



**MCB-ARIF HABIB**  
Savings and Investments Limited

# QUARTERLY REPORT

SEPTEMBER  
**2020**  
(UNAUDITED)

Funds Under Management of  
MCB-Arif Habib Savings and Investments Limited

**AM1**  
Traded by PSCs



**ISAVE**  
Savings Asaan. Life Asaan.

# **ALHAMRA ISLAMIC STOCK FUND**

## CONTENTS

---

1	Fund's Information	176
2	Report of the Directors of the Management Company	177
3	Condensed Interim Statement of Assets And Liabilities	183
4	Condensed Interim Income Statement (Un-audited)	184
5	Condensed Interim Statement of Other Comprehensive Income (Un-audited)	185
6	Condensed Interim Statement of Movement in Unit Holder's Funds (Un-audited)	186
7	Condensed Interim Cash Flow Statement ( Un-audited)	187
8	Notes to and forming part of the Condensed Interim Financial Statements	188

## FUND'S INFORMATION

<b>Management Company</b>	<b>MCB-Arif Habib Savings &amp; Investments Limited</b> Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
<b>Board of Directors</b>	Mr. Haroun Rashid Mr. Nasim Beg Mr. Muhammad Saqib Saleem Mr. Ahmed Jahangir Mr. Kashif A. Habib Mirza Qamar Beg Syed Savail Meekal Hussain Ms. Mavra Adil Khan	Chairman Vice Chairman Chief Executive Officer Director Director Director Director Director
<b>Audit Committee</b>	Mirza Qamar Beg Mr. Nasim Beg Mr. Ahmed Jahangir Mr. Kashif A. Habib Syed Savail Meekal Hussain	Chairman Member Member Member Member
<b>Human Resource &amp; Remuneration Committee</b>	Mirza Qamar Beg Mr. Nasim Beg Mr. Ahmed Jahangir Syed Savail Meekal Hussain Ms. Mavra Adil Khan Mr. Muhammad Saqib Saleem	Chairman Member Member Member Member Member
<b>Chief Executive Officer</b>	Mr. Muhammad Saqib Saleem	
<b>Chief Operating &amp; Financial Officer</b>	Mr. Muhammad Asif Mehdi Rizvi	
<b>Company Secretary</b>	Mr. Altaf Ahmad Faisal	
<b>Trustee</b>	<b>Central Depository Company of Pakistan Ltd.</b> CDC House, 99-B, Block 'B' S.M.C.H.S Main Shahra-e-Faisal Karachi Tel: (92-21) 111-111-500 Fax: (92-21) 34326053 Web: www.cdcpakistan.com	
<b>Bankers</b>	MCB Bank Limited Habib Metropolitan Bank Limited Dubai Islamic Bank Limited Bank Islami Pakistan Limited Askari Bank Limited Standard Chartered Bank Limited Faysal Bank Limited United Bank Limited MCB Islamic Bank Limited Allied Bank Limited Silk Bank Limited Bank Al-Habib Limited Habib Bank Limited National Bank of Pakistan	
<b>Auditors</b>	<b>KPMG Taseer Hadi &amp; Co.</b> Chartered Accountants 1st Floor, Shaikh Sultan Trust, Building No. 2, Beaumont Road, Karachi - 75530	
<b>Legal Advisor</b>	<b>Bawaney &amp; Partners</b> 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
<b>Transfer Agent</b>	<b>MCB-Arif Habib Savings &amp; Investments Limited</b> Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
<b>Rating</b>	<b>AM1</b> Asset Manager Rating assigned by PACRA	

# REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2020

---

**Dear Investor,**

On behalf of the Board of Directors, We are pleased to present **Alhamra Islamic Stock Fund** accounts review for the quarter ended September 30, 2020.

## **Economy and Money Market Review**

The start to fiscal year 2021 has been promising as economic activities have started to pick up as lockdowns have been lifted in general across the country. The economic recovery has been sharper than expectations as lagged impact of monetary easing, pent up demand and higher remittances have provided impetus to economic growth. We now expect economic growth to be higher than general estimates. Government had initial expectations of lower industrial growth (targeting a growth of 0.1% YoY) due to Covid-19, which we now believe would be better than expectations as cyclical sectors have seen a reversal in their fortunes.

Cement sector saw an impressive growth in local dispatches as they witnessed a growth of 19% YoY in the first quarter of FY21. Sales of two wheeler units rose at a more impressive rate of 22% YoY reflecting on the vibrancy of middle class economic dynamics. Similarly, the demand of white petroleum products increased by 6% YoY during the quarter implying a broad based recovery in economy. While LSM number of only one month have been released for this fiscal year (up 5% YoY), we expect it to grow at high single digit in the first quarter.

Current account deficit posted a surplus of USD 805 million in the first two months of fiscal year compared to a deficit of USD 1,214 million in the corresponding period of the last year. The improvement came in primarily on the back of higher remittances which grew at a stupendous rate of 31% in the first two months and at a similar rate in the first quarter. Foreign exchange reserves of central bank saw a nominal increase of USD 100 million during the quarter due to improved balance of payment position.

Inflation remained an Achilles heel for the government as rising food prices continued to create challenges for policy makers. Headline inflation represented by CPI averaged 8.8% YoY during the quarter, with food inflation averaging 15.1% YoY during the period. The prices of perishable food items along with the price of wheat continued to advance higher as supply side disruptions and mismanagement caused the prices to soar. Nevertheless, core inflation as measured by Non Food Non Energy was still controlled and averaged 6.6% for the period. The MPC committee conducted one monetary policy during the quarter and maintained status quo after successive cuts in previous meetings. While real interest rates remained negative, the central bank was cautious with regards to demand side pressures owing to Covid-19. As the economy started to open up, tax collection also improved and grew by 5% during the quarter, returning to the positive zone after a span of 4 months. FBR collected record 1,004 billion in taxes, surpassing the target by PKR ~40 billion during the quarter.

## **Equity Market Review**

The benchmark KSE-100 index started off the fiscal year 2021 with flying colors as it closed the first quarter as the best performing equity index in the world exhibiting a massive surge of ~17.9%. With record low interest rates, stock market remained exuberant as flows from local investors kept the index roaring. Foreigners continued to offload as they sold stocks worth of near USD 106 million, while on the local front Individuals and Mutual Funds added about USD 108/26 million respectively to their positions. During the quarter, average trading volumes saw a massive rise to 500 million shares compared to about 205 million shares during the preceding quarter. Similarly, average trading value during the quarter saw an exorbitant uptick of 133% QoQ to near PKR 17.5 billion.

Cement, Chemical and Automobile were the major outperformers as they posted returns of 35%/26%/25% respectively. Record cement dispatches along with rising cement prices continued to provide traction to cement stocks. The announcements related to the Naya Pakistan housing project also acted as stimuli to the positive sentiments in the cement sector. Similarly, chemical sector also remained in limelight owing to rising construction activities, along with a recovery in textile sector. Moreover, Autos garnered attention as renewed demand of passenger cars and two wheelers brought life in the sector.

## **FUND PERFORMANCE**

During the period, ALHISF delivered a return of 15.65% as compared to benchmark return of 17.72%. Overall equity exposure of the fund stood at 97.0% at the end of the period as compared to 88.8% at June 30, 2020. The fund changed its investment strategy several times during the quarter to cope with various sector and company level fundamental developments. During the period, the fund had exposures majorly in Oil and Gas Exploration companies, Cement and Power Generation and Distribution Sector.

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2020

The Net Assets of the Fund as at September 30, 2020 stood at Rs. 3,338 million as compared to Rs. 2,656 million as at June 30, 2020 registering an increase of 25.68%.

The Net Asset Value (NAV) per unit as at September 30, 2020 was Rs. 10.05 as compared to opening NAV of Rs. 8.69 per unit as at June 30, 2020 registering an increase of Rs. 1.36 per unit.

### Economy & Market - Future Outlook

GDP growth for FY21 is projected at 2.1% by government and various institutions. Pakistan has essentially survived the first wave of pandemic, as number of daily cases (within 1000) have reduced to one-sixth of the peak daily cases (about 6000) witnessed during early June. Generally, economy appears to now operating close to pre-covid levels as cyclical sectors have geared up after record monetary easing. We expect growth to fare better than general expectations as industrial growth has revived much earlier than our anticipation. We expect economic growth to recover well above 2.1%. Balance of Payment worries are over for now as current account deficit has adjusted to reasonable level since the policy actions taken by the central government. Global economy has started to recover and the news flow suggests that the exports are gaining momentum. Remittances have also been far above the general expectations and in fact 31% YoY growth in the first quarter has surprised everyone. Even accounting for a 5% decline in remittances from here onwards, the overall situation will remain in comfortable zone. We expect CAD to settle near 1.2% of GDP in the FY21, which can be easily financed via flows from foreign investments and debt flows. Swift continuation of IMF program will be a key prerequisite to keep the financial account in positive zone. With the current scenario, we expect foreign exchange reserves to further increase by USD 2 billion during the next year, which will help alleviate any pressure on currency.

Inflation has exceeded our earlier expectations as food prices have sky rocketed. We expect CPI to average 9.1% for FY21, slightly higher than the expected range (7.0-9.0) of central bank. However, the inflation trajectory would remain close to 8% over the next few months and would move near double digits by the end of the fiscal year due to the low base effect. Thus, central bank may consider to adjust the interest rates in the second half of the fiscal year. However, the quantum of adjustment will depend on the balance of payment and economic situation at that time.

From capital market perspective, particularly equities, we are getting a much clearer picture now. As covid curve continues to flatten out, the valuations are catching up with historical norms. Barring a second wave of the virus, we think equities have a lot to offer to the investors. Market cap to GDP ratio is at 17.5%, still at a discount of 33% from its historical average. Similarly, risk premiums are close to 3.4%, compared to historical average of 0.9% signifying decent upside for long term investors. We believe a micro view of sectors and stock will remain more important this year and investment selection should focus on companies which trade at a deep discount to their intrinsic value. Similarly, focus should also revert back to companies that are expected to exhibit stellar earnings growth over the medium term.

### ACKNOWLEDGMENT

The Board is thankful to the Fund's valued investors, the Securities and Exchange Commission of Pakistan and the Trustees of the Fund for their continued cooperation and support. The Directors also appreciate the efforts put in by the management team.

On behalf of Directors,



**Muhammad Saqib Saleem**  
Chief Executive Officer  
October 23, 2020



**Nasim Beg**  
Vice Chairman / Director

## ڈائریکٹرز رپورٹ

اظہار تشکر

ڈائریکٹرز ہمارے حصص یافتگان کو خراج تحسین پیش کرتے ہیں کہ انہوں نے کمپنی میں مسلسل اعتماد کا اظہار کیا ہے۔ علاوہ ازیں، ہم کمپنی کے ہر ایک فرد کے عزم و اخلاص اور جدت پسندانہ سوچ کو بھی بے حد سراہتے ہیں اور ہمیں یقین ہے کہ وہ مستقبل میں بھی اسی طرح سرگرم عمل رہیں گے۔

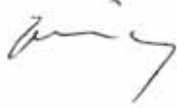
من جانب ڈائریکٹرز،



محمد ثاقب سلیم

چیف ایگزیکٹو آفیسر

23 اکتوبر 2020ء



نسیم بیگ

ڈائریکٹر / وائس چیئرمین

معاشی ترقی 2.1 سے کافی بلند سطح پر بحال ہوگی۔

ادائیگیوں کے توازن کی پریشانیوں فی الوقت ختم ہو گئی ہیں کیونکہ مرکزی حکومت کی جانب سے پالیسی اقدامات کے بعد کرنٹ اکاؤنٹ خسارہ معقول سطح پر آ گیا ہے۔ عالمی معیشت میں بحالی کے عمل کا آغاز ہو گیا ہے اور برآمدات میں بتدریج بہتری کی خبریں گردش میں ہیں۔ ترسیلات زر بھی توقعات سے بہت بلند ہوئی ہیں اور پہلی سہ ماہی میں 31 فیصد سال در سال ترقی نے سب کو حیران کر دیا ہے۔ اگر ترسیلات زر میں یہاں سے 5 فیصد کی بھی مان لی جائے تب بھی مجموعی صورتحال قابو میں رہے گی۔ ہم سمجھتے ہیں کہ مالی سال 2021ء میں کرنٹ اکاؤنٹ خسارہ جی ڈی پی کے تقریباً 1.2 فیصد پر ٹھہرے گا، اور اس کے لیے مالیات کی فراہمی باسانی غیر ملکی سرمایہ کاروں اور قرض کے ذریعے ہو سکتی ہے۔ آئی ایم ایف پروگرام پر عمل درآمد کا سبک رفتاری کے ساتھ جاری رہنا مالیاتی گوشوارے کو مثبت حد میں رکھنے کے لیے کلیدی عامل ثابت ہوگا۔ موجودہ صورتحال میں غیر ملکی زرمبادلہ کے ذخائر میں اگلے سال مزید 2 بلین ڈالر کا اضافہ متوقع ہے جس کی بدولت روپے پر کسی قسم کے دباؤ کو کم کرنے میں مدد ملے گی۔

افراط زر ہماری سابقہ توقعات سے آگے بڑھ گئی ہے کیونکہ اشیائے خورد و نوش کی قیمتیں آسمان کو چھو رہی ہیں۔ ہمارے نزدیک مالی سال 2021ء کے لیے سی پی آئی کا اوسط 9.1 فیصد ہوگا جو مرکزی بینک کی متوقع حد (7.0 سے 9.0) سے تھوڑا زیادہ ہے۔ تاہم اگلے چند ماہ کے دوران افراط زر کی رفتار تقریباً 8 فیصد رہے گی اور مالی سال کے اختتام تک دو عدد تک پہنچے گی جس کی وجہ پست base کی اثر پذیری ہے۔ چنانچہ مرکزی بینک مالی سال کے نصف آخر میں انٹریسٹ کی شرحوں میں ترمیم کرنے کے بارے میں سوچ سکتا ہے۔

کیپیٹل مارکیٹ، خصوصاً ایکویٹیز، کے نظریئے سے ہمیں اب کافی واضح صورتحال نظر آ رہی ہے۔ جہاں کووڈ کے خم کے ہموار ہونے کا سلسلہ جاری ہے وہاں valuations بتدریج پرانے رجحانات کے ساتھ ہم آہنگ ہو رہی ہیں۔ وائرس کی دوسری لہر کا سد باب کرتے ہوئے ہم سمجھتے ہیں کہ ایکویٹیز میں سرمایہ کاروں کے لیے بہت فوائد مضمر ہیں۔ مارکیٹ کیپیٹل انٹرنیشنل جی ڈی پی کے ساتھ تناسب 17.5 فیصد ہے، جواب بھی اپنے پرانے اوسط سے 33 فیصد کم ہے۔ اسی طرح رسک پریمیئم 3.4 فیصد کے قریب ہیں جو اپنے پرانے اوسط 0.9 فیصد کے مقابلے میں طویل المیعاد سرمایہ کاروں کے لیے قابل قبول بہتری ہے۔ ہم سمجھتے ہیں کہ سیکٹرز اور اسٹاک کی خورد و تصویر اس سال زیادہ اہم رہے گی اور سرمایہ کاری کے انتخاب کا انحصار ایسی کمپنیوں پر ہونا چاہیے جو اپنی اندرونی قدر میں گہری رعایت پر تجارت کرتی ہیں۔ اسی طرح ایسی کمپنیوں کی طرف بھی توجہ دوبارہ مرکوز ہونی چاہیے جن کی درمیانی مدت کی آمدنی میں زبردست ترقی متوقع ہے۔



### ایکویٹی مارکیٹ کا جائزہ

بمقام مارک KSE-100 انڈیکس نے مالی سال 2021 کا بہترین آغاز کیا کیونکہ یہ پہلی سہ ماہی کے اختتام پر تقریباً 17.9 فیصد ترقی کر کے دنیا بھر میں بہترین کارکردگی کا مظاہرہ کرنے والا انڈیکس تھا۔ انڈیکس کی کم ترین شرحوں کی بدولت اسٹاک مارکیٹ میں خوشحالی رہی کیونکہ سرمایہ کاروں کی طرف سے آمدات سے انڈیکس بڑھتا رہا۔ غریبوں نے بوجھ اُتارنے کا سلسلہ جاری رکھا اور تقریباً 106 ملین ڈالر مالیت کے اسٹاکس فروخت کیے، جبکہ مقامی سطح پر افراد اور میوچل فنڈز نے اپنی بساط میں بالترتیب تقریباً 108 ملین اور 26 ملین ڈالر کا اضافہ کیا۔ دوران سہ ماہی اوسط تجارتی حجم میں بڑا اضافہ ہوا اور یہ 500 ملین ڈالر ہو گئے جبکہ گزشتہ سہ ماہی میں 205 ملین ڈالر تھے۔ اوسط تجارتی قدر میں بھی 133 فیصد سہ ماہی درسہ ماہی (QoQ) خطیر اضافہ ہوا اور یہ تقریباً 17.5 ملین روپے تک پہنچ گئی۔

سینٹ، کیمیکل اور گاڑیوں کے شعبوں نے بہترین کارکردگی کا مظاہرہ کرتے ہوئے بالترتیب 35، 26 اور 25 فیصد منافع حاصل کیا۔ سینٹ کی ریکارڈ ترسیلات بمع بڑھتی ہوئی قیمتوں نے سینٹ کے اسٹاکس کو محرک فراہم کرنے کا سلسلہ جاری رکھا۔ 'نیا پاکستان ہاؤسنگ پراجیکٹ' سے متعلق اعلانات بھی سینٹ کے شعبے کے لیے خوش آئند ثابت ہوئے۔ اسی طرح کیمیکلز کے شعبے نے بھی بڑھتی ہوئی تعمیراتی سرگرمیوں اور ٹیکسٹائل کے شعبے میں بحالی کی بدولت بھرپور ترقی کی۔ علاوہ ازیں، گاڑیوں کا شعبہ توجہ کا مرکز بنا کیونکہ مسافر گاڑیوں اور موٹر سائیکلوں کی مانگ میں اضافے نے اس شعبے میں نئی روح پھونک دی۔

### فنڈ کی کارکردگی

دوران مدت فنڈ نے 15.65 فیصد منافع دیا جبکہ مقررہ معیار 17.72 فیصد ہے۔ اختتام مدت پرائیکویٹیز میں مجموعی شمولیت 97.0 فیصد تھی جبکہ 30 جون 2020ء کو 88.8 فیصد تھی۔ دوران سہ ماہی فنڈ کی سرمایہ کاری کے لائحہ عمل میں متعدد بار تبدیلی کی گئی تاکہ شعبے اور کمپنی کی سطح پر ہونے والی مختلف بنیادی تبدیلیوں کے ساتھ ہم آہنگی پیدا ہو سکے۔ دوران مدت فنڈ کی زیادہ تر شمولیت تیل اور گیس کی دریافت کی کمپنیوں، سینٹ، اور بجلی کی پیداوار اور تقسیم کے شعبے میں تھی۔

30 ستمبر 2020ء کو فنڈ کے net اثاثہ جات 3,338 ملین روپے تھے جو 30 جون 2020ء (2,656 ملین روپے) کے مقابلے میں 25.68 فیصد اضافہ ہے۔

30 ستمبر 2020ء کو net اثاثہ جاتی قدر (این اے وی) 10.05 روپے فی یونٹ تھی جو 30 جون 2020ء کو ابتدائی این اے وی 8.69 روپے فی یونٹ کے مقابلے میں 1.36 روپے فی یونٹ اضافہ ہے۔

### معیشت اور بازار - مستقبل کے امکانات

حکومت اور متعدد اداروں کے مطابق مالی سال 2021ء کے لیے مجموعی ملکی پیداوار (جی ڈی پی) میں 2.1 فیصد ترقی متوقع ہے۔ پاکستان کو وڈ ۱۹ کی پہلی لہر سے نبرد آزما ہونے میں کامیابی حاصل کی ہے کیونکہ متاثرہ افراد کی یومیہ تعداد (1000 سے کم) ماہ جون کے آغاز میں منظر عام پر آنے والے تعداد کی بلند ترین سطح (تقریباً 6000) کا چھٹا حصہ رہ گئے ہیں۔ معیشت اب عمومی طور پر قبل از کووڈ سطحوں پر سرگرم عمل ہے کیونکہ گردش شعبوں نے ریکارڈ مالیاتی تسہیل کے بعد رفتار پکڑ لی ہے۔ ہم سمجھتے ہیں کہ عمومی توقعات سے بہتر ترقی ہوگی کیونکہ صنعتی ترقی ہماری اُمید سے جلد بحال ہو گئی ہے۔ ہمارے نزدیک

## ڈائریکٹر رپورٹ

عزیز سرمایہ دار

بورڈ آف ڈائریکٹرز کی طرف سے الحمد للہ اسلامک اسٹاک فنڈ (سابقہ: ایم سی بی پاکستان اسلامک اسٹاک فنڈ) کے اکاؤنٹس کا جائزہ برائے سہ ماہی مُختتمہ 30 ستمبر 2020ء پیش خدمت ہے۔

### معیشت اور بازار زر کا جائزہ

مالی سال 2021ء کا آغاز اُمید افزا رہا کیونکہ مُلک بھر میں عمومی طور پر لاک ڈاؤن ختم کیے جانے کے نتیجے میں معاشی سرگرمیوں کی رفتار میں اضافہ ہوا ہے۔ معاشی بحالی توقعات سے بہتر رہی کیونکہ مالیاتی تسہیل کی سُسٹ رفتار اثر پذیری، مُقید طلب اور ترسیلات زر میں اضافے کی بدولت معاشی ترقی کو محرک فراہم ہوا۔ ہمیں اُمید ہے کہ اب معاشی ترقی عمومی تخمینوں سے بلند تر ہوگی۔ حکومت کو ابتدائی طور پر پست تر صنعتی ترقی کی توقع تھی (کووڈ ۱۹ کے باعث 0.1 فیصد سال در سال (YoY) کا ہدف)، لیکن ہم سمجھتے ہیں کہ اب یہ توقعات سے بہتر ہوگی کیونکہ گردشی شعبوں کے حالات کی کاپلٹ گئی ہے۔ مالی سال 2021ء کی پہلی سہ ماہی میں سینٹ کے شعبے نے مقامی ترسیلات میں 19 فیصد سال در سال کی متاثر کن ترقی کی۔ موٹر سائیکلوں کی فروخت میں 22 فیصد قابل ذکر اضافہ ہوا جس سے متوسط طبقے کی معاشی صورتحال میں بہتری کی عکاسی ہوتی ہے۔ اسی طرح سفید پٹرولیم کی مصنوعات کی مانگ میں دوران سہ ماہی 6 فیصد سال در سال اضافہ ہوا جس سے معیشت میں وسیع بنیاد پر بحالی کی طرف اشارہ ہوتا ہے۔ بڑے پیمانے پر ہونے والی مینوفیکچرنگ (ایل ایس ایم) کا اس مالی سال کے لیے صرف ایک عدد ظاہر کیا گیا ہے (5 فیصد سال در سال تک) لیکن ہم سمجھتے ہیں کہ پہلی سہ ماہی کے دوران اس میں بلندیک عدد دی ترقی ہوگی۔

کرنٹ اکاؤنٹ خسارے میں مالی سال کے پہلے دو ماہ میں 805 ملین ڈالر کی ہوئی جبکہ سال گزشتہ کی مماثل مدت میں خسارہ 1,214 ملین ڈالر تھا۔ اس بہتری کی بنیادی وجہ ترسیلات زر میں پہلے دو ماہ کے دوران اور پہلی سہ ماہی میں بھی 31 فیصد زبردست اضافہ ہے۔ مرکزی بینک کے غیر ملکی زرمبادلہ کے ذخائر میں دوران سہ ماہی 100 ملین ڈالر کا معمولی اضافہ ہوا جس کی وجہ ادائیگیوں کے توازن کی صورتحال میں بہتری ہے۔ افراط زر حکومت کا کمزور پہلو رہا کیونکہ اشیائے خورد و نوش کی قیمتوں میں اضافہ پالیسی ساز افراد کے لیے چیلنج پیش کرتا رہا۔ دوران سہ ماہی ہیڈ لائن افراط زر، جس کی نمائندگی صارفی قیمت کی انڈیکس (سی پی آئی) سے ہوتی ہے، کا اوسط 8.8 فیصد سال در سال تھا، جبکہ اشیائے خورد و نوش کے افراط زر کا اوسط 15.1 فیصد سال در سال تھا۔ جلد خراب ہو جانے والی اشیائے خورد و نوش بشمول گندم کی قیمت میں اضافہ جاری رہا جس کی وجہ رسد کی جہت میں ہونے والی خرابیاں اور بد انتظامی ہے۔ بہر حال اصل افراط زر، جس کی پیمائش اشیائے خورد و نوش اور توانائی کے شعبوں کے ذریعے ہوتی ہے، قابو میں تھی اور اس کا اوسط 6.6 فیصد تھا۔ ایم پی سی کمیٹی نے دوران سہ ماہی ایک مانیٹری پالیسی اجلاس منعقد کیا اور گزشتہ اجلاسوں میں پے در پے کٹوتیوں کے بعد صورتحال کو برقرار رکھا۔ اگرچہ انٹریسٹ کی اصل شرحیں منفی رہیں لیکن مرکزی بینک نے کووڈ ۱۹ کے باعث طلب کی جہت پر پڑنے والے دباؤ کے حوالے سے محتاط طرز عمل اختیار کیا۔

معیشت کے مستحکم ہونے کے ساتھ ساتھ ٹیکس وصولی بھی بہتر ہوئی اور اس میں دوران سہ ماہی 5 فیصد اضافہ ہوا، اور اس طرح چار ماہ بعد یہ عدد منفی سے مثبت ہوا۔ ایف بی آر نے ریکارڈ 1,004 بلین روپے ٹیکس جمع کیا جو مقررہ ہدف سے تقریباً 40 بلین روپے زیادہ ہے۔

# CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2020

		(Un-Audited) September 30, 2020	(Audited) June 30, 2020
	Note	----- (Rupees in '000) -----	
<b>ASSETS</b>			
Balance with banks	6	26,352	298,097
Investments	7	3,345,110	2,438,432
Receivable against sale of investments		63,854	601
Dividend, profit and other receivable		10,099	6,618
Advances, deposits and prepayments		3,269	3,227
<b>Total assets</b>		<b>3,448,684</b>	<b>2,746,975</b>
<b>LIABILITIES</b>			
Payable to the Management Company		18,007	13,305
Payable to the Central Depository Company of Pakistan Limited - Trustee		427	333
Payable to the Securities and Exchange Commission of Pakistan		164	530
Unclaimed Dividend		12,236	12,236
Payable against purchase of investments		5,168	42,998
Payable Against Redemption Of Units		37,263	-
Accrued expenses and other liabilities	8.	37,443	21,300
<b>Total liabilities</b>		<b>110,708</b>	<b>90,702</b>
<b>NET ASSETS</b>		<b>3,337,976</b>	<b>2,656,273</b>
<b>Unit holders' fund (as per statement attached)</b>		<b>3,337,976</b>	<b>2,656,273</b>
<b>Contingencies and commitments</b>	9.		
		----- (Number of units) -----	
<b>Number Of Units In Issue</b>		<b>332,284,760</b>	<b>305,676,886</b>
		----- (Rupees) -----	
<b>NET ASSETS VALUE PER UNIT</b>		<b>10.05</b>	<b>8.69</b>

The annexed notes from 1 to 15 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

# CONDENSED INTERIM INCOME STATEMENT (Un-Audited) FOR THE QUARTER ENDED SEPTEMBER 30, 2020

		Quarter ended September 30,	
		2020	2019
Note		(Rupees in '000)	
<b>INCOME</b>			
	Capital gain / (loss) on sale of investments	132,534	(15,347)
	Dividend income	11,025	46,352
	Profit on bank deposits	3,165	9,322
	Net unrealised appreciation / (diminution) in fair value of investments classified as 'at fair value through profit or loss'	331,015	(138,119)
7.1	<b>Total Income / (loss)</b>	<b>477,739</b>	<b>(97,792)</b>
<b>EXPENSES</b>			
	Remuneration of the Management Company	16,388	12,852
	Sindh Sales Tax on remuneration of the Management Company	2,131	1,671
	Remuneration of the Central Depository Company of Pakistan Limited - Trustees	1,069	894
	Sindh Sales tax on remuneration of Trustee	139	116
	Securities and Exchange Commission of Pakistan - annual fee	164	129
	Allocated expense	819	643
	Selling and marketing expenses	10,652	3,078
	Brokerage,Settlement and bank charges	4,972	1,219
	Provision against Sindh Workers' Welfare Fund	8,815	-
	Fees and subscription	7	19
	Legal and professional charges	34	46
	Shariah advisory fee	204	227
	Donation	321	1,207
	Auditors' remuneration	113	103
	Printing and related costs	(5)	22
	<b>Total expenses</b>	<b>45,823</b>	<b>22,226</b>
	<b>Net Income / (loss) for the period before taxation</b>	<b>431,916</b>	<b>(120,018)</b>
	Taxation	-	-
10	<b>Net Income / (loss) for the period</b>	<b>431,916</b>	<b>(120,018)</b>
<b>Allocation of net Income for the period:</b>			
	Net Income for the period	431,916	-
	Income already paid on units redeemed	(73,370)	-
		<b>358,546</b>	<b>-</b>
<b>Accounting income available for distribution:</b>			
	- Relating to capital gains	358,546	-
	- Excluding capital gains	-	-
		<b>358,546</b>	<b>-</b>
		<b>358,546</b>	<b>-</b>
<b>Earning / (Loss) per unit</b>			
11			
The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.			

The annexed notes from 1 to 15 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

**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (Un-Audited)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	Quarter ended September 30,	
	2020	2019
	----- (Rupees in '000) -----	
<b>Net (loss) / income for the period after taxation</b>	<b>431,916</b>	(120,018)
<b>Other comprehensive (loss) / income for the period</b>		
Unrealised (diminution) / appreciation in fair value of investments classified as 'at fair value through other comprehensive income' - net	-	-
<b>Total comprehensive (loss) / income for the period</b>	<b>431,916</b>	(120,018)

The annexed notes from 1 to 15 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

---

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

M. Javidi

Amechi

July

# ALHAMRA ISLAMIC STOCK FUND

# CONDENSED INTERIM CASH FLOW STATEMENT (Un-Audited) FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	Quarter ended September 30,	
	2020	2019
	----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) for the period before taxation	431,916	(120,018)
<b>Adjustments for:</b>		
Unrealised diminution / (appreciation) in value of investments classified as 'at fair value through profit or loss' - net	(331,015)	138,119
Dividend income	11,025	46,352
	<u>111,926</u>	<u>64,453</u>
<b>Decrease / (Increase) in assets</b>		
Investments	(575,663)	(182,672)
Dividend, profit and other receivable	(8,668)	(76,565)
Advances, deposits and prepayments	(42)	(39)
Receivable against sale of investments	(63,253)	17,856
	<u>(647,626)</u>	<u>(241,420)</u>
<b>(Decrease) / Increase in liabilities</b>		
Payable to the Management Company	4,702	(293)
Payable to the Central Depository Company of Pakistan Limited - Trustee	94	(26)
Payable to Securities and Exchange Commission of Pakistan	(366)	(2,812)
Payable against purchase of investments	(37,830)	3,379
Payable Against Redemption Of Units	37,263	-
Accrued expenses and other liabilities	16,143	589
	<u>20,006</u>	<u>837</u>
Dividend Received	(5,838)	(767)
<b>Net cash used in operating activities</b>	<u>(521,532)</u>	<u>(176,897)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts from issuance of units	1,785,351	353,482
Payments on redemption of units	(1,535,565)	(360,487)
<b>Net cash (used in) / generated from financing activities</b>	<u>249,787</u>	<u>(7,005)</u>
<b>Net (decrease) in cash and cash equivalents during the period</b>	<b>(271,746)</b>	<b>(183,902)</b>
Cash and cash equivalents at beginning of the period	298,097	396,625
<b>Cash and cash equivalents at end of the period</b>	<u><b>26,352</b></u>	<u><b>212,723</b></u>

The annexed notes from 1 to 15 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

# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2020

## 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Alhamra Islamic Stock Fund (the Fund) was established under a Trust Deed executed between Arif Habib Investments Limited (AHIL) as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee on May 26, 2004. Pursuant to the merger of MCB Asset Management Company Limited with and into Arif Habib Investments Limited (AHIL), the name of AHIL has been changed to MCB-Arif Habib Savings and Investments Limited.
- 1.2** Formation of the Fund as a closed-end fund was authorized by SECP on May 13, 2004, however with effect from November 11, 2010 the Fund was converted into open-end fund. The Management Company of the Fund obtained the requisite license from the Securities and Exchange Commission of Pakistan (SECP) to undertake asset management services under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The registered office of the Management Company is situated at 2nd floor Adamjee House, I.I Chundrigrah road, karachi.
- 1.3** The Fund is categorised as "Shariah Compliant Islamic Equity Scheme" and is listed on the Pakistan Stock Exchange Limited. The Fund primarily invests in listed equity securities. It also invests in cash instruments and treasury bills not exceeding 90 days maturity.
- 1.4** Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.
- 1.5** The Pakistan Credit Rating Agency Limited (PACRA) has assigned asset manager rating of 'AM1' dated October 06, 2020 to the Management Company.
- 1.6** Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.

## 2. BASIS OF PREPARATION

### 2.1. STATEMENT OF COMPLIANCE

- 2.1.1** This condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan which comprises 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 requirements of the Trust Deed differ from the International Accounting Standard (IAS) 34, Interim Financial Reporting, the provisions of and directives issued under the Companies Act, 2017, Part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

- 2.1.2** This condensed interim financial information does not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the financial statements for the year ended 30 June 2020.
- 2.1.3** The comparative in the statement of assets and liabilities presented in the condensed interim financial information as at 30 September 2020 have been extracted from the audited financial statements of the Fund for the year ended 30 June 2020, whereas the comparatives in the condensed interim income statement, condensed interim cash flow statement, condensed interim distribution statement and condensed interim statement of movement in unit holders' funds are stated from unaudited condensed interim financial information for the quarter ended 30 September 2019.



# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2020

**2.1.4** The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information is unaudited.

**2.1.5** In compliance with schedule V of the NBFC Regulations the Directors of the Management Company, hereby declare that this condensed interim financial statement give a true and fair view of the Fund.

## **2.2. Basis of Measurement**

This condensed interim financial information have been prepared on the basis of historical cost convention except that investments have been included at fair value.

## **2.3. Functional and presentation currency**

This condensed interim financial information is presented in Pak Rupees which is the functional and presentation currency of the Fund.

## **3. SIGNIFICANT ACCOUNTING POLICIES**

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

**3.2** Amendments to certain existing standards and interpretations on approved accounting standards effective during the period were not relevant and does not have any significant impact on the Fund's operations or a change in accounting policies of the Fund, therefore, have not been detailed in these condensed interim financial statements.

## **4. Estimates and Judgements**

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing this condensed interim financial information, the significant judgments made by management in applying accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended 30 June 2020.

## **5. Financial Risk Management**

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

		(Un-Audited) September 30, 2020	(Audited) June 30, 2020
	Note	----- (Rupees in '000) -----	
<b>6. BALANCE WITH BANKS</b>			
- in saving accounts	6.1	12,167	282,430
- in current accounts	6.2	14,185	15,667
		<u>26,352</u>	<u>298,097</u>

**6.1** These carry profit at rates ranging between 5.75% to 6.25% (June 30, 2020 6.75% to 7.5%) per annum. These include Rs. 0.035 million June 30, 2020 ( 0.035 million ) held with MCB Islamic Bank Limited (related parties).

**6.2** These include Rs. 6.857 million ( Rs. 8.357 million ) held with MCB Bank Limited and Rs. 0.066 million ( Rs. 0.028 million ) held with MCB Islamic Bank Limited (related parties).

# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2020

(Un-Audited)  
September 30,  
2020  
(Rupees in '000)

(Audited)  
June 30,  
2020  
(Rupees in '000)

Note

## 7. INVESTMENTS

'At fair value through profit or loss'  
Listed equity securities

7.1 3,345,110 2,438,432

### 7.1 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 the Investee Company	Number of shares					Balance as at September 30, 2020			Market value	
	As at July 01, 2020	Purchased during the period	Bonus / right issue during the period	Sold during the period	Balance as at September 30, 2020	Carrying value	Market Value	Unrealised (loss) / gain	As a percentage of net assets	As a percentage of total investments
Oil and Gas Exploration Companies										
Mari Petroleum Company Limited	116,584	-	-	-	116,584	144,174	159,664	15,491	0.05	0.05
Oil & Gas Development Company Limited	2,231,320	500,000	-	717,012	2,014,308	222,460	208,682	(13,778)	0.06	0.06
Pakistan Oilfields Limited	146,553	-	-	21,685	124,868	43,782	52,611	8,828	0.02	0.02
Pakistan Petroleum Limited	1,795,608	1,145,000	-	210,000	2,730,608	252,899	251,380	(1,519)	0.08	0.08
					4,986,368	663,315	672,337	9,022		
Oil and gas marketing companies										
Attock Petroleum Limited	139,100	60,000	-	-	199,100	64,244	67,989	3,745	0.02	0.02
Hascol Petroleum Limited	1,910	-	-	-	1,910	26	39	13	0.00	0.00
Hi-Tech Lubricants Limited	195	-	-	-	195	6	8	2	-	-
Pakistan State Oil Company limited.	-	599,343	-	65,000	534,343	102,532	106,975	4,443	0.03	0.03
Sui Northern Gas Company Limited	1,563,700	120,000	-	1,683,700	-	-	-	-	-	-
					735,548	166,808	175,011	8,203		
Engineering										
International Industries Limited	135,000	-	-	135,000	-	-	-	-	-	-
					-	-	-	-		
Pharmaceuticals										
Abbott Laboratories (Pakistan) Limited	200,900	-	-	44,050	156,850	103,992	120,247	16,256	0.04	0.04
Agp Limited	375,000	125,000	-	-	500,000	55,441	54,500	(941)	0.02	0.02
Glaxosmithkline Pakistan	-	134,200	-	-	134,200	26,592	24,643	(1,949)	0.01	0.01
The Searle Company Limited	214	325,000	-	325,000	214	51	55	4	0.00	0.00
					791,264	186,076	199,445	13,370		
Textile composite										
Interloop Limited	863,172	404,000	-	-	1,267,172	60,818	84,964	24,146	0.03	0.03
Kohinoor Textile Mills Limited	747,300	-	-	-	747,300	26,537	40,436	13,900	0.01	0.01
Nishat Mills Limited - a related party	-	635,000	-	-	635,000	62,854	64,179	1,325	0.02	0.02
					2,649,472	150,209	189,580	39,371		

\*\*\*

# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2020

Name of the Investee Company	Number of shares					Balance as at September 30, 2020			Market value	
	As at July 01, 2020	Purchased during the period	Bonus / right issue during the period	Sold during the period	Balance as at September 30, 2020	Carrying value	Market Value	Unrealised (loss) / gain	As a percentage of net assets	As a percentage of total investments
<b>Refinery</b>										
National Refinery Limited	80,000	-	-	-	80,000	8,582	13,918	5,335	0.00	0.00
Pakistan Refinery Limited	-	1,100,000	-	450,000	650,000	12,348	12,136	(212)	0.00	0.00
					730,000	20,930	26,053	5,123		
<b>Fertilizer</b>										
Engro Fertilizer Limited	762,000	-	-	762,000	-	-	-	-	-	-
Engro Corporation Limited	783,785	15,000	-	395,500	403,285	118,076	121,401	3,325	0.04	0.04
Fatima Fertilizer Company Limited	1,060,500	-	-	1,060,500	-	-	-	-	-	-
- a related party					403,285	118,076	121,401	3,325		
<b>Cement</b>										
Cherat Cement Company Limited	-	500,000	-	-	500,000	62,914	58,380	(4,534)	0.02	0.02
D.G. Khan Cement Company Limited ***	-	1,336,000	-	590,000	746,000	78,340	76,920	(1,419)	0.02	0.02
- a related party	-	-	-	-	-	-	-	-	-	-
Fauji Cement Company Limited	4,980,000	269,000	-	5,249,000	-	-	-	-	-	-
Kohat Cement Limited	307,550	4,300	-	35,400	276,450	38,092	47,201	9,109	0.01	0.01
Lucky Cement Limited	549,771	106,000	-	125,200	530,571	255,176	343,317	88,141	0.10	0.10
Maple Leaf Cement Factory Limited	1,501,500	2,125,000	-	400,000	3,226,500	100,954	115,799	14,845	0.03	0.03
					5,279,521	535,475	641,617	106,142		
<b>Chemical</b>										
Archroma Pakistan Limited	39,650	20,000	-	-	59,650	35,116	33,819	(1,297)	0.01	0.01
Engro Polymer and Chemicals Limited	3,758,114	250,000	-	794,500	3,213,614	81,654	129,380	47,726	0.04	0.04
ICI Pakistan Limited	-	43,800	-	-	43,800	33,037	31,693	(1,344)	0.01	0.01
					3,317,064	149,808	194,893	45,085		
<b>Paper and board</b>										
Century Paper & Board Mills Limited	-	325,000	-	-	325,000	36,015	36,150	135	0.01	0.01
Packages Limited	-	177,800	-	7,500	170,300	75,202	85,547	10,344	0.03	0.03
Security Paper Limited	30,900	148,700	-	-	179,600	28,848	38,927	10,078	0.01	0.01
					674,900	140,065	160,623	20,558		
<b>Food and personal care products</b>										
National Foods Limited	132,880	-	-	72,600	60,280	15,097	17,217	2,120	0.01	0.01
AT-Tahir Limited	-	239,500	-	-	239,500	5,168	5,065	(103)	0.00	0.00
					299,780	20,266	22,282	2,017		
<b>Sugar and allied industries</b>										
Faran Sugar Mills Limited	101,500	-	-	-	101,500	4,009	5,075	1,066	0.00	0.00
					101,500	4,009	5,075	1,066		

# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2020

Name of the Investee Company	Number of shares					Balance as at September 30, 2020			Market value	
	As at July 01, 2020	Purchased during the period	Bonus / right issue during the period	Sold during the period	Balance as at September 30, 2020	Carrying value	Market Value	Unrealised (loss) / gain	As a percentage of net assets	As a percentage of total investments
<b>Technology and telecommunication</b>										
Avanceon Limited	-	2,228,000	-	1,240,500	987,500	58,168	66,380	8,212	0.02	0.02
Pakistan Telecommunication Company Limited	2,095,000	1,300,000	-	-	3,395,000	33,340	36,700	3,360	0.01	0.01
Systems Limited	39,400	-	-	39,400	-	-	-	-	-	-
					<b>4,382,500</b>	<b>91,508</b>	<b>103,080</b>	<b>11,572</b>		
<b>Power generation and distribution</b>										
*** Hub Power Company Limited	3,161,317	925,000	-	377,451	3,708,866	275,222	290,998	15,776	0.09	0.09
** K-Electric Limited	6,400,000	2,500,000	-	-	8,900,000	27,616	37,469	9,853	0.01	0.01
Lalpur Power Limited	3,950,000	-	-	3,950,000	-	-	-	-	-	-
					<b>12,608,866</b>	<b>302,837</b>	<b>328,467</b>	<b>25,629</b>		
<b>Commercial banks</b>										
Meezan Bank Limited	1,414,358	-	106,435	392,500	1,128,293	70,621	92,757	22,136	0.03	0.03
					<b>1,128,293</b>	<b>70,621</b>	<b>92,757</b>	<b>22,136</b>		
<b>Automobile assemblers</b>										
Indus Motors Company Limited	-	47,000	-	-	47,000	58,684	60,167	1,483	0.02	0.02
Millat tractors Limited	55,500	-	-	3,200	52,300	36,932	45,253	8,320	0.01	0.01
					<b>99,300</b>	<b>95,616</b>	<b>105,419</b>	<b>9,803</b>		
<b>Cable and electrical goods</b>										
Pak Elektron Limited	1,034,000	2,550,000	-	1,034,000	2,550,000	97,587	84,303	(13,284)	0.03	0.03
					<b>2,550,000</b>	<b>97,587</b>	<b>84,303</b>	<b>(13,284)</b>		
<b>Vanaspoti &amp; Allied Industries</b>										
Unity Foods Limited	-	2,350,000	-	948,000	1,402,000	18,893	23,343	4,451	0.01	0.01
					<b>1,402,000</b>	<b>18,893</b>	<b>23,343</b>	<b>4,451</b>		
<b>Automobile parts and accessories</b>										
Agriauto Industries Limited	165,600	68,800	-	-	234,400	45,670	56,490	10,820	0.02	0.02
* Thal Limited	82,400	113,300	-	-	195,700	75,981	82,259	6,277	0.02	0.02
					<b>430,100</b>	<b>121,651</b>	<b>138,749</b>	<b>17,098</b>		
<b>Miscellaneous</b>										
Shifa International Hospitals Limited	115,000	-	-	-	115,000	26,836	25,618	(1,218)	0.01	0.01
Synthetic Products Limited	-	-	-	-	-	-	-	-	-	-
					<b>901,760</b>	<b>60,345</b>	<b>60,676</b>	<b>331</b>		

Name of the Investee Company	Number of shares				Balance as at September 30, 2020			Market value		
	As at July 01, 2020	Purchased during the period	Bonus / right issue during the period	Sold during the period	Balance as at September 30, 2020	Carrying value	Market Value	Unrealised (loss) / gain	As a percentage of net assets	As a percentage of total investments
<p><b>Total as at September 30, 2020 (Unaudited)</b></p> <p>3,014,095      3,345,110      331,015</p>										
<p><b>Total as at June 30, 2020 (Audited)</b></p> <p>2,508,086      2,438,432      (69,654)</p>										
<p>* These have a face value of Rs.3.5 per share</p> <p>** These have a face value of Rs.5 per share</p> <p>*** Following shares were pledged with National Clearing Company of Pakistan Limited (NCCPL) as collateral against margin:</p>										
<b>Name of security</b>	<p>(Unaudited)      (Audited)      (Unaudited)      (Audited)</p> <p>September 30,      June 30,      September 30,      June 30,</p> <p>2020      2020      2020      2020</p> <p>--- (Number of shares) ---      --- (Rupees in '000) ---</p>									
The Hub Power Company Limited	650,000      650,000      50,999      47,125									
Oil & Gas Development Company Limited	700,000      700,000      72,520      76,300									
	1,350,000      1,350,000      123,519      123,425									

193

ALHAMRA ISLAMIC STOCK FUND

# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2020

8. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	(Un-Audited) September 30, 2020 ----- (Rupees in '000) -----	(Audited) June 30, 2020
Provision for Sindh Workers' Welfare Fund	8.1	19,602	10,787
Provision for Federal Excise Duty and related tax on	8.2		
- Management fee		5,689	5,689
- Sales load		125	125
Auditors' remuneration		495	381
Brokerage payable		4,804	1,138
Sale load payable MCB Bank Limited		-	-
Withholding tax payable		3,523	281
Charity / donation payable		3,101	2,780
Others		104	119
		37,443	21,300

## 8.1 Provision for Sindh Workers' Welfare Fund

There is no change in the status of the SWWF as reported in the annual financial statements of the Fund for the period ended June 30, 2020. Had the provision for SWWF not been recorded in the condensed interim financial information of the Fund, the net asset value of the Fund as at September 30, 2020 would have been higher/lower by Re. 0.06 per unit (June 30, 2020 Re. 0.04 per unit).

## 8.2 Federal Excise Duty and related tax payable

There is no change in the status of Federal Excise Duty as reported in the annual financial statements of the Fund for the period ended June 30, 2020. Had the said provision for FED not been recorded in the condensed interim financial information of the Fund, the net asset value of the Fund as at September 30, 2020 would have been higher/lower by Re. 0.02 per unit (June 30, 2020: Re. 0.02 per unit).

## 9. CONTINGENCIES AND COMMITMENTS

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

## 10. 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 available for distribution 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 Regulation, 2008, the Fund is required to distribute 90% of the net accounting income available for distribution other than 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. The management intends to distribute at least 90% of income to be earned during the current year to the unit holders, therefore, no provision for taxation has been recorded in this condensed interim financial information.

## 11. Earning / (Loss) per unit

Earnings/(Loss) 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.

# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2020

## 12. TOTAL EXPENSE RATIO

The total expense ratio of the Fund from July 1, 2020 to September 30, 2020 is 1.41% (September 30, 2019: 0.87%) and this includes 0.35% (September 30, 2019: 0.08%) representing government levy, Sindh Worker's Welfare Fund, SECP fee etc. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorized as 'Shariah Compliant Equity Scheme'.

## 13. TRANSACTIONS 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 and key management personnel, other associated undertakings and unit holders holding more than 10% units of the Fund.

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 Fund.

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

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

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

	For the Quarter ended September 30, 2020							
	As at July 01, 2020	Issued for cash	Redeemed	As at September 30, 2020	As at July 01, 2020	Issued for cash	Redeemed	As at September 30, 2020
	----- Units -----				----- (Rupees in '000) -----			
<b>Group / associated companies</b>								
Nishat Mills Limited	1,121,411	-	-	1,121,411	9,745	-	-	11,270
D.G. Khan Cement Company Limited - Employees Provident Fund	462,336	-	-	462,336	4,018	-	-	4,646
Adamjee Life Assurance Company Limited - Non-Unitised Investment Linked Fund	8,941,197	1,372,549	-	10,313,746	77,699	14,000	-	103,653
Adamjee Life Assurance Company Limited - Investment Multiplier Fund	94,010,563	2,854,424		96,864,987	816,952	30,000	-	973,493
Asghari Beg Memorial Trust	428,413	-	-	428,413	3,723	-	-	4,306
Adamjee Life Assurance Company Limited - Amanat Fund	22,726,705	-	2,639,916	20,086,789	197,495	-	25,000	201,872
Adamjee Life Assurance Company Limited - MAZAAF	27,585,782	2,378,687	-	29,964,469	239,720	25,000	-	301,143
Alhamra Islamic Active Allocation Plan I	-	3,075,397	-	3,075,397	-	31,000	-	30,908
Alhamra Islamic Active Allocation Plan II	-	3,373,015	-	3,373,015	-	34,000		33,899
<b>Key management personnel</b>	3,038,499	5,986,516	5,641,567	3,383,448	26,405	58,256	53,955	34,004
<b>Mandate under discretionary</b>								
<b>portfolio services</b>	16,198,586	5,847,141	3,215,099	18,830,628	140,766	60,044	30,854	189,248

# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2020

For the Quarter ended September 30, 2019								
	As at July 01, 2019	Issued for cash	Redeemed	As at September 30, 2019	As at July 01, 2019	Issued for cash	Redeemed	As at September 30, 2019
	Units				(Rupees in '000)			
<b>Group / associated companies</b>								
Nishat Mills Limited	1,108,715	-	-	1,108,715	9,535	-	-	9,125
D.G. Khan Cement Company Limited -								
Employees Provident Fund	456,190	-	-	456,190	3,923	-	-	3,754
Adamjee Life Assurance Company Limited -								
Non-Unitised Investment Linked Fund	7,224,171	-	-	7,224,171	62,128	-	-	59,455
Adamjee Life Assurance Company Limited -								
Investment Multiplier Fund	65,377,724	-	-	65,377,724	562,248	-	-	538,059
Asghari Beg Memorial Trust	423,563	-	-	423,563	3,643	-	-	3,486
Adamjee Life Assurance Company Limited -								
Amanat Fund	17,833,909	2,356,021	-	20,189,930	153,372	18,000	-	166,163
Adamjee Life Assurance Company Limited -								
MAZAAF	16,712,894	-	-	16,712,894	143,731	-	-	137,547
Alhamra Islamic Active Allocation Plan I	45,343,343	-	-	45,343,343	389,953	-	-	373,176
Alhamra Islamic Active Allocation Plan II	42,329,805	-	-	42,329,805	364,036	-	-	348,374
Key management personnel	1,746,477	737,965	931,596	1,552,846	15,020	5,623	7,293	12,780
Mandate under discretionary								
<b>portfolio services</b>	10,346,293	3,154,458	3,421,637	10,079,114	88,978	25,288	27,922	82,951

## 13.2 Details of transactions with the connected persons / related parties during the period are as follows:

	(Unaudited) September 30, 2020	(Unaudited) September 30, 2019
	----- (Rupees in '000) -----	
<b>MCB Arif Habib Savings and Investments Limited - Management Company</b>		
Remuneration (including indirect taxes)	18,519	14,523
Expenses allocated by the Management Company and related sales tax	819	643
Shariah advisory fee	204	227
Selling and marketing expenses	10,652	3,078
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration including indirect taxes	1,208	1,010
Settlement charges including indirect taxes	-	34



# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	(Unaudited) September 30, 2020	(Unaudited) September 30, 2019
	----- (Rupees in '000) -----	
<b>Group / associated companies</b>		
<b>Arif Habib Limited</b>		
Brokerage expense *	81	69
<b>Next Capital Limited</b>		
Brokerage expense *	37	18
<b>MCB Bank Limited</b>		
Bank charges	9	5
Profit Recieved	-	-
<b>MCB Islamic Bank Limited</b>		
Profit on Bank Deposits	3	-
<b>Nishat Mills Limited</b>		
Purchase 635,000 (2019: Nil ) shares	62,854	-
Sales of Nill Shares (2019: 3,500 ) shares	-	327
<b>Fatima Fertilizer Limited</b>		
Purchase of Nil (2019: 2,474,500) shares	-	83,044
Sales of 1,060,500 (2019: Nil) shares	29,694	-
<b>D.G. Khan Cement Company Limited</b>		
Purchase of 1,336,000 (2019: Nil ) shares	138,191	-
Sales of 590,000 (2019: Nil ) shares	64,840	-

# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2020

(Unaudited) September 30, 2020	(Audited) June 30, 2020
--------------------------------------	-------------------------------

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

## 13.3 Amount outstanding as at period end / year end

### MCB Arif Habib Savings and Investments Limited - Management Company

Remuneration payable	5,929	4,261
Sales tax payable on Management remuneration	771	554
Expense allocated by the Management Company	297	213
Sales load payable	297	54
Shariah advisory fee payable	60	75
Selling and marketing expenses payable	10,653	8,148

### Central Depository Company of Pakistan Limited - Trustee

Remuneration payable (including indirect taxes)	427	333
Security deposit	300	300

### Arif Habib Limited

Brokerage payable *	-	191
---------------------	---	-----

### Next Capital Limited

Brokerage payable *	37	-
---------------------	----	---

### MCB Bank Limited

Balances with bank	6,875	8,357
Sales load payable	-	-

### MCB Islamic Bank Limited

Balances with bank	35	63
Profit receivable	6	6

### D.G. Khan Cement Company Limited

746,000 shares held (June 30, 2020: Nil)	76,920	-
------------------------------------------	--------	---

### Nishat Mills Limited

635,000 shares held (June 30, 2020: Nil shares)	64,179	-
-------------------------------------------------	--------	---

### Fatima Fertilizer Limited

Nil shares held (June 30, 2020: 1,060,500)	-	28,347
--------------------------------------------	---	--------

## 14. GENERAL

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

## NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2020

---

**14.2** Corresponding figures have been reclassified and rearranged in these condensed interim financial statements, wherever necessary, for the purpose of better presentation. However, no significant rearrangements or reclassifications were made in these condensed interim financial statements to report.

### **15. DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements were authorized for issue on October 23, 2020 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

## **MCB Arif Habib Savings and Investments Limited**

**Head Office:** 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi  
**UAN:** (+92-21) 11-11-62224 (11-11-MCB-AH), 111-468-378 (111-INVEST)  
**URL:** [www.mcbah.com](http://www.mcbah.com), Email: [info@mcbah.com](mailto:info@mcbah.com)