

Funds Managed by:
AKD Investment Management Ltd.

2020



annual report

**GOLDEN ARROW
STOCK FUND**

**Partner with AKD
Profit from the Experience**



**AKD Investment
Management Ltd.**

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CORPORATE INFORMATION



Abdul Karim
Chairman



Imran Motiwala
Chief Executive Officer



Hasan Ahmed
Director



Anum Dhedhi
Director



Ali Wahab Siddiqui
Director



Aysha Ahmed
Director



Saim Mustafa Zuberi
Director

MANAGEMENT COMPANY

216-217, Continental Trade Centre, Block-8,
Clifton, Karachi-74000

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Chairman

Mr. Abdul Karim

Director & Chief Executive Officer

Mr. Imran Motiwala

Director

Ms. Anum Dhedhi

Ms. Aysha Ahmed

Mr. Ali Wahab Siddiqui

Mr. Hasan Ahmed

Mr. Saim Mustafa Zuberi

HEAD OF INTERNAL AUDIT OF THE MANAGEMENT COMPANY

Ms. Tayyaba Masoom Ali

CHIEF OPERATING OFFICER AND COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Muhammad Yaqoob Sultan, CFA

AUDIT COMMITTEE

Mr. Ali Wahab Siddiqui (Chairman)

Mr. Hasan Ahmed (Member)

Mr. Saim Mustafa Zuberi (Member)

Ms. Tayyaba Masoom Ali (Secretary)

HUMAN RESOURCE AND REMUNERATION (HR & R) COMMITTEE

Ms. Aysha Ahmed (Chairman)

Mr. Abdul Karim (Member)

Mr. Imran Motiwala (Member)

Ms. Anum Dhedhi (Member)

Mr. Saim Mustafa Zuberi (Member)

Mr. Muhammad Yaqoob Sultan, CFA (Secretary)

RATING

AKD Investment Management Limited
AM3++ (AM Three Plus Plus) issued by PACRA

**CORPORATE
INFORMATION**

VISION



To serve investors in Pakistan's capital markets with diligence, integrity and professionalism, thereby delivering consistent superior returns and unparalleled customer service.

MISSION STATEMENT



AKD Funds shall continuously strive to:

- ▶ *Keep primary focus on investing clients' interest*
- ▶ *Achieve highest standards of regulatory compliance and good governance*
- ▶ *Prioritize risk management while endeavoring to provide inflation adjusted returns on original investment*
- ▶ *Enable the investing public and clients to make AKDIML Funds a preferred part of their overall savings and investment management strategy*
- ▶ *Distinguish themselves and compete on the basis of unparalleled service quality while setting industry standards for professionalism, transparency and consistent superior performance*
- ▶ *Foster and encourage technical, professional, ethical development of human capital to provide our people the best opportunities and environment for their personal growth*

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of AKD Investment Management Limited (AKDIML), the Management Company of AKD Opportunity Fund (AKDOF), Golden Arrow Stock Fund (GASF) - (Formerly: Golden Arrow Selected Stocks Fund Limited), AKD Index Tracker Fund (AKDITF), AKD Cash Fund (AKDCF) AKD Aggressive Income Fund (AKDAIF), AKD Islamic Income Fund (AKDISIF) and AKD Islamic Stock Fund (AKDISSF) is pleased to present its annual report along with the Funds' Audited Financial Statements for the year ended June 30, 2020.

FUNDS' FINANCIAL PERFORMANCE**AKD Opportunity Fund (AKDOF)**

For the FY20, the return of AKD Opportunity Fund stood at 1.65% compared to the benchmark KSE-100 Index return of 1.53%.

Golden Arrow Stock Fund (GASF)

For the FY20, the return of Golden Arrow Stock Fund stood at -4.59% compared to the benchmark KSE-100 Index return of 1.53%.

Golden Arrow Stock Fund (subsequent to its conversion from a closed end investment company into an open end scheme as per Scheme of arrangement) the return for the period from November 25, 2019 to June 30, 2020 stood at -3.16% compared to the benchmark KSE-100 Index return of -9.24%.

AKD Index Tracker Fund (AKDITF)

For the FY20, the return of AKD Index Tracker Fund stood at -0.19% compared to the benchmark KSE-100 Index return of 1.53%.

AKD Cash Fund (AKDCF)

For the FY20, the return of AKD Cash Fund stood at 12.24% compared to the benchmark return of 11.67%.

The Chief Executive under the authority granted by the Board of Directors approved interim distribution (including refund of element) of Rs. 6.0811 per unit to the unit holders during the year ended June 30, 2020.

AKD Aggressive Income Fund (AKDAIF)

For the FY20, the return of AKD Aggressive Income Fund stood at 13.12% compared to the benchmark return of 12.31%.

The Chief Executive under the authority granted by the Board of Directors approved interim distribution (including refund of element) of Rs. 6.7781 per unit to the unit holders during the year ended June 30, 2020.

AKD Islamic Income Fund (AKDISIF)

For the FY20, the return of AKD Islamic Income Fund stood at 11.54% compared to the benchmark return of 6.33%.

The Chief Executive under the authority granted by the Board of Directors approved interim distribution (including refund of element) of Rs. 5.7297 per unit to the unit holders during the year ended June 30, 2020.

AKD Islamic Stock Fund (AKDISSF)

For the FY20, the return of AKD Islamic Stock Fund stood at -14.05% compared to the benchmark KMI-30 Index return of 1.62%.

MACRO PERSPECTIVE

Stringent measures adopted by the PTI led government during its initial two years cultivated fruits during FY20 as both the Fiscal and Current Account Deficits were restricted to 8.1% and 1.1% of Gross Domestic

Product (GDP) respectively, as compared to 8.9 % and 4.8% in FY19. Improvement in former can be attributed to austerity measures taken by the government while latter improved on the back of a decrease in balance of trade and improvement in remittances during the period. However, the government's precautionary approach to COVID19 led to a country wide lockdown which brought almost all economic activities to a halt, resulting in a decline in GDP by 0.38% YoY.

The Current Account Deficit (CAD) for FY20 stood at \$2.97 billion (1.1% of GDP) as compared to \$13.43 billion (4.8% of GDP) in the same period last year (SPLY), exhibiting a decline of 77.89% YoY. This improved performance is attributed to decrease in the imports of goods by 18.22% YoY to \$42.42 billion from \$51.87 billion, along with an increase in remittances of 6.35% YoY to \$23.12 billion. However, due to the shutdown in export destinations coupled with lockdowns in Pakistan amid spread of COVID-19 pandemic, exports of goods remained depressed and declined by 7.21% YoY to \$22.51 billion from \$24.26 billion, SPLY. Foreign Direct Investment (FDI) registered a growth of 88.03% YoY to \$2.56 billion which helped the Central Bank in building country's Foreign Exchange Reserves up by \$4.40 billion to \$18.89 billion.

On fiscal front, the Federal Board of Revenue (FBR) managed to collect around PKR 3.998 trillion during FY20, i.e. PKR 89 billion above its revised target of PKR 3.908 trillion, as compared to PKR 3.83 trillion in the same period last year. The tax collection remained below the initial target of PKR 5.55 trillion (12.6% of GDP), making it difficult for the government to execute development spending. Moreover, the government has set a revenue collection target of PKR 4.96 trillion for FY21, up by 24.16% as compared to FY20 collection, which appears ambitious keeping in view the current economic slowdown despite an encouraging improvement in economic numbers as COVID-19 cases recede.

As per Pakistan Bureau of Statistics (PBS), the average National Consumer Price Index (NCPI) in FY20 was recorded at 10.74% YoY as compared to 6.80% YoY, SPLY. Core Inflation, calculated by excluding food and energy, clocked in at 7.09% YoY and 6.34% YoY for Urban and Rural areas respectively, as compared to 5.10% YoY and 4.08% YoY, SPLY. Following a decrease in the economic activity due to the country-wide lockdown amidst Covid-19, the State Bank of Pakistan (SBP) took an unorthodox step of slashing the policy rate by 625 bps cumulatively to 7.00% from 13.25% in order to revive halted economic activities in the country.

According to the Economic Survey of FY20, the agriculture sector grew by 2.67%YoY. The crops witnessed a positive growth of 2.98% during FY20 mainly due to positive growth of 2.90% YoY in key agricultural crops. Wheat being the most important crop of Rabi, showed growth of 2.5% to reach 24.95 million tons. Rice production increased by 2.9% to 7.41 million tons and Maize production by 6.0% to 7.24 million tons. However, Cotton production declined by 6.9% to 9.18 million bales while the Sugarcane production declined by 0.4% to 66.88 million tons.

The Large Scale Manufacturing (LSM) sector, which constitutes 77.05% of the total Manufacturing and 8.9% of GDP, witnessed a decrease of 10.17% for FY20. During the period under review, major contribution towards the negative growth came from Automobile (Weight: 4.613%), Textile (Weight: 20.92%), Electronics (Weight: 1.96%) and Coke and Petroleum Products (Weight: 5.514%) as the sectors decreased by 43.78%, 10.37%, 34.82% and 20.10% respectively. However, some of the decrease was compensated by positive performance from Fertilizer (Weight: 4.441%), Paper and Board (Weight: 2.314%) and Rubber Products (Weight: 0.262%) which grew by 4.39%, 2.25% and 2.91% respectively during FY20.

Furthermore, Pakistan was able to attract net \$2.56 billion in Foreign Direct Investment (FDI) during FY20, up by 88.03% YoY as compared to \$1.36 billion recorded during FY19 owing to low base effect. This was on the back of a number of reasons including uncertainty of PKR/US, delay in finalization of IMF program, vulnerable twin deficit, downgrading of Pakistan's credit rating by Fitch Ratings in December 2018 and dampened investor confidence. Major increase in FDI came in the Power sector (majorly coal fired power plant) and Communication sector with increase in net inflows by \$1.09 billion (~336% YoY) and \$719.61 million (~1292% YoY) respectively. On the other hand, Personal Services, Beverages, Chemicals, and Transport Equipment-cars, witnessed a cumulative net decrease in FDI of \$346.12 million during FY20. As far as investing countries were concerned, major increase in FDI was witnessed from China, Malta and Norway by \$713.33 million (+60% YoY), \$362.15 million (+30% YoY) and 286.06 million (24% YoY).

During the period under review, the local currency had a volatile year as PKR appreciated by 4.15% during 1QFY20 owing to expected inflows from the International Monetary Fund and multilateral lenders. However, PKR depreciated by 7.74% during 2HFY20 after shutdown of economic activities as provinces announced lockdown to contain the spread of Corona Virus in the country. USD PKR rate closed at PKR 167.86 during FY20 as compared to previous year closing rate PKR 163.75, registering depreciation of 2.45% YoY.

EQUITY MARKET REVIEW

After two years aggregate downward trajectory of 27.20% for FY18 and FY19, the local bourse stayed flat with a disappointing return of 1.53% (-3.1% in dollar terms) during FY20 to close at 34,422 points as compared to last year close of 33,902 points. During 1HFY20, market posted a return of 20.16% owing to improvement in economic numbers; however, it succumbed to selling pressure during 2HFY20 as shutdown of economic activities amid lockdown due to Covid-19 pandemic hit the KSE-100 Index. With the widespread of Covid-19 in the country, market plunged by 28.24% QoQ during 3QFY20. Moreover, timely monetary easing by the Central Bank (cumulative reduction in policy rate by 625bps), and the government's incentive package for the construction sector and business friendly policies for the businesses provided impetus to the local bourse in 4QFY20, and resulted in recouping investors' losses of 3QFY20.

Average daily turnover during FY20 clocked in at 196.53 million shares, up by 26.63%YoY as compared to 155.21 million shares recorded during FY19. Investors' attention shifted towards top tier stocks as ratio of turnover for KSE-100 improved to 68.92% in FY20 as compared to 62.26% SPLY. Average daily traded value improved to PKR 7.22 billion, up by 13.44% as compared to PKR 6.36 billion recorded during FY19. Foreign investors continued to remain the net sellers in the Equity market with net selling of \$284.83 million during FY20, taking the cumulative outflow since FY16 to \$1.86 billion. Banks/DFI and Mutual Funds also offloaded their positions during FY20 with net selling of \$55.40 million and \$50.22 million respectively. Much of the selling was absorbed by Individuals and Insurance Companies with net buying of \$213.23 million and \$127.64 million respectively.

There was major outperformance witnessed in different sectors during FY20 which helped the KSE-100 Index maintain its momentum. Sectors like, Cement, Pharmaceuticals, Food & Personal Care Products, Chemical, Fertilizer and Technology and Communication sector outperformed the benchmark index as market capitalization increased by 33.31%, 56.42%, 10.78%, 12.34%, 7.31% and 35.31% respectively. On the other hand Tobacco, Commercial Banks, Oil and Gas Exploration Companies, Power Generation & Distribution and Textile Composite sector remained the worst performers with a decrease in market capitalization by 40.41%, 16.70%, 14.26%, 19.19% and 8.15% respectively. Total Market Capitalization ratio to GDP has decreased to 15.65% as compared to 18.14% and 24.90% recorded during FY19 and FY18 respectively.

After the outbreak of COVID-19 in the country and the closure of economic activities, the Government of Pakistan (GoP) took some unprecedented steps and skipped imposition of additional new taxes in the Budget FY21. Prior to that GoP had announced a PKR 1.2 trillion relief package including PKR 100 billion exporter refunds, PKR 150 billion deferred interest payments for SMEs, and subsidized electricity for consumers who use less than 300 units of electricity. Moreover, government has expanded the outreach of Prime Minister's "Ehsaas Programme" by increasing the total allocation to PKR 208 billion as compared to PKR 187 billion in FY19. All the steps helped to recuperate investors' confidence due to expected increase in demand.

In terms of valuation, KSE-100 Index closed at forward Price to Earnings Multiple of 6.22x, 50% discount as compared to MSCI Emerging Market P/E of 12.45x and offering a healthy dividend yield of 6.86%. Furthermore, Benchmark index closed at a forward Price to Book Multiple of 0.85x, 40% as compared to MSCI Emerging Market P/B of 1.41x.

MONEY MARKET REVIEW

During FY20, twenty-seven (27) T-Bill auctions were conducted, where the State Bank of Pakistan managed to raise PKR 14.35 trillion cumulatively. Weighted average yield of the 3 months, 6 months, and 12 months period were 12.23%, 12.13%, and 11.98% respectively, as compared to 9.69%, 9.76%, and 6.57% respectively for same period last year. It is pertinent to note however that the yield curve has been on a declining

trend since touching its high of 13.75%, 13.95% and 14.22% for 3 months, 6 months and 12 months T-Bills respectively, depicting an inversion in the yield curve within the short tenure papers as well.

To further address demand for liquidity, the SBP conducted twelve (12) auctions of Pakistan Investment Bonds (PIBs) and was successful in raising PKR 2.07 trillion during FY20 with weighted average yield of the 3 years, 5 years, and 10 years of 11.59%, 11.29%, and 11.18%, as compared to 9.97%, 10.02%, and 10.93% respectively, during the same period last year. It is pertinent to note that bids were accepted in 20 years PIB with the weighted average yield of 11.02%. Moreover, the SBP carried out a fresh issue of the 15 years PIB with a weighted average yield of 12.80%. During 1QFY21, weighted average yields for 3 years, 5 years, 10 years, and 20 years PIBs rose by 37.77 bps, 9.46 bps, 11.9 bps, and 3.98 bps respectively to 8.20%, 8.45%, 8.99%, and 10.55%.

During FY20, the Monetary Policy Committee (MPC) cut the policy rate cumulatively by 525 bps to 7.00% amid the Covid-19 pandemic with an aim to cushion the slowdown in growth rate while maintaining its inflation outlook. The SBP conducted 106 Open Market Operations (OMO) in FY20 of different maturities, in which it injected an average amount of PKR 625.10 billion per OMO at an average cut-off yield of 12.36%, and mopped up an average amount of PKR 202.37 billion per OMO at an average cut-off yield of 11.05%.

As per the auction target calendar for September - November 2020, the SBP targets to raise PKR 420 billion by issuing 3 -20 years Fixed Rate PIBs and PKR 2.35 trillion by issuing 3 -12-months T-Bills to pay back the maturing debt of PKR 3.12 trillion. In addition, SBP targets to raise another PKR 660 billion through the auction of a 3 - 10 years Floating Rate PIBs.

STATEMENT OF CORPORATE AND FINANCIAL REPORTING FRAMEWORK

- (a) The financial statements, prepared by the Management of the Company, present fairly the state of affairs of the Fund, the result of its operations, cash flows and movement in unit holders' funds.
- (b) Proper books of account of the Funds have been maintained.
- (c) Appropriate accounting policies have been consistently applied in preparation of the financial statements and accounting estimates are based on reasonable and prudent judgments.
- (d) International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departures there from has been adequately disclosed and explained;
- (e) The system of internal control is sound in design and has effectively implemented and monitored.
- (f) There are no significant doubts upon the Funds' ability to continue as a going concern.
- (g) There has been no material departure from the best practices of Corporate Governance, as detailed in the listing regulations.
- (h) Outstanding statutory payments on account of taxes, duties, levies and charges, if any have been fully disclosed in the financial statements.
- (i) The statement showing the attendance of Directors in BOD meetings and Audit Committee meetings is as under:

S.No.	Name of Director	MEETINGS ATTENDANCE (BOD)				Attended	Leave
		29-Apr-20	21-Feb-20	26-Oct-19	30-Sep-19		
1	Mr. Abdul Karim	✓	✓	✓	✓	4	0
2	Mr. Imran Motiwala	✓	✓	✓	✓	4	0
3	Ms. Anum Dhedhi	✓	✓	✓	✓	4	0
4	Mr. Saim Mustafa Zuberi	✓	✓	✗	✓	3	1
5	Mr. Ali Wahab Siddiqui	✓	✓	✓	✓	4	0
6	Mr. Hasan Ahmed	✓	✓	✓	✓	4	0
7	Ms. Aysha Ahmed	✓	✓	✓	✓	4	0

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S.No.	Name of Director	MEETINGS ATTENDANCE (Audit Committee)				Attended	Leave
		29-Apr-20	21-Feb-20	25-Oct-19	28-Sep-19		
1	Mr. Ali Wahab Siddiqui	✓	✓	✓	✓	4	0
2	Mr. Hasan Ahmed	✓	✓	✓	✓	4	0
3	Mr. Saim Mustafa Zuberi	✗	✓	✗	✓	2	2

(j) There have been no trades in the units of the Funds carried out by the Directors, CEO, CFO, CIO, COO, Company Secretary and their spouses and minor children of the Management Company other than as disclosed below and in the note to the financial statements:

S.No.	Trades by	Designation	Investment (No. of Units)	Redemption (No. of Units)
AKD Opportunity Fund				
1	Mr. Imran Motiwala	CEO	32,660.13	32,689.45
2	Ms. Sehr Imran Motiwala	Spouse - CEO	924,859.97	1,762,171.66
3	Mr. Muhammad Yaqoob	COO & Company Secretary	14,574.38	4,729.77
4	Ms. Maliha	Spouse – COO & Company Secretary	26,322.02	1,615.30

S.No.	Trades by	Designation	Investment (No. of Units)	Redemption (No. of Units)
AKD Cash Fund				
1	Ms. Sehr Imran Motiwala	Spouse - CEO	1,912,911.13	1,912,911.13
2	Mr. Hasan Ahmed	Director	12.9318	-

S.No.	Trades by	Designation	Investment (No. of Units)	Redemption (No. of Units)
AKD Islamic Income Fund				
1	Mr. Imran Motiwala	CEO	79,113.14	79,135.09
2	Ms. Sehr Imran Motiwala	Spouse - CEO	9,634,283.16	7,626,999.36
3	Mr. Muhammad Yaqoob	COO & Company Secretary	1,665.87	-
4	Ms. Maliha	Spouse – COO & Company Secretary	27,685.64	27,685.64
5	Mr. Muhammad Munir	CFO	-	5,968.00

S.No.	Trades by	Designation	Investment (No. of Units)	Redemption (No. of Units)
AKD Islamic Stock Fund				
1	Ms. Sehr Imran Motiwala	Spouse - CEO	396,502.52	396,502.52
2	Mr. Hasan Ahmed	Director	-	10,077.96

S.No.	Trades by	Designation	Investment (No. of Units)	Redemption (No. of Units)
AKD Index Tracker Fund				
1	Ms. Maliha	Spouse – COO & Company Secretary	147,786.13	147,786.13

S.No.	Trades by	Designation	Investment (No. of Units)	Redemption (No. of Units)
Golden Arrow Stock Fund				
1	Ms. Maliha	Spouse – COO & Company Secretary	619.97	-

RATING OF THE MANAGEMENT COMPANY

The Pakistan Credit Rating Agency Limited (PACRA) has assigned Asset Manager Rating of AM3++ (AM three Plus Plus) to AKD Investment Management Limited (AKDIML) on February 08, 2020.

RATING OF THE FUNDS

AKD OPPORTUNITY FUND

The Pakistan Credit Rating Agency Limited (PACRA) has assigned AKD Opportunity Fund (AKDOF) performance ranking of "MFR-1 Star" in performance period of 1 year, "MFR-2 Star" in performance period of 3 years, and "MFR-3 Star" in performance period of 5 years on February 28, 2020.

AKD CASH FUND

The Pakistan Credit Rating Agency Limited (PACRA) has assigned the stability rating of 'AA+(f)' (Double A plus; fund stability rating) to AKD Cash Fund (AKDCF) on April 24, 2020.

AKD AGGRESSIVE INCOME FUND

The Pakistan Credit Rating Agency Limited (PACRA) has assigned the stability rating of 'A-(f)' (A Negative; fund stability rating) to AKD Aggressive Income Fund (AKDAIF) on April 24, 2020.

GOLDEN ARROW STOCK FUND

The Pakistan Credit Rating Agency Limited (PACRA) has assigned Golden Arrow Stock Fund (GASF) performance ranking of "MFR-1 Star" in performance period of 1 year, "MFR-2 Star" in performance period of 3 years, and "MFR-4 Star" in performance period of 5 years on February 28, 2020.

AKD ISLAMIC INCOME FUND

The Pakistan Credit Rating Agency Limited (PACRA) has assigned the stability rating of 'A+(f)' (A plus; fund stability rating) to AKD Islamic Income Fund (AKDISIF) on April 24, 2020.

AKD ISLAMIC STOCK FUND

The Pakistan Credit Rating Agency Limited (PACRA) has assigned AKD Islamic Stock Fund (AKDISSF) performance ranking of "MFR-1 Star" in performance period of 1 year on February 28, 2020.

HOLDING COMPANY

Aqeel Karim Dhedhi Securities (Private) Limited is the holding company of AKD Investment Management Limited and holds 99.97% of the outstanding ordinary shares of the company.

APPOINTMENT OF AUDITORS

The Board re-appointed M/s Deloitte Yousuf Adil, Chartered Accountants as the statutory auditors for AKD Opportunity Fund (AKDOF), Golden Arrow Stock Fund (GASF), AKD Index Tracker Fund (AKDITF), AKD Cash Fund (AKDCF), AKD Aggressive Income Fund (AKDAIF), AKD Islamic Income Fund (AKDISIF) and AKD Islamic Stock Fund (AKDISSF) for the year 2020-2021 as recommended by the Audit Committee.

The Board re-appointed M/s Deloitte Yousuf Adil, Chartered Accountants as statutory auditors of AKD Investment Management Limited for the year 2020-2021 as recommended by the Audit Committee.

ACKNOWLEDGEMENTS

The Directors would like to take this opportunity to thank the Securities and Exchange Commission of Pakistan, the Ministry of Finance, the state Bank of Pakistan and the Management of the Pakistan Stock Exchange for their continued support and cooperation. The Board also appreciates the devoted performance of the staff and officers of the AKD Investment Management Limited. The Board will also like to thank the investors for their confidence in the Company.

FUTURE OUTLOOK

During 2MFY21, Current Account balance witnessed a surplus of \$805 million. Turnaround in the situation can be attributed to an increase in remittances on the back of hindrance over informal channel owing to closure of air travel and lockdown. Going forward, textile exports are expected to increase owing to various incentives offered to the sector in the form of low energy tariff which will provide further cushion to the Current Account balance. Resultantly, pressure on the Current Account will lessen the chances of any ad-hoc devaluations, however, gradual devaluation of ~5% cannot be ruled out.

After Torrential Rain and floods in Karachi, The Prime Minister announced a historic PKR1.1 trillion development package to transform Karachi in the next 3 years to tackle the city's civic issues and includes key projects relating to cleaning of drains, sewerage treatment and disposal, water supply, roads, and mass transit. The breakup of the package includes: 1) Water supply of PKR 92 billion 2) Solid Waste Management, storm water drains clearance and resettlement projects of PKR 267 billion 3) Sewage treatment plans of PKR 141 billion, 4) Road Projects of PKR 41 billion and 5) mass transit including rail and road of PKR 572 billion. The announced Package along with Construction Package announced at start of 4th quarter will bode well for the economy. Primary beneficiaries of the announced package will be the cement and steel sectors.

As per the World Health Organization (WHO) briefing, Pakistan is among the top five Countries which have taken successful and effective measures combating the Covid-19 pandemic in a timely manner. WHO Director-General Dr. Tedros Adhanom Ghebreyesus in a recent press briefing remarked that Pakistan has used the infrastructure it developed in its fight against polio to tackle COVID-19. Pakistan has seen a steady decline in the number of positive cases in the past few weeks after which the government lifted most of the country's remaining corona virus restrictions. By mid of September, Pakistan recovery percentage stood at 96% with total recoveries and confirmed cases of 289,806 and 302,020 respectively. Daily Infection ratio has also been decreasing where current active cases stood at 5,831.

Due to increasing concern over ballooning circular Debt, Government of Pakistan has been in talks with Independent Power Producers (IPPs) to re-negotiate the contractual terms of their respective power purchase agreements. In a more encouraging development followed by an "in-principal/MoU" understanding, many IPPs have agreed to revise down their capacity payments and share efficiency gains above the benchmark tariff efficiency levels. Moreover, IPPs have also agreed to convert their contract to "Take and Pay basis" from "Take or Pay" after development of Competitive trading agreement. Such extraordinary reforms in the power sector will limit the increase of circular debt and increase the efficiency of energy chain in the country. It is further pertinent to note that the key issue of outstanding dues has also been addressed in the same principle agreement in which the government would pay all dues.

The Supreme Court (SC) of Pakistan announced its verdict for the long awaited decision of Gas Infrastructure Cess (GIDC). The SC decision was in favor of the Government and Industries were thereby directed to pay the whole amount due till July 31st, 2020 within 24 months of the date. SC also restrained the government from charging any further GIDC until the amount collected till date is spent on projects as defined in the GIDC Act, 2015. While the SC had ruled in favor of the Government there remained contentious issues as far as industries were concerned including applicability of this decision on exporters and more importantly the timeline provided by the SC to ensure receipt of all dues. In this connection, the Government for example, rejected the request of fertilizer manufacturer to extend the deadline to 10 years. Fertilizer manufacturers have warned about increasing the urea price by PKR 100/bag and PKR 500/bag depending upon the installment time of 2 year and 10 years respectively. Moreover, any increase in the urea prices can exert a potentially high inflationary pressure on the food inflation of the country. The recent developments and the verdict of the decision will put the sector under limelight during the upcoming year.

With a significant reduction in the interest rates, and the overall slowdown in the economy, Pakistan's equity market has become attractive for many investors and thus managed to attract liquidity where all other asset classes were selectively unable to excite fresh liquidity during the initial widespread of the Covid-19 pandemic. With that, PSX may continue to attract further liquidity compared to other asset classes through mutual funds and insurance companies. Foreign interest has rejuvenated where FIPI has witnessed inflow of USD 6.85mn during the month of August where we remain optimistic about future inflows due to our current PKR/USD parity and interest rate scenarios globally.

During FY21, output of major crops is likely to decrease due to the locust attacks and seasonal rains. Industrial sector is expected to resume growth after two years of a consecutive decline (FY19-20) contributing positively to our expected real GDP growth of 2.0% for FY21, as per State Bank of Pakistan. We expect that the current negative interest rate regime will be helpful in providing soft financing to the corporate sector. Moreover, the Real Effective Exchange Rate (REER) of 93.02 implies stable Dollar parity, and a very low probability of further Rupee depreciation.

On the Fixed Income Front, Recent 625bps decrease in interest rates has provided stimulus to the economy. The State Bank of Pakistan expects country's core inflation to hover between 7 to 9 percent during FY21. The current negative real interest rates cannot be sustainable for long considering the country under an International Monetary Fund program. Moreover, negative real interest rates also pose risk to flight of capital, resulting in devaluation of the currency. We expect the SBP to opt for contractionary monetary policy during 2HFY21.

Equity benchmarks are likely to remain in the bull-run trajectory in the medium run with liquidity being the pivotal driving force while also gaining assistance from potential shift towards heavy weight sectors like Banks and E&Ps where valuations appear to be stretched elsewhere. Future expected growth in corporate earnings due to recently announced packaged will justify upward re-rating Price to Earning of Benchmark KSE-100 index which is currently trading at a forward Price to Earnings Multiple of 7.49x (September 16, 2020).

For and on behalf of the board

Imran Motiwala
Chief Executive Officer

Abdul Karim Memon
Chairman

Karachi: September 30, 2020

**STATEMENT OF COMPLIANCE WITH LISTED COMPANIES
(CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019**

The Company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are seven as per the following:

- a) Male: Five
- b) Female: Two

2. The composition of the Board of Directors is as follows:

Category	Name
i. Independent Director	Mr. Hasan Ahmed Mr. Ali Wahab Siddiqui Ms. Aysha Ahmed
ii. Non-Executive Directors	Mr. Hasan Ahmed Mr. Ali Wahab Siddiqui Mr. Saim Mustafa Zuberi Mr. Abdul Karim Memon Ms. Aysha Ahmed
iii. Executive Directors	Mr. Imran Motiwala Ms. Anum Aqeel Dhedhi
iv. Female directors	Ms. Anum Aqeel Dhedhi Ms. Aysha Ahmed

- 3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company.
- 4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
- 5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company.
- 6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by the Board / shareholders as empowered by the relevant provisions of the Companies Act, 2017 ("the Act") and Listed Companies (Code of Corporate Governance) Regulations, 2019 ("the Regulations").
- 7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.
- 8. The Board has formed a formal policy and transparent procedures for remuneration of directors in accordance with the provisions of Companies Act and these Regulations which is to be approved by the board in the upcoming meeting of the board of directors.
- 9. The Board remained fully compliant with the provision with regards to their Directors' Training Program (DTP). Out of total seven directors, five directors have obtained certification under DTP.
- 10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.

11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.
12. The Board has formed committees comprising of members given below:-
 - a. **Audit Committee**

Mr. Ali Wahab Siddiqui - Chairman
Mr. Hasan Ahmed - Member
Mr. Saim Mustafa Zubari - Member
Ms. Tayyaba Masoom - Secretary
 - b. **Human Resource and Remuneration (HR & R) Committee**

Ms. Aysha Ahmed - Chairman
Mr. Abdul Karim Memon - Member
Mr. Imran Motiwala - Member
Ms. Anum Aqeel Dhedhi - Member
Mr. Saim Mustafa Zubari - Member
Mr. Muhammad Yaqoob Sultan - Secretary
13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings of the aforesaid committees were as per following:
 - a) Audit Committee: Four quarterly meetings were held during the financial year ended June 30, 2020.
 - b) HR and Remuneration Committee: One meeting was held during the financial year ended June 30, 2020.
15. The Board has set up an effective internal audit function which is considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all other requirements of the Regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the regulations have been complied with.

For and on behalf of the board

Director

Chairman

Karachi: 30 September 2020

INDEPENDENT AUDITORS' REVIEW REPORT

TO THE MEMBERS' OF AKD INVESTMENT MANAGEMENT LIMITED

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of **AKD INVESTMENT MANAGEMENT COMPANY** (the Company) for and on behalf of its Funds (the AKD Funds) for the year ended June 30, 2020 in accordance with the requirements of Regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the AKD Fund's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the AMC to comply with the Regulations.

As a part of our audit of financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2020.

Deloitte Yousuf Adil
Chartered Accountants

Place: Karachi

Date: September 30, 2020

GOLDEN ARROW STOCK FUND

MANAGEMENT COMPANY

AKD Investment Management Limited
216-217, Continental Trade Centre, Block-8,
Clifton, Karachi-74000

TRUSTEE

Central Depository Company of
Pakistan Limited
CDC House 99-B, Block-B S.M.C.H.S.,
Main Shahra-e-Faisal, Karachi.

BANKERS

Habib Metropolitan Bank Limited

AUDITORS

Deloitte Yousuf Adil
Chartered Accountants
Cavish Court, A-35, Block 7 & 8
KCHSU, Sharah-e-Faisal
Karachi-75350, Pakistan.

LEGAL ADVISER

Bawaney & Partners
3rd & 4th Floor, 68-C, Lane-13,
Bukhari Commercial Area,
Phase-VI, DHA, Karachi,
Pakistan

REGISTRAR

216 - 217, Continental Trade Centre,
Block-8, Clifton Karachi-74000
JWAFFS Registrar Services (Pvt) Limited
407-408, Al-Ameera Centre,
Sharah-e-Iraq, Saddar, Karachi.
Tel: 021-35662023-24

DISTRIBUTOR

AKD Investment Management Limited

RATING

Asset Management Company
PACRA: AM3++ (AM-Three Plus Plus)

FUND MANAGER'S REPORT

i) Description of the Collective Investment Scheme Category and type:

Open End - Equity Scheme

ii) Statement of Collective Investment Scheme's investment objective:

Disciplined and balanced fund management strategy focusing on fundamentally strong companies offering deep value, coupled with few cherry picked growth companies.

iii) Explanation as to whether Collective Investment Scheme achieved its stated Objective:

For FY20, the return of the Golden Arrow Stock Fund (GASF) - (Formerly: Golden Arrow Selected Stocks Fund Limited) was -4.59% compared to the KSE-100 Index return of 1.53%.

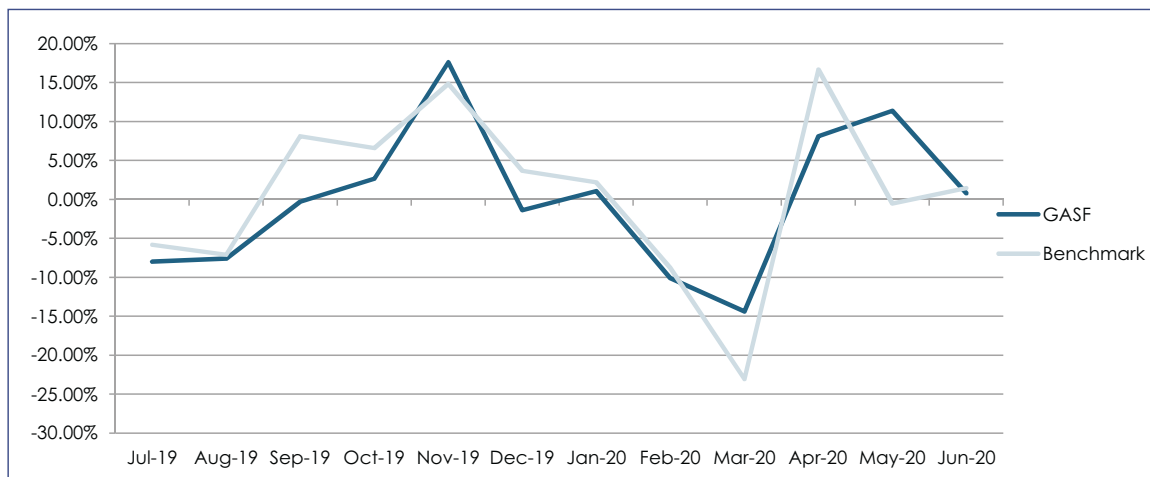
Golden Arrow Stock Fund (subsequent to its conversion from a closed end investment company into an open end scheme as per Scheme of arrangement) the return for the period from November 25, 2019 to June 30, 2020 stood at -3.16% compared to the benchmark KSE-100 Index return of -9.24%.

Statement of benchmark (s) relevant to the Collective Income Scheme:

KSE - 100 Index

iv) Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmark:

GASF PERFORMANCE RELATIVE TO BENCHMARK



Monthly return	Jul 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020	Mar 2020	Apr 2020	May 2020	Jun 2020
GASF	-7.99%	-7.60%	-0.28%	2.69%	17.61%	-1.39%	1.09%	-10.09%	-14.37%	8.13%	11.37%	0.82%
Benchmark	-5.79%	-7.10%	8.11%	6.62%	14.86%	3.68%	2.20%	-8.76%	-23.04%	16.69%	-0.53%	1.45%

v) Description of the strategies and policies employed during the period under review in relation to the Collective Investment Scheme's performance:

Golden Arrow Stock Fund is an open - end Equity Scheme. The returns of the Fund are generated through investment in value stocks which have strong growth potential.

vi) Disclosure of Collective Investment Scheme's asset allocation as at the date of report and particulars of significant change in asset allocation:

Asset Allocation (% of Total Assets)	30-June 2020	30-June 2019
Equities	94.39%	95.69%
Cash	5.03%	4.08%
Other Assets including Receivables	0.58%	0.23%

vii) **Analysis of the Collective Investment scheme's Performance:**

FY20 Return	-4.59%
Benchmark Return	1.53%

viii) **Non-Compliant Investment**

Name of Non Compliant Investment	Type of Investment	Value of Investment before Provision	Provision held if any	Value of Investment after Provision	Percentage of Net Assets	Percentage of Gross Assets
-----Rupees in '000-----						
Javedan Corporation Limited	Equity	109,571	Nil	109,571	11.07%	10.03%
TRG Pakistan Limited	Equity	168,294	Nil	168,294	17.01%	15.40%

ix) **Changes in the total NAV and NAV per share since last reviewed period:**

Net Assets Value		NAV Per Unit		
30-Jun-20	30-Jun-19	Change in Net Assets	30-Jun-20	30-Jun-19
(Rupees In "000")			Rs.	Rs.
989,386	1,239,677	-20.19%	7.78	8.15

x) **Disclosure on the markets that the Collective Investment Scheme has invested in including review of the market (s) invested in and returns during the period:**

MACRO PERSPECTIVE:

Stringent measures adopted by the PTI led government during its initial two years cultivated fruits during FY20 as both the Fiscal and Current Account Deficits were restricted to 8.1% and 1.1% of Gross Domestic Product (GDP) respectively, as compared to 8.9 % and 4.8% in FY19. Improvement in former can be attributed to austerity measures taken by the government while latter improved on the back of a decrease in balance of trade and improvement in remittances during the period. However, the government's precautionary approach to COVID19 led to a country wide lockdown which brought almost all economic activities to a halt, resulting in a decline in GDP by 0.38% YoY.

The Current Account Deficit (CAD) for FY20 stood at \$2.97 billion (1.1% of GDP) as compared to \$13.43 billion (4.8% of GDP) in the same period last year (SPLY), exhibiting a decline of 77.89% YoY. This improved performance is attributed to decrease in the imports of goods by 18.22% YoY to \$42.42 billion from \$51.87 billion, along with an increase in remittances of 6.35% YoY to \$23.12 billion. However, due to the shutdown in export destinations coupled with lockdowns in Pakistan amid spread of COVID-19 pandemic, exports of goods remained depressed and declined by 7.21% YoY to \$22.51 billion from \$24.26 billion, SPLY. Foreign Direct Investment (FDI) registered a growth of 88.03% YoY to \$2.56 billion which helped the Central Bank in building country's Foreign Exchange Reserves up by \$4.40 billion to \$18.89 billion.

On fiscal front, the Federal Board of Revenue (FBR) managed to collect around PKR 3.998 trillion during FY20, i.e. PKR 89 billion above its revised target of PKR 3.908 trillion, as compared to PKR 3.83 trillion in the same period last year. The tax collection remained below the initial target of PKR 5.55 trillion (12.6% of GDP), making it difficult for the government to execute development spending. Moreover, the government has set a revenue collection target of PKR 4.96 trillion for FY21, up by 24.16% as compared to FY20 collection, which appears ambitious keeping in view the current economic slowdown despite an encouraging improvement in economic numbers as COVID-19 cases recede.

As per Pakistan Bureau of Statistics (PBS), the average National Consumer Price Index (NCPI) in FY20 was recorded at 10.74% YoY as compared to 6.80% YoY, SPLY. Core Inflation, calculated by excluding food and energy, clocked in at 7.09% YoY and 6.34% YoY for Urban and Rural areas respectively, as compared to 5.10% YoY and 4.08% YoY, SPLY. Following a decrease in the economic activity due to the country-wide lockdown amidst Covid-19, the State Bank of Pakistan (SBP) took an unorthodox step of slashing the policy rate by 625 bps cumulatively to 7.00% from 13.25% in order to revive halted economic activities in the country.

According to the Economic Survey of FY20, the agriculture sector grew by 2.67%YoY. The crops witnessed a positive growth of 2.98% during FY20 mainly due to positive growth of 2.90% YoY in key agricultural crops. Wheat being the most important crop of Rabi, showed growth of 2.5% to reach 24.95 million tons. Rice production increased by 2.9% to 7.41 million tons and Maize production by 6.0% to 7.24 million tons. However, Cotton production declined by 6.9% to 9.18 million bales while the Sugarcane production declined by 0.4% to 66.88 million tons.

The Large Scale Manufacturing (LSM) sector, which constitutes 77.05% of the total Manufacturing and 8.9% of GDP, witnessed a decrease of 10.17% for FY20. During the period under review, major contribution towards the negative growth came from Automobile (Weight: 4.613%), Textile (Weight: 20.92%), Electronics (Weight: 1.96%) and Coke and Petroleum Products (Weight: 5.514%) as the sectors decreased by 43.78%, 10.37%, 34.82% and 20.10% respectively. However, some of the decrease was compensated by positive performance from Fertilizer (Weight: 4.441%), Paper and Board (Weight: 2.314%) and Rubber Products (Weight: 0.262%) which grew by 4.39%, 2.25% and 2.91% respectively during FY20.

Furthermore, Pakistan was able to attract net \$2.56 billion in Foreign Direct Investment (FDI) during FY20, up by 88.03% YoY as compared to \$1.36 billion recorded during FY19 owing to low base effect. This was on the back of a number of reasons including uncertainty of PKR/US, delay in finalization of IMF program, vulnerable twin deficit, downgrading of Pakistan's credit rating by Fitch Ratings in December 2018 and dampened investor confidence. Major increase in FDI came in the Power sector (majorly coal fired power plant) and Communication sector with increase in net inflows by \$1.09 billion (~336% YoY) and \$719.61 million (~1292% YoY) respectively. On the other hand, Personal Services, Beverages, Chemicals, and Transport Equipment-cars, witnessed a cumulative net decrease in FDI of \$346.12 million during FY20. As far as investing countries were concerned, major increase in FDI was witnessed from China, Malta and Norway by \$713.33 million (+60% YoY), \$362.15 million (+30% YoY) and 286.06 million (24% YoY).

During the period under review, the local currency had a volatile year as PKR appreciated by 4.15% during 1QFY20 owing to expected inflows from the International Monetary Fund and multilateral lenders. However, PKR depreciated by 7.74% during 2HFY20 after shutdown of economic activities as provinces announced lockdown to contain the spread of Corona Virus in the country. USD PKR rate closed at PKR 167.86 during FY20 as compared to previous year closing rate PKR 163.75, registering depreciation of 2.45% YoY.

EQUITY REVIEW:

After two years aggregate downward trajectory of 27.20% for FY18 and FY19, the local bourse stayed flat with a disappointing return of 1.53% (-3.1% in dollar terms) during FY20 to close at 34,422 points as compared to last year close of 33,902 points. During 1HFY20, market posted a return of 20.16% owing to improvement in economic numbers; however, it succumbed to selling pressure during 2HFY20 as shutdown of economic activities amid lockdown due to Covid-19 pandemic hit the KSE-100 Index. With the widespread of Covid-19 in the country, market plunged by 28.24% QoQ during 3QFY20.

Moreover, timely monetary easing by the Central Bank (cumulative reduction in policy rate by 625bps), and the government's incentive package for the construction sector and business friendly policies for the businesses provided impetus to the local bourse in 4QFY20, and resulted in recouping investors' losses of 3QFY20.

Average daily turnover during FY20 clocked in at 196.53 million shares, up by 26.63%YoY as compared to 155.21 million shares recorded during FY19. Investors' attention shifted towards top tier stocks as ratio of turnover for KSE-100 improved to 68.92% in FY20 as compared to 62.26% SPLY. Average daily traded value improved to PKR 7.22 billion, up by 13.44% as compared to PKR 6.36 billion recorded during FY19. Foreign investors continued to remain the net sellers in the Equity market with net selling of \$284.83 million during FY20, taking the cumulative outflow since FY16 to \$1.86 billion. Banks/DFI and Mutual Funds also offloaded their positions during FY20 with net selling of \$55.40 million and \$50.22 million respectively. Much of the selling was absorbed by Individuals and Insurance Companies with net buying of \$213.23 million and \$127.64 million respectively.

There was major outperformance witnessed in different sectors during FY20 which helped the KSE-100 Index maintain its momentum. Sectors like, Cement, Pharmaceuticals, Food & Personal Care Products, Chemical, Fertilizer and Technology and Communication sector outperformed the benchmark index as market capitalization increased by 33.31%, 56.42%, 10.78%, 12.34%, 7.31% and 35.31% respectively. On the other hand Tobacco, Commercial Banks, Oil and Gas Exploration Companies, Power Generation & Distribution and Textile Composite sector remained the worst performers with a decrease in market capitalization by 40.41%, 16.70%, 14.26%, 19.19% and 8.15% respectively. Total Market Capitalization ratio to GDP has decreased to 15.65% as compared to 18.14% and 24.90% recorded during FY19 and FY18 respectively.

After the outbreak of COVID-19 in the country and the closure of economic activities, the Government of Pakistan (GoP) took some unprecedented steps and skipped imposition of additional new taxes in the Budget FY21. Prior to that GoP had announced a PKR 1.2 trillion relief package including PKR 100 billion exporter refunds, PKR 150 billion deferred interest payments for SMEs, and subsidized electricity for consumers who use less than 300 units of electricity. Moreover, government has expanded the outreach of Prime Minister's "Ehsaas Programme" by increasing the total allocation to PKR 208 billion as compared to PKR 187 billion in FY19. All the steps helped to recuperate investors' confidence due to expected increase in demand.

In terms of valuation, KSE-100 Index closed at forward Price to Earnings Multiple of 6.22x, 50% discount as compared to MSCI Emerging Market P/E of 12.45x and offering a healthy dividend yield of 6.86%. Furthermore, Benchmark index closed at a forward Price to Book Multiple of 0.85x, 40% as compared to MSCI Emerging Market P/B of 1.41x.

FUTURE OUTLOOK:

During 2MFY21, Current Account balance witnessed a surplus of \$805 million. Turnaround in the situation can be attributed to an increase in remittances on the back of hindrance over informal channel owing to closure of air travel and lockdown. Going forward, textile exports are expected to increase owing to various incentives offered to the sector in the form of low energy tariff which will provide further cushion to the Current Account balance. Resultantly, pressure on the Current Account will lessen the chances of any ad-hoc devaluations, however, gradual devaluation of ~5% cannot be ruled out.

After Torrential Rain and floods in Karachi, The Prime Minister announced a historic PKR1.1 trillion development package to transform Karachi in the next 3 years to tackle the city's civic issues and includes key projects relating to cleaning of drains, sewerage treatment and disposal, water supply, roads, and mass transit. The breakup of the package includes: 1) Water supply of PKR 92 billion 2)Solid Waste Management, storm water drains clearance and resettlement projects of PKR 267 billion 3)Sewage treatment plans of PKR 141 billion, 4) Road Projects of PKR 41 billion and 5) mass transit including rail and road of PKR 572 billion. The announced Package along with Construction Package announced at start of 4th quarter will bode well for the economy. Primary beneficiaries of the announced package will be the cement and steel sectors.

As per the World Health Organization (WHO) briefing, Pakistan is among the top five Countries which

have taken successful and effective measures combating the Covid-19 pandemic in a timely manner. WHO Director-General Dr. Tedros Adhanom Ghebreyesus in a recent press briefing remarked that Pakistan has used the infrastructure it developed in its fight against polio to tackle COVID-19. Pakistan has seen a steady decline in the number of positive cases in the past few weeks after which the government lifted most of the country's remaining corona virus restrictions. By mid of September, Pakistan recovery percentage stood at 96% with total recoveries and confirmed cases of 289,806 and 302,020 respectively. Daily Infection ratio has also been decreasing where current active cases stood at 5,831.

Due to increasing concern over ballooning circular Debt, Government of Pakistan has been in talks with Independent Power Producers (IPPs) to re-negotiate the contractual terms of their respective power purchase agreements. In a more encouraging development followed by an "in-principal/MoU" understanding, many IPPs have agreed to revise down their capacity payments and share efficiency gains above the benchmark tariff efficiency levels. Moreover, IPPs have also agreed to convert their contract to "Take and Pay basis" from "Take or Pay" after development of Competitive trading agreement. Such extraordinary reforms in the power sector will limit the increase of circular debt and increase the efficiency of energy chain in the country. It is further pertinent to note that the key issue of outstanding dues has also been addressed in the same principle agreement in which the government would pay all dues.

The Supreme Court (SC) of Pakistan announced its verdict for the long awaited decision of Gas Infrastructure Cess (GIDC). The SC decision was in favor of the Government and Industries were thereby directed to pay the whole amount due till July 31st, 2020 within 24 months of the date. SC also restrained the government from charging any further GIDC until the amount collected till date is spent on projects as defined in the GIDC Act, 2015. While the SC had ruled in favor of the Government there remained contentious issues as far as industries were concerned including applicability of this decision on exporters and more importantly the timeline provided by the SC to ensure receipt of all dues. In this connection, the Government for example, rejected the request of fertilizer manufacturer to extend the deadline to 10 years. Fertilizer manufacturers have warned about increasing the urea price by PKR 100/bag and PKR 500/bag depending upon the installment time of 2 year and 10 years respectively. Moreover, any increase in the urea prices can exert a potentially high inflationary pressure on the food inflation of the country. The recent developments, and the verdict of the decision will put the sector under limelight during the upcoming year.

With a significant reduction in the interest rates, and the overall slowdown in the economy, Pakistan's equity market has become attractive for many investors and thus managed to attract liquidity where all other asset classes were selectively unable to excite fresh liquidity during the initial widespread of the Covid-19 pandemic. With that, PSX may continue to attract further liquidity compared to other asset classes through mutual funds and insurance companies. Foreign interest has rejuvenated where FIPI has witnessed inflow of USD 6.85mn during the month of August where we remain optimistic about future inflows due to our current PKR/USD parity and interest rate scenarios globally.

During FY21, output of major crops is likely to decrease due to the locust attacks and seasonal rains. Industrial sector is expected to resume growth after two years of a consecutive decline (FY19-20) contributing positively to our expected real GDP growth of 2.0% for FY21, as per State Bank of Pakistan. We expect that the current negative interest rate regime will be helpful in providing soft financing to the corporate sector. Moreover, the Real Effective Exchange Rate (REER) of 93.02 implies stable Dollar parity, and a very low probability of further Rupee depreciation.

On the Fixed Income Front, Recent 625bps decrease in interest rates has provided stimulus to the economy. The State Bank of Pakistan expects country's core inflation to hover between 7 to 9 percent during FY21. The current negative real interest rates cannot be sustainable for long considering the country under an International Monetary Fund program. Moreover, negative real interest rates also pose risk to flight of capital, resulting in devaluation of the currency. We expect the SBP to opt for contractionary monetary policy during 2HFY21.

Equity benchmarks are likely to remain in the bull-run trajectory in the medium run with liquidity being the pivotal driving force while also gaining assistance from potential shift towards heavy weight sectors like Banks and E&Ps where valuations appear to be stretched elsewhere. Future expected growth

in corporate earnings due to recently announced packaged will justify upward re-rating Price to Earning of Benchmark KSE-100 index which is currently trading at a forward Price to Earnings Multiple of 7.49x (September 16, 2020).

xi) Description and explanation of any significant changes in the state of the affairs of the Collective Investment Scheme during the period and up till the date of the manager's report, not otherwise disclosed in the financial statements:

There was no significant change in the state of affair during the period and up till the date of the Fund Manager's report under review.

xii) Disclosure on share split (if any), comprising:

There was no unit splits during the period.

xiii) Break down of unit holding size:

Range (Units)	No. of Investors
0.1 - 9,999	4053
10,000 - 49,999	760
50,000 - 99,999	130
100,000 - 499,999	146
500,000 and above	36
	5125

xiv) Disclosure of circumstances that materially affect any interest of shareholders:

Investments are subject to credit and market risk.

xv) Disclosure if the Asset Management Company or its delegate, if any, receives any soft commission (i.e. goods and services) from its broker (s) or dealers by virtue of transaction conducted by the Collective Investment Scheme:

No soft commission has been received by the AMC from its brokers or dealers by virtue of transactions conducted by the Collective Investment Scheme.

DETAILS OF PATTERN OF HOLDING (UNITS)

	No. of Unitholders	Units Held	% of Total
Associated Companies	3	20,240,079	15.91%
Directors and CEO	4	2,484,000	1.95%
Individuals	5,055	93,808,648	73.74%
Insurance Companies	1	1,554	0.00%
Banks/DFIs	3	13,812	0.01%
Retirement funds	4	2,513,858	1.98%
Public Limited Companies	7	6,936,802	5.45%
Others	48	1,226,935	0.96%
	5,125	127,225,688	100.00%

TRUSTEE REPORT TO THE UNIT HOLDERS

Report of the Trustee pursuant to Regulation 41(h) and Clause 9 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Golden Arrow Stock Fund (the Fund) are of the opinion that AKD Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the period from November 25, 2019 to June 30, 2020 in accordance with the provisions of the following:

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

Abdul Samad

Chief Operating Officer
Central Depository Company of Pakistan Limited

Karachi, September 30, 2020

INDEPENDENT AUDITORS' REPORT

To the unit holders of Golden Arrow Stock Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Golden Arrow Stock Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2020, and the related income statement, statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the period from November 25, 2019 to June 30, 2020 then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2020, and of its financial performance, cash flows for the period then ended in accordance with accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund and Management Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as adopted by the Institute of Chartered Accountants of Pakistan together with the ethical requirements that are relevant to our audit of the financial statements in Pakistan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key Audit Matters:

Key audit matter	How the matter was addressed in our audit
<p>Valuation and existence of investment at fair value</p> <p>As disclosed in note 6 to the financial statements, investments at fair value amounted to Rs. 1,031.27 million as at June 30, 2020.</p> <p>These investments represent a significant item on the statement of assets and liabilities. The Fund invests principally in listed equity securities which is the main driver of the Fund's performance.</p> <p>Considering the above factors, the valuation and existence of investments are significant areas during our audit. Consequently, we have considered this as a key audit matter.</p>	<p>We performed the following steps during our audit of investments at fair value:</p> <ul style="list-style-type: none"> ● Obtained understanding of relevant controls placed by Management Company applicable to the balances; ● independently matched securities held by the Fund with the securities appearing in the Central Depository Company account to verify existence; ● independently tested valuations with the prices quoted on Pakistan Stock Exchange; ● performed purchases and sales testing on a sample of trades made during the period regarding movement of the securities; ● any differences identified during our testing that were over our acceptable threshold were investigated further.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our audit report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have not received this information and therefore cannot report in this regard.

Responsibilities of Management Company and Those Charged with Governance for the Financial Statements

Management Company is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as the Management Company determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management Company is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management Company either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance of the Management Company are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Management Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management Company.
- Conclude on the appropriateness of Management Company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw

attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Those Charged with Governance of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Those Charged with Governance of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with Those Charged with Governance of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the financial statements have been prepared in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Nadeem Yousuf Adil.

Deloitte Yousuf Adil
Chartered Accountants

Place: Karachi

Date: September 30, 2020

STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2020

	2020
	Rupees in '000'
ASSETS	
Bank balances	5 55,008
Investments	6 1,031,273
Profit receivable on bank deposits	290
Income tax refundable	518
Deposits	7 2,700
Receivable against sale of securities	2,780
Total Assets	1,092,569
LIABILITIES	
Payable to AKD Investment Management Limited - Management Company	8 19,174
Payable to Central Depository Company of Pakistan Limited - Trustee	9 182
Payable to Securities and Exchange Commission of Pakistan	10 211
Accrued and other liabilities	11 30,376
Unclaimed dividend	12 50,440
Payable against purchase of securities	2,800
Total Liabilities	103,183
NET ASSETS	989,386
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)	989,386
CONTINGENCIES AND COMMITMENTS	13
	Number of units
NUMBER OF UNITS IN ISSUE	14 127,225,688
	Rupees
NET ASSETS VALUE PER UNIT	7.7766

The annexed notes from 1 to 29 form an integral part of these financial statements.

**For AKD Investment Management Limited
(Management Company)**

Imran Motiwala
Chief Executive Officer

Muhammad Munir Abdullah
Chief Financial Officer

Anum Dhedhi
Director

INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2020

	Note	For the period from November 25, 2019 to June 30, 2020 (Rupees in '000)
INCOME		
Capital gain on sale of investments - net		11,133
Dividend income		7,674
Contingent load income		2,008
Net unrealised diminution on re-measurement of investments 'at fair value through profit or loss'	6.2	(33,597)
Profit on bank deposits		4,290
Total loss		(8,492)
EXPENSES		
Remuneration of AKD Investment Management Limited - Management Company	8.1	12,170
Sales tax on the remuneration of Management Company	8.2	1,582
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	1,181
Sales tax on the remuneration of Trustee	9.2	154
Annual fee to Securities and Exchange Commission of Pakistan	10.1	122
Expenses allocated by Management Company	8.3	608
Auditors' remuneration	15	414
Fees and subscription		556
Bank charges		14
CDC charges		127
Brokerage		985
Legal and professional charges		108
Printing and postage		150
Conversion cost		5,867
Total expenses		24,038
Net loss for the period before taxation		(32,530)
Taxation	16	-
Net loss for the period after taxation		(32,530)
Allocation of income for the period		
Net income for the period after taxation		-
Income already paid on units redeemed		-
Accounting income available for distribution		-
Relating to capital gain		-
Excluding capital gain		-
Earnings per unit	17	-

The annexed notes from 1 to 29 form an integral part of these financial statements.

**For AKD Investment Management Limited
(Management Company)**

Imran Motiwala
Chief Executive Officer

Muhammad Munir Abdullah
Chief Financial Officer

Anum Dhedhi
Director

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2020

	For the period from November 25, 2019 to June 30, 2020 (Rupees in '000)
Net loss for the period after taxation	(32,530)
Other comprehensive income for the period	-
Total comprehensive income for the period	<u>(32,530)</u>

The annexed notes from 1 to 29 form an integral part of these financial statements.

For AKD Investment Management Limited
(Management Company)

Imran Motiwala
Chief Executive Officer

Muhammad Munir Abdullah
Chief Financial Officer

Anum Dhedhi
Director

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND

FOR THE YEAR ENDED JUNE 30, 2020

Note	For the period from November 25, 2019 to June 30, 2020		
	Capital value	Accumulated loss	Total
	----- (Rupees in '000) -----		
Net assets at beginning of the period	-	-	-
Net assets transferred due to conversion of scheme	1,221,368	-	1,221,368
Issue of 1,321,434 units			
- Capital value (at conversion rate as per scheme of arrangement)	10,611	-	10,611
- Element of loss	(38)	-	(38)
Total proceeds on issuance of units	10,573	-	10,573
Redemption of 26,194,090 units			
- Capital value (at conversion rate as per scheme of arrangement)	(210,342)	-	(210,342)
- Element of income	317	-	317
Total payments on redemption of units	(210,025)	-	(210,025)
Total comprehensive income for the period	-	(32,530)	(32,530)
Net assets at end of the period	1,021,916	(32,530)	989,386
Accumulated loss brought forward			
- Realised		-	
- Unrealised		-	
		-	
Net loss for the period after taxation		(32,530)	
Accumulated loss carried forward		(32,530)	
Accumulated loss carried forward			
- Realised income		1,067	
- Unrealised loss		(33,597)	
		(32,530)	
		(Rupees)	
Conversion rate as per scheme of arrangement		8.0301	
Net assets value per unit at end of the period		7.7766	

The annexed notes from 1 to 29 form an integral part of these financial statements.

For AKD Investment Management Limited
(Management Company)

Imran Motiwala
Chief Executive Officer

Muhammad Munir Abdullah
Chief Financial Officer

Anum Dhedhi
Director

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2020

	Note	For the period from November 25, 2019 to June 30, 2020 (Rupees in '000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss before taxation		(32,530)
Adjustments for non cash and other items:		
Capital gain on sale of investments - net		(11,133)
Net unrealised diminution on re-measurement of investment at 'fair value through profit or loss'	6.2	33,597
		<u>(10,066)</u>
Decrease / (Increase) in assets		
Profit receivable on bank deposits		295
Income tax refundable		(335)
Deposits		2,750
Receivable against sale of securities		12,536
		<u>15,246</u>
Increase / (decrease) in liabilities		
Payable to AKD Investment Management Limited - Management Company		(181)
Payable to Central Depository Company of Pakistan Limited - Trustee		122
Payable to Securities and Exchange Commission of Pakistan		122
Accrued and other liabilities		128
Payable against purchase of securities		2,800
		<u>2,991</u>
Investments - net		<u>54,907</u>
Net cash generated from operating activities		63,078
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received on issue of units		10,573
Unclaimed dividend paid		(578)
Payment against redemption of units		(210,025)
Net cash used in financing activities		(200,030)
Net decrease in cash and cash equivalents		(136,952)
Cash and cash equivalents transferred due to conversion of scheme		191,960
Cash and cash equivalents at the end of the period	5	<u><u>55,008</u></u>

The annexed notes from 1 to 29 form an integral part of these financial statements.

For AKD Investment Management Limited
(Management Company)

Imran Motiwala
Chief Executive Officer

Muhammad Munir Abdullah
Chief Financial Officer

Anum Dhedhi
Director

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2020

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Golden Arrow Stock Fund (the Fund) was constituted by virtue of a scheme of arrangement for conversion of Golden Arrow Selected Stocks Fund Limited, a Closed End Fund (GASSF) into a an Open End Scheme under a Trust Deed executed between AKD Investment Management Limited (AKDIML), as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on June 26, 2019 after being approved by the Securities and Exchange of Pakistan (SECP) on April 03, 2019 in accordance with the provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

As per the scheme of arrangement for conversion of closed end fund into an open end scheme, a swap ratio of 1:1 (i.e. for each fully paid-up share of the par value of Rs 5 of GASSF, each share holder whose name was entered in the Register of Members of GASSF on the effective date was issued one unit of the Open End Scheme of the par value of Rs 5 with no Front-end Load and upon issuance of the Units of the Open End Scheme, the shares of GASSF were deemed to be cancelled and of no effect was approved by the share holders of GASSF vide their Special Resolution dated January 9, 2018. Golden Arrow Selected Stocks Fund Limited had applied to SECP for extension in the conversion and the SECP vide its letter No. SCD/AMC/GASSFL/87/2019 dated September 30, 2019 had granted extension till December 01, 2019. Consequently, the Fund had converted from closed end to open end with effective from November 25, 2019 and all assets and liabilities were transferred from Golden Arrow Selected Stocks Fund Limited to Golden Arrow Stock Fund.

Hence, the initial issuance of 152,098,344 units of Golden Arrow Stock Fund was made at the net asset value received against each unit (i.e. Rs 8.03 per unit). The effective date of conversion is November 25, 2019.

	November 25, 2019 ('Rupee '000')
Net assets transferred on conversion	
- Units issued 152,098,344 at par Rs.5	760,492
- General reserves	500
- Unappropriated profits	460,376
	<u><u>1,221,368</u></u>

The Management Company of the Fund has been registered as a Non-Banking Finance Company (NBFC) under the NBFC Rules, 2003 and has obtained the requisite license from the SECP to undertake Asset Management Services. The registered office of the Management Company is situated at 216-217, Continental Trade Centre, Block-8, Clifton, Karachi, in the province of Sindh.

"The Fund is an open-ended mutual fund and offers units for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited as on March 17, 2020.

The Fund is categorized as Equity Scheme as per circular 7 of 2009 by SECP. The principal activity of the Fund is to make investments in listed securities, cash in bank account, and term deposit receipts."

The Pakistan Credit Rating Agency Limited (PACRA) has assigned Asset Manager Rating of 'AM3++' to the Management Company dated February 8, 2020. PACRA has also assigned performance ranking of "MFR 1-Star" to the Fund in performance period of 1 year, "MFR 2-Star" in 3 year and "MFR 4-Star" in 5 year categories on February 28, 2020.

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

2. BASIS OF PREPARATION**2.1 Statement of compliance**

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

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

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

2.1.2 The SECP / Commission through its letter no. SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 has deferred the applicability of the impairment requirements of IFRS 9 for debt securities on mutual funds. Currently, the Asset Management Companies are required to continue to follow the requirements of Circular 33 of 2012 for impairment of debt securities.

2.2 Basis of measurement

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

2.3 Functional and presentation currency

These financial statements have been presented in Pakistani Rupees, which is the Fund's functional and presentation currency. The amounts are rounded off to the nearest thousand rupees except stated otherwise.

2.4 Critical accounting estimates and judgments

The preparation of the financial statements in conformity with the approved accounting standards requires the management to make estimates, judgements and assumptions that affect the reported amount of assets, liabilities, income and expenses. It also requires the management to exercise judgement in application of its accounting policies. The estimates, judgements and associated assumptions are based on the historical experience and various other factors that are believed to be reasonable under the circumstances the results of which form the basis of making the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Revisions to accounting estimates are recognised in the year in which the estimates are revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

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

- (i) Classification and valuation of financial assets (notes 4.1.1 & 6.1); and
- (ii) Impairment of financial assets (note 4.1.5);
- (iii) Taxation (notes 4.4 and 16)

3. NEW ACCOUNTING STANDARDS / AMENDMENTS AND IFRS INTERPRETATIONS**3.1 New accounting standards / amendments and IFRS interpretations that are effective for the year ended June 30, 2020.**

The following standards, amendments and interpretations are effective for the year ended June 30, 2020. These standards, interpretations and the amendments are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

	Effective from Accounting period beginning on or after
IFRS 16 - Leases, this standard will supersede IAS 17 'Leases', IFRIC 4, SIC 15 and SIC 27 upon its effective date.	January 01, 2019
IFRS 14 – Regulatory Deferral Accounts - IFRS 14 was originally issued in January 2014 and applies to an entity's first annual IFRS financial statements for a period beginning on or after 1 January 2016. However, SECP has adopted from 1 July 2019	July 01, 2019
Amendments to IFRS 9 'Financial Instruments' - prepayment features with negative compensation	January 01, 2019
Amendments to IAS 28 'Investments in Associates and Joint Ventures' - Long-term interests in associates and joint ventures	January 01, 2019
Amendments to IAS 19 'Employee Benefits' - Plan amendment, curtailment or settlement	January 01, 2019
IFRIC 23 'Uncertainty over Income Tax Treatments': Clarifies the accounting treatment in relation to determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12 'Income Taxes'.	January 01, 2019
Certain annual improvements have also been made to a number of IFRSs.	

3.2 New accounting standards / amendments and IFRS interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and the amendments are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

	Effective date (accounting period beginning on or after)
Amendments to the conceptual framework for financial reporting, including amendments to references to the conceptual framework in IFRS	January 01, 2020
Amendments to IFRS 3 'Business Combinations' - amendments regarding definition of a business	January 01, 2020
Amendments to IAS 1 'Presentation of Financial Statements' and IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - amendments regarding definition of material	January 01, 2020
Amendments to IFRS 9 'Financial Instruments', IAS 39 'Financial Instruments: Recognition and Measurement' and IFRS 7 'Financial Instruments: Disclosures' - amendments regarding interest rate benchmark reform	January 01, 2020
Amendment to IFRS 16 'Leases' - amendments regarding Covid-19 related rent concessions	January 01, 2020
Amendments to IFRS 3 'Business Combinations' - amendments regarding reference to the conceptual framework	January 01, 2022
Amendments to IAS 16 'Property, Plant and Equipment' - amendments regarding proceeds before intended use	January 01, 2022
Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' - Onerous Contracts — amendments regarding cost of fulfilling a contract	January 01, 2022
Amendments to IAS 1 'Presentation of Financial Statements' - amendments regarding classification of liabilities as current or non-current	January 01, 2023

Certain annual improvements have also been made to a number of IFRSs which are also not expected to have material impact on financial reporting of the Fund.

Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the SECP:

- IFRS 1 – First Time Adoption of International Financial Reporting Standards
- IFRS 17 – Insurance Contracts

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

4.1 Financial Instruments

4.1.1 Classification of financial assets

IFRS 9 contains three principal classification categories for financial assets:

- Measured at amortized cost ("AC"),
- Fair value through other comprehensive income ("FVOCI") and
- Fair value through profit or loss ("FVTPL").

Financial assets at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL:

- 1) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- 2) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any loss allowance.

Financial assets at FVOCI

A financial asset is measured at FVOCI only if it meets both of the following conditions and is not designated as FVTPL:

- 1) the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- 2) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, for an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in fair value in Other Comprehensive Income (OCI), only dividend income is recognised in income statement. This election is made on an investment-by-investment basis.

FVOCI financial assets are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI.

Financial assets at FVTPL

All other financial assets are classified at FVTPL (for example: equity held for trading and debt securities not classified either as AC or FVOCI).

In addition, on initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Fund changes its business model for managing financial assets.

4.1.2 Recognition and initial measurement of financial instruments

Financial assets and financial liabilities are recognised in the Fund's statement of assets and liabilities when the Fund becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

4.1.3 Subsequent measurement of financial assets

Financial assets at amortized cost

Financial assets at amortized cost are subsequently measured at amortized cost. Amortized cost is calculated using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

Financial assets at FVOCI

All financial assets at FVOCI are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in other comprehensive income.

For debt instruments classified as financial assets at FVOCI, the amounts in other comprehensive income are reclassified to income statement on derecognition of financial assets. This treatment is in contrast to equity instruments classified as financial assets at FVOCI, where there is no reclassification on derecognition.

Financial assets at FVTPL

All financial assets designated at fair value through profit or loss are subsequently carried at fair value, with gains and losses arising from changes in fair value recorded in the income statement.

4.1.4 Fair value measurement principles and provision

The fair value of financial instruments is determined as follows:

Basis of valuation

- Equity securities are initially recognise at cost excluding any transaction costs which are charged to profit or loss and subsequently measured at fair value through profit or loss. The fair value of investments is determined by using closing rate of securities at day end available on the PSX website.
- Appreciation and diminution arising from changes in fair value of financial assets classified as fair value through profit or loss are recognised Income Statement.

4.1.5 Impairment

Under expected credit loss (ECL) model of IFRS 9, the Fund recognises loss allowances for ECLs on financial assets other than debt securities. The Fund measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- Financial assets that are determined to have low credit risk at the reporting date; and
- Other financial assets for which credit risk (i.e. the risk of default occurring over the expected life of the asset) has not increased significantly since initial recognition

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Fund considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Fund's historical experience and informed credit assessment and including forward-looking information

As disclosed in note 2.1.2 of these financial statements, the Fund follows requirements of circular 33 of 2012 (the "circular") for impairment of debt securities. Under the circular, provision for non performing debt securities is made on the basis of time based criteria as prescribed under the circular. Impairment losses recognised on debt securities can be reversed through the income statement.

As allowed under circular no. 13 of 2009 dated May 04, 2009 issued by the SECP, the Management Company may also make provision against debt securities over and above minimum provision requirement prescribed in aforesaid circular, in accordance with the provisioning policy approved by the Board of Directors and disseminated by the Management Company on its website.

4.1.6 Classification and measurement of financial liabilities

All financial liabilities are measured subsequently at amortized cost using the effective interest method or at FVTPL. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.

4.1.7 Derecognition

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or where the entity has transferred substantially all risks and rewards of ownership.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

4.1.8 Regular way contracts

All purchases and sales of securities that require delivery within the time frame established by regulation or market convention are recognised at the trade date. Trade date is the date on which the Fund commits to purchase or sell assets.

4.1.9 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the Statement of Assets and Liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

4.2 Cash and cash equivalents

Cash and cash equivalents comprise of bank balances and short term highly liquid investments with original maturity of three months or less, are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short term cash commitments rather than for investments and other purposes.

4.3 Provisions

Provisions are recognised when the Fund has a present, legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

4.4 Taxation

"The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed in cash to the unit holders.

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

The Fund does not account for deferred tax in these financial statements as the Fund intends to continue availing the tax exemption in future years by distributing in cash at least ninety percent of its accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders.

4.5 Dividend distribution and appropriations

Dividend distributions and appropriations are recorded in the period in which these are approved by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines (duly consented by the SECP) distribution for the year is deemed to comprise of the portion of income already paid on units redeemed during the year and cash distribution for the year.

The distribution per unit is announced based on units that were held for entire period. The rate of distribution is adjusted for the effect of refund of capital, if any, based on the period of investment made during the year. Resultantly the rate of distribution per unit may vary depending on the year of investment.

4.6 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the distributors during business hours on that date. The offer price represents the net asset value per unit as of the close of the business day plus the allowable sales load and any provision for duties and charges, if applicable. The sales load is payable to investment facilitators, distributors and the Management Company.

Units redeemed are recorded at the redemption price, applicable to units for which the distributors receive redemption applications during business hours of that day. The redemption price represents the net asset value per unit as of the close of the business day less any back-end load, any duties, taxes, and charges on redemption, if applicable.

4.7 Element of income / loss included in prices of units issued less those in units redeemed

Element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Further, the element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

4.8 Net assets value per unit

The net asset value (NAV) per unit as disclosed in the statement of assets and liabilities is calculated by dividing the net asset of the Fund by the number of shares in issue at the year end.

4.9 Revenue recognition

- Capital gain or loss on sale of investment is accounted for in the income statement on the date at which the sale transaction takes place.
- Unrealised gain / loss arising on remeasurement of investments classified as 'at fair value through profit or loss' is included in the income statement in the period in which it arises.
- Dividend income from equity securities is recognised when the right to receive dividend is established.
- Markup on bank balances is recognised on time proportionate basis using effective yield method.

4.10 Expenses

All expenses including NAV based expenses (namely management fee, trustee fee, annual fee payable to the SECP, and selling and marketing expense) are recognised in the income statement on an accrual basis.

	Note	2020 (Rupees in '000)
5. BANK BALANCES		
Saving account	5.1	<u>55,008</u>
5.1 Mark-up rates on these accounts 6.5% per annum as on June 30, 2020 .		
6. INVESTMENTS		
At fair value through profit or loss		
Listed equity securities	6.1	<u>1,031,273</u>

6.1 Listed equity securities - at fair value through profit or loss

Name of the Investee Company	Face value per share (Rupees)	-----Number of shares-----					Balance as at June 30, 2020			Percentage in relation to		
		Transfer on conversion of the Fund	Purchased during the period	Right / Bonus Shares	Sold / disposed	As at June 30, 2020	Carrying cost	Market value	Unrealised appreciation/ (diminution)	Market value as percentage of total investments	Market value as percentage of net assets	Paid up value of shares as a percentage of total paid up capital of the investee company
						----- Rupees in '000 -----			----- % -----			
Automobile Assembler												
Ghandhara Industries Limited	10	25,000	-	-	-	25,000	2,384	3,025	641	0.29	0.31	0.06
Automobile Parts & Accessories												
Thal Limited	5	250,000	66,800	-	240,900	75,900	25,142	24,663	(479)	2.39	2.49	0.09
Cable & Electrical Goods												
Pakistan Cables Limited	10	382,625	-	-	19,300	363,325	50,019	38,836	(11,183)	3.77	3.93	1.02
Cement												
Javedan Corporation Limited (note 6.1.1)	10	4,885,832	-	-	16,000	4,869,832	134,651	109,571	(25,080)	10.62	11.07	1.53
Chemicals												
Archroma Pakistan Limited	10	44,122	-	-	44,122	-	-	-	-	-	-	-
Budy Paints Limited	10	36,500	-	-	-	36,500	1,602	1,372	(230)	0.13	0.14	2.53
Dynea Pakistan Limited	5	336,733	-	-	31,000	305,733	30,573	32,964	2,391	3.20	3.33	1.62
Ghani Global Holding Limited	10	132	-	-	-	132	1	2	1	0.00	0.00	0.00
Nimir Industrial Chemicals Limited	10	672,500	-	-	-	672,500	38,333	39,308	975	3.81	3.97	0.61
							70,509	73,646	3,137			
Commercial Banks												
Bank Alfalah Limited	10	-	500,000	-	425,000	75,000	3,431	2,518	(913)	0.24	0.25	0.00
BankIslami Pakistan Limited	10	1,038,770	-	-	1,038,770	-	-	-	-	-	-	-
National Bank of Pakistan	10	50,000	-	-	50,000	-	-	-	-	-	-	-
Habib Bank Limited	10	50,000	105,000	-	155,000	-	-	-	-	-	-	-
The Bank of Punjab	10	-	590,000	-	240,000	350,000	4,060	2,940	(1,120)	0.29	0.30	0.01
							7,491	5,458	(2,033)			
Engineering												
Aisha Steel Mills Limited	10	2,000,000	-	-	1,600,000	400,000	4,108	3,684	(424)	0.36	0.37	0.05
Dost Steels Limited	10	133,000	-	-	-	133,000	741	406	(335)	0.04	0.04	0.04
Huffaz Seamless Pipe Industries Limited	10	341,745	-	-	-	341,745	6,117	5,212	(905)	0.51	0.53	0.62
							10,966	9,302	(1,664)			
Food & Personal Care Products												
Quice Food Industries Limited	10	1,547,500	-	-	-	1,547,500	5,556	7,352	1,796	0.71	0.74	1.57
Al Shaheer Corporation Limited	10	587,000	-	153,439	210,000	530,439	7,074	6,068	(1,006)	0.59	0.61	0.27
							12,630	13,420	790			
Glass & Ceramics												
Baluchistan Glass Limited	10	110,000	-	-	-	110,000	632	714	82	0.07	0.07	0.04
Shabbir Tiles and Ceramics Limited	5	388	-	-	-	388	4	3	(1)	0.00	0.00	0.00
							636	717	81			
Insurance												
Century Insurance Company Limited	10	423,559	-	-	-	423,559	6,778	6,353	(425)	0.62	0.64	0.84
EFU General Insurance Limited	10	155,700	-	-	40,700	115,000	10,350	12,648	2,298	1.23	1.28	0.06
Habib Insurance Company Limited	5	300,183	-	-	-	300,183	3,002	2,987	(15)	0.29	0.30	0.24
TPL Insurance Limited	10	373,290	-	-	-	373,290	9,549	8,212	(1,337)	0.80	0.83	0.40
							29,679	30,200	521			
Investment Banks / Inv. Cos. / Securities Cos.												
Jahangir Siddiqui & Company Limited	10	2,165,000	6,565,000	-	1,450,000	7,280,000	90,019	85,904	(4,115)	8.33	8.68	0.79
JS Investments Limited	10	418,500	15,000	-	-	433,500	7,795	6,416	(1,379)	0.62	0.65	0.70
Pakistan Stock Exchange Limited	10	4,454,198	1,647,000	-	-	6,101,198	73,543	60,402	(13,141)	5.86	6.10	0.76
							171,357	152,722	(18,635)			
Miscellaneous												
MACPAC Films Limited	10	1,197,671	-	-	97,000	1,100,671	15,398	25,414	10,016	2.46	2.57	1.86
Pakistan Services Limited	10	13,400	-	-	-	13,400	13,400	13,266	(134)	1.29	1.34	0.04
Shifa International Hospitals Limited	10	-	20,000	-	20,000	-	-	-	-	-	-	-
							28,798	38,680	9,882			

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Name of the Investee Company	Face value per share (Rupees)	-----Number of shares-----					Balance as at June 30, 2020			Percentage in relation to		
		Transfer on conversion of the Fund	Purchased during the period	Right / Bonus Shares	Sold / disposed	As at June 30, 2020	Carrying cost	Market value	Unrealised appreciation/ (diminution)	Market value as percentage of total investments	Market value as percentage of net assets	Paid up value of shares as a percentage of total paid up capital of the investee company
						----- Rupees in '000 -----			----- % -----			
Oil & Gas Exploration Companies												
Pakistan Petroleum Limited	10	25,000	-	-	25,000	-	-	-	-	-	-	-
Paper & Board												
Merit Packaging Limited	10	1,350,296	-	-	65,500	1,284,796	18,655	15,276	(3,379)	1.48	1.54	1.59
Pakistan Paper Products Limited	10	238,666	-	-	-	238,666	19,215	18,103	(1,112)	1.76	1.83	2.98
						37,870	33,379	(4,491)				
Pharmaceutical												
The Searle Company Limited	10	-	50,000	-	50,000	-	-	-	-	-	-	-
Power Generation & Distribution												
K-Electric Limited	3.5	12,678,500	2,000,000	-	2,078,500	12,600,000	52,868	37,926	(14,942)	3.68	3.83	0.05
Sitara Energy Limited	10	263,151	-	-	-	263,151	5,950	5,684	(266)	0.55	0.57	1.38
						58,818	43,610	(15,208)				
Refinery												
Affock Refinery Limited	10	-	25,000	-	25,000	-	-	-	-	-	-	-
National Refinery Limited	10	40,000	164,600	-	29,600	175,000	23,988	18,774	(5,214)	1.82	1.90	0.22
						23,988	18,774	(5,214)				
Sugar & Allied Industries												
Imperial Sugar Limited	10	378,000	-	-	-	378,000	6,426	5,069	(1,357)	0.49	0.51	0.38
Shahtaj Sugar Mills Limited	10	24,537	-	-	-	24,537	1,423	2,748	1,325	0.27	0.28	0.20
						7,849	7,817	(32)				
Synthetics & Rayon												
Pakistan Synthetics Limited	10	1,747,500	-	-	-	1,747,500	34,024	28,065	(5,959)	2.72	2.84	2.08
Rupali Polyester Limited	10	12,701	-	-	-	12,701	248	168	(80)	0.02	0.02	0.04
						34,272	28,233	(6,039)				
Technology & Communication												
Hum Network Limited	1	118,000	-	-	118,000	-	-	-	-	-	-	-
Pakistan Telecommunication Company Limited	10	1,600,000	-	-	1,323,500	276,500	2,453	2,455	2	0.24	0.25	0.01
System Limited	10	-	60,100	-	60,100	-	-	-	-	-	-	-
TRG Pakistan Limited (note 6.1.2 & 6.1.3)	10	5,959,417	-	-	-	5,959,417	130,809	168,294	37,485	16.32	17.01	1.09
						133,262	170,749	37,487				
Textile Composite												
Dawood Lawrencepur Limited	10	51,559	-	-	1,559	50,000	10,159	7,944	(2,215)	0.77	0.80	0.08
Gul Ahmed Textile Mills Limited	10	324,000	-	-	-	324,000	13,751	9,276	(4,475)	0.90	0.94	0.08
AN Textile Mills Limited	10	6,500	-	-	-	6,500	56	74	18	0.01	0.01	0.07
Nishat (Chunian) Limited	10	25,000	-	-	-	25,000	942	811	(131)	0.08	0.08	0.01
Kohinoor Textile Mills Limited	10	80,500	-	-	-	80,500	3,240	3,059	(181)	0.30	0.31	0.16
Sapphire Fibres Limited	10	49	-	-	-	49	26	39	13	0.00	0.00	0.00
						28,174	21,203	(6,971)				
Textile Spinning												
Crescent Fibres Limited	10	42,000	-	-	-	42,000	1,433	1,566	133	0.15	0.16	0.34
Din Textile Mills Limited	10	71,147	-	56,917	-	128,064	8,259	5,376	(2,883)	0.52	0.54	0.24
Elcot Spinning Mills Limited	10	883,554	-	-	-	883,554	62,379	79,502	17,123	7.71	8.04	8.07
Fazal Cloth Mills Limited	10	12,406	-	-	-	12,406	2,157	1,734	(423)	0.17	0.18	0.04
Saffi Textile Mills Limited	10	29,719	24	-	-	29,743	2,993	4,015	1,022	0.39	0.41	0.89
Island Textile Mills Limited	10	40,600	-	-	-	40,600	63,336	58,660	(4,676)	5.69	5.93	8.12
Saif Textile Mills Limited	10	217,000	-	-	-	217,000	3,359	3,140	(219)	0.30	0.32	0.82
Premium Textile Mills Limited	10	23,400	-	-	-	23,400	5,502	4,684	(818)	0.45	0.47	0.38
TataTextile Mills Limited	10	35,281	24	-	-	35,305	776	1,094	318	0.11	0.11	0.20
						150,194	159,771	9,577				
Textile Weaving												
Prosperity Weaving Mills Limited	10	84,591	-	-	-	84,591	3,286	3,384	98	0.33	0.34	0.46
Vanaspati & Allied Industries												
Unity Foods Limited	10	645,264	-	-	645,264	-	-	-	-	-	-	-
Punjab Oil Mills Limited	10	234,000	-	-	4,500	229,500	38,555	36,504	(2,051)	3.54	3.69	4.26
S.S. Oil Mills Limited	10	180,100	-	-	-	180,100	4,340	7,609	3,269	0.74	0.77	3.18
						42,895	44,113	1,218				
Total listed equity securities as at June 30, 2020						1,064,870	1,031,273	(33,597)				

- 6.1.1** The exposure limit of investment in a single as a percentage of net assets exceeded by 1.07% against prescribed limit of 10% of total net assets as required under NBFC regulation 2008.
- 6.1.2** The exposure limit of investment in a single as a percentage of net assets exceeded by 7.01% against prescribed limit of 10% of total net assets as required under NBFC regulation 2008.
- 6.1.3** This includes 2,000,000 shares pledged with National Clearing Company of Pakistan Limited (NCCPL) as collateral against margin.

		2020
	Note	(Rupees in 000)
6.2 Net unrealised appreciation on re-measurement of investments at fair value through profit or loss'		
Market value of investments	6.1	1,031,273
Carrying amount of investments	6.1	<u>(1,064,870)</u>
		<u><u>(33,597)</u></u>

6.3 Preference shares of Security Leasing Corporation Limited

As a result of conversion 1,001,489 preference shares of Security Leasing Corporation Limited has been transferred to the Fund. Since it is a default investment therefore is carried at zero value.

		2020
	Note	(Rupees in 000)
7. DEPOSITS		
Security deposits with		
- National Clearing Company of Pakistan Limited		2,500
- Central Depository Company of Pakistan Limited		<u>200</u>
		<u><u>2,700</u></u>

8. PAYABLE TO AKD INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY

Management fee	8.1	1,619
Sindh Sales tax on management fee	8.2	210
Expenses allocated by the Management Company	8.3	621
Federal Excise Duty on management fee	8.4	16,592
Others		<u>132</u>
		<u><u>19,174</u></u>

- 8.1** The Management Company has charged its remuneration at the rate 2% per annum of the average net assets of the Fund. The remuneration is payable to Management Company monthly in arrears.
- 8.2** Sindh Sales Tax at the rate of 13% on gross value of management fee under the provisions of Sindh Sales Tax on Services Act, 2011.
- 8.3** The Management Company on its own discretion has charged the expenses allocated by the Management Company at the rate of 0.1% of the average daily net assets.
- 8.4** Federal Excise Duty payable amounting to Rs. 16.592 million has been transferred from books of accounts of Golden Arrow Selected Stocks Fund Limited to Golden Arrow Stock Fund on the effective date of conversion (November 25, 2019).

As per the requirements of the Finance Act 2013, Federal Excise Duty (FED) at the rate of 16% on the remuneration of the Management Company was applied with effect from June 13, 2013. The Management Company is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED results in double taxation, which does not appear to be the spirit of the law. The matter was collectively taken up by the Management Company jointly with other Asset Management Companies and Trustees of respective Collective Investment Schemes (CISs), through a Constitutional Petition filed in the Honorable Sindh High Court (SHC) during September 2013. In this respect, the SHC had issued a stay order against the recovery of FED due to which the Fund has not made any payments for FED since June 13, 2013.

On 30 June 2016, the Honorable Sindh High Court of Pakistan had passed a Judgment that after 18th amendment in the Constitution of Pakistan, the Provinces alone have the legislative power to levy a tax on rendering or providing services, therefore, chargeability and collection of FED after 01 July 2011 is ultra vires to the Constitution of Pakistan. On 23 September 2016, the Federal Board of Revenue (FBR) filed an appeal in the Supreme Court of Pakistan (SCP) against above judgement, which is pending adjudication. Management Company, as a matter of abundant caution, has maintained full provision for FED aggregating to Rs. 16.592 million until the matter is resolved. Had the provision not been retained, the net asset value per unit of the Fund as at June 30, 2020 would have been higher by Rs. 0.1304 per unit.

Through Finance Act, 2016, FED on services rendered by Non-Banking Financial Institutions (NBFIs) including Asset Management Companies, which are already subject to provincial sales tax, has been withdrawn.

		2020 (Rupees in 000)
9. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	
Trustee fee	9.1	161
Sindh sales tax on trustee fee	9.2	21
		182

9.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed as per the tariff specified therein, based on the daily net assets of the Fund. The fee is paid to the Trustee monthly in arrears.

The tariff structure applicable to the fund is as follows:

Net assets	Tariff
Upto Rs. 1 billion	0.20% per annum of net assets
Over Rs. 1 billion exceeding Rs. 1 billion	Rs. 2.0 million plus 0.10% per annum of net assets, on amount exceeding Rs. 1 billion

9.2 Sindh Sales Tax at the rate of 13% on gross value of trustee fee under the provisions of Sindh Sales Tax on Services Act, 2011.

		2020 (Rupees in 000)
10. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	
Annual fee payable to SECP	10.1	211

10.1 As per S.R.O. 685(i) / 2019 dated June 28, 2019, all categories of Collective Investment Schemes are required to pay annual fee at an amount equal to 0.02 percent of the average annual net assets of the scheme. The fee is payable annually in arrears.

		2020 (Rupees in 000)
11. ACCRUED AND OTHER LIABILITIES	Note	
Brokerage payable		530
Auditors' remuneration		1,042
Accrued expenses		718
Provision for Sindh Workers' Welfare Fund	11.1	27,540
Withholding tax payable		34
Payable against conversion cost	11.2	412
Others		100
		30,376

- 11.1** Sindh Workers Welfare Fund payable amounting to Rs. 27.540 million has been transferred from books of accounts of Golden Arrow Selected Stocks Fund Limited to Golden Arrow Stock Fund on the effective date of conversion November 25, 2019.

The Finance Act, 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance) as a result of which it was construed that all Collective Investment Schemes / Mutual Funds (CISs) whose income exceeded Rs. 500,000 in a tax year were 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 was higher.

The amendments introduced in the WWF Ordinance were challenged in various High Courts of Pakistan. The Honorable Lahore High Court (LHC) and the Honorable High Court of Sindh (SHC) arrived at different conclusions in respect of the validity of the amendments made through the Finance Act in relation to the WWF. Both the decisions of the LHC and the SHC were challenged in the Honorable Supreme Court of Pakistan (SCP). On November 10, 2016 the SCP passed a judgment declaring the insertion of amendments introduced through Finance Act, 2008 pertaining to WWF as unlawful for the reason that the WWF is not in the nature of tax and therefore, could not be introduced through money bill under the Constitution. Subsequently, the Federal Board of Revenue (FBR) has filed a review petition in the SCP against the said judgment, which is pending adjudication."

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

Further, as a consequence of the 18th amendment to the Constitution, levy for the WWF was also introduced by the Government of Sindh through the Sindh Workers Welfare Fund (SWWF) Act 2014. SWWF Act 2014, enacted on May 21, 2015, requires every Industrial Establishment located in the province of Sindh and having total income of Rs.500,000 or more in any year of account commencing on or after the date of closing of account on or after December 31, 2013, to pay two percent of so much of its total income declared to SWWF. The said Act includes any concern engaged in the Banking or Financial Institution in the definition of "Industrial Undertaking" but does not define Financial Institution. The Management Company, based on an opinion obtained by the Mutual Funds Association of Pakistan (MUFAP), believes that Mutual Funds are not liable to pay Sindh WWF under the said law, for the reason that the Mutual Funds are not financial institutions and rather an investment vehicle. However, the Sindh Revenue Board has not accepted the said position of MUFAP and as a result, MUFAP has taken up this matter with the Sindh Finance Ministry for resolution.

In the Companies Act, 2017, mutual funds have not been included in the definition of "financial institutions". The MUFAP has held the view that SWWF is applicable on asset management companies and not on mutual funds.

Had the provision for SWWF not been recorded in the financial statements of the Fund, the net asset value of the Fund as at June 30, 2020 would have been higher by Re 0.2165 per unit.

In view of the above developments regarding the applicability of Federal and Sindh WWF on Mutual Funds, the MUFAP obtained a legal opinion on these matters during financial year ended June 30, 2017. Based on such legal advice (which also stated that even if a review petition is filed by any party, such petition can only be based on very limited grounds and the chances of any major change in the SCP judgement are very limited), MUFAP had recommended to all its members to reverse the Federal WWF and start recording of Sindh WWF. Consequently, as the Fund has incurred accounting loss during the period, the Fund has not recorded provision for the period and Rs. 27.540 million in aggregate in respect of SWWF transferred from Golden Arrow Selected Stocks Fund Limited has been maintained as at June 30, 2020.

Had the provision against SWWF not been made, the net assets value per unit would have been higher by Rs. 0.22 per unit

- 11.2** The conversion cost has been charged to the Fund immediately on the effective date in accordance with clause 15.3 (conversion cost and its treatment) of the trust deed of the Fund.

12. UNCLAIMED DIVIDEND

Unclaimed dividend has been transferred from books of accounts of Golden Arrow Selected Stocks Fund Limited to Golden Arrow Stock Fund on the effective date of conversion November 25, 2019.

13. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at June 30, 2020.

14. NUMBER OF UNITS IN ISSUE

	2020 Number of units
Units on Conversion	152,098,344
Units issued during the period	1,321,434
Less: Units redeemed	<u>(26,194,090)</u>
Total units in issue at the end of the period	<u>127,225,688</u>

**For the period from
November 25, 2019
to June 30, 2020**

15. AUDITORS' REMUNERATION

	(Rupees in 000)
Annual audit fee	210
Half yearly review fee	120
Other certification	20
Out of pocket expenses	<u>33</u>
	383
Sindh Sales Tax @ 8%	31
	<u>414</u>

16. TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed to the unit holders in cash. However, the Fund has incurred loss for the year, therefore there is no distribution for the year ended. Accordingly, no provision for current tax has been made in these financial statements. The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

17. EARNING PER UNIT

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

18. EXPENSE RATIO

The total expense ratio of the Fund for the period ended June 30, 2020 is 1.79%, which includes 0.21% representing Government levies and SECP fee. This ratio is within limit of 4.5% at daily average net assets of Fund, prescribed under NBFC Regulations of collective investment scheme categorised as a "Equity Scheme".

19. TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Related parties / Connected persons include AKD Investment Management Limited, being the Management, Company Central Depository Company of Pakistan Limited, being the custodian, Aqeel Karim Dhedhi Securities (Private) Limited, AKD Securities Limited, other collective schemes managed by the Management Company, directors, officers and other connected persons of the Management Company, and directors of the Company and their connected persons.

The transactions with connected persons / related parties are in the normal course of business and are carried out on agreed terms at contracted rates.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provision of the NBFC Regulations 2008 and Constitutive documents of the Company.

Details of transactions and balances at year end with related parties / connected persons, other than those which have been disclosed elsewhere in these financial statements, are as follows:

	For the period from November 25, 2019 to June 30, 2020
19.1 Transactions during the period	(Rupees in '000)
AKD Investment Management Limited - Management Company	
Redemption of 2,255,205 units	18,119
Management remuneration	12,170
Sindh sales tax on management remuneration	1,582
Allocated expenses	608
Contingent load	183
Sales load	51
Central Depository Company of Pakistan Limited - Trustee	
Trustee remuneration	1,181
Sindh sales tax on trustee remuneration	154
CDS charges	113
AKD Securities Limited	
Brokerage / Commission	154
Key Management Personnel	
Muhammad Yaqoob - Chief Operating Officer and Company Secretary	
Issue of 620 Units	5
	June 30, 2020
	(Rupees in '000)
19.2 Balances outstanding at the period end	
AKD Investment Management Limited - Management Company	
Management remuneration payable	1,619
Federal excise duty payable on management remuneration*	16,592
Sindh Sales tax payable on management remuneration	210
Payable against allocated expenses	81
Sales load payable	51
Others	621
Units held 20,237,190	157,377
Transferred from Golden Arrow Selected Stocks Fund Limited on conversion of closed end scheme into open end scheme	

June 30,
2020
(Rupees in '000)

Central Depository Company of Pakistan Limited - Trustee	
Trustee remuneration payable	161
Sindh Sales Tax payable on trustee remuneration	21
CDS charges payable	1
AKD Investment Management Limited - Staff Provident Fund	
Units held 284,046	2,209
Aqeel Karim Dhedhi Securities (Pvt) Limited - Staff Provident Fund	
Units held 2,092,812	16,275
AKD Securities Limited	
Brokerage on purchase / sale securities	38
Units held 2,889	22
Imran Motiwala - CEO and Director of the Management Company	
Units held 2,222,000	17,280
Aysha Ahmed - Director of the Management Company	
Units held 50,000	389
Murtaza Wahab - Spouse of Director of the Management Company	
Units held 210,000	1,633
Anum Dhedhi - Director of the Management Company	
Units held 1,000 units	8
Abdul Karim - Director of the Management Company	
Units held 1,000 units	8
Muhammad Yaqoob - Chief Operating Officer and Company Secretary	
Units held 100,620 units	782

20. FINANCIAL INSTRUMENTS BY CATEGORY

As at June 30, 2020, all the financial assets carried on the statement of assets and liabilities are categorised either as financial assets at fair value through profit or loss or amortised cost. All the financial liabilities carried on the statement of assets and liabilities are categorised as financial liabilities measured at amortised cost.

Particulars	As at June 30, 2020		
	At amortised cost	At fair value through profit or loss	Total

----- (Rupees in '000) -----

Financial assets

Bank balances	55,008	-	55,008
Investments	-	1,031,273	1,031,273
Profit receivable on bank deposits	290	-	290
Deposits	2,700	-	2,700
Receivable against sale of securities	2,780	-	2,780
	60,778	1,031,273	1,092,051

Particulars	As at June 30, 2020		
	At amortised cost	At fair value through profit or loss	Total
------(Rupees in '000)-----			
Financial liabilities			
Payable to AKD Investment Management Limited - Management Company	2,372	-	2,372
Payable to Central Depository Company of Pakistan Limited, Trustee	161	-	161
Accrued and other liabilities	2,802	-	2,802
Unclaimed dividend	50,440	-	50,440
Payable against purchase of securities	2,800	-	2,800
	58,575	-	58,575

21. FINANCIAL RISK MANAGEMENT

The Fund's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Fund's financial performance.

The Fund's activities expose it to a variety of financial risks: market risk (including currency risk, profit rate and other price risk), credit risk and liquidity risk. Risks of the Fund are being managed by the Management Company in accordance with the approved policies of the investment committee which provides broad guidelines for management of above mentioned risks. The Board of Directors of Management Company has overall responsibility for the establishment and oversight of the Fund's risk management framework.

The Fund's financial assets primarily comprise of balances with banks and investment in equity securities of listed companies classified at 'fair value through profit or loss'. The Fund also has profit receivable on bank deposit and deposits and receivable against sale of securities. The Fund's principal financial liabilities include remuneration payable to the Management Company, the Trustee and accrued and other liabilities.

21.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in market prices.

The Management Company manages market risk by monitoring exposure in marketable securities by following the internal risk management policies and investment guidelines approved by the Investment Committee of the Fund and the regulations laid down by the Securities and Exchange Commission of Pakistan.

Market risk comprises three types of risk: currency risk, interest rate risk and price risk.

21.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. At present, the Fund is not exposed to currency risk as all the transactions are carried out in Pakistani Rupees.

21.1.2 Yield / interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. As of June 30, 2020, the Fund is exposed to fair value interest rate risk on its bank balances.

a) Sensitivity analysis for variable rate instrument

At the reporting date the Fund holds balances in saving bank account on which interest rate 6.5% that could expose the Fund to cash flow interest rate risk. The net loss / income in the income statement and statement of comprehensive income would have increased / (decreased) by Rs. 0.55 million and consequently statement of movement in unit holders' fund would be affected by the same amount, had the interest rates on savings account with the bank increased / (decreased) by 100 basis points. The analysis assumes that all other variables remain constant.

b) Sensitivity analysis for fixed rate instruments

At the reporting date the Fund does not hold any fixed rate instruments that could expose the Fund to fair value interest rate risk.

Exposure to interest rate risk and maturity

Interest rate sensitivity position for on balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on the settlement date.

As at June 30, 2020						
Particular	Yield / Effective interest rate / %	Exposed to Yield / interest rate risk			Not exposed to Yield / interest rate risk	Total
		Upto three months	More than three months and upto one	More than one year		
		----- (Rupees in '000) -----				

On-balance sheet financial instruments

Financial assets at fair value

through profit or loss

Investments	-	-	-	1,031,273	1,031,273
-------------	---	---	---	-----------	-----------

Financial assets at amortised cost

Bank balances	6.5	55,008	-	-	-	55,008
Profit receivable on bank deposits		-	-	-	290	290
Deposits		-	-	-	2,700	2,700
Receivable against sale of securities		-	-	-	2,780	2,780
		55,008	-	-	5,770	60,778

Sub total

	55,008	-	-	1,037,043	1,092,051
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Financial liabilities at amortised cost

Payable to AKD Investment Management Limited - Management Company	-	-	-	2,372	2,372
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	161	161
Accrued and other liabilities	-	-	-	2,802	2,802
Unclaimed dividend	-	-	-	50,440	50,440
Payable against purchase of securities	-	-	-	2,800	2,800

Sub total

	-	-	-	58,575	58,575
--	---	---	---	--------	--------

On-balance sheet gap (a)

	55,008	-	-	978,468	1,033,476
--	--------	---	---	---------	-----------

Off-balance sheet financial instruments

	-	-	-	-	-
--	---	---	---	---	---

Off-balance sheet gap (b)

	-	-	-	-	-
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Total interest rate sensitivity gap (a) + (b)

	55,008	-	-	978,468	
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Cumulative interest rate sensitivity gap

	55,008	-	-	978,468	
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21.1.3 Price risk

Other price risk is the risk that the fair value of the financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factor specific to an individual investment, its issuer or factors affecting all instruments traded in the market.

The Fund has exposure to equity price risk arising from its investments in equity securities. The Fund manages its price risk arising from investment in the equity securities by diversifying its portfolio within the eligible limits prescribed in the Fund's Constitutive Documents, the NBFC Regulations and circulars issued by SECP from time to time. The Fund's equity investments are concentrated in the sectors given in note 6.1

At June 30,2020, the fair value of equity securities exposed to price risk is disclosed in note 6.1.

The following table illustrates the sensitivity of the profit for the year and the unit holders' fund to an increase or decrease of 5% in the fair values of the Fund's equity securities. This level of change is considered to be reasonably possible based on observation of current market conditions. The sensitivity analysis is based on the Fund's equity securities at each reporting date, with all other variables held constant.

Effect due to increase / decrease in index	2020 (Rupee in 000)
Investment and net assets	<u><u>51,564</u></u>
Income statement	<u><u>51,564</u></u>

21.2 Credit Risk

Credit risk represents the risk of a loss if the counterparties fail to perform as contracted. The Fund's credit risk mainly arises from deposits with banks and financial institutions.

Management of credit risk

"For banks and financial institutions, the Fund keeps deposits with reputed financial institutions with reasonably high credit ratings.. All transactions in listed securities are settled / paid for upon delivery using the system of National Clearing Company of Pakistan Limited. The risk of default in these transactions is considered minimal due to inherent systematic measures taken therein. The Fund's policy is to enter into financial contracts in accordance with the investment guidelines approved by the Investment Committee, its Trust Deed and the requirements of the NBFC rules and the regulations and the guidelines given by the SECP from time to time.

The maximum exposure to credit risk before considering any collateral as at June 30, 2020 is the carrying amount of the financial assets. None of these assets are 'impaired' nor 'past due but not impaired.

	As at June 30, 2020	
	Balance as per statement of assets and liabilities (Rupee in 000)	Maximum exposure
Bank balances	55,008	55,008
Profit receivable on bank deposits	290	290
	<u><u>55,298</u></u>	<u><u>55,298</u></u>

The analysis below summaries the credit rating quality of the fund's financial assets with banks as at June 30, 2020.

Bank balances by rating category	Rating Agency	As at June 30, 2020	
		Rupees in '000	%
AA+ / A1+	PACRA	<u>55,008</u>	<u>100%</u>
Profit receivable on bank deposits			
AA+/A1+	PACRA	<u>290</u>	<u>100%</u>

Above rating is on the basis of available ratings assigned by PACRA as of June 30, 2020.

Balance with bank is assessed to have low credit risk of default since the bank is highly regulated by the State Bank of Pakistan. Accordingly, management of the fund estimates that loss allowance on balance with bank at the end of the reporting period at an amount equal to 12 month Expected Credit Loss (ECL). None of the balance with bank at the end of the reporting period is past due, and taking into account the historical default experience and the current credit ratings of the bank, the management of the fund have assessed that there is no impairment, and hence have not recorded any loss allowance on this balance.

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial instruments is mainly concentrated in equity securities which are diversified and relate to various sectors. The Fund's portfolio of other financial assets is broadly diversified and transactions are entered into with diverse credit worthy counterparties thereby mitigating any significant concentration of credit risk.

Settlement risk

The fund's activities may give rise to risk at the time of settlement of transactions. Settlement risk is the risk of loss due to the failure of an entity to honor its obligations to deliver cash, securities or other assets as contractually agreed.

For the vast majority of transactions the fund mitigates this risk by conducting settlements through a broker to ensure that a trade is settled only when both parties have fulfilled their contractual settlement obligations.

21.3 Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations arising from its financial liabilities that are settled by delivering cash or another financial asset or such obligations will have to be settled in a manner disadvantageous to the Fund.

The Fund is exposed to daily settlement of equity securities and daily cash redemptions, if any, at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation. Its policy is therefore to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realizable.

In order to manage the Fund's overall liquidity, the Fund also has the ability to withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the current year.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

----- As at June 30, 2020 -----

Within one Month	Over one to three months	Over three to twelve months	Over one to five years	Total
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----- Rupees in '000 -----

Financial liabilities

Payable to AKD Investment Management Limited - Management Company	2,372	-	-	-	2,372
Payable to Central Depository Company of Pakistan Limited - Trustee	161	-	-	-	161
Accrued and other liabilities	2,802	-	-	-	2,802
Unclaimed dividend	50,440	-	-	-	50,440
Payable against purchase of securities	2,800	-	-	-	2,800
	58,575	-	-	-	58,575

22. UNIT HOLDERS' FUND (UHF) RISK MANAGEMENT

"The unit holders' fund is represented by the net assets attributable to unit holders / redeemable units. The amount of net assets attributable to unit holders can change significantly on a daily basis as the Fund is subject to daily issuance and redemptions at the discretion of unit holders. These unit holders of the Fund are entitled to distributions and to payment of a proportionate share based on the Fund's net asset value per unit on the redemption date. The relevant movements are shown on the statement of movement in unit holders' fund.

The Fund's objective when managing unit holders' fund is to safeguard the Fund's ability to continue as a going concern in order to provide returns for the benefits of the unit holders to maintain a strong base of assets to support the development of the investment activities of the Fund and to meet unexpected losses or opportunities. As required under the NBFC Regulations, every open end scheme shall maintain minimum fund size (i.e. net assets of the Fund) of Rs. 100 million at all times during the life of scheme. In order to comply with the requirement and to maintain or adjust the Unit Holders' Fund, the Fund's policy is to perform the following:"

- Monitor the level of daily issuance and redemptions relative to the liquid assets and adjust the amount of distributions the Fund pays to the unit holders;
- Redeem and issue units in accordance with the constitutive documents of the Fund. This includes the Fund's ability to restrict redemptions; and
- The Fund Manager / Investment Committee members and the Chief Executive Officer of the Management Company critically track the movement of 'Assets under Management'. The Board of Directors of the Management Company is updated regarding key performance indicators, e.g., yield and movement of NAV and total Fund size at the end of each quarter.

The Fund has maintained and complied with the requirements of minimum fund size during the current year.

23. FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS 13 - 'Fair Value Measurement' establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price).

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the close of trading i.e. period end date. The estimated fair value of all other financial assets and financial liabilities is considered not significantly different from book value as these are short term in nature.

The following table shows financial instruments recognised at fair value based on:

Level 1: Quoted prices in active markets for identical assets or liabilities;

Level 2: Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

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

As at June 30, 2020			
Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----			
ASSETS			
Investment in securities - at fair value through profit or loss			
Listed equity securities	1,031,273	-	1,031,273

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

24. PARTICULARS OF INVESTMENT COMMITTEE AND FUND MANAGER

Details of members of the investment committee of the Golden Arrow Stock Fund are as follow:

Name	Designation	Qualification	Experience in years
Mr. Imran Motiwala	Chief Executive	BBA	26
Mr. Muhammad Yaqoob	Chief Operating Officer and Company Secretary	MBA, CFA	16
Ms. Anum Dhedhi	Chief Investment Officer	BSc	9
Mr. Bilal Shuja Zaidi	Investment Analyst	B.S, CFA level II	2
Mr. Muhammad Taha Siddiqui	Risk Manager	ACCA	5
Mr. Danish Aslam Peter	Fund Manager	B.S, CFA level I	2
Mr. Ajay Kumar	Fund Manager	MBA, CFA	5

24.1 Ms. Anum Dhedhi is the Manager of the Fund. AKD Opportunity Fund is also being managed by the Fund Manager.

25. PATTERN OF SHAREHOLDING As at June 30, 2020	No of unitholders	Units held	Percentage of investment %
Associated Companies	3	20,240,079	16%
Directors and CEO	4	2,484,000	2%
Individuals	5,055	93,808,648	74%
Insurance company	1	1,554	0%
Banks / DFIs	3	13,812	0%
Retirement Funds	4	2,513,858	2%
Public Limited Companies	7	6,936,802	5%
Others	48	1,226,935	1%
	5,125	127,225,688	100%

26. ATTENDANCE AT MEETINGS OF THE BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

During the year 83rd and 84th board meetings were held on February 21, 2020 and April 29, 2020 respectively. Information in respect of attendance by Directors in these meetings is given below:

S.No	Name of Director	Number of meetings held	Attended	Leave granted	Meetings not attended
1	Mr. Abdul Karim	2	2	-	-
2	Mr. Imran Motiwala	2	2	-	-
3	Mr. Ali Wahab Siddiqui	2	2	-	-
4	Ms. Anum Dhedhi	2	2	-	-
5	Ms. Aysa Ahmed	2	2	-	-
6	Mr. Hasan Ahmed	2	2	-	-
7	Mr. Saim Mustafa Zuberi	2	2	-	-

27. TRANSACTIONS WITH BROKERS / DEALERS

List of brokers by percentage of commission charged during the period ended June 30, 2020

S.No	Particulars	Percentage
1	Investment Managers Securities (Private) Limited	17.75%
2	AKD Securities Ltd.	15.65%
3	Next Capital Limited	14.91%
4	BMA Capital Management Limited	11.31%
5	Fortune Securities Limited	11.15%
6	A.I. Securities (Private) Limited	9.58%
7	Y.H. Securities (Private) Limited	5.99%
8	DJM Securities Limited	3.93%
9	Vector Capital Securities (Private) Limited	2.77%
10	Pearl Securities Limited	2.41%

28. GENERAL

28.1 Figures have been rounded off to the nearest thousand rupees unless otherwise specified.

28.2 On March 11, 2020, the World Health Organisation made an assessment that the outbreak of a coronavirus (COVID-19) can be characterised as a pandemic. As a result, businesses have subsequently been affected amongst others with temporary suspension of travel, and closure of recreation and public facilities.

To alleviate the negative impact of the COVID-19 pandemic, the Government, Central Banks including financial institutions affiliated to those banks, and regulators have taken measures and issued directives to support businesses, including extensions of deadlines, facilitating continued business through social-distancing and easing pressure on credit and liquidity in the market.

The Management Company has made an assessment in order to evaluate the impact of COVID-19 pandemic over the financial performance of the Fund as well as the going concern assessment. As a result of such assessment, the management has not identified any material adverse impact on its financial performance due to COVID-19 pandemic situation.

29. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on September 30, 2020.

**For AKD Investment Management Limited
(Management Company)**

Imran Motiwala
Chief Executive Officer

Muhammad Munir Abdullah
Chief Financial Officer

Anum Dhedhi
Director

PERFORMANCE TABLE

	2020	2019	2018
Total net assets value (Rs '000)*	989,386	1,239,677	1,512,969
Net assets value per unit - (Rs)*	7.7766	8.15	9.95
Selling price as at June 30 (Rs)*	8.0099	Not Applicable	Not Applicable
Repurchase price as at June 30 (Rs)*	7.7766	Not Applicable	Not Applicable
Highest selling price (Rs)	9.0604	Not Applicable	Not Applicable
Lowest selling price (Rs)	6.4497	Not Applicable	Not Applicable
Highest repurchase price (Rs)	8.7965	Not Applicable	Not Applicable
Lowest repurchase price (Rs)	6.2618	Not Applicable	Not Applicable
Return of the Fund			
- capital growth (Rs '000)	(250,291)	(273,292)	(378,129)
- income distribution (including refund of capital) (Rs '000)*	-	-	-
Distribution per unit (Rs.)			
Interim	-	-	-
Final	-	-	-
Average Annual Return (Percentage)			
- Last one year	-4.59	-18.06	-10.80
- Last two year	-11.58	-14.51	15.62
- Last three year	-11.32	3.08	13.58

* Final distributions for the year made subsequent to the year end have been adjusted against the closing NAVs.

Note: The portfolio composition of the fund has been disclosed in note 6 to the financial statements. Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up.

PROXY DETAILS ISSUED BY FUND

As per the requirement of Non-Banking Finance Companies and Notified Entities Regulations, 2008, The Board of Directors of AKD Investment Management Limited (the Management Company) has formulated Proxy Voting Policy, which is available on Management Company's website (www.akdinvestment.com).

During the period the Management Company on behalf of the Fund participated in 2 shareholders' meetings. Moreover, details of summarized proxies voted are as follows:

GASF	Resolutions	For	Against	Abstain	Reason for Abstaining
Number	4	4	0	0	-
(%ages)	100	100	0	0	-

Detailed information regarding actual proxies voted by Golden Arrow Selected Stocks Fund will be provided to the unit holders without any charges upon request.

مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

AKD انویسٹمنٹ مینجمنٹ لمیٹڈ (AKDIML) کے بورڈ آف ڈائریکٹرز، مینجمنٹ کمپنی آف AKD اپر چوٹی فنڈ (AKDOF)، گولڈن ایرو اسٹاک فنڈ (GASF) - (سابقہ گولڈن ایرو سلیکنڈ اسٹاکس فنڈ لمیٹڈ)، AKD انڈیکس ٹریڈر فنڈ (AKDITF)، AKD کیش فنڈ (AKDCF)، AKD اگریو اگم فنڈ (AKDAIF)، AKD اسلاک اگم فنڈ (AKDISIF) اور AKD اسلاک اسٹاک فنڈ (AKDISSF) کے 30 جون 2020 کو ختم ہونے والے سال کے لئے فنڈز کے آڈٹ شدہ مالی گوشواروں کے ساتھ اپنی سالانہ رپورٹ پیش کرنے پر خوشی محسوس کرتے ہیں۔

فنڈز کی مالی کارکردگی

AKD اپر چوٹی فنڈ (AKDOF)

مالی سال 20 کے لئے ہینج مارک KSE-100 انڈیکس ریٹرن 1.53 فیصد کے مقابلے میں AKD اپر چوٹی فنڈ کی آمدنی 1.65 فیصد رہی۔

گولڈن ایرو اسٹاک فنڈ (GASF)

مالی سال 20 کے لئے ہینج مارک KSE-100 انڈیکس ریٹرن 1.53 فیصد کے مقابلے میں گولڈن ایرو اسٹاک فنڈ کی آمدنی 4.59 فیصد رہی۔

گولڈن ایرو اسٹاک فنڈ (اے سی ایم آف آرٹیفیٹ کے مطابق اس کی کھوڑا بنڈ انویسٹمنٹ کمپنی سے اوپن انڈیکس میں تبدیلی کے بعد) کی 25 نومبر، 2019 سے 30 جون، 2020 تک مدت کے لئے ہینج مارک KSE-100 انڈیکس ریٹرن 9.24 فیصد کے مقابلے میں آمدنی 3.16 فیصد رہی۔

AKD انڈیکس ٹریڈر فنڈ (AKDITF)

مالی سال 20 کے لئے ہینج مارک KSE-100 انڈیکس ریٹرن 1.53 فیصد کے مقابلے میں AKD انڈیکس ٹریڈر فنڈ کی آمدنی 0.19 فیصد رہی۔

AKD کیش فنڈ (AKDCF)

مالی سال 20 میں ہینج مارک ریٹرن 11.67 فیصد کے مقابلے میں AKD کیش فنڈ کی آمدنی 12.24 فیصد رہی۔

بورڈ آف ڈائریکٹرز کی عطا کردہ اتھارٹی کے تحت چیف ایگزیکٹو نے 30 جون 2020 کو ختم ہونے والے سال کے دوران پونٹ ہولڈرز کو 6.0811 روپے فی پونٹ عبوری ڈسٹری بیوٹن (جس میں عنصر کی واپسی بھی شامل ہے) کی منظوری دی ہے۔

AKD اگریو اگم فنڈ (AKDAIF)

مالی سال 20 کے لئے، 12.31 فیصد ہینج مارک ریٹرن کے مقابلے میں AKD اگریو اگم فنڈ کی آمدنی 13.12 فیصد رہی۔

بورڈ آف ڈائریکٹرز کی عطا کردہ اتھارٹی کے تحت چیف ایگزیکٹو نے 30 جون 2020 کو ختم ہونے والے سال کے دوران پونٹ ہولڈرز کو 6.7781 روپے فی پونٹ عبوری ڈسٹری بیوٹن (جس میں عنصر کی واپسی بھی شامل ہے) کی منظوری دی ہے۔

AKD اسلاک اگم فنڈ (AKDISIF)

مالی سال 20 میں ہینج مارک ریٹرن 6.33 فیصد کے مقابلے میں AKD اسلاک اگم فنڈ کی آمدنی 11.54 فیصد رہی۔

بورڈ آف ڈائریکٹرز کی عطا کردہ اتھارٹی کے تحت چیف ایگزیکٹو نے 30 جون 2020 کو ختم ہونے والے سال کے دوران پونٹ ہولڈرز کو 5.7297 روپے فی پونٹ عبوری ڈسٹری بیوٹن (جس میں عنصر کی واپسی بھی شامل ہے) کی منظوری دی ہے۔

AKD اسلاک اسٹاک فنڈ (AKDISSF)

مالی سال 20 کے لئے ہینج مارک KMI-30 انڈیکس ریٹرن 1.62 فیصد کے مقابلے میں AKD اسلاک اسٹاک فنڈ کی آمدنی 14.05 فیصد رہی۔

وسیع نقطہ نظر

ابتدائی دو سالوں میں پی پی ٹی کی زیر قیادت حکومت کی طرف سے اپنائے گئے سخت اقدامات کا مالی سال 20 کے دوران پھل حاصل کرنا شروع کیا کیونکہ مالی اور کرنٹ اکاؤنٹ خسارے دونوں بالترتیب 8.1 فیصد اور مجموعی مقامی مصنوعات (جی ڈی پی) 1.1 فیصد تک محدود تھے جبکہ مالی سال 19 میں 8.9 فیصد اور 4.8 فیصد تھی۔ اس بہتری کو حکومت کی طرف سے کئے جانے والے سادگی کے اقدامات سے منسوب کیا جاسکتا ہے جبکہ اس عرصے کے دوران تجارت میں توازن میں کمی اور ترسیلات زر میں بہتری کی وجہ سے مزید بہتری آئی ہے۔ تاہم، COVID-19 پر حکومت کی احتیاطی تدابیر کے نتیجے میں ملک بھر میں لاک ڈاؤن کرنا پڑا جس سے تقریباً تمام معاشی سرگرمیاں رک گئیں، جس کے نتیجے میں جی ڈی پی میں 0.38 فیصد تک کی سالانہ کمی واقع ہوئی۔

مالی سال 20 کے لئے کرنٹ اکاؤنٹ خسارہ (سی اے ڈی) گزشتہ سال کی اسی مدت (SPLY) میں 13.43 بلین ڈالر (جی ڈی پی کا 4.8 فیصد) کے مقابلہ میں 2.97 بلین ڈالر (جی ڈی پی کا 1.1 فیصد) رہا، جو سالانہ 77.89 فیصد کم رہا۔ اس بہتر کارکردگی کی وجہ ایشیا کی درآمدات میں 18.22 فیصد سالانہ کمی کے باعث 51.87 بلین ڈالر سے 42.42 بلین ڈالر تک کمی اور اس کے ساتھ ساتھ ترسیلات زر میں 6.35 فیصد سالانہ اضافہ ہے۔ تاہم، 23.12 ارب ڈالر ہو جانا ہے۔ تاہم، COVID-19، وبائی بیماری کے پھیلاؤ کے درمیان برآمد مقامات میں شٹ ڈاؤن کے ساتھ ساتھ پاکستان میں لاک ڈاؤن کی وجہ سے، سامان کی درآمدات 7.21 فیصد سالانہ کم ہو کر 24.26 بلین ڈالر سے 22.51 بلین ڈالر ہو گئی۔ براہ راست غیر ملکی سرمایہ کاری (FDI) میں 88.03 فیصد کے اضافے سے 2.56 بلین ڈالر تک بڑھ گئے جس نے مرکزی بینک کو ملک کے غیر ملکی زرمبادلہ کے ذخائر کی تعمیر میں 4.40 بلین ڈالر اضافے سے 18.89 بلین ڈالر کرنے میں مدد کی ہے۔

مالی ماہ ذریعہ، فیڈرل بورڈ آف ریونیو (FBR) مالی سال 20 کے دوران تقریباً 3.998 ٹریلین روپے جمع کرنے میں کامیاب رہا، یعنی اپنے ترمیم شدہ ہدف 3.908 ٹریلین روپے سے 89 بلین روپے زائد، جبکہ پچھلے سال کی اسی مدت میں 3.83 ٹریلین روپے جمع کئے تھے۔ ٹیکس کی وصولی ابتدائی ہدف 5.55 ٹریلین (جی ڈی پی کا 12.66 فیصد) سے بھی کم رہی جس کی وجہ سے حکومت کو ترقیاتی اخراجات پورا کرنا مشکل ہو گیا۔ مزید یہ کہ حکومت نے مالی سال 21 کے لئے 4.96 ٹریلین روپے ریونیو کو ٹیکس کا ہدف مقرر کیا ہے، جو مالی سال 20 کے مقابلے میں 24.16 فیصد زیادہ ہے، جو معاشی تعداد میں حوصلہ افزاء بہتری کی باوجود موجودہ معاشی ست روئی مد نظر رکھتے ہوئے مشکل دکھائی دیتا ہے کیونکہ کوویڈ 19 کے کثیر دو بارہ بڑھتے شروع ہو گئیں۔

پاکستان پیورڈ آف اسٹیکس (PBS) کے مطابق، مالی سال 20 میں اوسطاً پیشکش سائز پر آئی اینڈ ایکس (NCPI) گزشتہ سالانہ 6.80 فیصد سالانہ کے مقابلے میں 10.74 فیصد سالانہ ریکارڈ کیا گیا۔ خود کار اور توانائی کے علاوہ بنیادی افراط زر، شہری اور دیہی علاقوں کے لئے بالترتیب 7.09 فیصد سالانہ اور 6.34 فیصد سالانہ اضافہ ہوا، جبکہ گزشتہ سال میں 5.10 فیصد سالانہ اور 4.08 فیصد سالانہ تھی۔ کوویڈ-19 کے درمیان ملک بھر میں لاک ڈاؤن کی وجہ سے معاشی سرگرمیوں میں کمی کے بعد، اسٹیٹ بینک آف پاکستان (ایس بی پی) نے ملک میں رکی ہوئی معاشی سرگرمیوں کی بحالی کے لئے پالیسی شرح میں 625bps کمی کرتے ہوئے مجموعی طور پر 13.25 فیصد سے 7.00 فیصد تک کم کرنے کا فیصلہ اپنی اقدام اٹھایا۔

مالی سال 20 کے اقتصادی سروے کے مطابق، زراعت کے شعبے میں 2.67 فیصد سالانہ اضافہ ہوا ہے۔ مالی سال 20 کے دوران فصلوں میں 2.98 فیصد کی مثبت نمو دیکھی گئی، اس کی بنیادی وجہ اہم زرعی فصلوں میں 2.90 فیصد سالانہ کی مثبت نمو ہے۔ گندم رینج کی سب سے اہم فصل ہونے کی وجہ سے، 2.5 فیصد اضافے سے 24.95 بلین ٹن تک پہنچ گئی۔ چاول کی پیداوار میں 2.9 فیصد اضافے سے 7.41 بلین ٹن اور کئی کی پیداوار 6.0 فیصد اضافے سے 7.24 بلین ٹن ہو گئی۔ تاہم، کپاس کی پیداوار 6.9 فیصد کم ہو کر 9.18 بلین گانٹھوں تک رہی جبکہ گنے کی پیداوار 0.4 فیصد کم ہو کر 66.88 بلین ٹن رہی۔

لارج سیکیل مینوفیکچرنگ (LSM) سیکٹر، جوکل مینوفیکچرنگ کا 77.05 فیصد اور جی ڈی پی کا 8.9 فیصد ہے، جس میں مالی سال 20 میں 10.17 فیصد کمی دیکھی گئی۔ زیر جائزہ مدت کے دوران، منفی نمو میں اہم شراکت آٹوموٹو پائل (ویٹ: 4.613 فیصد)، ٹیکسٹائل (ویٹ: 20.92 فیصد)، الیکٹریکل (ویٹ: 1.96 فیصد) اور کونسلڈ اور پیٹریولیم مصنوعات (ویٹ: 5.514 فیصد) کی ہوئی سکٹروں میں بالترتیب 43.78 فیصد، 10.37 فیصد، 34.82 فیصد اور 20.10 فیصد کمی واقع ہوئی ہے۔ تاہم، مالی سال 20 کے دوران کچھ کمی کو فریٹا نڈر (ویٹ: 4.441 فیصد)، کانڈ اور بورڈ (ویٹ: 2.314 فیصد) اور رزرو کی مصنوعات (ویٹ: 0.262 فیصد) کی بالترتیب 4.39 فیصد، 2.25 فیصد اور 2.91 فیصد کی مثبت کارکردگی سے پورا کیا گیا۔

مزید برآں، پاکستان مالی سال 20 کے دوران براہ راست غیر ملکی سرمایہ کاری (ایف ڈی آئی) میں 2.56 بلین ڈالر کا اضافہ حاصل کرنے میں کامیاب رہا، جو 88.03 فیصد سالانہ اضافہ ہوا جبکہ مالی سال 19 کے دوران کم جس اثر کی وجہ سے 1.36 بلین ڈالر ریکارڈ ہوئی۔ یہ امریکی ڈالر کے برعکس پاکستانی روپیہ کی غیر یقینی صورتحال، آئی ایم ایف پروگرام کو حتیٰ شکل دینے میں تاخیر، کمزور جزواں خسارے، دسمبر 2018 میں فٹو ریننگز کی طرف سے پاکستان کے کریڈٹ ریٹنگ میں کمی اور سرمایہ کاروں کے کم اعتماد سمیت متعدد وجوہات کی بنا پر تھا۔ بجلی کے شعبے (بڑے پیمانے پر کوئلے سے چلنے والے بجلی گھر) اور مواصلات کے شعبے میں FDI میں بڑے پیمانے پر اضافہ ہوا جس میں بالترتیب 1.09 بلین ڈالر (336 فیصد سالانہ) اور 719.61 بلین (12929 فیصد سالانہ) کا اضافہ ہوا ہے۔ دوسری جانب، ذاتی خدمات و مشروبات، کیٹیجز اور ٹرانسپورٹ کے آلات - کاروں نے مالی سال 20 کے دوران FDI میں 346.12 بلین ڈالر کی مجموعی خالص کمی دیکھی۔ جہاں تک سرمایہ کاری کرنے والے ممالک کا تعلق ہے تو، FDI میں اہم اضافہ چین، مالٹا اور ناروے سے 713.3313 بلین (60+ فیصد سالانہ)، 362.152 بلین (30+ فیصد سالانہ) اور 286.06 بلین (24+ فیصد سالانہ) دیکھا گیا۔

زیر جائزہ سال کے دوران، مقامی کرنسی سال میں غیر مستحکم رہی کیونکہ بین الاقوامی مالیاتی فنڈ اور کثیر الجہتی قرض دہندگان سے متوقع آمدی وجہ سے مالی سال 20 کی پہلی سہ ماہی کے دوران پاکستانی روپیہ کی قدر 4.15 فیصد تک بڑھی۔ تاہم، اقتصادی سرگرمیاں بند ہونے کے بعد مالی سال 20 کی دوسری سہ ماہی کے دوران پاکستانی روپیہ کی قدر 7.74 فیصد کم ہوئی کیونکہ صوبوں نے ملک میں گورنر ناواؤزس کے پھیلاؤ پر قابو پانے کے لئے لاک ڈاؤن کا اعلان کیا۔ گزشتہ سال کی اختتامی شرح 163.75 پاکستانی روپے کے مقابلہ میں، مالی سال 20 کے دوران امریکی ڈالر کے برعکس پاکستانی روپیہ کی شرح 167.86 روپے پر بند ہوئی۔

ایکویٹی مارکیٹ کا جائزہ

مالی سال 18 اور مالی سال 19 کے لئے دو سالوں کی مجموعی 27.20 فیصد تک نیچے آنے کے بعد، مقامی بورس مالی سال 20 کے دوران 1.53 فیصد (ڈالر کے لحاظ سے 3.1 فیصد) کے مایوس کن ریٹرن کے ساتھ کلیٹ رہا اور 34,422 پوائنٹس پر بند ہوا، جبکہ گزشتہ سال 33,902 پوائنٹس پر بند ہوا تھا۔ مالی سال 20 کی پہلی ششماہی کے دوران، اقتصادی نمبر میں بہتری کی وجہ سے مارکیٹ نے 20.16 فیصد ریٹرن درج کرایا۔ تاہم، مالی سال 20 کی دوسری ششماہی کے دوران، کوویڈ 19 وبائی بیماری کے KSE-100 انڈیکس پر اثرات کے باعث لاک ڈاؤن میں معاشی سرگرمیاں بند ہونے کی وجہ سے فروخت کا دباؤ دوڑ گیا۔ ملک میں کوویڈ 19 پھیلنے پر، مالی سال کی تیسری سہ ماہی کے دوران مارکیٹ میں سہ ماہی بنیاد پر 28.24 فیصد کمی واقع ہوئی۔ مزید یہ کہ سنٹرل بینک کی طرف سے بروقت مانیٹری زمی (پالیسی شرح میں 625bps تک مجموعی طور پر کمی)، اور تعمیراتی شعبے کے لئے حکومت کارعاجتی پیکج اور کاروبار دوستانہ پالیسیوں نے مالی سال 20 کی چوتھی سہ ماہی میں مقامی بورس کو محرک فراہم کیا، اور اس کے نتیجے میں مالی سال کی تیسری سہ ماہی کے سرمایہ کاروں کے نقصانات کی بحالی ہوئی۔

مالی سال 20 کے دوران یومیٹرن اور اوور-سٹاپ 196.53 ملین حصص رہا، جو مالی سال 19 کے دوران ریکارڈ 155.21 ملین حصص کے مقابلے میں 26.63 فیصد سالانہ اضافہ ہے۔ مالی سال 20 میں گزشتہ سال کے 62.26 فیصد کے مقابلے KSE-100 کے ٹرن اور کاتاسب 62.26 فیصد بہتر ہونے کے باوجود سرمایہ کاروں کی توجہ اپنی درجے کے اسٹاک کی منتقل ہوئی۔ اوسط یومیٹری تجارت کی مالیت 7.22 ملین روپے ہوئی، جو مالی سال 19 کے دوران ریکارڈ 6.36 ملین روپے کے مقابلے میں 13.44 فیصد زیادہ ہے۔ غیر ملکی سرمایہ کاروں نے مالی سال 20 کے دوران ایکویٹی مارکیٹ میں 284.83 ملین ڈالر کی خالص فروخت کے ساتھ خالص فروخت کنندگان کی حیثیت برقرار رکھی، جو مالی سال 16 سے مجموعی اخراج سے 1.86 بلین ڈالر تک تھی۔ مالی سال 20 کے دوران ٹیکوں / ڈی ایف آئی اور میڈیٹل فنڈز کی پوزیشن میں بھی کمی آئی جن کی خالص فروخت بالترتیب 55.40 ملین ڈالر اور 50.22 ملین ڈالر ہوئی۔ بالترتیب 213.23 ملین ڈالر اور 127.64 ملین ڈالر کی خالص خریداری کے ساتھ زیادہ تر افراد اور انشورنس کمپنیاں خریدار ہیں۔

مالی سال 20 کے دوران مختلف شعبوں نے بڑی کارکردگی دیکھائی جس نے KSE-100 انڈیکس کو اپنی رفتار برقرار رکھنے میں مدد فراہم کی۔ سینٹ، فارماسیوٹیکلز، فوڈ اینڈ پراسسنگ کیمیکلز، ٹیکسٹائل، کیمیکلی، فریٹ لائزر اینڈ ٹیکنالوجی اور مواصلات جیسے شعبوں نے بیچ مارک انڈیکس کی بہتر کارکردگی ظاہر کی کیونکہ مارکیٹ کچھلاؤ تیزیشن بالترتیب 33.31 فیصد، 56.42 فیصد، 10.78 فیصد، 12.34 فیصد، 7.31 فیصد اور 35.31 فیصد بڑھ گئی۔ دوسری طرف تھاباکو، کمرشل بینک، آئل اینڈ گیس ایکسپلوریشن کمپنیاں، بجلی کی پیداوار اور تقسیم اور ٹیکسٹائل کمپوزٹ سیکٹرز نے بالترتیب 40.41 فیصد، 16.70 فیصد، 14.26 فیصد اور 19.19 فیصد اور 8.15 فیصد کی اتر کارکردگی ظاہر کی۔ جی ڈی پی میں مجموعی مارکیٹ کچھلاؤ تیزیشن کا تناسب مالی سال 19 اور مالی سال 18 کے دوران بالترتیب 18.14 فیصد اور 24.90 فیصد کے مقابلے میں کم ہو کر 15.65 فیصد رہ گیا ہے۔

ملک میں کوویڈ-19 کے پھیل جانے اور معاشی سرگرمیوں کی بندش کے بعد حکومت پاکستان نے غیر معمولی اقدامات اٹھائے اور مالی سال 21 کے بجٹ میں نئے اضافی ٹیکس عائد نہیں کیے۔ اس سے قبل حکومت پنجاب نے ایک 1.2 ٹریلین روپے کے ریلیف پیکج کا اعلان کیا جس میں 100 بلین روپے برآمد کنندگان کو ادائیگی، 150 بلین روپے SMEs کے لئے مؤخر سود کی ادائیگی، اور 300 سے کم پونٹ استعمال کرنے والے صارفین کے لئے اعانتی بجلی کی فراہمی شامل ہے۔ مزید یہ کہ حکومت نے مالی سال 19 میں 187 بلین روپے کے مقابلے میں 208 بلین روپے تک مختص رقم میں اضافہ کر کے وزیراعظم کے "احسان پروگرام" کی رسائی کو وسعت دی ہے۔ طلب میں متوقع اضافے کی بدولت ان تمام اقدامات سے سرمایہ کاروں کا اعتماد بحال ہوا۔

قیمت کے لحاظ سے، KSE-100 انڈیکس 6.22x کی کثیر آمدنی تک اگلی قیمت پر بند ہوا، جو 12.45x کی MSCI امیر جنگ مارکیٹ P/E کے مقابلے میں 50 فیصد ڈسکاؤنٹ ہے اور 6.86 فیصد کی صحت مند منافع پیداوار کی پیش کش کر رہا ہے۔ مزید یہ کہ، 1.41x کی MSCI امیر جنگ مارکیٹ P/B کے مقابلے میں، بیچ مارک انڈیکس 0.85x کی ہگ ٹی پل تک اگلی قیمت پر بند ہوا جو 40 تک زیادہ ہے۔

مٹی مارکیٹ کا جائزہ

مالی سال 20 کے دوران سٹاکس (27) ٹی بی ٹیلا میاں متعقد ہوئیں، جس میں اسٹیٹ بینک آف پاکستان نے مجموعی طور پر 14.35 ٹریلین روپے جمع کئے۔ 3 ماہ، 6 ماہ اور 12 ماہ کی اوسط پیداوار بالترتیب 12.23 فیصد، 12.13 فیصد اور 11.98 فیصد تھی جبکہ گزشتہ سال کے اسی عرصے کے لئے بالترتیب 9.69 فیصد، 9.76 فیصد اور 6.57 فیصد تھی۔ تاہم یہ بات قابل ذکر ہے کہ پیداوار میں کمی کارخانہ پانا جا رہا ہے چونکہ 3 ماہ، 6 ماہ اور 12 ماہ کی بلز بالترتیب 13.75 فیصد، 13.95 فیصد اور 14.22 فیصد تک پہنچنے سے مختصر مدت کے کاغذات میں بھی پیداوار کرنے کی نشاندہی ہوتی ہے۔

لیکویڈیٹی کے مسئلے کو مزید حل کرنے کے لئے، اسٹیٹ بینک نے پاکستان انویسٹمنٹ بانڈ (PIBs) کی بارہ (12) نیلامیاں منعقد کیں اور مالی سال 20 کے دوران 2.07 ٹریلین روپے تک بڑھانے میں کامیاب رہا، جس کی اوسط پیداوار 3 سال، 5 سال، اور 10 سال کی بالترتیب 11.59 فیصد، 11.29 فیصد، اور 11.18 فیصد رہی، جبکہ پچھلے سال کے اسی عرصے کے دوران بالترتیب 9.97 فیصد، 10.02 فیصد، اور 10.93 فیصد تھی۔ یہ قابل ذکر ہے کہ 20 سال PIB میں اوسط وزن 11.02 فیصد پیداوار کے ساتھ بولیاں قبول کی گئیں۔ اس کے علاوہ، اسٹیٹ بینک نے 15 سال PIB کا اجراء کیا جس کی اوسط پیداوار 12.80 فیصد ہے۔ مالی سال 21 کی پہلی سہ ماہی کے دوران، 3 سال، 5 سال، 10 سال، اور 20 سال PIBs کی اوسط پیداوار 37.77bps، 9.46bps، 11.9bps، اور 3.98bps تک بڑھنے سے بالترتیب 8.20 فیصد، 8.45 فیصد، 8.99 فیصد، اور 10.55 فیصد ہو گئی۔

مالی سال 20 کے دوران، مانیٹری پالیسی کمیٹی (ایم پی سی) نے Covid-19 کے دوران افراط زر کی شرح کو برقرار رکھتے ہوئے شرح نمو میں کمی کو روکنے کے مقصد کے ساتھ 525bps کی کمی کر کے 7.00 فیصد کر دیا۔ اسٹیٹ بینک نے مالی سال 20 میں مختلف مچھور ٹیز کے 106 اوپن مارکیٹ آپریشنز (او ایم او) منعقد کئے، جس میں اس نے اوسطاً 12.36 فیصد کٹ آف پیداوار پر پی او ایم او۔ اوسطاً 625.10 بلین روپے کی رقم کی سرمایہ کاری کی، اور 11.05 فیصد کی اوسط کٹ آف پیداوار پر پی او ایم او 202.37 بلین روپے کی اوسط رقم حاصل کی۔

ستمبر تا نومبر 2020 کے لئے نیلامی کے کیلنڈر ہدف کے مطابق، اسٹیٹ بینک نے 3.12 ٹریلین روپے کے مچھورنگ قرض کی ادائیگی کے لئے 3-12 ماہ کے ٹی بلوں کے ذریعے 2.35 ٹریلین روپے اور 3-20 سال کے گلسڈ ریٹ پی آئی بی کے ذریعے 420 بلین روپے جمع کرنے کا ہدف رکھا ہے۔ اس کے علاوہ، اسٹیٹ بینک نے 3 سے 10 سال کی فلوٹنگ شرح کی پی آئی بی نیلامی کے ذریعے مزید 660 بلین روپے جمع کرنے کا ہدف رکھا ہے۔

کارپوریٹ اور مالی رپورٹنگ فریم ورک

- کمیٹی کی انتظامیہ کی طرف سے تیار کردہ، مالیاتی حسابات، فنڈ کے امور، آپریشنز کے نتائج، نقدی بہاؤ اور پوزٹ ہولڈرز کے فنڈ، میں بہتری کو منصفانہ طور پر ظاہر کرتے ہیں۔
- کمیٹی کے حکایت جات بالکل صحیح طور سے بنائے گئے ہیں۔
- مالی حسابات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو تسلسل کے ساتھ لاگو کیا گیا ہے اور اکاؤنٹنگ کے تخمینہ جات مناسب اور دانشمندانہ فیصلوں پر مبنی ہیں۔
- مالی حسابات کی تیاری میں پاکستان میں لاگو بین الاقوامی مالیاتی رپورٹنگ کے معیارات کی پیروی کی گئی ہے اور کسی انحراف کا واضح انکشاف اور وضاحت کی گئی ہے۔
- اندرونی کنٹرول کے نظام کا ڈیزائن مستحکم ہے اور اسکی مؤثر طریقے سے عملدرآمد اور نگرانی کی جاتی ہے۔
- فنڈ کے گورننگ کسٹرن ہونے کی صلاحیت پر کوئی قابل ذکر شکوک و شبہات نہیں ہیں۔
- فوری قواعد میں دی گئی تفصیل کے مطابق، کارپوریٹ گورننس کے بہترین عمل سے کوئی مادی انحراف نہیں کیا گیا ہے۔
- سیکسز، ڈیویڈنڈ، لیو یز اور بقایا چارجز کی مد میں کوئی قانونی ادائیگی نہیں ہے۔
- درج ذیل گوشوارہ بورڈ آف ڈائریکٹرز اور آڈٹ کمیٹی کے اجلاسوں میں ڈائریکٹرز کی حاضری ظاہر کرتا ہے:

بورڈ اجلاس کی حاضری

نمبر شمار	ڈائریکٹر کا نام	29 اپریل 2020	21 فروری 2020	26 اکتوبر 2019	30 ستمبر 2019	حاضری	رخصت
1	جناب عبدالکریم	✓	✓	✓	✓	4	0
2	جناب عمران موتی والا	✓	✓	✓	✓	4	0
3	محترمہ انجم ذہیدہ صبی	✓	✓	✓	✓	4	0
4	جناب صائم مصطفیٰ زبیری	✓	✓	✗	✓	3	1
5	جناب علی و باب صدیقی	✓	✓	✓	✓	4	0
6	جناب حسن احمد	✓	✓	✓	✓	4	0
7	محترمہ عائشہ احمد	✓	✓	✓	✓	4	0

آڈٹ کمیٹی: اجلاس کی حاضری

نمبر شمار	ڈائریکٹر کا نام	29 اپریل 2020	21 فروری 2020	25 اکتوبر 2019	28 ستمبر 2019	حاضری	رخصت
1	جناب علی وہاب صدیقی	✓	✓	✓	✓	4	0
2	جناب حسن احمد	✓	✓	✓	✓	4	0
3	جناب صائم مصطفیٰ زبیری	✗	✓	✗	✓	2	2

(i) فنڈ کے یونٹس میں کسی ڈائریکٹر ہی سی او بی ایف او بی آئی او بی او او، کینیڈین سیکرٹری اور ان کے شریک حیات اور ان کے تابع بچوں کی طرف سے کوئی تجارت نہیں کی گئی علاوہ ان میں جن کا ذیل میں اور مانی گوشواروں کے متعلقہ نوٹس میں انکشاف کیا گیا۔

نمبر شمار	لین دین کرنے والے	عہدہ	سرمایہ کاری (یونٹ کی تعداد)	واپسی (یونٹ کی تعداد)
AKD ایچ پی فنڈ				
1	جناب عمران موٹی والا	سی آئی او	32,660.13	32,689.45
2	محترمہ عمران موٹی والا	زہبی ای آئی او	924,859.97	1,762,171.66
3	جناب محمد یونس	سی او او اور کینیڈین سیکرٹری	14,574.38	4,729.77
4	محترمہ علیہ	زہبی ای او او اور کینیڈین سیکرٹری	26,322.02	1,615.30

نمبر شمار	لین دین کرنے والے	عہدہ	سرمایہ کاری (یونٹ کی تعداد)	واپسی (یونٹ کی تعداد)
AKD کیش فنڈ				
1	محترمہ عمران موٹی والا	زہبی ای آئی او	1,912,911.13	1,912,911.13
2	جناب حسن احمد	ڈائریکٹر	12.9318	-

نمبر شمار	لین دین کرنے والے	عہدہ	سرمایہ کاری (یونٹ کی تعداد)	واپسی (یونٹ کی تعداد)
AKD اسلامک انکم فنڈ				
1	جناب عمران موٹی والا	سی آئی او	79,113.14	79,135.09
2	محترمہ عمران موٹی والا	زہبی ای آئی او	9,634,283.16	7,626,999.36
3	جناب محمد یونس	سی او او اور کینیڈین سیکرٹری	1,665.87	-
4	محترمہ علیہ	زہبی ای او او اور کینیڈین سیکرٹری	27,685.64	27,685.64
5	جناب محمد عزیز	سی ایف او	-	5,968.00

نمبر شمار	لین دین کرنے والے	عہدہ	سرمایہ کاری (یونٹ کی تعداد)	واپسی (یونٹ کی تعداد)
AKD اسلامک اسٹاک فنڈ				
1	محترمہ عمران موٹی والا	زہبی ای آئی او	396,502.52	396,502.52
2	جناب حسن احمد	ڈائریکٹر	-	10,077.96

نمبر شمار	لین دین کرنے والے	عہدہ	سرمایہ کاری (یونٹ کی تعداد)	واپسی (یونٹ کی تعداد)
AKD انڈیز ٹریڈر فنڈ				
1	محترمہ علیہ	زہبی ای او او اور کینیڈین سیکرٹری	147,786.13	147,786.13

نمبر شمار	لین دین کرنے والے	عہدہ	سرمایہ کاری (یونٹ کی تعداد)	واپسی (یونٹ کی تعداد)
گولڈن ایر اسٹاک فنڈ				
1	محترمہ علیہ	زہبی ای او او اور کینیڈین سیکرٹری	619.97	-

مینجمنٹ کمپنی کی درجہ بندی

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے 08 فروری 2020 کو AKD انویسٹمنٹ مینجمنٹ لمیٹڈ (AKDIML) کو AM3++ (AM قہری پلس پلس) کی اعلیٰ ترین درجہ بندی تفویض کی ہے۔

فٹرز کی درجہ بندی

AKD اپریٹیو فنڈ

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے 28 فروری 2020 کو AKD اپریٹیو فنڈ (AKDOF) کو ایک سالہ کارکردگی کی مدت میں "ایم ایف آر-1 اسٹار" تین سالہ کارکردگی کی مدت میں "ایم ایف آر-2 اسٹار" اور پانچ سالہ کارکردگی کی مدت میں "ایم ایف آر-13 اسٹار" کی کارکردگی کی درجہ بندی تفویض کی ہے۔

AKD کیش فنڈ

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے 24 اپریل 2020 کو AKD کیش فنڈ (AKDCF) کو "A+(f)" (اے پلس: فنڈ استحکام درجہ بندی) کی سطحی ریٹنگ تفویض کی ہے۔

AKD اگریسو اگم فنڈ

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے 24 اپریل 2020 کو AKD اگریسو اگم فنڈ (AKDAIF) کو "A-(f)" (اے منفی: فنڈ استحکام درجہ بندی) کی سطحی ریٹنگ تفویض کی ہے۔

گولڈن ایرو اسٹاک فنڈ

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے 28 فروری 2020 کو گولڈن ایرو اسٹاک فنڈ (GASF) کو ایک سالہ کارکردگی کی مدت میں "ایم ایف آر-1 اسٹار" 3 سالہ کارکردگی کی مدت میں "ایم ایف آر-12 اسٹار" اور 5 سالہ کارکردگی کی مدت میں "ایم ایف آر-4 اسٹار" کی کارکردگی کی درجہ بندی تفویض کی ہے۔

AKD اسلامک اگم فنڈ

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے 24 اپریل 2020 کو AKD اسلامک اگم فنڈ (AKDISIF) کو "A+(f)" (اے پلس: فنڈ استحکام درجہ بندی) کی سطحی ریٹنگ تفویض کی ہے۔

AKD اسلامک اسٹاک فنڈ

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے 28 فروری 2020 کو AKD اسلامک اسٹاک فنڈ (AKDISSF) کو ایک سالہ کارکردگی کی مدت میں "ایم ایف آر-1 اسٹار" کی کارکردگی کی درجہ بندی تفویض کی ہے۔

ہولڈنگ کمپنی

عمیل کریم وحید سیکورٹیز (پرائیویٹ) لمیٹڈ (AKD انویسٹمنٹ مینجمنٹ لمیٹڈ کی ہولڈنگ کمپنی ہے اور اس کمپنی کے آؤٹ شیڈنگ عام حصص کے 99.97 فیصد کی مالک ہے۔

آڈیٹرز کا تقرر

بورڈ نے سال 2020-2021 کے لئے آڈٹ کمیٹی کے تجویز کردہ ممبرز ڈیلٹا یونٹس، چارٹرڈ اکاؤنٹنٹس کو AKD اپریٹیو فنڈ (AKDOF)، گولڈن ایرو اسٹاک فنڈ (GASF)، AKD انڈیکس ٹریڈر فنڈ (AKDITF)، AKD کیش فنڈ (AKDCF)، AKD اگریسو اگم فنڈ (AKDAIF)، AKD اسلامک اگم فنڈ (AKDISIF) اور AKD اسلامک اسٹاک فنڈ (AKDISSF) کے آڈیٹرز کے طور پر دوبارہ تقرر کی منظوری دی ہے۔

بورڈ نے سال 2020-2021 کے لئے آڈٹ کمیٹی کے تجویز کردہ ممبرز ڈیلٹا یونٹس، چارٹرڈ اکاؤنٹنٹس کو AKD انویسٹمنٹ مینجمنٹ لمیٹڈ کے آڈیٹرز کے طور پر دوبارہ تقرر کی منظوری دی ہے۔

اظہار تشکر

ڈائریکٹرز سیکورٹیز اینڈ انویسٹمنٹ کمیشن آف پاکستان، وزارت خزانہ، اسٹیٹ بینک آف پاکستان اور پاکستان اسٹاک ایکسچینج کی انتظامیہ کی مسلسل حمایت اور تعاون پر ان کا شکریہ ادا کرتے ہیں۔ بورڈ AKD انویسٹمنٹ مینجمنٹ لمیٹڈ کے عملے اور افسران کی بھرپور کارکردگی کو بھی سراہتے ہیں۔ بورڈ کمپنی پر اعتماد کے لئے سرمایہ کاروں کے بھی شکریہ ادا کرتے ہیں۔

زاویہ نگاہ

مالی سال 21 کے دو ماہ کے دوران، کرنٹ اکاؤنٹ بیلنس میں 805 ملین ڈالر کا سرپلس دیکھنے میں آیا۔ ہوائی سفر کی بندش اور لاک ڈاؤن کی وجہ سے غیر رسمی چینل کی راہ میں رکاوٹ کی پشت پر ترسیلات زر میں اضافہ کی اس صورتحال کے رد و بدل میں اضافے کا سبب قرار دیا جاسکتا ہے۔ آگے بڑھتے ہوئے توقع ہے کہ ٹیکسٹائل برآمدات میں توانائی کے کم نرخوں کی شکل میں اس شعبے کو پیش کی جانے والی مختلف مراعات کی وجہ سے اضافہ ہوگا جس سے کرنٹ اکاؤنٹ کے توازن کو مزید تقویت ملے گی۔ نتیجہ کے طور پر، کرنٹ اکاؤنٹ پر دباؤ کسی بھی اڈیاک کی قدر میں کمی کے امکانات کو کم کر دے گا، تاہم، 5% کی بتدریج کمی کو مسترد نہیں کیا جاسکتا۔

کراچی میں طوفانی بارش اور سیلاب کے بعد، وزیر اعظم نے شہریوں کے مسائل حل کرنے کے لئے آئندہ 3 سالوں میں کراچی کو تبدیل کرنے کے لئے 1.1 ٹریلین روپے کے ایک تاریخی ڈیولپمنٹ پیکیج کا اعلان کیا اور اس میں نالوں کی صفائی، سیوریج ٹریٹمنٹ اور ڈسپوزل، پانی کی فراہمی، سڑکیں، اور بڑے پیمانے پر آمدورفت سے متعلق اہم منصوبے شامل ہیں۔ پیکیج کے بریک اپ میں شامل ہیں: (1) پانی کی فراہمی 92 بلین روپے (2) سالڈ ویسٹ مینجمنٹ، طوفانی پانی کے نالوں کی صفائی اور بحالی کے منصوبے 267 بلین روپے اور (5) ریل اور سڑک سمیت بڑے پیمانے پر آمدورفت 572 بلین روپے۔ چوتھی سہ ماہی کے آغاز پر ہی اعلان کردہ پیکیج اور تعمیراتی پیکیج معیشت کے لئے فائدہ مند ہوگا۔ اعلان کردہ پیکیج سے بنیادی طور پر سیٹ اور اسٹیل کے شعبے مستفید ہوں گے۔

ورلڈ ہیلتھ آرگنائزیشن (ڈبلیو ایچ او) کی بریفنگ کے مطابق، پاکستان ان پانچ ممالک میں شامل ہے جنہوں نے بروقت کوویڈ 19 واپائی بیماری کا مقابلہ کرنے میں کامیاب اور مؤثر اقدامات کیے ہیں۔ ڈبلیو ایچ او کے ڈائریکٹر جنرل ڈاکٹر ٹیڈ روس اوجین گھریس نے حالیہ پریس بریفنگ میں ریمارکس دیے کہ پاکستان نے کوویڈ 19 پر قابو پانے کے لئے پولیو کے خلاف تیار کردہ بنیادی ڈھانچے کو استعمال کیا ہے۔ پاکستان میں پچھلے چند ہفتوں میں مثبت کیسوں کی تعداد میں مستقل کمی دیکھنے میں آئی ہے جس کے بعد حکومت نے ملک کے بیشتر حصہ میں کوریڈور وائز سے متعلق پابندیوں کو ختم کر دیا۔ ستمبر کے وسط تک، پاکستان میں مجموعی طور پر ٹھیک ہونے والوں کے ساتھ بحالی کا تناسب 96 فیصد رہا اور بالترتیب 289,806 اور 302,020 کیسز کی تصدیق ہوئی۔ یومیہ انفیکشن کا تناسب بھی کم ہو رہا ہے جہاں موجودہ فعال کیسز 5,831 ہیں۔

گردشی قرضہ بڑھنے پر زیادہ توشیح کی وجہ سے، حکومت پاکستان آزاد بجلی پروڈیوسرز (آئی پی پی) سے بات چیت کر رہی ہے تاکہ وہ بجلی کی خریداری کے معاہدوں کی شرائط پر نظر ثانی کریں۔ زیادہ حوصلہ افزاء ڈیولپمنٹ "ان پرنسپل/ایم او" افہام و تفہیم کے بعد، بہت سے آئی پی پی جیز اپنی صلاحیتی ادا کی گئیں کم کرنے پر نظر ثانی کرنے اور شیڈ مارک ٹیرف کارکردگی کی سطح سے زیادہ کارکردگی کے حصول میں شریک ہونے پر راضی ہو گئے ہیں۔ مزید یہ کہ، آئی پی جیز نے مسابقتی تجارتی معاہدے کی ڈیولپمنٹ کے بعد اپنے معاہدے کو "ٹیک باپے" سے "ٹیک اور پے جیز" میں تبدیل کرنے پر بھی اتفاق کیا ہے۔ بجلی کے شعبے میں اس طرح کی غیر معمولی اصلاحات گردشی قرضوں میں اضافے کو محدود کر دیں گی اور ملک میں انرجی سلسلے کی کارکردگی میں اضافہ ہوگا۔ یہ امر بھی قابل ذکر ہے کہ باہیا جات کے اہم معاملے پر بھی اسی اصولی معاہدے پر توجہ دی گئی ہے جس میں حکومت تمام واجبات ادا کرے گی۔

طویل مدت سے زبرالتوا ایف ایف ایس (GIDC) کے لئے پاکستان کی سپریم کورٹ (ایس سی) نے اپنے فیصلے کا اعلان کیا۔ سپریم کورٹ نے فیصلہ حکومت کے حق میں دیا اور انڈسٹریز کو ہدایت کی گئی کہ وہ آج کی تاریخ سے 31 جولائی 2020 تک تمام رقم 24 ماہ کے اندر ادا کرے۔ ایس سی نے حکومت کو مزید GIDC چارج کرنے سے بھی روک دیا جب تک کہ جمع شدہ رقم جی آئی سی ای ایکٹ 2015ء میں بیان کردہ منصوبوں پر خرچ نہیں ہو جاتی۔ جبکہ ایس سی نے حکومت کے حق میں فیصلہ دیا، یہاں تک کہ تنازعات کے معاملات ابھی باقی ہیں برآمد کنندگان پر اس فیصلے کا زیادہ اطلاق ہو اور زیادہ اہم بات یہ ہے کہ تمام واجبات کی وصولی کو یقینی بنانے کے لئے سپریم کورٹ نے فراہم کردہ ٹائم لائن کے سلسلے میں، مثال کے طور پر حکومت نے فریٹا نازیمینو چکر کی آخری تاریخ کو 10 سال تک بڑھانے کی درخواست کو مسترد کر دیا۔ کھادیمینو چکر رز نے یوریا کی قیمت میں 100 روپے بیک اور 500 روپے فیوٹنگ بالترتیب 2 سال اور 10 سال کی قسط پر منحصر کیا ہے۔ مزید یہ کہ، یوریا کی قیمتوں میں کسی بھی اضافے سے ملک کی فنڈائی افراتر پر ممکن طور پر زیادہ افراتر کا دباؤ بڑھ سکتا ہے۔ حالیہ چھ ہفتوں اور فیصلے آئندہ دو سال کے دوران یہ شعبہ لائٹ لائٹ کے تحت رہے گا۔

سوڈی شرحوں میں نمایاں کمی، اور معیشت میں مجموعی سست روی کے ساتھ، پاکستان کی ایکویٹی مارکیٹ کئی سرمایہ کاروں کے لئے پرکشش بن گئی اور اس طرح لیکویڈیٹی کو اپنی طرف متوجہ کرنے میں کامیاب ہو گئی جہاں دیگر تمام اثاثہ طبقوں کو COVID 19 عالمی وبا کے ابتدائی پھیلاؤ کے دوران لیکویڈیٹی حاصل کرنے میں ناکام رہے تھے۔ اس کے ساتھ، PSX ہائیبی فنڈ ز اور انشورنس کمپنیوں کے ذریعہ دیگر اثاثہ کلاسوں کے مقابلے میں مزید لیکویڈیٹی کو راغب کرنا جاری رکھ سکتا ہے۔ غیر ملکی دلچسپی دوبارہ بڑھ گئی جہاں اگست کے مہینے میں FIPI میں 6.85 بلین امریکی ڈالر کی آمدورفت دیکھنے میں آئی ہے، جہاں اہم موجودہ پاکستانی روپیہ/امریکی ڈالر کی برابری اور عالمی سطح پر شرح سود کے متناظر ناموں کی وجہ سے مستقبل کی آمد کے بارے میں ہر امید ہیں۔

مالی سال 21 کے دوران، نئے یوں کے مملوں اور موسمی بارشوں کی وجہ سے اہم فصلوں کی پیداوار میں کمی کا امکان ہے۔ اسٹیٹ بینک آف پاکستان کے مطابق مالی سال 21 کے لئے ہماری متوقع 2.0% کی ریکل جی ڈی پی نمو کی مثبت شراکت سے صنعتی شعبہ میں متوقع طور پر دو سال (مالی سال 20-19) میں مسلسل کمی کے بعد دوبارہ ترقی کا آغاز ہوگا۔ ہم توقع کرتے ہیں کہ موجودہ منفی شرح سود کو مٹانے کا پورے پیکٹ کو مالی معاونت فراہم کرنے میں معاون ثابت ہوگا۔ مزید یہ کہ، 93.02 کا اصلی مؤثر تبادلہ شرح (REER) کا مطلب ڈالر کی مستحکم برابری، اور روپے کی قدر میں مزید کمی کا بہت کم امکان ہے۔

لکسڈ اگرم حجاز پر، سوڈی حالیہ شرحوں میں 625bps کی کمی نے معیشت کو محرک فراہم کیا ہے۔ اسٹیٹ بینک آف پاکستان کو توقع ہے کہ مالی سال 21 کے دوران ملک کی بنیادی افراتر 7 سے 9 فیصد کے درمیان رہے گی۔ موجودہ منفی حقیقی سوڈی شرحیں بین الاقوامی مالیاتی فنڈ پروگرام کے تحت ملک پر زیادہ روپے پائیدار نہیں ہو سکتی ہیں۔ مزید یہ کہ، منفی حقیقی سوڈی شرحوں سے سرمایہ کی حفاظت کو بھی خطرہ لاحق ہوتا ہے، اور جس کے نتیجے میں کرنسی کی قدر میں کمی آتی ہے۔ ہم توقع کرتے ہیں کہ اسٹیٹ بینک پاکستان مالی سال 21 کی دوسری ششماہی کے دوران تنظیمی مالیاتی پالیسی کا انتخاب کرے گا۔

ایکویٹی شیئہ مارک درمیانی مدت میں تیز رفتاری سے بڑھتے رہنے کا امکان ہے جس میں لیکویڈیٹی ایک اہم محرک ہے جبکہ بینکوں اور E&Ps جیسے اہم شعبوں جہاں قدر کی قیمت کہیں اور بڑھائی جاتی ہے کی طرف مکتبہ تبدیلی سے بھی مدد حاصل کرتی ہے۔ حال ہی میں اعلان کردہ ہیکٹیج کی وجہ سے کارپوریٹ آمدنی میں مستقبل کی متوقع نمو شیئہ مارک KSE-100 انڈیکس کی آمدنی سے زیادہ درجہ بندی کا سبب بنیگی جس کی حالیہ تجارت 7.49% (16 ستمبر 2020) کی کثیر آمدنی تک آگے کی قیمت پر ہے۔

برائے وٹجائب بورڈ

عبدالمکریم
چیئر مین

عمران موٹی والا
ہیڈ ایگزیکٹو آفیسر

کراچی: 30 ستمبر 2020ء



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