



Atlas Pension Fund  
Atlas Pension Islamic Fund  
QUARTERLY REPORT  
30 September 2016  
(UN-AUDITED)



Managed By  
 **Atlas Asset Management**

Rated AM2 by PACRA



#### **Vision**

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

#### **Mission Statement**

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

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# Atlas Pensions

## ORGANISATION

### Pension Fund Manager

Atlas Asset Management Limited

### Board of Directors of the Pension Fund Manager

Chairman	Mr. Yusuf H. Shirazi	(Non - Executive Director)
Directors	Mr. Tariq Amin	(Independent Director)
	Mr. Shamshad Nabi	(Independent Director)
	Mr. Fahim Ali Khan	(Non - Executive Director)
	Mr. Ali H. Shirazi	(Non - Executive Director)
	Mr. Arshad P. Rana	(Non - Executive Director)

Chief Executive Officer Mr. M. Habib-ur-Rahman (Executive Director)

Company Secretary Ms Qurrat-ul-Ain Jafari

### Board Committees

#### Audit Committee

Chairman	Mr. Tariq Amin
Members	Mr. Shamshad Nabi
	Mr. Fahim Ali Khan
Secretary	Mr. M. Uzair Uddin Siddiqui

#### Board Evaluation Committee

Chairman	Mr. Tariq Amin
Members	Mr. Shamshad Nabi
	Mr. Ali H. Shirazi
Secretary	Mr. M. Habib-ur-Rahman

#### Human Resource & Remuneration Committee

Chairman	Mr. Fahim Ali Khan
Members	Mr. Ali H. Shirazi
	Mr. M. Habib-ur-Rahman

### Investment Committee

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

### Management Committee

Chairman	Mr. M. Habib-ur-Rahman
Members	Mr. Muhammad Abdul Samad
	Mr. Abbas Sajjad
	Mr. Khalid Mahmood
	Ms Qurrat-ul-Ain Jafari
Secretary	Mr. Muhammad Umar Khan

### Risk Management Committee

Chairman	Mr. M. Habib-ur-Rahman
Members	Mr. Muhammad Abdul Samad
	Mr. Khalid Mahmood
Secretary	Mr. Muhammad Faizan Ghori

### Chief Internal Auditor

Mr. M. Uzair Uddin Siddiqui

### Registered Office

Ground Floor, Federation House, Sharaf 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



# First Quarter Report 2016 -17

## CHAIRMAN'S REVIEW

It is my pleasure to present the un-audited financial statements of Atlas Pension Fund (APF) and Atlas Pension Islamic Fund (APIF) for the three months period ended 30 September 2016 of the FY 2016-17.

## THE ECONOMY

During the period July -September FY 2016-17, total exports stood at US\$ 4.68 billion as compared to US\$ 5.14 billion worth of exports reported in the same period last year. The foreign exchange reserves of the country stood at US\$ 23.61 billion as on 30 September 2016 with SBP's share of US\$ 18.49 billion in the total liquid foreign exchange reserves. Foreign remittances for the period July-September FY 2016-17 stood at US\$ 4.70 billion, which was a decrease of 5.39% YoY compared to the corresponding period last year. CPI inflation for the period of July- September FY 2016-17 was recorded at 3.9%. The SBP in its latest monetary policy statement decided to keep the policy rate unchanged at 5.75%. Previously, accommodative monetary stance of SBP saw cumulative decline in policy rate of 425 bps since November 2014 till May 2016. The current policy rate of 5.75% is the lowest rate in last 44 years reflecting improved macro-economic conditions.

## FUND OPERATIONS - ATLAS PENSION FUND (APF)

The Net Asset Value of APF - Equity Sub Fund increased by 8.41% from Rs. 398.44 as on 30 June 2016 to Rs. 431.97 as on 30 September 2016. The APF- Equity Sub Fund mainly invested in Commercial Banks, Oil & Gas Exploration, Fertilizers and Cement sectors. The Net Asset Value of APF - Gold Sub Fund increased by 0.01% from Rs.114.44 to Rs.114.45 with total exposure in Gold based future contracts stood at 79.6%. The Net Asset Values of APF - Debt Sub Fund and APF - Money Market Sub Fund appreciated by 1.18% (4.68% on annualized basis) and 1.27% (5.04% on annualized basis) respectively during the period under review. The APF - Debt- Sub Fund was mainly invested in Pakistan Investment Bonds, Treasury Bills, Term Finance Certificates and Bank Placements and whereas APF-Money Market Sub Fund was mainly invested in Treasury Bills and high yielding bank deposits. The Net Assets of APF stood at Rs. 930.27 million as on 30 September 2016.

## FUND OPERATIONS - ATLAS PENSION ISLAMIC FUND (APIF)

The Net Asset Value of APIF - Equity Sub Fund increased by 8.93% from Rs. 525.06 as on 30 June 2016 to Rs.571.97 as on 30 September 2016. The APIF- Equity Sub Fund mainly invested in Oil and Gas Exploration, Cement, Fertilizers and Oil & Gas Marketing sectors. The Net Asset Values of APIF - Debt Sub Fund and APIF - Money Market Sub Fund have appreciated by 1.16% (4.59% on annualized basis) and 1.05% (4.18% on annualized basis) respectively during the period under review. The APIF Debt Sub-Fund & Money Market Sub Fund were mainly invested in GoP Ijarah Sukuks and high yielding bank deposits. The Net Assets of APIF has stood at Rs. 813.13 million as on 30 September 2016.

## RATINGS UPDATE

The Pakistan Credit Rating Agency Limited (PACRA) assigned asset manager rating of Atlas Asset Management Limited (AAML) to "AM2" (AM Two). 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.

# Atlas Pensions

## FUTURE OUTLOOK

Pakistan economic growth has accelerated in recent periods on the cumulative impact of the government's macroeconomic and structural reforms, lower oil prices, and improved security conditions. Inflation and the current account deficit have been lower than expected, while foreign exchange reserves have strengthened and the budget deficit has been reduced. Tax reforms were launched to improve revenue performance and substantial progress has been achieved toward restructuring the power sector. However, key challenges remain regarding improving productivity, increasing exports, attracting investment and strengthening public enterprises. Trade reforms and business friendly regulatory & administrative changes would also help improve business climate in the country. A major impetus to growth going forward will be the implementation of US\$ 46 billion program of infrastructure spending on roads, railways, pipelines and power projects under CPEC. Overall, improved macro-economic environment has thus opened up opportunity for efficient reforms to ensure improvements in the economy are sustainable.

The APF and APIF are committed to prudent investment procedures and will continue to provide consistent long term returns to the investors.

خودی کو کر بلند اتنا کہ ہر تقدیر سے پہلے  
خدا بندے سے خود پوچھے بتا تیری رضا کیا ہے

(Self-reliance depends on Self-determination)

## ACKNOWLEDGEMENT

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

Karachi: 27 October 2016

Yusuf H. Shirazi  
Chairman

## Atlas Pension Fund

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### Corporate Information

#### **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

#### **Auditors**

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EY Ford Rhodes  
Chartered Accountants

#### **Legal Advisers**

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Bawaney & Partners

#### **Bankers**

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Allied Bank Limited  
Bank Alfalah Limited  
Faysal Bank Limited

# Atlas Pension Fund

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED) AS AT 30 SEPTEMBER 2016

30 September 2016 (Un-audited)							30 June 2016 (Audited)					
Note	Rupees						Rupees					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund	Others	Total
<b>ASSETS</b>												
Bank balances	25,042,315	107,015,808	85,550,857	8,347,879	265,754	226,222,613	13,876,486	59,985,074	46,880,451	28,013,761	16,034,777	164,790,549
Investments - net	341,397,694	199,120,312	138,396,040	19,871,940	-	698,785,986	295,787,480	239,966,487	181,788,650	-	-	717,542,617
Receivable against sale of investments	1,101,916	-	-	-	-	1,101,916	3,978,395	-	-	-	-	3,978,395
Financial assets at fair value through profit or loss	-	-	-	-	-	-	-	-	-	1,543,743	-	1,543,743
Dividend receivable	3,385,400	-	-	-	-	3,385,400	715,000	-	-	-	-	715,000
Interest accrued	97,182	4,196,517	110,197	120,918	-	4,524,814	57,681	4,926,376	4,542,428	55,484	-	9,581,969
Margin deposits with Pakistan Mercantile Exchange Limited against future contracts	-	-	-	9,657,013	-	9,657,013	-	-	-	8,012,293	-	8,012,293
Security deposit and other receivables	919,068	666,778	215,356	61,884	2,852	1,865,938	7,063,168	5,292,328	6,808,097	83,925	2,852	19,250,370
<b>Total assets</b>	<b>371,943,575</b>	<b>310,999,415</b>	<b>224,272,450</b>	<b>38,059,634</b>	<b>268,606</b>	<b>945,543,680</b>	<b>321,478,210</b>	<b>310,170,265</b>	<b>240,019,626</b>	<b>37,709,206</b>	<b>16,037,629</b>	<b>925,414,936</b>
<b>LIABILITIES</b>												
Payable against redemption of units	61,785	104,000	71,686	-	128,484	365,955	3,305	1,641,460	213,238	165,898	123,776	2,147,677
Payable against purchase of investments	3,082,104	-	-	-	-	3,082,104	446,390	-	-	-	-	446,390
Payable to the Pension Fund Manager	2,245,145	1,507,302	921,801	273,273	-	4,947,521	2,180,174	1,500,550	920,755	272,298	-	4,873,777
Payable to the Central Depository Company of Pakistan Limited - Trustee	55,135	43,436	33,150	5,211	-	136,932	46,559	42,091	32,841	5,065	-	126,556
Payable to the Securities and Exchange Commission of Pakistan	29,165	25,963	19,606	3,149	-	77,883	90,897	91,085	71,748	11,011	-	264,741
Financial liabilities at fair value through profit or loss	-	-	-	404,737	-	404,737	-	-	-	-	-	-
Payable to the auditors	20,319	18,089	13,659	2,194	-	54,261	63,036	63,138	49,763	7,666	-	183,603
Accrued expenses and other liabilities	3,201,863	1,616,795	1,117,516	128,832	140,122	6,205,128	3,184,049	1,609,771	1,111,997	127,584	15,913,853	21,947,254
<b>Total liabilities</b>	<b>8,695,516</b>	<b>3,315,584</b>	<b>2,177,418</b>	<b>817,395</b>	<b>268,606</b>	<b>15,274,520</b>	<b>6,014,410</b>	<b>4,948,095</b>	<b>2,400,342</b>	<b>589,522</b>	<b>16,037,629</b>	<b>29,989,998</b>
<b>NET ASSETS</b>	<b>363,248,059</b>	<b>307,683,831</b>	<b>222,095,031</b>	<b>37,242,239</b>	<b>-</b>	<b>930,269,160</b>	<b>315,463,800</b>	<b>305,222,170</b>	<b>237,619,284</b>	<b>37,119,684</b>	<b>-</b>	<b>895,424,938</b>
<b>Represented by:</b>												
<b>PARTICIPANTS' SUB-FUNDS</b> (as per statement attached)	<b>363,248,059</b>	<b>307,683,831</b>	<b>222,095,031</b>	<b>37,242,239</b>	<b>-</b>	<b>930,269,160</b>	<b>315,463,800</b>	<b>305,222,170</b>	<b>237,619,284</b>	<b>37,119,684</b>	<b>-</b>	<b>895,424,938</b>
<b>Number of units in issue</b>	<b>840,911</b>	<b>1,380,472</b>	<b>1,045,673</b>	<b>325,406</b>			<b>791,745</b>	<b>1,385,597</b>	<b>1,132,972</b>	<b>324,352</b>		
<b>Net asset value per unit</b>	<b>431.97</b>	<b>222.88</b>	<b>212.39</b>	<b>114.45</b>			<b>398.44</b>	<b>220.28</b>	<b>209.73</b>	<b>114.44</b>		
<b>Contingencies and commitments</b>												

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

**For Atlas Asset Management Limited  
(Pension Fund Manager)**

**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)**  
FOR THE QUARTER ENDED 30 SEPTEMBER 2016

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For the Quarter ended 30 September 2016 (Un-audited)						For the Quarter ended 30 September 2015 (Un-audited)					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund	Total		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund	Total
Note	-----Rupees-----						-----Rupees-----				
<b>INCOME</b>											
Interest income	13	302,905	5,498,818	3,690,882	475,278	9,967,883	98,870	5,751,810	3,557,288	505,629	9,913,597
Dividend income		3,813,100	-	-		3,813,100	3,366,500	-	-	-	3,366,500
Capital gain/(loss) on sale of investments at fair value through income statement - net		11,149,367	-	-	-	11,149,367	2,807,384	-	-	(977)	2,806,407
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		14,202,262	-	-	(393)	14,201,868	(32,201,935)	-	-	-	(32,201,935)
		<b>25,351,628</b>	<b>-</b>	<b>-</b>	<b>(393)</b>	<b>25,351,235</b>	<b>(29,394,551)</b>	<b>-</b>	<b>-</b>	<b>(977)</b>	<b>(29,395,528)</b>
Realised gain / (loss) on gold contracts		-	-	-	96,691	96,691	-	-	-	(1,409,258)	(1,409,258)
Net unrealised (loss) / gain on future contracts of gold		-	-	-	(404,737)	(404,737)	-	-	-	143,503	143,503
(Loss) / Gain on sale / maturity of 'available for sale investments' - net		-	(357,456)	(199,451)	-	(556,907)	-	526,601	47,466	-	574,067
		<b>29,467,634</b>	<b>5,141,362</b>	<b>3,491,432</b>	<b>166,838</b>	<b>38,267,265</b>	<b>(25,929,181)</b>	<b>6,278,411</b>	<b>3,604,754</b>	<b>(761,103)</b>	<b>(16,807,119)</b>
<b>EXPENDITURE</b>											
Remuneration of Pension Fund Manager	8.1	1,313,735	584,763	294,385	94,555	2,287,438	1,023,389	498,426	248,006	79,385	1,849,206
Sindh sales tax on remuneration of the Pension Fund Manager	8.2	170,786	76,019	38,270	12,292	297,367	166,198	80,944	40,276	12,892	300,310
Federal Excise Duty on remuneration of the Pension Fund Manager	8.3	-	-	-	-	-	163,742	79,748	39,681	12,702	295,873
Remuneration to the Central Depository Company of Pakistan Limited - Trustee		131,374	116,952	88,314	14,182	350,822	102,341	99,687	74,398	11,898	288,324
Sindh sales tax on Trustee Fee		17,079	15,204	11,481	1,844	45,608	14,328	13,956	10,416	1,666	40,366
Annual fee - Securities and Exchange Commission of Pakistan		29,165	25,963	19,606	3,149	77,883	22,738	22,153	16,536	2,637	64,064
Auditor's remuneration		22,180	17,740	12,780	2,164	54,865	16,427	16,043	11,956	1,891	46,317
Securities' transaction cost and settlement charges		334,176	1,695	1,737	34,605	372,213	213,314	11,055	1,710	35,583	261,662
Bank charges		32,181	6,451	6,812	2,731	48,175	14,850	1,458	563	248	17,119
Provision for Workers' Welfare Fund	10.1	-	-	-	-	-	-	109,099	63,224	-	172,323
		<b>2,050,677</b>	<b>844,787</b>	<b>473,385</b>	<b>165,522</b>	<b>3,534,370</b>	<b>1,737,327</b>	<b>932,569</b>	<b>506,766</b>	<b>158,902</b>	<b>3,335,564</b>
<b>Net income / (loss) income for the period</b>		<b>27,416,957</b>	<b>4,296,575</b>	<b>3,018,047</b>	<b>1,317</b>	<b>34,732,895</b>	<b>(27,666,508)</b>	<b>5,345,842</b>	<b>3,097,988</b>	<b>(920,005)</b>	<b>(20,142,683)</b>
<b>Earnings / (Loss) earnings per unit</b>		<b>32.60</b>	<b>3.11</b>	<b>2.89</b>	<b>0.00</b>		<b>(38.18)</b>	<b>4.17</b>	<b>3.15</b>	<b>(2.88)</b>	

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

**For Atlas Asset Management Limited**  
**(Pension Fund Manager)**

M. Habib-ur-Rahman  
Chief Executive Officer

Yusuf H. Shirazi  
Chairman

Tariq Amin  
Director

# Atlas Pension Fund

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2016

	For the Quarter ended 30 September 2016 (Un-audited)					For the Quarter ended 30 September 2015 (Un-audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund	Total
	-----Rupees-----					-----Rupees-----				
Net income / (loss) for the period	27,416,957	4,296,575	3,018,047	1,317	34,732,896	(27,666,508)	5,345,842	3,097,988	(920,005)	(20,142,683)
Income that may be re-classified subsequently to Income Statement										
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'available for sale'	-	(666,722)	(79,918)	-	(746,639)	-	1,032,881	(11,601)	-	1,021,280
Total comprehensive income / (loss) for the period	27,416,957	3,629,853	2,938,130	1,317	33,986,256	(27,666,508)	6,378,723	3,086,387	(920,005)	(19,121,403)

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

For Atlas Asset Management Limited  
(Pension Fund Manager)

**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
FOR THE QUARTER ENDED 30 SEPTEMBER 2016

# First Quarter Report 2016 -17

For the Quarter ended 30 September 2016 (Un-audited)						
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund	Others	Total	
-----Rupees-----						
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Net income / (loss) for the period	27,416,957	4,296,575	3,018,047	1,317	-	34,732,895
<b>Adjustments for:</b>						
Interest income	(302,905)	(5,498,818)	(3,690,882)	(475,278)	-	(9,967,883)
Dividend income	(3,813,100)	-	-	-	-	(3,813,100)
(Gain)/Loss on sale of investments at fair value						
through income statement - net	(11,149,367)	-	-	-	-	(11,149,367)
Realised (gain) / loss on gold contracts	-	-	-	(96,691)	-	(96,691)
Capital loss / (gain) on sale / maturity of						
available for sale/investments - net	-	357,456	199,451	-	-	556,907
Net unrealised (appreciation) / diminution on						
re-measurement of investments classified as financial						
assets at fairvalue through profit or loss'	(14,202,262)	-	-	393	-	(14,201,868)
Net unrealised loss / (gain) on future contracts of gold	-	-	-	404,737	-	404,737
Provision for Workers' Welfare Fund	-	-	-	-	-	-
	(2,050,677)	(844,787)	(473,385)	(165,522)	-	(3,534,370)
<b>Decrease/ (increase) in assets</b>						
Receivable against sale of investments	2,876,479	-	-	-	-	2,876,479
Margin deposits with Pakistan Mercantile						
Exchange Limited against future contracts	-	-	-	(1,644,720)	-	(1,644,720)
Security deposits and other receivables	6,144,100	4,625,550	6,592,741	22,041	-	17,384,432
	9,020,579	4,625,550	6,592,741	(1,622,680)	-	18,616,191
<b>Increase/ (decrease) in liabilities</b>						
Payable against redemption of units	58,480	(1,537,460)	(141,552)	(165,898)	4,708	(1,781,722)
Payable against purchase of investments	2,635,714	-	-	-	-	2,635,714
Payable to the Pension Fund Manager	64,971	6,752	1,046	975	-	73,744
Payable to Central Depository Company						
of Pakistan Limited - Trustee	8,576	1,345	309	146	-	10,376
Payable to the Securities and Exchange						
Commission of Pakistan	(61,732)	(65,122)	(52,142)	(7,862)	-	(186,858)
Payable to the auditors	(42,717)	(45,049)	(36,104)	(5,472)	-	(129,342)
Accrued expenses and other liabilities	17,814	7,024	5,519	1,248	(15,773,731)	(15,742,130)
	2,681,106	(1,632,511)	(222,924)	(176,864)	(15,769,023)	(15,120,218)
Interest received	263,404	6,228,677	8,123,113	409,844	-	15,025,037
Dividend received	1,142,700	-	-	-	-	1,142,700
Investments made during the period	(176,753,705)	(209,624,730)	(408,398,697)	(43,231,898)	-	(838,009,031)
Investments sold / matured during the period	156,495,121	249,446,728	451,511,940	25,000,000	-	882,453,789
	(18,852,481)	46,050,674	51,236,356	(17,822,054)	-	60,612,495
<b>Net cash (used in) / generated from operating activities (carried forward)</b>	(9,201,473)	48,198,926	57,132,788	(19,787,120)	(15,769,023)	60,574,098

For the Quarter ended 30 September 2015 (Un-audited)					
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund	Others	Total
-----Rupees-----					
(27,666,508)	5,345,842	3,097,988	(920,005)	-	(20,142,683)
(98,870)	(5,751,810)	(3,557,288)	(505,629)	-	(9,913,597)
(3,366,500)	-	-	-	-	(3,366,500)
(2,807,384)	-	-	977	-	(2,806,407)
-	-	-	1,409,258	-	1,409,258
-	(526,601)	(47,466)	-	-	(574,067)
32,201,935	-	-	-	-	32,201,935
-	-	-	(143,503)	-	(143,503)
-	109,099	63,224	-	-	172,323
(1,737,327)	(823,470)	(443,542)	(158,902)	-	(3,163,241)
2,187,086	-	-	-	-	2,187,086
-	-	-	1,891,700	-	1,891,700
(41,390)	-	-	-	-	(41,390)
2,145,696	-	-	1,891,700	-	4,037,396
-	-	-	-	3,001	3,001
(7,522,988)	-	-	-	-	(7,522,988)
194,140	(43,556)	(38,522)	(1,709)	1,849	112,202
6,144	3,851	4,722	424	-	15,141
(49,455)	(53,462)	(38,580)	(8,165)	-	(149,662)
(43,951)	(47,061)	(34,308)	(7,185)	-	(132,505)
4,068	(2,671)	1,627	238	(3,026,416)	(3,023,154)
(7,412,042)	(142,899)	(105,061)	(16,397)	(3,021,566)	(10,697,965)
102,502	9,325,014	3,457,069	454,893	-	13,339,478
1,512,204	-	-	-	-	1,512,204
(130,068,740)	(210,354,640)	(184,520,443)	(20,020,377)	-	(544,964,200)
111,779,909	212,535,626	210,531,302	38,076,606	-	572,923,443
(16,674,125)	11,506,000	29,467,928	18,511,122	-	42,810,925
(23,677,798)	10,539,631	28,919,325	20,227,523	(3,021,566)	32,987,115

# Atlas Pension Fund

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

FOR THE QUARTER ENDED 30 SEPTEMBER 2016

Note	For the Quarter ended 30 September 2016 (Un-audited)						For the Quarter ended 30 September 2015 (Un-audited)					
	Equity	Debt	Money	Gold	Others	Total	Equity	Debt	Money	Gold	Others	Total
	Sub-Fund	Sub-Fund	Market	Sub-Fund			Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund		
	-----Rupees-----						-----Rupees-----					
Net cash (used in) / generated from operating activities (brought forward)	(9,201,473)	48,198,926	57,132,788	(19,787,120)	(15,769,023)	60,574,098	(23,677,798)	10,539,631	28,919,325	20,227,523	(3,021,566)	32,987,115
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts on issue of units												
- Directly by participants	22,514,218	11,145,888	17,062,987	121,238	-	50,844,331	11,807,685	8,174,028	4,994,682	49,269	-	25,025,664
Payment on redemptions of units												
- Directly by participants	(2,117,309)	(12,301,994)	(35,525,369)	-	-	(49,944,672)	(2,304,351)	(7,129,529)	(5,528,855)	-	-	(14,962,735)
- Transfer to other Pension Fund	(29,607)	(12,086)	-	-	-	(41,693)	(1,009,063)	(198,002)	(792,935)	-	-	(2,000,000)
	(2,146,916)	(12,314,080)	(35,525,369)	-	-	(49,986,365)	(3,313,414)	(7,327,531)	(6,321,790)	-	-	(16,962,735)
Net cash generated from / (used in) financing activities	20,367,302	(1,168,192)	(18,462,382)	121,238	-	857,966	8,494,271	846,497	(1,327,108)	49,269	-	8,062,929
Net increase / (decrease) in cash and cash equivalents	11,165,829	47,030,734	38,670,406	(19,665,882)	(15,769,023)	61,432,064	(15,183,527)	11,386,128	27,592,217	20,276,792	(3,021,566)	41,050,044
Cash and cash equivalents at the beginning of the period	13,876,486	59,985,074	46,880,451	28,013,761	16,034,777	164,790,549	18,131,791	16,041,271	40,134,454	6,416,566	3,997,113	84,721,195
Cash and cash equivalents at the end of the period	25,042,315	107,015,808	85,550,857	8,347,879	265,754	226,222,613	2,948,264	27,427,399	67,726,671	26,693,358	975,547	125,771,239
4												

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

**For Atlas Asset Management Limited  
(Pension Fund Manager)**



# First Quarter Report 2016 -17

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB-FUNDS (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2016

For the Quarter ended 30 September 2016 (Un-audited)						For the Quarter ended 30 September 2015 (Un-audited)					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund	Total		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund	Total
Note	Rupees						Rupees				
Net assets at the beginning of the period	315,463,800	305,222,170	237,619,284	37,119,684	895,424,938		268,049,084	260,566,857	196,200,001	32,349,574	757,165,516
Issue of units											
- Directly by participants	22,514,218	11,145,888	17,062,987	121,238	50,844,331	14	11,807,685	8,174,028	4,994,682	49,269	25,025,664
Redemption of units											
- Directly by participants	(2,117,309)	(12,301,994)	(35,525,369)	-	(49,944,672)		(2,304,351)	(7,129,529)	(5,528,855)	-	(14,962,735)
- Transfer to other Pension Fund	(29,607)	(12,086)	-	-	(41,693)		(1,009,063)	(198,002)	(792,935)	-	(2,000,000)
	(2,146,916)	(12,314,080)	(35,525,369)	-	(49,986,365)		(3,313,414)	(7,327,531)	(6,321,790)	-	(16,962,735)
Net income / (loss) for the period	16,267,590	4,654,031	3,217,497	1,317	24,140,435		(30,473,892)	4,819,241	3,050,522	(919,028)	(23,523,157)
Gain/(loss) on sale of investments at fair value through income statement - net	11,149,367	-	-	-	11,149,367		2,807,384	-	-	(977)	2,806,407
(Loss) / gain on sale / maturity of available for sale investments - net	-	(357,456)	(199,451)	-	(556,907)		-	526,601	47,466	-	574,067
Other comprehensive (loss) / income for the period	-	(666,722)	(79,918)	-	(746,639)		-	1,032,881	(11,601)	-	1,021,280
Total comprehensive income / (loss) for the period	27,416,957	3,629,853	2,938,129	1,317	33,986,256		(27,666,508)	6,378,723	3,086,387	(920,005)	(19,121,403)
Net assets at the end of the period	363,248,059	307,683,831	222,095,031	37,242,239	930,269,160		248,876,847	267,792,077	197,959,280	31,478,838	746,107,042

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

For Atlas Asset Management Limited  
(Pension Fund Manager)

M. Habib-ur-Rahman  
Chief Executive Officer

Yusuf H. Shirazi  
Chairman

Tariq Amin  
Director

# Atlas Pension Fund

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2016

### 1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 The Atlas Pension Fund (APF) was established under a Trust Deed executed between Atlas Asset Management Limited (AAML) as Pension Fund Manager and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on 8 June 2007 and was executed under the Voluntary Pension System Rules, 2005 (VPS Rules). The Trust Deed has been amended through the First Supplement Trust Deed dated 6 June 2013, with the approval of the SECP. The Offering Document has been amended through the First Supplement dated 18 December 2008, the Second Supplement dated 28 March 2011 which has been further amended on 2 June 2016, the Third Supplement dated 15 July 2013, Fourth Supplement dated 31 March 2015, and Fifth Supplement dated 4 August 2015, with the approval of SECP. The Pension Fund Manager of the Fund has been licensed to act as a Pension Fund Manager under the VPS Rules through a certificate of registration issued by the SECP. The registered office of the Pension Fund Manager is situated at Ground Floor, Federation House, Shahra-e-Firdousi, Clifton, Karachi.

1.2 The objective of Atlas Pension Fund (APF) is to provide individuals with a portable, individualised, funded (based on defined contribution) and flexible pension scheme assisting and facilitating them to plan and provide for their retirement. The Fund operates under an umbrella structure and is composed of Sub-Funds, each being a collective investment scheme.

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

1.3 In June 2013, the Pension Fund Manager obtained approval from the SECP for the establishment of a fourth sub fund, the APF - Gold Sub Fund. The APF- Gold Sub Fund was established under the First Supplement Trust Deed executed on 6 June 2013 between AAML as the Pension Fund Manager and the CDC as the Trustee. The First Supplemental Trust Deed was approved by the SECP under the Voluntary Pension System Rules, 2005 (VPS Rules) vide letter no.9(1)SEC/SCD/PW-AAML-01/536 dated 14 June 2013, and the core investment of Rs.30 million by the Pension Fund Manager was invested on 28 June 2013. Approval of the 3rd Supplemental Offering Document of the Fund was received on 15 July 2013 from the SECP, whereafter, the APF-GSF was launched for public subscription w.e.f. 16 July 2013.

1.4 At present, the Fund consists of the following four Sub-Funds:

#### **APF - Equity Sub-Fund (APF - ESF)**

The objective of APF - ESF is to achieve long term capital growth. APF- ESF shall invest primarily in equity securities, with a minimum investment of 90% of its net asset value in listed shares.

#### **APF - Debt Sub-Fund (APF - DSF)**

The objective of APF - DSF is to provide income along with capital preservation. APF - DSF shall invest primarily in tradable debt securities with the weighted average duration of the investment portfolio of the Sub-Fund not exceeding five years.

#### **APF - Money Market Sub-Fund (APF - MMSF)**

The objective of APF - MMSF is to provide regular income along with capital preservation. APF - MMSF shall invest primarily in short term debt securities with the weighted average time to maturity of net assets of the Sub-Fund not exceeding ninety days.

#### **APF - Gold Sub-Fund (APF - GSF)**

The objective of APF - GSF is to provide the capital appreciation through investment in Gold or Gold futures contracts traded on the Pakistan Mercantile Exchange Limited.

1.5 The Sub-Funds' units of APF -ESF, APF-DSF and APF -MMSF are issued against contributions by the eligible participants on a continuous basis since 28 June 2007 and units of APF- GSF w.e.f. 16 July 2013 and can be redeemed by surrendering them to the Fund.

The participants of the Fund voluntarily determine the contribution amount subject to the minimum limit fixed by the Pension Fund Manager. Such contributions received from the participants are allocated among the Sub-Funds, in accordance with their respective preferences and in line with the prescribed allocation policy. The units held by the participants in the Sub-Funds can be redeemed on or before their retirement and in case of disability or death subject to conditions laid down in the Offering Document, VPS Rules and the Income Tax Ordinance, 2001. According to the Trust Deed, there shall be no distribution from the Sub-Funds, and all income earned by the Sub-Funds shall be accumulated and retained in the Fund.

### 2. BASIS OF PREPARATION

#### 2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standard - 34" Interim Financial Reporting" as applicable in Pakistan and the requirements of the Trust Deed, the Rules and the directives / guidelines issued by the SECP. Wherever the requirements of the Trust Deed, the Rules or the directives / guidelines issued by the SECP differ with the requirements of this standard, the requirements of the Trust Deed, the Rules or the requirements of the said directives / guidelines prevail.

These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Fund for the year ended 30 June 2016.

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 2016.

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 2016.

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 2016.

## 4. BANK BALANCES

		30 September 2016 (Un-audited)						30 June 2016 (Audited)					
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund	Others (note 4.1)	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund	Others (note 4.1)	Total
Note		-----Rupees-----						-----Rupees-----					
In current account	4.1	-	-	-	-	88,471	88,471	-	-	-	-	15,693,632	15,693,632
In savings accounts	4.2	25,042,315	107,015,808	85,550,857	8,347,879	177,283	226,134,142	13,876,486	59,985,074	46,880,451	28,013,761	341,145	149,096,917
		<b>25,042,315</b>	<b>107,015,808</b>	<b>85,550,857</b>	<b>8,347,879</b>	<b>265,754</b>	<b>226,222,613</b>	<b>13,876,486</b>	<b>59,985,074</b>	<b>46,880,451</b>	<b>28,013,761</b>	<b>16,034,777</b>	<b>164,790,549</b>

4.1 These represent collection and redemption accounts maintained by the Fund. The rate of return on savings account is 6.50% per annum (30 June 2016: 6.40% per annum).

4.2 These carry interest at the rates ranging from 4.00% to 6.50% (30 June 2016: 5.45% to 6.40%) per annum.

# Atlas Pension Fund

## 5. INVESTMENTS - NET

Note	30 September 2016 (Un-audited)					30 June 2016 (Audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund	Total
	-----Rupees-----					-----Rupees-----				
5.1	341,397,694	-	-	-	341,397,694	295,787,480	-	-	-	295,787,480
5.2	-	28,826,430	138,396,040	19,871,940	187,094,410	-	74,848,296	93,565,972	-	168,414,268
5.3	-	22,765,856	-	-	22,765,856	-	22,748,062	-	-	22,748,062
5.4	-	14,000,000	-	-	14,000,000	-	-	-	-	-
5.5	-	133,528,026	-	-	133,528,026	-	142,370,129	88,222,678	-	230,592,807
	-	199,120,312	138,396,040	19,871,940	357,388,292	-	239,966,487	181,788,650	-	421,755,137
	341,397,694	199,120,312	138,396,040	19,871,940	698,785,986	295,787,480	239,966,487	181,788,650	-	717,542,617

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## 5.1 Equity Sub-Fund - Equity securities - Listed - At fair value through profit or loss

Name of the investee company	As at 1 July 2016	Purchases during the period	Bonus shares during the period	Sales during the period	As at 30 September 2016	Balance as at 30 September 2016		Market value as a % of net assets of the Sub-Fund	Market value as a % of paid-up capital of the investee company
						Cost	Market Value		

-----Number of shares-----Rupees-----Percentage-----

Fully paid-up ordinary shares of Rs. 10/- each unless otherwise stated.

### Inv. Bank/ Inv. Companies/ Securities Co.

Jahangir Siddiqui & Company Limited	-	80,000	-	-	80,000	1,782,495	1,823,200	0.50	0.0087
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### Commercial Banks

Bank Alfalah Limited	220,000	280,000	-	-	500,000	13,760,075	14,365,000	3.95	0.0313
Bank Al Habib Limited	355,000	180,000	-	290,000	245,000	10,669,138	11,020,100	3.03	0.0220
Faysal Bank Limited	-	237,500	-	-	237,500	3,811,030	3,762,000	1.04	0.0198
Habib Bank Limited	90,000	-	-	20,000	70,000	13,829,200	15,456,700	4.26	0.0048
MCB Bank Limited	35,900	20,000	-	25,900	30,000	6,508,017	6,624,000	1.82	0.0027
Meezan Bank Limited	-	100,000	-	100,000	-	-	-	-	-
National Bank of Pakistan	-	37,500	-	37,500	-	-	-	-	-
The Bank of Punjab	-	200,000	-	15,000	185,000	2,210,500	2,464,200	0.68	0.0119
United Bank Limited	90,000	-	-	15,000	75,000	13,269,000	14,908,500	4.10	0.0061
	<b>790,900</b>	<b>1,055,000</b>	<b>-</b>	<b>503,400</b>	<b>1,342,500</b>	<b>64,056,960</b>	<b>68,600,500</b>	<b>18.88</b>	

### Insurance

Adamjee Insurance Company Limited	-	200,000	-	122,500	77,500	3,969,643	4,233,050	1.17	0.0221
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### Textile Composite

Gul Ahmed Textile Mills Limited	102,000	-	-	102,000	-	-	-	-	-
Nishat (Chunian) Limited	-	30,000	-	-	30,000	1,387,127	1,375,800	0.38	0.0125
Nishat Mills Limited	112,500	-	-	20,000	92,500	9,980,750	13,033,250	3.59	0.0263
	<b>214,500</b>	<b>30,000</b>	<b>-</b>	<b>122,000</b>	<b>122,500</b>	<b>11,367,877</b>	<b>14,409,050</b>	<b>3.97</b>	

### Cement

Dewan Cement Limited	-	150,000	-	150,000	-	-	-	-	-
D G Khan Cement Company Limited	85,000	15,000	-	20,000	80,000	15,230,530	14,870,400	4.09	0.0183
Fauji Cement Company Limited	185,000	65,000	-	-	250,000	9,108,720	8,817,500	2.43	0.0188
Kohat Cement Limited	12,500	-	-	-	12,500	3,274,000	3,214,625	0.88	0.0081
Lucky Cement Limited	22,000	-	-	7,000	15,000	9,727,650	10,158,900	2.80	0.0046
Pioneer Cement Limited	57,500	17,500	-	-	75,000	8,040,669	7,926,750	2.18	0.0330
	<b>362,000</b>	<b>247,500</b>	<b>-</b>	<b>177,000</b>	<b>432,500</b>	<b>45,381,569</b>	<b>44,988,175</b>	<b>12.38</b>	

### Refinery

Attock Refinery Limited	-	5,000	-	5,000	-	-	-	-	-
National Refinery Limited	12,500	-	-	3,500	9,000	4,278,600	5,090,310	1.40	-
	<b>12,500</b>	<b>5,000</b>	<b>-</b>	<b>8,500</b>	<b>9,000</b>	<b>4,278,600</b>	<b>5,090,310</b>	<b>1.40</b>	

# Atlas Pension Fund

## 5.1 Equity Sub-Fund - Equity securities - Listed - At fair value through profit or loss (Continued...)

Name of the investee company	As at 1 July 2016	Purchases during the period	Bonus shares during the period	Sales during the period	As at 30 September 2016	Balance as at 30 September 2016		Market value as a % of net assets of the Sub-Fund	Market value as a % of paid-up capital of the investee company
						Cost	Market Value		
			-----Number of shares-----			-----Rupees-----		-----Percentage-----	
Fully paid-up ordinary shares of Rs. 10/- each unless otherwise stated.									
<b>Power Generation &amp; Distribution</b>									
Engro Powergen Qadirpur Limited	-	65,000	-	-	65,000	1,962,575	2,039,700	0.56	0.0201
Nishat Chunian Power Limited	60,000	65,000	-	-	125,000	6,778,415	6,968,750	1.92	0.0340
Nishat Power Limited	-	233,500	-	-	233,500	12,388,050	13,134,375	3.62	0.0659
The Hub Power Company Limited	25,000	72,500	-	25,000	72,500	9,396,490	8,639,825	2.38	0.0063
	<b>85,000</b>	<b>436,000</b>	<b>-</b>	<b>25,000</b>	<b>496,000</b>	<b>30,525,530</b>	<b>30,782,650</b>	<b>8.48</b>	
<b>Oil and Gas Marketing Companies</b>									
Attock Petroleum Limited	2,500	-	-	2,500	-	-	-	-	-
Hi - Tech Lubricants Limited	50,000	47,500	-	97,500	-	-	-	-	-
Pakistan State Oil Company Limited	51,000	-	-	16,000	35,000	13,141,100	14,494,900	3.99	0.0129
Sui Northern Gas Pipelines Limited	-	70,000	-	-	70,000	3,337,665	3,508,400	0.97	0.0110
	<b>103,500</b>	<b>117,500</b>	<b>-</b>	<b>116,000</b>	<b>105,000</b>	<b>16,478,765</b>	<b>18,003,300</b>	<b>4.96</b>	
<b>Oil and Gas Exploration Companies</b>									
Mari Petroleum Company Limited	24,000	11,500	-	11,500	24,000	22,532,494	22,908,720	6.31	0.0218
Oil & Gas Development Company Limited	125,000	40,000	-	60,000	105,000	14,559,689	14,829,150	4.08	0.0024
Pakistan Oilfields Limited	44,500	30,500	-	37,000	38,000	13,759,747	15,249,780	4.20	0.0161
Pakistan Petroleum Limited	62,500	-	-	27,500	35,000	5,426,750	5,728,450	1.58	0.0018
	<b>256,000</b>	<b>82,000</b>	<b>-</b>	<b>136,000</b>	<b>202,000</b>	<b>56,278,680</b>	<b>58,716,100</b>	<b>16.17</b>	
<b>Industrial Engineering</b>									
Amreli Steels Limited	65,000	60,000	-	75,000	50,000	2,616,470	3,564,500	0.98	0.0168
Mughal Iron and Steel Industry Limited	750	10,000	-	10,000	750	51,305	64,133	0.02	0.0006
	<b>65,750</b>	<b>70,000</b>	<b>-</b>	<b>85,000</b>	<b>50,750</b>	<b>2,667,775</b>	<b>3,628,633</b>	<b>1.00</b>	
<b>Automobile Assembler</b>									
Millat Tractors Limited	-	3,000	-	-	3,000	1,829,496	2,036,940	0.56	0.0068
Pak Suzuki Motors Company Limited	7,000	-	-	7,000	-	-	-	-	-
	<b>7,000</b>	<b>3,000</b>	<b>-</b>	<b>7,000</b>	<b>3,000</b>	<b>1,829,496</b>	<b>2,036,940</b>	<b>0.56</b>	
<b>Automobile Parts &amp; Accessories</b>									
Agriauto Industries Limited (face value Rs. 5/- per share)	7,000	11,000	-	5,000	13,000	2,544,144	3,771,690	1.04	0.0903
Thal Limited (face value Rs. 5/- per share)	10,000	-	-	3,000	7,000	1,981,140	2,839,550	0.78	0.0173
	<b>17,000</b>	<b>11,000</b>	<b>-</b>	<b>8,000</b>	<b>20,000</b>	<b>4,525,284</b>	<b>6,611,240</b>	<b>1.82</b>	
<b>Transport</b>									
Pakistan National Shipping Corporation	-	30,000	-	-	30,000	3,350,070	3,379,800	0.93	0.0227

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**5.1 Equity Sub-Fund - Equity securities - Listed - At fair value through profit or loss (Continued...)**

Name of the investee company	As at 1 July 2016	Purchases during the period	Bonus shares during the period	Sales during the period	As at 30 September 2016	Balance as at 30 September 2016		Market value as a % of net assets of the Sub-Fund	Market value as a % of paid-up capital of the investee company
						Cost	Market Value		
	Number of shares					Rupees		Percentage	
Technology and Communication									
Hum Network Limited	-	125,000	-	125,000	-	-	-	-	-
Netsol Technologies Limited	40,000	20,000	-	60,000	-	-	-	-	-
Pakistan Telecommunication Company Limited	200,000	200,000	-	-	400,000	6,504,510	7,312,000	2.01	0.0106
	240,000	345,000	-	185,000	400,000	6,504,510	7,312,000	2.01	
Fertilizers									
Engro Corporation Limited	59,000	37,000	-	20,500	75,500	24,124,508	21,989,375	6.05	0.0144
Engro Fertilizers Limited	250,000	150,000	-	-	400,000	26,151,770	24,664,000	6.79	0.0301
Fauji Fertilizer Company Limited	45,000	-	-	45,000	-	-	-	-	-
	354,000	187,000	-	65,500	475,500	50,276,278	46,653,375	12.84	
Pharmaceuticals									
Abbot Laboratories (Pakistan) Limited	5,000	-	-	-	5,000	3,770,000	4,242,500	1.17	0.0051
Glaxosmithkline Pakistan Limited	-	15,000	-	7,000	8,000	1,711,926	1,727,200	0.48	0.0025
	5,000	15,000	-	7,000	13,000	5,481,926	5,969,700	1.65	
Chemicals									
Akzo Nobel Pakistan Limited	-	15,000	-	15,000	-	-	-	-	-
ICI Pakistan Limited	-	2,500	-	-	2,500	1,517,363	1,630,475	0.45	0.0027
	-	17,500	-	15,000	2,500	1,517,363	1,630,475	0.45	
Food & Personal Care Products									
Al Shaheer Corporation Limited	55,900	29,000	-	-	84,900	4,802,539	5,415,771	1.49	0.0687
Engro Foods Limited	17,500	-	-	-	17,500	2,858,275	2,560,425	0.70	0.0023
Nestle Pakistan Limited	400	-	-	-	400	2,920,000	3,040,000	0.84	0.0009
Rafhan Maize Products Company Limited	-	420	-	-	420	3,131,100	2,982,000	0.82	0.0045
	73,800	29,420	-	-	103,220	13,711,914	13,998,196	3.85	
Wollen									
Bannu Woollen Mills Limited	-	50,500	-	50,500	-	-	-	-	-
Miscellaneous									
Shifa International Hospitals Limited	10,000	700	-	-	10,700	3,210,699	3,531,000	0.97	0.0196
						327,195,434	341,397,694	93.99	

# Atlas Pension Fund

## 5.2 Treasury Bills - Available for sale

As at 1 July 2016	Purchased during the period	Matured / Sold during the period	As at 30 September 2016	Balance as at 30 September 2016		Market value as a % of net assets of the Sub-Fund
				Amortised cost	Market value	
-----Face value (Rupees)-----				-----Rupees-----		----Percentage----
76,000,000	165,000,000	211,000,000	30,000,000	28,854,228	28,826,430	9.37

### 5.2.1 Debt Sub-Fund

5.2.1.1 The cost of investments as on 30 September 2016 is Rs.28,558,500 (30 June 2016: Rs.73,716,875).

5.2.1.2 These Government treasury bills carry purchase yields ranging from of 5.84% to 5.86% (30 June 2016: 5.90% to 6.17%) per annum and will mature between 24 November 2016 and 20 July 2017 (30 June 2016: 21 July 2016 and 19 January 2017).

As at 1 July 2016	Purchased during the period	Matured / Sold during the period	As at 30 September 2016	Balance as at 30 September 2016		Market value as a % of net assets of the Sub-Fund
				Amortised cost	Market value	
----- Face value (Rupees) -----			-----Rupees-----		-----Percentage----	

### 5.2.2 Money Market Sub-Fund

Treasury Bills	94,000,000	410,000,000	364,000,000	140,000,000	<u>138,433,096</u>	<u>138,396,040</u>	<u>62.31</u>
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5.2.2.1 The cost of investments as on 30 September 2016 is Rs.137,028,500 (30 June 2016: Rs.92,028,922).

5.2.2.2 These Government treasury bills carry purchase yields ranging from 5.77% to 5.86% (30 June 2016: 5.90% to 6.16%) per annum and will mature between 13 October 2016 and 19 January 2017 (30 June 2016: 21 July 2016 and 18 August 2016).

As at 1 July 2016	Purchased during the period	Matured / Sold during the period	As at 30 September 2016	Balance as at 30 September 2016		Market value as a % of net assets of the Sub-Fund
				Amortised cost	Market value	
----- Face value (Rupees) -----				-----Rupees-----		----Percentage----

### 5.2.3 Gold Sub-Fund

Treasury Bills	-	45,000,000	25,000,000	20,000,000	<u>19,872,333</u>	<u>19,871,940</u>	<u>53.36</u>
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5.2.3.1 The cost of investments as on 30 September 2016 is Rs. 19,846,800 (30 June 2016: Rs.Nil).

5.2.3.2 The Government treasury bill carry purchase yield of 5.87% per annum (30 June 2016: Nil) .



## 5.3 Term Finance Certificates - Available for sale

### 5.3.1 Debt Sub-Fund

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

Name of Investee Company	Status	As at 1 July 2016	Purchased during the period	Matured / Sold during the period	As at 30 September 2016	Balance as at 30 September 2016		Market value as a % of net assets of the Sub-Fund	Market value as a % of total issue size
						Carrying Value	Market Value		
-----Number of Certificate-----Rupees-----Percentage-----									
Commercial Banks									
Bank Alfalah Limited - V	Listed	153	-	-	153	763,929	775,663	0.25	0.0155
Habib Bank Limited Tier II (face value of Rs. 100,000 per certificate)	Listed	200	-	-	200	19,996,000	19,977,664	6.49	0.4994
Soneri Bank Limited - II	Listed	400	-	-	400	1,999,200	2,012,529	0.65	0.0671
Chemicals									
Agritech Limited - IV (note 5.4.1)	Unlisted	29	-	-	29	-	-	-	-
						22,759,129	22,765,856	7.39	

## 5.4 Sukuk Certificates - Available for sale

### Debt Sub-Fund

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

Name of Investee Company	Status	As at 1 July 2016	Purchased during the period	Matured / sold during the period	As at 30 September 2016	Balance as at 30 September 2016		Market value as a % of net assets of the Sub-Fund	Market value as a % of total issue size
						Carrying Value	Market Value		
-----Number of Certificate-----						-----Rupees-----		-----Percentage-----	
<b>Banks</b>									
Meezan Bank Limited Tier - II (face value of Rs. 1,000,000 per certificate)	Unlisted	-	14	-	14	14,000,000	14,000,000	4.55	0.2333
<b>Chemicals</b>									
Agritech Limited	Unlisted	200	-	-	200	-	-	-	-
						<b>14,000,000</b>	<b>14,000,000</b>	<b>4.55</b>	<b>0.2333</b>

# Atlas Pension Fund

## 5.4.1 Particulars of non-performing investments

These securities have been classified as non-performing as per the requirements of SECP's Circular 1 of 2009 read with SECP's Circular 33 of 2012 and accordingly an aggregate provision of Rs. 1,145,000 (30 June 2016: Rs.1,145,000) has been made in accordance with the provisioning requirements specified by the SECP. During the year ended 30 June 2012, the Debt Sub-Fund had entered into a restructuring agreement with Agritech Limited (the Company) whereby all overdue profit receivable on Sukuk Certificates held by the Debt Sub-Fund was converted into zero coupon Term Finance Certificates (TFCs). In this regard, the aggregate provision also includes a provision amounting to Rs.145,000 against these TFCs to fully cover the amount of investment. Accordingly, the Fund holds 29 certificates (having face value of Rs. 5,000 each) of Agritech Limited IV as at 30 September 2016. The details of these non-performing investments are as follows:

Non-performing investment	Type of investment	Value before provision	Provision held	Net carrying value
-----Rupees-----				
Agritech Limited	Sukuk Certificates	1,000,000	1,000,000	-
Agritech Limited - IV	Term Finance Certificate	145,000	145,000	-
		<u>1,145,000</u>	<u>1,145,000</u>	<u>-</u>

## 5.5 Pakistan Investment Bonds - Available for sale

As at 1 July 2016	Purchased during the period	Matured / Sold during the period	As at 30 September 2016	Balance as at 30 September 2016		Market value as a % of net assets of Sub Fund
				Amortized Cost	Market value	
-----Face value (Rupees)-----				-----Rupees-----		----Percentage----
132,400,000	31,000,000	39,900,000	123,500,000	131,169,961	133,528,026	43.40

### 5.5.1 Debt Sub-Fund

5.5.1.1 Total cost of investment as at 30 September 2016 is Rs.131,782,655 (30 June 2016: Rs.139,814,697)

5.5.1.2 These carry interest at the rates ranging from 7.00% and 12.00% (30 June 2016: 7.00% and 12.00%) per annum and will mature between 17 July 2017 and 17 July 2024 (30 June 2016: 18 July 2016 and 17 July 2024).

As at 1 July 2016	Purchased during the period	Matured / Sold during the period	As at 30 September 2016	Balance as at 30 September 2016		Market value as a % of net assets of Sub Fund
				Amortized Cost	Market value	
-----Face value (Rupees)-----				-----Rupees-----		----Percentage----

### 5.5.2 Money Market Sub-Fund

Pakistan Investment Bonds	88,000,000	-	88,000,000	-	-	-
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5.5.2.1 Total cost of investment as at 30 September 2016 is Rs. Nil (30 June 2016: Cost Rs.89,180,641 and carry interest rates of 11.25% per annum with maturity on 18 July 2016)

## 6. FINANCIAL LIABILITIES / (ASSETS) AT FAIR VALUE THROUGH INCOME STATEMENT

### Held-for-trading - derivative financial instruments

- Future Gold Contracts (Financial Liabilities)
- Future Gold Contracts (Financial Assets)

Note	30 September 2016	30 June 2016
	(Un-audited)	(Audited)
	-----Rupees-----	
6.1	<u>404,737</u>	<u>-</u>
	<u>-</u>	<u>1,543,743</u>

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6.1 This represents net fair value of gold futures contracts entered into by the Fund at the Pakistan Mercantile Exchange Limited. The details of the outstanding contracts are given in the table below:

Commodity Contracts	Maturity Date	Quantity (Ounces)	Value of Gold in futures market US \$	Value of Gold in futures market equivalent Pak Rupees	Market Value as a Percentage of net assets
Gold - 10 OZ - Dec 2016	25 November 2016	180	237,528	24,850,179	66.73
Gold - 1 OZ - DEC 2016	25 November 2016	37	48,825	5,108,092	13.72
		<b>217</b>	<b>286,353</b>	<b>29,958,271</b>	<b>80.44</b>
Liabilities against gold futures at contracted rates USD\$ 282,485				29,553,534	
Unrealised loss on future contracts of gold				<b>404,737</b>	

## 7. INTEREST ACCRUED

	30 September 2016 (Un-audited)					30 June 2016 (Audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund	Total
	-----Rupees-----					-----Rupees-----				
Profit on deposits	97,182	116,241	110,197	120,918	444,538	57,681	67,609	54,791	55,484	235,565
Pakistan Investment Bonds	-	3,862,905	-	-	3,862,905	-	4,262,733	4,487,637	-	8,750,370
Term Finance Certificates and Sukuk Certificates	-	217,371	-	-	217,371	-	596,034	-	-	596,034
	<b>97,182</b>	<b>4,196,517</b>	<b>110,197</b>	<b>120,918</b>	<b>4,524,814</b>	<b>57,681</b>	<b>4,926,376</b>	<b>4,542,428</b>	<b>55,484</b>	<b>9,581,969</b>

## 8. PAYABLE TO THE PENSION FUND MANAGER - Related party

		30 September 2016 (Un-audited)						30 June 2016 (Audited)					
		Equity	Debt	Money	Gold			Equity	Debt	Money	Gold		
		Sub-Fund	Sub-Fund	Market	Sub-Fund	Others	Total	Sub-Fund	Sub-Fund	Market	Sub-Fund	Others	Total
Note		-----Rupees-----						-----Rupees-----					
Pension Fund Manager fee	8.1	439,259	189,698	96,122	30,750	-	755,829	378,413	182,111	94,361	29,625	-	684,510
Sindh sales tax on remuneration of the Pension Fund Manager	8.2	282,539	193,429	119,406	35,315	-	630,689	278,414	194,264	120,121	35,465	-	628,264
Federal Excise Duty payable on remuneration of the Pension Fund Manager	8.3	1,523,347	1,124,175	706,273	207,208	-	3,561,003	1,523,347	1,124,175	706,273	207,208	-	3,561,003
		2,245,145	1,507,302	921,801	273,273	-	4,947,521	2,180,174	1,500,550	920,755	272,298	-	4,873,777

# Atlas Pension Fund

- 8.1** In accordance with the provisions of the VPS Rules, the Pension Fund Manager is entitled to receive an annual management fee of 1.50% per annum average of the value of the net assets of the Fund calculated during the year for determining the prices of the units of the Sub-Funds. The Pension Fund Manager has charged its remuneration at the rate of 1.50% per annum (30 June 2016:1.50%) of the average value of the net assets of the Fund for the year on equity sub fund, whilst for APF - Debt Sub Fund, APF - Money Market Sub Fund and APF - Gold Sub Fund, the Pension Fund Manager has charged its remuneration at the rate of 0.75% (30 June 2016: 0.75%), 0.50% (30 June 2016: 0.50%) and 1.00% (30 June 2016: 1.00%) respectively of the average value of the net assets of these Sub Funds, which is paid monthly in arrears.
- 8.2** During the period, an amount of Rs.297,366 (2015: Rs.300,310) was charged on account of sales tax on remuneration of the Pension Fund Manager levied through Sindh Sales Tax on Services Act, 2011, and an amount of Rs.294,941 (2015: Rs.293,592) has been paid to the Pension Fund Manager which acts as a collecting agent.
- 8.3** 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 Pension Fund Manager 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 8.2 above, the Pension Fund Manager is of the view that further levy of FED is not justified.

On 4 September 2013, a Constitutional Petition has been filed in Honorable Sindh High Court (SHC) jointly by various asset management companies/pension fund managers including that of the Fund, together with their representative Collective Investment Schemes/Voluntary Pension Schemes through their trustees, challenging the levy of FED. In this respect, the Hon'ble SHC has issued a stay order against recovery proceedings. The hearing of the petition is pending.

In a recent order of the SHC, 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) have been set aside. However, as a matter of abundant caution full provision for FED which has been aggregating to Rs. 3,561,003 (30 June 2016: Rs.3,561,003) on remuneration of the Pension Fund Manager is being retained in the financial statements of the Fund from 13 June 2013 till 30 June 2016 as the management believes that the Federal government retains the right to appeal against the said order in the Supreme Court within the prescribed timeline.

With effect from 1 July 2016, FED on services provided or rendered by Pension Fund Managers dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

In response to the above mentioned judgment, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan. Thereafter, during the pendency of the present civil petition, the Supreme Court has suspended the operation of impugned SHC judgment. The matter is still pending adjudication.

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## 9. PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED (TRUSTEE) - Related Party

Note	30 September 2016 (Un-audited)					30 June 2016 (Audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund	Total
	-----Rupees-----					-----Rupees-----				
Trustee fee	43,925	37,939	28,836	4,611	115,311	37,841	36,422	28,308	4,443	107,014
Sindh sales tax on Trustee fee	5,710	4,932	3,749	599	14,990	5,298	5,099	3,963	622	14,982
Settlement charges	4,867	500	500	-	5,867	3,000	500	500	-	4,000
Sindh sales tax on settlement charges	633	65	65	-	763	420	70	70	-	560
	<b>55,135</b>	<b>43,436</b>	<b>33,150</b>	<b>5,211</b>	<b>136,932</b>	<b>46,559</b>	<b>42,091</b>	<b>32,841</b>	<b>5,065</b>	<b>126,556</b>

- 9.1 During the year, an amount of Rs.45,608 (2015: 40,366) 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. 45,599 (2015: 27,433) was paid to the Trustee which acts as a collecting agent.

## 10. ACCRUED EXPENSES AND OTHER LIABILITIES

Note	30 September 2016 (Un-audited)						30 June 2016 (Audited)					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund	Others	Total
	-----Rupees-----						-----Rupees-----					
Withholding tax payable	16,781	11,784	8,994	1,421	15,367	54,347	7,353	4,390	3,471	541	193,504	209,259
Payable to broker	8,387	-	367	367	-	9,121	-	370	371	-	-	741
Zakat payable	-	-	-	-	10,160	10,160	-	-	-	-	5,594	5,594
Provision for Workers' Welfare Fund	3,176,695	1,605,011	1,108,155	127,043	-	6,016,905	3,176,696	1,605,011	1,108,155	127,043	-	6,016,905
Others	-	-	-	-	114,594	114,594	-	-	-	-	15,714,755	15,714,755
	<b>3,201,863</b>	<b>1,616,795</b>	<b>1,117,516</b>	<b>128,832</b>	<b>140,122</b>	<b>6,205,127</b>	<b>3,184,049</b>	<b>1,609,771</b>	<b>1,111,997</b>	<b>127,584</b>	<b>15,913,853</b>	<b>21,947,254</b>

# Atlas Pension Fund

- 10.1** The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes/Mutual Funds (CISs)/Pension Funds whose income exceeds Rs. 0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a Constitutional Petition has been filed by certain CISs/Pension Funds through their trustees in the Honourable High Court of Sindh (SHC), challenging the applicability of WWF to the CISs / Pension Funds, which is pending adjudication. However, without prejudice to the above, the Pension Fund Manager has been providing for WWF contribution since the financial year ended 30 June 2010.

During the year ended 30 June 2011, a clarification was issued by the Ministry of Labour and Manpower (the Ministry) on 8 July 2010 which stated that Mutual Funds/Pension Funds are not liable to contribute to WWF on the basis of their income. However on 14 December 2010 the Ministry filed its response against the Constitutional Petition requesting the Court to dismiss the same. Show cause notices were then issued by the Federal Board of Revenue (FBR) to several Mutual Funds (CISs)/Pension Funds for the collection of WWF, including some of the mutual funds/pension funds managed by the Pension Fund Manager, including the Fund. In respect of such show cause notices, certain Mutual Funds (CISs)/Pension Funds, including the Fund, have been granted stay by the Honourable SHC on the basis of the pending constitutional petition as referred above.

In March 2013, a three member bench of the Sindh High Court in its judgment on various Constitutional Petitions challenging the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006, and the Finance Act, 2008, held that WWF is a tax and consequently, the amendments introduced in the Workers' Welfare Fund Ordinance, 1971 through Finance Act, 2006 and 2008 respectively (Money Bills) do not suffer from any constitutional or legal infirmity. This judgment was in contrast to the July 2011 single member bench decision of the Honorable Lahore High Court which had held such amendments as unlawful and unconstitutional for the reason that they were made through the money bills.

In a recent judgement of May 2014, the Honorable Peshawar High Court (PHC) has also held these amendments to be ultra vires as they lacked the essential mandate to be introduced and passed through the Money Bill under the constitution. For the CISs and Pension Funds, the issue of chargeability or otherwise of WWF levy to the CISs / Pension Funds is currently pending before the Honourable SHC. However, in the federal budget 2015, WWF on mutual fund was withdrawn w.e.f. 1 July 2015. No mention was made of VPS. WWF is no longer Federal subject and the Sindh Government has notified Sindh Workers Welfare Fund Act (SWWF), 2014 on 4 June 2015. The SWWF is not applicable on either mutual funds or VPS.

A decision on reversal of these provisions or otherwise will be taken based on the outcome of cases filed by Asset Management Companies in the Honourable High Court of Sindh. The Pension Fund Manager of the Fund, as a matter of abundant caution, has retained the provision in respect of WWF which amounts to Rs. 6,016,905 as at 30 September 2016 (30 June 2016: Rs.6,016,905). Had the same not been made, the net asset value per unit of the Equity Sub-Fund, Debt Sub-Fund, Money Market Sub-Fund and Gold Sub-Fund would have been higher by Rs.3.78, Rs.1.16, Rs.1.06 and Rs.0.39 (30 June 2016: Rs.4.01, Rs.1.16, Rs.0.98 and Rs.0.39) per unit respectively.

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## 11. NUMBER OF UNITS IN ISSUE

	For the Quarter ended 30 September 2016 (Un-audited)					For the Quarter ended 30 September 2015 (Un-audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund	Total
	-----Number of units-----					-----Number of units-----				
Total units in issue at the beginning of the period	791,745	1,385,597	1,132,972	324,352	3,634,666	702,993	1,276,328	989,316	319,192	3,287,829
Add: Issue of units during the period										
- Directly by participants	54,237	50,394	80,795	1,054	186,480	30,425	39,625	25,027	504	95,581
Less: Units redeemed during the period										
- Directly by participants	(5,001)	(55,464)	(168,094)	-	(228,559)	(6,171)	(34,482)	(27,653)	-	(68,306)
- Transfer to other Pension Fund	(70)	(55)	-	-	(125)	(2,595)	(969)	(3,992)	-	(7,556)
	(5,071)	(55,519)	(168,094)	-	(228,684)	(8,766)	(35,451)	(31,645)	-	(75,862)
Total units in issue at the end of the period	840,911	1,380,472	1,045,673	325,406	3,592,462	724,652	1,280,502	982,698	319,696	3,307,548

## 12. CONTINGENCIES AND COMMITMENTS

12.1 There were no contingencies outstanding as at 30 September 2016 and as at 30 June 2016.

		30 September 2016 (Un-audited)					30 June 2016 (Audited)				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund	Total
Note		-----Rupees-----					-----Rupees-----				
12.2 COMMITMENTS											
Purchase of:											
Ounce Gold Contracts US \$ 286,353											
(30 June 2016 : US \$ 284,795)	12.2.1	-	-	-	29,958,271	29,958,271	-	-	-	29,541,809	29,541,809

12.2.1 This represents the investment in future gold contracts with settlement date of 25 November 2016 (30 June 2016: 26 July 2016) .

# Atlas Pension Fund

## 13. INTEREST INCOME

		For the Quarter ended 30 September 2016 (Un-audited)					For the Quarter ended 30 September 2015 (Un-audited)				
Note		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund	Total
		-----Rupees-----					-----Rupees-----				
	Profit on PLS savings accounts and deposits	302,905	380,750	369,937	335,069	1,388,662	98,870	170,275	312,914	349,672	931,731
	Term Finance Certificates and Sukuk Certificates	-	412,314	-	-	412,314	-	91,314	-	-	91,314
	Pakistan Investment Bonds	-	2,993,447	462,363	-	3,455,810	-	4,236,820	-	-	4,236,820
	Treasury Bills	-	1,712,306	2,858,582	140,208	4,711,097	-	1,253,401	3,244,374	155,957	4,653,732
		<b>302,905</b>	<b>5,498,818</b>	<b>3,690,882</b>	<b>475,278</b>	<b>9,967,883</b>	<b>98,870</b>	<b>5,751,810</b>	<b>3,557,288</b>	<b>505,629</b>	<b>9,913,597</b>

13.1 Mark-up on non-performing securities amounting to Rs.601,991 (2015: Rs.580,893) based on outstanding principal has not been recognised, in accordance with SECP's directives.

## 14. CONTRIBUTION TABLE

		For the Quarter ended 30 September 2016 (Un-audited)								For the Quarter ended 30 September 2015 (Un-audited)									
		Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Gold Sub-Fund		Total	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Gold Sub-Fund		Total
		Units	Rupees	Units	Rupees	Units	Rupees	Units	Rupees	Rupees	Units	Rupees	Units	Rupees	Units	Rupees	Units	Rupees	Rupees
Individuals		38,972	16,048,070	19,027	4,191,433	64,252	13,576,515	394	45,055	33,861,073	19,380	7,556,077	21,140	4,359,352	13,586	2,709,184	-	-	14,624,613
Employers		15,265	6,466,148	31,367	6,954,455	16,543	3,486,472	660	76,183	16,983,258	11,045	4,251,608	18,485	3,814,676	11,441	2,285,498	504	49,269	10,401,051
		54,237	22,514,218	50,394	11,145,888	80,795	17,062,987	1,054	121,238	50,844,331	30,425	11,807,685	39,625	8,174,028	25,027	4,994,682	504	49,269	25,025,664



## 15. TRANSACTIONS WITH CONNECTED PERSONS/RELATED PARTIES

Connected persons include Atlas Asset Management Limited being the Pension Fund Manager, Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Pension Fund Manager and the directors and executives of the Pension Fund Manager.

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

Remuneration payable to the Pension Fund Manager and the Trustee is determined in accordance with the provisions of the VPS Rules and the Trust Deed respectively.

The outstanding balances of connected persons/related parties are disclosed in the respective notes to the condensed interim financial statements.

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

#### Atlas Asset Management Limited (Pension Fund Manager)

	For the Quarter ended 30 September 2016 (Un-audited)						For the Quarter ended 30 September 2015 (Un-audited)					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund	Others	Total
	Rupees						Rupees					
Remuneration for the period	1,313,735	584,763	294,385	94,555	-	2,287,438	1,023,389	498,426	248,006	79,385	-	1,849,206
Sindh sales tax on remuneration of the Pension Fund Manager	170,786	76,019	38,270	12,292	-	297,367	166,198	80,944	40,276	12,892	-	300,310
Federal Excise Duty on remuneration of the Pension Fund Manager	-	-	-	-	-	-	163,742	79,748	39,681	12,702	-	295,873
Remuneration paid	1,252,889	577,176	292,624	93,430	-	2,216,119	1,014,134	613,934	320,138	93,238	-	2,041,444
Front-end fee	-	-	-	-	-	-	-	-	-	-	21,999	21,999

#### Central Depository Company of Pakistan Limited (Trustee)

Trustee fee	131,374	116,952	88,314	14,182	-	350,822	102,341	99,687	74,398	11,898	-	288,324
Sindh sales tax on remuneration of the Trustee	17,079	15,204	11,481	1,844	-	45,608	14,328	13,956	10,416	1,666	-	40,366
Trustee fee paid	125,290	115,435	87,786	14,014	-	342,525	101,413	100,480	73,130	12,014	-	287,037
Settlement charges	15,305	1,500	1,500	-	-	18,305	12,522	1,710	1,710	-	-	15,942
Sindh sales tax on settlement charges	1,990	195	195	-	-	2,380	1,753	239	239	-	-	2,232

#### Key management personnel

Contributions	3,186,936	755,913	40,821	-	-	3,983,670	3,357,547	998,895	106,250	-	-	4,462,692
Contributions (Number of units)	7,497	3,407	194	-	-	11,098	8,526	4,857	535	-	-	13,918
Payment from Income Payment Plan	-	-	120,838	-	-	120,838	-	-	169,204	-	-	169,204
Payment from Income Payment Plan (Units)	-	-	573	-	-	573	-	-	845	-	-	845

# Atlas Pension Fund

## 15.2 Details of balances with related parties as at the period end are as follows:

	30 September 2016 (Un-audited)						30 June 2016 (Audited)					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund	Others	Total
	Rupees						Rupees					
<b>Atlas Asset Management Limited (Pension Fund Manager)</b>												
Investment at period / year end	71,707,020	36,998,080	35,256,740	34,335,000	-	178,296,840	66,141,040	36,566,480	34,815,180	34,332,000	-	171,854,700
Units held (Number of units)	166,000	166,000	166,000	300,000	-	798,000	166,000	166,000	166,000	300,000	-	798,000
<b>Key management personnel</b>												
Investment at period / year end	57,708,317	16,246,208	7,842,716	-	-	81,797,241	116,382,730	51,872,856	42,639,158	-	-	210,894,744
Units held (Number of units)	133,593	72,892	36,926	-	-	243,412	292,096	235,486	203,305	-	-	730,887

## 16. 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. 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.

### Fair value of investments is determined as follows:

- Fair value of listed equity securities is determined on the basis of closing market prices quoted on the respective stock exchange.
- Investments in government securities are valued on the basis of average rates of brokers as announced 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), as per the method of valuation agreed with the Trustees of the Fund under the Rules. The MUFAP calculates these prices in accordance with the methodology specified by the SECP. The methodology in case of currently traded securities, is based on weighted average prices during the 15 days preceding the valuation date and in case of thinly or non-traded securities, on the basis of discount coupon method which takes into consideration credit risk and maturities of the instruments.
- The fair value of gold futures contracts is determined on the basis of the closing prices in US Dollars, converted at the equivalent Pak Rupees rates, as announced by the Pakistan Mercantile Exchange Limited.
- 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.

## 17. GENERAL

Figures have been rounded off to the nearest Rupee.

## 18. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Pension Fund Manager on 27 October 2016.

For Atlas Asset Management Limited  
(Pension Fund Manager)

M. Habib-ur-Rahman  
Chief Executive Officer

Yusuf H. Shirazi  
Chairman

Tariq Amin  
Director

# Atlas Pension Islamic Fund

## Corporate Information

### 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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Mufti Muhammad Yahya Asim

### Auditors

---

EY Ford Rhodes  
Chartered Accountants

### Legal Advisers

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Bawaney & Partners

### Bankers

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Allied Bank Limited  
Al-Baraka Bank (Pakistan) Limited  
Bank Al Habib Limited  
Bank Al Falah Limited - Islamic Banking  
Faysal Bank Limited - Islamic Banking  
MCB Bank Limited - Islamic Banking  
Meezan Bank Limited

# First Quarter Report 2016 -17

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED) AS AT 30 SEPTEMBER 2016

30 September 2016 (Un-audited)					30 June 2016 (Audited)				
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
-----Rupees-----					-----Rupees-----				
23,488,213	53,579,644	108,028,737	435,638	185,532,232	19,893,007	68,453,498	109,749,429	3,026,805	201,122,739
314,696,698	219,457,960	97,093,020	-	631,247,678	289,010,180	206,895,440	96,839,780	-	592,745,400
57,041	91,650	85,323	-	234,014	1,221,674	1,018,113	555,137	-	2,794,924
3,812,725	-	-	-	3,812,725	715,000	-	-	-	715,000
163,849	2,944,318	1,479,306	-	4,587,473	87,506	738,654	582,253	-	1,408,413
697,163	290,749	364,238	-	1,352,150	681,689	290,749	364,238	-	1,336,676
342,915,689	276,364,321	207,050,624	435,638	826,766,272	311,609,056	277,396,454	208,090,837	3,026,805	800,123,152
2,294,534	-	-	-	2,294,534	-	-	-	-	-
60,815	177,546	53,024	-	291,385	64,100	379,116	394,029	-	837,245
2,311,658	1,393,919	837,287	-	4,542,864	2,271,412	1,396,243	837,675	27,206	4,532,536
49,523	38,491	29,017	-	117,031	45,532	38,962	29,138	-	113,632
27,352	22,888	17,234	-	67,474	91,790	84,062	62,447	-	238,299
18,594	15,563	11,719	-	45,876	69,146	63,320	47,024	-	179,490
3,747,999	1,147,741	950,526	435,638	6,281,904	3,715,066	1,140,592	945,253	2,999,599	8,800,510
8,510,475	2,796,148	1,898,807	435,638	13,641,068	6,257,046	3,102,295	2,315,566	3,026,805	14,701,712
334,405,214	273,568,173	205,151,817	-	813,125,204	305,352,010	274,294,159	205,775,271	-	785,421,440
334,405,214	273,568,173	205,151,817	-	813,125,204	305,352,010	274,294,159	205,775,271	-	785,421,440
584,658	1,462,953	1,039,146			581,556	1,483,791	1,053,287		
571.97	187.00	197.42			525.06	184.86	195.36		

### Contingencies and commitments

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The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

**For Atlas Asset Management Limited  
(Pension Fund Manager)**

M. Habib-ur-Rahman  
Chief Executive Officer

Yusuf H. Shirazi  
Chairman

Tariq Amin  
Director

# Atlas Pension Islamic Fund

## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)

FOR THE QUARTER ENDED 30 SEPTEMBER 2016

FOR THE QUARTER ENDED 30 SEPTEMBER 2016		For the Quarter Ended 30 September 2016 (Un-audited)				For the Quarter Ended 30 September 2015 (Un-audited)			
		Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total
Note		-----Rupees-----				-----Rupees-----			
<b>INCOME</b>									
Mark-up income	12	314,646	3,294,506	2,296,260	5,905,412	205,676	3,870,057	2,890,715	6,966,448
Dividend income		4,001,333	-	-	4,001,333	4,905,698	-	-	4,905,698
Net gain / (loss) on sale of investments at 'fair value through profit or loss'		8,894,178	-	-	8,894,178	(848,962)	-	-	(848,962)
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		15,856,592	-	-	15,856,592	(24,100,318)	-	-	(24,100,318)
		24,750,770	-	-	24,750,770	(24,949,280)	-	-	(24,949,280)
		<b>29,066,749</b>	<b>3,294,506</b>	<b>2,296,260</b>	<b>34,657,515</b>	<b>(19,837,906)</b>	<b>3,870,057</b>	<b>2,890,715</b>	<b>(13,077,134)</b>
<b>EXPENSES</b>									
Remuneration of the Pension Fund Manager	7.1	1,232,271	515,603	258,818	2,006,692	1,053,830	452,130	219,626	1,725,586
Sindh Sales Tax on Remuneration of the Pension Fund Manager	7.2	160,195	67,028	33,646	260,869	171,142	73,426	35,667	280,235
Federal Excise Duty on Remuneration of the Pension Fund Manager	7.3	-	-	-	-	168,613	72,341	35,140	276,094
Remuneration of Central Depository Company of Pakistan Limited - Trustee		123,224	103,118	77,656	303,998	105,383	90,425	65,889	261,697
Sindh Sales Tax on Remuneration of the Trustee		16,019	13,405	10,095	39,519	14,754	12,660	9,224	36,638
Annual fee to the Securities and Exchange Commission of Pakistan		27,352	22,888	17,234	67,474	23,420	20,091	14,642	58,153
Bank charges		1,657	1,373	1,279	4,309	3,773	3,651	2,998	10,422
Auditors' remuneration		21,314	16,801	13,126	51,241	18,714	16,074	11,708	46,496
Securities' transaction cost and settlement charges		171,651	1,695	1,695	175,041	176,207	3,853	1,710	181,770
Provision for Workers' Welfare Fund	9.2	-	-	-	-	-	62,508	49,882	112,390
		<b>1,753,683</b>	<b>741,911</b>	<b>413,549</b>	<b>2,909,143</b>	<b>1,735,836</b>	<b>807,159</b>	<b>446,486</b>	<b>2,989,481</b>
Net income / (loss) for the period		<b>27,313,066</b>	<b>2,552,595</b>	<b>1,882,711</b>	<b>31,748,372</b>	<b>(21,573,742)</b>	<b>3,062,898</b>	<b>2,444,229</b>	<b>(16,066,615)</b>
Earnings / (Loss) per unit		<b>46.72</b>	<b>1.74</b>	<b>1.81</b>		<b>(38.55)</b>	<b>2.23</b>	<b>2.61</b>	

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

**For Atlas Asset Management Limited  
(Pension Fund Manager)**

# First Quarter Report 2016 -17

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2016

	For the Quarter Ended 30 September 2016 (Un-audited)				For the Quarter Ended 30 September 2015 (Un-audited)			
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total
	-----Rupees-----				-----Rupees-----			
Net income / (loss) for the period	27,313,066	2,552,595	1,882,711	31,748,372	(21,573,742)	3,062,898	2,444,229	(16,066,615)
Income that may be re-classified subsequently to Income Statement								
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'available for sale'	-	578,900	268,808	847,708	-	246,538	(53,248)	193,290
Total comprehensive income / (loss) for the period	27,313,066	3,131,495	2,151,519	32,596,080	(21,573,742)	3,309,436	2,390,981	(15,873,325)

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited  
(Pension Fund Manager)

M. Habib-ur-Rahman  
Chief Executive Officer

Yusuf H. Shirazi  
Chairman

Tariq Amin  
Director

# Atlas Pension Islamic Fund

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

FOR THE QUARTER ENDED 30 SEPTEMBER 2016

	For the Quarter Ended 30 September 2016 (Un-audited)					For the Quarter Ended 30 September 2015 (Un-audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
Note	Rupees					Rupees				
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>										
Net income/(loss) for the period	27,313,066	2,552,595	1,882,711	-	31,748,372	(21,573,742)	3,062,898	2,444,229	-	(16,066,615)
<b>Adjustments for:</b>										
Mark-up income	(314,646)	(3,294,506)	(2,296,260)	-	(5,905,412)	(205,676)	(3,870,057)	(2,890,715)	-	(6,966,448)
Dividend income	(4,001,333)	-	-	-	(4,001,333)	(4,905,698)	-	-	-	(4,905,698)
Net (gain) / loss on sale of investments at 'fair value through profit or loss'	(8,894,178)	-	-	-	(8,894,178)	848,962	-	-	-	848,962
Net unrealised (appreciation) / diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(15,856,592)	-	-	-	(15,856,592)	24,100,318	-	-	-	24,100,318
Provision for Workers' Welfare Fund	-	-	-	-	-	-	62,508	49,882	-	112,390
	<b>(1,753,683)</b>	<b>(741,911)</b>	<b>(413,549)</b>	<b>-</b>	<b>(2,909,143)</b>	<b>(1,735,836)</b>	<b>(744,651)</b>	<b>(396,604)</b>	<b>-</b>	<b>(2,877,091)</b>
<b>Decrease/(Increase) in assets</b>										
Receivable against sale of investments	1,164,633	926,463	469,814	-	2,560,910	5,200,644	-	-	-	5,200,644
Security deposit and other receivables	(15,474)	-	-	-	(15,474)	(43,340)	-	-	-	(43,340)
	<b>1,149,159</b>	<b>926,463</b>	<b>469,814</b>	<b>-</b>	<b>2,545,436</b>	<b>5,157,304</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,157,304</b>
<b>Increase / (decrease) in liabilities</b>										
Payable against purchase of investments	2,294,534	-	-	-	2,294,534	(7,363,761)	-	-	-	(7,363,761)
Payable against redemption of units	(3,285)	(201,570)	(341,005)	-	(545,860)	-	-	99,287	-	99,287
Payable to the Pension Fund Manager	40,246	(2,324)	(388)	(27,206)	10,328	179,126	(16,526)	(35,647)	(643)	126,310
Payable to the Central Depository Company of Pakistan Limited - Trustee	3,991	(471)	(121)	-	3,399	5,282	6,136	4,227	-	15,645
Payable to the Securities and Exchange Commission of Pakistan	(64,438)	(61,174)	(45,213)	-	(170,825)	(52,715)	(47,332)	(35,757)	-	(135,804)
Payable to the auditors	(50,552)	(47,757)	(35,305)	-	(133,614)	(51,426)	(46,173)	(34,905)	-	(132,504)
Accrued expenses and other liabilities	32,933	7,149	5,273	(2,563,961)	(2,518,606)	49,735	(18,860)	(11,249)	(520,274)	(500,648)
	<b>2,253,429</b>	<b>(306,147)</b>	<b>(416,759)</b>	<b>(2,591,167)</b>	<b>(1,060,644)</b>	<b>(7,233,759)</b>	<b>(122,755)</b>	<b>(14,044)</b>	<b>(520,917)</b>	<b>(7,891,475)</b>
Mark-up received	238,303	1,105,222	1,414,775	-	2,758,300	180,671	4,179,836	2,660,772	-	7,021,279
Dividend received	903,608	-	-	-	903,608	877,098	-	-	-	877,098
Investments made during the period	(108,316,937)	(12,000,000)	-	-	(120,316,937)	(115,953,582)	(9,317,362)	44,403	-	(125,226,541)
Investments sold / matured during the period	107,381,189	-	-	-	107,381,189	99,334,926	-	-	-	99,334,926
	<b>206,163</b>	<b>(10,894,778)</b>	<b>1,414,775</b>	<b>-</b>	<b>(9,273,840)</b>	<b>(15,560,887)</b>	<b>(5,137,526)</b>	<b>2,705,175</b>	<b>-</b>	<b>(17,993,238)</b>
Net cash generated/(used in) from operating activities	<b>1,855,068</b>	<b>(11,016,373)</b>	<b>1,054,281</b>	<b>(2,591,167)</b>	<b>(10,698,191)</b>	<b>(19,373,178)</b>	<b>(6,004,932)</b>	<b>2,294,527</b>	<b>(520,917)</b>	<b>(23,604,500)</b>



## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) (Continued...) FOR THE QUARTER ENDED 30 SEPTEMBER 2016

		For the Quarter Ended 30 September 2016 (Un-audited)					For the Quarter Ended 30 September 2015 (Un-audited)				
		Equity	Debt	Money			Equity	Debt	Money		
		Sub-Fund	Sub-Fund	Market	Others	Total	Sub-Fund	Sub-Fund	Market	Others	Total
Note		-----Rupees-----					-----Rupees-----				
Net cash generated/(used in) from operating activities	b/f	1,855,068	(11,016,373)	1,054,281	(2,591,167)	(10,698,191)	(19,373,178)	(6,004,932)	2,294,527	(520,917)	(23,604,500)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
Receipts on issue of units		16,035,601	17,896,715	11,225,301	-	45,157,617	12,164,724	17,265,011	9,321,560	-	38,751,295
Payment on redemptions of units											
- Directly by the participants		(13,324,103)	(21,462,496)	(14,000,274)	-	(48,786,873)	(4,079,483)	-	-	-	(4,079,483)
- Transfer to other Pension Fund		(971,360)	(291,700)	-	-	(1,263,060)	(4,948,759)	(6,753,082)	(4,661,000)	-	(16,362,841)
Net cash generated from / (used in) financing activities		1,740,138	(3,857,481)	(2,774,973)	-	(4,892,316)	3,136,482	10,511,929	4,660,560	-	18,308,971
Net increase / (decrease) in cash and cash equivalents		3,595,206	(14,873,854)	(1,720,692)	(2,591,167)	(15,590,507)	(16,236,696)	4,506,997	6,955,087	(520,917)	(5,295,529)
Cash and cash equivalents at the beginning of the period		19,893,007	68,453,498	109,749,429	3,026,805	201,122,739	19,306,616	23,153,937	20,228,220	866,768	63,555,541
Cash and cash equivalents at the end of the period	4	23,488,213	53,579,644	108,028,737	435,638	185,532,232	3,069,920	27,660,934	27,183,307	345,851	58,260,012

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited  
(Pension Fund Manager)

M. Habib-ur-Rahman  
Chief Executive Officer

Yusuf H. Shirazi  
Chairman

Tariq Amin  
Director

# Atlas Pension Islamic Fund

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB-FUNDS (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2016

	Note	For the Quarter Ended 30 September 2016 (Un-audited)				For the Quarter Ended 30 September 2015 (Un-audited)			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		-----Rupees-----				-----Rupees-----			
Net assets at the beginning of the period		305,352,010	274,294,159	205,775,271	785,421,440	276,759,898	233,207,690	170,738,967	680,706,555
Amount received on issue of units	13	16,035,601	17,896,715	11,225,301	45,157,617	12,164,724	17,265,011	9,321,560	38,751,295
Amount paid on redemptions of units									
- Directly by participants		(13,324,103)	(21,462,496)	(14,000,274)	(48,786,873)	(4,079,483)	(6,753,082)	(4,661,000)	(15,493,565)
- Transfer to other Pension Fund		(971,360)	(291,700)	-	(1,263,060)	(4,948,759)	-	-	(4,948,759)
		(14,295,463)	(21,754,196)	(14,000,274)	(50,049,933)	(9,028,242)	(6,753,082)	(4,661,000)	(20,442,324)
Net income/(loss) for the period		18,418,888	2,552,595	1,882,711	22,854,194	(20,724,780)	3,062,898	2,444,229	(15,217,653)
Net gain/(loss) on sale of investments at 'fair value through profit or loss'		8,894,178	-	-	8,894,178	(848,962)	-	-	(848,962)
Other comprehensive income/(loss) for the period		-	578,900	268,808	847,708	-	246,538	(53,248)	193,290
Total comprehensive income/(loss) for the period		27,313,066	3,131,495	2,151,519	32,596,080	(21,573,742)	3,309,436	2,390,981	(15,873,325)
Net assets at the end of the period		334,405,214	273,568,173	205,151,817	813,125,204	258,322,638	247,029,055	177,790,508	683,142,201

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited  
(Pension Fund Manager)

## NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2016

### 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** The Atlas Pension Islamic Fund (APIF) was established under a Trust deed executed between Atlas Asset Management Limited as Pension Fund Manager and Central Depository Company of Pakistan Limited as Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on 24 July 2007 and was executed on 31 August 2007 under the Voluntary Pension System Rules, 2005 (VPS Rules). The Offering Document has been amended through the First Supplement dated 18 December 2008, the Second Supplement dated 28 March 2011 which has been further amended on 2 June 2016, Third Supplement dated 15 July 2013, Fourth Supplement dated 31 March 2015 and the fifth Supplement dated 4 August 2015, with the approval of the SECP, whilst the Trust Deed has been amended through the First Supplement Trust Deed dated 6 June 2013, with the approval of the SECP. The Pension Fund Manager of the Fund has been licensed to act as a Pension Fund Manager under the VPS rules through a certificate of registration issued by SECP. The registered office of the Pension Fund Manager is situated at Ground Floor, Federation House, Shahra-e-Firdousi, Clifton, Karachi.
- 1.2** The objective of Atlas Pension Islamic Fund (APIF) is to provide individuals with a portable, individualized, funded (based on defined contribution) and flexible pension scheme assisting and facilitating them to plan and provide for their retirement. The Fund operates under an umbrella structure and is composed of Sub-Funds, each being a collective investment scheme.

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

- 1.3** At present the Fund consists of the following three Sub-Funds:

#### **APIF - Equity Sub-Fund (APIF - ESF)**

The objective of APIF - ESF is to achieve long term capital growth. APIF - ESF invests primarily in equity securities (as approved by the Shariah Advisor) with a minimum investment of 90% of its net asset value in listed shares.

#### **APIF - Debt Sub-Fund (APIF - DSF)**

APIF - DSF invests primarily in tradable debt securities (as approved by the Shariah Advisor) with the weighted average duration of the investment portfolio of the Sub-Fund not exceeding five years.

#### **APIF - Money Market Sub-Fund (APIF - MMSF)**

APIF - MMSF invests primarily in short term debt securities (as approved by the Shariah Advisor) with the time to maturity of the assets is upto one year, and the time to maturity of Shariah Compliant Government securities such as Government of Pakistan Ijarah Sukuks is upto three years.

- 1.4** The Sub-Funds' units are issued against contributions by the eligible participants on a continuous basis since 06 November 2007, and can be redeemed by surrendering them to the Fund.

The participants of the Fund voluntarily determine the contribution amount subject to the minimum limit fixed by the Pension Fund Manager. Such contributions received from the participants are allocated among different Sub-Funds, in accordance with their respective preferences and in line with the prescribed allocation policy. The units held by the participants in the Sub-Funds can be redeemed on or before their retirement, and in case of disability or death subject to conditions laid down in the Trust Deed, Offering Document, the VPS Rules and the Income Tax Ordinance, 2001. According to the Trust Deed, there shall be no distribution from the Sub-Funds, and all income earned by the Sub-Funds shall be accumulated and retained in the Fund.

### 2. BASIS OF PREPARATION

#### **2.1 Statement of Compliance**

These condensed interim financial statements have been prepared in accordance with International Accounting Standard - 34 "Interim Financial Reporting" as applicable in Pakistan and the requirements of the Trust Deed, the Rules and the directives / guidelines issued by the SECP. Wherever the requirements of the Trust Deed, the Rules or the directives / guidelines issued by the SECP differ with the requirements of this standard, the requirements of the Trust Deed, the Rules or the requirements of the said directives / guidelines prevail.

- 2.2** These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Fund for the year ended 30 June 2016.

# Atlas Pension Islamic Fund

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 2016.

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 2016.

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 2016.

## 4. BANK BALANCES

Note	30 September 2016 (Un-audited)					30 June 2016 (Audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others (Note 4.1)	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others (Note 4.1)	Total
	-----Rupees-----					-----Rupees-----				
Current accounts	118,014	-	-	305,293	423,307	118,014	-	-	2,871,522	2,989,536
Savings accounts	23,370,199	8,579,644	29,028,737	130,345	61,108,925	19,774,993	17,453,498	32,749,429	155,283	70,133,203
Term deposit accounts	-	45,000,000	79,000,000	-	124,000,000	-	51,000,000	77,000,000	-	128,000,000
	<u>23,488,213</u>	<u>53,579,644</u>	<u>108,028,737</u>	<u>435,638</u>	<u>185,532,232</u>	<u>19,893,007</u>	<u>68,453,498</u>	<u>109,749,429</u>	<u>3,026,805</u>	<u>201,122,739</u>

4.1 These represent collection and redemption accounts maintained by the Fund. The expected rate of return on savings account is 3.00% (30 June 2016: 4.00%) per annum.

4.2 The accounts carry expected rates of return ranging from 2.50% to 5.65% (30 June 2016: ranging from 3.00% to 6.50%) per annum.

4.3 The accounts carry expected rates of return ranging from 5.50% to 5.95% (30 June 2016: ranging from 5.50% to 6.00%) per annum.

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## 5. INVESTMENTS - NET

		30 September 2016 (Un-audited)					30 June 2016 (Audited)				
Note		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
		-----Rupees-----					-----Rupees-----				
At fair value through profit or loss - held for trading											
Equity securities - listed	5.1	314,696,698	-	-	-	314,696,698	289,010,180	-	-	-	289,010,180
Available-for-sale											
Sukuk certificates - unlisted	5.2	-	12,000,000	-	-	12,000,000	-	-	-	-	-
Government of Pakistan - Ijarah Sukuks	5.3	-	207,457,960	97,093,020	-	304,550,980	-	206,895,440	96,839,780	-	303,735,220
		<u>314,696,698</u>	<u>219,457,960</u>	<u>97,093,020</u>	<u>-</u>	<u>631,247,678</u>	<u>289,010,180</u>	<u>206,895,440</u>	<u>96,839,780</u>	<u>-</u>	<u>592,745,400</u>

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

#### Equity Sub-Fund

Name of the investee company	As at 1 July 2016	Purchases during the period	Bonus / Right during the period	Sales during the period	As at 30 September 2016	Balance as at 30 September 2016		Market value as a percentage of net assets of the Sub-Fund	Market value as a percentage of paid-up capital of investee company
						Cost	Market Value		
-----Number of shares-----						-----Rupees-----		-----Percentage-----	

Fully paid up ordinary shares of Rs. 10/- each unless otherwise stated.

#### Commercial Banks

Meezan Bank Limited	315,000	25,000	-	85,000	255,000	10,998,235	14,027,550	4.19	0.0254
	<b>315,000</b>	<b>25,000</b>	<b>-</b>	<b>85,000</b>	<b>255,000</b>	<b>10,998,235</b>	<b>14,027,550</b>	<b>4.19</b>	<b>0.0254</b>

#### Textile Composite

Nishat Mills Limited	107,500	25,000	-	5,000	127,500	14,168,306	17,964,750	5.37	0.0363
	<b>107,500</b>	<b>25,000</b>	<b>-</b>	<b>5,000</b>	<b>127,500</b>	<b>14,168,306</b>	<b>17,964,750</b>	<b>5.37</b>	<b>0.0363</b>

#### Woollen

Bannu Woollen Mills Limited	-	93,500	-	93,500	-	-	-	-	-
	<b>-</b>	<b>93,500</b>	<b>-</b>	<b>93,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Atlas Pension Islamic Fund

## 5.1 Listed equity securities - at fair value through profit or loss (Continued...)

### Equity Sub-Fund

Name of the investee company	As at 1 July 2016	Purchases during the period	Bonus / Right during the period	Sales during the period	As at 30 September 2016	Balance as at 30 September 2016		Market value as a percentage of net assets of the Sub-Fund	Market value as a percentage of paid-up capital of investee company
						Cost	Market Value		

-----Number of shares-----

-----Rupees-----

-----Percentage-----

Fully paid up ordinary shares of Rs. 10/- each unless otherwise stated.

#### Cement

D.G. Khan Cement Company Limited	87,500	20,000	-	12,500	95,000	18,080,194	17,658,600	5.28	0.0217
Dewan Cement Limited	-	150,000	-	150,000	-	-	-	-	-
Fauji Cement Company Limited	329,000	46,000	-	-	375,000	13,527,900	13,226,250	3.96	0.0272
Kohat Cement Company Limited	23,500	3,500	-	-	27,000	7,040,191	6,943,590	2.08	0.0175
Lucky Cement Limited	30,000	-	-	15,000	15,000	9,727,650	10,158,900	3.04	0.0046
Pioneer Cement Limited	85,000	15,000	-	-	100,000	10,723,990	10,569,000	3.16	0.0440
	<b>555,000</b>	<b>234,500</b>	<b>-</b>	<b>177,500</b>	<b>612,000</b>	<b>59,099,925</b>	<b>58,556,340</b>	<b>17.51</b>	<b>0.1150</b>

#### Refinery

Attock Refinery Limited	-	5,000	-	5,000	-	-	-	-	-
National Refinery Limited	12,500	-	-	3,500	9,000	4,278,600	5,090,310	1.52	0.0113
	<b>12,500</b>	<b>5,000</b>	<b>-</b>	<b>8,500</b>	<b>9,000</b>	<b>4,278,600</b>	<b>5,090,310</b>	<b>1.52</b>	<b>0.0113</b>

#### Power Generation & Distribution

The Hub Power Company Limited	115,000	27,500	-	-	142,500	17,315,623	16,981,725	5.08	0.0123
	<b>115,000</b>	<b>27,500</b>	<b>-</b>	<b>-</b>	<b>142,500</b>	<b>17,315,623</b>	<b>16,981,725</b>	<b>5.08</b>	<b>0.0123</b>

#### Oil & Gas Marketing Companies

Attock Petroleum Limited	26,000	2,000	-	1,000	27,000	11,960,500	14,040,000	4.20	0.0326
Hi-Tech Lubricants Limited	50,000	25,000	-	75,000	-	-	-	-	-
Pakistan State Oil Company Limited	55,000	-	-	6,000	49,000	18,397,540	20,292,860	6.07	0.0180
Sui Northern Gas Pipelines Limited	-	70,000	-	-	70,000	3,336,500	3,508,400	1.05	0.0110
	<b>131,000</b>	<b>97,000</b>	<b>-</b>	<b>82,000</b>	<b>146,000</b>	<b>33,694,540</b>	<b>37,841,260</b>	<b>11.32</b>	<b>0.0616</b>

## 5.1 Listed equity securities - at fair value through profit or loss (Continued...)

### Equity Sub-Fund

Name of the investee company	As at 1 July 2016	Purchases during the period	Bonus / Right during the period	Sales during the period	As at 30 September 2016	Balance as at 30 September 2016		Market value as a percentage of net assets of the Sub-Fund	Market value as a percentage of paid-up capital of investee company
						Cost	Market Value		
-----Number of shares-----						-----Rupees-----		-----Percentage-----	
<b>Oil &amp; Gas Exploration Companies</b>									
Mari Petroleum Company Limited	24,000	13,000	-	10,000	27,000	25,384,588	25,772,310	7.71	0.0245
Oil & Gas Development Company Limited	90,000	62,500	-	47,500	105,000	14,553,072	14,829,150	4.43	0.0024
Pakistan Oilfields Limited	40,000	26,900	-	31,400	35,500	12,788,439	14,246,505	4.26	0.0150
Pakistan Petroleum Limited	111,000	-	-	61,000	50,000	7,752,500	8,183,500	2.45	0.0025
	<b>265,000</b>	<b>102,400</b>	<b>-</b>	<b>149,900</b>	<b>217,500</b>	<b>60,478,599</b>	<b>63,031,465</b>	<b>18.85</b>	<b>0.0445</b>
<b>Engineering</b>									
Amreli Steels Limited	110,000	30,000	-	50,000	90,000	4,385,555	6,416,100	1.92	0.0303
Crescent Steel & Allied Products Limited	15,000	-	-	15,000	-	-	-	-	-
Mughal Iron And Steel Industries Ltd	35,000	-	-	35,000	-	-	-	-	-
	<b>160,000</b>	<b>30,000</b>	<b>-</b>	<b>100,000</b>	<b>90,000</b>	<b>4,385,555</b>	<b>6,416,100</b>	<b>1.92</b>	<b>0.0303</b>
<b>Automobile Assembler</b>									
Millat Tractors Limited	6,050	-	-	3,050	3,000	1,710,750	2,036,940	0.61	0.0068
Pak Suzuki Motor Company Limited	7,500	-	-	7,500	-	-	-	-	-
	<b>13,550</b>	<b>-</b>	<b>-</b>	<b>10,550</b>	<b>3,000</b>	<b>1,710,750</b>	<b>2,036,940</b>	<b>0.61</b>	<b>0.0068</b>
<b>Automobile Parts &amp; Accessories</b>									
Agriauto Industries Limited ( <i>face value Rs.5/- per share</i> )	15,000	2,000	-	2,500	14,500	2,835,816	4,206,885	1.26	0.0503
Thal Limited ( <i>face value Rs.5/- per share</i> )	10,000	-	-	700	9,300	2,632,086	3,772,545	1.13	0.0115
	<b>25,000</b>	<b>2,000</b>	<b>-</b>	<b>3,200</b>	<b>23,800</b>	<b>5,467,902</b>	<b>7,979,430</b>	<b>2.39</b>	<b>0.0618</b>
<b>Transport</b>									
Pakistan National Shipping Corporation	-	30,000	-	-	30,000	3,388,800	3,379,800	1.01	0.0227
	<b>-</b>	<b>30,000</b>	<b>-</b>	<b>-</b>	<b>30,000</b>	<b>3,388,800</b>	<b>3,379,800</b>	<b>1.01</b>	<b>0.0227</b>

# Atlas Pension Islamic Fund

**5.1 Listed equity securities - at fair value through profit or loss (Continued...)**

## Equity Sub-Fund

Name of the investee company	As at 1 July 2016	Purchases during the period	Bonus / Right during the period	Sales during the period	As at 30 September 2016	Balance as at 30 September 2016		Market value as a percentage of net assets of the Sub-Fund	Market value as a percentage of paid-up capital of investee company
						Cost	Market Value		
						Number of shares	Rupees	Percentage	
<b>Technology &amp; Communications</b>									
Netsol Technologies Limited	40,000	20,000	-	60,000	-	-	-	-	-
Pakistan Telecommunication Company Ltd.	230,000	170,000	-	-	400,000	6,431,900	7,312,000	2.19	0.0106
	<b>270,000</b>	<b>190,000</b>	<b>-</b>	<b>60,000</b>	<b>400,000</b>	<b>6,431,900</b>	<b>7,312,000</b>	<b>2.19</b>	<b>0.0106</b>
<b>Fertilizer</b>									
Engro Corporation Limited	64,000	44,000	-	12,500	95,500	30,647,447	27,814,375	8.32	0.0182
Engro Fertilizers Limited	240,000	185,000	-	-	425,000	27,910,047	26,205,500	7.84	0.0319
Fauji Fertilizer Company Limited	40,000	-	-	40,000	-	-	-	-	-
	<b>344,000</b>	<b>229,000</b>	<b>-</b>	<b>52,500</b>	<b>520,500</b>	<b>58,557,494</b>	<b>54,019,875</b>	<b>16.15</b>	<b>0.0502</b>
<b>Pharmaceuticals</b>									
Abbott Laboratories (Pakistan) Limited	5,000	-	-	-	5,000	3,770,000	4,242,500	1.27	0.0051
Glaxosmithkline Pakistan Limited	-	15,000	-	-	15,000	3,259,987	3,238,500	0.97	0.0047
	<b>5,000</b>	<b>15,000</b>	<b>-</b>	<b>-</b>	<b>20,000</b>	<b>7,029,987</b>	<b>7,481,000</b>	<b>2.24</b>	<b>0.0098</b>
<b>Chemicals</b>									
Akzo Nobel Pakistan Limited	-	15,000	-	15,000	-	-	-	-	-
ICI Pakistan Limited	-	2,500	-	-	2,500	1,524,091	1,630,475	0.49	0.0027
	<b>-</b>	<b>17,500</b>	<b>-</b>	<b>15,000</b>	<b>2,500</b>	<b>1,524,091</b>	<b>1,630,475</b>	<b>0.49</b>	<b>0.0027</b>



## 5.1 Listed equity securities - at fair value through profit or loss (Continued...) Equity Sub-Fund

Name of the investee company	As at 1 July 2016	Purchases during the period	Bonus / Right during the period	Sales during the period	As at 30 September 2016	Balance as at 30 September 2016		Market value as a percentage of net assets of the Sub-Fund	Market value as a percentage of paid-up capital of investee company
						Cost	Market Value		
						-----Number of shares-----		-----Rupees-----	-----Percentage-----
Foods & Personal Care Products									
Al Shaheer Corporation Limited	57,250	22,500	-	-	79,750	4,451,523	5,087,253	1.52	0.0645
Engro Foods Limited	17,500	-	-	-	17,500	2,858,275	2,560,425	0.77	0.0023
	74,750	22,500	-	-	97,250	7,309,798	7,647,678	2.29	0.0668
Miscellaneous									
Shifa International Hospitals Ltd.	10,000	-	-	-	10,000	3,000,000	3,300,000	0.99	0.0183
	10,000	-	-	-	10,000	3,000,000	3,300,000	0.99	0.0183
						298,840,106	314,696,698	94.11	0.5864

## 5.2 Unlisted Sukuk certificates - Available for sale

As at 1 July 2016	Purchased during the period	Sales during the period	As at 30 September 2016	Balance as at 30 September 2016		Market rate as a percentage of Net assets of the Sub-Fund	Market value as a percentage of total issue size
				Carrying Value	Market Value		

### 5.2.1 Debt Sub-Fund

Note

#### Banks

Meezan Bank Limited Tier - II (face value of Rs. 1,000,000 per certificate)

- 12 - 12 12,000,000 12,000,000 4.39 0.2000

#### Chemicals

Agri-tech Limited

5.2.2

740 - - 740 - - - -

Agri-tech Limited IV

5.2.2

107 - - 107 - - - -

- - - -  
**12,000,000 12,000,000 4.39 0.2000**

# Atlas Pension Islamic Fund

**5.2.2** These securities have been classified as non-performing as per the requirements of SECP's Circular 1 of 2009 read with SECP's Circular 33 of 2012 and accordingly an aggregate provision of Rs.4,235,000 (30 June 2016: Rs.4,235,000), has been made in accordance with provisioning requirements specified by the SECP. During the year ended 30 June 2012, the Debt Sub-Fund entered into a restructuring agreement with Agritech Limited (the Company) whereby all overdue profit receivable on Sukuk Certificates held by the Debt Sub-Fund was converted into zero coupon Term Finance Certificates (TFCs). Accordingly, the Fund holds 107 certificates (having face value of Rs. 5,000 each) of Agritech Limited IV as at 30 September 2016. In this regard, the aggregate provision also includes a provision of Rs.535,000 against these TFCs to fully cover the amount of investment. The details of these non-performing investments are as follows:

Non-performing investment	Type of Investment	Cost	Provision held	Net carrying value
		Rupees		
Agritech Limited	Sukuk Certificates	3,700,000	3,700,000	-
Agritech Limited IV	Term Finance Certificate	535,000	535,000	-
		<b>4,235,000</b>	<b>4,235,000</b>	<b>-</b>

## 5.3 Government of Pakistan - Ijarah Sukuks

Note	Face value				Balance as at 30 September 2016		Market value as a % of net assets of the Sub-Fund
	As at 1 July 2016	Purchased during the period	Sold / Matured during the period	As at 30 September 2016	Amortised Cost	Market value	
	-----Rupees-----						

### 5.3.1 Debt Sub-Fund

Government of Pakistan - Ijarah Sukuks	<b>5.3.2</b>	206,400,000	-	-	206,400,000	<b>206,539,123</b>	<b>207,457,960</b>	<b>75.83</b>
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**5.3.2** The cost of investments is Rs. 206,572,642 (30 June 2016: Rs. 206,572,642). These investments carry rate of return ranging from 3.8910% to 6.1000% (30 June 2016: 3.8910% to 6.1000%) per annum with maturities upto 15 February 2019 (30 June 2016: 15 February 2019).

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Face value				Balance as at 30 September 2016		Market value as a % of net assets of the Sub-Fund
As at 1 July 2016	Purchased during the period	Sold / Matured during the period	As at 30 September 2016	Amortised Cost	Market value	

-----Rupees-----

## 5.3.3 Money Market Sub-Fund

Government of Pakistan - Ijarah Sukuks	5.3.4	96,800,000	-	-	96,800,000	96,932,560	97,093,020	47.33
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5.3.4 The cost of investments is Rs. 96,956,100 (30 June 2016: Rs. 96,956,100). These investments carry rate of return ranging from 3.8910% to 6.1000% (30 June 2016: 3.8910% to 6.1000%) per annum with maturities upto 15 February 2019 (30 June 2016: 15 February 2019).

30 September 2016 (Un-audited)				30 June 2016 (Audited)			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total

-----Rupees-----

-----Rupees-----

## 6. MARK-UP ACCRUED

Income accrued on:

Bank balances and term deposits	163,849	112,541	218,677	495,067	87,506	214,636	344,199	646,341
Government of Pakistan - Ijarah Sukuks	-	2,812,367	1,260,628	4,072,995	-	524,018	238,054	762,072
Sukuk Certificates	-	19,410	-	19,410	-	-	-	-
	<b>163,849</b>	<b>2,944,318</b>	<b>1,479,305</b>	<b>4,587,472</b>	<b>87,506</b>	<b>738,654</b>	<b>582,253</b>	<b>1,408,413</b>

# Atlas Pension Islamic Fund

## 7. PAYABLE TO THE PENSION FUND MANAGER - Related Party

		30 September 2016 (Un-audited)					30 June 2016 (Audited)				
		Equity	Debt	Money			Equity	Debt	Money		
		Sub-Fund	Sub-Fund	Market	Others	Total	Sub-Fund	Sub-Fund	Market	Others	Total
Note		-----Rupees-----					-----Rupees-----				
Pension Fund Manager fee	7.1	408,287	167,823	83,918	-	660,028	369,402	168,393	83,525	-	621,320
Sindh Sales Tax payable on remuneration of the Pension Fund Manager	7.2	292,164	179,221	108,645	-	580,030	290,803	180,975	109,426	-	581,204
Provision for Federal Excise Duty payable on remuneration of the Pension Fund Manager	7.3	1,611,207	1,046,875	644,724	-	3,302,806	1,611,207	1,046,875	644,724	-	3,302,806
Others		-	-	-	-	-	-	-	-	27,206	27,206
		2,311,658	1,393,919	837,287	-	4,542,864	2,271,412	1,396,243	837,675	27,206	4,532,536

7.1 In accordance with the provisions of the VPS Rules, the Pension Fund Manager is entitled to receive an annual management fee of 1.50% per annum average of the value of the net assets of the Fund calculated during the year for determining the prices of the units of the Sub-Funds. The Pension Fund Manager has charged its remuneration at the rate of 1.50% per annum (30 June 2016: 1.50%) of the average value of the net assets of the Fund for the year on equity sub fund, whilst for APIF - Debt Sub Fund and APIF - Money Market Sub Fund, the Pension Fund Manager has charged its remuneration at the rate of 0.75% (30 June 2016: 0.75%) and 0.50% (30 June 2016: 0.50%) respectively of the average value of the net assets of these Sub Funds, which is paid monthly in arrears.

7.2 During the period, an amount of Rs.260,869 (2015: Rs.280,235) was charged on account of sales tax on remuneration of the Pension Fund Manager levied through Sindh Sales Tax on Services Act, 2011, and an amount of Rs. 262,043 (2015: Rs.270,854) has already been paid to the Pension Fund Manager which acts as a collecting agent.

7.3 The Finance Act, 2013 has enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from 13 June 2013. As the asset management services rendered by the Pension Fund Manager 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 Pension Fund Manager is of the view that further levy of FED is not justified.

On 4 September 2013, a Constitutional Petition has been filed in Honorable Sindh High Court (SHC) jointly by various asset management companies / pension fund managers including that of the Fund, together with their representative Collective Investment Schemes / Voluntary Pension Schemes through their trustees, challenging the levy of FED. In this respect, the Hon'ble SHC has issued a stay order against recovery proceedings. The hearing of the petition is pending.

In a recent order of the SHC, 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) have been set aside. However, as a matter of abundant caution full provision for FED which has been aggregating to Rs. 3,302,806 (30 June 2016: Rs.3,302,806) on remuneration of the Pension Fund Manager is being retained in the financial statements of the Fund from 13 June 2013 till 30 June 2016 as the management believes that the Federal government retains the right to appeal against the said order in the Supreme Court within the prescribed timeline.

With effect from 1 July 2016, FED on services provided or rendered by Pension Fund Managers dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

In response to the above mentioned judgment, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan. Thereafter, during the pendency of the present civil petition, the Supreme Court has suspended the operation of impugned SHC judgment. The matter is still pending adjudication.

## 8. PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED (TRUSTEE) - Related Party

		30 September 2016 (Un-audited)					30 June 2016 (Audited)				
Note		Equity	Debt	Money	Others	Total	Equity	Debt	Money	Others	Total
	Sub-Fund	Sub-Fund	Market	Sub-Fund			Sub-Fund	Market			
	Rupees						Rupees				
Trustee fee		40,826	33,563	25,179	-	99,568	36,940	33,679	25,060	-	95,679
Sindh Sales Tax on Trustee fee	8.1	5,307	4,363	3,273	-	12,943	5,172	4,713	3,508	-	13,393
Settlement charges		3,000	500	500	-	4,000	3,000	500	500	-	4,000
Sindh Sales Tax on settlement charges		390	65	65	-	520	420	70	70	-	560
		49,523	38,491	29,017	-	117,031	45,532	38,962	29,138	-	113,632

**8.1** During the year, an amount of Rs.39,519 (2015: 36,638) 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.39,969 (2015: 24,807) was paid to the Trustee which acts as a collecting agent.

## 9. ACCRUED EXPENSES AND OTHER LIABILITIES

		30 September 2016 (Un-audited)					30 June 2016 (Audited)				
Note		Equity	Debt	Money			Equity	Debt	Money		
		Sub-Fund	Sub-Fund	Market	Others	Total	Sub-Fund	Sub-Fund	Market	Others	Total
				Sub-Fund					Sub-Fund		
-----Rupees-----						-----Rupees-----					
Payable to charity	9.1	41,392	-	-	-	41,392	16,799	-	-	-	16,799
Withholding tax payable		15,361	11,392	8,581	59,088	94,422	7,021	4,243	3,308	59,168	73,740
Zakat payable		-	-	-	27,386	27,386	-	-	-	52,463	52,463
Provision for Workers' Welfare Fund	9.2	3,691,246	1,136,349	941,945	-	5,769,540	3,691,246	1,136,349	941,945	-	5,769,540
Others		-	-	-	349,164	349,164	-	-	-	2,887,968	2,887,968
		3,747,999	1,147,741	950,526	435,638	6,281,904	3,715,066	1,140,592	945,253	2,999,599	8,800,510

# Atlas Pension Islamic Fund

- 9.1 The Shariah Advisor of the Fund has certified an amount of Rs.41,392 (30 June 2016: Rs.166,998) against dividend income as Shariah non-compliant income which has accordingly, been marked to charity and will be paid in due course of time.
- 9.2 The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes/Mutual Funds (CISs)/Pension Funds whose income exceeds Rs. 0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a Constitutional Petition has been filed by certain CISs / Pension Funds through their trustees in the Honourable High Court of Sindh (SHC), challenging the applicability of WWF to the CISs/Pension Funds, which is pending adjudication. However, without prejudice to the above, the Pension Fund Manager has been providing for WWF contribution since the financial year ended 30 June 2010.

During the year ended 30 June 2011, a clarification was issued by the Ministry of Labour and Manpower (the Ministry) on 8 July 2010 which stated that Mutual Funds / Pension Funds are not liable to contribute to WWF on the basis of their income. However on 14 December 2010 the Ministry filed its response against the Constitutional Petition requesting the Court to dismiss the same. Show cause notices were then issued by the Federal Board of Revenue (FBR) to several Mutual Funds (CISs)/Pension Funds for the collection of WWF, including some of the mutual funds / pension funds managed by the Pension Fund Manager, including the Fund. In respect of such show cause notices, certain Mutual Funds (CISs)/Pension Funds, including the Fund, have been granted stay by the Honourable SHC on the basis of the pending constitutional petition as referred above

In March 2013, a three member bench of the Sindh High Court in its judgment on various Constitutional Petitions challenging the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006, and the Finance Act, 2008, held that WWF is a tax and consequently, the amendments introduced in the Workers' Welfare Fund Ordinance, 1971 through Finance Act, 2006 and 2008 respectively (Money Bills) do not suffer from any constitutional or legal infirmity. This judgment was in contrast to the July 2011 single member bench decision of the Honorable Lahore High Court which had held such amendments as unlawful and unconstitutional for the reason that they were made through the money bills.

In a recent judgement of May 2014, the Honorable Peshawar High Court (PHC) has also held these amendments to be ultra vires as they lacked the essential mandate to be introduced and passed through the Money Bill under the constitution. For the CISs and Pension Funds, the issue of chargeability or otherwise of WWF levy to the CISs/Pension Funds is currently pending before the Honourable SHC. However, in the federal budget 2015, WWF on mutual fund was withdrawn w.e.f. 1 July 2015. No mention was made of VPS. WWF is no longer Federal subject and the Sindh Government has notified Sindh Workers Welfare Fund Act (SWWF), 2014 on 4 June 2015. The SWWF is not applicable on either mutual funds or VPS.

A decision on reversal of these provisions or otherwise will be taken based on the outcome of cases filed by Asset Management Companies in the Honourable High Court of Sindh. the Pension Fund Manager of the Fund, as a matter of abundant caution, has retained the provision in respect of WWF which amounts to Rs. 5,769,540 as at 30 September 2016 (30 June 2016: Rs.5,769,540). Had the same not been made, the net asset value per unit of the Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund would have been higher by Rs. 6.31, Re. 0.78 and Re.0.91 (30 June 2016: Rs.6.35, Re. 0.77 and Re.0.89) per unit respectively.

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## 10. NUMBER OF UNITS IN ISSUE

	For the Quarter Ended 30 September 2016 (Un-audited)				For the Quarter Ended 30 September 2015 (Un-audited)			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	-----Number of Units in Issue-----				-----Number of Units in Issue-----			
Total units in issue at the beginning of the period	581,556	1,483,791	1,053,287	3,118,634	553,419	1,315,061	910,812	2,779,292
Add: Units issued during the period	28,687	96,396	57,225	182,308	24,434	96,435	49,299	170,168
Less: Units redeemed during the period								
- Directly by participants	(23,843)	(115,663)	(71,366)	(210,872)	(10,082)	-	-	(10,082)
- Transfer to other Pension Fund	(1,742)	(1,571)	-	(3,313)	(8,176)	(37,747)	(24,660)	(70,583)
	(25,585)	(117,234)	(71,366)	(214,185)	(18,258)	(37,747)	(24,660)	(80,665)
Total units in issue at the end of the period	584,658	1,462,953	1,039,146	3,086,757	559,595	1,373,749	935,451	2,868,795

## 11. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 30 September 2016 and as at 30 June 2016.

## 12. MARK UP INCOME

	For the Quarter Ended 30 September 2016 (Un-audited)				For the Quarter Ended 30 September 2015 (Un-audited)			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	-----Rupees-----				-----Rupees-----			
Income on bank balances and term deposits	314,646	698,963	1,137,483	2,151,092	205,676	280,988	294,369	781,033
Income on Government of Pakistan - Ijarah Sukuks	-	2,576,133	1,158,777	3,734,910	-	3,589,069	2,596,346	6,185,415
Income on Sukuk certificates	-	19,410	-	19,410	-	-	-	-
	314,646	3,294,506	2,296,260	5,905,412	205,676	3,870,057	2,890,715	6,966,448

12.1 Mark-up on non performing securities amounting to Rs.2,213,403 (2015: Rs.1,907,602) based on outstanding principal has not been recognized, in accordance with the SECP's directives.

# Atlas Pension Islamic Fund

## 13. CONTRIBUTION TABLE

	For the Quarter Ended 30 September 2016 (Un-audited)							For the Quarter Ended 30 September 2015 (Un-audited)						
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total
	Units	Rupees	Units	Rupees	Units	Rupees	Rupees	Units	Rupees	Units	Rupees	Units	Rupees	Rupees
Individuals	11,493	6,425,328	9,704	1,803,455	5,390	1,058,166	9,286,949	7,928	3,915,324	39,841	7,146,569	13,996	2,651,026	13,712,919
Employers	17,194	9,610,273	86,692	16,093,260	51,834	10,167,135	35,870,668	16,506	8,249,400	56,594	10,118,442	35,303	6,670,534	25,038,376
	<b>28,687</b>	<b>16,035,601</b>	<b>96,396</b>	<b>17,896,715</b>	<b>57,225</b>	<b>11,225,301</b>	<b>45,157,617</b>	<b>24,434</b>	<b>12,164,724</b>	<b>96,435</b>	<b>17,265,011</b>	<b>49,299</b>	<b>9,321,560</b>	<b>38,751,295</b>

## 14. TRANSACTIONS WITH CONNECTED PERSONS/RELATED PARTIES

Connected persons include Atlas Asset Management Limited being the Pension Fund Manager, Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Pension Fund Manager and directors and executives of the Pension Fund Manager.

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

Remuneration payable to the Pension Fund Manager and the Trustee is determined in accordance with the provisions of the VPS Rules and the Trust Deed respectively.

The outstanding balances of connected persons / related parties are disclosed in the respective notes to the condensed interim financial statements.

For the Quarter Ended 30 September 2016 (Un-audited)					For the Quarter Ended 30 September 2015 (Un-audited)				
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
Rupees					Rupees				

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

#### Atlas Asset Management Limited (Pension Fund Manager)

Remuneration for the period	1,232,271	515,603	258,818	-	2,006,692	1,053,830	452,130	219,626	-	1,725,586
Remuneration paid	1,193,386	516,173	258,425	-	1,967,984	1,062,375	536,907	284,826	-	1,884,108
Sindh sales tax on remuneration of the Pension Fund Manager	160,195	67,028	33,646	-	260,869	171,142	73,426	35,667	-	280,235
Federal Excise Duty on remuneration of the Pension Fund Manager	-	-	-	-	-	168,613	72,341	35,140	-	276,094
Front end fee	-	-	-	-	-	-	-	-	73,253	73,253

#### Central Depository Company of Pakistan Limited (Trustee)

Trustee fee	123,224	103,118	77,656	-	303,998	105,383	90,425	65,889	-	261,697
Trustee fee paid	119,338	103,234	77,537	-	300,109	106,233	88,569	64,781	-	259,583
Sindh sales tax on remuneration of the Trustee	16,019	13,405	10,095	-	39,519	14,754	12,660	9,224	-	36,638
Settlement charges	10,305	1,500	1,500	-	13,305	13,505	1,709	1,710	-	16,924
Sindh sales tax on settlement charges	1,340	195	195	-	1,730	1,891	239	239	-	2,369



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For the Quarter Ended 30 September 2016 (Un-audited)					For the Quarter Ended 30 September 2015 (Un-audited)				
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
-----Rupees-----					-----Rupees-----				

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

### Key management personnel

Contributions	286,459	53,057	178,908	-	518,424	342,821	95,432	500,776	-	939,029
Contributions (Number of units)	516	286	912	-	1,713	687	534	2,656	-	3,877
Redemption	159,165	89,933	56,357	-	305,455	27,260	6,731	-	-	33,991
Redemption (Number of units)	289	486	288	-	1,063	52	38	-	-	90
Re-allocation	(12,443)	12,443	-	-	-	-	-	-	-	-
Re-allocation (Number of units)	(22)	67	-	-	45	-	-	-	-	-
Payment from Income Payment Plan	-	-	-	-	-	-	-	149,713	-	149,713
Payment from Income Payment Plan (Units)	-	-	-	-	-	-	-	790	-	790

30 September 2016 (Un-audited)					30 June 2016 (Audited)				
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
-----Rupees-----					-----Rupees-----				

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

### Atlas Asset Management Limited (Pension Fund Manager)

Investment at period / year end	94,947,020	31,042,000	32,771,720	-	158,760,740	87,159,960	30,686,760	32,429,760	-	150,276,480
Units held (Number of units)	166,000	166,000	166,000	-	498,000	166,000	166,000	166,000	-	498,000
<b>Key management personnel</b>										
Investment at period / year end	2,067,281	368,169	2,431,065	-	4,866,515	1,790,208	388,548	2,283,859	-	4,462,615
Units held (Number of units)	3,614	1,969	12,314	-	17,897	3,410	2,102	11,691	-	17,203

# Atlas Pension Islamic Fund

## 15. Fair value of financial instruments

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

### **Fair value of investments is determined as follows:**

- Fair value of listed equity securities is determined on the basis of closing market prices quoted on the respective stock exchange.
- Investment in Government of Pakistan Ijarah Sukuks are valued on the basis of average rates provided by the brokers as announced on the Reuters page.
- Investment in Sukuk certificates are valued in accordance with the methodology for valuation of debt securities prescribed by the SECP. Under the said directive, investments in sukuk certificates are valued on the basis of traded, thinly traded and non-traded securities. Accordingly, investments in sukuk certificates have been valued at the rates determined and announced by MUFAP based on methodology prescribed in the circulars.
- The fair value of other financial assets and liabilities of the Fund approximate their carrying amount due to short term maturities of these instruments.

## 16. GENERAL

Figures have been rounded off to the nearest Rupee.

## 17. DATE OF AUTHORISATION FOR ISSUE




These condensed interim financial statements were authorised for issue by the Board of Directors of the Pension Fund Manager on 27 October 2016.

**For Atlas Asset Management Limited  
(Pension Fund Manager)**



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