

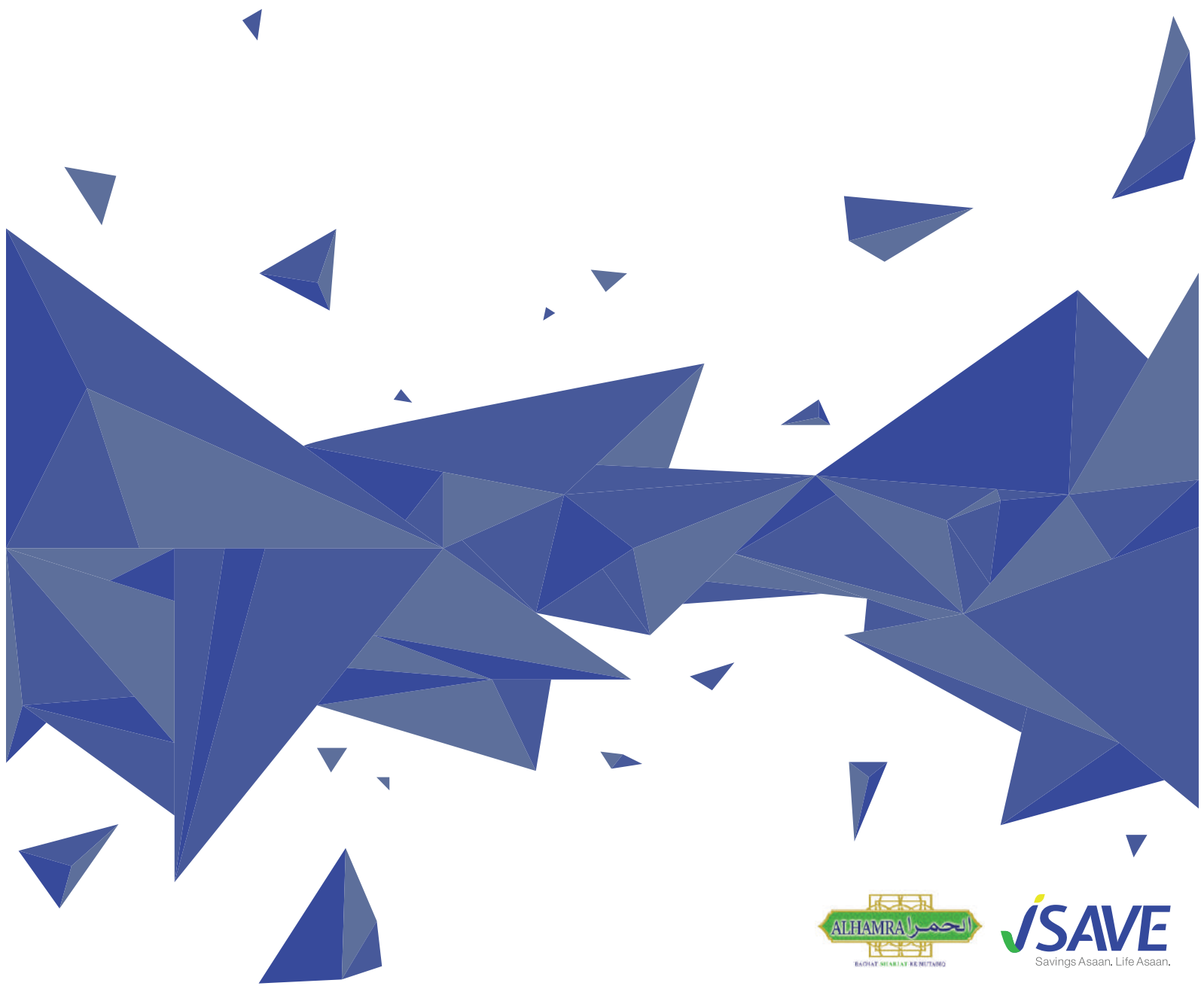


**MCB-ARIF HABIB**  
Savings and Investments Limited

# QUARTERLY REPORT

SEPTEMBER  
**2021**  
(UNAUDITED)

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



# **PAKISTAN CASH MANAGEMENT FUND**

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## 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 Officer &amp; Chief Financial Officer</b>	Mr. Muhammad Asif Mehdi Rizvi	
<b>Company Secretary</b>	Mr. Altaf Ahmad Faisal	
<b>Trustee</b>	<b>Digital Custodian Company Limited</b> (Formerly MCB Financial Services Limited) 4th Floor, Pardesi House, Old Queens Road, Karachi, Pakistan Ph: (92-21) 32419770 Fax: (92-21) 32416371 Web: www.digitalcustodian.co	
<b>Bankers</b>	MCB Bank Limited Habib Metropolitan Bank Limited Bank Al-Falah Limited United Bank Limited Allied Bank Limited Bank Al-Habib Limited Zarai Traqiati Bank Limited	
<b>Auditors</b>	<b>A. F. Ferguson &amp; Co.</b> Chartered Accountants (A Member Firm of PWC Network) Sate Life Building 1-C I.I. Chundrigar Road, Karachi.	
<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, 2021

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**Dear Investor,**

On behalf of the Board of Directors, I am pleased to present **Pakistan Cash Management Fund's** accounts review for the quarter ended September 30, 2021.

## **ECONOMY AND MONEY MARKET OVERVIEW**

The fiscal year started on a robust note as Covid-19 vaccination drive gathered paced which helped to lift lockdowns across the county. The economic recovery was higher than expected as lagged impact of monetary easing, higher remittances and government incentives such as TERF facilities provided impetus to economic growth. The GDP growth clocked at 3.94 per cent in FY21 with government expecting the economic growth to clock at 4.8 per cent for FY22.

However, the robust recovery in domestic demand, coupled with higher international commodity prices, led to a strong pick-up in imports and a rise in the current account deficit. This put pressure on the local currency as rupee depreciated by 13.1 per cent against USD during this quarter.

Current account deficit posted a deficit of USD 2,290 million in the first two months of fiscal year compared to a surplus of USD 838 million in the corresponding period of the last year. The deterioration came in primarily on the back of higher imports which grew by 67.8 per cent in the first two months compared to export growth of 35.4 per cent. Trade Deficit increased by 100.2 per cent to USD 6.8 billion compared to USD 3.4 billion last year. Foreign exchange reserves of central bank saw an increase of USD 1.6 billion as Pakistan received USD 2.75 billion from the IMF under its new SDR allocation to back economically vulnerable countries combating the coronavirus pandemic.

Inflation remained a concern for the government as rising commodities continued to create challenges for policy makers. Headline inflation represented by CPI averaged 8.58 per cent during the quarter, with food inflation averaging 9.5 per cent during the period. Inflation was also effected by increase in fuel prices on account of increase in international oil and LNG prices. Nevertheless, core inflation as measured by Non Food Non Energy was still controlled and averaged 6.5 per cent for the period. The MPC committee conducted two monetary policies during the quarter and increased policy rate by 25bps in the Sep-21 meeting. SBP increased the interest rate to control the current account deficit and prevent the overheating of the economy as it noted the need to gradually increase the interest rates to protect the nascent economic growth.

On the fiscal side FBR Tax collection increased by 38 per cent over last year in this quarter to clock at PKR 1,395 billion compared to target of PKR 1,211 billion exceeding it by PKR 186 billion. This was on the back of higher custom duty and sales tax due to higher import.

Secondary markets yields have increased significantly in the quarter as SBP has started the monetary tightening cycle. The recent depreciation in rupee along with persistently high commodity prices will add pressure to inflation and we expect average FY22 inflation to clock above the range of 7-9 per cent

## **FUND PERFORMANCE**

During the period under review, the fund generated an annualized return of 9.30 per cent as against its benchmark return of 6.75 per cent.

The fund's exposure remained majorly tilted towards Cash at the quarter-end due to attractive rates offered by the commercial banks.

The Net Assets of the Fund as at September 30, 2021 stood at Rs. 9,919 million as compared to Rs. 3,119 million as at June 30, 2021 registering an increase of 218.02 per cent.

The Net Asset Value (NAV) per unit as at September 30, 2021 was Rs. 50.6438 as compared to opening NAV of Rs. 50.4678 per unit as at June 30, 2021 registering an increase of Rs. 0.176 per unit.

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2021

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### **Economy & Market – Future Outlook**

The government has set a GDP growth target of 4.8 per cent for fiscal year 2022 (FY22). Covid-19 vaccination drive is continuing with success as over 50 million people have received the first dose of coronavirus vaccine. This has helped to lift lockdown across the country and we expect the Covid-19 situation to remain under control. Broader economy also appears to be operating close to pre-covid levels gauged by LSM growth, cement sales, auto sales, etc. However, the recent surge in commodity prices poses challenges to both to Fiscal and External Accounts. Due to the recent government steps to curtail demand we see some downside risks to government growth target. We expect GDP growth to clock higher as compared to previous year but it is likely to remain lower than the government target of 4.8 per cent.

The robust recovery in domestic demand on the back of pro-growth measures by the government, coupled with higher international commodity prices, has led to a strong pick-up in imports and a rise in the current account deficit. The current account deficit is expected to increase to USD 13.1 billion (4.0 per cent of GDP) in FY22, amid rising international crude oil prices along with general increase in international commodity prices. The Current Account deficit is likely to further weaken the local currency and we expect the exchange rate to close the year around 176 PKR/USD. Swift resumption of IMF program will be a key prerequisite to keep the financial account in positive zone. SBP has indicated that the flexible market determined exchange rate and gradual tightening of interest rates would be used in tandem to ensure sustainable current account position. The remittances along with bilateral and multilateral flows would also be crucial in managing our external position.

CPI averaged 8.9 per cent in FY21. The expected utility adjustments, currency depreciation and higher international commodities prices will lead to increase in inflation in this year. We expect Average FY22 inflation to clock at 9.7 per cent with inflation going in double digits in second half of the fiscal year. Based on our expected inflation, the real interest rates now fall into negative range thus requiring adjustments in the monetary policy during the current fiscal year. However, SBP has shown its focus to avoid any shocks to economic growth and will gradually increase interest rate to achieve mildly positive interest rate over the medium term. We expect the Policy Rate to reach 9.0 per cent by the end of the year.

From capital market perspective, particularly equities, the recent correction in stock prices have opened up valuation. The market has priced in expected interest rate increase and currency depreciation. Market cap to GDP ratio has declined to 15.9 per cent, a discount of 43 per cent from its historical average. Similarly, risk premiums are close to 5.9 per cent, compared to historical average of 1.5 per cent signifying abnormal returns for long term investors. We believe a micro view of sectors and stock will remain important 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.

For debt holders, we expect Money Market Funds to continue to seamlessly mirror policy rates throughout the year. On the other hand, government bonds yields may continue to rise given expected increase in interest rates. 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 1.4 per cent during the quarter to PKR 1,032 billion at the end of 1QFY22. Total money market funds grew by about 1.1 per cent since June 2021. Within the money market sphere, the conventional funds dominated as they grew by about 8.1 per cent to PKR 308 billion while Islamic funds declined by 9.9 per cent to PKR 164 billion. In addition, the total fixed Income funds increased by about 8.5 per cent since June 2021, as the conventional income funds grew by 13.6 per cent to PKR 143 billion. Equity and related funds declined by 4.4 per cent over last quarter as market witnessed a decline in the quarter eroding AUMS and concern over macroeconomic and geopolitical factors kept investors at bay.

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2021

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In terms of the segment share, Money Market funds were the leader with a share of around 46 per cent, followed by Equity and Equity related funds with a share of 28 per cent and Income funds having a share of 26 per cent as at the end of 1QFY22.

### ACKNOWLEDGMENT

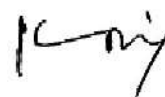
The Board is thankful to the Fund's valued investors, the Securities and Exchange Commission of Pakistan and the Trustees of the Fund for their continued cooperation and support. The Directors also appreciate the efforts put in by the management team.

On behalf of Directors,



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**Muhammad Saqib Saleem**  
Chief Executive Officer  
October 22, 2021



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**Kashif A. Habib**  
Director

## ڈائریکٹرز رپورٹ

اظہار تشکر

بورڈ آف ڈائریکٹرز فنڈ کے قابل قدر سرمایہ کاروں، سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور فنڈ کے ٹرسٹیز کی مسلسل معاونت اور حمایت کے لیے شکر گزار ہے۔ علاوہ ازیں، ڈائریکٹرز انتظامیہ ٹیم کی کاوشوں کو بھی خراج تحسین پیش کرتے ہیں۔

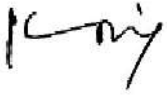
من جانب ڈائریکٹرز



محمد ثاقب سلیم

چیف ایگزیکٹو آفیسر

22 اکتوبر 2021ء



کاشف اے حبیب

ڈائریکٹر

## ڈائریکٹر رپورٹ

مالی سال 2021ء میں سی پی آئی کا اوسط 8.9 فیصد تھا۔ متوقع یوٹیلیٹی تریمیات، روپے کی قدر میں کمی اور بلند ترین الاقوامی اشیائی قیمتوں کے نتیجے میں سال رواں کے دوران افراط زر میں اضافہ ہوگا۔ ہماری توقع کے مطابق مالی سال 2022ء کا افراط زر کا اوسط 9.7 فیصد ہوگا، اور سال کے نصف آخر میں افراط زر دو ہندسوں میں پہنچ جائے گی۔ ہماری متوقع افراط زر کی بنیاد پر حقیقی شروع سودا ب منفی حد میں آرہی ہے، چنانچہ موجودہ مالی سال کے دوران مالیاتی پالیسی میں تریمیات درکار ہیں۔ تاہم ایس بی پی نے معاشی ترقی کو متوقع دھچکوں سے محفوظ رکھنے پر توجہ مرکوز کی ہے اور درمیانی مدت میں معتدل حد تک مثبت شرح سود حاصل کرنے کے لیے شروع سود میں بتدریج اضافہ کیا جائے گا۔ ہماری توقع کے مطابق پالیسی شرح اختتام سال تک 9.0 فیصد تک پہنچ جائے گی۔

کیپٹل مارکیٹ، خصوصاً ایکویٹیز، کے تناظر میں، اسٹاک کی قیمتوں میں حالیہ تصحیح کے نتیجے میں تعیین قدر کھل گئی ہے۔ مارکیٹ نے شرح سود میں متوقع اضافے اور روپے کی قدر میں کمی کو مد نظر رکھا ہوا ہے۔ مارکیٹ cap کا جی ڈی پی کے ساتھ تناسب کم ہو کر 15.9 فیصد ہو گیا ہے، جو اس کے قدیم اوسط سے 43 رعایت ہے۔ اسی طرح خطرات کے پریمیئم تقریباً 5.9 فیصد ہیں، اور ان کے قدیم اوسط 1.5 فیصد کے ساتھ تقابل سے طویل المیعاد سرمایہ کاروں کے لیے غیر معمولی منافعوں کا عندیہ ملتا ہے۔ ہم سمجھتے ہیں کہ شعبوں اور اسٹاک کی مجموعی تصویر اہمیت کی حامل رہے گی، اور سرمایہ کاری کے انتخاب میں ایسی کمپنیوں پر توجہ مرکوز ہونی چاہیے جو اپنی خلقی قدر سے 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۔

قرض حاملین کے لیے ہم توقع کرتے ہیں کہ بازار زر کے فنڈ سال بھر بلا رکاوٹ پالیسی شروحوں کی عکاسی جاری رکھیں گے۔ دوسری جانب، شروع سود میں متوقع اضافے کی بدولت حکومتی بانڈز کے منافع جات میں اضافہ جاری رہ سکتا ہے۔ ہم بانڈز کے منافع جات کی موجودہ سطحوں کے حوالے سے محتاط ہیں اور ڈیٹا کے نکات کی نگرانی جاری رکھیں گے تاکہ مواقع سے فائدہ اٹھایا جاسکے۔

### میوچل فنڈ کی صنعت کا جائزہ

اوپن end میوچل فنڈ صنعت کے net اثاثہ جات مالی سال 2022ء کی پہلی سہ ماہی کے دوران تقریباً 1.4 فیصد بڑھ کر اختتام مدت پر 1,032 بلین روپے تھے۔ مجموعی money مارکیٹ فنڈز میں جون 2021ء کے مقابلے میں 1.1 فیصد اضافہ ہوا۔ Money مارکیٹ کے دائرہ کار میں روایتی فنڈز حاوی رہے اور 8.1 فیصد بڑھ کر 308 بلین روپے ہو گئے، جبکہ اسلامک فنڈز 9.9 فیصد گھٹ کر 164 بلین روپے ہو گئے۔ علاوہ ازیں، مجموعی فیکسڈ انکم فنڈز میں جون 2021ء کے مقابلے میں 8.5 فیصد اضافہ ہوا اور روایتی انکم فنڈز 13.6 فیصد بڑھ کر 143 بلین روپے ہو گئے۔ ایکویٹی اور متعلقہ فنڈز میں گزشتہ سہ ماہی کے مقابلے میں 4.4 فیصد کمی ہوئی کیونکہ دوران مدت مارکیٹ میں تنزل دیکھا گیا جس کے نتیجے میں اثاثہ جات تحت الانظامیہ (AUMs) گھٹ گئے اور کلاں معاشیاتی اور ارضی سیاسی عوامل پر خدشات نے سرمایہ کاروں کو دُور رکھا۔ شعبہ جاتی اعتبار سے مالی سال 2022ء کی پہلی سہ ماہی کے اختتام پر money مارکیٹ فنڈز تقریباً 46 فیصد شراکت کے ساتھ سب سے آگے تھے، جبکہ ایکویٹی اور متعلقہ فنڈز کی شراکت 28 فیصد اور انکم فنڈز کی 26 فیصد تھی۔

## ڈائریکٹر رپورٹ

ثانوی مارکیٹس کی پیداواروں میں دوران سہ ماہی قابل ذکر اضافہ ہوا ہے کیونکہ اسٹیٹ بینک آف پاکستان نے مالیاتی سختی کا دورہ شروع کر دیا ہے۔ روپے کی قدر میں حالیہ کمی کے ساتھ مسلسل بلند اشیائی قیمتوں سے افراط زر پر دباؤ میں اضافہ ہوگا اور مالی سال 2022ء کے لیے افراط زر کا اوسط متوقع طور پر اسٹیٹ بینک آف پاکستان کی پیش گوئی کردہ سطح 7 تا 9 فیصد سے بلند ہوگا۔ تین سالہ، پانچ سالہ اور دس سالہ بانڈز میں دوران مدت بالترتیب 73 بی پی ایس، 46 بی پی ایس اور 51 بی پی ایس اضافہ ہوا۔

### فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران فنڈ کا ایک سال پر محیط منافع 9.30 فیصد تھا جبکہ مقررہ معیار 6.75 فیصد تھا۔ اختتام سہ ماہی پر فنڈ کی سرمایہ کاری بڑے پیمانے پر نقد کی طرف مائل ہو گئی کیونکہ کمرشل بینک پُرکشش شرحیں پیش کر رہے تھے۔ 30 ستمبر 2021ء کو فنڈ کے net اثاثہ جات 9,919 ملین روپے تھے، جو 30 جون 2021ء کی سطح 3,119 ملین روپے کے مقابلے میں 218.02 فیصد اضافہ ہے۔ 30 ستمبر 2021ء کو net اثاثہ جاتی قدر (این اے وی) فی یونٹ 50.6438 روپے تھی، جو 30 جون 2021ء پر ابتدائی این اے وی 50.4678 روپے کے مقابلے میں 0.176 روپے فی یونٹ اضافہ ہے۔

### معیشت اور بازار - مستقبل کا منظر

حکومت نے مالی سال 2022ء کے لیے جی ڈی پی میں ترقی کا ہدف 4.8 فیصد مقرر کیا ہے۔ کووڈ-19 ویکسین مہم کامیابی کے ساتھ جاری ہے اور پانچ کروڑ سے زیادہ افراد پہلی خوراک حاصل کر چکے ہیں۔ اس کی بدولت ملک بھر میں لاک ڈاؤن ختم کرنے میں مدد ملی ہے اور ہم اُمید کرتے ہیں کہ کووڈ کی صورتحال قابو میں رہے گی۔ وسیع تر معیشت قبل از کووڈ سطحوں کے قریب چلتی ہوئی نظر آ رہی ہے جس کی پیمائش ایل ایس ایم میں ترقی، سیمنٹ کی فروخت، گاڑیوں کی فروخت وغیرہ سے ہوتی ہے۔ تاہم اشیاء کی قیمتوں میں حالیہ اضافہ مالیاتی اور خارجی اکاؤنٹس، دونوں کو مشکلات سے دوچار کر دے گا۔ طلب میں کمی کے حالیہ حکومتی اقدامات کے سبب ترقی کے حکومتی اہداف کی تکمیل کو خطرات لاحق ہو گئے ہیں۔ ہم توقع کرتے ہیں کہ جی ڈی پی میں سال گزشتہ کے مقابلے میں زیادہ ترقی ہوگی، لیکن زیادہ امکان اس بات کا ہے کہ یہ 4.8 فیصد کے حکومتی ہدف سے نیچے رہے گی۔

حکومتی ترقیاتی اقدامات اور بلند ترین بین الاقوامی اشیائی قیمتوں کے باعث مقامی طلب میں بھرپور بحالی ہوئی ہے اور اس کے نتیجے میں درآمدات اور کرنٹ اکاؤنٹ خسارے میں بھرپور اضافہ ہوا ہے۔ خام تیل کی بین الاقوامی قیمتوں اور اشیاء کی عمومی قیمتوں میں اضافے کی صورتحال میں مالی سال 2022ء میں کرنٹ اکاؤنٹ خسارہ بڑھ کر 13.1 بلین ڈالر (جی ڈی پی کے 4.0 فیصد) تک پہنچ سکتا ہے۔ خدشہ ہے کہ یہ خسارہ مقامی روپے کو مزید کمزور کرے گا، اور اختتام سال پر شرح مبادلہ تقریباً 176 ڈالر فی روپیہ ہو جانے کا امکان ہے۔ آئی ایم ایف پروگرام کی تیز رفتار بحالی مالیاتی گوشوارے کو مثبت احاطے میں رکھنے کے لیے کلیدی شرط ہوگی۔ ایس بی پی نے اشارہ دیا ہے کہ کرنٹ اکاؤنٹ کی قابل بقاء صورتحال یقینی بنانے کے لیے مارکیٹ کی متعین کردہ چکدار شرح مبادلہ اور سود کی شرحوں میں بتدریج سختی کو بھی استعمال کیا جائے گا۔ ہماری خارجی صورتحال کو سنبھالنے میں ترسیلات کے ساتھ ساتھ دوطرفہ اور کثیر الطرفہ آمدات بھی اہم کردار ادا کریں گی۔

بورڈ آف ڈائریکٹرز کی جانب سے پاکستان کیش مینجمنٹ فنڈ کے گوشواروں مختتمہ سہ ماہی 30 ستمبر 2021ء کا جائزہ پیش خدمت ہے۔

### معیشت اور بازار زر کا جائزہ

مالی سال کا بھرپور آغاز ہو واجب کو وڈ۔19 ویکسین کی مہم میں تیز رفتاری سے ملک بھر میں لاک ڈاؤن ختم کرنے میں مدد ملی۔ معیشت میں بحالی متوقع سے زیادہ ہوئی کیونکہ مالیاتی تسہیل کی سست رفتار پذیر، ترسیلات زر میں اضافے، اور حکومتی ترغیبات مثلاً TERF سہولتوں نے معاشی ترقی کو محرک فراہم کیا۔ مالی سال 2021ء میں مجموعی ملکی پیداوار (جی ڈی پی) میں 3.94 فیصد ترقی ہوئی اور اگلے مالی سال 2022ء کے لیے حکومت کو 4.8 فیصد معاشی ترقی کی توقع ہے۔

تاہم مقامی طلب کی بھرپور بحالی، اور اس کے ساتھ بلند ترین الاقوامی اشیائی قیمتوں، کے نتیجے میں درآمدات اور کرنٹ اکاؤنٹ خسارے میں اضافہ ہوا۔ چنانچہ مقامی روپے پر دباؤ پڑا جس کی قدر میں دوران سہ ماہی امریکی ڈالر کے مقابلے میں 13.1 فیصد کمی ہوئی۔ کرنٹ اکاؤنٹ نے مالی سال کے پہلے دو ماہ میں 2,290 ملین ڈالر خسارہ پوسٹ کیا جبکہ اس کے بالمقابل سال گزشتہ مماثل مدت میں 838 ملین ڈالر فاضل تھے۔ اس ابتری کی بنیادی وجہ درآمدات میں اضافہ تھی جس میں پہلے دو ماہ کے دوران 67.8 فیصد اضافہ ہوا جبکہ اس کے بالمقابل برآمدات میں 35.4 فیصد اضافہ ہوا۔ تجارتی خسارہ 100.2 فیصد بڑھ کر 6.8 بلین ڈالر ہو گیا جبکہ اس کے بالمقابل سال گزشتہ 3.4 بلین ڈالر تھا۔ مرکزی بینک میں غیر ملکی زرمبادلہ کے ذخائر میں 1.6 بلین ڈالر کا اضافہ ہوا کیونکہ پاکستان کو آئی ایم ایف سے اس کے نئے ایس ڈی آر اختصاص کے تحت 2.75 بلین ڈالر موصول ہوئے جس کا مقصد کورونا وائرس وبا سے نبرد آزما ضرر پذیر ممالک کی معاشی معاونت ہے۔

افراط زر (مہنگائی) حکومت کے لیے مسئلہ بنی رہی اور بڑھتی ہوئی اشیائی قیمتوں نے پالیسی سازوں کو مشکلات سے دوچار رکھا۔ مجموعی افراط زر، جس کی ترجمانی صارفی قیمت کے انڈیکس (سی پی آئی) سے ہوتی ہے، کا اوسط دوران سہ ماہی 8.58 فیصد تھا، اور اشیائے خورد و نوش کے افراط زر کا اوسط 9.5 فیصد تھا۔ بین الاقوامی سطح پر تیل اور ایل این جی کی قیمتوں میں اضافے کے نتیجے میں ایندھن کی قیمتوں میں اضافہ بھی افراط زر پر اثر انداز ہوا۔ اس کے باوجود بنیادی افراط زر، جس کی پیمائش اشیائے خورد و نوش اور توانائی کے علاوہ سے ہوتی ہے، قابو میں تھی اور اس کا اوسط برائے مدت 6.5 فیصد تھا۔ مانیٹری پالیسی کمیٹی (ایم پی سی) نے دوران سہ ماہی دو اجلاس منعقد کیے اور ستمبر 2021ء کے اجلاس میں پالیسی کی شرح میں 25 بیسیس پوائنٹس (بی پی ایس) کا اضافہ کیا۔ اسٹیٹ بینک آف پاکستان نے سود کی شرح میں اضافہ کیا تاکہ کرنٹ اکاؤنٹ خسارے اور معیشت میں بڑھتی ہوئی حرارت کو قابو میں رکھا جائے کیونکہ نوزائیدہ معاشی ترقی کی حفاظت کے لیے سود کی شرحوں میں بتدریج اضافے کی ضرورت ہوتی ہے۔

مالیاتی جانب ایف بی آر کی ٹیکس وصولی میں دوران سہ ماہی سال گزشتہ کے مقابلے میں 38 فیصد اضافہ ہوا؛ 1,395 بلین روپے، جو 1,211 بلین روپے کے ہدف سے 184 بلین روپے زیادہ ہیں۔ اس کی وجہ بلند تر درآمدات کے باعث بلند تر کسٹم ڈیوٹی اور سیلز ٹیکس ہیں

# CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2021

	Note	September 30, 2021 ----- (Rupees in '000) -----	June 30, 2021
<b>ASSETS</b>			
Balances with banks	5	9,891,677	3,141,821
Investments	6	-	-
Advances, prepayments and profit receivable		43,463	11,320
<b>Total assets</b>		<u>9,935,140</u>	<u>3,153,141</u>
<b>LIABILITIES</b>			
Payable to MCB-Arif Habib Savings and Investments Limited - Management Company - net		2,469	305
Payable to the Digital Custodian Company Limited (Formerly: MCB Financial Services Limited) - Trustee		136	82
Payable to the Securities and Exchange Commission of Pakistan		200	478
Accrued and other liabilities	7.	13,704	33,660
<b>Total liabilities</b>		<u>16,509</u>	<u>34,525</u>
<b>NET ASSETS</b>		<u>9,918,631</u>	<u>3,118,616</u>
<b>Unit holders' fund (as per statement attached)</b>		<u>9,918,631</u>	<u>3,118,616</u>
<b>Contingencies and commitments</b>	8		
<b>NUMBER OF UNITS IN ISSUE</b>			
		<u>195,851,006</u>	<u>61,794,223</u>
<b>NET ASSET VALUE PER UNIT</b>			
		<u>50.6438</u>	<u>50.4678</u>

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

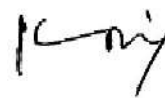
For MCB-Arif Habib Savings and Investments Limited  
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

# CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Note	For the quarter ended	
		September 30, 2021	September 30, 2020
		----- (Rupees in '000) -----	
<b>INCOME</b>			
Profit on bank deposits		58,396	13,662
Capital gain / (loss) on sale of investments - net		2,455	(2,341)
Income from government securities		20,196	24,763
Unrealised appreciation on remeasurement of investments classified as financial assets at fair value through profit or loss - net		-	-
<b>Total income</b>		<b>81,047</b>	<b>36,084</b>
<b>EXPENSES</b>			
Remuneration of MCB-Arif Habib Savings and Investments Limited - Management Company		1,450	657
Sales tax on remuneration of the Management Company		188	84
Allocated expenses		21	278
Marketing And Selling Expense		2,147	-
Remuneration of the Digital Custodian Company Limited (Formerly: MCB Financial Services Limited) - Trustee		270	230
Sales tax on remuneration of the Trustee		35	30
Annual fee to Securities and Exchange Commission of Pakistan		200	110
Auditors' remuneration		154	154
Brokerage, settlement and bank charges		23	2
Legal and other professional charges		425	34
Fee and Subscription		7	108
Printing and stationery		25	25
Other expenses		116	14
<b>Total expenses</b>		<b>5,061</b>	<b>1,726</b>
<b>Net income for the period from operating activities</b>		<b>75,986</b>	<b>34,358</b>
Sindh Workers' Welfare Fund (SWWF)	7.1	12,614	(687)
<b>Net income for the period before taxation</b>		<b>88,600</b>	<b>33,671</b>
Taxation	9.	-	-
<b>Net income for the period after taxation</b>		<b>88,600</b>	<b>33,671</b>
<i>Allocation of net income for the period:</i>			
Net income for the period after taxation		88,600	33,671
Income already paid on units redeemed		(10,191)	(270)
		<b>78,409</b>	<b>33,401</b>
<i>Accounting income available for distribution:</i>			
- Relating to capital gains		1,981	-
- Excluding capital gains		76,428	33,401
		<b>78,409</b>	<b>33,401</b>

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

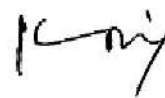
For MCB-Arif Habib Savings and Investments Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	<u>For the quarter ended</u>	
	<u>September 30,</u> <b>2021</b>	<u>September 30,</u> <b>2020</b>
	<u>----- (Rupees in '000) -----</u>	<u>----- (Rupees in '000) -----</u>
<b>Net income for the period after taxation</b>	88,600	33,671
Other comprehensive income for the period	-	-
<b>Total comprehensive income for the period</b>	<u>88,600</u>	<u>33,671</u>

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

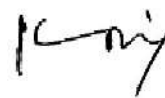
For MCB-Arif Habib Savings and Investments Limited  
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

# CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	September 30, 2021			September 30, 2020		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	----- (Rupees in '000) -----					
<b>Net assets at beginning of the year</b>	3,101,753	16,863	3,118,616	3,680,763	12,512	3,693,275
Issuance of 172,338,479 (2020: 3,361,668) units						
- Capital value (at ex-net assets value per unit at beginning of the year)	8,697,543		8,697,543	169,374		169,374
- Element of income	53,792		53,792	429		429
	8,751,335	-	8,751,335	169,803	-	169,803
Redemption of 38,281,696 (2020: 42,539,034) units						
- Capital value (at ex-net assets value per unit at beginning of the year)	1,931,993		1,931,993	2,143,299		2,143,299
- Element of income	5,817	10,191	16,008	201	270	471
	1,937,810	10,191	1,948,001	2,143,500	270	2,143,770
Total comprehensive income for the period	-	88,600	88,600	-	33,671	33,671
Interim distribution for the year ended June 30, 2021 @ Rs 0.1882 per unit on July 22, 2020				-	(13,845)	(13,845)
Refund of capital for the year ended June 30, 2021				(37)	-	(37)
Interim distribution for the year ended June 30, 2022 @ Rs 0.1882 per unit on July 22, 2020						
Refund of capital for the year ended June 30, 2022	-	(46,067)	(46,067)			
	(45,852)	-	(45,852)			
Total distributions during the period	(45,852)	(46,067)	(91,919)	(37)	(13,845)	(13,882)
<b>Net assets at end of the period</b>	<u>9,869,426</u>	<u>49,205</u>	<u>9,918,631</u>	<u>1,707,029</u>	<u>32,068</u>	<u>1,739,097</u>
<b>Undistributed income / (loss) brought forward</b>						
- Realised		16,863			12,512	
- Unrealised		-			-	
		16,863			12,512	
Accounting income available for distribution:						
- Relating to capital gains		1,981			-	
- Excluding capital gains		76,428			33,401	
		78,409			33,401	
Distributions during the period		(46,067)			(13,845)	
<b>Undistributed income carried forward</b>		<u>49,205</u>			<u>32,068</u>	
<b>Undistributed income carried forward:</b>						
- Realised		49,205			32,068	
- Unrealised		-			-	
		49,205			32,068	
		(Rupees)			(Rupees)	
<b>Net assets value per unit at beginning of the period</b>		<u>50.4678</u>			<u>50.3843</u>	
<b>Net assets value per unit at end of the period</b>		<u>50.6438</u>			<u>50.9629</u>	

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

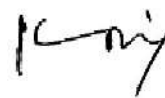
For MCB-Arif Habib Savings and Investments Limited  
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

# CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

Note	For the quarter ended	
	September 30, 2021	September 30, 2020
	----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the year before taxation	88,600	33,671
<b>Adjustments for:</b>		
Sindh Workers' Welfare Fund (SWWF)	(12,614)	687
	<u>75,986</u>	<u>34,358</u>
<b>Decrease / (Increase) in assets</b>		
Investments - net	-	-
Advances, prepayments and profit receivable	(32,143)	8,891
	<u>(32,143)</u>	<u>8,891</u>
<b>(Decrease) / increase in liabilities</b>		
Payable to MCB-Arif Habib Savings and Investments Limited - Management Company	2,164	(467)
Payable to the Digital Custodian Company Limited (Formerly: MCB Financial Services Limited) - Trustee	54	(73)
Payable to the Securities and Exchange Commission of Pakistan	(278)	(489)
Accrued and other liabilities	(7,342)	(3,258)
	<u>(5,402)</u>	<u>(4,287)</u>
<b>Net cash generated from operating activities</b>	<u>38,441</u>	<u>38,962</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts from issuance of units net of refund of capital	8,705,483	169,766
Payments on redemption of units	(1,948,001)	(2,143,770)
Dividend paid	(46,067)	(13,845)
<b>Net cash generated / (used in) from financing activities</b>	<u>6,711,415</u>	<u>(1,987,849)</u>
<b>Net increase / (decrease) in cash and cash equivalents during the period</b>	<u>6,749,856</u>	<u>(1,948,887)</u>
Cash and cash equivalents at beginning of the period	3,141,821	3,703,623
<b>Cash and cash equivalents at end of the period</b>	<u>9,891,677</u>	<u>1,754,736</u>

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

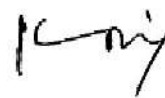
For MCB-Arif Habib Savings and Investments Limited  
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

## 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Pakistan Cash Management Fund (the Fund) was established under a Trust Deed executed between Arif Habib Investments Limited (now MCB-Arif Habib Savings and Investments Limited) as Management Company and Habib Metropolitan Bank Limited as Trustee on February 08, 2008. The draft Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) vide its letter dated February 01, 2008 consequent to which the Trust Deed was executed on February 08, 2008. MCB Financial Services Limited has been appointed as trustee of the fund with effect from July 21, 2014.
- 1.2 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 Chundrigar Road, Karachi, Pakistan.
- 1.3 The Fund is an open-ended mutual fund and has been categorised as "money market scheme" and is listed on the Pakistan Stock Exchange Limited. The Fund primarily invests in market treasury bills, short term Government instruments and reverse repurchase transactions against government securities.
- 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 an asset manager rating of 'AM1' dated October 06, 2021 to the Management Company and has assigned stability rating of 'AA+(f)' dated September 09, 2021 to the Fund.
- 1.6 Title to the assets of the Fund is held in the name of Digital Custodian Company Limited (Formerly: MCB Financial Services 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
- 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.

## NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

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- 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 2021.
- 2.1.3** The comparative in the statement of assets and liabilities presented in the condensed interim financial information as at 30 September 2021 have been extracted from the audited financial statements of the Fund for the year ended 30 June 2021, 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 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 state of affairs 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 year ended June 30, 2021.
- 3.2** **Standards, amendments and interpretations to existing standards not yet effective and not applicable/ relevant to the Fund**

There are certain standards, amendments to the approved accounting standards and interpretations that are mandatory for the Fund's accounting periods beginning on or after July 1, 2021 but are considered not to be relevant or do not have any significant effect on the Fund's operations and are therefore, not detailed in these condensed interim financial statements.

### **3.3 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

### **4. 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.

# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Note	(Unaudited) September 30, 2021 ----- (Rupees in '000) -----	(Audited) June 30, 2021
<b>5 BALANCES WITH BANKS</b>			
In current account		170	20
In deposit accounts	5.1	9,891,507	3,141,801
		<u>9,891,677</u>	<u>3,141,821</u>

5.1 These includes balance of Rs. 3.264 million (June 30, 2021: Rs. 2.747 million) maintained with MCB Bank Limited (a related party) that carries profit at 5.75% per annum (June 2021: 5.5% per annum). Other saving accounts of the Fund carry profit rates ranging from 5.75% to 8% per annum (June 2021: 5.5% to 7.85% per annum).

	(Unaudited) September 30, 2021 ---- (Rupees in '000) ----	(Audited) June 30, 2021
<b>6 INVESTMENTS</b>		
<b>6.1 Investments at fair value through profit or loss</b>		
Government securities - Market treasury bills	-	-

## 6.1.1 Market treasury bills

Tenure	Issue Date	Face value			At Sep 30, 2021				Market value as a percentage of net assets	Market value as a percentage of total investments
		At July 01, 2021	Purchased during the period	Sales / matured during the period	At Sep 30, 2021	Carrying value	Market value	(Diminution) / appreciation		

### \*Treasury bills - 3 months

July 15, 2021	-	1,300,000	1,300,000	-	-	-	-	-	-	-
July 2, 2021	-	500,000	500,000	-	-	-	-	-	-	-
September 23, 2021	-	1,000,000	1,000,000	-	-	-	-	-	-	-
July 29, 2021	-	2,500,000	2,500,000	-	-	-	-	-	-	-
May 6, 2021	-	550,000	550,000	-	-	-	-	-	-	-
August 12, 2021	-	2,500,000	2,500,000	-	-	-	-	-	-	-
September 9, 2021	-	500,000	500,000	-	-	-	-	-	-	-
August 26, 2021	-	500,000	500,000	-	-	-	-	-	-	-

### \*Treasury bills - 6 months

March 25, 2021	-	250,000	250,000	-	-	-	-	-	-	-
July 29, 2021	-	1,500,000	1,500,000	-	-	-	-	-	-	-
February 25, 2021	-	200,000	200,000	-	-	-	-	-	-	-
July 2, 2021	-	500,000	500,000	-	-	-	-	-	-	-
August 26, 2021	-	500,000	500,000	-	-	-	-	-	-	-
August 12, 2021	-	2,500,000	2,500,000	-	-	-	-	-	-	-
April 22, 2021	-	1,400,000	1,400,000	-	-	-	-	-	-	-
September 9, 2021	-	2,500,000	2,500,000	-	-	-	-	-	-	-
July 15, 2021	-	500,000	500,000	-	-	-	-	-	-	-

As at September 30, 2021

- - -

As at June 30, 2021

- - -

	Note	(Unaudited) September 30, 2021 ----- (Rupees in '000) -----	(Audited) June 30, 2021
<b>7. ACCRUED AND OTHER LIABILITIES</b>			
Sindh Workers' Welfare Fund (SWWF)	7.1	-	12,614
Provision for Federal Excise Duty payable on remuneration of the Management Company	7.2	11,933	11,933
Withholding tax payable		662	8,575
Brokerage payable		22	24
Auditors' remuneration payable		618	463
Payable to legal advisor		424	31
Other payables		45	20
		<u>13,704</u>	<u>33,660</u>

# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

- 7.1 Sindh Revenue Board (SRB) through its letter dated August 12, 2021 received on August 13, 2021 has intimated Mutual Funds Association of Pakistan's (MUFAP) that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the Sindh Workers' Welfare Fund (SWWF) contributions. This development was discussed at MUFAP level and was also been taken up with the Securities and Exchange Commission of Pakistan (SECP). All the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds till August 12, 2021 on August 13, 2021.

SECP has also given its concurrence for recording reversal of provision of SWWF on the day letter was received by MUFAP. This reversal of provision has contributed towards an unusual increase in NAV of the Fund on August 13, 2021. This is one-off event and is not likely to be repeated in the future.

Going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

- 7.2 There is no change in the status of Federal Excise Duty as reported in the annual financial statements of the Fund for the quarter ended September 30, 2020. Had the provision for FED not been made, the Net Asset Value of the Fund as at September 30, 2020 would have been higher by Re 0.06 (June 30, 2021: Rs 0.19) per unit.

## 8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2021 & June 30, 2021.

## 9. 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.

## 10. TOTAL EXPENSE RATIO

The annualized total expense ratio of the Fund based on the current period results is 0.52% (September 30, 2020: 0.44%) and this includes 0.04% (September 30, 2020: 0.16%) representing government levy, SECP fee etc.

## 11 TRANSACTIONS AND BALANCES OUTSTANDING WITH CONNECTED PERSONS / OTHER RELATED PARTIES

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

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

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

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

Details of transactions and balances at year end with related parties / connected persons are as follows:

# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

		<u>For the quarter ended</u>	
		September 30, 2021	September 30, 2020
		----- (Rupees in '000) -----	
<b>11.1</b>	<b>Details of transactions with connected persons are as follows:</b>		
	<b>MCB Arif Habib Savings and Investment Limited - Management Company</b>		
	Remuneration (including indirect taxes)	1,638	741
	Allocated expenses	21	278
	Marketing And Selling Expense	2,147	-
	<b>Group / associated companies</b>		
	<b>MCB Bank Limited</b>		
	Mark-up on bank deposits	91	149
	Bank charges	8	-
	<b>Digital Custodian Company Limited - Trustee</b> (Formerly: MCB Financial Services Limited) - Trustee		
	Remuneration (including indirect taxes)	305	260
	<b>Arif Habib Limited - Brokerage house</b>		
	Brokerage and settlement charges*	6	1
		<b>September 30, 2021</b>	<b>June 30, 2021</b>
		----- (Rupees in '000) -----	
<b>11.2</b>	<b>Amounts outstanding at year end</b>		
	<b>MCB Arif Habib Savings and Investment Limited</b>		
	Remuneration payable / (receivable) - net	260	193
	Sales tax on remuneration payable	34	25
	Payable against allocated expenses	-	62
	Sale load Payable	28	25
	Payable against Marketing And Selling expense	2,147	-
	<b>Group / associated companies</b>		
	<b>MCB Bank Limited</b>		
	Balances with bank	3,264	2,747
	Mark-up receivable on bank deposits	-	-
	<b>MCB Financial Services Limited - Trustee</b> (Formerly: MCB Financial Services Limited) - Trustee		
	Remuneration payable	120	73
	Sales tax on remuneration payable	16	9
	<b>Arif Habib Limited - Brokerage house</b>		
	Brokerage and settlement payable*	6	-

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

# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

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

### Unit Holders' Fund

	September 30, 2021							
	As at July 01, 2021	Issued for cash	Redeemed	As at September 30, 2021	As at July 01, 2021	Issued for cash	Redeemed	As at September 30, 2021
	----- Units -----				----- (Rupees in '000) -----			
Associated company								
Nishat Paper Products Company Limited								
Staff Provident Fund Trust	-	100,937	-	100,937	-	5,094	-	5,111
Key management personnel *	-	28,656	19,670	8,986	-	1,458	1,006	455
Mandate under discretionary portfolio services	98,280	2,579,390	881,673	1,795,997	4,960	130,550	44,865	90,956
Unit holders holding 10% or more units *	-	89,656,813	-	89,656,813	-	4,548,709	-	4,540,562

\* This reflects the position of related party / connected person status as at September 30, 2021

	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) -----			
Associated company								
MCB Arif Habib savings and investments Limited		2	2	-	-	-	-	-
Hyundai nishat motors private limited	-							
Employees provident fund	44,239	165	-	44,404	2,255	8	-	2,263
Key management personnel *		580	-	580	-	29,456	-	30
	-							
Mandate under discretionary portfolio services		1,330,933	1,306,190	24,743	-	109,166	24,033	1,261
	-							
Unit holders holding 10% or more units *	71,001,466	225,429	39,694,905	31,531,990	3,618,476	11,358	2,000,000	1,606,962

## 12 FAIR VALUE MEASUREMENTS

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

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

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

### Fair value hierarchy

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

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

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

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

## 13 Impact of COVID-19

A novel strain of coronavirus (COVID-19) was classified as a pandemic by the World Health Organization on March 11, 2020, impacting countries globally. Measures taken to contain the spread of the virus, including lock-downs, travel bans, quarantines, social distancing, and closures of non-essential services and factories triggered significant disruptions to businesses worldwide and in Pakistan, resulting in an economic slowdown. During the lockdown that lasted from March to May 2020, the funds continued their activity, as the Pakistan Stock Exchange and the money markets continued trading. Management Company is of the view that while COVID-19 and its resulting containment measures have affected the economy, investors' confidence and adequate steps from the government and regulators have spearheaded recovery and subsequent events reflect that in due course, things would be normalised.

## NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

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### 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 FOR ISSUE

These Financial Statements were authorised for issue on October 22, 2021 by the Board Of Director 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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