



Atlas Money Market Fund

Atlas Sovereign Fund

Atlas Income Fund

Atlas Stock Market Fund

THIRD QUARTER REPORT

31 MARCH 2020

(UN-AUDITED)

**Atlas
funds**
Nurturing your investments



Management Company

Atlas Asset Management

**Rated AM2+ by PACRA
(as of December 26, 2019)**



Vision

To be a market leader in providing quality fund management services with customer satisfaction as our premier goal.

Mission Statement

We are committed to offering our investors the best possible risk adjusted returns on a diverse range of products, providing a stimulating and challenging environment for our employees, and committing to the highest ethical and fiduciary standards. We firmly believe that by placing the best interests of our clients first, we will also serve the best interest of our employees, our shareholders and the communities in which we operate.

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Atlas Funds

ORGANISATION

Management Company

Atlas Asset Management Limited

Board of Directors of the Management Company

Chairman Mr. Iftikhar H. Shirazi
(Non-Executive Director)

Directors Mr. Tariq Amin
(Independent Director)
Ms Zehra Naqvi
(Independent Director)
Mr. Frahim Ali Khan
(Non-Executive Director)
Mr. Ali H. Shirazi
(Non-Executive Director)
Mr. M. Habib-ur-Rahman
(Non-Executive Director)

Chief Executive Officer Mr. Muhammad Abdul Samad
(Executive Director)

Company Secretary Ms Zainab Kazim

Board Committees Audit Committee

Chairman Mr. Tariq Amin
Members Mr. Frahim Ali Khan
Mr. M. Habib-ur-Rahman

Secretary Mr. M. Uzair Uddin Siddiqui

Human Resource & Remuneration Committee

Chairperson Ms. Zehra Naqvi
Members Mr. Frahim Ali Khan
Mr. Ali H. Shirazi
Mr. Muhammad Abdul Samad
Secretary Ms Zainab Kazim

Investment Committee

Chairman Mr. Muhammad Abdul Samad
Members Mr. Ali H. Shirazi
Mr. Khalid Mahmood
Mr. Muhammad Umar Khan
Mr. Fawad Javaid
Secretary Mr. Faran-ul-Haq

Management Committee

Chairman Mr. Muhammad Abdul Samad
Members Mr. Khalid Mahmood
Ms Qurrat-ul-Ain Jafari
Ms Mishaal H. Shirazi
Mr. Tariq Ahmed Siddiqui
Ms Ayesha Farooq
Ms Zainab Kazim
Secretary Mr. Muhammad Umar Khan

Risk Management Committee

Chairman Mr. Muhammad Abdul Samad
Members Mr. Khalid Mahmood
Secretary Mr. Shaikh Owais Ahmed

Chief Financial Officer

Ms Qurrat-ul-Ain Jafari

Chief Internal Auditor

Mr. M. Uzair Uddin Siddiqui

Registered Office

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Clifton, Karachi - 75600
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Website: www.atlasfunds.com.pk

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CHAIRMAN'S REVIEWS

It is my pleasure to present you the un-audited financial statements of Atlas Money Market Fund (AMF), Atlas Sovereign Fund (ASF), Atlas Income Fund (AIF) and Atlas Stock Market Fund (ASMF) for the nine months ended March 31, 2020 of FY 2019-20.

THE ECONOMY

Macroeconomic stabilization measures taken under IMF program continued to bring substantial improvements during the year. Transition to market-determined exchange rate and contractionary monetary policy resulted in demand attrition, resulting in Jul-Mar FY 2019-20 Current Account Deficit (CAD) to contract by 73.08% and to stand at US \$2.77 billion compared to US \$10.28 billion in same period last year. The Jul-Mar FY 2019-20 imports of US \$34.81 billion declined by 14.42% compared to Jul-Mar FY19 imports of US \$40.68 billion. Exports for the period Jul-Mar FY 2019-20 of US \$17.45 billion increased by 2.23% against exports of US \$17.07 billion in same period last year. Reduction in CAD provided support to Foreign Exchange Reserves, that stood at US \$17.39 billion with State Bank of Pakistan's (SBP) share of US \$11.19 billion as of March 27, 2020 as compared to US \$14.48 billion (with SBP's share of US \$7.28 billion) as of June 30, 2019. Worker's Remittances for July-Mar FY 2019-20 stood at US \$16.99 billion, recording growth of 5.99% against same period last year. CPI inflation for the period July-Mar FY 2019-20 averaged at 11.53% (6.31% last year), is expected to come down going forward. During Jul-Mar FY 2019-20, the Federal Board of Revenue provisionally collected Rs. 3,063 billion tax revenue against a target of Rs. 3,521 billion, registering growth of 14.3% when compared to previous year. In its recent meetings, the monetary policy committee of State Bank of Pakistan decided to cut policy rate by cumulative 425 bps to 9.0% in response to the economic slowdown expected to arise from COVID-19 pandemic following the increase of cases in Pakistan and lockdowns being witnessed in the country.

FUND OPERATIONS - AMF

The Net Asset Value per unit of Atlas Money Market Fund increased by 10.04% to Rs. 504.05 as on March 31, 2020, providing an annualized total return of 13.32%. The AMF's total exposure in Short-Term Deposits with Banks/Cash, Treasury Bills and Others stood at 81.56%, 15.24% and 3.20%, respectively. AMF presents a good investment opportunity for investors to earn attractive returns while maintaining high liquidity. The Net Assets of the Fund stood at Rs. 14.69 billion, with 29.15 million units outstanding as of March 31, 2020.

FUND OPERATIONS - ASF

The Net Asset Value per unit of Atlas Sovereign Fund increased by 13.46% to Rs. 113.84 as on March 31, 2020, providing an annualized total return of 17.87%. The ASF's total exposure in Pakistan Investment Bonds, Treasury Bills and Short-Term Deposits with Banks/Others stood at 33.46%, 52.01% and 14.53%, respectively. ASF presents a good investment opportunity for investors to earn competitive returns with medium risk. The Net Assets of the Fund stood at Rs. 1.64 billion, with 14.44 million units outstanding as of March 31, 2020.

FUND OPERATIONS - AIF

The Net Asset Value per unit of Atlas Income Fund increased by 12.47% to Rs. 577.42 as on March 31, 2020, providing an annualized total return of 16.55%. AIF's total exposure in Pakistan Investment Bonds, Term Finance Certificates, Sukuks, Treasury Bills and Bank Deposits/MTS/Others stood at 21.05%, 20.04%, 10.10%, 27.02% and 21.80%, respectively. AIF presents a good investment opportunity for investors to earn competitive returns while taking medium risk. The Net Assets of the Fund stood at Rs. 3.49 billion with 6.05 million units outstanding as of March 31, 2020.

FUND OPERATIONS - ASMF

The Net Asset Value per unit of Atlas Stock Market Fund decreased by 13.25% to Rs. 437.17 as on March 31, 2020. The benchmark KSE-100 index decreased by 13.78% during the same period. The KSE-100 index decreased from 33,901.58 points as on June 28, 2019 to 29,231.63 points as on March 31, 2020. The ASMF's equity portfolio exposure stood at 97.12% that mainly comprised of Commercial Banks, Oil & Gas Exploration, Fertilizer and Cement sectors. ASMF strategy will continue to focus on dividend plays and stocks which are trading at relatively cheap multiple with prospects

Atlas Funds

of earnings growth. The Net Assets of your Fund stood at Rs. 5.40 billion, with 12.36 million units outstanding as of March 31, 2020.

MUTUAL FUND TAXATION

WORKER'S WELFARE FUND (WWF)

Against the decision of the Honorable Supreme Court of Pakistan (SCP) that declared the amendments made in the Finance Acts 2006 and 2008 pertaining to WWF as illegal citing that WWF was not in the nature of tax and could, therefore, not have been introduced through money bills, the Federal Board of Revenue (FBR) has filed a review petition in the SCP, which is pending for hearing. The Mutual Funds Association of Pakistan (MUFAP) consulted both legal and tax advisors who gave the opinion that the judgment has removed the very basis on which the demands were raised, therefore, there was no longer any liability against the mutual funds under the WWF Ordinance. Based on legal opinion, the entire provision against WWF held by the Mutual Funds and Voluntary Pension Funds till June 30, 2015 were reversed on January 12, 2017.

SINDH WORKER'S WELFARE FUND (SWWF)

As a consequence of the 18th amendment to the Constitution of Pakistan, Workers' Welfare Fund became a provincial subject. In May 2015 the Sindh Assembly passed the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) imposing SWWF on many entities, including financial institutions.

The Sindh Revenue Board (SRB) demanded the SWWF from mutual funds on the plea that mutual funds are defined as financial institution under The Financial Institutions (Recovery of Finances) Ordinance, 2001. MUFAP has collectively on behalf of asset management companies contested that mutual funds are not financial institutions or industrial establishments but were pass through investment vehicles and did not employ workers. Mutual funds are also not included in the definition of financial institutions in the Companies Act, 2017. MUFAP has taken up the matter with the Sindh Finance Division for resolution of the matter.

Although, based on legal opinion, SWWF is not applicable on mutual funds MUFAP has recommended that the provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the SWWF Act, 2014 (i.e. starting from May 21, 2015). Accordingly, the provision for SWWF is being made on a daily basis going forward.

FEDERAL EXCISE DUTY (FED)

The Finance Act, 2013 imposed Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from June 13, 2013 and this was withdrawn on June 30, 2016. On September 04, 2013 a constitutional petition was filed in SHC jointly by various AMCs, challenging the levy of FED. In a separate petition the Honorable Sindh High Court declared that the FED was unconstitutional and cannot be charged where provinces are collecting sales tax. FBR has challenged the decision of SHC in the Honorable Supreme Court of Pakistan (SCP). However, without prejudice, the mutual funds and pension funds have on prudent basis maintained the provision for FED till June 30, 2016.

WITHHOLDING TAX

With effect from July 01, 2015, FBR has required all entities whose income are exempt from income tax to obtain income tax exemption certificates from concerned Commissioner of Income Tax (CIT) by virtue of provision in section 159 of the Income Tax Ordinance, 2001 (Ordinance). After the promulgation of circular dated May 12, 2015, any person required to withhold income tax, may only allow exemption if a valid exemption certificate under section 159(1) of the Income Tax Ordinance, 2001 issued by the concerned Commissioner of Inland Revenue, is produced before him. So far, Mutual Funds and approved Pension Funds were automatically allowed exemption from withholding tax by virtue of clause 47(B) of Part IV of the Second Schedule to Ordinance. The Company along with other AMCs filed a petition in the Honorable Sindh High Court against the new requirement of FBR. The Honorable Sindh High Court decided that the requirement of obtaining exemption certificate will apply to those entities as well whose income are otherwise exempt from tax. Thereafter, a petition was filed in the Supreme Court of Pakistan on January 28, 2016 by the Company along with other AMCs. The SCP granted the petitioners leave to appeal from initial judgement of the SHC. Pending resolution to the matter, the amount of tax withheld is shown in Other Receivables, which is refundable. In the meanwhile, Mutual Funds are obtaining exemption certificates from Commissioner of Income Tax.

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RATINGS

- **ASSET MANAGER RATING**

The Pakistan Credit Rating Agency Limited (PACRA) has maintained asset manager rating of Atlas Asset Management Limited (AAML) at "AM2+" (AM Two Plus). The rating denotes high quality as the asset manager meets high investment management industry standards and benchmarks with noted strengths in several of the rating factors.

- **Fund Stability Rating - AMF**

PACRA has assigned a stability rating of "AA+ (f)" (Double A Plus - fund rating) to the Fund. The Fund's rating denotes a very strong capacity to manage relative stability in returns and very low exposure to risks.

- **Fund Stability Rating - ASF**

PACRA has assigned a stability rating of "AA- (f)" (Double A Minus - fund rating) to the Fund. The Fund's rating denotes a very strong capacity to manage relative stability in returns and very low exposure to risks.

- **Fund Stability Rating - AIF**

PACRA has assigned a stability rating of "AA- (f)" (Double A Minus - fund rating) to the Fund. The Fund's rating denotes a very strong capacity to manage relative stability in returns and very low exposure to risk.

FUTURE OUTLOOK

The outbreak of COVID-19 pandemic is likely to disrupt domestic economic activity. Moody's expects Pakistan's GDP growth rate to slow down from previously expected growth rate of 2.90% to 2.00%-2.25%. SBP has also suggested a downward revision of growth and inflation targets in Pakistan due to COVID-19. Government's focus towards reforms to cushion growth slowdown evolving from COVID-19 will be instrumental for protecting underprivileged segment of the society. On the external front, macroeconomic stabilization measures by Government of Pakistan, sharp fall in international crude oil price and slowdown in domestic demand due to COVID-19 is expected to keep CAD for FY 2019-20 near 2% of GDP that remained at 6.3% of GDP in FY18 and 4.9% of GDP in FY19. Moreover, reduction in imports will likely outweigh weakness in export and remittances that are likely to fall on the back of COVID-19 pandemic. According to SBP, current interest rates are adequate to achieve inflation in 5% - 7% range over medium term. Reduction of policy rate by 425 bps will provide fiscal respite in terms of lower interest payments on GOP debt that will bode positively for fiscal deficit. Going forward, structural reforms will be instrumental in reducing strains on fiscal accounts, reducing the cost of doing business, increasing global competitiveness and achieving sustainable growth in the economy.

These Funds are committed to prudent investment procedures and will continue to provide consistent long term returns to the investors.

ACKNOWLEDGEMENT

I would like to thank the Securities and Exchange Commission of Pakistan, the Board of Directors, and the Group Executive Committee for their help, support and guidance. I also thank the financial institutions and the unit holders for their help, support and the confidence reposed in the Fund and the Chief Executive Officer, Mr. Muhammad Abdul Samad and his management team for their hard work, dedication, and sincerity of purpose.

Karachi: 29 April 2020

Iftikhar H. Shirazi
Chairman

Atlas Money Market Fund

Corporate Information

Trustee

Central Depository Company of Pakistan Limited
99-B, Block 'B', S.M.C.H.S, Main Shahrah-e-Faisal,
Karachi - 74400

Auditors

EY Ford Rhodes
Chartered Accountants

Legal Advisers

Bawaney & Partners

Bankers

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Limited
MCB Bank Limited
Samba Bank Limited
Zarai Taraqati Bank Limited

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CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED) AS AT 31 MARCH 2020

		31 March 2020	30 June 2019
		Un-audited	Audited
	Note	-----Rupees-----	
Assets			
Cash and bank balances	4	12,548,762,845	10,339,271,465
Investments	5	2,261,170,627	-
Profit receivable on bank balances		20,360,967	7,648,801
Prepayment and other receivables	6	3,740,176	6,100,073
Total assets		14,834,034,615	10,353,020,339
Liabilities			
Payable to Atlas Asset Management Limited - Management Company	7	31,562,740	29,366,349
Payable to Central Depository Company of Pakistan Limited - Trustee	8	870,545	857,187
Payable to the Securities and Exchange Commission of Pakistan	9	1,660,880	10,938,706
Payable against redemption of units		21,027,635	8,034,982
Unclaimed dividend		131,982	5,394,915
Accrued expenses and other liabilities	10	86,914,586	58,924,453
Total liabilities		142,168,368	113,516,592
NET ASSETS		14,691,866,247	10,239,503,747
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		14,691,866,247	10,239,503,747
CONTINGENCIES AND COMMITMENTS	11	-----Number of units-----	
NUMBER OF UNITS IN ISSUE		29,147,919	20,351,995
		-----Rupees-----	
NET ASSET VALUE PER UNIT		504.05	503.12

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

Atlas Money Market Fund

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2020

	Note	For the Nine Months Ended		For the Quarter Ended	
		31 March		31 March	
		2020	2019	2020	2019
-----Rupees-----					
Income					
Profit on savings account and term deposits		469,199,503	442,731,453	113,794,664	193,053,015
Income from government securities		664,122,106	585,516,389	293,304,202	170,115,104
Capital gain / (loss) on sale of investments - net		10,142,032	(15,210,539)	5,493,864	4,919,476
Net unrealised appreciation on remeasurement of investments classified as financial assets at fair value through profit or loss ¹		2,593,415	-	5,408,635	-
		12,735,447	(15,210,539)	10,902,499	4,919,476
Total Income		1,146,057,056	1,013,037,303	418,001,365	368,087,595
Expenses					
Remuneration of Atlas Asset Management Limited - Management Company	7.1	37,370,344	51,025,453	13,555,334	15,800,532
Sindh Sales Tax on remuneration of the Management Company	7.2	4,858,145	6,633,309	1,762,194	2,054,069
Remuneration of the Central Depository Company of Pakistan Limited - Trustee		5,397,938	8,492,435	1,957,992	2,661,532
Sindh Sales Tax on remuneration of the Trustee		701,732	1,104,017	254,539	346,000
Annual fees to the Securities and Exchange Commission of Pakistan		1,660,904	8,504,242	602,459	2,633,421
Accounting and operational charges	14	11,367,867	11,338,990	4,727,846	3,511,230
Annual rating fee		323,715	303,220	107,094	87,658
Annual listing fee		20,687	16,907	6,856	4,052
Securities transaction cost		154,696	113,615	56,481	17,282
Auditors' remuneration		477,402	365,550	165,142	169,014
Printing charges		15,080	(54,745)	-	(129,647)
Legal and professional charges		128,529	83,433	64,113	28,080
Bank charges		96,747	126,784	30,357	49,133
Provision for Sindh Workers' Welfare Fund	10.1	21,669,665	18,499,682	7,894,219	6,817,105
		84,243,451	106,552,892	31,184,626	34,049,461
Net income for the period before taxation		1,061,813,605	906,484,411	386,816,739	334,038,134
Taxation	13	-	-	-	-
Net income for the period after taxation		1,061,813,605	906,484,411	386,816,739	334,038,134
Allocation of net income for the period:					
Net income for the period after taxation		1,061,813,605	906,484,411	386,816,739	334,038,134
Income already paid on units redeemed		(77,333,189)	(273,153,160)	(36,610,852)	(78,298,039)
		984,480,416	633,331,251	350,205,887	255,740,095
Accounting income available for distribution:					
- Relating to capital gains		12,735,447	-	10,902,499	-
- Excluding capital gains		971,744,969	633,331,251	339,303,388	255,740,095
		984,480,416	633,331,251	350,205,887	255,740,095

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

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CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2020

	For the Nine Months Ended 31 March		For the Quarter Ended 31 March	
	2020	2019	2020	2019
	-----Rupees-----			
Net income for the period after taxation	1,061,813,605	906,484,411	386,816,739	334,038,134
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	1,061,813,605	906,484,411	386,816,739	334,038,134

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

Atlas Money Market Fund

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2020

	31 March 2020		
	Capital value	Undistributed income	Net assets
	-----Rupees-----		
Capital value	10,204,508,746	-	10,204,508,746
Undistributed income brought forward			
- Realised income	-	34,995,001	34,995,001
- Unrealised income	-	-	-
Net assets at the beginning of the period (Units outstanding: 20,351,995) (Rs. 503.12 per unit)	10,204,508,746	34,995,001	10,239,503,747
Issue of 38,059,996 units	19,251,687,037	-	19,251,687,037
Redemption of 29,264,072 units	(14,729,549,048)	(77,333,189)	(14,806,882,237)
Total comprehensive income for the period	-	1,061,813,605	1,061,813,605
Refund of capital	(101,954,831)	-	(101,954,831)
First interim distribution of Rs. 4.25 per unit declared on 26 July 2019	-	(90,150,581)	(90,150,581)
Second interim distribution of Rs. 4.85 per unit declared on 23 August 2019	-	(93,826,792)	(93,826,792)
Third interim distribution of Rs. 4.90 per unit declared on 20 September 2019	-	(91,424,999)	(91,424,999)
Fourth interim distribution of Rs. 6.30 per unit declared on 25 October 2019	-	(113,012,086)	(113,012,086)
Fifth interim distribution of Rs. 4.80 per unit declared on 22 November 2019	-	(96,145,088)	(96,145,088)
Sixth interim distribution of Rs. 6.20 per unit declared on 27 December 2019	-	(126,915,944)	(126,915,944)
Seventh interim distribution of Rs. 5.00 per unit declared on 24 January 2020	-	(98,720,119)	(98,720,119)
Eighth interim distribution of Rs. 4.75 per unit declared on 21 February 2020	-	(83,877,996)	(83,877,996)
Ninth interim distribution of Rs. 6.40 per unit declared on 27 March 2020	-	(158,227,469)	(158,227,469)
Net assets at end of the period (Units outstanding: 29,147,919) (Rs. 504.05 per unit)	14,624,691,904	67,174,343	14,691,866,247
Undistributed income carried forward			
- Realised income	-	59,272,981	-
- Unrealised income	-	7,901,362	-
	-	67,174,343	-
	31 March 2019		
	Capital value	Undistributed income	Net assets
	-----Rupees-----		
Capital value	12,754,057,197	-	12,754,057,197
Undistributed income brought forward			
- Realised income	-	406,825,990	406,825,990
- Unrealised income	-	-	-
Net assets at the beginning of the period (Units outstanding: 24,859,132) (Rs. 529.42 per unit)	12,754,057,197	406,825,990	13,160,883,187
Issue of 38,847,074 units	19,814,781,709	-	19,814,781,709
Redemption of 36,511,919 units	(18,488,416,693)	(273,153,160)	(18,761,569,853)
Total comprehensive income for the period	-	906,484,411	906,484,411
Refund of capital	(435,274,321)	-	(435,274,321)
Final Cash distribution for year ended 30 June 2018 of Rs. 27 per unit for full year declared on 06 July 2018	-	(386,348,605)	(386,348,605)
First interim distribution of Rs. 20 per unit declared on 18 January 2019	-	(359,028,549)	(359,028,549)
Second interim distribution of Rs. 4.50 per unit declared on 15 February 2019	-	(106,637,844)	(106,637,844)
Third interim distribution of Rs. 3.75 per unit declared on 15 March 2019	-	(104,217,404)	(104,217,404)
Net assets at end of the period (Units outstanding: 27,194,287) (Rs. 504.85 per unit)	13,645,147,892	83,924,839	13,729,072,731
Undistributed income carried forward			
- Realised income	-	83,924,839	-
- Unrealised income	-	-	-
	-	83,924,839	-

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

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CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2020

	Note	For the Nine Months Ended 31 March	
		2020	2019
		-----Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period before taxation		1,061,813,605	633,331,251
Adjustments for:			
Profit on savings account and term deposits		(469,199,503)	(442,731,453)
Income from government securities		(664,122,106)	(585,516,389)
Capital (gain) / loss on sale of investments - net		(10,142,032)	15,210,539
Net unrealised diminution on remeasurement of investments classified as financial assets at fair value through profit or loss'		(2,593,415)	-
Provision for Sindh Workers' Welfare Fund		21,669,665	18,499,682
		(1,124,387,391)	(994,537,621)
Decrease / (increase) in assets			
Prepayment and other receivables		2,359,897	(22,821)
(Decrease) / increase in liabilities			
Payable to Atlas Asset Management Limited - Management Company		2,196,391	328,725
Payable to Central Depository Company of Pakistan Limited - Trustee		13,358	43,588
Payable to the Securities and Exchange Commission of Pakistan		(9,277,826)	811,591
Accrued expenses and other liabilities		6,320,468	3,515,723
		(747,609)	4,699,627
		(60,961,498)	(356,529,564)
Interest received		456,487,337	329,909,118
Investments made during the period		(88,579,881,097)	(90,746,780,747)
Investments sold / matured during the period		86,990,305,090	91,317,086,597
Net cash (used in) / generated from operating activities		(1,194,050,168)	543,685,404
CASH FLOWS FROM FINANCING ACTIVITIES			
Net receipts from issuance of units		19,251,687,037	19,814,781,709
Net payments against redemption of units		(14,793,889,584)	(18,184,885,586)
Refund of capital		(101,954,831)	(435,274,321)
Cash distribution made during the period		(952,301,074)	(956,232,402)
Net cash generated from financing activities		3,403,541,548	238,389,400
Net increase in cash and cash equivalents		2,209,491,380	782,074,804
Cash and cash equivalents at the beginning of the period		10,339,271,465	13,224,116,066
Cash and cash equivalents at the end of the period	4	12,548,762,845	14,006,190,870

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

Atlas Money Market Fund

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS ENDED 31 MARCH 2020

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Atlas Money Market Fund (the Fund) is an open-ended Fund constituted under a trust deed entered into on 4 December 2009 between Atlas Asset Management Limited (AAML) as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the trustee. The Trust Deed has been revised through the First Supplement dated 23 May 2017. The offering document of the Fund has been revised through the First, Second, Third, Fourth, Fifth and Sixth Supplements dated 24 March 2015, 3 August 2015, 30 September 2016, 2 June 2017, 2 October 2019 and 30 October 2019 respectively, with the approval of the Securities and Exchange Commission of Pakistan (SECP). The registered office of AAML is situated at Ground Floor, Federation House, Shahrae Firdousi, Clifton, Karachi.
- 1.2 The Fund has been categorised as a 'money market scheme' by the Board of Directors pursuant to the provisions contained in Circular 7 of 2009 and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs 500 per unit on 20 January 2010. Thereafter, the units are being offered for public subscription on a continuous basis and are transferable and redeemable by surrendering them to the Fund.
- 1.3 According to the trust deed, the objective of the Fund is to provide its investors competitive returns from a portfolio of low risk, short duration assets while maintaining high liquidity. The Fund aims to deliver this objective mainly by investing in government securities, cash and near cash instruments which include cash in bank accounts, treasury bills, deposits with scheduled banks, certificates of deposit (CODs), certificates of Musharaka (COMs), commercial papers, and reverse repo; with a weighted average time to maturity of not more than 90 days and in case of a single asset, maximum time to maturity of six months. The investment objectives and policy are explained in the Fund's offering document.
- 1.4 The Pakistan Credit Rating Agency Limited (PACRA) maintained the asset manager rating of the Management Company to AM2+ (AM Two Plus) [2019: AM2+ (AM Two Plus)] on 26 December 2019.

Furthermore, PACRA maintained the stability rating of the Fund at "AA+ (f)" (Double A Plus) [31 March 2019: "AA (f)" (Double A)] on 17 April 2020 subsequently to the balance sheet date.
- 1.5 The titles to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund.
- 1.6 In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at 31 March 2020.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

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

2.2 Functional and presentation currency

These condensed interim financial statements have been presented in Pak Rupees which is the functional and presentation currency of the Fund.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements at and for the year ended June 30, 2019.

3.2 The financial risk management objectives and policies are consistent with those disclosed in the annual published audited financial statements of the Fund for the year ended 30 June 2019.

3.3 New / Revised Standards, Interpretations and Amendments

The Fund has adopted the following accounting standards and the amendments and interpretation of IFRSs which became effective for the current period:

Standard or Interpretation

IFRS 3 - Business Combinations - Previously held interests in a joint operation

IFRS 4 - Insurance Contracts - Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendments)

IFRS 9 - Prepayment Features with Negative Compensation (Amendments)

IFRS 11 - Joint Arrangements: Previously held interests in a joint operation

IFRS 16 - Leases

Definition of Material - Amendments to IAS 1 and IAS 8

IAS 12 - Income Taxes: Income tax consequences of payments on financial instruments classified as equity (Amendments)

IAS 19 - Plan Amendment, Curtailment or Settlement (Amendments)

IAS 23 - Borrowing Costs: Borrowing costs eligible for capitalisation

IAS 28 - Long-term Interests in Associates and Joint Ventures (Amendments)

IFRIC 23 - Uncertainty over Income Tax Treatments

The adoption of the above amendments to accounting standards and interpretations did not have any effect on these condensed interim financial statements.

Atlas Money Market Fund

4 CASH AND BANK BALANCES	Note	31 March 2020	30 June 2019
		Un-audited	Audited
		-----Rupees -----	
Balances with banks in savings accounts	4.1	12,098,762,845	10,287,871,465
Cheques in hand	4.2	450,000,000	51,400,000
		<u>12,548,762,845</u>	<u>10,339,271,465</u>

4.1 The rate of return on these accounts range between 5.00% to 13.63% (30 June 2019: 6.00% to 13.40%) per annum.

4.2 These cheques were received against issue of units which were deposited and cleared subsequent to the period end by 03 April 2020.

5 INVESTMENTS	Note	31 March 2020	30 June 2019
		Un-audited	Audited
		-----Rupees -----	
At fair value through profit or loss			
Investment in government securities			
- Market Treasury Bills	5.1	2,261,170,627	-
		<u>2,261,170,627</u>	<u>-</u>

5.1 At fair value through profit or loss

5.1.1 Market Treasury Bills

Treasury Bills	As at 01 July 2019	Purchased during the year	Sold / matured during the year	As at 31 March 2020	Amortised cost as at 31 March 2020	Market value as at 31 March 2020	Market value as a percentage of total investment	Market value as a percentage of net assets
-----Face value -----				----- (Rupees) -----		----- (Percentage) -----		
3 Months	-	63,981,805,000	63,126,805,000	855,000,000	835,017,296	835,307,627	36.94	5.69
6 Months	-	6,855,000,000	5,355,000,000	1,500,000,000	1,423,559,915	1,425,863,000	63.06	9.71
31 March 2020	-	<u>70,836,805,000</u>	<u>68,481,805,000</u>	<u>2,355,000,000</u>	<u>2,258,577,211</u>	<u>2,261,170,627</u>	<u>100.00</u>	<u>15.40</u>
30 June 2019								

Market treasury bills carry purchase yield ranging between 10.91% to 12.48% (30 June 2019: Nil) per annum and will mature on 18 June 2020 to 24 September 2020 (30 June 2019: Nil). The cost of these investments as on 31 March 2020 is Rs. 2,253,269,265 (30 June 2019: Nil).

5.1.2 Pakistan Investment Bonds

Pakistan Investment Bonds	As at 01 July 2019	Purchased during the year	Sold / matured during the year	As at 31 March 2020	Amortised cost as at 31 March 2020	Market value as at 31 March 2020	Market value as a percentage of total investment	Market value as a percentage of net assets
-----Face value -----				----- (Rupees) -----		----- (Percentage) -----		
3 Year PIB	-	16,456,500,000	16,456,500,000	-	-	-	-	-
10 Year PIB	-	2,970,900,000	2,970,900,000	-	-	-	-	-
31 March 2020	-	<u>19,427,400,000</u>	<u>19,427,400,000</u>	-	-	-	-	-
30 June 2019								

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6 PREPAYMENT AND OTHER RECEIVABLES	Note	31 March	30 June
		2020	2019
		Un-audited	Audited
		-----Rupees -----	
Prepaid rating fee		150,264	-
Prepaid listing fee		6,813	-
Other Receivable	6.1	3,583,099	6,100,073
		3,740,176	6,100,073

6.1 As per Clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151. However, several companies (including banks) deducted withholding tax on profit on bank deposits paid to the Fund based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced by the withholder.

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. On 28 January 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all CISs to file an appeal in the Honourable Supreme Court through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, a petition was filed in the Supreme Court of Pakistan by the Fund together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgement of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on profit received on bank deposits by the Fund has been shown as other receivables as at 31 March 2020 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

7 PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY (RELATED PARTY)	Note	31 March	30 June
		2020	2019
		Un-audited	Audited
		-----Rupees -----	
Remuneration of the Management Company	7.1	5,333,490	4,302,315
Sindh Sales Tax payable on remuneration of the Management Company	7.2	3,813,516	3,679,463
Federal Excise Duty payable on remuneration of the Management Company	7.3	20,428,502	20,428,502
Accounting and operational charges payable	14	1,987,232	956,069
		31,562,740	29,366,349

7.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 1160(1)/2015 dated 25 November 2015, the Management Company is entitled to a remuneration equal to an amount not exceeding 1% of the average annual net assets in case of money market schemes. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 0.45% (30 June 2019: 0.45%) per annum of the average net assets of the Fund during the nine months ended 31 March 2020. The fee is payable to the Management Company monthly in arrears.

7.2 During the period, an amount of Rs. 4,858,145 (2019: Rs. 6,633,309) was charged on account of sales tax on management fee levied through Sindh Sales Tax on Services Act, 2011 and , an amount of Rs. 4,724,092 (2019: Rs. 6,601,706) has been paid to the Management Company which acts as a collecting agent.

7.3 The Finance Act, 2013 has enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from 13 June 2013. As the asset management services

Atlas Money Market Fund

rendered by the Management Company of the Fund are already subject to provincial sales tax on services levied by the Sindh Revenue Board, which is being charged to the Fund as explained in note 7.2 above, the Management Company is of the view that further levy of FED was not justified.

On 4 September 2013, a Constitutional Petition was filed in the Honourable Sindh High Court (SHC) jointly by various asset management companies, together with their representative Collective Investment Schemes through their trustees, challenging the levy of FED.

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from 1 July 2016. However, as a matter of abundant caution the provision for FED made till 30 June 2016 amounting to Rs 20.429 million (30 June 2019: 20.429 million) is being retained in these condensed interim financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been maintained, the net asset value of the Fund as at 31 March 2020 would have been higher by Re. 0.70 (30 June 2019: Re. 1.00) per unit.

8 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN - TRUSTEE - RELATED PARTY

The trustee is entitled to monthly remuneration for services rendered to the fund at the flat rate of 0.065% p.a. of net assets based on the letter no. CDC/CEO/L-112/01/2019 dated June 27, 2019 issued by CDC. However, during the period ended March 31, 2019, the trustee fee was charged in accordance with the following slab rates:

Net Assets	Fee
- upto Rs 1,000 million	0.15% per annum of net assets
- Rs 1,000 million to Rs 10,000 million	Rs 1.50 million plus 0.075% per annum of net assets exceeding Rs 1,000 million
- exceeding 10,000 million	Rs 8.25 million plus 0.06% per annum of net assets exceeding Rs 10,000 million

		31 March 2020	30 June 2019
		Un-audited	Audited
		-----Rupees -----	
9 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note		
Annual fees payable	9.1	1,660,880	10,938,706

9.1 In accordance with the NBFC regulations, a collective investment scheme (CIS) is required to pay an annual fee to the Securities and Exchange Commission of Pakistan (SECP).

In accordance with the NBFC regulations, a collective investment scheme (CIS) is required to pay an annual fee to the SECP. Effective from 01 July 2019, the SECP vide SRO No.685(1)2019 dated June 28, 2019 revised the rate of annual fee to 0.02% of net assets, applicable on all categories of CISs. Previously, the rate of annual fee applicable to Money Market Funds was 0.075% of net assets. Accordingly the Fund has charged the annual fee at the rate of 0.02% of the net assets during the current period.

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	Note	31 March	30 June
		2020	2019
		Un-audited	Audited
		-----Rupees -----	
10 ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration payable		505,806	618,300
Printing charges payable		4,302	77,972
Withholding tax payable		23,232,220	18,170,295
Capital gain tax payable		2,528,855	1,108,008
Provision for Sindh Workers' Welfare Fund	10.1	60,610,934	38,941,269
Zakat payable		10,018	8,609
Brokerage Payable		22,451	-
		86,914,586	58,924,453

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

In the repealed Companies Ordinance, 1984 and the now applicable Companies Act, 2017, mutual funds have not been included in the definition of "financial institutions". The MUFAP has held the view that SWWF is applicable on Asset Management Companies and not on mutual funds.

Had the provision for SWWF not been recorded in these condensed interim financial statements of the Fund, the net asset value of the Fund as at 31 March 2020 would have been higher by Rs. 2.08 per unit (30 June 2019: Re 1.91 per unit).

11 CONTINGENCIES AND COMMITMENTS

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

12 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 31 March 2020 is 1.01% (30 June 2019: 0.95%) which includes 0.34% (30 June 2019: 0.32%) representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as a money market scheme.

13 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital

Atlas Money Market Fund

gains as reduced by such expenses as are chargeable thereon to the unitholders. The management intends to distribute at least 90% of the Fund's net accounting income available for distribution by the year end, as cash dividend, to the unit holders. Accordingly, no provision for taxation has been made in these condensed interim financial statements.

14 ACCOUNTING AND OPERATIONAL CHARGES

The Management Company is allowed to charge actual expenses related to registrar services, accounting, operations and valuation services to the CIS with effect from 20 June 2019 as per SECP SRO 639 (I) /2019 dated 20 June 2019.

The Management Company has charged expenses at the rate 0.1% of the average annual net assets of the Fund for the period from 01 July 2019 to 30 September 2019, 0.15% of the average annual net assets of the Fund from 01 October 2019 till 04 March 2020 and 0.17% of the average annual net assets of the Fund from 05 March 2020 till for allocation of such expenses to the Fund.

15 EARNINGS PER UNIT

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

16 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Connected persons include Atlas Asset Management Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund directors and their close family members and key management personnel of the Management Company.

Transactions with connected persons essentially comprise sale and repurchase of units, fee on account of managing the affairs of the Fund, sales load and other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

Remuneration to the Management Company and the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.

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

	For the Nine Months Ended	
	31 March	
	2020	2019
	Un-audited	Un-audited
	-----Rupees-----	
16.1 Transactions for the period		
Atlas Asset Management Limited (Management Company)		
Remuneration of the Management Company	37,370,344	51,025,453
Remuneration paid	36,339,169	50,782,353
Sindh Sales Tax on Remuneration of the Management Company	4,858,145	6,633,309
Accounting and operational charges	11,367,867	11,338,990
Issue of 441,979 (2019: 346,196) units	223,295,493	175,806,205
Redemption of 276,931 (2019: 126,979) units	140,000,304	64,000,000
Dividend declared	2,973,392	6,524,724
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	5,397,938	8,492,435
Sindh Sales Tax on remuneration of the Trustee	701,732	1,104,017
Remuneration paid	5,386,117	8,453,862

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		For the Nine Months Ended 31 March	
		2020	2019
		Un-audited	Un-audited
		-----Rupees-----	
16.1	Transactions for the period (Continued....)	Note	
	Atlas Battery Limited (Group Company)		
	Issue of 30 (2019: 27,494) units	14,986	13,813,617
	Redemption of 4,157 (2019: 560,022) units	2,100,381	283,372,212
	Dividend declared	17,543	14,378,242
	Batool Benefit Trust		
	Issue of 42,175 (2019: 1,068) units	21,276,628	537,107
	Dividend declared	1,227,402	609,811
	Atlas Fund of Funds (Fund under common management)		
	Issue of 357,975 (2019: 146,906) units	180,580,000	73,950,000
	Redemption of 357,975 (2019: 109,542) units	181,995,687	56,093,477
	Atlas Foundation (Group Company)		
	Issue of 90,397 (2019: 9,715) units	45,780,145	4,884,847
	Redemption of 16,813 (2019: Nil) units	8,500,000	-
	Dividend declared	11,789,231	5,724,245
	Atlas Honda Limited (Group Company)		
	(Unit Holder with more than 10% holding)		
	Issue of 2,605,118 (2019:1,431,310) units	1,316,413,635	722,772,212
	Redemption of 1,379,291 (2019: 2,767,340) units	700,000,000	1,400,000,000
	Dividend declared	250,362,535	485,321,053
	Atlas Engineering Limited - Employees Provident Fund		
	(Retirement benefit plan of a Group Company)		
	Issue of 17,536 (2018: Nil) units	8,869,114	-
	Redemption of 11,902 (2019: Nil) units	6,000,000	-
	Dividend declared	262,264	-
	Atlas Insurance Limited (Group Company)		
	Issue of 2,197,628 (2019: 1,456,994) units	1,109,556,294	746,845,493
	Redemption of 1,753,486 (2019: 1,456,994) units	888,913,495	745,317,462
	Dividend declared	29,980,134	14,613,894
	Honda Atlas Cars (Pakistan) limited (Group Company)		
	Issue of 2,825 (2019: 733,603) units	1,423,583	373,967,042
	Redemption of 2,825 (2019: 3,687,488) units	1,436,692	1,900,000,000
	Dividend declared	-	129,205,254
	Atlas Honda Limited - Non-Management Staff Gratuity Fund		
	(Retirement benefit plan of a Group Company)		
	Issue of 1,907 (2019: 2,150) units	959,714	1,081,175
	Redemption of 6,907 (2019: Nil) units	3,500,000	-
	Dividend declared	926,513	1,081,175

Atlas Money Market Fund

		For the Nine Months Ended 31 March	
		2020	2019
		Un-audited	Un-audited
		-----Rupees-----	
16.1	Transactions for the period (Continued....)	Note	
	Atlas Group of Companies - Management Staff Gratuity Fund (Retirement benefit plan of a Group Company)		
	Issue of 315,334 (2019: 10,233) units	159,524,862	5,144,681
	Redemption of 373,348 (2019: 38,152) units	189,000,000	19,300,000
	Dividend declared	4,057,914	5,144,681
	Atlas Die Casting (Private) Limited (Group Company)		
	Issue of 80,003 (2019: 778,638) units	40,546,941	393,963,672
	Redemption of 79,951 (2019: 625,190) units	40,303,317	320,000,000
	Dividend declared	177,192	4,239,792
	Shirazi Investments (Private) Limited (Group Company)		
	Issue of 983,554 (2019: 157,957) units	495,199,640	79,417,402
	Redemption of Nil (2019: 664,654) units	-	340,000,000
	Dividend declared	56,418,203	86,147,481
	Fauji Fertilizer Company Limited (Unit Holder with more than 10% holding)	16.3	
	Issue of 7,091,803 (2019: 15,171,418) units	3,591,218,901	7,722,466,525
	Redemption of 6,491,515 (2019: 10,016,928) units	3,278,479,753	5,186,932,117
	Dividend declared	73,700,870	40,993,134
	Shirazi Trading Company (Private) Limited - (Employee Provident Fund) (Retirement benefit plan of a Group Company)		
	Issue of Nil (2019: 2,281) units	-	1,146,846
	Redemption of 713,606 (2019: 14,065) units	-	7,082,102
	Dividend declared	-	1,152,026
	Shirazi Investment (Private) Limited (Employee Provident Fund) (Retirement benefit plan of a Group Company)		
	Issue of 7,810 (2019: 6,229) units	3,943,432	3,132,126
	Redemption of 21,939 (2019: Nil) units	11,100,000	-
	Dividend declared	2,324,990	3,132,126
	Atlas Honda Limited (Employee Provident Fund) (Retirement benefit plan of a Group Company)		
	Issue of 129,133 (2019: 27,661) units	65,129,765	13,908,895
	Redemption of 118,699 (2019: Nil) units	60,000,000	-
	Dividend declared	4,885,227	13,908,895
	Directors and their close family members and key management personnel of the Management Company	16.4	
	Issue of 318,790 (2019: 172,723) units	160,913,183	87,676,486
	Redemption of 121,103 (2019: 454,313) units	61,160,299	233,277,606
	Dividend declared	14,536,701	31,528,312

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	31 March 2020 Un-audited	30 June 2019 Audited
	-----Rupees-----	
16.2 Balances outstanding as at period / year end		
Atlas Asset Management Limited (Management Company)		
Remuneration payable to the Management Company	5,333,490	4,302,315
Sindh Sales Tax payable on Remuneration of the Management Company	3,813,516	3,679,463
Federal Excise Duty payable on Remuneration of the Management Company	20,428,502	20,428,502
Accounting and operational charges payable	1,987,232	956,069
Outstanding 165,048 (30 June 2019: 1) units - at net asset value	83,192,571	298
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration payable to the Trustee	770,394	758,573
Sindh Sales Tax payable on Remuneration of the trustee	100,151	98,614
Atlas Foundation (Group Company)		
Outstanding 286,084 (30 June 2019: 212,500) units - at net asset value	144,200,578	106,913,042
Atlas Honda Limited (Group Company) (Unit Holder with more than 10% holding)		
Outstanding 7,380,828 (30 June 2019: 6,155,001) units - at net asset value	3,720,306,481	3,096,704,288
Atlas Engineering Limited - Employees Provident Fund (Retirement benefit plan of a Group Company)		
Outstanding 5,634 (30 June 2019: Nil) units - at net asset value	2,839,705	-
Atlas Honda Limited - Employees Provident Fund (Retirement benefit plan of a Group Company)		
Outstanding 153,698 (30 June 2019: 143,264) units - at net asset value	77,471,583	72,079,270
Atlas Insurance Limited (Group Company)		
Outstanding 444,142 (30 June 2019: Nil) units - at net asset value	223,869,579	-
Atlas Battery Limited (Group Company)		
Outstanding Nil (30 June 2019: 4,127) units - at net asset value	-	2,076,707
Shirazi Investments (Private) Limited - Employees Provident Fund (Retirement benefit plan of a Group Company)		
Outstanding 40,276 (30 June 2019: 54,406) units - at net asset value	20,301,203	27,372,391
Atlas Die Casting (Private) Limited (Group Company)		
Outstanding 52 (30 June 2019: Nil) units - at net asset value	26,273	-
Shirazi Investments (Private) Limited (Group Company)		
Outstanding 1,978,320 (30 June 2019: 944,767) units - at net asset value	997,172,374	500,486,813
Atlas Group of Companies Management Staff Gratuity Fund (Retirement benefit plan of a Group Company)		
Outstanding 155,656 (30 June 2019: 213,670) units - at net asset value	78,458,327	107,501,398
Atlas Honda Limited Non Management Staff Gratuity Fund (Retirement benefit plan of a Group Company)		
Outstanding 16,673 (30 June 2019: 21,673) units - at net asset value	8,404,113	10,904,341

Atlas Money Market Fund

		31 March 2020	30 June 2019
		Un-audited	Audited
		-----Rupees-----	
16.2 Balances outstanding as at period / year end (Continued....)	Note		
Batools Benefit Trust (Trust having common Director / Trustee)			
Outstanding 54,236 (30 June 2019: 12,061) units - at net asset value		27,337,705	6,068,058
Fauji Fertilizer Company Limited			
(Unit Holder with more than 10% holding)	16.3		
Outstanding 5,685,837 (30 June 2019: 5,085,549) units - at net asset value		2,865,946,270	2,558,641,525
Directors and their close family members and key management personnel of the Management Company	16.4		
Outstanding 457,203 (30 June 2019: 298,070) units - at net asset value		230,453,048	149,964,978
16.3	Holding being more than 10% in the reporting period, disclosure is required.		
16.4	Other balances due to / from related parties / connected persons included in the respective notes to the condensed interim financial statements.		

17 FAIR VALUE MEASUREMENT

Fair value is the amount for which an asset could be exchanged, or liability can be settled, between knowledgeable willing parties in an arm's length transaction. 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 values of government securities are determined by reference to the quotation obtained from the brokers on the Reuters page. The fair values of all other financial assets and liabilities of the Fund, approximate their carrying amounts due to short-term maturities of these instruments.

Fair value hierarchy

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

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

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

	Level 1	Level 2	Level 3
	-----Rupees-----		
<u>31 March 2020</u>			
At fair value through profit or loss	2,261,170,627	-	-
	2,261,170,627	-	-
<u>30 June 2019</u>			
At fair value through profit or loss	-	-	-
	-	-	-

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- 18.1** Figures of the condensed interim income statement and the condensed interim statement of comprehensive income for the quarters ended 31 March 2020 and 31 March 2019 have not been subjected to limited scope review by the statutory auditors of the Fund.
- 18.2** Figures have been rounded off to the nearest Rupee unless stated otherwise.
- 18.3** Number of units have been rounded off to the nearest decimal place.

19 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on 29 April 2020.

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

Atlas Sovereign Fund

Corporate Information

Trustee

Central Depository Company of Pakistan Limited
99-B, Block 'B', S.M.C.H.S, Main Shahrah-e-Faisal,
Karachi - 74400

Auditors

A.F. Ferguson & Co.
Chartered Accountants

Legal Advisers

Bawaney & Partners

Bankers

Allied Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
Samba Bank Limited
Soneri Bank Limited
Zarai Taraqiati Bank Limited

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CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED) AS AT 31 MARCH 2020

		31 March 2020	30 June 2019
		Un-audited	Audited
	Note	----- (Rupees) -----	
Assets			
Bank balances	4	236,409,674	1,786,431,695
Investments	5	1,417,198,935	511,602,698
Mark-up receivable	6	3,881,852	21,782,840
Prepayments and other receivables		601,728	469,410
Total assets		1,658,092,189	2,320,286,643
Liabilities			
Payable to Atlas Asset Management Limited - Management Company	7	3,764,259	1,854,683
Payable to the Central Depository Company of Pakistan Limited - Trustee	8	101,607	255,914
Payable to the Securities and Exchange Commission of Pakistan	9	383,713	430,422
Payable against redemption of units		998,902	-
Accrued expenses and other liabilities	10	8,984,859	16,508,933
Total liabilities		14,233,340	19,049,952
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		1,643,858,849	2,301,236,691
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		1,643,858,849	2,301,236,691
CONTINGENCIES AND COMMITMENTS	11	----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		14,440,661	22,936,104
NET ASSET VALUE PER UNIT		113.84	100.33

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

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

Atlas Sovereign Fund

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2020

	Note	For the Nine Month Ended		For the Quarter Ended	
		31 March		31 March	
		2020	2019	2020	2019
		----- (Rupees) -----			
Income					
Profit on bank balances		24,841,314	3,347,558	4,755,663	1,986,419
Income from government securities		207,959,197	20,514,789	58,113,393	7,369,233
Gain / (loss) on sale of investments - net		62,610,720	(233,266)	39,538,038	107,389
Net unrealised appreciation / (diminution) on re-measurement of investments classified as financial assets at fair value through profit or loss ¹		41,043,846	1,081,609	(3,122,238)	1,081,119
Total income		336,455,077	24,710,690	99,284,856	10,544,160
Expenses					
Remuneration of the Management Company	7.1	16,037,870	1,293,049	6,143,195	485,596
Sindh sales tax on remuneration of the Management Company	7.2	2,084,923	168,096	798,615	63,127
Remuneration of the Trustee		1,247,074	430,689	337,612	161,538
Sindh sales tax on remuneration of the Trustee		162,120	55,990	43,890	21,000
Annual fee to the Securities and Exchange Commission of Pakistan		383,713	205,906	103,880	71,331
Accounting and operational charges	7.4	2,596,603	271,176	803,254	91,742
Annual rating fee		250,120	236,002	82,767	67,428
Annual listing fee		20,663	19,143	6,837	6,287
Securities transaction cost		46,827	519	-	519
Auditors' remuneration		228,215	83,286	69,101	61,491
Printing charges		28,809	(1,757)	-	(2,893)
Legal and professional charges		128,529	84,254	64,113	28,080
Amortisation of formation cost		-	195,178	-	64,110
Bank charges		35,938	13,297	1,908	6,460
Provision for Sindh Workers' Welfare Fund (SWWF)	10.1	6,237,821	433,117	1,790,342	188,367
Total expenses		29,489,225	3,487,945	10,245,514	1,314,183
Net income for the period before taxation		306,965,852	21,222,745	89,039,342	9,229,977
Taxation	13	-	-	-	-
Net income for the period after taxation		306,965,852	21,222,745	89,039,342	9,229,977
Allocation of net income for the period					
Net income for the period after taxation		306,965,852	21,222,745	89,039,342	9,229,977
Income already paid on units redeemed		(147,864,703)	(4,217,829)	(116,414,604)	(1,032,955)
		159,101,149	17,004,916	(27,375,262)	8,197,022
Accounting income available for distribution					
- Relating to capital gains		103,654,566	1,081,609	36,415,800	1,081,119
- Excluding capital gains		55,446,583	15,923,307	(63,791,062)	7,115,903
		159,101,149	17,004,916	(27,375,262)	8,197,022

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

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

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CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2020

	<u>For the Nine Month Ended</u>		<u>For the Quarter Ended</u>	
	31 March		31 March	
	2020	2019	2020	2019
	----- (Rupees) -----			
Net income for the period after taxation	306,965,852	21,222,745	89,039,342	9,229,977
Other comprehensive income / (loss) for the period	-	-	-	-
Total comprehensive income for the period	306,965,852	21,222,745	89,039,342	9,229,977

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

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

Atlas Sovereign Fund

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2020

	31 March 2020			31 March 2019		
	Capital value	Undistributed income	Net assets	Capital value	Undistributed income	Net assets
	----- (Rupees) -----					
Capital value	2,298,220,458	-	2,298,220,458	343,141,842	-	343,141,842
Undistributed income brought forward						
- Realised income	-	4,865,277	4,865,277	-	13,858,968	13,858,968
- Unrealised (loss) / income	-	(1,849,044)	(1,849,044)	-	1,195,957	1,195,957
Net assets at the beginning of the period	2,298,220,458	3,016,233	2,301,236,691	343,141,842	15,054,925	358,196,767
[Units outstanding: 22,936,104 @ Rs. 100.33 per unit (2019: 3,411,400 @ Rs. 105.00 per unit)]						
Issue of 13,950,995 (2019: 3,053,752) units	1,476,236,713	-	1,476,236,713	308,325,171	-	308,325,171
Redemption of 22,446,438 (2019: 2,364,000) units	(2,292,715,704)	(147,864,703)	(2,440,580,407)	(238,007,045)	(4,217,829)	(242,224,874)
Total comprehensive income for the period	-	306,965,852	306,965,852	-	21,222,745	21,222,745
Refund of Capital	-	-	-	(2,376,565)	-	(2,376,565)
Cash dividend declared for the year ended 30 June 2019 (for the year ended 30 June 2018 @ Rs. 4.75 per unit 06 July 2018)	-	-	-	-	(13,834,502)	(13,834,502)
Interim distribution at Rs. 4.0 per unit declared on 18 January 2019	-	-	-	-	(10,084,761)	(10,084,761)
Net assets at end of the period	1,481,741,467	162,117,382	1,643,858,849	411,083,403	8,140,578	419,223,981
[Units outstanding: 14,440,661 @ Rs. 113.84 per unit (2019: 4,101,152 @ Rs. 102.22 per unit)]						
Undistributed income carried forward						
- Realised income	-	80,401,895	-	-	5,050,981	-
- Unrealised income	-	81,715,487	-	-	3,089,597	-
	-	162,117,382	-	-	8,140,578	-

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Ifthikhar H. Shirazi
Chairman

Tariq Amin
Director

Third Quarter Report 2019-20

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2020

	For the Nine Month Ended	
	31 March	
	2020	2019
Note	----- (Rupees) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period after taxation	306,965,852	21,222,745
Adjustments for:		
Interest income	(232,800,511)	(23,862,347)
(Gain) / loss on sale of investments - net	(62,610,720)	233,266
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(41,043,846)	(1,081,609)
Amortisation of formation cost	-	195,178
Provision for Sindh Workers' Welfare Fund	6,237,821	433,117
	(330,217,256)	(24,082,395)
Increase in assets		
Investments	(663,692,895)	(185,449,882)
Mark-up receivable	112,452,723	2,306,767
Prepayments and other receivables	(132,318)	(16,728)
	(551,372,490)	(183,159,843)
Decrease in liabilities		
Payable to Atlas Asset Management Limited - Management Company	1,909,576	(187,246)
Payable to the Central Depository Company of Pakistan Limited - Trustee	(154,307)	18,307
Payable to the Securities and Exchange Commission of Pakistan	(46,709)	(18,649)
Accrued expenses and other liabilities	(13,761,895)	(168,163)
	(12,053,335)	(355,751)
Net cash used in operating activities	(586,677,229)	(186,375,244)
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received against issuance of units	1,476,236,714	308,325,171
Amount paid against redemption of units	(2,439,581,506)	(216,785,989)
Cash payout against distribution	-	(26,295,828)
Net cash (used in) / generated from financing activities	(963,344,792)	65,243,354
Net decrease in cash and cash equivalents	(1,550,022,021)	(121,131,890)
Cash and cash equivalents at the beginning of the period	1,786,431,695	267,945,874
Cash and cash equivalents at the end of the period	4 236,409,674	146,813,984

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

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

Atlas Sovereign Fund

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS ENDED 31 MARCH 2020

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Atlas Sovereign Fund (formerly Atlas Sovereign Liquid Fund, 'the Fund') is an open ended mutual fund constituted under a trust deed entered into on 19 August 2014 between Atlas Asset Management Limited (AAML) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the trustee. The Trust Deed has been revised through the First and Second Supplemental Trust Deeds dated May 23, 2017 and September 3, 2018 respectively, with the approval of the Securities and Exchange Commission of Pakistan (SECP). The Offering Document has been revised through the First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eight and Ninth Supplements dated March 24, 2015, August 3, 2015, June 23, 2016, October 13, 2016, June 2, 2017, April 18, 2018, August 20, 2018, October 8, 2019 and October 30, 2019 respectively, with the approval of the SECP. The registered office of AAML is situated at Ground Floor, Federation House, Shahrae Firdousi, Clifton, Karachi.
- 1.2 The Fund was launched as a money market scheme. Effective from 02 January 2019 the Funds' category was changed to Income Scheme with approval of the SECP. The Fund is listed on Pakistan Stock Exchange Limited. The units of the Fund are being offered for public subscription on a continuous basis from 01 December 2014 and are transferable and redeemable by surrendering them to the Fund.
- 1.3 The objective of the Fund is to provide unit holders competitive returns by investing in low risk, liquid securities including investments in Government securities, bank deposits including TDRs, money market placements, certificates of deposits (CoDs), certificate of musharikas (CoMs), commercial papers and reverse repo transactions. The investment objectives and policies are more fully defined in Fund's Offering document.
- 1.4 The Pakistan Credit Rating Agency Limited (PACRA) maintained the Management Company rating of AM2+ (stable outlook) on 26 December 2019 and the Fund rating of AA-(f) on 17 April 2020 (stable outlook) subsequently to the balance sheet date.
- 1.5 The 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.

2 STATEMENT OF COMPLIANCE

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

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

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

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

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

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

3.2 The preparation of the condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments 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. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the financial statements as at and for the year ended 30 June 2019. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 30 June 2019.

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

There are certain amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on 01 July 2019. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

3.4 Amendments to published accounting and reporting standards that are not yet effective

There are certain amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting periods beginning on or after 01 July 2020. However, these are not expected to have any significant impacts on the Fund's operations and are, therefore, not detailed in these condensed interim financial statements.

4 BANK BALANCES	Note	31 March 2020	30 June 2019
		Un-audited	Audited
		----- (Rupees) -----	
- Saving accounts	4.1	236,409,674	1,736,431,695
- Cheque in hand		-	50,000,000
		<u>236,409,674</u>	<u>1,786,431,695</u>

4.1 The rate of return on these balances range from 5.00% to 12.00% (30 June 2019: 6.00% to 13.40%) per annum.

5 INVESTMENTS

At fair value through profit or loss	Note	31 March 2020	30 June 2019
		Un-audited	Audited
		----- (Rupees) -----	
Investment in government securities			
Market Treasury Bills	5.1	862,371,809	-
Pakistan Investment Bonds	5.2	554,827,126	511,602,698
		<u>1,417,198,935</u>	<u>511,602,698</u>

Atlas Sovereign Fund

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

Tenor	As at 01 July 2019	Acquired during the period	Sold / Matured during the period	As at 31 March 2020	Amortised Cost as at 31 March 2020	Market Value as at 31 March 2020	Unrealised diminution as at 31 March 2020	Market value as a percentage of	
								total Investments	Net assets
----- (Face value) -----			----- (Rupees) -----			----- % age -----			
3 Months T-bills	-	8,495,000,000	8,495,000,000	-	-	-	-	-	-
6 Months T-bills	-	1,375,000,000	1,375,000,000	-	-	-	-	-	-
12 Months T-bills	-	1,212,245,000	294,200,000	918,045,000	855,222,412	862,371,809	7,149,397	60.85	52.00
	-	11,082,245,000	10,164,200,000	918,045,000	855,222,412	862,371,809	7,149,397	60.85	52.00
June 30, 2019						-	-	-	-

5.1.1 The cost of investments as on 31 March 2020 is Rs. 814,550,769 (30 June 2019: Rs.Nil).

5.1.2 These Market Treasury Bills carry purchase yields ranging from 11.98% to 13.43% (30 June 2019: Nil) per annum and will matured between 27 August 2020 to 11 March 2021 (30 June 2019: Nil).

5.2 Pakistan Investment Bonds - at fair value through profit or loss

Tenor	As at 01 July 2019	Acquired during the period	Sold / Matured during the period	As at 31 March 2020	Amortised Cost as at 31 March 2020	Market Value as at 31 March 2020	Unrealised appreciation / (diminution) as at 31 March 2020	Market value as a percentage of	
								total Investments	Net assets
----- (Face value) -----			----- (Rupees) -----			----- % age -----			
3 Years PIB	390,500,000	990,500,000	910,500,000	470,500,000	438,052,534	463,894,405	25,841,871	32.73	28.00
5 Years PIB	200,000,000	329,000,000	439,000,000	90,000,000	82,880,145	90,932,721	8,052,576	6.42	6.00
10 Years PIB	-	537,500,000	537,500,000	-	-	-	-	-	-
	590,500,000	1,857,000,000	1,887,000,000	560,500,000	520,932,679	554,827,126	33,894,447	39.15	34.00
June 30, 2019					513,451,742	511,602,698	(1,849,044)	100.00	22.24

5.2.1 The cost of investments as on 31 March 2020 is Rs. 520,932,679 (30 June 2019: Rs.513,451,742).

5.2.2 These Pakistan Investment Bonds carry purchase yields ranging from 11.52% to 12.65% (30 June 2019: 11.80% to 13.80%) per annum and 3 Years PIB will mature on 19 September 2022 and 5 Years PIB will mature on 19 September 2024 (30 June 2019: 12 July 2021 and 12 July 2023).

6 MARK-UP RECEIVABLE

Mark-up receivable on:

Banks balances
Pakistan Investment Bonds

	31 March 2020	30 June 2019
	Un-audited	Audited
	----- (Rupees) -----	
Banks balances	2,083,931	21,782,840
Pakistan Investment Bonds	1,797,921	-
	3,881,852	21,782,840

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		31 March 2020	30 June 2019
		Un-audited	Audited
Note		----- (Rupees) -----	-----
7 PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY - RELATED PARTY			
Remuneration of the Management Company	7.1	2,208,833	330,804
Sindh sales tax payable on remuneration of the Management Company	7.2	418,425	174,284
Federal Excise Duty payable on remuneration of the Management Company	7.3	905,341	905,341
Formation cost payable		-	260,000
Accounting and operational charges payable	7.4	231,660	184,254
		3,764,259	1,854,683

7.1 Previously, the management company has charged remuneration at the rate of 10% of the gross earnings calculated on a daily basis subject to a minimum fee of 0.45% of average daily net asset and maximum fee of 0.80% of average annual net assets. On February 10, 2020, management company has decided to revise the management fee at the rate of 10% of the gross earnings calculated on a daily basis subject to a minimum fee of 0.60% of average daily net asset and maximum fee of 1.00% of average annual net assets. The amount of the remuneration is being paid on monthly basis in arrears.

7.2 During the period, an amount of Rs. 2,084,923 (2018: Rs.168,096) was charged on account of sales tax on remuneration of Management Company management fee levied through Sindh Sales Tax on Services Act, 2011, and an amount of Rs. 1,840,782 (2018: Rs. 160,020) has been paid to the Management Company which acts as a collecting agent.

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

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from 1 July 2016. However, as a matter of abundant caution the provision for FED made for the period from 13 June 2013 till 30 June 2016 amounting to Rs 0.905 million is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision not been made, the NAV per unit of the Fund would have been higher by Re 0.06 (30 June 2019: Re 0.04) per unit.

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

Atlas Sovereign Fund

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

The Management Company has charged expenses at the rate 0.1% of the average annual net assets of the Fund for the period from 01 July 2019 to 30 September 2019, 0.15% of the average annual net assets of the Fund from 01 October 2019 till 04 March 2020 and 0.17% of the average annual net assets of the Fund from 05 March 2020 for allocation of such expenses to the Fund.

8 PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the trust deed. Effective from 1 July 2019, this has been charged as follows:

Net Assets (Rs.)	Previous Tariff	Revised Tariff (Flat Rate)
	Fee	
Upto Rs. 1 billion	0.15% per annum of net assets	0.065% per annum of Net Assets.
From Rs. 1 billion to Rs. 10 billion	Rs 1.5 million plus 0.075% per annum of net assets exceeding Rs 1 billion.	
Exceeding Rs. 10 billion	Rs 8.25 million plus 0.06% per annum of net assets exceeding Rs 10 billion.	

9 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

31 March
2020
Un-audited

30 June
2019
Audited

Note -----(Rupees)-----

Annual fee payable	9.1	<u>383,713</u>	<u>430,422</u>
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9.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP).

Effective from 01 July 2019, the SECP vide SRO No. 685(I)/2019 dated 28 June 2019, revised the rate of annual fee to 0.02% of net assets, applicable on all categories of CISs. Previously, the rate of annual fee applicable to income funds was 0.075%. Accordingly, the Fund has charged SECP Fee at the rate of 0.02% of net assets during the current period.

10 ACCRUED EXPENSES AND OTHER LIABILITIES

31 March
2020
Un-audited

30 June
2019
Audited

Note -----(Rupees)-----

Auditors' remuneration payable		121,206	177,120
Printing charges payable		14,785	3,641
Transaction charges payable		1,205	1,611
Withholding tax payable		21,403	4,032,096
CGT payable		601,298	30,816
Annual rating fee payable		-	410
Dividend payable		-	10,287,083
Other payable		10,985	-
Provision for Sindh Workers' Welfare Fund	10.1	<u>8,213,977</u>	<u>1,976,156</u>
		<u>8,984,859</u>	<u>16,508,933</u>

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

Had the provision for SWWF not been recorded in these condensed interim financial statements of the Fund for the period from 21 May 2015 to 31 March 2020, the net asset value of the Fund as at 31 March 2020 would have been higher by Re. 0.57 (30 June 2019: Re. 0.09) per unit.

11 CONTINGENCIES AND COMMITMENTS

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

12 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 31 March 2020 is 1.54% (30 June 2019: 1.10%) which includes 0.47% (30 June 2019: 0.31%) on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an income scheme.

13 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the year ending 30 June 2020 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements during the period.

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

14 EARNINGS PER UNIT

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

15 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

15.1 Connected persons include Atlas Asset Management Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Management Company, any entity in which the Management Company, its CISs or their connected persons have material interest, any person or company beneficially owning directly or indirectly ten percent

Atlas Sovereign Fund

or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.

- 15.2 Transactions with connected persons are executed on an arm's length basis and essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 15.3 Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.
- 15.4 Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.
- 15.5 **Details of transactions with connected persons / related parties during the period are as follows:**

	For the Nine Months Ended	
	31 March	
	2020	2019
	Un-audited	Un-audited
	------(Rupees)-----	
Atlas Asset Management Limited (Management Company)		
Remuneration of the Management Company	16,037,870	1,293,049
Remuneration paid	14,159,841	1,230,907
Sindh Sales Tax on remuneration of the Management Company	2,084,923	168,096
Accounting and operational charges	2,596,603	271,176
Issue of Nil (2019: 700,555) units	-	70,356,195
Redemption 416,133 (2019: Nil) units	44,051,586	-
Cash dividend	-	429,522
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	1,247,074	430,689
Remuneration paid	1,383,629	414,487
Sindh Sales Tax on Remuneration of the Trustee	162,120	55,990
Atlas Foundation (Group Company)		
Issue of 239,239 (2019: 342,566) units	25,000,000	35,000,000
Redemption 145,723 (2019: Nil) units	16,000,000	-
Cherat Cement Company Limited - Workers Profit Participation Fund		
Issue of Nil (2019: 45,342) units	-	4,547,240
Cash dividend	-	6,062,987
Atlas Honda Limited (Group Company)		
Issue of 2,894,635 (2019: 8) units	300,000,000	832
Redemption 5,497,022 (2019: Nil) units	600,000,000	-
Cash dividend	-	938
Atlas Honda Limited - Employees Provident Fund (Retirement benefit plan of a Group Company)		
Redemption 733,667 (2019: Nil) units	80,000,000	-

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		For the Nine Months Ended 31 March	
		2020	2019
		Un-audited	Un-audited
		-----Rupees-----	
15.5	Details of transactions with connected persons / related parties during the period are as follows: (Continued....)		
	Atlas Group of Companies - Management Staff Gratuity Fund (Retirement benefit plan of a Group Company)		
	Issue 361,370 (2019: 99,552) units	40,000,000	10,000,000
	Redemption 93,624 (2019: Nil) units	10,000,000	-
	Shirazi Investments (Private) Limited (Group Company)		
	Issue of Nil (2019: 125,810) units	-	12,617,182
	Redemption 4,586,314 (2019: Nil) units	500,000,000	-
	Cash dividend	-	14,843,744
	Shirazi Investments (Private) Limited - Employees Provident Fund (Retirement benefit plan of a Group Company)		
	Issue of 7,719 (2019: 621,205) units	800,000	62,400,000
	Redemption 12,821 (2019: 510,248) units	1,400,000	51,780,000
	Atlas Insurance (Group Company)		
	Issue of 9,069,994 (2019: 247,746) units	963,957,003	25,000,000
	Redemption 6,846,832 (2019: 247,746) units	743,458,719	25,312,159
	Directors, their close family members and key management personnel of the Management Company		
	Issue of 202,001 (2019: 16,003) units	20,876,526	1,619,046
	Redemption 3,179,911 (2019: 2,702) units	345,137,779	275,000
	Cash dividend	-	105,217
15.6	Details of balances outstanding at the period / year end with connected persons/related parties are as follows:		
		31 March 2020	30 June 2019
		Un-audited	Audited
		-----Rupees-----	
	Atlas Asset Management Limited (Management Company)		
	Remuneration payable to the Management Company	2,208,833	330,804
	Sindh Sales Tax payable on Remuneration of the Management Company	418,425	174,284
	Federal Excise Duty payable on Remuneration of the Management Company	905,341	905,341
	Accounting and operational charges payable	231,660	184,254
	Formation cost payable	-	260,000
	Outstanding Nil (June 30, 2019: 416,133) units	-	41,750,659
	Central Depository Company of Pakistan Limited (Trustee)		
	Remuneration payable to the Trustee	89,918	226,473
	Sindh Sales Tax payable on remuneration of the trustee	11,689	29,441
	Atlas Foundation (Group Company)		
	Outstanding 945,883 (30 June 2019: 852,367) units	107,679,357	85,518,023

Atlas Sovereign Fund

15.6 Details of balances outstanding at the period / year end with connected persons/related parties are as follows: (Continued....)	31 March 2020	30 June 2019
	Un-audited	Audited
	-----Rupees-----	
Shirazi Investments (Private) Limited - Employees Provident Fund (Retirement benefit plan of a Group Company)		
Outstanding 109,728 (30 June 2019: 114,830) units	12,491,455	11,520,859
Atlas Insurance (Group Company)		
Outstanding 2,223,162 (30 June 2019: Nil) units	253,084,775	-
Atlas Honda Limited - Employees Provident Fund (Retirement benefit plan of a Group Company)		
Outstanding 470,766 (30 June 2019: 1,204,433) units	53,592,037	120,840,784
Atlas Honda Limited (Group Company)		
Outstanding 4,429,237 (30 June 2019: 7,031,624) units	504,224,303	705,482,820
Shirazi Investments (Private) Limited (Group Company)		
Outstanding 2,908,836 (30 June 2019: 7,495,151) units	331,141,941	751,988,488
Atlas Group of Companies - Management Staff Gratuity Fund (Retirement benefit plan of a Group Company)		
Outstanding 924,631 (30 June 2019: 656,886) units	105,259,982	65,905,323
Directors, their close family members and key management Personnel and executive of the Management Company		
Outstanding 669,528 (30 June 2019: 4,180,952) units	76,219,093	419,474,910

16 FAIR VALUE MEASUREMENT

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

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

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

16.1 Fair value hierarchy

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

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

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

ASSETS	----- Un-audited -----			
	As at 31 March 2020			
	Level 1	Level 2	Level 3	Total
	----- (Rupees) -----			
Financial assets 'at fair value through profit or loss'				
Market Treasury Bills	-	862,371,809	-	862,371,809
Pakistan Investment Bonds	-	554,827,126	-	554,827,126
	<u>-</u>	<u>1,417,198,935</u>	<u>-</u>	<u>1,417,198,935</u>
	----- Audited -----			
	As at 30 June 2019			
	Level 1	Level 2	Level 3	Total
	----- (Rupees) -----			
Financial assets 'at fair value through profit or loss'				
Pakistan Investment Bonds	-	511,602,698	-	511,602,698
	<u>-</u>	<u>511,602,698</u>	<u>-</u>	<u>511,602,698</u>

17 GENERAL

17.1 Figures have been rounded off to the nearest Rupee unless otherwise stated.

17.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for better presentation and disclosure. There have been no significant reclassifications during the period.

18 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on 29 April 2020 by the Board of Directors of the Management Company.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

Atlas Income Fund

Corporate Information

Trustee

Central Depository Company of Pakistan Limited
99-B, Block 'B', S.M.C.H.S, Main Shahrah-e-Faisal,
Karachi - 74400

Auditors

EY Ford Rhodes
Chartered Accountants

Legal Advisers

Mohsin Tayebaly & Co.

Bankers

Allied Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
MCB Bank Limited
Samba Bank Limited
Soneri Bank Limited
Zarai Taraqati Bank Limited

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CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED) AS AT 31 MARCH 2020

		31 March 2020	30 June 2019
		Un-audited	Audited
	Note	-----Rupees-----	
Assets			
Bank balances	4	741,087,170	1,426,198,107
Investments	5	2,786,513,684	1,627,495,030
Receivable against Margin Trading System		2,419,354	4,041,602
Interest / profit accrued	6	21,617,777	59,934,706
Deposits, prepayment and other receivables	7	11,617,441	11,372,859
Total assets		3,563,255,426	3,129,042,304
Liabilities			
Payable to Atlas Asset Management Limited - Management Company	8	30,835,682	29,719,418
Payable to the Central Depository Company of Pakistan Limited - Trustee	9	243,640	334,646
Payable to the Securities and Exchange Commission of Pakistan	10	477,468	3,216,111
Payable against redemption of units		454,604	590,973
Unclaimed dividend		-	61,568,254
Accrued expenses and other liabilities	11	37,579,135	45,117,760
Total liabilities		69,590,529	140,547,162
NET ASSETS		3,493,664,897	2,988,495,142
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		3,493,664,897	2,988,495,142
CONTINGENCIES AND COMMITMENTS	12	-----Number of units-----	
NUMBER OF UNITS IN ISSUE		6,050,438	5,820,926
		-----Rupees-----	
NET ASSET VALUE PER UNIT		577.42	513.41

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

Atlas Income Fund

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)

FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2019

	Note	For the Nine Month Ended 31 March		For the Quarter Ended 31 March	
		2020	2019	2020	2019
-----Rupees-----					
Income					
Interest income	14	306,716,604	303,629,783	106,387,019	98,379,727
Capital gain / (loss) on sale of investments - net		50,588,265	(21,671,069)	31,017,497	(5,607,125)
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		56,057,080	6,821,627	22,392,396	5,523,663
		106,645,345	(14,849,442)	53,409,893	(83,462)
Total income		413,361,949	288,780,341	159,796,912	98,296,265
Expenses					
Remuneration of Atlas Asset Management Limited - Management Company	8.1	21,130,940	27,358,446	8,199,805	7,387,625
Sindh Sales Tax on remuneration of the Management Company	8.2	2,747,022	3,556,598	1,065,974	960,391
Remuneration of Central Depository Company of Pakistan Limited - Trustee		1,790,599	3,509,620	614,985	994,525
Sindh Sales Tax on remuneration of the Trustee		232,778	456,251	79,948	129,289
Annual fees to the Securities and Exchange Commission of Pakistan		477,494	2,564,854	163,996	692,589
Accounting and operational charges	13	3,250,518	3,419,808	1,280,186	923,455
Auditors' remuneration		525,643	352,045	165,491	149,336
Annual rating fee		324,892	332,797	107,510	96,972
Annual listing fee		20,662	20,644	6,837	6,781
Securities transaction cost		783,690	3,495,973	501,070	349,524
Printing charges		17,938	(151,980)	-	(44,145)
Legal and professional charges		302,429	237,661	150,760	93,966
Bank charges		67,234	26,147	3,321	(27,320)
Provision for Sindh Workers' Welfare Fund	11.1	7,633,802	4,872,030	2,949,140	1,731,666
Total expenses		39,305,641	50,050,894	15,289,023	13,444,654
Net income for the period before taxation		374,056,308	238,729,447	144,507,889	84,851,611
Taxation	16	-	-	-	-
Net income for the period after taxation		374,056,308	238,729,447	144,507,889	84,851,611
Allocation of net income for the period:					
Net income for the period after taxation		374,056,308	238,729,447	144,507,889	84,851,611
Income already paid on units redeemed		(6,358,124)	(39,829,316)	(1,795,430)	(6,129,815)
		367,698,184	198,900,131	142,712,459	78,721,796
Accounting income available for distribution:					
- Relating to capital gains		106,645,345	-	53,409,893	-
- Excluding capital gains		261,052,839	198,900,131	89,302,566	78,721,796
		367,698,184	198,900,131	142,712,459	78,721,796

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftekhar H. Shirazi
Chairman

Tariq Amin
Director

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CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2020

	For the Nine Months Ended 31 March		For the Quarter Ended 31 March	
	2020	2019	2020	2019
	-----Rupees-----			
Net income for the period after taxation	374,056,308	238,729,447	144,507,889	84,851,611
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	374,056,308	238,729,447	144,507,889	84,851,611

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

Atlas Income Fund

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2020

	31 March 2020		
	Capital value	Undistributed income	Net assets
	-----Rupees-----		
Capital value	2,848,807,829	-	2,848,807,829
Undistributed income brought forward			
- Realised income	-	154,356,101	154,356,101
- Unrealised loss	-	(14,668,787)	(14,668,787)
Net assets at the beginning of the period (Units outstanding: 5,820,926) (Rs. 513.41 per unit)	2,848,807,829	139,687,314	2,988,495,142
Issue of 2,330,322 units	1,300,751,041	-	1,300,751,041
Redemption of 2,100,810 units	(1,163,279,470)	(6,358,124)	(1,169,637,594)
Total comprehensive income for the period	-	374,056,308	374,056,308
Net assets at end of the period (Units outstanding: 6,050,438) (Rs. 577.42 per unit)	2,986,279,400	507,385,498	3,493,664,897
Undistributed income carried forward			
- Realised income	-	479,317,772	-
- Unrealised income	-	28,067,726	-
	-	507,385,498	-
	31 March 2019		
	Capital value	Undistributed income	Net assets
	-----Rupees-----		
Capital value	6,307,067,372	-	6,307,067,372
Undistributed income brought forward			
- Realised income	-	457,388,456	457,388,456
- Unrealised loss	-	(28,148,138)	(28,148,138)
Net assets at the beginning of the period (Units outstanding: 12,545,428) (Rs. 536.95 per unit)	6,307,067,372	429,240,318	6,736,307,690
Issue of 1,256,823 units	648,349,214	-	648,349,214
Redemption of 6,805,536 units	(3,492,803,873)	(39,829,316)	(3,532,633,189)
Refund of Capital	(10,045,973)	-	(10,045,973)
Cash distribution for the year ended 30 June 2018 at Rs. 24.00 per unit declared on 06 July 2018	-	(292,161,630)	(292,161,630)
Final interim distribution of Rs. 18 per unit declared on 18 January 2019	-	(125,736,525)	(125,736,525)
Total comprehensive income for the period	-	238,729,447	238,729,447
Net assets at end of the period (Units outstanding: 6,996,715) (Rs 523.50 per unit)	3,452,566,740	210,242,294	3,662,809,034
Undistributed income carried forward			
- Realised income	-	199,347,923	-
- Unrealised income	-	10,894,371	-
	-	210,242,294	-

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftekhar H. Shirazi
Chairman

Tariq Amin
Director

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CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2020

	Note	For the Nine Months Ended	
		31 March	
		2020	2019
		-----Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period before taxation		374,056,308	238,729,447
Adjustments for:			
Interest income		(306,716,604)	(303,629,783)
Capital (gain) / loss on sale of investments - net		(50,588,265)	21,671,069
Net unrealised (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		(56,057,080)	(6,821,627)
Provision for Sindh Workers' Welfare Fund		7,633,802	4,872,030
		(405,728,147)	(283,908,311)
Decrease in assets			
Receivable against Margin Trading System		1,622,248	101,007,486
Deposits, prepayment and other receivables		(244,582)	(628,515)
		1,377,666	100,378,971
Decrease in liabilities			
Payable to Atlas Asset Management Limited - Management Company		1,116,264	(3,575,196)
Payable to the Central Depository Company of Pakistan Limited - Trustee		(91,006)	(266,772)
Payable to the Securities and Exchange Commission of Pakistan		(2,738,643)	(4,800,669)
Unclaimed dividend		(61,568,254)	-
Accrued expenses and other liabilities		(15,172,427)	(18,073,042)
		(78,454,066)	(26,715,679)
		(108,748,239)	28,484,428
Interest received		260,800,114	190,446,136
Investments made during the period		(8,476,947,451)	(18,040,799,319)
Investment sold / redeemed / matured during the period		7,508,807,561	18,529,184,586
Net cash (used in) / generated from operating activities		(816,088,015)	707,315,832
CASH FLOWS FROM FINANCING ACTIVITIES			
Net receipts from issuance of units		1,300,751,041	648,349,214
Net payments against redemption of units		(1,169,773,963)	(3,552,350,956)
Refund of capital		-	(10,045,973)
Cash distribution		-	(417,898,155)
Net cash generated from / (used in) financing activities		130,977,078	(3,331,945,870)
Net decrease in cash and cash equivalents		(685,110,937)	(2,624,630,038)
Cash and cash equivalents at the beginning of the period		1,426,198,107	4,566,844,339
Cash and cash equivalents at the end of the period	4	741,087,170	1,942,214,301

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

Atlas Income Fund

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS ENDED 31 MARCH 2020

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Atlas Income Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on 20 February 2003 between Atlas Asset Management Limited (AAML) as the Management Company and MCB Financial Services Limited (MCBFSL) as the Trustee. MCBFSL resigned on 11 June 2005 as the trustee and the Central Depository Company of Pakistan Limited (CDC) was appointed in its place with effect from that date. The Trust Deed has been revised through the Deed of Change of Trustee and the First, Second, Third, Fourth and Fifth Supplemental Trust Deeds dated 11 June 2005, 29 October 2007, 23 June 2010, 12 November 2010 and 23 May 2017 respectively with the approval of the Securities and Exchange Commission of Pakistan (SECP). Furthermore, the Offering Document of the Fund has been revised through the First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth, Tenth, Eleventh, Twelveth and Thirteenth Supplements dated 21 June 2005, 29 October 2007, 29 February 2008, 23 June 2010, 12 November 2010, 14 October 2013, 24 March 2015, 3 August 2015, 13 April 2016, 29 September 2016, 2 June 2017, 2 October 2019 and 30 October 2019 respectively with the approval of the SECP. The investment activities and administration of the Fund are managed by Atlas Asset Management Limited situated at Ground Floor, Federation House, Shahrae Firdousi, Clifton, Karachi.
- 1.2 The Fund has been categorised as an 'income scheme' by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs 500 per unit. Thereafter, the units are being offered for public subscription on a continuous basis from 22 March 2004 and are transferable and redeemable by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited.
- 1.3 According to the trust deed, the objective of the Fund is to provide investors one window facility to invest in a diversified portfolio offering good returns and consistent growth. The Fund aims to deliver this objective mainly by investing in Government securities, cash in bank accounts, Certificate of Investments (COIs), money market placements, deposits, Certificates of Deposits (CODs), Certificates of Musharikas (COMs), Term Deposit Receipts (TDRs), commercial papers, reverse repos, term finance certificates (TFCs) / sukuks, transactions on Margin Trading System (MTS), spread transactions and any other instruments that may be allowed by the SECP. The investment objectives and policies are explained in the Fund's offering document.
- 1.4 The Pakistan Credit Rating Agency Limited (PACRA) maintained the asset manager rating of the Management Company to AM2+ (AM Two Plus) [2019: AM2+ (AM Two plus)] on 26 December 2019.

Furthermore, PACRA maintained the stability rating of "AA- (f)" (Double A minus) to the Fund [2019: "AA- (f)" (Double A minus)] on 17 April 2020 subsequently to the balance sheet date.
- 1.5 The titles to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund.
- 1.6 In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at 31 March 2020.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

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

2.2 Functional and presentation currency

These condensed interim financial statements have been presented in Pakistani Rupees which is the functional and presentation currency of the Fund.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- 3.1 The accounting policies adopted and the methods of computation of the of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2019.
- 3.2 The financial risk management objectives and policies are consistent with those disclosed in the annual published audited financial statements of the Fund for the year ended 30 June 2019.
- 3.3 **New / Revised Standards, Interpretations and Amendments**

The Fund has adopted the following accounting standards and the amendments and interpretation of IFRSs which became effective for the current period:

Standard or Interpretation

IFRS 3 - Business Combinations - Previously held interests in a joint operation

IFRS 4 - Insurance Contracts - Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendments)

IFRS 9 - Prepayment Features with Negative Compensation (Amendments)

IFRS 11 - Joint Arrangements: Previously held interests in a joint operation

IFRS 16 - Leases

Definition of Material - Amendments to IAS 1 and IAS 8

IAS 12 - Income Taxes: Income tax consequences of payments on financial instruments classified as equity (Amendments)

IAS 19 - Plan Amendment, Curtailment or Settlement (Amendments)

IAS 23 - Borrowing Costs: Borrowing costs eligible for capitalisation

IAS 28 - Long-term Interests in Associates and Joint Ventures (Amendments)

IFRIC 23 - Uncertainty over Income Tax Treatments

The adoption of the above amendments to accounting standards and interpretations did not have any effect on these condensed interim financial statements.

Atlas Income Fund

4 BANK BALANCES	Note	31 March 2020	30 June 2019
		Un-audited	Audited
		-----Rupees-----	
In local currency			
- Profit and loss sharing accounts	4.1	641,140,665	1,426,193,107
- Current account		5,000	5,000
- Cheques in hand	4.2	99,941,505	-
		741,087,170	1,426,198,107

4.1 This rate of return on these accounts markup ranges between 11.10% and 12.00% (30 June 2019: 6.00% and 13.40%) per annum.

4.2 These cheques were received against issue of units which were deposited and cleared subsequent to the period end by 03 April 2020.

5 INVESTMENTS	Note	31 March 2020	30 June 2019
		Un-audited	Audited
		-----Rupees-----	
At fair value through profit or loss			
Term finance certificates - listed	5.1 & 5.1.1	520,440,250	527,021,722
Term finance certificates - unlisted	5.2 & 5.2.1	193,581,132	196,451,556
Sukuk certificates	5.3 & 5.3.1	359,771,110	246,598,872
Government securities - Market Treasury Bills	5.4 & 5.4.1	962,636,725	49,710,307
Government securities - Pakistan Investment Bonds	5.5	750,084,467	607,712,573
		2,786,513,684	1,627,495,030

5.1 Term finance certificates - listed

(Certificates having a face value of Rs. 5,000 each unless stated otherwise)

Name of the Investee Company	As at 01 July 2019	Purchased during the period	Disposed / matured during the period	As at 31 March 2020	Carrying value as at 31 March 2020	Market value as at 31 March 2020	Market value as a percentage of total investments	Market value as a percentage of net assets	Market value as a percentage of total issue size
	----- Number of certificates -----				----- Rupees -----		----- age % -----		
BANKS									
Bank Alfalah Limited - V	38,463	-	-	38,463	191,776,518	191,068,864	6.86	5.47	3.82
Habib Bank Limited Tier - II (face value of Rs. 100,000 per certificate)	2,945	-	-	2,945	289,390,388	292,999,699	10.51	8.59	2.93
Soneri Bank Limited	9,428	-	2,000	7,428	35,960,923	36,371,687	1.31	1.04	1.21
TELECOMMUNICATION									
Telecard Limited	5.6.1	4,000	-	4,000	-	-	-	-	-
PERSONAL GOODS									
Azgard Nine Limited	5.6.1	5,000	-	5,000	-	-	-	-	-
Total as at 31 March 2020					517,127,829	520,440,250	18.68	14.90	7.96
Total as at 30 June 2019					531,340,031	527,021,722			

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5.1.1 The terms and conditions of listed term finance certificates outstanding as at 31 March 2020 are as follows:

Name of the Investee Company	Rating	Tenure	Profit payments / principal redemptions	Maturity date	Rate of return
------------------------------	--------	--------	---	---------------	----------------

BANKS

Bank Alfalah Limited - V	AA	8 years	Semi-annually	Feb 2021	6 month KIBOR + 1.25%
Habib Bank Limited Tier - II	AAA	10 years	Semi-annually	Feb 2026	6 month KIBOR + 0.50%
Soneri Bank Limited	A+	8 years	Semi-annually	July 2023	6 month KIBOR + 1.35%

TELECOMMUNICATION

Telecard Limited	NPA	15 years	Quarterly	Dec 2020	3 month KIBOR
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PERSONAL GOODS

Azgard Nine Limited	NPA	7 years	Semi-annually	Sept 2012	6 month KIBOR + 2.40%
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5.2 Term finance certificates - unlisted

(Certificates having a face value of Rs. 5,000 each unless stated otherwise)

Name of the Investee Company	As at 01 July 2019	Purchased during the period	Disposed/ matured during the period	As at 31 March 2020	Carrying value as at 31 March 2020	Market value as at 31 March 2020	Market value as a percentage of total investments	Market value as a percentage of net assets	Investments as a percentage of total issue size
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----- Number of certificates ----- Rupees ----- age % -----

BANKS

Askari Bank Limited - V	20,000	-	-	20,000	97,531,172	97,531,258	3.50	2.79	2.44
Bank AL Habib Limited	20,000	-	-	20,000	98,841,572	96,049,874	3.45	2.75	2.40

CHEMICALS

Agritech Limited- I	5.6.1	2,000	-	-	2,000	-	-	-	-
Agritech Limited - II	5.6.1	8,000	-	-	8,000	-	-	-	-
Agritech Limited- IV	5.6.1	2,203	-	-	2,203	-	-	-	-

PERSONAL GOODS

Azgard Nine Limited-V	5.6.1	1,075	-	-	1,075	-	-	-	-
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Total as at 31 March 2020

196,372,744 193,581,132 6.95 5.54

Total as at 30 June 2019

200,772,046 196,451,556

5.2.1 The terms and conditions of unlisted term finance certificates outstanding as at 31 March 2020 are as follows:

Name of the Investee Company	Rating	Tenure	Profit payments / principal redemptions	Maturity date	Rate of return
------------------------------	--------	--------	---	---------------	----------------

BANKS

Askari Bank Limited - V	AA-	10 years	Semi-annually	Sept 2024	6 month KIBOR + 1.20%
Bank AL Habib Limited	AA	10 years	Semi-annually	Mar 2026	6 month KIBOR + 0.75%

CHEMICALS

Agritech Limited - I	NPA	7 years	Semi-annually	Nov 2014	6 month KIBOR + 1.75%
Agritech Limited - II	NPA	7 years	Semi-annually	Jan 2015	6 month KIBOR + 1.75%
Agritech Limited - IV	NPA	3.5 years	Semi-annually	Jan 2015	-

PERSONAL GOODS

Azgard Nine Limited - V	NPA	5 years	Semi-annually	Mar 2017	Zero Coupon
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Atlas Income Fund

5.3 Sukuk certificates

(Certificates having a face value of Rs. 5,000 each unless stated otherwise)

Name of the Investee Company	As at 01 July 2019	Purchased during the period	Disposed/ matured during the period	As at 31 March 2020	Carrying value as at 31 March 2020	Market value as at 31 March 2020	Market value as a percentage of total investments	Market value as a percentage of net assets	Investments as a percentage of total issue size
------------------------------	--------------------	-----------------------------	-------------------------------------	---------------------	------------------------------------	----------------------------------	---	--	---

----- Number of certificates ----- Rupees ----- age % -----

FERTILIZERS

Dawood Hercules Corporation

Limited Sukuk 2 - Listed

(face value Rs. 100,000)

2,000 - - 2,000 159,672,711 160,528,160 5.76 4.59 3.09

Agritech Limited (note 5.6.1)

4,060 - - 4,060 - - - - -

POWER GENERATION & DISTRIBUTION

The Hub Power Company Limited - Unlisted

(face value of Rs. 100,000 per certificate)

- 1,500 - 1,500 150,000,000 151,537,950 5.44 4.34 2.16

BANKS

Meezan Bank Limited Tier - II - Unlisted

(face value of Rs. 1,000,000 per certificate)

47 - - 47 46,998,872 47,705,000 1.71 1.37 0.68

Total as at 31 March 2020

356,671,583 359,771,110 12.91 10.30

Total as at 30 June 2019

247,834,200 246,598,872

5.3.1 The terms and conditions of sukuk certificates as at 31 March 2020 are as follows:

Name of the Investee Company	Tenure	Profit payments / principal redemptions	Maturity date	Rate of return	Rating
------------------------------	--------	---	---------------	----------------	--------

CHEMICALS

Agritech Limited

7 years

Semi -annually

Aug 2015

6 month KIBOR + 2.00%

NPA

Meezan Bank Limited Tier - II

10 years

Semi -annually

Sep 2026

6 month KIBOR + 0.50%

AA-

Dawood Hercules Sukuk Tier - II

5 years

Quarterly

Mar 2023

3 month KIBOR + 1.00%

AA

The Hub Power Company Limited

4 Years

Quarterly

August 2023

3 month KIBOR + 1.90%

AAA

5.4 Government securities - Market Treasury Bills

Tenor	As at 01 July 2019	Purchased during the period	Disposed/ matured during the period	As at 31 March 2020	Carrying value as at 31 March 2020	Market value as at 31 March 2020	Market value as a percentage of total investments	Market value as a percentage of net assets
-------	--------------------	-----------------------------	-------------------------------------	---------------------	------------------------------------	----------------------------------	---	--

----- Number of certificates ----- Rupees ----- age % -----

3 months 50,000,000 6,068,000,000 5,743,000,000 375,000,000 373,928,179 374,102,625 13.43 10.71

6 months - 250,000,000 250,000,000 - - - - -

12 months 880,000,000 245,000,000 635,000,000 583,914,429 588,534,100 21.12 16.85

Total as at 31 March 2020

50,000,000 7,198,000,000 6,238,000,000 1,010,000,000 957,842,608 962,636,725 34.55 27.55

Total as at 30 June 2019

49,714,671 49,710,307

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5.4.1 Market treasury bills carry an average purchase yield ranging from 10.67% to 13.44% (30 June 2019: 12.44%) per annum and will mature between 09 April 2020 and 25 March 2021 (30 June 2019: 18 July 2019). The cost of these investments as on 31 March 2020 is Rs. 930,421,610 (30 June 2019: Rs. 49,244,750).

5.5 Government securities - Pakistan Investment Bonds

Tenor	As at 01 July 2019	Purchased during the period	Disposed/ matured during the period	As at 31 March 2020	Carrying value as at 31 March 2020	Market value as at 31 March 2020	Market value as a percentage of total investments	Market value as a percentage of net assets
	Number of certificates			Rupees		age %		
3 Years	444,000,000	1,719,500,000	1,479,500,000	684,000,000	632,988,166	674,307,199	24.20	19.30
5 Years	259,000,000	513,800,000	697,800,000	75,000,000	69,453,675	75,777,268	2.72	2.17
10 Years	-	187,500,000	187,500,000	-	-	-	-	-
Total as at 31 March 2020	703,000,000	2,420,800,000	2,364,800,000	759,000,000	702,441,841	750,084,467	26.92	21.47
Total as at 30 June 2019					613,806,990	607,712,573		

5.5.1 Pakistan Investment Bonds carry purchase yield ranging from 11.52% to 12.65% (30 June 2019: 11.80% to 13.80%) per annum and will mature between 12 July 2021 and 19 September 2024 (30 June 2019: 12 July 2021 and 12 July 2023). The cost of these investments as on 31 March 2020 is Rs. 702,513,897 (30 June 2019: Rs. 613,806,990).

5.6 Particulars of non-compliant investments

5.6.1 The Securities and Exchange Commission of Pakistan (SECP), vide its circular No. 16 dated 07 July 2010, prescribed certain disclosures for the schemes holding investments that are non-compliant either with the minimum investment criteria specified for the category assigned to such schemes or with the investment requirement of their constitutive documents. The following are the details of non-compliant investments:

Non-compliant investment	Type of investment	Value before provision	Provision held	Net carrying value	Net assets	Gross assets
		Rupees		age %		
Listed						
Azgard Nine Limited	Term finance certificate	7,871,511	7,871,511	-	-	-
Telecard Limited	Term finance certificate	4,668,990	4,668,990	-	-	-
		12,540,501	12,540,501	-	-	-
Unlisted						
Agritech Limited-I	Term finance certificate	7,494,000	7,494,000	-	-	-
Agritech Limited-II	Term finance certificate	29,976,000	29,976,000	-	-	-
Agritech Limited-IV	Term finance certificate	11,015,000	11,015,000	-	-	-
Azgard Nine Limited-V	Term finance certificate	5,375,000	5,375,000	-	-	-
		53,860,000	53,860,000	-	-	-
Unlisted						
Agritech Limited	Sukuk certificate	15,225,000	15,225,000	-	-	-
Total as at 31 March 2020		81,625,501	81,625,501	-	-	-
Total as at 30 June 2019		81,625,501	81,625,501			

5.6.2 The securities stated above have been classified as non-performing as per the requirements of SECP's Circular 1 of 2009 read with SECP's Circular 33 of 2012 dated 24 October 2012, and an aggregate provision of Rs. 81.63 million (30 June 2019: Rs 81.63 million), has been made in accordance with the provisioning requirements specified by the SECP.

Atlas Income Fund

		31 March 2020	30 June 2019
		Un-audited	Audited
	Note	-----Rupees-----	
6 INTEREST / PROFIT ACCRUED			
Interest / profit on:			
Savings and term deposits		3,726,464	1,336,341
Margin Trading System		168,798	74,628
Term finance certificates		3,226,345	29,597,202
Pakistan Investment Bonds		2,477,391	24,847,238
Sukuk certificates		12,018,779	4,079,297
		21,617,777	59,934,706

7 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Central Depository Company of Pakistan Limited (CDC)		100,000	100,000
National Clearing Company of Pakistan Limited (NCCPL)		2,750,000	2,750,000
Prepaid annual listing fee		6,838	-
Prepaid rating fee		150,809	126,582
Other receivable	7.1	8,609,794	8,396,277
		11,617,441	11,372,859

7.1 As per Clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151. However, several companies (including banks) deducted withholding tax on profit on bank deposits paid to the Fund based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced by the withholder.

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. On 28 January 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all CISs to file an appeal in the Honourable Supreme Court through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, a petition was filed in the Supreme Court of Pakistan by the Fund together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgement of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on profit received on bank deposits by the Fund has been shown as other receivables as at 31 March 2020 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

		31 March 2020	30 June 2019
		Un-audited	Audited
	Note	-----Rupees-----	
8 PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY (RELATED PARTY)			
Remuneration of the Management Company	8.1	2,874,844	2,082,668
Sindh Sales Tax payable on remuneration of the Management Company	8.2	3,896,426	3,793,445
Federal Excise Duty payable on remuneration of the Management Company	8.3	23,582,971	23,582,971
Accounting and operational charges payable	13	481,441	260,334
		30,835,682	29,719,418

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- 8.1 In accordance with the provisions of the NBFC Regulations, 2008 vide SRO 1160(1)/2015 dated 25 November 2015, the Management Company is entitled to receive a remuneration at the rate not exceeding 1.50% of the average annual net assets in case of income schemes. Previously, the Management Company was entitled to receive a remuneration during the first five years of the Fund, at the rate not exceeding 3% of the average annual net assets of the Fund and, thereafter, at the rate of 2% of such assets. Accordingly, the Management Company has charged its remuneration at the rate of 0.80% (30 June 2019: 0.80%) per annum of the average annual net assets of the year. On 10 December 2019 Management Company decided to revise the management fee from 0.8% to 1.00%. The fee is payable to the Management Company monthly in arrears.
- 8.2 During the period, an amount of Rs. 2,747,022 (2019: Rs. 3,556,598) was charged on account of sales tax on remuneration of management company levied through Sindh Sales Tax on Services Act, 2011, and an amount of Rs. 2,644,041 (2019: Rs. 3,926,939) has been paid to the Management Company which acts as a collecting agent.
- 8.3 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from 13 June 2013. As the asset management services rendered by the Management Company of the Fund were already subject to provincial sales tax on services levied by the Sindh Revenue Board (as explained in note 8.2 above) which is being charged to the Fund, the Management Company was of the view that further levy of FED was not justified.

On 4 September 2013, a Constitutional Petition was filed in the Honourable Sindh High Court (SHC) jointly by various asset management companies, together with their representative Collective Investment Schemes through their trustees, challenging the levy of FED.

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from 1 July 2016. However, as a matter of abundant caution the provision for FED made for the period from 13 June 2013 till 30 June 2016 amounting to Rs 23.583 million (30 June 2019: Rs 23.583 million) is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Has the said provision for FED not been recorded in the financial statements of the Fund, the net asset value of the Fund as at 31 March 2020 would have been higher by Rs. 3.90 per unit (30 June 2019: Rs 4.05 per unit).

9 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN - TRUSTEE - RELATED PARTY

The trustee is entitled to monthly remuneration for services rendered to the fund at the flat rate of 0.075% p.a. of Net Assets based on the letter no. CDC/CEO/L-112/01/2019 dated 27 June 2019 issued by CDC. However, during the period ended 31 March 2019, the trustee fee was charged in accordance with the following slab rates:

Net assets	Fee
- upto Rs 1,000 million	0.17% per annum of net assets
- Rs 1,000 million to Rs 5,000 million	Rs 1.7 million plus 0.085% per annum of net assets exceeding Rs 1,000 million
- exceeding 5,000 million	Rs 5.1 million plus 0.07% per annum of net assets exceeding Rs 5,000 million

Atlas Income Fund

		31 March 2020	30 June 2019
		Un-audited	Audited
10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	-----Rupees-----	
Annual fees payable	10.1	<u>477,468</u>	<u>3,216,111</u>

- 10.1** In accordance with the NBFC regulations, a collective investment scheme (CIS) is required to pay an annual fee to the Securities and Exchange Commission of Pakistan (SECP).

In accordance with the NBFC regulations, a collective investment scheme (CIS) classified as income scheme is required to pay an annual fee to the SECP. Effective from 01 July 2019, the SECP vide SRO No.685(1)2019 dated June 28, 2019 revised the rate of annual fee to 0.02% of net assets, applicable on all categories of CISs. Previously, the rate of annual fee applicable to the income scheme was 0.075% of net assets. Accordingly the Fund has charged the annual fee at the rate of 0.02% of the net assets during the current period.

		31 March 2020	30 June 2019
		Un-audited	Audited
11 ACCRUED EXPENSES AND OTHER LIABILITIES	Note	-----Rupees-----	
Auditors' remuneration payable		280,154	417,960
NCCPL charges payable		-	21,290
Printing charges payable		14,709	22,871
Brokerage payable		100,539	22,223
Annual rating fee payable		-	-
Withholding tax payable		31,912	14,773,495
Capital gain tax payable		497,533	896,938
Zakat payable		1,649	1,648
Other payables		391,845	334,343
Provision for Sindh Workers' Welfare Fund	11.1	36,260,794	28,626,992
		<u>37,579,135</u>	<u>45,117,760</u>

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

In the repealed Companies Ordinance, 1984 and the now applicable Companies Act, 2017, mutual funds have not been included in the definition of "financial institutions". The MUFAP has held the view that SWWF is applicable on Asset Management Companies and not on mutual funds.

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In view of the above developments regarding the applicability of WWF and SWWF on CISs / mutual funds, MUFAP has recommended the following to all its members on 12 January 2017:

- based on legal opinion, the entire provision against WWF held by the CISs till 30 June 2015 should be reversed on 12 January 2017; and
- as a matter of abundant caution, the provision in respect of SWWF should be made with effect from the date of enactment of the SWWF Act, 2014 (i.e. starting from 21 May 2015) on 12 January 2017.

Accordingly, on 12 January 2017 the provision for WWF was reversed and the provision for SWWF was made for the period from 21 May 2015 to 12 January 2017. Thereafter, the provision is being made on a daily basis going forward.

The above decisions were communicated to the SECP and the Pakistan Stock Exchange Limited on 12 January 2017 and the SECP vide its letter dated 1 February 2017 has advised MUFAP that the adjustments relating to the above should be prospective and supported by adequate disclosures in the financial statements of the CISs/ mutual funds.

Had the provision for SWWF not been recorded in these condensed interim financial statements of the Fund, the net asset value of the Fund as at 31 March 2020 would have been higher by Rs. 5.99 per unit (30 June 2019: Rs 4.92 per unit).

12 CONTINGENCIES AND COMMITMENTS

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

13 ACCOUNTING AND OPERATIONAL CHARGES

The Management Company is allowed to charge actual expenses related to registrar services, accounting, operations and valuation services to the CIS with effect from 20 June 2019 as per SECP SRO 639 (I) /2019 dated 20 June 2019.

The Management Company has charged expenses at the rate 0.1% of the average annual net assets of the Fund for the period from 01 July 2019 to 30 September 2019, 0.15% of the average annual net assets of the Fund from 01 October 2019 till 04 March 2020 and 0.17% of the average annual net assets of the Fund from 05 March 2020 for allocation of such expenses to the Fund.

14 INTEREST INCOME

	Note	For the Nine Months Ended		For the Quarter Ended	
		31 March		31 March	
		2020	2019	2020	2019
		Un-audited		Un-audited	
		Rupees		Rupees	
Interest on:					
Saving and term deposits		47,727,853	50,540,918	6,312,417	17,927,281
Margin Trading System		1,065,284	23,325,113	1,063,758	5,629,509
Term finance certificates	14.1	77,240,414	63,182,867	26,392,661	18,863,217
Sukuk certificates		38,652,155	24,376,337	13,760,429	6,577,922
Government Securities - Market Treasury Bills		84,233,419	134,233,199	42,639,315	42,098,566
Government Securities - Pakistan Investment Bonds		56,238,137	7,283,232	16,218,439	7,283,232
Commercial Papers		1,559,342	688,117	-	-
		306,716,604	303,629,783	106,387,019	98,379,727

14.1 This includes mark-up received on non-performing term finance certificates amounting to Rs. Nil (31 March 2019: Rs. 0.040 million). Furthermore in accordance with the requirements specified by the SECP, mark-up on non performing securities amounting to Rs. 62.65 million (31 March 2019: Rs. 65.11 million) based on outstanding principal has not been recognised during the period.

Atlas Income Fund

15 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 31 March 2020 is 1.65% (30 June 2019: 1.48%) which includes 0.47% (30 June 2019: 0.34%) representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as an income scheme.

16 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its net accounting income available for distribution for the year derived from sources other than capital gains, to the unitholders. The management intends to distribute at least 90% of the Fund's net accounting income available for distribution by the year end, as cash dividend, to the unit holders. Accordingly, no provision for taxation has been made in these condensed interim financial statements.

17 EARNINGS PER UNIT

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

18 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Connected persons include Atlas Asset Management Limited being the Management Company, the Central Depository Company Limited being the Trustee, other collective investment schemes managed by the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

Remuneration to the Management Company and the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.

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

	For the Nine Months Ended	
	31 March	
	2020	2019
	Un-audited	Un-audited
	-----Rupees-----	
18.1 Transactions during the period		
Atlas Asset Management Limited (Management Company)		
Remuneration of the Management Company	21,130,940	27,358,446
Remuneration paid	20,338,764	30,207,227
Sindh Sales Tax on remuneration of the Management Company	2,747,022	3,556,598
Accounting and operational charges	3,250,518	3,419,808
Issue of 1 (2019: 8,196) units	304	4,206,392
Redemption of Nil (2019: 31,123) units	-	16,000,000
Cash dividend	-	4,948,696

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18.1 Transactions during the period (Continued....)	For the Nine Months Ended	
	31 March	
	2020	2019
	Un-audited	Un-audited
	-----Rupees-----	
Central Depository Company of Pakistan Limited (Trustee)		
Trustee fee	1,790,599	3,509,620
Sindh Sales Tax on remuneration of the Trustee	232,778	456,251
Trustee fee paid	1,866,135	3,770,702
Settlement charges	33,983	422,801
Sindh Sales Tax on settlement charges	4,418	54,964
Atlas Foundation (Trust having common Director / Trustee)		
Issue of 40,743 (2019: 43,560) units	22,326,805	22,357,606
Redemption of 23,074 (2019: 32,857) units	12,000,000	17,000,000
Cash dividend	-	26,231,171
Atlas Honda Limited (Group Company)		
Issue of 135 (2019: 46,808) units	71,923	24,013,211
Redemption of Nil (2019: 971,836) units	-	500,000,000
Cash dividend	-	28,250,561
Atlas Insurance Limited		
Issue of 885,988 (2019: 122,225) units	488,844,039	63,696,101
Redemption of 885,988 (2019: 122,225) units	488,994,657	64,051,559
Cash dividend	-	713,234
Batool Benefit Trust (Trust having common Director / Trustee)		
Issue of 1 (2019: 5,406) units	627	2,774,429
Redemption of 30,427 (2019: 33,155) units	16,368,393	17,211,923
Cash dividend	-	3,264,034
Honda Atlas Cars (Pakistan) Limited - Employee Provident Fund (Retirement Benefit Plan of a Group Company)		
Issue of Nil (2019: 9,856) units	-	5,058,431
Cash dividend	-	5,058,431
Atlas Group of Companies - Management Staff Gratuity Fund (Retirement Benefit Plan of a Group Company)		
Issue of Nil (2019: 1,449) units	-	743,026
Redemption of Nil (2019: 32,408) units	-	16,713,562
Cash dividend	-	743,026
Atlas Honda Limited - Employees Provident Fund (Retirement benefit plan of Group Company)		
Issue of Nil (2019: 13,349) units	-	6,851,016
Redemption of Nil (2019: 90,132) units	-	47,000,000
Cash dividend	-	6,851,016
Shirazi Trading Company (Private) Limited - Employees Provident Fund (Retirement benefit plan of a Group Company)		
Issue of Nil (2019: 2,071) units	-	1,062,796
Redemption of Nil (2019: 26,878) units	-	13,969,960
Cash dividend	-	1,062,796
Atlas Honda Limited - Non-Management Staff Gratuity Fund (Retirement Benefit Plan of a Group Company)		
Issue of Nil (2019: 2,121) units	-	1,088,457
Cash dividend	-	1,088,457

Atlas Income Fund

18.1 Transactions during the period (Continued....)	For the Nine Months Ended	
	31 March	
	2020 Un-audited	2019 Un-audited
	-----Rupees-----	
Honda Atlas Cars (Pakistan) Limited - Employee Gratuity Fund (Retirement Benefit Plan of a Group Company)		
Issue of Nil (2019: 2,395) units	-	1,229,031
Cash dividend	-	1,229,031
Honda Atlas Power Product (Private) Limited (Group Company)		
Issue of Nil (2019: 19,336) units	-	10,000,000
Redemption of Nil (2019: 19,336) units	-	10,026,531
Shirazi Investments (Private) Limited (Group Company)		
Issue of 1,983 (2019: 350,957) units	1,054,011	180,115,381
Redemption of Nil (2019: 1,055,469) units	-	550,000,000
Cash dividend	-	210,812,951
Shirazi Investments (Private) Limited - Employees Provident Fund (Retirement Benefit Plan of a Group Company)		
Issue of Nil (2019: 2,223) units	-	1,141,207
Redemption of Nil (2019: 28,861) units	-	14,990,671
Cash dividend	-	1,141,207
Atlas Services Limited		
Issue of Nil (2019: 9,446) units	-	4,848,298
Redemption of Nil (2019: 1,882) units	-	1,000,000
Cash dividend	-	5,703,879
Honda Atlas Cars (Pakistan) Limited		
Issue of Nil (2019: 140,888) units	-	72,268,392
Redemption of Nil (2019: 3,683,456) units	-	1,912,135,049
Cash dividend	-	85,021,638
Directors and their close family members and key management personnel of the Management Company		
Issue of 936 (2019: 35,392) units	500,000	18,264,530
Redemption of 996 (2019: 3,384) units	252,845	1,750,000
Cash dividend	-	11,546,875
	31 March	30 June
	2020	2019
18.2 Balances as at period / year end	Un-audited	Audited
	-----Rupees-----	
Atlas Asset Management Limited (Management Company)		
Remuneration payable to the Management Company	2,874,844	2,082,668
Sindh Sales Tax payable on remuneration of the Management Company	3,896,426	3,793,445
Federal Excise Duty payable on remuneration of the Management Company	23,582,971	23,582,971
Accounting and operational charges payable	481,441	260,334
Outstanding 89,032 (30 June 2019: 89,032) units - at net asset value	51,408,932	45,709,688

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18.2 Balances as at period / year end (Continued....)	31 March 2020	30 June 2019
	Un-audited	Audited
	-----Rupees-----	
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration payable to the Trustee	215,611	291,147
Sindh Sales Tax payable on remuneration of the trustee	28,029	37,849
Settlement charges payable	-	5,000
Sindh Sales Tax payable on settlement charges	-	650
Atlas Foundation (Trust having common Director / Trustee)		
Outstanding 520,218 (30 June 2019 : 502,548) units - at net asset value	300,384,290	258,013,397
Atlas Honda Limited (Group Company)		
Outstanding 150,495 (30 June 2019: 150,360) units - at net asset value	86,898,780	77,196,122
Atlas Honda Limited - Non-management Staff Gratuity Fund (Retirement benefit plan of group company)		
Outstanding 28,520 (30 June 2019: 28,520) units - at net asset value	16,467,799	14,642,258
Batool Benefit Trust (Trust having common Director / Trustee)		
Outstanding 18,446 (30 June 2019: 48,871) units - at net asset value	10,650,908	25,090,969
Honda Atlas Cars (Pakistan) Limited - Employees Gratuity Fund (Retirement benefit plan of group company)		
Outstanding 32,203 (30 June 2019: 32,203) units - at net asset value	18,594,611	16,533,302
Honda Atlas Cars (Pakistan) Limited - Employees Provident Fund (Retirement benefit plan of group company)		
Outstanding 132,540 (30 June 2019: 132,540) units - at net asset value	76,531,477	68,047,566
Shirazi Investments (Private) Limited (Group company)		
Outstanding 3,921,694 (30 June 2019: 3,919,710) units - at net asset value	2,264,464,290	2,012,418,511
Key Management Personnel of Management Company		
Outstanding 85,893 (30 June 2019: 306,999) units -at net asset value	49,596,545	157,616,220

19 FAIR VALUE MEASUREMENT

Fair value is the amount for which an asset could be exchanged, or liability can be settled, between knowledgeable willing parties in an arm's length transaction. 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 investments of the Fund in debt securities are valued on the basis of rates determined by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by SECP for valuation of debt securities. In the determination of the rates MUFAP takes into account the holding pattern of these securities and categorises them as traded, thinly traded and non-traded securities. The investments of the Fund in government securities are valued on the basis of rates announced by the Financial Markets Association of Pakistan. The investment of the Fund in equity securities is valued on the basis of rates quoted on Stock Exchange. The estimated fair values of all other financial assets and liabilities are considered not to be significantly different from carrying values.

Atlas Income Fund

Fair value hierarchy

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

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

20 GENERAL

- 20.1** Figures of the condensed interim income statement and the condensed interim statement of comprehensive income for the quarters ended 31 March 2020 and 31 March 2019 have not been subjected to limited scope review by the statutory auditors of the Fund.
- 20.2** Figures have been rounded off to the nearest Rupee unless otherwise stated.
- 20.3** Units have been rounded off to the nearest decimal places.

21 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on 29 April 2020.

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

Atlas Stock Market Fund

Corporate Information

Trustee

Central Depository Company of Pakistan Limited
99-B, Block 'B', S.M.C.H.S, Main Shahrah-e-Faisal,
Karachi - 74400

Auditors

EY Ford Rhodes
Chartered Accountants

Legal Advisers

Mohsin Tayebaly & Co.

Bankers

Bank Alfalah Limited
Habib Bank Limited
MCB Bank Limited

Atlas Stock Market Fund

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED)

AS AT 31 MARCH 2020

		31 March 2020	30 June 2019
		Un-audited	Audited
	Note	-----Rupees-----	
Assets			
Cash and Bank balances	4	64,009,714	266,018,200
Investments	5	5,347,234,475	4,987,285,163
Dividend receivable		80,050,144	2,103,138
Profit receivable on bank balances		972,685	287,651
Receivable against sale of investments		-	53,064,695
Advances, deposits, prepayments and other receivables	6	13,536,826	13,529,987
Total assets		5,505,803,844	5,322,288,834
Liabilities			
Payable to Atlas Asset Management Limited - Management Company	7	38,533,709	33,820,284
Payable to the Central Depository Company of Pakistan Limited - Trustee		698,154	601,378
Payable to the Securities and Exchange Commission of Pakistan	8	919,974	5,435,624
Payable against redemption of units		200,000	196,835,046
Payable against purchase of investments		17,512,402	-
Unclaimed dividend		401,733	401,733
Accrued expenses and other liabilities	9	45,184,498	40,756,887
Total liabilities		103,450,470	277,850,952
NET ASSETS		5,402,353,374	5,044,437,882
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		5,402,353,374	5,044,437,882
CONTINGENCIES AND COMMITMENTS	10		
		-----Number of units-----	
NUMBER OF UNITS IN ISSUE		12,357,566	10,009,549
		-----Rupees-----	
NET ASSET VALUE PER UNIT		437.17	503.96

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

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Ifthikhar H. Shirazi
Chairman

Tariq Amin
Director

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CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2020

	Note	For the Nine Months Ended		For the Quarter Ended	
		31 March		31 March	
		2020	2019	2020	2019
-----Rupees-----					
Income					
Profit on bank balances		11,914,278	24,107,397	4,251,008	7,756,849
Dividend income		267,966,537	214,774,319	90,497,169	71,708,567
Capital gain / (loss) on sale of investments - net		174,771,865	(152,012,401)	3,291,846	(41,995,595)
Net unrealised (diminution) / appreciation on re-measurement of investments classified as "financial assets at fair value through profit or loss"		(1,161,307,357)	(366,669,886)	(2,165,025,083)	365,794,866
		(986,535,492)	(518,682,287)	(2,161,733,237)	323,799,271
Total income		(706,654,677)	(279,800,571)	(2,066,985,060)	403,264,687
Expenses					
Remuneration of Atlas Asset Management Limited - Management Company	7.1	99,139,217	87,783,413	42,850,937	28,779,154
Sindh sales tax on remuneration of the Management Company	7.2	12,888,098	11,411,844	5,570,622	3,741,290
Remuneration of Central Depository Company of Pakistan Limited - Trustee		5,351,236	5,139,856	2,034,090	1,685,534
Sindh sales tax on remuneration of the trustee		695,661	668,181	264,432	219,119
Annual fee to the Securities and Exchange Commission of Pakistan		919,974	4,169,712	357,091	1,367,010
Accounting and operational charges	13	6,394,797	4,389,171	2,768,407	1,438,958
Auditors' remuneration		493,074	297,228	153,952	133,104
Annual listing fee		20,663	20,633	6,838	6,770
Securities transaction cost		10,137,751	7,270,521	4,084,251	2,128,655
Printing charges		23,502	(60,128)	-	(49,138)
Legal and professional charges		195,500	110,705	97,447	15,762
Provision for Sindh Workers' Welfare Fund	9.1	-	-	(25,643,549)	-
Bank charges		87,882	65,805	6,335	14,224
Total expenses		136,347,355	121,266,941	32,550,853	39,480,442
Net (loss) / income for the period before taxation		(843,002,032)	(401,067,512)	(2,099,535,913)	363,784,246
Taxation	12	-	-	-	-
Net (loss) / income for the period after taxation		(843,002,032)	(401,067,512)	(2,099,535,913)	363,784,246

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

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

Atlas Stock Market Fund

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2020

	For the Nine Months Ended 31 March		For the Quarter Ended 31 March	
	2020	2019	2020	2019
	-----Rupees-----			
Net (loss) / income for the period after taxation	(843,002,032)	(401,067,512)	(2,099,535,913)	363,784,246
Other comprehensive income / (loss)	-	-	-	-
Total comprehensive (loss) / income for the period	(843,002,032)	(401,067,512)	(2,099,535,913)	363,784,246

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

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

Third Quarter Report 2019-20

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2020

	31 March 2020		
	Capital value	Undistributed income	Net assets
	-----Rupees-----		
Capital value	4,841,549,792	-	4,841,549,792
Undistributed income brought forward			
- Realised income	-	1,073,009,596	1,073,009,596
- Unrealised loss	-	(870,121,506)	(870,121,506)
Net assets at the beginning of the period (Units outstanding: 10,009,549) (Rs. 503.96 per unit)	4,841,549,792	202,888,090	5,044,437,882
Issue of 3,414,250 units	1,784,952,468	-	1,784,952,468
Redemption of 1,066,233 units	(545,002,981)	(39,031,963)	(584,034,944)
Total comprehensive loss for the period	-	(843,002,032)	(843,002,032)
Net assets at end of the period (Units outstanding: 12,357,566) (Rs. 437.17 per unit)	6,081,499,279	(679,145,905)	5,402,353,374
Undistributed income carried forward			
- Realised income	-	974,850,608	-
- Unrealised loss	-	(1,653,996,513)	-
	-	(679,145,905)	-
	31 March 2019		
	Capital value	Undistributed income	Net assets
	-----Rupees-----		
Capital value	4,000,831,035	-	4,000,831,035
Undistributed income brought forward			
- Realised income	-	1,345,586,577	1,345,586,577
- Unrealised income	-	28,914,384	28,914,384
Net assets at the beginning of the period (Units outstanding: 8,657,936) (Rs. 620.86 per unit)	4,000,831,035	1,374,500,961	5,375,331,996
Issue of 2,716,491 units	1,674,098,586	-	1,674,098,586
Redemption of 1,549,716 units	(950,145,397)	6,163,909	(943,981,488)
Total comprehensive loss for the period	-	(401,067,512)	(401,067,512)
Net assets at end of the period (Units outstanding: 9,824,711) (Rs. 580.62 per unit)	4,724,784,224	979,597,358	5,704,381,582
Undistributed income carried forward			
- Realised income	-	1,178,465,601	-
- Unrealised loss	-	(198,868,243)	-
	-	979,597,358	-

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

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

Atlas Stock Market Fund

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS ENDED 31 MARCH 2020

	For the Nine Months Ended	
	31 March	
	2020	2019
Note	-----Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period after taxation	(843,002,032)	(401,067,512)
Adjustment for:		
Profit on bank balances	(11,914,278)	(24,107,397)
Dividend income	(267,966,537)	(214,774,319)
Capital (gain) / loss on sale of investments - net	(174,771,865)	152,012,401
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	1,161,307,357	366,669,886
Provision for Sindh Workers' Welfare Fund	-	-
	706,654,677	279,800,571
Decrease in assets		
Receivable against sale of investments	53,064,695	1,483,060
Advances, deposits, prepayment and other receivables	(6,839)	8,605,113
	53,057,856	10,088,173
Increase decrease in liabilities		
Payable to Atlas Asset Management Limited - Management Company	4,713,425	842,859
Payable to the Central Depository Company of Pakistan Limited - Trustee	96,776	43,445
Payable to the Securities and Exchange Commission of Pakistan	(4,515,650)	(935,189)
Payable against purchase of investments	17,512,402	5,457,954
Accrued expenses and other liabilities	4,427,611	(293,350)
	22,234,564	5,115,719
Profit received on bank balances	11,229,244	24,015,273
Dividend received	190,019,531	152,490,033
Investments made during the period	(4,688,497,266)	(3,908,843,528)
Investments sold during the period	3,342,014,224	2,737,983,572
Net cash used in operating activities	(1,206,289,202)	(1,100,417,700)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issuance of units	1,862,566,743	1,674,098,586
Net payments against redemption of units	(858,286,027)	(920,957,708)
Net cash generated from financing activities	1,004,280,716	753,140,878
Net decrease in cash and cash equivalents	(202,008,486)	(347,276,822)
Cash and cash equivalents at the beginning of the period	266,018,200	503,609,049
Cash and cash equivalents at the end of the period	64,009,714	156,332,227

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

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

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NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS ENDED 31 MARCH 2020

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Atlas Stock Market Fund (the Fund) is an open ended Mutual Fund constituted under a trust deed entered into on 29 May 2004 between Atlas Asset Management Limited (AAML) as the management company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed has been revised through the First, Second, Third, Fourth, Fifth and Sixth Supplemental Trust Deeds dated 21 June 2005, 24 July 2006, 29 October 2007, 6 March 2008, 4 December 2009 and 23 May 2017 respectively, with the approval of the Securities and Exchange Commission of Pakistan (SECP). The Offering Document has been revised through the First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth, Tenth, Eleventh, Twelfth and Thirteen Supplements dated 21 June 2005, 24 July 2006, 29 October 2007, 6 March 2008, 4 December 2009, 14 October, 2013, 24 March 2015, 03 August 2015, 29 September 2016, 2 June 2017, 25 May 2018, 5 September 2019 and 25 November 2019 respectively, with the approval of the SECP. The registered office of AAML is situated at Ground Floor, Federation House, Shahrae Firdousi, Clifton, Karachi.
- 1.2 The Fund has been categorised as an 'equity scheme' by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009. The Fund is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs. 500 per unit. Thereafter, the units are being offered to the public for subscription on a continuous basis and are transferable and redeemable by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited.
- 1.3 According to the trust deed, the objective of the Fund is to provide investors one window facility to invest in a diversified portfolio of equity securities offering consistent returns and growth. The Fund aims to deliver this objective mainly by investing in equity securities of companies that are paying regular dividend, have growth prospects or are actively traded. Any amounts which have not been invested in equity securities may be invested in liquid instruments including bank deposits (excluding TDRs) and treasury bills not exceeding 90 days maturity. The investment objectives and policies are more fully defined in the Fund's Offering Document.
- 1.4 The Pakistan Credit Rating Agency Limited (PACRA) maintained the asset manager rating of the Management Company to AM2+ (AM Two Plus) [2019: AM2+ (AM Two plus)] on 26 December 2019.
- 1.5 Titles to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.
- 1.6 In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at 31 March 2020.

2 BASIS FOR PREPARATION

2.1 Statement of compliance

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

Atlas Stock Market Fund

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

2.2 Functional and presentation currency

These condensed interim financial statements have been presented in Pakistani Rupees which is the functional and presentation currency of the Fund.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements at and for the year ended June 30, 2019.

3.2 The financial risk management objectives and policies are consistent with those disclosed in the annual published audited financial statements of the Fund for the year ended 30 June 2019.

3.3 New / Revised Standards, Interpretations and Amendments

The Fund has adopted the following accounting standards and the amendments and interpretation of IFRSs which became effective for the current period:

Standard or Interpretation

IFRS 3 - Business Combinations - Previously held interests in a joint operation

IFRS 4 - Insurance Contracts - Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendments)

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IFRS 9 - Prepayment Features with Negative Compensation (Amendments)

IFRS 11 - Joint Arrangements: Previously held interests in a joint operation

IFRS 16 - Leases

Definition of Material - Amendments to IAS 1 and IAS 8

IAS 12 - Income Taxes: Income tax consequences of payments on financial instruments classified as equity (Amendments)

IAS 19 - Plan Amendment, Curtailment or Settlement (Amendments)

IAS 23 - Borrowing Costs: Borrowing costs eligible for capitalisation

IAS 28 - Long-term Interests in Associates and Joint Ventures (Amendments)

IFRIC 23 - Uncertainty over Income Tax Treatments

The adoption of the above amendments to accounting standards and interpretations did not have any effect on these condensed interim financial statements.

	Note	31 March 2020	30 June 2019
		Un-audited	Audited
4 CASH AND BANK BALANCES		-----Rupees-----	
In local currency			
- Profit and loss sharing accounts	4.1	49,004,952	266,003,200
- Current account		5,000	5,000
- Cheque in hand	4.2	14,999,762	10,000
		64,009,714	266,018,200

4.1 The rate of return on these balances range from 5.00% to 12.00% (30 June 2019: 6.00% and 13.15%) per annum.

4.2 These cheques were received against issue of units which were deposited and cleared subsequent to the period end by 03 April 2020.

	Note	31 March 2020	30 June 2019
		Un-audited	Audited
5 INVESTMENTS		-----Rupees-----	
At fair value through profit or loss			
- Investment in listed equity securities	5.1	5,347,234,475	4,987,285,163

Atlas Stock Market Fund

5.1 At fair value through profit or loss - Listed equity securities

Shares of listed companies - fully paid ordinary shares with a face value of Rs. 10 each unless stated otherwise

Name of Investee Company	Note	As at 01 July 2019	Purchases during the period	Bonus / right shares issued during the period	Sales during the period	As at 31 March 2020	Carrying Cost as at 31 March 2020	Market value as at 31 March 2020	Market value as a percentage of total investments	Market value as a percentage of net assets	Paid-up value of shares held as a percentage of total paid up capital of the Investee Company	
		-----Number of shares-----			-----Rupees-----			-----age %-----				
INV. BANK/INV. COMPANIES / SECURITIES CO.												
Anif Habib Limited		533,800	337,000	-	870,800	-	-	-	-	-	-	
		533,800	337,000	-	870,800	-	-	-	-	-	-	
BANKS												
Bank Al Habib Limited		4,191,700	1,943,000	-	989,000	5,145,700	396,871,111	277,198,859	5.18	5.13	0.46	
Bank Alfalah Limited		5,336,000	2,919,000	-	3,855,500	4,399,500	191,824,375	139,948,095	2.62	2.59	0.25	
BankIslami Pakistan Limited		-	8,544,500	139,750	400,000	8,284,250	93,838,120	74,723,935	1.40	1.38	0.75	
Faysal Bank Limited		7,637,125	1,692,000	-	272,500	9,056,625	189,536,346	125,615,389	2.35	2.33	0.60	
Habib Bank Limited	5.3	2,009,500	861,100	-	380,000	2,490,600	329,192,778	257,104,638	4.81	4.76	0.17	
Habib Metropolitan Bank Limited		-	4,626,500	-	415,000	4,211,500	160,129,948	129,503,625	2.42	2.40	0.40	
MCB Bank Limited		300	422,300	-	262,200	160,300	24,537,864	23,929,584	0.45	0.44	0.01	
Meccan Bank Limited		1,444,635	1,702,000	-	808,000	2,338,635	191,543,969	152,221,752	2.85	2.82	0.18	
The Bank Of Punjab		8,137,500	9,200,000	-	17,087,500	250,000	2,816,570	1,915,000	0.04	0.04	0.01	
United Bank Limited	5.3	2,294,000	578,500	-	968,900	1,903,600	276,791,055	191,901,916	3.59	3.55	0.16	
		31,050,760	32,488,900	139,750	25,438,700	38,240,710	1,857,082,136	1,374,062,793	25.70	25.43		
INSURANCE												
Adamjee Insurance Company Limited		-	1,576,500	-	-	1,576,500	60,666,760	41,982,195	0.79	0.78	0.45	
Pakistan Reinsurance Company Limited		-	1,028,500	-	-	1,028,500	29,563,921	25,609,650	0.48	0.47	0.34	
		-	2,605,000	-	-	2,605,000	90,230,681	67,591,845	1.26	1.25		
TEXTILE SPINNING												
Gadoon Textile Mills Limited		8,700	21,100	-	29,800	-	-	-	-	-	-	
		8,700	21,100	-	29,800	-	-	-	-	-	-	
TEXTILE COMPOSITE												
Gul Ahmed Textile Mills Limited		908,000	-	-	908,000	-	-	-	-	-	-	
Interloop Limited		1,075,000	931,500	-	2,003,500	3,000	134,058	107,580	0.00	0.00	0.00	
Kohinoor Textile Mills Limited		2,157,500	-	-	650,000	1,507,500	37,762,875	39,014,100	0.73	0.72	0.50	
Nisbat (Chunian) Limited		1,130,000	303,500	-	564,000	869,500	30,038,105	22,389,625	0.42	0.41	0.36	
Nisbat Mills Limited		-	1,428,700	-	1,428,700	-	-	-	-	-	-	
		5,270,500	2,663,700	-	5,554,200	2,380,000	67,935,038	61,511,305	1.15	1.14		
CEMENT												
Attock Cement Pakistan Limited		323,600	392,000	-	327,000	388,600	45,190,937	33,563,382	0.63	0.62	0.28	
Cherat Cement Company Limited		859,000	2,070,500	85,900	347,000	2,668,400	125,245,765	147,802,676	2.76	2.74	1.37	
D.G. Khan Cement Company Limited		805,000	1,605,000	-	1,020,000	1,390,000	97,687,107	82,357,500	1.54	1.52	0.32	
Fauji Cement Company Limited		-	2,030,500	-	2,900,000	30,500	521,925	451,705	0.01	0.01	0.00	
Kohat Cement Company Limited		90	356,000	-	354,590	1,500	119,255	130,875	0.00	0.00	0.00	
Lucky Cement Limited		471,350	284,100	-	178,450	577,000	221,871,834	213,893,900	4.00	3.96	0.18	
Maple Leaf Cement Factory Limited		-	945,000	-	900,000	45,000	1,152,950	932,400	0.02	0.02	0.00	
Pioneer Cement Limited		-	4,604,000	-	-	4,604,000	172,538,808	127,530,800	2.38	2.36	2.03	
		2,459,040	12,287,100	85,900	5,127,040	9,705,000	664,328,581	606,663,238	11.35	11.23		
REFINERY												
Attock Refinery Limited		-	140,000	-	140,000	-	-	-	-	-	-	
National Refinery Limited		42,400	109,800	-	152,200	-	-	-	-	-	-	
		42,400	249,800	-	292,200	-	-	-	-	-	-	
POWER GENERATION AND DISTRIBUTION												
K-Electric Limited (Face value Rs. 3.5 per share)		6,750,000	-	-	-	6,750,000	29,632,500	19,102,500	0.36	0.35	0.02	
Lalpur Power Limited		300,000	2,650,000	-	-	2,950,000	39,751,080	29,913,000	0.56	0.55	0.78	
Nisbat Chunian Power Limited		619,000	-	-	-	619,000	10,776,790	7,434,190	0.14	0.14	0.17	
Pakgen Power Limited		3,400,000	808,500	-	-	4,208,500	61,957,725	51,259,530	0.96	0.95	1.13	
The Hub Power Company Limited		4,279,820	2,790,500	-	1,371,500	5,698,820	450,730,824	389,058,441	7.28	7.20	0.44	
		15,348,820	6,249,000	-	1,371,500	20,226,320	592,848,919	496,767,661	9.29	9.20		
OIL AND GAS MARKETING COMPANIES												
Attock Petroleum Limited		-	51,000	-	51,000	-	-	-	-	-	-	
Hascol Petroleum Limited		2,960	-	-	2,960	-	-	-	-	-	-	
Hi-Tech Lubricants Limited		-	690,500	-	688,500	2,000	60,911	46,700	0.00	0.00	0.00	
Pakistan State Oil Company Limited		1,270,460	328,000	280,092	706,900	1,171,652	168,322,830	142,355,718	2.66	2.64	0.25	
Sui Northern Gas Pipelines Limited		625,200	165,000	-	-	790,200	54,511,683	29,158,380	0.55	0.54	0.12	
		1,898,620	1,234,500	280,092	1,449,360	1,963,852	222,895,424	171,560,798	3.21	3.18		

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Name of Investee Company	Note	As at 01 July 2019	Purchases during the period	Bonus / right shares issued during the period	Sales during the period	As at 31 March 2020	Carrying Cost as at 31 March 2020	Market value as at 31 March 2020	Market value as a percentage of total investments	Market value as a percentage of net assets	Paid-up value of shares held as a percentage of total paid up capital of the Investee Company
		Number of shares					Rupees		age %		
OIL AND GAS EXPLORATION COMPANIES											
Mari Petroleum Company Limited		238,494	118,180	33,017	22,740	366,951	336,038,328	326,990,036	6.12	6.05	0.28
Oil And Gas Development Company Limited		3,584,900	520,000	-	1,701,800	2,403,100	315,077,695	185,014,669	3.46	3.42	0.06
Pakistan Oilfields Limited		593,620	144,000	-	204,600	533,020	213,490,978	139,763,174	2.61	2.59	0.19
Pakistan Petroleum Limited	5.3	2,083,085	938,200	466,617	1,339,300	2,148,602	258,626,535	154,291,110	2.89	2.86	0.08
		6,500,099	1,720,380	499,634	3,268,440	5,451,673	1,123,233,536	806,058,989	15.07	14.92	
INDUSTRIAL ENGINEERING											
International Industries Limited		932,900	670,500	123,340	1,426,740	300,000	34,530,453	22,671,000	0.42	0.42	0.23
International Steels Limited		510,000	200,000	-	710,000	-	-	-	-	-	-
Mughal Iron And Steel Industries Limited		4,725	-	-	-	4,725	118,881	148,034	0.00	0.00	0.00
		1,447,625	870,500	123,340	2,136,740	304,725	34,649,334	22,819,034	0.43	0.42	
AUTOMOBILE ASSEMBLER											
Indus Motor Company Limited		-	71,060	-	-	71,060	65,674,155	51,840,402	0.97	0.96	0.09
Millat Tractors Limited		-	79,200	-	-	79,200	54,280,668	43,026,192	0.80	0.80	0.16
		-	150,260	-	-	150,260	119,954,823	94,866,594	1.77	1.76	
AUTOMOBILE PARTS AND ACCESSORIES											
Thal Limited (Face value Rs. 5 per share)		-	128,000	-	27,000	101,000	24,914,390	29,671,780	0.55	0.55	0.12
		-	128,000	-	27,000	101,000	24,914,390	29,671,780	0.55	0.55	
TRANSPORT											
Pakistan International Bulk Terminal Limited		-	4,519,000	-	1,500,000	3,019,000	33,690,595	24,997,320	0.47	0.46	0.17
		-	4,519,000	-	1,500,000	3,019,000	33,690,595	24,997,320	0.47	0.46	
TECHNOLOGY AND COMMUNICATIONS											
Pakistan Telecommunication Company Limited		-	4,073,000	-	4,073,000	-	-	-	-	-	-
Systems Limited		1,041,950	922,500	-	-	1,964,450	187,810,467	218,328,973	4.08	4.04	1.59
		1,041,950	4,995,500	-	4,073,000	1,964,450	187,810,467	218,328,973	4.08	4.04	
FERTILIZER											
Engro Corporation Limited		1,239,200	371,000	-	418,500	1,191,700	325,534,063	318,064,730	5.95	5.89	0.09
Engro Fertilizers Limited	5.3	4,219,000	3,540,000	-	4,913,500	2,845,500	193,023,935	164,071,530	3.07	3.04	0.49
Fauji Fertilizer Bin Qasim Limited		-	1,520,500	-	-	1,520,500	30,723,450	20,146,625	0.38	0.37	0.16
Fauji Fertilizer Company Limited		1,561,500	2,527,500	-	2,008,000	2,081,000	200,331,945	193,553,810	3.62	3.58	0.16
		7,019,700	7,959,000	-	7,340,000	7,638,700	749,613,393	695,836,695	13.01	12.88	
PHARMACEUTICALS											
Abbott Laboratories (Pakistan) Limited		43,000	136,500	-	50,300	129,200	48,189,968	41,120,484	0.77	0.76	0.13
AGP Limited		189,500	53,500	-	20,000	223,000	15,180,725	18,397,500	0.34	0.34	0.08
Ferrosols Laboratories Limited		201,100	-	-	10,000	191,100	21,368,802	33,228,468	0.62	0.62	0.63
Glaxosmithkline Pakistan Limited		209,000	153,000	-	-	362,000	41,347,837	61,192,480	1.14	1.13	0.11
Highnoon Laboratories Limited		-	84,800	-	-	84,800	40,118,458	42,277,888	0.79	0.78	0.27
The Searle Company Limited		355,414	354,500	-	179,000	530,914	87,803,599	83,273,861	1.56	1.54	0.25
		998,014	782,300	-	259,300	1,521,014	254,009,389	279,490,681	5.23	5.17	
CHEMICALS											
Archroma Pakistan Limited		-	150,350	-	20,050	130,300	85,035,520	67,365,100	1.26	1.25	0.38
Engro Polymer And Chemicals Limited		-	4,658,000	-	118,000	4,540,000	143,572,600	111,320,800	2.08	2.06	0.50
ICI Pakistan Limited		-	121,500	-	64,500	57,000	32,666,930	28,860,240	0.54	0.53	0.06
		-	4,929,850	-	202,550	4,727,300	261,275,050	207,546,140	3.88	3.84	
PAPER AND BOARD											
Cherat Packaging Limited		198,500	-	-	198,500	-	-	-	-	-	-
Packages Limited		-	57,200	-	-	57,200	22,346,247	13,059,332	0.24	0.24	0.06
		198,500	57,200	-	198,500	57,200	22,346,247	13,059,332	0.24	0.24	

Atlas Stock Market Fund

Name of Investee Company	Note	As at 01 July 2019	Purchases during the period	Bonus / right shares issued during the period	Sales during the period	As at 31 March 2020	Carrying Cost as at 31 March 2020	Market value as at 31 March 2020	Market value as a percentage of total investments	Market value as a percentage of net assets	Paid-up value of shares held as a percentage of total paid up capital of the Investee Company
		Number of shares						Rupees		age %	
VANASPATI AND ALLIED INDUSTRIES											
Unity Foods Limited		-	3,950,000	-	3,950,000	-	-	-	-	-	-
		-	3,950,000	-	3,950,000	-	-	-	-	-	-
LEATHER AND TANNERIES											
Bata Pakistan Limited		-	57,340	-	-	57,340	82,962,927	84,289,800	1.58	1.56	0.76
Service Industries Limited		125	4,100	1,025	4,225	1,025	523,409	658,727	0.01	0.01	0.01
		125	61,440	1,025	4,225	58,365	83,486,336	84,948,527	1.59	1.57	
FOODS AND PERSONAL CARE PRODUCTS											
Al Shaheer Corporation Limited		15,608	-	-	-	15,608	196,661	148,120	0.00	0.00	0.01
At-Tahur Limited		-	2,479,000	-	-	2,479,000	48,466,635	38,895,510	0.73	0.72	1.54
Matco Foods Limited		245	-	-	245	-	-	-	-	-	-
National Foods Limited (Face value Rs. 5 per share)		-	74,800	-	2,600	72,200	17,218,213	14,348,306	0.27	0.27	0.05
		15,853	2,553,800	-	2,845	2,566,808	65,881,509	53,391,936	1.00	0.99	
GLASS AND CERAMICS											
Tariq Glass Industries Limited		-	672,000	76,750	518,500	230,250	16,275,556	11,636,834	0.22	0.22	0.21
		-	672,000	76,750	518,500	230,250	16,275,556	11,636,834	0.22	0.22	
MISCELLANEOUS											
Shifa International Hospitals Limited		-	50,000	-	50,000	-	-	-	-	-	-
Synthetic Products Enterprises Limited		-	900,000	-	-	900,000	36,080,428	26,424,000	0.49	0.49	1.02
		-	950,000	-	50,000	900,000	36,080,428	26,424,000	0.49	0.49	
Total 31 March 2020							6,508,541,832	5,347,234,475	100.00	98.98	
Total 30 June 2019							6,012,411,867	4,987,285,163			

5.2 The cost of listed equity securities as at 31 March 2020 is Rs. 7,001,230,988 (30 June 2019: Rs. 5,857,406,669).

5.3 The above investments include following shares which have been pledged with the National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular no. 11 dated October 23, 2007 issued by the SECP:

	31 March 2020	30 June 2019	31 March 2020	30 June 2019
	Un-audited	Audited	Un-audited	Audited
	Number of shares		Market value (Rupees)	
Engro Fertilizers Limited	425,000	425,000	24,505,500	27,187,250
Habib Bank Limited	60,000	-	6,193,800	-
United Bank Limited	100,000	100,000	10,081,000	14,738,000
Pakistan Petroleum Limited	297,000	297,000	21,327,570	42,895,710
	882,000	822,000	62,107,870	84,820,960

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6 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES	Note	31 March 2020	30 June 2019
		Un-audited	Audited
		-----Rupees-----	
Security deposits with:			
- National Clearing Company of Pakistan Limited (NCCPL)		2,500,000	2,500,000
- Central Depository Company of Pakistan Limited (CDC)		100,000	100,000
Prepayments		6,838	-
Other Receivable	6.1	10,929,988	10,929,987
		13,536,826	13,529,987

6.1 As per Clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151. However, several companies (including banks) deducted withholding tax on dividend and profit on bank deposits paid to the Fund based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced by the withholder.

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. On 28 January 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all CISs to file an appeal in the Honourable Supreme Court through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, a petition was filed in the Supreme Court of Pakistan by the Fund together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgement of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on profit received on bank deposits by the Fund has been shown as other receivables as at 31 March 2020 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

7. PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY (RELATED PARTY)	Note	31 March 2020	30 June 2019
		Un-audited	Audited
		-----Rupees-----	
Remuneration of the Management Company	7.1	12,723,230	8,940,042
Sindh Sales Tax payable on remuneration of the Management Company	7.2	4,623,066	4,131,252
Federal Excise Duty payable on remuneration of the Management Company	7.3	20,301,988	20,301,988
Accounting and operational charges payable	13	885,425	447,002
		38,533,709	33,820,284

Atlas Stock Market Fund

- 7.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 1160(1)/2015 dated 25 November 2015, the Management Company is entitled to receive a remuneration at the rate not exceeding 2% of the average annual net assets incase of equity schemes. Previously, the Management Company was entitled to receive a remuneration during the first five years of the Fund, at the rate not exceeding 3% of the average annual net assets of the Fund and thereafter, at the rate of 2% of such assets. Accordingly, the Management Company has charged its remuneration at the rate of 2% (30 June 2019: 2%) per annum of the average net assets of fund for the period. On January 01, 2020 Management Company decided to revise the management fee from 2.00% to 2.40%. The fee is payable to the Management Company monthly in arrears.
- 7.2 During the period, an amount of Rs. 12,888,098 (2019: Rs. 11,411,843) was charged on account of sales tax on remuneration of the Management Company levied through Sindh Sales Tax on Services Act, 2011 and an amount of Rs. 12,396,284 (2019: Rs. 11,319,002) has been paid to the Management Company which acts as a collecting agent.
- 7.3 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from 13 June 2013. As the asset management services rendered by the Management Company of the Fund are already subject to provincial sales tax on services levied by the Sindh Revenue Board, which is being charged to the Fund as explained in note 7.2, the Management Company was of the view that further levy of FED was not justified.

On 4 September 2013, a Constitutional Petition was filed in the Honorable Sindh High Court (SHC) jointly by various asset management companies, together with their representative Collective Investment Schemes through their trustees, challenging the levy of FED.

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from 1 July 2016. However, as a matter of abundant caution the provision for FED made for the period from 13 June 2013 till 30 June 2016 amounting to Rs 20.302 million (30 June 2019: Rs 20.302 million) is being retained in the condensed interim financial statements of the Fund

as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been recorded in the condensed interim financial statements of the Fund, the net asset value of the Fund as at 31 March 2020 would have been higher by Rs. 1.64 (30 June 2019: Rs. 2.03) per unit.

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		31 March 2020 Un-audited	30 June 2019 Audited
	Note	-----Rupees-----	
8 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN			
Annual fees payable	8.1	919,974	5,435,624

8.1 In accordance with the NBFC regulations, a collective investment scheme (CIS) is required to pay an annual fee to the Securities and Exchange Commission of Pakistan (SECP).

In accordance with the NBFC regulations, a collective investment scheme (CIS) classified as equity scheme is required to pay an annual fee to the SECP. Effective from 01 July 2019, the SECP vide SRO No.685(1)2019 dated June 28, 2019 revised the rate of annual fee to 0.02% of net assets, applicable on all categories of CISs. Previously, the rate of annual fee applicable to the equity scheme was 0.095% of net assets. Accordingly the Fund has charged the annual fee at the rate of 0.02% of the net assets during the current period.

		31 March 2020 Un-audited	30 June 2019 Audited
	Note	-----Rupees-----	
9 ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration payable		273,630	374,220
Printing charges payable		11,205	30,909
NCCPL charges payable		25,000	30,000
Withholding and capital gain tax payable		1,103,144	370,634
Transaction charges payable		4,906,258	1,105,035
Sales load payable		16,947	1,130
Zakat payable		12,781	9,426
Provision for Sindh Workers' Welfare Fund	9.1	38,835,533	38,835,533
		45,184,498	40,756,887

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

In the repealed Companies Ordinance, 1984 and the now applicable Companies Act, 2017, mutual funds have not been included in the definition of "financial institutions". The MUFAP has held the view that SWWF is applicable on Asset Management Companies and not on mutual funds.

Atlas Stock Market Fund

In view of the above developments regarding the applicability of WWF and SWWF on CISs / mutual funds, MUFAP has recommended the following to all its members on 12 January 2017:

- based on legal opinion, the entire provision against WWF held by the CISs till 30 June 2015 should be reversed on 12 January 2017; and
- as a matter of abundant caution, the provision in respect of SWWF should be made with effect from the date of enactment of the SWWF Act, 2014 (i.e. starting from 21 May 2015) on 12 January 2017.

Accordingly, on 12 January 2017 the provision for WWF was reversed and the provision for SWWF was made for the period from 21 May 2015 to 12 January 2017. Thereafter, the provision is being made on a daily basis going forward.

The above decisions were communicated to the SECP and the Pakistan Stock Exchange Limited on 12 January 2017 and the SECP vide its letter dated 1 February 2017 has advised MUFAP that the adjustments relating to the above should be prospective and supported by adequate disclosures in the financial statements of the CISs/ mutual funds.

Had the provision for SWWF not been recorded in these condensed interim financial statements of the Fund, the net asset value of the Fund as at 31 March 2020 would have been higher by Rs. 3.14 per unit (30 June 2019: Rs. 3.88 per unit).

10 CONTINGENCIES AND COMMITMENTS

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

11 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 31 March 2020 is 2.97% (30 June 2019: 2.76%) which includes 0.37% (30 June 2019: 0.40%) representing government levies on the Fund such as sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 4% prescribed under the NBFC Regulations for a collective investment scheme categorised as an equity scheme.

12 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unitholders. The management intends to distribute at least 90% of the Fund's net accounting income earned by the year end, as cash dividend, to the unit holders. Accordingly, no provision in respect of taxation has been made in these condensed interim financial statements.

13 ACCOUNTING AND OPERATIONAL CHARGES

The Management Company is allowed to charge actual expenses related to registrar services, accounting, operations and valuation services to the CIS with effect from 20 June 2019 as per SECP SRO 639 (I) /2019 dated 20 June 2019.

The Management Company has charged expenses at the rate 0.1% of the average annual net assets of the Fund for the period from 01 July 2019 to 30 September 2019, 0.15% of the average annual net assets of the Fund from 01 October 2019 till 04 March 2020 and 0.17% of the average annual net assets of the Fund from 05 March 2020 for allocation of such expenses to the Fund.

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14 EARNING PER UNIT

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

15 TRANSACTIONS WITH CONNECTED PERSONS / OTHER RELATED PARTIES

Connected persons include Atlas Asset Management Limited being the Management Company, the Central Depository Company Limited being the Trustee, other collective investment schemes managed by the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

Remuneration to the Management Company and the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.

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

	For the Nine Months Ended	
	31 March	
	2020	2019
	Un-audited	Un-audited
	----- Rupees-----	
15.1 Transactions during the period		
Atlas Asset Management Limited (Management Company)		
Remuneration of the Management Company	99,139,217	87,783,413
Sindh Sales Tax on remuneration of the Management Company	12,888,098	11,411,844
Remuneration paid	95,356,029	87,069,253
Accounting and operational charges	6,394,797	4,389,171
Issue of 109,653 (2019: Nil) units	59,799,878	-
Redemption of 93,695 (2019: Nil) units	60,000,000	-
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	5,351,236	5,139,856
Sindh Sales Tax on remuneration of the Trustee	695,661	668,181
Remuneration paid	5,265,594	5,101,409
Settlement charges	284,624	272,938
Sindh Sales Tax on settlement charges	37,001	35,482
Atlas Battery Limited (Group Company)		
Redemption of 5 (2019: 447) units	2,347	270,210
Atlas Insurance Limited (Group Company)		
Issue of 31,588 (2019: 158,175) units	20,000,000	94,000,000
Redemption of Nil (2019: 75,670) units	-	46,375,116

Atlas Stock Market Fund

		For the Nine Months Ended 31 March	
		2020	2019
		Un-audited	Un-audited
		----- Rupees-----	
15.1	Transactions during the period (Continued....)	Note	
	Atlas Honda Limited (Group Company)		
	Issue of 1,146 (2019: Nil) units	537,873	-
	Redemption of Nil (2019: 315,794) units	-	200,000,000
	Atlas Honda Limited - Employees Provident Fund (Retirement Benefit plan of a Group Company)		
	Redemption of Nil (2019: 8,225) units	-	5,000,000
	Atlas Insurance Limited - Staff Provident Fund Trust (Retirement Benefit plan of a Group Company)		
	Redemption of Nil (2019: 11,703) units	-	7,006,159
	Atlas Engineering Limited - Employees Provident Fund (Retirement Benefit plan of a Group Company)		
	Redemption of Nil (2019: 16,542) units	-	9,632,342
	Atlas Group of Companies Management Staff Gratuity Fund (Retirement Benefit plan of a Group Company)		
	Issue of 20,672 (2019: Nil) units	11,000,000	-
	Redemption of 24,389 (2019: Nil) units	14,500,000	-
	Shirazi Investments (Private) Limited (Group Company) (Unit Holder with more than 10% holding)		
	Issue of Nil (2019: 730,632) units	-	448,096,319
	Sindh Province Pension Fund (Unit Holder with more than 10% holding)	15.3	
	Issue of 961,763 (2019: NIL) units	536,000,000	-
	Sindh General Provident Investment Fund (Unit Holder with more than 10% holding)	15.3	
	Issue of 1,099,069 (2019: NIL) units	504,000,000	-
	Directors and their close family members and key management personnel of the Management Company	15.4	
	Issue of 348,248 (2019: 13,499) units	183,510,106	8,221,108
	Redemption of 551 (2019: 91,273) units	279,369	57,814,834
		31 March 2020	30 June 2019
		Un-audited	Audited
		-----Rupees-----	
15.2	Details of balances with related parties as at the period / year end are as follows:		
	Atlas Asset Management Limited (Management Company)		
	Remuneration payable to the management company	12,723,230	8,940,042
	Sindh Sales tax payable on remuneration of the Management Company	4,623,066	4,131,252
	Federal Excise Duty payable on remuneration of the Management Company	20,301,988	20,301,988
	Accounting and operational charges payable	885,425	447,002
	Outstanding 164,854 (30 June 2019: 148,895) units - at net asset value	72,069,011	75,037,644

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		31 March 2020 Un-audited	30 June 2019 Audited
	Note	-----Rupees-----	
15.2	Details of balances with related parties as at the period / year end are as follows: (Continued....)		
Central Depository Company of Pakistan Limited (Trustee)			
	Remuneration payable to the Trustee	614,835	529,193
	Sindh Sales tax payable on remuneration of trustee	79,929	68,795
	Settlement charges payable	3,000	3,000
	Sindh Sales tax payable on settlement charges	390	390
Atlas Battery Limited (Group Company)			
	Outstanding Nil (30 June 2019: 5) units - at net asset value	-	2,557
Atlas Honda Limited (Group Company)			
	Outstanding 27,734 (30 June 2019: 26,587) units - at net asset value	12,124,487	13,399,315
Atlas Insurance Limited (Group Company)			
	Outstanding 31,588 (30 June 2019: Nil) units - at net asset value	13,809,366	-
Atlas Foundation (Group Company)			
	Outstanding 869,075 (30 June 2019: 869,075) units - at net asset value	379,933,798	437,981,619
Atlas Group of Companies Management Staff Gratuity Fund (Retirement Benefit plan of a Group Company)			
	Outstanding 113,144 (30 June 2019: 116,860) units - at net asset value	49,463,036	58,893,643
Atlas Honda Limited - Employees Provident Fund (Retirement Benefit plan of a Group Company)			
	Outstanding 97,797 (30 June 2019: 97,797) units - at net asset value	42,753,940	49,286,059
Atlas Honda Limited - Non Management Staff Gratuity Fund (Retirement Benefit plan of a Group Company)			
	Outstanding 21,791 (30 June 2019: 21,791) units - at net asset value	9,526,430	10,981,917
Batools Benefit Trust (Trust having common Director / Trustee)			
	Outstanding 210,096 (30 June 2019: 210,096) units - at net asset value	91,847,623	105,880,474
Honda Atlas Cars (Pakistan) Limited - Employees Gratuity Fund (Retirement Benefit plan of a Group Company)			
	Outstanding 31,394 (30 June 2019: 31,394) units - at net asset value	13,724,558	15,821,451
Shirazi Investments (Private) Limited - Employees Provident Fund (Retirement Benefit plan of a Group Company)			
	Outstanding 21,886 (30 June 2019: 21,886) units - at net asset value	9,568,060	11,029,907
	Shirazi Investments (Private) Limited (Group Company)		
	(Unit Holder with more than 10% holding)		
	Outstanding 4,539,013 (30 June 2019: 4,539,013) units - at net asset value	1,984,320,102	2,287,492,549

Atlas Stock Market Fund

		31 March 2020	30 June 2019
		Un-audited	Audited
	Note	-----Rupees-----	
15.2	Details of balances with related parties as at the period / year end are as follows: (Continued....)		
	Sindh Province Pension Fund		
	(Unit Holder with more than 10% holding)		
	Outstanding 1,423,279 (30 June 2019: Nil) units - at net asset value	622,214,754	-
	Sindh General Provident Investment Fund		
	(Unit Holder with more than 10% holding)		
	Outstanding 1,283,591 (30 June 2019: Nil) units - at net asset value	561,147,528	-
	Directors and their close family members and key management personnel of the Management Company		
	Outstanding 850,411 (30 June 2019: 632,891) units - at net asset value	371,774,076	318,953,167
15.3	Holding being more than 10% in the reporting period, disclosure is required.		
15.4	Other balances due to / from related parties / connected persons included in the respective notes to the condensed interim financial statements.		

16 FAIR VALUE MEASUREMENT

Fair value is the amount for which an asset could be exchanged, or liability can be settled, between knowledgeable willing parties in an arm's length transaction. 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 values of listed equity securities quoted on the stock exchange are valued at the closing prices determined by such exchange. The fair value of all other financial assets and financial liabilities of the Fund approximate their carrying amounts due to short-term maturities of these instruments.

Fair value hierarchy

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

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

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

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	Level 1	Level 2	Level 3
	----- Rupees -----		
<u>31 March 2020</u>			
At fair value through profit or loss	5,347,234,475	-	-
	<u>5,347,234,475</u>	<u>-</u>	<u>-</u>
<u>30 June 2019</u>			
At fair value through profit or loss	4,987,285,163	-	-
	<u>4,987,285,163</u>	<u>-</u>	<u>-</u>

17 GENERAL

- 17.1 Figures of the condensed interim income statement and the condensed interim statement of comprehensive income for the quarters ended 31 March 2020 and 31 March 2019 have not been subjected to limited scope review by the statutory auditors of the Fund.
- 17.2 Figures have been rounded off to the nearest Rupee unless otherwise stated.
- 17.3 Number of units have been rounded off to the nearest decimal places.

18 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on 29 April 2020.

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman








Tariq Amin
Director



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