b>										
Remuneration payable of the Trustee	4	4	8	16	4	4	-	9	17	
Sindh Sales Tax payable on remuneration of the Trustee	1	1	1	3	1	1	-	1	3	
<b>Patient Welfare Association - Connected Person due to 10% holding</b>										
Units held: 400,000 (June 30, 2020: 400,000)	-	46,377	-	46,377	-	43,321	-	-	43,321	
<b>Asif Nadeem Minhas - Connected Person due to 10% holding</b>										
Units held: 77,074 (June 30, 2020: 91,894)	8,449	-	-	8,449	8,817	-	-	-	8,817	
Units held: 95,216 (June 30, 2020: 94,836)	-	-	10,280	10,280	-	-	-	9,939	9,939	
<b>Shazia Afshan Minhas - Connected Person due to 10% holding</b>										
Units held: 198,434 (June 30, 2020: 197,780)	-	-	21,424	21,424	-	-	-	20,727	20,727	
<b>Shahida Saleem - Connected Person* due to 10% holding</b>										
Units held: 48,606 (June 30, 2020: 48,606)	-	5,635	-	5,635	-	5,264	-	-	5,264	
<b>Ishtiaq Ahmad - Connected Person due to 10% holding</b>										
Units held: 51,252 (June 30, 2020: 51,252)	5,619	-	-	5,619	4,917	-	-	-	4,917	
<b>Shahbaz Khaliq - Connected Person due to 10% holding</b>										
Units held: 50,171 (June 30, 2020: 50,171)	5,500	-	-	5,500	4,814	-	-	-	4,814	
<b>Jamil Iqbal - Connected Person due to 10% holding</b>										
Units held: 141,504 (June 30, 2020: 149,820)	-	-	15,292	15,292	-	-	-	15,701	15,701	
<b>HBL Income Fund -</b>										
<b>CIS managed by the Management Company</b>										
Units held: 67,463 (June 30, 2020: 67,728)	7,692	-	-	7,692	7,334	-	-	-	7,334	

	March 31, 2021 (Un-Audited)				June 30, 2020 (Audited)				
	Active Allocation Plan	Conservative Allocation Plan	Special Income Plan	Total	Active Allocation Plan	Conservative Allocation Plan	Strategic Allocation Plan	Special Income Plan	Total
	(Rupees in '000)				(Rupees in '000)				
<b>HBL Stock Fund -</b>									
<b>CIS managed by the Management Company</b>									
Units held: Nil (June 30, 2020: 325,953)	-	-	-	-	28,143	-	-	-	28,143
Units held: Nil (June 30, 2020: 129,177)	-	-	-	-	-	11,153	-	-	11,153
Units held: Nil (June 30, 2020: Nil)	-	-	-	-	-	-	-	-	-
<b>HBL Cash Fund -</b>									
<b>CIS managed by the Management Company</b>									
Units held: 36,920 (June 30, 2020: 185,093)	3,751	-	-	3,751	18,718	-	-	-	18,718
Units held: 121 (June 30, 2020: 116)	-	12	-	12	-	12	-	-	12
Units held: 1,066,678 (June 30, 2020: Nil)	-	-	108,381	108,381	-	-	-	108,381	108,381
<b>HBL Money Market Fund -</b>									
<b>CIS managed by the Management Company</b>									
Units held: 421,716 (June 30, 2020: 413,094)	-	45,338	-	45,338	-	42,282	-	-	42,282
<b>HBL Government Securities Fund -</b>									
<b>CIS managed by the Management Company</b>									
Units held: Nil (June 30, 2020: Nil)	-	-	-	-	-	-	-	-	-
Units held: 1,178,885 (June 30, 2020: 1,279,309)	-	-	-	-	-	-	-	143,634	143,634
<b>HBL Equity Fund -</b>									
<b>CIS managed by the Management Company</b>									
Units held: 349,765 (June 30, 2020: Nil)	45,494	-	-	45,494	-	-	-	-	-
Units held: 84,785 (June 30, 2020: Nil)	-	45,494	-	45,494	-	-	-	-	-

\*Comparative transactions / balances of these parties have not been disclosed as these parties were not related parties in the last period.

#### 14 FAIR VALUE AND CATEGORIES OF FINANCIAL INSTRUMENTS

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

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

The fair value of financial assets and liabilities traded in active markets i.e. units of the mutual funds, are based on the quoted NAVs at the close of the period end date. The quoted NAVs used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis.

As per the requirements of IFRS 13 (Fair Value Measurements), the Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

		March 31, 2021 (Un-Audited)						
		Active Allocation Plan						
		Carrying amount			Fair value			
		Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Note		(Rupees in '000)						
<b>Financial assets measured at fair value</b>								
	Investments	56,936	-	56,936	56,936	-	-	56,936
		56,936	-	56,936	56,936	-	-	56,936
<b>Financial assets not measured at fair value</b>								
14.1	Bank balances	-	248	248				
		-	248	248				
<b>Financial liabilities not measured at fair value</b>								
14.1	Payable to the Management Company	-	10	10				
	Payable to the Trustee	-	4	4				
	Accrued expenses and other liabilities:	-	70	70				
		-	84	84				
		June 30, 2020 (Audited)						
		Active Allocation Plan						
		Carrying amount			Fair value			
		Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Note		(Rupees in '000)						
<b>Financial assets measured at fair value</b>								
	Investments	54,195	-	54,195	54,195	-	-	54,195
		54,195	-	54,195	54,195	-	-	54,195
<b>Financial assets not measured at fair value</b>								
14.1	Bank balances	-	3,468	3,468				
		-	3,468	3,468				
<b>Financial liabilities not measured at fair value</b>								
14.1	Payable to the Management Company	-	10	10				
	Payable to the Trustee	-	4	4				
	Accrued expenses and other liabilities:	-	63	63				
		-	77	77				
		March 31, 2021 (Un-Audited)						
		Conservative Allocation Plan						
		Carrying amount			Fair value			
		Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Note		(Rupees in '000)						
<b>Financial assets measured at fair value</b>								
	Investments	56,379	-	56,379	56,379	-	-	56,379
		56,379	-	56,379	56,379	-	-	56,379
<b>Financial assets not measured at fair value</b>								
14.1	Bank balances	-	714	714				
		-	714	714				
<b>Financial liabilities not measured at fair value</b>								
14.1	Payable to the Management Company	-	22	22				
	Payable to the Trustee	-	4	4				
	Accrued expenses and other liabilities:	-	51	51				
		-	77	77				

		June 30, 2020 (Audited)						
		Conservative Allocation Plan						
		Carrying amount			Fair Value			
		Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Note		(Rupees in '000)						
<b>Financial assets measured at fair value</b>								
	Investments	53,447	-	53,447	53,447	-	-	53,447
		<u>53,447</u>	<u>-</u>	<u>53,447</u>	<u>53,447</u>	<u>-</u>	<u>-</u>	<u>53,447</u>
<b>Financial assets not measured at fair value</b>								
14.1	Bank balances	-	4,116	4,116				
		<u>-</u>	<u>4,116</u>	<u>4,116</u>				
<b>Financial liabilities not measured at fair value</b>								
14.1	Payable to the Management Company	-	2,325	2,325				
	Payable to the Trustee	-	4	4				
	Payable against redemption of units	-	-	-				
	Accrued expenses and other liabilities:	-	2,548	2,548				
		<u>-</u>	<u>4,877</u>	<u>4,877</u>				

		June 30, 2020 (Audited)						
		Strategic Allocation Plan						
		Carrying amount			Fair Value			
		Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Note		(Rupees in '000)						
<b>Financial assets measured at fair value</b>								
	Investments	-	-	-	-	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Financial assets not measured at fair value</b>								
14.1	Bank balances	-	185	185				
		<u>-</u>	<u>185</u>	<u>185</u>				
<b>Financial liabilities not measured at fair value</b>								
14.1	Payable to the Management Company	-	-	-				
	Payable to the Trustee	-	-	-				
	Accrued expenses and other liabilities:	-	21	21				
		<u>-</u>	<u>21</u>	<u>21</u>				

		March 31, 2020 (Un-Audited)						
		Special Income Plan						
		Carrying amount			Fair Value			
		Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Note		(Rupees in '000)						
<b>Financial assets measured at fair value</b>								
	Investments	108,381	-	108,381	108,381	-	-	108,381
		<u>108,381</u>	<u>-</u>	<u>108,381</u>	<u>108,381</u>	<u>-</u>	<u>-</u>	<u>108,381</u>
<b>Financial assets not measured at fair value</b>								
14.1	Bank balances	-	560	560				
	Mark-up accrued	-	-	-				
		<u>-</u>	<u>560</u>	<u>560</u>				
<b>Financial liabilities not measured at fair value</b>								
14.1	Payable to the Management Company	-	19	19				
	Payable to the Trustee	-	8	8				
	Accrued expenses and other liabilities	-	141	141				
		<u>-</u>	<u>168</u>	<u>168</u>				

		June 30, 2020 (Audited)						
		Special Income Plan						
		Carrying amount			Fair Value			
		Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Note		(Rupees in '000)						
<b>Financial assets measured at fair value</b>								
	Investments	143,634	-	143,634	143,634	-	-	143,634
		<u>143,634</u>	<u>-</u>	<u>143,634</u>	<u>143,634</u>	<u>-</u>	<u>-</u>	<u>143,634</u>
<b>Financial assets not measured at fair value</b>								
0.0	Bank balances	-	954	954				
		<u>-</u>	<u>954</u>	<u>954</u>				
<b>Financial liabilities not measured at fair value</b>								
0.0	Payable to the Management Company	-	24	24				
	Payable to the Trustee	-	9	9				
	Accrued expenses and other liabilities:	-	823	823				
		<u>-</u>	<u>856</u>	<u>856</u>				

14.1 The Fund has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are reasonable approximation of fair value.

14.2 Transfers during the period

No transfers were made between various levels of fair value hierarchy during the period.

15 TOTAL EXPENSE RATIO

In accordance with the directive 23 of 2016, dated July 20, 2016, issued by the Securities and Exchange Commission of Pakistan, the total expense ratio for the nine months ended March 31, 2020 is 1.02%, 0.86% and 0.43% (March 31, 2020: 0.64%, 0.67%, 0.13% and 0.44% ), which includes 0.3%, 0.16%, and 0.09% (March 31, 2020: 0.02%, 0.011%, 0.08% and 0.18%) representing government levy and SECP fee, of the Active Allocation Plan, Conservative Allocation Plan, Strategic Allocation Plan and Special Income Plan, respectively.

16 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information were authorized for issue on April 30, 2021 by the Board of Directors of the Management Company.

17 GENERAL

17.1 Figures have been rounded off to the nearest thousand rupees, unless otherwise stated.

17.2 Corresponding figures have been arranged and reclassified, wherever necessary, for better presentation and disclosure, the effect of which is not material.



In continuation of note 31.2 to annual audited financial statements for the year ended June 30, 2020, we state that as a result of measures taken by Government, there has not been any material adverse impact on fiscal and economic fronts facing the country. The Management of the Fund is closely monitoring the situation and so far, there is no impact on this interim financial information of the Fund.

**For HBL Asset Management Limited  
(Management Company)**

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**Chief Financial Officer**

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**Chief Executive Officer**

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**Director**

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# **HBL**

## **Growth Fund**

## FUND INFORMATION

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Name of Fund	HBL Growth Fund
Name of Auditor	Deloitte Yousuf Adil Chartered Accountants
Name of Trustee	Central Depository Company of Pakistan Limited (CDC)
Bankers	Habib Bank Limited JS Bank Limited MCB Bank Limited Soneri Bank Limited Zarai Taraqati Bank Limited Habib Metropolitan Bank Limited

**HBL Growth Fund**  
**Condensed Interim Statement of Assets and Liabilities (Un-Audited)**  
*As at March 31, 2021*

	March 31, 2021 (Un-Audited)			June 30, 2020 (Audited)			
	Class A	Class B	Total	Class A	Class B	Total	
(Rupees in '000)							
<b>Assets</b>							
Bank balances	4	138,608	326,581	465,189	278,910	314,221	593,131
Investments	5	6,699,887	1,684,632	8,384,519	4,869,187	1,502,570	6,371,757
Dividend receivable and accrued mark-up		141,701	26,782	168,483	6,022	1,777	7,799
Receivable against sale of investment		-	76,423	76,423	-	9,689	9,689
Deposits, prepayments and other receivables		770	3,584	4,354	184	3,546	3,730
<b>Total assets</b>		<b>6,980,966</b>	<b>2,118,002</b>	<b>9,098,968</b>	<b>5,154,303</b>	<b>1,831,803</b>	<b>6,986,106</b>
<b>Liabilities</b>							
Payable to the Management Company	6	13,387	8,951	22,338	23,844	7,330	31,174
Payable to the Trustee		770	268	1,038	556	265	821
Payable to the Securities and Exchange Commission of Pakistan		969	260	1,229	1,038	494	1,532
Payable against purchase of investment		-	22,893	22,893	-	545	545
Accrued expenses and other liabilities	7	2,588	176,873	179,461	2,415	175,494	177,909
Unclaimed dividend		-	133,141	133,141	-	142,808	142,808
<b>Total liabilities</b>		<b>17,714</b>	<b>342,386</b>	<b>360,100</b>	<b>27,853</b>	<b>326,936</b>	<b>354,789</b>
<b>Net assets</b>		<b>6,963,253</b>	<b>1,775,616</b>	<b>8,738,868</b>	<b>5,126,450</b>	<b>1,504,867</b>	<b>6,631,317</b>
<b>Unit holders' fund (as per statement attached)</b>		<b>6,963,253</b>	<b>1,775,616</b>	<b>8,738,868</b>	<b>5,126,450</b>	<b>1,504,867</b>	<b>6,631,317</b>
<b>Contingencies and commitments</b>	8	-----Number of units-----					
<b>Number of units in issue</b>		<b>283,500,000</b>	<b>94,256,774</b>	<b>283,500,000</b>	<b>98,929,141</b>		
		----- (Rupees) -----					
<b>Net assets value per unit</b>		<b>24.5617</b>	<b>18.8381</b>	<b>18.0827</b>	<b>15.2116</b>		

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

**For HBL Asset Management Limited**  
**(Management Company)**

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

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

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

# HBL Growth Fund

## Condensed Interim Income Statement (Un-Audited)

### For the Nine Months and Quarter ended March 31, 2021

Note	Nine Months ended March 31, 2021			Nine Months ended March 31, 2020			Quarter ended March 31, 2021			Quarter ended March 31, 2020		
	Class A	Class B	Total	Class A	Class B	Total	Class A	Class B	Total	Class A	Class B	Total
	(Rupees in '000)											
<b>Income</b>												
Capital gain/(loss) on sale of investments - net	-	190,106	190,106	50	111,856	111,906	-	87,086	87,086	-	29,661	29,661
Dividend income	156,647	55,933	212,580	114,020	101,074	215,094	136,825	26,038	162,863	-	19,404	19,404
Mark-up on deposits with banks	10,213	13,386	23,599	23,547	41,996	65,543	2,631	4,491	7,122	8,650	11,315	19,965
Mark-up on investments	-	-	-	6,322	2,503	8,825	-	-	-	2,292	-	2,292
	166,860	259,425	426,285	143,938	257,429	401,367	139,456	117,615	257,071	10,942	60,379	71,321
Unrealised (loss)/gain on re-measurement of investments classified as financial asset at fair value through profit or loss - net	-	161,473	161,473	-	(327,510)	(327,510)	-	(39,825)	(39,825)	78	(584,187)	(584,109)
	166,860	420,898	587,758	143,938	(70,081)	73,857	139,456	77,790	217,246	11,020	(523,808)	(512,787)
<b>Expenses</b>												
Investments at fair value through profit or loss - net												
Remuneration of the Management Company	103,980	29,359	133,339	87,423	45,314	132,737	34,486	10,070	44,556	33,319	10,923	44,242
Remuneration of the Trustee	6,140	1,817	7,957	5,013	2,680	7,693	2,220	560	2,780	1,872	622	2,494
Annual fee to the Securities and Exchange Commission of Pakistan	969	260	1,229	792	418	1,210	354	89	443	295	97	392
Allocation of expenses related to registrar services, accounting, operation and valuation services	26,644	7,145	33,789	10,124	5,798	15,922	9,732	2,451	12,183	4,068	1,337	5,405
Selling and marketing expense	21,434	13,640	35,074	30,739	15,826	46,565	-	4,678	4,678	12,412	4,072	16,484
Settlement and bank charges	3	562	565	11	1,086	1,097	-	558	558	1	207	208
Auditors' remuneration	365	101	466	389	221	610	121	33	154	219	66	285
Fees and subscription	1,071	66	1,137	1,067	31	1,098	575	(200)	375	480	(33)	447
Printing and Postage	26	-	26,000	-	-	12	-	-	12,000	-	-	-
Securities transaction charges	-	5,393	5,393	-	11,333	11,333	-	2,073	2,073	-	1,525	1,525
	160,632	58,344	218,975	135,558	82,707	218,265	47,500	20,312	67,812	52,666	18,816	71,482
<b>Net Income/(loss) operating activities</b>	6,228	362,555	368,783	8,380	(152,788)	(144,408)	91,956	57,478	149,434	(41,646)	(542,624)	(584,269)
Element of income and capital gains included in prices of units issued less those in units redeemed - net	-	-	-	-	-	-	-	-	-	-	-	-
Provision for Sindh Workers' Welfare fund	7.1	(125)	(7,251)	(7,376)	(168)	-	(168)	5	(125)	833	-	833
<b>Net Income/(loss) for the period before taxation</b>	6,103	355,303	361,407	8,213	(152,788)	(144,576)	91,831	57,478	149,309	(40,813)	(542,624)	(583,437)
Taxation	9	-	-	-	-	-	-	-	-	-	-	-
<b>Net Income/(loss) for the period after taxation</b>	6,103	355,303	361,407	8,213	(152,788)	(144,576)	91,831	57,478	149,309	(40,813)	(542,624)	(583,437)
<b>Allocation of net income for the period:</b>												
Income already paid on redemption of units	-	13,743	13,743	-	-	-	-	7,555	7,555	-	-	-
Accounting income available for distribution:												
- Relating to capital gains	-	337,845	337,845	-	-	-	-	45,058	45,058	-	-	-
- Excluding capital gains	-	3,716	3,716	-	-	-	-	-	-	-	-	-
	-	341,561	347,665	-	-	-	-	49,923	141,755	-	-	-
	6,103	355,303	361,407	8,213	(152,788)	(144,576)	91,831	57,478	149,309	(40,813)	(542,624)	(583,437)

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

**For HBL Asset Management Limited  
(Management Company)**

**Chief Financial Officer**

**Chief Executive Officer**

**Director**

**HBL Growth Fund**  
**Condensed Interim Statement of Comprehensive Income (Un-Audited)**  
*For the Nine Months and Quarter ended March 31, 2021*

	Nine Months Ended March 31,						Quarter Ended March 31,					
	2021			2020			2021			2020		
	Class A	Class B	Total	Class A	Class B	Total	Class A	Class B	Total	Class A	Class B	Total
	(Rupees in '000)											
Net income/(loss) for the period after taxation	6,103	355,303	361,407	8,213	(152,788)	(144,576)	91,831	57,478	149,309	(40,813)	(542,624)	(583,437)
Items that will not be reclassified to income statement												
Unrealised diminution on re-measurement of investments classified as fair value through other comprehensive income	1,830,700	-	1,830,700	(866,429)	-	(866,429)	367,965	-	367,965	(2,308,589)	-	(2,308,589)
<b>Total comprehensive loss for the period</b>	<b>1,836,803</b>	<b>355,303</b>	<b>2,192,107</b>	<b>(858,216)</b>	<b>(152,788)</b>	<b>(1,011,004)</b>	<b>459,796</b>	<b>57,478</b>	<b>517,274</b>	<b>(2,349,402)</b>	<b>(542,624)</b>	<b>(2,892,025)</b>

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

**For HBL Asset Management Limited**  
**(Management Company)**

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

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

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

**HBL Growth Fund**  
**Condensed Interim Statement of Cash Flow (Un-Audited)**  
*For the Nine Months ended March 31, 2021*

	2021			2020		
	Class A	Class B	Total	Class A	Class B	Total
<b>Note</b>	------(Rupees in '000)-----					
<b>Cash flow from operating activities</b>						
Net Income/(loss) for the period before taxation	6,103	355,303	361,407	8,213	(152,789)	(144,576)
<b>Adjustments of non-cash items</b>						
Capital gain on sale of investments - net	-	(190,106)	(190,106)	(50)	(111,856)	(111,906)
Unrealised gain/(loss) on remeasurement of investments classified as financial asset at fair value through profit or loss - net	-	(161,473)	(161,473)	-	327,510	327,510
Dividend income	(156,647)	(55,933)	(212,580)	(114,020)	(101,074)	(215,094)
Income on Government securities	-	-	-	(6,322)	(2,503)	(8,825)
Mark-up on deposits with banks	(10,213)	(13,386)	(23,599)	(23,547)	(41,996)	(65,543)
	(160,757)	(65,595)	(226,351)	(135,726)	(82,708)	(218,434)
<b>(Increase) / Decrease in assets</b>						
Investments	(0)	169,517	169,517	6,372	2,582,723	2,589,095
Receivable against sale of investments	-	(66,734)	(66,734)	-	-	-
Security deposits	(586)	(38)	(624)	(491)	(289)	(780)
	(586)	102,745	102,158	5,881	2,582,434	2,588,315
<b>Increase / (decrease) in liabilities</b>						
Payable to Management Company	(10,457)	1,621	(8,836)	8,217	(5,942)	2,275
Payable to Central Depository Company of Pakistan Limited - Trustee	214	3	217	(12)	(333)	(345)
Payable to the Securities and Exchange Commission of Pakistan	(69)	(234)	(303)	(5,225)	(4,458)	(9,683)
Payable against purchase of investment	-	22,348	22,348	-	1,668	1,668
Accrued expenses and other liabilities	173	1,379	1,552	102	(113,107)	(113,005)
Unclaimed dividend	-	(9,667)	(9,667)	-	(990)	(990)
	(10,139)	15,451	5,312	3,082	(123,162)	(120,080)
Cash (used in) / generated from operations	(171,482)	52,601	(118,881)	(126,763)	2,376,565	2,249,802
Dividend received	19,823	30,600	50,423	296,015	85,365	381,380
Mark-up received on bank deposit	11,358	13,714	25,072	21,060	44,209	65,269
	31,181	44,314	75,495	317,075	129,574	446,649
<b>Net cash generated from operating activities</b>	<b>(140,301)</b>	<b>96,915</b>	<b>(43,387)</b>	<b>190,311</b>	<b>2,506,139</b>	<b>2,696,451</b>
<b>Cash flow from financing activities</b>						
Amount received on issue of units	-	8,253	8,253	-	107,243	107,243
Amount paid on redemption of units	-	(92,808)	(92,808)	-	(3,077,418)	(3,077,418)
Dividend paid	-	-	-	-	-	-
<b>Net cash used in financing activities</b>	<b>-</b>	<b>(84,555)</b>	<b>(84,555)</b>	<b>-</b>	<b>(2,970,175)</b>	<b>(2,970,175)</b>
Net increase in cash and cash equivalents	(140,301)	12,360	(127,941)	190,312	(464,036)	(273,724)
Cash and cash equivalents at beginning of the period	278,910	314,221	593,131	127,708	786,197	913,905
Cash and cash equivalents at end of the period	4 138,608	326,581	465,189	318,021	322,161	640,181

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

**For HBL Asset Management Limited**  
**(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

# HBL Growth Fund

## Condensed Interim Statement of Movement In Unitholders' Fund (Un-Audited)

### For the Nine Months ended March 31, 2021

	Class A					Class B			Class A					Class B		
	Capital value	Undistributed Income	Unrealized Income/(loss) on Investment	Premium on Issue of certificates	Total	Capital value	Undistributed Income	Total	Capital Value	Undistributed Income	Unrealized Income/(loss) on Investment	Premium on Issue of certificates	Total	Capital value	Undistributed Income	Total
	(Rupees)															
Assets at beginning of the period	2,835,000	(3,165,172)	3,448,810	2,007,812	5,126,450	(238,252)	1,743,119	1,504,867	2,835,000	(3,131,131)	3,136,614	2,007,812	4,848,295	2,720,611	1,742,871	4,463,482
Infer from premium on issue of certificates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
of 283,500,000 Class B units at the time of conversion	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
of 467,909 units (2020: 5,754,308 units)	-	-	-	-	-	7,118	-	7,118	-	-	-	-	-	92,578	-	92,578
Initial value (at net asset value per unit at the beginning of the period)	-	-	-	-	-	1,135	-	1,135	-	-	-	-	-	14,665	-	14,665
ment of loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
proceeds on issuance of units	-	-	-	-	-	8,253	-	8,253	-	-	-	-	-	107,243	-	107,243
omption of 5,140,277 units (2020: 185,013,916 units)	-	-	-	-	-	(78,192)	-	(78,192)	-	-	-	-	-	(2,976,578)	-	(2,976,578)
Initial value (at net asset value per unit at the beginning of the period)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ount paid out of element of income	-	-	-	-	-	(873)	-	(873)	-	-	-	-	-	-	-	-
ne already paid on redemption of units	-	-	-	-	-	-	(13,743)	(13,743)	-	-	-	-	-	(100,840)	-	(100,840)
payment on redemption of units	-	-	-	-	-	(79,065)	(13,743)	(92,808)	-	-	-	-	-	(3,077,418)	-	(3,077,418)
ne available for distribution	-	6,103	1,830,700	-	1,836,803	-	355,303	355,303	-	8,213	(866,429)	-	(858,216)	-	(152,789)	(152,789)
r comprehensive loss for the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
tribution during the year period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ncome for the period less distribution	-	6,103	1,830,700	-	1,836,803	-	355,303	355,303	-	8,213	(866,429)	-	(858,216)	-	(152,789)	(152,789)
Assets at end of the period	2,835,000	(3,159,069)	5,279,510	2,007,812	6,963,253	(309,064)	2,084,680	1,775,616	2,835,000	(3,122,918)	2,270,185	2,007,812	3,990,079	(249,564)	1,590,082	1,340,517
<b>Attributed loss brought forward</b>																
Attributed realised		(3,165,172)					1,743,119			(3,131,131)					1,742,871	
Attributed unrealised		(3,165,172)					1,743,119			(3,131,131)					1,742,871	
Infer from premium on issue of certificates		-					-			-					-	
Inferred to Class B - Segment on conversion of Fund		-					-			-					-	
<b>Counting income available for distribution:</b>																
Relating to capital gains		-					337,845			-					-	
Excluding capital gains		-					3,716			-					-	
Income/(loss) available for distribution		6,103					341,561			8,213					(152,789)	
Contribution during the period		-					-			-					-	
Attribution during the period		(3,159,069)					2,084,680			(3,122,918)					1,590,082	
<b>Accumulated loss / Undistributed income carried forward</b>																
Attributed realised		(3,159,069)					1,923,207			(3,122,918)					1,917,592	
Attributed unrealised		-					161,473			-					(327,510)	
Attributed unrealised		(3,159,069)					2,084,680			(3,122,918)					1,590,082	
Assets value per unit at beginning of the period	18.0827						15.2116			17.1016					16.0884	
Assets value per unit at end of the period	24.5617						18.8381			14.0744					13.6544	

Annexed notes 1 to 14 form an integral part of this condensed interim financial information.

Consequent to the conversion of the Fund from a closed-end scheme to an open-end scheme with effect from July 02, 2018, the comparative figures disclosed above have been prepared in accordance with the requirements of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 as applicable to an open-end scheme.

**For HBL Asset Management Limited  
(Management Company)**

**Chief Financial Officer**

**Chief Executive Officer**

**Director**



# HBL Growth Fund

## Notes to the Condensed Interim Financial Information (Unaudited)

For The Nine Months ended March 31, 2020

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### 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** HBL Growth Fund was established under a Trust Deed, HBL Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited as the Trustee.
- 1.2** The Management Company of the Fund has been registered as a Non-Banking Finance Company (NBFC) under the NBFC Rules, 2003 and has obtained the requisite license from the SECP to undertake Asset Management Services. The registered office of the Management Company is located at 7th Floor, Emerald Tower, G-19, Block 5, Main Clifton Road, Clifton, Karachi.
- 1.3** The objective of the Fund is to maximize the wealth of the unit holders by investing primarily in listed equities in the best available opportunities, while considering acceptable risk parameters and applicable rules and regulations.
- 1.4** As per Regulation 65 of the NBFC Regulations, all closed end funds were required to be converted into open end schemes upon expiry of five years from November 21, 2007 i.e. by November 21, 2012. However, closed end funds whose portfolios were frozen as a result of Consent Agreements with Government of Pakistan were allowed to be converted into open end schemes within three months from the date of the removal of the freezing of the portfolios. Since the Fund has Frozen Portfolio comprising shares of Pakistan State Oil Company Limited and Sui Northern Gas Pipelines Limited, its conversion into an open end scheme was deferred.

The Board of the Management Company (HBL Asset Management Limited) of the Fund in its meeting held on November 23, 2017 approved the Conversion Plan (the Plan) of the fund for the conversion of the Fund into an Open End Scheme, with the approval of the Certificate Holders of the Fund to fulfill the requirements of the merger order dated August 31, 2016. For this purpose, the Plan was presented to and approved by the Certificate Holders of the Fund in its General Meeting dated January 10, 2018. The Plan was also approved by Securities and Exchange Commission of Pakistan (the Commission) on February 16, 2018.

The Replacement Trust Deed and Replacement Offering Document were approved by SECP vide its letter no. SCD/AMCW/HIF/339/2018 dated April 18, 2018 and letter no. SCD/AMCW/HIF/398/2018 dated June 7, 2018 respectively. As per the approved Plan, the conversion took place on July 2, 2018 and every Certificate Holder of the closed end fund was entitled to following for each certificate held:

- One Class-A Unit of the Fund was issued to every Certificate Holders of Fund for each certificate held representing Frozen Portfolio and related assets and liabilities.
- One Class-B Unit of the Fund was issued to the every Certificate Holder of Fund for each certificate held representing Unfrozen Portfolio and related assets and liabilities.

The Plan also envisages that Class-A Units would not be redeemable and would be traded on the Pakistan Stock Exchange. Whereas Class-B Units can be redeemed at the redemption price.

- 1.5** VIS Credit Rating Company has assigned an asset manager rating of 'AM2++' (Stable outlook) to the Management Company.
- 1.6** Title to the assets of the Fund is held in the name of Central Depository Company Limited as trustee of the Fund.

### 2. BASIS OF PREPARATION

#### 2.1 Statement of compliance

- 2.1.1** This condensed interim financial information have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:
- International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;

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- Provisions of and directives issued under the Companies Act, 2017 along with part VIII A of the repealed Companies Ordinance, 1984; and
  - Non-Banking Finance Companies ( Establishment and Regulations ) Rules, 2003 ( the NBFC Rules ), Non Banking Finance Companies and Notified Entities Regulations, 2008 (the "NBFC Regulations") and requirements of the Trust Deed.

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

**2.1.2** The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of IAS - 34. 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, 2020.

**2.1.3** In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that the condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2021.

## **2.2 Basis of measurement**

This condensed interim financial information has been prepared under the historical cost convention, except that certain financial assets are stated at fair value.

## **2.3 FUNCTIONAL AND PRESENTATION CURRENCY**

This condensed interim financial information is presented in Pakistani Rupees which is the Fund's functional and presentation currency.

## **3. SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENT AND CHANGES THEREIN**

**3.1** The accounting policies adopted in the preparation of this condensed interim financial information are consistent with those applied in the preparation of the annual audited financial statements of the Fund for the year ended June 30, 2020.

**3.2** The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the management to make estimates, judgements and assumptions that affect the reported amount of assets, liabilities, income and expenses. It also requires the management to exercise judgement in application of its accounting policies. The estimates, judgements and associated assumptions are based on the historical experience and various other factors that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

**3.3** The significant judgments made by management in applying its accounting policies and the key sources of estimation uncertainty were the same as those applied to the annual audited financial statements of the Fund for the year ended June 30, 2020.

**3.4** There are certain new and amended standards, interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2020 but are considered not to be relevant or do not have any significant effect on the Fund's operations and therefore not detailed in the condensed interim financial information.

#### 4 BANK BALANCES

	March 31, 2021			June 30, 2020		Total
	Class A	Class B	Total	Class A	Class B	
	----- (Rupees in '000) -----					
Balances with banks in:						
Savings account	138,608	326,581	465,189	278,910	314,221	593,131

4.1 This represents bank accounts held with different banks. Mark-up rates on these accounts range between 5% to 7.02% p.a (June 30, 2020: 7% - 14.05% p.a).

#### 5 INVESTMENTS

	Note	(Unaudited) March 31 2021			(Audited) June 30, 2020		Total
		Class A	Class B	Total	Class A	Class B	
		----- (Rupees in '000) -----					
<b>At fair value through profit or loss</b>							
- Listed equity securities	5.1	-	1,684,632	1,684,632	-	1,502,570	1,502,570
<b>At fair value through other comprehensive income</b>							
- Listed equity securities	5.2	6,699,887	-	6,699,887	4,869,187	-	4,869,187
		<b>6,699,887</b>	<b>1,684,632</b>	<b>8,384,519</b>	<b>4,869,187</b>	<b>1,502,570</b>	<b>6,371,757</b>

#### 5.1 Listed equity securities - At fair value through profit and loss

Shares of listed companies - fully paid up ordinary shares of Rs. 10 each unless stated otherwise

Name of the Investee Company	Number of shares				As at March 31, 2021	Balance as at March 31, 2021 Market value (Rupees in '000)	Percentage in relation to		
	As at July 1, 2020	Purchases during the period	Bonus / Rights issue	Sales during the period			Net Assets of the fund	Total Investments	Investee Paidup Capital
<b>CLASS B</b>									
<b>INSURANCE</b>									
Adamjee Insurance Co Ltd	685,000	-	-	548,000	137,000	5,375	0.30%	0.32%	0.04%
IGI Holdings Limited	325,500	56,000	-	17,300	364,200	61,870	3.48%	3.67%	0.30%
IGI LIFE INSURANCE LIMITED	-	254,500	-	-	254,500	14,687	0.83%	0.87%	0.01%
TPL Insurance Limited	751,695	-	-	-	751,695	26,535	1.49%	1.58%	1.00%
	<b>1,762,195</b>	<b>310,500</b>	<b>-</b>	<b>565,300</b>	<b>1,507,395</b>	<b>108,467</b>			
<b>TEXTILE COMPOSITE</b>									
Azgard Nine Ltd	-	2,165,000	-	820,000	1,345,000	49,698	2.80%	2.95%	0.43%
Gul Ahmed Textile Mills Ltd	765,000	15,000	-	397,000	383,000	18,116	1.02%	1.08%	0.11%
Interloop Limited	363,415	40,000	-	84,500	318,915	21,087	1.19%	1.25%	3.67%
Nishat (Chunian) Ltd	-	641,500	-	-	641,500	29,573	1.67%	1.76%	0.27%
Nishat Mills Ltd	382,000	59,000	-	441,000	-	-	0.00%	0.00%	0.00%
	<b>1,510,415</b>	<b>2,920,500</b>	<b>-</b>	<b>1,742,500</b>	<b>2,688,415</b>	<b>118,473</b>			
<b>CEMENT</b>									
Attock Cement Pakistan Ltd	-	80,000	-	-	80,000	13,575	0.76%	0.81%	0.07%
Cherat Cement Company Ltd.	239,000	4,000	-	143,000	100,000	16,060	0.90%	0.95%	0.06%
D G Khan Cement Co.Ltd.	-	437,500	-	51,000	386,500	46,577	2.62%	2.76%	0.09%
Fauji Cement Company Limited	-	200,000	-	200,000	-	-	0.00%	0.00%	0.00%
Kohat Cement Ltd	160,000	-	-	84,200	75,800	15,707	0.88%	0.93%	0.06%
Lucky Cement Ltd	223,400	2,000	-	71,062	154,338	126,185	7.11%	7.49%	0.05%
Maple Leaf Cement Factory Ltd	898,000	75,000	-	360,500	612,500	27,440	1.55%	1.63%	0.12%
Pioneer Cement Limited	-	174,500	-	-	174,500	21,254	1.20%	1.26%	0.08%
	<b>1,520,400</b>	<b>973,000</b>	<b>-</b>	<b>909,762</b>	<b>1,583,638</b>	<b>266,799</b>			

Name of the Investee Company	Number of shares				Balance as at March 31, 2021	Percentage in relation to			
	As at July 1, 2020	Purchases during the period	Bonus / Rights issue	Sales during the period	As at March 31, 2021	Market value (Rupees in '000)	Net Assets of the fund	Total Investments	Investee Paidup Capital
<b>POWER GENERATION &amp; DISTRIBUTION</b>									
Hub Power Company Limited	970,356	-	-	155,500	814,856	66,117	3.72%	3.92%	0.06%
K-Electric Limited	3,325,500	-	-	3,325,500	-	-	0.00%	0.00%	0.00%
	4,295,856	-	-	3,481,000	814,856	66,117			
<b>ENGINEERING</b>									
Agha Steel Ind.Ltd	-	240,000	-	-	240,000	7,411	0.42%	0.44%	0.00%
Aisha Steel Mills Ltd	-	3,721,494	-	1,496,000	2,225,494	52,855	2.98%	3.14%	0.27%
Aisha Steel Mills Ltd. - Conv. Cum. Pref. Shares	1,628,663	-	-	1,628,663	-	-	0.00%	0.00%	0.00%
Amreli Steels Limited	-	185,000	-	-	185,000	7,711	0.43%	0.46%	0.06%
International Industries Ltd	84,000	25,000	-	84,000	25,000	5,079	0.29%	0.30%	0.02%
International Steels Limited	334,000	424,000	-	400,500	357,500	30,595	1.72%	1.82%	0.08%
Mughal Iron & Steel Inds Ltd	-	282,500	-	84,000	198,500	18,476	1.04%	1.10%	0.08%
Mughal Iron & Steel Inds Ltd - LoR	-	38,800	-	-	38,800	878	0.05%	0.05%	0.03%
	2,046,663	4,916,794	-	3,693,163	3,270,294	123,006			
<b>AUTOMOBILE ASSEMBLER</b>									
Honda Atlas Cars (Pakistan) Ltd	-	53,900	-	25,800	28,100	7,665	0.43%	0.46%	0.02%
Indus Motor Company Limited	-	7,000	-	7,000	-	-	0.00%	0.00%	0.00%
Pak Suzuki Motor Company Limited	-	109,000	-	49,000	60,000	18,893	1.06%	1.12%	0.07%
Sazgar Engineering Works Limited	-	25,000	-	25,000	-	-	0.00%	0.00%	0.00%
	-	194,900	-	106,800	88,100	26,558			
<b>CABLE &amp; ELECTRICAL GOODS</b>									
Pak Elektron Ltd	-	702,000	-	250,000	452,000	14,934	0.84%	0.89%	0.09%
Waves Singer Pakistan Limited	-	1,066,500	-	1,066,500	-	-	0.00%	0.00%	0.00%
	-	1,768,500	-	1,316,500	452,000	14,934			
<b>TRANSPORT</b>									
Pakistan National Shipping Corporation Limited	106,500	-	-	26,500	80,000	5,984	0.34%	0.36%	0.06%
	106,500	-	-	26,500	80,000	5,984			
<b>PHARMACEUTICALS</b>									
AGP Limited	194,000	45,500	-	207,500	32,000	3,652	0.21%	0.22%	0.00%
GlaxoSmithKline Pakistan Ltd	111,800	-	-	111,800	-	-	0.00%	0.00%	0.00%
Highnoon Laboratories Limited	66,550	-	-	66,550	-	-	0.00%	0.00%	0.00%
The Searl Co Ltd LOR	-	3,878	-	3,878	-	-	0.00%	0.00%	0.00%
The Searle Company Ltd	84,853	-	-	52,000	32,853	8,116	0.46%	0.48%	0.02%
	457,203	49,378	-	441,728	64,853	11,768			
<b>Vanaspati &amp; Allied Industries</b>									
Unity Foods Limited	-	4,959,000	-	4,634,000	325,000	9,666	0.54%	0.57%	0.06%
	-	4,959,000	-	4,634,000	325,000	9,666			
<b>LEATHER &amp; TANNERIES</b>									
Service Industries Ltd	-	9,800	-	2,000	7,800	8,741	0.49%	0.52%	0.06%
	-	9,800	-	2,000	7,800	8,741			
<b>FOOD &amp; ALLIED INDUSTRIES</b>									
The Organic Meat Company Limited	-	4,282,894	-	1,925,000	2,357,894	72,057	4.06%	4.28%	0.21%
	-	4,282,894	-	1,925,000	2,357,894	72,057			
<b>GLASS &amp; CERAMICS</b>									
Tariq Glass Industries Ltd	107,500	192,000	41,000	135,500	205,000	17,150	0.97%	1.02%	0.28%
	107,500	192,000	41,000	135,500	205,000	17,150			
<b>MISCELLANEOUS</b>									
Tri-Pack Films Ltd	-	23,000	-	23,000	-	-	0.00%	0.00%	0.00%
	-	23,000	-	23,000	-	-			
<b>OIL &amp; GAS EXPLORATION COMPANIES</b>									
Mari Petroleum Company Ltd	83,473	-	-	50,020	33,453	51,227	2.89%	3.04%	0.03%
Oil & Gas Development Co Ltd	1,031,100	25,000	-	357,500	698,600	70,985	4.00%	4.21%	0.02%
Pakistan Oilfields Ltd	21,600	22,000	-	8,000	35,600	13,524	0.76%	0.80%	0.02%
Pakistan Petroleum Ltd	736,036	208,500	-	159,000	785,536	68,601	3.86%	4.07%	0.04%
	1,872,209	255,500	-	574,520	1,553,189	204,336			
<b>OIL &amp; GAS MARKETING COMPANIES</b>									
Hascol Petroleum Ltd	-	280,000	-	280,000	-	-	0.00%	0.00%	0.00%
Pakistan State Oil Company Ltd	304,956	40,000	-	52,500	292,456	67,449	3.80%	4.00%	0.09%
Sui Northern Gas Pipeline Ltd	710,200	-	-	710,200	-	-	0.00%	0.00%	0.00%
	1,015,156	320,000	-	1,042,700	292,456	67,449			

Name of the Investee Company	Number of shares				Balance as at March 31, 2021	Percentage in relation to			
	As at July 1, 2020	Purchases during the period	Bonus / Rights issue	Sales during the period	As at March 31, 2021	Market value (Rupees in '000)	Net Assets of the fund	Total Investments	Investee Paidup Capital
<b>REFINERY</b>									
Attock Refinery Ltd	-	184,100	-	121,500	62,600	15,987	0.90%	0.95%	0.07%
National Refinery Ltd	-	206,800	-	86,800	120,000	70,698	3.98%	4.20%	0.15%
Pakistan Refinery Limited	-	1,552,500	-	1,552,500	-	-	0.00%	0.00%	0.00%
	-	1,943,400	-	1,760,800	182,600	86,685			
<b>COMMERCIAL BANKS</b>									
Bank Al-Falah Ltd	2,142,050	-	-	2,142,050	-	-	0.00%	0.00%	0.00%
Bank Al-Habib Limited	288,380	-	-	288,147	233	15	0.00%	0.00%	0.00%
Bank of Punjab Ltd	5,314,500	-	-	4,039,500	1,275,000	10,264	0.58%	0.61%	0.24%
BankIslami Pakistan Limited	760,000	-	-	760,000	-	-	0.00%	0.00%	0.00%
Faysal Bank Limited	25,250	-	-	8,000	17,250	279	0.02%	0.02%	0.00%
Habib Bank Ltd	345,500	250,000	-	219,000	376,500	43,742	2.46%	2.60%	0.03%
MCB Bank Ltd	239,200	62,500	-	73,696	228,004	39,251	2.21%	2.33%	0.02%
National Bank of Pakistan Ltd	665,500	100,000	-	765,500	-	-	0.00%	0.00%	0.00%
Standard Chartered Bank (Pakistan) Ltd	175,000	1,927,000	-	-	2,102,000	62,114	3.50%	3.69%	0.05%
United Bank Limited	470,500	611,705	-	242,500	839,705	99,875	5.62%	5.93%	0.07%
	10,425,880	2,951,205	-	8,538,393	4,838,692	255,539			
<b>FERTILIZER</b>									
Engro Corporation Ltd	278,370	18,000	-	296,370	-	-	0.00%	0.00%	0.00%
Engro Fertilizers Limited	375,500	10,000	-	385,500	-	-	0.00%	0.00%	0.00%
Fauji Fertilizer Bin Qasim Ltd	-	901,000	-	901,000	-	-	0.00%	0.00%	0.00%
Fauji Fertilizer Co Ltd	421,100	338,500	-	421,100	338,500	35,370	1.99%	2.10%	0.03%
	1,074,970	1,267,500	-	2,003,970	338,500	35,370			
<b>CHEMICAL</b>									
Engro Polymer & Chemicals Ltd	855,699	232,000	-	603,000	484,699	26,654	1.50%	1.58%	0.05%
Ghani Global Holdings Limited	-	623,000	-	623,000	-	-	0.00%	0.00%	0.00%
ICI Pakistan Ltd	-	10,450	-	10,450	-	-	0.00%	0.00%	0.00%
Lotte Chemical Pakistan Ltd	-	570,000	-	-	570,000	9,092	0.51%	0.54%	0.04%
Sitara Chemical Industries Limited	84,600	500	-	85,100	-	-	0.00%	0.00%	0.00%
Sitara Peroxide Limited	-	375,000	-	375,000	-	-	0.00%	0.00%	0.00%
	940,299	1,810,950	-	1,696,550	1,054,699	35,745			
<b>AUTOMOBILE PARTS &amp; ACCESSORIES</b>									
General Tyre & Rubber Co of Pakistan Ltd	-	408,500	-	42,000	366,500	32,116	1.81%	1.91%	0.61%
PANTHER TYRES LIMITED	-	129,363	-	-	129,363	8,337	0.47%	0.49%	0.03%
Thal Limited	107,600	-	-	107,000	600	221	0.01%	0.01%	0.00%
	107,600	537,863	-	149,000	496,463	40,675			
<b>TECHNOLOGY &amp; COMMUNICATION</b>									
Avanceon Limited	-	227,500	-	227,500	-	-	0.00%	0.00%	0.00%
Netsol Technologies	-	157,500	-	56,000	101,500	20,711	1.17%	1.23%	0.13%
TPL Corp Limited	-	4,547,000	-	-	4,547,000	29,692	1.67%	1.76%	2.09%
TPL Trakker Limited	-	1,337,000	-	-	1,337,000	13,263	0.75%	0.79%	0.07%
TRG Pakistan Ltd	-	482,000	-	237,000	245,000	36,801	2.07%	2.18%	0.07%
	-	6,751,000	-	520,500	6,230,500	100,467			
<b>FOOD &amp; PERSONAL CARE PRODUCTS</b>									
Clover Pakistan Limited	-	142,000	-	-	142,000	8,645	0.49%	0.51%	0.05%
National Foods Ltd	-	76,000	-	76,000	-	-	0.00%	0.00%	0.00%
	-	218,000	-	76,000	142,000	8,645			
<b>Total as at March 31, 2021 (Unaudited)</b>	<b>27,242,846</b>	<b>36,655,684</b>	<b>41,000</b>	<b>35,365,186</b>	<b>28,574,344</b>	<b>1,684,632</b>			
<b>Total as at June 30, 2020 (Audited)</b>	<b>64,550,462</b>	<b>34,544,240</b>	<b>342,271</b>	<b>72,194,127</b>	<b>27,242,846</b>	<b>1,502,570</b>			
<b>Cost at March 31, 2021</b>						<b>1,523,159</b>			

\*Sponsor of the Management Company

**5.2.1** The above mentioned shares of Pakistan State Oil Company Limited and Sui Northern Gas Pipelines Limited are blocked / frozen by an order of the Government of Pakistan (GoP) as the same form part of a strategic shareholding under the control of the GoP. As a result, the Fund is restricted from selling, transferring, encumbering or otherwise disposing of or dealing with any interest in the said shares, including any future bonus / right shares in respect thereof. Consequently, the exposure limit mentioned in regulation 55 of the NBFC Regulations, 2008 does not apply to the above frozen shares.

**5.2.2** These investments include gross bonus shares as per Fund's entitlement declared by the investee companies. Finance Act, 2014 has brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5% is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the investee company which shall be considered as final discharge of tax liability on such income. However, the Management Company of the Fund jointly with other asset management companies and Mutual Fund Association of Pakistan, has filed a petition in Honorable Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the funds based on the premise of exemption given to mutual funds under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001. The Honorable Sindh High Court has granted stay order till the final outcome of the case. However, the investee company(s) has withheld the share equivalent to 5% of bonus announcement of the Fund having aggregate fair market value of Rs. 45.65 million at September 30, 2020 (June 30, 2020: Rs. 36.067 million) and not yet deposited on CDC account of department of Income tax. Management is of the view that the decision will be in the favor and accordingly has recorded the bonus shares on gross basis at fair value in its investments at year end.

## 6 PAYABLE TO MANAGEMENT COMPANY

	(Unaudited) March 31, 2021			(Audited) June 30, 2020		
	Class A	Class B	Total	Class A	Class B	Total
	----- (Rupees in '000) -----					
Management fee	8,944	3,041	11,985	8,190	2,516	10,706
Sindh sales tax	1,163	395	1,558	1,065	327	1,392
Sale load payable	-	1	-	-	-	-
Allocation of expenses relating to registrar services, accounting, operation and valuation services	3,280	836	4,116	2,252	692	2,944
Selling and marketing expenses	-	4,678	4,678	12,337	3,795	16,132
	<b>13,387</b>	<b>8,951</b>	<b>22,337</b>	<b>23,844</b>	<b>7,330</b>	<b>31,174</b>

## 7. ACCRUED EXPENSES AND OTHER LIABILITIES

	Note	(Unaudited) March 31, 2021			(Audited) June 30, 2020		
		Class - A	Class - B	Total	Class - A	Class B	Total
		----- (Rupees in '000) -----					
Provision for Sindh Workers' Welfare Fund	7.1	2,189	48,934	51,123	2,065	41,683	43,748
Provision for Federal Excise Duty	7.2	-	125,303	125,303	-	125,303	125,303
Brokerage		-	1,489	1,489	-	126	126
Auditors' remuneration		365	101	466	331	141	472
National Clearing Company Pakistan Limited Charges		-	-	-	-	30	30
Withholding tax		34	34	68	13	7,269	7,282
Others		-	1,013	1,013	6	942	948
		<b>2,588</b>	<b>176,873</b>	<b>179,462</b>	<b>2,415</b>	<b>175,494</b>	<b>177,909</b>

### 7.1 PROVISION FOR SINDH WORKERS' WELFARE FUND

The legal status of applicability of Workers' Welfare Fund and Sindh Workers' Welfare Fund (SWWF) is same as that disclosed in note 12.2 to the annual audited financial statements of the Fund for the year ended June 30, 2020

The Finance Act 2015 incorporated an amendment in WWF Ordinance by excluding CIS from the definition of Industrial Establishment, and consequently CIS are no more liable to pay contribution to WWF with effect from July 1, 2015.

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During the year ended June 30, 2017, the Supreme Court of Pakistan (SCP) passed a judgment on November 10, 2016, deciding that amendments made through the Finance Acts through which WWF was levied are unlawful, as such are not in nature of tax; therefore, it could not be introduced through the money bill. However, the Federal Board of Revenue has filed a review petition in the SCP against the said judgment, which is pending for hearing in the SCP.

Further, the Government of Sindh also introduced levy of the Sindh Workers' Welfare Fund (SWWF) through the Sindh Workers' Welfare Act, 2014. The Mutual Fund Association of Pakistan, in the previous years based on opinion obtained from the tax consultants, concluded that SWWF is not applicable on mutual funds. MUFAP also wrote to the Sindh Revenue Board (SRB) that mutual funds are not establishments and are pass through vehicles; therefore, they do not have any worker and, as a result, no SWWF is payable by them. SRB responded back that as mutual funds are included in definition of financial institutions in the Financial Institutions (Recovery of Finance) Ordinance, 2001, and thus SWWF is payable by them. MUFAP has taken up the matter with the concerned ministry [Sindh Finance Ministry] for appropriate resolution of the matter.

In the wake of the aforesaid developments, being prudent, the Fund has recognised provision for SWWF amounting to Rs. 2.189 million for class A and Rs 48.934 million for Class B (June 30, 2020 Rs 2.065 million of Class A and Rs. 40.775 million for Class B) in this condensed interim financial information. Had the provision not been made, net asset value per unit at March 31, 2021 would have been higher by Re. 0.0077 and Re 0.519 for Class A and Class B (June 30, 2020 Re. 0.007 and 0.147 for Class A and B respectively) per unit.

## **7.2 FEDERAL EXERCISE DUTY**

The legal status of applicability of Federal Excise Duty on the Fund is same as that disclosed in note 12.1 to the annual audited financial statements of the Fund for the year ended June 30, 2020, and the appeal filed by tax authorities against the order passed by Supreme Court of Pakistan dated July 16, 2016, is pending for decision.

While disposing the above petition through order dated June 30, 2016, the SHC declared the said provisions to be ultra vires and as a result no FED is payable with effect from July 01, 2011. However, the tax authorities subsequently filed appeal against the decision of the SHC in the Supreme Court of Pakistan, which is pending for the decision.

The finance act 2016 excluded the mutual funds from the levy of FED with effect from July 01, 2016. therefore, no provision is charged during the period ended September 30, 2017.

The Management Company, as a matter of abundant caution, has made a provision on FED on remuneration of Management Company, aggregating to Rs. 125.303 million (June 30, 2020: Rs. 125.303 million). Had the provision not been made, the Net Asset Value per unit of Class-B as at March 31, 2020 would have been higher by Re. 1.3294 (June 30, 2020: Re. 1.267 ) per unit.

## **8. CONTINGENCIES AND COMMITMENTS**

There were no contingencies or commitments outstanding as at March 31, 2021 and as at June 30, 2020.

## **9. TAXATION**

The Fund's income is exempt from tax under clause 99 of Part 1 of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by the capital gains whether realised or unrealised, is distributed among its unit holders in cash. The fund is also exempt from the provision of Section 113 (minimum tax) under the Clause 11A of part IV of the second schedule to the Income Tax Ordinance, 2001. The Fund has not recorded a tax liability in respect of income relating to the current period as the Management Company intends to distribute more than 90 percent of the Fund's accounting income for the period as reduced by capital gains (whether realised or unrealised) to its unit holders.

## 10. TOTAL EXPENSES RATIO

In accordance with the directive 23 of 2016 dated July 20, 2016 issued by the SECP, the total expense ratio for the half year ended March 31, 2021 is 2.49% and 3.79% which includes 0.21% and 0.68% representing government levy, and SECP fee of the Class A and Class B respectively. (2020: 2.58%% and 2.98%% which includes 0.22% and 0.27% representing government levy, and SECP fee of the Class A and Class B respectively)

## 11. TRANSACTION AND BALANCES WITH CONNECTED PERSONS

Connected persons include HBL Asset Management Limited being the Management Company, Habib Bank Limited being the Sponsor, Central Depository Company of Pakistan Limited, being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company directors of connected persons and persons having 10% or more beneficial ownership of the units of the Fund.

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

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

	Nine Months Ended			Nine Months Ended		
	March 31,			March 31,		
	2021			2020		
11.1 Transactions during the period	Class A	Class B	Total	Class A	Class B	Total
	----- (Rupees in '000) -----					
<b>HBL Asset Management Limited - Management Company</b>						
Remuneration of the Management Company	92,018	25,981	117,999	77,365	40,101	117,466
Sales tax on remuneration of the management company	11,962	3,378	15,340	10,058	5,213	15,271
Allocation of expenses related to registrar services, accounting, operation and valuation services	26,644	7,145	33,789	10,124	5,798	15,922
Selling and marketing expense	21,434	13,640	35,074	30,739	15,826	46,565
<b>Habib Bank Limited - Sponsor</b>						
Dividend income	-	1,130	1,130	-	2,990	2,990
Mark-up on deposits with banks	-	64	64	-	118	118
Bank charges	-	2	-	-	1	1
<b>MCB Bank Limited- Connected person - due to holding more than 10% Units</b>						
Mark-up on deposits with banks	8	-	8	9	-	9
Bank charges	-	-	-	1	-	1
Dividend income	-	-	-	-	-	-
<b>Central Depository Company of Pakistan Limited-Trustee</b>						
Trustee Fee	6,140	1,817	7,957	5,013	2,680	7,693
Annual Listing Fee	524	48	572	329	64	393
CDS Charges	-	220	220	-	353	353



	March 31, 2021			June 30, 2020		
	(Un-Audited)			(Audited)		
	Class A	Class B	Total	Class A	Class B	Total
	----- (Rupees in '000) -----					
<b>11.2 Balances at period end</b>						
<b>HBL Asset Management Company Limited - Management Company</b>						
Payable to Management Company	8,944	3,041	11,985	8,190	2,516	10,706
Sindh sales tax on remuneration of Management Company	1,163	395	1,558	1,065	327	1,392
Allocation of expenses relating to registrar services, accounting, operation and valuation services	3,280	836	4,116	2,252	692	2,944
Selling and marketing expense payable	-	4,678	4,678	12,337	3,795	16,132
<b>Habib Bank Limited - Sponsor</b>						
Banks Balances- savings accounts	-	1,562	1,562	-	1,366	1,366
<b>MCB Bank Limited- Connected person - due to holding more than 10% Units</b>						
Banks Balance - savings account	190	-	190	-	-	-
Mark-up Receivable	-	-	-	-	-	-
Units held: 43,482,858 Units (June 2020: 43,482,858 Units)	434,829	-	434,829	434,829	-	434,829
<b>Pakistan Reinsurance Company Limited - Connected person - due to holding more than 10% Units</b>						
Units held: 30,406,721 Units (June 2020: 30,406,721 Units)	304,067	-	304,067	304,067	-	304,067
Units held: 15,000,000 Units (June 2020: 15,000,000 Units)	-	282,572	282,572	-	228,174	228,174
<b>Central Depository Company of Pakistan Limited - Trustee</b>						
Trustee remuneration payable	770	268	1,038	556	235	791
Security deposit with trustee	100	175	275	100	175	275
CDS charges payable	-	31	31	-	30	30
<b>State Life Insurance Corp. Of Pakistan - CP More Than 10% Units</b>						
Units held: 12,024,904 Units (June 2020: 12,024,904 Units)	120,249	-	120,249	120,249	-	120,249
Units held: 12,384,663 Units (June 2020: 12,384,663 Units)	-	233,304	233,304	-	188,391	188,391
<b>Jubilee General Insurance Company Limited - associate</b>						
Units held: 142,500 Units (June 2020: 142,500 Units)	1,425	-	1,425	1,425	-	1,425
Units held: 146,124 Units (June 2020: 146,124 Units)	-	2,753	2,753	-	2,223	2,223
<b>Directors and Executives of the Management Company</b>						
Units held: 18,000 Units (June 2020: 18,000 Units)	180	-	180	180	-	180
Units held: 18,000 Units (June 2020: 18,000 Units)	-	339	339	-	274	274

## 12. Fair Value Of Financial Instruments

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

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

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market price used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13, 'Fair Value Measurements: Disclosures' requires the Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

### 12.1

	Class A						
	March 31, 2021 (Un-audited)						
	Carrying amount				Fair Value		
Fair value through profit or loss	Fair value through other comprehensive income	At amortised cost	Total	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----							
<b>On-balance sheet financial instruments</b>							
<b>Financial assets measured at fair value</b>							
Investment in listed equity securities	6,699,887	-	6,699,887	6,699,887	-	-	6,699,887
Investment in government securities	-	-	-	-	-	-	-
	<b>6,699,887</b>	<b>-</b>	<b>6,699,887</b>	<b>6,699,887</b>	<b>-</b>	<b>-</b>	<b>6,699,887</b>
<b>Financial assets not measured at fair value</b>							
Bank balances	-	138,608	138,608	-	-	-	-
Dividend and profit receivable	-	141,701	141,701	-	-	-	-
Security Deposit	-	687	687	-	-	-	-
	-	<b>280,996</b>	<b>280,996</b>	-	-	-	-
<b>Financial liabilities not measured at fair value</b>							
Payable to Management Company	-	13,387	13,387	-	-	-	-
Payable to trustee	-	770	770	-	-	-	-
Payable to Securities and Exchange Commission of Pakistan	-	969	969	-	-	-	-
Accrued expenses and other liabilities	-	365	365	-	-	-	-
	-	<b>15,491</b>	<b>15,491</b>	-	-	-	-

## 12.2

Class B							
March 31, 2021 (Unaudited)							
Carrying amount				Fair Value			
Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)							
<b>On-balance sheet financial instruments</b>							
<b>Financial assets measured at fair value</b>							
Investment in listed equity securities	1,684,632	-	1,684,632	1,684,632	-	-	1,684,632
	-	-	1,684,632	1,684,632	-	-	1,684,632
<b>Financial assets not measured at fair value</b>							
Bank balances	-	326,581	326,581				
Dividend and profit receivable	-	26,782	26,782				
Security Deposit	-	2,712	2,712				
	-	356,075	356,075				
<b>Financial liabilities not measured at fair value</b>							
Payable to Management Company	-	8,951	8,951				
Payable to trustee	-	268	268				
Payable to Securities and Exchange Commission Of Pakistan	-	260	260				
Accrued expenses and other liabilities	-	2,603	2,603				
	-	12,082	12,082				
Class A							
June 30, 2020 (Audited)							
Carrying amount				Fair Value			
Fair value through profit and loss	Fair value through other comprehensive income	At amortised cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)							
<b>On-balance sheet financial instruments</b>							
<b>Financial assets measured at fair value</b>							
Investment in listed equity securities	-	4,869,187	4,869,187	4,869,187	-	-	4,869,187
	-	4,869,187	4,869,187	4,869,187	-	-	4,869,187
<b>Financial assets not measured at fair value</b>							
Bank balances	-	278,910	278,910				
Dividend and profit receivable	-	6,022	6,022				
Security Deposit	-	100	100				
	-	285,032	285,032				
<b>Financial liabilities not measured at fair value</b>							
Payable to Management Company	-	23,844	23,844				
Payable to trustee	-	556	556				
Accrued expenses and other liabilities	-	2,415	2,415				
	-	26,815	26,815				
Class B							
June 30, 2020 (Audited)							
Carrying amount				Fair Value			
Fair value through profit and loss	Fair value through other comprehensive income	At amortised cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)							
<b>On-balance sheet financial instruments</b>							
<b>Financial assets measured at fair value</b>							
Investment in listed equity securities	1,502,570	-	1,502,570	1,502,570	-	-	1,502,570
	1,502,570	-	1,502,570	1,502,570	-	-	1,502,570
<b>Financial assets not measured at fair value</b>							
Bank balances	-	314,221	314,221				
Dividend and profit receivable	-	1,777	1,777				
Security Deposit	-	3,546	3,546				
	-	319,544	319,544				
<b>Financial liabilities not measured at fair value</b>							
Payable to Management Company	-	7,330	7,330				
Payable to trustee	-	265	265				
Accrued expenses and other liabilities	-	175,494	175,494				
	-	183,089	183,089				

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The Fund has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or reprice periodically. Therefore, their carrying amounts are reasonable approximation of fair value.

**13. Date Of Authorisation For Issue**

These condensed interim financial information were authorised for issue by the Board of Directors of the Management Company on April 30, 2021.

**14. General**

**14.1** This condensed interim financial information is unaudited and has been reviewed by the auditors. Further, the figures of this condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended March 31, 2021 have not been reviewed.

**14.2** In continuation of note 1 to annual audited financial statements for the year ended June 30, 2020, we state that as a result of measures taken by Government, there has not been any material adverse impact on fiscal and economic fronts facing the country. The Management of the Fund is closely monitoring the situation and so far, there is no impact on this interim financial information of the Fund.

**For HBL Asset Management Limited  
(Management Company)**

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**Chief Financial Officer**

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**Chief Executive Officer**

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**Director**

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# **HBL**

## **Investment Fund**

## FUND INFORMATION

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Name of Fund	HBL Investment Fund
Name of Auditor	Deloitte Yousuf Adil Chartered Accountants
Name of Trustee	Central Depository Company of Pakistan Limited (CDC)
Bankers	MCB Bank Limited JS Bank Limited Habib Bank Limited Soneri Bank Limited Habib Metropolitan Bank Limited Zarai Taraqati Bank Limited

**HBL Investment Fund**  
**Condensed Interim Statement of Assets and Liabilities (Un-Audited)**  
*As at March 31, 2021*

	Note	March 31, 2021 (Un-Audited)			June 30, 2020 (Audited)		
		Class A	Class B	Total	Class A	Class B	Total
----- (Rupees in '000) -----							
<b>Assets</b>							
Bank balances	4	43,925	170,311	214,236	98,673	183,558	282,231
Investments	5	2,457,726	1,278,870	3,736,596	1,754,372	1,142,187	2,896,559
Dividend receivable and accrued mark-up		53,206	20,152	73,358	2,211	852	3,063
Receivable against sale of equity		-	53,870	53,870	-	18,141	18,141
Advances, deposits and prepayments		441	3,506	3,947	100	3,480	3,580
<b>Total assets</b>		<b>2,555,298</b>	<b>1,526,709</b>	<b>4,082,007</b>	<b>1,855,356</b>	<b>1,348,218</b>	<b>3,203,574</b>
<b>Liabilities</b>							
Payable to the Management Company	6	4,898	6,726	11,624	8,573	5,650	14,223
Payable to the Trustee		343	224	566	259	239	498
Payable to the Securities and Exchange Commission of Pakistan		352	199	551	371	329	700
Payable against purchase of investment		-	21,144	21,144	-	1,090	1,090
Accrued expenses and other liabilities	7	1,246	86,547	87,792	1,229	84,190	85,419
Redemption payable		-	-	-	-	-	-
Unclaimed dividend		-	85,423	85,423	-	101,015	101,015
<b>Total liabilities</b>		<b>6,838</b>	<b>200,262</b>	<b>207,100</b>	<b>10,432</b>	<b>192,513</b>	<b>202,945</b>
<b>Net assets</b>		<b>2,548,460</b>	<b>1,326,447</b>	<b>3,874,907</b>	<b>1,844,924</b>	<b>1,155,705</b>	<b>3,000,629</b>
<b>Unit holders' fund (as per statement attached)</b>		<b>2,548,460</b>	<b>1,326,447</b>	<b>3,874,907</b>	<b>1,844,924</b>	<b>1,155,705</b>	<b>3,000,629</b>
<b>Contingencies and commitments</b>							
----- Number of units -----							
<b>Number of units in issue</b>		<b>284,125,000</b>	<b>136,900,693</b>		<b>284,125,000</b>	<b>146,528,631</b>	
----- (Rupees) -----							
<b>Net assets value per unit</b>		<b>8.9695</b>	<b>9.6891</b>		<b>6.4934</b>	<b>7.8872</b>	

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

**For HBL Asset Management Limited  
(Management Company)**

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

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**Chief Executive Officer**

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**Director**

# HBL Investment Fund

## Condensed Interim Income Statement (Un-Audited)

### For the nine months ended March 31, 2021

Note	Nine months ended March 31,						Quarter ended March 31						
	2021			2020			2021			2020			
	Class A	Class B	Total	Class A	Class B	Total	Class A	Class B	Total	Class A	Class B	Total	
	------(Rupees in '000)-----												
<b>Income</b>													
Capital gain/(loss) on sale of investments - net	-	148,428	148,428	8	120,444	120,452	-	71,249	71,249	-	8,753	8,753	
Dividend income	56,143	43,120	99,263	42,639	68,767	111,406	51,167	20,016	71,183	-	14,859	14,859	
Mark-up on deposits with banks	3,410	7,711	11,121	8,832	23,798	32,629	857	2,541	3,398	3,245	7,013	10,259	
Mark-up on Government securities	-	-	-	1,967	860	2,827	-	-	-	713	-	713	
Back end load income	-	-	-	-	-	-	-	-	-	-	-	-	
	59,554	199,259	258,812	53,446	213,869	267,315	52,025	93,806	145,830	3,958	30,625	34,583	
Unrealised (loss)/gain on re-measurement of investments classified as financial asset at fair value through profit or loss - net	-	115,740	115,740	-	(250,645)	(250,645)	-	(39,096)	(39,096)	24	(433,274)	(433,249)	
	59,554	314,999	374,553	53,446	(36,776)	16,670	52,025	54,710	106,735	3,983	(402,649)	(398,666)	
<b>Expenses</b>													
Remuneration of Management Company	37,743	22,544	60,287	31,236	29,536	60,773	12,609	7,631	20,240	11,957	7,942	19,899	
Remuneration of Trustee	2,524	1,442	3,966	2,021	1,963	3,984	911	479	1,390	760	516	1,276	
Annual fee to the Securities and Exchange Commission of Pakistan	352	200	551	283	271	554	130	68	197	106	70	176	
Selling & marketing expense	7,731	10,474	18,206	10,984	10,327	21,311	0	3,545	3,546	4,454	2,972	7,427	
Allocation of expenses related to registrar services, accounting, operation and valuation services	9,676	5,486	15,162	3,614	3,607	7,221	3,559	1,857	5,416	1,460	987	2,446	
Securities transaction costs	-	4,194	4,194	-	6,441	6,441	-	1,357	1,357	-	689	689	
Auditors' remuneration	287	183	470	267	287	555	94	60	154	143	89	232	
Printing charges	30	-	30	3	-	3	10	-	10	3	-	3	
Fee and subscription charges	1,025	21	1,046	1,036	28	1,064	337	7	344	334	-	334	
Settlement & bank charges	0	574	574	10	811	821	0	570	570	1	568	569	
Conversion expense from closed end to open end fund	-	-	-	-	-	-	-	-	-	-	-	-	
	59,368	45,117	104,486	49,455	53,270	102,725	17,650	15,573	33,224	19,218	13,833	33,052	
<b>Net Income/(loss) from operating activities</b>	<b>185</b>	<b>269,882</b>	<b>270,067</b>	<b>3,991</b>	<b>(90,046)</b>	<b>(86,055)</b>	<b>34,374</b>	<b>39,137</b>	<b>73,511</b>	<b>(15,236)</b>	<b>(416,482)</b>	<b>(431,718)</b>	
Provision for Sindh Workers' Welfare Fund	7.1	(4)	(5,398)	(5,401)	(80)	-	(80)	(4)	(783)	(786)	305	6,529	6,833
<b>Net Income/(loss) for the period before taxation</b>	<b>182</b>	<b>264,484</b>	<b>264,666</b>	<b>3,911</b>	<b>(90,046)</b>	<b>(86,135)</b>	<b>34,371</b>	<b>38,354</b>	<b>72,725</b>	<b>(14,931)</b>	<b>(409,954)</b>	<b>(424,884)</b>	
Taxation	9	-	-	-	-	-	-	-	-	-	-	-	
<b>Net Income/(loss) for the period after taxation</b>	<b>182</b>	<b>264,484</b>	<b>264,666</b>	<b>3,911</b>	<b>(90,046)</b>	<b>(86,135)</b>	<b>34,371</b>	<b>38,354</b>	<b>72,725</b>	<b>(14,931)</b>	<b>(409,954)</b>	<b>(424,884)</b>	
<b>Allocation of net income/(loss) for the period:</b>													
Income already paid on redemption of units	-	18,015	18,015	-	-	-	-	15,271	15,271	-	-	-	
Accounting income available for distribution:													
- Relating to capital gains	-	246,155	246,155	-	-	-	-	22,769	22,769	-	-	-	
- Excluding capital gains	-	314	314	-	-	-	-	-	-	-	-	-	
	182	246,469	246,651	3,911	(90,046)	(86,135)	34,371	23,083	57,454	(14,931)	(409,954)	(424,884)	
	182	264,484	264,666	3,911	(90,046)	(86,135)	34,371	38,354	72,725	(14,931)	(409,954)	(424,884)	

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

**For HBL Asset Management Limited  
(Management Company)**

**Chief Financial Officer**

**Chief Executive Officer**

**Director**



**HBL Investment Fund**  
**Condensed Interim Statement Of Comprehensive Income (Un-Audited)**  
*For the nine months ended March 31, 2021*

	Nine Months ended March 31,						Quarter ended March 31,					
	2021			2020			2021			2020		
	Class A	Class B	Total	Class A	Class B	Total	Class A	Class B	Total	Class A	Class B	Total
	------(Rupees in '000)-----											
Net Income/(loss) for the period after taxation	182	264,484	264,666	3,911	(90,046)	(86,135)	34,371	38,354	72,725	(14,931)	(409,954)	(424,884)
Items that will not be reclassified to income statement												
Unrealized gain/(loss) on re-measurement of investments classified as fair value through other comprehensive income	703,354	-	703,354	(284,304)	-	(284,304)	143,942	-	143,942	(815,480)	-	(815,480)
<b>Total comprehensive loss for the period</b>	<b>703,536</b>	<b>264,484</b>	<b>968,020</b>	<b>(280,393)</b>	<b>(90,046)</b>	<b>(370,439)</b>	<b>178,313</b>	<b>38,354</b>	<b>216,667</b>	<b>(830,411)</b>	<b>(409,954)</b>	<b>(1,240,365)</b>

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

**For HBL Asset Management Limited**  
**(Management Company)**

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

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

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

# HBL Investment Fund

## Condensed Interim Statement of Movement In Unitholders' Fund (Un-Audited)

### For the Nine Months ended March 31, 2021

	Nine Months ended March 31,															
	2021				2020				2020							
	Class A		Class B		Class A		Class B		Class A		Class B					
Capital value	Undistributed income	Unrealised income / (loss) on investment	Total	Capital value	Undistributed income	Total	Capital value	(Accumulated loss)	Unrealised income/ (loss) on investment	Premium on issue of certificates	General reserve	Total	Capital value	(Accumulated loss)	Total	
(Rupees in '000)																
Net assets at beginning of the period	2,841,250	(2,233,206)	1,236,880	1,844,924	1,580,790	(425,085)	1,155,705	2,841,250	(2,221,541)	1,101,989	-	-	1,721,698	2,784,354	(444,345)	2,340,009
Issue of 310,391 units (2020:8,385,711 units)	-	-	-	-	2,448	-	2,448	-	-	-	-	-	-	70,500	-	70,500
- Capital value (at net asset value per unit at the beginning of the period)	-	-	-	-	455	-	455	-	-	-	-	-	-	12,889	-	12,889
- Element of loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total proceeds on issuance of units	-	-	-	-	2,903	-	2,903	-	-	-	-	-	-	83,389	-	83,389
Redemption of 9,938,329 units (2020:142,116,663 units)	-	-	-	-	(78,386)	-	(78,386)	-	-	-	-	-	-	(1,194,797)	-	(1,194,797)
- Capital value (at net asset value per unit at the beginning of the period)	-	-	-	-	(244)	-	(18,015)	-	-	-	-	-	-	(107,762)	-	(107,762)
- Amount paid out of element of income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Relating to net income for the year after taxation	-	-	-	-	(78,630)	-	(96,645)	-	-	-	-	-	-	(1,302,559)	-	(1,302,559)
Total payment on redemption of units	-	-	-	-	(78,630)	-	(96,645)	-	-	-	-	-	-	(1,302,559)	-	(1,302,559)
Total comprehensive loss for the period	-	182	703,354	703,536	-	264,484	264,484	-	3,911	(284,304)	-	-	(280,393)	-	(90,046)	(90,046)
Distribution during the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net income for the period less distribution	-	182	703,354	703,536	-	264,484	264,484	-	3,911	(284,304)	-	-	(280,393)	-	(90,046)	(90,046)
Net assets at end of the period	2,841,250	(2,233,024)	1,940,234	2,548,460	1,505,063	(178,616)	1,326,447	2,841,250	(2,217,630)	817,685	-	-	1,441,305	1,565,184	(534,391)	1,030,793
Undistributed (loss)/income brought forward	-	-	-	(0)	-	-	(0)	-	-	-	-	-	-	-	-	-
- Realised	-	(2,233,206)	-	-	(349,006)	-	-	(2,221,541)	-	-	-	-	-	(69,471)	-	-
- Unrealised	-	-	-	-	(76,079)	-	-	-	-	-	-	-	-	(374,874)	-	-
	-	(2,233,206)	-	-	(425,085)	-	-	(2,221,541)	-	-	-	-	-	(444,345)	-	-
Accounting income available for distribution:	-	-	-	-	246,155	-	-	-	-	-	-	-	-	-	-	-
- Relating to capital gains	-	-	-	-	314	-	-	-	-	-	-	-	-	-	-	-
- Excluding capital gains	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net income/(loss) available for distribution	-	182	-	-	246,469	-	-	3,911	-	-	-	-	-	-	-	-
Accumulated loss carried forward	-	(2,233,024)	-	-	(178,616)	-	-	(2,217,630)	-	-	-	-	-	(444,345)	-	-
Accumulated loss carried forward	-	(2,233,024)	-	-	(294,356)	-	-	(2,217,630)	-	-	-	-	-	(193,700)	-	-
- Realised	-	-	-	-	115,740	-	-	-	-	-	-	-	-	(250,645)	-	-
- Unrealised	-	-	-	-	(178,616)	-	-	(2,217,630)	-	-	-	-	-	(444,345)	-	-
Net assets value per unit at beginning of the period	6.4934	-	-	-	7.8872	-	-	6.0597	-	-	-	-	8.4072	-	-	-
Net assets value per unit at end of the period	8.9695	-	-	-	9.6891	-	-	5.0728	-	-	-	-	7.1284	-	-	-

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

NOTE: Consequent to the conversion of the Fund from a closed-end scheme to an open-end scheme with effect from July 02, 2018, the comparative figures disclosed above have been prepared in accordance with the requirements of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 as applicable to an open-end scheme.

**For HBL Asset Management Limited  
(Management Company)**

**Chief Financial Officer**

**Chief Executive Officer**

**Director**

**HBL Investment Fund**  
**Condensed Interim Statement of Cash Flow (Un- Audited)**  
*For the Nine Months ended March 31, 2021*

	Nine Months Ended March 31					
	2021			2020		
	Class A	Class B	Total	Class A	Class B	Total
<b>Note</b>	----- (Rupees in '000) -----					
<b>Cash flow from operating activities</b>						
Net income/(loss) for the period before taxation	182	264,484	264,666	3,911	(90,046)	(86,135)
<b>Adjustments of non-cash items</b>						
Capital loss on sale of investment	-	(148,428)	(148,428)	(8)	(120,444)	(120,452)
Unrealised gain/(loss) on remeasurement of investments classified as financial asset at fair value through profit or loss - net	-	(115,740)	(115,740)	-	250,645	250,645
Dividend income	(56,143)	(43,120)	(99,263)	(42,639)	(68,767)	(111,406)
Mark-up on deposits with banks	(3,410)	(7,711)	(11,121)	(8,832)	(23,798)	(32,629)
	(59,372)	(50,515)	(109,887)	(47,568)	(52,410)	(99,977)
<b>(Increase) / Decrease in assets</b>						
Investments	(0)	127,486	127,486	7	1,033,963	1,033,971
Receivable against sale of investments	-	(35,729)	(35,729)	-	16,444	16,444
Advances, deposits and prepayments	(341)	(26)	(367)	(337)	(20)	(357)
	(341)	91,731	91,390	(330)	1,050,387	1,050,058
<b>Increase / (decrease) in liabilities</b>						
Payable to Management Company	(3,675)	1,076	(2,599)	2,999	(1,432)	1,567
Payable to Central Depository Company of Pakistan Limited - Trustee	84	(15)	68	(0)	(142)	(143)
Payable to the Securities and Exchange Commission of Pakistan	(19)	(130)	(149)	(1,873)	(2,278)	(4,150)
Payable against purchase of investment	-	20,054	20,054	-	(4,503)	(4,503)
Unclaimed dividend	-	(15,593)	(15,593)	-	(559)	(559)
Redemption payable	-	-	-	-	-	-
Accrued expenses and other liabilities	17	2,357	2,373	(221)	(43,213)	(43,434)
	(3,594)	7,749	4,155	905	(52,128)	(51,223)
Cash (used in) / generated from operations	(63,307)	48,965	(14,342)	(46,992)	945,850	898,857
Dividend received	4,977	23,660	28,637	102,109	57,865	159,974
Mark-up received on bank deposit	3,582	7,871	11,453	7,918	24,669	32,586
	8,560	31,530	40,090	110,027	82,533	192,560
<b>Net cash generated from operating activities</b>	(54,747)	80,495	25,748	63,035	1,028,383	1,091,418
<b>Cash flow from financing activities</b>						
Amount received on issue of units	-	2,903	2,903	-	83,389	83,389
Amount paid on redemption of units	-	(96,645)	(96,645)	-	(1,302,559)	(1,302,559)
<b>Net cash used in financing activities</b>	-	(93,742)	(93,742)	-	(1,219,170)	(1,219,170)
Net increase in cash and cash equivalents	(54,747)	(13,247)	(67,994)	63,035	(190,787)	(127,752)
<b>Cash and cash equivalents at beginning of the period</b>	98,673	183,558	282,231	49,550	390,621	440,171
<b>Cash and cash equivalents at end of the period</b>	43,925	170,311	214,236	112,584	199,834	312,419

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

**For HBL Asset Management Limited**  
**(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

# **HBL Investment Fund**

## **Notes to the Condensed Interim Financial Information (Un-Audited)**

### ***For The Nine Months Ended March 31, 2021***

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#### 1. STATUS AND NATURE OF BUSINESS

- 1.1 HBL Investment Fund was established under a Trust Deed, executed between HBL Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited as the Trustee.
- 1.2 The Management Company of the Fund has been registered as a Non-Banking Finance Company (NBFC) under the NBFC Rules, 2003 and has obtained the requisite license from the SECP to undertake Asset Management Services. The registered office of the Management Company is located at 7th Floor, Emerald Tower, G-19, Block 5, Main Clifton Road, Clifton, Karachi.
- 1.3 The objective of the Fund is to maximize the wealth of the unit holders by investing primarily in listed equities in the best available opportunities, while considering acceptable risk parameters and applicable rules and regulations.
- 1.4 As per Regulation 65 of the NBFC Regulations, all closed end funds were required to be converted into open end schemes upon expiry of five years from November 21, 2007 i.e. by November 21, 2012. However Closed end funds whose portfolios were frozen as a result of Consent Agreements with Government of Pakistan were allowed to be converted into open end schemes within three months from the date of the removal of the freezing of the portfolios. Since the Fund has Frozen Portfolio comprising shares of Pakistan State Oil Company Limited and Sui Northern Gas Pipelines Limited, its conversion into an open end scheme was deferred.

The Board of the Management Company (HBL Asset Management Limited) of the Fund in its meeting held on November 23, 2017 approved the Conversion Plan (the Plan) of the fund for the conversion of the Fund into an Open End Scheme, with the approval of the Certificate Holders of the Fund to fulfill the requirements of the merger order dated August 31, 2016. For this purpose, the Plan was presented to and approved by the Certificate Holders of the Fund in its General Meeting dated January 10, 2018. The Plan was also approved by Securities and Exchange Commission of Pakistan (the Commission) on February 16, 2018.

The Replacement Trust Deed and Replacement Offering Document were approved by SECP vide its letter no. SCD/AMCW/HIF/339/2018 dated April 18, 2018 and letter no. SCD/AMCW/HIF/398/2018 dated June 7, 2018 respectively. As per the approved Plan, the conversion took place on July 2, 2018 and every Certificate Holder of the closed end fund was entitled to following for each certificate held:

- One Class-A Unit of the Fund was issued to every Certificate Holders of Fund for each certificate held representing Frozen Portfolio and related assets and liabilities.
- One Class-B Unit of the Fund was issued to the every Certificate Holder of Fund for each certificate held representing Unfrozen Portfolio and related assets and liabilities.

The Plan also envisages that Class-A Units would not be redeemable and would be traded on the Pakistan Stock Exchange Limited. Whereas Class-B Units can be redeemed at the redemption price.

- 1.5 VIS Credit Rating Company has assigned an asset manager rating of 'AM2++' (Stable outlook) to the Management Company.
- 1.6 Title to the assets of the Fund is held in the name of Central Depository Company Limited as trustee of the Fund.

#### 2. BASIS OF PREPERATION

##### 2.1 Statement of compliance

- 2.1.1 This condensed interim financial information has been prepared in accordance with the accounting and reporting standards applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

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

Wherever provisions of and directive issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirement of the Trust Deed have been followed.

- 2.1.2 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of IAS - 34. 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, 2020
- 2.1.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2020.
- 2.2 Basis of measurement
- This condensed interim financial information has been prepared under the historical cost convention, except that certain financial assets are stated at fair value.
- 2.3 Functional and presentation currency
- This condensed interim financial information is presented in Pakistani Rupees which is the Fund's functional and presentation currency.
3. SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENT AND CHANGES THEREIN
- 3.1 The accounting policies adopted in the preparation of this condensed interim financial information are consistent with those applied in the preparation of the annual audited financial statements of the Fund for the year ended June 30, 2020.
- 3.2 The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the management to make estimates, judgements and assumptions that affect the reported amount of assets, liabilities, income and expenses. It also requires the management to exercise judgement in application of its accounting policies. The estimates, judgements and associated assumptions are based on the historical experience and various other factors that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.
- 3.3 The significant judgments made by management in applying its accounting policies and the key sources of estimation uncertainty were the same as those applied to the annual audited financial statements of the Fund for the year ended June 30, 2020.
- 3.4 There are certain new and amended standards, interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2020 but are considered not to be relevant or do not have any significant effect on the Fund's operations and therefore not detailed in this condensed interim financial information.

4.1 Mark-up rates on these accounts range between 5.6% to 6.20% p.a (June 30, 2020: 7% - 14.05% p.a).

4.	BANK BALANCES	Note	March 31, 2021 (Un-Audited)			June 30, 2020 (Audited)		
			Class A	Class B	Total	Class A	Class B	Total
(Rupees in '000)								
Balances with banks in:								
	Savings accounts	4.1	43,925	170,311	214,236	98,673	183,558	282,231

4.1 This represents bank accounts held with different banks. Mark-up rates on these accounts range between 5% to 6% p.a (June 30, 2020: 7% - 14.50% p.a).

## 5. INVESTMENTS

5.	INVESTMENTS	Note	March 31, 2021 (Un-Audited)			June 30, 2020 (Audited)		
			Class A	Class B	Total	Class A	Class B	Total
(Rupees in '000)								
<b>At fair value through profit or loss</b>								
	- Listed equity securities	5.1	-	1,278,870	1,278,870	-	1,142,187	1,142,187
<b>At fair value through other comprehensive income</b>								
	- Listed equity securities	5.2	2,457,726	-	2,457,726	1,754,372	-	1,754,372
			2,457,726	1,278,870	3,736,596	1,754,372	1,142,187	2,896,559

5.1 Listed equity securities - At fair value through profit or loss

Shares of listed companies - Fully paid up ordinary shares of Rs 10 each unless otherwise stated.

Name of investee company	Number of Shares					Market value as at March 31, 2021 (Rupees in '000)	Market value as a percentage of		Par value as a percentage of issued capital of the investee company
	As at July 01, 2020	Purchases during the period	Bonus issue	Sales during the period	As at March 31, 2021		Total Investments	Net Assets	
<b>CLASS B</b>									
<b>TRANSPORT</b>									
Pakistan National Shipping Corp Ltd	74,500	-	-	14,000	60,500	4,525	0.35%	0.34%	0.05%
	74,500	-	-	14,000	60,500	4,525			
<b>Automobile Parts and Accessories</b>									
General Tyre & Rubber Co of Pakistan Ltd	-	338,000	-	47,500	290,500	25,458	1.99%	1.92%	0.49%
PANTHER TYRES LIMITED	-	97,213	-	-	97,213	6,265	0.49%	0.47%	0.02%
Thal Limited (Par value Rs. 5 per share)	82,800	-	-	82,100	700	258	0.02%	0.02%	0.00%
	82,800	435,213	-	129,600	388,413	31,981			
<b>Chemicals</b>									
Engro Polymer & Chemicals Ltd	567,462	160,000	-	371,500	355,962	19,575	1.53%	1.48%	0.04%
Ghani Global Holdings Limited	-	482,000	-	482,000	-	-	0.00%	0.00%	0.00%
ICI Pakistan Ltd	-	8,200	-	8,200	-	-	0.00%	0.00%	0.00%
Lotte Chemical Pakistan Ltd	-	443,000	-	-	443,000	7,066	0.55%	0.53%	0.03%
Sitara Chemical Industries Limited	64,200	2,000	-	66,200	-	-	0.00%	0.00%	0.00%
Sitara Peroxide Limited	-	291,000	-	291,000	-	-	0.00%	0.00%	0.00%
	631,662	1,386,200	-	1,218,900	798,962	26,641			
<b>Cement</b>									
Attock Cement Pakistan Ltd	-	79,000	-	-	79,000	13,405	1.05%	1.01%	0.07%
Cherat Cement company Ltd	181,000	4,000	-	110,500	74,500	11,965	0.94%	0.90%	0.04%
D G Khan Cement Co.Ltd.	-	329,500	-	44,000	285,500	34,405	2.69%	2.59%	0.07%
Fauji Cement Company Limited	-	200,000	-	200,000	-	-	0.00%	0.00%	0.00%
Kohat Cement Ltd	123,500	-	-	66,900	56,600	11,729	0.92%	0.88%	0.04%
Lucky Cement Ltd	174,200	2,000	-	60,800	115,400	94,351	7.38%	7.11%	0.04%
Maple Leaf Cement Factory Ltd	688,000	60,000	-	290,500	457,500	20,496	1.60%	1.55%	0.09%
Pioneer Cement Limited	-	135,500	-	4,000	131,500	16,017	1.25%	1.21%	0.06%
	1,166,700	810,000	-	776,700	1,200,000	202,368			

Name of investee company	Number of Shares					Market value as at March 31, 2021 (Rupees in '000)	Market value as a percentage of		Par value as a percentage of issued capital of the investee company
	As at July 01, 2020	Purchases during the period	Bonus issue	Sales during the period	As at March 31, 2021		Total Investments	Net Assets	
<b>Commercial Banks</b>									
BankAl-Falah Ltd	1,623,650	-	-	1,623,650	-	-	0.00%	0.00%	0.00%
BankAl-Habib Limited	185,967	-	-	185,000	967	63	0.00%	0.00%	0.00%
Bank of Punjab Ltd	4,084,500	-	-	2,884,500	1,200,000	9,660	0.76%	0.73%	0.23%
Bank Islami Pakitsan Ltd	584,500	-	-	584,500	-	-	0.00%	0.00%	0.00%
Faysal Bank Limited	18,000	-	-	9,000	9,000	146	0.01%	0.01%	0.00%
Habib Bank Ltd	265,600	194,500	-	168,000	292,100	33,936	2.65%	2.56%	0.02%
MCB Bank Ltd	182,800	51,554	-	57,101	177,253	30,515	2.39%	2.30%	0.02%
National Bank of Pakistan Ltd	480,000	100,000	-	580,000	-	-	0.00%	0.00%	0.00%
Standard Chartered Bank (Pakistan) Ltd	127,000	1,509,500	-	-	1,636,500	48,358	3.78%	3.65%	0.04%
United Bank Limited	362,200	480,500	-	216,000	626,700	74,540	5.83%	5.62%	0.05%
	7,914,217	2,336,054	-	6,307,751	3,942,520	197,218			
<b>Engineering</b>									
Agha Steel Ind.Ltd	-	187,000	-	-	187,000	5,775	0.45%	0.44%	0.00%
Aisha Steel Mills Ltd	-	2,433,525	-	772,000	1,661,525	39,462	3.09%	2.98%	0.20%
Aisha Steel Mills Limited - Conv Cum Pref Shares	1,065,000	-	-	1,065,000	-	-	0.00%	0.00%	0.00%
Amreli Steels Limited	-	143,500	-	-	143,500	5,981	0.47%	0.45%	0.05%
International Industries Limited	61,800	25,000	-	61,800	25,000	5,079	0.40%	0.38%	0.02%
International Steels Limited	257,000	317,500	-	307,000	267,500	22,893	1.79%	1.73%	0.06%
Mughal Iron & Steel Inds Ltd	-	227,000	-	78,500	148,500	13,822	1.08%	1.04%	0.06%
Mughal Iron & Steel Inds Ltd - LoR	-	28,640	-	-	28,640	647	0.05%	0.05%	0.02%
	1,383,800	3,362,165	-	2,284,300	2,461,665	93,659			
<b>Fertilizer</b>									
Engro Corporation Ltd	214,300	13,500	-	227,800	-	-	0.00%	0.00%	0.00%
Engro Fertilizers Limited	291,500	8,000	-	299,500	-	-	0.00%	0.00%	0.00%
Fauji Fertilizer Bin Qasim Ltd	-	700,000	-	700,000	-	-	0.00%	0.00%	0.00%
Fauji Fertilizer Co Ltd	323,500	251,100	-	323,500	251,100	26,237	2.05%	1.98%	0.02%
	829,300	972,600	-	1,550,800	251,100	26,237			
<b>Insurance</b>									
Adamjee Insurance Co Ltd	527,000	-	-	414,500	112,500	4,413	0.35%	0.33%	0.03%
IGI Holdings Limited	269,900	39,000	-	15,000	293,900	49,928	3.90%	3.76%	0.24%
IGI LIFE INSURANCE LIMITED	-	186,500	-	-	186,500	10,763	0.84%	0.81%	0.01%
TPL Insurance Limited	536,189	-	-	-	536,189	18,927	1.48%	1.43%	0.71%
	1,333,089	225,500	-	429,500	1,129,089	84,031			
<b>Oil and Gas Exploration Companies</b>									
Mari Petroleum Company Ltd	64,806	-	-	40,140	24,666	37,771	2.95%	2.85%	0.02%
Oil & Gas Development Co Ltd	781,200	-	-	258,605	522,595	53,101	4.15%	4.00%	0.01%
Pakistan Oilfields Ltd	16,500	17,000	-	5,500	28,000	10,637	0.83%	0.80%	0.01%
Pakistan Petroleum Ltd	567,246	149,500	-	107,200	609,546	53,231	4.16%	4.01%	0.03%
	1,429,752	166,500	-	411,445	1,184,807	154,740			
<b>Oil &amp; Gas Marketing Companies</b>									
Hascol Petroleum Ltd	-	200,000	-	200,000	-	-	0.00%	0.00%	0.00%
Pakistan State Oil Company Ltd	234,692	31,000	-	39,000	226,692	52,282	4.09%	3.94%	0.07%
Sui Northern Gas Pipeline Ltd	545,000	-	-	545,000	-	-	0.00%	0.00%	0.00%
	779,692	231,000	-	784,000	226,692	52,282			
<b>REFINERY</b>									
Attock Refinery Ltd	-	140,000	-	92,500	47,500	12,130	0.95%	0.91%	0.06%
National Refinery Ltd	-	147,600	-	67,600	80,000	47,132	3.69%	3.55%	0.10%
Pakistan Refinery Limited	-	1,213,500	-	1,213,500	-	-	0.00%	0.00%	0.00%
	-	1,501,100	-	1,373,600	127,500	59,262			
<b>Pharmaceuticals</b>									
AGP Limited	150,500	38,500	-	159,500	29,500	3,367	0.26%	0.25%	0.00%
GlaxoSmithkline Pakistan Ltd	85,900	-	-	85,900	-	-	0.00%	0.00%	0.00%
Highnoon Laboratories Limited	49,500	1,200	-	50,700	-	-	0.00%	0.00%	0.00%
The Searl Co Ltd LOR	-	3,319	-	3,319	-	-	0.00%	0.00%	0.00%
The Searle Company Ltd	68,996	-	-	42,000	26,996	6,669	0.52%	0.50%	0.01%
	354,896	43,019	-	341,419	56,496	10,036			
<b>Power Generation and Distribution</b>									
Hub Power Company Ltd	746,909	-	-	141,000	605,909	49,163	3.84%	3.71%	0.05%
K-Electric Limited	2,640,500	-	-	2,640,500	-	-	0.00%	0.00%	0.00%
	3,387,409	-	-	2,781,500	605,909	49,163			

Name of investee company	Number of Shares					Market value as at March 31, 2021 (Rupees in '000)	Market value as a percentage of		Par value as a percentage of issued capital of the investee company
	As at July 01, 2020	Purchases during the period	Bonus issue	Sales during the period	As at March 31, 2021		Total Investments	Net Assets	
<b>Textile</b>									
Sunshine Cloth*	50,000	-	-	-	50,000	-	0.00%	0.00%	0.64%
Mohib Textile*	40,820	-	-	-	40,820	-	0.00%	0.00%	0.27%
Azgard Nine Ltd	-	1,600,000	-	599,000	1,001,000	36,987	2.89%	2.79%	0.32%
GulAhmed Textile Mills Ltd	588,500	15,000	-	314,000	289,500	13,693	1.07%	1.03%	0.08%
Interloop Limited	279,642	26,500	-	68,000	238,142	15,746	1.23%	1.19%	2.74%
Nishat (Chunian) Ltd	-	488,000	-	-	488,000	22,497	1.76%	1.70%	0.20%
Nishat Mills Ltd	273,500	45,000	-	318,500	-	-	0.00%	0.00%	0.00%
	<b>1,232,462</b>	<b>2,174,500</b>	<b>-</b>	<b>1,299,500</b>	<b>2,107,462</b>	<b>88,923</b>			
<b>AUTOMOBILE ASSEMBLER</b>									
Honda Atlas Cars (Pakistan) Ltd	-	42,700	-	31,000	11,700	3,191	0.25%	0.24%	0.01%
Indus Motor Company Limited	-	5,500	-	5,500	-	-	0.00%	0.00%	0.00%
Pak Suzuki Motor Company Limited	-	88,000	-	44,000	44,000	13,855	1.08%	1.04%	0.05%
Sazgar Engineering Works Limited	-	25,000	-	25,000	-	-	0.00%	0.00%	0.00%
	<b>-</b>	<b>161,200</b>	<b>-</b>	<b>105,500</b>	<b>55,700</b>	<b>17,046</b>			
<b>MISCELLANEOUS</b>									
Tri-Pack Films Ltd	-	19,500	-	19,500	-	-	0.00%	0.00%	0.00%
	<b>-</b>	<b>19,500</b>	<b>-</b>	<b>19,500</b>	<b>-</b>	<b>-</b>			
<b>FOOD &amp; ALLIED INDUSTRIES</b>									
The Organic Meat Company Limited	-	3,390,572	-	1,607,000	1,783,572	54,506	4.26%	4.11%	0.16%
	<b>-</b>	<b>3,390,572</b>	<b>-</b>	<b>1,607,000</b>	<b>1,783,572</b>	<b>54,506</b>			
<b>LEATHER &amp; TANNERIES</b>									
Service Industries Ltd	-	7,450	-	1,500	5,950	6,668	0.52%	0.50%	0.05%
	<b>-</b>	<b>7,450</b>	<b>-</b>	<b>1,500</b>	<b>5,950</b>	<b>6,668</b>			
<b>Vanaspati &amp; Allied Industries</b>									
Unity Foods Limited	-	3,831,000	-	3,531,000	300,000	8,922	0.70%	0.67%	0.06%
	<b>-</b>	<b>3,831,000</b>	<b>-</b>	<b>3,531,000</b>	<b>300,000</b>	<b>8,922</b>			
<b>CABLE &amp; ELECTRICAL GOODS</b>									
Pak Elektron Ltd	-	564,500	-	215,000	349,500	11,547	0.90%	0.87%	0.07%
Waves Singer Pakistan Limited	-	814,500	-	814,500	-	-	0.00%	0.00%	0.00%
	<b>-</b>	<b>1,379,000</b>	<b>-</b>	<b>1,029,500</b>	<b>349,500</b>	<b>11,547</b>			
<b>Glass &amp; Ceramics</b>									
Tariq Glass Industries Ltd	83,000	149,000	30,750	109,000	153,750	12,863	1.01%	0.97%	0.21%
	<b>83,000</b>	<b>149,000</b>	<b>30,750</b>	<b>109,000</b>	<b>153,750</b>	<b>12,863</b>			
<b>FOOD &amp; PERSONAL CARE PRODUCTS</b>									
Clover Pakistan Limited	-	122,000	-	-	122,000	7,427	0.58%	0.56%	0.04%
National Foods Ltd	-	58,800	-	58,800	-	-	0.00%	0.00%	0.00%
	<b>-</b>	<b>180,800</b>	<b>-</b>	<b>58,800</b>	<b>122,000</b>	<b>7,427</b>			
<b>Technology &amp; Communication</b>									
Avanceon Limited	-	200,000	-	200,000	-	-	0.00%	0.00%	0.00%
Netsol Technologies	-	124,000	-	48,000	76,000	15,508	1.21%	1.17%	0.01%
TPL Corp Limited	-	3,776,000	-	-	3,776,000	24,657	1.93%	1.86%	1.74%
TPL Trakker Limited	-	1,050,500	-	-	1,050,500	10,421	0.81%	0.79%	0.06%
TRG Pakistan Ltd	-	375,000	-	187,000	188,000	28,239	2.21%	2.13%	0.05%
	<b>-</b>	<b>5,525,500</b>	<b>-</b>	<b>435,000</b>	<b>5,090,500</b>	<b>78,825</b>			
<b>Total - As at March 31, 2021 (Un-audited)</b>	<b>20,683,279</b>	<b>28,287,873</b>	<b>30,750</b>	<b>26,599,815</b>	<b>22,402,087</b>	<b>1,278,870</b>			
<b>Total - As at June 30, 2020 (Audited)</b>	<b>34,068,341</b>	<b>23,828,460</b>	<b>229,391</b>	<b>37,442,913</b>	<b>20,683,279</b>	<b>1,142,187</b>			
<b>Cost at 31 March 2021</b>						<b>1,163,130</b>			

\*Suspended/Delisted Companies

\*\*Sponsors of Management Company

5.1.1 Investments include shares having market value aggregating to Rs: 143.42m (June 30, 2020 : Rs 163.138m) that have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Funds's trades in terms of Circular No. 11 dated October 23, 2007 issued by SECP.



5.1.2 These investments include gross bonus shares as per Fund's entitlement declared by the investee companies. Finance Act, 2014 has brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5 percent is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the investee company which shall be considered as final discharge of tax liability on such income. However, the Management Company of the Fund jointly with other asset management companies and Mutual Fund Association of Pakistan (MUFAP), has filed a petition in Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the funds based on the premise of exemption given to mutual funds under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001. The Sindh High Court has granted stay order till the final outcome of the case. However, the investee company(s) has withheld the share equivalent to 5% of bonus announcement of the Fund having aggregate fair market value of Rs. 0.523 million at March 31, 2020 (June 30, 2020: Rs.0.426m) and not yet deposited in CDC account of department of Income tax. Management is of the view that the decision will be in the favor and accordingly has recorded the bonus shares on gross basis at fair value in its investments at period end.

5.2 Shares of listed companies - Fully paid up ordinary shares of Rs 10 each unless otherwise stated.

Name of investee company	Number of Shares					Market value as at Mar 31, 2021 (Rupees in '000)	Market value as a percentage of		Par value as a percentage of issued capital of the investee company
	As at July 1, 2020	Purchases during the period	Bonus issue	Sales during the period	As at March 31, 2021		Total Investments	Net Assets	
<b>Class A</b>									
<b>Oil and Gas Marketing Companies</b>									
Sui Northern Gas Pipeline Limited	2,488,024	-	-	-	2,488,024	97,580	3.97%	3.83%	0.39%
Pakistan State Oil Company Limited	10,233,471	-	-	-	10,233,471	2,360,146	96.03%	92.61%	3.14%
<b>Total - As at March 31, 2020 (Unaudited)</b>	<b>12,721,495</b>	-	-	-	<b>12,721,495</b>	<b>2,457,726</b>			
Total - As at June 30, 2020 (Audited)	11,015,917	-	1,705,578	-	12,721,495	1,754,372			
<b>Cost at 31 March 2021</b>						<b>517,492</b>			

5.2.1 The above mentioned shares of Sui Northern Gas Pipelines Limited and Pakistan State Oil Company Limited are frozen/blocked by an order of the Government of Pakistan (GoP) as the same form part of a strategic shareholding under the control of the GoP. As a result, the Fund is restricted from selling, transferring, encumbering or otherwise disposing of or dealing with any interest in the said shares, including any future bonus / right shares in respect thereof. Consequently, the exposure limit mentioned in regulation 55 of the NBFC Regulations, 2008 does not apply to the above frozen shares.

5.2.2 These investments include gross bonus shares as per Fund's entitlement declared by the investee companies. Finance Act, 2014 has brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5 percent is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the investee company which shall be considered as final discharge of tax liability on such income. However, the Management Company of the Fund jointly with other asset management companies and Mutual Fund Association of Pakistan (MUFAP), has filed a petition in Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the funds based on the premise of exemption given to mutual funds under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001. The Sindh High Court has granted stay order till the final outcome of the case. However, the investee company(s) has withheld the share equivalent to 5% of bonus announcement of the Fund having aggregate fair market value of Rs. 19.668 million at March 31,2020 (June 30, 2020: Rs. 13.488m) and not yet deposited on CDC account of department of Income tax. Management is of the view that the decision will be in the favor and accordingly has recorded the bonus shares on gross basis at fair value in its investments at period end.

## 6 PAYABLE TO MANAGEMENT COMPANY

	March 31, 2021 (Un-Audited)			June 30, 2020 (Audited)		
	Class A	Class B	Total	Class A	Class B	Total
	----- (Rupees in '000) -----					
Management fee	3,273	2,264	5,537	2,943	1,941	4,884
Sindh Sales Tax	425	294	719	383	252	635
Allocation of expenses relating to registrar services, accounting, operation and valuation services	1,200	623	1,823	809	534	1,343
Selling & marketing payable	-	3,545	3,545	4,438	2,923	7,361
	<u>4,898</u>	<u>6,726</u>	<u>11,624</u>	<u>8,573</u>	<u>5,650</u>	<u>14,223</u>

## 7. ACCRUED EXPENSES AND OTHER LIABILITIES

	Note	March 31, 2021 (Un-Audited)			June 30, 2020 (Audited)		
		Class A	Class B	Total	Class A	Class B	Total
		----- (Rupees in '000) -----					
Provision for Sindh Workers' Welfare Fund	7.1	637	27,676	28,313	634	22,278	22,912
Provision for Federal Excise Duty	7.2	-	55,961	55,961	-	55,961	55,961
Printing charges		-	-	-	-	-	-
Auditors remuneration		570	394	964	283	211	494
Security transaction charges		-	1,254	1,254	-	391	391
Withholding tax payable		38	121	159	312	4,182	4,494
Payable to class A		-	-	-	-	-	-
Other payable		-	1,094	1,094	-	1,167	1,167
Zakat Payable		-	47	47	-	-	-
		<u>1,246</u>	<u>86,547</u>	<u>87,792</u>	<u>1,229</u>	<u>84,190</u>	<u>85,419</u>

## 7. PROVISION FOR SINDH WORKERS' WELFARE FUND

7.1 The legal status of applicability of Sindh Workers' Welfare Fund (SWWF) is the same as that disclosed in note 12.2 to the annual audited financial statements of the Fund for the year ended June 30, 2020.

As there is income for nine months ended March 31, 2021, a provision of Rs 0.004 million and 5.398 of Class A and Class B respectively for SWWF has been recognised in this condensed interim financial information. Had the provision not been retained, NAV per certificate of the Fund as at March 31, 2021 would have been higher by Rs. 0.0022 for Class A and Rs 0.2022 for Class B per unit (June 30, 2020: 0.002 for Class A and 0.0152 for Class B per unit)

7.2 The legal status of applicability of Federal Excise Duty on the Fund is the same as that disclosed in note 12.1 to the annual audited financial statements of the Fund for the year ended June 30, 2020, and the appeal which was filed by tax authorities against the order by the Supreme Court of Pakistan dated July 16, 2016, is pending for decision.

In view of the above, the Management Company, being prudent, is carrying provision for FED for the period from January 13, 2013 to June 30, 2016 aggregating to Rs. 55.961 million. Had the provision not been retained, NAV per certificate of the Fund as at March 31, 2021 would have been higher by Rs. 0.4088 per certificate (June 30, 2020: 0.382 per certificate) of class B.

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8. Contingencies & Commitments

There were no contingencies and commitment as at March 31,2021.

9. TAXATION

The income of the Fund is exempt from tax under clause 99 of Part 1 of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by the capital gains whether realised or unrealised, is distributed among its unit holders in cash. The Fund is also exempt from the provision of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded a tax liability in respect of income relating to the current period as the Management Company intends to distribute more than 90 percent of the Fund's accounting income for the period as reduced by capital gains (whether realised or unrealised) to its unit holders.

10. TOTAL EXPENSES RATIO

In accordance with the directive 23 of 2016 dated July 20, 2016 issued by the Securities and Exchange Commission of Pakistan (SECP), the total expense ratio of the Fund for the period ended March 31, 2021 is 2.53% and 3.8% which includes 0.21% and 0.66% representing government levy and SECP fee of the Class A and Class B respectively (2020: 2.64% and 2.97% which includes 0.23% and 0.27% representing government levy and SECP fee of the Class A and Class B respectively.)

11. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS

Connected persons include HBL Asset Management Limited being the Management Company, Habib Bank Limited being the Sponsor, Central Depository Company of Pakistan Limited, being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, directors of connected persons and persons having 10% or more beneficial ownership of the units of the Fund.

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 Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.

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

	Nine Months Ended March 31,					
	2021			2020		
	Class A	Class B	Total	Class A	Class B	Total
<b>Transactions during the period</b>	----- Rupees in '000 -----					
<b>HBL Asset Management Limited</b>						
Remuneration of Management Company	33,401	19,951	53,351	27,643	26,138	53,781
Sindh Sales Tax on remuneration of Management Company	4,342	2,594	6,936	3,594	3,398	6,992
Reimbursement of fund Operations, accounting and Related costs	9,676	5,486	15,162	3,614	3,607	7,221
Selling and marketing	7,731	10,474	18,206	10,984	10,327	21,311
Issue of NIL unit (2020:6,873,603 unit)	-	70,000	70,000	-	70,000	70,000
Redemption of NIL unit (2020:6,873,603 unit)	-	67,669	67,669	-	67,669	67,669
<b>Habib Bank Limited - Sponsor</b>						
Dividend income	-	876	876	-	2,386	2,386
Mark-up on deposits with banks	-	19	19	-	-	-
<b>MCB Bank Limited</b>						
Dividend Income	-	2,659	2,659	-	3,323	3,323
Mark-up on deposits with banks	5	6,236	6,241	7	11,290	11,297
<b>Central Depository Company of Pakistan Limited - Trustee</b>						
Trustee fee	2,524	1,442	3,966	2,021	1,963	3,984
CDC connection charges	653	227	880	577	340	917
	March 31, 2021 (Un-Audited)			June 30, 2020 (Audited)		
	Class A	Class B	Total	Class A	Class B	Total
	----- Rupees in '000 -----					
<b>Balances outstanding at the year end</b>						
<b>HBL Asset Management Limited</b>						
Payable to the Management Company	3,273	2,264	5,537	2,943	1,941	4,884
Sindh Sales tax payable on remuneration to management company	425	294	720	383	252	635
Finance and operational cost	1,200	623	1,823	809	534	1,343
Selling and marketing expense	-	3,545	3,545	4,438	2,923	7,361
<b>Central Depository Company of Pakistan Limited - Trustee</b>						
Trustee fee payable	343	224	566	259	203	462
Security deposit held	100	200	300	100	200	300
CDC Charges Payable	-	37	37	-	36	36
<b>MCB Bank Limited</b>						
<b>Connected Person Due to Holding more than 10% units)</b>						
Bank balance	140	144,705	144,845	122	175,935	176,057
Mark-up on bank deposit receivable	-	515	515	-	669	669
Outstanding units:66,090,021 (2020: 66,090,021) unit:	660,900	-	660,900	660,900	-	660,900

	March 31, 2021 (Un-Audited)			June 30, 2020 (Audited)		
	Class A	Class B	Total	Class A	Class B	Total
	----- Rupees in '000 -----					
<b>Related to units of the Fund</b>						
<b>Habib Bank Limited - Sponsor</b>						
Outstanding units :48,662,161 (2020: 48,662,161) unit:	486,621	-	486,621	486,621	-	486,621
Outstanding units :48,662,173 (2020: 48,662,173) unit:	-	471,489	471,489	-	383,808	383,808
Bank Balance	-	474	474	-	457	457
<b>Jubilee General Insurance Company Limited</b>						
Outstanding units:107,379 (2020: 100,379)unit:	1,004	-	1,004	1,004	-	1,004
Outstanding units:103,333 (2020: 103,333)unit:	-	1,001	1,001	-	815	815
<b>Jubilee General Insurance Company Limited Staff Provident Fund Trust</b>						
Outstanding units:118,454 (2020: 118,454) unit:	1,184	-	1,184	1,184	-	1,184
Outstanding units:121,940 (2020: 121,940) unit:	-	1,181	1,181	-	962	962
<b>Jubilee General Insurance Company Limited Gratuity Fund Trust</b>						
Outstanding units:224,000 (2020: 224,000) unit:	2,240	-	2,240	2,240	-	2,240
Outstanding units:230,592 (2020: 230,592) unit:	-	2,234	2,234	-	1,819	1,819
<b>Aga Khan University Employees Provident Fund Trust</b>						
Outstanding units:588,000 (2020: 588,000) unit:	5,880	-	5,880	5,880	-	5,880
<b>Aga Khan University Employees Gratuity Fund Trust</b>						
Outstanding units:138,000 (2020: 138,000) unit:	1,380	-	1,380	1,380	-	1,380
<b>Directors and Executives of the Management Company</b>						
Outstanding units:26,195 (2020: 26,195) unit:	262	-	262	262	-	262
Outstanding units: 26,813 (2020: 26,813) unit:	-	260	260	-	211	211

## 12. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

The fair value of financial assets and liabilities traded in active markets are based on the quoted market prices at the close of trading on the period end date. The quoted market price used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);

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

Inputs for assets or liability that are not based on observable market data (i.e. unobservable inputs) (level 3).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

		Class A March 31, 2021 (Un-audited)				Fair Value			
		Carrying amount							
Fair value through profit or loss	Fair value through other comprehensive income	At amortised cost	Other financial assets / liabilities	Total	Level 1	Level 2	Level 3	Total	
----- (Rupees in '000) -----									
<b>On-balance sheet financial instruments</b>									
<b>Financial assets measured at fair value</b>									
Investments - Listed equity securities	-	2,457,726	-	-	2,457,726	2,457,726	-	-	2,457,726
	-	2,457,726	-	-	2,457,726	2,457,726	-	-	2,457,726
<b>Financial assets not measured at fair value</b>									
Bank balances	-	-	-	43,925	43,925				
Dividend and Profit receivable	-	-	-	53,206	53,206				
Advances and security deposit	-	-	-	441	441				
	-	-	-	97,572	97,572				
<b>Financial liabilities not measured at fair value</b>									
Payable to Management Company	-	-	-	4,473	4,473				
Payable to Trustee	-	-	-	303	303				
Accrued expenses and other liabilities	-	-	-	570	570				
	-	-	-	5,346	5,346				
		Class B March 31, 2021 (Un-audited)				Fair Value			
		Carrying amount							
Fair value through profit or loss	Fair value through other comprehensive income	At amortised cost	Other financial assets / liabilities	Total	Level 1	Level 2	Level 3	Total	
----- (Rupees in '000) -----									
<b>On-balance sheet financial instruments</b>									
<b>Financial assets measured at fair value</b>									
Investments - Listed equity securities	1,278,870	-	-	-	1,278,870	1,278,870	-	-	1,278,870
	1,278,870	-	-	-	1,278,870	1,278,870	-	-	1,278,870
<b>Financial assets not measured at fair value</b>									
Bank balances	-	-	-	170,311	170,311				
Dividend and Profit receivable	-	-	-	20,152	20,152				
Advances and security deposit	-	-	-	3,506	3,506				
	-	-	-	193,969	193,969				
<b>Financial liabilities not measured at fair value</b>									
Payable to Management Company	-	-	-	6,432	6,432				
Payable to Trustee	-	-	-	198	198				
Accrued expenses and other liabilities	-	-	-	2,742	2,742				
Unclaimed Dividend	-	-	-	85,423	85,423				
	-	-	-	94,794	94,794				

	Class A							
	June 30, 2020(Audited)							
	Carrying amount					Fair Value		
Fair value through profit or loss	Fair value through other comprehensive income	At amortised cost	Other financial assets / liabilities	Total	Level 1	Level 2	Level 3	Total

(Rupees in '000)

**On-balance sheet financial instruments**

**Financial assets measured at fair value**

Investments - Listed equity securities	-	1,754,372	-	-	1,754,372	1,754,372	-	-	1,754,372
	-	1,754,372	-	-	1,754,372	1,754,372	-	-	1,754,372

**Financial assets not measured at fair value**

Bank balances	-	-	-	98,673	98,673				
Dividend and Profit receivable	-	-	-	2,211	2,211				
	-	-	-	100,884	100,884				

**Financial liabilities not measured at fair value**

Payable to Management Company	-	-	-	8,573	8,573				
Payable to Trustee	-	-	-	259	259				
Accrued expenses and other liabilities	-	-	-	283	283				
	-	-	-	9,115	9,115				

The Fund has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or reprice periodically. Therefore, their carrying amounts are reasonable approximation of fair value.

	Class B							
	June 30, 2020(Audited)							
	Carrying amount					Fair Value		
Fair value through profit or loss	Fair value through other comprehensive income	At amortised cost	Other financial assets / liabilities	Total	Level 1	Level 2	Level 3	Total

(Rupees in '000)

**On-balance sheet financial instruments**

**Financial assets measured at fair value**

Investments - Listed equity securities	1,142,187	-	-	-	1,142,187	1,142,187	-	-	1,142,187
	1,142,187	-	-	-	1,142,187	1,142,187	-	-	1,142,187

**Financial assets not measured at fair value**

Bank balances	-	-	-	183,558	183,558				
Dividend and Profit receivable	-	-	-	852	852				
	-	-	-	184,410	184,410				

**Financial liabilities not measured at fair value**

Payable to Management Company	-	-	-	5,650	5,650				
Payable to Trustee	-	-	-	239	239				
Payable against purchase of investment	-	-	-	1,090	1,090				
Accrued expenses and other liabilities	-	-	-	1,769	1,769				
Unclaimed Dividend	-	-	-	101,015	101,015				
	-	-	-	109,763	109,763				

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The Fund has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or reprice periodically. Therefore, their carrying amounts are reasonable approximation of fair value.

13. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue by the Board of Directors of the Management company on April 30, 2021.

14. GENERAL

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

14.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for better presentation and disclosure.No significant rearrangement or reclassification was made in these financial statements during the current year.

14.3 This condensed interim financial information is unaudited and has been reviewed by the auditors. Further, the figures of these condensed interim income statement and condensed interim statement of comprehensive income for the quarter ended December 31, 2018 have not been reviewed.

14.4 In continuation of note 1.7 to annual audited financial statements for the year ended June 30, 2020, we state that as a result of measures taken by Government, there has not been any material adverse impact on fiscal and economic fronts facing the country. The Management of the Fund is closely monitoring the situation and so far, there is no impact on this interim financial information of the Fund.

**For HBL Asset Management Limited  
(Management Company)**

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**Chief Financial Officer**

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**Chief Executive Officer**

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**Director**