



Atlas Money Market Fund

Atlas Sovereign Fund

Atlas Income Fund

Atlas Stock Market Fund

THIRD QUARTER REPORT

31 MARCH 2021

(UN-AUDITED)

**Atlas
funds**
Nurturing your investments



Managed By

Atlas Asset Management

**Rated AM2+ by PACRA
(as of December 24, 2020)**



Vision

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

Mission

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
Mr. M. Kamran Ahmed
Mr. Najam Shehzad
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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Email: info@atlasfunds.com.pk
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, 2021 of FY21.

THE ECONOMY

During the nine months of FY21, domestic recovery continued to gain traction on the back of accommodative monetary policy, financing facilities by State Bank of Pakistan and government's fiscal stimulus. Large-scale manufacturing (LSM) registered encouraging growth of 10.8% YoY and 9.1% YoY in Dec'20 and Jan'21, respectively. LSM has grown by 7.9% in first seven months of FY21 compared to contraction of 3.2% during same period last year. During Jul-Feb FY21, the Current Account posted surplus of US \$0.88 billion as compared to deficit of US \$2.74 billion in same period last year. The Current Account largely benefitted from 26.2% YoY increase in Jul-Mar FY21 Worker's Remittances that stood at US \$21.47 billion. During Jul-Mar FY21, Imports increased by 13.6% YoY to US \$39.52 billion whereas Jul-Mar FY21 Exports increased by 7.1% YoY to stand at US \$18.69 billion. Total Foreign Exchange Reserves increased by 10.3% on YTD basis in FY21 to US \$20.80 billion (SBP's share stood at US \$13.67 billion) primarily due to record growth in remittances, improvement in Current Account balance, resumption of IMF program, inflows from World Bank to avert COVID based economic erosion, and extension of debt suspension on part of G-20 debt relief deal. Recent inflation out-turns have remained volatile, with lowest CPI reading in over last two years clocking in at 5.7% for Jan'21 followed by a sharp rise in Feb'21 CPI of 8.7%. The headline CPI inflation averaged at 8.3% during Jul-Mar FY21. The SBP kept policy rate unchanged at 7.00% in its latest Monetary Policy Committee meeting to support economic recovery and ensure funding availability for households and businesses.

FUND OPERATIONS - AMF

The Net Asset Value per unit of Atlas Money Market Fund increased by 5.00% to Rs. 506.01 as on March 31, 2021, thus providing an annualized total return of 6.66%. The AMF's total exposure in treasury bills and banks/others stood at 20.61% and 79.39%, 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. 21.01 billion, with 41.52 million units outstanding as of March 31, 2021.

FUND OPERATIONS - ASF

The Net Asset Value per unit of Atlas Sovereign Fund increased by 4.00% to Rs. 105.00 as on March 31, 2021, providing an annualized total return of 5.33%. The ASF's exposure in Pakistan Investment Bonds, Treasury Bills and Short-Term Deposits with banks/others stood at 52.06%, 8.03% and 39.91%, respectively. ASF presents a good investment opportunity for investors to earn competitive returns while taking medium risk. The Net Assets of the Fund stood at Rs. 2.13 billion, with 20.29 million units outstanding as of March 31, 2021.

FUND OPERATIONS - AIF

The Net Asset Value per unit of Atlas Income Fund increased by 5.10% to Rs. 546.00 as on March 31, 2021, providing an annualized total return of 6.79%. The AIF's current allocation is 20.18% in Pakistan Investment Bonds, 7.46% in Term Finance Certificates, 4.50% in Sukuks, 13.48% in Treasury Bills, 6.22% in MTS, 6.75% in Spread Transactions and remaining 41.41% in Bank Deposits/Others. 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. 4.39 billion with 8.04 million units outstanding as of March 31, 2021.

FUND OPERATIONS - ASMF

The Net Asset Value per unit of Atlas Stock Market Fund increased by 34.71% to Rs. 696.07 as on March 31, 2021. The benchmark KSE-100 index has increased by 29.53% during the same period. The KSE-100 index increased from 34,421.92 points as on June 30, 2020 to 44,587.85 points as on March 31, 2021. The ASMF's equity exposure was 97.30% that mainly comprised of Commercial Banks, Cement, Oil & Gas Exploration, Power Generation & Distribution and Fertilizer sectors. ASMF strategy will continue to focus on dividend plays and stocks that are trading at relatively cheap multiples with earnings growth prospects. The Net Assets of the Fund stood at Rs. 8.99 billion, with 12.91 million units outstanding as of March 31, 2021.

Atlas Funds

MUTUAL FUND TAXATION

SINDH WORKER'S WELFARE FUND (SWWF)

After 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 daily 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 (SCP) 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.

Mutual Funds are exempt from income tax on their Income if they distribute at least 90% of their accounting income as per clause 99 of Part 1 of the Second Schedule of the Income Tax Ordinance 2001 (Ordinance). However, in assessment for TY 2018, the said exemption has been denied by The Additional Commissioner Audit (AC) in case of Atlas Income Fund & other Funds of various AMC's, on the ground that the amount paid as income on units redeemed by investors during the tax year cannot be treated as distribution of income and commented that the distribution by the Fund fell short of 90% threshold. The issue was taken to Commissioner Appeal's office, which upheld the AC decision, later subject matter was taken in Tribunal, which is pending adjudication. Further, the issue of distribution of income is also being contested by MUFAP on behalf of the mutual funds industry at various regulatory and Government levels and are very hopeful that the matter will be resolved soon as the matter has merely arisen due to incorrect interpretation by the relevant commissioners as to what construes as distribution of profit by an open-ended mutual fund. SECP agrees with MUFAP's interpretation and is also actively following up with FBR to resolve the matter at the earliest.

RATINGS

- **Asset Manager Rating**

The Pakistan Credit Rating Agency Limited (PACRA) has maintained "AM2+" (AM Two Plus) asset manager rating for

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Atlas Asset Management Limited (AAML). 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 - 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.

- **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.

FUTURE OUTLOOK

Economic growth in FY21 is expected to be higher than previously anticipated 2.0% due to improved business sentiment, employment and manufacturing prospects. In the short-term, economic outlook largely depends on COVID trajectory whereas sustainable growth in medium-long term will derive from the ongoing nationwide vaccination program, adequate structural reforms and policy measures. The FY21 Current Account deficit will likely remain below 1.0% of GDP taking support from remittances that have clocked over \$2 billion for the last nine months, and the on-going pickup in exports. The recent staff-level agreement on resumption of IMF program will ensure financing needs and open up other financing prospects. Inflation may fall to 5% to 7% range over medium-term as temporary increase in inflation from administered prices subside. The upcoming budget, domestic energy prices and international commodity prices will have an important bearing on inflation trajectory. Going forward, government's nationwide vaccination drive, focus towards widening of tax base and implementation of measures to support economic recovery will be instrumental in sustaining economic activity, creating employment opportunities, and addressing social needs.

روشن شہرِ ریشہ سے ہے خانہء فرہاد!

Hard work always pays rich tribute

ACKNOWLEDGEMENT

I would like to thank the Securities and Exchange Commission of Pakistan and other Regulatory Bodies, the Board of Directors, and the Group Executive Committee for their help 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.

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 Bank 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 2021

		31 March 2021	30 June 2020
		Un-audited	Audited
	Note	----- Rupees -----	-----
Assets			
Cash and bank balances	4	18,268,649,585	7,522,447,993
Investments	5	4,766,166,531	2,617,567,408
Profit receivable on bank balances		86,762,325	1,373,040
Prepayments and other receivables	6	3,826,939	3,683,919
Total assets		23,125,405,380	10,145,072,360
Liabilities			
Payable to Atlas Asset Management Limited - Management Company	7	30,887,065	28,444,987
Payable to Central Depository Company of Pakistan Limited - Trustee	8	1,193,336	635,959
Payable to the Securities and Exchange Commission of Pakistan	9	2,540,220	2,295,677
Payable against redemption of units		11,819,414	16,431
Payable against purchase of investments		1,969,218,000	-
Unclaimed dividend		25,152	25,152
Accrued expenses and other liabilities	10	97,747,329	82,173,939
Total liabilities		2,113,430,516	113,592,145
NET ASSETS		21,011,974,864	10,031,480,215
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		21,011,974,864	10,031,480,215
CONTINGENCIES AND COMMITMENTS	11	----- Number of units -----	-----
NUMBER OF UNITS IN ISSUE		41,524,595	19,854,239
		----- Rupees -----	-----
NET ASSET VALUE PER UNIT		506.0128	505.2600

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 2021

	Note	For the Nine Months Ended		For the Quarter Ended	
		31 March		31 March	
		2021	2020	2021	2020
----- Rupees -----					
Income					
Profit on savings account and term deposits		303,242,758	469,199,503	128,454,897	113,794,664
Income from government securities		604,267,541	664,122,106	194,313,946	293,304,202
Capital gain on sale of investments - net		3,513,094	10,142,032	2,563,029	5,493,864
Net unrealised appreciation on remeasurement of investments classified as financial assets at fair value through profit or loss ¹		235,910	2,593,415	235,910	5,408,635
		3,749,004	12,735,447	2,798,939	10,902,499
Total Income		911,259,303	1,146,057,056	325,567,782	418,001,365
Expenses					
Remuneration of Atlas Asset Management Limited - Management Company	7.1	38,669,055	37,370,344	11,053,175	13,555,334
Sindh Sales Tax on remuneration of the Management Company	7.2	5,026,977	4,858,145	1,436,913	1,762,194
Remuneration of the Central Depository Company of Pakistan Limited - Trustee		8,255,714	5,397,938	2,873,825	1,957,992
Sindh Sales Tax on remuneration of the Trustee		1,073,243	701,732	373,597	254,539
Annual fees to the Securities and Exchange Commission of Pakistan		2,540,220	1,660,904	884,254	602,459
Accounting and operational charges	14	12,008,924	11,367,867	2,873,824	4,727,846
Annual rating fee		391,219	323,715	152,282	107,094
Annual listing fee		20,645	20,687	6,782	6,856
Securities transaction cost		137,312	154,696	59,962	56,481
Auditors' remuneration		438,035	477,402	179,887	165,142
Printing charges		65,985	15,080	19,208	-
Legal and professional charges		85,274	128,529	19,494	64,113
Bank charges		102,212	96,747	28,955	30,357
Provision for Sindh Workers' Welfare Fund	10.1	16,848,890	21,669,665	6,112,113	7,894,219
		85,663,705	84,243,451	26,074,271	31,184,626
Net income for the period before taxation		825,595,598	1,061,813,605	299,493,511	386,816,739
Taxation	13	-	-	-	-
Net income for the period after taxation		825,595,598	1,061,813,605	299,493,511	386,816,739
Allocation of net income for the period:					
Net income for the period after taxation		825,595,598	1,061,813,605	299,493,511	386,816,739
Income already paid on units redeemed		(50,073,396)	(77,333,189)	(19,387,370)	(36,610,852)
		775,522,202	984,480,416	280,106,141	350,205,887
Accounting income available for distribution:					
- Relating to capital gains		3,749,004	12,735,447	2,798,939	10,902,499
- Excluding capital gains		771,773,198	971,744,969	277,307,202	339,303,388
		775,522,202	984,480,416	280,106,141	350,205,887

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 2021

	For the Nine Months Ended 31 March		For the Quarter Ended 31 March	
	2021	2020	2021	2020
	----- Rupees -----			
Net income for the period after taxation	825,595,598	1,061,813,605	299,493,511	386,816,739
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	825,595,598	1,061,813,605	299,493,511	386,816,739

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 2021

	31 March 2021		
	Capital value	Undistributed income	Net assets
	Rupees		
Capital value	9,951,851,809	-	9,951,851,809
Undistributed income brought forward			
- Realised income	-	21,477,608	21,477,608
- Unrealised income	-	58,150,798	58,150,798
Net assets at the beginning of the period (Units outstanding: 19,854,239) (Rs. 505.2600 per unit)	9,951,851,809	79,628,406	10,031,480,215
Issue of 50,637,071 units	25,606,387,953	-	25,606,387,953
Redemption of 28,966,715 units	(14,581,149,980)	(50,073,396)	(14,631,223,376)
Total comprehensive income for the period	-	825,595,598	825,595,598
Refund of capital	(73,931,156)	-	(73,931,156)
First interim distribution of Rs. 2.10 per unit declared on 24 July 2020	-	(49,826,179)	(49,826,179)
Second interim distribution of Rs. 2.50 per unit declared on 28 August 2020	-	(73,589,308)	(73,589,308)
Third interim distribution of Rs. 2.60 per unit declared on 25 September 2020	-	(85,292,026)	(85,292,026)
Fourth interim distribution of Rs. 2.60 per unit declared on 23 October 2020	-	(82,163,478)	(82,163,478)
Fifth interim distribution of Rs. 3.10 per unit declared on 27 November 2020	-	(98,682,874)	(98,682,874)
Sixth interim distribution of Rs. 2.50 per unit declared on 24 December 2020	-	(79,162,119)	(79,162,119)
Seventh interim distribution of Rs. 3.40 per unit declared on 29 January 2021	-	(98,251,901)	(98,251,901)
Eighth interim distribution of Rs. 2.50 per unit declared on 26 February 2021	-	(85,897,723)	(85,897,723)
Ninth interim distribution of Rs. 2.65 per unit declared on 26 March 2021	-	(93,468,762)	(93,468,762)
Net assets at end of the period (Units outstanding: 41,524,595) (Rs. 506.0128 per unit)	20,903,158,626	108,816,238	21,011,974,864
Undistributed income carried forward			
- Realised income	-	105,061,057	-
- Unrealised income	-	3,755,181	-
	-	108,816,238	-

	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	-

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 2021

	For the Nine Months Ended	
	31 March	
	2021	2020
Note	----- Rupees -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	825,595,598	1,061,813,605
Adjustments for:		
Profit on savings account and term deposits	(303,242,758)	(469,199,503)
Income from government securities	(604,267,541)	(664,122,106)
Capital gain on sale of investments - net	(3,513,094)	(10,142,032)
Net unrealised appreciation on remeasurement of investments classified as financial assets at fair value through profit or loss'	(235,910)	(2,593,415)
Provision for Sindh Workers' Welfare Fund	16,848,890	21,669,665
	(894,410,413)	(1,124,387,391)
(Increase) / Decrease in assets		
Prepayments and other receivables	(143,020)	2,359,897
Increase / (Decrease) in liabilities		
Payable to Atlas Asset Management Limited - Management Company	2,442,078	2,196,391
Payable to Central Depository Company of Pakistan Limited - Trustee	557,377	13,358
Payable to the Securities and Exchange Commission of Pakistan	244,543	(9,277,826)
Accrued expenses and other liabilities	(1,250,348)	6,320,468
	1,993,650	(747,609)
	(66,964,185)	(60,961,498)
Interest received	217,853,473	456,487,337
Investments made during the period	-	(88,579,881,097)
Investments sold / matured during the period	428,635,422	86,990,305,090
Net cash generated / (used in) from operating activities	579,524,710	(1,194,050,168)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issuance of units	25,606,387,953	19,251,687,037
Net payments against redemption of units	(14,619,420,393)	(14,793,889,584)
Refund of capital	(73,931,156)	(101,954,831)
Cash distribution made during the period	(746,359,522)	(952,301,074)
Net cash generated from financing activities	10,166,676,882	3,403,541,548
Net increase in cash and cash equivalents	10,746,201,592	2,209,491,380
Cash and cash equivalents at the beginning of the period	7,522,447,993	10,339,271,465
Cash and cash equivalents at the end of the period	4 18,268,649,585	12,548,762,845

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 2021

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, Sixth, Seventh and Eighth Supplements dated 24 March 2015, 3 August 2015, 30 September 2016, 2 June 2017, 2 October 2019, 30 October 2019, 1 April 2020 and 21 December 2020 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) [2020: AM2+ (AM Two Plus)] on 24 December 2020.
- Furthermore, PACRA maintained the stability rating of the Fund at "AA+ (f)" (Double A Plus) [2020: "AA+(f)" (Double A)] on 16 April 2021 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.

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-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

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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 2020.

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, 2020.

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 2020.

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 - Amendments in Definition of a business
 IFRS 9 - Interest rate benchmark Reform
 IAS 1- Definition of Material
 IFRS 16 - COVID-19 Rent Related Concession
 IFRS 16 - Leases

The Conceptual Framework of financial Reporting.

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

		31 March 2021 Un-audited	30 June 2020 Audited
	Note	----- Rupees -----	
4 CASH AND BANK BALANCES			
Balances with banks in savings accounts	4.1	17,726,566,091	7,458,580,094
Cheques in hand	4.2	542,083,494	63,867,899
		<u>18,268,649,585</u>	<u>7,522,447,993</u>

4.1 The rate of return on these accounts range between 5.50% to 7.80% (30 June 2020: 6.00% to 12.50%) per annum.

4.2 These cheques were received against issue of units which were deposited and cleared subsequent to the period end by 05 April 2021 (30 June 2020: 03 July 2020).

		31 March 2021 Un-audited	30 June 2020 Audited
	Note	----- Rupees -----	
5 INVESTMENTS			
At fair value through profit or loss			
Investment in government securities			
- Market Treasury Bills	5.1	4,766,166,531	2,617,567,408
		<u>4,766,166,531</u>	<u>2,617,567,408</u>

Atlas Money Market Fund

5.1 Market Treasury Bills

Tenor	As at 01 July 2020	Purchased during the period	Sold / matured during the period	As at 31 March 2021	Amortised cost as at 31 March 2021	Market value as at 31 March 2021	Market value as a percentage of total investment	Market value as a percentage of net assets
	----- Face value -----				----- (Rupees) -----		----- (Percentage) -----	
3 Months	125,000,000	73,373,240,000	69,098,240,000	4,400,000,000	4,332,485,284	4,332,298,581	90.90	20.62
6 Months	1,950,000,000	17,145,000,000	18,645,000,000	450,000,000	433,839,952	433,867,950	9.10	2.06
12 Months	592,780,000	17,181,460,000	17,774,240,000	-	-	-	-	-
31 March 2021	2,667,780,000	107,699,700,000	105,517,480,000	4,850,000,000	4,766,325,236	4,766,166,531	100.00	22.68
30 June 2020					2,605,924,677	2,617,567,408	100.00	26.10

5.1.1 The cost of investments as on 31 March 2021 is Rs. 4,762,411,350 (30 June 2020: 2,559,416,610).

5.1.2 These Market treasury bills carry purchase yield of 6.30% to 7.80% (30 June 2020: 7.48% to 11.24%) per annum.

6 PREPAYMENTS AND OTHER RECEIVABLES	Note	31 March 2021	30 June 2020
		Un-audited	Audited
		----- Rupees -----	
Prepaid rating Fee		129,931	-
Prepaid Legal & Professional Charges		11,286	-
Other receivables	6.1	3,685,722	3,683,919
		3,826,939	3,683,919

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 2021 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

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7 PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY (RELATED PARTY)	Note	31 March	30 June
		2021	2020
		Un-audited	Audited
		----- Rupees -----	
Remuneration of the Management Company	7.1	4,061,703	3,030,437
Sindh Sales Tax (SST) payable on remuneration of the Management Company	7.2	3,648,184	3,514,120
Federal Excise Duty payable on remuneration of the Management Company	7.3	20,428,502	20,428,502
Accounting and operational charges payable	14	2,748,676	1,471,928
		30,887,065	28,444,987

7.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 639 (1) / 2019 dated 20 June 2019, the Management Company is entitled to a remuneration equal to an amount not exceeding 2.5% 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 0.35% (30 June 2020: 0.45%) per annum of the average net assets till 02 December 2020 and with effect from 03 December 2020 charges the remuneration at the rate of 0.25% of the average annual net assets of the Fund. The fee is payable to the Management Company monthly in arrears.

7.2 During the period, an amount of Rs. 5,026,977 (2020: Rs. 4,858,145) was charged on account of sales tax on management fee levied through Sindh Sales Tax on Services Act, 2011 and , an amount of Rs. 4,892,931 (2020: Rs. 4,724,092) 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 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 2020: 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 2021 would have been higher by Rs. 0.49 (30 June 2020: Re. 1.03) per unit.

8 PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN - TRUSTEE - RELATED PARTY	31 March	30 June
	2021	2020
	Un-audited	Audited
	----- Rupees -----	
Remuneration Payable to Trustee	1,056,050	562,796
Sindh Sales Tax (SST) on Trustee fee Payable	137,286	73,163
	1,193,336	635,959

Atlas Money Market Fund

With effect from June 28, 2019, the trustee is entitled to monthly remuneration for services rendered to the fund at a flat rate of 0.065% p.a of Net Assets.

During the year ended 30 June 2020, an amount of Rs 1,073,243 (2019 : Rs 701,732) was charged on account of sales tax on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011 and an amount of Rs. 1,009,120 (2020 : Rs. 700,195) was paid to the Trustee which acts as a collecting agent.

9 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	31 March 2021	30 June 2020
		Un-audited	Audited
		----- Rupees -----	
Annual fees payable	9.1	<u>2,540,220</u>	<u>2,295,677</u>

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).

10 ACCRUED EXPENSES AND OTHER LIABILITIES	Note	31 March 2021	30 June 2020
		Un-audited	Audited
		----- Rupees -----	
Auditors' remuneration payable		309,812	500,850
Withholding tax payable		12,668,246	10,043,989
Capital gain tax payable		507,365	4,217,082
Annual listing fee payable		20,644	-
Provision for Sindh Workers' Welfare Fund	10.1	84,233,871	67,373,577
Zakat payable		1,800	38,441
Brokerage Payable		5,591	-
		<u>97,747,329</u>	<u>82,173,939</u>

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

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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 2021 would have been higher by Rs. 2.03 per unit (30 June 2020: Re 3.39 per unit).

11 CONTINGENCIES AND COMMITMENTS

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

12 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 31 March 2021 is 0.67% (30 June 2020: 0.98%) which includes 0.20% (30 June 2020: 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 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 accrued expenses within the limits of 0.12% of annual average net assets of the fund till 30 November 2020 and within the limit of 0.065% of the average net assets afterwards.

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.

Atlas Money Market Fund

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	
	2021	2020
	Un-audited	Un-audited
	----- Rupees -----	
16.1 Transactions for the period		
Atlas Asset Management Limited (Management Company)		
Remuneration of the Management Company	38,669,055	37,370,344
Remuneration paid	37,637,789	36,339,169
Sindh Sales Tax on Remuneration of the Management Company	1,073,243	4,858,145
Accounting and operational charges	12,008,924	11,367,867
Issue of 435,433 (2020: 441,979) units	220,523,968	223,295,493
Redemption of 389,738 (2020: 276,931) units	197,500,000	140,000,304
Dividend declared	4,970,079	2,973,392
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	8,255,714	5,397,938
Sindh Sales Tax on remuneration of the Trustee	1,073,243	701,732
Remuneration paid	7,762,460	5,386,117
Atlas Battery Limited (Group Company)		
Issue of 1,009,917 (2020: 30) units	510,688,710	14,986
Redemption of 1,009,197 (2020: 4,157) units	511,616,721	2,100,381
Dividend declared	11,648,152	17,543
Batool Benefit Trust		
Issue of 83,516 (2020: 42,175) units	42,341,636	21,276,628
Redemption of 15,447 (2020: Nil) units	7,841,961	-
Dividend declared	2,584,897	1,227,402
Atlas Fund of Funds (Fund under common management)		
Issue of 436,380 (2020: 357,975) units	220,830,000	180,580,000
Redemption of 391,708 (2020: 357,975) units	198,985,984	181,995,687
Atlas Foundation (Group Company)		
Issue of 51,744 (2020: 90,397) units	26,180,985	45,780,145
Redemption of 125,309 (2020: 16,813) units	63,500,000	8,500,000
Dividend declared	6,052,633	11,789,231
Atlas Honda Limited (Group Company) (Unit Holder with more than 10% holding)		
Issue of 9,781,438 (2020: 2,605,118) units	4,957,640,312	1,316,413,635
Redemption of 1,000,000 (2020: 1,379,291) units	506,500,000	700,000,000
Dividend declared	168,121,156	250,362,535
Atlas Engineering Limited - Employees Provident Fund (Retirement benefit plan of a Group Company)		
Issue of 113 (2020: 17,536) units	56,894	8,869,114
Redemption of 5,876 (2020: 11,902) units	2,982,267	6,000,000
Dividend declared	56,894	262,264

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		For the Nine Months Ended 31 March	
		2021	2020
		Un-audited	Un-audited
		----- Rupees -----	
16.1	Transactions for the period (Continued....)	Note	
	Atlas Metals (Private) Limited		
	Issue of 131,168 (2020: Nil) units	66,444,862	-
	Redemption of Nil (2020: Nil) units	-	-
	Dividend declared	1,498,471	-
	Atlas Insurance Limited (Group Company)		
	Issue of 261,289 (2020: 2,197,628) units	132,371,693	1,109,556,294
	Redemption of 479,618 (2020: 1,753,486) units	242,710,940	888,913,495
	Dividend declared	2,374,310	29,980,134
	Honda Atlas Cars (Pakistan) limited (Group Company)		
	Issue of Nil (2020: 2,825) units	-	1,423,583
	Redemption of Nil (2020: 2,825) units	-	1,436,692
	Dividend declared	-	-
	Atlas Honda Limited - Non-Management Staff Gratuity Fund (Retirement benefit plan of a Group Company)		
	Issue of 730 (2020: 1,907) units	368,992	959,714
	Redemption of 1,972 (2020: 6,907) units	1,000,000	3,500,000
	Dividend declared	368,992	926,513
	Atlas Group of Companies - Management Staff Gratuity Fund (Retirement benefit plan of a Group Company)		
	Issue of 205,524 (2020: 315,334) units	104,138,522	159,524,862
	Redemption of 17,806 (2020: 373,348) units	9,000,000	189,000,000
	Dividend declared	4,648,301	4,057,914
	Atlas Die Casting (Private) Limited (Group Company)		
	Issue of 2 (2020: 80,003) units	1,101	40,546,941
	Redemption of Nil (2020: 79,951) units	-	40,303,317
	Dividend declared	1,296	177,192
	Shirazi Investments (Private) Limited (Group Company)		
	Issue of Nil (2020: 983,554) units	-	495,199,640
	Redemption of 394,861 (2020: Nil) units	200,000,000	-
	Dividend declared	31,207,335	56,418,203
	Fauji Fertilizer Company Limited (Unit Holder with more than 10% holding)	16.3	
	Issue of 14,348,630 (2020: 7,091,803) units	7,271,794,019	3,591,218,901
	Redemption of 3,789,045 (2020: 6,491,515) units	1,920,000,000	3,278,479,753
	Dividend declared	172,963,665	73,700,870
	Shirazi Trading Company (Private) Limited - (Employee Provident Fund) (Retirement benefit plan of a Group Company)		
	Issue of 9,935 (2020: Nil) units	5,021,222	-
	Redemption of 9,935 (2020: 713,606) units	5,045,592	-
	Dividend declared	23,405	-

Atlas Money Market Fund

		For the Nine Months Ended 31 March	
		2021	2020
		Un-audited	Un-audited
		----- Rupees -----	
16.1	Transactions for the period (Continued....)		
	Shirazi Investment (Private) Limited (Employee Provident Fund) (Retirement benefit plan of a Group Company)		
	Issue of 6,870 (2020: 7,810) units	3,479,221	3,943,432
	Redemption of 31,989 (2020: 21,939) units	16,191,157	11,100,000
	Dividend declared	471,050	2,324,990
	Atlas Honda Limited (Employee Provident Fund) (Retirement benefit plan of a Group Company)		
	Issue of 6,603 (2020: 129,133) units	3,336,886	65,129,765
	Redemption of 59,218 (2020: 118,699) units	30,000,000	60,000,000
	Dividend declared	3,336,886	4,885,227
	Honda Atlas Cars (Pak.) Ltd. - Emp. Prov. Fund		
	Issue of 151,228 (2020: Nil) units	76,648,292	-
	Redemption of 151,218 (2020: Nil) units	76,489,006	-
	Dividend declared	1,404,109	-
	Honda Atlas Cars (Pakistan) Ltd.- Emp. Gratuity. Fund		
	Issue of 100,812 (2020: Nil) units	51,098,862	-
	Dividend declared	936,073	-
	Directors and their close family members and key management personnel of the Management Company		
	Issue of 207,929 (2020: 318,790) units	105,170,405	160,913,183
	Redemption of 500,445 (2020: 121,103) units	253,920,212	61,160,299
	Dividend declared	15,217,393	14,536,701
		31 March	30 June
		2021	2020
		Un-audited	Audited
		----- Rupees -----	
16.2	Balances outstanding as at period / year end		
	Atlas Asset Management Limited (Management Company)		
	Remuneration payable to the Management Company	4,061,703	3,030,437
	Sindh Sales Tax payable on Remuneration of the Management Company	3,648,184	3,514,120
	Federal Excise Duty payable on Remuneration of the Management Company	20,428,502	20,428,502
	Accounting and operational charges payable	2,748,676	1,471,928
	Outstanding 221,956 (30 June 2020: 1) units - at net asset value	112,312,666	89,020,759
	Central Depository Company of Pakistan Limited (Trustee)		
	Remuneration payable to the Trustee	1,056,050	758,573
	Sindh Sales Tax payable on Remuneration of the trustee	137,286	98,614
	Atlas Foundation (Group Company)		
	Outstanding 186,248 (30 June 2020: 259,800) units - at net asset value	94,243,965	131,265,678
	Atlas Metals (Private) Limited		
	Outstanding 131,168 (30 June 2020: Nil) units - at net asset value	66,372,756	-

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16.2	Balances outstanding as at period / year end (Continued....)	Note	31 March	30 June
			2021	2020
			Un-audited	Audited
			----- Rupees -----	
	Atlas Honda Limited (Group Company) (Unit Holder with more than 10% holding)			
	Outstanding 12,877,771 (30 June 2020: 4,096,035) units - at net asset value		6,516,316,886	2,069,545,461
	Atlas Engineering Limited - Employees Provident Fund (Retirement benefit plan of a Group Company)			
	Outstanding Nil (30 June 2020: 5,763) units - at net asset value		-	2,911,927
	Atlas Honda Limited - Employees Provident Fund (Retirement benefit plan of a Group Company)			
	Outstanding 104,626 (30 June 2020: 157,231) units - at net asset value		52,942,077	79,441,919
	Shirazi Investments (Private) Limited - Employees Provident Fund (Retirement benefit plan of a Group Company)			
	Outstanding 12,110 (30 June 2020: 37,227) units - at net asset value		6,127,754	18,809,076
	Atlas Die Casting (Private) Limited (Group Company)			
	Outstanding 55 (30 June 2020: 53) units - at net asset value		27,995	26,851
	MCFSL Trustee Atlas Fund of Funds			
	Outstanding 44,671 (30 June 2020: Nil) units - at net asset value		22,604,306	-
	Shirazi Investments (Private) Limited (Group Company)			
	Outstanding 1,049,122 (30 June 2020: 1,443,983) units - at net asset value		530,869,195	729,580,878
	Atlas Group of Companies Management Staff Gratuity Fund (Retirement benefit plan of a Group Company)			
	Outstanding 305,298 (30 June 2020: 117,461) units - at net asset value		154,484,553	59,347,713
	Atlas Honda Limited Non Management Staff Gratuity Fund (Retirement benefit plan of a Group Company)			
	Outstanding 15,816 (30 June 2020: 17,056) units - at net asset value		8,003,083	8,617,857
	Honda Atlas Cars (Pakistan) Ltd Emp. Gratuity. Fund (Retirement benefit plan of a Group Company)			
	Outstanding 100,812 (30 June 2020: Nil) units - at net asset value		51,012,188	-
	Atlas Honda Limited			
	Outstanding 12,877,771 (30 June 2020: Nil) units - at net asset value		6,516,316,961	-
	Batoobs Benefit Trust (Trust having common Director / Trustee)			
	Outstanding 123,367 (30 June 2020: 55,295) units - at net asset value		62,425,033	27,938,122
	Fauji Fertilizer Company Limited (Unit Holder with more than 10% holding)	16.3		
	Outstanding 12,559,585 (30 June 2020: Nil) units - at net asset value		5,343,285,286	-
	Directors and their close family members and key management personnel of the Management Company	16.4		
	Outstanding 510,263 (30 June 2020: 798,559) units - at net asset value		258,199,521	403,476,734

Atlas Money Market Fund

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 2021 and 30 June 2020, the Fund held the following instruments measured at fair values:

	Level 1	Level 2	Level 3
	----- Rupees -----		
31 March 2021			
At fair value through profit or loss	4,766,166,531		
	4,766,166,531	-	-
30 June 2020			
At fair value through profit or loss	2,617,567,408	-	-
	2,617,567,408	-	-

18 GENERAL

18.1 Figures of the condensed interim income statement and the condensed interim statement of comprehensive income for the quarters ended 31 March 2021 and 31 March 2020 have not been subjected to limited scope review by the statutory auditors of the Fund.

18.2 COVID-19

The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts. The Securities and Exchange Commission of Pakistan (SECP) had provided the following relaxation to CISs operating in Pakistan for classification of debt security for a specified period of time commencing from April 9, 2020 and expiring on March 31, 2021.

- The timeline for classification of debt security as non performing has been extended from 15 days to 180 days overdue.

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The Management Company is closely monitoring the situation and has invoked required actions to ensure safety and security of the staff and an uninterrupted service to the customers. Business Continuity Plans (BCP) for respective areas are in place and tested. The Management Company has significantly enhanced monitoring for all cyber security risk during these times from its information security protocols. The remote work capabilities were enabled for critical staff and related risk and control measures were assessed to make sure they are fully protected using virtual private network (“VPN”) connections. Further, the Management Company has also ensured that its remote access systems are sufficiently resilient to any unwanted cyber-attacks.

The Management Company has made an assessment of COVID-19 on the credit risk and liquidity risk and believes that there is no significant impact on the Fund.

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

18.4 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 April 29, 2021.

**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 Taraqati Bank Limited

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

AS AT 31 MARCH 2021

		31 March 2021 Un-audited	30 June 2020 Audited
	Note	----- (Rupees) -----	
Assets			
Bank balances	4	839,441,018	301,477,720
Investments	5	1,289,262,160	1,867,851,534
Mark-up receivable	6	15,872,474	14,446,366
Prepayments and other receivables		1,001,364	479,185
Total assets		2,145,577,016	2,184,254,805
Liabilities			
Payable to Atlas Asset Management Limited - Management Company	7	2,631,498	3,660,853
Payable to the Central Depository Company of Pakistan Limited - Trustee	8	136,914	139,491
Payable to the Securities and Exchange Commission of Pakistan	9	321,742	495,192
Accrued expenses and other liabilities	10	12,095,346	96,487,696
Total liabilities		15,185,500	100,783,232
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		2,130,391,516	2,083,471,573
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		2,130,391,516	2,083,471,573
CONTINGENCIES AND COMMITMENTS	11	----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		20,289,960	20,635,634
NET ASSET VALUE PER UNIT		104.9973	100.9600

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 2021

	Note	For the Nine Month Ended		For the Quarter Ended	
		31 March		31 March	
		2021	2020	2021	2020
----- (Rupees) -----					
Income					
Profit on bank balances		12,461,060	24,841,314	5,656,788	4,755,663
Income from government securities		114,774,627	207,959,197	37,275,926	58,113,393
(Loss) / gain on sale of investments - net		(12,733,743)	62,610,720	(10,349,188)	39,538,038
Net unrealised (diminution) / appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss'		(12,899,223)	41,043,846	(3,846,291)	(3,122,238)
Total income		101,602,721	336,455,077	28,737,235	99,284,856
Expenses					
Remuneration of the Management Company	7.1	10,420,846	16,037,870	3,299,154	6,143,195
Sindh sales tax on remuneration of the Management Company	7.2	1,354,710	2,084,923	428,890	798,615
Remuneration of the Trustee		1,045,674	1,247,074	354,387	337,612
Sindh sales tax on remuneration of the Trustee		135,938	162,120	46,071	43,890
Annual fee to the Securities and Exchange Commission of Pakistan		321,742	383,713	109,042	103,880
Accounting and operational charges	7.4	2,734,849	2,596,603	926,860	803,254
Annual rating fee		302,250	250,120	117,627	82,767
Annual listing fee		20,644	20,663	6,781	6,837
Securities transaction cost		2,824	46,827	2,824	-
Auditors' remuneration		182,230	228,215	(1,790)	69,101
Printing charges		11,854	28,809	2,139	-
Legal and professional charges		115,450	128,529	49,670	64,113
Bank charges		27,145	35,938	(1,600)	1,908
Provision for Sindh Workers' Welfare Fund (SWWF)	10.1	1,698,531	6,237,821	467,944	1,790,342
Total expenses		18,374,687	29,489,225	5,807,999	10,245,514
Net income for the period before taxation		83,228,034	306,965,852	22,929,236	89,039,342
Taxation	13	-	-	-	-
Net income for the period after taxation		83,228,034	306,965,852	22,929,236	89,039,342
Allocation of net income for the period					
Net income for the period after taxation		83,228,034	306,965,852	22,929,236	89,039,342
Income already paid on units redeemed		(4,421,650)	(147,864,703)	(1,723,247)	(116,414,604)
		78,806,384	159,101,149	21,205,989	(27,375,262)
Accounting income available for distribution					
- Relating to capital gains		-	103,654,566	-	36,415,800
- Excluding capital gains		78,806,384	55,446,583	21,205,989	(63,791,062)
		78,806,384	159,101,149	21,205,989	(27,375,262)

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

Ifthikhar 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 2021

	For the Nine Month Ended		For the Quarter Ended	
	31 March		31 March	
	2021	2020	2021	2020
	----- (Rupees) -----			
Net income for the period after taxation	83,228,034	306,965,852	22,929,236	89,039,342
Other comprehensive income / (loss) for the period	-	-	-	-
Total comprehensive income for the period	83,228,034	306,965,852	22,929,236	89,039,342

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 2021

	31 March 2021			31 March 2020		
	Capital value	Undistributed income (Rupees)	Net assets	Capital value	Undistributed income (Rupees)	Net assets
Capital Value	2,073,891,942	-	2,073,891,942	2,298,220,458	-	2,298,220,458
Undistributed income brought forward						
- Realized Income	-	-	-	-	4,865,277	4,865,277
- Un-realized Income / (loss)	-	9,579,631	9,579,631	-	(1,849,044)	(1,849,044)
Net assets at the beginning of the period	2,073,891,942	9,579,631	2,083,471,573	2,298,220,458	3,016,233	2,301,236,691
[Units outstanding: 20,635,634 @ Rs. 100.9600 per unit (2020: 22,936,104 @ Rs. 100.33 per unit)]						
Issue of 5,969,906 (2020: 13,950,995) units	613,796,833	-	613,796,833	1,476,236,713	-	1,476,236,713
Redemption of 6,315,580 (2020: 22,446,438) units	(645,683,274)	(4,421,650)	(650,104,924)	(2,292,715,704)	(147,864,703)	(2,440,580,407)
Total comprehensive income for the period	-	83,228,034	83,228,034	-	306,965,852	306,965,852
Net assets at end of the period	2,042,005,501	88,386,015	2,130,391,516	1,481,741,467	162,117,382	1,643,858,849
[Units outstanding: 20,289,960 @ Rs. 105.9973 per unit (2020: 14,440,661 @ Rs. 113.84 per unit)]						
Undistributed income carried forward						
- Realised income	-	87,629,109	-	-	80,401,895	-
- Unrealised income	-	756,906	-	-	81,715,487	-
	-	88,386,015	-	-	162,117,382	-

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 CASH FLOW STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS ENDED 31 MARCH 2021

	For the Nine Month Ended	
	31 March	
	2021	2020
Note	(Rupees)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period after taxation	83,228,034	306,965,852
Adjustments for:		
Interest income	(127,235,687)	(232,800,511)
Loss / (Gain) on sale of investments - net	12,733,743	(62,610,720)
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	12,899,223	(41,043,846)
Provision for Sindh Workers' Welfare Fund	1,698,531	6,237,821
	(99,904,190)	(330,217,256)
Decrease / (Increase) in assets		
Investments	552,956,408	(663,692,895)
Mark-up receivable	125,809,579	112,452,723
Prepayments and other receivables	(522,179)	(132,318)
	678,243,808	(551,372,490)
Decrease in liabilities		
Payable to Atlas Asset Management Limited - Management Company	(1,029,355)	1,909,576
Payable to the Central Depository Company of Pakistan Limited - Trustee	(2,577)	(154,307)
Payable to the Securities and Exchange Commission of Pakistan	(173,450)	(46,709)
Accrued expenses and other liabilities	(86,090,881)	(13,761,895)
	(87,296,263)	(12,053,335)
Net cash used in operating activities	574,271,389	(586,677,229)
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received against issuance of units	613,796,833	1,476,236,714
Amount paid against redemption of units	(650,104,924)	(2,439,581,506)
Net cash (used in) / generated from financing activities	(36,308,091)	(963,344,792)
Net decrease in cash and cash equivalents	537,963,298	(1,550,022,021)
Cash and cash equivalents at the beginning of the period	301,477,720	1,786,431,695
Cash and cash equivalents at the end of the period	4 839,441,018	236,409,674

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 2021

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Atlas Sovereign Fund (the Fund) is an open ended Fund constituted by 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, Eighth, Ninth and Tenth 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, October 30, 2019 and 1 April 2020 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 January 2, 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 December 1, 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) has assigned the management company rating of AM2+ (Stable outlook) on December 24, 2020 and the fund rating of AA-(f) on 16 April 2021 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.
- 1.6 During the current period, the Trust Act, 1882 has been repealed due to promulgation of provincial trust acts as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration and annual renewal requirements under the relevant trust acts have been introduced. The Management Company in the consultation with the MUFAP and the Trustee is currently deliberating upon the requirements of the newly enacted provincial trust acts and their implication on the fund.

2 STATEMENT OF COMPLIANCE

- 2.1 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.

- 2.2 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 2020.

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2.3 In compliance of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2021.

The Condensed Interim Financials Statements are unaudited. However, a limited scope review has been performed by the statutory auditors. In Compliance with the Schedule V of the NBFC Regulations, the directives of the Management Company declare that these interim financial statements give a true and fair view of the state of the affairs of the Fund as at March 31, 2021.

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 2020.

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

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 July 1, 2020. 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 July 1, 2021. 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.

	Note	31 March 2021	30 June 2020
		Un-audited	Audited
4 BANK BALANCES		----- (Rupees) -----	
- Saving accounts	4.1	839,340,698	301,477,720
- Cheque in hand	4.2	100,320	-
		839,441,018	301,477,720

4.1 The rate of return on these balances range from 5.00% to 7.80% (30 June 2020: 6.50% to 8.80%) per annum.

4.2 The Cheques were received against issue of units which were deposited and cleared subsequent to the period end by 01 April 2021.

	Note	31 March 2021	30 June 2020
		Un-audited	Audited
5 INVESTMENTS		----- (Rupees) -----	
At fair value through profit or loss			
Investment in government securities			
Market Treasury Bills	5.1	172,323,017	1,287,200,883
Pakistan Investment Bonds	5.2	1,116,939,143	580,650,651
		1,289,262,160	1,867,851,534

Atlas Sovereign Fund

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

Tenor	As at 1 July 2020	Acquired during the year	Sold / matured during the year	As at 31 March 2021	Amortised cost as at 31 March 2021	Market value as at 31 March 2021	Market value as a percentage of total investment	Market value as a percentage of net assets
	----- Face value (Rupees) -----				----- (Rupees) -----		----- % age -----	
03 Months - T-bills	-	2,254,500,000	2,079,500,000	175,000,000	172,271,633	172,323,017	13.37	8.09
06 Months - T-bills	175,000,000	370,000,000	545,000,000	-	-	-	-	-
12 Months - T-bills	1,143,045,000	570,000,000	1,713,045,000	-	-	-	-	-
March 31, 2021	<u>1,318,045,000</u>	<u>3,194,500,000</u>	<u>4,337,545,000</u>	<u>175,000,000</u>	<u>172,271,633</u>	<u>172,323,017</u>	<u>13.37</u>	<u>8.09</u>
June 30, 2020					<u>1,271,027,821</u>	<u>1,287,200,883</u>	<u>68.91</u>	<u>61.78</u>

5.1.1 The cost of investments as on 31 March 2021 is Rs 172,023,600 (June 30, 2020: 1,198,569,569)

5.1.2 These Market Treasury Bills carry purchase yields ranging from 7.49% to 7.54% (30 June 2020: 7.48% to 14.19%) per annum and will mature between 17 June 2021 (30 June 2020: 27 August 2020 to 11 March 2021).

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

Tenor	As at 1 July 2020	Acquired during the year	Sold / matured during the year	As at 31 March 2021	Amortised cost as at 31 March 2021	Market value as at 31 March 2021	Market value as a percentage of total investment	Market value as a percentage of net assets
	----- Face value (Rupees) -----				----- (Rupees) -----		----- % age -----	
03 Years PIB	470,500,000	175,000,000	325,000,000	320,500,000	325,901,345	321,877,014	24.97	15.11
05 Years PIB	90,000,000	867,500,000	235,000,000	722,500,000	728,499,030	720,174,629	55.86	33.80
10 Years PIB	-	75,000,000	-	75,000,000	75,489,375	74,887,500	5.81	3.52
March 31, 2021	<u>560,500,000</u>	<u>1,117,500,000</u>	<u>560,000,000</u>	<u>1,118,000,000</u>	<u>1,129,889,750</u>	<u>1,116,939,143</u>	<u>86.63</u>	<u>52.43</u>
June 30, 2020					<u>520,932,679</u>	<u>580,650,651</u>	<u>31.09</u>	<u>27.87</u>

5.2.1 The cost of investments as on 31 March 2021 is Rs. 1,116,481,654.00 (30 June 2020: Rs. 520,932,679).

5.2.2 These Pakistan Investment Bonds carry purchase yields ranging from 8.12% to 12.28% (30 June 2020: 11.52% to 14.59%) per annum and 3 Years PIB will mature on 18 June 2023 and 5 Years PIB will mature on 15 October 2025 and 10 year PIB will mature on 18 June 2030 (30 June 2020: 19 September 2022 and 19 September 2024).

6 MARK-UP RECEIVABLE

Mark-up receivable on:

Banks balances

Pakistan Investment Bonds

Note	31 March 2021	30 June 2020
	Un-audited	Audited
	----- (Rupees) -----	
	3,539,892	62,997
	12,332,582	14,383,369
	<u>15,872,474</u>	<u>14,446,366</u>

7 PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY - RELATED PARTY

Remuneration of the Management Company

Sindh sales tax payable on remuneration of the Management Company

Federal Excise Duty payable on remuneration of the Management Company

Accounting and operational charges payable

7.1	1,124,290	2,036,614
7.2	284,985	396,036
7.3	905,341	905,341
7.4	316,882	322,862
	<u>2,631,498</u>	<u>3,660,853</u>

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- 7.1 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 0.60% of average daily net asset and maximum fee of 1.00% of average annual net assets. The aforementioned limits were revised and are effective since July 01, 2020. Previously, the management fee was charged 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 assets and maximum fee of 0.80% of average daily net assets. The amount of the remuneration is being paid on monthly basis in arrears.
- 7.2 During the period, an amount of Rs. 1,354,710 (2020: Rs.4,858,145) 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. 1,465,761 (2020: Rs. 4,724,092) 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 June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 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 0.04 (June 30, 2020: Re 0.04) per unit.

- 7.4 In accordance with Regulation 60 of NBFC regulations, the management company entitled to charge fees and expenses related to register services, accounting, operation and valuation services, related to a collective investment scheme (CIS).

The Management Company has charged expenses at the rate 0.17% of the average annual net assets of the Fund for the current. The aforementioned rate was revised in the prior period and is effective since March 05, 2020. Previously, the Management Company has charged expenses at the rate of 0.1% of the average annual net assets of the fund for the period July 01, 2019 to September 30, 2019 and at 0.15% of the average net assets of the fund from October 01, 2019 till March 04, 2020.

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. The Fund has charged Trustee Fee at the rate of 0.065% (31 March 2020: 0.065%) of average daily net assets of the Fund during the period.

	Note	31 March	30 June
		2021	2020
		Un-audited	Audited
		(Rupees)	
9 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN			
Annual fee payable	9.1	321,742	495,192

- 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).

In accordance with the SRO No. 685(I)/2019 dated June 28, 2019, issued by SECP, the fund has charged SECP fee at the rate of 0.02% (31 March 2020 :0.02%) of average net assets of the fund during the period.

Atlas Sovereign Fund

		31 March 2021	30 June 2020
		Un-audited	Audited
10 ACCRUED EXPENSES AND OTHER LIABILITIES	Note	----- (Rupees) -----	-----
Auditors' remuneration payable		168,730	252,450
Printing charges payable		-	8,025
Transaction charges payable		1,204	1,204
Withholding tax payable		233,383	31,010,400
Capital gain tax payable		4,605	511,711
Annual listing fee payable		20,644	-
Dividend payable		-	54,735,658
Other payable	10.1	10,985	10,984
Provision for Sindh Workers' Welfare Fund		11,655,795	9,957,264
		12,095,346	96,487,696

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

Had the provision for SWWF not been recorded in these condensed interim financial statements of the Fund for the period from May 21, 2015 to March 31, 2021, the net asset value of the Fund as at March 31, 2021 would have been higher by Re. 0.57 (June 30, 2020: Re. 0.48) per unit.

11 CONTINGENCIES AND COMMITMENTS

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

12 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at March 31, 2021 is 1.14% (June 30, 2020: 1.61%) which includes 0.22% (June 30, 2020: 0.45%) 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. 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.

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.

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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 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	
	2021	2020
	Un-audited	Un-audited
	----- (Rupees) -----	
Atlas Asset Management Limited (Management Company)		
Remuneration of the Management Company	10,420,846	16,037,870
Remuneration paid	11,333,170	14,159,841
Sindh Sales Tax on remuneration of the Management Company	1,354,710	2,084,923
Accounting and operational charges	2,734,849	2,596,603
Redemption of Nil (2020: 416,133) units	-	44,051,586
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	1,045,674	1,247,074
Remuneration paid	1,047,955	1,383,629
Sindh Sales Tax on Remuneration of the Trustee	135,938	162,120
Atlas Foundation (Group Company)		
Issue of 108,423 (2020: 239,239) units	11,000,000	25,000,000
Redemption of Nil (2020: 145,723) units	-	16,000,000
Atlas Honda Limited (Group Company)		
Issue of 49,072 (2020: 2,894,635) units	5,005,257	300,000,000
Redemption of Nil (2020: 5,497,022) units	-	600,000,000
Atlas Honda Limited - Employees Provident Fund (Retirement benefit plan of a Group Company)		
Redemption of Nil (2020: 733,667) units	-	80,000,000
Atlas Group of Companies - Management Staff Gratuity Fund (Retirement benefit plan of a Group Company)		
Issue of 187,565 (2020: 361,370) units	19,000,000	40,000,000
Redemption of 343,763 (2020: 93,624) units	35,000,000	10,000,000

Atlas Sovereign Fund

For the Nine Months Ended
31 March

	2021	2020
	Un-audited	Un-audited
	----- (Rupees) -----	

Shirazi Investments (Private) Limited (Group Company)		
Issue of 50,535 (2020: Nil) units	5,154,393	-
Redemption of Nil (2020: 4,586,314) units	-	500,000,000
Shirazi Investments (Private) Limited - Employees Provident Fund (Retirement benefit plan of a Group Company)		
Issue of 13,400 (2020: 7,719) units	1,360,000	800,000
Redemption of 102,284 (2020: 12,821) units	10,552,020	1,400,000
Batools Benefit Trust		
Issue of 181,492 (2020: Nil) units	18,500,000	-
Atlas Metals (Private) Limited		
Issue of 389,227 (2020: Nil) units	40,000,000	-
Honda Atlas Cars (Pak.) Ltd. - Employees Provident Fund		
Issue of 723,875 (2020: Nil) units	75,000,000	-
Redemption of 723,875 (2020: Nil) units	75,952,040	-
Honda Atlas Cars (Pakistan) Ltd.- Employees Gratuity Fund		
Issue of 1,171,461 (2020: Nil) units	120,000,000	-
Atlas Insurance (Group Company)		
Issue of 986,539 (2020: 9,069,994) units	100,000,000	963,957,003
Redemption of 1,813,662 (2020: 6,846,832) units	184,784,214	743,458,719
Directors, their close family members and key management personnel of the Management Company		
Issue of 11,362 (2020: 202,001) units	1,158,869	20,876,526
Redemption of Nil (2020 3,179,911) units	-	345,137,779

15.6 Details of balances outstanding at the period / year end with connected persons/related parties are as follows:

	31 March 2021	30 June 2020
	Un-audited	Audited
	----- (Rupees) -----	
Atlas Asset Management Limited (Management Company)		
Remuneration payable to the Management Company	1,124,290	2,036,614
Sindh Sales Tax payable on Remuneration of the Management Company	284,985	396,036
Federal Excise Duty payable on Remuneration of the Management Company	905,341	905,341
Accounting and operational charges payable	316,882	322,862
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration payable to the Trustee	121,162	123,443
Sindh Sales Tax payable on remuneration of the trustee	15,752	16,048

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	31 March 2021 Un-audited ----- (Rupees) -----	30 June 2020 Audited -----
Atlas Foundation (Group Company) Outstanding 936,644 (30 June 2020: 828,222) units	98,345,126	83,617,293
Shirazi Investments (Private) Limited - Employees Provident Fund (Retirement benefit plan of a Group Company) Outstanding 19,332 (30 June 2020: 108,216) units	2,029,876	10,925,487
Atlas Insurance Limited (Group Company) Outstanding Nil (30 June 2020: 827,123) units	-	83,506,338
Atlas Honda Limited - Employees Provident Fund (Retirement benefit plan of a Group Company) Outstanding 552,692 (30 June 2020: 552,692) units	58,031,130	55,799,784
Atlas Honda Limited (Group Company) Outstanding 10,231,645 (30 June 2020: 10,182,572) units	1,074,295,061	1,028,032,469
Shirazi Investments (Private) Limited (Group Company) Outstanding 2,959,371 (30 June 2020: 2,908,836) units	310,725,970	293,676,083
Atlas Group of Companies - Management Staff Gratuity Fund (Retirement benefit plan of a Group Company) Outstanding 846,910 (30 June 2020: 1,003,109) units	88,923,295	101,273,885
Batools Benefit Trust Outstanding 181,492 (30 June 2020: Nil) units	19,056,220	-
Atlas Metals (Private) Limited Outstanding 389,227 (30 June 2020: Nil) units	40,867,801	-
Honda Atlas Cars (Pakistan) Ltd.- Emp. Gratuity. Fund Outstanding 1,171,461 (30 June 2020: Nil) units	123,000,228	-
Directors, their close family members and key management Personnel and executive of the Management Company Outstanding 731,808 (30 June 2020: 720,446) units	76,837,874	72,736,228

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.

Atlas Sovereign Fund

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

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

As at March 31, 2021 and June 30, 2020, the Fund held the following financial instruments measured at fair value:

----- Un-audited -----				
As at 31 March 2021				
ASSETS	Level 1	Level 2	Level 3	Total
----- (Rupees) -----				
Financial assets 'at fair value through profit or loss'				
Market Treasury Bills	-	172,323,017	-	172,323,017
Pakistan Investment Bonds	-	1,116,939,143	-	1,116,939,143
	-	<u>1,289,262,160</u>	-	<u>1,289,262,160</u>
----- Audited -----				
As at 30 June 2020				
	Level 1	Level 2	Level 3	Total
----- (Rupees) -----				
Financial assets 'at fair value through profit or loss'				
Market Treasury Bills	-	1,287,200,883	-	1,287,200,883
Pakistan Investment Bonds	-	580,650,651	-	580,650,651
	-	<u>580,650,651</u>	-	<u>580,650,651</u>

17 GENERAL

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

17.2 COVID-19

The COVID – 19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts. The Securities and Exchange Commission of Pakistan (SECP) had provided the following relaxation to CISs operating in Pakistan for classification of debt security for a specified period of time commencing from April 9, 2020 and expiring on March 31, 2021.

- The timeline for classification of debt security as non performing has been extended from 15 days to 180 days overdue.

The Management Company is closely monitoring the situation and has invoked required actions to ensure safety and security of the staff and an uninterrupted service to the customers. Business Continuity Plans (BCP) for respective areas are in place and tested. The Management Company has significantly enhanced monitoring for all cyber security risk during these times from its information security protocols. The remote work capabilities were enabled for critical staff and related risk and control measures were assessed to make sure they are fully protected using virtual private network (“VPN”) connections. Further, the Management Company has also ensured that its remote access systems are sufficiently resilient to any unwanted cyber-attacks.

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The Management Company has made an assessment of Covid-19 on the credit risk and liquidity risk and believes that there is no significant impact on the Fund.

- 17.3** 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 April 29, 2021 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 2021

		31 March 2021	30 June 2020
	Note	Un-audited	Audited
		----- Rupees -----	
Assets			
Bank balances	4	1,824,093,548	1,318,246,149
Receivable against Margin Trading System	5	279,473,271	-
Investments	6	2,351,837,588	2,762,821,946
Interest / profit accrued	7	23,690,458	49,575,012
Deposits, prepayment and other receivables	8	11,820,693	11,555,833
Total assets		4,490,915,558	4,142,198,940
Liabilities			
Payable to Atlas Asset Management Limited - Management Company	9	32,051,321	31,165,608
Payable to the Central Depository Company of Pakistan Limited - Trustee	10	322,421	265,807
Payable to the Securities and Exchange Commission of Pakistan	11	606,994	665,764
Payable against redemption of units		196,810	114,638
Payable against purchase of investments		21,272,740	-
Unclaimed dividend		40,464	291,511,586
Accrued expenses and other liabilities	12	45,493,410	103,021,494
Total liabilities		99,984,160	426,744,897
NET ASSETS		4,390,931,398	3,715,454,043
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		4,390,931,398	3,715,454,043
CONTINGENCIES AND COMMITMENTS	13	----- Number of units -----	
NUMBER OF UNITS IN ISSUE		8,041,980	7,151,571
		----- Rupees -----	
NET ASSET VALUE PER UNIT		546.0013	519.5298

The annexed notes from 1 to 22 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 NINE MONTHS AND QUARTER ENDED 31 MARCH 2021

	Note	For the Nine Month Ended		For the Quarter Ended	
		31 March		31 March	
		2021	2020	2021	2020
Rupees					
Income					
Interest income	15	246,381,411	306,716,604	72,448,180	106,387,019
Capital gain on sale of investments - net		9,652,057	50,588,265	7,655,218	31,017,497
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		(5,900,271)	56,057,080	(1,742,874)	22,392,396
		3,751,786	106,645,345	5,912,344	53,409,893
Total income		250,133,197	413,361,949	78,360,524	159,796,912
Expenses					
Remuneration of Atlas Asset Management Limited - Management Company	9.1	30,349,709	21,130,940	10,727,373	8,199,805
Sindh Sales Tax on remuneration of the Management Company	9.2	3,945,462	2,747,022	1,394,558	1,065,974
Remuneration of Central Depository Company of Pakistan Limited - Trustee		2,276,227	1,790,599	804,553	614,985
Sindh Sales Tax on remuneration of the Trustee		295,910	232,778	104,592	79,948
Annual fees to the Securities and Exchange Commission of Pakistan		606,994	477,494	214,548	163,996
Accounting and operational charges	14	5,159,450	3,250,518	1,823,656	1,280,186
Auditors' remuneration		469,853	525,643	180,233	165,491
Annual rating fee		392,643	324,892	152,837	107,510
Annual listing fee		20,644	20,662	6,781	6,837
Securities transaction cost		4,720,548	783,690	2,905,961	501,070
Printing charges		21,506	17,938	4,181	-
Legal and professional charges		753,599	302,429	597,839	150,760
Bank charges		41,990	67,234	5,828	3,321
Provision for Sindh Workers' Welfare Fund	12.1	4,021,573	7,633,802	1,188,751	2,949,140
Total expenses		53,076,106	39,305,641	20,111,689	15,289,023
Net income for the period before taxation		197,057,091	374,056,308	58,248,835	144,507,889
Taxation	17	-	-	-	-
Net income for the period after taxation		197,057,091	374,056,308	58,248,835	144,507,889
Allocation of net income for the period:					
Net income for the period after taxation		197,057,091	374,056,308	58,248,835	144,507,889
Income already paid on units redeemed		(6,775,267)	(6,358,124)	(3,878,791)	(1,795,430)
		190,281,825	367,698,184	54,370,045	142,712,459
Accounting income available for distribution:					
- Relating to capital gains		3,751,786	106,645,345	5,912,344	53,409,893
- Excluding capital gains		186,530,039	261,052,839	48,457,701	89,302,566
		190,281,825	367,698,184	54,370,045	142,712,459

The annexed notes from 1 to 22 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 STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2021

	For the Nine Month Ended 31 March		For the Quarter Ended 31 March	
	2021	2020	2021	2020
	----- Rupees -----			
Net income for the period after taxation	197,057,091	374,056,308	58,248,835	144,507,889
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	197,057,091	374,056,308	58,248,835	144,507,889

The annexed notes from 1 to 22 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 2020-21

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS ENDED 31 MARCH 2021

	For the Nine Months Ended	
	31 March	
	2021	2020
Note	----- Rupees -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	197,057,091	374,056,308
Adjustments for:		
Interest income	(246,381,411)	(306,716,604)
Capital gain on sale of investments - net	(9,652,057)	(50,588,265)
Net unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	5,900,271	(56,057,080)
Provision for Sindh Workers' Welfare Fund	4,021,573	7,633,802
	(246,111,624)	(405,728,147)
Decrease in assets		
Interest / profit accrued	25,884,554	-
Deposits, prepayment and other receivables	(264,860)	1,377,666
	25,619,694	1,377,666
Decrease in liabilities		
Payable to Atlas Asset Management Limited - Management Company	885,713	1,116,264
Payable to the Central Depository Company of Pakistan Limited - Trustee	56,614	(91,006)
Payable to the Securities and Exchange Commission of Pakistan	(58,770)	(2,738,643)
Unclaimed dividend	(291,471,122)	(61,568,254)
Accrued expenses and other liabilities	(40,194,745)	(15,172,427)
	(330,782,310)	(78,454,066)
	(354,217,148)	(108,748,239)
Interest received	246,381,411	260,800,114
Investment purchased /sold / redeemed / matured during the period	135,262,873	(968,139,890)
Net cash generated / (used in) generated from operating activities	27,427,136	(816,088,015)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issuance of units	3,693,398,089	1,300,751,041
Net payments against redemption of units	(3,214,977,826)	(1,169,773,963)
Net cash generated from financing activities	478,420,263	130,977,078
Net increase / (decrease) in cash and cash equivalents	505,847,399	(685,110,937)
Cash and cash equivalents at the beginning of the period	1,318,246,149	1,426,198,107
Cash and cash equivalents at the end of the period	4 1,824,093,548	741,087,170

The annexed notes from 1 to 22 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 2021

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, Twelfth, Thirteenth and Fourteenth 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 2020, 30 October 2020 and 1 April 2020 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) [2020: AM2+ (AM Two plus)] on 24 December 2020.

Furthermore, PACRA maintained the stability rating of "AA- (f)" (Double A minus) to the Fund [2020: "AA- (f)" (Double A minus)] on 16 April 2021 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.

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 2020.

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, 2020.

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 2020.

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 - Amendments to Definition of a Business.

IFRS 9 - Interest Rate Benchmark Reforms

IAS 1 - Definition of Material.

IFRS 16 - COVID-19 Rent Related Concessions.

The Conceptual Framework of Financial Reporting.

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

4 BANK BALANCES	Note	31 March	30 June
		2021	2020
		Un-audited	Audited
		----- Rupees -----	
In local currency			
- Profit and loss sharing accounts	4.1	1,813,590,874	1,188,844,960
- Current account		5,000	5,000
- Cheques in hand	4.2	10,497,675	129,396,189
		1,824,093,548	1,318,246,149

4.1 The rate of return on these accounts ranges between 5.50% and 7.80% (30 June 2020: 6.00% and 7.80%) per annum.

4.2 These cheques were received against issue of units which were deposited and cleared subsequent to the period end by 8 April 2021 (30 June 2020: 08 July 2020).

Atlas Income Fund

		31 March 2021	30 June 2020
		Un-audited	Audited
5	RECEIVABLE AGAINST MARGIN TRADING SYSTEM	Rupees	

Receivable Against Margin Trading System	5.1	279,473,271	-
--	-----	-------------	---

5.1 This represents financing arrangements under MTS system. These carry marks up rates ranging from 8.43% to 14.43% per annum having maturity date on 1 June 2021.

		31 March 2021	30 June 2020
		Un-audited	Audited
6	INVESTMENTS	Rupees	

At fair value through profit or loss

Term finance certificates - listed	6.1	37,007,782	324,639,911
Term finance certificates - unlisted	6.2	297,846,701	185,418,554
Sukuk certificates	6.3	201,888,971	364,308,040
Government securities - Market Treasury Bills	6.4	605,592,344	1,103,202,480
Government securities - Pakistan Investment Bonds	6.5	906,324,071	785,252,961
Investments in Ordinary shares	6.7	297,406,414	-
Investments in Future Contracts		5,771,305	-
		2,351,837,588	2,762,821,946

6.1 Term finance certificates - Listed

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

Name of Investee Company	Note	As at 01 July 2020	Purchased during the year	Disposed /matured during the year	As at 31 March 2021	Carrying value as at 31 March 2021	Market value as at 31 March 2021	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
BANKS										
		-----Number of certificates-----			-----Rupees-----		-----Percentage-----			
Habib Bank Limited Tier - II (Face Value Rs. 99,820)		2,945	-	2,945	-	-	-	-	-	-
Soneri Bank Limited (Face Value Rs. 4,989)		7,428	-	-	7,428	36,825,928	37,007,782	1.57	0.84	1.24
TELECOMMUNICATION										
Telecard Limited	6.6.1	4,000	-	-	4,000	-	-	-	-	-
PERSONAL GOODS										
Azgard Nine Limited	6.6.1	5,000	-	-	5,000	-	-	-	-	-
Total - 31 March 2021						36,825,928	37,007,782	1.57	0.84	
Total - 30 June 2020						325,351,311	324,639,911			

6.1.1 The terms and conditions of listed term finance certificates outstanding as at 31 March 2021 are as follows:

Name of the Investee Company	Rating	Tenure	Profit payments / principal redemptions	Maturity date	Rate of return
BANKS					
Soneri Bank Limited	A+	8 years	Semi-annually	July 2023	6 month KIBOR + 1.35%
TELECOMMUNICATION					
Telecard Limited	BBB	15 years	Semi-annually	Dec 2020	6 month KIBOR
PERSONAL GOODS					
Azgard Nine Limited	NPA	7 years	Semi-annually	Sept 2012	6 month KIBOR + 2.40%

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6.2 Term finance certificates - Unlisted

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

Name of Investee Company	Note	As at 01 July 2020	Purchased during the year	Disposed /matured during the year	As at 31 March 2021	Carrying value as at 31 March 2021	Market value as at 31 March 2021	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-----		-----Percentage-----		
BANKS										
Askari Bank Limited - V		20,000	-	20,000	-	-	-	-	-	-
Askari Bank Limited - TFC VII (Face Value Rs. 1,000,000)		-	150	-	150	150,075,000	150,231,150	6.39	3.42	2.14
Bank AL Habib Limited (Face Value Rs. 4,991)		20,000	-	20,000	-	-	-	-	-	-
Samba Bank Limited TFC (Face Value Rs. 100,000)		-	950	-	950	95,000,000	95,000,000	4.04	2.16	1.90
The Bank of Punjab Limited - TFC (Face Value Rs. 99,840)		-	527	-	527	50,067,682	52,615,551	2.24	1.20	2.11
CHEMICALS										
Agritech Limited- I	6.6.1	2,000	-	-	2,000	-	-	-	-	-
Agritech Limited - II	6.6.1	8,000	-	-	8,000	-	-	-	-	-
Agritech Limited- IV	6.6.1	2,203	-	-	2,203	-	-	-	-	-
PERSONAL GOODS										
Azgard Nine Limited-V	6.6.1	1,075	-	-	1,075	-	-	-	-	-
Total - 31 March 2021						295,142,682	297,846,701	12.66	6.78	
Total - 30 June 2020						196,372,744	185,418,554			

6.2.1 The terms and conditions of unlisted term finance certificates outstanding as at 31 March 2021 are as follows:

Name of the Investee Company	Rating	Tenure	Profit payments / principal redemptions	Maturity date	Rate of return
BANKS					
Askari Bank Limited - TFC VII	AA	10 years	Quarterly	Mar 2030	3 month KIBOR +1.20%
Samba Bank Limited - TFC	AA-	10 years	Quarterly	Mar 2031	6 month KIBOR +1.35%
The Bank of Punjab Limited - TFC	AA-	10 years	Semi-annually	Dec 2026	6 month KIBOR +1.00%
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

Atlas Income Fund

6.3 Sukuk Certificates

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

Name of Investee Company	As at 01 July 2020	Purchased during the year	Disposed during the year	As at 31 March 2021	Carrying value as at 31 March 2021	Market value as at 31 March 2021	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 sukuk certificates-----				-----Rupees-----		-----Percentage-----		
FERTILIZERS									
Dawood Hercules Corporation Limited Sukuk 2 - Listed (Face Value Rs. 70,000)	2,000	-	2,000	-	-	-	-	-	-
BANKS									
Meezan Bank Limited Tier - II - Unlisted (face value of Rs. 1,000,000 per certificate)	47	-	-	47	48,175,000.00	48,534,221.00	2.06	1.11	0.67
The Hub Power Company Limited Listed (face value of Rs. 100,000 per certificate)	1,500	-	-	1,500	153,233,136	153,354,750	6.52	3.49	2.14
Total - 31 March 2021					201,408,136	201,888,971	8.58	4.60	0.67
Total - 30 June 2020					356,678,782	364,308,040			

6.3.1 The terms and conditions of these sukuk certificates are as follows:

Name of the Investee Company	Rating	Tenure	Profit payments / principal redemptions	Maturity date	Rate of return
Meezan Bank Limited Tier - II	AA	10 years	Semi -annually	Sept 2026	6 month KIBOR + 0.50%
The Hub Power Company Limited	AA+	4 Years	Quarterly	August 2023	3 month KIBOR + 1.90%

6.4 Government securities - Market Treasury Bills

Tenor	As at 01 July 2020	Purchased during the year	Disposed / Matured during the year	As at 31 March 2021	Carrying value as at 31 March 2021	Market value as at 31 March 2021	Market value as a percentage of total investments	Market value as a percentage of net assets
	-----Face value (Rupees)-----				-----Rupees-----		-----Percentage-----	
3 months	-	6,494,930,000	5,879,930,000	615,000,000	605,473,047	605,592,344	25.75	13.79
6 months	300,000,000	1,176,500,000	1,476,500,000	-	-	-	-	-
12 months	835,000,000	977,000,000	1,812,000,000	-	-	-	-	-
Total - 31 March 2021	1,135,000,000	8,648,430,000	9,168,430,000	615,000,000	605,473,047	605,592,344	25.75	13.79
Total - 30 June 2020					1,088,005,268	1,103,202,480		

6.4.1 Market treasury bills carry purchase yield of 7.00% to 7.54% (30 June 2020: 7.48% to 13.30%) per annum and will mature 07 June 2021 (30 June 2020: 24 September 2020 and 25 March 2021). The cost of investments these treasury Bill is Rs. 604,606,960 (30 June 2020: Rs. 1,045,141,985).

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6.5 Government securities - Pakistan Investment Bonds

Tenor	As at 01 July 2020	Purchased during the year	Disposed / matured during the year	As at 31 March 2021	Carrying value as at 31 March 2021	Market value as at 31 March 2021	Market value as a percentage of total investments	Market value as a percentage of net assets
	-----Face value (Rupees)-----				-----Rupees-----		-----Percentage-----	
3 Years	684,000,000	50,000,000	445,000,000	289,000,000	296,910,085	291,267,265	12.38	6.63
5 Years	75,000,000	705,000,000	235,000,000	545,000,000	544,701,535	540,169,306	22.97	12.30
10 Years	-	75,000,000	-	75,000,000	75,489,375	74,887,500	3.18	1.71
Total - 31 March 2021	759,000,000	830,000,000	680,000,000	909,000,000	917,100,995	906,324,071	38.54	20.64
Total - 30 June 2020					702,441,841	785,252,961		

6.5.1 Pakistan Investment Bonds carry purchase yield of 7.25% to 9.50% (30 June 2020: 11.52% to 12.65%) per annum and will mature between 12 July 2021 and 18 June 2030 (30 June 2020: 12 July 2021 and 19 September 2024). The cost of these investments is Rs. 894,063,802 (30 June 2020: Rs. 702,513,897).

6.6 Particulars of non-compliant investments

6.6.1 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	4,668,900	4,668,900	-	-	-
		12,540,411	12,540,411	-	-	-
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 2021		81,625,411	81,625,411	-	-	-
Total as at 30 June 2020		81,625,501	81,625,501			

6.6.2 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 2020: Rs 81.63 million), has been made in accordance with the provisioning requirements specified by the SECP.

Atlas Income Fund

6.7 Investments in Ordinary shares

Name of Investee Company	As at 01 July 2020	Purchases during the period	Bonus / right shares issued during the period	Sales during the period	As at 31 March 2021	Average cost as at 31 March 2021	Market value as at 31 March 2021	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 -----		----- Percentage -----			
Banks										
United Bank Limited	-	500	-	500	-	-	-	-	-	-
	-	500	-	500	-	-	-	-	-	-
Industrial Engineering										
International Steels Limited	-	58,000	-	-	58,000	5,025,300	4,963,634	0.21	0.11	0.0133
Mughal Iron And Steel Industries Ltd	-	2,500	-	-	2,500	223,375	232,700	0.01	0.01	0.0010
	-	60,500	-	-	60,500	5,248,675	5,196,334	0.22	0.12	
Cement										
DG Khan Cement Company Limited	-	133,500	-	133,500	-	-	-	-	-	-
Fauji Cement Company Limited	-	3,794,000	-	3,794,000	-	-	-	-	-	-
Maple Leaf Cement Factory Limited	-	616,500	-	30,000	586,500	27,037,407	26,275,200	1.12	0.60	0.0534
Pioneer Cement Limited	-	5,000	-	-	5,000	622,500	609,000	0.03	0.01	0.0022
	-	4,549,000	-	3,957,500	591,500	27,659,907	26,884,200	1.14	0.61	
Power Generation & Distribution										
The Hub Power Company Limited	-	261,000	-	261,000	-	-	-	-	-	-
	-	261,000	-	261,000	-	-	-	-	-	-
Oil & Gas Marketing Companies										
Sui Northern Gas Pipelines Limited	-	10,000	-	-	10,000	390,625	392,200	1.67	0.01	0.0016
	-	10,000	-	-	10,000	390,625	392,200	1.67	0.01	
Oil & Gas Exploration Companies										
Oil & Gas Development Company Limited (Note 5.3)	-	197,000	-	197,000	-	-	-	-	-	-
	-	197,000	-	197,000	-	-	-	-	-	-
Textile Composite										
Nishat (Chunian) Limited	-	1,107,500	-	907,500	200,000	9,560,011	9,220,000	0.39	0.21	0.0544
Nishat Mills Limited	-	80,500	-	-	80,500	7,889,000	7,447,860	0.32	0.17	0.0229
	-	1,188,000	-	907,500	280,500	17,449,011	16,667,860	0.71	0.38	
AUTOMOBILE ASSEMBLER										
Pak Suzuki Motor Company Limited	-	31,000	-	27,500	3,500	1,098,980	1,102,080	0.05	0.03	0.0043
	-	31,000	-	27,500	3,500	1,098,980	1,102,080	0.05	0.03	
Fertilizer										
Fauji Fertilizer Bin Qasim Limited	-	1,838,000	-	1,745,000	93,000	2,575,350	2,548,200	0.11	0.06	0.0072
	-	1,838,000	-	1,745,000	93,000	2,575,350	2,548,200	0.11	0.06	
Chemicals										
Engro Polymer & Chemicals Limited	-	1,107,500	-	1,107,500	-	-	-	-	-	-
Lotte Chemical Pakistan Limited	-	85,000	-	85,000	-	-	-	-	-	-
	-	1,192,500	-	1,192,500	-	-	-	-	-	-
Transport										
Pakistan International Bulk Terminal Limited	-	3,893,500	-	893,500	3,000,000	32,450,424	31,350,000	1.33	0.71	0.1680
	-	3,893,500	-	893,500	3,000,000	32,450,424	31,350,000	1.33	0.71	
Foods & Personal Care Products										
Unity Foods Limited	-	12,281,500	-	6,751,500	5,530,000	214,914,099	213,265,540	9.07	4.86	0.5563
	-	12,281,500	-	6,751,500	5,530,000	214,914,099	213,265,540	9.07	4.86	
Total as at 31 March 2021						<u>301,787,071</u>	<u>297,406,414</u>	<u>14.30</u>	<u>6.77</u>	

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		31 March 2021	30 June 2020
		Un-audited	Audited
7 INTEREST / PROFIT ACCRUED	Note	----- Rupees -----	-----
Interest / profit on:			
Savings and term deposits		7,957,869	358,431
Margin Trading System		1,595,350	-
Term finance certificates		3,217,210	24,582,029
Pakistan Investment Bonds		9,142,981	19,550,246
Sukuk certificates		1,777,049	5,084,306
		23,690,458	49,575,012

8 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
Prepayments		136,404	101,582
Other receivables	8.1	8,834,289	8,604,251
		11,820,693	11,555,833

8.1 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 2021 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

		31 March 2021	30 June 2020
		Un-audited	Audited
9 PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY (RELATED PARTY)	Note	----- Rupees -----	-----
Remuneration of the Management Company	9.1	3,804,351	3,123,029
Sindh Sales Tax payable on remuneration of the Management Company	9.2	4,017,261	3,928,692
Federal Excise Duty payable on remuneration of the Management Company	9.3	23,582,971	23,582,971
Accounting and operational charges payable	14	646,738	530,916
		32,051,321	31,165,608

Atlas Income Fund

- 9.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 639 (1) / 2019 dated 20 June 2019, the Management Company shall set and disclose in the offering document the maximum rate of fee chargeable to Collective Investment Scheme within allowed expense ratio. The Management Company has charged management fee at the rate of 1.00% of the average annual net assets of the Fund. The fee is payable to the Management Company monthly in arrears.
- 9.2 During the period, an amount of Rs. 3,945,462 (2020: Rs. 2,747,022) 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. 3,856,893 (2020: Rs. 2,644,041) has been paid to the Management Company which acts as a collecting agent.
- 9.3 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 2020: 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 2021 would have been higher by Rs. 2.93 per unit (30 June 2020: Rs 3.30 per unit).

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

		31 March 2021	30 June 2020
		Un-audited	Audited
	Note	----- Rupees -----	-----
Trustee fee payable	10.1	285,326	234,227
Sindh sales tax payable on trustee fee		37,095	30,450
Settlement charges payable		-	1,000
Sindh sales tax payable on settlement charges		-	130
		322,421	265,807

- 10.1 The trustee is entitled to monthly remuneration for services rendered to the fund at the flat rate of 0.075% per annum of the average annual net Net Assets of the Fund based on the letter no.CDC/ CEO/L-112/01/2019 dated June 27, 2019 issued by CDC.
- 10.2 During the year an amount of Rs. 295,910 (2020: Rs. 232,778) was charged on accounts of sales tax on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011 and an amount of Rs 289,265 (2020: 242,598) was paid to trustee which acts as collecting agent.

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	Note	31 March 2021	30 June 2020
		Un-audited	Audited
11 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN			
Annual fees payable	11.1	606,994	665,764

11.1 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) at the rate of 0.02% of net assets per annum.

	Note	31 March 2021	30 June 2020
		Un-audited	Audited
12 ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration payable		306,022	499,646
NCCPL charges payable		-	61,366
Printing charges payable		-	5,294
Brokerage payable		1,847,408	84,374
Annual rating fee payable		20,644	-
Withholding tax payable		33,286	62,697,926
Capital gain tax payable		105,774	513,001
Zakat payable		465	1,649
Other payables		334,343	334,343
Provision for Sindh Workers' Welfare Fund	12.1	42,845,469	38,823,895
		45,493,410	103,021,494

12.1 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.

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.

Atlas Income Fund

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 2021 would have been higher by Rs. 5.33 per unit (30 June 2020: Rs 5.43 per unit).

Accordingly, necessary adjustments in this respect were recorded in the books of the Fund on 12 January 2017 whereby the entire 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 for SWWF is being made by the Fund on a daily basis going forward.

13 CONTINGENCIES AND COMMITMENTS

- 13.1** Mutual Funds are exempt from income tax on their Income if they distribute at least 90% of their accounting income as per clause 99 of Part 1 of the Second Schedule of the Income Tax Ordinance 2001 (Ordinance). The management company believes that distribution of income by collective investment schemes includes (a) the income already distributed upon redemption of units and (b) the remaining amount of income distributed by way of cash dividend.

Open end mutual funds continuously offer issuance and redemption of units at prevailing Net Assets Value (NAV) applicable at the time of offer and redemption. The unit-holder who invests in the open end mutual fund during the year and redeems during the same year has effectively taken his due share of income for the year and the differential amount (proceeds received less original investment) is and should be treated as "distribution of profit". In case of unit holder who existed at the beginning of the year and makes redemption during the year, the amount representing his due share of income from the current year's income is and should be considered as "distribution of profit".

In assessment for TY 2018, the said exemption has been denied by The Additional Commissioner — Audit (AC), on the ground that the amount paid as income on units redeemed by investors during the tax year cannot be treated as distribution of income as per criteria envisaged under Clause 99 of Part 1 of the Second Schedule of the Ordinance and AC due to commented that the distribution by the Fund fell short of 90% distribution threshold.

In response to the order, the Fund filed appeal with Commissioner Appeals office. In judgment dated 2018 Commissioner Appeals upheld Assessment Order passed by AC. The Fund has now initiated appeal in Appellate Tribunal, which is pending adjudication.

Meanwhile, Fund filed petition for stay in High Court of Sindh (SHC), and stay order dated January 14, 2021 has been granted by SHC. In its judgment, SHC held that since the subject matter is pending before Appellate Tribunal, therefore, the recovery of impugned demand of Rs. 138 Million will not be enforced till the final decision of Tribunal.

Further, the issue of distribution of income is also being contested by MUFAP on behalf of the mutual funds industry at various regulatory and Government levels and are very hopeful that the matter will be resolved soon as the matter has merely arisen due to incorrect interpretation by the relevant commissioners as to what construes as distribution of profit by an open end mutual fund. SECP agrees with MUFAPs interpretation and is also actively following up with FBR to resolve the matter at the earliest.

The management believes that the Fund has distributed required amount of income to be eligible for tax exemption under clause 99 of Part 1 of the Second Schedule of the Income Tax Ordinance 2001 and hence, no provision for taxation is required to be made in these financial statements.

- 13.2** There were no commitments outstanding as at 31 March 2021 and 30 June 2020.

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.

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The Management Company charged actual expenses within the limit of 0.17% of average annual net assets of the fund.

15 INTEREST INCOME	For the Nine Months Ended 31 March		For the Quarter Ended 31 March	
	2021	2020	2021	2020
	Un-audited		Un-audited	
Note	Rupees		Rupees	
Interest on:				
Saving and term deposits	22,703,275	47,727,853	9,378,521	6,312,417
Margin Trading System	27,995,982	1,065,284	3,785,971	1,063,758
Term finance certificates	15.1 41,712,670	77,240,414	10,462,723	26,392,661
Sukuk certificates	21,918,621	38,652,155	6,192,821	13,760,429
Government Securities	132,050,864	140,471,556	42,628,145	58,857,754
Commercial Papers	-	1,559,342	-	-
	246,381,411	306,716,604	72,448,180	106,387,019

15.1 This includes mark-up received on non-performing term finance certificates amounting to Rs. Nil (31 March 2020: Rs. Nil million). Furthermore in accordance with the requirements specified by the SECP, mark-up on non performing securities amounting to Rs. 83.80 million (31 March 2020: Rs. 73.99 million) based on outstanding principal has not been recognised during the period.

16 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 31 March 2021 is 1.75% (30 June 2020: 1.67%) which includes 0.30% (30 June 2020: 0.45%) 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 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an income scheme.

17 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.

18 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.

19 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.

Atlas Income Fund

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	
	2021	2020
	----- Rupees -----	
19.1 Transactions during the period		
Atlas Asset Management Limited (Management Company)		
Remuneration of the Management Company	30,349,709	21,130,940
Remuneration paid	29,668,387	20,338,764
Sindh Sales Tax on remuneration of the Management Company	3,945,462	2,747,022
Accounting and operational charges	5,159,450	3,250,518
Issue of Nil (2020: 1) units	-	304
Central Depository Company of Pakistan Limited (Trustee)		
Trustee fee	2,276,227	1,790,599
Sindh Sales Tax on remuneration of the Trustee	295,910	232,778
Trustee fee paid	2,225,127	1,866,135
Settlement charges	-	33,983
Sindh Sales Tax on settlement charges	-	4,418
Atlas Foundation (Trust having common Director / Trustee)		
Issue of 63,320 (2020: 40,743) units	33,000,000	22,326,805
Redemption of 30,426 (2020: 23,074) units	16,500,000	12,000,000
Atlas Honda Limited (Group Company)		
Issue of Nil (2020: 135) units	-	71,923
Atlas Metals (Private) Limited		
Issue of 74,930 (2020: Nil) units	40,000,000	-
Atlas Insurance Limited		
Issue of Nil (2020: 885,988) units	-	488,844,039
Redemption of Nil (2020: 885,988) units	-	488,994,657
Batool Benefit Trust (Trust having common Director / Trustee)		
Issue of 56,853 (2020: 1) units	30,041,703	627
Redemption of 5,814 (2020: 30,427) units	3,036,000	16,368,393
Atlas Group of Companies - Management Staff Gratuity Fund (Retirement Benefit Plan of a Group Company)		
Issue of 48,470 (2020: Nil) units	25,500,000	-
Honda Atlas Cars (Pakistan) Ltd.- Emp. Gratuity. Fund (Retirement benefit plan of Group Company)		
Issue of 225,117 (2020: Nil) units	120,000,000	-
Atlas Honda Limited - Non-Management Staff Gratuity Fund (Retirement Benefit Plan of a Group Company)		
Issue of 1,855 (2020: Nil) units	1,000,000	-
Shirazi Investments (Private) Limited (Group Company)		
Issue of 3,868 (2020: 1,983) units	2,015,774	1,054,011
Atlas Autos (Private) Limited		
Issue of 840,232 (2020: Nil) units	450,000,000	-
Directors and their close family members and key management personnel of the Management Company		
Issue of 20,291 (2020: 936) units	10,751,301	500,000
Redemption of 48,440 (2020: 996) units	25,943,742	252,845

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19.2 Balances as at period / year end	31 March 2021	30 June 2020
	Un-audited	Audited
	----- Rupees -----	
Atlas Asset Management Limited (Management Company)		
Remuneration payable to the Management Company	3,804,351	3,123,029
Sindh Sales Tax payable on remuneration of the Management Company	4,017,261	3,928,692
Federal Excise Duty payable on remuneration of the Management Company	23,582,971	23,582,971
Accounting and operational charges payable	646,738	530,916
Outstanding 100,335 (30 June 2020: 100,335) units - at net asset value	54,782,851	52,126,862
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration payable to the Trustee	285,326	234,227
Sindh Sales Tax payable on remuneration of the trustee	37,095	30,450
Settlement charges payable	-	1,000
Sindh Sales Tax payable on settlement charges	-	130
Atlas Foundation (Trust having common Director / Trustee)		
Outstanding 555,827 (30 June 2020 : 522,933) units - at net asset value	303,482,196	271,679,336
Atlas Honda Limited (Group Company)		
Outstanding 564,023 (30 June 2020: 564,023) units - at net asset value	307,957,344	293,026,919
Atlas Insurance Limited (Group Company)		
Outstanding 98,569 (30 June 2020: 98,569) units - at net asset value	53,819,025	51,209,765
Atlas Autos (Private) Limited		
Outstanding 840,232 (30 June 2020: Nil) units - at net asset value	458,767,499	-
Atlas Metals (Private) Limited		
Outstanding 74,930 (30 June 2020: Nil) units - at net asset value	40,911,693	-
Atlas Group of Companies - Management Staff Gratuity Fund (Retirement benefit plan of group company)		
Outstanding 48,470 (30 June 2020: Nil) units - at net asset value	26,464,875	-
Atlas Honda Limited - Non-management Staff Gratuity Fund (Retirement benefit plan of group company)		
Outstanding 30,924 (30 June 2020: 32,779) units - at net asset value	16,884,490	17,029,710
Atlas Honda Limited - Employess Provident Fund (Retirement benefit plan of group company)		
Outstanding 67,449 (30 June 2020: 67,449) units - at net asset value	36,827,283	35,041,818
Batool Benefit Trust (Trust having common Director / Trustee)		
Outstanding 67,448 (30 June 2020: 16,408) units - at net asset value	36,826,536	8,524,427
Honda Atlas Cars (Pakistan) Limited - Employees Gratuity Fund (Retirement benefit plan of group company)		
Outstanding 262,130 (30 June 2020: 37,012) units - at net asset value	143,123,207	19,229,093
Honda Atlas Cars (Pakistan) Limited - Employees Provident Fund (Retirement benefit plan of group company)		
Outstanding 152,336 (30 June 2020: 152,336) units - at net asset value	83,175,386	79,142,868
Shirazi Investments (Private) Limited (Group company)		
Outstanding 3,925,631 (30 June 2020: 3,921,763) units - at net asset value	2,143,399,432	2,037,473,329
Key Management Personnel of Management Company		
Outstanding 126,785 (30 June 2020: 154,935) units -at net asset value	69,225,035	80,493,240

Atlas Income Fund

20 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.

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).

21 GENERAL

21.1 Figures of the condensed interim income statement and the condensed interim statement of comprehensive income for the quarters ended 31 March 2021 and 31 March 2020 have not been subjected to limited scope review by the statutory auditors of the Fund.

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

21.3 COVID-19 impact

The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts. The Securities and Exchange Commission of Pakistan (SECP) had provided the following relaxation to CISs operating in Pakistan for classification of debt security for a specified period of time commencing from April 9, 2020 and expiring on March 31, 2021.

- The timeline for classification of debt security as non performing has been extended from 15 days to 180 days

The Management Company is closely monitoring the situation and has invoked required actions to ensure safety and security of the staff and an uninterrupted service to the customers. Business Continuity Plans (BCP) for respective areas are in place and tested. The Management Company has significantly enhanced monitoring for all cyber security risk during these times from its information security protocols. The remote work capabilities were enabled for critical staff and related risk and control measures were assessed to make sure they are fully protected using virtual private network ("VPN") connections. Further, the Management Company has also ensured that its remote access systems are sufficiently resilient to any unwanted cyber-attacks. The Management Company has made an assessment of COVID-19 on the credit risk and liquidity risk and believes that there is no significant impact on the Fund.

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21.4 Units have been rounded off to the nearest decimal places.

22 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on April 29, 2021.

**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

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CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED) AS AT 31 MARCH 2021

		31 March 2021 Un-audited	30 June 2020 Audited
	Note	-----Rupees-----	
Assets			
Cash and Bank balances	4	27,309,581	75,706,293
Investments	5	8,927,260,040	6,990,442,843
Dividend receivable		138,355,370	-
Profit receivable on bank balances		1,113,891	413,904
Receivable against sale of investments		67,414,240	-
Advances, deposits, prepayments and other receivables	6	13,529,987	13,529,987
Total assets		9,174,983,109	7,080,093,027
Liabilities			
Payable to Atlas Asset Management Limited - Management Company	7	46,622,570	39,612,278
Payable to the Central Depository Company of Pakistan Limited - Trustee	8	972,042	736,735
Payable to the Securities and Exchange Commission of Pakistan	9	1,324,768	1,245,447
Payable against redemption of units		27,915,383	132,732,432
Payable against purchase of investments		8,404,930	-
Unclaimed dividend		401,733	401,733
Accrued expenses and other liabilities	10	103,966,448	63,694,863
Total liabilities		189,607,875	238,423,488
NET ASSETS		8,985,375,235	6,841,669,539
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		8,985,375,235	6,841,669,539
CONTINGENCIES AND COMMITMENTS	11		
		-----Number of units-----	
NUMBER OF UNITS IN ISSUE		12,908,815	13,240,837
		-----Rupees-----	
NET ASSET VALUE PER UNIT		696.0651	516.7100

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

Ifthikhar H. Shirazi
Chairman

Tariq Amin
Director

Atlas Stock Market Fund

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2021

Note	For the Nine Months Ended 31 March		For the Quarter Ended 31 March		
	2021	2020	2021	2020	
Rupees					
Income					
Profit on bank balances	6,464,413	11,914,278	2,370,674	4,251,008	
Dividend income	332,197,407	267,966,537	155,565,874	90,497,169	
Capital gain on sale of investments - net	1,097,665,947	174,771,865	385,948,928	3,291,846	
Net unrealised appreciation / (diminution) on re-measurement of investments classified as "financial assets at fair value through profit or loss"	1,303,165,853	(1,161,307,357)	(199,361,964)	(2,165,025,083)	
	2,400,831,801	(986,535,492)	186,586,965	(2,161,733,237)	
Total income / (loss)	2,739,493,620	(706,654,677)	344,523,512	(2,066,985,060)	
Expenses					
Remuneration of Atlas Asset Management Limited - Management Company	7.1	158,975,168	99,139,217	55,472,907	42,850,937
Sindh sales tax on remuneration of the Management Company	7.2	20,666,772	12,888,098	7,211,478	5,570,622
Remuneration of Central Depository Company of Pakistan Limited - Trustee		7,374,650	5,351,236	2,557,947	2,034,090
Sindh sales tax on remuneration of the trustee		958,705	695,661	332,534	264,432
Annual fee to the Securities and Exchange Commission of Pakistan		1,324,793	919,974	462,274	357,091
Accounting and operational charges	14	15,219,886	6,394,797	6,934,113	2,768,407
Auditors' remuneration		374,074	493,074	166,434	153,952
Annual listing fee		20,644	20,663	6,792	6,838
Securities transaction cost		12,395,340	10,137,751	4,177,091	4,084,251
Printing charges		41,375	23,502	9,472	-
Legal and professional charges		131,560	195,500	30,780	97,447
Provision for Sindh Workers' Welfare Fund	10.1	50,438,056	-	5,343,146	(25,643,549)
Bank charges		107,846	87,882	4,402	6,335
Total expenses		268,028,870	136,347,355	82,709,371	32,550,853
Net income / (loss) for the period before taxation		2,471,464,750	(843,002,032)	261,814,141	(2,099,535,913)
Taxation	13	-	-	-	-
Net income / (loss) for the period after taxation		2,471,464,750	(843,002,032)	261,814,141	(2,099,535,913)
Allocation of net income / (loss) for the period					
Net income / (loss) for the period after taxation		2,471,464,750		261,814,141	
Income already paid on units redeemed		(449,695,399)		(281,026,514)	
		2,021,769,351		(19,212,373)	
Accounting income available for distribution:					
- Relating to capital gains		2,400,831,801		186,586,965	
- Excluding capital gains		(379,062,450)		(205,799,338)	
		2,021,769,351		(19,212,373)	

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 2021

	For the Nine Months Ended 31 March		For the Quarter Ended 31 March	
	2021	2020	2021	2020
	-----Rupees-----			
Net income / (loss) for the period after taxation	2,471,464,750	(843,002,032)	261,814,141	(2,099,535,913)
Other comprehensive income / (loss)	-	-	-	-
Total comprehensive income / (loss) for the period	2,471,464,750	(843,002,032)	261,814,141	(2,099,535,913)

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 Stock Market Fund

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2021

	31 March 2021		
	Capital value	Undistributed income	Net assets
	----- Rupees -----		
Capital value	6,499,701,211	-	6,499,701,211
Undistributed income brought forward			
- Realised income	-	909,302,970	909,302,970
- Unrealised loss	-	(567,334,642)	(567,334,642)
Net assets at the beginning of the period (Units outstanding: 13,240,837) (Rs. 516.7100 per unit)	6,499,701,211	341,968,328	6,841,669,539
Issue of 6,588,868 units	4,282,393,582	-	4,282,393,582
Redemption of 6,920,890 units	(4,160,457,237)	(449,695,399)	(4,610,152,636)
Total comprehensive Income for the period	-	2,471,464,750	2,471,464,750
Net assets at end of the period (Units outstanding: 12,908,815) (Rs. 696.0651 per unit)	6,621,637,556	2,363,737,679	8,985,375,235
Undistributed income carried forward			
- Realised income	-	1,563,078,976	-
- Unrealised income	-	800,658,703	-
	-	2,363,737,679	-
	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 income	-	(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 3,414,350 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)	-

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

Third Quarter Report 2020-21

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS ENDED 31 MARCH 2021

	For the Nine Months Ended	
	31 March	
	2021	2020
Note	Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit / (loss) for the period after taxation	2,471,464,750	(843,002,032)
Adjustment for:		
Profit on bank balances	(6,464,413)	(11,914,278)
Dividend income	(332,197,407)	(267,966,537)
Capital gain on sale of investments - net	(1,097,665,947)	(174,771,865)
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(1,303,165,853)	1,161,307,357
Provision for Sindh Workers' Welfare Fund	50,438,056	-
	(2,689,055,564)	706,654,677
(Increase) / Decrease in assets		
Receivable against sale of investments	(67,408,683)	53,064,695
Advances, deposits, prepayments and other receivables	-	(6,839)
	(67,408,683)	53,057,856
(Decrease) / Increase in liabilities		
Payable to Atlas Asset Management Limited - Management Company	7,010,292	4,713,425
Payable to the Central Depository Company of Pakistan Limited - Trustee	235,307	96,776
Payable to the Securities and Exchange Commission of Pakistan	79,321	(4,515,650)
Payable against redemption of units	(104,817,049)	-
Payable against purchase of investments	8,404,930	17,512,402
Accrued expenses and other liabilities	(10,166,471)	4,427,611
	(99,253,669)	22,234,564
Profit received on bank balances	5,764,426	11,229,244
Dividend received	193,842,036	190,019,531
Investments made during the period	(5,585,611,704)	(4,688,497,266)
Investments sold during the period	6,049,620,749	3,342,014,224
Net cash generated / (used in) operating activities	279,362,341	(1,206,289,202)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issuance of units	4,282,393,582	1,862,566,743
Net payments against redemption of units	(4,610,152,636)	(858,286,027)
Net cash (used) / generated from financing activities	(327,759,054)	1,004,280,716
Net decrease in cash and cash equivalents	(48,396,712)	(202,008,486)
Cash and cash equivalents at the beginning of the period	75,706,293	266,018,200
Cash and cash equivalents at the end of the period	4 27,309,580	64,009,714

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

Ifitikhar H. Shirazi
Chairman

Tariq Amin
Director

Atlas Stock Market Fund

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

FOR THE NINE MONTHS ENDED 31 MARCH 2021

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, Thirteen and Fourteen 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 2020, 25 November 2020 and 01 April 2020 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) [2020: AM2+ (AM Two plus)] on 24 December 2020.
- 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.

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:
- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
 - Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
 - Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.
 - Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.
- 2.1.2 The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed

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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 2020.

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, 2020.

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 2020.

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 - Amendments to Definition of a Business.
IFRS 9 - Interest Rate Benchmark Reform
IAS 1 - Definition of Material
IFRS 16 - COVID-19 Rent Related Concessions

The Conceptual Framework for Financial Reporting

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

4 CASH AND BANK BALANCES	Note	31 March	30 June
		2021	2020
		Un-audited	Audited
		Rupees	
In local currency			
- Profit and loss sharing accounts	4.1	22,017,109	74,051,293
- Current account		5,000	5,000
- Cheque in hand	4.2	5,287,472	1,650,000
		<u>27,309,581</u>	<u>75,706,293</u>

4.1 This rate of return on these accounts ranges between 4.00% and 7.80% (30 June 2020: 6.00% and 6.50%) per annum.

4.2 These cheques were received against issue of units which were deposited and cleared subsequent to the period end by 06 April 2021 (30 June 2020: 06 July 2020).

5 INVESTMENTS	Note	31 March	30 June
		2021	2020
		Un-audited	Audited
		Rupees	
At fair value through profit or loss			
- Investment in listed equity securities	5.1	<u>8,927,260,040</u>	<u>6,990,442,843</u>

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 2020	Purchases during the period	Bonus / right shares issued during the period	Sales during the period	As at 31 March 2021	Carrying Cost as at 31 March 2021	Market value as at 31 March 2021	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		
COMMERCIAL BANKS											
Bankislami Pakistan Limited		8,284,250	-	-	8,284,250	-	-	-	-	-	-
Bank Alfalah Limited		3,307,500	4,012,631	-	7,318,007	2,124	74,530	64,740	0.00	0.00	0.00
Bank Al Habib Limited		5,975,175	500,000	-	4,175,058	2,300,117	123,888,324	149,599,610	1.68	1.66	0.21
The Bank Of Punjab	5.3	5,174,500	-	-	5,174,500	-	-	-	-	-	-
Faysal Bank Limited		5,100,943	1,700,000	-	5,139,000	1,661,943	25,464,031	26,890,238	0.30	0.30	0.11
Habib Bank Limited (Note 5.3)		3,633,600	1,383,800	-	152,000	4,865,400	515,372,017	565,262,172	6.33	6.29	0.33
Habib Metropolitan Bank Limited		4,211,500	1,015,500	-	100,000	5,127,000	150,914,935	184,418,190	2.07	2.05	0.49
MCB Bank Limited		415,300	1,053,115	-	630,500	837,915	144,835,003	144,247,067	1.62	1.61	0.07
Meezan Bank Limited		3,161,135	1,431,200	200,063	1,271,500	3,520,898	260,910,127	398,495,236	4.46	4.43	0.25
United Bank Limited (Note 5.3)	5.3	2,078,325	3,090,138	-	125,000	5,043,463	565,092,590	599,869,489	6.72	6.68	0.41
		41,342,228	14,186,384	200,063	32,369,815	23,358,860	1,786,551,558	2,068,846,741	23.17	23.02	
INSURANCE											
Adanjee Insurance Company Limited		1,576,500	785,500	-	1,692,000	670,000	30,614,172	26,284,100	0.29	0.29	0.19
EFU Life Assurance Limited		-	173,700	-	173,700	-	-	-	-	-	-
Jubilee Life Insurance Company Limited		-	143,300	-	48,100	95,200	35,517,131	35,009,800	0.39	0.39	0.11
Pakistan Reinsurance Company Limited		1,028,500	150,000	-	-	1,178,500	28,170,840	31,041,690	0.35	0.35	0.39
		2,605,000	1,252,500	-	1,913,800	1,943,700	94,302,143	92,335,590	1.03	1.03	
TEXTILE COMPOSITE											
Gul Ahmed Textile Mills Limited		1,850,000	500,000	-	2,350,000	-	-	-	-	-	-
Interloop Limited		3,000	1,176,500	-	756,500	423,000	29,712,687	27,968,760	0.31	0.31	0.05
Kohinoor Textile Mills Limited		1,507,500	931,000	-	854,500	1,584,000	68,578,073	97,162,560	1.09	1.08	0.53
Nishat (Chunian) Limited		869,500	-	-	869,500	-	-	-	-	-	-
Nishat Mills Limited		650,000	1,835,500	-	653,000	1,832,500	173,220,997	169,542,900	1.90	1.89	0.52
		4,880,000	4,443,000	-	5,483,500	3,839,500	271,511,756	294,674,220	3.30	3.28	
CEMENT											
Attock Cement Pakistan Limited		388,600	273,500	-	148,500	513,600	70,720,570	87,152,784	0.98	0.97	0.37
Cherat Cement Company Limited		1,309,400	300,000	-	755,000	854,400	100,638,200	137,216,640	1.54	1.53	0.44
D.G. Khan Cement Company Limited		987,500	955,000	-	317,500	1,625,000	175,369,874	195,828,750	2.19	2.18	0.37
Fauji Cement Company Limited		30,500	7,783,500	-	-	7,814,000	170,802,855	178,315,480	2.00	1.98	0.57
Kohat Cement Company Limited		551,500	225,000	-	236,500	540,000	91,920,226	111,898,800	1.25	1.25	0.27
Lucky Cement Limited		740,500	107,000	-	109,500	738,000	361,164,043	603,381,420	6.76	6.72	0.23
Maple Leaf Cement Factory Limited		45,000	-	-	45,000	-	-	-	-	-	-
Pioneer Cement Limited		3,609,000	-	-	3,394,500	214,500	13,522,080	26,126,100	0.29	0.29	0.09
		7,662,000	9,644,000	-	5,006,500	12,299,500	984,137,848	1,339,919,974	15.01	14.91	
REFINERY											
Attock Refinery Limited		-	600,000	-	200,000	400,000	91,423,331	102,152,000	1.14	1.14	0.38
		-	600,000	-	200,000	400,000	91,423,331	102,152,000	1.14	1.14	
POWER GENERATION AND DISTRIBUTION											
K-Electric Limited (face value Rs. 3.5 per share)		6,750,000	2,750,000	-	-	9,500,000	32,406,501	37,810,000	0.42	0.42	0.03
Kot Addu Power Company Limited		-	2,408,500	-	1,873,500	535,000	22,780,135	21,260,900	0.24	0.24	0.06
Lahpir Power Limited		2,950,000	5,014,000	-	500,000	7,464,000	106,216,845	127,932,960	1.43	1.42	1.97
Nishat Chunian Power Limited		619,000	-	-	619,000	-	-	-	-	-	-
Pakgen Power Limited		4,208,500	250,000	-	1,210,500	3,248,000	41,274,156	99,713,600	1.12	1.11	0.87
The Hub Power Company Limited		6,148,820	1,325,000	-	1,253,000	6,220,820	463,647,827	504,757,335	5.65	5.62	0.48
		20,676,320	11,747,500	-	5,456,000	26,967,820	666,325,464	791,474,795	8.87	8.81	
OIL & GAS MARKETING COMPANIES											
Byco Petroleum Pakistan Limited		-	2,500,000	-	2,500,000	-	-	-	-	-	-
Hi-Tech Lubricants Limited		2,000	1,051,000	-	1,053,000	-	-	-	-	-	-
Pakistan State Oil Company Limited		1,169,153	559,024	-	407,500	1,320,677	225,657,264	304,587,737	3.41	3.39	0.28
Shell Pakistan Limited		264,700	-	-	264,700	-	-	-	-	-	-
Sui Northern Gas Pipelines Limited	5.3	1,565,200	3,788,100	-	3,924,202	1,429,098	57,888,518	56,049,224	0.63	0.62	0.23
		3,001,053	7,898,124	-	8,149,402	2,749,775	283,545,782	360,636,960	4.04	4.01	

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Name of Investee Company	Note	As at 01 July 2020	Purchases during the period	Bonus / right shares issued during the period	Sales during the period	As at 31 March 2021	Carrying Cost as at 31 March 2021	Market value as at 31 March 2021	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
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----- Number of shares ----- Rupees ----- % age -----

OIL & GAS EXPLORATION COMPANIES

Mari Petroleum Company Limited		353,669	-	-	97,120	256,549	317,261,321	392,853,484	4.40	4.37	0.19
Oil & Gas Development Company Limited		3,003,100	997,000	-	630,000	3,370,100	369,001,213	342,435,861	3.84	3.81	0.08
Pakistan Oilfield Limited		533,020	59,000	-	334,000	258,020	91,903,822	98,019,218	1.10	1.09	0.09
Pakitsan Petroleum Limited (Note 5.3)		2,148,602	1,064,000	-	635,000	2,577,602	234,387,584	225,101,983	2.52	2.51	0.09
		6,038,391	2,120,000	-	1,696,120	6,462,271	1,012,553,940	1,058,410,545	11.86	11.78	

INDUSTRIAL ENGINEERING

Agha Steel Industries Limited		-	3,163,867	-	3,163,867	-	-	-	-	-	-
Aisha Steel Mills Limited		-	8,400,000	-	7,500,000	900,000	21,645,770	21,375,000	0.24	0.24	0.12
Crescent Steel & Allied Products Limited		-	405,000	-	-	405,000	35,969,364	26,774,550	0.30	0.30	0.52
International Industries Limited		300,000	140,000	-	440,000	-	-	-	-	-	-
International Steels Limited		-	940,000	-	741,500	198,500	17,498,883	16,987,630	0.19	0.19	0.05
Mughal Iron And Steel Industries Limited		213	330,000	52,834	-	383,047	28,683,955	31,931,331	0.36	0.36	0.15
		300,213	13,378,867	52,834	11,845,367	1,886,547	103,797,971	97,068,511	1.09	1.08	

AUTOMOBILE ASSEMBLER

Indus Motor Company Limited		71,060	6,400	-	5,000	72,460	73,687,345	83,767,383	0.94	0.93	0.09
Pak Suzuki Motor Company Limited		-	203,300	-	-	203,300	58,042,427	64,015,104	0.72	0.71	0.25
Millar Tractors Limited		84,850	10,000	-	4,850	90,000	56,492,800	98,977,500	1.11	1.10	0.16
		155,910	219,700	-	9,850	365,760	188,222,573	246,759,987	2.76	2.75	

AUTOMOBILE PARTS AND ACCESSORIES

Thal Limited (face value of Rs. 5 per share)		248,000	147,700	-	-	395,700	144,435,853	145,649,256	1.63	1.62	0.49
Panther Tyres Limited		-	881,863	-	-	881,863	58,448,480	56,836,070	0.64	0.63	0.63
		248,000	1,029,563	-	-	1,277,563	202,884,333	202,485,326	2.27	2.25	

CABLES & ELECTRICAL GOODS

Pak Elektron Limited		-	2,963,000	-	2,963,000	-	-	-	-	-	-
TPL Corporation Limited		-	1,198,500	-	1,198,500	-	-	-	-	-	-
Waves Singer Pakistan Limited	5.3	-	611,500	-	611,500	-	-	-	-	-	-
		-	4,773,000	-	4,773,000	-	-	-	-	-	-

TRANSPORT

Pakistan International Bulk Terminal Limited		4,897,500	2,000,000	-	1,397,500	5,500,000	57,189,730	57,475,000	0.64	0.64	0.31
		4,897,500	2,000,000	-	1,397,500	5,500,000	57,189,730	57,475,000	0.64	0.64	

TECHNOLOGY AND COMMUNICATIONS

Avanceon Limited		-	1,470,500	-	1,470,000	500	-	-	-	-	-
Pakistan Telecommunication Company Limited		-	4,776,000	-	-	4,776,000	47,211,447	44,321,280	0.50	0.49	0.13
Systems Limited		1,627,050	500	44,000	1,187,550	484,000	80,826,312	227,736,520	2.55	2.53	0.35
TRG Pakistan Limited - Class 'A'		-	6,310,000	-	5,000,000	1,310,000	162,158,673	196,775,100	2.20	2.19	0.24
		1,627,050	12,557,000	44,000	7,657,550	6,570,500	290,196,432	468,832,900	5.25	5.22	

FERTILIZER

Engro Corporation Limited		1,126,700	935,001	-	520,000	1,541,701	462,785,374	427,544,521	4.79	4.76	0.27
Engro Fertilizers Limited (Note 5.3)	5.3	3,163,500	650,000	-	2,400,000	1,413,500	86,852,500	88,202,400	0.99	0.98	0.11
Fauji Fertilizer Bin Qasim Limited		1,520,500	1,700,000	-	1,520,500	1,700,000	46,120,995	46,580,000	0.52	0.52	0.13
Fauji Fertilizer Bin Qasim Limited - LoR		-	-	581,340	581,340	-	-	-	-	-	-
Fauji Fertilizer Company Limited		1,146,000	372,800	-	618,800	900,000	98,237,454	94,041,000	1.05	1.05	0.07
		6,956,700	3,657,801	581,340	5,640,640	5,555,201	693,996,323	656,367,921	7.35	7.30	

PHARMACEUTICALS

Abbott Laboratories (Pakistan) Limited		129,200	-	-	129,200	-	-	-	-	-	-
AGP Limited		523,000	423,400	-	523,000	423,400	51,620,774	48,322,642	0.54	0.54	0.15
Ferozsons Laboratories Limited		-	40,000	-	-	40,000	13,466,005	12,178,000	0.14	0.14	0.11
Glaxosmithkline Pakistan Limited		362,000	411,000	-	402,200	370,800	67,185,785	58,245,264	0.65	0.65	0.12
Highnoon Laboratories Limited		132,320	93,400	-	-	225,720	124,071,486	146,602,883	1.64	1.63	0.65
The Searle Company Limited		706,602	258,429	-	370,185	594,846	126,217,644	146,944,807	1.65	1.64	0.25
		1,853,122	1,226,229	-	1,424,585	1,654,766	382,561,693	412,293,596	4.62	4.59	

Atlas Stock Market Fund

Name of Investee Company	Note	As at 01 July 2020	Purchases during the period	Bonus / right shares issued during the period	Sales during the period	As at 31 March 2021	Carrying Cost as at 31 March 2021	Market value as at 31 March 2021	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
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----- Number of shares ----- Rupees ----- % age -----

CHEMICALS

Archroma Pakistan Limited		113,450	-	-	113,450	-	-	-	-	-	-
Berger Paints Pakistan Limited		-	489,000	-	489,000	-	-	-	-	-	-
Engro Polymer & Chemicals Limited		5,340,000	578,000	-	4,118,000	1,800,000	55,011,054	98,982,000	1.11	1.10	0.20
ICI Pakistan Limited		72,000	30,000	-	52,000	50,000	36,456,278	41,584,500.00	0.47	0.46	0.05
Lotte Chemical Pakistan Limited		5,500,000	500,000	-	6,000,000	-	-	-	-	-	-
Sitara Chemical Industries Limited		-	161,000	-	161,000	-	-	-	-	-	-
		11,025,450	1,758,000	-	10,933,450	1,850,000	91,467,331	140,566,500	1.57	1.56	

PAPER & BOARD

Packages Limited		57,200	174,800	-	32,000	200,000	83,328,193	101,154,000	1.13	1.13	0.22
		57,200	174,800	-	32,000	200,000	83,328,193	101,154,000	1.13	1.13	

LEATHER AND TANNERIES

Bata Pakistan Limited		59,600	4,100	-	1,840	61,860	84,123,325	122,730,240	1.37	1.37	0.03
Service Industries Limited		80,475	15,500	20,118	-	116,093	77,541,143	130,103,103	1.46	1.45	0.10
		140,075	19,600	20,118	1,840	177,953	161,664,468	252,833,343	2.83	2.81	

FOODS & PERSONAL CARE PRODUCTS

At-Tahur Limited		2,462,500	-	246,250	450,000	2,258,750	35,380,255	37,766,300	0.42	0.42	1.27
Unity Foods Limited		53,000	7,300,000	-	4,153,000	3,200,000	90,065,546	95,168,000	1.07	1.06	0.32
		2,515,500	7,300,000	246,250	4,603,000	5,458,750	125,445,801	132,934,300	1.49	1.48	

GLASS AND CERAMICS

Shabbir Tiles & Ceramics Limited (face value Rs.5)		-	1,594,500	-	1,156,500	438,000	9,974,855	10,345,560	0.12	0.12	0.27
Tariq Glass Industries Limited		230,250	-	-	230,250	-	-	-	-	-	-
		230,250	1,594,500	-	1,386,750	438,000	9,974,855	10,345,560	0.12	0.12	

MISCELLANEOUS

Synthetic Products Enterprises Limited		900,000	-	-	900,000	-	-	-	-	-	-
TPL Properties Limited		-	4,357,000	-	-	4,357,000	43,012,659	39,692,270	0.44	0.44	1.33
Tri-Pack Films Limited		-	16,500	-	16,500	-	-	-	-	-	-
		900,000	4,373,500	-	916,500	4,357,000	43,012,659	39,692,270	0.44	0.44	

Total 31 March 2021

7,624,094,187 8,927,260,040 100.00 99.35

Total 30 June 2020

7,113,226,257 6,990,442,843

5.2 The cost of listed equity securities as at 31 March 2021 is Rs. 8,126,601,337.27 (30 June 2020: Rs. 7,557,777,485).

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 2021	30 June 2020	31 March 2021	30 June 2020
	Un-audited	Audited	Un-audited	Audited
	Number of shares		Market value (Rupees)	
Engro Fertilizers Limited	425,000	425,000	26,520,000	25,619,000
Habib Bank Limited	60,000	60,000	6,970,800	5,812,200
United Bank Limited	170,000	100,000	20,219,800	10,336,000
Oil & Gas Development Company	100,000	-	10,161,000	-
Pakistan Petroleum Limited	297,000	297,000	25,937,010	25,773,660
	1,052,000	882,000	89,808,610	67,540,860

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6 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES	Note	31 March	30 June
		2021	2020
		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
Other Receivables	6.1	10,929,987	10,929,987
		13,529,987	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 withholders.

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 2021 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
		2021	2020
		Un-audited	Audited
		----- Rupees -----	
Remuneration of the Management Company	7.1	18,606,803	13,608,253
Sindh Sales Tax payable on remuneration of the Management Company	7.2	5,387,930	4,738,119
Federal Excise Duty payable on remuneration of the Management Company	7.3	20,301,988	20,301,988
Accounting and operational charges payable	14	2,325,849	963,918
		46,622,570	39,612,278

7.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 639 (1) / 2019 dated 20 June 2019, the Management Company shall set and disclose in the offering document the maximum rate of fee chargeable to collective investment scheme within allowed expense ratio. The Management Company has charged management fee at the rate of 2.4% (30 June 2020: 2.4%) per annum of the average annual net assets. The fee is payable to the Management Company monthly in arrears.

Atlas Stock Market Fund

7.2 During the period, an amount of Rs. 20,016,961 (2020: Rs.12,888,098) 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. 20,016,961 (2020: Rs. 12,396,284) 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 2020: 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 2021 would have been higher by Rs. 1.57 (30 June 2020: Rs. 1.53) per unit.

8 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE - RELATED PARTY	31 March 2021	30 June 2020
	Un-audited	Audited
	----- Rupees -----	
Remuneration Payable to Trustee	860,215	648,978
SST on Trustee fee payable	111,828	84,367
Payable to against CDS charges	-	3,000
SST on CDS Charges	-	390
	972,042	736,735

8.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the trust deed as follows

On net assets:

up to Rs 1,000 million Rs. 0.7 million or 0.20% per annum of Net Assets Value whichever is higher

On an amount exceeding Rs 1,000 million Rs. 2.0 million plus 0.10% per annum of Net Assets Value exceeding Rs 1,000 million.

8.2 During the year, an amount of Rs. 958,704 (2020: Rs.695,661) was charged on account of sales tax on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011 and an amount of Rs. 934,961 (2020 : 684,527) was paid to the Trustee which acts as a collecting agent.

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9 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	31 March 2021	30 June 2020
	Un-audited	Audited
	----- Rupees -----	
Annual fees payable	1,324,768	1,245,447

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).

10 ACCRUED EXPENSES AND OTHER LIABILITIES	31 March 2021	30 June 2020
	Un-audited	Audited
	----- Rupees -----	
Auditors' remuneration payable	289,031	481,582
NCCPL charges payable	25,000	25,000
Withholding and capital gain tax payable	1,640,497	15,621,799
Transaction charges payable	6,912,850	2,919,420
Sales load payable	65,909	27,614
Annual listing fee payable	20,644	-
Zakat payable	2,975	48,075
Provision for Sindh Workers' Welfare Fund	10.1 95,009,542	44,571,373
	103,966,448	63,694,863

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

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.

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.

Atlas Stock Market Fund

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 December 2020 would have been higher by Rs. 7.36 per unit (30 June 2020: Rs. 3.37 per unit).

11 CONTINGENCIES AND COMMITMENTS

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

12 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 31 March 2021 is 4.04% (30 June 2020: 3.13%) which includes 1.14% (30 June 2020: 0.46%) 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.

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 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.

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) /2020 dated 20 June 2019.

The Management Company charged actual expenses within the limit of 0.17% of average annual net assets of the fund upto 2 December 2020 and charged expenses at the rate of 0.30% of the average annual net assets afterwards.

15 EARNING 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 earning per unit is not practicable.

16 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

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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	
	2021	2020
	Un-audited	Un-audited
	----- Rupees -----	
16.1 Transactions during the period		
Atlas Asset Management Limited (Management Company)		
Remuneration of the Management Company	158,975,168	99,139,217
Sindh Sales Tax on remuneration of the Management Company	20,666,772	12,888,098
Remuneration paid	153,976,618	95,356,029
Accounting and operational charges	15,219,886	6,394,797
Issue of 28,121 (2020: 109,653) units	14,984,586	59,799,878
Redemption of 151,059 (2020: 93,695) units	98,000,000	60,000,000
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	7,374,650	5,351,236
Sindh Sales Tax on remuneration of the Trustee	958,705	695,661
Remuneration paid	7,163,414	5,265,594
Settlement charges	435,007	284,624
Sindh Sales Tax on settlement charges	56,551	37,001
Atlas Battery Limited (Group Company)		
Redemption of Nil (2020: 5) units	-	2,347
Shirazi Investments (Pvt.) Ltd. - Emp. Prov. Fund		
Redemption of 11,310 (2020: Nil) units	7,246,299	-
Atlas Foundation		
Issue of 23,822 (2020: Nil) units	14,000,000	-
Atlas Insurance Limited (Group Company)		
Issue of 162,581 (2020: 31,588) units	100,000,000	20,000,000
Redemption of 49,863 (2020: Nil) units	35,000,000	-
Atlas Metals (Private) Limited (Group Company)		
Issue of 58,099 (2020: Nil) units	40,000,000	-
Atlas Honda Limited (Group Company)		
Issue of Nil (2020: 1,146) units	-	537,873

Atlas Stock Market Fund

		For the Nine Months Ended 31 March	
		2021	2020
		Un-audited	Un-audited
		----- Rupees -----	
16.1	Transactions during the period (Continued....)		
	Atlas Honda Limited - Employees Provident Fund (Retirement Benefit plan of a Group Company)		
	Redemption of 14,380 (2020: Nil) units	10,000,000	-
	Honda Atlas Cars (Pakistan) Ltd. - Employees Gratuity Fund (Retirement Benefit plan of a Group Company)		
	Issuance of 92,485 (2020: Nil) units	60,000,000	-
	Atlas Insurance Limited - Non-Management Staff Gratuity Fund (Retirement Benefit plan of a Group Company)		
	Redemption of 2,782 (2020: Nil) units	2,000,000	-
	Atlas Group of Companies Management Staff Gratuity Fund (Retirement Benefit plan of a Group Company)		
	Issue of 7,613 (2020: 20,672) units	5,350,000	11,000,000
	Redemption of 19,161 (2020: 24,389) units	12,470,000	14,500,000
	Shirazi Investments (Private) Limited (Group Company) (Unit Holder with more than 10% holding)		
	Redemption of 900,747 (2020: Nil) units	600,000,000	-
	Sindh Province Pension Fund (Unit Holder with more than 10% holding)		
	Issue of Nil (2020: 961,763) units	-	536,000,000
	Sindh General Provident Investment Fund (Unit Holder with more than 10% holding)		
	Issue of Nil (2020: 1,099,069) units	-	504,000,000
	Directors and their close family members and key management personnel of the Management Company		
	Issue of 194,868 (2020: 348,248) units	137,639,304	183,510,106
	Redemption of 16,028 (2020: 551) units	11,275,000	279,369
		31 March 2021	30 June 2020
16.2	Details of balances with related parties as at the period / year end are as follows:	Un-audited	Audited
		----- Rupees -----	
	Atlas Asset Management Limited (Management Company)		
	Remuneration payable to the management company	18,606,803	13,608,253
	Sindh Sales tax payable on remuneration of the Management Company	5,387,930	4,738,119
	Federal Excise Duty payable on remuneration of the Management Company	20,301,988	20,301,988
	Accounting and operational charges payable	2,325,849	963,918
	Outstanding 83,623 (30 June 2020: 206,561) units - at net asset value	58,206,872	106,731,932

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16.2 Details of balances with related parties as at the period / year end are as follows: (Continued...)	31 March 2021	30 June 2020
	Un-audited ----- Rupees -----	Audited
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration payable to the Trustee	860,215	648,978
Sindh Sales tax payable on remuneration of trustee	111,828	84,367
Settlement charges payable	-	3,000
Sindh Sales tax payable on settlement charges	-	390
Atlas Honda Limited (Group Company)		
Outstanding 28,216 (30 June 2020: 28,216) units - at net asset value	19,639,908	14,579,293
Atlas Foundation (Group Company)		
Outstanding 892,898 (30 June 2020: 869,076) units - at net asset value	621,515,091	449,060,074
Atlas Group of Companies Management Staff Gratuity Fund (Retirement Benefit plan of a Group Company)		
Outstanding 122,678 (30 June 2020: 134,226) units - at net asset value	85,391,638	69,355,779
Atlas Honda Limited - Employees Provident Fund (Retirement Benefit plan of a Group Company)		
Outstanding 85,415 (30 June 2020: 99,795) units - at net asset value	59,454,094	51,565,041
Atlas Honda Limited - Non Management Staff Gratuity Fund (Retirement Benefit plan of a Group Company)		
Outstanding 19,454 (30 June 2020: 22,236) units - at net asset value	13,541,382	11,489,720
Atlas Insurance Limited (Group Company)		
Outstanding 226,047 (30 June 2020: 113,329) units - at net asset value	157,343,516	58,558,370
Atlas Metals (Private) Limited		
Outstanding 58,099 (30 June 2020: Nil) units - at net asset value	40,440,461	-
Batools Benefit Trust (Trust having common Director / Trustee)		
Outstanding 213,744 (30 June 2020: 213,744) units - at net asset value	148,779,811	110,443,716
Honda Atlas Cars (Pakistan) Limited - Employees Gratuity Fund (Retirement Benefit plan of a Group Company)		
Outstanding 124,520 (30 June 2020: 32,035) units - at net asset value	86,674,270	16,553,033
Shirazi Investments (Private) Limited - Employees Provident Fund (Retirement Benefit plan of a Group Company)		
Outstanding 15,239 (30 June 2020: 26,549) units - at net asset value	10,607,070	13,717,917
Shirazi Investments (Private) Limited (Group Company) (Unit Holder with more than 10% holding)		
Outstanding 3,829,218 (30 June 2020: 4,729,966) units - at net asset value	2,665,385,281	2,444,020,517
Directors and their close family members and key management personnel of the Management Company		
Outstanding 1,411,148 (30 June 2020: 1,232,151) units - at net asset value	982,250,979	636,664,632

Atlas Stock Market Fund

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 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 2021 and 30 June 2020, the Fund held the following instruments measured at fair values:

	Level 1	Level 2	Level 3
	Rupees		
<u>31 March 2021</u>			
At fair value through profit or loss	8,927,260,040	-	-
	<u>8,927,260,040</u>	<u>-</u>	<u>-</u>
<u>30 June 2020</u>			
At fair value through profit or loss	6,990,442,843	-	-
	<u>6,990,442,843</u>	<u>-</u>	<u>-</u>

18 GENERAL

18.1 Figures of the condensed interim income statement and the condensed interim statement of comprehensive income for the quarters ended 31 March 2021 and 31 March 2020 have not been subjected to limited scope review by the statutory auditors of the Fund.

18.2 COVID-19

The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts. The Securities and Exchange Commission of Pakistan (SECP) had provided the following relaxation CISs operating in Pakistan for classification of debt security for a specified period of time commencing from April 9, 2020 and expiring on March 31, 2021.

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The timeline for classification of debt security as non-performing has been extended from 15 days to 180 days overdue.

The management Company is closely monitoring the situation and has invoked required actions to ensure safety and security of the staff and an uninterrupted services to the customers. Business Continuity Plans (BCP) for respective areas are in place and tested. The Management Company has significantly enhanced monitoring for all the cyber security risk during these times from its information security protocols. The remote work capabilities were enabled for the critical staff and related risk and control measures were assessed to make sure they are fully protected using virtual private network ("VPN") connections. Further, the management Company has also ensured that its remote access systems are sufficiently resilient to any unwanted cyber attacks.

The Management Company has made an assessment of Covid-19 on the credit risk and liquidity risk and believes that there is no significant impact on the Fund.

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

18.4 Number of units have been rounded off to the nearest decimal places.

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 April 29, 2021.

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

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Muhammad Abdul Samad
Chief Executive Officer

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