



MCB-ARIF HABIB  
Savings and Investments Limited

# ANNUAL REPORT 2020

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



# **ALHAMRA DAILY DIVIDEND 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
<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
<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>Central Depository Company of Pakistan Ltd.</b> CDC House, 99-B, Block 'B' S.M.C.H.S Main Shahra-e-Faisal Karachi Tel: (92-21) 111-111-500 Fax: (92-21) 34326053 Web: www.cdc-pakistan.com	
<b>Bankers</b>	MCB Bank Limited Bank Al-Habib Limited Habib Bank Limited Dubai Islamic Bank Limited Bank Islami Pakistan Limited Silk Bank Limited Faysal Bank Limited	
<b>Auditors</b>	<b>Ernst &amp; Young Ford Rhodes</b> Chartered Accountants Progressive Plaza, Beaumont Road, P.O.Box 15541 Karachi, Sindh-75530, Pakistan.	
<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>	AM2++ Asset Manager Rating assigned by PACRA	

# REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2020

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Dear Investor,

On behalf of the Board of Directors, We are pleased to present **Alhama Daily Dividend Fund** accounts review for the year ended June 30, 2020.

## **Economy and Money Market Review**

FY20 was a tale of two halves as macroeconomic consolidation process which was on track during the first half was seriously disrupted by the Covid'19 pandemic in the second half. Global cases topped 17 million, while more than 650,000 people became the morsel of death as the fatal outbreak continued to spread throughout the world. The pandemic wreaked havoc on the global economy as worldwide lockdowns lowered the overall consumption patterns along with causing massive unemployment. The IMF predicts that the global economy will shrink 4.9% this year, which would be the worst annual contraction after the Second World War.

On the local front, the economy was locked down at a large scale till May as the health infrastructure was overwhelmed with number of cases. As a result of the output gap, the forecasts for economic growth were lowered to -0.4%, compared to earlier growth expectations of 2.4%. Large Scale Manufacturing (LSM) and Services sector had to bear the major brunt resulting from lockdowns. LSM contracted by 10.3% during the first eleven months of FY20. Amongst the major industries, Automobiles and Iron & Steel witnessed a sharp downfall, declining by 44.8% and 17.0% respectively. Textile with the largest weight in LSM, also contracted by 11.0% after global lockdowns put a halt on exports. Moreover, the Agriculture sector also disappointed as the production of major crops (Cotton, Wheat and Sugar) remained well below the target levels.

Fiscal consolidation was seriously disrupted after the lockdowns caused massive shortfall in tax collection. FBR managed to collect PKR 4.0 trillion against the earlier envisaged target of PKR 4.8 trillion. Till Feb 2020, the tax collection was growing at a rate of ~16% YoY, however during the last four months of the fiscal year, the tax collection saw a massive contraction of ~20% YoY which resulted in a huge shortfall. Alongside, government rolled out a social safety program to insulate masses from vulnerabilities posed by lockdown, which resulted in more than desired expenditures. As a result of this, it is expected that fiscal deficit will fall north of 9.0% of GDP.

Lagged impacts of policy action in terms of monetary tightening and exchange rate adjustments continued to bear fruits as reflected in improvement in Balance of Payments position. The current account deficit during the year contracted by ~78% on Year on Year basis to USD 2.8 billion. A major portion of reduction in current account deficit was explained by decline in Imports of goods and services as it compressed by ~19%, translating into a reduction of USD ~12 billion. Remittances also remained resilient as they increased by ~6% during the year to USD 23.1 billion. Foreign Direct Investment (FDI) stood at USD ~2.5 billion, up 75% compared to last year as renewal of Telecom Licenses and onset of power sector projects fetched new investments. Debt related flows from IMF and multilateral institutions also kept the overall financial flows in the positive zone. Pakistan received USD 2.4 billion from IMF and more than USD ~5 billion were disbursed by the multilateral institutions for various programs. Overall, the financial account generated a surplus of USD ~7 billion. As a result, foreign exchange reserves of SBP grew by USD 4.9 billion during the year to close at USD 12.1 billion. While import cover improved from 1.7x to 2.6x, it is still below the accepted global benchmarks. PKR saw a nominal depreciation of 3.2% against USD during the year to close at 168.2.

Average CPI for FY20 clocked in at 10.8%, compared to 6.8% witnessed during the preceding year. Food inflation was prominent during the year averaging at 14.5%, after supply side weakness caused a spike in the prices of some essential commodities and perishable food items. Sugar prices increased by ~29%, while Wheat flour saw an increase of ~16% during the year. Among perishable items, onion and potatoes witnessed a hike of ~70% and ~65% respectively. However, the inflationary pressures have started trending downwards with inflation for June clocking in at 8.6% as lower petroleum prices along with easing food inflation have put a break on overall inflation. Nevertheless, core inflation as measured by Non Food Non Energy was still controlled and averaged 7.9% for the period.

The MPC committee remained proactive throughout the calendar year and reduced the interest rates by record 625 bps to bring the policy rate at 7.0%. Recessionary pressures due to Covid'19 and lower expectation of inflation were the primary drivers behind the unprecedented move. Alongside, the central bank announced various schemes to lessen the burden of financial emergencies in the system. Nearly PKR 650 billion of loans were deferred by commercial banks for one year, while close to PKR 150 billion of loans were restructured.

Yield curve started to slope downward during the first half of FY20 before the monetary easing started, in anticipation of lower inflation. As the pandemic struck during the start of the calendar year and the recessionary pressures became imminent, central bank pursued aggressive monetary easing and reduced the policy rate by cumulative 625 bps in several meetings. As a result the yield curve further shifted downwards during the period. 3Y, 5Y and 10Y bonds eased off by

# REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2020

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632, 577 and 503 bps respectively during the year. The yield curve has again started to slope upwards as the market participants are expecting the interest rates to bottom out.

## FUND PERFORMANCE

During the period, ALHDDF generated a return of 11.86% as compared to a return of 6.33% witnessed by the Benchmark, outperforming the benchmark by 5.53%. The Fund kept its exposure in cash at 86.1% towards the period end.

The Net Assets of the fund as at June 30, 2020 stood at Rs. 3,237 million as compared to Rs.752 million at June 30, 2019. The Net Asset Value (NAV) per unit as at June 30, 2020 was Rs. 100.00.

## Economy & Market – Future Outlook

GDP growth for FY21 is projected at 2.0% by government and various institutions. Pakistan has essentially survived the first wave of pandemic, as number of daily cases (~1K) have reduced to one-sixth of the peak daily cases (~6K) witnessed during early June. While most of the sectors have been opened, few sectors are still virtually closed and operating below the potential capacity. Barring a second wave of Covid, we expect the economy to fully gear up by the second quarter of fiscal year. A potential vaccine by the end of the calendar year will also allow the global activities to fully resume in the next calendar year. With a lower base and various stimulus measures, we expect government to meet the annual target for GDP growth. Monetary stimulus announced by central bank will pave the way to revive the growth in cyclical industries. Moreover, government's construction package will also provide the much needed impetus to demand led growth.

Balance of Payment worries are over for now as current account deficit has adjusted to reasonable level since the policy actions taken by the central government. The fall of international oil prices to USD 40/BBL has come as a blessing in disguise. Global economy has started to recover and the news flow suggests that the exports are gaining momentum. Remittances have also been far above the general expectations and in fact 50% YoY growth in June has surprised everyone. Even accounting for a 10% decline in remittances, the overall situation will remain in comfortable zone. We expect CAD to settle at 1.6% of GDP in the FY21, which can be easily financed via flows from foreign investments and debt flows. Swift continuation of IMF program will be a key prerequisite to keep the financial account in positive zone. With the current scenario, we expect foreign exchange reserves to further increase by USD 2 billion during the next year, which will help alleviate any pressure on currency.

CPI is expected to tone down to an average of ~7.5% during the next year assuming average oil prices of USD 40/BBL. Central bank has already adjusted the policy rate to 7.0% in the wake of lower expected inflation. The inflation trajectory would remain below 7.0% during the first half of the fiscal year due to lower petroleum prices, thus causing the policy rate to remain positive. However, during the second half as the impact of low base resumes, inflation will move above the policy rate, which means that central bank will be prompted to adjust the interest rates under the normal economic scenario. However, a better than expected scenario on the balance of payment side will allow central bank to continue the current policy rate.

Fiscal department will remain an Achilles heel for the government as it is expected to remain north of 7.0%. With limited expected growth in taxes, we believe government will not have much room to provide impetus via public development spending. Alongside, government reliance on borrowing via domestic sources will continue to crowd out private sector investment. In an environment where government muscles have been reined in, the importance of private sector will continue to dominate in reviving the overall economic growth.

From capital market perspective, particularly equities, we are getting a much clearer picture now. As covid curve continues to flatten out, the valuations are catching up with historical norms. Barring a second wave of the virus, we think equities have a lot to offer to the investors. Market cap to GDP ratio is at 17.5%, still at a discount of 33% from its historical average. Similarly, risk premiums are close to 4.0%, compared to historical average of 0.9% signifying decent upside for long term investors. We believe a micro view of sectors and stock will remain more important this year and investment selection should focus on companies which trade at a deep discount to their intrinsic value. Similarly, focus should also revert back to companies that are expected to exhibit stellar earnings growth over the medium term.

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

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2020

### Corporate Governance

The Fund is committed to implement the highest standards of corporate governance. With four (4) Non-Executive Directors, three (3) Independent Directors and one (1) Executive Director on the Board, as governing body of the Management Company, the Board is accountable to the unit holders for good corporate governance.

The Board consists of 1 female and 7 male directors. The details are as under:

Sr. No.	Name	Status	Membership in other Board Committees
1.	Mr. Haroun Rashid	Non-Executive Director	None
2.	Mr. Nasim Beg	Non-Executive Director	(i) Audit Committee; and (ii) HR&R* Committee
3.	Mr. Ahmed Jahangir	Non-Executive Director	(i) Audit Committee; and (ii) HR&R* Committee.
4.	Mr. Kashif A. Habib	Non-Executive Director	Audit Committee
5.	Syed Savail Meekal Hussain	Independent Director	HR&R* Committee
6.	Mr. Mirza Qamar Beg	Independent Director	(i) Audit Committee (Chairman); and (ii) HR&R* Committee (Chairman).
7.	Ms. Mavra Adil Khan	Independent Director	HR&R* Committee
8.	Mr. Muhammad Saqib Saleem	Executive Director	HR&R* Committee

\* HR&R stands for Human Resource and Remuneration

Management is continuing to comply with the provisions of best practices set out in the code of corporate governance particularly with regard to independence of non-executive directors. The Fund remains committed to conduct business in line with listing regulations of Pakistan Stock Exchange, which clearly defined the role and responsibilities of Board of Directors and Management.

The following specific statements are being given to comply with the requirements of the Code of Corporate Governance:

- a. Financial statements present fairly its state of affairs, the results of operations, cash flows and changes in equity.
- b. Proper books of accounts of the Fund have been maintained.
- c. Appropriate accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- d. International Financial Reporting Standards, as applicable in Pakistan, provisions of the Non-Banking Finance Companies (Establishment & Regulations) Rules, 2003, Non-Banking Finance Companies and Notified Entities Regulations, 2008, requirements of the respective Trust Deeds and directives issued by the Securities & Exchange Commission of Pakistan have been followed in the preparation of financial statements.
- e. The system of internal control is sound in design and has been effectively implemented and monitored with ongoing efforts to improve it further.
- f. There are no doubts what so ever upon the Fund's ability to continue as going concern.
- g. There has been no material departure from the best practices of Corporate Governance.
- h. Outstanding statutory payments on account of taxes, duties, levies and charges, if any have been fully disclosed in the financial statements.
- i. The statement as to the value of investments of provident/gratuity and pension fund is not applicable on the Fund but applies to the Management Company; hence no disclosure has been made in the Directors' Report.
- j. As at June 30, 2020, the Company is in compliance with the requirements of Directors' Training Program, as contained in Regulation No. 20 of the Code.

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2020

- k. The detailed pattern of unit holding, as required by NBFC Regulations are enclosed.
- l. The details of attendance of Board of Directors meeting is disclosed in financial statements. Below is the details of committee meetings held during the year ended June 30, 2020:

### 1. Meeting of the Audit Committee.

During the year, eight (8) meetings of the Audit Committee were held. The attendance of each participant is as follows:

Name of Persons	Number of meetings held	Number of meetings		
		Attendance required	Attended	Leave granted
1. Mr. Haroun Rashid (Former Chairman)*	8	5	4	1
2. Mirza Qamar Beg(Chairman)	8	8	8	0
3. Mr. Nasim Beg	8	8	8	0
4. Mr. Ahmed Jahangir	8	8	7	1
5. Mr. Kashif A. Habib	8	3	3	0
6. Syed Savail Meekal Hussain	8	3	3	0

\* Mr. Haroun Rashid ceased to be chairmen/member of the committee effective February 07, 2020.

\*\*Syed Savail Meekal Hussain and Ms. Mavra Adil khan were elected on the Board on February 06, 2020.

### 2. Meeting of the Human Resource and Remuneration Committee.

During the year, four (4) meeting of the Human Resource and Remuneration Committee were held. The attendance of each participant is as follows:

Name of Persons	Number of meetings	Number of meetings		
		Attendance required	Attended	Leave granted
1. Mr. Mirza Qamar Beg	4	4	4	-
2. Mr. Haroun Rashid*	4	4	4	-
3. Mr. Ahmed Jahangir	4	4	4	-
4. Mr. Nasim Beg	4	4	4	-
5. Ms. Mavra Adil Khan**	4	-	-	-
6. Syed Savail Meekal Hussain**	4	-	-	-
7. Mr. Muhammad Saqib Saleem (CEO)	4	4	4	-

\* Mr. Haroun Rashid ceased to be member of the committee effective February 07, 2020.

\*\* Ms. Mavra Adil Khan and Syed Savail Meekal Hussain were appointed members of the committee post elections.

- m. The trades in the Units of the Fund were carried out during the year by Directors, Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Company Secretary, and Chief Internal Auditor of the Management Company and their spouses and minor children.

**REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY  
FOR THE YEAR ENDED JUNE 30, 2020**

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S. No.	Name	Designation	Investment	Redemption	Dividend Distribution
			(Number of Units)		
1	Muhammad Asif Mehdi Rizvi	Chief Financial Officer	296,719.74	300,175.94	1,153.643
2	Muhammad Saqib Saleem	Chief Executive Officer	51,933	52,084.47	552.516

**EXTERNAL AUDITORS**

The fund's external auditors, **Ernst & Young Ford Rhodes Chartered Accountants** have expressed their willingness to continue as the fund auditors for the ensuing year ending June 30, 2021. The audit committee of the Board has recommended reappointment of **Ernst & Young Ford Rhodes Chartered Accountants** as auditors of the fund for the year ending June 30, 2021.

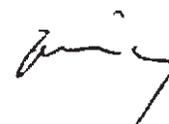
**ACKNOWLEDGMENT**

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

On behalf of Directors,



**Muhammad Saqib Saleem**  
Chief Executive Officer  
August 22, 2020



**Nasim Beg**  
Director / Vice Chairman

## ڈائریکٹرز رپورٹ

اظہار تشکر

بورڈ آف ڈائریکٹرز فنڈ کے گراں قدر سرمایہ کاروں، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور فنڈ کے ٹرسٹیز کی مسلسل معاونت اور پشت پناہی کے لئے شکر گزار ہے۔ علاوہ ازیں، ڈائریکٹرز مینجمنٹ ٹیم کی کوششوں کو بھی خراج تحسین پیش کرتے ہیں۔

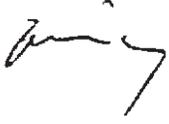
من جانب ڈائریکٹرز،



محمد ثاقب سلیم

چیف ایگزیکٹو آفیسر

22 اگست 2020ء



نیم بیگ

ڈائریکٹر اوپن چیئر مین

## ڈائریکٹرز رپورٹ

### ۲۔ ہیومن ریسورس اینڈ ریویزیون کمیٹی کی میٹنگ

دوران سال ہیومن ریسورس اینڈ ریویزیون کمیٹی کی چار (4) میٹنگ منعقد ہوئیں۔ شرکاء کی حاضری درج ذیل ہے:

میٹنگز کی تعداد		میٹنگز کی تعداد			نام
منظور شدہ رخصت	حاضری	مطلوبہ حاضری	منعقدہ میٹنگز کی تعداد		
-	4	4	4		۱۔ جناب مرزا قمر بیگ
-	4	4	4		۲۔ جناب ہارون رشید*
-	4	4	4		۳۔ جناب احمد جہانگیر
-	4	4	4		۴۔ جناب نسیم بیگ
-	-	-	4		۵۔ محترمہ ماوراء عادل خان**
-	-	-	4		۶۔ سید ساویل میقال حسین**
-	4	4	4		۷۔ جناب محمد ثاقب سلیم (سی ای او)

\* جناب ہارون رشید 07 فروری 2020ء سے کمیٹی کے چیئرمین اراکین نہیں ہیں۔

\*\* محترمہ ماوراء عادل خان اور سید ساویل میقال حسین کی بعد از انتخابات کمیٹی کے رکن کی حیثیت سے تقرری کی گئی۔

m. دوران سال مینجمنٹ کمپنی کے ڈائریکٹرز، چیف ایگزیکٹو آفیسر، چیف آپریٹنگ آفیسر، چیف فنانس انشیل آفیسر، کمپنی سیکرٹری اور چیف انٹرنل آڈیٹر اور ان کے شریک حیات اور چھوٹے بچوں نے فنڈ کے نوٹس کی خرید و فروخت کی۔

نمبر شمار	نام	عہدہ	سرمایہ کاری	واپسی	ڈیویڈنڈ کی تقسیم
نوٹس کی تعداد					
۱	محمد آصف مہدی رضوی	چیف فنانس انشیل آفیسر	296,719.74	300,175.94	1,153.643
۲	محمد ثاقب سلیم	چیف ایگزیکٹو آفیسر	51,933	52,084.47	552.516

### خارجی آڈیٹرز

فنڈ کے خارجی آڈیٹرز ارنسٹ اینڈ یوگ فورڈ رھوڈز چارٹرڈ اکاؤنٹنٹس نے 30 جون 2021ء کو ختم ہونے والے اگلے سال کے لئے فنڈ کے آڈیٹرز کے طور پر کام جاری رکھنے پر رضامندی ظاہر کی ہے۔ بورڈ کی آڈٹ کمیٹی نے 30 جون 2021ء کو ختم ہونے والے سال کے لئے فنڈ کے آڈیٹرز کے طور پر ارنسٹ اینڈ یوگ فورڈ رھوڈز چارٹرڈ اکاؤنٹنٹس کی دوبارہ تقرری کی سفارش کی ہے۔

## ڈائریکٹرز رپورٹ

کوششیں جاری ہیں۔

f. فنڈ کے کاروبار جاری رکھنے کی صلاحیت میں کسی قسم کے کوئی شبہات نہیں ہیں۔

g. کارپوریٹ گورننس کی بہترین روایات سے کوئی قابل ذکر انحراف نہیں ہوا ہے۔

h. واجب الادا ڈیبٹس، ڈیویڈنڈس اور چارجز کو (اگر کوئی ہے تو) مالیاتی گوشواروں میں مکمل طور پر ظاہر کیا گیا ہے۔

i. پراویڈنٹ / گریجویٹ فنڈ اور پینشن فنڈ میں سرمایہ کاریوں کی مالیت کے اسٹیٹمنٹ کا اطلاق فنڈ پر نہیں بلکہ مینجمنٹ کمپنی پر ہوتا ہے، چنانچہ ڈائریکٹرز رپورٹ میں اس حوالے سے کوئی معلومات ظاہر نہیں کی گئی ہیں۔

j. 30 جون 2020ء کو کمپنی کوڈ آف کارپورٹ گورننس کے ریگولیشن نمبر 20 کے مطابق ڈائریکٹرز ٹریڈنگ پروگرام کی شرائط پر تعمیل پیرا ہے۔

k. این بی ایف سی کے قواعد و ضوابط کے تحت مطلوب یونٹ ہولڈنگ کا تفصیلی خاکہ ملحق ہے۔

l. بورڈ آف ڈائریکٹرز کی میٹنگ میں حاضری کی تفصیلات مالیاتی گوشواروں میں ظاہر کی گئی ہیں۔ 30 جون 2020ء کو ختم ہونے والے سال کے دوران ہونے والی کمیٹی میٹنگز کی تفصیلات درج ذیل ہیں:

### ۱۔ آڈٹ کمیٹی کی میٹنگ

دوران سال آڈٹ کمیٹی کی آٹھ (8) میٹنگز منعقد ہوئیں۔ شرکاء کی حاضری درج ذیل ہے:

میٹنگز کی تعداد		میٹنگز کی تعداد		
منظور شدہ رخصت	حاضری	مطلوبہ حاضری	منعقدہ میٹنگز کی تعداد	نام
1	4	5	8	۱۔ جناب ہارون رشید (سابقہ چیئرمین)*
0	8	8	8	۲۔ مرزا محمد قمر بیگ (چیئرمین)
0	8	8	8	۳۔ جناب نسیم بیگ
1	7	8	8	۴۔ جناب احمد جہانگیر
0	3	3	8	۵۔ جناب کاشف اے حبیب
0	3	3	8	۶۔ سید ساویل میکال حسین**

\* جناب ہارون رشید 07 فروری 2020ء سے کمیٹی کے چیئرمین اراکن نہیں ہیں۔

\*\* سید ساویل میکال حسین کا 06 فروری 2020ء کو بورڈ میں انتخاب ہوا۔

## ڈائریکٹرز رپورٹ

دوران سال پہلے ہی کچھ حد تک متوقع مالیاتی تسہیل میں کردار ادا کر چکے ہیں۔ ہم بانڈز کے منافعوں کی موجودہ سطحوں کے حوالے سے محتاط ہیں اور ڈیٹا کے نکات کی نگرانی جاری رکھیں گے تاکہ مواقع سے فائدہ اٹھایا جاسکے۔

### کارپوریٹ گورننس

فنڈ کارپوریٹ گورننس کے اعلیٰ ترین معیارات نافذ کرنے کے لئے پرعزم ہے۔ چار (4 Non) ایگزیکٹو ڈائریکٹرز، تین (3) خود مختار ڈائریکٹرز اور ایک (1) ایگزیکٹو ڈائریکٹر کے ساتھ بورڈ، مینجمنٹ کمپنی کے انتظامی ادارے کی حیثیت سے، عمدہ کارپوریٹ گورننس کے لئے پونٹ ہولڈرز کو جوابدہ ہے۔ بورڈ 1 خاتون اور 7 حضرات ڈائریکٹرز پر مشتمل ہے۔ تفصیلات درج ذیل ہیں:

نمبر شمار	نام	عہدہ	دیگر بورڈ کمیٹیوں میں رکنیت
1.	جناب ہارون رشید	Non ایگزیکٹو ڈائریکٹر	کوئی نہیں
2.	جناب نسیم بیگ	Non ایگزیکٹو ڈائریکٹر	(i) آڈٹ کمیٹی؛ اور (ii) ایچ آر اینڈ آر کمیٹی *
3.	جناب احمد جہانگیر	Non ایگزیکٹو ڈائریکٹر	(i) آڈٹ کمیٹی؛ اور (ii) ایچ آر اینڈ آر کمیٹی *
4.	جناب کاشف اے حبیب	Non ایگزیکٹو ڈائریکٹر	آڈٹ کمیٹی
5.	سید سادیل میکان حسین	خود مختار ڈائریکٹر	ایچ آر اینڈ آر کمیٹی *
6.	جناب مرزا قمر بیگ	خود مختار ڈائریکٹر	(i) آڈٹ کمیٹی (چیئر مین)؛ اور (ii) ایچ آر اینڈ آر کمیٹی * (چیئر مین)
7.	محترمہ ماوراء عادل خان	خود مختار ڈائریکٹر	ایچ آر اینڈ آر کمیٹی *
8.	جناب محمد ثاقب سلیم	ایگزیکٹو ڈائریکٹر	ایچ آر اینڈ آر کمیٹی *

\* ایچ آر اینڈ آر : ہیومن ریسورس اینڈ ریمونیشن

انتظامیہ بہترین طریقوں، خاص طور پر Non ایگزیکٹو ڈائریکٹرز کی خود مختاری کے حوالے سے کارپوریٹ گورننس کے ضابطہء اخلاق کی دفعات کی بدستور تعمیل کر رہی ہے۔ فنڈ پاکستان اسٹاک ایکسچینج کے لسٹنگ قوانین کے مطابق کاروبار جاری رکھنے کے عزم پر قائم ہے جن میں بورڈ آف ڈائریکٹرز اور انتظامیہ کے کردار اور ذمہ داریوں کی وضاحت کی گئی ہے۔

ذیل میں کارپوریٹ گورننس کے ضابطہء اخلاق کی شرائط کی تعمیل کے لئے خصوصی بیانات دیئے جا رہے ہیں:

a. مالیاتی گوشوارے فنڈ کے معاملات کی صورتحال، اس کی سرگرمیوں کے نتائج، نقد کی آمد و رفت اور ایکویٹی میں تبدیلیوں کی منصفانہ عکاسی کرتے ہیں۔

b. فنڈ کی درست بکس آف اکاؤنٹس تیار کی گئی ہیں۔

c. مالیاتی گوشواروں کی تیاری میں درست اکاؤنٹنگ پالیسیوں کا باقاعدگی کے ساتھ اطلاق کیا گیا ہے اور اکاؤنٹنگ تخمینے معقول اور محتاط اندازوں پر مبنی ہیں۔

d. مالیاتی گوشواروں کی تیاری میں بین الاقوامی مالیاتی رپورٹنگ کے معیار (پاکستان میں اطلاق کی حد تک)، نان بینکنگ فنانس کمپنیز (اسٹیلشمنٹ اینڈ ریگولیشنز) 2003ء اور نان بینکنگ فنانس کمپنیز اینڈ نوٹیفائیڈ انٹیلیجنز ریگولیشنز 2008ء کی دفعات، متعلقہ ٹرسٹ ڈیڈز کی شرائط اور سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جاری کردہ ہدایات کی تعمیل کی گئی ہے۔

e. انٹرنل کنٹرول کا نظام مستحکم خطوط پر استوار اور مؤثر انداز میں نافذ کیا گیا ہے اور اس کی مؤثر نگرانی کی جاتی ہے، اور اسے مزید بہتر بنانے کی

## ڈائریکٹرز رپورٹ

سے عالمی سطح پر سرگرمیاں بھی مکمل بحال ہو جائیں گی۔ ہم اُمید کرتے ہیں کہ حکومت کم تر base اور مختلف محرک نہ اقدامات کے ساتھ جی ڈی پی میں ترقی کا سالانہ ہدف حاصل کر سکے گی۔ مرکزی بینک کا اعلان کردہ مالیاتی محرک گردش صنعتوں میں ترقی بحال کرنے کی راہ ہموار کرے گا۔ علاوہ ازیں، حکومت کے تعمیرات سے متعلق پیکیج سے مانگ پر مبنی ترقی کو مطلوبہ محرک حاصل ہوگا۔

ادائیگی کے توازن کی پریشانیوں فی الوقت ختم ہو گئی ہیں کیونکہ کرنٹ اکاؤنٹ خسارہ مرکزی حکومت کے پالیسی اقدامات کے بعد معقول سطح تک آ گیا ہے۔ تیل کی بین الاقوامی قیمتوں کا 40 ڈالر فی بیرل تک کم ہو جانا زحمت کے بھیس میں رحمت ثابت ہوا ہے۔ عالمی معیشت بحال ہونا شروع ہو گئی ہے اور جو خبریں گردش میں ہیں اُن کے مطابق برآمدات میں تیزی آرہی ہے۔ ترسیلات زر بھی عمومی متوقع سطح سے کافی زیادہ ہوئی ہیں، بلکہ ماہ جون میں 50 فیصد YoY ترقی نے سب کو حیران کر دیا ہے۔ ترسیلات زر میں 10 فیصد کمی کو شامل کرنے کے باوجود مجموعی صورتحال قابل قبول رہے گی۔ ہمیں اُمید ہے کہ کرنٹ اکاؤنٹ کا خسارہ مالی سال 2020-21ء میں مجموعی ملکی پیداوار کے 1.6 فیصد پر رُکے گا، اور اس کے لیے غیر ملکی سرمایہ کاریوں اور قرضہ جاتی آمدات سے باسانی رقم فراہم کی جاسکتی ہے۔ مالی اکاؤنٹ کو مثبت حدود میں رکھنے کے لیے آئی ایم ایف پروگراموں کا سبک رفتاری کے ساتھ جاری رہنا کلیدی شرط ہے۔ موجودہ صورتحال میں ہمیں اُمید ہے کہ غیر ملکی زرمبادلہ کے ذخائر میں اگلے سال کے دوران 2 بلین ڈالر کا مزید اضافہ ہوگا جس سے روپے پر کسی قسم کے دباؤ کو ختم کرنے میں مدد ملے گی۔

اگلے سال کے دوران تیل کی قیمتوں کے اوسط 40 فی بی بی ایل کے مفروضے پر صارفی قیمت کے انڈیکس (سی پی آئی) کا متوقع اوسط 7.5 فیصد ہوگا۔ مرکزی بینک نے افراط زر میں متوقع کمی کے تناظر میں پہلے ہی پالیسی شرح میں ترمیم کر کے اسے 7.0 فیصد کر دیا ہے۔ مالی سال کے نصف اول کے دوران افراط زر کی رفتار پٹرولیم کی کم تر قیمتوں کے باعث 7.0 فیصد سے کافی کم رہے گی اور پالیسی شرح کو مثبت رکھنے میں کردار ادا کرے گی۔ تاہم نصف آخر کے دوران چونکہ کم تر base کا اثر بحال ہوگا چنانچہ افراط زر پالیسی شرح سے اوپر جائے گی، جس کا مطلب ہے کہ عمومی معاشی صورتحال کے تحت مرکزی بینک کو انٹریسٹ کی شرحوں میں ترمیم کرنا ہوگی۔ تاہم اگر ادائیگیوں کے توازن کی صورتحال متوقع سے بہتر ہوگئی تو مرکزی بینک موجودہ پالیسی شرح کو جاری رکھ سکے گا۔

مالیاتی محکمہ حکومت کے لیے ڈھکتی رگ بنا رہے گا کیونکہ اس کا 7.0 فیصد کے شمال میں رہنا متوقع ہے۔ ٹیکسوں میں محدود متوقع اضافے کے باعث ہم سمجھتے ہیں کہ حکومت کے پاس عوامی ترقیاتی خرچ کے ذریعے محرک فراہم کرنے کی زیادہ گنجائش نہیں ہوگی۔ ساتھ ساتھ، مقامی ذرائع سے حصول قرض پر حکومتی انحصار سے پرائیویٹ سیکٹر میں سرمایہ کاری متاثر ہوگی۔ حکومت پر بڑھتے ہوئے بوجھ کے ماحول میں مجموعی معاشی ترقی کی تجدید کے لیے پرائیویٹ سیکٹر کی اہمیت بدستور حاوی رہے گی۔

کیپیٹل مارکیٹ، خصوصاً ایکویٹیز، کے نظریے سے ہمیں اب کافی واضح صورتحال نظر آرہی ہے۔ جہاں کووڈ کے خم کے ہموار ہونے کا سلسلہ جاری ہے وہاں valuations بتدریج پرانے رجحانات کے ساتھ ہم آہنگ ہو رہی ہیں۔ وائرس کی دوسری لہر کا سبب باب کرتے ہوئے ہم سمجھتے ہیں کہ ایکویٹیز میں سرمایہ کاروں کے لیے بہت فوائد مضمّن ہیں۔ مارکیٹ کیپیٹلائزیشن کا جی ڈی پی کے ساتھ تناسب 17.5 فیصد ہے، جو اب بھی اپنے پرانے اوسط سے 33 فیصد کم ہے۔ اسی طرح ریسک پریمیم 0.4 فیصد کے قریب ہیں جو اپنے پرانے اوسط 0.9 فیصد کے مقابلے میں طویل المیعاد سرمایہ کاروں کے لیے قابل قبول بہتری ہے۔ ہم سمجھتے ہیں کہ سیکٹرز اور اسٹاک کی خورد تصویر اس سال زیادہ اہم رہے گی اور سرمایہ کاری کے انتخاب کا انحصار ایسی کمپنیوں پر ہونا چاہیے جو اپنی اندرونی قدر میں گہری رعایت پر تجارت کرتی ہیں۔ اسی طرح ایسی کمپنیوں کی طرف بھی توجہ دوبارہ مرکوز ہونی چاہیے جن کی درمیانی مدت کی آمدنی میں زبردست ترقی متوقع ہے۔

Debt حاملین کے لیے ہم توقع کرتے ہیں کہ بازار زر کے فنڈ پالیسی شرحوں کی عکاسی بلا رکاوٹ سال بھر جاری رکھیں گے۔ دوسری جانب حکومتی بانڈز

## ڈائریکٹرز رپورٹ

گئے۔ اگرچہ درآمدات کے cover میں بہتری آئی، یعنی  $1.7x$  سے  $2.6x$ ، لیکن یہ اب بھی مقبول عالمی معیارات سے کم ہے۔ ڈالر کے مقابلے میں روپے کی قدر دوران سال 3.2 فیصد کم ہو کر 168.2 ہو گئی۔

مالی سال 2020ء کے لیے صارفی قیمت کے انڈیکس (سی پی آئی) کا اوسط 10.8 فیصد جبکہ دوران سال گزشتہ 6.8 فیصد تھا۔ دوران سال اشیائے خورد و نوش کا افراط زر نمایاں تھا جس کا اوسط 14.5 فیصد تھا کیونکہ رسد کی جہت میں کمزوری کے باعث کچھ ضروری اشیاء اور جلد خراب ہوجانے والی اشیاء کی قیمتوں میں اضافہ ہو گیا۔ چینی کی قیمتوں میں دوران سال 29 فیصد جبکہ گندم کے آٹے کی قیمت میں 16 فیصد اضافہ ہوا۔ جلد خراب ہوجانے والی اشیاء میں پیاز اور آلو کی قیمتوں میں بالترتیب 70 فیصد اور 65 فیصد اضافہ ہوا۔ تاہم افراط زر کے دباؤ میں کمی آغاز ہو گیا ہے اور جون میں افراط زر 6.8 فیصد تھی کیونکہ پٹرولیم کی کم تر قیمتوں کے ساتھ ساتھ اشیائے خورد و نوش کی افراط زر میں تسہیل سے مجموعی افراط زر کم گئی۔ بہر حال، اہم ترین افراط زر، جس کی پیمائش اشیائے خورد و نوش اور توانائی کے شعبے کے علاوہ ہوتی ہے، پھر بھی محدود تھی اور زیر جائزہ مدت کے لیے اس کا اوسط 7.9 فیصد تھا۔

مانیٹری پالیسی کمیٹی (ایم پی سی) سارا سال متحرک رہی اور اس نے انٹریسٹ کی شرحوں میں 625 بیسیس پوائنٹس (بی پی ایس) کی ریکارڈ کمی کر کے پالیسی کی شرح کو 7.0 فیصد تک پہنچا دیا۔ کووڈ 19 کے باعث مندی کے دباؤ اور افراط زر کی کم تر توقع اس اہم اقدام کے بنیادی اسباب تھے۔ ساتھ ساتھ مرکزی بینک نے نظام میں مالیاتی ہنگامی صورتحال کے بوجھ کو کم کرنے کے لیے مختلف اسکیموں کا اعلان کیا۔ کمرشل بینکوں نے تقریباً 650 بلین روپے کے قرضہ جات ایک سال کے لیے ملتوی کیے، جبکہ تقریباً 150 بلین ڈالر کے قرضہ جات کی تشکیل ہوئی گئی۔

مالی سال 2020ء کے نصف اول کے دوران مالیاتی تسہیل سے قبل کم تر افراط زر کی توقعات کے باعث پیداواری خم میں جھکاؤ آنا شروع ہو گیا۔ سال کے آغاز کے دوران وباء کے سر اٹھانے کے باعث مندی کے دباؤ قریب الورد ہو گئے اور مرکزی بینک نے متحرک انداز میں مالیاتی تسہیل کر کے متعدد میٹنگز میں پالیسی شرح کو 625 بی پی ایس کم کر دیا۔ اس کے نتیجے میں پیداواری خم دوران مدت مزید نیچے ہو گیا۔ تین سالہ، پانچ سالہ اور دس سالہ بانڈ میں دوران سال بالترتیب 632، 577 اور 503 بی پی ایس کی تسہیل ہوئی۔ پیداواری خم دوبارہ بلندی کی طرف جانا شروع ہو گیا ہے کیونکہ بازار کے فریق انٹریسٹ کی شرحوں کے کم ترین سطح تک جانے کی توقع کر رہے ہیں۔

### فنڈ کی کارکردگی

دوران مدت فنڈ نے 11.86 فیصد منافع دیا جو بیچ مارک منافع 6.33 فیصد کے مقابلے میں 5.53 فیصد بہتر کارکردگی تھی۔ فنڈ کی سرمایہ کاری اختتام مدت کے قریب نقد میں 86.1 فیصد تھی۔

30 جون 2020ء کو فنڈ کے net اثاثہ جات 3,237 ملین روپے تھے جبکہ 30 جون 2019ء کو 752 ملین روپے تھے۔

30 جون 2020ء کو net اثاثہ جاتی قدر (این اے وی) فی یونٹ 100.00 روپے تھی۔

### معیشت اور مارکیٹ - مستقبل کا منظر نامہ

حکومت اور مختلف اداروں کے مطابق مالی سال 2020-21ء کے لیے مجموعی ملکی پیداوار (جی ڈی پی) میں متوقع ترقی 2.0 فیصد ہے۔ پاکستان وباء کی پہلی لہر سے نمٹنے میں کامیاب ہوا ہے اور متاثر افراد کی یومیہ تعداد (ایک ہزار) ماہ جون کے اوائل میں بلند ترین یومیہ تعداد (چھ ہزار) کا چھٹا حصہ رہ گئی ہے۔ اگرچہ اکثر شعبے کھول دیئے گئے ہیں لیکن کچھ تاحال بالکل بند ہیں اور کچھ استعداد سے کم کام کر پارہے ہیں۔ کووڈ کی دوسری لہر کا سدباب کرتے ہوئے ہم پُر امید ہیں کہ مالی سال کی دوسری سہ ماہی تک معیشت مکمل بحال ہوجائے گی۔ علاوہ ازیں، متوقع طور پر دسمبر تک ویکسین کے منظر عام پر آجانے سے جنوری

بورڈ آف ڈائریکٹرز کی طرف سے الحراء ڈی وی ڈی فنڈ کے گوشواروں برائے مدتِ مختتمہ 30 جون 2020ء کا جائزہ پیش خدمت ہے۔

### معیشت اور بازار کا مجموعی جائزہ

مالی سال 2020ء کے نصف اول کی صورتحال نصفِ آخر کے حالات سے کافی مختلف تھی۔ گلاں معاشیاتی یکجائی، جو نصف اول میں صحیح راہ پر گامزن تھی، کو وڈ ۱۹ کے باعث نصفِ آخر میں شدید متاثر ہوئی۔ اس قاتل وباء سے جہاں عالمی سطح پر 17 ملین سے زائد افراد متاثر ہوئے اور 650,000 سے زائد لقمہ اجل بنے وہیں عالمی معیشت بھی تباہی سے دوچار ہوئی کیونکہ دُنیا بھر میں لاک ڈاؤن کے باعث صرّنی رجحان میں کمی ہوئی اور بڑے پیمانے پر بے روزگاری پھیلی۔ انٹرنیشنل مانیٹری فنڈ (آئی ایم ایف) کے مطابق اس سال عالمی معیشت 4.9 فیصد سکڑ جائے گی جو دوسری جنگِ عظیم کے بعد ایک سال کے دوران بدترین تنزلی ہے۔

مقامی سطح پر معیشت میں ماہِ مئی تک بڑے پیمانے پر لاک ڈاؤن رہا اور صحتِ عامہ کے شعبے میں متاثر افراد کا دُور رہا۔ ماحصل میں فرق کے نتیجے میں معاشی ترقی میں -0.4 فیصد تک کمی کی پیش گوئی کی گئی بالمتقابل سابقہ متوقع ترقی کے جو 2.4 فیصد تھی۔ بڑے پیمانے کی مینوفیکچرنگ (ایل ایس ایم) اور خدمات کے شعبے لاک ڈاؤن سے سب سے زیادہ متاثر ہوئے۔ ایل ایس ایم مالی سال 2020ء کے پہلے گیارہ ماہ کے دوران 10.3 فیصد سکڑ گیا۔ بڑی صنعتوں میں گاڑیوں اور لوہے اور اسٹیل کی صنعتیں سنگین متاثر ہوئیں اور ان میں بالترتیب 44.8 فیصد اور 17.0 فیصد تنزلی ہوئی۔ ایل ایس ایم کی سب سے بڑی فریق ٹیکسٹائل صنعت بھی عالمی لاک ڈاؤن کے نتیجے میں برآمدات رُک جانے کے باعث 11.0 فیصد سکڑ گئی۔ مزید برآں، زراعت کے شعبے کی کارکردگی بھی مایوس کن رہی کیونکہ اہم فصلوں (کپاس، گندم اور گنا) ہدف سے کافی پست سطح پر رہیں۔

لاک ڈاؤن کے باعث ٹیکس وصولی میں سنگین کمی کے نتیجے میں مالی یکجائی شدید متاثر ہوئی۔ فیڈرل بورڈ آف ریونیو (ایف بی آر) سابقہ متوقع ہدف 4.8 ٹریلین روپے کے مقابلے میں 0.4 ٹریلین روپے جمع کر سکا۔ فروری 2020ء تک ٹیکس وصولی 16 فیصد سال در سال (YoY) کی شرح سے بڑھ رہی تھی، تاہم مالی سال کے آخری چار ماہ کے دوران 20 فیصد YoY کی خطیر شرح سے سکڑ گئی جس کے نتیجے میں شدید کمی پیدا ہو گئی۔ مزید برآں، حکومت نے لاک ڈاؤن سے پیدا ہونے والے خطرات سے عوام کی حفاظت کے مقصد سے ایک سماجی تحفظ کا پروگرام شروع کیا لیکن اس میں مطلوبہ سے زیادہ اخراجات ہو گئے جس کے نتیجے میں مالیاتی خسارے کا مجموعی مُلکی پیداوار (جی ڈی پی) سے 9.0 فیصد زیادہ ہونا متوقع ہے۔

پالیسی اقدام کے سبب رفتار اثرات بحوالہ مالیاتی سختی اور زرمبادلہ کی شرح میں ترمیم کے ثمرات حاصل ہونے کا سلسلہ جاری رہا جس کی عکاسی ادائیگیوں کے توازن کی صورتحال میں بہتری میں ہوئی۔ کرنٹ اکاؤنٹ خسارہ دوران سال 78 فیصد YoY بنیاد پر سکڑ کر 2.8 بلین ڈالر ہو گیا۔ کرنٹ اکاؤنٹ خسارے میں کمی کی بڑی وجہ اشیاء کی درآمدات میں کمی ہے جو 19 فیصد سکڑ گئیں جس کے نتیجے میں 12 بلین ڈالر کی کمی ہوئی۔ ترسیلات زر بھی لچکدار رہیں اور دوران سال 6 فیصد بڑھ کر 23.1 بلین ڈالر ہو گئیں۔ غیر مُلکی براہ راست سرمایہ کاری (ایف ڈی آئی) 2.5 بلین ڈالر کی سطح پر تھی جو سال گزشتہ کے مقابلے میں 75 فیصد زیادہ ہے کیونکہ ٹیلی کام لائسنسوں کی تجدید اور بجلی کے شعبے میں منصوبوں کے آغاز کی بدولت نئی سرمایہ کاریاں آئیں۔ آئی ایم ایف اور کثیر الجہتی اداروں سے قرضوں سے متعلقہ آمدات نے بھی مجموعی مالیاتی آمدات کو مثبت سمت میں قائم رکھا۔ پاکستان کو آئی ایم ایف سے 2.4 بلین روپے موصول ہوئے اور کثیر الجہتی اداروں نے مختلف منصوبوں کے لیے 5 بلین ڈالر سے زائد جاری کیے۔ مجموعی طور پر مالی اکاؤنٹ نے 7 بلین ڈالر منافع حاصل کیا۔ نتیجتاً اسٹیٹ بینک آف پاکستان کے غیر مُلکی زرمبادلہ کے ذخائر دوران سال 4.9 بلین ڈالر بڑھ کر 12.1 بلین ڈالر تک پہنچ

# REPORT OF THE FUND MANAGER FOR THE YEAR ENDED JUNE 30, 2020

## Fund Type and Category

Alhamra Daily Dividend Fund is an Open-End Shariah Compliant (Islamic) Income Scheme.

## Fund Benchmark

The benchmark for ALHDDF is Six (6) months average deposits rates of three (3) A rated Scheduled Islamic Banks or Islamic windows of Conventional Banks as selected by MUFAP

## Investment Objective

The scheme is aimed at meeting investors' short to medium term investment requirements. The scheme seeks to provide investors' a daily dividend through investment in Shariah Compliant instruments.

## Investment Strategy

The Fund shall be subject to such exposure limits as are specified in the Rules, the Regulations and directives issued by SECP from time to time. The Fund will distribute daily dividend to the unit holders, which will be reinvested as agreed upon by the unit holders.

## Manager's Review

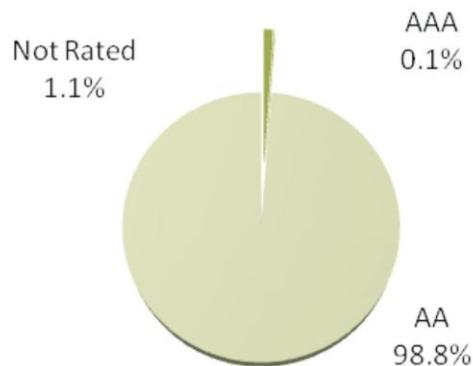
During the period, ALHDDF generated a return of 11.86% as compared to a return of 6.33% witnessed by the Benchmark, outperforming the benchmark by 5.53%. The Fund kept its exposure in cash at 86.1% towards the period end.

The Net Assets of the fund as at June 30, 2020 stood at Rs. 3,237 million as compared to Rs.752 million at June 30, 2019. The Net Asset Value (NAV) per unit as at June 30, 2020 was Rs. 100.00.

### Asset Allocation as on June 30, 2020 (% of total assets)

Asset Allocation (%age of Total Assets)	Jun-20
Cash	86.1%
Commercial Paper	12.8%
Other including receivables	1.1%

### Asset Quality as on June 30, 2020 (% of total assets)



**Syed Mohammad Usama Iqbal**  
Fund Manager

# TRUSTEE REPORT TO THE UNIT HOLDERS

CENTRAL DEPOSITORY COMPANY  
OF PAKISTAN LIMITED

**Head Office**

CDC House, 99-B, Block 'B'  
S.M.C.H.S. Main Shakra-e-Faisal  
Karachi - 74400. Pakistan.  
Tel: (92-21) 111-111-500  
Fax: (92-21) 34326021 - 23  
URL: www.cdcpakistan.com  
Email: info@cdcpak.com



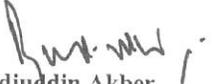
## TRUSTEE REPORT TO THE UNIT HOLDERS

### ALHAMRA DAILY DIVIDEND FUND

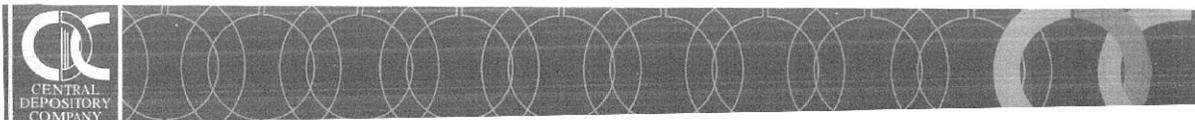
#### Report of the Trustee pursuant to Regulation 41(h) and clause 9 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We Central Depository Company of Pakistan Limited, being the Trustee of Alhamra Daily Dividend Fund (the Fund) are of the opinion that MCB-Arif Habib Savings and Investments Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2020 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

  
**Badiuddin Akber**  
Chief Executive Officer  
Central Depository Company of Pakistan Limited

Karachi: September 17, 2020



## REPORT OF THE SHARIAH ADVISORY BOARD

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Karachi: September 18, 2020

### REPORT OF THE SHARIAH ADVISORY BOARD

Alhamdulillah, We the Shariah Advisory Board of Alhamra Daily Dividend Fund (the Fund), are issuing this report in accordance with the Offering document of the Fund. The scope of the report is to express an opinion on the Shariah compliance of the Fund's activities.

It is the responsibility of M/s MCB Arif Habib Savings and Investments limited (MCBAH), the management company of the fund, to establish and maintain a system of internal controls to ensure compliance with Shariah guidelines. Our responsibility is to express an opinion, based on our review of the representation made by the management, to the extent where such compliance can be objectively verified.

A review is limited primarily to inquire to the Management Company's personnel and review of various documents prepared by the management company to comply with prescribed criteria. In the light of the above, we hereby certify that:

- We have reviewed and approved the modes of investment of ALHDDF in the light of the Shariah guidelines.
- All the provisions of the scheme and investments made on account of ALHDDF by Management Company are Shariah Compliant and in accordance with the criteria established.
- On the basis of information provided by the Management Company, all the operations of ALHDDF for the period from 01 Jul 2019 to June 30, 2020 have been in compliance with Shariah principles.

May Allah bless us with Tawfeeq to accomplish these cherished tasks, make us successful in this world and in the hereafter, and forgive our mistakes.



Dr Muhammad Zubair Usmani



Dr Ejaz Samadani

**For and on behalf of Shariah Advisory Board**

# INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS



EY Ford Rhodes  
Chartered Accountants  
Progressive Plaza, Beaumont Road  
P.O. Box 15541, Karachi 75530  
Pakistan

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## INDEPENDENT AUDITORS' REPORT

### To the Unit holders of Alhamra Daily Dividend Fund

#### Report on the Audit of the Financial Statements

##### Opinion

We have audited the financial statements of **Alhamra Daily Dividend Fund** (the Fund), which comprise the statement of assets and liabilities as at **30 June 2020**, and the income statement, comprehensive income, cash flows statement and movement in unit holders' fund for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, (or give a true and fair view of) the financial position of the Fund as at 30 June 2020, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

##### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the key audit matters:

Key audit matter	How our audit addressed the key audit matter
<b>1. Existence and valuation of bank balances and investments</b>	
As disclosed in note 5 and 6 to the accompanying financial statements of the Fund for the year ended 30 June 2020, the bank balances and investments (comprised of debt instruments) held by the Fund represent 99% of the total assets of the Fund as at the year end.	We performed a combination of audit procedures focusing on the existence and valuation of bank balances and investments. Our key procedures included the following: <ul style="list-style-type: none"><li>- We obtained independent confirmations for verifying the existence of the bank balances as at 30 June 2020 and reconciled it with the books and records of the Fund.</li><li>- We tested controls over acquisition, disposals and periodic valuation of investments portfolio.</li></ul>

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# INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS



-: 2 :-

Key audit matter	How our audit addressed the key audit matter
<p>In view of the significance of bank balances and investment in relation to the total assets and the Net Assets Value (NAV) of the Fund, we have considered the existence and valuation of such bank balances and investments as a key audit matter.</p>	<ul style="list-style-type: none"> <li>- We performed substantive audit procedures on year-end balance of portfolio including review of custodian's statement and related reconciliations and valuations on such investments in accordance with the accounting policy of the Fund as mentioned in note 4.</li> <li>- We evaluated the appropriateness of the classification of the investments in accordance with the requirements of IFRS 9 and the valuations in accordance with the requirements of Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations).</li> <li>- We assessed the Fund's compliance with the requirements of the Regulations in relation to the concentration of investments and exposure limits prescribed in such Regulations and the applicability of disclosures in this regard.</li> <li>- We also evaluated the adequacy of the overall disclosures in the financial statements in respect of the investment portfolio in accordance with the requirements of the Regulations and applicable financial reporting standards.</li> </ul>

## Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

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# INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS

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The Board of Directors are responsible for overseeing the Fund's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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# INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS

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From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

In our opinion, the financial statements have been prepared in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and the Non-Banking Finance Companies and Notified Entities Regulation, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Shaikh Ahmed Salman.

A handwritten signature in black ink, appearing to read 'Shaikh Ahmed Salman', with a long horizontal stroke extending to the right.

**Chartered Accountants**

**Date:** 18 September 2020

**Karachi**

**STATEMENT OF ASSETS AND LIABILITIES  
AS AT JUNE 30, 2020**

	Note	June 30, 2020 ----- (Rupees in '000) -----	June 30, 2019 -----
<b>ASSETS</b>			
Balances with banks	5	2,796,317	693,201
Investments	6	416,514	44,139
Mark-up, advance and other receivables	7	33,580	16,839
<b>Total assets</b>		<b>3,246,411</b>	<b>754,179</b>
<b>LIABILITIES</b>			
Payable to the Management Company	8	3,195	1,177
Accrued expenses and other liabilities	9	5,624	929
Dividend payable		691	196
<b>Total liabilities</b>		<b>9,510</b>	<b>2,302</b>
<b>NET ASSETS</b>		<b>3,236,901</b>	<b>751,877</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<b>3,236,901</b>	<b>751,877</b>
<b>Contingencies and commitments</b>	10		
		----- (Number of units) -----	
<b>NUMBER OF UNITS IN ISSUE</b>		<b>32,369,025</b>	<b>7,518,780</b>
		----- (Rupees) -----	
<b>NET ASSET VALUE PER UNIT</b>		<b>100.00</b>	<b>100.00</b>

The annexed notes from 1 to 20 form an integral part of these financial statements.

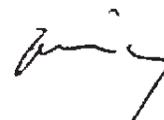
For MCB-Arif Habib Savings and Investments Limited  
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**INCOME STATEMENT  
FOR THE YEAR ENDED JUNE 30, 2020**

	Note	June 30, 2020 ----- (Rupees in '000) -----	June 30, 2019
<b>INCOME</b>			
Mark-up on:			
balances with banks		196,783	33,292
investments		20,827	1,953
<b>Total income</b>		<b>217,610</b>	<b>35,245</b>
<b>EXPENSES</b>			
Remuneration of the Management Company	8.1	6,765	4,850
Sindh sales tax on remuneration of the Management Company	8.2	880	621
Back office operation expense		1,753	-
Marketing and selling expense		5,616	-
Provision for Sindh Workers' Welfare Fund (SWWF)		4,052	595
<b>Total expenses</b>		<b>19,066</b>	<b>6,066</b>
<b>Net income for the year before taxation</b>		<b>198,544</b>	<b>29,179</b>
Taxation	11	-	-
<b>Net income for the year</b>		<b>198,544</b>	<b>29,179</b>
<i>Allocation of net income for the year:</i>			
Net income for the year		198,544	29,179
Income paid on units redeemed		-	-
		<b>198,544</b>	<b>29,179</b>
<i>Accounting income available for distribution:</i>			
- Relating to capital gains		-	-
- Excluding capital gains		198,544	29,179
		<b>198,544</b>	<b>29,179</b>

The annexed notes from 1 to 20 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

**STATEMENT OF OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED JUNE 30, 2020**

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	June 30, 2020	June 30, 2019
	----- (Rupees in '000) -----	
Net income for the year after taxation	198,544	29,179
Other comprehensive income for the year	-	-
<b>Total comprehensive income for the year</b>	<u><u>198,544</u></u>	<u><u>29,179</u></u>

The annexed notes from 1 to 20 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

## STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS FOR THE YEAR ENDED JUNE 30, 2020

	June 30, 2020			June 30, 2019		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	----- (Rupees in '000) -----					
<b>Net assets at beginning of the year</b>	751,877	-	751,877	501,750	-	501,750
Issue of 106,817,609 (2019: 18,872,750) units:						
- Capital value (at net assets value per unit at beginning of the year)	10,681,760	-	10,681,760	1,887,275	-	1,887,275
- Element of income	-	-	-	-	-	-
	10,681,760	-	10,681,760	1,887,275	-	1,887,275
Redemption of 81,967,364 (2019: 16,371,468) units:						
- Capital value (at net assets value per unit at beginning of the year)	(8,196,736)	-	(8,196,736)	(1,637,148)	-	(1,637,148)
- Amount paid out of element of income	-	-	-	-	-	-
	(8,196,736)	-	(8,196,736)	(1,637,148)	-	(1,637,148)
Total comprehensive income for the year	-	198,544	198,544	-	29,179	29,179
Distribution during the year	-	(198,544)	(198,544)	-	(29,179)	(29,179)
Net income for the year less distribution	-	-	-	-	-	-
<b>Net assets at end of the year</b>	<b>3,236,901</b>	<b>-</b>	<b>3,236,901</b>	<b>751,877</b>	<b>-</b>	<b>751,877</b>
<b>Undistributed income brought forward comprising of:</b>						
- Realised	-			-		
- Unrealised	-			-		
Accounting income available for distribution:						
- Relating to capital gains	-			-		
- Excluding capital gains	198,544			29,179		
	198,544			29,179		
Distribution during the year		(198,544)			(29,179)	
<b>Undistributed income carried forward</b>		<b>-</b>			<b>-</b>	
<b>Undistributed income carried forward comprising of:</b>						
- Realised	-			-		
- Unrealised	-			-		
	-			-		
			(Rupees)			(Rupees)
<b>Net assets value per unit at beginning of the year</b>			<b>100.00</b>			<b>100.00</b>
<b>Net assets value per unit at end of the year</b>			<b>100.00</b>			<b>100.00</b>

The annexed notes from 1 to 20 form an integral part of these financial statements.

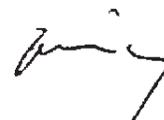
For MCB-Arif Habib Savings and Investments Limited  
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED JUNE 30, 2020**

	<b>June 30, 2020</b>	<b>June 30, 2019</b>
	----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the year before taxation	198,544	29,179
<b>Adjustments for:</b>		
Provision for Sindh Workers' Welfare Fund (SWWF)	4,052	595
Investment income	(20,827)	(1,668)
	181,769	28,106
<b>Increase in assets</b>		
Mark-up, advance and other receivables	(16,741)	(15,054)
<b>Increase in liabilities</b>		
Payable to the Management Company	2,018	979
Accrued expenses and other liabilities	643	264
	2,661	1,243
<b>Net cash generated from operating activities</b>	<b>167,689</b>	<b>14,295</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of investments	(351,548)	(42,471)
Net cash used in investing activities	(351,548)	(42,471)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net receipts against issuance of units	10,681,760	1,887,275
Net payments against redemption of units	(8,196,736)	(1,637,148)
Cash distribution	(198,049)	(29,080)
<b>Net cash generated from financing activities</b>	<b>2,286,975</b>	<b>221,047</b>
<b>Net increase in cash and cash equivalents during the year</b>	<b>2,103,116</b>	<b>192,871</b>
Cash and cash equivalents at beginning of the year	693,201	500,330
<b>Cash and cash equivalents at end of the year</b>	<b>2,796,317</b>	<b>693,201</b>

The annexed notes from 1 to 20 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 FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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## 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Alhamra Daily Dividend Fund (the Fund) was established through a Trust Deed executed between MCB-Arif Habib Savings and Investments Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on August 07, 2017 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on July 30, 2017 in accordance with Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules).
- 1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non Banking Finance Companies (Establishment and Regulations) Rules 2003 through a certificate of registration issued by the SECP. The registered office of the Management Company has been changed from 24th Floor, Centre Point, Off Shaheed-e-Millat Expressway, Near KPT Interchange, Karachi to 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.3 The Fund is an open-end mutual fund and has been categorised as "Shariah Compliant Income Scheme" by the Board of Directors of the Management Company and offers units for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering to the Fund.
- 1.4 The Fund shall primarily invest in shariah compliant money market investment and debt securities having good credit rating and liquidity.
- 1.5 The Pakistan Credit Rating Agency (PACRA) Limited has assigned Management quality rating of 'AM2++' dated October 8, 2019 to the Management Company and AA-(f) to the Fund in its rating report dated May 06, 2020.
- 1.6 Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited (CDC) as Trustee of the Fund.

## 2. STATEMENT OF COMPLIANCE

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- The NBFC rules, the Non-Banking Finance Companies, Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of 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 IFRS Standards, 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 FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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## 3. BASIS OF PREPARATION

### 3.1 Accounting convention

These financial statements have been prepared under the historical cost convention except for investments which are measured at fair value.

### 3.2 Critical accounting estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis.

### 3.3 Functional and presentation currency

These financial statements are presented in Pakistani Rupee which is the Fund's functional and presentation currency.

## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial years.

### 4.1 New / Revised Standards, Interpretations and Amendments

The Fund has adopted the following accounting standard and the amendments and interpretation of IFRSs which became effective for the current year:

IFRS 16 – Leases

IFRIC 23 – Uncertainty over Income Tax Treatments

IFRS 3 – Business Combinations – Previously held interests in a joint operation

IFRS 9 – Financial instruments – Prepayment Features with Negative Compensation (Amendments)

IAS 28 – Long-term Interests in Associates and Joint Ventures (Amendments)

IFRS 11 – Joint Arrangements – Previously held interests in a joint operation

IAS 12 Income Taxes – Income tax consequences of payments on financial instruments classified as equity

IAS 23 – Borrowing Costs - Borrowing costs eligible for capitalisation

IAS 19 – Employee Benefits – Plan Amendment, Curtailment or Settlement (Amendments)

IFRS 14 – Regulatory Deferral Accounts

In addition to the above standards and amendments, improvements to various accounting standards have also been issued by the IASB in December 2017 which became effective in the current period.

The adoption of the above standards, amendments and improvements to accounting standards and interpretations did not have any material effect on the financial statements.

### 4.2 Standards, interpretations and amendments to approved accounting standards that are not yet effective

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

<b>Standard or Interpretation</b>	<b>Effective date (annual periods beginning on or after)</b>
Definition of a Business - Amendments to IFRS 3	January 01, 2020
Interest rate benchmark reform - Amendment to IFRS 9, IAS 39 and IFRS 7	January 01, 2020
Definition of Material – Amendments to IAS 1 and IAS 8	January 01, 2020
Covid-19-Related Rent Concessions – Amendment to IFRS 16	June 01, 2020
Property, Plant and Equipment: Proceeds before Intended Use – - Amendments to IAS 16	January 01, 2020
Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37	January 01, 2020
Classification of liabilities as current or non-current - Amendment to IAS 1	January 01, 2022
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28	Not yet finalized

The above standards and amendments are not expected to have any material impact on the Fund's financial statements in the period of initial application.

The IASB has also issued the revised Conceptual Framework for Financial Reporting (the Conceptual Framework) in March 2018 which is effective for annual periods beginning on or after January 01, 2020 for preparers of financial statements who develop accounting policies based on the Conceptual Framework. The revised Conceptual Framework is not a standard, and none of the concepts override those in any standard or any requirements in a standard. The purpose of the Conceptual Framework is to assist IASB in developing standards, to help preparers develop consistent accounting policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

<b>Standards</b>	<b>IASB Effective date (annual periods beginning on or after)</b>
IFRS 1 - First-time Adoption of International Financial Reporting Standards	July 01, 2009
IFRS 17 – Insurance Contracts	January 01, 2023

## 4.3 Financial assets

### 4.4.1 Classification

#### Debt instruments

A debt instrument is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at fair value through other comprehensive income only if it meets both of the following conditions and is not designated as at fair value through profit or loss:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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A debt instrument held for trading purposes is classified as measured at FVTPL.

In addition, on initial recognition, the Fund may irrevocably designate a debt instrument that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

### **Business model assessment**

The Fund determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Fund's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- The objectives for the portfolio, in particular, whether management's strategy focuses on earning contractual revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realizing cash flows through the sale of the assets;
- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Fund's original expectations, the Fund does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

### **Assessments whether contractual cash flows are solely payments of principal and interest (SPPI)**

As a second step of its classification process the Fund assesses the contractual terms of financial to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium / discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Fund applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

### **Initial Measurement**

Investments are initially measured at their fair value except in the case of financial assets recorded at FVTPL, transaction costs are added to, or subtracted from, this amount.

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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## **Subsequent Measurement**

### **Debt instruments at fair value through profit or loss**

After initial measurement, such debt instruments are subsequently measured at FVTPL.

### **Impairment of financial assets**

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized.

However, SECP through its SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 have deferred the applicability of above impairment requirements in relation to debt securities for mutual funds and accordingly, basis defined in Circular No. 33 of 2012 dated, October 24, 2012 will be followed.

## **4.4 Derecognition**

The Fund derecognises a financial asset when the contractual right to the cash flows from the financial asset expires or it transfers the right to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

## **4.5 Offsetting of financial assets and liabilities**

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

## **4.6 Accrued expenses and other liabilities**

Accrued expenses and other liabilities are recognised initially at fair value and subsequently stated at amortised cost.

## **4.7 Provisions**

Provisions are recognised when the Fund has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

## **4.8 Other assets**

Other assets are stated at cost less impairment losses, if any.

## **4.10 Taxation**

### **Current**

The Fund's income is exempt from Income Tax as per Clause 99 of Part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders. 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.

### **Deferred**

The Fund provides for deferred taxation using the balance sheet liability method on all major temporary differences between the amounts used for financial reporting purposes and amounts used for taxation purposes. In addition, the Fund also records deferred tax asset on unutilized tax losses to the extent that it is no longer probable that the related tax benefit will be realized. However, the Fund has not recognized any amount in respect of deferred tax in these financial statements as the Fund and intends to continue availing the tax exemption in future years as well by distributing at least ninety percent of its accounting income for the year as reduced by capital gains, whether realized or unrealised, to its unit holders every year.

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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### 4.11 Earnings per unit

Earnings per unit (EPU) has not been disclosed as in the opinion of the management determination of weighted average units for calculating EPU is not practicable.

### 4.12 Net asset value per unit

The net asset value (NAV) per unit, as disclosed on the Statement of Assets and Liabilities, is calculated by dividing the net assets of the Fund by the number of units in circulation at the year end.

### 4.13 Unit holders' fund

Unit holders' fund representing the units issued by the Fund, is carried at the net asset value representing the investors' right to a residual interest in the Fund assets.

### 4.14 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the distributors during business hours on that day. The offer price represents the net asset value per unit as of the close of the business day plus the allowable sales load, provision for transaction costs and any provision for duties and charges, if applicable. The sales load is payable to the investment facilitators, distributors and the Management Company. Transaction costs are recorded as the income of the Fund.

Units redeemed are recorded at the redemption price, applicable on units for which the distributors receive redemption applications during business hours on that day. The redemption price represents the net asset value per unit as of the close of the business day less any back-end load, any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

### 4.15 Revenue recognition

- Gains / (losses) arising on sale of investments are included in the Income Statement on the date at which the transaction takes place.
- Mark-up on government securities is recognised using effective interest rate method.
- Income on debt securities (including government securities) is recognised using effective interest rate method.
- Unrealised gains / (losses) arising on remeasurement of investments classified as 'at fair value through profit or loss' and derivatives are included in the Income Statement in the period in which they arise.
- Profit on bank deposits and term deposit receipts is recognised on an accrual basis.

### 4.16 Expenses

The expense including Management fee is recognised in the Income Statement on accrual basis.

As per clause 6.4 of the Offering Document, the Management Company would bear the expenses of the Fund except for brokerage / transaction costs, taxes, fees, duties applicable to the Fund, including sales tax levied on services offered by the Management Company and any amount which the Shariah Advisor may declare to be Haram and to be paid to charity.

### 4.17 Dividend distribution and appropriation

All net profit shall be distributed on daily basis and that dividend shall be re-invested after deducting applicable taxes. By, distributing dividend on daily basis, Management Company shall ensure that annual total distribution in an accounting period accumulates to an amount that is required under the tax laws and under regulation in force.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

**4.18 Cash and cash equivalents**

Cash and cash equivalents comprise of deposits and current accounts maintained with banks. Cash equivalents are short term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short term cash commitments rather than for investments and other purposes.

	Note	June 30, 2020	June 30, 2019
		----- (Rupees in '000) -----	
<b>5. BALANCES WITH BANKS</b>			
In current account	5.1	2,017	10,064
In saving accounts	5.2	<u>2,794,300</u>	<u>683,137</u>
		<u><u>2,796,317</u></u>	<u><u>693,201</u></u>

**5.1** Current account is maintained with MCB Bank Limited, a related party.

**5.2** These carry profit at the rates ranging from 7.25% to 7.5% (June 30, 2019: 11.50% to 13.50%) per annum. These include a balance of Rs.0.481 million (June 30, 2019: Rs.Nil) held with MCB Islamic Bank Limited, a related party, which carries profit at the ranging from 5.50% to 6.50% (June 30, 2019: Nil) per annum.

	Note	June 30, 2020	June 30, 2019
		----- (Rupees in '000) -----	
<b>6 INVESTMENTS</b>			
<b>At fair value through profit or loss</b>			
Commercial paper	6.1	<u>416,514</u>	<u>44,139</u>

**6.1 Commercial paper - at fair value through profit and loss**

Name of security	Issue date	Number of certificates				As at June 30, 2020	Market value at June 30, 2020 (Rupees)
		As at July 01, 2019	Purchased during the year	Matured during the year			
K-Electric Limited - ICP 2	1-Mar-19	45	-	45	-	-	
K-Electric Limited - ICP 5	14-Feb-20	-	200	-	200	196,710	
K-Electric Limited - ICP 6	26-Feb-20	-	100	-	100	97,907	
K-Electric Limited - ICP 7	10-Mar-20	-	125	-	125	121,897	
						<u><u>416,514</u></u>	
<b>Total as at June 30, 2019</b>						<u><u>44,139</u></u>	

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

6.1 Significant terms and conditions of commercial papers outstanding at the year end are as follows:

Name of security	Interest / mark-up rates	Issue date	Maturity date	Carrying value as a % of net assets
K-Electric Limited - ICP 5	14.64%	February 14, 2020	August 14, 2020	6.08%
K-Electric Limited - ICP 6	14.64%	February 26, 2020	August 26, 2020	3.02%
K-Electric Limited - ICP 7	13.64%	March 10, 2020	September 10, 2020	3.77%

	Note	June 30, 2020	June 30, 2019
		----- (Rupees in '000) -----	
<b>7. MARK-UP AND OTHER RECEIVABLES</b>			
Receivable from management company		88	256
Mark-up receivable on bank balances	7.2	21,797	9,653
Advance tax deducted at source		106	-
Other receivables	7.2	11,589	6,930
		<b>33,580</b>	<b>16,839</b>

7.2 This include balance of Rs.0.068 million (June 30, 2019: Rs.Nil) and Rs.0.514 (June 30, 2019: Rs.2.692) million receivable from MCB Islamic Bank Limited and MCB Bank Limited, related parties.

**8. PAYABLE TO THE MANAGEMENT COMPANY**

Remuneration payable	8.1	688	1,042
Sales tax on remuneration payable	8.2	89	135
Back office operation payable	8.3	275	-
Marketing and selling payable	8.4	2,143	-
		<b>3,195</b>	<b>1,177</b>

8.1 As per the amendment in the offering document, the management company w.e.f. August 08, 2019 charged management fees at the rate of up to 20% of the gross earnings of the scheme, calculated on a daily basis. Provided the fund is subject to a minimum fee of 0.25% of the average daily net assets of the scheme.

8.2 Sales tax on management remuneration has been charged at the rate of 13% (2019: 13%).

8.3 During the year, the Management Company has charged actual expenses related to registrar services, accounting, operations and valuation services to the CIS as per SECP vide SRO 639 dated June 20, 2019. Previously the Management Company was entitled to charge expenses related to registrar services, accounting, operations and valuation services, related to a Collective Investment Scheme (CIS) at the rate of 0.1% of the average annual net assets of the scheme or actual, whichever is lower.

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

8.4 During the year, the Management Company has charged actual expenses to the extent as it has think expedient as per SECP circular 11 dated July 05, 2019. Previously the selling and marketing expenses was allowed initially to be charged to open end equity, asset allocation and index funds upto a maximum of 0.4% per annum of net assets of the fund.

		June 30, 2020	June 30, 2019
	Note	----- (Rupees in '000) -----	
<b>9. ACCRUED EXPENSES AND OTHER LIABILITIES</b>			
Provision for Sindh Workers' Welfare Fund (SWWF)	9.1	4,675	623
Withholding tax payable		949	306
		5,624	929

### 9.1 Provision for Sindh Workers' Welfare Fund (SWWF)

As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act (SWWF Act), 2014 had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs.0.5 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies (including the Management Company of the Fund) whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF which is currently pending. However, as a matter of abundant caution, MUFAP has recommended to all its members to record a provision for SWWF from the date of enactment of SWWF Act, 2014 (i.e. starting from May 21, 2015). However this fund was launched after 2015 so provision for SWWF has been made from its date of launch.

The provision for SWWF is now being made on a daily basis. Had the provision for SWWF not been recorded in the financial statements of the Fund, the net assets value of the Fund as at June 30, 2020 would have been higher by Re.0.144 (2019: Re.0.083) per unit.

### 10. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at June 30, 2020 and June 30, 2019.

### 11. TAXATION

The Fund's income is exempt from Income Tax as per Clause 99 of Part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the period as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. Since the management has distributed the income earned by the Fund during the year to the unit holders in the manner as explained above, accordingly, no provision for taxation has been made in these financial statements.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

**12. DISTRIBUTION**

The Fund makes distribution on daily basis and has made the following distribution during the year.

Date	Rate per unit	Bonus		Cash distribution (Rupees in '000)	Total
		Units	Amount		
July 1, 2019	0.0312	-	-	238	238
July 2, 2019	0.0306	-	-	233	233
July 3, 2019	0.0309	-	-	233	233
July 4, 2019	0.0312	-	-	243	243
July 5, 2019	0.0308	-	-	239	239
July 6, 2019	0.0308	-	-	239	239
July 7, 2019	0.0308	-	-	239	239
July 8, 2019	0.0307	-	-	239	239
July 9, 2019	0.0309	-	-	238	238
July 10, 2019	0.0306	-	-	237	237
July 11, 2019	0.0302	-	-	235	235
July 12, 2019	0.0301	-	-	234	234
July 13, 2019	0.0301	-	-	234	234
July 14, 2019	0.0301	-	-	234	234
July 15, 2019	0.0343	-	-	239	239
July 16, 2019	0.0324	-	-	226	226
July 17, 2019	0.0308	-	-	213	213
July 18, 2019	0.0297	-	-	299	299
July 19, 2019	0.0311	-	-	310	310
July 20, 2019	0.0308	-	-	308	308
July 21, 2019	0.0309	-	-	308	308
July 22, 2019	0.0302	-	-	305	305
July 23, 2019	0.0305	-	-	309	309
July 24, 2019	0.0305	-	-	310	310
July 25, 2019	0.0308	-	-	311	311
July 26, 2019	0.0304	-	-	309	309
July 27, 2019	0.0303	-	-	309	309
July 28, 2019	0.0303	-	-	309	309
July 29, 2019	0.0303	-	-	316	316
July 30, 2019	0.0304	-	-	319	319
July 31, 2019	0.0304	-	-	318	318
August 1, 2019	0.0303	-	-	318	318
August 2, 2019	0.0312	-	-	334	334
August 3, 2019	0.0306	-	-	328	328
August 4, 2019	0.0305	-	-	328	328
August 5, 2019	0.0315	-	-	336	336
August 6, 2019	0.0310	-	-	330	330
August 7, 2019	0.0307	-	-	330	330
August 8, 2019	0.0270	-	-	293	293
August 9, 2019	0.0273	-	-	299	299
August 10, 2019	0.0273	-	-	299	299
August 11, 2019	0.0273	-	-	299	299
August 12, 2019	0.0272	-	-	299	299

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

Date	Rate per unit	Bonus		Cash distribution ----- (Rupees in '000) -----	Total
		Units	Amount		
August 13, 2019	0.0272	-	-	299	299
August 14, 2019	0.0272	-	-	299	299
August 15, 2019	0.0272	-	-	299	299
August 16, 2019	0.0310	-	-	340	340
August 17, 2019	0.0314	-	-	342	342
August 18, 2019	0.0313	-	-	341	341
August 19, 2019	0.0479	-	-	356	356
August 20, 2019	0.0350	-	-	246	246
August 21, 2019	0.0327	-	-	229	229
August 22, 2019	0.0226	-	-	223	223
August 23, 2019	0.0635	-	-	648	648
August 24, 2019	0.0330	-	-	337	337
August 25, 2019	0.0329	-	-	337	337
August 26, 2019	0.0341	-	-	349	349
August 27, 2019	0.0343	-	-	347	347
August 28, 2019	0.0337	-	-	345	345
August 29, 2019	0.0376	-	-	350	350
August 30, 2019	0.0331	-	-	341	341
August 31, 2019	0.0331	-	-	341	341
September 1, 2019	0.0331	-	-	341	341
September 2, 2019	0.0333	-	-	352	352
September 3, 2019	0.0332	-	-	357	357
September 4, 2019	0.0450	-	-	481	481
September 5, 2019	0.0337	-	-	370	370
September 6, 2019	0.0338	-	-	372	372
September 7, 2019	0.0338	-	-	372	372
September 8, 2019	0.0337	-	-	372	372
September 9, 2019	0.0337	-	-	372	372
September 10, 2019	0.0337	-	-	372	372
September 11, 2019	0.0337	-	-	372	372
September 12, 2019	0.0337	-	-	374	374
September 13, 2019	0.0342	-	-	383	383
September 14, 2019	0.0338	-	-	379	379
September 15, 2019	0.0338	-	-	379	379
September 16, 2019	0.0321	-	-	382	382
September 17, 2019	0.0334	-	-	404	404
September 18, 2019	0.0336	-	-	412	412
September 19, 2019	0.0346	-	-	416	416
September 20, 2019	0.0341	-	-	415	415
September 21, 2019	0.0341	-	-	415	415
September 22, 2019	0.0341	-	-	415	415
September 23, 2019	0.0361	-	-	420	420
September 24, 2019	0.0341	-	-	401	401
September 25, 2019	0.0337	-	-	405	405
September 26, 2019	0.0343	-	-	416	416
September 27, 2019	0.0347	-	-	414	414
September 28, 2019	0.0347	-	-	414	414

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

Date	Rate per unit	Bonus		Cash distribution ----- (Rupees in '000) -----	Total
		Units	Amount		
September 29, 2019	0.0346	-	-	414	<b>414</b>
September 30, 2019	0.0344	-	-	412	<b>412</b>
October 1, 2019	0.0345	-	-	413	<b>413</b>
October 2, 2019	0.0351	-	-	422	<b>422</b>
October 3, 2019	0.0353	-	-	424	<b>424</b>
October 4, 2019	0.0342	-	-	418	<b>418</b>
October 5, 2019	0.0342	-	-	418	<b>418</b>
October 6, 2019	0.0342	-	-	418	<b>418</b>
October 7, 2019	0.0341	-	-	423	<b>423</b>
October 8, 2019	0.0341	-	-	424	<b>424</b>
October 9, 2019	0.0340	-	-	422	<b>422</b>
October 10, 2019	0.0369	-	-	435	<b>435</b>
October 11, 2019	0.0344	-	-	408	<b>408</b>
October 12, 2019	0.0344	-	-	408	<b>408</b>
October 13, 2019	0.0343	-	-	408	<b>408</b>
October 14, 2019	0.0349	-	-	414	<b>414</b>
October 15, 2019	0.0353	-	-	418	<b>418</b>
October 16, 2019	0.0356	-	-	418	<b>418</b>
October 17, 2019	0.0347	-	-	415	<b>415</b>
October 18, 2019	0.0338	-	-	420	<b>420</b>
October 19, 2019	0.0338	-	-	420	<b>420</b>
October 20, 2019	0.0338	-	-	420	<b>420</b>
October 21, 2019	0.0344	-	-	435	<b>435</b>
October 22, 2019	0.0360	-	-	438	<b>438</b>
October 23, 2019	0.0349	-	-	425	<b>425</b>
October 24, 2019	0.0348	-	-	427	<b>427</b>
October 25, 2019	0.0345	-	-	427	<b>427</b>
October 26, 2019	0.0344	-	-	427	<b>427</b>
October 27, 2019	0.0344	-	-	427	<b>427</b>
October 28, 2019	0.0354	-	-	433	<b>433</b>
October 29, 2019	0.0350	-	-	448	<b>448</b>
October 30, 2019	0.0343	-	-	440	<b>440</b>
October 31, 2019	0.0355	-	-	454	<b>454</b>
November 1, 2019	0.0298	-	-	389	<b>389</b>
November 2, 2019	0.0296	-	-	389	<b>389</b>
November 3, 2019	0.0297	-	-	389	<b>389</b>
November 4, 2019	0.0302	-	-	390	<b>390</b>
November 5, 2019	0.0395	-	-	394	<b>394</b>
November 6, 2019	0.0295	-	-	295	<b>295</b>
November 7, 2019	0.0322	-	-	297	<b>297</b>
November 8, 2019	0.0295	-	-	272	<b>272</b>
November 9, 2019	0.0295	-	-	272	<b>272</b>
November 10, 2019	0.0295	-	-	272	<b>272</b>
November 11, 2019	0.0302	-	-	277	<b>277</b>
November 12, 2019	0.0306	-	-	281	<b>281</b>
November 13, 2019	0.0303	-	-	277	<b>277</b>
November 14, 2019	0.0306	-	-	279	<b>279</b>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

Date	Rate per unit	Bonus		Cash distribution (Rupees in '000)	Total
		Units	Amount		
November 15, 2019	0.0304	-	-	279	279
November 16, 2019	0.0304	-	-	279	279
November 17, 2019	0.0304	-	-	279	279
November 18, 2019	0.0307	-	-	279	279
November 19, 2019	0.0310	-	-	278	278
November 20, 2019	0.0309	-	-	280	280
November 21, 2019	0.0313	-	-	282	282
November 22, 2019	0.0303	-	-	280	280
November 23, 2019	0.0317	-	-	292	292
November 24, 2019	0.0310	-	-	286	286
November 25, 2019	0.0307	-	-	282	282
November 26, 2019	0.0314	-	-	291	291
November 27, 2019	0.0285	-	-	285	285
November 28, 2019	0.0315	-	-	314	314
November 29, 2019	0.0344	-	-	343	343
November 30, 2019	0.0344	-	-	343	343
December 1, 2019	0.0342	-	-	341	341
December 2, 2019	0.0350	-	-	346	346
December 3, 2019	0.0343	-	-	340	340
December 4, 2019	0.0346	-	-	340	340
December 5, 2019	0.0337	-	-	332	332
December 6, 2019	0.0339	-	-	338	338
December 7, 2019	0.0339	-	-	338	338
December 8, 2019	0.0339	-	-	338	338
December 9, 2019	0.0344	-	-	341	341
December 10, 2019	0.0342	-	-	342	342
December 11, 2019	0.0336	-	-	345	345
December 12, 2019	0.0349	-	-	363	363
December 13, 2019	0.0344	-	-	359	359
December 14, 2019	0.0344	-	-	359	359
December 15, 2019	0.0344	-	-	359	359
December 16, 2019	0.0342	-	-	359	359
December 17, 2019	0.0345	-	-	361	361
December 18, 2019	0.0351	-	-	357	357
December 19, 2019	0.0341	-	-	359	359
December 20, 2019	0.0342	-	-	381	381
December 21, 2019	0.0341	-	-	380	380
December 22, 2019	0.0341	-	-	380	380
December 23, 2019	0.0348	-	-	386	386
December 24, 2019	0.0344	-	-	383	383
December 25, 2019	0.0344	-	-	383	383
December 26, 2019	0.0353	-	-	384	384
December 27, 2019	0.0344	-	-	378	378
December 28, 2019	0.0344	-	-	378	378
December 29, 2019	0.0344	-	-	378	378
December 30, 2019	0.0343	-	-	377	377
December 31, 2019	0.0333	-	-	375	375

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

Date	Rate per unit	Bonus		Cash distribution (Rupees in '000)	Total
		Units	Amount		
January 1, 2020	0.0333	-	-	371	371
January 2, 2020	0.0317	-	-	354	354
January 3, 2020	0.0329	-	-	368	368
January 4, 2020	0.0321	-	-	359	359
January 5, 2020	0.0321	-	-	359	359
January 6, 2020	0.0318	-	-	422	422
January 7, 2020	0.0320	-	-	424	424
January 8, 2020	0.0319	-	-	425	425
January 9, 2020	0.0325	-	-	428	428
January 10, 2020	0.0309	-	-	418	418
January 11, 2020	0.0309	-	-	418	418
January 12, 2020	0.0309	-	-	418	418
January 13, 2020	0.0319	-	-	432	432
January 14, 2020	0.0338	-	-	460	460
January 15, 2020	0.0369	-	-	504	504
January 16, 2020	0.0368	-	-	509	509
January 17, 2020	0.0360	-	-	500	500
January 18, 2020	0.0359	-	-	500	500
January 19, 2020	0.0361	-	-	500	500
January 20, 2020	0.0371	-	-	528	528
January 21, 2020	0.0351	-	-	489	489
January 22, 2020	0.0354	-	-	500	500
January 23, 2020	0.0357	-	-	507	507
January 24, 2020	0.0357	-	-	548	548
January 25, 2020	0.0357	-	-	548	548
January 26, 2020	0.0357	-	-	548	548
January 27, 2020	0.0352	-	-	547	547
January 28, 2020	0.0355	-	-	549	549
January 29, 2020	0.0351	-	-	585	585
January 30, 2020	0.0321	-	-	541	541
January 31, 2020	0.0320	-	-	550	550
February 1, 2020	0.0319	-	-	549	549
February 2, 2020	0.0319	-	-	549	549
February 3, 2020	0.0360	-	-	580	580
February 4, 2020	0.0354	-	-	571	571
February 5, 2020	0.0353	-	-	570	570
February 6, 2020	0.0353	-	-	648	648
February 7, 2020	0.0347	-	-	702	702
February 8, 2020	0.0346	-	-	702	702
February 9, 2020	0.0346	-	-	702	702
February 10, 2020	0.0343	-	-	703	703
February 11, 2020	0.0347	-	-	717	717
February 12, 2020	0.0349	-	-	734	734
February 13, 2020	0.0348	-	-	739	739
February 14, 2020	0.0352	-	-	751	751
February 15, 2020	0.0346	-	-	738	738
February 16, 2020	0.0348	-	-	744	744

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
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Date	Rate per unit	Bonus		Cash distribution (Rupees in '000)	Total
		Units	Amount		
February 17, 2020	0.0353	-	-	845	845
February 18, 2020	0.0356	-	-	853	853
February 19, 2020	0.0354	-	-	897	897
February 20, 2020	0.0347	-	-	894	894
February 21, 2020	0.0349	-	-	902	902
February 22, 2020	0.0349	-	-	902	902
February 23, 2020	0.0349	-	-	902	902
February 24, 2020	0.0350	-	-	921	921
February 25, 2020	0.0347	-	-	916	916
February 26, 2020	0.0348	-	-	984	984
February 27, 2020	0.0350	-	-	1,004	1,004
February 28, 2020	0.0345	-	-	973	973
February 29, 2020	0.0331	-	-	936	936
March 1, 2020	0.0343	-	-	970	970
March 2, 2020	0.0347	-	-	1,129	1,129
March 3, 2020	0.0343	-	-	1,122	1,122
March 4, 2020	0.0346	-	-	1,185	1,185
March 5, 2020	0.0342	-	-	1,177	1,177
March 6, 2020	0.0344	-	-	1,183	1,183
March 7, 2020	0.0344	-	-	1,182	1,182
March 8, 2020	0.0343	-	-	1,182	1,182
March 9, 2020	0.0342	-	-	1,190	1,190
March 10, 2020	0.0342	-	-	1,188	1,188
March 11, 2020	0.0341	-	-	1,193	1,193
March 12, 2020	0.0345	-	-	1,207	1,207
March 13, 2020	0.0343	-	-	1,188	1,188
March 14, 2020	0.0342	-	-	1,185	1,185
March 15, 2020	0.0343	-	-	1,185	1,185
March 16, 2020	0.0345	-	-	1,187	1,187
March 17, 2020	0.0341	-	-	1,174	1,174
March 18, 2020	0.0369	-	-	1,164	1,164
March 19, 2020	0.0328	-	-	1,016	1,016
March 20, 2020	0.0328	-	-	1,021	1,021
March 21, 2020	0.0324	-	-	1,009	1,009
March 22, 2020	0.0327	-	-	1,021	1,021
March 23, 2020	0.0326	-	-	1,017	1,017
March 24, 2020	0.0333	-	-	1,016	1,016
March 25, 2020	0.0314	-	-	918	918
March 26, 2020	0.0315	-	-	921	921
March 27, 2020	0.0325	-	-	877	877
March 28, 2020	0.0325	-	-	877	877
March 29, 2020	0.0324	-	-	877	877
March 30, 2020	0.0323	-	-	1,104	1,104
March 31, 2020	0.0416	-	-	1,110	1,110
April 1, 2020	0.0258	-	-	685	685
April 2, 2020	0.0269	-	-	716	716
April 3, 2020	0.0272	-	-	790	790

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Date	Rate per unit	Bonus		Cash distribution (Rupees in '000)	Total
		Units	Amount		
April 4, 2020	0.0272	-	-	790	790
April 5, 2020	0.0272	-	-	790	790
April 6, 2020	0.0271	-	-	791	791
April 7, 2020	0.0272	-	-	793	793
April 8, 2020	0.0272	-	-	799	799
April 9, 2020	0.0270	-	-	802	802
April 10, 2020	0.0272	-	-	810	810
April 11, 2020	0.0272	-	-	810	810
April 12, 2020	0.0272	-	-	810	810
April 13, 2020	0.0273	-	-	814	814
April 14, 2020	0.0273	-	-	809	809
April 15, 2020	0.0273	-	-	806	806
April 16, 2020	0.0289	-	-	807	807
April 17, 2020	0.0281	-	-	756	756
April 18, 2020	0.0282	-	-	756	756
April 19, 2020	0.0282	-	-	756	756
April 20, 2020	0.0286	-	-	762	762
April 21, 2020	0.0249	-	-	667	667
April 22, 2020	0.0240	-	-	646	646
April 23, 2020	0.0234	-	-	632	632
April 24, 2020	0.0233	-	-	631	631
April 25, 2020	0.0232	-	-	631	631
April 26, 2020	0.0232	-	-	631	631
April 27, 2020	0.0232	-	-	631	631
April 28, 2020	0.0264	-	-	653	653
April 29, 2020	0.0243	-	-	595	595
April 30, 2020	0.0240	-	-	587	587
May 1, 2020	0.0240	-	-	587	587
May 2, 2020	0.0240	-	-	587	587
May 3, 2020	0.0240	-	-	587	587
May 4, 2020	0.0236	-	-	624	624
May 5, 2020	0.0225	-	-	611	611
May 6, 2020	0.0232	-	-	631	631
May 7, 2020	0.0229	-	-	714	714
May 8, 2020	0.0229	-	-	718	718
May 9, 2020	0.0229	-	-	718	718
May 10, 2020	0.0229	-	-	718	718
May 11, 2020	0.0216	-	-	696	696
May 12, 2020	0.0222	-	-	712	712
May 13, 2020	0.0223	-	-	716	716
May 14, 2020	0.0223	-	-	714	714
May 15, 2020	0.0223	-	-	717	717
May 16, 2020	0.0223	-	-	715	715
May 17, 2020	0.0223	-	-	715	715
May 18, 2020	0.0222	-	-	825	825
May 19, 2020	0.0216	-	-	820	820
May 20, 2020	0.0194	-	-	745	745
May 21, 2020	0.0194	-	-	749	749
May 22, 2020	0.0194	-	-	750	750
May 23, 2020	0.0194	-	-	750	750
May 24, 2020	0.0194	-	-	750	750

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Date	Rate per unit	Bonus		Cash distribution (Rupees in '000)	Total
		Units	Amount		
May 25, 2020	0.0194	-	-	750	750
May 26, 2020	0.0194	-	-	750	750
May 27, 2020	0.0194	-	-	750	750
May 28, 2020	0.0217	-	-	753	753
May 29, 2020	0.0205	-	-	706	706
May 30, 2020	0.0204	-	-	706	706
May 31, 2020	0.0205	-	-	706	706
June 1, 2020	0.0200	-	-	648	648
June 2, 2020	0.0201	-	-	646	646
June 3, 2020	0.0201	-	-	642	642
June 4, 2020	0.0196	-	-	620	620
June 5, 2020	0.0190	-	-	609	609
June 6, 2020	0.0190	-	-	609	609
June 7, 2020	0.0188	-	-	601	601
June 8, 2020	0.0199	-	-	629	629
June 9, 2020	0.0198	-	-	627	627
June 10, 2020	0.0206	-	-	712	712
June 11, 2020	0.0199	-	-	676	676
June 12, 2020	0.0199	-	-	677	677
June 13, 2020	0.0199	-	-	677	677
June 14, 2020	0.0199	-	-	677	677
June 15, 2020	0.0197	-	-	663	663
June 16, 2020	0.0202	-	-	677	677
June 17, 2020	0.0202	-	-	675	675
June 18, 2020	0.0200	-	-	667	667
June 19, 2020	0.0198	-	-	665	665
June 20, 2020	0.0198	-	-	665	665
June 21, 2020	0.0198	-	-	665	665
June 22, 2020	0.0199	-	-	656	656
June 23, 2020	0.0199	-	-	659	659
June 24, 2020	0.0197	-	-	660	660
June 25, 2020	0.0187	-	-	667	667
June 26, 2020	0.0189	-	-	698	698
June 27, 2020	0.0189	-	-	698	698
June 28, 2020	0.0189	-	-	698	698
June 29, 2020	0.0195	-	-	671	671
June 30, 2020	0.0213	-	-	691	691
					<b>198,544</b>

The Fund makes distribution on daily basis as per clause 12.1 of Trust Deed and 5.1 of the Offering Document. During the year, the Management Company on behalf of the Fund, have distributed all net profit amounting to Rs.198.55 million (2019: Rs.29.18 million) as dividend and that dividend has been re-invested after deducting applicable taxes in the form acceptable by SECP that may qualify under tax laws. The SECP has approved the above arrangement vide letter No. SCD/AMCW/MCBAHSIL/ ADDF/297/2018 dated March 13, 2018.



**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

	<b>June 30, 2020</b>	<b>June 30, 2019</b>
	----- (Rupees in '000) -----	
<b>13.2 Transactions during the year:</b>		
<b>MCB-Arif Habib Savings and Investments Limited - Management Company</b>		
Remuneration of the Management Company	6,765	4,850
Sindh sales tax on remuneration of the Management Company	880	621
Back office operation expense	1,753	-
Marketing and selling expense	5,616	-
<b>MCB Islamic Bank Limited</b>		
Mark-up on balance with bank	4,737	-
<b>13.3 Balances outstanding at year end:</b>		
<b>MCB-Arif Habib Savings and Investments Limited - Management Company</b>		
Remuneration payable	688	1,042
Sales tax payable on remuneration payable	89	135
Allocated expense payable	275	-
Receivable from management company	88	256
Marketing and selling payable	2,143	-
<b>MCB Bank Limited - Group / Associated Company</b>		
Bank balance - current account	2,017	10,064
Other receivable	514	2,692
<b>MCB Islamic Bank Limited</b>		
Bank balance - saving account	481	-
Mark-up receivable on bank balances	68	-
<b>Hyundai Nishat Motor Private Limited - Employees Provident Fund</b>		
Dividend payable	1	-
<b>Adamjee Life Assurance Company Limited - PTF</b>		
Dividend payable	1	-
<b>Arif Habib Securities Limited - Employees Provident Fund Trust</b>		
Dividend payable	1	-
<b>Directors and executives of the Management Company</b>		
Dividend payable	1	-
<b>Units holders holding 10% or more units</b>		
Dividend payable	217	-

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

## 14. FINANCIAL RISK MANAGEMENT

The Fund's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Fund's financial performance.

The Fund's activities expose it to a variety of financial risks: market risk (including currency risk, profit rate and other price risk), credit risk and liquidity risk. Risk of the Fund are being managed by the Management Company in accordance with the approved policies of the investment committee which provide broad guidelines for management of above mention risks. The Board of Directors of Management Company has overall responsibility for the establishment and oversight of the Fund's risk management framework.

The Fund primarily invests in shariah compliant authorized investments which includes cash in bank deposits with licensed Islamic Banks and licensed Islamic Banking windows of conventional banks and Shariah compliant commercial papers.

### 14.1 Market risk

Market risk is the risk that the fair value or the future cash flows of a financial instrument may fluctuate as a result of changes in market prices.

The Management Company manages market risk by monitoring exposure on marketable securities by following the internal risk management policies and investment guidelines approved by the Board and regulations laid down by the SECP, the NBFC Regulations and the NBFC Rules.

Market risk comprises of three types of risk: currency risk, interest rate risk and other price risk .

#### 14.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund, at present is not exposed to currency risk as all transactions were carried out in Pak Rupee.

#### 14.1.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

##### a) Sensitivity analysis for variable rate instruments

Presently, the Fund does not hold any variable profit based investment except balances with banks in deposit account exposing the Fund to cash flow profit rate risk. The Fund is also exposed to mark-up rate risk on bank deposits. In case of 100 basis points increase / decrease in KIBOR at year end, the net assets attributable to unit holders of the Fund and net income for the year would be higher / lower by Rs.27.943 (2019: Rs.6.831) million.

##### b) Sensitivity analysis for fixed rate instruments

The Fund holds commercial paper, exposing the Fund to mark-up interest rate risk. In case of 100 basis points increase / decrease in rates on June 30, 2020, with all other variables held constant, total comprehensive income for the year and net assets would be lower / higher by Rs.0.208 (2019: Rs.0.440) million.

Yield / interest rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on the settlement date.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

June 30, 2020						
<u>Exposed to yield / interest rate risk</u>						
Yield / effective interest rate (%)	Upto three months	More than three months and		More than one year	Not exposed to profit rate risk	Total
		upto one year	-			
----- (Rupees in '000) -----						
<b>On-balance sheet financial instruments</b>						
<b>Financial Assets</b>						
Balances with banks	7.25% to 7.50%	2,794,300	-	-	2,017	2,796,317
Investments	13.64% to 14.64%	416,514	-	-	-	416,514
Mark-up and other receivables		-	-	-	33,580	33,580
		<u>3,210,814</u>	<u>-</u>	<u>-</u>	<u>35,597</u>	<u>3,246,411</u>
<b>Financial Liabilities</b>						
Payable to the Management Company		-	-	-	3,106	3,106
Dividend payable		-	-	-	691	691
		<u>-</u>	<u>-</u>	<u>-</u>	<u>3,797</u>	<u>3,797</u>
<b>On-balance sheet gap</b>		<u><u>3,210,814</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>31,800</u></u>	<u><u>3,242,614</u></u>

June 30, 2019						
<u>Exposed to Yield/ Interest rate risk</u>						
Yield / effective interest rate (%)	Upto three months	More than three months and		More than one year	Not exposed to profit rate risk	Total
		upto one year	-			
----- (Rupees in '000) -----						
<b>On-balance sheet financial instruments</b>						
<b>Financial Assets</b>						
Balances with banks	11.50 to 13.50%	683,137	-	-	10,064	693,201
Investments	11.75%	44,139	-	-	-	44,139
Mark-up and other receivables		-	-	-	16,839	16,839
		<u>727,276</u>	<u>-</u>	<u>-</u>	<u>26,903</u>	<u>754,179</u>
<b>Financial Liabilities</b>						
Payable to the Management Company		-	-	-	1,042	1,042
Dividend payable		-	-	-	196	196
		<u>-</u>	<u>-</u>	<u>-</u>	<u>1,238</u>	<u>1,238</u>
<b>On-balance sheet gap</b>		<u><u>727,276</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>25,665</u></u>	<u><u>752,941</u></u>

**14.1.3 Price risk**

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Fund does not hold any security which exposes the Fund to price risk.

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

### 14.2 Credit risk

Credit risk represents the risk of loss if counterparties fail to perform as contracted. The Fund is exposed to counter party credit risks on balances with bank. The credit risk on the Fund is limited because the counterparties are financial institutions with reasonably high credit ratings.

The Fund has adopted a policy of only dealing with creditworthy counterparties, and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. This information is supplied by independent rating agencies, where available, and if not available, the Fund uses other publicly available financial information and its own trading records to rate its major customers. The Fund's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Credit risk from balances with banks and financial institutions is managed by financial department in accordance with the Fund's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are approved by the Board of Directors. The limits are set to minimise the concentration of risk and therefore mitigate financial loss through potential counterparty failure.

The Fund's maximum exposure to credit risk related to receivables at June 30, 2020 and June 30, 2019 is the carrying amounts of following financial assets.

	<b>June 30, 2020</b>	<b>June 30, 2019</b>
	---- (Rupees in '000) ----	
Balances with banks	2,796,317	693,201
Investments	416,514	44,139
Mark-up receivable on bank balances	33,386	9,653
	<b>3,246,217</b>	<b>746,993</b>

The analysis below summaries the credit rating quality of the Fund's financial assets as at June 30, 2020 and June 30, 2019.

	<b>June 30, 2020</b>	<b>June 30, 2019</b>
	----- % -----	
<b>Bank balances by rating category</b>		
A/A1	0.02	1.45
AAA/A1+	0.07	91.90
AA/A1+	99.90	6.50
A+/A	-	0.08
A-/A2	0.00	0.07
A+/A1	0.01	-
	<b>100.00</b>	<b>100.00</b>

#### Investments by rating category

A1	-	100.00
A1+	47.23	-
AA/A1+	52.77	-
	<b>100.00</b>	<b>100.00</b>

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

### 14.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Fund is exposed to daily cash redemptions, if any, at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation. Its policy is therefore to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

The Fund has the ability to borrow in the short-term to ensure settlement. During the current year, the Fund did not availed any borrowing. As per the NBFC Regulations the maximum amount available to the Fund from the borrowing would be limited to fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund and bear interest at commercial rates.

In order to manage the Fund's overall liquidity, the Fund also has the ability to withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the year.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the statement of assets and liabilities date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	June 30, 2020			
	Carrying value	Upto one month	More than one month upto three months	More than three months and upto one year
	----- (Rupees in '000) -----			
<b>Liabilities</b>				
Payable to the Management Company	3,106	3,106	-	-
Dividend payable	691	691	-	-
	3,797	3,797	-	-

	June 30, 2019			
	Carrying value	Upto one month	More than one month upto three months	More than three months and upto one year
	----- (Rupees in '000) -----			
<b>Liabilities</b>				
Payable to the Management Company	1,042	1,042	-	-
Dividend payable	196	196	-	-
	1,238	1,238	-	-

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

**14.4 Financial instruments by category**

June 30, 2020				
	At Fair value through OCI	At fair value through profit or loss	Amortised cost	Total
	----- (Rupees in '000) -----			
<b>Assets</b>				
Balances with banks	-	-	2,796,317	2,796,317
Investments	-	416,514	-	416,514
Mark-up and other receivables	-	-	21,797	21,797
	-	416,514	2,818,114	3,234,628
	-	416,514	2,818,114	3,234,628

June 30, 2020			
	At fair value through profit or loss	Amortised cost	Total
	----- (Rupees in '000) -----		
<b>Liabilities</b>			
Payable to the Management Company	-	3,106	3,106
Dividend payable	-	691	691
	-	3,797	3,797
	-	3,797	3,797

June 30, 2019				
	At Fair value through OCI	At fair value through profit or loss	Amortised cost	Total
	----- (Rupees in '000) -----			
<b>Assets</b>				
Balances with banks	-	-	693,201	693,201
Investments	-	44,139	-	44,139
Mark-up and other receivables	-	-	9,653	9,653
	-	44,139	702,854	746,993
	-	44,139	702,854	746,993

June 30, 2019			
	At fair value through profit or loss	Amortised cost	Total
	----- (Rupees in '000) -----		
<b>Liabilities</b>			
Payable to the Management Company	-	1,042	1,042
Dividend payable	-	196	196
	-	1,238	1,238
	-	1,238	1,238

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

### 15. UNIT HOLDERS' FUND RISK MANAGEMENT

The Fund's capital is represented by redeemable units. The Fund is required by the NBFC Regulations, to maintain a minimum fund size of Rs.100 million, to be maintained all the time during the life of the scheme. The units issued by the Fund provides an investor with the right to require redemption for cash at a value proportionate to the unit holder's share in the Fund's net assets at the redemption date.

The Fund's objective in managing the unit holders' fund is to ensure a stable base to maximise returns to all investors and to manage liquidity risk arising from redemption. In accordance with the risk management policies, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption, such liquidity being augmented by disposal of investments.

### 16. FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS 13 - 'Fair Value Measurement' establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price).

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

The following table shows financial instruments recognized at fair value, analyzed between those whose fair value is based on:

**Level 1:** quoted prices in active markets for identical assets or liabilities;

**Level 2:** those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

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

		Level 1	Level 2	Level 3	Total
	Note	----- (Rupees) -----			
<b>June 30, 2020</b>					
Commercial paper	16.1	-	416,514	-	416,514
<b>June 30, 2019</b>					
Commercial paper	16.1	-	44,139	-	44,139

During the year ended June 30, 2020, there were no transfers between level 1 and level 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

**16.1** The valuation of commercial papers has been done based on amortisation of commercial paper to its fair value as per the guidelines given in Circular 33 of 2012 since the residual maturity of this investment is less than six months and they are placed with counterparties which have high credit rating.

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

## 17. SUPPLEMENTARY NON FINANCIAL INFORMATION

The information regarding pattern of unit holding, meetings of the Board of Directors of the management company and members of the Investment Committee are as follows:

### 17.1 Pattern of unit holding

#### Details of pattern of unit holding

	June 30, 2020			Percentage of total investments
	Number of unit holders	Number of units held	Investment Amount (Rupees '000)	
Individuals	904	12,969,015	1,296,901	40.10%
Associated companies	3	151,435	15,143	0.50%
Corporates	16	9,497,986	949,798	29.30%
Retirement funds	2	30,488	3,049	0.10%
Banks / DFI	1	5,154,618	515,462	15.90%
Others	5,884	4,565,483	456,548	14.10%
	<b>6,810</b>	<b>32,369,025</b>	<b>3,236,901</b>	<b>100%</b>

	June 30, 2019			Percentage of total investments
	Number of unit holders	Number of units held	Investment Amount (Rupees '000)	
Individuals	1,725	6,809,586	680,959	90.60%
Associated companies	2	402,494	40,249	5.40%
Corporates	1	102	10	0.00%
Retirement funds	7	293,755	29,375	3.80%
Others	3	12,843	1,284	0.20%
	<b>1,738</b>	<b>7,518,780</b>	<b>751,877</b>	<b>100%</b>

### 17.2 Attendance at meetings of the Board of Directors

The 151st, 152nd, 153rd, 154th, 155th and 156th meetings of the Board of Directors were held on August 01, 2019, September 13, 2019, October 24, 2019, February 06, 2020, February 21, 2020 and April 20, 2020 respectively. Information in respect of attendance by the directors and other persons in the meetings is given below:

Name of Director		Number of meetings				Meeting not attended
		Number of Meetings Held	Attendance required	Attended	Leave granted	
Mian Muhammad Mansha*	Former Chairman	6	4	1	3	151, 153 & 154
Mr. Haroun Rashid	Chairman	6	6	5	1	154
Mr. Nasim Beg	Director	6	6	6	-	-
Mr. Ahmed Jahangir	Director	6	6	6	-	-
Mr. Samad A. Habib*	Director	6	4	1	3	151, 153 & 154
Mr. Mirza Qamar Beg	Director	6	6	6	-	-
Syed Savail Meekal Hussain**	Director	6	5	5	-	-
Mr. Kashif A. Habib***	Director	6	2	1	1	156
Ms. Mavra Adil Khan***	Director	6	2	2	-	-
Mr. Muhammad Saqib Saleem	Chief Executive Officer	6	6	6	-	-

\* Retired on completion of term on February 06, 2020.

\*\* Appointed on September 04, 2019.

\*\*\* New Directors elected on the Board of Directors on February 06, 2020.

An election of Directors was held in an EOGM conducted on February 06, 2020 wherein all retiring directors except for Mian Muhammad Mansha and Mr. Samad A. Habib were re-elected.

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

## 17.3 Particulars of investment committee and fund manager

Detail of members of the investment committee of the Fund are as follow:

Name	Designation	Qualification	Experience in years
Muhammad Saqib Saleem	Chief Executive Officer	FCA & FCCA	22.5
Muhammad Asim	Chief Investment Officer	MBA & CFA	17
Awais Abdul Sattar	Head of Research	MBA & CFA	8.8
Saad Ahmed	Head of Fixed Income	MBA	14.3
Muhammad Aitazaz Farooqui	Senior Analyst	MBA & CFA	7
Syed Abid Ali	Head of Equities	MBA	12
Shoab Kamal	Fund Manager Fixed Income	B.COM / ACCA	
Muhammad Arsalan	– Investment Advisory	Member, CFA level 2	8.1
Syed Mohammad Usama Iqbal	Fund Manager-Investment Advisory	BSc	7.3
	Fund Manager	Graduate	16.3

## 17.4 Other funds managed by the fund manager

Mr. Saad Ahmed is the Manager of the Fund as at year end. He has obtained a Masters degree in Business Administration. Other funds being managed by him are as follows:

- MCB Cash Management Optimizer Fund;
- MCB Pakistan Sovereign Fund;
- MCB DCF Income Fund;
- Pakistan Cash Management Fund;
- Pakistan Income Enhancement Fund; and
- Alhamra Daily Dividend Fund.

## 18. TOTAL EXPENSE RATIO

Total Expense Ratio of the Fund is 1.01% as on June 30, 2020 (2019: 1.86%) and this includes 0.26% (2019: 0.37%) representing Government Levy, Sindh Worker's Welfare Fund and SECP Fee. This ratio is within the maximum limit of 2.5% capped as per S.R.O 639 (I)/2019 dated June 20, 2019 issued by SECP, in connection with NBFC Regulations 60(5) for a collective investment scheme categorised as a Sharia Compliant Income Scheme.

## 19. GENERAL

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

## 20. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on August 18, 2020 by the Board of Directors of the Management Company.

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



Chief Executive Officer



Chief Financial Officer



Director

**PATTERN OF UNITS HOLDING BY SIZE  
FOR THE YEAR ENDED JUNE 30, 2020**

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No. of Unit Holders	Unit Holdings	Total Units Held
4541	001-10,000	78,441
1251	10,001 – 100,000	426,880
701	100,001 – 1000,000	2,243,647
317	1000,001+	29,620,056
<b>6810</b>		<b>32,369,025</b>

**PERFORMANCE TABLE  
FOR THE YEAR ENDED JUNE 30, 2020**

<b>Performance Information</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Total Net Assets Value – Rs. in million	3,237	751.877	501.7498
Net Assets value per unit – Rupees	100	100	100.000
Closing Offer Price	100	100	100.000
Closing Repurchase Price	100	100	100.000
Highest offer price per unit	100	100	100.000
Lowest offer price per unit	100	100	100.000
Highest Redemption price per unit	100	100	100.000
Lowest Redemption price per unit	100	100	100.000
Distribution per unit – Rs. *	11.2091	7.9364	1.1104
<b>Average Annual Return - %</b>			
One year	11.86	8.29	4.97
Two year	10.08	6.63	4.97
Three year	8.37	NA	4.97
Net Income for the year – Rs. in million	198.54	29.179	1.35
Distribution made during the year – Rs. in million	198.54	29.179	1.35
Accumulated Capital Growth – Rs. in million	0	0	-

# PERFORMANCE TABLE FOR THE YEAR ENDED JUNE 30, 2020

**\* Date of Distribution**

2020			
Date	Rate	Date	Rate
1-Jul-19	0.0312	1-Jan-20	0.0333
2-Jul-19	0.0306	2-Jan-20	0.0317
3-Jul-19	0.0309	3-Jan-20	0.0329
4-Jul-19	0.0312	4-Jan-20	0.0321
5-Jul-19	0.0308	5-Jan-20	0.0321
6-Jul-19	0.0308	6-Jan-20	0.0318
7-Jul-19	0.0308	7-Jan-20	0.0320
8-Jul-19	0.0307	8-Jan-20	0.0319
9-Jul-19	0.0309	9-Jan-20	0.0325
10-Jul-19	0.0306	10-Jan-20	0.0309
11-Jul-19	0.0302	11-Jan-20	0.0309
12-Jul-19	0.0301	12-Jan-20	0.0309
13-Jul-19	0.0301	13-Jan-20	0.0319
14-Jul-19	0.0301	14-Jan-20	0.0338
15-Jul-19	0.0343	15-Jan-20	0.0369
16-Jul-19	0.0324	16-Jan-20	0.0368
17-Jul-19	0.0308	17-Jan-20	0.0360
18-Jul-19	0.0297	18-Jan-20	0.0359
19-Jul-19	0.0311	19-Jan-20	0.0361
20-Jul-19	0.0308	20-Jan-20	0.0371
21-Jul-19	0.0309	21-Jan-20	0.0351
22-Jul-19	0.0302	22-Jan-20	0.0354
23-Jul-19	0.0305	23-Jan-20	0.0357
24-Jul-19	0.0305	24-Jan-20	0.0357
25-Jul-19	0.0308	25-Jan-20	0.0357
26-Jul-19	0.0304	26-Jan-20	0.0357
27-Jul-19	0.0303	27-Jan-20	0.0352
28-Jul-19	0.0303	28-Jan-20	0.0355
29-Jul-19	0.0303	29-Jan-20	0.0351
30-Jul-19	0.0304	30-Jan-20	0.0321
31-Jul-19	0.0304	31-Jan-20	0.0320
1-Aug-19	0.0303	1-Feb-20	0.0319
2-Aug-19	0.0312	2-Feb-20	0.0319
3-Aug-19	0.0306	3-Feb-20	0.0360
4-Aug-19	0.0305	4-Feb-20	0.0354
5-Aug-19	0.0315	5-Feb-20	0.0353
6-Aug-19	0.0310	6-Feb-20	0.0353
7-Aug-19	0.0307	7-Feb-20	0.0347
8-Aug-19	0.0270	8-Feb-20	0.0346
9-Aug-19	0.0273	9-Feb-20	0.0346
10-Aug-19	0.0273	10-Feb-20	0.0343
11-Aug-19	0.0273	11-Feb-20	0.0347
12-Aug-19	0.0272	12-Feb-20	0.0349
13-Aug-19	0.0272	13-Feb-20	0.0348
14-Aug-19	0.0272	14-Feb-20	0.0352
15-Aug-19	0.0272	15-Feb-20	0.0346
16-Aug-19	0.0310	16-Feb-20	0.0348
17-Aug-19	0.0314	17-Feb-20	0.0353
18-Aug-19	0.0313	18-Feb-20	0.0356
19-Aug-19	0.0479	19-Feb-20	0.0354
20-Aug-19	0.0350	20-Feb-20	0.0347
21-Aug-19	0.0327	21-Feb-20	0.0349
22-Aug-19	0.0226	22-Feb-20	0.0349
23-Aug-19	0.0635	23-Feb-20	0.0349
24-Aug-19	0.0330	24-Feb-20	0.0350
25-Aug-19	0.0329	25-Feb-20	0.0347
26-Aug-19	0.0341	26-Feb-20	0.0348
27-Aug-19	0.0343	27-Feb-20	0.0350
28-Aug-19	0.0337	28-Feb-20	0.0345
29-Aug-19	0.0376	29-Feb-20	0.0331
30-Aug-19	0.0331	1-Mar-20	0.0343
31-Aug-19	0.0331	2-Mar-20	0.0347
1-Sep-19	0.0331	3-Mar-20	0.0343
2-Sep-19	0.0333	4-Mar-20	0.0346
3-Sep-19	0.0332	5-Mar-20	0.0342
4-Sep-19	0.0450	6-Mar-20	0.0344
5-Sep-19	0.0337	7-Mar-20	0.0344

2019			
Date	Rate	Date	Rate
1-Jul-18	0.0132	1-Jan-19	0.0207
2-Jul-18	0.0132	2-Jan-19	0.0208
3-Jul-18	0.0133	3-Jan-19	0.0244
4-Jul-18	0.0229	4-Jan-19	0.0232
5-Jul-18	0.03	5-Jan-19	0.0208
6-Jul-18	0.0239	6-Jan-19	0.0209
7-Jul-18	0.0188	7-Jan-19	0.0262
8-Jul-18	0.0189	8-Jan-19	0.0224
9-Jul-18	0.0158	9-Jan-19	0.0235
10-Jul-18	0.0192	10-Jan-19	0.0227
11-Jul-18	0.0146	11-Jan-19	0.0231
12-Jul-18	0.0126	12-Jan-19	0.021
13-Jul-18	0.0128	13-Jan-19	0.021
14-Jul-18	0.0128	14-Jan-19	0.0282
15-Jul-18	0.0128	15-Jan-19	0.0273
16-Jul-18	0.0127	16-Jan-19	0.0241
17-Jul-18	0.0137	17-Jan-19	0.0274
18-Jul-18	0.0152	18-Jan-19	0.0251
19-Jul-18	0.0297	19-Jan-19	0.021
20-Jul-18	0.0173	20-Jan-19	0.021
21-Jul-18	0.0132	21-Jan-19	0.0301
22-Jul-18	0.0132	22-Jan-19	0.0244
23-Jul-18	0.0137	23-Jan-19	0.0238
24-Jul-18	0.0134	24-Jan-19	0.033
25-Jul-18	0.0134	25-Jan-19	0.0288
26-Jul-18	0.0135	26-Jan-19	0.0222
27-Jul-18	0.0144	27-Jan-19	0.0214
28-Jul-18	0.0144	28-Jan-19	0.0271
29-Jul-18	0.0144	29-Jan-19	0.0238
30-Jul-18	0.0232	30-Jan-19	0.0237
31-Jul-18	0.0128	31-Jan-19	0.0229
1-Aug-18	0.0178	1-Feb-19	0.0234
2-Aug-18	0.016	2-Feb-19	0.0211
3-Aug-18	0.0169	3-Feb-19	0.0211
4-Aug-18	0.0168	4-Feb-19	0.0277
5-Aug-18	0.0168	5-Feb-19	0.0215
6-Aug-18	0.011	6-Feb-19	0.0246
7-Aug-18	0.0154	7-Feb-19	0.0228
8-Aug-18	0.0158	8-Feb-19	0.024
9-Aug-18	0.0152	9-Feb-19	0.0212
10-Aug-18	0.0154	10-Feb-19	0.0211
11-Aug-18	0.0153	11-Feb-19	0.0292
12-Aug-18	0.0153	12-Feb-19	0.0248
13-Aug-18	0.0152	13-Feb-19	0.0231
14-Aug-18	0.0152	14-Feb-19	0.0221
15-Aug-18	0.0153	15-Feb-19	0.0224
16-Aug-18	0.0161	16-Feb-19	0.0207
17-Aug-18	0.0192	17-Feb-19	0.0208
18-Aug-18	0.0188	18-Feb-19	0.0266
19-Aug-18	0.019	19-Feb-19	0.0227
20-Aug-18	0.0179	20-Feb-19	0.0238
21-Aug-18	0.0149	21-Feb-19	0.0236
22-Aug-18	0.0149	22-Feb-19	0.0244
23-Aug-18	0.0149	23-Feb-19	0.0218
24-Aug-18	0.0153	24-Feb-19	0.0217
25-Aug-18	0.015	25-Feb-19	0.0281
26-Aug-18	0.015	26-Feb-19	0.018
27-Aug-18	0.0148	27-Feb-19	0.0219
28-Aug-18	0.0153	28-Feb-19	0.0244
29-Aug-18	0.0143	1-Mar-19	0.025
30-Aug-18	0.0157	2-Mar-19	0.0227
31-Aug-18	0.0593	3-Mar-19	0.0227
1-Sep-18	0.0148	4-Mar-19	0.0285
2-Sep-18	0.0148	5-Mar-19	0.0253
3-Sep-18	0.0278	6-Mar-19	0.025
4-Sep-18	0.0159	7-Mar-19	0.0254
5-Sep-18	0.0154	8-Mar-19	0.0248

2018			
Date	Rate	Date	Rate
10-Apr-18	0.0042	23-May-18	0.0126
11-Apr-18	0.0124	24-May-18	0.0124
12-Apr-18	0.0123	25-May-18	0.0126
13-Apr-18	0.0122	26-May-18	0.0125
14-Apr-18	0.0122	27-May-18	0.0124
15-Apr-18	0.0122	28-May-18	0.0155
16-Apr-18	0.0121	29-May-18	0.0125
17-Apr-18	0.0122	30-May-18	0.0141
18-Apr-18	0.0124	31-May-18	0.0130
19-Apr-18	0.0125	1-Jun-18	0.0126
20-Apr-18	0.0125	2-Jun-18	0.0126
21-Apr-18	0.0125	3-Jun-18	0.0126
22-Apr-18	0.0125	4-Jun-18	0.0139
23-Apr-18	0.0125	5-Jun-18	0.0159
24-Apr-18	0.0125	6-Jun-18	0.0136
25-Apr-18	0.0123	7-Jun-18	0.0134
26-Apr-18	0.0124	8-Jun-18	0.0136
27-Apr-18	0.0123	9-Jun-18	0.0135
28-Apr-18	0.0122	10-Jun-18	0.0135
29-Apr-18	0.0122	11-Jun-18	0.0136
30-Apr-18	0.0132	12-Jun-18	0.0132
1-May-18	0.0121	13-Jun-18	0.0133
2-May-18	0.0117	14-Jun-18	0.0134
3-May-18	0.0143	15-Jun-18	0.0133
4-May-18	0.0128	16-Jun-18	0.0133
5-May-18	0.0127	17-Jun-18	0.0133
6-May-18	0.0127	18-Jun-18	0.0133
7-May-18	0.0127	19-Jun-18	0.0138
8-May-18	0.0120	20-Jun-18	0.0497
9-May-18	0.0169	21-Jun-18	0.0234
10-May-18	0.0127	22-Jun-18	0.0133
11-May-18	0.0125	23-Jun-18	0.0133
12-May-18	0.0125	24-Jun-18	0.0133
13-May-18	0.0125	25-Jun-18	0.0131
14-May-18	0.0131	26-Jun-18	0.0410
15-May-18	0.0128	27-Jun-18	0.0135
16-May-18	0.0130	28-Jun-18	0.0075
18-May-18	0.0128	29-Jun-18	0.0133
19-May-18	0.0128	30-Jun-18	0.0132
20-May-18	0.0128		
21-May-18	0.0121		
22-May-18	0.0131		

## PERFORMANCE TABLE FOR THE YEAR ENDED JUNE 30, 2020

2020				2019			
Date	Rate	Date	Rate	Date	Rate	Date	Rate
6-Sep-19	0.0338	8-Mar-20	0.0343	6-Sep-18	0.015	9-Mar-19	0.0219
7-Sep-19	0.0338	9-Mar-20	0.0342	7-Sep-18	0.014	10-Mar-19	0.0219
8-Sep-19	0.0337	10-Mar-20	0.0342	8-Sep-18	0.014	11-Mar-19	0.0296
9-Sep-19	0.0337	11-Mar-20	0.0341	9-Sep-18	0.0139	12-Mar-19	0.0254
10-Sep-19	0.0337	12-Mar-20	0.0345	10-Sep-18	0.015	13-Mar-19	0.0246
11-Sep-19	0.0337	13-Mar-20	0.0343	11-Sep-18	0.0139	14-Mar-19	0.0244
12-Sep-19	0.0337	14-Mar-20	0.0342	12-Sep-18	0.0149	15-Mar-19	0.0233
13-Sep-19	0.0342	15-Mar-20	0.0343	13-Sep-18	0.0156	16-Mar-19	0.0213
14-Sep-19	0.0338	16-Mar-20	0.0345	14-Sep-18	0.0152	17-Mar-19	0.0213
15-Sep-19	0.0338	17-Mar-20	0.0341	15-Sep-18	0.0152	18-Mar-19	0.0277
16-Sep-19	0.0321	18-Mar-20	0.0369	16-Sep-18	0.0152	19-Mar-19	0.0249
17-Sep-19	0.0334	19-Mar-20	0.0328	17-Sep-18	0.019	20-Mar-19	0.0244
18-Sep-19	0.0336	20-Mar-20	0.0328	18-Sep-18	0.0155	21-Mar-19	0.0246
19-Sep-19	0.0346	21-Mar-20	0.0324	19-Sep-18	0.0141	22-Mar-19	0.0246
20-Sep-19	0.0341	22-Mar-20	0.0327	20-Sep-18	0.0141	23-Mar-19	0.0225
21-Sep-19	0.0341	23-Mar-20	0.0326	21-Sep-18	0.0141	24-Mar-19	0.0224
22-Sep-19	0.0341	24-Mar-20	0.0333	22-Sep-18	0.0145	25-Mar-19	0.0288
23-Sep-19	0.0361	25-Mar-20	0.0314	23-Sep-18	0.0145	26-Mar-19	0.0251
24-Sep-19	0.0341	26-Mar-20	0.0315	24-Sep-18	0.0156	27-Mar-19	0.0249
25-Sep-19	0.0337	27-Mar-20	0.0325	25-Sep-18	0.0146	28-Mar-19	0.0241
26-Sep-19	0.0343	28-Mar-20	0.0325	26-Sep-18	0.0155	29-Mar-19	0.0235
27-Sep-19	0.0347	29-Mar-20	0.0324	27-Sep-18	0.0155	30-Mar-19	0.0217
28-Sep-19	0.0347	30-Mar-20	0.0323	28-Sep-18	0.015	31-Mar-19	0.0217
29-Sep-19	0.0346	31-Mar-20	0.0416	29-Sep-18	0.015	1-Apr-19	0.0295
30-Sep-19	0.0344	1-Apr-20	0.0258	30-Sep-18	0.015	2-Apr-19	0.025
1-Oct-19	0.0345	2-Apr-20	0.0269	1-Oct-18	0.0138	3-Apr-19	0.0256
2-Oct-19	0.0351	3-Apr-20	0.0272	2-Oct-18	0.0148	4-Apr-19	0.0281
3-Oct-19	0.0353	4-Apr-20	0.0272	3-Oct-18	0.0204	5-Apr-19	0.0269
4-Oct-19	0.0342	5-Apr-20	0.0272	4-Oct-18	0.0183	6-Apr-19	0.0265
5-Oct-19	0.0342	6-Apr-20	0.0271	5-Oct-18	0.0176	7-Apr-19	0.0266
6-Oct-19	0.0342	7-Apr-20	0.0272	6-Oct-18	0.0172	8-Apr-19	0.026
7-Oct-19	0.0341	8-Apr-20	0.0272	7-Oct-18	0.0172	9-Apr-19	0.0252
8-Oct-19	0.0341	9-Apr-20	0.0270	8-Oct-18	0.0178	10-Apr-19	0.0257
9-Oct-19	0.0340	10-Apr-20	0.0272	9-Oct-18	0.017	11-Apr-19	0.0268
10-Oct-19	0.0369	11-Apr-20	0.0272	10-Oct-18	0.02	12-Apr-19	0.0265
11-Oct-19	0.0344	12-Apr-20	0.0272	11-Oct-18	0.0156	13-Apr-19	0.0264
12-Oct-19	0.0344	13-Apr-20	0.0273	12-Oct-18	0.0163	14-Apr-19	0.0264
13-Oct-19	0.0343	14-Apr-20	0.0273	13-Oct-18	0.0163	15-Apr-19	0.026
14-Oct-19	0.0349	15-Apr-20	0.0273	14-Oct-18	0.0163	16-Apr-19	0.0269
15-Oct-19	0.0353	16-Apr-20	0.0289	15-Oct-18	0.0309	17-Apr-19	0.027
16-Oct-19	0.0356	17-Apr-20	0.0281	16-Oct-18	0.0248	18-Apr-19	0.0262
17-Oct-19	0.0347	18-Apr-20	0.0282	17-Oct-18	0.0159	19-Apr-19	0.0258
18-Oct-19	0.0338	19-Apr-20	0.0282	18-Oct-18	0.0165	20-Apr-19	0.0259
19-Oct-19	0.0338	20-Apr-20	0.0286	19-Oct-18	0.0174	21-Apr-19	0.0259
20-Oct-19	0.0338	21-Apr-20	0.0249	20-Oct-18	0.017	22-Apr-19	0.0262
21-Oct-19	0.0344	22-Apr-20	0.0240	21-Oct-18	0.0169	23-Apr-19	0.0267
22-Oct-19	0.0360	23-Apr-20	0.0234	22-Oct-18	0.0188	24-Apr-19	0.0265
23-Oct-19	0.0349	24-Apr-20	0.0233	23-Oct-18	0.0178	25-Apr-19	0.0269
24-Oct-19	0.0348	25-Apr-20	0.0232	24-Oct-18	0.0188	26-Apr-19	0.0268
25-Oct-19	0.0345	26-Apr-20	0.0232	25-Oct-18	0.0177	27-Apr-19	0.0262
26-Oct-19	0.0344	27-Apr-20	0.0232	26-Oct-18	0.016	28-Apr-19	0.0262
27-Oct-19	0.0344	28-Apr-20	0.0264	27-Oct-18	0.0155	29-Apr-19	0.0268
28-Oct-19	0.0354	29-Apr-20	0.0243	28-Oct-18	0.0154	30-Apr-19	0.0254
29-Oct-19	0.0350	30-Apr-20	0.0240	29-Oct-18	0.0203	1-May-19	0.0267
30-Oct-19	0.0343	1-May-20	0.0240	30-Oct-18	0.0158	2-May-19	0.0268
31-Oct-19	0.0355	2-May-20	0.0240	31-Oct-18	0.0156	3-May-19	0.0263
1-Nov-19	0.0298	3-May-20	0.0240	1-Nov-18	0.0151	4-May-19	0.0263
2-Nov-19	0.0296	4-May-20	0.0236	2-Nov-18	0.0168	5-May-19	0.0263
3-Nov-19	0.0297	5-May-20	0.0225	3-Nov-18	0.0166	6-May-19	0.0255
4-Nov-19	0.0302	6-May-20	0.0232	4-Nov-18	0.0166	7-May-19	0.024
5-Nov-19	0.0395	7-May-20	0.0229	5-Nov-18	0.0148	8-May-19	0.0261
6-Nov-19	0.0295	8-May-20	0.0229	6-Nov-18	0.0154	9-May-19	0.0257
7-Nov-19	0.0322	9-May-20	0.0229	7-Nov-18	0.0153	10-May-19	0.0262
8-Nov-19	0.0295	10-May-20	0.0229	8-Nov-18	0.0146	11-May-19	0.0263
9-Nov-19	0.0295	11-May-20	0.0216	9-Nov-18	0.0163	12-May-19	0.0263
10-Nov-19	0.0295	12-May-20	0.0222	10-Nov-18	0.0154	13-May-19	0.0276

## PERFORMANCE TABLE FOR THE YEAR ENDED JUNE 30, 2020

2020				2019			
Date	Rate	Date	Rate	Date	Rate	Date	Rate
11-Nov-19	0.0302	13-May-20	0.0223	11-Nov-18	0.0147	14-May-19	0.028
12-Nov-19	0.0306	14-May-20	0.0223	12-Nov-18	0.0342	15-May-19	0.027
13-Nov-19	0.0303	15-May-20	0.0223	13-Nov-18	0.0228	16-May-19	0.0258
14-Nov-19	0.0306	16-May-20	0.0223	14-Nov-18	0.0179	17-May-19	0.0243
15-Nov-19	0.0304	17-May-20	0.0223	15-Nov-18	0.0181	18-May-19	0.024
16-Nov-19	0.0304	18-May-20	0.0222	16-Nov-18	0.0185	19-May-19	0.024
17-Nov-19	0.0304	19-May-20	0.0216	17-Nov-18	0.018	20-May-19	0.0293
18-Nov-19	0.0307	20-May-20	0.0194	18-Nov-18	0.018	21-May-19	0.0273
19-Nov-19	0.0310	21-May-20	0.0194	19-Nov-18	0.0188	22-May-19	0.0327
20-Nov-19	0.0309	22-May-20	0.0194	20-Nov-18	0.0173	23-May-19	0.0239
21-Nov-19	0.0313	23-May-20	0.0194	21-Nov-18	0.0252	24-May-19	0.0238
22-Nov-19	0.0303	24-May-20	0.0194	22-Nov-18	0.0202	25-May-19	0.0238
23-Nov-19	0.0317	25-May-20	0.0194	23-Nov-18	0.0163	26-May-19	0.0261
24-Nov-19	0.0310	26-May-20	0.0194	24-Nov-18	0.0158	27-May-19	0.0251
25-Nov-19	0.0307	27-May-20	0.0194	25-Nov-18	0.0158	28-May-19	0.0254
26-Nov-19	0.0314	28-May-20	0.0217	26-Nov-18	0.0201	29-May-19	0.0262
27-Nov-19	0.0285	29-May-20	0.0205	27-Nov-18	0.0164	30-May-19	0.0266
28-Nov-19	0.0315	30-May-20	0.0204	28-Nov-18	0.0162	31-May-19	0.0268
29-Nov-19	0.0344	31-May-20	0.0205	29-Nov-18	0.017	1-Jun-19	0.0267
30-Nov-19	0.0344	1-Jun-20	0.0200	30-Nov-18	0.0171	2-Jun-19	0.0267
1-Dec-19	0.0342	2-Jun-20	0.0201	1-Dec-18	0.0161	3-Jun-19	0.0335
2-Dec-19	0.0350	3-Jun-20	0.0201	2-Dec-18	0.0164	4-Jun-19	0.0289
3-Dec-19	0.0343	4-Jun-20	0.0196	3-Dec-18	0.0192	5-Jun-19	0.0288
4-Dec-19	0.0346	5-Jun-20	0.0190	4-Dec-18	0.0197	6-Jun-19	0.0288
5-Dec-19	0.0337	6-Jun-20	0.0190	5-Dec-18	0.0216	7-Jun-19	0.0288
6-Dec-19	0.0339	7-Jun-20	0.0188	6-Dec-18	0.0244	8-Jun-19	0.0288
7-Dec-19	0.0339	8-Jun-20	0.0199	7-Dec-18	0.0212	9-Jun-19	0.0289
8-Dec-19	0.0339	9-Jun-20	0.0198	8-Dec-18	0.0196	10-Jun-19	0.0291
9-Dec-19	0.0344	10-Jun-20	0.0206	9-Dec-18	0.0196	11-Jun-19	0.0287
10-Dec-19	0.0342	11-Jun-20	0.0199	10-Dec-18	0.0259	12-Jun-19	0.029
11-Dec-19	0.0336	12-Jun-20	0.0199	11-Dec-18	0.0216	13-Jun-19	0.0285
12-Dec-19	0.0349	13-Jun-20	0.0199	12-Dec-18	0.0192	14-Jun-19	0.0283
13-Dec-19	0.0344	14-Jun-20	0.0199	13-Dec-18	0.0227	15-Jun-19	0.0282
14-Dec-19	0.0344	15-Jun-20	0.0197	14-Dec-18	0.0242	16-Jun-19	0.0282
15-Dec-19	0.0344	16-Jun-20	0.0202	15-Dec-18	0.0226	17-Jun-19	0.0283
16-Dec-19	0.0342	17-Jun-20	0.0202	16-Dec-18	0.0226	18-Jun-19	0.029
17-Dec-19	0.0345	18-Jun-20	0.0200	17-Dec-18	0.0271	19-Jun-19	0.0314
18-Dec-19	0.0351	19-Jun-20	0.0198	18-Dec-18	0.0213	20-Jun-19	0.0313
19-Dec-19	0.0341	20-Jun-20	0.0198	19-Dec-18	0.0797	21-Jun-19	0.0302
20-Dec-19	0.0342	21-Jun-20	0.0198	20-Dec-18	0.0381	22-Jun-19	0.0302
21-Dec-19	0.0341	22-Jun-20	0.0199	21-Dec-18	0.0216	23-Jun-19	0.0303
22-Dec-19	0.0341	23-Jun-20	0.0199	22-Dec-18	0.0202	24-Jun-19	0.0306
23-Dec-19	0.0348	24-Jun-20	0.0197	23-Dec-18	0.0202	25-Jun-19	0.0307
24-Dec-19	0.0344	25-Jun-20	0.0187	24-Dec-18	0.024	26-Jun-19	0.0304
25-Dec-19	0.0344	26-Jun-20	0.0189	25-Dec-18	0.0202	27-Jun-19	0.0281
26-Dec-19	0.0353	27-Jun-20	0.0189	26-Dec-18	0.0231	28-Jun-19	0.0315
27-Dec-19	0.0344	28-Jun-20	0.0189	27-Dec-18	0.0233	29-Jun-19	0.0317
28-Dec-19	0.0344	29-Jun-20	0.0195	28-Dec-18	0.0236	30-Jun-19	0.0314
29-Dec-19	0.0344	30-Jun-20	0.0213	29-Dec-18	0.0216		
30-Dec-19	0.0343			30-Dec-18	0.0216		
31-Dec-19	0.0333			31-Dec-18	0.0248		

**Disclaimer**

The past performance is not necessarily indicative of future performance and unit prices and investments and returns may go down, as well as up.

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