



MCB-ARIF HABIB
Savings and Investments Limited

QUARTERLY REPORT

SEPTEMBER
2021
(UNAUDITED)

MCB-Arif Habib Savings and Investments Limited

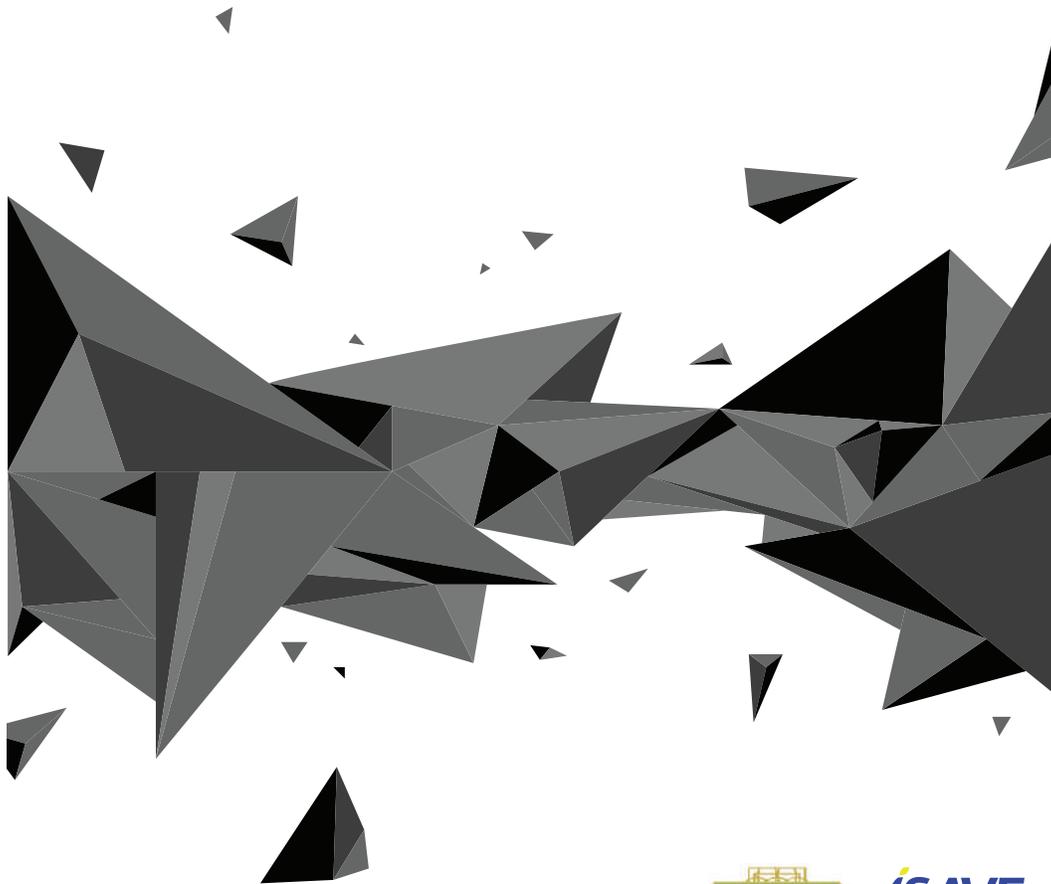


TABLE OF CONTENTS

Vision, Mission and Core Values	02
Company Information	03
Directors' Report	04
Condensed Interim Financial Position	13
Condensed Interim Profit & Loss Account (Un-audited)	14
Condensed Interim Statement of Comprehensive Income (Un-audited)	15
Condensed Interim Statement of Changes in Equity (Un-audited)	16
Condensed Interim Cash Flow Statement (Un-audited)	17
Notes to the Condensed Interim Financial Information (Un-audited)	18

Vision

To become synonymous with Savings

Mission

To become a preferred Saving and Investment Manager in the domestic and regional markets while maximizing stakeholders' value

Core Values

The Company takes pride in its orientation towards client service. it believes that its key success factors include continuous investment in staff, systems and capacity building and its insistence on universal best practices at all times.

COMPANY INFORMATION

Board of Directors	Mr. Haroun Rashid Mr. Nasim Beg Mr. Muhammad Saqib Saleem Mr. Ahmed Jahangir Mr. Kashif A. Habib Mirza Qamar Beg Syed Savail Meekal Hussain Ms. Mavra Adil Khan	Chairman Vice Chairman Chief Executive Officer Director Director Director Director Director
Audit Committee	Mirza Qamar Beg Mr. Nasim Beg Mr. Ahmed Jahangir Mr. Kashif A. Habib Syed Savail Meekal Hussain	Chairman Member Member Member Member
Human Resource & Remuneration Committee	Mirza Qamar Beg Mr. Nasim Beg Mr. Ahmed Jahangir Syed Savail Meekal Hussain Ms. Mavra Adil Khan Mr. Muhammad Saqib Saleem	Chairman Member Member Member Member Member
Chief Executive Officer	Mr. Muhammad Saqib Saleem	
Chief Operating & Financial Officer	Mr. Muhammad Asif Mehdi Rizvi	
Company Secretary	Mr. Altaf Ahmad Faisal	
Share Registrar	CDC Share Registrar Services Limited 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.cdcsrsl.com	
Bankers	MCB Bank Limited Bank Al-Falah Limited Faysal Bank Limited Bank Al-Habib Limited MCB Islamic Bank Limited Summit Bank Limited	
Auditors	A. F. Ferguson & Co. Chartered Accountants (A Member Firm of PWC Network) State Life Building 1-C I.I. Chundrigar Road, Karachi.	
Legal Advisor	Akhund Forbes D-21, Block-4, Scheme-5 Clifton, Karachi Bawaney & Partners 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
Registered Office	MCB-Arif Habib Savings & Investments Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
Rating	AM1 Asset Manager Rating assigned by PACRA	

DIRECTOR'S REPORT

The Board of Directors of MCB-Arif Habib Savings and Investments Limited (MCBAH) are pleased to present Report on the affairs of MCBAH for the quarter ended September 30, 2021.

PRINCIPAL BUSINESS

The Company is a Non-Banking Finance Company, licensed as an Asset Management Company, Investment Advisor and Pension Fund Manager under the Securities and Exchange Commission of Pakistan's regulatory regime.

THE BUSINESS ENVIRONMENT

Economy and Money Market Review

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

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

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

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

On the fiscal side FBR Tax collection increased by 38% over last year in this quarter to clock at PKR 1,395bn compared to target of PKR 1,211bn exceeding it by PKR 184bn. This was on the back of higher custom duty and sales tax due to higher import.

Secondary markets yields have increased significantly in the quarter as SBP has started the monetary tightening cycle. The recent depreciation in rupee along with persistently high commodity prices will add pressure to inflation and we expect average FY22 inflation to clock above the range of 7-9% forecasted by SBP. 3Y, 5Y and 10Y bonds saw a rise of 73 bps, 46 bps and 51 bps respectively during the period.

DIRECTOR'S REPORT

Equity Market Review

The KSE-100 index closed the first quarter down by 5.2% compared to a positive return of 17.9% same period last year. Weakness in macroeconomic indicators, uncertainty over Pak-Afghan relations post US exit from Afghanistan, and MSCI's decision to downgrade Pakistan from Emerging Market to Frontier Market all weighted heavily on the index. Foreigners continued to offload as they sold stocks worth of near USD 83 million, while on the local front Individuals and Banks added about USD 33/21 million respectively to their positions. During the quarter, average trading volumes saw a decline to 412 million shares compared to about 669 million shares during the preceding quarter. Similarly, average trading value during the quarter saw a drop of 35% over last quarter to near USD 85 million.

Cements, Oil & Gas Exploration companies, Refinery, Oil & Gas Marketing companies, & Fertilizer sectors were the major contributors to index decline posting negative returns of 20.2%/6.2%/35.4%/10.8/2.2%, respectively. In the cement sector, unprecedented surge in international coal prices amid price control measures by GoP created a weak near-term earnings outlook for the sector leading to selling pressure. Moreover, decline in E&Ps and OMCs were largely on the account of continuous accumulation of circular debt. In the case of Refineries, delay in approval of refinery policy dragged the entire sector performance.

Economy & Market – Future Outlook

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

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

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

DIRECTOR'S REPORT

to achieve mildly positive interest rate over the medium term. We expect the Policy Rate to reach 9.0% by the end of the year.

From capital market perspective, particularly equities, the recent correction in stock prices have opened up valuation. The market has priced in expected interest rate increase and currency depreciation. Market cap to GDP ratio has declined to 15.9%, a discount of 43% from its historical average. Similarly, risk premiums are close to 5.9%, compared to historical average of 1.5% signifying abnormal returns for long term investors. We believe a micro view of sectors and stock will remain important and investment selection should focus on companies which trade at a deep discount to their intrinsic value. Similarly, focus should also revert back to companies that are expected to exhibit stellar earnings growth over the medium term.

For debt holders, we expect Money Market Funds to continue to seamlessly mirror policy rates throughout the year. On the other hand, government bonds yields may continue to rise given expected increase in interest rates. We remain cautious at the current levels of bond yields and would continue to monitor the data points to capitalize on opportunities.

Mutual Fund Industry Review

The Net Assets of the open end mutual fund industry increased by about 1.4% during the quarter to PKR 1,032bn at the end of 1QFY22. Total money market funds grew by about 1.1% since June 2021. Within the money market sphere, the conventional funds dominated as they grew by about 8.1% to PKR 308bn while Islamic funds declined by 9.9% to PKR 164bn. In addition, the total fixed Income funds increased by about 8.5% since June 2021, as the conventional income funds grew by 13.6% to PKR 143bn. Equity and related funds declined by 4.4% over last quarter as market witnessed a decline in the quarter eroding AUMS and concern over macroeconomic and geopolitical factors kept investors at bay.

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

Mutual Fund Industry Outlook

The recent increase in interest rates along with prospect of further monetary tightening would increase flows in the money market funds. The money markets funds by virtue of its short duration would be the ideal for investors with a short term horizon and low risk profile. However recent correction in stock prices have opened up valuations and long term investors would look to add equity exposure at these attractive levels. 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.

COMPANY'S PERFORMANCE REVIEW

Like FY 2020-2021 the first quarter of 2021-2022 also started with success. In comparison with the corresponding period, the Company witnessed significant growth in AUMs under its management. The increased AUMs resulted positively and the Company earned Rs. 237.5 million as compared to Rs. 174.2 million in the corresponding period.

DIRECTOR'S REPORT

During the first quarter KSE 100 showed negative return of over 5% compared to over 17% gains in the corresponding period. The negative returns of PSX resulted in Company earning loss of Rs. 18.9 million compared to gain of Rs. 74 million for the same period. However, due to higher management fee, the Company earned profit after taxation of Rs. 65.02 million (EPS: Re. 0.90) compared to Rs. 114.1 (EPS: Rs. 1.58) million in the corresponding period.

ACKNOWLEDGEMENT

The Directors would like to express their deep appreciation to our shareholders who have consistently demonstrated their confidence in the Company. We would also like to place on record our sincere appreciation for the commitment, dedication and innovative thinking put in by each individual of the Company and are confident that they will continue to do so in the future.

For and on behalf of Board



Muhammad Saqib Saleem
Chief Executive Officer
Karachi: October 22, 2021



Kashif A Habib
Director

ڈائریکٹرز رپورٹ

اظہار تشکر

میںجنت کمپنی کے بورڈ آف ڈائریکٹرز پاکستان اسٹاک ایکچینج لمیٹڈ کی انتظامیہ، سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، کی مسلسل معاونت اور پشت پناہی کے لئے شکرگزار ہے۔ مزید برآں، ڈائریکٹرز کمپنی کے ایمپلائیز کے عزم و اخلاص اور ان کی کوششوں، اور شیئرز ہولڈرز کے کمپنی میں اعتماد کو بھی خراج تحسین پیش کرتے ہیں۔

برائے اور من جانب بورڈ



کاشف اے حبیب
ڈائریکٹر



محمد شاقب سلیم
چیف ایگزیکٹو آفیسر
کراچی، 22 اکتوبر 2021ء

ڈائریکٹرز رپورٹ

میوچل فنڈ کی صنعت کا جائزہ

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

میوچل فنڈز صنعت کے مستقبل کا منظر

سود کی شرحوں میں حالیہ اضافے کے ساتھ ساتھ مزید مالیاتی سختی سے money مارکیٹ فنڈز میں آمدات میں اضافہ ہوگا۔ Money مارکیٹ فنڈز اپنی مختصر مدت کی بدولت ایسے سرمایہ کاروں کے لیے موزوں ترین ثابت ہوں گے جو محدود مدت کے لیے اور کم خطرات کے ساتھ کام کرنا چاہتے ہیں۔ تاہم اسٹاک کی قیمتوں میں حالیہ تصحیح نے valuations کو کشادہ کر دیا ہے اور سرمایہ کاران پر کشش سطحوں پر ایکویٹی میں پیسہ لگانا چاہیں گے۔ 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۔

کمپنی کی کارکردگی کا جائزہ

کمپنی نے مالی سال 2020-21ء کا قومی اختتام کیا اور 2021-22ء کی پہلی سہ ماہی کا آغاز بھی کامیابی کے ساتھ ہوا۔ مماثل مدت کے ساتھ تقابل میں کمپنی کے اثاثہ جات تحت الانتظامیہ (AUMs) میں قابل ذکر ترقی ہوئی۔ AUMs میں اضافے کے مثبت نتائج ظاہر ہوئے اور کمپنی نے 237.5 ملین روپے کمائے جبکہ ماٹل مدت میں 174.2 ملین کمائے تھے۔

پہلی سہ ماہی کے دوران کے ایس ای 100 (کراچی اسٹاک ایکسچینج) نے 5 فیصد منفی منافع پوسٹ کیا جبکہ مماثل مدت میں یہ 17 فیصد تھا۔ پاکستان اسٹاک ایکسچینج کے منفی منافع جات کے نتیجے میں کمپنی کو 18.9 ملین روپے کا خسارہ ہوا جبکہ مماثل مدت میں 74 ملین روپے کا منافع ہوا تھا۔ اس کے نتیجے میں کمپنی کا منافع بعد از ٹیکس 65.02 ملین روپے بنا (آمدنی فی شیئر 0.90 روپے)، جبکہ مماثل مدت میں منافع 114.1 ملین روپے تھا (آمدنی فی شیئر 1.58 روپے)۔

ڈائریکٹرز رپورٹ

میں کمی کے حالیہ حکومتی اقدامات کے سبب ترقی کے حکومتی اہداف کی تکمیل کو خطرات لاحق ہو گئے ہیں۔ ہم توقع کرتے ہیں کہ جی ڈی پی میں سال گزشتہ کے مقابلے میں زیادہ ترقی ہوگی، لیکن زیادہ امکان اس بات کا ہے کہ یہ 4.8 فیصد کے حکومتی ہدف سے نیچے رہے گی۔

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

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

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

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

ڈائریکٹرز رپورٹ

جائے کیونکہ نوزائیدہ معاشی ترقی کی حفاظت کے لیے سوڈ کی شرحوں میں بتدریج اضافے کی ضرورت ہوتی ہے۔

مالیاتی جانب ایف بی آر کی ٹیکس وصولی میں دوران سہ ماہی سال گزشتہ کے مقابلے میں 38 فیصد اضافہ ہوا؛ 1,395 بلین روپے، جو 1,211 بلین روپے کے ہدف سے 184 بلین روپے زیادہ ہیں۔ اس کی وجہ بلند تر درآمدات کے باعث بلند تر کسٹ ڈیوٹی اور سیلز ٹیکس ہیں۔ ثانوی مارکیٹس کی پیداواروں میں دوران سہ ماہی قابل ذکر اضافہ ہوا ہے کیونکہ اسٹیٹ بینک آف پاکستان نے مالیاتی سختی کا دورہ شروع کر دیا ہے۔ روپے کی قدر میں حالیہ کی کے ساتھ ساتھ مسلسل بلند شایائی قیمتوں سے افراط زر پر دباؤ میں اضافہ ہوگا اور مالی سال 2022ء کے لیے افراط زر کا اوسط متوقع طور پر اسٹیٹ بینک آف پاکستان کی پیش گوئی کردہ سطح 7 تا 9 فیصد سے بلند ہوگا۔ تین سالہ، پانچ سالہ اور دس سالہ بانڈز میں دوران مدت بالترتیب 73 بی پی ایس، 46 بی پی ایس اور 51 بی پی ایس اضافہ ہوا۔

ایکویٹی مارکیٹ کا جائزہ

کے ایس ای-100 انڈیکس نے پہلی سہ ماہی کا اختتام سال گزشتہ کی مماثل مدت کے 17.9 فیصد مثبت منافع کے بالمقابل 5.2 فیصد کم پر کیا۔ کلاں معاشی اشاروں میں ضعف، امریکا کے افغانستان سے انخلاء کے بعد پاک افغان تعلقات میں غیر یقینی صورتحال، اور ایم ایس سی آئی کے پاکستان کی درجہ بندی کو امریکن مارکیٹ سے گرا کر فرٹینر مارکیٹ کر دینے کا فیصلہ، یہ سب عوامل انڈیکس پر بہت بھاری پڑے۔ غیر ملکیوں نے سرمایہ کاری میں کمی کا سلسلہ جاری رکھا اور تقریباً 83 ملین ڈالر کے اسٹاک فروخت کیے، جبکہ مقامی سطح پر افراد اور بینکوں نے بالترتیب 33 اور 21 ملین ڈالر کا اضافہ کیا۔ دوران سہ ماہی اوسط تجارتی حجم میں 412 ملین حصص کی کمی ہوئی جبکہ اس کے بالمقابل گزشتہ سہ ماہی کے دوران 669 ملین حصص کی کمی ہوئی تھی۔ اسی طرح، اوسط تجارتی قدر گزشتہ سہ ماہی کے مقابلے میں 35 فیصد کم ہو کر تقریباً 85 ملین ڈالر ہو گئی۔

انڈیکس کے تنزل میں اہم ترین کردار ادا کرنے والے شعبوں میں سینٹ، تیل اور گیس کی دریافت کی کمپنیاں، ریفاٹری، تیل اور گیس کی مارکیٹنگ کی کمپنیاں شامل ہیں جنہوں نے بالترتیب 20.2 فیصد، 6.2 فیصد، 35.4 فیصد، 10.8 فیصد اور 2.2 فیصد منفی منافع پوسٹ کیا۔ حکومت پاکستان کے قیمتوں پر قابو پانے کے اقدامات کے پس منظر میں کولے کی قیمتوں میں بین الاقوامی سطح پر بلا نظیر اضافے سے سینٹ کے شعبے میں قریب المدتی منافع کا کمزور امکان، اور اس کے نتیجے میں فروخت کا دباؤ، پیدا ہو گیا۔ اس کے علاوہ ای اینڈ پی اور او ایم سی میں تنزل کی بڑی وجہ گردش قرضے کا مسلسل جمع ہونا ہے۔ ریفاٹری پالیسی کی منظوری میں تاخیر کے باعث ریفاٹریز کے پورے شعبے کی کارکردگی سست روی کا شکار ہوئی۔

معیشت اور بازار - مستقبل کا منظر

حکومت نے مالی سال 2022ء کے لیے جی ڈی پی میں ترقی کا ہدف 4.8 فیصد مقرر کیا ہے۔ کووڈ-19 ویکسین مہم کامیابی کے ساتھ جاری ہے اور پانچ کروڑ سے زیادہ افراد پہلی خوراک حاصل کر چکے ہیں۔ اس کی بدولت ملک بھر میں لاک ڈاؤن ختم کرنے میں مدد ملی ہے اور ہم امید کرتے ہیں کہ کووڈ کی صورتحال قابو میں رہے گی۔ وسیع تر معیشت قبل از کووڈ سطحوں کے قریب چلتی ہوئی نظر آ رہی ہے جس کی پیکش ایل ایس ایم میں ترقی، سینٹ کی فروخت، گاڑیوں کی فروخت وغیرہ سے ہوتی ہے۔ تاہم اشیاء کی قیمتوں میں حالیہ اضافہ مالیاتی اور خارجی اکاؤنٹس، دوؤوں کو مشکلات سے دوچار کر دے گا۔ طلب

ڈائریکٹر رپورٹ

ایم سی بی۔ عارف حبیب سیوٹیز اینڈ انویسٹمنٹس لمیٹڈ (ایم سی بی اے ایچ) کی جانب سے ایم سی بی اے ایچ کے معاملات منجمنہ 30 ستمبر 2021ء کی رپورٹ پیش خدمت ہے۔

بنیادی کاروبار

کمپنی ایک غیر بینکاری مالیاتی ادارہ ہے جو سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے قانونی دائرہ کار کے تحت اثاثہ جاتی انتظام کی کمپنی، سرمایہ کاری ہنشیئر اور پینشن فنڈ منظم کے طور پر لائسنس شدہ ہے۔

کاروبار کا ماحول

معیشت اور بازار کا جائزہ

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

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

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

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
As at 30 September 2021

	Note	(Unaudited)	(Audited)
		30 September 2021	30 June 2021
ASSETS			
Non-current assets			
Fixed assets	4	350,591,057	358,789,899
Long-term investments	5	626,294,585	638,596,952
Long-term loans and prepayments		34,049,761	14,161,597
Long-term deposits		4,604,903	4,994,903
		1,015,540,306	1,016,543,351
Current assets			
Receivable from related parties	7	585,715,056	543,936,536
Loans and advances		3,739,297	2,377,576
Deposits, prepayments and other receivables		45,842,737	43,794,004
Accrued mark-up		24,018	22,487
Short-term investments	6	690,872,068	685,758,449
Advance tax - net of provisions	8	32,128,313	39,149,452
Cash and bank balances		45,339,072	43,929,106
		1,403,660,561	1,358,967,610
Total assets		2,419,200,867	2,375,510,961
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital		720,000,000	720,000,000
72,000,000 (2021: 72,000,000) ordinary shares of Rs. 10 each			
Issued, subscribed and paid-up share capital		720,000,000	720,000,000
Reserves		948,147,950	883,129,589
Total equity		1,668,147,950	1,603,129,589
LIABILITIES			
Non-current liabilities			
Deferred tax liability - net		63,576,622	67,176,622
Lease liability against right-of-use assets	10	11,547,256	18,001,467
Current liabilities			
Unclaimed dividend		4,672,994	4,672,994
Current Portion of lease liability against right-of-use assets	10	33,459,976	32,347,100
Trade and other payables	11	637,796,069	650,183,189
Total liabilities		751,052,917	772,381,372
Total equity and liabilities		2,419,200,867	2,375,510,961
CONTINGENCIES AND COMMITMENTS	16		

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.


 Chief Executive Officer


 Chief Financial Officer


 Director

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)
For The Quarter Ended September 30, 2021

	Note	Quarter ended	
		September 30, 2021	September 30, 2020
(Rupees)			
Revenue			
Management fee / Investment advisory fee	12	237,533,332	174,230,705
Processing and other related income		10,495,807	4,855,824
Profit on bank deposits		470,597	378,523
Dividend income		320,608	5,900,300
Realized gain on sale of investments - net		5,562,601	7,352,465
Unrealized gain / (loss) on re-measurement of investments classified as ' FVTPL' - net		(24,804,377)	60,781,298
		229,578,568	253,499,115
Expenses			
Administrative expenses	13	(113,597,801)	(85,460,566)
Selling and distribution expenses	14	(14,845,181)	(21,681,803)
Financial charges		(1,448,306)	(1,502,738)
Workers' welfare fund		(2,500,000)	(3,000,000)
		(132,391,288)	(111,645,107)
		97,187,280	141,854,008
Other income		231,081	727,945
Profit for the quarter before taxation		97,418,361	142,581,953
Taxation	15	(32,400,000)	(28,501,109)
Profit for the quarter after taxation		65,018,361	114,080,844
Earning per share - basic and diluted		0.90	1.58

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
For The Quarter Ended September 30, 2021

	Quarter ended	
	September 30, 2021	September 30, 2020
	(Rupees)	
Profit for the quarter after taxation	65,018,361	114,080,844
Other Comprehensive income for the quarter	-	-
Total comprehensive (loss) / profit for the quarter	65,018,361	114,080,844

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
For The Quarter Ended September 30, 2021

Note	Issued, subscribed and paid-up share capital	Reserves			Total
		Share premium	Capital Deficit arising on amalgamation	Revenue Unappropriated profit	
	720,000,000	396,000,000	(40,000,000)	336,000,000	1,550,695,426
Profit after taxation for the quarter ended September 30, 2020					114,080,844
Balance as at September 30, 2020 (Un-audited)	720,000,000	396,000,000	(40,000,000)	336,000,000	1,664,776,270
Transactions with owners					
Final dividend for the year ended June 30, 2020 at Rs. 2.25 per share					(162,000,000)
Interim dividend for the year ended June 30, 2021 at Rs. 2.2500 per share					(162,000,000)
Profit after taxation for the period ended June 30, 2021					262,353,319
Balance as at June 30, 2021 (Audited)	720,000,000	396,000,000	(40,000,000)	336,000,000	1,403,129,589
Profit after taxation for the quarter ended September 30, 2021					65,018,361
Balance as at September 30, 2021 (Un-audited)	720,000,000	396,000,000	(40,000,000)	336,000,000	1,468,147,950

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.


Chief Executive Officer


Chief Financial Officer


Director

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
For The Quarter Ended September 30, 2021

	Quarter ended	
	September 30, 2021	September 30, 2020
	(Rupees)	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the period before taxation	97,418,361	142,581,953
Adjustments for non cash and other items:		
Depreciation	3,725,154	6,359,338
Financial Charges	1,448,306	1,502,738
Depreciation on right-of-use assets	7,875,600	8,228,190
Amortisation	2,511,881	3,162,546
Capital loss gain on sale of investments - net	(5,562,601)	(7,352,465)
Loss / (Gain) on fixed assets	-	(33,113)
Unrealised appreciation on re-measurement of investments classified as 'FVTPL'	24,804,377	(60,781,298)
	34,802,718	(48,914,065)
	132,221,079	93,667,888
WORKING CAPITAL CHANGES		
(Increase) / decrease in current assets		
Receivable from related parties	(41,778,520)	(25,993,533)
Loan and advances	(1,361,721)	(12,093,749)
Deposits, prepayments and other receivables	(2,048,733)	(9,385,443)
Accrued mark-up	(1,531)	1,508
	(45,190,505)	(47,471,217)
(Decrease) / increase in current liabilities		
Trade and other payables	(12,387,120)	16,592,047
NET CASH USED IN WORKING CAPITAL CHANGES	(57,577,625)	(30,879,170)
CASH GENERATED FROM OPERATIONS	74,643,454	62,788,718
Income tax paid	(30,821,139)	(16,682,385)
NET CASH GENERATED / USED IN FROM OPERATING ACTIVITIES	43,822,315	46,106,333
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(5,913,793)	(2,608,360)
Proceeds from sale of property and equipments	-	5,336,100
Investment made - net	(12,053,028)	(28,796,487)
Long term loans and receivables	(19,498,164)	(5,661,633)
NET CASH USED IN / GENERATED FROM INVESTING ACTIVITIES	(37,464,986)	(31,730,380)
CASH FLOWS FROM FINANCING ACTIVITIES		
Financial Charges paid	(96,707)	(88,638)
Payment of lease liability against right-of-use assets	(4,850,656)	(7,592,183)
NET CASH GENERATED FROM FINANCING ACTIVITIES	(4,947,363)	(7,680,821)
NET DECREASE / INCREASE IN CASH AND CASH EQUIVALENTS	1,409,966	6,695,131
Cash and cash equivalents at the beginning of the period	43,929,106	19,814,591
Cash and cash equivalents at the end of the period	45,339,072	26,509,722

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.



Chief Executive Officer



Chief Financial Officer



Director

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
For The Quarter Ended September 30, 2021**

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 MCB-Arif Habib Savings and Investments Limited ("the Company") was incorporated in the name of Arif Habib Investment Management Limited (AHIML) on 30 August 2000 as an unquoted public limited company under the requirements of the Companies Ordinance, 1984. During 2008, AHIML was listed on the Karachi Stock Exchange Limited (now integrated into the Pakistan Stock Exchange Limited) by way of offer for sale of shares by a few of its existing shareholders to the general public. In the same financial year, the name of AHIML was changed from "Arif Habib Investment Management Limited" to "Arif Habib Investments Limited" (AHIL). On 19 January 2011, a transfer agreement was signed between Arif Habib Corporation Limited (AHCL) [the then parent of AHIL] and MCB Bank Limited (MCB Bank) [the then parent of MCB Asset Management Company Limited (MCB AMC)] for transfer of the entire business of MCB AMC to AHIL to achieve synergies in business and to access a wider distribution network. The scheme of amalgamation ("the Scheme") was approved by the shareholders of AHIL and MCB AMC in their respective extraordinary general meetings held on 21 May 2011. The Scheme was also approved by the Securities and Exchange Commission of Pakistan (SECP) with the effective date of amalgamation being 27 June 2011 (the effective date). In accordance with the terms contained in the Scheme, the Company became a subsidiary of MCB Bank Limited from the end of the year ended 30 June 2011 which owns 51.33% ordinary shares in the Company till date. Pursuant to the merger of MCB AMC with and into AHIL, the name of AHIL has been changed to MCB - Arif Habib Savings and Investments Limited, effective from 23 May 2013.
- 1.2 The Company is registered as a Pension Fund Manager under the Voluntary Pension System Rules, 2005 and as an Asset Management Company and an Investment Advisor under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003.
- 1.3 The registered office of the Company is situated at 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Sindh, Pakistan.
- 1.4 The Company was assigned an Asset Manager rating of AM1 by Pakistan Credit Rating Agency Limited (PACRA). The rating was determined by PACRA on October 06, 2021. Currently, the Company is managing the following funds under its management:

	Net assets value as at	
	September 30, 2021 (Unaudited)	June 30, 2021 (Audited)
	----- Rupees in million -----	
Open-end Collective Investment Schemes (CISs)		
Pakistan Income Fund	8,364	9,595
MCB Pakistan Stock Market Fund	11,812	12,397
MCB Pakistan Sovereign Fund	737	738
Pakistan Capital Market Fund	441	467
Pakistan Cash Management Fund	9,919	3,119
Pakistan Income Enhancement Fund	932	630
MCB Pakistan Asset Allocation Fund	1,120	912
MCB DCF Income Fund	4,246	3,646
MCB Cash Management Optimizer	34,248	34,030
Alhamra Islamic Money Market Fund	13,780	15,258
Alhamra Islamic Asset Allocation Fund	2,300	2,335
Alhamra Islamic Stock Fund	3,445	3,410
Alhamra Islamic Income Fund	7,573	5,575
Alhamra Islamic Active Asset Allocation Fund Plan - I	-	-
Alhamra Islamic Active Asset Allocation Fund Plan - II	-	-
Alhamra Daily Dividend Fund	1,409	2,279
Alhamra Smart Portfolio Fund	182	123
Pension Funds		
Pakistan Pension Fund	2,015	1,933
Alhamra Islamic Pension Fund	1.5	1,354
Discretionary portfolio	58,520	57,014

The Company is also managing investments under discretionary portfolio management agreements, the details of which are given below:

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
For The Quarter Ended September 30, 2021**

	30 September 2021 (Unaudited)	30 June 2021 (Audited)
Number of clients	37	37
Total portfolio at cost (Rs. in millions)	50,148	46,869
Total portfolio at market value (Rs. in millions)	49,007	47,074
	30 September 2021 (Unaudited)	30 September 2020 (Unaudited)
Fee earned (Rs. in millions)	27	10

1.5 In accordance with the requirements of Rule 9 of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003, the Company has obtained insurance coverage from Jubilee General Insurance Company Limited against any loss that may be incurred as a result of employees' fraud or gross negligence. The insurance company has been assigned a credit rating of AA+ by the Pakistan Credit Rating Agency Limited (PACRA) (latest available rating).

2 BASIS OF PRESENTATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIII A of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations have been followed.

b) The disclosures made in these condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard (IAS) 34: 'Interim Financial Reporting'. These condensed interim financial statements does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Company for the year ended 30 June 2021.

c) The comparative condensed interim statement of financial position presented in these condensed interim financial statements have been extracted from the audited annual financial statements of the Company for the year ended 30 June 2021, whereas, the comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from the unaudited condensed interim financial statements for the period ended 30 September 2020.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) For The Quarter Ended September 30, 2021

- d) These condensed interim financial statements are unaudited.
- e) The company has made investments in mutual funds established under trust structure. As per SECP notification SRO 56(1)/ 2016 dated January 28, 2016, the requirements of consolidation under section 237 of the repealed Companies Ordinance, 1984 (section 228 of the Companies Act, 2017) and IFRS 10 is not applicable in case of investment by companies in mutual funds established under trust structure. Accordingly, the mutual funds are not being consolidated by the Company.

2.2 Basis of measurement

These condensed interim financial statements have been prepared on the basis of historical cost convention, except those financial asset that have been carried at fair values in accordance with the requirement of International Financial Reporting Standards (IFRS) 9.

2.3 Functional and presentation currency

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

3 SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ESTIMATES, ASSUMPTIONS AND CHANGES THEREIN

- 3.1 The accounting policies applied for the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual published audited financial statements of the Company for the year ended June 30, 2021.

3.2 Standards, interpretations and amendments to published approved accounting standards

There were certain amendments to approved accounting standards that have been published and are mandatory for the Company's accounting period beginning on or after July 01, 2021 are consistent with those disclosed in the yearly published audited financial statements of the Company for the year ended June 30, 2021.

3.3 Standards, amendments and interpretations to existing standards not yet effective and not applicable/ relevant to the Company

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

3.4 Critical accounting estimates and judgments

The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reporting amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience. Actual results may differ from these estimates.

The significant estimates, judgements and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements as at and for the year ended June 30, 2021.

3.5 Financial risk management

The financial risk management objectives and policies are consistent with those disclosed in the annual published audited financial statements of the Company for the year ended June 30, 2021.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
For The Quarter Ended September 30, 2021

4 FIXED ASSETS	Note	(Unaudited)	(Audited)
		30 September 2021	30 June 2021
----- (Rupees) -----			
Property and equipment	4.1	26,971,006	25,660,653
Intangible assets	4.2	281,768,442	284,280,323
Right-of-use assets	4.3	41,851,609	47,018,584
Capital work in progress		-	1,830,339
		350,591,057	358,789,899

4.1 Property and equipment

	30 September 2021					Total
	Computers	Office equipment	Furniture and fixtures	Leasehold improvements	Vehicles	
----- (Rupees) -----						
As at 1 July 2021						
Cost	61,402,064	19,252,265	8,182,368	13,388,935	4,237,270	106,462,902
Accumulated depreciation	(44,367,298)	(15,674,244)	(5,291,723)	(5,798,064)	(2,385,539)	(73,516,868)
Accumulated impairment losses	-	-	(725,917)	(6,559,464)	-	(7,285,381)
Net book value	17,034,766	3,578,021	2,164,728	1,031,407	1,851,731	25,660,653
Quarter ended 30 September 2021						
Opening net book value	17,034,766	3,578,021	2,164,728	1,031,407	1,851,731	25,660,653
Additions during the year	2,121,825	472,939	297,780	2,142,963	-	5,035,507
Disposals during the year						
Cost	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-
Accumulated impairment losses	-	-	-	-	-	-
Depreciation for the year	(2,248,505)	(420,056)	(303,360)	(488,405)	(264,828)	(3,725,154)
Closing net book value	16,908,086	3,630,904	2,159,148	2,685,965	1,586,903	26,971,006
As at 30 September 2021						
Cost	63,523,889	19,725,204	8,480,148	15,531,898	4,237,270	111,498,409
Accumulated depreciation	(46,615,803)	(16,094,300)	(5,595,083)	(6,286,469)	(2,650,367)	(77,242,022)
Accumulated impairment losses	-	-	(725,917)	(6,559,464)	-	(7,285,381)
Net book value	16,908,086	3,630,904	2,159,148	2,685,965	1,586,903	26,971,006
Depreciation rates (% per annum)	25%	20% - 50%	10%	10%	25%	
	30 June 2021					Total
	Computers	Office equipment	Furniture and fixtures	Leasehold improvements	Vehicles	
----- (Rupees) -----						
As at 1 July 2020						
Cost	55,234,935	28,793,272	17,221,864	45,978,793	4,237,270	151,466,134
Accumulated depreciation	(35,925,068)	(21,960,664)	(9,542,085)	(24,138,932)	(1,328,060)	(92,894,809)
Accumulated impairment losses	-	(561,390)	(3,248,387)	(9,397,744)	-	(13,207,521)
Net book value	19,309,867	6,271,218	4,431,392	12,442,117	2,909,210	45,363,804
Year ended 30 June 2021						
Opening net book value	19,309,867	6,271,218	4,431,392	12,442,117	2,909,210	45,363,804
Additions during the year	7,118,523	1,637,661	1,675,844	893,694	-	11,325,722
Disposals during the year						
Cost	(951,394)	(11,178,668)	(10,715,340)	(13,002,140)	-	(35,847,542)
Accumulated depreciation	948,407	8,741,313	5,964,183	7,130,213	-	22,784,116
Accumulated impairment losses	-	561,390	2,522,470	2,838,280	-	5,922,140
	(2,987)	(1,875,965)	(2,228,687)	(3,033,647)	-	(7,141,286)
Write offs during the year						
Cost	-	-	-	(20,481,412)	-	(20,481,412)
Accumulated depreciation	-	-	-	15,713,175	-	15,713,175
	-	-	-	(4,768,237)	-	(4,768,237)
Depreciation for the year	(9,390,637)	(2,454,893)	(1,713,821)	(4,502,520)	(1,057,479)	(19,119,350)
Closing net book value	17,034,766	3,578,021	2,164,728	1,031,407	1,851,731	25,660,653
As at 30 June 2021						
Cost	61,402,064	19,252,265	8,182,368	13,388,935	4,237,270	106,462,902
Accumulated depreciation	(44,367,298)	(15,674,244)	(5,291,723)	(5,798,064)	(2,385,539)	(73,516,868)
Accumulated impairment losses	-	-	(725,917)	(6,559,464)	-	(7,285,381)
Net book value	17,034,766	3,578,021	2,164,728	1,031,407	1,851,731	25,660,653
Depreciation rates (% per annum)	25%	20% - 50%	10%	10%	25%	

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
For The Quarter Ended September 30, 2021**

4.2 Intangible assets

	30 September 2021			
	Computer software	Goodwill	Management rights	Total
	----- (Rupees) -----			
As at 1 July 2021				
Cost	83,033,817	82,126,933	192,000,000	357,160,750
Accumulated amortization	(72,880,427)	-	-	(72,880,427)
Net book value	<u>10,153,390</u>	<u>82,126,933</u>	<u>192,000,000</u>	<u>284,280,323</u>
Quarter ended 30 September 2021				
Opening net book value	10,153,390	82,126,933	192,000,000	284,280,323
Additions during the year	-	-	-	-
Amortization for the year	(2,511,881)	-	-	(2,511,881)
Closing net book value	<u>7,641,509</u>	<u>82,126,933</u>	<u>192,000,000</u>	<u>281,768,442</u>
As at 30 September 2021				
Cost	83,033,817	82,126,933	192,000,000	357,160,750
Accumulated amortization	(75,392,308)	-	-	(75,392,308)
Net book value	<u>7,641,509</u>	<u>82,126,933</u>	<u>192,000,000</u>	<u>281,768,442</u>
Amortization rates (% per annum)	<u>25% - 33%</u>			

	30 June 2021			
	Computer software	Goodwill	Management rights	Total
	----- (Rupees) -----			
As at 1 July 2020				
Cost	82,473,074	82,126,933	192,000,000	356,600,007
Accumulated amortization	(61,101,329)	-	-	(61,101,329)
Net book value	<u>21,371,745</u>	<u>82,126,933</u>	<u>192,000,000</u>	<u>295,498,678</u>
Year ended 30 June 2021				
Opening net book value	21,371,745	82,126,933	192,000,000	295,498,678
Additions during the year	560,743	-	-	560,743
Amortization for the year	(11,779,098)	-	-	(11,779,098)
Closing net book value	<u>10,153,390</u>	<u>82,126,933</u>	<u>192,000,000</u>	<u>284,280,323</u>
As at 30 June 2021				
Cost	83,033,817	82,126,933	192,000,000	357,160,750
Accumulated amortization	(72,880,427)	-	-	(72,880,427)
Net book value	<u>10,153,390</u>	<u>82,126,933</u>	<u>192,000,000</u>	<u>284,280,323</u>
Amortization rates (% per annum)	<u>25% - 33%</u>			

4.3 Right of use assets

	(Unaudited) 30 September 2021	(Audited) 30 June 2021
	----- (Rupees) -----	
Opening Balance	47,018,584	60,884,879
Additions / (Deletion) during the year	2,644,688	22,768,921
Amortization cost charged to profit and loss account	(7,875,600)	(30,937,453)
Effect of modification / effect of termination	63,937	(5,697,763)
Closing balance	<u>41,851,609</u>	<u>47,018,584</u>

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
For The Quarter Ended September 30, 2021**

7 RECEIVABLE FROM RELATED PARTIES	Note	(Unaudited)	(Audited)
		30 September 2021	30 June 2021
----- (Rupees) -----			
Unsecured - considered good			
Pakistan Income Fund		23,091,746	18,431,896
MCB Pakistan Stock Market Fund		124,172,654	122,311,547
MCB Pakistan Sovereign Fund		34,827,378	34,215,894
Pakistan Capital Market Fund		7,709,651	7,643,048
Pakistan Pension Fund		8,760,756	8,524,272
Alhamra Islamic Pension Fund		4,989,011	5,176,771
Pakistan Cash Management Fund		14,401,002	12,243,674
Pakistan Income Enhancement Fund		22,809,264	22,733,982
Pakistan Sarmaya Mehfooz Fund		4,267,360	4,267,360
MCB Pakistan Asset Allocation Fund		38,431,507	37,456,312
MCB Cash Management Optimizer		87,533,848	64,482,664
MCB DCF Income Fund		137,941,713	137,055,740
Alhamra Islamic Money Market Fund		10,276,080	4,532,405
Alhamra Islamic Stock Fund		25,794,556	23,772,572
Alhamra Islamic Asset Allocation Fund		14,633,009	15,909,125
Alhamra Islamic Income Fund		22,333,114	14,454,260
Alhamra Daily Dividend Fund		834,695	435,889
Al-Hamra Smart Portfolio		72,900	9,888
		582,880,243	533,657,299
Advisory fee on account of discretionary portfolio management			
Adamjee Life Assurance Company Limited	7.1	2,834,813	10,279,237
		585,715,056	543,936,536

7.1 The above amounts represents receivable on account of management fee, federal excise duty, sales tax on management fee, sales load, conversion cost, reimbursement of expenses, selling and marketing expenses and other expenses paid on behalf of the related parties. This includes Federal Excise Duty (FED) amounting to **Rs. 412.88** million (2021: Rs. 412.88 million) which are receivable from the funds / portfolios under its management.

8 ADVANCE TAX - NET OF PROVISIONS

Advance tax	17,404,370	85,489,067
Income tax refundable	50,723,943	50,723,943
	68,128,313	136,213,010
Provision for taxation for the period / year	(36,000,000)	(97,063,558)
	32,128,313	39,149,452

9 RUNNING FINANCE

During the year ended 30 June 2015, the Company had obtained a short-term running finance facility under mark up arrangement with MCB Bank Limited (a related party) amounting to Rs. 500 million. The facility carried mark-up at three month KIBOR+0.5% (2020: 1M KIBOR+0.5%) per annum. The facility was secured against pledge the of Government Securities i.e. PIBs and T-Bills and MCB AH Cash Management Optimizer Fund. It had expired on 31 August 2021 and subsequently renewed on September 01 2021. However, the facility was unutilized as at 30 September 2021

10 LEASE LIABILITY AGAINST RIGHT-OF-USE ASSETS

Finance lease liabilities are payable as follows.

	30 September 2021 (unaudited)		
	Minimum Lease Payments	Future Finance Cost	Present value of Minimum
Not later than one year	36,631,442	3,171,466	33,459,976
Later than one year and not later than five years	12,132,848	585,592	11,547,256
	48,764,290	3,757,058	45,007,232
Less: Current portion			(33,459,976)
			11,547,256

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
For The Quarter Ended September 30, 2021**

	(Unaudited) 30 September 2021	(Audited) 30 June 2021
11 TRADE AND OTHER PAYABLES		
Accrued expenses	78,916,670	123,429,377
Workers' welfare fund	51,169,050	48,669,050
Withholding tax payable	1,229,285	2,958,091
Indirect taxes and duties payable	454,208,218	419,057,465
Payable to facilitators / distributors	52,272,846	56,069,206
	<u>637,796,069</u>	<u>650,183,189</u>
	Quarter Ended	
	September 30 2021	September 30 2020
	----- (Rupees) -----	
12 MANAGEMENT FEE / INVESTMENT ADVISORY FEE		
From Collective Investment Schemes - related parties		
MCB Cash Management Optimizer	27,606,979	29,331,702
MCB Pakistan Asset Allocation Fund	9,238,677	7,918,165
MCB DCF Income Fund	17,532,353	18,026,805
Alhamra Islamic Income Fund	7,227,809	6,534,329
MCB Pakistan Sovereign Fund	2,136,402	4,247,935
Pakistan Capital Market Fund	4,415,309	2,647,781
Pakistan Cash Management Fund	1,763,376	744,998
Pakistan Income Enhancement Fund	2,252,469	1,550,361
Pakistan Income Fund	27,350,546	6,702,322
Alhamra Islamic Asset Allocation Fund	22,103,365	12,968,941
MCB Pakistan Stock Market Fund	70,958,183	61,081,826
Alhamra Islamic Stock Fund	21,631,996	18,518,775
Alhamra Islamic Money Market Fund	6,999,861	133,705
Alhamra Islamic Active Asset Allocation Fund Plan - I	-	20,960
Alhamra Islamic Active Asset Allocation Fund Plan - II	-	16,785
Alhamra Daily Dividend Fund	1,711,638	2,083,168
Alhamra Smart Portfolio Fund	14,647	-
	<u>222,943,609</u>	<u>172,528,559</u>
Pension schemes - related parties		
Alhamra Islamic Pension Fund	5,880,262	4,933,569
Pakistan Pension Fund	8,589,929	7,762,849
	<u>14,470,191</u>	<u>12,696,418</u>
Investment advisory fee from discretionary and non discretionary portfolio management	30,998,864	11,655,719
	<u>268,412,665</u>	<u>196,880,696</u>
Less: Sindh sales tax	(30,879,333)	(22,649,992)
	<u>237,533,332</u>	<u>174,230,705</u>

Management fee from open-end Collective Investment Schemes is calculated by charging the specified rates to the net asset value / income of such schemes as at the close of business of each calendar day. In accordance with Regulation 61 of the NBFC Regulations, 2008, the fee so charged to Collective Investment Schemes shall be within allowed expense ratio limit and shall not exceed the maximum rate of management fee as disclosed in the Offering Document.

The Company is managing investments under discretionary portfolio management agreements. Investment advisory fee from the discretionary portfolios is calculated on a daily / monthly basis by charging specified rates to the net asset value of the portfolios as stated in the respective agreements with the clients. Details of this portfolio are given in note 1.4 of these financial statements.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
For The Quarter Ended September 30, 2021**

13 ADMINISTRATIVE AND OPERATING EXPENSES	Note	Quarter Ended	
		September 30 2021	September 30 2020
		----- (Rupees) -----	
Salaries, allowances and other benefits		62,362,015	53,987,912
Legal, professional & related charges		2,088,616	2,516,970
Traveling and conveyance charges		801,707	210,279
Rent, utilities, repairs and maintenance & Other Expenses		31,138,310	11,339,132
Office supplies		421,696	685,924
Auditors' remuneration		870,144	1,153,192
Directors' meeting fee		2,025,000	2,925,000
Insurance		446,134	552,781
Depreciation		3,279,279	6,022,753
Amortisation		2,214,632	2,939,161
Stamp duty and taxes		5,000	6,750
Printing and stationery		1,066,043	1,445,335
Telephone expenses		1,345,663	1,338,592
Entertainment expenses		522,716	472,694
Books, periodicals, subscription and training		4,674,928	5,439,989
Registrar fee		335,919	125,347
		113,597,801	91,161,812

13.1 The SECP vide S.R.O No. 1160 (1) / 2015 dated 25 November 2015 introduced amendments in the NBFC Regulations 2008. As a result of these amendments, the management company may charge fees and expenses pertaining to registrar services, accounting, operations on Collective Investment Schemes upto a maximum of 0.1% of average annual net assets of the scheme. The maximum cap of 0.1% of average annual net assets was removed by SECP vide S.R.O No. 639 (1) / 2019. Accordingly, expenses amounting to Rs. 13.26 million (2020: Rs. 16.8 million) have been charged by the Company to the respective Collective Investment Schemes (CISs) under its management during the period.

14 SELLING AND DISTRIBUTION EXPENSES

SECP vide its Circular No. 11 of 2019 dated 5 June 2019, according to which an AMC may charge selling and marketing expenses to all types of open end mutual funds except for Fund of Funds against the cost pertaining to opening and maintenance of all branches in all cities. Under this circular, expenses amounting to Rs. 100.52 million (2020: 71.9 million) have been charged by the Company to funds under its management during the period.

15 TAXATION	Quarter Ended	
	September 30 2021	September 30 2020
	----- (Rupees) -----	
Current	36,000,000	21,201,109
Prior	-	-
	36,000,000	21,201,109
Deferred	(3,600,000)	7,300,000
	32,400,000	28,501,109

16 CONTINGENCIES AND COMMITMENTS

There were no change in contingencies and commitments as at September 30, 2021 except for those disclosed in the Financial statement for the year ended June 30, 2021.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
For The Quarter Ended September 30, 2021**

17 TRANSACTIONS WITH RELATED PARTIES

MCB Bank Limited (MCB) holds 51.33% ordinary shares of the Company as at the period end. Therefore, all subsidiaries and associated undertakings of MCB are related parties of the Company. Other related parties comprise of Arif Habib Corporation Limited with a holding percentage of 30%, companies having common directorship, collective investment schemes and voluntary pension schemes managed by the Company, directors, key management personnel and their close family members and retirement benefit plan. The transactions with related parties are in the normal course of business and are carried out at contracted rates and terms. Details of such transaction are as follows:

17.1 Transactions with related parties during the period

Name of the related party	Relationship and percentage of shareholding	Nature of transaction	Quarter ended	
			30 September 2021	30 September 2020
		 (Rupees)	
MCB Bank Limited	Parent company with 51.33% Holding	Commission and other expenses	5,621,965	5,072,085
		Profit on bank deposits	401,291	312,015
		Branch sharing expenses	729,510	729,510
		Rent as per rental agreement	1,200,000	-
		Financial charges	44,967	45,480
MCB Islamic Bank Limited	Subsidiary of Parent Company	Profit on bank deposits	3,514	3,538
Nishat Real Estate Development Company (Pvt) Limited	Group Company of Parent Company	Rent as per rental agreement	-	765,554
Adamjee Life Assurance Company Limited	Group Company of Parent Company	Investment advisory fee	7,629,044	6,271,692
		Amount paid against insurance	-	-
Adamjee Insurance Company Limited	Group Company of Parent Company	Amount paid against insurance	-	7,615,717
		Dividend paid	-	-
		Rent as per rental agreement	5,861,625	4,785,000
MCB Cash Management Optimizer	Funds under management	Management fee	24,430,955	25,957,258
		Investment in units	914,517,407	2,234,572,867
		Redemption of units	618,628,949	2,343,044,435
		Dividend Income	320,608	5,623,337
		Reimbursement of expenses	1,979,595	7,380,503
		Selling and marketing	26,835,866	-
		MCB DCF Income Fund	Funds under management	Management fee
		Share of sales load	237,408	25,864
		Back end load	119,850	-
		Reimbursement of expenses	1,034,357	1,063,528
		Selling and marketing	4,759,398	4,147,761
		Investment in units	-	1,014,790
		Redemption of units	-	1,015,540
Alhamra Islamic Income Fund	Funds under management	Management fee	6,396,823	5,782,592
		Share of sales load	1,060,479	355,491
		Sharia fee paid on behalf of the fund	180,000	210,000
		Reimbursement of expenses	1,806,512	1,564,709
		Selling and marketing	6,457,756	3,129,417
		Investment in units	-	1
		Redemption of units	-	1
MCB Pakistan Asset Allocation Fund	Funds under management	Management fee	8,175,820	7,007,226
		Share of sales load	45,041	140,096
		Reimbursement of expenses	247,996	350,361
		Selling and marketing	-	4,554,697
		Back end load	18,090	-
		Investment in units	135,000,000	-
Alhamra Islamic Money Market Fund	Funds under management	Management fee	6,194,567	118,323
		Reimbursement of expenses	141,248	12,803
		Selling and marketing	3,531,202	102,427
		Share of sales load	3,911	1,147
		Sharia fee paid on behalf of the fund	180,000	-
		Investment in units	-	446,403,826
		Redemption of units	-	446,555,350
		Other Expenses	468,821	322,353
Alhamra Islamic Stock Fund	Funds under management	Management fee	19,143,359	16,388,296
		Share of sales load	595,522	214,414
		Reimbursement of expenses	957,168	819,415
		Selling and marketing	12,443,183	10,652,392
		Sharia fee paid on behalf of the fund	180,000	204,193

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
For The Quarter Ended September 30, 2021

MCB Pakistan Sovereign Fund	Funds under management	Management fee	1,890,621	3,759,235
		Share of sales load	10,620	-
		Reimbursement of expenses	190,488	416,828
		Selling and marketing	958,827	583,560
		Investment in units	-	590,222
		Redemption of units	-	590,660
MCB Pakistan Stock Market Fund	Funds under management	Management fee	62,880,357	54,054,713
		Share of sales load	1,266,561	2,033,868
		Reimbursement of expenses	3,144,018	2,702,736
		Selling and marketing	40,872,232	35,135,564
		Investment in units	-	172,420,886
		Redemption of units	25,000,000	35,000,000
Pakistan Capital Market Fund	Funds under management	Management fee	3,907,353	2,343,169
		Share of sales load	-	13,691
		Reimbursement of expenses	116,637	117,158
		Selling and marketing	-	1,581,639
Pakistan Cash Management Fund	Funds under management	Management fee	1,449,843	659,290
		Reimbursement of expenses	21,468	277,504
		Selling and marketing	2,146,595	-
		Share of sales load	85,039	-
		Investment in units	-	84
		Redemption of units	-	84
Pakistan Income Enhancement Fund	Funds under management	Management fee	1,993,335	1,372,001
		Share of sales load	49,779	18,680
		Reimbursement of expenses	189,950	175,253
		Selling and marketing	165,353	1,314,398
Pakistan Income Fund	Funds under management	Management fee	24,204,023	5,931,258
		Share of sales load	1,271,589	122,233
		Reimbursement of expenses	2,603,381	487,105
		Selling and marketing	2,328,550	633,242
		Back end load	-	29,494
		Investment in units	116,000,000	317,614
		Redemption of units	509,835,432	317,732
Alhamra Islamic Asset Allocation Fund	Funds under management	Management fee	19,560,500	11,476,939
		Share of sales load	322,900	189,891
		Back end load	413,255	1,531,982
		Reimbursement of expenses	592,742	573,847
		Selling and marketing	-	7,460,011
		Sharia fee paid on behalf of the fund	180,000	204,193
Alhamra Islamic Pension Fund	Funds under management	Management fee	5,203,772	4,365,990
		Share of sales load	280,959	115,259
		Contribution to fund on behalf of the employees	6,100,546	4,572,862
Pakistan Pension Fund	Funds under management	Management fee	7,601,708	6,869,778
		Share of sales load	371,657	38,615
		Contribution to fund on behalf of the employees	1,940,116	1,564,828
Al-Hamra Islamic Active Asset Allocation Fund Plan-I	Funds under management	Management fee	-	18,549
		Reimbursement of expenses	-	80,202
Al-Hamra Islamic Active Asset Allocation Fund Plan-II	Funds under management	Management fee	-	14,854
		Reimbursement of expenses	-	43,160
Al-Hamra Smart Portfolio	Funds under management	Management fee	12,963	-
		Reimbursement of expenses	44,803	-
		Investment in units	-	-
		Share of sales load	768,910	-
Alhamra Daily Dividend Fund	Funds under management	Management fee	1,514,725	1,843,512
		Dividend income	-	276,963
		Investment in units	-	350,235,419
		Redemption of units	-	350,235,419
		Selling and marketing	-	2,587,207
		Reimbursement of expenses	191,611	737,405
		Bank Charges	111,155	194,413
Share of sales load	62	9,048		

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
For The Quarter Ended September 30, 2021**

Amount outstanding as at period end

Name of the related party	Relationship and percentage of shareholding	Nature of transaction	(Unaudited)	(Audited)
			30 Sep 2021	30 June 2021
			----- (Rupees) -----	
MCB Bank Limited	Parent company with 51.33% Holding	Bank balance	13,219,360	11,755,764
		Other payable	4,380,075	4,380,075
		Commission payable	7,689,710	4,492,704
		Mark-up receivable	-	-
MCB Islamic Bank Limited	Subsidiary of Parent Company	Bank balance	522,949	519,878
		Mark-up receivable	1,113	1,212
Adamjee Life Assurance Company Limited	Group Company of Parent Company	Advisory fee receivable	2,834,813	2,736,923
		Other payable	-	-
Nishat Real Estate Development Company (Pvt.) Ltd.	Group Company of Parent Company	Rent Deposit	-	-
MCB DCF Income Fund	Funds under management	Remuneration receivable	5,810,793	5,605,112
		Sales load receivable	28,058	36,252
		Receivable against reimbursement of expenses	342,820	330,685
		Receivable against selling & marketing expenses	4,759,398	3,918,724
		Back end load receivable	7,218	171,540
		Closing balance of investment in units	-	-
		Federal excise duty on remuneration	99,060,437	99,060,437
		Federal excise duty on sales load	27,932,990	27,932,990
		MCB Pakistan Asset Allocation Fund	Funds under management	Remuneration receivable
Sales load receivable	11,804			16,558
Back end load receivable	7,218			-
Receivable against reimbursement of expenses	84,115			80,913
Receivable against selling & marketing expenses	-			-
Closing balance of investment in units	130,433,950			-
Federal excise duty on remuneration	19,027,350			19,027,350
Federal excise duty on sales load	16,172,955			16,172,955
MCB Cash Management Optimizer	Funds under management			Remuneration receivable
		Sales load receivable	-	995,781
		Receivable against reimbursement of expenses	1,348,214	-
		Receivable against selling & marketing expenses	26,835,866	-
		Federal excise duty on remuneration	54,266,812	54,266,812
		Federal excise duty on sales load	18,788	18,788
		Closing balance of investment in units	303,960,113	6,538,775
		Alhamra Islamic Income Fund	Funds under management	Remuneration receivable
Sales load receivable	542,377			325,267
Back end load receivable	-			-
Receivable against reimbursement of expenses	635,190			608,189
Receivable against Shariah Fee	60,000			60,000
Receivable against selling & marketing expenses	6,457,756			-
Federal excise duty on remuneration	8,639,183			8,639,183
Federal excise duty on sales load	3,028,386			3,028,386
MCB Pakistan Stock Market Fund	Funds under management			Remuneration receivable
		Sales load receivable	1,002,770	836,859
		Other receivable	-	-
		Closing balance of investment in units	114,248,327	146,676,096
		Receivable against reimbursement of expenses	999,620	1,030,960
		Receivable against selling & marketing expenses	40,872,232	38,437,423
		Federal excise duty on remuneration	54,773,935	54,773,935
		Federal excise duty on sales load	3,932,683	3,932,683
		Pakistan Income Fund	Funds under management	Remuneration receivable
Sales load receivable	234,148			345,554
Receivable against reimbursement of expenses	813,493			852,806
Receivable against selling & marketing expenses	2,328,550			-
Closing balance of investment in units	-			388,253,829
Federal excise duty on remuneration	9,210,245			9,210,245
Federal excise duty on sales load	239,199			239,199
MCB Pakistan Sovereign Fund	Funds under management	Other receivable	132,561	132,561
		Remuneration receivable	607,298	663,926
		Sales load receivable	-	8
		Receivable against reimbursement of expenses	63,439	63,516
		Receivable against selling & marketing expenses	958,827	290,630
		Federal excise duty on remuneration	29,027,974	29,027,974
Federal excise duty on sales load	4,169,840	4,169,840		

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
For The Quarter Ended September 30, 2021

Pakistan Capital Market Fund	Funds under management	Remuneration receivable	1,407,478	1,338,866
		Receivable against reimbursement of expenses	37,181	39,190
		Federal excise duty on remuneration	5,872,250	5,872,250
		Federal excise duty on sales load	392,742	392,742
Alhamra Islamic Stock Fund	Funds under management	Remuneration receivable	6,925,971	6,456,723
		Sales load receivable	244,788	81,700
		Receivable against reimbursement of expenses	306,459	285,696
		Receivable against selling & marketing expenses	12,443,183	11,074,298
		Receivable against Shariah Fee	60,000	60,000
		Closing balance of investment in units	22,748,918	24,437,229
		Federal excise duty on remuneration	5,689,242	5,689,242
		Federal excise duty on sales load	124,913	124,913
Pakistan Pension Fund	Funds under management	Remuneration receivable	2,847,815	2,547,807
		Sales load receivable	158,259	-
		Closing balance of investment in units	308,520,907	311,872,289
		Federal excise duty on remuneration	5,976,465	5,976,465
Alhamra Islamic Asset Allocation Fund	Funds under management	Remuneration receivable	7,181,105	7,384,899
		Sales load receivable	49,568	404,315
		Back end load receivable	103,616	815,726
		Receivable against reimbursement of expenses	192,575	198,040
		Receivable against Shariah Fee	60,000	60,000
		Federal excise duty on remuneration	5,910,300	5,910,300
		Federal excise duty on sales load	1,135,845	1,135,845
		Alhamra Islamic Pension Fund	Funds under management	Remuneration receivable
Sales load receivable	62,436			271,597
Closing balance of investment in units	317,773,678			326,724,663
Federal excise duty on remuneration	3,030,332			3,030,332
Pakistan Sarmaya Mahfooz Fund (Matured)	Funds under management	Federal excise duty on remuneration	1,960,082	1,960,082
		Federal excise duty on sales load	2,307,278	2,307,278
Pakistan Cash Management Fund	Funds under management	Remuneration receivable	293,524	217,783
		Receivable against reimbursement of expenses	-	62,402
		Receivable against selling & marketing expenses	2,146,595	-
		Sales load receivable	28,000	30,605
Pakistan Income Enhancement Fund	Funds under management	Federal excise duty on remuneration	11,932,884	11,932,884
		Remuneration receivable	1,092,008	1,188,734
		Sales load receivable	11,050	20,666
		Other receivable	132,561	132,561
Alhamra Islamic Money Market Fund	Funds under management	Receivable against reimbursement of expenses	72,262	55,991
		Receivable against selling & marketing expenses	165,353	-
		Federal excise duty on remuneration	16,589,808	16,589,808
		Federal excise duty on sales load	4,746,222	4,746,222
		Remuneration receivable	2,077,270	-
		Sales load receivable	1,000	7,045
		Receivable against reimbursement of expenses	141,248	-
		Receivable against selling & marketing expenses	3,531,202	-
Al-Hamra Smart Portfolio	Funds under management	Receivable against Shariah Fee	60,000	60,000
		Others Payable	-	(1,844,136)
		Federal excise duty on remuneration	840,741	840,741
		Federal excise duty on sales load	3,624,619	3,624,619
		Remuneration receivable	4,454	3,298
		Receivable against reimbursement of expenses	15,962	6,590
		Sales load receivable	52,464	-
		Closing balance of investment in units	119,480,760	119,852,520
Alhamra Daily Dividend Fund	Funds under management	Remuneration receivable	702,499	433,744
		Payable against bank charges	(59,415)	(32,653)
		Receivable against reimbursement of expenses	191,611	-
		Sales load receivable	-	2,145

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
For The Quarter Ended September 30, 2021**

18 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on October 22, 2021 by the Board of Directors of the Company.

19 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

The members in Annual General Meeting held on October 26, 2021 has approved final cash dividend of Rs. 2.75 per share (2020: Rs. 2.25 per share approved on October 19, 2020). These financial statements do not include the effect of this appropriation which will be accounted for in the financial statements of the Company for the period ending December 31, 2021.

20 CORRESPONDING FIGURES

Corresponding figures have been rearranged or reclassified wherever necessary for the purpose of comparison or better presentation. No significant reclassification was made in this condensed interim financial information during the current period.

21 GENERAL

Amounts have been rounded off to the nearest Rupee unless otherwise stated.



Chief Executive Officer



Chief Financial Officer



Director

MCB-Arif Habib Savings and Investments Limited

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