

Quarterly Report March 31, 2014 (Unaudited)



Funds Under Management

of

MCB-Arif Habib Savings and Investments Limited

(formerly: Arif Habib Investments Ltd.)



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FUND'S INFORMATION

Management Company MCB-Arif Habib Savings and Investments Limited

(Formerly: Arif Habib Investments Limited) 8th Floor, Techno City, Corporate Tower,

Hasrat Mohani Road, Karachi

Board of Directors

of the Management Company

Mian Mohammad Mansha Chairman

Mr. Nasim Beg Executive Vice Chairman
Mr. Yasir Oadri Chief Executive Officer

Syed Salman Ali Shah Director
Mr. Haroun Rashid Director
Mr. Ahmed Jahangir Director
Mr. Samad A. Habib Director
Mr. Mirza Mahmood Ahmad Director

Audit Committee Mr. Haroun Rashid Chairman

Mr. Ahmed Jahangir Member Mr. Samad A. Habib Member

Human Resource Committee Syed Salman Ali Shah Chairman

Mr. Nasim Beg Member
Mr. Haroun Rashid Member
Mr. Ahmed Jehangir Member
Mr. Yasir Qadri Member

Company Secretary &

Chief Operating Officer Mr. Muhammad Saqib Saleem

Chief Financial Officer Mr. Umair Ahmed

Trustee Habib Metropolitan Bank Limited

8th Floor, HBZ Building I.I. Chundrigar Road, Karachi.

Bankers Habib Metropolitan Bank Limited

Auditors Ernst & Young Ford Rhodes Sidat Hyder

Chartered Accountants

Progressive Plaza, Beaumont Road, Karachi 75530, Pakistan

Legal Advisor Bawaney & Partners

404, 4th Floor, Beaumont Plaza,

Beaumont Road, Civil Lines, Karachi-75530

Transfer Agent MCB-Arif Habib Savings and Investments Limited

(Formerly: Arif Habib Investments Limited) 8th Floor, Techno City, Corporate Tower,

Hasrat Mohani Road, Karachi

Rating AM2 - Management Quality Rating assigned by PACRA

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2014

Dear Investor,

On behalf of the Board of Directors, I am pleased to present **Pakistan Pension Fund's** accounts review for the nine months ended March 31st 2014.

ECONOMY AND MONEY MARKET OVERVIEW

Despite implementation of fiscal reforms, inflation managed to remain in the single digit with CPI averaging around 8.64% during the first nine months of current fiscal year. The Current Account balance remained in pressure posting a deficit of \$2.02 billion during the 8MFY14 as opposed to deficit of USD \$0.83 billion reported in corresponding period last year. Last year's saving grace came in the form of proceeds under Coalition Support Funds (CSF) where the country received \$1.806bn in 1HFY13 as opposed to inflows of \$675 million received during the first nine months of the current fiscal year.

During the year, the country successfully managed to enter into a three-year \$6.6 billion loan program with IMF. Out of total financing of around \$2.2 billion scheduled for FY14 under IMF Extended Fund Facility (EFF), the country received three tranches of around \$540 million each during 9MFY14. While out of total \$3 billion repayments to IMF due in FY14, the government repaid around \$2.52 billion to IMF during 9MFY14.

The reserves remained under pressure given that the country was scheduled to repay \$4.524 billion to foreign donors during 9MFY14. However, generosity on the part of multilateral agencies and close allies helped improve reserve balance to \$9.86 billion as on 28-March-2014 from the nine-month low of \$7.59 billion touched on 7-Feburary-2014. Not to mention, the country received \$1.5 billion from a friendly country in March 2014. Hence, the local currency managed to appreciate to Rs98 against dollar towards the end of the 3QFY14 after touching a record low of Rs108.6 against dollar on 5-December-2013.

Although the government had twice announced 50 bps hikes in the discount rate in the monetary policy held in September and November, decrease in inflationary pressures and improvement in foreign reserve balance during 3QFY14 point towards monetary easing down the line.

The Money Market was moderately short of liquidity during FY14 where on numerous occasions financial institutions utilized ceiling in order to manage liquidity efficiently. The yield curve adjusted significantly upwards during the ongoing fiscal year, with 6-month PKRV at around 10% as on 31- March 2014 as opposed to 8.92% as on 30-June- 2013.

PKRV for PIBs remained volatile during the year. Despite stable to declining interest rate outlook on account of increase in foreign reserves balance, which resulted in Rupee appreciation and appeased inflationary pressures, interest rate on PIB increased towards the end of the 3QFY14 on the back of the government's growing appetite to raise money through longer tenure papers. This can be gauged from the fact that the Government managed to raise a total of Rs 974bn through PIB auction in 3QFY14 as opposed to the target of Rs 180 billion.

M2 has expanded by 5.14% during the 9MFY14 (till 28th March) as opposed to expansion of 8.83% during the same period last year. At the same time, the net borrowing from the banking system increased by Rs 502.7 billion as opposed to Rs 856.5 billion raised during the same period last year.

EQUITIES MARKET OVERVIEW

Stock market started FY14 on a positive note on the back of smooth political transition. Though steep rupee depreciation had kept stock market under pressure during August and September, recovery in foreign reserve balance towards the end of 3QFY14 lifted the benchmark index to 27,159.91 by the end of March, 2014, marking a growth of 29.3% since the start of the current fiscal year.

A combination of improving economic indicators, strong inherent bottom line growth and healthy payouts helped keep the investors' interest alive in the stock market. The rally remained broad based, but interest largely remained in Textile, Construction & Materials, Oil & Gas,

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2014

Pharmaceuticals and Power Sectors on the heels of success in getting GSP+ status, increase in margins of cement companies, increase in oil production and significant rupee deprecation during the 1HFY14.

Foreigners remained net buyers during the period with a cumulative net inflow of \$ 22.8 million, while the average turnover stood at around 214 million shares during the 9MFY14 as opposed to 170 million shares during the same period last year.

Equity Fund

The Equity sub-fund generated a return of 34.8% while the KSE-100 increased by 29.3% during the period under review. The sub-fund increased its overall equity exposure to 96.3% from 95.6%. Sector-wise, the sub-fund maintained its exposure in Oil & Gas and Commercial Banks sectors, whilst reduced its exposure towards Construction and Material Sector.

The Net Asset of the Fund as at March 31, 2014 stood at Rs. 168.2 million as compared to Rs 124.4 million as at June 30 2013, registering a an increase of 35.1%.

The Net Asset Value (NAV) per unit as at March 31, 2013 was Rs. 245.53 as compared to opening NAV of Rs. 182.15 per unit as at June 30, 2013 registering an increase of Rs. 63.38 per unit.

Debt Fund

The debt sub-fund generated an annualized return of 7.49% during 9M FY14. The fund completely eliminated exposure in T-bills from 48% at the beginning of the period whereas exposure towards PIBs incressed considerably from 36.6% to 89.4%.

The Net Asset of the Fund as at March 31, 2014 stood at Rs. 200.06 million as compared to Rs 173.72 million as at June 30 2013 registering a an increase of 15.16%.

The Net Asset Value (NAV) per unit as at March 31, 2014 was Rs. 173.04 as compared to opening NAV of Rs. 163.83 per unit as at June 30, 2013 registering an increase of Rs. 9.21 per unit.

Money Market Fund

The money market sub-fund generated a return of 6.90% during the period. The fund increased its exposure in T-bills from 97.5% to 98.7% during the period.

The Net Asset of the Fund as at March 31, 2014 stood at Rs. 124.87 million as compared to Rs 112.70 million as at June 30 2013 registering a an increase of 10.80%

The Net Asset Value (NAV) per unit as at March 31, 2014 was Rs. 176.78 as compared to opening NAV of Rs. 168.08 per unit as at June 30, 2013 registering an increase of Rs. 8.70 per unit.

FUTURE OUTLOOK

The government expects reserve position to improve further towards the end of the ongoing fiscal year on the back of significant improvement in foreign direct investments and pledges made by multilateral agencies. The country is scheduled to pay more than \$1.2 billion to external official creditors in the last quarter, while the government is eyeing to raise foreign inflows through Euro bonds, 3G auction, and outstanding payments from Etisalat.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2014

Earnings growth is expected to continue in E&P, Power and Cement sector, while the rupee appreciation bodes well for pharmaceutical and chemical companies. Rupee strengthening after a long slide has contributed towards a change in the outlook. The budgeted implications of a stronger rupee will unfold in the next few months. Going forward, fixed income funds are expected to strengthen on the back of widening gaps between short and mid-term yields.

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.

For and on behalf of the board

Yasir Qadri

E. D.

Chief Executive Officer Karachi: April 21, 2014

CONDENSED INTERIM BALANCE SHEET AS AT MARCH 31, 2014

			(Un-Audited) March 31, 2014											
			March	31, 2014										
	Note	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund (Rupees)	Total	(Audited) June 30, 2013								
Assets														
Balances with banks	5	2,058,880	1,650,390	1,485,849	5,195,119	6,308,019								
Investments (as per condensed interim statement of investments by category)		164,057,333	194,850,250	124,082,270	482,989,853	399,191,110								
Dividend receivable		1,480,410	-	-	1,480,410	907,040								
Profit receivable		36,026	4,657,637	12,264	4,705,927	3,150,244								
Deposits and other receivables	6	2,704,950	200,000	100,000	3,004,950	10,388,133								
Total assets		170,337,599	201,358,277	125,680,383	497,376,259	419,944,546								
Liabilities														
Payable to Pension Fund Manager	7	239,025	294,256	185,033	718,314	573,498								
Payable to Habib Metropolitan Bank Limited - Trustee Annual fee payable to the Securities and		23,572	29,020	18,248	70,840	58,070								
Exchange Commission of Pakistan		36,441	46,366	30,148	112,955	109,472								
Accrued expenses and other liabilities	8	1,800,575	929,409	575,195	3,305,179	8,319,001								
Total liabilities		2,099,613	1,299,051	808,624	4,207,288	9,060,041								
				,										
Net assets		168,237,986	200,059,226	124,871,759	493,168,971	410,884,505								
Participants' Sub-Funds (as per condensed interim Statement of														
Movement in Participants' sub-funds)		168,237,986	200,059,226	124,871,759										
			Number of units	s										
Number of units in issue		685,191	1,156,161	706,386										
			(Rupees)											
Net assets value per unit		245.53	173.04	176.78										
Contingency	9													

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

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

Chief Executive Officer

Director /

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2014

			Ni	14			
Fund					•		
Note						Takal	
Income		Note	Tuna 	Tuna 		1 otai	2013
Dividend income 6,895,408 - 12,552,449 - 20,753,019 15,175,399 1,000mc from Government Securities - 12,552,449 - 12,552,449 - 20,753,019 15,175,399 1,000mc from Term Finance Certificates and sukak bonds - 200,781 224,086 178,552 464,3419 773,590 1,000mc from Term Finance Certificates - 200,781 224,086 178,552 464,3419 773,590 1,000mc from Term Finance Certificates - 24,000mc from Term Finance Certificates - 24,000mc from Term Finance Certificates	Income	Note			(Rupces) -		
Income from Government Securities	Capital gain / (loss) on sale of investments		19,123,479	(880,970)	15,085	18,257,594	16,344,546
Income from Term Finance Certificates and sukuk bonds and su	Dividend income		6,895,408	-	-	6,895,408	6,048,816
An addition bank and other deposits 2.30,781 2.34,886 178,552 643,419 773,590 Unrealised gain (loss) on revaluation of investments of thir value through profit or loss' - net 25,419,786 1,694,557 (47,830) 27,066,513 4,834,405 Total income			-	12,552,449	8,200,570	20,753,019	15,175,399
Profit on bank and other deposits 178,552 643,419 773,590 178,651 178,552 643,419 773,590 178,651 178,651 178,652 178,651 178,652 178,652 178,652 178,652 178,652 178,652 178,652 178,652 178,652 178,652 178,653 178,657 178,552 178,653 178,657 178,552 178,653 178,657 178,552 178,653 178,657 178,552 178,658 178,657 178,552 178,658 178,657 178,552 178,658 178,552 178,658 178,552 178,658 178,552 178,658 178,552 178,658 178,506 178,552 178,552 178,552 178,552 178,553 178,552							
Unrealised gain/(loss) on revaluation of investments 'at fair value through profit or loss' - net			-		-		
			230,/81	234,086	1/8,552	643,419	//3,590
Total income			25 419 786	1 694 557	(47.830)	27 066 513	4 834 405
Reversal of / (provision) against investments classified as 'available for sale' Total Income - net of provision against investments 51,669,454 14,500,553 8,346,377 74,516,384 45,204,573		l					
Total Income - net of provision against investments			,,	,,	-,,	, 1,0 - 2,0 - 2	,, , ,
Total Income - net of provision against investments			-	-	-	-	417,506
Expenses Remuneration of Pension Fund Manager September Se			51,669,454	14,500,553	8,346,377	74,516,384	45,204,573
Remuneration of Pension Fund Manager 11							
Sindh sales tax and federal excise duty on remuneration of Pension Fund Manager 566,734 721,080 468,874 1,756,688 562,918 Remuneration of Pension Fund Manager 189,398 241,008 156,719 587,125 431,542 Annual fee - Securities and Exchange 189,398 241,008 156,719 587,125 431,542 Annual fee - Securities and Exchange 103,790 133,528 87,277 324,595 281,515 243,545 243,	•		4 (20 0 74)	2006 462	4.05.405	7.002.012	2.510.004
remuneration of Pension Fund Manager Remuneration of Habib Metropolitan Bank Limited - Trustee Annual fee - Securities and Exchange Commission of Pakistan (SECP) Additors' Remuneration 103,790 133,528 150,712 134,595 1281,515 Custody and settlement charges 150,871 191,391 12,500 146,726 152,550 Provision against Debt Securities 150,871 191,391 12,500 146,726 152,550 Provision for Workers' Welfare Fund 150,876 150,876 150,876 150,877 150,878 150,877 150,878 150,879 1		11	1,639,854	2,086,462	1,356,697	5,083,013	3,518,234
Remuneration of Habib Metropolitan Bank Limited - Trustee 189,398 241,008 156,719 587,125 431,542 Annual fee - Securities and Exchange Commission of Pakistan (SECP) 36,441 46,366 30,149 112,956 78,181 Auditors' Remuneration 103,790 133,528 87,277 324,595 281,515 Custody and settlement charges 758,474 186,721 704 945,899 887,953 Legal and professional charges 15,087 191,393 12,500 46,726 52,550 Provision against Debt Securities	•		566 734	721 080	168 871	1 756 699	562 018
Bank Limited - Trustee			300,734	721,000	400,074	1,730,000	302,918
Annual fee - Securities and Exchange Commission of Pakistan (SECP) Auditors' Remuneration 103,790 133,528 87,277 324,595 281,515 Custody and settlement charges 758,474 186,721 704 945,899 887,953 Legal and professional charges 15,087 19,139 12,500 46,726 52,550 Provision against Debt Securities	1		189,398	241.008	156,719	587,125	431.542
Auditors' Remuneration 103,790 133,528 87,277 324,595 281,515 Custody and settlement charges 758,474 186,721 704 945,899 887,953 Legal and professional charges 15,087 19,139 12,500 46,726 52,550 Provision against Debt Securities -				,		,	- /-
Custody and settlement charges 758,474 186,721 704 945,899 887,953 Legal and professional charges 15,087 19,139 12,500 46,726 52,550 Provision against Debt Securities -			36,441	46,366	30,149	112,956	78,181
Legal and professional charges 15,087 19,139 12,500 46,726 52,550 Provision against Debt Securities	Auditors' Remuneration		103,790	133,528	87,277		281,515
Provision against Debt Securities Provision for Workers' Welfare Fund Bank charges Total expenses 1,2133							
Provision for Workers' Welfare Fund Bank charges 2,133 5,881 3,818 11,832 15,235 15 15 15 15 15 15 15			15,087	19,139	12,500	46,726	52,550
Sank charges 2,133 5,881 3,818 11,832 15,235 Total expenses 4,295,517 3,670,890 2,244,596 10,211,003 5,828,128 Net income from operating activities 47,373,937 10,829,663 6,101,781 64,305,381 39,376,445 Element of income and capital gains included in prices of units issued less those redeemed 822,765 532,799 163,257 1,518,821 1,516,934 Net income for the period before taxation 48,196,702 11,362,462 6,265,038 65,824,202 40,893,379 Taxation 12			- 002 (0)	- 220 707	125 050	1 242 160	-
Total expenses 4,295,517 3,670,890 2,244,596 10,211,003 5,828,128 Net income from operating activities 47,373,937 10,829,663 6,101,781 64,305,381 39,376,445 Element of income and capital gains included in prices of units issued less those redeemed 822,765 532,799 163,257 1,518,821 1,516,934 Net income for the period before taxation 48,196,702 11,362,462 6,265,038 65,824,202 40,893,379 Taxation 12 - - - - - Net income for the period after taxation 48,196,702 11,362,462 6,265,038 65,824,202 40,893,379 Other comprehensive (loss) / income for the period 48,196,702 11,362,462 6,265,038 65,824,202 40,893,379 Unrealised (loss) / gain on re-valuation of investments classified as 'available-for-sale' - net 10 (4,376,606) (344,942) - (4,721,548) 754,243 Total comprehensive income for the period 43,820,096 11,017,520 6,265,038 61,102,654 41,647,622			· · · · · · · · · · · · · · · · · · ·	,	· · · · · · · · · · · · · · · · · · ·		15 225
Net income from operating activities 47,373,937 10,829,663 6,101,781 64,305,381 39,376,445 Element of income and capital gains included in prices of units issued less those redeemed 822,765 532,799 163,257 1,518,821 1,516,934 Net income for the period before taxation 48,196,702 11,362,462 6,265,038 65,824,202 40,893,379 Taxation 12 - - - - - Net income for the period after taxation 48,196,702 11,362,462 6,265,038 65,824,202 40,893,379 Other comprehensive (loss) / jacin on re-valuation of investments classified as 'available-for-sale' - net 10 (4,376,606) (344,942) - (4,721,548) 754,243 Total comprehensive income for the period 43,820,096 11,017,520 6,265,038 61,102,654 41,647,622							
Element of income and capital gains included in prices of units issued less those redeemed 822,765 532,799 163,257 1,518,821 1,516,934 Net income for the period before taxation 48,196,702 11,362,462 6,265,038 65,824,202 40,893,379 Taxation 12	Total expenses		1,270,017	2,070,050	2,211,000	10,211,003	
in prices of units issued less those redeemed 822,765 532,799 163,257 1,518,821 1,516,934 Net income for the period before taxation 48,196,702 11,362,462 6,265,038 65,824,202 40,893,379 Taxation 12 - - - - - Net income for the period after taxation 48,196,702 11,362,462 6,265,038 65,824,202 40,893,379 Other comprehensive (loss) / gain on re-valuation of investments classified as 'available-for-sale' - net 10 (4,376,606) (344,942) - (4,721,548) 754,243 Total comprehensive income for the period 43,820,096 11,017,520 6,265,038 61,102,654 41,647,622	Net income from operating activities		47,373,937	10,829,663	6,101,781	64,305,381	39,376,445
Net income for the period before taxation 48,196,702 11,362,462 6,265,038 65,824,202 40,893,379 Taxation 12 - - - - - Net income for the period after taxation 48,196,702 11,362,462 6,265,038 65,824,202 40,893,379 Other comprehensive (loss) / income for the period Unrealised (loss) / gain on re-valuation of investments classified as 'available-for-sale' - net 10 (4,376,606) (344,942) - (4,721,548) 754,243 Total comprehensive income for the period 43,820,096 11,017,520 6,265,038 61,102,654 41,647,622	Element of income and capital gains included						
Taxation 12 - - - - - Net income for the period after taxation 48,196,702 11,362,462 6,265,038 65,824,202 40,893,379 Other comprehensive (loss) / income for the period Unrealised (loss) / gain on re-valuation of investments classified as 'available-for-sale' - net 10 (4,376,606) (344,942) - (4,721,548) 754,243 Total comprehensive income for the period 43,820,096 11,017,520 6,265,038 61,102,654 41,647,622	in prices of units issued less those redeemed		822,765	532,799	163,257	1,518,821	1,516,934
Net income for the period after taxation 48,196,702 11,362,462 6,265,038 65,824,202 40,893,379 Other comprehensive (loss) / income for the period Unrealised (loss) / gain on re-valuation of investments classified as 'available-for-sale' - net 10 (4,376,606) (344,942) - (4,721,548) 754,243 Total comprehensive income for the period 43,820,096 11,017,520 6,265,038 61,102,654 41,647,622	Net income for the period before taxation		48,196,702	11,362,462	6,265,038	65,824,202	40,893,379
Other comprehensive (loss) / income for the period Unrealised (loss) / gain on re-valuation of investments classified as 'available-for-sale' - net 10 (4,376,606) (344,942) - (4,721,548) 754,243 Total comprehensive income for the period 43,820,096 11,017,520 6,265,038 61,102,654 41,647,622	Taxation	12	-	-	-	-	-
Unrealised (loss) / gain on re-valuation of investments classified as 'available-for-sale' - net 10 (4,376,606) (344,942) - (4,721,548) 754,243 Total comprehensive income for the period 43,820,096 11,017,520 6,265,038 61,102,654 41,647,622	Net income for the period after taxation		48,196,702	11,362,462	6,265,038	65,824,202	40,893,379
investments classified as 'available-for-sale' - net 10 (4,376,606) (344,942) - (4,721,548) 754,243 Total comprehensive income for the period 43,820,096 11,017,520 6,265,038 61,102,654 41,647,622	Other comprehensive (loss) / income for the period						
investments classified as 'available-for-sale' - net 10 (4,376,606) (344,942) - (4,721,548) 754,243 Total comprehensive income for the period 43,820,096 11,017,520 6,265,038 61,102,654 41,647,622	Unrealised (loss) / gain on re-valuation of						
	· · · · · ·	10	(4,376,606)	(344,942)	-	(4,721,548)	754,243
Earnings per unit 13 70.97 10.19 8.96	Total comprehensive income for the period		43,820,096	11,017,520	6,265,038	61,102,654	41,647,622
	Earnings per unit	13	70.97	10.19	8.96		

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

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

Chief Executive Officer

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2014

		(
	•	Equity sub	Debt sub fund	Money market sub fund	Total	Quarter ended March 31, 2013
	Note			(Rupees)		
Income	Γ	7.000.004	1.626.62	(402)	CO (-C	2 224 212
Capital gain on sale of investments		5,932,224	1,636,635	(183)	7,568,676	3,324,212
Dividend income Income from Government Securities		2,966,903	4 592 074	2 076 222	2,966,903	2,941,761
Income from Term Finance Certificates		-	4,582,074	2,976,333	7,558,407	4,698,681
and sukuk bonds		-	353,975	-	353,975	655,418
Profit on bank and other deposits		82,598	118,693	32,628	233,919	232,517
Unrealised gain on revaluation of investments		-	110,075	32,020	233,717	232,317
at fair value through profit or loss' - net		6,198,481	1,684,237	17,869	7,900,587	(1,420,664)
Total income	L	15,180,206	8,375,614	3,026,647	26,582,467	10,431,925
		,,	0,0,0,00	-,,,-	,,,	,,
Reversal of / (provision) against investments classified as 'available for sale'		-	-	-	-	1,253,225
Total Income - net of provision against investments		15,180,206	8,375,614	3,026,647	26,582,467	11,685,150
Expenses	r					
Remuneration of Pension Fund Manager	11	575,235	713,627	460,790	1,749,652	1,215,848
Sindh sales tax and federal excise duty on						
remuneration of Pension Fund Manager		198,801	246,630	159,249	604,680	194,537
Remuneration of Habib Metropolitan					***	4.50
Bank Limited - Trustee		66,033	81,922	52,901	200,856	147,369
Annual fee - Securities and Exchange		12,783	15 050	10.240	20.002	26,002
Commission of Pakistan (SECP)		· ·	15,859	10,240	38,882	26,993
Auditors' remuneration		36,175	45,159	29,217	110,551	92,466
Custody and settlement charges Legal and professional charges		224,344 3,695	76,788 4,604	3,016	301,132 11,315	240,037 17,260
Provision against Debt Securities		3,093	4,004	3,010	-	17,200
Provision for Workers' Welfare Fund		311,858	147,605	44,707	504,170	
Bank charges		349	1,549	848	2,746	4,478
Total expenses	<u>l</u>	1,429,273	1,333,743	760,968	3,523,984	1,938,988
Town expenses		1,123,270	1,000,710			
Net income from operating activities	•	13,750,933	7,041,871	2,265,679	23,058,483	9,746,162
Element of income and capital gains included						
in prices of units issued less those redeemed		1 520 100	210,053	(75.042)	1 665 120	2 029 702
in prices of units issued less those redeemed		1,530,109	210,055	(75,042)	1,665,120	2,038,703
Net income for the period before taxation		15,281,042	7,251,924	2,190,637	24,723,603	11,784,865
Taxation	12	-	-	-	-	-
Net income for the period after taxation	•	15,281,042	7,251,924	2,190,637	24,723,603	11,784,865
Other comprehensive (loss) / income for the period						
Unrealised (loss) / gain on re-valuation of						
of investments classified as 'available for sale' - net		(1,134,767)	(40,393)	-	(1,175,160)	(981,936)
Total comprehensive income for the period		14,146,275	7,211,531	2,190,637	23,548,443	10,802,929
Total comprehensive income for the period	•	17,170,273	1,411,331	4,170,037	43,340,443	10,002,929
Earnings per unit	13	23.38	6.38	3.08		

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

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

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Chief Executive Officer

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2014

		Nine months ende		4	
			Money market		Nine months
	Equity		sub fund		ended March
	sub fund	Debt sub fund		Total	31, 2013
			(Rupees)		
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income before taxation	48,196,702	11,362,462	6,265,038	65,824,202	40,893,378
Adjustments for non cash charges and other items:					
Capital (gain) / loss on sale of investments	(19,123,479)	880,970	(15,085)	(18,257,594)	(16,344,546)
Unrealised (gain) / loss on revaluation of investments					
at fair value through profit or loss' - net	(25,419,786)	(1,694,557)	47,830	(27,066,513)	(4,834,405)
Impairment loss on investments classified as					
available-for-sale'	-	-	-	-	(417,506)
Element of income and capital gains included in					
prices of units issued less those redeemed	(822,765)	(532,799)	(163,257)	(1,518,821)	(1,516,934)
	(45,366,030)	(1,346,386)	(130,512)	(46,842,928)	(23,113,391)
	, , ,		, ,	, , , ,	
(Increase) / decrease in assets	2 925 1 42	(22.190.422)	(12.050.002)	(42.10(.104)	(52.177.257
Investments - net	2,835,142	(32,180,433)	(13,850,893)	(43,196,184)	(52,177,257
Dividend receivable	(573,370)	0	-	(573,370)	(2,630,025
Profit receivable	(21,741)	(1,548,530)	14,588	(1,555,683)	1,257,302
Deposits and other receivables	1,147	5,786,185	1,595,851	7,383,183	22,782,552
	2,241,178	(27,942,778)	(12,240,454)	(37,942,054)	(30,767,428)
Increase / (decrease) in liabilities					
Payable against redemption of units	-	-	-	-	(479,358)
Payable to Pension Fund Manager	33,873	39,250	16,158	89,281	144,948
Payable to the Trustee	4,631	5,481	2,658	12,770	11,577
Annual fee - Securities and Exchange					
Commission of Pakistan (SECP)	4,836	290	(1,643)	3,483	4,591
Accrued and other liabilities	(5,982,459)	626,597	397,575	(4,958,287)	(1,233,088)
	(5,939,119)	671,618	414,748	(4,852,753)	(1,551,330)
Cash generated from / (used in)	, , ,	,	,		
operating activities	(867,269)	(17,255,084)	(5,691,180)	(23,813,533)	(14,538,771)
CASH FLOW FROM FINANCING ACTIVITIES					
Receipt of contribution	24,689,463	38,710,334	18,630,517	82,030,314	51,279,150
-		1 11			
Payment against withdrawal	(23,906,042)	(22,860,711)	(12,562,928)	(59,329,681)	
Net cash generated from financing activities	783,421	15,849,623	6,067,589	22,700,633	17,895,678
Net (decrease) / increase in cash and cash					
equivalent during the period	(83,848)	(1,405,461)	376,409	(1,112,900)	3,356,907
Cash and cash equivalents at beginning of the period	2,142,728	3,055,851	1,109,440	6,308,019	5,888,838
2 out equitation at beginning of the period					
Cash and cash equivalents at end of the period	2,058,880	1,650,390	1,485,849	5,195,119	9,245,746

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

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

Chief Executive Officer

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CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2014

Equity sub fund		Quar				
Net income before taxation			Debt sub fund	market sub fund		ended March
Capital (loss) / gain on sale of investments (5,932,224) (1,636,635) 183 (7,568,676) (3,324,212) (1,7869) / (7,900,587) (4,595,793) (4,595		15,281,042	7,251,924			11,784,865
Unrealised (loss) / gain on revaluation of investments 'at fair value through profit or loss' - net Impairment loss on investments classified as available-for-sale' Element of income and capital gains included in prices of units issued less those redeemed (1,530,109) (13,660,814) (3,530,925) (1,530,109) (13,660,814) (3,530,925) (1,530,109	Adjustments for non cash charges and other items:					
'at fair value through profit or loss' - net Impairment loss on investments classified as available-for-sale' Element of income and capital gains included in prices of units issued less those redeemed (1,530,109) (13,660,814) (13,630,925) (13,600,814) (13,600,814) (1,530,109) (13,600,814) (1,530,092) (1,530,092) (1,1450,290) (1,	1	(5,932,224)	(1,636,635)	183	(7,568,676)	(3,324,212)
Cash and cash equivalents at beginning of the period Cash and	'at fair value through profit or loss' - net	(6,198,481)	(1,684,237)	(17,869)	(7,900,587)	(4,595,793)
Cash and cash equivalents at beginning of the period (1,530,109) (210,053) 75,042 (1,665,120) (2,038,703) (2,038,703) (3,530,925) 57,356 (17,134,383) (5,195,476) (1,17,134,383) (5,195,476) (1,17,134,383) (5,195,476) (1,17,134,383) (5,195,476) (1,17,134,383) (5,195,476) (1,17,134,383) (5,195,476) (1,17,134,383) (5,195,476) (1,17,134,383) (5,195,476) (1,17,134,383) (5,195,476) (1,17,134,383) (1,17,1269) (1,17,134,383) (1,17,1269) (1,17,134,383) (1,17,1269) (1,17,134,383) (1,17,1269) (1,17,134,383) (1,134,383) (1,134,383)	available-for-sale'	-	-	-	-	4,763,232
Investments - net		(1,530,109)	(210,053)	75,042	(1,665,120)	(2,038,703)
Investments - net		(13,660,814)	(3,530,925)	57,356	(17,134,383)	(5,195,476)
Dividend receivable	(Increase) / decrease in assets					
Profit receivable			(6,156,224)	(1,984,382)		
Deposits and other receivables			-	-		
Increase / (decrease) in liabilities Payable against redemption of units Payable to Pension Fund Manager 18,740 16,354 1,535 36,629 28,667 Payable to the Trustee 1,702 1,427 28 3,157 5,166 Net cash used in operating activities 13,763,132 13,059,122 4,598,007 31,420,261 22,691,034 Net cash generated from financing activities 4,646,827 6,626,691 (1,868,781) 9,404,737 16,366,526 Net (decrease) / increase in cash and cash equivalents at beginning of the period 1,282,021 1,291,851 2,936,348 5,510,220 5,076,561		(25,149)	(4,146,756)	(3,167)	(4,175,072)	
Payable against redemption of units Payable to Pension Fund Manager Payable to Pension Fund Manager Payable to Pension Fund Manager Payable to the Trustee Annual fee - Securities and Exchange Commission of Pakistan (SECP) Accrued and other liabilities Total 1,702	Deposits and other receivables	(6,027,280)	(10,302,980)	(1,987,549)	(18,317,809)	
Payable against redemption of units Payable to Pension Fund Manager Payable to Pension Fund Manager Payable to Pension Fund Manager Payable to the Trustee Annual fee - Securities and Exchange Commission of Pakistan (SECP) Accrued and other liabilities Total Tight Payable to the Trustee Annual fee - Securities and Exchange Commission of Pakistan (SECP) Accrued and other liabilities Total Tight Payable to the Trustee Annual fee - Securities and Exchange Commission of Pakistan (SECP) Accrued and other liabilities Total Tight Payable to the Trustee Annual fee - Securities and Exchange Commission of Pakistan (SECP) Accrued and other liabilities Total Tight Payable to the Trustee Annual fee - Securities and Exchange Commission of Pakistan (SECP) Accrued and other liabilities Total Tight Payable to the Trustee Annual fee - Securities and Exchange Commission of Pakistan (SECP) 12,783 15,858 10,239 38,880 26,995 (774,994) 131,829 157,838 1,008,751 (3,637,215) Net cash used in operating activities (3,869,968) (6,268,152) 418,282 (9,719,838) (12,197,342) CASH FLOWS FROM FINANCING ACTIVITIES Receipt of contribution Payment against withdrawal (9,116,305) (6,432,431) (6,466,788) (22,015,524) (6,324,508) Net cash generated from financing activities 4,646,827 6,626,691 (1,868,781) 9,404,737 16,366,526 Net (decrease) / increase in cash and cash equivalent during the period 776,859 358,539 (1,450,499) (315,101) 4,169,184 Cash and cash equivalents at beginning of the period 1,282,021 1,291,851 2,936,348 5,510,220 5,076,561	Increase / (decrease) in liabilities					
Payable to Pension Fund Manager 18,740 16,354 1,535 36,629 28,667 Payable to the Trustee 1,702 1,427 28 3,157 5,166 Annual fee - Securities and Exchange Commission of Pakistan (SECP) 12,783 15,858 10,239 38,880 26,995 280,190 146,036 930,085 (774,994) 537,084 313,829 157,838 1,008,751 (3,637,215) Net cash used in operating activities (3,869,968) (6,268,152) 418,282 (9,719,838) (12,197,342) CASH FLOWS FROM FINANCING ACTIVITIES Receipt of contribution Payment against withdrawal (9,116,305) (6,432,431) (6,466,788) (22,015,524) (6,324,508) Net cash generated from financing activities 4,646,827 6,626,691 (1,868,781) 9,404,737 16,366,526 Net (decrease) / increase in cash and cash equivalent during the period 1,282,021 1,291,851 2,936,348 5,510,220 5,076,561		-	-	-	-	(2,923,049)
Annual fee - Securities and Exchange Commission of Pakistan (SECP) Accrued and other liabilities 503,859 280,190 146,036 930,085 (774,994) 537,084 313,829 157,838 1,008,751 (3,637,215) Net cash used in operating activities (3,869,968) (6,268,152) Accrued and other liabilities (3,869,968) (6,268,152) 418,282 (9,719,838) (12,197,342) CASH FLOWS FROM FINANCING ACTIVITIES Receipt of contribution Payment against withdrawal Payment against withdrawal Net cash generated from financing activities (9,116,305) (6,432,431) (6,466,788) (22,015,524) (6,324,508) Net (decrease) / increase in cash and cash equivalent during the period 776,859 358,539 (1,450,499) (315,101) 4,169,184 Cash and cash equivalents at beginning of the period		18,740	16,354	1,535	36,629	1 1
Commission of Pakistan (SECP)		1,702	1,427	28	3,157	5,166
Accrued and other liabilities			1-0-0			
S37,084 313,829 157,838 1,008,751 (3,637,215)	· · · · · · · · · · · · · · · · · · ·		· · · · · · · · · · · · · · · · · · ·		,	
Net cash used in operating activities (3,869,968) (6,268,152) 418,282 (9,719,838) (12,197,342) CASH FLOWS FROM FINANCING ACTIVITIES Receipt of contribution 13,763,132 13,059,122 4,598,007 31,420,261 22,691,034 Payment against withdrawal (9,116,305) (6,432,431) (6,466,788) (22,015,524) (6,324,508) Net cash generated from financing activities 4,646,827 6,626,691 (1,868,781) 9,404,737 16,366,526 Net (decrease) / increase in cash and cash equivalent during the period 776,859 358,539 (1,450,499) (315,101) 4,169,184 Cash and cash equivalents at beginning of the period 1,282,021 1,291,851 2,936,348 5,510,220 5,076,561	Accrued and other nathrities					
CASH FLOWS FROM FINANCING ACTIVITIES Receipt of contribution 13,763,132 13,059,122 4,598,007 31,420,261 22,691,034 Payment against withdrawal (9,116,305) (6,432,431) (6,466,788) (22,015,524) (6,324,508) Net cash generated from financing activities 4,646,827 6,626,691 (1,868,781) 9,404,737 16,366,526 Net (decrease) / increase in cash and cash equivalent during the period 776,859 358,539 (1,450,499) (315,101) 4,169,184 Cash and cash equivalents at beginning of the period 1,282,021 1,291,851 2,936,348 5,510,220 5,076,561					,,,,,,,	
Receipt of contribution 13,763,132 13,059,122 4,598,007 31,420,261 22,691,034 Payment against withdrawal (9,116,305) (6,432,431) (6,466,788) (22,015,524) (6,324,508) Net cash generated from financing activities 4,646,827 6,626,691 (1,868,781) 9,404,737 16,366,526 Net (decrease) / increase in cash and cash equivalent during the period 776,859 358,539 (1,450,499) (315,101) 4,169,184 Cash and cash equivalents at beginning of the period 1,282,021 1,291,851 2,936,348 5,510,220 5,076,561	Net cash used in operating activities	(3,869,968)	(6,268,152)	418,282	(9,719,838)	(12,197,342)
Payment against withdrawal (9,116,305) (6,432,431) (6,466,788) (22,015,524) (6,324,508) (22,015,524) (6,324,508) (22,015,524) (6,324,508) (22,015,524) (22,015,52	CASH FLOWS FROM FINANCING ACTIVITIES					
Net cash generated from financing activities 4,646,827 6,626,691 (1,868,781) 9,404,737 16,366,526 Net (decrease) / increase in cash and cash equivalent during the period 776,859 358,539 (1,450,499) (315,101) 4,169,184 Cash and cash equivalents at beginning of the period 1,282,021 1,291,851 2,936,348 5,510,220 5,076,561	Receipt of contribution					
Net (decrease) / increase in cash and cash equivalent during the period 776,859 358,539 (1,450,499) (315,101) 4,169,184 Cash and cash equivalents at beginning of the period 1,282,021 1,291,851 2,936,348 5,510,220 5,076,561	, .					
equivalent during the period 776,859 358,539 (1,450,499) (315,101) 4,169,184 Cash and cash equivalents at beginning of the period 1,282,021 1,291,851 2,936,348 5,510,220 5,076,561	Net cash generated from financing activities	4,646,827	6,626,691	(1,868,781)	9,404,737	16,366,526
Cash and cash equivalents at beginning of the period 1,282,021 1,291,851 2,936,348 5,510,220 5,076,561						
	equivalent during the period	776,859	358,539	(1,450,499)	(315,101)	4,169,184
Cash and cash equivalents at end of the period 2,058,880 1,650,390 1,485,849 5,195,119 9,245,746	Cash and cash equivalents at beginning of the period	1,282,021	1,291,851	2,936,348	5,510,220	5,076,561
	Cash and cash equivalents at end of the period	2,058,880	1,650,390	1,485,849	5,195,119	9,245,746

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

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

Chief Executive Officer

Director

Pakistan Pension Fund

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CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB-FUNDS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2014

	Nine mo	nths ended Mar	ech 31, 2014		
	Equity sub fund	Debt sub fund (R	Money market sub fund upees)	Total	Nine months ended March 31, 2013
Net assets at the beginning of the period	124,457,234	173,724,882	112,702,389	410,884,505	285,889,737
Amount received on issue of units Amount paid on redemption of units	24,689,463 (23,906,042) 783,421	38,710,334 (22,860,711) 15,849,623	18,630,517 (12,562,928) 6,067,589	82,030,314 (59,329,681) 22,700,633	51,279,150 (33,383,472) 17,895,678
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - net					
Amount representing (income) / loss and realised capital (gains) / losses - net	(822,765)	(532,799)	(163,257)	(1,518,821)	(1,516,934)
Amount representing unrealised (appreciation) / diminution in fair value of investments	(790,403)	5,738,041	2,321,145	7,268,783	(6,885,444)
Net unrealised gain / (loss) during the period in the market value of investments classified as available-for-sale	(1,613,168) (4,376,606)	5,205,242 (344,942)	2,157,888	5,749,962 (4,721,548)	(8,402,378) 754,243
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - amount representing unrealised appreciation / (diminution) - net	790,403	(5,738,041)	(2,321,145)	(7,268,783)	6,885,444
Net income after taxation for the period	48,196,702	11,362,462	6,265,038	65,824,202	40,893,378
Net assets at the end of the period	168,237,986	200,059,226	124,871,759	493,168,971	343,916,103

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

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

Chief Executive Officer

CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB-FUNDS (UN-AUDITED) FOR THE QUARTER ENDED March 31, 2014

	Quart	er ended March	31, 2014		
	Equity sub fund	Debt sub fund	Money market sub fund	Total	Quarter ended March 31, 2013
		(R	upees)		
Net assets at the beginning of the period	150,974,993	186,431,057	124,474,861	461,880,911	318,785,327
Amount received on issue of units	13,763,132	13,059,122	4,598,007	31,420,261	22,691,034
Amount paid on redemption of units	(9,116,305)	(6,432,431)	(6,466,788)	(22,015,524)	(6,324,508)
	4,646,827	6,626,691	(1,868,781)	9,404,737	16,366,526
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - net					
Amount representing (income) / loss and					
realised capital (gains) / losses - net	(1,530,109)	(210,053)	75,042	(1,665,120)	(2,038,703)
Amount representing unrealised (appreciation) /					
diminution in fair value of investments	(10,568,160)	2,485,065	(725,443)	(8,808,538)	(7,283,710)
	(12,098,269)	2,275,012	(650,401)	(10,473,658)	(9,322,413)
Net unrealised gain / (loss) during the period in the market value of investments classified as available-for-sale	(1 124 767)	(40.202)		(1 175 160)	(091.014)
available-for-sale	(1,134,767)	(40,393)	-	(1,175,160)	(981,914)
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - amount representing unrealised					
appreciation / (diminution) - net	10,568,160	(2,485,065)	725,443	8,808,538	7,283,710
Net income after taxation for the period	15,281,042	7,251,924	2,190,637	24,723,603	11,784,866

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

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

Chief Executive Officer

CONDENSED INTERIM STATEMENT OF INVESTMENTS BY CATEGORY AS AT MARCH 31, 2014

)		
	Equity	March 31, 20	Money market		(Audited) June 30,
	sub fund	sub fund	sub fund	Total	2013
		(F	Rupees)		
Investments 'at fair value through profit or loss'					
Listed equity securities	158,483,799		ı	158,483,799	111,486,104
Pakistan Investment Bonds	-	81,396,487	_	81,396,487	53,463,941
Market Treasury Bills	-	-	124,082,270	124,082,270	193,919,006
Term Finance Certificates and Sukuk bonds	-	7,028,700	-	7,028,700	6,954,500
	158,483,799	88,425,187	124,082,270	370,991,256	365,823,551
'Available-for-sale' investments					
Listed equity securities	5,573,534	-	- 1	5,573,534	15,239,712
Pakistan Investment Bonds	_	98,718,340	-	98,718,340	10,491,630
Term Finance Certificates and Sukuk bonds	-	2,681,223	-	2,681,223	2,624,217
Government Ijara Sukuk	-	5,025,500	-	5,025,500	5,012,000
	5,573,534	106,425,063	-	111,998,597	33,367,559
	164,057,333	194,850,250	124,082,270	482,989,853	399,191,110

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

Chief Executive Officer

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

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CONDENSED INTERIM STATEMENT OF INVESTMENTS PORTFOLIO AS AT MARCH 31, 2014

EQUITY SUB-FUND

LISTED SHARES-INVESTMENTS 'AT FAIR VALUE THROUGH PROFIT OR LOSS'

<u> </u>	1	N/v	hou of ahou					101.4		
	-	Ni	Bonus /	es		As	at March 31, 2	014	+	% of the
		Purchases	Right issue	Sales	As at				Market value as a	
	As at July	during the	during the	during the	March 31,			Appreciation /	% of net assets of	of the investee
Name of the Investee Company	01, 2013	period	period	period	2014	Cost	Market value	(Diminution)	the sub-fund	company
							(Rupees)		%	%
Oil and gas										
Attock Petroleum Limited	10,450	5,200	3,130	3,585	15,195	7,226,690	8,219,431	992,741	4.89%	0.02%
National Refinery Limited	-	3,000	-	-	3,000	674,497	686,460	11,963	0.41%	0.00%
Oil & Gas Development Company Limited	24,960	41,000	-	34,000	31,960	8,285,375	7,706,515	-578,860	4.58%	0.00%
Pakistan Oilfields Limited	13,240	28,500	-	19,446	22,294	10,624,591	12,131,949	1,507,358	7.21%	0.01%
Pakistan Petroleum Limited	32,500	29,300	10,000	26,077	45,723	8,564,948	10,230,978	1,666,030	6.08%	0.00%
Pakistan State Oil Company Limited	22,000	23,300	-	21,900	23,400	7,158,314	9,985,014	2,826,700	5.94%	0.01%
Shell Pakistan Limited	10,400	-	-	10,400	-	· · · · -	· · · · ·	· · · · ·	0.00%	0.00%
				.,	-	42,534,415	48,960,347	6,425,932	29.11%	
Chemicals										
Engro Corporation Limited	11,000	65,500	-	38,500	38,000	6,457,958	7,085,860	627,902	4.21%	0.01%
Engro Fertilizer	-	2,500	-	-	2,500	144,550	149,250	4,700	0.09%	0.00%
Fauji Fertilizer Bin Qasim Limited	132,000	-	-	132,000	-	-	-	-	0.00%	0.00%
Fauji Fertilizer Company Limited	16,400	39,000	-	55,400	-	-	-	-	0.00%	0.00%
I.C.I. Pakistan Limited	-	12,800	-	12,800	-	-	-	-	0.00%	0.00%
Sitara Chemical Industries Limited	20,000	-	-	20,000	-	-	-	-	0.00%	0.00%
Dawood Hercules Limited	18,000	-	-	18,000		-	-	-	0.00%	0.00%
						6,602,508	7,235,110	632,602	4.30%	
Forestry and paper	6 674				6 674	202.022	241.700	40.707	0.200/	0.110/
Pakistan Paper Products Limited	6,674	-	-	-	6,674	292,922 292,922	341,709 341,709	48,787 48,787	0.20% 0.20%	0.11%
						292,922	341,/09	40,707	0.20%	
Cherat Cement Company Limited	77,000	_	2,950	47,500	32,450	1,716,605	2,409,737	693,132	1.43%	0.03%
Fauji Cement Company Limited	167,000	_	2,750	167,000	-	-	2,402,737	-	0.00%	0.00%
Fecto Cement Limited	62,500			62,500	_	_			0.00%	0.00%
Kohat Cement Limited	80,396	35,000	14,879	68,000	62,275	5,362,200	7,287,421	1,925,221	4.33%	0.04%
Lafarge Pakistan Cement Limited	-	274,000	-	274,000	-	3,302,200	7,207,421	1,723,221	0.00%	0.00%
	-		-			5,696,092	6,739,470	1 042 279		
Maple Leaf Cement Limited		336,000		107,000	229,000			1,043,378	4.01%	0.04%
Lucky Cement Limited	10,631	8,500	-	10,731	8,400	2,041,171	2,662,380	621,209	1.58%	0.00%
Consuel industrials						14,816,068	19,099,008	4,282,940	11.35%	
General industrials Packages Limited	_	16,000	_	_	16,000	4,320,000	5,499,520	1,179,520	3.27%	0.02%
Thal Limited		31,000		-	31,000	5,071,600	5,261,940	190,340	3.13%	0.08%
Tri-Pack Films Limited	-	22,000	=	_	22,000	4,351,626	4,358,860	7,234	2.59%	0.07%
III-r dck r iiiiis Eiiiited	-	22,000	-	-	22,000	13,743,226	15,120,320	1,377,094	8.99%	0.07/0
Industrial engineering						10,7 10,220	10,120,020	1,577,071	3.5570	
International Steels Limted	-	500	-	-	500	9,005	12,300	3,295	0.01%	0.00%
					-	9,005	12,300	3,295	0.01%	
Industrial metals and minning										
International Industries	-	77,000	-	-	77,000	3,929,000	4,412,101	483,101	2.62%	0.06%
						3,929,000	4,412,101	483,101	2.62%	
Industrial transportation										
Pakistan National Shipping Corporation	-	20,000	-	500	19,500	1,131,254	1,432,080	300,826	0.85%	0.01%
						1,131,254	1,432,080	300,826	0.85%	
Automobile and parts										
Pak Suzuki Motor Co. Limited	26,000	-	-	26,000			-		0.00%	0.00%
F 1 1						-	-	-	0.00%	
Food producers	17.500	20.000		27.500					0.000/	0.000/
Engro Foods Limited	17,500	20,000	-	37,500	-	-	-	-	0.00%	0.00%
Habib Sugar Mills	-	120,500	-	120,500					0.00%	0.00%
Household goods						-	-	-	0.00%	
Tariq Glass Industries	_	154,000	_	154,000	_	_	_	_	0.00%	0.00%
rariq Grass muustries		134,000		154,000					0.00%	0.00 /0
Personal goods									0.0070	
Bata Pakistan Limited	300	3,000	_	_	3,300	5,684,730	9,031,275	3,346,545	5.37%	4.37%
Ellcot Spining Mills Limited	20,000	4,000		12,500	11,500	782,029	1,022,120	240,091	0.61%	10.50%
Faisal Spinning	15,500	4,000	=	15,500	-	702,027	1,022,120	240,071	0.00%	0.00%
Kohinoor Textile Mills	15,500	24,000	=	-	24,000	636,790	615,120	(21,670)		0.98%
Gadoon Textile	-		-	-						
	-	7,000	-	-	7,000	1,499,100	1,449,280	(49,820)		2.98%
Sapphire Fibre	-	6,900	-	6,900	-	8,602,649	12,117,795	3,515,146	7.21%	0.00%
Tobacco						8,002,049	12,117,795	3,515,140	7.2170	
Pakistan Tabacco Company Limited	15,000	_	_	15,000	_	_	_	_	0.00%	0.00%
ransan racacco company Eminea	,			,	-	-	_	-	0.00%	,
Health care equipment and services										
Shifa International Hospitals Limited	44,500	-	-	44,500	-	-	-	-	0.00%	0.00%
_	•			•	•	-	-	-	0.00%	
Pharma and bio tech										
Ferozsons Laboratories Limited	11,550	23,000	-	-	34,550	4,180,781	6,711,338	2,530,557	3.99%	0.11%
Abott Lab (Pakistan)	-	11,200	-	-	11,200	4,578,739	4,693,584	114,845	2.79%	0.01%
Searle Pakistan Limited	-	11,000	-	11,000	-				0.00%	0.00%
						8,759,520	11,404,922	2,645,402	6.78%	
Media										
Hum Network Limited	21,500	-	-	21,500		-	-	-	0.00%	0.00%
					_	-	-	-	0.00%	

CONDENSED INTERIM STATEMENT OF INVESTMENTS PORTFOLIO AS AT MARCH 31, 2014

		Nu	mber of share	es		As	at March 31, 2	014		
Name of the Investee Company	As at July 1, 2013	Purchases during the period	Bonus / Right issue during the period	Sales during the period	As at March 31, 2014	Cost	Market value	Appreciation/ (Diminution)	Market value as a % of net assets of the sub-fund	% of the issued capital of the investee company
							(Rupees)		%	%
Fixed line telecommunication Pakistan Telecommunication Company										
Limited	28,000	340,000	-	368,000	-	-	-	-	0.00%	0.00%
Electricity						-	-	-	0.00%	
Hub Power Company Limited	61,850	134,500		122,855	73,495	4,848,706	3,907,729	(940,977)	2.32%	0.01%
Kot Addu Power Company Limited	-	161,000	-	125,000	36,000	2,071,557	2,141,280	69,723	1.27%	0.01%
reot rada rower company Emined		101,000		125,000	50,000	6,920,263	6,049,009	(871,254)		0.0070
Banks						-,,	-,,	(0,1,21)		
BankIslami Pakistan Limited	335,000	-	-	335,000	-	-	_	_	0.00%	0.00%
Bank Al-Falah Limited	413,500	90,000	-	382,000	121,500	2,331,834	3,246,480	914,646	1.93%	0.01%
Bank Al-Habib Limited	211,350	-	12,340	87,944	135,746	3,355,409	5,037,534	1,682,125	2.99%	0.01%
Allied Bank Limited	,	28,000	2,050		30,050	2,535,810	2,912,747	376,937	1.73%	0.00%
Soneri Bank Limited	125,500	_	_	125,500	-	-	_	-	0.00%	0.00%
Meezan Bank Limited	57,165	64,000		,	121,165	4,089,300	4,792,076	702,776	2.85%	0.01%
Faysal Bank Limited	-	245,000	_	_	245,000	3,142,250	3,439,800	297,550	2.04%	0.02%
Habib Bank Limited	_	12,000	1,200	_	13,200	2,183,417	2,300,892	117,475	1.37%	0.00%
Habib Metropolitan Bank	_	50,000	-,	_	50,000	1,300,000	1,334,500	34,500	0.79%	0.00%
National Bank of Pakistan	7,425	-	_	7,400	25	1,028	1,352	324	0.00%	0.00%
United Bank Limited	33,700	43,000	_	48,800	27,900	3,428,673	4,515,057	1,086,384	2.68%	0.00%
Cinica Baint Eminea	33,700	15,000		10,000	27,500	22,367,721	27,580,438	5,212,717	16.38%	0.0070
Non life insurance						,_,	_,,,,,,,,,	-,,		
Pakistan Reinsurance Company Limited	142,000	-	_	_	142,000	3,355,460	4,718,660	1,363,200	2.80%	0.05%
	,,,,,				, , , , ,	3,355,460	4,718,660	1,363,200	2.80%	
Total					,	133,064,011	158,483,799	25,419,788	91.57%	
Total					:	133,004,011	130,403,777	23,417,700	71.5770	
									Tota	l
									(Un-Audited)	(Audited)
									March 31, 2014	June 30, 2013
									(Rupe	es)
Market value									158,483,799	111,486,104

^{*} The above includes shares with a market value aggregating to Rs.2.659 million (June 2013: Rs.3.083 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in terms of Circular no. 11 dated October 23, 2007 issued by the Securities and Exchange Commission of Pakistan.

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

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

Chief Executive Officer

Director

Pakistan Pension Fund

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CONDENSED INTERIM STATEMENT OF INVESTMENTS PORTFOLIO AS AT MARCH 31, 2014

EQUITY SUB FUND LISTED SHARES 'AVAILABLE FOR SALE' INVESTMENTS

		Number of shares					s at March 31,	2014		
Name of the Investee Company	As at July 01, 2013	Purchases during the period	Bonus / Right issue during the period	Sales during the period	As at March 31, 2014	Cost	Market value	Appreciation / (Diminution)	Market value as a % of net assets of the sub-fund	% of the issued capital of the investee company
							(Rupees)		%	%
Oil and gas										
Attock Petroleum Limited	346	-	69	415	-	-	-	-	0.00%	0.00%
Pakistan Oilfields Limited	4,354	-	- 207	4,354	-	-	-	-	-	-
Pakistan Petroleum Limited	12,436	-	387	12,823				-	0.00%	0.00%
Forestry and paper						-	-	-	0.00%	
Security Papers Limited	45,760	-	9,152	-	54,912		3,657,139	1,916,319		11.12%
						1,740,820	3,657,139	1,916,319	2.17%	
Construction and materials Lucky Cement Limited	14,954	-	-	14,954	-	-		-		-
Electricity Hub Power Company Limited	24,145	-	-	24,145		- -	- -	- -	0.00%	0.00%
Banks										
Bank Al-Habib Limited	36,556	-	-	36,556	-	-	-	-	-	-
Meezan Bank Limited	53,955	-	-	5,500	48,455	542,350	1,916,395	1,374,045	1.14%	0.54%
					•	542,350	1,916,395	1,374,045	1.14%	
Total						2,283,170	5,573,534	3,290,364	3.31%	
									(Un-Audited) March 31, 2014	(Audited) June 30, 2013 ees)

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

Market value

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

Chief Executive Officer

Director

5,573,534

15,239,713

CONDENSED INTERIM STATEMENT OF OTHER INVESTMENTS AS AT MARCH 31, 2014

DEBT SUB-FUND

INVESTMENTS 'AT FAIR VALUE THROUGH PROFIT OR LOSS'

		Face	value		As	at March 31, 20	114	
			Sales/					Market value as
		Purchases	maturities					a % of net asset
	As at July	during the	during the	As at March				of the sub -
Name of Investment	01, 2013	period	period	31, 2014	Carrying value	Market value	Appreciation	fund
				(Rupees)				
Pakistan investment bonds	51,000,000	-	50,000,000	1,000,000	992,489	998,007	5,518	0.50%
Pakistan investment bonds	-	80,000,000	-	80,000,000	78,783,641	80,398,480	1,614,839	40.19%
Treasury bills	87,400,000	372,102,400	459,502,400	-	-	-	-	0.00%
	138,400,000	452,102,400	509,502,400	81,000,000	79,776,130	81,396,487	1,620,357	
Number of	Certificates		As	at March 31, 2	014	Market value	Market value	

							- ,		man kee value	market value	
				Sales/					as a	as a	Percentage in
		As at		matured					percentage of	percentage of	relation to the
		July 1,	Purchases during	during the	As at March	Carrying			net asset of	total	total size of the
Name of Investment	Issue Date	2013	the period	period	31, 2014	value	Market value	Appreciation	the sub - fund	investments	issue
			Number of	f Certificates -			(Rupees)			%	
Term Finance Certificates (TFCs)			Number of	f Certificates -			(Rupees)			%	

Standard Chartered Bank-1FC	29-Jun-12	1,400	-	-	1,400	0,954,500	/,028,/00	/4,200	3.51%	3.49%	0.35%
Total	_	1,400	-	-	1,400	6,954,500	7,028,700	74,200	3.51%	3.49%	· =

Market Value of government securities Market Value of TFCs and Sukuk bonds

 81,396,487
 137,118,825

 7,028,700
 6,954,500

 88,425,187
 144,073,325

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

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

Chief Executive Officer

CONDENSED INTERIM STATEMENT OF OTHER INVESTMENTS AS AT MARCH 31, 2014

DEBT SUB-FUND
'AVAILABLE-FOR-SALE' INVESTMENTS

		Face value				As at March 31, 2014			
			Sales/					Market value	
		Purchases	maturities					as a % of net	
	As at July 01,	during the	during the	As at March			Appreciation /	asset of the	
Name of Investment	2013	period	period	31, 2014	Cost	Market value	(Diminution)	sub - fund	
				(Rupees) -					
Pakistan investment bonds	10,000,000	-	5,000,000	5,000,000	4,930,724	5,096,695	165,971	2.55%	
Pakistan investment bonds	-	95,000,000	-	95,000,000	93,573,385	93,621,645	48,260	46.80%	
Government Ijarah Sukuk (3 years)	5,000,000	-	-	5,000,000	5,062,825	5,025,500	(37,325)	2.51%	
	15,000,000	95,000,000	5,000,000	105,000,000	103,566,934	103,743,840	176,906	•	

			Number of	Certificates		I	As at March 31, 2	2014			
									Market value		
				Sales/						Market value as	
			Purchases	matured						a percentage of	
		As at July 01,	during the	during the	As at March			I I	net asset of the	total	total size of the
Name of Investment	Issue Date	2013	period	period	31, 2014	Cost	Market value	(Diminution)	sub - fund	investments	issue
			Number of	Certificates			(Rupees)			· %	
Term Finance Certificates (TFCs)											
Bank Alfalah TFC-IV (Floating)	2-Dec-09	500	-	-	500	2,497,249	2,681,223	183,974	1.34%	1.33%	0.05%
Sukuk Bonds Pak Elektron Limited -											
SUKUK (28-09-2007)	8-May-08	750	-	-	750	804,614	-	(804,614)	-	-	-
Total		1,250	-	-	1,250	3,301,863	2,681,223	(620,640)	1.34%	1.33%	-

Market Value of government securities Market Value of TFCs and Sukuk bonds 103,743,840 15,503,630 2,681,223 2,624,217 106,425,063 18,127,847

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

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

Chief Executive Officer

CONDENSED INTERIM STATEMENT OF OTHER INVESTMENTS AS AT MARCH 31, 2014

MONEY MARKET SUBFUND

INVESTMENTS 'AT FAIR VALUE THROUGH PROFIT OR LOSS'

		Face v	alue		As a	nt March 31, 201	4	
			Sales/					
		Purchases	maturities					Market value as
	As at July 1,	during the	during the	As at March			Appreciation /	a % of net asset
Name of Investment	2013	period	period	31, 2014	Book value	Market value	(Dimunition)	of the sub fund
				(F	Rupees)			
'At fair value through profit or loss	s'							
Treasury bills	112,250,000	265,791,082	252,041,082	126,000,000	124,130,100	124,082,270	(47,830)	99.37%
	112,250,000	265,791,082	252,041,082	126,000,000	124,130,100	124,082,270	(47,830)	<u>.</u>

----- Total ----- (Un-Audited) (Audited)

March 31, 2014 June 30, 2013 ----- (Rupees) -----

Market value <u>124,082,270</u> 110,264,122

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

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

Chief Executive Officer

Director

Pakistan Pension Fund

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CONDENSED INTERIM CONTRIBUTION TABLE (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2014

		Nine months ended March 31, 2014								
Contributions net of		Equity sub fund		Debt sub fund		ket sub fund		Nine months ended March		
front end fee	Units	Rupees	Units	Rupees	Units	Rupees	Total	31, 2013		
		-	*			-	(Ru)	pees)		
Opening balance	683,253	63,815,403	1,060,373	134,160,840	670,540	83,291,602	281,267,845	218,419,308		
Individuals - issue of units	112,808	24,689,465	233,102	38,710,334	108,403	18,630,518	82,030,317	51,279,150		
- redemption of units	(110,870)	(23,906,042)	(137,314)	(22,860,711)	(72,557)	(12,562,928)	(59,329,681)	(33,383,472)		
	1,938	783,423	95,788	15,849,623	35,846	6,067,590	22,700,636	17,895,678		
Closing balance	685,191	64,598,826	1,156,161	150,010,463	706,386	89,359,192	303,968,481	236,314,986		

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

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

Chief Executive Officer

CONDENSED INTERIM CONTRIBUTION TABLE (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2014

			Quarter e	nded March 31	, 2014			
Contributions net of	Equity s	ub fund	Debt su	ıb fund	Money marl	ket sub fund		Quarter ended March 31,
front end fee	Units	Rupees	Units	Rupees	Units	Rupees	Total	2013
·			·				(Ruj	oees)
Opening balance	667,158	59,951,997	1,116,845	143,383,772	717,069	91,227,972	294,563,741	219,948,460
Individuals - issue of units	57,895	13,763,134	77,018	13,059,122	26,258	4,598,008	31,420,264	22,691,034
- redemption of units	(39,862)	(9,116,305)	(37,702)	(6,432,431)	(36,941)	(6,466,788)	(22,015,524)	(6,324,508)
	18,033	4,646,829	39,316	6,626,691	(10,683)	(1,868,780)	9,404,740	16,366,526
Closing balance	685,191	64,598,826	1,156,161	150,010,463	706,386	89,359,192	303,968,481	236,314,986

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

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

Chief Executive Officer

CONDENSED INTERIM STATEMENT OF NUMBER OF UNITS IN ISSUE (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2014

	Nine mon	ths ended March	31, 2014
	Equity sub fund	Debt sub fund No of units	Money market sub fund
s outstanding at the beginning of the period	683,253	1,060,373	670,540
ng the period	112,808	233,102	108,403
emed during the period	(110,870)	(137,314)	(72,557)
at the end of the period	685,191	1,156,161	706,386

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

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

Chief Executive Officer

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CONDENSED INTERIM STATEMENT OF NUMBER OF UNITS IN ISSUE (UN-AUDITED) FOR THE QUARTER ENDED March 31, 2014

	Quart	er ended March	31, 2014
	Equity sub fund 	Debt sub fund No. of units	Money market sub fund
Total units outstanding at the beginning of the period	667,158	1,116,845	717,069
Add: Units issued during the period	57,895	77,018	26,258
Less: Units redeemed during the period	(39,862)	(37,702)	(36,941)
Total units in issue at the end of the period	685,191	1,156,161	706,386

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

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

Chief Executive Officer

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Pakistan Pension Fund (the Fund) was established under a Trust Deed executed between MCB-Arif Habib Savings and Investments Limited (Formerly: Arif Habib Investments Limited) (AHIL) as Pension Fund Manager and Muslim Commercial Financial Services (Private) Limited (MCFSL) as Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on May 24, 2007 and was executed on June 04, 2007 under the Voluntary Pension System Rules, 2005 (VPS Rules). Habib Metropolitan Bank Limited was appointed as the new Trustee in place of MCFSL through a revised Trust Deed dated June 16, 2011 which was approved by SECP on July 07, 2011. The Fund is an open-ended pension fund consisting of three sub-funds namely PPF Equity Sub Fund, PPF Debt Sub Fund and PPF Money Market Sub Fund.
- 1.2 Units are offered for public subscription on a continuous basis. The number of units of any sub-fund purchased out of contributions depends on the allocation scheme selected by the respective participant out of the allocation schemes offered by the Pension Fund Manager.
- 1.3 MCB-Arif Habib Savings and Investments Limited (Formerly: Arif Habib Investments Limited) has been licensed to act as a Pension Fund Manager under VPS Rules through a certificate of registration issued by the SECP. The registered office of the Pension Fund Manager is situated at Technocity Corporate Tower, Hasrat Mohani Road, Karachi, Pakistan.
- 1.4 This condensed interim financial information is presented in Pak Rupees which is the functional and presentation currency of the Fund.
- 1.5 Title to the assets of the Fund is held in the name of Habib Metropolitan Bank Limited as Trustee of the Fund.

2. STATEMENT OF COMPLIANCE

- 2.1 This condensed interim financial information have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the Trust Deed, the VPS Rules and the directives issued by SECP. Wherever, the requirements of the Trust Deed, the VPS Rules or the said directives differ with the requirements of IFRS, the requirements of the Trust Deed, the VPS Rules or the said directives take precedence.
- 2.2 This condensed interim financial information comprise of the condensed interim balance sheet as at December 31, 2013 and the condensed interim income statement, condensed interim cash flow statement, condensed interim statement of movement in participants' sub funds, condensed interim statement of investments by category, condensed interim statement of investment portfolio, condensed interim contribution table, condensed interim statement of number of units in issue and notes forming part thereof. The disclosures made in this condensed interim financial report have, however, been limited based on the requirements of the IAS 34: 'Interim Financial Reporting' and guidelines issued by the SECP for the preparation of the quarterly reports of a pension fund. It does not include all the information and disclosures made in the annual published financial statements and should be read in conjunction with the financial statements for the year ended June 30, 2013. Comparative information of the condensed interim income statement, condensed interim cash flow statement, condensed interim statement of movement in participants' sub funds and condensed interim contribution table for the half year ended December 31, 2013 and the quarter ended December 31, 2013 are un-audited and has been included to facilitate comparison.
- 2.3 This condensed interim financial information is un-audited. However, limited scope review has been performed by the statutory auditors.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the financial statements of the Fund for the year ended June 30, 2013 except as follows:

New and amended standards and interpretations

During the period, following amendments, interpretations and improvements to the accounting standards became effective:

Standard, i	nterpretation or amendment	Effective date (accounting periods beginning on or after)
IFRS 7 –	Presentation of Financial Statements – Presentation of items of comprehensive income Amendments enhancing disclosures about offsetting of financial assets and financial liabilities	January 01, 2013
IAS 19 –	Employee Benefits – (Revised)	January 01, 2013
IFRIC 20 –	Stripping Costs in the Production Phase of a Surface Mine	January 01, 2013

The adoption of the above standards, amendments / improvements and interpretations does not have any effect on the financial statements.

4. FINANCIAL RISK MANAGEMENT

5.

The Fund's risk management objectives and policies are consistent with those objectives and policies which were disclosed in the audited financial statements of the Fund for the year ended June 30, 2013.

		(Un-audited) As at March 31, 2014							
	Equity sub fund	Money Debt market sub sub fund fund		Total	(Audited) As at June 30, 2013				
BALANCES WITH BANKS			(Ru	pees)					
DALANCES WITH DANKS									
Saving accounts	2,058,880	1,650,390	1,485,849	5,195,119	6,308,019				
	2,058,880	1,650,390	1,485,849	5,195,119	6,308,019				

Saving accounts with banks carry interest at the rates ranging from 6.50% to 7.25% (June 30, 2013: 8%) per annum.

		(Un-audited)					
		As at March 31, 2014					
				Money		(Audited)	
		Equity	Debt	market sub	Total	As at June 30,	
		sub fund	sub fund	fund (Ru	Total	2013	
6.	DEPOSITS AND OTHER RECEIVABLES Considered good				r /		
	Security deposit - Central Depository Company of Pakistan	200,000	200,000	100,000	500,000	500,000	
	 National Clearing Company of Pakistan Limited 	2,500,000	_	_	2,500,000	2,500,000	
	Receivable from Sub funds	-,200,000	_	_	-	7,382,036	
	Others	4,950	-	-	4,950	6,097	
		2,704,950	200,000	100,000	3,004,950	10,388,133	
		(Un-audited)					
			ch 31, 2014				
		-		Money		(Audited)	
		Equity	Debt	market sub		As at June 30,	
		sub fund	sub fund	fund (Ru	Total pees)	2013	
7.	PAYABLE TO PENSION FUND MANAGER			(IXII	pees)		
	Remuneration payable to Pension Fund Manager Sindh sales tax payable	206,056	253,669	159,511	619,236	494,395	
	on remuneration of	22.060	40 507	25 522	00.070	70 102	
	Pension Fund Manager	32,969 239,025	40,587 294,256	25,522 185,033	99,078 718,314	79,103 573,498	
			. ,				
		(Un-audited)					
			As at Mar	ch 31, 2014			
				Money		(Audited)	
		Equity sub fund	Debt sub fund	market sub fund	Total	As at June 30, 2013	
		Sub Iuiiu		(Ru			
8.	ACCRUED EXPENSES AND OTHER LIABILITIES						
	Provision for federal excise duty on remuneration of Pension						
	Fund Manager (note 8.1)	322,449	409,786	266,711	998,946	55,535	
	Professional charges payable	47,856	63,020	46,508	157,384	110,658	
	Payable to Sub Funds	-	-	-	-	7,382,036	
	Payable to auditors Workers' Welfare Fund	86,311	116,850	78,062	281,223	374,965	
		1,182,253	312,277	161,490	1,656,020	313,850	
	Payable against redemption	_	_	22.098	22.098	941	
		- 161,706	- 27,476	22,098 326	22,098 189,508	941 81,016	

"The Finance Act 2013 introduced an amendment to Federal Excise Act 2005 where by Federal Excise Duty (FED) has been imposed at the rate of 16% of the services rendered by assets management companies. In this regard, a Constitutional Petition has been filed by certain CISs through their trustees in the Honourable High Court of Sindh (SHC), challenging the levy of Federal Excise Duty on Asset Management Company services after the eighteenth amendment. The SHC in its short order of September 2013 directed the FBR not to take any coercive action against the petitioners pursuant to impugned notices till next date of hearing. In view of uncertainty regarding the applicability of FED on asset management services, the management, as a matter of abundant caution, has decided to retain and continue with the provision of FED and related taxes in this condensed interim financial information aggregating to Rs. 0.999 million as at March 31, 2014. In case the suit is decided against the fund the same would be paid to management company, who will be responsible for submitting the same to authorities. Had the said provision of FED and related taxes were not recorded in the books of account of the Fund, the Net Asset Value (NAV) of the Fund would have been higher by Re.0.47 in respect of equity sub fund, Re.0.35 in respect of debt sub fund and Re.0.38 in respect of money market sub fund.

9. CONTINGENCY

9.1 Contribution to Workers' Welfare Fund

The Finance Act, 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes / mutual funds (CISs) whose income exceeds Rs.0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a constitutional petition has been filed by certain CISs through their trustees in the Honourable High Court of Sindh (the Court), challenging the applicability of WWF to the CISs, which is pending adjudication.

On July 15, 2010, a clarification was issued by the Ministry of Labour and Manpower (the Ministry) which stated that mutual funds are not liable to contribute to WWF on the basis of nature of their income. However on December 14, 2010 the Ministry filed its response against the Constitutional petition requesting the court to dismiss the petition. According to the legal counsel who is handling the case, there is a contradiction between the aforementioned clarification issued by the Ministry and the response filed by the Ministry in Court.

During the year ended June 30, 2012, the Honourable Lahore High Court (LHC) in a constitutional petition relating to the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006, and the Finance Act 2008, has declared the said amendments as unlawful and unconstitutional and struck them down. In March 2013 a larger bench of the Sindh High Court (SHC) in various constitutional petitions declared that amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006, and the Finance Act 2008, do not suffer from any constitutional or legal infirmity.

However, as per the legal counsel, the stay granted to Collective Investment Schemes (CIS) remains intact and the constitutional petitions filed by the CIS to challenge the Workers Welfare Fund contribution have not been affected by SHC judgment.

The Pension Fund Manager as a matter of abundant caution has started making provision effective from May 10, 2013 in view of the afore mentioned developments and uncertainties created by the recent decision by Honorable Sindh High Court. The unrecognised liability for the period from July 01, 2008 to May 09, 2013 amounts to Rs.1.168 million, Rs.0.801 million and Rs.0.592 million for Equity Sub Fund, Debt Sub Fund and Money Market Sub Fund (aggregating to Rs.2.561 million) respectively. Had the provision been made, the net asset value per unit of the fund as at March 31, 2014 would have been lower by Rs.1.71 (June 30, 2013: Rs.1.75), Re.0.69 (June 30, 2013: Re.0.76) and Re.0.84 (June 30, 2013: Re.0.89) for Equity Sub Fund, Debt Sub Fund and Money Market Sub Fund respectively. Moreover, provision against WWF as at March 31, 2014 amounts to Rs.1.182 million, Rs.0.312 million, Rs.0.161 million for Equity Sub Fund, Debt Sub Fund and Money Market Sub Fund respectively.

10. NET UNREALISED (DIMINUTION) / APPRECIATION IN MARKET VALUE OF INVESTMENTS CLASSIFIED AS 'AVAILABLE-FOR-SALE'

	Equity sub fund	Debt sub fund	Money market sub fund	Total	(Audited) As at June 30, 2013
			(R	upees)	
Market value	5,573,534	106,425,063	-	111,998,597	
Average cost	$\frac{(2,283,170)}{3,290,364}$	(106,868,797)	-	(109,151,967) 2,846,630	(26,373,701) 6,993,859
Impairment loss	.,, .	(2).2)		,, ,,,,,	
Opening	-	-	-	-	1,253,225
Charged during the period Derecognised on sale	-	-	-	-	-
of investments	- 11	_	-	-	(1,253,225)
	-	-	-	-	-
	3,290,364	(443,734)		2,846,630	6,993,859
Provision against debt securities					
Opening	- 1	1,510,607	-	1,510,607	366,270
Charged during the period	-	-	-	57,938	1,144,337
Derecognised on sale of investments					
of investments	-	1,510,607	<u> </u>	1,568,545	1,510,607
Net unrealised (appreciation) / diminution in fair value of investments at the beginning of the period	(7,666,070)				, ,
For the period	(7,666,970) (4,376,606)	(1,411,815) (344,942)	<u> </u>	(9,136,723) (4,721,548)	<u>(5,755,911)</u> <u>2,748,555</u>
1 of the period	(4,570,000)	(344,744)		(4,/41,340)	4,140,333

11. REMUNERATION OF PENSION FUND MANAGER

This represents remuneration of the Pension Fund Manager at the rate of 1.5 percent of the average amount of net assets of each sub-fund calculated during the year for determining the prices of units of the sub-funds.

12. TAXATION

The income of the Fund is exempt from tax under clause 57(3)(viii) of Part I of the Second Schedule to the Income Tax Ordinance, 2001.

PAKEARNINGS PER UNIT

Earnings per unit (EPU) for the nine months and quarter ended March 31, 2014 in respect of each sub-fund has been calculated by dividing the net income after taxation of a sub-fund by the weighted average number of units of the sub-fund in circulation during the period, which are given below:

	Nine months ended March 31, 2014			
	(Un-Audited)			
	Equity sub fund	Debt sub fund	Money market sub fund	
Weighted average number of units	679,121	1,114,969	699,407	
Net income after taxation (Rupees)	48,196,702	11,362,462	6,265,038	
Earnings per unit (Rupees)	70.97	10.19	8.96	
Earnings per unit (Nine months ended March 31, 2013) (Rupees)	40.74	11.46	10.30	
	Quarter ended March 31, 20			
		(Un-Audited) -		
	Equity sub fund	Debt sub fund	Money market sub fund	
Weighted average number of units	653,660	1,137,032	711,136	
Net income after taxation (Rupees)	15,281,042	7,251,924	2,190,637	
Earnings per unit (Rupees)	23.38	6.38	3.08	
Earnings per unit (Quarter ended March 31, 2013) (Rupees)	11.46	3.27	3.39	

14. TRANSACTIONS WITH CONNECTED PERSONS

Connected persons include the Pension Fund Manager and MCB Bank Limited being the holding company of the Pension Fund Manager, Habib Metropolitan Bank Limited being the Trustee, other collective investment schemes managed by the Pension Fund Manager as Management Company and directors and key management personnel of the Pension Fund Manager.

Remuneration to the Pension Fund Manager and Trustee are determined in accordance with the provisions of VPS Rules, 2005 and the Trust Deed of the Fund. All other transactions with connected persons are in the normal course of business and are carried out on agreed terms.

Detail of transactions with connected persons during the period and balances with them at period end are as follows:

14.1 Transactions during the period

	(Un-Audited)					
	Nine months ended March 31, 2014			N T*		
	Equity sub fund	Debt sub fund	Money market sub fund (Rupees)	Total	Nine months ended March 31, 2013	
MCB-ARIF HABIB SAVING & INVESTMENTS LIMITED - Pension Fund Manager			(Kupees)			
Remuneration including indirect taxes	2,206,588	2,807,542	1,825,571	6,839,701	3,518,234	
Sales Load	-	-	-	-	29,262	
Redemption of 47,804 units of PPF Equity sub fund (2013: NIL)	11,100,000	-	-	11,100,000	-	
Habib Metropolitan Bank Limited - Trustee						
Remuneration	189,398	241,008	156,719	587,125	431,542	
Mark-up received	230,736	234,086	178,552	643,374	763,580	
Bank charges	2,133	5,881	3,818	11,832	15,235	
Next Capital	-	-	-	-	11,901	
Brokerage*						
Directors and officers						
Issue of 4,513 units of PPF Equity sub fund (2013: 2,454 units)	951,942	_	_	951,942	355,540	
sub fund (2013. 2,434 units)	931,942	-	-	931,942	333,340	
Issue of 12,690 units of PPF Debt sub fund (2013: 36,651 units)	-	2,092,556	-	2,092,556	5,649,355	
Issue of 16,087 units of						
PPF Money Market sub fund (2013: 45,202 units)			2,757,939	2,757,939	7,176,430	
(2013. 43,202 units)	-	-	2,757,939	2,757,939	7,170,430	
Redemption of 12,174 units						
of PPF Equity sub fund (2013: 31,320 units)	2,434,698	_	_	2,434,698	4,220,715	
	2,134,070			2,131,070	1,220,713	
Redemption of 4,412 units of PPF Debt sub fund						
(2013: 51,157 units)	-	723,044	-	723,044	7,857,827	
Redemption of 578 units of						
PPF Money Market						
sub fund (2013: 41,491 units)	-	-	97,317	97,317	6,585,921	
		293		Pakistan P	ension Fund	

	(Un-Audited)				
	Quarter ended March 31, 2014				
	Equity sub fund 	Debt sub fund	Money market sub fund (Rupees)	Total	Quarter ended March 31, 2013
MCB-ARIF HABIB SAVING & INVESTMENTS LIMITED - Pension Fund Manager			(
Remuneration including indirect taxes	774,036	960,257	620,039	2,354,332	1,215,848
Redemption of 14,662 units of PPF Equity sub fund (2013: NIL)	3,600,000	-	-	3,600,000	-
Habib Metropolitan Bank Limited - Trustee					
Mark-up received	89,521	134,597	39,431	263,549	227,464
Remuneration	66,033	81,922	52,901	200,856	147,369
Next Capital Brokerage*	-	-	-	-	2,411
Directors and officers Issue of 948 units of					
PPF Equity sub fund					
(2013: 1,687 units)	221,992	-	-	221,992	247,436
Issue of 1,649 units of					
PPF Debt sub fund (2013: 11,540 units)		278,114		278,114	1,825,074
(2013. 11,540 units)	_	270,114	-	270,114	1,023,074
Issue of 1,872 units of					
PPF Money Market sub fund (2013: 9,864 units)			327,946	327,946	1,611,326
suo fund (2013. 7,004 units)	_	-	327,940	321,940	1,011,520
Redemption of NIL units					
of PPF Equity sub fund					
(2013: 5,814 units)	-	-	-	-	877,601
Redemption of NIL units					
of PPF debt sub fund					
(2013: 10,340 units)	-	-	-	-	1,635,485
Redemption of NIL units					
of PPF Money Market					
sub fund (2013: 6,300 units)	-	-	-	-	1,031,179

14.2 Amounts outstanding as at period / year end

		(Un-Aı	udited)		
	Equity sub fund	As at Marc	Money market sub fund (Rupees)	Total	Audited June 30, 2013
MCB-ARIF HABIB SAVING & INVESTMENTS LIMITED - Pension Fund Manager			(. F)		
Remuneration payable Sindh sales tax payable Investment of 252,196 units as seed capital in each	206,056 32,969	253,669 40,587	159,511 25,522	619,236 99,078	494,395 79,103
sub fund (June 2013: 300,000) Investment of 300,000 units as seed capital in each	61,921,684	-	-	61,921,684	54,646,213
sub fund (June 2013: 300,000)	-	51,912,000	53,034,000	104,946,000	99,573,225
Habib Metropolitan Bank Limited - Trustee Balance with bank Mark-up receivable Remuneration payable	2,058,880 36,026 23,572	1,650,390 45,680 29,020	1,485,849 12,265 18,248	5,195,119 93,971 70,840	6,308,019 61,335 58,070
Directors and Officers Balance as at March 31, 2014 Investment In PPF Equity Sub Fund 29,000 units					
(June 2013: 36,787 units) Investment In PPF Debt Sub Fund 32,534 units	7,120,370	-	-	7,120,370	6,700,752
(June 2013: 24,290 units) Investment In PPF Money Market Sub Fund 28,759 units	-	5,629,683	-	5,629,683	3,979,431
(June, 2013: 13,250 units)	-	-	5,084,016	5,084,016	2,227,060

15. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on 21 April 2014 by the Board of Directorsof the Management Company.

16. GENERAL

Corresponding figures have been rearranged and reclassified wherever necessary, for the purposes of comparison and better presentation. No significant changes to corresponding figures have been made during the period.

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

Chief Executive Officer

Dimentan

Please find us on











by typing: Bachat Ka Doosta Naam

MCB-Arif Habib Savings and Investments Limited (formerly: Arif Habib Investments Limited)

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