



**Atlas Islamic Income Fund**

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**Atlas Islamic Stock Fund**

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**Atlas Islamic Fund of Funds**

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**Atlas Islamic Dedicated Stock Fund**

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**HALF YEARLY REPORT**

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**31 DECEMBER 2020**

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**(UN-AUDITED)**



 **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 Meraj

## 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

Ground Floor, Federation House Sharae Firdousi,  
Clifton, Karachi - 75600  
Tel: (92-21) 111-MUTUAL (6-888-25)  
(92-21) 35379501-04  
Fax: (92-21) 35379280  
Email: info@atlasfunds.com.pk  
Website: www.atlasfunds.com.pk

# Half Yearly Report 2020-21

## CHAIRMAN'S REVIEWS

It is my pleasure to present you the un-audited Financial Statements of Atlas Islamic Income Fund (AIIF), Atlas Islamic Stock Fund (AISF), Atlas Islamic Fund of Funds (AIFO) and Atlas Islamic Dedicated Stock Fund (AIDSF) for the half year ended December 31, 2020 of FY 2020-21.

## THE ECONOMY

During first half FY 2020-21, economic data and indicators of consumer/business sentiment have shown continued improvement. Large-scale manufacturing (LSM) registered growth of 7.4% YoY and 14.5% YoY in Oct'20 and Nov'20, respectively. The overall economic recovery is attributable to national strategy (smart lockdowns) administered to contain the pandemic as well as support/policy measures taken by the GoP (fiscal stimulus) and SBP (monetary easing). During Jul-Dec FY 2020-21, the Current Account Balance posted a surplus of US \$1.13 billion as compared to a deficit of US \$2.03 billion in same period last year. The Current Account largely benefitted from 24.90% YoY increase in Jul-Dec FY 2020-21 Worker's Remittances that stood at US \$14.20 billion. During Jul-Dec FY 2020-21, Imports increased by 5.51% YoY to US \$24.47 billion whereas Jul-Dec FY 2020-21 Exports increased by 5.10% YoY to stand at US \$12.11 billion. Total Liquid Foreign Exchange Reserves increased by 14.40% YoY to US \$20.51 billion as of Dec 31, 2020 (SBP's share stood at US \$13.41 billion) primarily due to significant improvement in Current Account Balance, multilateral inflows from IMF and World Bank to avert COVID based economic erosion and extension of debt suspension on part of G-20 debt relief deal. The headline CPI inflation remained at average 8.63% during Jul-Dec FY 2020-21. 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 - AIIF

The Net Asset Value per unit of Atlas Islamic Income Fund (AIIF) increased by 2.86% to Rs. 519.32 as on December 31, 2020, providing an annualized total return of 5.67%. The AIIF's total exposure in Sukuks was 49.03% and the remaining 50.97% in high yielding Shariah Compliant Bank Deposits/Others. The Net Assets of the Fund stood at Rs. 2.03 billion, with 3.90 million units outstanding as on December 31, 2020.

## FUND OPERATIONS - AISF

The Net Asset Value per unit of Atlas Islamic Stock Fund (AISF) increased by 28.01% to Rs. 583.28 as on December 31, 2020. The benchmark KMI-30 index increased by 29.41% during the period under review. KMI-30 index increased from 54,995.25 points as on June 30, 2020 to 64,939.39 points as on December 31, 2020. AISF's strategy will continue to focus on dividend plays and stocks that are trading at relatively cheap multiples with earnings growth prospects. AISF's equity exposure was 95.61% that mainly comprised of Oil & Gas Exploration, Cement, Islamic Commercial Banks, Fertilizer and Oil & Gas Marketing Companies. The Net Assets of the Fund stood at Rs. 2.54 billion, with 4.35 million units outstanding as on December 31, 2020.

## FUND OPERATIONS - AIFO

The Net Asset Value of Atlas Aggressive Allocation Islamic Plan (AAAIP) increased by 20.74% to Rs.577.10 as on December 31, 2020. AAAIP was 26.73% and 72.83% invested in AIIF and AIDSF, respectively. The Net Asset Value of Atlas Moderate Allocation Islamic Plan (AMAIP) increased by 15.56% to Rs.572.43 as on December 31, 2020. AMAIP was 46.43% and 51.84% invested in AIIF and AIDSF, respectively. The Net Asset Value of Atlas Conservative Allocation Islamic Plan (ACAIP) increased by 9.51% to Rs. 567.02 as on December 31, 2020. ACAIP was 70.81% and 27.57% invested in AIIF and AIDSF, respectively. The Net Asset Value of Atlas Islamic Capital Preservation Plan (AICPP) increased by 8.20% to Rs. 539.38 as on December 31, 2020. AICPP was 82.70% and 16.29% invested in AIIF and AIDSF, respectively. Atlas Islamic Dividend Plan (AIDP) was 88.09% invested in AIIF as on December 31, 2020. The Net Assets of AIFO stood at Rs. 909.64 million as on December 31, 2020.

## FUND OPERATIONS - AIDSF

The Net Asset Value per unit of Atlas Islamic Dedicated Stock Fund (AIDSF) increased by 28.33% to Rs. 566.85 as on December 31, 2020. The benchmark KMI-30 index has increased by 29.41% during the period under review. The KMI-30 index increased from 54,995.25 points as on June 30, 2020 to 64,939.39 points as on December 31, 2020. AIDSF's strategy will continue to focus on dividend plays and stocks that are trading at relatively cheap multiples with earnings

# Atlas Meraj

growth prospects. AIDSF equity exposure was 96.09% that mainly comprised of Oil & Gas Exploration, Cement, Islamic Commercial Banks, Fertilizer and Oil & Gas Marketing Companies. The Net Assets of the Fund stood at Rs. 369.18 million, with 0.65 million units outstanding as on December 31, 2020.

## 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 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) for 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.

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## RATINGS

### • ASSET MANAGER RATING

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

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 low exposure to risks.

## FUTURE OUTLOOK

The short-term economic outlook largely depends on COVID trajectory whereas sustainable growth in medium-long term will derive from adequate structural reforms and policy measures. Based on current trends, the SBP has projected FY21 economic growth to clock in at 2.0% driven primarily by manufacturing and construction related activities taking support from the State Bank's financing incentives and the government's construction sector package. The FY21 headline inflation is expected to hover on the higher side of 7% to 9% range primarily due to supply side shocks in food items and upside volatility in international commodity and crude oil prices. Meanwhile, core inflation is expected to remain stable. The Current Account Deficit for FY21 is expected in range of 0.5% - 1.5% of GDP mainly on the back of growth in Worker's Remittances. Going forward, government's 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.

(نہ تو زمیں کے لیے ہے نہ آسمان کے لیے)

(جہاں ہے تیرے لیے، تو نہیں جہاں کے لیے)

(You are neither for the earth nor for the heaven:  
The world is for you, and not you for the world.)

## 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.

Karachi: 25 February 2021

Iftikhar H. Shirazi  
Chairman

# Atlas Islamic Income Fund

## Corporate Information

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### **Trustee**

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

### **Shariah Advisor**

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Dr. Mufti Hassan Usmani

### **Auditors**

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EY Ford Rhodes  
Chartered Accountants

### **Legal Advisers**

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Mohsin Tayebaly & Co.

### **Bankers**

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Al-Baraka Bank (Pakistan) Limited  
Allied Bank Limited - Islamic Banking  
Askari Bank Limited - Islamic Banking  
Bank Al Habib Limited - Islamic Banking  
BankIslami Pakistan Limited  
Dubai Islamic Bank Pakistan Limited  
Faysal Bank Limited - Islamic Banking  
Habib Bank Limited - Islamic Banking  
MCB Bank Limited - Islamic Banking  
Meezan Bank Limited  
Soneri Bank Limited - Islamic Banking



# Half Yearly Report 2020-21

## TRUSTEE REPORT TO THE UNIT HOLDERS

### Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Atlas Islamic Income Fund (the Fund) are of the opinion that Atlas Asset Management Limited, being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2020 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

#### **Badiuddin Akber**

Chief Executive Officer

Central Depository Company of Pakistan Limited

Karachi: 23 February 2021

# Atlas Islamic Income Fund

## INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION TO UNIT HOLDERS

### Report on review of Interim Financial Statements

#### Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of Atlas Islamic Income Fund (the Fund) as at 31 December 2020 and the related condensed interim statement of income, comprehensive income, distribution, cash flow and movement in unit holders' Fund together with the notes forming part thereof (here-in-after referred to as "interim financial statements") for the six-months' period then ended. The Management Company (Atlas Asset Management Limited) is responsible for the preparation and presentation of this interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial statements based on our review. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended 31 December 2020 and 31 December 2019 have not been subject to limited scope review by the external auditors as we are only required to review the cumulative figures for the six-month period ended 31 December 2020.

#### Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the audit resulting in this independent auditor's report is Arslan Khalid.

Karachi: 26 February 2021

**EY Ford Rhodes**  
Chartered Accountants

**Engagement Partner: Arslan Khalid**

# Half Yearly Report 2020-21

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

		31 December 2020 Un-audited	30 June 2020 Audited
	Note	----- Rupees -----	----- Rupees -----
<b>Assets</b>			
Cash and bank balances	4	1,019,356,525	1,584,796,999
Investments	5	1,005,939,116	555,713,327
Mark-up accrued	6	25,760,714	19,728,961
Security deposits, prepayments and other receivables	7	578,941	578,941
<b>Total assets</b>		<b>2,051,635,296</b>	<b>2,160,818,228</b>
<b>Liabilities</b>			
Payable to Atlas Asset Management Limited - Management Company	8	3,104,505	3,093,850
Payable to the Central Depository Company of Pakistan Limited - Trustee	9	150,857	149,403
Payable to the Securities and Exchange Commission of Pakistan	10	212,001	373,481
Payable against redemption of units		11,660,674	-
Unclaimed dividend		332,890	332,890
Accrued expenses and other liabilities	11	10,731,946	22,267,509
<b>Total liabilities</b>		<b>26,192,873</b>	<b>26,217,133</b>
<b>NET ASSETS</b>		<b>2,025,442,423</b>	<b>2,134,601,095</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<b>2,025,442,423</b>	<b>2,134,601,095</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	12		
		----- Number of units -----	
<b>NUMBER OF UNITS IN ISSUE</b>		<b>3,900,154</b>	<b>4,227,883</b>
		----- Rupees -----	
<b>NET ASSET VALUE PER UNIT</b>		<b>519.3238</b>	<b>504.8900</b>

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

For Atlas Asset Management Limited  
(Management Company)

**Qurrat-ul-Ain Jafari**  
Chief Financial Officer

**Muhammad Abdul Samad**  
Chief Executive Officer

**Iftikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Income Fund

## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2020

	Note	For the Half Year Ended 31 December		For the Quarter Ended 31 December	
		2020	2019	2020	2019
<b>Income</b>		-----Rupees-----			
Mark-up income	13	71,158,245	104,507,654	35,148,170	90,293,146
Capital (loss) / gain on sale of investments - net		(263,593)	10,000	(263,593)	10,000
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		(2,135,531)	674,634	(1,730,014)	363,981
		<b>(2,399,124)</b>	<b>684,634</b>	<b>(1,993,607)</b>	<b>373,981</b>
<b>Total income</b>		<b>68,759,121</b>	<b>105,192,288</b>	<b>33,154,563</b>	<b>90,667,127</b>
<b>Expenses</b>					
Remuneration of Atlas Asset Management Limited - Management Company	8.1	4,240,056	2,502,876	2,107,436	1,385,837
Sindh Sales Tax on remuneration of the Management Company	8.2	551,207	325,374	273,966	180,159
Remuneration of the Central Depository Company of Pakistan Limited - Trustee	9.1	795,010	599,043	395,143	319,783
Sindh Sales Tax on remuneration of the Trustee	9.2	103,351	77,875	51,368	41,571
Annual fees to the Securities and Exchange Commission of Pakistan		212,001	159,744	105,370	85,275
Accounting and operational charges	14	1,802,024	1,011,911	895,661	639,565
Auditors' remuneration		91,847	147,794	(10,371)	82,640
Securities transaction cost		155,890	100,144	76,695	70,718
Annual listing fee		13,863	13,901	6,931	6,989
Annual rating fee		166,564	150,981	83,282	75,491
Printing charges		38,240	20,141	38,240	9,241
Shariah advisory fee		90,000	90,000	45,000	45,000
Bank charges		20,658	32,484	13,520	11,500
Legal and professional charges		120,760	118,033	70,000	-
Provision for Sindh Workers' Welfare Fund	11.1	1,207,153	1,996,840	580,046	1,080,562
<b>Total expenses</b>		<b>9,608,624</b>	<b>7,347,141</b>	<b>4,732,287</b>	<b>4,034,331</b>
<b>Net income for the period before taxation</b>		<b>59,150,497</b>	<b>97,845,147</b>	<b>28,422,276</b>	<b>86,632,796</b>
<b>Taxation</b>	16	-	-	-	-
<b>Net income for the period after taxation</b>		<b>59,150,497</b>	<b>97,845,147</b>	<b>28,422,276</b>	<b>86,632,796</b>
<b>Earning per unit</b>	17				
<b>Allocation of net income for the period:</b>					
- Net income for the period		59,150,497	97,845,147	28,422,276	86,632,796
- Income already paid on units redeemed		(9,627,770)	(12,728,111)	(6,757,003)	(7,552,792)
		<b>49,522,727</b>	<b>85,117,036</b>	<b>21,665,273</b>	<b>79,080,004</b>
<b>Accounting income / (loss) available for distribution:</b>					
- Relating to capital gains		-	684,634	(1,993,607)	373,981
- Excluding capital gains		49,522,727	84,432,402	23,658,880	78,706,023
		<b>49,522,727</b>	<b>85,117,036</b>	<b>21,665,273</b>	<b>79,080,004</b>

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

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

**Qurrat-ul-Ain Jafari**  
Chief Financial Officer

**Muhammad Abdul Samad**  
Chief Executive Officer

**Iftikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Half Yearly Report 2020-21

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2020

	For the Half Year Ended 31 December		For the Quarter Ended 31 December	
	2020	2019	2020	2019
	----- Rupees -----			
Net income for the period after taxation	59,150,497	97,845,147	28,422,276	86,632,796
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>59,150,497</b>	<b>97,845,147</b>	<b>28,422,276</b>	<b>86,632,796</b>

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

For Atlas Asset Management Limited  
(Management Company)

**Qurrat-ul-Ain Jafari**  
Chief Financial Officer

**Muhammad Abdul Samad**  
Chief Executive Officer

**Iftikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Income Fund

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2020

	31 December 2020		
	Capital value	Undistributed income	Net assets
	----- Rupees -----		
Capital value	2,122,558,890	-	2,122,558,890
<b>Undistributed income brought forward</b>			
- Realised income	-	43,071,903	43,071,903
- Unrealised loss	-	(31,029,698)	(31,029,698)
<b>Net assets at the beginning of the period (Units outstanding: 4,227,883) (Rs. 504.8900 per unit)</b>	<b>2,122,558,890</b>	<b>12,042,205</b>	<b>2,134,601,095</b>
Issue of 3,742,000 units	1,923,795,624	-	1,923,795,624
Redemption of 4,069,729 units	(2,082,477,023)	(9,627,770)	(2,092,104,793)
Total comprehensive income for the period	-	59,150,497	59,150,497
<b>Net assets at end of the period (Units outstanding: 3,900,154) (Rs. 519.3238 per unit)</b>	<b>1,963,877,491</b>	<b>61,564,932</b>	<b>2,025,442,423</b>
<b>Undistributed income carried forward</b>			
- Realised income	-	113,332,141	-
- Unrealised loss	-	(51,767,209)	-
	<b>-</b>	<b>61,564,932</b>	<b>-</b>
	31 December 2019		
	Capital value	Undistributed income	Net assets
	----- Rupees -----		
Capital value	1,384,052,950	-	1,384,052,950
<b>Undistributed income brought forward</b>			
- Realised income	-	8,274,469	8,274,469
- Unrealised loss	-	(101,200)	(101,200)
<b>Net assets at the beginning of the period (Units outstanding: 2,762,766) (Rs. 503.92 per unit)</b>	<b>1,384,052,950</b>	<b>8,173,269</b>	<b>1,392,226,219</b>
Issue of 2,116,788 units	1,104,377,558	-	1,104,377,558
Redemption of 1,609,566 units	(829,495,604)	(12,728,111)	(842,223,715)
Total comprehensive income for the period	-	97,845,147	97,845,147
<b>Net assets at end of the period (Units outstanding: 3,269,988) (Rs. 535.85 per unit)</b>	<b>1,658,934,904</b>	<b>93,290,305</b>	<b>1,752,225,209</b>
<b>Undistributed income carried forward</b>			
- Realised income	-	92,615,670	-
- Unrealised income	-	674,635	-
	<b>-</b>	<b>93,290,305</b>	<b>-</b>

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

For Atlas Asset Management Limited  
(Management Company)

**Qurrat-ul-Ain Jafari**  
Chief Financial Officer

**Muhammad Abdul Samad**  
Chief Executive Officer

**Iftikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

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## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2020

	For the Half Year ended 31 December	
	2020	2019
Note	----- Rupees -----	-----
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	59,150,497	97,845,147
<b>Adjustments for:</b>		
Mark-up income	(71,158,245)	(104,507,654)
Capital loss / (gain) on sale of investments - net	263,593	(10,000)
Net unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	2,135,531	(674,634)
Provision for Sindh Workers' Welfare Fund	1,207,153	1,996,840
	<b>(67,551,968)</b>	<b>(103,195,448)</b>
<b>Increase in assets</b>		
Security deposits, prepayments and other receivables	-	(13,599)
<b>Decrease in liabilities</b>		
Payable to Atlas Asset Management Limited - Management Company	10,655	387,868
Payable to Central Depository Company of Pakistan Limited - Trustee	1,454	(53,717)
Payable to the Securities and Exchange Commission of Pakistan	(161,480)	(541,529)
Unclaimed dividend	-	(327,727)
Accrued expenses and other liabilities	(12,742,716)	(2,389,451)
	<b>(12,892,087)</b>	<b>(2,924,556)</b>
Mark-up received	65,126,492	87,469,458
Investments made during the period	(470,974,913)	(174,327,666)
Investments sold / matured during the period	18,350,000	13,350,000
<b>Net cash used in operating activities</b>	<b>(408,791,979)</b>	<b>(81,796,664)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net receipts from issuance of units	1,923,795,624	1,104,377,558
Net payments against redemption of units	(2,080,444,119)	(821,646,609)
<b>Net cash (used in) / generated from financing activities</b>	<b>(156,648,495)</b>	<b>282,730,949</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(565,440,474)</b>	<b>200,934,285</b>
Cash and cash equivalents at the beginning of the period	1,584,796,999	1,308,448,955
<b>Cash and cash equivalents at the end of the period</b>	<b>4 1,019,356,525</b>	<b>1,509,383,240</b>

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

For Atlas Asset Management Limited  
(Management Company)

**Qurrat-ul-Ain Jafari**  
Chief Financial Officer

**Muhammad Abdul Samad**  
Chief Executive Officer

**Iftikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Income Fund

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

FOR THE HALF YEAR ENDED 31 DECEMBER 2020

### 1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Atlas Islamic Income Fund (the Fund) is an open ended Fund constituted under a trust deed entered into on 7 May 2008 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, Second and third Supplemental Trust Deeds dated 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 and Twelveth supplements dated 23 June 2010, 12 November 2010, 20 September 2013, 24 March 2015, 3 August 2015, 30 September 2016, 2 June 2017, 2 October 2019, 30 October 2019, 1 April 2020, 1 June 2020 and 21 December 2020 respectively with the approval of the SECP. The investment activities and administration of the Fund are managed by AAML whose registered office is situated at Ground Floor, Federation House, Shahrah-e-Firdousi, Clifton, Karachi.
- 1.2 The Fund has been categorised as a 'shariah compliant income scheme' by the Board of Directors of the Management Company pursuant to the provision contained in Circular 07 of 2009. 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 since 14 October 2008, 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 with a good and stable rate of current income consistent with long term preservation of capital in a Shariah Compliant manner. A secondary objective is to take advantage of opportunities to realise capital appreciation. The Fund shall seek to provide the investors with a rate of return consistent with a broadly diversified portfolio of long medium, and short term, high quality Islamic income instruments.
- 1.4 The Pakistan Credit Rating Agency Limited (PACRA) maintained the asset manager rating of the Management Company to AM2+ (AM Two Plus) [2019: AM2+ (AM Two Plus)] on 24 December 2020.
- Moreover, PACRA maintained the stability rating of the Fund at "AA- (f)" [2019: "AA- (f)"] on 16 October 2020.
- 1.5 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 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 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 December 2020	30 June 2020
		Un-audited	Audited
		Rupees	
Balances with banks in:			
- Profit and loss sharing accounts	4.1	1,016,451,525	1,574,256,099
- Current account		5,000	5,000
Cheques in hand	4.2	2,900,000	10,535,900
		<b>1,019,356,525</b>	<b>1,584,796,999</b>

4.1 The rate of return on these profit & loss sharing accounts ranges between 6.00% to 6.85% (30 June 2020: 6.00% to 7.50%) per annum.

4.2 These denote cheques received against issue of units which were cleared latest by 04 January 2021 (30 June 2020: 07 July 2020).

5 INVESTMENTS	Note	31 December 2020	30 June 2020
		Un-audited	Audited
		Rupees	
<b>At fair value through profit or loss</b>			
Debt securities - sukuk certificates	5.1	363,180,866	298,635,827
Government of Pakistan - Ijarah Sukuk		642,758,250	257,077,500
		<b>1,005,939,116</b>	<b>555,713,327</b>

# Atlas Islamic Income Fund

## 5.1 Debt Securities - Sukuk Certificates

Particulars	Note	As at 01 July 2020	Acquired during the period	Disposed during the period	As at 31 December 2020	Carrying Value as at 31 December 2020	Market Value as at 31 December 2020	Unrealised appreciation / (diminution) as at 31 December 2020	Market Value as a percentage of total investments	Market Value as a percentage of net assets
<b>BANKS</b>										
Meezan Bank Limited Tier I (Face Value Rs. 1,000,000)	5.1.1 & 5.1.2	50	-	-	50	51,250,000	51,096,400	(153,600)	5.08%	2.52%
Meezan Bank Limited Tier II (Face Value Rs. 1,000,000)	5.1.1 & 5.1.2	50	-	-	50	50,717,800	51,875,000	1,157,200	5.16%	2.56%
<b>Fertilizers</b>										
Dawood Hercules Corporation Limited Sukuk 2 (Face Value Rs. 70,000)	5.1.1 & 5.1.2	1,000	-	-	1,000	71,275,680	70,865,340	(410,340)	7.04%	3.50%
Dawood Hercules Corporation Limited Sukuk 1 (Face Value Rs. 60,000)	5.1.1 & 5.1.2	835	-	-	835	50,610,727	50,648,896	38,169	5.03%	2.50%
<b>Power Generation &amp; Distribution</b>										
The Hub Power Company Limited (Face Value Rs. 100,000)	5.1.1 & 5.1.2	550	-	-	550	56,179,640	56,236,730	57,090	5.59%	2.78%
The Hub Power Holding Limited (Face Value Rs. 100,000)	5.1.1 & 5.1.2	-	1,000	-	1,000	82,458,500	82,458,500	-	8.20%	4.07%
<b>Total - 31 December 2020</b>						<b>362,492,347</b>	<b>363,180,866</b>	<b>688,519</b>	<b>36.10%</b>	<b>17.93%</b>
<b>Total - 30 June 2020</b>						<b>292,654,575</b>	<b>298,635,827</b>	<b>5,981,252</b>	<b>53.74%</b>	<b>13.99%</b>

5.1.1 The cost of these investments at 31 December 2020 amounted to Rs. 406,701,525 (30 June 2020: Rs. 324,243,025).

5.1.2 These carry quarterly and semi annually rate of return ranging from "3 months Kibor + 1%" to "3 months Kibor + 1.9%" and "6 months Kibor + 0.5%" (30 June 2020: "3 months Kibor + 1.00%" to "3 months Kibor + 1.90%" and "6 months Kibor + 0.5%" to "6 months Kibor + 0.90%") respectively, having maturity upto 09 January 2030 (30 June 2020: 09 January 2030).

## 5.2 Government of Pakistan - Ijarah Sukuk

Particulars	Note	As at 01 July 2020	Acquired during the period	Disposed during the period	As at 31 December 2020	Carrying Value as at 31 December 2020	Market Value as at 31 December 2020	Unrealised appreciation / (diminution) as at 31 December 2020	Market Value as a percentage of total investments	Market Value as a percentage of net assets
Government of Pakistan Ijarah Sukuks	5.2.1	262,500,000	390,000,000	-	652,500,000	645,582,300	642,758,250	(2,824,050)	63.90%	31.73%
<b>Total - 31 December 2020</b>						<b>645,582,300</b>	<b>642,758,250</b>	<b>(2,824,050)</b>	<b>63.90%</b>	<b>31.73%</b>
<b>Total - 30 June 2020</b>						<b>262,500,000</b>	<b>257,077,500</b>	<b>(5,422,500)</b>	<b>46.26%</b>	<b>12.04%</b>

5.2.1 Investment in GOP Ijarah Sukuks carried mark up ranging between 5.95% to 8.37% (30 June 2020: 6.63% to 7.65%) per annum and were due to mature between 30 April 2025 to 29 July 2025 (30 June 2020: 30 April 2025 to 29 May 2025). As at 31 December 2020, the cost of investments amounted to Rs. 651,004,800 (30 June 2020: Rs. 262,500,000).

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		31 December 2020	30 June 2020
		Un-audited	Audited
6 MARK-UP ACCRUED	Note	----- Rupees -----	
Mark-up accrued on:			
- Profit and loss sharing accounts		5,866,643	9,257,007
- Sukuk certificates and GoP Ijarah Sukuk		19,894,071	10,471,954
		<b>25,760,714</b>	<b>19,728,961</b>

## 7 SECURITY DEPOSIT, PREPAYMENTS AND OTHER RECEIVABLES

Deposit with Central Depository Company of Pakistan Limited		100,000	100,000
Withholding tax deducted	7.1	478,941	478,941
		<b>578,941</b>	<b>578,941</b>

7.1 As per Clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under sections 150 and 151. However, several Companies (including banks) deducted withholding tax on dividend and profit on bank deposits paid to the Fund based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT) /2008-VOL.II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced by the withholder.

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favor 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 funds 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 cumulative amount of withholding tax deducted from profit on bank deposits by the Funds has been shown as other receivable as at 31 December 2020 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

		31 December 2020	30 June 2020
		Un-audited	Audited
8 PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY (RELATED PARTY)	Note	----- Rupees -----	
Remuneration of the Management Company	8.1	709,332	702,480
Sindh Sales Tax payable on remuneration of the Management Company	8.2	359,807	358,916
Federal Excise Duty payable on remuneration of the Management Company	8.3	1,733,901	1,733,901
Accounting and operational charges payable	14	301,465	298,553
		<b>3,104,505</b>	<b>3,093,850</b>

8.1 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 receive a remuneration at the rate not exceeding 1% of the average annual net assets in case of income schemes. Keeping in view this maximum allowable threshold, the Management Company has charged its remuneration at the rate of 0.40% (30 June 2020: 0.40%) per annum of the average annual net assets of the Fund. The fee is payable to the Management Company monthly in arrears.

# Atlas Islamic Income Fund

8.2 During the half year ended 31 December 2020, an amount of Rs. 551,207 (2019: Rs. 325,374) was charged on account of sales tax on management fee levied through Sindh Sales Tax on Services Act, 2011, and an amount of Rs. 550,316 (2019: Rs. 294,398) has been paid to the Management Company which acts as the collecting agent.

8.3 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from 13 June 2013. As the asset management services rendered by the Management Company of the Fund were already subject to provincial sales tax on services levied by the Sindh Revenue Board, which is being charged to the Fund as explained in note 8.2 above, 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 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 1.734 million (30 June 2020: Rs 1.734 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 December 2020 would have been higher by Rs. 0.44 per unit (30 June 2020: Rs. 0.41 per unit).

9 PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN- TRUSTEE- RELATED PARTY	Note	31 December 2020	30 June 2020
		Un-audited	Audited
		Rupees	
Trustee fee payable	9.1	133,001	131,715
Sindh Sales Tax payable on Trustee fee	9.2	17,291	17,123
Settlement Charges payable		500	500
Sindh Sales payable on settlement charges		65	65
		<b>150,857</b>	<b>149,403</b>

9.1 The trustee is entitled to monthly remuneration for services rendered to the fund at the flat rate of 0.075% p.a. of Net Assets.

9.2 During the year, an amount of Rs. 103,351 (2019: Rs. 77,875) 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. 103,183 (2019: Rs 81,510) was paid to trustee which acts as collecting agent

10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	31 December 2020	30 June 2020
		Un-audited	Audited
		Rupees	
Annual fees payable	10.1	<b>212,001</b>	<b>373,481</b>

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

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	Note	31 December	30 June
		2020	2020
		Un-audited	Audited
11 ACCRUED EXPENSES AND OTHER LIABILITIES		Rupees	
Auditors' remuneration payable		204,437	320,490
Payable to Shariah Advisor		45,000	45,000
Withholding tax payable		365,426	13,172,128
Provision for Sindh Workers' Welfare Fund	11.1	9,341,645	8,134,880
Annual listing fee payable		13,863	-
Annual rating fee payable		166,564	-
Zakat payable		50,457	50,457
Other payable		544,554	544,554
		<b>10,731,946</b>	<b>22,267,509</b>

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

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

Had the provision for SWWF not been recorded in the financial statements of the Fund for the period from 21 May 2015 to 31 December 2020, the net asset value of the Fund as at 31 December 2020 would have been higher by Rs. 2.40 per unit (30 June 2020: Rs. 1.92 per unit).

## 12 CONTINGENCIES AND COMMITMENTS

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

	For the Half Year Ended		For the Quarter Ended	
	31 December		31 December	
	2020	2019	2020	2019
	Un-audited	Un-audited	Un-audited	Un-audited
13 MARK-UP INCOME	Rupees		Rupees	
Mark-up income on:				
- Profit and loss sharing accounts	41,255,405	90,479,891	17,663,054	78,234,958
- Government of Pakistan (GoP) ijarah sukuks	15,733,005	571,759	10,272,445	571,759
- Sukuk certificates	14,169,835	13,456,004	7,212,671	11,486,429
	<b>71,158,245</b>	<b>104,507,654</b>	<b>35,148,170</b>	<b>90,293,146</b>

## 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.

# Atlas Islamic Income Fund

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

## 15 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 31 December 2020 is 0.91% (30 June 2020: 0.96%) which includes 0.20% (30 June 2020: 0.30%) representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, etc. This ratio net of government levies is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a shariah compliant income scheme.

## 16 TAXATION

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

## 17 EARNINGS PER UNIT

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

## 18 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

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, 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:

	<b>For the Half Year Ended</b>	
	<b>31 December</b>	
	<b>2020</b>	<b>2019</b>
	<b>Un-audited</b>	<b>Un-audited</b>
	<b>----- Rupees -----</b>	
<b>18.1 Transactions during the period</b>		
<b>Atlas Asset Management Limited (Management Company)</b>		
Remuneration of the Management Company	4,240,056	2,502,876
Remuneration paid	4,233,204	2,264,600
Sindh Sales Tax on remuneration of the Management Company	551,207	325,374
Accounting and operational charges	1,802,024	1,011,911
<b>Central Depository Company of Pakistan Limited (Trustee)</b>		
Remuneration of the Trustee	795,010	599,043
Remuneration paid to the Trustee	793,724	609,877
Sindh Sales Tax on remuneration of the Trustee	103,351	77,875
Settlement charges paid	3,000	6,340
Sindh Sales Tax on Settlement charges	390	824

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	For the Half Year Ended	
	31 December	
	2020	2019
	Un-audited	Un-audited
	Rupees	
<b>Atlas Insurance Limited Window Takaful Operations</b>		
Issue of 98,415 (2019: 78,570) units	50,000,000	40,000,000
Redemption of 98,415 (2019: 78,570) units	50,388,503	42,024,750
<b>Shirazi Investments (Private) Limited (Group Company)</b>		
Issue of Nil (2019: 32) units	-	16,628
Redemption of 3,983 (2019: Nil) units	2,019,812	-
<b>CDC - Trustee Atlas Islamic Capital Preservation Plan (Atlas Islamic Fund of Fund)</b>		
Issue of 120,650 (2019: Nil) units	62,000,000	-
Redemption of 34,559 (2019: 34,163) units	17,500,000	17,700,000
<b>CDC - Trustee Atlas Aggressive Allocation Islamic Plan (Atlas Islamic Fund of Fund)</b>		
Issue of 11,238 (2019: 8,490) units	5,760,000	4,490,000
Redemption of 1,185 (2019: 13,208) units	600,000	6,800,000
<b>CDC - Trustee Atlas Moderate Allocation Islamic Plan (Atlas Islamic Fund of Fund)</b>		
Issue of 16,300 (2019: 12,358) units	8,340,000	6,520,000
Redemption of 4,147 (2019: 15,848) units	2,100,000	8,150,000
<b>CDC - Trustee Atlas Islamic Dividend Plan (Atlas Islamic Fund of Fund)</b>		
Issue of 19,287 (2019: Nil) units	9,900,000	-
Redemption of 20,124 (2019: Nil) units	10,350,000	-
<b>CDC - Trustee Atlas Conservative Allocation Islamic Plan (Atlas Islamic Fund of Fund)</b>		
Issue of 13,692 (2019: 10,720) units	7,020,000	5,670,000
Redemption of 11,256 (2019: 16,881) units	5,700,000	8,700,000
<b>Directors and their close family members and key management personnel of the Management Company</b>		
Issue of 4,993 (2019: 1,008) units	2,562,092	526,000
Redemption of 9,484 (2019: 392) units	4,846,824	200,000
	<b>31 December</b>	<b>30 June</b>
	<b>2020</b>	<b>2020</b>
	<b>Un-audited</b>	<b>Audited</b>
<b>18.2 Details of balances with related parties as at the period / year end are as</b>	<b>----- Rupees -----</b>	
<b>Atlas Asset Management Limited (Management Company)</b>		
Remuneration payable to the Management Company	709,332	702,480
Sindh Sales Tax payable on Remuneration of the Management Company	359,807	358,916
Federal Excise Duty payable on Remuneration of the Management Company	1,733,901	1,733,901
Accounting and operational charges payable	301,465	298,553

# Atlas Islamic Income Fund

	31 December 2020 Un-audited	30 June 2020 Audited
	----- Rupees -----	
<b>Central Depository Company of Pakistan Limited (Trustee)</b>		
Remuneration payable to the Trustee	133,001	131,715
Sindh Sales Tax payable on Remuneration of the trustee	17,291	17,123
Settlement charges payable	500	500
Sindh Sales Tax payable on settlement charges	65	65
<b>Atlas Honda Limited (Group Company)</b>		
Outstanding 37 (30 June 2020: 37) units - at net asset value	19,073	18,543
<b>Honda Atlas Power Product (Pvt) Limited (Group Company)</b>		
Outstanding 72 (30 June 2020: 72) units - at net asset value	37,527	36,484
<b>Shirazi Investments (Private) Limited (Group Company)</b>		
Outstanding Nil (30 June 2020: 3,9836) units - at net asset value	-	2,010,840
<b>CDC - Trustee Atlas Islamic Capital Preservation Plan (Atlas Islamic Fund of Fund)</b>		
Outstanding 784,580 (30 June 2020: 698,489) units - at net asset value	407,451,035	352,660,251
<b>CDC - Trustee Atlas Aggressive Allocation Islamic Plan (Atlas Islamic Fund of Fund)</b>		
Outstanding 62,564 (30 June 2020: 52,511) units - at net asset value	32,490,961	26,512,035
<b>CDC - Trustee Atlas Moderate Allocation Islamic Plan (Atlas Islamic Fund of Fund)</b>		
Outstanding 118,017 (30 June 2020: 105,864) units - at net asset value	61,289,063	53,449,498
<b>CDC - Trustee Atlas Conservative Allocation Islamic Plan (Atlas Islamic Fund of Fund)</b>		
Outstanding 192,000 (30 June 2020: 189,564) units - at net asset value	99,710,026	95,708,773
<b>CDC - Trustee Atlas Islamic Dividend Plan (Atlas Islamic Fund of Fund)</b>		
Outstanding 44,612 (30 June 2020: 45,449) units - at net asset value	23,168,059	22,946,705
<b>Directors and their close family members and key management personnel of the Management Company</b>		
Outstanding 4,511 (30 June 2020: 9,001) units - at net asset value	2,342,538	4,544,698

18.3 Holding being more than 10% in the reporting period, disclosure is required.

## 19 FAIR VALUE MEASUREMENT

Fair value is the amount for which an asset could be exchanged or a liability 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.



# Half Yearly Report 2020-21

The fair value of government securities is determined with reference to the quotation obtained from the brokers on the Reuters page. Listed and unlisted debt securities, other than government securities, are valued on the basis of prices announced by the Mutual Funds Association of Pakistan (MUFAP) which are calculated in accordance with the provisions contained in various circulars issued by the Securities and Exchange Commission of Pakistan. 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 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 31 December 2020 and 30 June 2020, the Fund had financial assets at fair value through profit or loss measured using the level 2 valuation technique.

## 20 GENERAL

**20.1** Figures of the condensed interim income statement and the condensed interim statement of comprehensive income for the quarters ended 31 December 2020 and 31 December 2019 have not been subjected to limited scope review by the statutory auditors of the Fund.

## 20.2 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 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.

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

**20.4** Units have been rounded off to the nearest decimal place.

## 21 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on 25 February 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 Islamic Stock Fund

## Corporate Information

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### **Trustee**

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

### **Shariah Advisor**

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Dr. Mufti Hassan Usmani

### **Auditors**

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EY Ford Rhodes  
Chartered Accountants

### **Legal Advisers**

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Mohsin Tayebaly & Co.

### **Bankers**

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Al-Baraka Bank (Pakistan) Limited  
Bank Alfalah Limited - Islamic Banking  
Bank Al Habib Limited - Islamic Banking  
BankIslami Pakistan Limited  
Dubai Islamic Bank Pakistan Limited  
Habib Bank Limited - Islamic Banking  
MCB Bank Limited - Islamic Banking

# Half Yearly Report 2020-21

## TRUSTEE REPORT TO THE UNIT HOLDERS

### Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Atlas Islamic Stock Fund (the Fund) are of the opinion that Atlas Asset Management Limited, being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2020 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

#### **Badiuddin Akber**

Chief Executive Officer

Central Depository Company of Pakistan Limited

Karachi: 23 February 2021

# Atlas Islamic Stock Fund

## **INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION TO UNIT HOLDERS**

### **Report on review of Interim Financial Statements**

#### **Introduction**

We have reviewed the accompanying condensed interim statement of assets and liabilities of Atlas Islamic Stock Fund (the Fund) as at 31 December 2020 and the related condensed interim statement of income, comprehensive income, distribution, cash flow and movement in unit holders' Fund together with the notes forming part thereof (here-in-after referred to as "interim financial statements") for the six-months' period then ended. The Management Company (Atlas Asset Management Limited) is responsible for the preparation and presentation of this interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial statements based on our review. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended 31 December 2020 and 31 December 2019 have not been subject to limited scope review by the external auditors as we are only required to review the cumulative figures for the six-month period ended 31 December 2020.

#### **Scope of review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the audit resulting in this independent auditor's report is Arslan Khalid.

Karachi: 26 February 2021

**EY Ford Rhodes**  
Chartered Accountants

**Engagement Partner: Arslan Khalid**

# Half Yearly Report 2020-21

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

		31 December 2020 Un-audited	30 June 2020 Audited
	Note	----- Rupees -----	
<b>Assets</b>			
Cash and bank balances	4	43,384,945	42,077,624
Investments	5	2,496,913,702	1,834,162,742
Profit receivable on bank balances		210,344	261,877
Dividend receivable		4,826,354	138,000
Receivable against sale of investment		61,854,431	-
Security deposits, prepayment and other receivables	6	5,197,419	5,197,419
<b>Total assets</b>		<b>2,612,387,195</b>	<b>1,881,837,662</b>
<b>Liabilities</b>			
Payable to Atlas Asset Management Limited - Management Company	7	18,438,979	16,364,057
Payable to Central Depository Company of Pakistan Limited - Trustee	8	366,066	266,731
Payable to the Securities and Exchange Commission of Pakistan	9	225,584	289,352
Payable against purchase of investments		21,042,176	-
Payable against redemption of units		1,935,844	17,508,280
Accrued expenses and other liabilities	10	34,756,144	24,094,124
<b>Total liabilities</b>		<b>76,764,793</b>	<b>58,522,544</b>
<b>NET ASSETS</b>		<b>2,535,622,402</b>	<b>1,823,315,118</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<b>2,535,622,402</b>	<b>1,823,315,118</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	11	----- Number of units -----	
<b>NUMBER OF UNITS IN ISSUE</b>		<b>4,347,175</b>	<b>4,001,514</b>
		----- Rupees -----	
<b>NET ASSET VALUE PER UNIT</b>		<b>583.2805</b>	<b>455.6600</b>

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 Islamic Stock Fund

## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2020

	For the Half Year Ended		For the Quarter Ended	
	31 December		31 December	
	2020	2019	2020	2019
<b>Note</b>	<b>Rupees</b>			
<b>Income</b>				
Profit on bank balances	1,367,172	3,086,008	933,780	1,260,032
Dividend income	52,906,477	45,361,431	44,353,085	26,635,081
Capital gain on sale of investments - net	161,319,496	63,726,137	103,085,045	67,195,391
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	369,924,601	223,814,915	85,856,660	300,211,371
	<b>531,244,097</b>	<b>287,541,052</b>	<b>188,941,705</b>	<b>367,406,762</b>
<b>Total income</b>	<b>585,517,746</b>	<b>335,988,491</b>	<b>234,228,570</b>	<b>395,301,875</b>
<b>Expenses</b>				
Remuneration of Atlas Asset Management Limited - Management Company	7.1 27,070,085	12,899,271	13,901,134	7,270,151
Sindh Sales Tax on remuneration of the Management Company	7.2 3,519,111	1,676,905	1,807,147	945,119
Remuneration of the Central Depository Company of Pakistan Limited - Trustee	8.1 1,632,030	1,147,696	831,269	614,875
Sindh Sales Tax on remuneration of the Trustee	8.2 212,164	149,200	108,065	79,933
Annual fee to the Securities and Exchange Commission of Pakistan	225,584	128,992	115,842	72,726
Accounting and operational charges	14 2,178,339	826,720	1,245,541	545,263
Shariah advisory fee	100,000	150,000	50,000	75,000
Auditors' remuneration	117,699	207,943	(334)	133,831
Securities transaction cost	2,655,720	1,300,130	1,596,466	1,004,258
Annual listing fee	13,864	13,824	6,952	6,912
Printing charges	32,664	(19,227)	32,664	(19,227)
Legal and professional charges	100,780	98,053	70,000	-
Bank charges	10,540	24,654	7,503	20,095
Provision for Sindh Workers Welfare Fund	10.2 10,952,983	6,347,687	4,289,126	6,347,687
<b>Total expenses</b>	<b>48,821,563</b>	<b>24,951,848</b>	<b>24,061,375</b>	<b>17,096,623</b>
<b>Net income for the period before taxation</b>	<b>536,696,183</b>	<b>311,036,643</b>	<b>210,167,195</b>	<b>378,205,252</b>
<b>Taxation</b>	13 -	-	-	-
<b>Net income for the period after taxation</b>	<b>536,696,183</b>	<b>311,036,643</b>	<b>210,167,195</b>	<b>378,205,252</b>
<b>Allocation of net income for the period</b>				
Net income for the period	536,696,183	311,036,643	210,167,195	378,205,252
Income already paid on units redeemed	(72,400,062)	(11,071,892)	(39,196,154)	(11,071,892)
	<b>464,296,121</b>	<b>299,964,751</b>	<b>170,971,041</b>	<b>367,133,360</b>
<b>Accounting income / (loss) available for distribution:</b>				
- Relating to capital gains	531,244,097	287,541,052	188,941,705	367,406,762
- Excluding capital gains	(66,947,976)	12,423,699	(17,970,664)	(273,402)
	<b>464,296,121</b>	<b>299,964,751</b>	<b>170,971,041</b>	<b>367,133,360</b>

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

# Half Yearly Report 2020-21

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2020

	For the Half Year Ended 31 December		For the Quarter Ended 31 December	
	2020	2019	2020	2019
	----- Rupees -----			
Net income for the period after taxation	536,696,183	311,036,643	210,167,195	378,205,252
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>536,696,183</b>	<b>311,036,643</b>	<b>210,167,195</b>	<b>378,205,252</b>

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 Islamic Stock Fund

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2020

	31 December 2020		
	Capital value	Undistributed income	Net assets
	Rupees		
Capital value	1,452,346,030	-	1,452,346,030
<b>Undistributed income brought forward</b>			
- Realised income	-	410,531,817	410,531,817
- Unrealised loss	-	(39,562,729)	(39,562,729)
<b>Net assets at the beginning of the period (Units outstanding: 4,001,514) (Rs. 455.6600 per unit)</b>	<b>1,452,346,030</b>	<b>370,969,088</b>	<b>1,823,315,118</b>
Issue of 1,889,921 units	1,015,347,473	-	1,015,347,473
Redemption of 1,544,260 units	(764,998,833)	(72,400,062)	(837,398,895)
Total comprehensive income for the period	-	536,696,183	536,696,183
Shariah non-compliant income set-aside for charity	-	(2,337,477)	(2,337,477)
<b>Net assets at end of the period (Units outstanding: 4,347,175) (Rs. 583.2805 per unit)</b>	<b>1,702,694,670</b>	<b>832,927,732</b>	<b>2,535,622,402</b>
<b>Undistributed income carried forward</b>			
- Realised income	-	497,550,894	-
- Unrealised gain	-	335,376,838	-
	-	<b>832,927,732</b>	-
	31 December 2019		
	Capital value	Undistributed income	Net assets
	Rupees		
Capital value	982,676,383	-	982,676,383
<b>Undistributed income brought forward</b>			
- Realised income	-	429,780,302	429,780,302
- Unrealised income	-	(207,463,077)	(207,463,077)
<b>Net assets at the beginning of the period (Units outstanding: 2,803,109) (Rs. 429.88 per unit)</b>	<b>982,676,383</b>	<b>222,317,225</b>	<b>1,204,993,608</b>
Issue of 1,107,092 units	516,231,428	-	516,231,428
Redemption of 876,022 units	(407,127,372)	(11,071,892)	(418,199,264)
Total comprehensive income for the period	-	311,036,643	311,036,643
Shariah non-compliant income set-aside for charity	-	(925,890)	(925,890)
<b>Net assets at end of the period (Units outstanding: 3,034,179) (Rs. 531.66 per unit)</b>	<b>1,091,780,439</b>	<b>521,356,086</b>	<b>1,613,136,525</b>
<b>Undistributed income carried forward</b>			
- Realised income	-	430,887,980	-
- Unrealised gain	-	90,468,106	-
	-	<b>521,356,086</b>	-

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



# Half Yearly Report 2020-21

## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2020

	For the Half Year Ended 31 December	
	2020	2019
Note	Rupees -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	536,696,183	311,036,643
<b>Adjustments for:</b>		
Profit on bank balances	(1,367,172)	(3,086,008)
Dividend income	(52,906,477)	(45,361,431)
Capital gain on sale of investments - net	(161,319,496)	(63,726,137)
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(369,924,601)	(223,814,915)
Provision for Sindh Workers Welfare Fund	10,952,983	6,347,687
	<b>(574,564,763)</b>	<b>(329,640,804)</b>
<b>(Increase) / decrease in assets</b>		
Receivable against sale of investments	(61,854,431)	69,269,091
Security deposits, prepayment and other receivables	-	(13,676)
	<b>(61,854,431)</b>	<b>69,255,415</b>
<b>Increase / (decrease) in liabilities</b>		
Payable to Atlas Asset Management Limited - Management Company	2,074,922	415,378
Payable to the Central Depository Company of Pakistan Limited - Trustee	99,335	17,200
Payable to the Securities and Exchange Commission of Pakistan	(63,768)	(1,434,232)
Payable against purchase of investments	21,042,176	-
Accrued expenses and other liabilities	(290,963)	(311,312)
	<b>22,861,702</b>	<b>(1,312,966)</b>
Profit received on bank balances	1,418,705	3,118,538
Dividend received	45,880,646	45,402,414
Investments made during the period	(1,188,233,798)	(560,178,239)
Investments sold during the period	1,056,726,935	452,624,251
	<b>(84,207,512)</b>	<b>(59,033,036)</b>
<b>Net cash used in operating activities</b>	<b>(161,068,821)</b>	<b>(9,694,748)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net receipts from issuance of units	1,015,347,473	516,231,428
Net payments against redemption of units	(852,971,331)	(608,603,446)
<b>Net cash generated from / (used in) financing activities</b>	<b>162,376,142</b>	<b>(92,372,018)</b>
<b>Net increase / (decrease) in cash and cash equivalents during the period</b>	<b>1,307,321</b>	<b>(102,066,766)</b>
Cash and cash equivalents at the beginning of the period	42,077,624	156,269,884
<b>Cash and cash equivalents at the end of the period</b>	<b>43,384,945</b>	<b>54,203,118</b>

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 Islamic Stock Fund

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

FOR THE HALF YEAR ENDED 31 DECEMBER 2020

### 1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Atlas Islamic Stock Fund (the Fund) is an open-ended collective investment scheme constituted under a trust deed entered into on 12 September 2006 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, Second, Third, Fourth and Fifth Supplemental Trust Deeds dated 29 October 2007, 6 March 2008, 4 December 2009, 23 June 2010 and 23 May 2017, respectively with the approval of the Securities and Exchange Commission of Pakistan (SECP). In addition, the Offering Document of the Fund was also revised through the First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth, Tenth, Eleventh, Twelfth and Thirteen Supplements dated 29 October 2007, 6 March 2008, 4 December 2009, 23 June 2010, 20 September 2013, 24 March 2015, 29 September 2016, 2 June 2017, 25 May 2018, 5 September 2019, 25 November 2019, 01 April 2020 and 01 June 2020 respectively, with the approval of the SECP. The investment activities and administration of the Fund are managed by AAML whose registered office is situated at Ground Floor, Federation House, Shahrah-e-Firdousi, Clifton, Karachi.
- 1.2 The Fund has been categorised as a 'shariah compliant equity scheme' by the Board of Directors of the Management Company pursuant to the provision contained in Circular 07 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 from 15 January 2007 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 one window facility to investors to invest in diversified and professionally managed investment portfolio of shariah compliant securities such as equities, cash and/or near cash Shariah Compliant instruments including cash in bank accounts (excluding term deposit receipts) and Shariah Compliant government securities not exceeding 90 days' maturity. The investment objectives and policies are fully defined in the Fund's Offering Document.
- 1.4 The Pakistan Credit Rating Agency Limited (PACRA) maintained the asset manager rating of the Management Company to AM2+ (AM Two Plus) [2019: AM2+ (AM Two plus)] on 24 December 2020.
- 1.5 The titles of 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 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.

# Half Yearly Report 2020-21

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 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 December	30 June
		2020	2020
		Un-audited	Audited
		Rupees	
Balances with banks in:			
- Profit and loss sharing accounts	4.1	29,957,241	38,649,598
- Current account		2,198,509	79,208
Cheques in hand	4.2	11,229,195	3,348,818
		<b>43,384,945</b>	<b>42,077,624</b>

4.1 The rate of return on these profit and loss sharing accounts ranges between 5.00% and 6.85% (30 June 2020: 7.35% and 7.75%) per annum.

4.2 These denote cheques received against issue of units which were cleared latest by 11 January 2020 (30 June 2020: 20 July 2020).

5 INVESTMENTS	Note	31 December	30 June
		2020	2020
		Un-audited	Audited
		Rupees	
At fair value through profit or loss			
- Listed equity securities	5.1	<b>2,496,913,702</b>	<b>1,834,162,742</b>

# Atlas Islamic Stock Fund

## 5.1 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	As at 01 July 2020	Purchases during the period	Bonus / Right shares during the period	Sales during the period	As at 31 December 2020	Carrying value as at 31 December 2020	Market value as at 31 December 2020	Market Value as a percentage of total investments	Market Value as a percentage of net assets	Paid up capital of investee company
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-----Number of Certificates----- Rupees----- % age-----

At fair value through profit or loss - Listed equity securities

### BANKS

BankIslami Pakistan Limited	3,122,100	1,700,000	-	2,911,500	1,910,600	21,589,101	22,946,306	0.92	0.90	0.17
Meezan Bank Limited	2,043,692	562,537	160,319	550,500	2,216,048	151,959,098	231,444,053	9.27	9.13	0.16
	<b>5,165,792</b>	<b>2,262,537</b>	<b>160,319</b>	<b>3,462,000</b>	<b>4,126,648</b>	<b>173,548,199</b>	<b>254,390,359</b>	<b>10.19</b>	<b>10.03</b>	

### TEXTILE COMPOSITE

Interloop Limited	438	355,000	-	-	355,438	19,440,277	24,194,664	0.97	0.95	0.04
Kohinoor Textile Mills Limited	400,500	269,500	-	-	670,000	27,521,630	45,707,400	1.83	1.80	0.22
Nishat Mills Limited	425,000	421,500	-	190,000	656,500	57,477,150	66,812,005	2.68	2.63	0.19
	<b>825,938</b>	<b>1,046,000</b>	<b>-</b>	<b>190,000</b>	<b>1,681,938</b>	<b>104,439,057</b>	<b>136,714,069</b>	<b>5.48</b>	<b>5.38</b>	

### CEMENT

Attock Cement Pakistan Limited	170,400	85,000	-	64,700	190,700	25,350,338	28,614,535	1.15	1.13	0.14
Cherat Cement Company Limited	333,500	-	-	190,000	143,500	12,508,895	20,978,265	0.84	0.83	0.07
D.G. Khan Cement Company Limited	356,500	-	-	200,000	156,500	13,354,145	17,931,770	0.72	0.71	0.04
Fauji Cement Company Limited	500,000	2,752,000	-	300,000	2,952,000	59,259,826	63,969,840	2.56	2.52	0.21
Kohat Cement Company Limited	200,450	-	-	106,400	94,050	12,927,172	20,619,522	0.83	0.81	0.05
Lucky Cement Limited (see note 5.3)	343,000	115,500	-	57,500	401,000	206,496,004	279,132,090	11.18	11.01	0.12
Gharibalw Cement Limited	-	806,500	-	806,500	-	-	-	-	-	-
	<b>1,903,850</b>	<b>3,759,000</b>	<b>-</b>	<b>1,725,100</b>	<b>3,937,750</b>	<b>329,896,380</b>	<b>431,246,022</b>	<b>17.28</b>	<b>17.01</b>	

### POWER GENERATION & DISTRIBUTION

K-Electric Limited (face value Rs.3.5)	3,200,000	500,000	-	-	3,700,000	11,782,000	14,467,000	0.58	0.57	0.01
The Hub Power Company Limited (see note 5.3)	2,393,280	816,000	-	2,065,591	1,143,689	92,603,452	90,728,848	3.63	3.58	0.09
	<b>5,593,280</b>	<b>1,316,000</b>	<b>-</b>	<b>2,065,591</b>	<b>4,843,689</b>	<b>104,385,452</b>	<b>105,195,848</b>	<b>4.21</b>	<b>4.15</b>	

### OIL & GAS MARKETING COMPANIES

Attock Petroleum Limited	66,800	-	-	66,800	-	-	-	-	-	-
Hi-Tech Lubricants Limited	37,000	489,500	-	37,000	489,500	20,650,535	21,430,310	0.86	0.85	0.42
Pakistan State Oil Company Limited (see note 5.3)	476,012	237,000	-	115,000	598,012	102,835,595	128,751,984	5.16	5.08	0.13
Shell Pakistan Limited	101,300	10,000	-	111,000	300	54,863	83,229	-	-	-
Sui Northern Gas Pipelines Limited	840,200	457,276	-	1,290,200	7,276	329,534	323,200	0.01	0.01	-
	<b>1,521,312</b>	<b>1,193,776</b>	<b>-</b>	<b>1,620,000</b>	<b>1,095,088</b>	<b>123,870,527</b>	<b>150,588,723</b>	<b>6.03</b>	<b>5.94</b>	

### OIL & GAS EXPLORATION COMPANIES

Mari Petroleum Company Limited	85,790	9,400	-	4,000	91,190	113,350,186	122,178,186	4.89	4.82	0.07
Oil & Gas Development Company Limited	1,973,712	489,465	-	50,000	2,413,177	262,996,593	250,415,377	10.03	9.88	0.06
Pakistan Oilfields Limited	165,700	87,800	-	19,000	234,500	85,882,222	92,723,645	3.71	3.66	0.08
Pakistan Petroleum Limited (see note 5.3)	882,970	942,500	-	60,000	1,765,470	165,431,930	159,474,905	6.39	6.29	0.06
	<b>3,108,172</b>	<b>1,529,165</b>	<b>-</b>	<b>133,000</b>	<b>4,504,337</b>	<b>627,660,931</b>	<b>624,792,113</b>	<b>25.02</b>	<b>24.65</b>	

### ENGINEERING

International Steel Limited	-	472,000	-	472,000	-	-	-	-	-	-
Agha Steel Industries Limited	-	768,967	-	140,000	628,967	20,969,985	24,787,589	0.99	0.98	0.11
International Industries Limited	75,500	-	-	75,500	-	-	-	-	-	-
	<b>75,500</b>	<b>1,240,967</b>	<b>-</b>	<b>687,500</b>	<b>628,967</b>	<b>20,969,985</b>	<b>24,787,589</b>	<b>0.99</b>	<b>0.98</b>	

### AUTOMOBILE ASSEMBLER

Indus Motor Company Limited	-	29,000	-	1,500	27,500	32,719,222	32,943,900	1.32	1.30	0.03
Millat Tractors Limited	37,000	8,000	-	15,000	30,000	24,016,694	32,822,700	1.31	1.29	0.06
	<b>37,000</b>	<b>37,000</b>	<b>-</b>	<b>16,500</b>	<b>57,500</b>	<b>56,735,916</b>	<b>65,766,600</b>	<b>2.63</b>	<b>2.59</b>	

### AUTOMOBILE PARTS AND ACCESSORIES

Thal Limited (face value Rs. 5)	-	113,000	-	-	113,000	51,159,186	53,412,840	2.14	2.11	-
	<b>-</b>	<b>113,000</b>	<b>-</b>	<b>-</b>	<b>113,000</b>	<b>51,159,186</b>	<b>53,412,840</b>	<b>2.14</b>	<b>2.11</b>	<b>-</b>

### CABLES & ELECTRICAL GOODS

Pak Elektron Limited	-	475,000	-	475,000	-	-	-	-	-	-
Waves Singer Pakistan Limited	-	250,000	-	250,000	-	-	-	-	-	-
	<b>-</b>	<b>725,000</b>	<b>-</b>	<b>725,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Half Yearly Report 2020-21

Name of Investee Company	As at 01 July 2020	Purchases during the period	Bonus / Right shares during the period	Sales during the period	As at 31 December 2020	Carrying value as at 31 December 2020	Market value as at 31 December 2020	Market Value as a percentage of total investments	Market Value as a percentage of net assets	Paid up capital of investee company
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-----Number of Certificates-----      -----Rupees-----      ----- % age -----

At fair value through profit or loss - Listed equity securities

## TECHNOLOGY & COMMUNICATIONS

Pakistan Telecommunication Company Limited	-	2,198,000	-	-	2,198,000	21,718,865	20,001,800	0.80	0.79	0.06
Systems Limited	328,000	23,000	-	98,700	252,300	47,056,044	105,771,729	4.24	4.17	0.20
Avanceon Limited	-	395,000	-	395,000	-	-	-	-	-	-
	<b>328,000</b>	<b>2,616,000</b>	<b>-</b>	<b>493,700</b>	<b>2,450,300</b>	<b>68,774,909</b>	<b>125,773,529</b>	<b>5.04</b>	<b>4.96</b>	

## FERTILIZER

Engro Corporation Limited (see note 5.3)	421,656	300,400	-	54,000	668,056	199,949,419	205,333,692	8.22	8.10	0.12
Engro Fertilizers Limited	1,284,681	141,760	-	950,850	475,591	28,879,527	30,071,619	1.20	1.19	0.04
Fatima Fertilizer Company Limited	69,000	-	-	69,000	-	-	-	-	-	-
	<b>1,775,337</b>	<b>442,160</b>	<b>-</b>	<b>1,073,850</b>	<b>1,143,647</b>	<b>228,828,946</b>	<b>235,405,311</b>	<b>9.42</b>	<b>9.29</b>	

## PHARMACEUTICALS

Abbott Laboratories (Pakistan) Limited	55,000	-	-	55,000	-	-	-	-	-	-
AGP Limited	500	-	-	-	500	54,870	56,940	-	-	-
Glaxosmithkline Pakistan Limited	85,000	119,900	-	85,000	119,900	21,524,729	23,000,417	0.92	0.91	0.04
Highnoon Laboratories Limited	59,855	34,000	-	-	93,855	50,886,520	56,295,167	2.25	2.22	0.27
The Searle Company Limited	187,872	38,000	19,678	80,178	165,372	34,733,410	41,215,663	1.65	1.63	0.08
	<b>388,227</b>	<b>191,900</b>	<b>19,678</b>	<b>220,178</b>	<b>379,627</b>	<b>107,199,529</b>	<b>120,568,187</b>	<b>4.82</b>	<b>4.76</b>	

## CHEMICALS

Dynea Pakistan Limited	-	33,000	-	33,000	-	-	-	-	-	-
Engro Polymer & Chemicals Limited	1,862,500	170,000	-	1,173,500	859,000	23,655,295	40,811,090	1.63	1.61	0.09
ICI Pakistan Limited	20,000	10,000	-	14,900	15,100	10,617,414	11,477,359	0.46	0.45	0.02
Lotte Chemical Pakistan Limited	1,000,000	900,000	-	1,900,000	-	-	-	-	-	-
Sitara Chemical Industries Limited	-	44,000	-	-	44,000	14,173,195	13,640,000	0.55	0.54	0.21
Berger Paints Pakistan Limited	-	120,000	-	20,000	100,000	8,880,700	9,150,000	0.37	0.36	0.49
	<b>2,882,500</b>	<b>1,277,000</b>	<b>-</b>	<b>3,141,400</b>	<b>1,018,100</b>	<b>57,326,604</b>	<b>75,078,449</b>	<b>3.01</b>	<b>2.96</b>	

## PAPER & BOARD

Packages Limited	33,500	63,500	-	22,000	75,000	30,932,595	44,769,000	1.79	1.77	0.08
	<b>33,500</b>	<b>63,500</b>	<b>-</b>	<b>22,000</b>	<b>75,000</b>	<b>30,932,595</b>	<b>44,769,000</b>	<b>1.79</b>	<b>1.77</b>	

## VANASPATI AND ALLIED INDUSTRIES

Unity Foods Limited	-	1,665,000	-	1,665,000	-	-	-	-	-	-
	<b>-</b>	<b>1,665,000</b>	<b>-</b>	<b>1,665,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## LEATHER & TANNERIES

Bata Pakistan Limited	16,000	-	-	-	16,000	21,489,603	24,509,443	0.98	0.97	0.21
	<b>16,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,000</b>	<b>21,489,603</b>	<b>24,509,443</b>	<b>0.98</b>	<b>0.97</b>	

## FOODS & PERSONAL CARE PRODUCTS

At-Tabur Limited	697,500	387,000	99,750	-	1,184,250	19,733,785	23,874,480	0.96	0.94	0.67
	<b>697,500</b>	<b>387,000</b>	<b>99,750</b>	<b>-</b>	<b>1,184,250</b>	<b>19,733,785</b>	<b>23,874,480</b>	<b>0.96</b>	<b>0.94</b>	

## GLASS & CERAMICS

Tariq Glass Industries Limited	155,000	-	-	155,000	-	-	-	-	-	-
Shabbir Tiles and Ceramics Limited	-	695,000	-	695,000	-	-	-	-	-	-
	<b>155,000</b>	<b>695,000</b>	<b>-</b>	<b>850,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## MISCELLANEOUS

Siddiqsons Tin Plate Limited	-	200,000	-	198,000	2,000	37,497	41,140	-	-	-
Synthetic Products Enterprises Limited	163,500	-	-	163,500	-	-	-	-	-	-
	<b>163,500</b>	<b>200,000</b>	<b>-</b>	<b>361,500</b>	<b>2,000</b>	<b>37,497</b>	<b>41,140</b>	<b>-</b>	<b>-</b>	<b>-</b>

Total as at 31 December, 2020

2,126,989,101    2,496,913,702    100.00    98.48

Total as at 30 June 2020

1,781,020,716    1,834,162,742

# Atlas Islamic Stock Fund

- 5.2 The cost of listed equity securities as at 31 December 2020 is Rs. 2,126,989,101 (30 June 2020: Rs. 1,873,725,471).
- 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 December 2020	30 June 2020	31 December 2020	30 June 2020
	Un-audited	Audited	Un-audited	Audited
	Number of shares		Market value (Rupees)	
Lucky Cement Limited	75,000	75,000	52,206,750	34,618,500
Pakistan State Oil Company Limited	110,000	110,000	23,683,000	17,397,600
Pakistan Petroleum Limited	135,000	135,000	12,194,550	11,715,300
Engro Corporation Limited	55,000	-	16,904,800	-
The Hub Power Company Limited	-	200,000	-	14,500,000
	<b>375,000</b>	<b>520,000</b>	<b>104,989,100</b>	<b>78,231,400</b>

6 SECURITY DEPOSITS, PREPAYMENT AND OTHER RECEIVABLES	Note	31 December 2020	30 June 2020
		Un-audited	Audited
		Rupees -----	
Security deposit held with:			
- the National Clearing Company of Pakistan Limited (NCCPL)		2,500,000	2,500,000
- the Central Depository Company of Pakistan Limited (CDC)		100,000	100,000
Other receivable	6.1	2,597,419	2,597,419
		<b>5,197,419</b>	<b>5,197,419</b>

- 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 December 2020 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 December	30 June
		2020	2020
		Un-audited	Audited
		Rupees	
Remuneration of the Management Company	7.1	5,136,558	3,625,897
Sindh Sales Tax payable on remuneration of the Management Company	7.2	2,224,317	2,027,926
Federal Excise Duty payable on remuneration of the Management Company	7.3	10,453,385	10,453,385
Accounting and operational charges	14	624,719	256,849
		<b>18,438,979</b>	<b>16,364,057</b>

7.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 639 (I) / 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.

7.2 During the period, an amount of Rs.3,519,116 (2019: Rs. 1,676,907) 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. 3,322,725 (2020: Rs. 1,638,652) has been paid to the Management Company which acts as the 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 is 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 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 10.453 million (30 June 2020: Rs 10.453 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 December 2020 would have been higher by Rs 2.40 per unit (30 June 2020: Rs 2.61 per unit).

8 PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN- TRUSTEE- RELATED PARTY	Note	31 December	30 June
		2020	2020
		Un-audited	Audited
		Rupees	
Remuneration Payable to Trustee	8.1	298,955	233,046
SST on Trustee fee payable	8.2	38,861	30,295
Payable to against CDS charges		25,000	3,000
SST on CDS Charges		3,250	390
		<b>366,066</b>	<b>266,731</b>

# Atlas Islamic Stock Fund

- 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 Asset Value whichever is higher

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

- 8.2 During the year, an amount of Rs. 212,164 (2019: Rs. 149,200) 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. 203,598 (2019: Rs. 145,398) was paid to the Trustee which acts as a collecting agent.

9 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	31 December 2020	30 June 2020
		Un-audited	Audited
		Rupees	
Annual fees payable	9.1	225,584	289,352

- 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 December 2020	30 June 2020
		Un-audited	Audited
		Rupees	
Auditors' remuneration payable		236,066	355,967
Ranking fee payable		140,000	140,000
Listing fee payable		13,864	-
Charity payable	10.1	2,108,451	261,000
Transaction charges payable		922,508	238,712
Withholding and capital gain tax payable		519,553	3,318,111
Payable to Shariah Advisor		50,000	66,667
Provision for Sindh Workers' Welfare Fund	10.2	30,323,906	19,370,923
Sales load payable		98,077	-
Zakat payable		73,735	72,760
Other payable		269,984	269,984
		<b>34,756,144</b>	<b>24,094,124</b>

- 10.1 The Shariah Advisor of the Fund, has certified an amount of Rs. 2,337,477 (30 June 2020: Rs. 1,388,796) against dividend income, as Shariah non-compliant income during the period, which has accordingly been marked to charity.

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



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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.

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 financial statements of the Fund, the net asset value of the Fund as at 31 December 2020 would have been higher by Rs. 6.98 per unit (30 June 2020: Rs. 4.84 per unit)

## 11 CONTINGENCIES AND COMMITMENTS

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

## 12 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 31 December 2020 is 4.32% (30 June 2020: 3.46%) which includes 2.36% (30 June 2020: 0.64%) representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, etc. This ratio net of government levies is within the maximum limit of 4.50% 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 net accounting income available for distribution for the year derived from sources other than capital gains, to the unitholders. Based on the above, no provision for taxation has been made in these condensed interim financial statements.

## 14 ACCOUNTING AND OPERATIONAL CHARGES

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

The Management Company has charged expenses at the rate of 0.17% of the 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 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 CONNECTED PERSONS / OTHER RELATED PARTIES

Connected persons include Atlas Asset Management Limited being the Management Company, the Central Depository

# Atlas Islamic Stock Fund

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

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

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

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

	<b>For the Half Year Ended</b>	
	<b>31 December</b>	
	<b>2020</b>	<b>2019</b>
	<b>Un-audited</b>	<b>Un-audited</b>
	<b>----- Rupees -----</b>	
<b>16.1 Transactions during the period</b>		
<b>Atlas Asset Management Limited (Management Company)</b>		
Remuneration of the Management Company	27,070,085	12,899,271
Remuneration paid	25,559,424	12,605,012
Sindh Sales Tax on remuneration of the Management Company	3,519,111	1,676,905
Accounting and operational charges	2,178,339	826,720
Issue of 21,235 (2019: 99) units	9,989,724	39,723
<b>Central Depository Company of Pakistan Limited (Trustee)</b>		
Remuneration of the Trustee	1,632,030	1,147,696
Sindh Sales Tax on remuneration of the Trustee	212,164	149,200
Remuneration paid	1,606,137	1,199,741
Settlement charges	104,314	30,164
Sindh sales tax on settlement charges	13,561	3,764
<b>Atlas Foundation (Group company)</b>		
Issue of 1,183 (2019: Nil) units	600,000	-
<b>Atlas Group of Companies Management Staff Gratuity Fund (Retirement benefit plan of a Group Company)</b>		
Issue of 2,833 (2019: 12,294) units	1,500,000	5,000,000
Redemption of 15,064 (2019: 21,177) units	8,000,000	10,500,000
<b>Shirazi Investments (Private) Limited -Employee Provident Fund (Retirement benefit plan of group company)</b>		
Redemption of 13,126 (2019: Nil) units	7,240,102	-
<b>Atlas Honda Limited (Group Company)</b>		
Issue of Nil (2019: 534) units	-	214,321
<b>Atlas Insurance Limited (Group Company)</b>		
Issue of 140,000 (2019: Nil) units	82,455,660	-
Redemption of 165,694 (2019: Nil) units	97,455,660	-
<b>Atlas Insurance Limited Window Takaful Operation</b>		
Issue of 47,099 (2019: Nil) units	25,000,000	-
Redemption of 47,099 (2019: Nil) units	25,567,750	-
<b>Directors and their close family members and key management personnel of the Management Company (Note 15.3)</b>		
Issue of 17,301 (2019: 12,344) units	8,878,663	5,093,529
Redemption of 9,579 (2019: 11,538) units	5,223,732	4,928,171

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16.2 Balances as at period / year end	31 December 2020	30 June 2020
	Un-audited	Audited
	----- Rupees -----	
<b>Atlas Asset Management Limited (Management Company)</b>		
Remuneration payable to the Management Company	5,136,558	3,625,897
Sindh Sales Tax payable on remuneration of the management company	2,224,317	2,027,926
Federal Excise Duty payable on remuneration of the Management Company	10,453,385	10,453,385
Accounting and operational charges payable	624,719	256,849
Outstanding 58,081 (30 June 2020: 36,846) units at net asset value	33,877,351	16,789,185
<b>Central Depository Company of Pakistan Limited (Trustee)</b>		
Remuneration payable to the Trustee	298,955	233,046
Sindh sales tax payable on remuneration of the Trustee	38,861	30,295
Settlement charges payable	25,000	3,000
Sindh sales tax payable on settlement charges	3,250	390
<b>Atlas Foundation (Group company)</b>		
Outstanding 104,833 (30 June 2020: 103,650) units - at net asset value	61,146,783	47,229,030
<b>Atlas Insurance Limited (Group Company)</b>		
Outstanding 616,093 (30 June 2020: 641,787) units - at net asset value	359,354,941	292,436,618
<b>Atlas Group of Companies, Management Staff Gratuity Fund (Retirement benefit plan of group company)</b>		
Outstanding 141,978 (30 June 2020: 154,208) units - at net asset value	82,812,884	70,266,580
<b>Atlas Honda Limited (Group Company)</b>		
Outstanding 178,081 (30 June 2020: 178,081) units - at net asset value	103,871,076	81,144,311
<b>Batools Benefit Trust (Trust having common Director / Trustee)</b>		
Outstanding 110,706 (30 June 2020: 110,706) units - at net asset value	64,572,730	50,444,358
<b>Atlas Honda Limited Employee Provident Fund (Retirement benefit plan of group company)</b>		
Outstanding 116,187 (30 June 2020: 116,187) units - at net asset value	67,769,355	52,941,568
<b>Shirazi Investments (Private) Limited (Group Company)</b>		
Outstanding 442,192 (30 June 2020: 442,192) units - at net asset value	257,921,921	201,489,168
<b>Shirazi Investments (Private) Limited -Employee Provident Fund (Retirement benefit plan of group company)</b>		
Outstanding 17,700 (30 June 2020: 30,826) units - at net asset value	10,324,017	14,045,961
<b>Sindh Province Pension Fund</b>		
Outstanding 450,638 (30 June 2020: Nil) units - at net asset value	262,848,567	-
<b>Directors and their close family members and key management personnel of the Management Company</b>		
Outstanding 142,442 (30 June 2020: 134,720) units - at net asset value	83,083,653	61,386,454

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

# Atlas Islamic Stock Fund

## 17 FAIR VALUE MEASUREMENTS

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 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 31 December 2020 and 30 June 2020, the Fund had financial assets at fair value through profit or loss measured using the level 2 valuation technique.

## 18 GENERAL

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

### 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.

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 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 25 February 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 Islamic Fund of Funds

## Corporate Information

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### **Trustee**

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

### **Shariah Advisor**

Dr. Mufi Muhammad Wasih Fasih Butt

### **Auditors**

EY Ford Rhodes  
Chartered Accountants

### **Legal Advisers**

Bawanev & Partners

### **Bankers**

Al-Baraka Bank (Pakistan) Limited  
Allied Bank Limited - Islamic Banking  
Bank Al Habbj Limited - Islamic Banking  
BankIslami Pakistan Limited  
Dubai Islamic Bank Pakistan Limited  
MCB Bank Limited - Islamic Banking

# Atlas Islamic Fund of Funds

## TRUSTEE REPORT TO THE UNIT HOLDERS

### Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Atlas Islamic Fund of Funds (the Fund) are of the opinion that Atlas Asset Management Limited, being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2020 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

**Badiuddin Akber**

Chief Executive Officer

Central Depository Company of Pakistan Limited

Karachi: 24 February 2021

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## INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION TO UNIT HOLDERS

### Report on review of Interim Financial Statements

#### Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of Atlas Islamic Fund of Funds (the Fund) as at 31 December 2020 and the related condensed interim statement of income, comprehensive income, distribution, cash flow and movement in unit holders' Fund together with the notes forming part thereof (here-in-after referred to as "interim financial statements") for the six-months' period then ended. The Management Company (Atlas Asset Management Limited) is responsible for the preparation and presentation of this interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial statements based on our review. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended 31 December 2020 and 31 December 2019 have not been subject to limited scope review by the external auditors as we are only required to review the cumulative figures for the six-month period ended 31 December 2020.

#### Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the audit resulting in this independent auditor's report is Arslan Khalid.

Karachi: 26 February 2021

**EY Ford Rhodes**

Chartered Accountants

**Engagement Partner: Arslan Khalid**

# Atlas Islamic Fund of Funds

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

AS AT 31 DECEMBER 2020

	31 December 2020 (Un Audited)					30 June 2020 (Audited)						
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
<b>ASSETS</b>	<b>Note</b>											
Bank balances												
Investments	368,563	2,105,592	2,100,136	4,596,550	3,425,533	12,604,974	465,585	1,550,174	382,627	6,662,587	3,357,209	12,418,182
Profit receivable on bank deposits	121,039,772	129,713,603	138,528,184	487,700,519	23,168,059	900,150,137	101,926,792	115,682,490	134,087,016	468,438,739	22,946,705	843,081,742
Prepayments and other receivables	1,889	13,937	12,161	184,060	17,289	229,336	2,585	5,157	1,886	205,585	31,351	246,564
Deferred formation cost	10,674	9,065	10,318	43,036	17,681	90,772	10,674	9,065	10,318	40,550	18,162	70,605
	139,905	139,905	139,905	139,905	-	559,620	168,162	168,162	168,162	168,162	-	672,648
<b>Total assets</b>	<b>121,560,803</b>	<b>131,981,900</b>	<b>140,799,704</b>	<b>492,663,870</b>	<b>26,628,562</b>	<b>913,634,839</b>	<b>102,573,798</b>	<b>117,415,046</b>	<b>134,650,009</b>	<b>475,515,623</b>	<b>26,335,265</b>	<b>856,489,741</b>
<b>LIABILITIES</b>	<b>Note</b>											
Payable to Atlas Asset Management Company - Management Company												
Payable to the Central Depository Company of Pakistan Limited - Trustee	17,263	20,378	21,769	81,014	7,029	147,453	14,666	16,831	19,816	75,342	6,703	133,358
Payable to the Securities and Exchange Commission of Pakistan	8,032	8,746	9,363	32,816	1,861	60,818	6,614	7,522	8,673	30,639	1,696	55,144
Accrued expenses and other liabilities	11,435	12,573	13,567	48,352	2,766	88,693	19,785	22,292	25,701	91,396	4,871	164,045
Total liabilities	640,381	622,205	572,009	1,786,484	80,741	3,701,820	2,255,580	4,560,795	7,986,056	19,261,755	186,890	34,351,074
	677,111	663,902	616,708	1,948,666	92,397	3,298,784	2,396,645	4,607,438	8,040,246	19,459,132	200,160	34,703,621
	120,883,692	131,317,998	140,182,996	490,715,204	26,536,165	909,656,055	100,177,153	112,807,608	126,609,763	456,056,491	26,135,015	821,786,120
<b>NET ASSETS</b>												
<b>UNIT HOLDER'S FUND</b>												
(AS PER STATEMENT ATTACHED)	120,883,692	131,317,998	140,182,996	490,715,204	26,536,165	909,656,055	100,177,153	112,807,608	126,609,763	456,056,491	26,135,015	821,786,120
<b>CONTINGENCIES AND COMMITMENTS</b>	11											
<b>NUMBER OF UNITS IN ISSUE</b>												
	209,469	229,404	247,226	909,771	53,072	909,656,055	209,596	227,735	244,525	914,884	52,270	914,884
<b>NET ASSET VALUE PER UNIT</b>												
	577,0960	572,4312	567,6230	539,3833	500,0000	500,0000	477,9500	495,3900	517,7800	498,9900	500,0000	500,0000
<b>FACE VALUE PER UNIT</b>	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00

The annexed notes 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

**Iftekhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director



# Half Yearly Report 2020-21

## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2020

For the Half Year Ended

31 December 2020

For the Half Year Ended

31 December 2019

	31 December 2020				31 December 2019			
	Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Capital Preservation Plan	Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Capital Preservation Plan
<b>INCOME</b>								
Profit on deposits with banks	17,868	76,010	45,625	235,220	102,576	477,299	62,394	71,560
Capital gain on sale of investments at fair value through income statement - net	1,045,720	1,430,730	1,306,284	10,804,732	142,826	14,730,292	804,911	941,972
Net unrealised appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss'	20,367,260	16,700,383	11,234,884	27,957,780	528,329	76,788,104	16,882,273	15,541,174
<b>Total income</b>	<b>21,412,848</b>	<b>18,131,113</b>	<b>12,541,168</b>	<b>38,761,730</b>	<b>671,355</b>	<b>91,935,296</b>	<b>17,657,624</b>	<b>16,483,106</b>
<b>EXPENDITURE</b>								
Remuneration to Atlas Asset Management Company - Management Company	7.1	755	8,065	40,590	27,907	18,133	38,500	6,282
Sindh Sales Tax on remuneration of the Management Company	7.2	98	1,048	525	3,628	2,555	601	718
Accounting & Operational charges	14	97,198	106,873	115,317	410,900	753,933	60,675	67,914
Remuneration of The Central Depository Company of Pakistan Limited	8.1	40,023	44,007	47,483	169,231	9,700	33,514	37,597
Sindh Sales Tax on remuneration of the Trustee	8.2	5,303	5,721	6,173	22,000	1,261	4,357	4,888
Annual fee to Securities and Exchange Commission of Pakistan		11,435	12,573	13,567	48,352	2,766	9,515	10,742
Auditor's remuneration		(3,286)	12,562	11,741	47,781	2,489	13,282	14,914
Amortization of preliminary expenses and retention costs		28,257	28,257	28,257	28,257	-	28,179	28,027
Annual listing fee		1,787	1,966	2,122	7,602	429	1,718	1,910
Printing charges		1,795	2,021	2,268	8,170	468	2,570	2,500
Legal and professional charges		22,640	22,640	22,640	22,640	22,640	28,300	28,300
Shareholders advisory fee		6,097	6,830	7,519	29,131	940	3,089	3,469
Bank charges		19,402	4,323	3,078	2,860	14,431	2,426	2,426
Provision for Sindh Workers' Welfare Fund	10.1	423,089	359,005	246,441	763,375	13,905	350,592	326,916
<b>Total expenses</b>		<b>615,891</b>	<b>615,891</b>	<b>511,170</b>	<b>1,590,624</b>	<b>112,667</b>	<b>541,013</b>	<b>535,846</b>
<b>Net income for the period before taxation</b>		<b>17,991,232</b>	<b>12,075,623</b>	<b>37,405,376</b>	<b>661,264</b>	<b>83,808,928</b>	<b>17,179,005</b>	<b>16,008,860</b>
<b>Taxation</b>		-	-	-	-	-	-	-
<b>Net income for the period after taxation</b>		<b>17,991,232</b>	<b>12,075,623</b>	<b>37,405,376</b>	<b>661,264</b>	<b>83,808,928</b>	<b>17,179,005</b>	<b>16,008,860</b>
<b>Allocation of net income for the period</b>								
- Net income for the period		20,775,455	17,591,232	12,075,623	37,405,376	661,264	17,179,005	16,008,860
- Income already paid on units redeemed		(7,753)	(2,549)	(24,610)	(175,283)	(661,264)	(841)	(170)
		<b>20,767,700</b>	<b>17,588,683</b>	<b>12,051,013</b>	<b>37,230,093</b>	<b>661,264</b>	<b>17,178,164</b>	<b>16,008,684</b>
<b>Accounting income / (loss) available for distribution:</b>								
- Relating to capital gains		21,412,980	18,131,113	12,541,168	38,761,780	671,355	17,657,624	16,483,146
- Excluding capital gains		(645,280)	(342,430)	(490,155)	(1,531,687)	(100,991)	(479,460)	(664,462)
		<b>20,767,700</b>	<b>17,888,683</b>	<b>12,051,013</b>	<b>37,230,093</b>	<b>661,264</b>	<b>17,178,164</b>	<b>16,008,684</b>

The annexed notes 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

**Iftekhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Fund of Funds

## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED 31 DECEMBER 2020

For the Quarter Ended

31 December 2019

	31 December 2020					31 December 2019				
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Total	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Total
<b>INCOME</b>										
Profit on deposits with banks	(9,684)	35,549	2,794	86,296	52,600	170,415	25,481	29,252	22,181	236,759
Capital gain on sale of investments at fair value through income statement - net	476,783	520,127	606,815	7,689,805	142,826	9,436,356	656,546	773,206	951,419	2,381,171
Net unrealized appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss	7,201,846	5,960,691	4,063,391	5,752,345	201,279	23,179,552	19,492,123	16,571,238	11,657,844	47,921,003
<b>Total income</b>	<b>7,678,629</b>	<b>6,480,318</b>	<b>4,670,206</b>	<b>13,442,240</b>	<b>344,405</b>	<b>32,615,908</b>	<b>20,174,152</b>	<b>17,237,696</b>	<b>12,609,263</b>	<b>47,921,003</b>
<b>EXPENDITURE</b>										
Remuneration to Atlas Asset Management Company - Management Company	71	4,480	3,446	12,782	10,524	31,233	1,956	2,170	1,709	17,145
Sindh Sales Tax on remuneration of the Management Company	72	26	582	448	1,662	4,061	255	282	223	2,229
Accounting & Operational charges	14	49,786	54,421	58,908	12,235	38,2924	38,994	42,613	48,370	173,264
Remuneration of The Central Depository Company of Pakistan Limited		20,408	22,409	24,136	5,076	15,7463	17,177	19,886	22,572	80,856
Sindh Sales Tax on remuneration of the Trustee		2,653	2,913	3,138	660	20,470	2,329	2,586	2,935	10,512
Annual fee to Securities and Exchange Commission of Pakistan		5,831	6,402	6,896	24,410	1,430	5,659	5,682	6,450	23,102
Auditor's remuneration		(13,420)	1,186	(1,028)	1,702	(1,105)	6,774	7,523	8,547	30,613
Amortization of preliminary expenses and flotation costs		13,209	13,209	13,209	455	52,836	14,089	13,937	14,090	56,205
Annual listing fee		935	1,007	1,045	3,724	410	857	944	1,113	3,983
Printing charges		1,795	2,021	2,268	8,170	14,722	-	-	-	-
Legal and professional charges		14,000	14,000	14,000	14,000	70,000	-	-	-	-
Shareh advisory fee		2,999	3,341	3,605	15,030	23,026	1,575	1,730	1,988	7,120
Bank charges		17,460	3,999	10,74	1,962	14,431	1,675	1,584	1,584	(177)
Provision for Sindh Workers' Welfare Fund	101	151,061	127,788	90,837	262,555	67,313	350,922	336,016	250,437	955,900
<b>Total expenses</b>		<b>266,914</b>	<b>297,738</b>	<b>221,982</b>	<b>67,880</b>	<b>1,477,600</b>	<b>439,916</b>	<b>425,904</b>	<b>500,018</b>	<b>2,544,694</b>
<b>Net income for the period before taxation</b>		<b>7,401,200</b>	<b>6,201,609</b>	<b>4,451,018</b>	<b>12,865,216</b>	<b>31,108,723</b>	<b>19,734,076</b>	<b>16,947,732</b>	<b>12,271,436</b>	<b>46,839,126</b>
<b>Taxation</b>										
<b>Net income for the period after taxation</b>		<b>7,401,200</b>	<b>6,201,609</b>	<b>4,451,018</b>	<b>12,865,216</b>	<b>31,108,723</b>	<b>19,734,076</b>	<b>16,947,732</b>	<b>12,271,436</b>	<b>46,839,126</b>
<b>Allocation of net income for the period:</b>										
- Net income for the period after taxation		7,402,001	6,201,609	4,451,018	12,865,216	32,879	19,734,676	16,947,732	12,271,436	46,839,126
- Income already paid on Units redeemed		(5,770)	(5,233)	(3,233)	(17,538)	328,879	(841)	(176)	(281,515)	(13,665)
<b>Accounting income / (loss) available for distribution:</b>		<b>7,396,225</b>	<b>6,201,609</b>	<b>4,447,785</b>	<b>12,689,933</b>	<b>328,879</b>	<b>19,733,835</b>	<b>16,947,556</b>	<b>11,989,911</b>	<b>46,825,461</b>
- Relating to capital gains		7,678,629	6,480,818	4,670,206	13,442,150	344,105	20,148,671	17,344,444	12,609,263	47,921,003
- Excluding capital gains		(282,404)	(219,209)	(222,421)	(732,217)	(15,226)	(414,836)	(396,888)	(610,352)	(1,095,542)
		<b>7,396,225</b>	<b>6,201,609</b>	<b>4,447,785</b>	<b>12,689,933</b>	<b>328,879</b>	<b>19,733,835</b>	<b>16,947,556</b>	<b>11,989,911</b>	<b>46,825,461</b>

The annexed notes 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

# Half Yearly Report 2020-21

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2020

For the Half Year Ended  
31 December 2020

For the Half Year Ended  
31 December 2019

	For the Half Year Ended 31 December 2020				For the Half Year Ended 31 December 2019						
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Total
Net income for the period after taxation	20,775,455	17,591,232	12,075,623	37,405,376	661,264	88,508,950	17,179,005	16,018,860	13,749,850	49,531,269	96,478,984
Other Comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	20,775,455	17,591,232	12,075,623	37,405,376	661,264	88,508,950	17,179,005	16,018,860	13,749,850	49,531,269	96,478,984

The annexed notes 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

**Ifikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Fund of Funds

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE QUARTER ENDED 31 DECEMBER 2020

For the Quarter Ended  
31 December 2020

For the Quarter Ended  
31 December 2019

	For the Quarter Ended 31 December 2020				For the Quarter Ended 31 December 2019						
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Total
Net income for the period after taxation	7,402,001	6,261,609	4,451,018	12,865,216	328,879	31,308,723	19,734,676	16,947,732	12,271,426	46,839,126	95,792,960
Other Comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	7,402,001	6,261,609	4,451,018	12,865,216	328,879	31,308,723	19,734,676	16,947,732	12,271,426	46,839,126	95,792,960

The annexed notes 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

**Ifikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Half Yearly Report 2020-21

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2020

	31 December 2020				31 December 2019						
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Total
<b>Capital Value</b>	<b>104,670,329</b>	<b>113,742,162</b>	<b>122,397,566</b>	<b>461,323,599</b>	<b>26,135,105</b>	<b>838,268,674</b>	<b>104,540,396</b>	<b>110,899,450</b>	<b>122,090,277</b>	<b>445,401,742</b>	<b>782,951,865</b>
<b>Un distributed Income</b>											
- Realised income	2,994,497	5,015,587	8,168,915	11,929,312	1,924,685	30,032,996	2,088,513	3,831,669	6,503,967	13,706,840	26,182,989
- Unrealised loss	(7,487,673)	(9,950,141)	(3,936,718)	(17,196,420)	(1,924,685)	(36,515,637)	(13,698,545)	(11,451,923)	(7,736,635)	(28,244,685)	(61,181,788)
<b>Net assets at the beginning of the period</b>	<b>100,177,153</b>	<b>112,807,608</b>	<b>125,609,743</b>	<b>456,056,491</b>	<b>26,135,105</b>	<b>821,786,120</b>	<b>92,924,364</b>	<b>103,279,196</b>	<b>120,867,609</b>	<b>430,861,897</b>	<b>747,933,066</b>
(Units: AAAP 209,506, AMAAP 227,735, ACAP 244,525, AICPP 914,884 & AIP 52,270) (2020: Units: AAAP 209,541, AMAAP 221,897, ACAP 244,021 & AICPP 882,926)											
<b>Issue of units</b>											
Capital value (at net assets value per unit at the beginning of period)											
Aggressive - units 127 (2020: 226)	-	-	-	-	-	-	104,046	-	-	-	104,046
Moderate - units 3,552 (2020: 2,259)	-	1,941,983	-	-	-	-	-	1,903,695	-	-	1,903,695
Conservative - units 3,624 (2020: 1)	-	-	2,900,000	-	-	-	-	-	214	-	214
Dividend - units 28,589	-	-	-	-	-	-	-	-	-	-	-
<b>Total proceed on issuance of units</b>	<b>-</b>	<b>1,941,983</b>	<b>2,900,000</b>	<b>-</b>	<b>14,293,390</b>	<b>14,293,390</b>	<b>104,046</b>	<b>1,903,695</b>	<b>214</b>	<b>-</b>	<b>1,079,985</b>
<b>Redemption of units</b>											
Capital value (at net assets value per unit at the beginning of period)											
Aggressive - units 127 (2020: 37)	(61,161)	-	-	-	(13,892,349)	(18,233,124)	(14,307)	-	-	-	(14,307)
Moderate - units 1,883 (2020: 102)	-	(1,201,276)	-	-	(61,264)	(61,264)	-	(46,137)	-	-	(46,137)
Conservative - units 923 (2020: 1,952)	-	-	(477,780)	-	-	-	-	(693,162)	-	-	(693,162)
Preservation - units 5,113 (2020: 585)	-	-	-	(2,571,380)	-	-	-	-	(279,903)	-	(279,903)
Dividend - units 27,785	-	-	-	-	(13,892,349)	(13,892,349)	-	-	-	-	-
<b>Amount paid out of Elemen of income</b>	<b>(7,735)</b>	<b>(2,549)</b>	<b>(24,610)</b>	<b>(175,283)</b>	<b>-</b>	<b>(210,197)</b>	<b>(841)</b>	<b>(176)</b>	<b>(287,300)</b>	<b>(13,665)</b>	<b>(301,982)</b>
- Relating to Net Income for the period after taxation	(68,916)	(1,922,825)	(802,290)	(2,746,663)	(13,892,349)	(18,233,124)	(15,149)	(46,315)	(980,462)	(293,549)	(1,433,919)
<b>Total Comprehensive Income for the period</b>	<b>20,775,455</b>	<b>17,591,232</b>	<b>12,075,623</b>	<b>37,405,376</b>	<b>661,264</b>	<b>88,598,950</b>	<b>17,179,015</b>	<b>16,018,880</b>	<b>13,749,850</b>	<b>49,531,269</b>	<b>96,738,984</b>
<b>Distributions during the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(661,264)</b>	<b>(88,598,950)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net income for the period less distribution</b>	<b>20,775,455</b>	<b>17,591,232</b>	<b>12,075,623</b>	<b>37,405,376</b>	<b>-</b>	<b>87,847,686</b>	<b>17,179,015</b>	<b>16,018,880</b>	<b>13,749,850</b>	<b>49,531,269</b>	<b>96,738,984</b>
<b>Net assets at the end of the period</b>	<b>120,883,692</b>	<b>131,317,998</b>	<b>140,182,296</b>	<b>490,715,204</b>	<b>26,536,165</b>	<b>909,656,055</b>	<b>110,192,267</b>	<b>120,255,438</b>	<b>133,637,211</b>	<b>480,099,598</b>	<b>844,184,514</b>
(Units: AAAP 209,469, AMAAP 229,404, ACAP 247,226, AICPP 909,271 & AIP 53,072) (2020: Units: AAAP 209,539, AMAAP 224,954, ACAP 242,070 & AICPP 882,341)											
<b>Capital Value</b>	<b>104,609,168</b>	<b>114,663,869</b>	<b>123,919,786</b>	<b>461,323,599</b>	<b>26,536,165</b>	<b>831,052,587</b>	<b>104,630,135</b>	<b>111,857,008</b>	<b>121,397,329</b>	<b>445,121,839</b>	<b>783,000,311</b>
<b>Un distributed Income</b>											
- Realised income	2,809,695	5,213,423	8,540,700	13,688,167	784,410	31,936,395	1,453,543	3,320,293	5,976,387	12,761,140	23,421,563
- Unrealised income / (loss)	13,464,829	11,440,706	7,722,510	15,703,438	(784,410)	47,547,073	4,108,389	5,168,137	6,203,495	22,216,619	37,564,880
<b>Net assets at the end of the period</b>	<b>120,883,692</b>	<b>131,317,998</b>	<b>140,182,296</b>	<b>490,715,204</b>	<b>26,536,165</b>	<b>909,656,055</b>	<b>110,192,267</b>	<b>120,255,438</b>	<b>133,637,211</b>	<b>480,099,598</b>	<b>844,184,514</b>
<b>Net assets value per unit at beginning of the period</b>	<b>477,9500</b>	<b>495,5800</b>	<b>517,7800</b>	<b>498,4900</b>	<b>500,0000</b>	<b>500,0000</b>	<b>443,8900</b>	<b>465,4400</b>	<b>495,3200</b>	<b>487,9900</b>	<b>544,1200</b>
<b>Net assets value per unit at end of the period</b>	<b>577,0960</b>	<b>572,4312</b>	<b>567,0250</b>	<b>539,3833</b>	<b>500,0000</b>	<b>500,0000</b>	<b>525,9900</b>	<b>536,2280</b>	<b>552,0600</b>	<b>544,1200</b>	<b>544,1200</b>

The annexed notes 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

**Faikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Fund of Funds

## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2020

31 December 2020

31 December 2019

	31 December 2020					31 December 2019					
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>Rupees</b>										
Net income for the period after taxation	20,775,455	17,591,232	12,075,623	37,405,376	661,264	88,508,950	17,179,005	16,018,860	13,749,850	49,531,269	96,478,984
<b>Adjustments for:</b>											
Profit on deposits with banks	(17,868)	(76,010)	(45,625)	(235,220)	(102,576)	(477,299)	(62,394)	(71,560)	(83,500)	(481,353)	(698,807)
Gain on sale of investments - net	(1,045,720)	(1,430,730)	(1,306,284)	(10,804,732)	(142,826)	(14,730,292)	(804,911)	(941,972)	(1,149,786)	(494,684)	(3,391,353)
Net unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss	(20,367,260)	(16,700,383)	(11,234,884)	(27,957,048)	(328,529)	(76,788,104)	(16,852,713)	(15,541,174)	(13,029,425)	(50,253,401)	(95,676,713)
Provision for Sindh Workers' Welfare Fund	423,989	359,005	246,441	763,375	13,495	1,806,305	350,592	336,916	280,609	1,010,842	1,968,950
	<b>(231,404)</b>	<b>(256,886)</b>	<b>(264,729)</b>	<b>(828,249)</b>	<b>(99,172)</b>	<b>(1,680,440)</b>	<b>(190,421)</b>	<b>(208,930)</b>	<b>(232,252)</b>	<b>(687,327)</b>	<b>(1,318,930)</b>
<b>Decrease / (increase) in assets</b>											
Prepayments and other receivables	28,257	-	-	(2,486)	(17,681)	(20,167)	(1,700)	(1,888)	(2,209)	(7,876)	(13,673)
Deferred Formation cost	28,257	28,257	28,257	28,257	-	113,028	28,179	28,027	28,180	28,179	112,565
	<b>28,257</b>	<b>28,257</b>	<b>28,257</b>	<b>28,257</b>	<b>25,771</b>	<b>92,861</b>	<b>26,479</b>	<b>26,139</b>	<b>25,971</b>	<b>20,303</b>	<b>98,992</b>
<b>Decrease in liabilities</b>											
Payable to Atlas Asset Management	2,597	3,547	1,953	5,672	326	14,095	(274,970)	(274,911)	(274,740)	(250,534)	(1,075,155)
Company - Management Company Payable to Central Depository Company of Pakistan Limited - Trustee	1,418	1,224	690	2,177	165	5,674	(1,555)	(1,776)	(2,369)	(8,428)	(14,128)
Payable to the Securities and Exchange Commission of Pakistan	(8,350)	(9,719)	(12,134)	(43,044)	(2,105)	(75,352)	(36,793)	(38,789)	(41,709)	(97,193)	(214,484)
Accrued expenses and other liabilities	(21,391,888)	(4,297,593)	(7,660,488)	(18,238,646)	(119,644)	(32,453,559)	(8,015)	(9,916)	(10,834)	(40,161)	(68,924)
	<b>(21,43,523)</b>	<b>(4,302,541)</b>	<b>(7,669,979)</b>	<b>(18,273,841)</b>	<b>(121,288)</b>	<b>(32,511,142)</b>	<b>(321,331)</b>	<b>(325,992)</b>	<b>(329,652)</b>	<b>(396,316)</b>	<b>(1,372,691)</b>
Interest received	18,564	67,230	35,350	256,745	116,637	494,526	38,773	52,006	46,313	477,630	614,742
Investments made during the period	(5,760,000)	(8,340,000)	(7,020,000)	(62,000,000)	(9,900,000)	(93,020,000)	(11,840,000)	(15,270,000)	(15,040,000)	(17,700,000)	(59,850,000)
Investments sold during the period	8,060,000	12,440,000	15,120,000	81,500,000	10,350,000	127,470,000	11,580,000	13,770,000	15,040,000	17,700,000	58,990,000
	<b>2,318,564</b>	<b>4,167,230</b>	<b>8,135,350</b>	<b>19,756,745</b>	<b>566,637</b>	<b>34,944,526</b>	<b>(221,227)</b>	<b>(1,449,994)</b>	<b>46,313</b>	<b>477,630</b>	<b>(1,145,259)</b>
Net cash (used in) / generated from operating activities	<b>(28,106)</b>	<b>(363,940)</b>	<b>228,899</b>	<b>680,426</b>	<b>328,526</b>	<b>845,805</b>	<b>(706,500)</b>	<b>(1,956,177)</b>	<b>(489,620)</b>	<b>(585,690)</b>	<b>(3,737,987)</b>

# Half Yearly Report 2020-21

## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) (Continued...)

FOR THE HALF YEAR ENDED 31 DECEMBER 2020

31 December 2020

31 December 2019

	31 December 2020					31 December 2019					
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Total
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
Receipts against issuance of units	-	1,941,983	2,000,000	-	14,293,392	18,235,375	104,046	1,003,693	213	-	1,107,954
Dividend Paid	(68,916)	(1,022,825)	(502,390)	-	(661,264)	(661,264)	-	-	-	-	-
Payments against redemption of units	(68,916)	919,138	1,497,610	(2,746,663)	(13,892,330)	(18,233,124)	(15,148)	(46,313)	(980,462)	(293,568)	(1,335,491)
	(68,916)	919,138	1,497,610	(2,746,663)	(260,202)	(659,013)	88,898	957,382	(980,249)	(293,568)	(227,537)
<b>Net cash (used in) / generated from financing activities</b>	(68,916)	919,138	1,497,610	(2,746,663)	(260,202)	(659,013)	88,898	957,382	(980,249)	(293,568)	(227,537)
<b>Net (decrease) / increase in cash and cash equivalents</b>	(97,022)	555,218	1,726,509	(2,066,237)	68,324	186,792	(617,602)	(998,793)	(1,469,869)	(879,268)	(3,965,524)
Cash and cash equivalents at the beginning of the period	465,585	1,550,174	382,627	6,662,587	3,357,209	12,418,182	1,216,018	1,268,212	2,021,345	7,825,894	12,331,469
<b>Cash and cash equivalents at the end of the period</b>	368,563	2,105,392	2,109,136	4,596,350	3,425,533	12,604,974	598,416	269,417	551,476	6,946,636	8,365,945

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

Note

Ruppes

Ruppes

For Atlas Asset Management Limited  
(Management Company)

**Qurrat-ul-Ain Jafari**  
Chief Financial Officer

**Muhammad Abdul Samad**  
Chief Executive Officer

**Ifthikar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Fund of Funds

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

FOR THE HALF YEAR ENDED 31 DECEMBER 2020

### 1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Atlas Islamic Fund of Funds (the Fund) is an open-ended Fund constituted under a trust deed entered into on 20 August 2018 between Atlas Asset Management Limited (AAML) as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the trustee. The offering document of the Fund has been revised through the First, Second and Third supplements dated 05 September 2019, 14 February 2020 and 01 April 2020 respectively, with the approval of the SECP. The investment activities and administration of the Fund are managed by AAML, is situated at Ground Floor, Federation House, Shahrae Firdousi, Clifton, Karachi.

1.2 The Fund is an open-ended Shariah compliant fund of funds and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered to public (IPO) on January 07, 2019. Subsequent to the Initial Public Offering, the offer of units of the Allocation Plans at the Initial Offer Price discontinued. The units of the Allocation Plans could then be purchased at their Offer Price and redeemed at the Redemption Price, which shall be calculated on the basis of Net Asset Value (NAV) of each Allocation Plan. The duration of the fund is perpetual, however, the allocation plans may have a set time frame. Each Allocation Plan will announce separate NAVs which will rank pari passu inter se according to the number of units of the respective Allocation Plans. Units are offered for public subscription on a continuous basis. However, term-based plans, may be offered for a limited subscription period.

The objective of the Fund is to generate return on investments as per the respective Allocation Plan by investing in Shariah compliant mutual funds in line with the risk tolerance of the investor. The Management Company has appointed Dr. Muftri Muhammad Waste Fasih Butt as its Shariah Advisor to ensure that the activities of the Funds are in compliance with the principles of Shariah.

The investment objectives and policies of each allocation plan are as follows;

#### **Atlas Aggressive Allocation Islamic Plan (AAAIIP)**

The "Aggressive Allocation Islamic Plan" is a Shariah Compliant Allocation Plan under the Atlas Islamic Fund of Funds and primarily aims to provide capital appreciation. It shall invest at least 65% and 25% of its net assets in Shariah Compliant Equity Funds and Islamic Income schemes, respectively, while the remaining portion is allocated to Shariah compliant bank deposits (excluding TDRs) in Islamic banks / Islamic windows of commercial banks and GOP Ijara Sukuk not exceeding 90 days remaining maturity. This Allocation Plan is suitable for Investors having a relatively higher risk tolerance and/or wish to save for long term.

#### **Atlas Moderate Allocation Islamic Plan (AMAIIP)**

The "Moderate Allocation Islamic Plan" is a Shariah Compliant Allocation Plan under the Atlas Islamic Fund of Funds and primarily aims to provide a mix of capital appreciation and stable returns. It shall invest at least 45% and 45% of its net assets in Shariah Compliant Equity Funds and Islamic Income schemes, respectively, while the remaining portion is allocated to Shariah compliant bank deposits (excluding TDRs) in Islamic banks / Islamic windows of commercial banks and GOP Ijara Sukuk not exceeding 90 days remaining maturity. This Allocation Plan is suitable for Investors having a relatively moderate risk tolerance and/or wish to medium for long term.

#### **Atlas Conservative Allocation Islamic Plan (ACAIP)**

The "Conservative Allocation Islamic Plan" is a Shariah Compliant Allocation Plan under the Atlas Islamic Fund of Funds and primarily aims to provide stable returns. It shall invest at least 20% and 70% of its net assets in Shariah Compliant Equity Funds and Islamic Income schemes, respectively, while the remaining portion is allocated to Shariah compliant bank deposits (excluding TDRs) in Islamic banks / Islamic windows of commercial banks and GOP Ijara Sukuk not exceeding 90 days remaining maturity. This Allocation Plan is suitable for Investors having a relatively low risk tolerance and/or wish to save for short to medium term.



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## Atlas Islamic Capital Preservation Plan (AICPP)

The Atlas Islamic Capital Preservation Plan is a Shariah Compliant Allocation Plan under the Atlas Islamic Fund of Funds and primarily aims to earn a potentially high return through dynamic asset allocation between Shariah Compliant Equities, Shariah Compliant Income based Collective Investment Schemes and Shariah Compliant saving Accounts & Term Deposits, while aiming to provide capital preservation upon maturity of the allocation plan.

## Atlas Islamic Dividend Plan (AIDP)

The Atlas Islamic Dividend Plan is a Shariah Compliant Allocation Plan under the Atlas Islamic Fund of Funds and primarily aims to provide competitive return along with dividend through dynamic asset allocation between Shariah Compliant Income and Shariah Compliant Money Market based Collective Investment Schemes and Shariah Compliant/Islamic Banks/ Islamic banks window saving Accounts, while aiming to provide Dividend to the investors on the daily basis of profit earned /appreciation in NAV if any. Dividend received by Unit holder shall be reinvested, This Allocation Plan is suitable for Investors having a relatively low risk tolerance and/ or wish to save for short to medium term.

1.3 The Pakistan Credit Rating Agency Limited (PACRA) maintained the asset manager rating of the Management Company to AM2+ (AM Two Plus) [2019: AM2+ (AM Two Plus)] on 24 December 2020. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

1.4 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 approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Act, 2017, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NIBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFEC Regulations) and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFEC Rules, the NBFEC Regulations or directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFEC Rules, the NBFEC Regulations or the directives issued by the SECP prevail.

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.

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that this condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at 31 December 2020.

The comparatives in the condensed interim statement of assets and liabilities presented in the condensed interim financial statements as at 31 December 2020 have been extracted from the annual published audited financial statements of the Fund for the year ended 30 June 2020, whereas, the comparatives in the condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement have been extracted from the unaudited condensed interim financial statements of the Fund for the half year ended 31 December 2020.

# Atlas Islamic Fund of Funds

## 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and 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.

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

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

## 3.2 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 the condensed interim financial statements.

## 4 BANK BALANCES

In local currency

Profit and loss sharing accounts

31 December 2020 (Un Audited)						
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
4.1	368,563	2,105,392	2,109,136	4,596,350	3,425,533	12,604,974
	<u>368,563</u>	<u>2,105,392</u>	<u>2,109,136</u>	<u>4,596,350</u>	<u>3,425,533</u>	<u>12,604,974</u>
	Note ----- Rupees -----					

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30 June 2020 (Audited)

	Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
Note	----- Rupees -----					

In local currency  
Profit and loss sharing accounts

4.1	465,585	1,550,174	382,627	6,662,587	3,357,209	12,418,182
	<u>465,585</u>	<u>1,550,174</u>	<u>382,627</u>	<u>6,662,587</u>	<u>3,357,209</u>	<u>12,418,182</u>

4.1 These carry interest rate ranging between 4% to 6.85% (30 June 2020: 6.50% to 9.90%) per annum.

31 December 2020 (Un Audited)

	Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
Note	----- Rupees -----					

## 5 INVESTMENTS

At fair value through profit or loss  
- Held for Trading

Units of Mutual Funds - listed

5.1	121,039,772	129,713,603	138,528,184	487,700,519	23,168,059	900,150,137
	<u>121,039,772</u>	<u>129,713,603</u>	<u>138,528,184</u>	<u>487,700,519</u>	<u>23,168,059</u>	<u>900,150,137</u>

30 June 2020 (Audited)

	Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
Note	----- Rupees -----					

At fair value through profit or loss  
- Held for Trading

Units of Mutual Funds - listed

5.1	101,926,792	115,682,490	134,087,016	468,438,739	22,946,705	843,081,742
	<u>101,926,792</u>	<u>115,682,490</u>	<u>134,087,016</u>	<u>468,438,739</u>	<u>22,946,705</u>	<u>843,081,742</u>

# Atlas Islamic Fund of Funds

5.1 Units of Mutual Funds

Name of the investee company	As at 01 July 2020	Purchases during the period	Sales during the period	As at 31 December 2020	Carrying Value as at 31 December 2020	Market Value as at 31 December 2020	Appreciation as at 31 December 2020	Market Value as a % of net assets of Plan	Market Value as a % of total value of investments of Plan
-----Number of shares-----				-----Rupees-----					
				-----%age-----					
<b>Aggressive Allocation Plan</b>									
Atlas Islamic Income Fund	52,511	11,238	1,185	62,564	31,673,800	32,490,961	817,161	26.88	26.84
Atlas Islamic Dedicated Stock Fund	170,737	-	14,526	156,211	68,998,712	88,548,811	19,550,099	73.25	73.16
	<b>223,248</b>	<b>11,238</b>	<b>15,711</b>	<b>218,775</b>	<b>100,672,512</b>	<b>121,039,772</b>	<b>20,367,260</b>	<b>100.13</b>	<b>100.00</b>
<b>Moderate Allocation Plan</b>									
Atlas Islamic Income Fund	105,864	16,300	4,147	118,017	59,695,677	61,289,064	1,593,387	46.67	47.25
Atlas Islamic Dedicated Stock Fund	140,894	-	20,184	120,710	53,317,543	68,424,539	15,106,996	52.11	52.75
	<b>246,758</b>	<b>16,300</b>	<b>24,331</b>	<b>238,727</b>	<b>113,013,220</b>	<b>129,713,603</b>	<b>16,700,383</b>	<b>98.78</b>	<b>100.00</b>
<b>Conservative Allocation Plan</b>									
Atlas Islamic Income Fund	189,564	13,692	11,256	192,000	97,045,546	99,710,031	2,664,485	71.13	71.98
Atlas Islamic Dedicated Stock Fund	86,887	-	18,407	68,480	30,247,754	38,818,153	8,570,399	27.69	28.02
	<b>276,451</b>	<b>13,692</b>	<b>29,663</b>	<b>260,480</b>	<b>127,293,300</b>	<b>138,528,184</b>	<b>11,234,884</b>	<b>98.82</b>	<b>100.00</b>
<b>Islamic Capital Preservation Plan</b>									
Atlas Islamic Income Fund	698,489	120,650	34,559	784,580	397,211,744	407,451,050	10,239,306	83.03	83.55
Atlas Islamic Dedicated Stock Fund	262,120	-	120,550	141,570	62,531,727	80,249,469	17,717,742	16.35	16.45
	<b>960,609</b>	<b>120,650</b>	<b>155,109</b>	<b>926,150</b>	<b>459,743,471</b>	<b>487,700,519</b>	<b>27,957,048</b>	<b>99.38</b>	<b>100.00</b>
<b>Islamic Dividend Plan</b>									
Atlas Islamic Income Fund	45,449	19,287	20,124	44,612	22,639,530	23,168,059	528,529	87.31	100.00
	<b>45,449</b>	<b>19,287</b>	<b>20,124</b>	<b>44,612</b>	<b>22,639,530</b>	<b>23,168,059</b>	<b>528,529</b>	<b>87.31</b>	<b>100.00</b>
<b>Total as at 31 December 2020</b>									
	<b>1,752,515</b>	<b>181,167</b>	<b>244,937</b>	<b>1,688,744</b>	<b>823,362,033</b>	<b>900,150,137</b>	<b>76,788,104</b>		
<b>Total as at 30 June 2020</b>									
	<b>1,572,278</b>	<b>685,324</b>	<b>505,087</b>	<b>1,752,516</b>	<b>831,548,988</b>	<b>843,081,742</b>	<b>11,532,754</b>		

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## 6 DEFERRED FORMATION COST

31 December 2020 (Un Audited)

	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
Opening balance	168,162	168,162	168,162	168,162	-	672,648
Less: Amortisation for the period	28,257	28,257	28,257	28,257	-	113,028
	<b>139,905</b>	<b>139,905</b>	<b>139,905</b>	<b>139,905</b>	<b>-</b>	<b>559,620</b>

Note

Rupees

30 June 2020 (Audited)

	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
Opening balance	224,215	224,215	224,215	224,215	-	896,860
Less: Amortisation for the period	56,053	56,053	56,053	56,053	-	224,212
	<b>168,162</b>	<b>168,162</b>	<b>168,162</b>	<b>168,162</b>	<b>-</b>	<b>672,648</b>

6.1 Deferred Formation costs represent expenditure incurred prior to the commencement of the operations of the Fund. These are being amortized over a period of five years commencing from the end of the initial offering period in accordance with the Trust Deed of the Fund and the NBFIC Regulations.

## 7 PAYABLE TO THE ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY

31 December 2020 (Un Audited)

	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
Remuneration of the Management Company	-	1,400	1,457	2,782	2,679	8,318
Sindh Sales Tax payable on remuneration of Management Company	-	182	189	362	348	1,081
Front and backend load payable to the Management Company	-	-	-	7,339	-	7,339
Accounting and operational charges payable	17,263	18,796	20,123	70,531	4,002	130,715
	<b>17,263</b>	<b>20,378</b>	<b>21,769</b>	<b>81,014</b>	<b>7,029</b>	<b>147,453</b>

Note

Rupees

# Atlas Islamic Fund of Funds

30 June 2020 (Audited)

	Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
Remuneration of the Management Company	7.1	302	588	143	4,901	2,707
Sindh Sales Tax payable on remuneration of Management Company	7.2	39	76	18	637	352
Front and backend load payable to the Management Company		113	-	1,017	3,955	-
Accounting and operational charges payable	14	14,212	16,167	18,638	65,849	3,644
		<b>14,666</b>	<b>16,831</b>	<b>19,816</b>	<b>75,342</b>	<b>6,703</b>
						<b>133,358</b>

Note

Rupees

7.1 In accordance with the provisions of the NBFC Regulations, no Management fee shall be charged in case the investment of the fund is made in CIS of Atlas Asset Management Limited (AAML). Further as per the amendments made in the NBFC Regulations, 2008 vide SRO 639 (I) / 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 set the limit of 1% of the average annual net assets, within allowed expense ratio limit in case investment is made in Cash / Near Cash instruments, savings and term deposits made with Islamic banks or Islamic banking windows of commercial banks and therefore has charged its remuneration accordingly. The remuneration for the last period ended 30 June 2020 was also charged in the same manner.

7.2 During the period, an amount of Rs. 7,657 (2019: 6,860) 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. 7,698 (2019: 7,501) has been paid to the Management Company which acts as a collecting agent.

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

31 December 2020 (Un Audited)

	Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
Payable to Trustee	8.1	7,108	7,740	8,286	29,041	1,647
SST on Trustee fee payable	8.2	924	1,006	1,077	3,775	214
		<b>8,032</b>	<b>8,746</b>	<b>9,363</b>	<b>32,816</b>	<b>1,861</b>
						<b>102,378</b>

Note

Rupees

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30 June 2020 (Audited)

Aggressive Allocation		Moderate Allocation		Conservative Allocation		Islamic Capital Preservation Plan		Islamic Dividend Plan		Total
Payable to Trustee	5,853	6,656	7,675	27,114	1,501	48,799				
SST on Trustee fee payable	761	866	998	3,525	195	6,345				
	<b>6,614</b>	<b>7,522</b>	<b>8,673</b>	<b>30,639</b>	<b>1,696</b>	<b>55,144</b>				

8.1 The trustee is entitled to a monthly remuneration for services rendered to the fund at the flat rate of 0.07% per annum of net assets based on the letter number CDC/CEO/L-112/01/2019 dated June 27, 2019 issued by CDC.

8.2 During the year, an amount of Rs.40,358 (2019: Rs. 35,195) 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. 34,926 (2019: Rs. 36,818) was paid to the Trustee which acts as a collecting agent.

## 9 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

31 December 2020 (Un Audited)

Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
Islamic Plan	Islamic Plan	Islamic Plan			

Note

Rupees

Annual fees payable	9.1	11,435	12,573	13,567	48,352	2,766	88,693
		<b>11,435</b>	<b>12,573</b>	<b>13,567</b>	<b>48,352</b>	<b>2,766</b>	<b>88,693</b>

30 June 2020 (Audited)

Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
Islamic Plan	Islamic Plan	Islamic Plan			

Rupees

Annual fees payable	19,785	22,292	25,701	91,396	4,871	164,045
	<b>19,785</b>	<b>22,292</b>	<b>25,701</b>	<b>91,396</b>	<b>4,871</b>	<b>164,045</b>

# Atlas Islamic Fund of Funds

9.1 In accordance with the NBFIC 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 December 2020 (Un Audited)

	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
Auditors' remuneration payable	19,790	21,765	23,490	84,178	4,788	154,011
Withholding and capital gain tax payable	1,284	2,261	2,000	25,821	12,389	43,755
Shariah advisory fee payable	3,271	3,590	3,909	13,985	813	25,568
Listing fee payable	1,787	1,966	2,120	7,602	427	13,902
Provision for Sindh Workers' Welfare Fund	614,249	592,623	540,490	1,654,898	52,324	3,454,584
Other Payable	-	-	-	-	10,000	10,000
	<b>640,381</b>	<b>622,205</b>	<b>572,009</b>	<b>1,786,484</b>	<b>80,741</b>	<b>3,701,820</b>

Note

Rupees

30 June 2020 (Audited)

	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
Auditors' remuneration payable	46,970	36,111	41,949	145,180	8,533	278,743
Withholding and capital gain tax payable	330,680	710,933	1,352,186	5,075,503	138,382	7,607,684
Printing charges payable	921	477	-	-	-	1,398
Provision for Sindh Workers' Welfare Fund	190,260	233,618	294,049	891,523	38,829	1,648,279
Shariah advisory fee payable	2,402	2,589	2,814	7,767	1,146	16,718
Annual rating fee payable	16,495	16,513	16,411	5,526	-	54,945
Dividend Payable	1,767,852	3,560,552	6,278,647	13,136,256	-	24,743,307
	<b>2,355,580</b>	<b>4,560,793</b>	<b>7,986,056</b>	<b>19,261,755</b>	<b>186,890</b>	<b>34,351,074</b>

Rupees



# Half Yearly Report 2020-21

**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 MUEFAP 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, MUEFAP 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, MUEFAP 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 MUEFAP has held the view that SWWF is applicable on Asset Management Companies and not on mutual funds.

Had the provision for SWWF not been recorded in these financial statements of the Fund, the net asset value of the Fund as at 31 December 2020 would have been higher by Rs. 2.93 per unit (30 June 2020: Rs. 0.91 per unit), Rs. 2.58 per unit (30 June 2020: Rs. 1.03 per unit), Rs. 2.19 per unit (30 June 2020: Rs. 1.20 per unit) and Rs. 1.82 per unit (30 June 2020: Rs. 0.97 per unit) and Rs. 0.06 per unit (30 June 2020: Rs. 0.74 per unit) for AAAP, AMAP, ACP, MUEFAP and AIDP respectively.

## 11 CONTINGENCIES AND COMMITMENTS

There were no other contingencies and commitments outstanding as at 31 December 2020 and 30 June 2020.

## 12 TOTAL EXPENSE RATIO

In accordance with the directive 23 of 2016 dated July 20, 2016 issued by the Securities and Exchange Commission of Pakistan, the total expense ratio of the Fund is as follows :

		31 December 2020 (Un Audited)				
		Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan
Total expense ratio		1.15	0.98	0.75	0.66	0.82
Government Levies and SECP Fee		0.77	0.60	0.39	0.35	0.04
<b>30 June 2020 (Audited)</b>						
		Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan
Total expense ratio		0.62	0.64	0.64	0.54	0.12
Government Levies and SECP Fee		0.22	0.26	0.24	0.23	0.01

# Atlas Islamic Fund of Funds

## 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 net accounting income available for distribution for the year derived from sources other than capital gains, to the unitholders. Based on the above, no provision for taxation has been made in these condensed interim financial statements.

## 14 ACCOUNTING AND OPERATIONAL CHARGES

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

The Management Company has charged expenses at the rate of 0.17% of the average annual net assets of the Fund for the period for allocation of such expenses to the Fund.

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

## 15 EARNING PER UNIT

Earning 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 CONNECTED PERSONS / RELATED PARTIES

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

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

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

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

# Half Yearly Report 2020-21

16.1 Details of transaction with related parties during the period are as follows:

31 December 2020

	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
-----Rupees-----						
<b>Atlas Asset Management Limited (Management Company)</b>						
Remuneration for the period	755	8,065	4,039	27,907	18,135	58,901
Sindh sales tax on remuneration of the Management Company	98	1,048	525	3,628	2,358	7,657
Remuneration paid	1,057	7,253	2,725	30,026	18,163	59,224
Formation cost	28,257	28,257	28,257	28,257	-	113,028
Accounting & operational charges	97,198	106,873	115,317	410,990	23,555	753,933
<b>Central Depository Company of Pakistan Limited</b>						
Remuneration of the Trustee	40,023	44,007	47,483	169,231	9,700	310,444
Sindh Sales Tax on remuneration of the Trustee	5,203	5,721	6,173	22,000	1,261	40,358
Remuneration paid	38,768	42,923	46,872	167,304	9,554	305,421
<b>Atlas Islamic Dedicated Stock Fund</b>						
Redemption in Rupees	7,460,000	10,340,000	9,420,000	64,000,000	-	91,220,000
Redemption of units	14,526	20,184	18,407	120,550	-	173,667
<b>Atlas Islamic Income Fund</b>						
Purchase in Rupees	5,760,000	8,340,000	7,020,000	62,000,000	9,900,000	93,020,000
Purchase of units	11,238	16,300	13,692	120,650	19,287	181,168
Redemption in Rupees	600,000	2,100,000	5,700,000	17,500,000	10,350,000	36,250,000
Redemption of units	1,185	4,147	11,256	34,559	20,124	71,271

# Atlas Islamic Fund of Funds

31 December 2019

	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
----- Rupees -----						

## Atlas Asset Management Limited (Management Company)

Remuneration for the period	4,621	5,525	6,282	36,339	-	52,767
Sindh sales tax on remuneration of the Management Company	601	718	817	4,724	-	6,860
Remuneration paid	5,239	6,527	7,483	38,460	-	57,709
Formation cost	28,179	28,027	28,180	28,179	-	112,565
Accounting & operational charges	60,675	67,914	78,581	280,455	-	487,625
Issuance in amounts	4,045	3,695	-	-	-	7,740
Issue of units	9	8	-	-	-	17

## Central Depository Company of Pakistan Limited

Remuneration of the Trustee	33,514	37,597	43,720	155,890	-	270,721
Sindh Sales Tax on remuneration of the Trustee	4,357	4,888	5,684	20,266	-	35,195
Remuneration paid	34,891	39,169	45,817	163,349	-	283,226

## Atlas Islamic Dedicated Stock Fund

Purchase in Rupees	6,800,000	8,150,000	8,700,000	17,700,000	-	41,350,000
Purchase of units	18,147	21,805	23,100	45,847	-	108,899
Redemption in Rupees	4,780,000	5,620,000	6,340,000	-	-	16,740,000
Redemption of units	10,069	11,896	13,340	-	-	35,305

## Atlas Islamic Income Fund

Purchase in Rupees	5,040,000	7,120,000	6,340,000	-	-	18,500,000
Purchase of units	9,517	13,478	11,971	-	-	34,966
Redemption in Rupees	6,800,000	8,150,000	8,700,000	17,700,000	-	41,350,000
Redemption of units	13,208	15,848	16,881	34,163	-	80,100

## Dividend Entitlement

## Directors and their close family members and key management

### personnel of the Management Company

Redemption in Rupees	2,998	-	-	-	-	2,998
Redemption of units	7	-	-	-	-	7

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16.2 Details of balances with related parties as at the period / year end are as follows:

	31 December 2020 (Un Audited)					Total
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	
<b>Atlas Asset Management Limited (Management Company)</b>						
Remuneration payable to the management company	-	1,400	1,457	2,782	2,679	8,318
Sindh Sales tax payable on remuneration of the Management Company	-	182	189	362	348	1,081
Sales Load Payable	-	-	-	7,339	-	7,339
Accounting and operational charges payable	17,263	18,796	20,123	70,531	4,002	130,715
Outstanding amount - at net asset value	5,960,809	6,005,911	23,902,228	-	-	35,868,948
Outstanding units	10,329	10,492	42,154	-	-	62,975
<b>Central Depository Company of Pakistan Limited (Trustee)</b>						
Trustee fee payable	7,108	7,740	8,286	29,041	1,647	53,822
Sindh Sales tax payable on remuneration of trustee	924	1,006	1,077	3,775	214	6,996
<b>Shirazi Investments (Private) Limited - Group Company</b>						
Outstanding amount - at net asset value	114,310,424	114,183,254	113,199,921	213,739,890	213,739,890	769,173,380
Outstanding units	198,079	199,471	199,639	396,267	396,267	1,389,723
<b>Atlas Honda Limited - Group Company</b>						
Outstanding amount - at net asset value	-	-	-	227,973,473	-	227,973,473
Outstanding units	-	-	-	422,656	-	422,656
<b>Atlas Islamic Dedicated Stock Fund</b>						
Outstanding amount - at net asset value	88,548,810	68,424,538	38,818,154	80,249,469	-	276,040,972
Outstanding units	156,212	120,710	68,480	141,571	-	486,972
<b>Atlas Islamic Income Fund</b>						
Outstanding amount - at net asset value	32,490,961	61,289,064	99,710,031	407,451,049	23,168,059	624,109,164
Outstanding units	62,564	118,017	192,000	784,580	44,612	1,201,773
<b>Directors and their close family members and key management personnel of the Management Company</b>						
Outstanding amount - at net asset value	-	5,922,546	-	4,023,809	-	9,946,354
Outstanding units	-	10,346	-	7,460	-	17,806

Rupees

# Atlas Islamic Fund of Funds

30 June 2020 (Audited)

	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
<b>Atlas Asset Management Limited (Management Company)</b>						
Remuneration payable to the management company	302	588	143	4,901	2,707	8,641
Sindh Sales tax payable on remuneration of the Management Company	39	76	18	637	352	1,122
Sales Load Payable	113	-	1,017	3,955	-	5,085
Accounting and operational charges payable	14,212	16,167	18,638	65,849	3,644	118,510
Outstanding amount - at net asset value	4,936,732	5,197,180	21,826,444	-	20,078,461	52,038,817
Outstanding units	10,329	10,492	42,154	-	40,157	103,132
<b>Central Depository Company of Pakistan Limited (Trustee)</b>						
Trustee fee payable	5,853	6,656	7,675	27,114	1,501	48,799
Sindh Sales tax payable on remuneration of trustee	761	866	998	3,525	195	6,345
<b>Shirazi Investments (Private) Limited - Group Company</b>						
Outstanding amount - at net asset value	94,671,714	98,807,813	103,369,096	197,535,218	-	494,383,841
Outstanding units	198,079	199,471	199,639	396,267	-	993,456
<b>Atlas Honda Limited - Group Company</b>						
Outstanding amount - at net asset value	-	-	-	210,689,683	-	210,689,683
Outstanding units	-	-	-	422,656	-	422,656
<b>Lucky Commodities (Private) Limited (Unit holder with more than 10% holding)</b>						
Outstanding amount - at net assets value	-	-	-	-	100,392,307	100,392,307
Outstanding units	-	-	-	-	200,785	200,785

Rupees

# Half Yearly Report 2020-21

30 June 2020 (Audited)

	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
----- Rupees -----						
<b>Atlas Islamic Dedicated Stock Fund - Fund managed by Management Company</b>						
Outstanding amount - at net asset value	75,414,757	62,232,992	38,378,242	115,778,488	-	291,804,479
Outstanding units	170,737	140,894	86,887	262,120	-	660,638
<b>Atlas Islamic Income Fund - Fund managed by Management Company</b>						
Outstanding amount - at net asset value	26,512,035	53,449,498	95,708,774	352,660,251	22,946,705	551,277,263
Outstanding units	52,511	105,864	189,564	698,489	45,449	1,091,877
<b>Directors and their close family members and key management personnel of the Management Company</b>						
Outstanding amount - at net asset value	-	5,125,040	-	3,718,744	-	8,843,784
Outstanding units	-	10,346	-	7,460	-	17,806

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

## 17 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

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

### 17.1 Fair value hierarchy

Following hierarchy is used in determining and disclosing the fair value on the following financial instruments by valuation technique:

# Atlas Islamic Fund of Funds

Level 1: quoted prices in active markets for identical assets.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

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

Fair values of investments in units of mutual funds are determined based on redemption prices disclosed at the Mutual Funds Association of Pakistan (MUFAP) as at the close of the business days which is considered as Level 2 valuation. Fair value of remaining financial assets is not significantly different from their carrying value.

## 18 GENERAL

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

### 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 CLIs 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.

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 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 25 February 2021.

**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 Islamic Dedicated Stock Fund

### Corporate Information

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#### **Trustee**

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

#### **Shariah Advisor**

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Dr. Mufti Muhammad Wasih Fasih Butt

#### **Auditors**

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EY Ford Rhodes  
Chartered Accountants

#### **Legal Advisers**

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Bawaney & Partners

#### **Bankers**

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Al-Baraka Bank (Pakistan) Limited  
BankIslami Pakistan Limited

# Atlas Islamic Dedicated Stock Fund

## TRUSTEE REPORT TO THE UNIT HOLDERS

### Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Atlas Islamic Dedicated Stock Fund (the Fund) are of the opinion that Atlas Asset Management Limited, being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2020 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

#### **Badiuddin Akber**

Chief Executive Officer

Central Depository Company of Pakistan Limited

Karachi: 23 February 2021

# Half Yearly Report 2020-21

## **INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION TO UNIT HOLDERS**

### **Report on review of Interim Financial Statements**

#### **Introduction**

We have reviewed the accompanying condensed interim statement of assets and liabilities of Atlas Islamic Dedicated Stock Fund (the Fund) as at 31 December 2020 and the related condensed interim statement of income, comprehensive income, distribution, cash flow and movement in unit holders' Fund together with the notes forming part thereof (here-in-after referred to as "interim financial statements") for the six-months' period then ended. The Management Company (Atlas Asset Management Limited) is responsible for the preparation and presentation of this interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial statements based on our review. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended 31 December 2020 and 31 December 2019 have not been subject to limited scope review by the external auditors as we are only required to review the cumulative figures for the six-month period ended 31 December 2020.

#### **Scope of review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the audit resulting in this independent auditor's report is Arslan Khalid.

Karachi: 26 February 2021

**EY Ford Rhodes**  
Chartered Accountants

**Engagement Partner: Arslan Khalid**

# Atlas Islamic Dedicated Stock Fund

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

		31 December 2020	30 June 2020
		Un-audited	Audited
	Note	----- Rupees -----	
<b>ASSETS</b>			
Bank balances	4	2,912,866	11,892,473
Investments	5	360,855,795	357,745,101
Receivable against sale of investments		6,059,369	1,615,350
Profit receivable on bank balances		29,180	166,871
Dividend receivable		1,675,000	-
Deferred formation cost	6	554,624	666,645
Advances, deposits, prepayments and other receivables	7	3,412,741	3,412,741
<b>Total assets</b>		<b>375,499,575</b>	<b>375,499,181</b>
<b>LIABILITIES</b>			
Payable to Atlas Asset Management Limited - Management Company	8	970,664	868,226
Payable to Central Depository Company of Pakistan Limited - Trustee	9	78,688	71,475
Payable to the Securities and Exchange Commission of Pakistan	10	39,320	68,922
Payable against redemption of units		-	9,000,000
Payable against purchase of investments		1,921,615	1,607,480
Accrued expenses and other liabilities	11	3,310,925	1,394,336
<b>Total liabilities</b>		<b>6,321,212</b>	<b>13,010,439</b>
<b>NET ASSETS</b>		<b>369,178,363</b>	<b>362,488,742</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<b>369,178,363</b>	<b>362,488,742</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	12	----- Number of units -----	
<b>NUMBER OF UNITS IN ISSUE</b>		<b>651,279</b>	<b>820,677</b>
		----- Rupees -----	
<b>NET ASSET VALUE PER UNIT</b>		<b>566.8513</b>	<b>441.6900</b>

The annexed notes from 1 to 20 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

# Half Yearly Report 2020-21

## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2020

	Note	For the Half Year Ended		For the Quarter Ended	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
		Rupees		Rupees	
<b>INCOME</b>					
Profit on bank balances		111,620	288,079	(8,612)	148,928
Dividend income		9,024,096	10,908,780	7,284,750	6,716,945
Capital Gain on sale of investments - net		36,419,167	16,073,519	26,990,187	16,697,801
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		60,267,244	55,782,239	2,443,678	70,921,145
		<b>96,686,411</b>	<b>71,855,758</b>	<b>29,433,865</b>	<b>87,618,946</b>
<b>Total income</b>		<b>105,822,127</b>	<b>83,052,617</b>	<b>36,710,003</b>	<b>94,484,819</b>
<b>EXPENSES</b>					
Remuneration of Atlas Asset Management Limited - Management Company	8.1	4,718,340	3,043,605	2,315,444	1,813,108
Sindh Sales Tax on remuneration of the Management Company	8.2	613,384	395,669	301,008	235,704
Remuneration of the Central Depository Company of Pakistan Limited - Trustee	9.1	393,196	304,359	192,768	181,310
Sindh Sales Tax on remuneration of the Trustee	9.2	51,115	39,567	25,059	23,571
Annual fee to the Securities and Exchange Commission of Pakistan		39,320	30,441	19,277	18,159
Accounting and operational charges	13	373,494	197,507	203,130	135,953
Shariah advisory fee		40,000	25,000	20,000	12,500
Auditors' remuneration		72,962	173,814	(3,804)	118,162
Annual listing fee		13,863	62,808	6,987	31,406
Securities transaction cost		485,131	686,150	330,990	395,743
Printing and postage charges		6,494	20,601	6,494	10,601
Legal and professional charges		113,200	113,200	70,000	-
Amortization of formation cost	6	112,021	111,715	56,011	55,858
Bank charges		8,126	3,178	8,126	220
Provision for Sindh Workers Welfare Fund		1,975,630	1,556,900	663,171	1,556,900
<b>Total expenses</b>		<b>9,016,276</b>	<b>6,764,514</b>	<b>4,214,661</b>	<b>4,589,195</b>
<b>Net income for the period before taxation</b>		<b>96,805,851</b>	<b>76,288,103</b>	<b>32,495,342</b>	<b>89,895,624</b>
<b>Taxation</b>	15	-	-	-	-
<b>Net income for the period after taxation</b>		<b>96,805,851</b>	<b>76,288,103</b>	<b>32,495,342</b>	<b>89,895,624</b>
<b>Allocation of net income / (loss) for the period</b>					
Net income for the period		96,805,851	76,288,103	32,495,342	89,895,624
Income already paid on units redeemed		(16,024,990)	(2,136,871)	(2,136,871)	(2,136,871)
		<b>80,780,861</b>	<b>74,151,232</b>	<b>30,358,471</b>	<b>87,758,753</b>
<b>Accounting income / (loss) available for distribution:</b>					
- Relating to capital gains		96,686,411	71,855,758	29,433,865	87,618,946
- Excluding capital gains		(15,905,550)	2,295,474	924,606	139,807
		<b>80,780,861</b>	<b>74,151,232</b>	<b>30,358,471</b>	<b>87,758,753</b>

The annexed notes from 1 to 20 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 Islamic Dedicated Stock Fund

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2020

	For the Half Year Ended		For the Quarter Ended	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
	----- Rupees -----		----- Rupees -----	
Net income for the period after taxation	96,805,851	76,288,103	32,495,342	89,895,624
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>96,805,851</b>	<b>76,288,103</b>	<b>32,495,342</b>	<b>89,895,624</b>

The annexed notes from 1 to 20 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

# Half Yearly Report 2020-21

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2020

	31 December 2020		
	Capital value	Undistributed income	Total
	----- Rupees -----		
Capital value	392,806,970	-	392,806,970
<b>Undistributed loss brought forward</b>			
- Realised loss	-	(727,397)	(727,397)
- Unrealised loss	-	(29,590,831)	(29,590,831)
<b>Net assets at the beginning of the period</b>	<b>392,806,970</b>	<b>(30,318,228)</b>	<b>362,488,742</b>
(Units outstanding: 820,677) (Rs. 441.6900 per unit)			
Issue of 21,974 units	10,852,178	-	10,852,178
Redemption of 191,372 units	(84,575,743)	(16,024,990)	(100,600,733)
Total comprehensive income for the period	-	96,805,851	96,805,851
Shariah non-compliant income set-aside for charity	-	(367,675)	(367,675)
<b>Net assets at end of the period (Units outstanding: 651,279)</b>	<b>319,083,405</b>	<b>50,094,958</b>	<b>369,178,363</b>
(Rs. 566.8513 per unit)			
<b>Undistributed income carried forward</b>			
- Realised loss	-	11,707,114	-
- Unrealised income	-	38,387,844	-
	-	<b>50,094,958</b>	-
	31 December 2019		
	Capital value	Undistributed income	Total
	----- Rupees -----		
Capital value	308,793,987	-	308,793,987
<b>Undistributed loss brought forward</b>			
- Realised loss	-	(3,739,329)	(3,739,329)
- Unrealised loss	-	(48,527,514)	(48,527,514)
<b>Net assets at the beginning of the period</b>	<b>308,793,987</b>	<b>(52,266,843)</b>	<b>256,527,144</b>
(Units outstanding: 620,181) (Rs. 413.63 per unit)			
Issue of 240,030 units	101,350,000	-	101,350,000
Redemption of 35,305 units	(14,603,129)	(2,136,871)	(16,740,000)
Total comprehensive income for the period	-	76,288,103	76,288,103
Shariah non-compliant income set-aside for charity	-	(218,910)	(218,910)
<b>Net assets at end of the period (Units outstanding: 824,906)</b>	<b>395,540,858</b>	<b>21,665,479</b>	<b>417,206,337</b>
(Rs. 505.76 per unit)			
<b>Undistributed income carried forward</b>			
- Realised loss	-	(2,865,491)	-
- Unrealised income	-	24,530,970	-
	-	<b>21,665,479</b>	-

The annexed notes from 1 to 20 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 Islamic Dedicated Stock Fund

## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2020

	For the Half Year Ended	
	2020	2019
Note	Rupees	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	96,805,851	76,288,103
<b>Adjustments for:</b>		
Mark-up on bank deposits	(111,620)	(288,079)
Dividend income	(9,024,096)	(10,908,780)
Capital gain on sale of investments - net	(36,419,167)	(16,073,519)
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(60,267,244)	(55,782,239)
Amortization of formation cost	112,021	111,715
Provision for Sindh Workers Welfare Fund	1,975,630	1,556,900
	<b>(103,734,476)</b>	<b>(81,384,002)</b>
<b>Decrease / (increase) in assets</b>		
Receivable against sale of investments	(4,444,019)	243,900
Advances, deposits, prepayments and other receivables	-	40,030
	<b>(4,444,019)</b>	<b>283,930</b>
<b>Increase / (decrease) in liabilities</b>		
Payable to Atlas Asset Management Limited - Management Company	102,438	(772,200)
Payable to the Central Depository Company of Pakistan Limited - Trustee	7,213	28,495
Payable to the Securities and Exchange Commission of Pakistan	(29,602)	(74,033)
Payable against purchase of investments	314,135	1,820,000
Accrued expenses and other liabilities	(426,716)	18,812
	<b>(32,532)</b>	<b>1,021,074</b>
Profit received on bank balances	249,311	238,003
Dividend received	7,349,096	11,100,655
Investments made during the period	(140,918,932)	(203,039,099)
Investments sold during the period	234,494,649	112,500,356
	<b>101,174,124</b>	<b>(79,200,085)</b>
<b>Net cash generated from / (used in) operating activities</b>	<b>89,768,948</b>	<b>(82,990,980)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Amount received on issue of units	10,852,178	101,350,000
Payment against redemption of units	(109,600,733)	(16,740,000)
<b>Net cash (used in) / generated from financing activities</b>	<b>(98,748,555)</b>	<b>84,610,000</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(8,979,607)</b>	<b>1,619,020</b>
Cash and cash equivalents at the beginning of the period	11,892,473	4,490,047
<b>Cash and cash equivalents at the end of the period</b>	<b>4 2,912,866</b>	<b>6,109,067</b>

The annexed notes from 1 to 20 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



# Half Yearly Report 2020-21

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

FOR THE HALF YEAR ENDED 31 DECEMBER 2020

### 1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Atlas Islamic Dedicated Stock Fund (the Fund) is an open-ended shariah compliant scheme constituted under a trust deed entered into on 03 September 2018 between Atlas Asset Management Limited (AAML) as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The offering document of the Fund was revised through the First, Second, Third and Fourth supplements date 8 August 2019, 5 September 2019, 25 November 2019 and 1 April 2020 respectively with the approval of SECP. The investment activities and administration of the Fund are managed by AAML whose registered office is situated at Ground Floor, Federation House, Shahrah-e-Firdousi, Clifton, Karachi. The Fund was authorised by the Securities and Exchange Commission of Pakistan as a unit trust scheme on 09 October 2018.
- 1.2 The Fund is an open-ended Shariah compliant fund and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered to public (IPO) on January 10, 2019. The units are transferable and can also be redeemed by surrendering to the Fund.
- 1.3 According to the Trust Deed, the principal activity of the Fund is to provide capital appreciation to investors schemes by investing in Shariah Compliant equity securities.
- 1.4 The Pakistan Credit Rating Agency Limited (PACRA) maintained the asset manager rating of the Management Company to AM2+ (AM Two Plus) on 24 December 2020.
- 1.5 The titles of the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.
- 1.6 In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at 31 December 2020

### 2 BASIS OF PREPARATION

#### 2.1 Statement of compliance

- 2.1.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:
  - International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
  - Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
  - Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-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.

# Atlas Islamic Dedicated Stock Fund

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 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 30 June 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.

		31 December 2020	30 June 2020
		Un-audited	Audited
	Note	----- Rupees -----	
<b>4 BANK BALANCES</b>			
Balances with banks in:			
- Profit and loss sharing accounts	4.1	<u>2,912,866</u>	<u>11,892,473</u>
4.1	The rate of return on these profit and loss sharing accounts ranges between 6.00% and 6.85% (30 June 2020: 6.50% to 7.00%) per annum.		
		31 December 2020	30 June 2020
		Un-audited	Audited
	Note	----- Rupees -----	
<b>5 INVESTMENTS</b>			
<b>Financial assets at fair value through profit or loss account</b>			
- Listed equity securities	5.1	<u>360,855,795</u>	<u>357,745,101</u>

# Half Yearly Report 2020-21

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

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

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 December, 2020	Average cost as at 31 December 2020	Market value as at 31 December 2020	Market value as a percentage of total investments	Market value as a percentage of net assets	Paid-up value of shares held as a percentage of total paid up capital of the Investee Company
	----- Number of shares -----				----- Rupees -----		----- % age -----			
<b>Banks</b>										
Bankislami Pakistan Limited	819,100	270,000	-	771,000	318,100	3,542,121	3,820,381	1.06	1.03	0.03
Mezzan Bank Limited (Note 5.3)	448,400	83,000	27,340	223,000	335,740	22,446,513	35,064,686	9.72	9.50	0.02
	<b>1,267,500</b>	<b>353,000</b>	<b>27,340</b>	<b>994,000</b>	<b>653,840</b>	<b>25,988,634</b>	<b>38,885,067</b>	<b>10.78</b>	<b>10.53</b>	
<b>Textile Composite</b>										
Kohinoor Textile Mills Limited	91,000	20,000	-	16,000	95,000	3,518,774	6,480,900	1.80	1.76	0.03
Nishat Mills Limited	1,500	119,500	-	27,500	93,500	8,285,057	9,515,495	2.64	2.58	0.03
Interloop Limited	-	77,000	-	37,000	40,000	2,174,532	2,722,800	0.75	0.74	-
	<b>92,500</b>	<b>216,500</b>	<b>-</b>	<b>80,500</b>	<b>228,500</b>	<b>13,978,363</b>	<b>18,719,195</b>	<b>5.19</b>	<b>5.08</b>	
<b>Cement</b>										
Attock Cement Pakistan Limited	54,100	-	-	39,100	15,000	1,869,450	2,250,750	0.62	0.61	0.01
Cherat Cement Company Limited	66,850	-	-	43,000	23,850	2,079,005	3,486,632	0.97	0.94	0.01
D.G. Khan Cement Company Limited	71,500	-	-	48,500	23,000	1,962,590	2,635,340	0.73	0.71	0.01
Fauji Cement Company Limited	-	405,000	-	-	405,000	8,463,380	8,776,350	2.43	2.38	0.03
Kohat Cement Company Limited	36,500	-	-	22,500	14,000	1,924,300	3,069,360	0.85	0.83	0.01
Lucky Cement Limited	69,600	-	-	9,600	60,000	27,694,800	41,765,400	11.57	11.31	0.02
Gharibwal Cement Company Limited	100,000	100,000	-	200,000	-	-	-	-	-	-
	<b>398,550</b>	<b>505,000</b>	<b>-</b>	<b>362,700</b>	<b>540,850</b>	<b>43,993,525</b>	<b>61,983,832</b>	<b>17.17</b>	<b>16.78</b>	
<b>Power Generation &amp; Distribution</b>										
K-Electric Limited (face value Rs. 3.5)	505,500	-	-	-	505,500	1,521,555	1,976,505	0.55	0.54	-
The Hub Power Company Limited	455,903	148,000	-	455,903	148,000	12,383,470	11,740,840	3.25	3.18	0.01
	<b>961,403</b>	<b>148,000</b>	<b>-</b>	<b>455,903</b>	<b>653,500</b>	<b>13,905,025</b>	<b>13,717,345</b>	<b>3.80</b>	<b>3.72</b>	
<b>Oil &amp; Gas Marketing Companies</b>										
Attock Petroleum Limited	7,500	-	-	7,500	-	-	-	-	-	-
HI-Tech Lubricants Limited	40,000	90,000	-	40,000	90,000	3,821,404	3,940,200	1.09	1.07	0.08
Pakistan State Oil Company Limited	75,400	15,200	-	16,000	74,600	12,191,673	16,061,380	4.45	4.35	0.02
Shell Pakistan Limited	20,000	4,500	-	24,500	-	-	-	-	-	-
Sui Northern Gas Pipelines Limited	96,000	80,000	-	176,000	-	-	-	-	-	-
	<b>238,900</b>	<b>189,700</b>	<b>-</b>	<b>264,000</b>	<b>164,600</b>	<b>16,013,077</b>	<b>20,001,580</b>	<b>5.54</b>	<b>5.42</b>	
<b>Oil &amp; Gas Exploration Companies</b>										
Mari Petroleum Company Limited	17,568	-	-	2,200	15,168	18,757,507	20,322,389	5.63	5.50	0.01
Oil & Gas Development Company Limited (Note 5.3)	281,400	45,000	-	-	326,400	35,907,588	33,870,528	9.39	9.17	0.01
Pakistan Oilfields Limited	45,800	4,000	-	5,800	44,000	15,645,030	17,398,040	4.82	4.71	0.02
Pakistan Petroleum Limited (Note 5.3)	248,840	38,000	-	28,800	258,040	23,009,899	23,308,754	6.46	6.31	0.01
	<b>593,408</b>	<b>87,000</b>	<b>-</b>	<b>36,800</b>	<b>643,608</b>	<b>93,320,024</b>	<b>94,899,711</b>	<b>26.30</b>	<b>25.69</b>	
<b>Engineering</b>										
International Industries Limited	15,880	12,500	-	28,380	-	-	-	-	-	-
Agha Steel Industries Limited	-	137,394	-	67,394	70,000	2,367,756	2,758,700	0.76	0.75	0.01
International Steels Limited	-	43,500	-	43,500	-	-	-	-	-	-
	<b>15,880</b>	<b>193,394</b>	<b>-</b>	<b>139,274</b>	<b>70,000</b>	<b>2,367,756</b>	<b>2,758,700</b>	<b>0.76</b>	<b>0.75</b>	
<b>Automobile Assembler</b>										
Indus Motor Company Limited	-	4,500	-	-	4,500	5,304,342	5,390,820	1.49	1.46	0.01
Millat Tractors Limited	6,200	900	-	1,700	5,400	4,167,720	5,908,086	1.64	1.60	0.01
	<b>6,200</b>	<b>5,400</b>	<b>-</b>	<b>1,700</b>	<b>9,900</b>	<b>9,472,062</b>	<b>11,298,906</b>	<b>3.13</b>	<b>3.06</b>	
<b>Automobile Parts &amp; Accessories</b>										
Thal Limited (face value Rs. 5)	-	19,400	-	1,500	17,900	8,081,288	8,460,972	2.34	2.29	0.02
	<b>-</b>	<b>19,400</b>	<b>-</b>	<b>1,500</b>	<b>17,900</b>	<b>8,081,288</b>	<b>8,460,972</b>	<b>2.34</b>	<b>2.29</b>	
<b>Cable &amp; Electrical Goods</b>										
Pak Elektron Limited	-	60,000	-	60,000	-	-	-	-	-	-
	<b>-</b>	<b>60,000</b>	<b>-</b>	<b>60,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Technology &amp; Communications</b>										
Pakistan Telecommunication Communication Limited	-	360,000	-	20,000	340,000	3,358,826	3,094,000	0.86	0.84	0.01
Systems Limited	60,000	-	-	25,000	35,000	6,428,800	14,673,050	4.07	3.97	0.03
Avanceon Limited	-	65,500	-	65,500	-	-	-	-	-	-
	<b>60,000</b>	<b>425,500</b>	<b>-</b>	<b>110,500</b>	<b>375,000</b>	<b>9,787,626</b>	<b>17,767,050</b>	<b>4.93</b>	<b>4.81</b>	

# Atlas Islamic Dedicated Stock Fund

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 December, 2020	Average cost as at 31 December 2020	Market value as at 31 December 2020	Market value as a percentage of total investments	Market value as a percentage of net assets	Paid-up value of shares held as a percentage of total paid up capital of the Investee Company
	----- Number of shares -----				----- Rupees -----		----- % age -----			
<b>Fertilizer</b>										
Engro Corporation Limited (Note 5.3)	86,420	27,500	-	12,420	101,500	29,956,441	31,197,040	8.65	8.45	0.02
Engro Fertilizers Limited	269,500	-	-	212,000	57,500	3,466,100	3,635,725	1.01	0.98	-
	<b>355,920</b>	<b>27,500</b>	<b>-</b>	<b>224,420</b>	<b>159,000</b>	<b>33,422,541</b>	<b>34,832,765</b>	<b>9.66</b>	<b>9.43</b>	
<b>Pharmaceuticals</b>										
Abbott Laboratories (Pakistan) Limited	8,500	-	-	8,500	-	-	-	-	-	-
AGP Limited	42,000	-	-	42,000	-	-	-	-	-	-
Glaxosmithkline Pakistan Limited	20,200	21,000	-	20,200	21,000	3,816,452	4,028,430	1.12	1.09	0.01
Highnoon Laboratories Limited	10,395	2,500	-	-	12,895	6,773,299	7,734,550	2.14	2.10	0.04
The Searle Company Limited	35,400	3,500	-	18,900	20,000	4,090,104	4,984,600	1.38	1.35	0.01
The Searle Company Limited - LoR	-	-	3,413	3,413	-	-	-	-	-	-
	<b>116,495</b>	<b>27,000</b>	<b>3,413</b>	<b>93,013</b>	<b>53,895</b>	<b>14,679,855</b>	<b>16,747,580</b>	<b>4.64</b>	<b>4.54</b>	
<b>Chemicals</b>										
Dynca Pakistan Limited	-	10,500	-	10,500	-	-	-	-	-	-
Engro Polymer & Chemicals Limited	325,000	-	-	245,000	80,000	1,998,400	3,800,800	1.05	1.03	0.01
ICI Pakistan Limited	4,650	2,500	-	7,150	-	-	-	-	-	-
Sitara Chemical Industries Limited	-	6,000	-	-	6,000	1,934,472	1,860,000	0.52	0.50	0.03
Lotte Chemical Pakistan Limited	-	180,000	-	180,000	-	-	-	-	-	-
Berger Paints Pakistan Limited	-	22,500	-	22,500	-	-	-	-	-	-
	<b>329,650</b>	<b>221,500</b>	<b>-</b>	<b>465,150</b>	<b>86,000</b>	<b>3,932,872</b>	<b>5,660,800</b>	<b>1.57</b>	<b>1.53</b>	
<b>Paper &amp; Board</b>										
Packages Limited	6,000	5,500	-	1,500	10,000	4,041,938	5,969,200	1.65	1.62	0.01
Security Papers Limited	-	5,000	-	5,000	-	-	-	-	-	-
	<b>6,000</b>	<b>10,500</b>	<b>-</b>	<b>6,500</b>	<b>10,000</b>	<b>4,041,938</b>	<b>5,969,200</b>	<b>1.65</b>	<b>1.62</b>	
<b>Vanaspati &amp; Allied Industries</b>										
Unity Food Limited	-	198,500	-	198,500	-	-	-	-	-	-
	<b>-</b>	<b>198,500</b>	<b>-</b>	<b>198,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Leather &amp; Tanneries</b>										
Bara Pakistan Limited	4,420	-	-	1,200	3,220	4,324,782	4,932,596	1.37	1.34	0.04
	<b>4,420</b>	<b>-</b>	<b>-</b>	<b>1,200</b>	<b>3,220</b>	<b>4,324,782</b>	<b>4,932,596</b>	<b>1.37</b>	<b>1.34</b>	
<b>Foods &amp; Personal Care Products</b>										
At-Tahur Limited	228,500	-	20,850	40,000	209,350	3,279,183	4,220,496	1.17	1.14	0.13
	<b>228,500</b>	<b>-</b>	<b>20,850</b>	<b>40,000</b>	<b>209,350</b>	<b>3,279,183</b>	<b>4,220,496</b>	<b>1.17</b>	<b>1.14</b>	
<b>Glass &amp; Ceramics</b>										
Tariq Glass Industries Limited	37,000	-	-	37,000	-	-	-	-	-	-
Shabbir Tiles & Ceramics Limited	-	110,000	-	110,000	-	-	-	-	-	-
	<b>37,000</b>	<b>110,000</b>	<b>-</b>	<b>147,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Miscellaneous</b>										
Synthetic Products Enterprises Limited	25,500	-	-	25,500	-	-	-	-	-	-
Siddiqsons Tin Plate Limited	-	100,000	-	100,000	-	-	-	-	-	-
	<b>25,500</b>	<b>100,000</b>	<b>-</b>	<b>125,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total as at 31 December 2020</b>						<b>300,588,551</b>	<b>360,855,795</b>	<b>100.00</b>	<b>97.73</b>	
<b>Total as at 30 June 2020</b>						<b>365,140,564</b>	<b>357,745,101</b>	<b>100.00</b>	<b>98.69</b>	

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5.2 The cost of listed equity securities as at 31 December 2020 is Rs. 322,467,879 (30 June 2020: 387,335,932).

	31 December	30 June	31 December	30 June
	2020	2020	2020	2020
	Un-audited	Audited	Un-audited	Audited
	Number of shares		Market value (Rupees)	
Engro Corporation Limited	4,500	4,500	1,383,120	1,318,140
Meezan Bank Limited	1,000	1,000	104,440	68,850
Oil & Gas Development Company Limited	50,000	50,000	5,188,500	5,450,000
Pakistan Petroleum Limited	30,000	30,000	2,709,900	2,603,400
	<b>85,500</b>	<b>85,500</b>	<b>9,385,960</b>	<b>9,440,390</b>

6 DEFERRED FORMATION COST	Note	31 December	30 June
		2020	2020
		Un-audited	Audited
		Rupees	
Opening balance	6.1	666,645	888,860
Less: Amortisation for the period		(112,021)	(222,215)
		<b>554,624</b>	<b>666,645</b>

6.1 Formation costs represents expenditure incurred prior to the commencement of the operations of the Fund. These are being amortized over a period of five years commencing from the end of the initial offering period in accordance with the Trust Deed of the Fund and the NBFC Regulations.

7 ADVANCES, DEPOSITS, PREPAYMENT AND OTHER RECEIVABLES	Note	31 December	30 June
		2020	2020
		Un-audited	Audited
		Rupees	
<b>Security deposits held with:</b>			
- National Clearing Company of Pakistan Limited (NCCPL)		2,500,000	2,500,000
- Central Depository Company of Pakistan Limited (CDC)		100,000	100,000
Withholding tax deducted	7.1	812,741	812,741
		<b>3,412,741</b>	<b>3,412,741</b>

7.1 As per Clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under sections 150 and 151. However, several Companies (including banks) deducted withholding tax on dividend and profit on bank deposits paid to the Fund based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT) /2008-VOL.II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced by the withholder.

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favor 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

# Atlas Islamic Dedicated Stock Fund

by the funds 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 cumulative amount of withholding tax deducted from profit on bank deposits by the Funds has been shown as other receivable as at 30 June 2019 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

8 PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY - (RELATED PARTY)	Note	31 December 2020	30 June 2020
		Un-audited	Audited
		----- Rupees -----	
Remuneration of the Management Company	8.1	775,616	723,020
Sindh Sales Tax payable on remuneration of the Management Company	8.2	100,830	93,992
Accounting and operational charges payable	13	94,218	51,214
		<b>970,664</b>	<b>868,226</b>

8.1 During the half year ended 31 December 2020, the Management Company has charged its remuneration at the rate of 2.40% (30 June 2020: 2.40%) per annum of the average annual net assets of the Fund for the period. The fee is payable to the Management Company monthly in arrears.

8.2 During the period, an amount of Rs. 613,384 (2019: 395,669) 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. 606,546 (2019: 360,283) has been paid to the Management Company which acts as the collecting agent.

9 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN- TRUSTEE- RELATED PARTY	Note	31 December 2020	30 June 2020
		Un-audited	Audited
		----- Rupees -----	
Trustee Fee	9.1	64,635	60,251
Sindh Sales tax payable on trustee fee	9.2	8,403	7,834
Settlement Charges		5,000	3,000
Sindh sales tax payable on settlement charges		650	390
		<b>78,688</b>	<b>71,475</b>

9.1 The Trustee is entitled to monthly remuneration for services rendered to the fund at the flat rate of 0.2% p.a. of Net Assets.

9.2 During the period, an amount of Rs. 51,115 (2019: 39,567) 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. 50,546 (2019: 36,031) was paid to the Trustee which acts as a collecting agent

10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	31 December 2020	30 June 2020
		Un-audited	Audited
		----- Rupees -----	
Annual fees payable	10.1	<b>39,320</b>	<b>104,474</b>

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

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11 ACCRUED EXPENSES AND OTHER LIABILITIES	Note	31 December	30 June
		2020	2020
		Un-audited	Audited
		----- Rupees -----	
Auditors' remuneration payable		153,531	276,589
Charity payable	11.1	323,169	53,764
Transaction charges payable		215,308	394,618
Annual listing fee payable		13,869	-
Withholding tax and capital gain payable		59,798	104,745
Payable to Shariah Advisor		20,000	15,000
Provision for Sindh Workers' Welfare Fund		2,525,250	549,620
		<b>3,310,925</b>	<b>1,394,336</b>

11.1 The Shariah Advisor of the Fund, has certified an amount of Rs. 367,675 (30 June 2019: Rs. 329,525) against dividend income, as Shariah non-compliant income during the period, which has accordingly been marked to charity.

## 12 CONTINGENCIES AND COMMITMENTS

There were no other contingencies and commitments outstanding as at 31 December 2020 and 30 June 2020.

## 13 ACCOUNTING AND OPERATIONAL CHARGES

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

The Management Company has charged expenses at the rate of 0.17% of the 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.

## 14 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 31 December 2020 is 4.58% (30 June 2020: 3.62%) which includes 1.40% (30 June 2020: 0.53%) 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 4.50% prescribed under the NBFC Regulations for a collective investment scheme categorised as an equity scheme.

## 15 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. Based on the above, no provision in respect of taxation have been made in these condensed interim financial statements.

## 16 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.

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## 17 TRANSACTIONS WITH CONNECTED PERSONS / OTHER RELATED PARTIES

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

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

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

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

	<b>For the Half Year ended</b>	
	<b>31 December</b>	
	<b>2020</b>	<b>2019</b>
	<b>Un-audited</b>	<b>Un-audited</b>
	<b>----- Rupees -----</b>	
<b>17.1 Transactions during the period</b>		
<b>Atlas Asset Management Limited (Management Company)</b>		
Remuneration of the Management Company	4,718,340	3,043,605
Sindh Sales Tax on remuneration of the Management Company	613,384	395,669
Remuneration paid	4,665,744	2,789,406
Formation cost	112,021	111,715
Accounting and operational charges	373,494	197,507
<b>Central Depository Company of Pakistan Limited (Trustee)</b>		
Remuneration of the Trustee	393,196	304,359
Sindh Sales Tax on remuneration of the Trustee	51,115	39,567
Remuneration paid	388,812	277,140
Settlement charges	20,472	8,490
Sindh sales tax on settlement charges	2,661	1,104
<b>Atlas Group of Companies Management Staff Gratuity Fund</b>		
Issue of 2,426 (2019: 131,130) units	1,250,000	60,000,000
Redemption of 5,817 (2019: Nil) units	3,000,000	-
<b>Shirazi Investments (Private) Limited Employees Provident Fund</b>		
Issue of 19,548 (2019: Nil) units	9,813,177	-
Redemption of 11,894 (2019: Nil) units	6,380,733	-
<b>Atlas Aggressive Allocation Islamic Plan</b>		
Issue of Nil (2019: 18,147) units	-	6,800,000
Redemption of 14,526 (2019: 10,069) units	7,460,000	4,780,000
<b>Atlas Moderate Allocation Islamic Plan</b>		
Issue of Nil (2019: 21,805) units	-	8,150,000
Redemption of 20,184 (2019: 11,896) units	10,340,000	5,620,000
<b>Atlas Conservative Allocation Islamic Plan</b>		
Issue of Nil (2019: 23,100) units	-	8,700,000
Redemption of 18,407 (2019: 13,340) units	9,420,000	6,340,000
<b>Atlas Islamic Capital Preservation Plan</b>		
Issue of Nil (2019: 45,847) units	-	17,700,000
Redemption of 120,549 (2019: Nil) units	64,000,000	-



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17.2 Balances as at period / year end	For the Half Year ended 31 December	
	2020	2019
	Un-audited	Un-audited
	----- Rupees -----	
<b>Atlas Asset Management Limited (Management Company)</b>		
Remuneration of the Management Company	775,616	723,020
Sindh Sales Tax payable on remuneration of the management company	100,830	93,992
Accounting and operational charges payable	94,218	51,214
<b>Central Depository Company of Pakistan Limited (Trustee)</b>		
Remuneration payable to the Trustee	64,635	60,251
Sindh sales tax payable on remuneration of the Trustee	8,403	7,834
Settlement charges payable	5,000	3,000
Sindh sales tax payable on settlement charges	650	390
<b>Atlas Group of Companies Management Staff Gratuity Fund</b>		
Outstanding 146,156 (30 June 2020: 149,547) units at net asset value	82,848,698	66,053,424
<b>Shirazi Investments (Private) Limited Employees Provident Fund</b>		
Outstanding 18,150 (30 June 2020: 10,497) units at net asset value	10,288,606	4,636,206
<b>Atlas Aggressive Allocation Islamic Plan</b>		
Outstanding 156,212 (30 June 2020: 170,738) units at net asset value	88,548,820	75,413,050
<b>Atlas Moderate Allocation Islamic Plan</b>		
Outstanding 120,710 (30 June 2019: 140,894) units at net asset value	68,424,552	62,231,583
<b>Atlas Conservative Allocation Islamic Plan</b>		
Outstanding 68,480 (30 June 2020: 86,888) units at net asset value	38,818,168	38,377,373
<b>Atlas Islamic Capital Preservation Plan</b>		
Outstanding 141,571 (30 June 2020: 262,120) units at net asset value	80,249,480	115,775,867

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

## 18 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

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

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

### 18.1 Fair value hierarchy

Following hierarchy is used in determining and disclosing the fair value of the following financial instruments by valuation technique:

Level 1: quoted prices in active markets for identical assets.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

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Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The Fund recognises equity securities at fair value which is determined using the rate at which they are quoted on Pakistan Stock Exchange Limited (Level 1). Fair value of remaining financial assets is not significantly different from their carrying value.

## 19 GENERAL

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

### 19.2 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.

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.

19.3 Units have been rounded off to the nearest decimal place

## 20 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on 25 February 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

**Head Office- Karachi**

Ground Floor,  
Federation House,  
Shahra-e-Firdousi, Clifton,  
Karachi-75600.  
Ph: (92-21) 35379501 - 04  
Fax: (92-21) 35379280

**Savings Center- Karachi**

Faiyaz Center, Ground Floor,  
Shahra-e-Faisal  
(opp. FTC building),  
Karachi-74400.  
Ph: (92-21) 34522601-02  
Fax: (92-21) 34522603

**SITE Office- Karachi**

C/o. Atlas Honda Limited,  
F/36, Estate Avenue,  
S.I.T.E.,  
Karachi.

**Landhi Office- Karachi**

C/o. Atlas Engineering Limited,  
15th Mile,  
National Highway,  
Landhi, Karachi.  
Ph: (92-21) 35015525, Ext: 361

**Hyderabad Office**

C/o. Atlas Honda Limited,  
3rd Floor, Dawood Center,  
Opposite Foundation Public  
School, Auto Bhan Road,  
Hyderabad.

**Savings Center - Lahore**

64, Block -XX,  
Khayaban-e-Iqbal,  
Phase-III, DHA Lahore.  
Ph: (92-42) 32560890-92  
(92-42) 37132688-89

**Multan Office**

C/o. Atlas Regional Office,  
Azmat Wasti Road,  
Near Dera Adda,  
Multan.  
Ph: 061-4570431-4, Ext. 186

**Faisalabad Office**

C/o. Atlas Honda Ltd,  
Customer Care Center,  
1st Floor,  
Meezan Executive Tower,  
4-Liaqat Road, Faisalabad.  
Ph: (92-41) 2541013, Ext: 112

**Rawalpindi Office**

C/o. Atlas Honda Ltd.  
Ground Floor,  
Islamabad Corporate Center,  
Golra Road, Rawalpindi.  
Ph: (92-51) 2801140  
Fax: (92-51) 5495928

**Savings Center- Islamabad**

Ground Floor, East End Plaza,  
Plot No. 41, Sector F-6/G6,  
Ataturk Avenue,  
Blue Area, Islamabad.  
Ph: (92-51) 2871831-34  
Ext: 253 & 255

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