



MCB-ARIF HABIB
Savings and Investments Limited

QUARTERLY REPORT

SEPTEMBER
2020
(UNAUDITED)

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

AM1
Rated by PRCA



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Alhamra Islamic Income Fund

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FUND'S INFORMATION

Management Company	MCB-Arif Habib Savings & Investments Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
Board of Directors	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
Audit Committee	Mirza Qamar Beg Mr. Nasim Beg Mr. Ahmed Jahangir Mr. Kashif A. Habib Syed Savail Meekal Hussain	Chairman Member Member Member Member
Human Resource & Remuneration Committee	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
Chief Executive Officer	Mr. Muhammad Saqib Saleem	
Chief Operating & Financial Officer	Mr. Muhammad Asif Mehdi Rizvi	
Company Secretary	Mr. Altaf Ahmad Faisal	
Trustee	Central Depository Company of Pakistan Ltd. 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	
Bankers	MCB Bank Limited Habib Metropolitan Bank Limited United Bank Limited Bank Al-Habib Limited Silk Bank Limited Habib Bank Limited National Bank of Pakistan NRSP Micro Finance Bank Limited Bank Islami Pakistan Limited Askari Bank Limited Dubai Islami Bank Limited Meezan Bank Limited	
Auditors	Deloitte Yousuf Adil Chartered Accountants Cavish Court, A-35, Block 7 & 8, KCHSU, Shahrah-e-Faisal, Karachi-75350.	
Legal Advisor	Bawaney & Partners 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
Transfer Agent	MCB-Arif Habib Savings & Investments Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
Rating	AM1 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 Income 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.

Yield curve started to slope upward after inflation continued to disappoint investors. The central bank also raised its expectation of inflation as discussed in the minutes of MPC. It now expects it to fall in the upward range of 7-9% compared to earlier expectations of inflation falling in the lower range. 3Y, 5Y and 10Y bonds saw a rise of 76 bps, 102 bps and 106 bps respectively during the period.

FUND PERFORMANCE

During the period under review, the fund generated an annualized return of 6.81% as against its benchmark return of 4.42%.

The fund was 14.4% invested in Corporate Sukuks while significant exposure was in Cash. The Net Assets of the Fund as at September 30, 2020 stood at Rs. 7,258 million as compared to Rs. 4,442 million as at June 30, 2020 registering an increase of 63.4%.

The Net Asset Value (NAV) per unit as at September 30, 2020 was Rs. 103.5931 as compared to opening NAV of Rs. 101.8452 per unit as at June 30, 2020 registering an increase of Rs. 1.7479 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

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

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.

For debt holders, we expect Money Market Funds to continue to seamlessly mirror policy rates throughout the year. On the other hand, government bonds have priced in the anticipated yield curve. We remain cautious at the current levels of bond yields and would continue to monitor the data points to capitalize on opportunities.

Mutual Fund Industry Review

The Net Assets of the open end mutual fund industry increased by about 14.3% to PKR 848 billion at the end of 1QFY21 compared to end of 4QFY20. Money market funds and Fixed Income funds experienced an influx of investment as the status quo of interest rates was maintained by the central bank throughout the quarter. Total money market funds grew by about 41% since June 2020. Within the money market sphere, the conventional funds dominated as they grew by about 13% to PKR 233 billion. In addition, the total fixed Income funds increased by about 18% since June 2020, as the shariah compliant funds grew by 15% to near PKR 126 billion. The appetite for risk assets ignited in the post lockdown scenario as the aggregate demand boosted. Equity and related funds surged rapidly by 20% from PKR 224 billion to PKR 268 billion over the quarter. Most of the rise in AUMs can be attributed to a positive uptick in the market that was up 26% YoY owing to favorable investor sentiments.

In terms of the segment share, Money Market funds were the leader with a share of around 41%, followed by Equity and Equity related funds with a share of 32% and Income funds having a share of 26% as at the end of 1QFY21.

Mutual Fund Industry Outlook

Record decline in interest rates have reinstated the confidence in risk asset classes. We expect liquidity to gear up towards equity and related funds. The sustainability of liquidity will however depend on how the economy transitions through this phase of pandemic. Our operations remained seamless and given our competitive edge due to aggressive investment in digital access and online customer experience, the environment provides an opportunity with growing number of investors available online.

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

میوچل فنڈ صنعت کا جائزہ

اوپن end میوچل فنڈ صنعت کے net اثاثہ جات تقریباً 14.3 فیصد بڑھ کر مالی سال 2021ء کی پہلی سہ ماہی کے اختتام پر تقریباً 848 بلین روپے ہو گئے۔ منی مارکیٹ فنڈز اور فیکسڈ انکم فنڈز میں خطیر سرمایہ کاری ہوئی کیونکہ مرکزی بینک نے سال بھر انٹریسٹ کی شرحوں کی سطح کو برقرار رکھا۔ منی مارکیٹ کے مجموعی فنڈز میں جون 2020ء کے مقابلے میں 41 فیصد اضافہ ہوا۔ زیر جائزہ مدت کے دوران منی مارکیٹ کے دائرے میں روایتی فنڈز حاوی رہے کیونکہ وہ تقریباً 13 فیصد بڑھ کر 233 بلین روپے ہو گئے۔ علاوہ ازیں، مجموعی فیکسڈ انکم فنڈز میں جون 2020ء سے تقریباً 18 فیصد اضافہ ہوا کیونکہ شریعت کی تعمیل والے فنڈز 15 فیصد بڑھ کر تقریباً 126 بلین روپے ہو گئے۔ لاک ڈاؤن ختم ہونے کے بعد مجموعی طلب میں اضافے کے باعث خطرات کے حامل اثاثہ جات کی مانگ میں اضافہ ہوا۔ ایکویٹی اور متعلقہ فنڈز دوران سہ ماہی 20 فیصد بڑھ کر 224 بلین روپے سے 268 بلین روپے ہو گئے۔ AUMs میں اضافے کا بڑا سبب مارکیٹ میں 26 فیصد سال در سال ترقی کو قرار دیا جاسکتا ہے جو سرمایہ کاروں کے پُر جوش رجحان کی بدولت ہوئی۔

مالی سال 2021ء کی پہلی سہ ماہی کے اختتام پر شعبہ جاتی سرمایہ کاری کے اعتبار سے منی مارکیٹ فنڈز تقریباً 41 فیصد کے ساتھ سب سے آگے تھے، جبکہ ایکویٹی اور متعلقہ فنڈز تقریباً 32 فیصد، اور انکم فنڈز تقریباً 26 فیصد کے حامل تھے۔

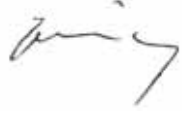
میوچل فنڈ صنعت کا مستقبل کا منظر

انٹریسٹ کی شرحوں میں اب تک کی سب سے زیادہ کمی کی بدولت خطرات کے حامل اثاثہ جات میں اعتماد بحال ہوا ہے۔ ایکویٹی اور متعلقہ فنڈز کے شعبے میں نقدیت میں بہتری متوقع ہے۔ تاہم نقدیت کی پائیداری کا انحصار اس بات پر ہوگا کہ معیشت اس وباء کے مرحلے سے کس طرح گزرتی ہے۔ ہمارے آپریشنز پلا رکاوٹ جاری رہے، اور ڈیجیٹل رسائی اور آن لائن سہولیات میں بھرپور سرمایہ کاری کے نتیجے میں ہمیں جو سبقت حاصل ہے اس کی بدولت ہم آن لائن دستیاب سرمایہ کاروں کی بڑھتی ہوئی تعداد سے استفادہ کر سکتے۔

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،



نسیم بیگ

ڈائریکٹر / وائس چیئرمین



محمد ثاقب سلیم

چیف ایگزیکٹو آفیسر

23 اکتوبر 2020ء

فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران فنڈ کا ایک سال پر محیط منافع 6.81 فیصد تھا جبکہ مقررہ معیار 4.42 فیصد تھا۔

فنڈ کی سرمایہ کاری کا 14.4 فیصد حصہ کارپوریٹ سٹاکس میں جبکہ ایک قابل ذکر حصہ نقد میں تھا۔

30 ستمبر 2020ء کو فنڈ کے net اثاثہ جات 7,258 ملین روپے تھے جو 30 جون 2020ء (4,442 ملین روپے) کے مقابلے میں 63.4 فیصد اضافہ ہے۔

30 ستمبر 2020ء کو net اثاثہ جاتی قدر (این اے وی) 103.5931 روپے فی یونٹ تھی جو 30 جون 2020ء کو ابتدائی این اے وی 101.8452 روپے فی یونٹ کے مقابلے میں 1.7479 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 19 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 ہوگئی ہے۔ ہمارے نزدیک معاشی ترقی 2.1 سے کافی بلند سطح پر بحال ہوگی۔

ادائیگیوں کے توازن کی پریشانیوں فی الوقت ختم ہوگئی 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 کمی 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 باہمی غیر ملکی سرمایہ کاروں اور قرض کے ذریعے ہو سکتی ہے۔ آئی ایم ایف پروگرام پر عمل درآمد کا سبک رفقاری 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۔ تاہم ترمیم کے حجم کا انحصار اُس وقت کی ادائیگیوں کے توازن اور معاشی صورتحال پر ہوگا۔

Debt حاملین کے لیے ہم توقع کرتے ہیں کہ بازار زر کے فنڈ سال بھر پالیسی شرحوں کی عکاسی بلا رکاوٹ جاری رکھیں گے۔ دوسری جانب حکومتی بانڈز دوران سال پہلے ہی کچھ حد تک متوقع مالیاتی تسہیل میں کردار ادا کر چکے ہیں۔ ہم بانڈز کے منافعوں کی موجودہ سطحوں کے حوالے سے محتاط ہیں اور ڈیٹا کے نکات کی نگرانی جاری رکھیں گے تاکہ مواقع سے فائدہ اٹھایا جاسکے۔

ڈائریکٹر رپورٹ

عزیز سرمایہ دار

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

معیشت اور بازار 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 سست رفتار اثر پذیر، 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 گزشتہ 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 مُلکی 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 بدانتظامی ہے۔ بہر حال اصل افراط زر، جس کی پیمائش اشیائے خورد و نوش اور توانائی کے شعبوں کے علاوہ 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، مرکزی بینک کووڈ ۱۹ کے باعث طلب کی جہت پر پڑنے والے دباؤ کے حوالے سے محتاط تھا۔

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۔

افراط زر نے سرمایہ کاروں کو مایوس کرنے کا سلسلہ جاری رہا اور پیداواری خم بلندی کی طرف جانا شروع ہو گیا۔ مرکزی بینک نے بھی افراط زر سے متعلق اپنی توقع کو بڑھایا جیسا کہ مانیٹری پالیسی کمیٹی (ایم پی سی) کے مٹس میں مذکور ہے۔ اب مرکزی بینک کو توقع ہے کہ افراط زر 7 سے 9 فیصد کی اوپری سطح میں پہنچ جائے گا، جبکہ پہلے اس کا نچلی سطح میں آنا متوقع تھا۔ دوران مدت تین، پانچ اور دس سالہ بانڈز میں بالترتیب 76، 102 اور 106 بیسیس پوائنٹس (بی پی ایس) کا اضافہ ہوا۔

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) -----	
ASSETS			
Balance with banks	6	3,791,250	1,760,297
Investments	7	3,320,634	2,776,273
Profit receivable		85,116	53,171
Receivable against sale of investments		103,299	
Advances, deposits and prepayments		12,912	7,572
Total assets		7,313,210	4,597,313
LIABILITIES			
Payable to the Management Company		6,343	4,458
Payable to the Central Depository Company of Pakistan Limited - Trustee		434	304
Payable to the Securities and Exchange Commission of Pakistan		972	660
Dividend payable		1	1
Payable against purchase of investments		-	117,690
Payable against redemption of units		14,945	-
Accrued expenses and other liabilities	8	32,115	32,000
Total liabilities		54,810	155,113
NET ASSETS		7,258,400	4,442,200
Unit holders' fund (as per statement attached)		7,258,400	4,442,200
Contingencies and commitments	9.		
		(Number of units)	
Number of units in issue		70,066,441	43,617,191
		(Rupees)	
NET ASSET VALUE PER UNIT		103.5931	101.8452

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

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



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM INCOME STATEMENT (UNAUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	September 30 2020	September 30 2019
Note	----- (Rupees in '000) -----	
INCOME		
Income from government securities	20,819	-
Gain / (loss) on sale of investments - net	(3,789)	-
Income from term finance certificates	40,811	24,200
Profit on bank deposits	42,339	47,615
Income on musharka certificate	-	1,530
Income on commercial paper	10,345	5,742
Unrealised diminution in fair value of investments classified as 'at fair value through profit or loss' - net	10,185	(103)
Total income	120,710	78,985
EXPENSES		
Remuneration of the Management Company	5,783	6,142
Sindh Sales Tax and Federal Excise Duty on remuneration of the Management Company	752	798
Remuneration of the Central Depository Company of Pakistan Limited - Trustee	1,174	455
Sindh Sales Tax on remuneration of Trustee	153	60
Securities and Exchange Commission of Pakistan - annual fee	312	121
Allocated expense	1,555	607
Marketing And Selling Expense	3,120	878
Brokerage expenses	215	
Provision for Sindh Workers' Welfare Fund	2,142	1,386
Settlement and bank charges	39	102
Fees and subscriptions	108	98
Legal and professional charges	34	46
Shariah advisory fee	204	227
Auditors' remuneration	153	139
Printing and related costs	1	26
Total expenses	15,744	11,085
Net income for the period before taxation	104,966	67,900
Taxation	10.	-
Net income for the period	104,966	67,900
Allocation of net income for the period:		
Net income for the period	104,966	67,900
Income already paid on units redeemed	(15,304)	(15,075)
	89,662	52,825
Accounting income available for distribution		
- Relating to capital gains	5,920	-
- Excluding capital gains	83,742	52,825
	89,662	52,825
Earnings per unit		

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

FOR MCB-ARIF HABIB SAVINGS AND INVESTMENTS LIMITED (MANAGEMENT COMPANY)



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR

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

	September 30	
	2020	2019
	----- (Rupees in '000) -----	
Net income for the period after taxation	104,966	67,900
Other comprehensive income for the period	-	-
Total comprehensive income for the period	104,966	67,900

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

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



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	September 30					
	2020			2019		
	(Rupees in '000)					
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
Net assets at beginning of the period	4,412,266	29,934	4,442,200	2,313,058	21,712	2,334,770
Issue of 62,440,849 units (2019: 17,920,123 units)						
- Capital value (at net asset value per unit at the beginning of the period)	6,359,301	-	6,359,301	1,813,913	-	1,813,913
- Element of income	47,040	-	47,040	19,380	-	19,380
Total proceeds on issuance of units	6,406,341	-	6,406,341	1,833,293	-	1,833,293
Redemption of 35,991,599 units (2019: 19,969,282 units)						
- Capital value (at net asset value per unit at the beginning of the period)	(3,665,571)	-	(3,665,571)	(2,021,333)	-	(2,021,333)
- Element of Income	(14,232)	(15,304)	(29,536)	(11,682)	(15,075)	(26,757)
Total payments on redemption of units	(3,679,803)	(15,304)	(3,695,107)	(2,033,015)	(15,075)	(2,048,090)
Total comprehensive income for the period	-	104,966	104,966	-	67,900	67,900
Net income / (loss) for the period less distribution	-	104,966	104,966	-	67,900	67,900
Net assets at end of the period	7,138,805	119,596	7,258,400	2,113,336	74,538	2,187,874
Undistributed income brought forward						
- Realised		27,041			29,545	
- Unrealised		2,893			(7,833)	
		29,934			21,712	
Accounting income available for distribution						
- Relating to capital gains		5,920			-	
- Excluding capital gains		83,742			52,826	
		89,662			52,826	
Undistributed income carried forward		119,596			74,538	
Undistributed income carried forward						
- Realised		109,411			74,641	
- Unrealised		10,185			(103)	
		119,596			74,538	
	(Rupees)			(Rupees)		
Net assets value per unit at beginning of the period	101.8452			106.0918		
Net assets value per unit at end of the period	103.5931			104.1019		

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

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



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	September 30,	
	2020	2019
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	104,966	67,900
Adjustments for non cash and other items:		
Unrealised diminution in value of investments classified as 'at fair value through profit or loss' - net	(10,185)	103
	94,781	68,003
(Increase) / Decrease in assets		
Investments	(534,176)	474,387
Profit receivable	(31,945)	(4,025)
Receivable against sale of investments	(103,299)	
Advances, deposit and prepayments	(5,340)	(1,306)
	(674,759)	469,056
(Increase) / Decrease in liabilities		
Payable to the Management Company	1,885	(28)
Payable to the Central Depository Company of Pakistan Limited - Trustee	130	(94)
Payable to the Securities and Exchange Commission of Pakistan	312	(1,813)
Payable against purchase of investments	(117,690)	-
Payable against redemption of units	14,944	-
Accrued expenses and other liabilities	115	272
	(100,304)	(1,663)
Net cash generated / (used) in operating activities	(680,282)	535,396
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units excluding additional units	6,406,341	1,833,293
Payments on redemption of units	(3,695,107)	(2,048,090)
Net cash (used in) / generated from financing activities	2,711,234	(214,797)
Net (decrease) / increase in cash and cash equivalents during the period	2,030,953	320,600
Cash and cash equivalents at beginning of the period	1,760,297	1,119,459
Cash and cash equivalents at end of the period	3,791,250	1,440,059

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

**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 Income Fund (the Fund) was established under a trust deed executed between MCB Asset Management Company Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. Pursuant to the merger of MCB Asset Management Limited and Arif Habib Investments Limited, the name of the Management Company has been changed from MCB Asset Management Company Limited to MCB–Arif Habib Savings and Investments Limited with effect from June 27, 2011. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on January 25, 2011 and was executed on March 7, 2011. According to the Trust Deed, the first accounting period of the Fund commenced from May 1, 2011 i.e. the date on which the trust property was first paid or transferred to the Trustee. The SECP has approved Supplemental Trust Deed, under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations), vide its letter No. SCD/AMCW/MCBAHSIL/MCBIF/396/2017 dated January 25, 2017 to modify and restate the previous Trust Deed to effectuate renaming of the Fund to Alhamra Islamic Income Fund.
- 1.2** The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 2nd Floor, Adamjee House, I.I. Chundrigarh Road, Karachi, Pakistan.
- 1.3** The Fund is an open-end collective investment scheme categorised as a "Shariah Compliant (Islamic) Income" scheme by the Board of Directors of the Management Company pursuant to Circular 7 of 2009 dated March 6, 2009 issued by the SECP. The units of the Fund were initially offered for public subscription at a par value of Rs 100 per unit. Thereafter, the units are being offered for public subscription on a continuous basis. The units of the Fund are transferable and can also be redeemed by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited.
- 1.4** The objective of the Fund is to seek to generate superior risk adjusted returns by investing in short, medium and long-term high quality Shariah Compliant fixed income instruments.
- 1.5** The Pakistan Credit Rating Agency Limited (PACRA) has maintained management quality rating of AM1 dated October 06, 2020 to the Management Company and AA-(f) as stability rating dated October 19, 2020 to the Fund.
- 1.6** Title to the assets of the Fund is held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2. BASIS OF PREPARATION

2.1. STATEMENT OF COMPLIANCE

- 2.1.1** 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.

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

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)	(Audited)
September	June
2020	2020
----	---- (Rupees in '000) ----

6 BALANCE WITH BANKS

- in saving accounts	6.1	3,770,902	1,733,081
- in current accounts	6.2	20,348	27,216
		3,791,250	1,760,297

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

- 6.1** These carry profit at the rates ranging between 5.85% to 6.25% (2020: 6.75% and 7.5%) per annum and include Rs. 0.033 million (2020: 0.052million) maintained with MCB Islamic Bank Limited, (a related party).
- 6.2** These include Rs.18.70 million (2020: Rs 25.96 million) maintained with MCB Bank Limited, a connected person / related party.

	(Un-audited) September 2020 ---- (Rupees in '000) ----	(Audited) June 2020
Note		

7. INVESTMENTS

At fair value through profit or loss

Sukuk certificates- Unlisted	7.1	2,055,083	1,947,756
		2,055,083	1,947,756
Musharika Certificate		-	-
Government securities	7.2	1,161,724	305,702
Commercial papers	7.3	103,827	522,815
		1,265,551	828,517
		3,320,634	2,776,273

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

7.1 Sukuk certificates - Unlisted

Certificates have a face value of Rs 100,000 each unless stated otherwise

Name of investee company	Number of certificates				As at September 30, 2020			Market value as a percentage of net assets	Market value as a percentage of total investment	
	As at July 1, 2020	Purchased during the period	Matured during the period	Disposed off during the period	As at Sep 30, 2020	Carrying value	Market value			Appreciation / (diminution)
----- (Rupees in '000) ----- % -----										
Chemical										
Ghani Gases Limited (02-Feb-17 issue)	1,000	-	-	-	1,000	42,218	43,002	784	0.59	1.29
Pharmaceutical										
Aspin Pharma (Pvt) Ltd (30-Nov-17 issue)	1,853	-	-	-	1,853	121,649	120,793	(856)	1.66	3.64
Power										
The Hub Power Company Limited (27-Feb-2019 issue)*	40,000	-	-	40,000	-	-	-	-	-	-
Miscellaneous										
International Brands Limited (15-Nov-17 issue)	3,450	-	-	-	3,450	244,133	246,846	2,713	3.40	7.43
Commercial Banks										
Meezan Bank Limited (09-Jan-20 issue)	-	455	-	-	455	461,417	466,375	4,958	6.43	14.04
Power Generation and Distribution										
HUBCO SHORT TERM SUKUK (19- MAY-2020 issue)	1,750	-	-	-	1,750	175,000	175,000	-	2.41	5.27
Energy										
Pakistan Energy Sukuk (21-MAY-2020)	-	220,000	-	20,000	200,000	1,000,182	1,003,067	2,884	13.82	30.21
As at September 30, 2020						2,044,599	2,055,083	10,482		
As at June 30, 2020						1,945,565	1,947,756	2,191		

* Face value of the investment is Rs. 5,000

7.2

7.2.1

- Government of Pakistan (GoP) Ijara suks

These carry profit rate of 6.267% (2019: Nil) per annum and will mature by July 29, 2025.

7.2.3

7.2.4 These carry profit rate of 7.3786% to 8.37% (2019: Nil) per annum and will mature by July 29, 2025.

7.3 Commercial papers

Particulars	Profit / mark-up rates	Issue date	Maturity date	Carrying Value	Market Value	Carrying value as a percentage of net assets	Carrying value as a percentage of total investments
				(Rupees in '000)		%	
K ELECTRIC I (24 SEP 2020)	8.04%	24-Sep-20	24-Mar-21	103,667	103,827	1.43	3.12
As at September 30, 2020				<u>103,667</u>	<u>103,827</u>		
Total as at June 30, 2020				<u>533,000</u>	<u>522,815</u>		

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

	Note	(Un-audited) September 30, 2020 (Rupees in '000)	(Audited) 30 June 2020
8 ACCRUED AND OTHER LIABILITIES			
Provision for Sindh Workers' Welfare Fund	8.1	18,310	16,168
Provision for Federal Excise Duty and related tax on	8.2		
- Management fee		8,639	8,639
- Sales load		3,028	3,028
Sale load Payable-MCB Bank Limited		-	8
Capital gain tax		1,684	3,639
Auditors' remuneration		153	421
Printing and related expenditure		25	40
Other		276	57
		32,115	32,000

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 year 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 by Re.0.261 per unit (June 30, 2020 Re.0.3706 per unit).

8.2 Federal Excise Duty and related tax payable

There is no change in the status of the appeal filed by the Federal Board of Revenue in the Honorable Supreme Court of Pakistan in respect of levy of Federal Excise Duty as reported in the annual financial statements of the Fund for the year 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 by Re. 0.123 per unit (June 30, 2020: Re.0.1980 per unit).

9. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments 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 realized or unrealized 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 current year to the unit holders, therefore, no provision for taxation has been recorded in this condensed interim financial information.

11. 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.

12. TRANSACTIONS AND BALANCES OUTSTANDING WITH CONNECTED PERSONS / OTHER RELATED PARTIES

Related parties / connected persons of the Fund include the Management Company, other collective investment

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

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:

12.1 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) -----								
101.8452								
Associated Companies:								
Alhamra Islamic Active Allocation Fund (Plan I)	3,167,846	-	642,072	2,525,774	322,630	-	66,000	261,653
Alhamra Islamic Active Allocation Fund (Plan II)	1,630,629	-	428,029	1,202,600	166,072	-	44,000	124,581
Adamjee Life Assurance Company Limited - Tameen	148,552	829,045	442,059	535,538	15,129	85,000	45,261	55,478
Adamjee Life Assurance Company Limited-PTF	49,244	-	-	49,244	5,015	-	-	5,101
Arif Habib Securities Limited Employees Provident Fund Trust	-	68,158	68,158	-	-	6,946	-	7,061
MCB Islamic Bank Limited	-	2,201,298	2,201,298	-	-	225,000	225,384	-
Mandate Under Discretionary Portfolio Services	1,016,305	277,146	545,760	747,690	103,506	28,436	56,286	77,456
Key management personnel	51,430	128,751	122,599	57,582	5,238	13,224	12,584	5,965

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) -----								
Associated Companies:								
MCB-Arif Habib Savings And Investments Limited	-	305	305	-	32	-	32	-
Adamjee Life Assurance Co. Ltd -Mazaaf	593,111	734,351	1,327,462	60,036	75,000	135,345	-	-
Alhamra Islamic Active Allocation Fund (Plan I)	2,147,943	-	1,267,362	880,581	217,149	-	130,000	91,670
Alhamra Islamic Active Allocation Fund (Plan II)	3,331,944	-	2,476,301	855,643	337,266	-	255,000	89,074
Adamjee Life Assurance Company Limited - Tameen	128,507	146,870	275,378	-	13,088	28,073	15,000	-
Mandate Under Discretionary Portfolio Services	963,596	3,121,882	3,707,211	378,266	97,537	318,123	379,426	39,378
Key management personnel	48,453	20,048	9,362	59,139	4,904	2,059	962	6,156

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

	(Unaudited)	
	September 30,	
	2020	2019
	----- (Rupees in '000) -----	
MCB-Arif Habib Savings and Investments Limited - Management Company		
Remuneration of management company	6,535	6,940
Allocated expenses including indirect taxes	1,555	607
Shariah advisory fee	204	227
Marketing and Selling Expense	3,120	878
Central Depository Company of Pakistan Limited		
Remuneration of the trustee	1,327	515
CDC settlement charges	1	2

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

	(Unaudited) September 30, 2020	2019
	----- (Rupees in '000) -----	
MCB Bank Limited - Parent of the Management Company		
Bank charges	25	18
Next Capital		
Brokerage	101	-
Arif Habib Limited		
Brokerage	25	-

12.3 Amount outstanding as at period end / year end

	(Unaudited) September 30, 2020	(Audited) June 30, 2020
	----- (Rupees in '000) -----	
MCB - Arif Habib Savings & Investment Limited - Management Company		
Management remuneration payable	1,691	1693
Sindh sales tax payable on management remuneration	220	220
Front-end load payable	450	370
Sales tax on front end load	51	48
Payable against Shariah advisory fee	60	75
Payable against allocated expenses	502	358
Marketing and Selling Payable	3,368	1,694
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	384	269
Sindh Sales tax payable on remuneration of Trustee	50	35
Security deposits	100	100
MCB Bank Limited		
Bank deposit held	18,704	25,958
Load payable	33	8
MCB Islamic Bank Limited		
Bank balances	33	52

* The amount disclosed represents the amount of brokerage paid 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.

13 EXPENSE RATIO

SECP, vide SRO no. 639 (I)/2019 dated June 20, 2020 enhanced the Total Expense Ratio from 2% to 2.5%. The total expense ratio of the Fund from July 1, 2020 to September 30, 2020 is 0.25% (September 30, 2019: 0.46%) and this includes 0.05% (September 30, 2019: 0.01%) representing government levy, Sindh Worker's Welfare Fund, SECP fee etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorized as "Shariah Compliant (Islamic) Income" scheme.

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

14 GENERAL

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

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

This condensed interim financial information was authorised 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

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