MCB DCF INCOME FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2021

	Note	December 31, 2021 (Un-Audited)	June 30, 2021 (Audited)
		-------- (Rupees in '000) --------	
ASSETS			
Balances with banks	4	3,725,863	3,014,318
Investments	5	2,568,717	2,278,357
Mark-up, dividend and other receivables		33,071	34,325
Receivable against Margin Trading System (MTS)		1,526	49,596
Receivable against sale of investments		-	386,229
Advances, deposits and prepayments		358,753	47,070
Total assets		6,687,930	5,809,895
LIABILITIES			
Payable to MCB-Arif Habib Savings and Investments Limited - Management Company	6	11,893	10,064
Payable to Central Depository Company of Pakistan Limited - Trustee	7	307	280
Payable to the Securities and Exchange Commission of Pakistan (SECP)	8	420	807
Payable against purchase of investments		2,174,903	1,965,915
Accrued and other liabilities	9	187,317	186,879
Total liabilities		2,374,840	2,163,945
NET ASSETS		4,313,090	3,645,950
Unit holders' fund (as per statement attached)		4,313,090	3,645,950
Contingencies and commitments	10		
		------- (Number of units) -------	
NUMBER OF UNITS IN ISSUE		38,649,696	34,057,826
		------------ (Rupees) ------------	
NET ASSET VALUE PER UNIT		111.5944	107.0518

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

For MCB-Arif Habib Savings and Investments Limited
(Management Company)

Chief Executive Officer | **Chief Financial Officer** | **Director**

MCB DCF INCOME FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021

	Note	Six months period ended December 31,		Quarter ended December 31,	
		2021	2020	2021	2020
		---------------------- (Rupees in '000) ----------------------			
INCOME					
Income from government securities		68,907	34,283	41,603	6,350
Income from term finance certificates		25,192	61,954	14,050	29,488
Net loss on sale of investments		(26,433)	(1,420)	(16,246)	5,406
Mark-up on bank deposits and term deposit receipts		62,008	41,176	34,453	22,851
Income from Margin Trading System (MTS) - net		4,485	8,049	595	2,308
Dividend income		24,530	21,545	2,267	17,244
Income / (loss) from spread transactions		19,687	(23,563)	(21,809)	(35,331)
Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	5.6	9,824	52,075	45,594	47,433
Other income		1,517	3,757	1,001	2,842
Total income		189,717	197,856	101,508	98,591
EXPENSES					
Remuneration of MCB-Arif Habib Savings and Investments Limited - Management Company	6.1	31,508	31,305	15,993	15,352
Sindh sales tax on remuneration of the Management Company	6.2	4,094	4,070	2,079	1,996
Allocated expenses	6.3	2,100	2,087	1,066	1,024
Remuneration of Central Depository Company of Pakistan Limited - Trustee	7	1,575	1,565	799	767
Sindh sales tax on remuneration of the trustee		205	204	104	100
Selling and marketing expenses	6.4	8,917	8,139	4,158	3,991
Annual fee to the Securities and Exchange Commission of Pakistan	8	420	417	213	204
Brokerage, settlement and bank charges		7,626	14,246	1,558	8,163
Auditors' remuneration		357	442	168	252
Legal and professional charges		1,072	91	33	57
Others		266	569	115	20
Total operating expenses		58,140	63,135	26,286	31,926
Net income from operating activities		131,577	134,721	75,222	66,665
Reversal / (provision) for Sindh Workers' Welfare Fund (SWWF)	9.1	42,902	(2,694)	-	(1,333)
Net income for the period before taxation		174,479	132,027	75,222	65,332
Taxation	11	-	-	-	-
Net income for the period after taxation		174,479	132,027	75,222	65,332
Allocation of net income for the period:					
Net income for the period after taxation		174,479	132,027		
Income already paid on units redeemed		(15,109)	(13,590)		
		159,370	118,437		
Accounting income available for distribution:					
- Relating to capital gains		-	50,894		
- Excluding capital gains		159,370	67,543		
		159,370	118,437		
Earnings per unit	13				

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

For MCB-Arif Habib Savings and Investments Limited
(Management Company)

Chief Executive Officer **Chief Financial Officer** **Director**

MCB DCF INCOME FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021

	Six months period ended December 31,		Quarter ended December 31,	
	2021	**2020**	**2021**	**2020**
	---------------------- (Rupees in '000) ----------------------			
Net income for the period after taxation	174,479	132,027	75,222	65,332
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	174,479	132,027	75,222	65,332

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

For MCB-Arif Habib Savings and Investments Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

MCB DCF INCOME FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

	Six months period ended December 31, 2021			Six months period ended December 31, 2020		
	Capital value	Undistribute-d income	Total	Capital value	Undistri-buted income	Total
	-- (Rupees in '000) --					
Net assets at the beginning of the period	3,234,571	411,379	3,645,950	3,623,649	409,126	4,032,775
Issuance of 10,910,818 units (2020: 116,913,429 units)						
- Capital value (at net asset value per unit at the beginning of the period)	1,168,023	-	1,168,023	12,505,633	-	12,505,633
- Element of income	17,481	-	17,481	175,932	-	175,932
	1,185,504	-	1,185,504	12,681,565	-	12,681,565
Redemption of 6,318,948 units (2020: 120,460,168 units)						
- Capital value (at net asset value per unit at the beginning of the period)	676,455	-	676,455	12,885,010	-	12,885,010
- Element of loss	1,279	15,109	16,388	172,658	13,590	186,248
	677,734	15,109	692,843	13,057,668	13,590	13,071,258
Total comprehensive income for the period	-	174,479	174,479	-	132,027	132,027
Net assets at the end of the period	3,742,341	570,749	4,313,090	3,247,546	527,563	3,775,109
Undistributed income brought forward comprising of:						
- Realised income		395,044			420,055	
- Unrealised income / (loss)		16,335			(10,929)	
Undistributed income brought forward		411,379			409,126	
Accounting income available for distribution:						
- Relating to capital gains		-			50,894	
- Excluding capital gains		159,370			67,543	
		159,370			118,437	
Undistributed income carried forward		570,749			527,563	
Undistributed income carried forward comprising of:						
- Realised income		560,925			475,488	
- Unrealised income		9,824			52,075	
		570,749			527,563	
		(Rupees)			**(Rupees)**	
Net asset value per unit at the beginning of the period		107.0518			106.9649	
Net asset value per unit at the end of the period		111.5944			110.5284	

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

For MCB-Arif Habib Savings and Investments Limited
(Management Company)

Chief Executive Officer **Chief Financial Officer** **Director**

MCB DCF INCOME FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

	Note	Six months period ended December 31, 2,021	December 31, 2020
		-------- (Rupees in '000) --------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period before taxation		174,479	132,027
Adjustments for:			
Dividend income		(24,530)	(21,545)
Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net		(9,824)	(52,075)
(Reversal) / provision for Sindh Workers' Welfare Fund (SWWF)		(42,902)	2,694
		97,223	61,101
(Increase) / decrease in assets			
Investments - net		(1,277,994)	1,521,144
Mark-up, dividend and other receivables		338	9,703
Receivable against sale of investments		386,229	-
Receivable against Margin Trading System (MTS)		48,070	(104,337)
Advances and prepayments		(311,683)	55,367
		(1,155,040)	1,481,877
Increase in liabilities			
Payable to MCB-Arif Habib Savings and Investments Limited - Management Company		1,829	(1,185)
Payable to Central Depository Company of Pakistan Limited - Trustee		27	(19)
Payable to the Securities and Exchange Commission of Pakistan (SECP)		(387)	(470)
Payable against purchase of investments		208,988	1,827,087
Accrued and other liabilities		43,340	25,976
		253,797	1,851,389
Dividend received		25,446	21,545
Net cash (used in) / generated from operating activities		(778,574)	3,415,912
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts from issuance of units		1,185,504	12,681,565
Payments on redemption of units		(692,843)	(13,071,258)
Net cash generated from / (used in) financing activities		492,661	(389,693)
Net (decrease) / increase in cash and cash equivalents during the period		(285,913)	3,026,219
Cash and cash equivalents at the beginning of the period		4,011,776	1,643,631
Cash and cash equivalents at the end of the period	12	3,725,863	4,669,850

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

For MCB-Arif Habib Savings and Investments Limited
(Management Company)

Chief Executive Officer **Chief Financial Officer** **Director**

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 MCB DCF Income Fund (the Fund) was established under a Trust Deed dated November 20, 2006 executed between Arif Habib Investments Limited (now MCB-Arif Habib Savings and Investments Limited) as the Management Company and Central Depository Company of Pakistan Limited as the Trustee. The draft Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) as a Collective Investment Scheme vide its letter dated on November 7, 2006 consequent to which the trust deed was executed on November 10, 2006 in accordance with the Asset Management Companies Rules, 1995 (AMC Rules) repealed by Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (NBFC Rules).

1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by SECP. The registered office of the Management Company is situated at 2nd Floor, Adamjee House, I.I Chundrigar Road, Karachi, Pakistan.

1.3 The Fund is an open ended mutual fund and has been categorised as "Income Scheme" and offers units for public subscription on a continuous basis. The units of the Fund are transferable and can also be redeemed by surrendering to the Fund. The units are listed on the Pakistan Stock Exchange Limited.

1.4 The Fund primarily invests in money market and other instruments which includes corporate debt and government securities, repurchase agreements and spread transactions. The Fund may also invest a portion of the fund in medium term assets in order to provide higher return to the unit holders.

1.5 Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of 'AM1' dated October 06, 2021 to the Management Company and a stability rating of 'AA-(f)' dated September 09, 2021 to the Fund.

1.6 Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited (CDC) as Trustee of the Fund.

1.7 On August 12, 2021 the Trust Act, 1882 has been repealed due to the promulgation of Provincial Trust Act namely “Sindh Trusts Act, 2020” (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on August 12, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

2 STATEMENT OF COMPLIANCE

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

- International Accounting Standard (IAS) 34, "Interim Financial Reporting", issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);

- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and

- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirement of the Trust Deed.

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

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2021.

These condensed interim financial statements are unaudited. However, a limited scope review has been performed by the statutory auditors. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at December 31, 2021.

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

3.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2021.

3.2 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund’s accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund’s financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Funds for the year ended June 30, 2021.

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

There are certain amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2021. However, these are considered either not to be relevant or do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

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

There are certain new amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2022. However, these will not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

4 BALANCES WITH BANKS

	Note	December 31, 2021 (Un-audited)	June 30, 2021 (Audited)
		-----------(Rupees in '000)-----------	
Current accounts		1,074	39
Savings accounts	4.1	3,724,789	3,014,279
	4.2	3,725,863	3,014,318

4.1 These carry profit at rates ranging from 7.25% to 12.30% per annum (June 30, 2021: 5.5% to 8.5% per annum).

4.2 These includes balances with related parties of Rs. 1.633 million (June 30, 2021: Rs. 0.602 million) maintained with MCB Bank Limited and Rs. 0.011 million (June 30, 2021: Rs. 0.010 million) maintained with MCB Islamic Bank Limited.

5 INVESTMENTS

Investments "at fair value through profit or loss"

	Note	December 31, 2021 (Un-audited)	June 30, 2021 (Audited)
		-----------(Rupees in '000)-----------	
Government securities	5.1	2,205,295	1,677,862
Listed equity securities	5.2	-	43,725
Listed debt securities	5.3	-	-
Unlisted debt securities	5.4	363,422	555,267
Future stock contracts	5.5	-	1,503
		2,568,717	2,278,357

5.1 Government securities - "at fair value through profit or loss"

Name of security	Date of issue	Face value				Balance as at December 31, 2021			Market value as a percentage of	
		As at July 01, 2021	Purchased during the period	Disposed/ matured during the period	As at December 31, 2021	Carrying value	Market value	Unrealised gain / (loss)	net assets	total invest-ments
		(Rupees in '000)							%	
Treasury Bills - 3 months										
Treasury Bills	22-Apr-21	1,000,000	-	1,000,000	-	-	-	-	-	-
Treasury Bills	6-May-21	-	100,000	100,000	-	-	-	-	-	-
Treasury Bills	20-May-21	-	1,750,000	1,750,000	-	-	-	-	-	-
Treasury Bills	17-Jun-21	-	1,018,000	1,018,000	-	-	-	-	-	-
Treasury Bills	2-Jul-21	-	500,000	500,000	-	-	-	-	-	-
Treasury Bills	15-Jul-21	-	3,750,000	3,750,000	-	-	-	-	-	-
Treasury Bills	29-Jul-21	-	500,000	500,000	-	-	-	-	-	-
Treasury Bills	12-Aug-21	-	500,000	500,000	-	-	-	-	-	-
Treasury Bills	26-Aug-21	-	500,000	500,000	-	-	-	-	-	-
Treasury Bills	9-Sep-21	-	500,000	500,000	-	-	-	-	-	-
Treasury Bills	7-Oct-21	-	2,425,000	2,425,000	-	-	-	-	-	-
Treasury Bills	4-Nov-21	-	650,000	650,000	-	-	-	-	-	-
Treasury Bills - 6 months										
Treasury Bills	11-Mar-21	-	966,000	966,000	-	-	-	-	-	-
Treasury Bills	25-Mar-21	-	250,000	250,000	-	-	-	-	-	-
Treasury Bills	22-Apr-21	-	1,000,000	1,000,000	-	-	-	-	-	-
Treasury Bills	6-May-21	-	1,400,000	1,400,000	-	-	-	-	-	-
Treasury Bills	3-Jun-21	-	4,400,000	4,400,000	-	-	-	-	-	-
Treasury Bills	2-Jul-21	-	500,000	500,000	-	-	-	-	-	-
Treasury Bills	15-Jul-21	-	3,273,000	3,273,000	-	-	-	-	-	-
Treasury Bills	29-Jul-21	-	3,500,000	3,500,000	-	-	-	-	-	-
Treasury Bills	12-Aug-21	-	2,150,000	2,150,000	-	-	-	-	-	-
Treasury Bills	26-Aug-21	-	3,402,500	3,402,500	-	-	-	-	-	-
Treasury Bills	9-Sep-21	-	10,200,000	10,200,000	-	-	-	-	-	-
Treasury Bills*	2-Dec-21	-	800,000	400,000	400,000	382,810	382,748	(62)	8.87%	14.90%
Treasury Bills*	16-Dec-21	-	4,500,000	3,500,000	1,000,000	952,178	952,535	357	22.08%	37.08%
Treasury Bills - 12 months										
Treasury Bills*	16-Dec-21	-	500,000	250,000	250,000	225,682	225,741	59	5.23%	8.79%
Pakistan Investment Bonds										
Pakistan Investment Bonds										
- 02 years**	5-Nov-20	100,000	100,000	100,000	100,000	99,692	99,750	58	2.31%	3.88%
- 02 years**	26-Aug-21	-	950,000	475,000	475,000	472,137	471,818	(319)	10.94%	18.37%
Pakistan Investment Bonds										
- 03 years	12-Jul-18	11,000	-	11,000	-	-	-	-	-	-
- 03 years	18-Jun-20	200,000	200,000	400,000	-	-	-	-	-	-
- 03 years	20-Aug-20	-	550,000	550,000	-	-	-	-	-	-
Pakistan Investment Bonds										
- 05 years	12-Jul-18	300,000	800,000	1,100,000	-	-	-	-	-	-
- 05 years	15-Oct-20	-	200,000	200,000	-	-	-	-	-	-
Pakistan Investment Bonds										
- 10 years**	22-Aug-19	35,000	70,000	70,000	35,000	35,139	35,136	(3)	0.81%	1.37%
Ijara										
GOP Ijara Sukuk										
- 05 years*** (note 5.1.1)	24-Jun-20	37,500	-	-	37,500	37,697	37,567	(130)	0.87%	1.46%
Total as at December 31, 2021						**2,205,335**	**2,205,295**	**(40)**		
Total as at June 30, 2021						1,677,330	1,677,862	532		

* These will mature latest by December 15, 2022 and carry effective yield with rates ranging from 11.00% to 11.40% per annum.
** These will mature latest by August 22, 2029 and carry effective yield with rates ranging from 7.17% to 9.13% per annum.
*** These will mature latest by June 24, 2025 and carry effective yield of 11.28% per annum.

5.1.1 The Ijara Sukuk having face value of Rs.37.5 million (June 30, 2021: Rs.37.5 million) were pledged with National Clearing Company of Pakistan Limited (NCCPL) as collateral against margin and marked to market losses in accordance with Circular No. 11 dated October 23, 2007 issued by the Securities and Exchange Commission of

5.2 Listed equity securities - 'at fair value through profit or loss'

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

Name of investee company	Number of shares				Balance as at December 31, 2021			Market Value as a percentage of		Percentage in relation to paid-up capital of the investee company
	As at July 01, 2021	Purchased during the period	Sold during the period	As at December 31, 2021	Carrying value	Market value	Unrealised (loss) / gain	net assets	total invest-ments	
					------------- (Rupees in '000)	-------------	-------------	------------- %	-------------	-------------
Automobile Assembler										
Pak Suzuki Motors Company Limited	-	26,000	26,000	-	-	-	-	-	-	-
Sazgar Engineering Works Limited	-	67,000	67,000	-	-	-	-	-	-	-
					-	-	-	-	-	-
Automobile Parts & Accessories										
Loads Limited	-	20,000	20,000	-	-	-	-	-	-	-
					-	-	-	-	-	-
Cable & electrical goods										
Pak Elektron Limited	-	1,853,500	1,853,500		-	-	-	-	-	-
Waves Singer Pakistan Limited	-	3,688,000	3,688,000	-	-	-	-	-	-	-
					-	-	-	-	-	-
Cement										
D.G. Khan Cement Company Limited*	-	684,000	684,000	-	-	-	-	-	-	-
Fauji Cement Company Limited	-	115,500	115,500	-	-	-	-	-	-	-
Lucky Cement Limited	-	6,500	6,500	-	-	-	-	-	-	-
Maple Leaf Cement Factory Limited	-	1,095,000	1,095,000	-	-	-	-	-	-	-
Pioneer Cement Limited	-	192,000	192,000	-	-	-	-	-	-	-
Power Cement Limited*	-	3,500	3,500	-	-	-	-	-	-	-
				-	-	-	-	-	-	-
					-	-	-	-	-	-
Chemicals										
Engro Polymer and Chemicals Limited	-	528,000	528,000	-	-	-	-	-	-	-
Ghani Global Holdings Limited	-	5,480,000	5,480,000		-	-	-	-	-	-
Lotte Chemical Pakistan Limited	-	532,000	532,000		-	-	-	-	-	-
Nimir Resins Limited	-	9,000	9,000	-	-	-	-	-	-	-
					-	-	-	-	-	-
Engineering										
Aisha Steel Mills Limited*	-	1,277,500	1,277,500	-	-	-	-	-	-	-
Amreli Steels Limited	-	107,000	107,000	-	-	-	-	-	-	-
International Industries Limited	-	323,500	323,500	-	-	-	-	-	-	-
International Steels Limited	-	287,500	287,500	-	-	-	-	-	-	-
Mughal Iron & Steel Industries Limited	-	218,000	218,000	-	-	-	-	-	-	-
					-	-	-	-	-	-
Food & Personal Care Products										
Fauji Foods Limited	-	362,000	362,000	-	-	-	-	-	-	-
The Organic Meat Company Limited	-	59,000	59,000	-	-	-	-	-	-	-
Treet Corporation Limited	-	1,313,000	1,313,000	-	-	-	-	-	-	-
Unity Foods Limited	-	9,156,000	9,156,000	-	-	-	-	-	-	-
					-	-	-	-	-	-
Fertilizer										
Engro Corporation Limited	-	19,000	19,000	-	-	-	-	-	-	-
Fauji Fertilizer Bin Qasim Limited	-	203,500	203,500	-	-	-	-	-	-	-
Fauji Fertilizer Company Limited	-	4,500	4,500	-	-	-	-	-	-	-
					-	-	-	-	-	-
Glass & Ceramics										
Shabbir Tiles & Ceramics Limited	-	2,000	2,000	-	-	-	-	-	-	-
Tariq Glass Industries	-	120,500	120,500	-	-	-	-	-	-	-
					-	-	-	-	-	-
Miscellaneous										
Pace (Pakistan) Limited	-	50,000	50,000	-	-	-	-	-	-	-
Siddiqsons Tin Plate Limited	-	1,723,000	1,723,000	-	-	-	-	-	-	-
					-	-	-	-	-	-
Oil and Gas Exploration Companies										
Oil & Gas Development Company Limited	-	1,736,000	1,736,000	-	-	-	-	-	-	-
Pakistan Petroleum Limited	-	284,000	284,000	-	-	-	-	-	-	-
					-	-	-	-	-	-
Balance carried forward					-	-	-			

* These transactions relate to shares of related parties

Name of investee company	Number of shares				Balance as at December 31, 2021			Market Value as a percentage of		Percentage in relation to paid-up capital of the investee company
	As at July 01, 2021	Purchased during the period	Sold during the period	As at December 31, 2021	Carrying value	Market value	Unrealised (loss) / gain	net assets	total invest-ments	
					------------- (Rupees in '000)		-------------	------------- %		-------------
Balance brought forward					-	-	-			
Oil and Gas Marketing Companies										
Pakistan State Oil Company Limited	-	224,500	224,500	-	-	-	-	-	-	-
Sui Northern Gas Pipelines Limited	-	6,619,500	6,619,500	-	-	-	-	-	-	-
Sui Southern Gas Company Limited	-	37,000	37,000	-	-	-	-	-	-	-
					-	-	-	-	-	-
Pharmaceuticals										
The Searle Company Limited	-	91,000	91,000	-	-	-	-	-	-	-
					-	-	-	-	-	-
Power Generation & Distribution										
The Hub Power Company Limited*	-	655,000	655,000	-	-	-	-	-	-	-
Kot Addu Power Company Limited	-	630,500	630,500	-	-	-	-	-	-	-
K-Electric Limited	-	1,652,500	1,652,500	-	-	-	-	-	-	-
					-	-	-	-	-	-
Refinery										
Attock Refinery Limited	170,500	1,309,000	1,479,500	-	-	-	-	-	-	-
Byco Petroleum Pakistan Limited	-	22,815,000	22,815,000	-	-	-	-	-	-	-
National Refinery Limited	-	397,000	397,000		-	-	-	-	-	-
Pakistan Refinery Limited	-	823,500	823,500	-	-	-	-	-	-	-
					-	-	-	-	-	-
Technology & Communications										
Avanceon Limited	-	2,402,000	2,402,000	-	-	-	-	-	-	-
Hum Network Limited	-	5,811,500	5,811,500	-	-	-	-	-	-	-
Netsol Technologies	-	1,423,500	1,423,500	-	-	-	-	-	-	-
Pakistan Telecommunication Company Limited	-	75,000	75,000	-	-	-	-	-	-	-
TRG Pakistan Limited	-	3,121,500	3,121,500	-	-	-	-	-	-	-
Worldcall Telecom Limited	-	2,116,500	2,116,500	-	-	-	-	-	-	-
					-	-	-	-	-	-
Textile Composite										
Gul Ahmed Textile Mills Limited	-	293,000	293,000	-	-	-	-	-	-	-
Nishat (Chunian) Limited	-	845,500	845,500	-	-	-	-	-	-	-
Nishat Mills Limited*	-	57,500	57,500	-	-	-	-	-	-	-
					-	-	-	-	-	-
Transport										
Pakistan Interntional Bulk Terminal Limited	-	17,937,000	17,937,000	-	-	-	-	-	-	-
					-	-	-	-	-	-
Total as at December 31, 2021					-	-	-	-	-	-
Total as at June 30, 2021					44,113	43,725	(388)			

* These transactions relate to shares of related parties

5.3 Listed debt securities - term finance certificates of Rs. 5,000 each (unless stated otherwise) - 'at fair value through profit or loss'

Name of investee company	Number of certificates				Balance as at December 31, 2021			Market value as a percentage of	
	As at July 01, 2021	Purchased during the period	Disposed during the period	As at December 31, 2021	Carrying value	Market value	Unrealised (loss) / gain	net assets	total invest-ments
					----------- (Rupees in '000)		-----------	---------- %	----------
Financial Services									
Saudi Pak Leasing Company Limited									
(March 13, 2010) (refer note 5.4.1)	10,000	-	-	10,000	27,548				
Less: Provision for impairment					(27,548)				
					-				
As at December 31, 2021					-	-	-		
As at June 30, 2021					-	-	-		

5.4 Unlisted debt securities - term finance and sukuk certificates of Rs. 5,000 each (unless stated otherwise) - 'at fair value through profit or loss'

Name of investee company	Number of certificates				Balance as at December 31, 2021			Market value as a percentage of	
	As at July 01, 2021	Purchased during the period	Disposed during the period	As at December 31, 2021	Carrying value	Market value	Unrealised (loss) / gain	net assets	total invest-ments
					----------- (Rupees in '000) -----------			---------- % ----------	
Commercial banks									
Askari Bank Limited VII - TFC (March 17, 2020)**	50	-	-	50	49,489	50,500	1,011	1.17%	1.97%
Samba bank limited (March 1, 2021)*	1,850	-	1,000	850	84,983	87,660	2,677	2.03%	3.41%
The Bank of Punjab Limited - TFC-II * (April 23, 2018)	850	-	850	-	-	-	-	0.00%	0.00%
The Bank of Punjab Limited TFC-I * (December 23, 2016)	1,200	-	-	1,200	120,958	124,730	3,772	2.89%	4.86%
					255,430	262,890	7,460	6.09%	10.24%
Chemicals									
Ghani Chemical Industries Limited (Formerly Ghani Gases Limited) - Sukuk* (February 02, 2017)	500	-	-	500	16,334	17,250	916	0.40%	0.67%
					16,334	17,250	916	0.40%	0.67%
Investment Bank									
Jahangir Siddiqui and Company Limited - TFC (July 18, 2017)	10,000	-	-	10,000	22,191	22,724	533	0.53%	0.88%
Jahangir Siddiqui & Company Limited - TFC (March 06, 2018)	18,000	-	-	18,000	59,603	60,558	955	1.40%	2.36%
					81,794	83,282	1,488	1.93%	3.24%
Household goods									
New Allied Electronics Industries (Private) Limited (May 15, 2007) (refer note 5.4.1)	10,400	-	-	10,400	21,983				
Less: Provision for impairment					(21,983)				
					-				
New Allied Electronics Industries (Private) Limited Sukuk (July 27, 2007) (refer note 5.4.1)	112,000	-	-	112,000	35,063				
Less: Provision for impairment					(35,063)				
					-				
As at December 31, 2021					353,558	363,422	9,864		
As at June 30, 2021					540,579	555,267	14,688		

* Nominal value of these term finance certificaes and sukuk certificate is Rs.100,000 per certificate.

** Nominal value of these term finance certificaes is Rs.1,000,000 per certificate.

5.4.1 Due to continuous default on repayment of coupon by the issuer, the Fund had classified said investments as non-performing debt securities. The Fund had also suspended further accrual of mark-up there against.

5.4.2 Significant terms and conditions of term finance certificates and other securities outstanding at December 31, 2021 are as follows:

Name of security	Number of certificates	Face value per certificate	Face value / redemption value in total	Interest rate per annum	Maturity	Secured / unsecured	Rating
	Un-audited						
Unlisted debt securities							
Askari Bank Limited VII - TFC	50	1,000,000	1,000,000	3M KIBOR + 1.2%	March 17, 2030	Unsecured	AA
Samba Bank Limited	850	100,000	99,980	6M KIBOR+1.35%	March 1, 2031	Secured	AA-
The Bank of Punjab Limited - TFC I	1,200	100,000	99,800	6M KIBOR+1%	December 23, 2026	Unsecured	AA
Ghani Gases Limited - Sukuk	500	100,000	37,500	3M KIBOR+1%	February 2, 2023	Unsecured	A-
Jahangir Siddiqui & Company Limited - TFC	10,000	5,000	2,250	6M KIBOR+1.4%	July 18, 2022	Secured	AA+
Jahangir Siddiqui & Company Limited - TFC	18,000	5,000	3,333	6M KIBOR+1.4%	March 6, 2023	Secured	AA+

5.4.3 Details of non-compliant investments with the investment criteria as specified by the SECP

In accordance with clause (v) of the investment criteria laid down for 'income scheme' in Circular No. 7 of 2009, the Fund is required to invest in any security having rating not lower than the investment grade (credit rating of BBB and above). However, as at December 31, 2021, the Fund is non-compliant with the above mentioned requirement in respect of the following investments. The securities were in compliance with the circular (i.e. investment grade) at the time of purchase and were subsequently downgraded to non investment grade by MUFAP on default by respective issuer in repayment of coupon due on respective dates.

	--------Un-audited--------					
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 total investments
		---------(Rupees in "000)---------			--------------- % ---------------	
Listed debt securities						
Saudi Pak Leasing Company Limited	TFC	27,548	(27,548)	-	-	-
Unlisted debt securities						
New Allied Electronics Industries (Private) Limited	TFC	21,983	(21,983)	-	-	-
New Allied Electronics Industries (Private) Limited	Sukuk	35,063	(35,063)	-	-	-

5.5 This represents unrealised loss amounting to Nill (June 30, 2021: 1.503 million) on mark to market of future stock contracts.

	Note	December 31, 2021 (Un-audited)	June 30, 2021 (Audited)
5.6 Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net		-------(Rupees in '000)-------	
Market value of investments	5.1, 5.2, 5.3, 5.4 & 5.5	2,568,717	2,278,357
Less: Carrying value of investments	5.1, 5.2, 5.3, 5.4 & 5.5	2,558,893	2,262,022
		9,824	16,335

6 PAYABLE TO MCB-ARIF HABIB SAVINGS AND INVESTMENTS LIMITED - MANAGEMENT COMPANY

	Note	December 31, 2021	June 30, 2021
Management remuneration payable	6.1	5,431	4,960
Sindh sales tax payable on remuneration of the Management Company	6.2	706	647
Allocated expenses payable	6.3	362	330
Selling and marketing expenses payable	6.4	4,157	3,918
Sales load payable (including indirect taxes)		1,237	209
		11,893	10,064

6.1 The Management Company has charged remuneration at the rate upto 1.5% (June 30, 2021: 1.5%) of average daily net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.

6.2 Sindh sales tax on remuneration of the management company has been charged at the rate of 13% (June 30, 2021: 13%).

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

The Management Company has allocated expenses to the Fund based on its discretion subject to not being higher than actual expense, which has also been approved by the Board of Directors of the Management Company.

6.4 The SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) initially for a period of three years (i.e. from January 1, 2017 till December 31, 2019). The maximum cap of selling and marketing expense was 0.4% per annum of the net assets of the Fund or actual expenses whichever is lower.

During the year ended June 30, 2020, the SECP through its circular 11 dated July 5, 2019 has revised the conditions for charging of selling and marketing expenses to a Fund. As per the revised guidelines, the maximum cap of 0.4% per annum has been lifted and now the asset management company is required to set a maximum limit for charging of such expense to the Fund and the same should be approved by the Board of Directors of the Management Company as part of annual plan. Furthermore, the time limit of three years has also been removed in the revised

The Management Company has charged selling and marketing expenses to the Fund based on its discretion subject to not being higher than actual expense, which has also been approved by the Board of Directors of the Management Company.

7 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. The Fund has charged Trustee Fee at the rate of 0.075% (December 31, 2020: 0.075%) of average daily net assets of the Fund during the period.

8 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP).

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

9 ACCRUED AND OTHER LIABILITIES	Note	December 31, 2021 (Un-audited)	June 30, 2021 (Audited)
		------ (Rupees in '000) ------	
Provision for Sindh Workers' Welfare Fund (SWWF)	9.1	-	42,902
Provision for Federal Excise Duty payable on remuneration to the Management Company	9.2	99,060	99,060
Federal Excise Duty payable on sales load	9.2	27,933	27,933
Auditors' remuneration payable		383	549
Withholding tax payable		381	2,014
Brokerage payable		380	1,037
Dividend payable		3	3
Other payable		59,177	13,381
		187,317	186,879

9.1 Provision for Sindh Workers' Welfare Fund

As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers’ Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers’ Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the 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 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 had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds had accordingly made provision in respect of SWWF as recommended by MUFAP

During the current period, SRB through its letter dated August 12, 2021 intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and was also taken up with the SECP and all the Asset Management Companies, in consultation with the SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP also gave its concurrence for prospective reversal of provision for SWWF. Going forward, no provision for SWWF has been recognised in the financial statements of the Fund.

9.2 Federal Excise Duty on remuneration of the management company and sales load

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

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 01, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 126.993 million is being retained in these condensed interim financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the net asset value of the Fund as at December 31, 2021 would have been higher by Rs 2.56 (June 30, 2021: Rs 2.91) per unit.

10 CONTINGENCIES AND COMMITMENTS

10.1 During the previous year, DCF Income Fund (DCFIF) has received a notice of tax demand for the tax year 2018 from the Additional Commissioner (Inland) Revenue (ACIR), whereby the ACIR has raised objection on claiming of “income already paid on units redeemed” as part of distribution and has thereby challenged the distribution of 90 percent of income and the Fund’s eligibility for exemption from tax. The ACIR is of the view that the amount of “Cash Dividend” paid can only be treated as part of distribution and according to his view the amount of “income already paid on units redeemed” is not “Cash Dividend”. The ACIR has raised a tax demand of Rs. 73,375,787 on the Fund in respect of the tax year 2018.Management Company then filed Appeal and stay application in front of Commissioner Appeals (CIRA), Stay Order was duly granted by CIRA.During the period, the Assessment Order as issued by ACIR has been remanded back by CIRA. Remand Back Order u/s 129(1) of ITO, 2001 was issued on 25 Nov 2021, after which no Order has yet been issued from FBR.

The Management Company contends that the practice being followed by it is as per the applicable regulations and in line with the industry practice. Based on the advice of the tax advisor and merits of the case, the Management Company believes that the assessment/case will be decided in the favour of the Fund and accordingly, no provision has been recognised in these financial statements.

10.2 During the current period, DCF Income Fund (DCFIF) has received a notice of tax demand for the Tax Year 2017 from the Additional Commissioner (Inland) Revenue (ACIR), whereby ACIR has raised objections on claiming of “provision against debt securities” amounting to Rs. 7,943,000 and adjustment of the “Element of loss and capital losses” amounting to Rs. 151,140,000 while arriving at the declared accounting income of the Fund and has challenged the distribution of 90 percent of income and the Fund’s eligibility for exemption from tax. The ACIR has raised a tax demand of Rs 138,821,455. Currently, based on the request of the Management Company, the Commissioner Appeals has granted stay of demand.

The Management Company contends that the practice being followed by it is as per the applicable regulations and in line with the industry practice. Based on the advice of the tax advisor and merits of the case, the Management Company believes that the assessment will be decided in the favour of the Fund and accordingly, no provision has been recognised in these financial statements.

10.3 There were no contingencies outstanding as at December 31, 2021 and June 30, 2021

10.4 Commitments	**December 31, 2021 (Un-audited)**	**June 30, 2021 (Audited)**
	------ (Rupees in '000) ------	
Future sale transactions of equity securities entered into by the Fund in respect of which the sale transactions have not been settled as at period end	-	45,728

11 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 amongst the unit holders by way of cash dividend. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than unrealised capital gains to the unit holders in cash. The Fund is also exempt from the provision of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Since the management intends to distribute atleast 90% of income earned by the Fund in cash during the year ending June 30, 2022 to the unit holders therefore, no provision for taxation has been made in these condensed interim financial statements.

12 CASH AND CASH EQUIVALENTS	**December 31, 2021**	**December 31, 2020**
	------------(Un-audited)-------------	
Balances with banks	3,725,863	1,935,319
Treasury bills maturing within 3 months	-	2,734,531
	3,725,863	4,669,850

13 EARNINGS PER UNIT

Earnings per unit based on cumulative weighted average units for the period has not been disclosed as in the opinion of the Management Company, the determination of the same is not practicable.

14 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period results is 2.78% (December 31, 2020: 3.15%) which includes 0.24% (December 31, 2020: 0.35%) representing Government Levy, Sindh Worker's Welfare Fund and the SECP Fee. The prescribed limit for the ratio is 2.5% (December 31, 2020: 2.5%) (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as a "income scheme". Provided that in addition to the prescribed limit, income schemes which invest in Margin Trading System (MTS) and/or ready future spread transaction, may charge additional MTS and/or ready future spread transaction related expenses upto 0.5% of Net assets to the Scheme.

15 TRANSACTIONS AND BALANCES OUTSTANDING WITH CONNECTED PERSONS / OTHER RELATED PARTIES

Related parties / connected persons of the Fund include the Management Company, other collective investment schemes managed by the Management Company, MCB Bank Limited being the Holding Company of the Management Company, the Trustee, directors, key management personnel and other associated undertakings and connected persons. Connected persons also include any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

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

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

Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.

The details of transactions during the current period and balances at period end with related parties / connected persons are as follows:

		(Un-Audited)	
15.1	**Details of transactions with connected persons are as follows:**	**December 31, 2021**	**December 31, 2020**
		-------- (Rupees in '000) --------	
	MCB-Arif Habib Savings and Investments Limited		
	Remuneration (including indirect taxes)	35,602	35,375
	Allocated expenses	2,100	2,087
	Selling and marketing expenses	8,917	8,139
	Central Depository Company of Pakistan Limited - Trustee		
	Remuneration (including indirect taxes)	1,780	1,769
	Settlement charges	587	646
	Group / associated companies		
	MCB Bank Limited		
	Mark-up on deposit accounts	19	47
	Purchase of securities having face value 454,000 (2020: Nil)	439,007	-
	Sale of securities having face value of Nil (2020: Rs. 1,065,000,000)	-	1,034,327
	Bank charges	17	21
	Arif Habib Limited - Brokerage House		
	Brokerage expense *	22	-
	Nishaat (Chunian) Limited		
	Purchase of 845,500 (2020: 488,500) shares	43,826	19,991
	Sale of 845,500 (2020: 488,500) shares	44,162	20,219
	D.G. Khan Cement Company Limited		
	Purchase of 684,000 (2020: 3,417,500) shares	75,264	376,091
	Sale of 684,000 (2020: 3,794,500) shares	75,851	405,369
	Nishat Mills Limited		
	Purchase of 57,500 (2020: 1,535,500) shares	5,499	152,419
	Sale of 57,500 (2020: 1,570,500) shares	5,548	155,719
	Dividend income	-	2,792
	Power Cement		
	Purchase of 3500 (2020: Nil) shares	29	-
	Sale of 3500 (2020: Nil) shares	29	-
	Aisha Steel		
	Purchase of 1,277,500 (2020: Nil) shares	30,816	-
	Sale of 1,277,500 (2020: Nil) shares	31,055	-

* The amount disclosed represents the amount of brokerage paid / payable to connected persons and not the purchase or sale value of securities transacted through them. The purchase or sale value has not been treated as transactions with connected persons as the ultimate counter-parties are not connected persons.

		(Un-Audited)	(Audited)
15.2	**Amounts outstanding at period end:**	**December 31, 2021**	**June 30, 2021**
		-------- (Rupees in '000) --------	
	MCB-Arif Habib Savings and Investments Limited		
	Management remuneration payable	5,431	4,960
	Sindh sales tax payable on remuneration of the management company	706	647
	Sales load payable (including indirect taxes)	1,237	208
	Allocated expenses Payable	362	330
	Selling and marketing expenses payable	4,157	3,918
	Central Depository Company of Pakistan Limited - Trustee		
	Remuneration payable (including indirect taxes)	307	281
	Security deposit	200	200

	(Un-Audited) December 31, 2021	(Audited) June 30, 2021
	-------- (Rupees in '000) --------	
Group / associated companies		
MCB Bank Limited		
Balances with bank	1,633	602
MCB Islamic Bank Limited		
Balances with bank	11	10
Arif Habib - Brokerage House		
Brokerage and settlement charges payable*	22	3

* The amount disclosed represents the amount of brokerage paid / payable to connected persons and not the purchase or sale value of securities transacted through them. The purchase or sale value has not been treated as transactions with connected persons as the ultimate counter-parties are not connected persons.

15.3 Transactions during the period with connected persons / related parties in units of the Fund:

	For the half year ended December 31, 2021 (Un-Audited)							
	As at July 01, 2021	Issuance (including additional units)	Redeemed	As at December 31, 2021	As at July 01, 2021	Issuance	Redeemed	As at December 31, 2021
	---------- Units ----------				---------- (Rupees in '000) ----------			
Group / associated companies								
MCB Employees' Provident Fund	1,677,094	-	-	1,677,094	179,536	-	-	187,154
MCB Employees' Pension Fund	1,677,094	-	-	1,677,094	179,536	-	-	187,154
D.G. Khan Cement Company Limited - Employees' Provident Fund Trust	5,045	-	-	5,045	540			563
Mandate under discretionary portfolio services*	2	824	793	33.00	-	90	87	4
Key management personnel*	-	-	-	-	-	-	-	-

* This reflects position of related party / connected persons status as at December 31, 2021

	For the half year ended December 31, 2020 (Un-Audited)							
	As at July 01, 2020	Issuance (including additional units)	Redeemed	As at December 31, 2020	As at July 01, 2020	Issuance	Redeemed	As at December 31, 2020
	---------- Units ----------				---------- (Rupees in '000) ----------			
Group / associated companies								
MCB-Arif Habib Savings and Investments limited	-	9,344	9,344	-	-	1,015	1,015	-
MCB Employees' Provident Fund	1,573,656	-	-	1,573,656	168,326	-	-	173,934
MCB Employees' Pension Fund	1,573,656	-	-	1,573,656	168,326	-	-	173,934
D.G. Khan Cement Company Limited - Employees' Provident Fund Trust	4,733	-	-	4,733	506			523
Mandate under discretionary portfolio services*	10,284	110,241,802	110,252,086	-	1,100	11,954,526	11,961,585	-
Key management personnel*	-	-	-	-	-	-	-	-

* This reflects position of related party / connected persons status as at December 31, 2020

16 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

16.1 Fair value hierarchy

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

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

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

Level 3: inputs for the assets or liability that are not based on observable market data (that is, unobservable inputs).

The Fund held the following financial instruments measured at fair values:

	Unaudited			
	December 31, 2021			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000')			
Financial assets measured at fair value through profit or loss				
Government securities	-	2,205,295	-	2,205,295
Unlisted debt securities	-	363,422	-	363,422
	-	2,568,717	-	2,568,717

	Audited			
	June 30, 2021			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000')			
Financial assets measured at fair value through profit or loss				
Government securities	-	1,677,862	-	1,677,862
Listed equity securities	43,725	-	-	43,725
Unlisted debt securities	-	555,267	-	555,267
Future stock contracts	1,503	-	-	1,503
	45,228	2,233,129	-	2,278,357

17 GENERAL

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

18. DATE OF AUTHORISATION FOR ISSUE

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

For MCB-Arif Habib Savings and Investments Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**