



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

# QUARTERLY REPORT

MARCH  
**2021**  
(UNAUDITED)

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



# **ALHAMRA ISLAMIC ACTIVE ALLOCATION FUND**

## TABLE OF CONTENTS

---

---

1	Fund's Information	318
2	Report of the Directors of the Management Company	319
3	Condensed Interim Statement of Assets And Liabilities	326
4	Condensed Interim Income Statement (Un-audited)	327
5	Condensed Interim Statement of Other Comprehensive Income (Un-audited)	328
6	Condensed Interim Statement of Movement in Unit Holder's Funds (Un-audited)	329
7	Condensed Interim Cash Flow Statement ( Un-audited)	330
8	Notes to and forming part of the Condensed Interim Financial Statements (Unaudited)	331

## 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
<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>Digital Custodian Company Limited</b> (Formerly MCB Financial Services Limited) 4th Floor, Pardesi House, Old Queens Road, Karachi, Pakistan Ph: (92-21) 32419770 Fax: (92-21) 32416371 Web: www.digitalcustodian.co	
<b>Bankers</b>	MCB Bank Limited Bank Islami Pakistan 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>	<b>AM1</b> Asset Manager Rating assigned by PACRA	

# REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021

---

**Dear Investor,**

On behalf of the Board of Directors, we are pleased to present **Alhamra Islamic Active Allocation Plan II** accounts review for the nine months ended March 31, 2021.

## **Economy and Money Market Review**

The first nine months of fiscal year 2021 have been relatively stronger as economic activities resumed to a large extent though challenges from Covid continue to pose risks in the near term. The economic recovery has been better than expectations as stable interest rates and supportive financing schemes from SBP, amnesty to encourage construction sector, resumption in demand and continued strong inflow of remittances have supported economic growth. We therefore expect economic growth to be higher than estimates shared by multilateral agencies. Government had initial expectations of lower industrial growth (targeting a growth of 0.1% over last year) due to Covid-19, which we now believe would also be better than expectations as cyclical sectors have exhibited strong demand and volumetric growth.

Cement sector saw an impressive growth in local dispatches as they witnessed a growth of about 18% over last year in the first nine months of FY21. Sales of 2 and 3 wheeler units also rose at an impressive rate of near 17% over last year in the first eight months of FY21 reflecting on the resilience of economy. Similarly, the demand of petrol and diesel also increased by about 9.5% and 17% respectively over last year during the first nine months indicating a broader recovery in economy. Overall, Large Scale Manufacturing Index (LSM) has grown by about 7.9% in first seven months of the current fiscal year led by the cyclical sectors.

Current account posted a surplus of USD 881 million in the first eight months of fiscal year compared to a deficit of USD 2,741 million in the corresponding period of the last year. The improvement came in primarily on the back of higher remittances which grew at a stupendous rate of about 24% during the first eight months of this fiscal year. Foreign exchange reserves of central bank saw an increase of about USD 2.2 billion during the first eight months due to improved balance of payment position. Subsequently, the PKR/USD appreciated by about 9% during the period.

Inflation remained an Achilles heel for the government as rising food prices continued to create challenges for policy makers. Headline inflation represented by CPI averaged 8.4% over last year during the first nine months, with food inflation averaging about 13% during the period. The prices of perishable food items along with the price of wheat continued to advance higher as supply side disruptions and mismanagement caused the prices to soar. Nevertheless, core inflation as measured by Non Food Non Energy was still controlled and averaged 6.1% for the period. Monetary Policy Committee maintained status quo throughout the year after successive cuts in previous meetings. While real interest rates remained negative, the central bank was cautious with regards to demand side pressures owing to Covid-19 as well as comfort drawn from better external position.

As the economy started to open up, tax collection also improved and grew by about 10% during the first nine months of the fiscal year which exceeded the target by PKR 100 bn. Fiscal deficit for the first seven months of the period clocked in at 2.9% of GDP, compared to 3.2% of GDP last year. Primary balance was even better at a surplus of 0.9% of GDP compared to last year surplus of 0.3% of GDP.

Yield curve started to slope upward after inflation continued to disappoint investors. The central bank also raised its expectation of inflation as discussed in the minutes of MPC. It now expects it to fall in the upward range of 7-9% compared to earlier expectations of inflation falling in the lower range. 3, 5 and 10 Year bonds saw a rise of 182 bps, 175 bps and 173 bps respectively during the period.

## **Equity Market Review**

After showing strong positive momentum during the first half of this fiscal year, market performance could not display the same riveting momentum and remained dull during the third quarter of this fiscal year. The index posted a return of 1.9% during the third quarter of this fiscal year, taking the cumulative return of nine months to 29.5%. Local investors absorbed foreign investors selling of about USD 290mn. Trading activity at the bourse increased on a YoY basis as the average volumes and value traded amounted to near 483 Million shares (up 149%) and about PKR 19 Billion (up 165%) respectively.

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021

---

Tech, Refineries and Steel were the major outperformers as they posted returns of 326%/145%/97% respectively during the nine months of the fiscal year. Tech companies saw a massive re-rating in their valuations as investor cherished the changing landscape of tech companies post Covid. Steel sector gained traction during period after a sharp increase in construction demand and prices sent their stocks soaring. Moreover, rumors of a guaranteed rate of return for refineries drove sector returns during the period. On the flip side, Fertilizer remained the major underperformer posting nominal returns of 8% only.

### FUND PERFORMANCE

During the period under review, the fund posted a return of 6.20% against 4.56% for the benchmark. The fund was 0% invested in Alhamra Islamic Stock Fund and 98.2% invested in Alhamra Islamic Income Fund as at March 31, 2021.

The Net Assets of the Fund as at March 31, 2021 stood at Rs. 138 million as compared to Rs.177 million as at June 30, 2020 registering a decrease of 22.03%.

The Net Asset Value (NAV) per unit as at March 31, 2021 was Rs.101.5597 as compared to opening NAV of Rs. 95.6301 per unit as at June 30, 2020 a decrease of Rs. 5.9296 per unit.

### Economy & Market – Future Outlook

GDP growth for FY21 is now projected at around 3% by central bank. We expect GDP growth to be better than general consensus of government and institutions as industrial growth has revived much earlier than our anticipation. Generally, economy appears to be operating close to pre-covid levels gauged by LSM growth, cement sales, auto sales, etc.

Balance of Payment worries are at bay for the near term with current account deficit expected to be about USD 1.1 bn for this fiscal year. We expect Current Account Deficit to settle near 0.4% of GDP in FY21 which could be easily financed from foreign investments and debt flows. However, the recent surge in commodity prices and growth momentum would require better financial management to fund the current account deficit over next year. Any reversal in trend of remittances would also be a concern for Balance of Payment management next year. With Real Effective Rate for Feb-2021 at 97.1 any significant movement in commodities may cause relative inflation and balance of payment to weaken further and thus can cause currency to weaken swiftly. Continuation of the IMF program is a good omen which would allow better financial flows from various institutions allowing better financial management. We expect foreign exchange reserves to further increase by about USD 2.7 bn from current levels by year end.

Inflation has exceeded our earlier expectations as food prices have sky rocketed. We expect CPI to average near 9.1% for FY21, slightly higher than the expected range (7.0-9.0) of central bank. For the next fiscal year, we expect CPI to average close to 9.1%. Central bank for the first time has provided guidance on interest rates in the short term which will perhaps bring more certainty in investor expectations. The central authority vowed to keep the existing accommodative monetary policy stance to support recovery while keeping inflation expectations well anchored. Given the guidance by central bank, we now expect interest rates to adjust by 100-150 bps over the next fiscal year.

From capital market perspective, particularly equities, markets are watchful of the 3rd wave of Covid cases which do pose risks in the near term. As growth momentum continues, the valuations are catching up with historical norms. Barring any external shock, we think equities have potential to provide decent returns to investors. Given that low interest rate environment is likely to continue for the short to medium term, we believe equities will continue to attract flows. Risk premiums vis a vis 10-year bonds is right now at 3.3%, compared to historical average of 1.3% suggesting some upside due to re-rating would be possible. Alongside, earnings growth will be a key driver for the next few years as they have lagged behind nominal GDP growth during the last couple of years. 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

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021

---

cautious at the current levels of bond yields and would continue to monitor the data points to capitalize on opportunities.

### **Mutual Fund Industry Review**

The Net Assets of the open end mutual fund industry increased by about 28.6% to PKR 954 billion at the end of the first nine months of the fiscal year. Money market funds and Fixed Income funds experienced an influx of investment as corporate liquidity swiftly moving towards mutual funds. Total money market funds grew by about 33% during the period to PKR 418 billion. Within the money market sphere, the conventional funds dominated as they grew by about 31% to PKR 271 billion. Equity and related funds surged rapidly by 27% from PKR 224 billion to PKR 284 billion over the quarter. Most of the rise in equity and equity linked fund assets can be attributed to a positive uptick in the market that was up ~29% YoY owing to favorable investor sentiments.

In terms of the segment share, Money Market funds were the leader with a share of around 44%, followed by Equity and Equity related funds with a share of 30% and Income funds having a share of 26% as at the end of the calendar year.

### **Mutual Fund Industry Outlook**

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

### **ACKNOWLEDGMENT**

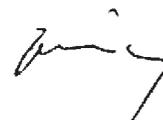
The Board is thankful to the Fund's valued investors, the Securities and Exchange Commission of Pakistan and the Trustees of the Fund for their continued cooperation and support. The Directors also appreciate the efforts put in by the management team.

On behalf of Directors,



---

Muhammad Saqib Saleem  
Chief Executive Officer  
April 16, 2021



---

Nasim Beg  
Director/Vice Chairman

## ڈائریکٹرز رپورٹ

میوچل فنڈ صنعت کے مستقبل کے امکانات

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

اظہارِ تشکر

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

من جانب ڈائریکٹرز



محمد ثاقب سلیم  
چیف ایگزیکٹو آفیسر



نسیم بیگ  
ڈائریکٹر / وائس چیئرمین

16 اپریل 2021

## ڈائریکٹرز رپورٹ

فروری 2021ء کارینل اےفیکٹو ریٹ 97.1 فیصد تھا، اور اشیاء میں کسی بھی قابل ذکر حرکت کے باعث افراط زر اور ادائیگیوں کے توازن کی نسبتاً صورتحال مزید خراب ہو سکتی ہے اور اس کے نتیجے میں روپے کی قدر تیزی سے گر سکتی ہے۔ آئی ایم ایف پروگرام کا جاری رہنا اچھا شگون ہے جس کی بدولت متعدد اداروں سے بہتر مالیاتی آمدات ممکن ہوگی اور اس کے نتیجے میں بہتر مالیاتی انتظام ممکن ہوگا۔ غیر ملکی زرمبادلہ کے ذخائر میں اختتام مدت تک موجودہ سطحوں کے مقابلے میں تقریباً 2.7 بلین ڈالر کا مزید اضافہ متوقع ہے۔

افراط زر ہماری سابقہ توقعات سے آگے نکل گئی ہے کیونکہ اشیائے خورد و نوش کی قیمتیں آسمان سے باتیں کر رہی ہیں۔ ہمارے نزدیک مالی سال 2021ء کے لیے سی پی آئی کا اوسط 9.1 فیصد ہوگا جو مرکزی بینک کی متوقع حد (7.0 سے 9.0) سے تھوڑا زیادہ ہے۔ اگلے مالی سال کے لیے افراط زر کا اوسط تقریباً 9.1 فیصد متوقع ہے۔ مرکزی بینک نے پہلی مرتبہ قریب المیعاد میں سود کی شرحوں سے متعلق راہنمائی فراہم کی ہے جس کی بدولت سرمایہ کاروں کی توقعات میں مزید یقینی صورتحال پیدا ہوگی۔ مرکزی مختار ادارے نے گنجائش پیدا کرنے والی موجودہ مالیاتی پالیسی کا موقف برقرار رکھنے کا عزم کیا تا کہ وصولی کے لیے معاونت فراہم ہو، جبکہ افراط زر کی توقعات کو قابو میں رکھا۔ مرکزی بینک کی راہنمائی کے پیش نظر اب ہمیں اُمید ہے کہ سود کی شرحوں میں اگلے مالی سال کے دوران 100 سے 150 بیسیس پوائنٹس تک ترمیم ہوگی۔

کیپیٹل مارکیٹ کے نقطہ نظر سے، خصوصاً ایکویٹی کے تناظر میں، مارکیٹس کو وڈ کی تیسری لہر کے حوالے سے گہری نظر رکھے ہوئے ہیں کیونکہ اس سے قریبی مدت میں خطرات لاحق ہیں۔ ترقی کی رفتار تیز تر ہونے کے ساتھ valuations بتدریج پرانے رجحانات کے ساتھ ہم آہنگ ہو رہی ہیں۔ ہمارے مطابق کوئی خارجی دھچکہ نہ لگے تو ایکویٹی میں سرمایہ کاروں کو اچھا منافع دینے کی استعداد موجود ہے۔ اگر سود کی پست شرحوں کا ماحول مختصر اور درمیانی مدت کے دوران قائم رہے تو ہم سمجھتے ہیں کہ ایکویٹی آمدات کو مائل کرنے کا سلسلہ جاری رکھیں گی۔ دس سالہ بانڈز سے متعلق خطرات کے پریمیم فی الوقت 3.3 فیصد پر ہیں، اور قدیم اوسط 1.3 فیصد کے ساتھ تقابل سے پتہ چلتا ہے کہ ری ریٹنگ کی بدولت کچھ فائدہ متوقع ہے۔ ساتھ ساتھ آمدنیوں میں اضافہ اگلے کچھ برسوں کے لیے کلیدی محرک ہوگا کیونکہ گزشتہ کچھ برسوں کے دوران آمدنیاں جی ڈی پی کی معمولی ترقی سے بھی پیچھے رہی ہیں۔ ہم سمجھتے ہیں کہ شعبہ جات اور اسٹاک کی خورد و خورد تصور 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۔

قرض حاملین کے لیے ہم توقع کرتے ہیں کہ بازار زر کے فنڈ سال بھر بلا رکاوٹ پالیسی شرحوں کی عکاسی جاری رکھیں گے۔ دوسری جانب حکومتی بانڈز متوقع پیداواری خرم میں شامل ہو 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۔

### میوچل فنڈ صنعت کا جائزہ

اوپن end میوچل فنڈ صنعت کے net اثاثہ جات مالی سال 2021ء کے ابتدائی نو ماہ کے اختتام پر تقریباً 28.6 فیصد بڑھ کر 954 بلین روپے ہو گئے۔ منی مارکیٹ فنڈز اور فکسڈ انکم فنڈز میں خطیر سرمایہ کاری ہوئی کیونکہ کارپوریٹ نقدیت تیزی سے میوچل فنڈز کی جانب بڑھ رہی ہے۔ منی مارکیٹ کے مجموعی فنڈز دوران مدت تقریباً 33 فیصد بڑھ کر 418 بلین روپے ہو گئے۔ منی مارکیٹ کے دائرہ کار میں روایتی فنڈز حاوی رہے اور تقریباً 31 فیصد بڑھ کر 271 بلین روپے ہو گئے۔ ایکویٹی اور متعلقہ فنڈز میں دوران سہ ماہی 27 فیصد کا بھرپور اضافہ ہوا اور وہ 224 بلین روپے سے 284 بلین روپے ہو گئے۔ ایکویٹی اور متعلقہ فنڈز کے اثاثہ جات میں اضافے کا بڑا سبب سرمایہ کاروں کے مثبت جذبات کی بدولت مارکیٹ میں 29 فیصد سال در سال ترقی کو قرار دیا جاسکتا ہے۔

کیلنڈر سال کے اختتام پر شعبہ جاتی سرمایہ کاری کے اعتبار سے منی مارکیٹ فنڈز تقریباً 44 فیصد کے ساتھ سب سے آگے تھے، جبکہ ایکویٹی اور متعلقہ فنڈز تقریباً 30 فیصد، اور انکم فنڈز تقریباً 26 فیصد کے حامل تھے۔

## ڈائریکٹرز رپورٹ

میں آنا متوقع تھا۔ دورانِ مدت تین، پانچ اور دس سالہ بانڈز میں بالترتیب 182، 175 اور 173 بیسیس پوائنٹس (بی پی ایس) کا اضافہ ہوا۔

### ایکویٹی مارکیٹ کا جائزہ

موجودہ مالی سال کی تیسری سہ ماہی کے دوران مارکیٹ کی کارکردگی وہ مستحکم اور مثبت رفتار جاری نہیں رکھ سکی جس کا مظاہرہ مالی سال کے نصف اوّل کے دوران ہوا تھا۔ انڈیکس نے تیسری سہ ماہی کے دوران 1.9 فیصد منافع پوسٹ کیا جس کے بعد نو ماہ کا مجموعی منافع 29.5 فیصد تک پہنچ گیا۔ مقامی سرمایہ کاروں نے غیر ملکی سرمایہ کاروں کی تقریباً 290 ملین ڈالر کی فروخت کو جذب کر لیا۔ اسٹاک مارکیٹ کی تجارتی سرگرمی میں سال در سال (YoY) بنیاد پر اضافہ ہوا کیونکہ تجارت کردہ اوسط حجم تقریباً 483 ملین حصص (149 فیصد زیادہ) اور تجارت کردہ اوسط قدر تقریباً 19 بلین روپے (165 فیصد زیادہ) تھی۔

ٹیکنالوجی، اسٹیل اور ریٹائرمنٹ ہدف سے بہتر کارکردگی کا مظاہرہ کرنے والے بڑے شعبے تھے جنہوں نے مالی سال کے نو ماہ کے دوران بالترتیب 326 فیصد، 145 فیصد اور 97 فیصد منافع پوسٹ کیا۔ ٹیکنالوجی کمپنیوں کی قدر کی بڑے پیمانے پر تشکیل نو ہوئی کیونکہ سرمایہ کاروں نے ٹیکنالوجی کمپنیوں کی بعد از کووڈ بلتی ہوئی صورتحال کا خیر مقدم کیا۔ اسٹیل کے شعبے نے رفتار پکڑی کیونکہ تعمیراتی مانگ اور قیمتوں میں تیزی سے اضافے کے بعد ان کے اسٹاکس نے بھرپور ترقی کی۔ علاوہ ازیں، ریٹائرمنٹ کے لیے یقینی شرح منافع کی افواہوں نے دورانِ مدت اس شعبے کے منافع کو محرک فراہم کیا۔ دوسری جانب، کھاد کا شعبہ ہدف سے کم کارکردگی کا مظاہرہ کرنے والا بڑا شعبہ تھا جس نے صرف 8 فیصد منافع پوسٹ کیا۔

### فنڈ کی کارکردگی

دورانِ مدت فنڈ نے 6.20 فیصد منافع حاصل کیا جبکہ اس کے بالمقابل مقررہ معیار 4.56 فیصد تھا۔  
31 مارچ 2021ء کو فنڈ کی سرمایہ کاری الحمراء اسلامک اسٹاک فنڈ میں 0 فیصد اور الحمراء اسلامک انکم فنڈ میں 98.2 فیصد تھی۔  
31 مارچ 2021ء کو فنڈ کے net اثاثہ جات 138 ملین روپے تھے جبکہ 30 جون 2020ء کو 177 ملین روپے تھے (یعنی net اثاثہ جات میں 22.03 فیصد کمی ہوئی)۔  
31 مارچ 2021ء کو net اثاثہ جاتی قدر (این اے وی) فی یونٹ 101.5597 روپے تھی جو 30 جون 2020ء کو ابتدائی این اے وی، جو کہ 95.6301 روپے فی یونٹ تھی، کے مقابلے میں 5.9296 روپے فی یونٹ کمی ہے۔

### معیشت اور بازار - مستقبل کے امکانات

مرکزی بینک کے مطابق مالی سال 2021ء کے لیے مجموعی ملکی پیداوار (جی ڈی پی) میں 3 فیصد ترقی متوقع ہے۔ ہمیں اُمید ہے کہ جی ڈی پی کی ترقی حکومت اور اداروں کے عمومی اتفاق رائے سے بہتر ہوگی کیونکہ صنعتی ترقی ہماری توقعات سے کافی قبل بحال ہوگئی ہے۔ معیشت اب عمومی طور پر قبل از کووڈ سطحوں کے قریب سرگرم عمل ہے جس کا اندازہ ایل ایس ایم کی ترقی اور سیمنٹ اور آٹوموبائل کے شعبے کی فروخت کے ذریعے لگایا جاسکتا ہے۔

ادائیگیوں کے توازن کی پریشانیوں قریب المیاد میں ختم ہوگئی ہیں کیونکہ موجودہ مالی سال کے لیے کرنٹ اکاؤنٹ کا متوقع خسارہ تقریباً 1.1 بلین ڈالر ہے۔ ہم سمجھتے ہیں کہ مالی سال 2021ء میں کرنٹ اکاؤنٹ خسارہ جی ڈی پی کے تقریباً 0.4 فیصد پر ٹھہرے گا، اور اس کے لیے مالیات کی فراہمی باآسانی غیر ملکی سرمایہ کاریوں اور قرض کے ذریعے ہو سکتی ہے۔ تاہم اشیاء کی قیمتوں اور ترقی کی رفتار میں حالیہ اضافے کے باعث اگلے سال کے دوران کرنٹ اکاؤنٹ خسارے کے لیے مالیات کی فراہمی کے لیے بہتر مالیاتی انتظام درکار ہے۔ ترسیلات زر کے رجحان میں ذرا بھی واپسی کے باعث اگلے سال ادائیگی کے توازن کے انتظام میں رکاوٹ حاصل ہو سکتی ہے۔

## ڈائریکٹرز رپورٹ

عزیز سرمایہ کار

بورڈ آف ڈائریکٹرز کی جانب سے الحمد للہ اسلامک ایکٹو ایلوکیشن پلان - II کے اکاؤنٹس کا جائزہ برائے نومبر 2021ء پیش خدمت ہے۔

معیشت اور بازار کا جائزہ

مالی سال 2021ء کے ابتدائی نو ماہ مستحکم رہے کیونکہ معاشی سرگرمیاں کافی حد تک بحال ہوئیں اگرچہ قریب المیعاد میں کووڈ کے باعث پیدا ہونے والی مشکلات کے باعث خطرات ابھی بھی لاحق ہیں۔ معاشی بحالی توقعات سے بہتر رہی کیونکہ سود کی مستحکم شرحوں اور اسٹیٹ بینک آف پاکستان (ایس بی پی) کی معاونتی مالیاتی اسکیموں، تعمیرات کے شعبے کی حوصلہ افزائی کے لیے رعایات، مانگ میں بحالی، اور ترسیلات زر کی مسلسل اور مستحکم آمد سے معاشی ترقی کو سہارا ملا ہے۔ چنانچہ ہمیں اُمید ہے کہ معاشی ترقی کثیر الجہتی ایجنسیوں کے پیش کردہ تخمینوں سے بلند تر ہوگی۔ حکومت کی ابتدائی توقعات کے مطابق صنعتی ترقی (جس کا ہدف سال گزشتہ کے مقابلے میں 0.1 فیصد ترقی تھا) کو وڈ-19 کے باعث پست تر ہوگی، لیکن اب ہم سمجھتے ہیں کہ یہ توقعات سے بہتر ہوگی کیونکہ گزشتہ شعبوں میں بھرپور طلب اور حجم کے اعتبار سے ترقی کا مظاہرہ ہوا ہے۔

سینٹ کے شعبے میں مقامی فروخت میں متاثر کن ترقی ہوئی جو مالی سال 2021ء کے ابتدائی نو ماہ میں سال گزشتہ سے 18 فیصد زیادہ تھی۔ 2 اور 3 پہیوں والے یوٹس کی فروخت میں بھی مزید متاثر کن ترقی ہوئی جو مالی سال 2021ء کے ابتدائی آٹھ ماہ میں سال گزشتہ سے تقریباً 17 فیصد زیادہ تھی جس سے معیشت کی لچک کی عکاسی ہوتی ہے۔ اسی طرح ابتدائی نو ماہ کے دوران پٹرول اور ڈیزل کی طلب میں بھی سال گزشتہ کے مقابلے میں بالترتیب تقریباً 9.5 فیصد اور 17 فیصد اضافہ ہوا جس سے معیشت میں وسیع تر بحالی کی ترجمانی ہوتی ہے۔ مجموعی طور پر بڑے پیمانے پر ہونے والی مینوفیکچرنگ (ایل ایس ایم) میں موجودہ مالی سال کے ابتدائی سات ماہ میں 7.9 فیصد ترقی ہوئی ہے جس میں گزشتہ شعبے سب سے آگے رہے ہیں۔

مالی سال کے ابتدائی آٹھ ماہ میں کرنٹ اکاؤنٹ میں 881 ملین ڈالر منافع ہوا جبکہ اس کے بالمقابل سال گزشتہ کی مماثل مدت میں 2,741 ملین ڈالر خسارہ ہوا تھا۔ اس بہتری کی بنیادی وجہ ترسیلات زر میں اضافہ تھا جن میں مالی سال کے ابتدائی آٹھ ماہ کے دوران 24 فیصد کی زبردست شرح سے ترقی ہوئی۔ مرکزی بینک کے زرمبادلہ کے ذخائر میں ابتدائی آٹھ ماہ کے دوران تقریباً 2.2 بلین ڈالر اضافہ ہوا جس کی وجہ ادائیگی کے توازن کی صورتحال میں بہتری ہے۔ بعد ازاں، پاکستانی روپے / امریکی ڈالر میں دوران مدت تقریباً 9 فیصد ترقی ہوئی۔

افراط زر حکومت کی دھکتی رگ بنی رہی کیونکہ ایشیائے خورد و نوش کی بڑھتی ہوئی قیمتوں کے باعث پالیسی ساز افراد مشکلات کا شکار رہے۔ مجموعی افراط زر، جس کی ترجمانی صارفین کی قیمت کے انڈیکس (سی پی آئی) سے ہوتی ہے، کا اوسط ابتدائی نو ماہ کے دوران 8.4 فیصد تھا، جبکہ ایشیائے خورد و نوش کے افراط زر کا اوسط دوران مدت 13 فیصد تھا۔ رسد کی جہت میں مسائل اور بد انتظامی کے باعث جلد خراب ہو جانے والی ایشیائے خورد و نوش اور گندم کی قیمتوں میں اضافہ جاری رہا۔ بہر حال بنیادی افراط زر، جس کی پیمائش ایشیائے خورد و نوش اور توانائی کے علاوہ سے ہوتی ہے، قابو میں تھی اور اس کا اوسط برائے مدت 6.1 فیصد تھا۔ مانیٹری پالیسی کمیٹی (ایم پی سی) نے گزشتہ اجلاسوں میں پے در پے کٹوتیوں کے بعد صورتحال کو برقرار رکھا۔ اگرچہ حقیقی سود کی شرح منتفی رہی لیکن مرکزی بینک کو وڈ کے باعث طلب کی جہت پر پڑنے والے دباؤ اور بہتر خارجی صورتحال کی بدولت پیدا ہونے والی سہولت کے حوالے سے محتاط تھا۔

معیشت کے مستحکم ہونے کے آغاز کے ساتھ ٹیکس وصولی بھی بہتر ہوئی اور اس میں مالی سال کے ابتدائی نو ماہ کے دوران 10 فیصد اضافہ ہوا جو ہدف سے 100 بلین روپے زیادہ تھا۔ ابتدائی سات ماہ کا مالیاتی خسارہ مجموعی ملکی پیداوار (جی ڈی پی) کا 2.9 فیصد تھا جبکہ اس کے بالمقابل سال گزشتہ جی ڈی پی کا 3.2 فیصد تھا۔ بنیادی توازن جی ڈی پی (GDP) کے 0.9 فیصد کے ساتھ مزید بہتر رہا جبکہ اس کے بالمقابل سال گزشتہ جی ڈی پی کا 0.3 فیصد تھا۔

مہنگائی کے بعد سرمایہ کاروں کو مایوس کرنے کے بعد پیداوار کی قیمت میں اضافی ہونا شروع ہوا۔ مرکزی بینک نے بھی افراط زر سے متعلق اپنی توقع کو بڑھایا جیسا کہ ایم پی سی کے منٹس میں مذکور ہے۔ اب مرکزی بینک کو توقع ہے کہ افراط زر 7 سے 9 فیصد کی اوپری سطح میں پہنچ جائے گا، جبکہ پہلے اس کا چلنی سطح

# CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2021

	(Un-audited)			(Audited)			
	Plan-I	Plan-II	Total	----- June 30, 2020 -----			
	As at March 31, 2021	As at March 31, 2021		Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total	
Note	----- (Rupees in '000) -----						
<b>ASSETS</b>							
Balances with banks	4	-	2,436	2,436	19,166	11,444	30,610
Investments	5	-	136,886	136,886	322,630	166,072	488,702
Profit receivable		-	12	12	95	46	141
Advance and other receivables	6	-	3	3	60	-	60
<b>Total assets</b>		-	139,337	139,337	341,951	177,562	519,513
<b>LIABILITIES</b>							
Payable to MCB-Arif Habib Savings and Investments Limited - Management Company		-	13	13	40	21	61
Payable to Digital Custodian Company Limited (Formerly: MCB Financial Services Limited) - Trustee		-	24	24	28	25	53
Payable to the Securities and Exchange Commission of Pakistan (SECP)	7	-	23	23	87	65	152
Accrued expenses and other liabilities	8	-	1,208	1,208	1,004	888	1,892
<b>Total liabilities</b>		-	1,268	1,268	1,159	999	2,158
<b>NET ASSETS</b>		-	138,069	138,069	340,792	176,563	517,355
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		-	138,069	138,069	340,792	176,563	517,355
<b>Contingencies and commitments</b>	9						
		--- (Number of units) ---			--- (Number of units) ---		
<b>NUMBER OF UNITS IN ISSUE</b>		-	1,359,480		3,774,078	1,846,316	
		----- (Rupees) -----			----- (Rupees) -----		
<b>NET ASSET VALUE PER UNIT</b>		-	101.5597		90.2980	95.6301	

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

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



Chief Executive Officer



Chief Financial Officer



Director

# CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021

	Plan-I	Plan-II	Plan-I	Plan-II	Plan-I	Plan-II	Plan-I	Plan-II
	Nine Months ended March 31, 2021	Nine Months ended March 31, 2021	Nine Months ended March 31, 2020	Nine Months ended March 31, 2020	Quarter Ended March 31, 2021	Quarter Ended March 31, 2021	Quarter Ended March 31, 2020	Quarter Ended March 31, 2020
Note ----- (Rupees in '000) -----								
<b>INCOME</b>								
Gain on redemption of investments - net	10,750	5,436	7,118	17,462	-	4,079	(17,834)	(1,259)
Net unrealised gain on re-measurement of investments classified as 'fair value through profit or loss	-	4,378	10,376	6,318	-	(1,130)	4,524	1,714
Profit on bank balances	337	326	1,509	905	-	47	466	220
Dividend income	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-
<b>Total income</b>	<b>11,087</b>	<b>10,140</b>	<b>19,003</b>	<b>24,685</b>	<b>-</b>	<b>2,996</b>	<b>(12,844)</b>	<b>675</b>
<b>EXPENSES</b>								
Remuneration of the Management Company	34	32	150	91	-	5	47	22
Sindh sales tax on remuneration of the Management Company	4	4	19	12	-	-	6	3
Remuneration of the Trustee	137	186	314	268	-	62	91	62
Sindh sales tax on remuneration of the Trustee	18	24	41	35	-	8	12	8
Annual fee to Securities and Exchange Commission of Pakistan (SECP)	30	23	70	56	-	6	20	11
Allocated expenses	148	117	348	279	-	35	100	52
Auditors' remuneration	62	279	121	90	-	71	55	27
Printing charges	3	53	34	25	-	16	21	12
Settlement and bank charges	5	2	19	38	-	-	5	10
Listing fee	16	9	10	11	-	3	4	4
Legal and professional charges	18	122	23	22	-	82	(23)	(23)
Provision against Sindh Workers' Welfare Fund (SWWF)	212	186	357	475	-	54	(264)	10
<b>Total expenses</b>	<b>687</b>	<b>1,037</b>	<b>1,505</b>	<b>1,401</b>	<b>-</b>	<b>342</b>	<b>73</b>	<b>197</b>
<b>Net income for the period before taxation</b>	<b>10,400</b>	<b>9,103</b>	<b>17,497</b>	<b>23,284</b>	<b>-</b>	<b>2,654</b>	<b>(12,918)</b>	<b>478</b>
Taxation	-	-	-	-	-	-	-	-
<b>Net income for the period</b>	<b>10,400</b>	<b>9,103</b>	<b>17,497</b>	<b>23,284</b>	<b>-</b>	<b>2,654</b>	<b>(12,918)</b>	<b>478</b>
<i>Allocation of net income for the period:</i>								
Net income for the period	10,400	9,103	17,497	23,284				
Income already paid on units redeemed	(4,373)	(1,043)	(7,445)	(9,897)				
	<b>6,027</b>	<b>8,060</b>	<b>10,052</b>	<b>13,386</b>				
<i>Accounting income available for distribution:</i>								
- Relating to capital gains	6,027	8,060	9,957	13,386				
- Excluding capital gains	-	-	95	-				
	<b>6,027</b>	<b>8,060</b>	<b>10,052</b>	<b>13,386</b>				
<b>Earnings per unit</b>								

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

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



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021**

	Plan-I	Plan-II	Plan-I	Plan-II	Plan-I	Plan-II	Plan-I	Plan-II
	Nine Months ended March 31, 2021		Nine Months ended March 31, 2020		Quarter Ended March 31, 2021		Quarter Ended March 31, 2020	
	(Rupees in '000)							
Net income for the period after taxation	10,400	9,103	17,497	23,284	-	2,654	(12,918)	478
Other comprehensive income for the period	-	-	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>10,400</b>	<b>9,103</b>	<b>17,497</b>	<b>23,284</b>	<b>-</b>	<b>2,654</b>	<b>(12,918)</b>	<b>478</b>

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

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



Chief Executive Officer



Chief Financial Officer



Director

# CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2021

	Alhamra Islamic Active Allocation Plan - I			Alhamra Islamic Active Allocation Plan - II			Alhamra Islamic Active Allocation Plan - I			Alhamra Islamic Active Allocation Plan - II		
	Nine Months ended March 31, 2021			Nine Months ended March 31, 2021			Nine Months ended March 31, 2021			Nine Months ended March 31, 2021		
	Capital Value	Undistributed (loss) / income	Total	Capital Value	Undistributed income / (loss)	Total	Capital Value	Undistributed income / (loss)	Total	Capital Value	Undistributed income / (loss)	Total
(Rupees in '000)												
<b>Net assets at the beginning of the period</b>	472,874	(132,082)	340,792	211,921	(35,358)	176,563	759,234	(131,902)	627,332	743,249	(35,278)	707,971
Issuance of units:												
Alhamra Islamic Active Allocation Plan - I (2021: 91,000 and 2020: Nil units)												
- Capital value (at net assets value per unit at the beginning of the period)	20,516	-	20,516	-	-	-	-	-	-	-	-	-
- Element of income	71	-	71	-	-	-	-	-	-	-	-	-
Alhamra Islamic Active Allocation Plan - II (2021: 331 and 2020: 50 units)												
- Capital value (at net asset value per unit at the beginning of the period)	-	-	-	32	-	32	-	-	-	5	-	5
- Element of income	-	-	-	1	-	1	-	-	-	1	-	1
	20,587	-	20,587	33	-	33	-	-	-	5	-	5
Redemption of units:												
Alhamra Islamic Active Allocation Plan - I (2021: 1,895,691 and 2020: 3,136,157 units)												
- Capital value (at net assets value per unit at the beginning of the period)	(183,476)	-	(183,476)	-	-	-	(279,743)	-	(279,743)	-	-	-
- Amount paid out of element of income	-	(4,376)	(4,376)	-	-	-	-	(7,445)	(7,445)	-	-	-
- Refund / (adjustment) on units as element of income	(246)	-	(246)	-	-	-	4,718	-	4,718	-	-	-
Alhamra Islamic Active Allocation Plan - II (2021: 486,836 and 2020: 5,761,849 units)												
- Capital value (at net asset value per unit at the beginning of the period)	-	-	-	(46,588)	-	(46,588)	-	-	-	(540,866)	-	(540,866)
- Amount paid out of element of income	-	-	-	-	(1,043)	(1,043)	-	-	-	-	(9,897)	(9,897)
- Refund / (adjustment) on units as element of income	-	-	-	-	-	-	-	-	-	2,621	-	2,621
	(183,722)	(4,376)	(188,098)	(46,588)	(1,043)	(47,630)	(275,024)	(7,445)	(282,470)	(538,246)	(9,897)	(548,143)
Total comprehensive income for the period	-	10,400	10,400	-	9,103	9,103	-	17,497	17,497	-	23,284	23,284
Distribution during the period	-	(9,646)	(9,646)	-	-	-	-	-	-	-	-	-
Net income for the period less distribution	-	754	754	-	9,103	9,103	-	17,497	17,497	-	23,284	23,284
<b>Net assets at end of the maturity/period</b>	309,739	(135,704)	174,035	258,541	(27,298)	138,069	484,210	(121,850)	362,359	205,008	23,284	23,284
<b>Paid to unit holders at maturity</b>	(309,739)	135,704	(174,035)	-	-	-	-	-	-	-	-	-
<b>Net assets at end of the period</b>	-	-	-	258,541	(27,298)	138,069	484,210	(121,850)	362,359	205,008	(21,891)	183,117
Undistributed (loss) / income brought forward comprising of:												
- Realised					(36,374)			(74,751)			10,065	
- Unrealised					1,016			(57,151)			(45,343)	
					(35,358)			(131,902)			(35,278)	
Accounting income available for distribution:												
- Relating to capital gains					8,060			9,957			13,386	
- Excluding capital gains					-			95			-	
					8,060			10,052			13,386	
Distribution during the period					-			-			-	
Undistributed loss carried forward					(27,298)			(121,850)			(21,892)	
Undistributed (loss) / income carried forward comprising of:												
- Realised					(31,676)			17,493			17,462	
- Unrealised					4,378			(139,343)			(39,353)	
					(27,298)			(121,850)			(21,892)	
					-- (Rupees) --			-- (Rupees) --			-- (Rupees) --	
Net assets value per unit at beginning of the period		90.2980		95.6301				89.1993		93.6703		
Net assets value per unit at end of the period		-		101.5597				92.9899		102.8623		

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

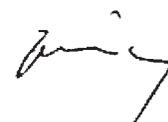
For MCB-Arif Habib Savings and Investments Limited  
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

## CONDENSED INTERIM CASH FLOWS STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2021

	Plan-I	Plan-II		Plan-I	Plan-II	
	Nine Months ended March 31, 2021	Nine Months ended March 31, 2021	Total	Nine Months ended March 31, 2020	Nine Months ended March 31, 2020	Total
Note	----- (Rupees in '000) -----					
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Net income for the period	10,400	9,103	19,503	17,497	23,284	40,781
<b>Adjustments for non cash and other items:</b>						
Net unrealised gain on re-measurement of investments classified as 'fair value through profit or loss'	-	(4,378)	(4,378)	(10,376)	(6,318)	(16,694)
	-	(4,378)	(4,378)	(10,376)	(6,318)	(16,694)
<b>Decrease / (increase) in assets</b>						
Investments	322,633	33,565	356,198	282,883	538,538	821,421
Profit receivable	140	34	174	11	1	12
Advance and other receivables	60	(3)	57	(13)	(14)	(27)
	322,833	33,596	356,429	282,881	538,525	821,406
<b>(Decrease) / increase in liabilities</b>						
Payable to MCB Arif Habib Savings and Investments - Management Company	(40)	(8)	(48)	(22)	(39)	(61)
Payable to Digital Custodian Company Limited (Formerly: MCB Financial Services Limited) - Trustee	(28)	(1)	(29)	(22)	(35)	(57)
Payable to the Securities and Exchange Commission of Pakistan (SECP)	(87)	(42)	(129)	(1,028)	(669)	(1,697)
Accrued expenses and other liabilities	110	320	430	301	448	749
	(45)	269	224	(771)	(295)	(1,066)
<b>Net cash generated from operating activities</b>	<b>333,188</b>	<b>38,590</b>	<b>371,778</b>	<b>289,231</b>	<b>555,196</b>	<b>844,427</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
Amount received on issuance of units	20,587	33	20,620	-	5	5
Amount paid on redemption of units	(188,098)	(47,630)	(235,728)	(282,470)	(548,143)	(830,613)
Cash distribution	(184,843)	-	(184,843)	-	-	-
<b>Net cash used in financing activities</b>	<b>(352,354)</b>	<b>(47,597)</b>	<b>(399,951)</b>	<b>(282,470)</b>	<b>(548,138)</b>	<b>(830,608)</b>
<b>Net increase/ (decrease) in cash and cash equivalents during the period</b>	<b>(19,166)</b>	<b>(9,007)</b>	<b>(28,173)</b>	<b>6,761</b>	<b>7,058</b>	<b>13,819</b>
Cash and cash equivalents at the beginning of the period	19,166	11,444	30,610	21,062	7,530	28,592
Cash and cash equivalents at the end of the period	4	2,437	2,437	27,823	14,588	42,411

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

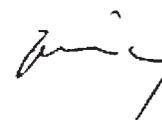
For MCB-Arif Habib Savings and Investments Limited  
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2021

## 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Al-Hamra Islamic Active Allocation Fund (the Fund) was established under a Trust Deed dated, November 25, 2016, executed between MCB-Arif Habib Savings and Investments Limited as Management Company and Digital Custodian Company Limited (Formerly: MCB Financial Services Limited) as Trustee. The Fund was approved by the Securities and Exchange Commission of Pakistan (SECP) on December 02, 2016 under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations 2008).
- 1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company has been changed from 24th Floor, Centre Point, Off Shaheed-e-Millat Expressway, Near KPT Interchange, Karachi, Pakistan to 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.3 The Fund commenced its operations from December 29, 2016. The Fund is an open-end Shariah Compliant Fund of Funds that shall invest in other Shariah compliant Collective Investment Schemes as specified in the Investment Policy contained in the offering document and SECP circular No. 7 of 2009, as may be amended or substituted from time to time. The units of the Fund are redeemable subject to a contingent load.
- 1.4 The duration of the Fund is perpetual. However, Allocation Plans launched may have a set time frame. The Fund commenced its operations from December 29, 2016 and on that date, had offered one type of Allocation Plan (Plan-I). On June 16, 2017, the Fund launched Allocation Plan-II. The Fund is allowed to invest in Shariah Compliant Collective Investment Schemes or in cash and / or near cash instruments as allowed under circular no. 7 of 2009 dated March 06, 2009 issued by the SECP. The maturity of Allocation Plan I was two years from the close of the initial offer period of December 29, 2016 (i.e. maturing on December 28, 2018), however, the said maturity has been extended for another two years (i.e. maturing on December 28, 2020). The maturity of Allocation Plan II was two years from the close of the initial offer period of June 16, 2017 (i.e. maturing on June 16, 2019) however, the said maturity has been extended by two year (i.e. maturing on June 16, 2021). Accordingly, Plan-I matured on December 28, 2020 and its net asset value as at said date was Rs.174.035 million and Rs.88.3577 per unit. Subsequent to the maturity, maturity proceeds have been paid to the unit holders of the fund (Plan I).

The Management Company intends to launch Alhamra Islamic Active Allocation Fund-Plan III during the current period.

- 1.5 The Pakistan Credit Rating Agency (PACRA) Limited has assigned Management quality rating of 'AM1' dated October 06, 2020 to the Management Company.
- 1.6 The title to the assets of the Fund is held in the name of Digital Custodian Company Limited (Formerly: MCB Financial Services Limited) as Trustee of the Fund.
- 1.7 During the current period, the Trust Act, 1882 has been repealed and provincial trust acts have been issued in consequence to the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration and annual renewal requirements under the relevant trust acts have been introduced. The Management Company in consultation with the MUFAP and the Trustee is currently deliberating upon the requirements of the newly enacted provincial trust acts and their implication on the Fund.

## 2. BASIS OF PREPARATION

### 2.1 Statement of compliance

- 2.1.1 This condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan which comprises of:
  - International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);

# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2021

- 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 and 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 IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

- 2.1.2** This condensed interim financial information does not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the financial statements for the year ended 30 June 2020. The comparative in the statement of assets and liabilities presented in the condensed interim financial information as at 31 March 2021 have been extracted from the audited financial statements of the Fund for the year ended 30 June 2020, where as the comparatives in the condensed interim income statement, condensed interim cash flow statement, condensed interim distribution statement and condensed interim statement of movement in unit holders' funds are stated from unaudited condensed interim financial information for the nine months ended 31 March 2020.
- 2.1.3** The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information is unaudited.
- 2.1.4** In compliance with schedule V of the NBFC Regulations the Directors of the Management Company, hereby declare that this condensed interim financial statement give a true and fair view of the state of affairs of the Fund.
- 2.1.5** This condensed interim financial information is presented in Pak Rupees which is the functional and presentation currency of the Fund.

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT POLICIES

- 3.1** The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2020.
- 3.2** The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2019. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Funds for the year ended June 30, 2020.

				(Un-audited)
				March 31, 2021
				Total
				(Rupees in '000)
4. BALANCES WITH BANKS	Note	Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
In current accounts	4.1	-	779	779
In saving accounts	4.2	-	1,657	1,657
		-	2,436	2,436

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2021**

	(Audited)		
	June 30, 2020		
	Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
	----- (Rupees in '000) -----		
In current account	3,024	3,492	6,516
In saving accounts	16,142	7,952	24,094
	<u>19,166</u>	<u>11,444</u>	<u>30,610</u>

4.1 Current accounts are maintained with MCB Bank Limited, a related party.

4.2 These carry profit at the rate ranging from 6.50% to 7.00% (June 30, 2020: 7.25% to 7.50%) per annum.

	(Un-audited)		
	March 31, 2021		
	Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
	----- (Rupees in '000) -----		
<b>5. INVESTMENTS</b>			
<b>At fair value through profit or loss</b>			
- Units of open-end mutual funds	5.1	-      136,886	136,886
		<u>-</u>	<u>136,886</u>

	(Audited)		
	June 30, 2020		
	Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
	----- (Rupees in '000) -----		
- Units of open-end mutual funds	322,630	166,072	488,702
	<u>322,630</u>	<u>166,072</u>	<u>488,702</u>

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2021**

**5.1 Units of open-end mutual funds**

Name of the fund	Number of units			Balances as at March 31, 2021			Market value as a percentage of net assets	Market value as a percentage of total investment
	As at July 01, 2020	Purchased during the period	Redemption during the period	As at March 31, 2021	Carrying value	Unrealised (loss) / gain		
	----- (Rupees in '000) ----- % -----							
<b>Alhamra Islamic Active Allocation Plan - I - related parties</b>								
Alhamra Islamic Stock Fund	-	3,075,397	3,075,397	-	-	-	0.00%	0.00%
Alhamra Islamic Income Fund	3,167,846	315,918	3,483,764	-	-	-	0.00%	0.00%
<b>Total as at March 31, 2021 (Un-audited)</b>								
Total as at June 30, 2020 (Audited)					320,425	322,630		2,205
<b>Alhamra Islamic Active Allocation Plan - II - related parties</b>								
Alhamra Islamic Stock Fund	-	4,028,447	4,028,447	-	-	-	0.00%	0.00%
Alhamra Islamic Income Fund	1,630,629	424,082	772,180	1,282,530	132,507	136,886	99.14%	100.00%
<b>Total as at March 31, 2021 (Un-audited)</b>					<b>132,507</b>	<b>136,886</b>		<b>4,378</b>
Total as at June 30, 2020 (Audited)					165,056	166,072		1,016

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2021**

**6. ADVANCE, DEPOSITS AND OTHER RECEIVABLES**

Prepayment

(Un-audited)		
March 31, 2021		
Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
----- (Rupees in '000) -----		
-	3	3
-	3	3

Advance tax deducted at source

(Audited)		
June 30, 2020		
Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
----- (Rupees in '000) -----		
60	-	60

**7. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)**

SECP fee has been charged at the rate of annual fee at 0.02% (2019: 0.02%) of net assets on all categories of collective investment schemes as per the SRO no. 685(I)/2019 dated June 2019.

**8. ACCRUED EXPENSES AND OTHER LIABILITIES**

Auditors' remuneration

Sindh Workers' Welfare Fund / Others

Payable to legal advisor

Withholding Tax Payable

			(Un-audited)		
			March 31, 2021		
			Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
			----- (Rupees in '000) -----		
-			215		215
-	8.1		958		958
-			35		35
-			1		1
-			1,208		1,208

Auditors' remuneration

Provision for Sindh Workers' Welfare Fund (SWWF)

Payable to legal advisor

Others

			(Audited)		
			June 30, 2020		
			Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
			----- (Rupees in '000) -----		
197			122		319
769			725		1,494
13			8		21
25			33		58
1,004			888		1,892

# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2021

---

---

## 8.1 Provision for Sindh Workers' Welfare Fund

There is no change in the status of the SWWF as reported in audited annual financial statements of the Fund (Plan I and Plan II) for the year ended June 30, 2020. Had the provision for SWWF not been recorded in the condensed interim financial statements of the Fund, the net assets value of plan II as at March 31, 2021 would have been higher by Re. 0.6699 (June 30, 2020: Re.0.3926) per unit.

## 9. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2021 (June 30, 2020: Nil).

## 10. ALLOCATED EXPENSES

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.

## 11. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders by way of cash dividend. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than unrealised capital gains to the unit holders in cash. The Fund is also exempt from the provision of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Since the management intends to distribute at least 90% of income earned by the Fund in cash during the year ending June 30, 2021 to the unit holders therefore, no provision for taxation has been made in these condensed interim financial statements.

## 12. EARNINGS / (LOSSES) PER UNIT

Earnings / (losses) per unit (EPU) based on cumulative weighted average units for the period has not been disclosed as in the opinion of the Management Company the determination of the same is not practicable.

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

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

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

Remuneration payable to the Management Company is determined in accordance with the provision of the NBFC Regulations and constitutive documents of the Fund respectively.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2021**

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

For the nine months ended March 31, 2021 (Un-audited)								
	As at July 01, 2020	Issued for cash / conversion in / transfer in	Redeemed / conversion out / transfer out	As at March 31, 2021	As at July 01, 2020	Issued for cash / conversion in / transfer in	Redeemed / conversion out / transfer out	As at March 31, 2021
	----- (Number of units) -----		----- (Rupees in '000) -----					
<b>13.1 Unit Holders' Fund</b>								
<b>Alhamra Islamic Active Allocation Plan - I</b>								
<b>Group / associated companies</b>								
MCB Employees' Pension Fund *	616,472	35,831	652,303	0	55,666	3,175	57,646	-
<b>Alhamra Islamic Active Allocation Plan - II</b>								
<b>Group / associated companies</b>								
MCB Employees' Pension Fund *	825,997	-	-	825,997	78,990	-	-	83,888
<b>Alhamra Islamic Active Allocation Plan - I</b>								
<b>Group / associated companies</b>								
MCB Employees' Pension Fund	586,520	-	-	586,520	52,317	-	-	54,540
Alhamra Islamic Income Fund	2,147,943	5,449,535	4,564,547	3,032,931	217,419	580,933	484,000	335,188
Alhamra Islamic Stock Fund	45,343,343	19,136,675	64,480,018	-	389,953	194,000	580,934	-
<b>Unit holders holding 10% or more units*</b>	<b>651,782</b>	<b>-</b>	<b>-</b>	<b>651,782</b>	<b>58,138</b>	<b>-</b>	<b>-</b>	<b>60,609</b>
<b>Alhamra Islamic Active Allocation Plan - II</b>								
<b>Group / associated companies</b>								
MCB Employees' Pension Fund	752,862	-	-	752,862	70,671	-	-	77,427
Alhamra Islamic Income Fund	3,331,944	3,162,193	4,962,205	1,531,932	337,266	335,475	521,000	169,303
Alhamra Islamic Stock Fund	42,329,804	5,202,563	47,532,368	-	364,036	51,000	421,475	-

\* These persons became connected persons / related parties during the period due to acquiring unit holding of more than 10% of net assets of the Fund

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2021**

**13.2 Transactions during the period:**

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

Remuneration of the Management Company  
Sindh sales tax on remuneration of the  
Management Company  
Allocated expense

<b>(Un-audited)</b>		
<b>For nine months ended March 31, 2021</b>		
<b>Alhamra Islamic Active Allocation Plan - I</b>	<b>Alhamra Islamic Active Allocation Plan - II</b>	<b>Total</b>
----- (Rupees in '000) -----		
34	32	66
4	4	8
148	117	265

**MCB Financial Services Limited - Trustee**

Remuneration of the Trustee  
Sindh sales tax on remuneration of Trustee

137	186	323
18	24	42

**MCB Bank Limited -  
Parent of the Management Company**

Bank charges

-	2	2
---	---	---

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

Remuneration of the Management Company  
Sindh sales tax on remuneration of the Management Company  
Allocated expense (including indirect taxes)

<b>(Un-audited)</b>		
<b>For nine months ended March 31, 2020</b>		
----- (Rupees in '000) -----		
150	91	240
19	12	31
348	279	627

**MCB Financial Services Limited - Trustee**

Remuneration of the Trustee  
Sindh sales tax on remuneration of Trustee

314	268	582
41	35	76

**MCB Bank Limited -  
Parent of the Management Company**

Bank charges

3	8	11
---	---	----

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2021**

	(Un-audited)		
	March 31, 2021		
	Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
	----- (Rupees in '000) -----		
<b>13.3 Balances outstanding at period end:</b>			
<b>MCB-Arif Habib Savings and Investments Limited - Management Company</b>			
Management remuneration payable	-	1	1
Sindh sales tax payable on management company remuneration	-	0	0
Payable against allocated expenses	-	12	12
<b>MCB Financial Services Limited - Trustee</b>			
Trustee remuneration payable	-	21	21
Sindh sales tax payable on trustee remuneration	-	3	3
<b>MCB Bank Limited - Parent of the Management Company</b>			
Balances with bank - current account	-	779	779

	(Audited)		
	June 30, 2020		
	Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
	----- (Rupees in '000) -----		
<b>MCB-Arif Habib Savings and Investments Limited - Management Company</b>			
Management remuneration payable	10	5	15
management company remuneration	1	1	2
Payable against allocated expenses	29	15	44
<b>MCB Financial Services Limited - Trustee</b>			
Trustee remuneration payable	25	22	47
Sindh sales tax payable on Trustee remuneration	3	3	6
<b>MCB Bank Limited - Parent of the Management Company</b>			
Balances with bank - current account	3,024	3,492	6,516

## NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2021

---

---

### 15. TOTAL EXPENSE RATIO

Total Expense Ratio of Alhamra Islamic Active Allocation Plan II is 0.89% respectively as on March 31, 2021 (March 31, 2020: 0.50%) and these include 0.22% (March 31, 2020: 0.21%) representing Government Levy, Sindh Workers' Welfare Fund (SWWF) and SECP fee respectively.

### 16. GENERAL

**16.1.** Figures have been rounded off to the nearest thousand rupees unless otherwise stated.

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

### 17 COVID-19

In March 2020, the World Health Organization ("WHO") declared the outbreak of the novel coronavirus (known as COVID-19) as a global pandemic. The rapid spread of the virus has caused governments around the world to implement stringent measures to help control its spread, including, without limitation, quarantines, stay-at-home or "shelter-in-place" orders, social-distancing mandates, travel restrictions, and closures or reduced operations for businesses, governmental agencies, schools and other institutions. The industry, along with global economic conditions generally, has been significantly disrupted by the pandemic.

The COVID-19 pandemic and associated impacts on economic activity had certain effect on the operational and financial condition of the Fund due to increase in overall credit risk pertaining to the corporate debt instruments' portfolios of mutual funds, subdued equity market performance due to overall slowdown in economic activity and continuity of business operations. However, to reduce the impact on the economy and business, regulators / government across the country have introduced a host of measures on both the fiscal and economic fronts from time to time.

The management of the Fund is closely monitoring the situation, and in response to the developments, the management has taken action to ensure the safety of its employees and other stakeholders, and initiated a number of initiatives.

The Management Company of the Fund expects that going forward these uncertainties would reduce as the impact of COVID-19 on overall economy subsides and have concluded that there is no impact on current financial statements of the Fund.

### 18 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

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the close of trading i.e., period end. The estimated fair value of all other financial assets and financial liabilities is considered not significantly different from book value as these are short term in nature.

The following table shows financial instruments recognized at fair value based on:

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2021**

---

---

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).

**19 DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company in the meeting held on April 16, 2021.

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



Chief Executive Officer



Chief Financial Officer



Director

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

**Head Office:** 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi

**UAN:** (+92-21) 11-11-622-24 (11-11-MCB-AH)

**URL:** [www.mcbah.com](http://www.mcbah.com), **Email:** [info@mcbah.com](mailto:info@mcbah.com)