



Al Meezan
Investment Management Ltd.

MEEZAN

BALANCED FUND (MBF)

Meezan Balanced Fund is Pakistan's first Shariah Compliant balanced scheme. It seeks to generate long term capital appreciation as well as current income by creating a balanced portfolio that is invested in both high quality Shariah Compliant equity securities and income instruments such as TFC's, COI's, Certificates of Musharika, Islamic Sukuks, Ready-future hedges and other Shariah Compliant instruments.



PAKISTAN COLLECTS

RS. 4.7

**TRILLION
IN
TAXES,
SURPASSING
THE TARGET**

FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Moin M. Fudda	Nominee Director - MBL
Mr. Furquan R Kidwai	Independent Director
Mr. Mubashar Maqbool	Nominee Director - PKIC
Mr. Tariq Mairaj	Nominee Director - MBL
Mr. Naeem Sattar	Nominee Director - PKIC
Mr. Feroz Rizvi	Independent Director
Ms. Danish Zuberi	Independent Director
Mr. Mohammad Shoaib, CFA	Chief Executive Officer

COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Salman Muslim

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY

Mr. Muhammad Shahid Ojha

AUDIT COMMITTEE

Mr. Feroz Rizvi	Chairman
Mr. Tariq Mairaj	Member
Mr. Naeem Sattar	Member

RISK MANAGEMENT COMMITTEE

Mr. Mubashar Maqbool	Chairman
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Mubashar Maqbool	Member
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member
Mr. Mohammad Shoaib, CFA	Member

TRUSTEE

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

AUDITORS

A. F. Ferguson & Co.
Chartered Accountants
State Life Building# 1-C,
I.I. Chundrigar Road , Karachi-74000

SHARIAH ADVISER

Meezan Bank Limited

BANKERS TO THE FUND

Allied Bank Limited	Habib Metropolitan Bank Limited - Islamic Banking
Al Baraka Islamic Bank B.S.C (E.C)	MCB Islamic Bank
Askari Bank Limited - Islamic Banking	Meezan Bank Limited
Bank Al Habib Limited - Islamic Banking	National Bank of Pakistan - Islamic Banking
Bank Alfalah Limited	Samba Bank Limited
Bank Islami Pakistan Limited	Sindh Bank Limited
Dubai Islamic Bank Pakistan Limited	The Bank Of Khyber - Islamic Banking
Faysal Bank Limited - Islamic Banking	UBL Ameen - Islamic Banking

LEGAL ADVISER

Bawaney & Partners
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,
Phase VI, DHA, Karachi.
Phone (+9221) 35156191-94 Fax: (+9221) 35156195
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TRANSFER AGENT

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Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited



MEEZAN BALANCED FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2021

		September 30, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
	Note		
Assets			
Balances with banks	5	927,305	1,116,066
Investments	6	3,725,064	3,653,901
Receivables against conversion of units		2,555	7,965
Dividend receivable		15,877	8,950
Receivable against sale of investments		21,482	3,217
Advances, deposits and other receivables		48,135	77,868
Total assets		4,740,418	4,867,967
Liabilities			
Payable to AI Meezan Investment Management Limited - Management Company	8	21,471	12,761
Payable to Central Depository Company of Pakistan Limited - Trustee		535	516
Payable to the Securities and Exchange Commission of Pakistan		240	876
Payable to Meezan Bank Limited		176	143
Payable against purchase of investments - net		24,935	14,269
Payable against redemption and conversion of units		21,429	11,551
Dividend payable		7,498	7,498
Accrued expenses and other liabilities	9	44,364	107,216
Total liabilities		120,648	154,830
Net assets		4,619,771	4,713,137
Contingencies and commitments	7		
Unit holders' fund (as per statement attached)		4,619,771	4,713,137
		(Number of units)	
Number of units in issue		288,513,007	290,931,590
		(Rupees)	
Net asset value per unit		16.0123	16.2002

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN BALANCED FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

		September 30,	
		2021	2020
		(Rupees in '000)	
Note			
Income			
	Profit on saving accounts with banks	16,475	13,467
	Dividend income	30,673	12,496
	Profit on sukuk certificates	32,181	31,290
	Net realised (loss) / gain on sale of investments	(3,609)	25,281
9.1	Reversal of provision for Sindh Workers' Welfare Funds (SWWF)	60,542	-
		136,262	82,534
	Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(117,904)	306,649
6		18,358	389,183
Total income			
Expenses			
	Remuneration of AI Meezan Investment Management Limited - Management Company	23,958	21,477
	Sindh Sales Tax on remuneration of the management company	3,115	2,792
8.2	Allocated expenses	1,318	1,074
8.3	Selling and marketing expenses	11,979	4,295
	Remuneration of Central Depository Company of Pakistan Limited - Trustee	1,450	1,324
	Sindh Sales Tax on remuneration of the Trustee	189	172
	Annual fee to the Securities and Exchange Commission of Pakistan	240	215
	Auditors' remuneration	154	142
	Charity expense	1,010	347
	Fees and subscription	28	79
	Legal and professional charges	184	-
	Brokerage expense	1,212	842
	Bank and settlement charges	163	37
	Provision against sukuk	28,125	-
	Provision for Sindh Workers' Welfare Fund (SWWF)	-	7,128
	Total expenses	73,124	39,924
	Net (loss) / income for the quarter before taxation	(54,766)	349,259
	Taxation	-	-
12		(54,766)	349,259
	Net (loss) / income for the quarter after taxation	(54,766)	349,259
Allocation of net income for the quarter			
	Net (loss) / Income for the quarter after taxation	-	349,259
	Income already paid on units redeemed	-	(20,251)
		-	329,008
Accounting income available for distribution			
	- Relating to capital gains	-	329,008
	- Excluding capital gains	-	-
		-	329,008

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



MEEZAN BALANCED FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	September 30,	
	2021	2020
	(Rupees in '000)	
Net (loss) / income for the quarter after taxation	(54,766)	349,259
Other comprehensive income for the quarter	-	-
Total comprehensive (loss) / income for the quarter	(54,766)	349,259

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

**MEEZAN BALANCED FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	September 30, 2021			September 30, 2020		
	Capital Value	Undistributed income / (accumulated loss)	Total	Capital Value	Undistributed income	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the quarter as previously reported (Audited)	4,059,835	653,302	4,713,137	3,839,430	76,131	3,915,561
Issue of 19,394,988 units (2020: 43,985,379 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	314,203	-	314,203	603,198	-	603,198
- Element of income	2,417	-	2,417	47,511	-	47,511
Total proceeds on issuance of units	316,620	-	316,620	650,708	-	650,708
Redemption of 21,813,571 units (2020: 37,500,177 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	353,384	-	353,384	514,262	-	514,262
- Element of loss	1,836	-	1,836	22,386	20,251	42,637
Total payments on redemption of units	355,220	-	355,220	536,648	20,251	556,899
Total comprehensive (loss) / income for the quarter	-	(54,766)	(54,766)	-	349,259	349,259
Distribution during the quarter	-	-	-	-	-	-
Net (loss) / income for the quarter less distribution	-	(54,766)	(54,766)	-	349,259	349,259
Net assets at the end of the quarter	4,021,235	598,536	4,619,771	3,953,490	405,139	4,358,629
Undistributed income brought forward (as previously reported (Audited))						
- Realised income		218,892			25,518	
- Unrealised gain		434,410			50,613	
		<u>653,302</u>			<u>76,131</u>	
Accounting income available for distribution						
- Relating to capital gains		-			329,008	
- Excluding capital gains		-			-	
					<u>329,008</u>	
Net loss for the quarter after taxation		(54,766)			-	
Distribution during the quarter		-			-	
Undistributed income carried forward		<u>598,536</u>			<u>405,139</u>	
Undistributed income carried forward						
Realised income		716,440			98,490	
Unrealised (loss) / gain		(117,904)			306,649	
		<u>598,536</u>			<u>405,139</u>	
				(Rupees)		(Rupees)
Net assets value per unit at the beginning of the quarter				<u>16.2002</u>		<u>13.7136</u>
Net assets value per unit at the end of the quarter				<u>16.0123</u>		<u>14.9263</u>

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

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director



MEEZAN BALANCED FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	September 30,	
	2021	2020
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) / income for the quarter before taxation	(54,766)	349,259
Adjustments for:		
Net unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	117,904	(306,649)
	<u>63,138</u>	<u>42,610</u>
Decrease / (Increase) in assets		
Investments - net	(189,068)	105,821
Dividend receivable	(6,927)	(5,308)
Receivable against sale of investments - net	(18,265)	4,051
Advances, deposits and other receivables	29,733	2,725
	<u>(184,527)</u>	<u>107,289</u>
Increase / (decrease) in liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	8,710	10,049
Payable to Central Depository Company of Pakistan Limited - Trustee	19	44
Payable to Securities and Exchange Commission of Pakistan	(636)	(690)
Payable to Meezan Bank Limited	33	(58)
Payable against purchase of investments - net	10,666	1,258
Accrued expenses and other liabilities	(62,852)	(16,937)
	<u>(44,061)</u>	<u>(6,334)</u>
Net cash (used in) / generated from operating activities	<u>(165,449)</u>	<u>143,565</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	322,030	642,793
Payment against redemption and conversion of units	(345,342)	(518,175)
Dividend paid	-	(45,496)
Net cash (used in) / generated from financing activities	<u>(23,312)</u>	<u>79,122</u>
Net (decrease) / increase in cash and cash equivalents during the quarter	<u>(188,761)</u>	<u>222,687</u>
Cash and cash equivalents at the beginning of the quarter	1,116,066	785,606
Cash and cash equivalents at the end of the quarter	<u><u>927,305</u></u>	<u><u>1,008,293</u></u>

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN BALANCED FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Meezan Balanced Fund (the Fund) was initially established as a closed-end scheme under a Trust Deed executed between Al Meezan Investment Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on June 15, 2004 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on September 8, 2004 under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The registered office of the Management Company is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.

Subsequently, on May 3, 2013, SECP vide its letter No. SCD/AMCW/MBF /512/2013 had approved the conversion of the closed end structure into an open end scheme through the establishment of the Unit Trust Scheme under the name of Meezan Balanced Fund (MBF). On June 27, 2013, SECP vide its letter No SCD/AMCW/MBF/613/2013 registered MBF (the open-end scheme) as a notified entity and had withdrawn the registration of MBF as a closed end scheme from the effective date i.e. July 1, 2013 and therefore from July 1, 2013, the Fund had been converted into an open end scheme. Accordingly, the certificate holders of the closed end scheme at June 30, 2013 were converted to unit holders of the open end scheme.

1.2 The Management Company has been licensed by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP.

1.3 The investment objective of the Fund is to generate long-term capital appreciation as well as current income by creating a balanced portfolio that is invested both in high quality Shariah compliant equity securities and Islamic income instruments such as Islamic Sukuks (certificates of Islamic investment), musharaka certificates, Government Securities, cash in bank accounts, Money Market Placements, Deposits, Certificates of Deposits, Term Deposits Receipts, Commercial Papers, Islamic alternatives of Reverse Repos, Spread Transactions, and other Shariah compliant instruments as indicated by the SECP. Under the Trust Deed all the conducts and acts of the Fund are based on Shariah principles. The Management Company has appointed Meezan Bank Limited as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.

1.4 The Fund is an open-end fund listed on the Pakistan Stock Exchange Limited. The Fund is categorised as a Shariah Compliant Balanced Fund in accordance with Circular 7 of 2009 issued by the SECP.

1.5 Title to the assets of the Fund are held in the name of Central Depository Company (CDC) as the Trustee of the Fund.

1.6 The Management Company has been assigned a quality rating of AM1 by VIS Credit Rating Company Limited dated December 31, 2020 (2020: AM1 dated December 31, 2019) and by PACRA dated June 23, 2021 (2020: AM1 dated June 26, 2020). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

1.7 The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Trusts Act, 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company has fulfilled requirements for registration and accordingly, the fund has been registered under Sindh Trusts Act, 2020.

2. BASIS OF PRESENTATION

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

3. BASIS OF PREPARATION

3.1 STATEMENT OF COMPLIANCE

These condensed interim 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 Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017, along with part VIII A of the repealed Companies Ordinance, 1984; and
- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the International Accounting Standard (IAS) 34, Interim Financial Reporting, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do 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 Fund for the year ended June 30, 2021.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at September 30, 2021.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES / ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT

- 4.1** 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, 2021.
- 4.2** 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, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2021.
- 4.3** There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2021. However, these do not have any impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

5. BALANCES WITH BANKS	Note	September 30, 2021	June 30, 2021
		(Unaudited)	(Audited)
		(Rupees in '000)	
In saving accounts	5.1	919,686	1,107,485
In current accounts		7,619	8,581
		927,305	1,116,066

- 5.1** The balance in saving accounts have an expected profit ranging from 1.50% to 7.27% per annum (June 30, 2021: 1.50% to 7% per annum).

6. INVESTMENTS	Note	September 30, 2021	June 30, 2021
		(Unaudited)	(Audited)
		(Rupees in '000)	
Investments - 'at fair value through profit or loss'	6.1	3,725,064	3,653,901
		3,725,064	3,653,901
6.1 Investments - 'at fair value through profit or loss'			
Shares of listed companies - 'ordinary shares'	6.1.1	2,194,086	2,205,560
Sukuk certificates	6.1.2	1,377,598	1,448,341
Commercial papers	6.2	153,380	-
		3,725,064	3,653,901

6.1.1 Shares of listed companies 'ordinary shares'

Name of the investee company	As at July 1, 2021	Purchases during the quarter	Right / Bonus issue	Sales during the quarter	As at September 30, 2021	Carrying value as at September 30, 2021	Market value as at September 30, 2021	Unrealised gain / (loss) as at September 30, 2021	Percentage in relation to		
									Net Assets of the Fund	Paid-up-Capital of the investee company (with face value of investments)	Total market value of investments
Number of shares						Rupees in '000		%			
Sectors / companies											
Automobile Assemblers											
Ghandhara Industries Limited	2,100	-	-	-	2,100	586	409	(177)	0.01	-	0.01
Ghandhara Nissan Limited	-	120,000	-	80,400	39,600	4,741	3,450	(1,291)	0.07	0.07	0.09
Milat Tractors Company Limited	27,063	5,000	-	-	32,063	34,612	34,410	(202)	0.74	0.06	0.92
Pak Suzuki Motor Company Limited	77,000	-	-	47,000	30,000	10,663	8,027	2,637	0.17	0.04	0.22
									1.00	0.17	1.24
Automobile parts and accessories											
Panther Tyres Ltd	22,460	200,000	44,492	-	266,952	16,203	13,203	(3,000)	0.29	0.16	0.35
Cement											
Attock Cement Pakistan Limited	4,527	-	-	-	4,527	814	638	(176)	0.01	-	0.02
Cherat Cement Company Limited	147,300	115,000	-	66,100	196,200	34,846	28,100	(6,747)	0.61	0.10	0.75
DG Khan Cement Company Limited	360,938	75,000	-	255,400	180,538	21,219	15,963	(5,256)	0.35	0.04	0.43
Kohat Cement Limited	415,520	-	-	-	415,520	85,801	71,445	(14,356)	1.55	0.21	1.92
Lucky Cement Limited	260,391	16,019	-	53,709	222,701	192,530	160,991	(31,539)	3.48	0.07	4.32
Maple Leaf Cement Limited	1,098,771	200,000	-	460,000	838,771	39,253	29,525	(9,728)	0.64	0.08	0.79
									6.64	0.50	8.23
Chemicals											
Dynea Pakistan Limited	25,000	1,000	-	-	26,000	5,801	5,909	108	0.13	0.14	0.16
Engro Polymer & Chemicals Limited	848,454	450,000	-	65,500	1,232,954	60,863	67,899	7,036	1.47	0.14	1.82
I.C.I. Pakistan Limited	82,266	-	-	16,050	66,216	57,528	52,547	(4,981)	1.14	0.07	1.41
Nimir Resins Limited	80,000	-	-	80,000	-	-	-	-	-	-	-
Sitara Chemical Industries Limited	18,100	-	-	18,100	-	-	-	-	-	-	-
									2.74	0.35	3.39
Commercial Banks											
BankIslami Pakistan Limited	631,462	-	-	-	631,462	7,098	7,956	859	0.17	0.06	0.21
Meezan Bank Limited	931,273	40,000	138,190	10,000	1,099,463	111,444	153,848	42,404	3.33	0.07	4.13
									3.50	0.13	4.34
Engineering											
Agha Steel Ind Ltd	389,484	-	-	-	389,484	13,137	10,707	(2,430)	0.23	0.07	0.29
Aisha Steel Mills Limited	240,000	450,000	-	290,000	400,000	9,886	8,324	(1,562)	0.18	0.05	0.22
International Industries Limited	156,720	-	-	74,100	82,620	17,434	13,779	(3,656)	0.30	0.06	0.37
International Steels Limited	100,000	-	-	22,000	78,000	7,286	5,944	(1,342)	0.13	0.02	0.16
Ittefaq Iron Industries Limited	545,000	173,500	-	-	718,500	12,774	10,540	(2,234)	0.23	0.50	0.28
Mughal Iron & Steels Ind Ltd	191,800	495,100	-	-	686,900	71,533	67,055	(4,478)	1.45	0.24	1.80
K.S.B. Pumps Company Limited	5,000	-	-	5,000	-	-	-	-	-	-	-
									2.52	0.94	3.12
Fertilizers											
Engro Corporation Limited (Note 6.1.1.2)	356,014	20,000	-	-	376,014	110,845	105,190	(5,655)	2.28	0.04	2.82
Engro Fertilizers Limited	556,924	495,000	-	-	1,051,924	75,653	73,929	(1,723)	1.60	0.08	1.98
									3.88	0.12	4.81
Food & Personal Care Products											
Al-Shaheer Corporation Limited	8,546	-	-	-	8,546	170	121	(49)	0.00	-	0.00
Al-Tahir Limited	-	286,500	-	-	286,500	7,524	7,839	314	0.17	0.16	0.21
Unity Foods Limited	658,000	315,000	-	125,000	848,000	35,572	26,475	(9,098)	0.57	0.09	0.71
									0.75	0.25	0.92
Glass & Ceramics											
Shabbir Tiles & Ceramics Limited	675,000	154,000	-	-	829,000	27,724	25,268	(2,456)	0.55	0.25	0.68
Leather & Tanneries											
Service GlobalFootwear Limited	108,430	-	-	-	108,430	6,271	4,867	(1,403)	0.11	0.05	0.13
Miscellaneous											
Pakistan Aluminium Beverage Cans Limited	-	303,247	-	200,000	103,247	5,059	4,051	(1,008)	0.09	0.17	0.11
Oil & Gas Exploration											
Mari Petroleum Company Limited	113,247	-	-	-	113,247	172,633	175,914	3,282	3.81	0.08	4.72
Oil and Gas Development Company Limited	1,222,369	52,991	-	-	1,275,360	121,200	106,875	(14,325)	2.31	0.03	2.87
Pakistan Oilfields Limited	177,223	-	-	4,000	173,223	68,226	65,019	(3,206)	1.41	0.06	1.75
Pakistan Petroleum Limited	1,409,128	50,000	-	-	1,459,128	126,667	109,303	(17,364)	2.37	0.05	2.93
									9.89	0.22	12.27
Oil and Gas Marketing											
Hascal Petroleum Limited	1,901	-	-	-	1,901	17	12	(5)	0.00	-	0.00
Pakistan State Oil Company Limited	431,190	-	-	45,000	386,190	86,603	77,620	(8,983)	1.68	0.08	2.08
Sui Northern Gas Pipeline Limited	458,000	570,000	-	-	1,028,000	50,542	46,753	(3,789)	1.01	0.16	1.26
									2.69	0.24	3.34
Paper & Board											
Cherat Packaging Limited	40	-	-	-	40	8	7	(1)	0.00	-	0.00
Century Paper & Board Mills Limited	300,300	-	45,045	-	345,345	36,658	25,877	(10,781)	0.56	0.17	0.69
Roshan Packages Limited	86,500	-	-	44,000	42,500	1,400	1,058	(342)	0.02	0.03	0.03
Security Paper Limited	25,000	-	-	-	25,000	3,614	3,344	(270)	0.07	0.07	0.09
Packages Limited	94,023	-	-	2,650	91,373	49,817	42,887	(6,930)	0.93	0.10	1.15
									1.58	0.30	1.96



Name of the investee company	As at July 1, 2021	Purchases during the quarter	Right / Bonus issue	Sales during the quarter	As at September 30, 2021	Carrying value as at September 30, 2021	Market value as at September 30, 2021	Unrealised gain / (loss) as at September 30, 2021	Percentage in relation to		
									Net Assets of the Fund	Paid-up-Capital of the investee company (with face value of investments)	Total market value of investments
						Number of shares		Rupees in '000		%	
Pharmaceuticals											
Abbott Laboratories (Pakistan) Limited	2,250	-	-	-	2,250	1,783	1,739	(44)	0.04	-	0.05
AGP Limited	203,500	-	-	203,000	500	59	57	(1)	0.00	-	0.00
GlaxoSmithKline Consumer Healthcare	46,900	-	-	-	46,900	11,729	11,963	234	0.26	0.01	0.32
Highnoon Laboratories Limited	481	-	-	-	481	289	298	9	0.01	-	0.01
IBL HealthCare Limited	170,000	43,000	-	20,000	193,000	21,222	17,426	(3,796)	0.38	0.36	0.47
The Searle Company Limited	151,181	-	-	-	151,181	36,680	30,464	(6,215)	0.66	0.06	0.82
									1.34	0.43	1.66
Power Generation & Distribution											
K-Electric Limited (note 6.1.1.1)	6,482,500	1,000,000	-	-	7,482,500	30,448	29,930	(518)	0.65	0.03	0.80
The Hub Power Company Limited*	967,150	314,400	-	-	1,281,550	100,821	94,232	(6,588)	2.04	0.10	2.53
									2.69	0.13	3.33
Real Estate Investment Trust											
Dolmen City RET	1,909,000	-	-	-	1,909,000	21,037	22,373	1,336	0.48	0.09	0.68
Refinery											
Attock Refinery Limited	58,000	-	-	58,000	-	-	-	-	-	-	-
Byco Petroleum Pakistan Limited	1,810,000	1,860,000	-	316,000	3,354,000	33,758	27,436	(6,323)	0.59	0.06	0.84
									0.59	0.06	0.84
Technology & Communication											
Air Link Communication Limited	-	198,750	-	-	198,750	14,211	14,324	113	0.31	0.05	0.38
Avanceon Limited	442,776	85,000	-	170,000	357,776	34,363	44,135	9,772	0.96	0.14	1.18
Octopus Digital Limited	-	74,336	-	-	74,336	3,018	3,018	-	0.07	0.05	0.08
Systems Limited	153,615	-	-	-	153,615	86,058	111,756	25,698	2.42	0.11	3.00
Worldcall Telecom Limited	-	1,000,000	-	-	1,000,000	2,834	2,720	(114)	0.06	0.06	0.07
									3.75	0.35	4.65
Textile composite											
Feroze1888 Mills Limited	77,800	-	-	-	77,800	7,820	6,971	(849)	0.15	0.02	0.19
Interloop Limited	914,222	5,000	-	-	919,222	64,385	65,421	1,036	1.42	0.11	1.76
Kohinoor Textile Mills Limited	50,000	55,000	-	-	105,000	8,540	7,292	(1,248)	0.16	0.04	0.20
Nishat Mills Limited	314,100	60,000	-	50,000	324,100	30,306	29,448	(858)	0.64	0.09	0.79
									2.36	0.26	2.93
September 30, 2021	27,095,939				33,825,500	2,311,614	2,194,086	(117,529)			58.86

6.1.1.1 All shares have a nominal value of Rs 10 each except for the shares of Dynea Pakistan Limited and Shabbir Tiles and Ceramics Limited which have a nominal value of Rs 5 each and K-Electric Limited which have a nominal value of Rs 3.5 each.

6.1.1.2 Investments include 150,000 shares of Engro Corporation Limited, having a market value of Rs 41.963 million (June 30, 2021: Rs 44.192 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.

6.1.1.3 As at September 30, 2021, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs. 5.342 million (June 30, 2021: 6.102 million).

6.1.2 Sukuk Certificates

6.1.2.1 Government Securities - GOP Ijarah Sukuk

Name of the Security	Maturity date	Profit rate	As at July 1, 2021	Purchases during the quarter	Sales / matured during the quarter	As at September 30, 2021	Carrying value as at September 30, 2021	Market value as at September 30, 2021	Unrealised gain as at September 30, 2021	Percentage in relation to	
										Net Assets of the Fund	Total market value of investments
						Number of certificates		Rupees in '000		%	
GoP Ijarah Sukuk Certificates - XX (Note 6.1.2.1.1)	April 30, 2025	Weighted Average 6 months T-Bills	1,480	-	-	1,480	143,738	144,744	1,006	3.13	3.89
GoP Ijarah Sukuk Certificates - XXI (Note 6.1.2.1.1)	May 29, 2025	Weighted Average 6 months T-Bills	1,500	-	-	1,500	150,945	151,140	195	3.27	4.06
GoP Ijarah Sukuk Certificates - XXIV (Note 6.1.2.1.1)	December 09, 2025	Weighted Average 6 months T-Bills	2,000	-	-	2,000	201,840	202,120	280	4.38	5.43
Total as at September 30, 2021							496,523	498,004	1,481		

6.1.2.1.1 The nominal value of the GoP Ijarah sukuk certificates is Rs 100,000 each.

6.1.2.2 Corporate Sukuks

Name of the investee company	Maturity	Profit rate	As at July 1, 2021	Purchases during the quarter	Sales / Redemptions / matured during the quarter	As at September 30, 2021	Carrying value as at September 30, 2021*	Market value as at September 30, 2021*	Unrealised gain / (loss) as at September 30, 2021	Percentage in relation to		
										Net Assets of the Fund	Paid-up-Capital of the investee company (with face value of investments)	Total market value of investments
-----Number of certificates-----							----- (Rupees in '000) -----			----- % -----		
Secured												
K Electric Limited - (7 years) (note 6.1.2.2.1) (AA+, VIS, non-traded)	June 17, 2022	3 months KIBOR plus base rate of 1%	60,003	-	-	60,003	45,414	45,389	(24)	0.98	0.01	1.22
Security Leasing Corporation Limited II* (note 6.1.2.2.1 & 6.1.2.2.2)	January 19, 2022	N/A	1,540	-	-	1,540	-	-	-	-	-	-
Eden Housing Limited* (note 6.1.2.2.1 & 6.1.2.2.2)	September 29, 2014	N/A	5,000	-	-	5,000	-	-	-	-	-	-
Arzoo Textile Mills Limited* (note 6.1.2.2.1 & 6.1.2.2.2)	April 15, 2014	N/A	5,000	-	-	5,000	-	-	-	-	-	-
Hascol Petroleum Limited - Sukuk (note 6.1.2.2.1, 6.1.2.2.2 & 6.1.2.2.3)	January 6, 2022	3 months KIBOR plus base rate of 1.50%	50,000	-	50,000	-	-	-	-	-	3.75	-
Dubai Islamic Bank Pakistan Limited - Sukuk (AA-, VIS, non-traded) (note 6.1.2.2.1)	July 14, 2027	6 months KIBOR plus base rate of 0.50%	141	-	-	141	144,943	144,948	5	3.14	3.53	3.89
International Brands Limited (AA, VIS, non-traded) (note 6.1.2.2.1)	November 15, 2021	3 months KIBOR plus base rate of 0.50%	650	-	-	650	18,840	18,711	(129)	0.41	2.69	0.50
Neelum Jhelum Hydropower Company (Private) Limited (AAA, VIS, non-traded) (note 6.1.2.2.1)	June 29, 2026	6 months KIBOR plus base rate of 1.13%	230	-	-	230	14,806	14,806	-	0.32	0.02	0.40
K-Electric Limited (sukuk 5) (AA+, VIS, traded) (note 6.1.2.2.1)	August 03, 2027	3 months KIBOR plus base rate of 1.70%	30,000	-	12,000	18,000	91,395	91,599	204	1.98	0.80	2.46
Meezan Bank Limited (AA+, VIS, non-traded) (note 6.1.2.2.1 & 6.1.2.2.4)	September 22, 2026	6 months KIBOR plus base rate of 0.5%	80	-	-	80	82,850	80,077	(2,773)	1.73	1.14	2.15
Shakarganj Food Products Limited (BBB+, VIS, non-traded) (note 6.1.2.2.1 & 6.1.2.2.2)	July 10, 2025	3 months KIBOR plus base rate of 1.75%	82	-	-	82	65,852	66,107	255	1.43	11.31	1.77
Javedan Corporation Limited (AA-, VIS, non-traded) (note 6.1.2.2.1)	October 4, 2026	6 months KIBOR plus base rate of 1.75%	750	-	-	750	68,063	68,063	-	1.47	2.51	1.83
Agha Steel Industries Limited (A+, VIS, non-traded) (note 6.1.2.2.1 & 6.1.2.2.4)	October 9, 2025	3 months KIBOR plus base rate of 0.80%	100	-	-	100	99,783	100,301	517	2.17	2.00	2.69
AGPLimited (A+, PACRA, non-traded) (note 6.1.2.2.1)	June 9, 2022	3 months KIBOR plus base rate of 1.30%	405	-	-	405	6,118	6,130	12	0.13	4.73	0.16
Hub Power Holdings Limited** (AA+, PACRA, non-traded) (note 6.1.2.2.1)	November 12, 2025	6 months KIBOR plus base rate of 2.5%	2,000	-	-	2,000	180,667	180,667	-	3.91	1.14	4.85
Hub Power Company Limited (AA+, PACRA, non-traded) (note 6.1.2.2.1)	March 19, 2024	1 year KIBOR plus base rate of 1.90%	300	-	-	300	30,720	30,796	76	0.67	1.00	0.83
OBS AGP (Private) Limited (A+, VIS) (note 6.1.2.2.1)	July 15, 2026	3 months KIBOR plus base rate of 1.55%	-	320	-	320	32,000	32,000	-	0.69	1.23	0.86
Total							881,451	879,594	(1,857)			

6.1.2.2.1 The nominal value of these sukuk certificates is Rs 5,000 each except for the sukuk certificates of Eden Housing Limited having nominal value of Rs 984.375, International Brands Limited, AGP Limited, OBS AGP (Private) Limited, Javedan Corporation Limited, Hub Power Holdings Limited and Hub Power Company Limited having nominal value of Rs. 100,000 each and Dubai Islamic Bank Pakistan Limited, Meezan Bank Limited, Shakarganj Food Products Limited and Agha Steel Industries Limited having nominal value of Rs 1,000,000 each respectively.

6.1.2.2.2 The Securities and Exchange Commission of Pakistan (SECP), vide its circular No. 16 dated July 07, 2010, prescribed certain disclosures for the schemes holding investments that were non-compliant either with the minimum investment criteria specified for the category assigned to such schemes or with the investment requirement of their constitutive documents. The Securities and Exchange Commission of Pakistan vide circular 7 of 2009 dated March 6, 2009 required all Asset Management Companies to classify funds under their management on the basis of categorisation criteria laid down in the circular. Al Meezan Investment Management Limited (the Management Company) classified Meezan Balanced Fund (the Fund) as a 'Balanced Scheme' in accordance with the said circular. As at September 30, 2021, the Fund is compliant with all the requirements of the said circular except for that the rating of any security in the portfolio shall not be lower than the investment grade.

Following investments of the Funds are in sukuks which are non compliant securities. At the time of investment, these were compliant as per SECP criteria and the investment policy of the Fund.

Name of the investee company	Type of investments	Value of investments before provision	Provision held as at September 30, 2021	Value of investments after provision	Percentage of net assets	Percentage of total market value
		(Rupees in '000)			%	
Arzoo Textile Mills Limited	Non-traded sukuk certificates	25,000	25,000	-	-	-
Eden Housing Limited	Non-traded sukuk certificates	4,922	4,922	-	-	-
Security Leasing Corporation Limited II	Non-traded sukuk certificates	7,701	7,701	-	-	-
Hascol Petroleum Limited	Non-traded sukuk certificates	62,500	62,500	-	-	-
Shakarganj Food Products Limited	Non-traded sukuk certificates	66,107	-	66,107	1.43	1.77
		166,230	100,123	66,107		

6.1.2.2.3 On April 1, 2021, Hascol Petroleum Limited sukuk certificates have been classified as non-performing by Mutual Funds Association of Pakistan (MUFAP). Therefore, in accordance with the requirement of SECP's Circular No.33 of 2012, the sukuk certificates have been classified as non-performing asset and no further profit has been accrued thereafter. Further, in accordance with the said Circular, an amount of Rs. 62.5 million have also been held as provision against the outstanding principal as at September 30, 2021.

6.1.2.2.4 Circular No. 33 of 2012 allows the asset manager to apply a mark up/mark down within available limit for valuation of any specific debt security. Exercising the discretionary power, the above mentioned Sukuks of Agha Steel Industries Limited and Meezan Bank Limited has been valued at a discretionary rate of 100.3006 and 100.0961 when the reported market rate on MUFAP valuation sheet as at September 30, 2021 was 98.9039 and 103.4962 respectively.

6.2 Commercial papers

Name of the security	Maturity date	Profit rate	As at July 1, 2021	Purchases during the period	Sales / redemptions / maturity during the period	As at September 30, 2021	Carrying value as at September 30, 2021	Market value as at September 30, 2021	Unrealised appreciation / (diminution)	Percentage in relation to	
			(Number of certificates)			(Rupees in '000)		--- % ---			
Mughal Iron & Steel Industries Limited CP	July 21, 2022	6 months KIBOR plus base rate of 1.75%	-	165	-	165	153,380	153,380	-	3.32	4.12
Total	September 30, 2021						153,380	153,380			

7. CONTINGENCIES AND COMMITMENTS

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

8. PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY

		September 30, 2021 (Unaudited)	June 30, 2021 (Audited)
		(Rupees in '000)	
Management fee payable	8.1	7,811	555
Sindh Sales Tax on management fee payable		1,015	72
Allocated expenses payable	8.2	430	412
Selling and marketing expenses payable	8.3	11,978	10,966
Sales load payable		210	669
Sindh Sales Tax on sales load payable		27	87
		<u>21,471</u>	<u>12,761</u>

8.1 As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 2% (June 30, 2021: 2%) per annum of the average net assets of the Fund during the period ended September 30, 2021. The remuneration is payable to the Management Company monthly in arrears.

8.2 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

The management company based on its own discretion has currently charged allocated expenses at the rate of 0.11% of the average annual net assets of the scheme for allocation of such expenses to the Fund for the quarter

8.3 In accordance with Circular 11 dated July 5, 2019 with respect to charging selling and marketing expenses, the Management Company, based on its own discretion has charged selling and marketing expenses at 1% of the average annual net assets of the Fund during the quarter. These expenses have also been approved by the Board of Directors of the Management Company.

	Note	September 30, 2021 (Unaudited)	June 30, 2021 (Audited)
		(Rupees in '000)	
9. ACCRUED EXPENSES AND OTHER LIABILITIES			
Withholding tax payable		763	917
Provision for Sindh Workers' Welfare Fund (SWWF)	9.1	-	60,542
Provision for Federal Excise Duty and related Sindh Sales Tax on Management Fee	9.2	31,961	31,961
Provision for Federal Excise Duty and related Sindh Sales Tax on Sales load		6,838	6,838
Brokerage expenses payable		1,471	1,401
Charity payable		2,961	4,946
Shariah advisory fee payable		243	243
Auditors' remuneration payable		92	361
Zakat Payable		35	7
		<u>44,364</u>	<u>107,216</u>

9.1 SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and was also been taken up with the SECP. All the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF vide its circular dated August 30, 2021. Provisioning against SWWF amounting to Rs. 61 million has been reversed and it has contributed towards an increase in NAV of the fund by Rs. 0.21 (1.29%) per unit. This was one-off event and is not likely to be repeated in the future.

Provisioning against SWWF amounting to Rs. 61.062 million has been reversed and it has contributed towards an increase in NAV of the fund by Rs. 0.21 (1.29%) per unit. This was one-off event and is not likely to be repeated in the future."

9.2 The status of provision of Federal Excise Duty is same as disclosed in financial statement for the year ended June 30, 2021. Had the provision not been made, the NAV per unit of the Fund as at September 30, 2021 would have been higher by Re 0.13 (June 30, 2021: Re 0.13) per unit.

10. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include Al Meezan Investment Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, directors and executives of the Management Company, other funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company and Al Meezan Investment Management Limited - Employees Gratuity Fund and unitholders holding 10 percent or more units of the Fund's net assets.

Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration payable to the Management Company and the trustee is determined in accordance with the provisions of the NBFC Rules, the NBFC Regulations and the Trust Deed respectively.

Details of transactions with connected persons and balances with them are as follows:

	September 30, 2021 (Unaudited)	June 30, 2021 (Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	7,811	555
Sindh Sales Tax on sales load payable	1,015	72
Sales load payable	210	669
Sindh Sales Tax on sales load payable	27	87
Allocated expenses payable	430	412
Selling and Marketing expenses payable	11,978	10,966
Investment of 947,787 units (June 30, 2021: 947,787 units)	15,176	15,354
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	473	457
Sindh Sales Tax on trustee fee payable	62	59
Security deposit	300	300
Meezan Bank Limited		
Bank balance	11,802	22,259
Sales load payable	155	127
Sindh Sales Tax on sales load payable	20	16
Shariah advisory fee payable	243	243
Investment of 18,886,746 units (June 30, 2021: 18,886,746 units)	302,420	305,969
Investment in 80 sukuk certificates (June 30, 2021: 80 sukuk certificates)	80,077	82,850
Investment in 1,099,463 shares (June 30, 2021: 931,273 shares)	153,848	107,478
Al Meezan Investment Management Limited - Employees Gratuity Fund		
Investment of 473,186 units (June 30, 2021: 473,186 units)	7,577	7,666
Directors and Executives of the Management Company		
Investment of 6,518,967 units (June 30, 2021: 6,524,913 units)	104,384	105,705

**For the quarter ended
September 30**

2021	2020
(Unaudited)	
(Rupees in '000)	

Al Meezan Investment Management Limited - Management Company

Remuneration for the quarter	23,958	21,477
Sindh Sales Tax on management fee	3,115	2,792
Allocated expenses	1,318	1,074
Selling and Marketing expenses	11,979	4,295

Central Depository Company of Pakistan Limited - Trustee

Remuneration for the quarter	1,450	1,324
Sindh Sales Tax on trustee fee	189	172
CDS charges	32	36

Meezan Bank Limited

Profit on saving account	162	136
Profit on sukuk certificates	1,625	2,393
Purchase of shares: 40,000 shares (September 30, 2020: 60,000 shares)	5,120	4,837
Bonus shares: 138,190 shares (September 30, 2020: 93,388 shares)	-	-
Sale of 10,000 shares ((September 30, 2020: nil)	1,606	-
Shariah advisor fee	-	51
Dividend income	1,382	-

Directors and Executives of the Management Company

Units issued: 3,309 units (September 30, 2020: 16,101 units)	54	234
Units redeemed: 9,255 units (September 30, 2020: 4,588 units)	150	67

11. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at September 30, 2021 is 3.76% which includes 0.31% representing government levies on the Fund such as sales taxes, annual fee to the SECP etc. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a Balanced Scheme.

12. 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 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute atleast 90 percent of the net accounting income other than capital gains to the unit holders. The Fund has not recorded any tax liability as the Fund has incurred a net loss during the quarter.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Moreover, super tax introduced in Finance Act, 2015 is also not applicable on Funds as per Section 4B of the Income Tax Ordinance, 2001.

13. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is 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. Consequently, differences can arise between carrying values and the fair value estimates.

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

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

13.1. FAIR VALUE HIERARCHY

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

- Level 1: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities.
- Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at September 30, 2021 and June 30, 2021, the Fund held the following financial instruments measured at fair value:

As at September 30, 2021				
	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----				
ASSETS				
Financial assets 'at fair value through profit or loss'				
Shares of listed companies - 'ordinary shares'	2,194,086	-	-	2,194,086
Sukuk certificates	-	1,377,598	-	1,377,598
	<u>2,194,086</u>	<u>1,377,598</u>	<u>-</u>	<u>3,571,684</u>
As at June 30, 2021				
	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----				
ASSETS				
Financial assets 'at fair value through profit or loss'				
Shares of listed companies - 'ordinary shares'	2,205,560	-	-	2,205,560
Sukuk certificates	-	1,448,341	-	1,448,341
	<u>2,205,560</u>	<u>1,448,341</u>	<u>-</u>	<u>3,653,901</u>

14. GENERAL

Figures have been rounded off to the nearest thousand rupees.

15. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on **October 11, 2021** by the Board of Directors of the Management Company.

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director



Al Meezan
Investment Management Ltd.

MEEZAN

ASSET ALLOCATION FUND (MAAF)

Meezan Asset Allocation Fund is a Shariah Compliant Asset Allocation Scheme. It is designed to help investors build wealth by long-term capital appreciation, diversification across asset classes and the flexibility to change investment portfolio exposure as per the outlook.



AGRICULTURE SECTOR RECORDED A REMARKABLE GROWTH OF

2.77%



FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Moin M. Fudda	Nominee Director - MBL
Mr. Furquan R Kidwai	Independent Director
Mr. Mubashar Maqbool	Nominee Director - PKIC
Mr. Tariq Mairaj	Nominee Director - MBL
Mr. Naeem Sattar	Nominee Director - PKIC
Mr. Feroz Rizvi	Independent Director
Ms. Danish Zuberi	Independent Director
Mr. Mohammad Shoaib, CFA	Chief Executive Officer

COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Salman Muslim

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY

Mr. Muhammad Shahid Ojha

AUDIT COMMITTEE

Mr. Feroz Rizvi	Chairman
Mr. Tariq Mairaj	Member
Mr. Naeem Sattar	Member

RISK MANAGEMENT COMMITTEE

Mr. Mubashar Maqbool	Chairman
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Mubashar Maqbool	Member
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member
Mr. Mohammad Shoaib, CFA	Member

TRUSTEE

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

AUDITORS

A. F. Ferguson & Co.
Chartered Accountants
State Life Building# 1-C,
I.I. Chundrigar Road , Karachi-74000

SHARIAH ADVISER

Meezan Bank Limited

BANKERS TO THE FUND

Al Baraka Islamic Bank B.S.C (E.C)
Bank Al Habib Limited - Islamic Banking
Bank Islami Pakistan Limited
Habib Metropolitan Bank Limited - Islamic Banking
Meezan Bank Limited
Dubai Islamic Bank Pakistan Limited

LEGAL ADVISER

Bawaney & Partners
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,
Phase VI, DHA, Karachi.
Phone (+9221) 35156191-94 Fax: (+9221) 35156195
E-mail: bawaney@cyber.net.pk

TRANSFER AGENT

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited



**MEEZAN ASSET ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2021**

	September 30, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
Assets		
Balances with banks	5 222,438	249,862
Investments	6 1,300,394	1,423,402
Dividend receivable	5,043	640
Receivable against sale of investments	17,466	8,132
Receivable against conversion of units	7,515	3,675
Advances, deposits and other receivables	6,183	27,962
Total assets	<u>1,559,039</u>	<u>1,713,673</u>
Liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	9 6,646	4,504
Payable to Central Depository Company of Pakistan Limited - Trustee	232	241
Payable to the Securities and Exchange Commission of Pakistan	82	310
Payable to Meezan Bank Limited	25	49
Payable against purchase of investments	32,779	128
Payable against redemption and conversion of units	9,784	8,790
Accrued expenses and other liabilities	7 4,776	27,420
Total liabilities	<u>54,324</u>	<u>41,442</u>
Net assets	<u>1,504,715</u>	<u>1,672,231</u>
Unit holders' fund (as per statement attached)	<u>1,504,715</u>	<u>1,672,231</u>
Contingencies and commitments	8	
	(Number of units)	
Number of units in issue	<u>31,941,749</u>	<u>33,809,750</u>
	(Rupees)	
Net asset value per unit	<u>47.1081</u>	<u>49.4600</u>

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

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

**MEEZAN ASSET ALLOCATION FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	Note	September 30,	
		2021	2020
		(Rupees in '000)	
Income			
Net realised (loss) / gain on sale of investments		(13,584)	19,515
Dividend income		16,701	7,434
Profit on balances with banks		3,230	4,644
Reversal of provision for Sindh Workers' Welfare Fund (SWWF)		21,839	-
		28,186	31,593
Net unrealised (diminution) / appreciation on re-measurement of investments classified 'as financial assets at fair value through profit or loss'	6.1	(84,364)	168,756
Total (loss) / income		(56,178)	200,349
Expenses			
Remuneration of AI Meezan Investment Management Limited - Management Company	9.1	6,186	5,742
Sindh Sales Tax on remuneration of the Management Company		804	746
Allocated expenses	9.2	454	383
Selling and marketing expenses	9.3	4,124	1,531
Remuneration of Central Depository Company of Pakistan Limited - Trustee		664	635
Sindh Sales Tax on remuneration of the Trustee		86	83
Annual fee to the Securities and Exchange Commission of Pakistan		82	77
Auditors' remuneration		87	109
Brokerage expenses		1,893	632
Charity expense		425	208
Bank and settlement charges		169	47
Amortisation of preliminary expenses and floatation costs		-	45
Fees and subscription		162	145
Legal and professional charges		184	-
Provision for Sindh Worker's Welfare Fund (SWWF)	7.1	-	3,799
Total expenses		15,320	14,182
Net (loss) / income for the quarter before taxation		(71,498)	186,167
Taxation	11	-	-
Net (loss) / income for the quarter after taxation		(71,498)	186,167
Allocation of net income for the quarter			
Net income for the quarter after taxation		-	186,167
Income already paid on units redeemed		-	(12,579)
		-	173,588
Accounting income available for distribution			
- Relating to capital gains		-	173,588
- Excluding capital gains		-	-
		-	173,588

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

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director



**MEEZAN ASSET ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	September 30,	
	2021	2020
	(Rupees in '000)	
Net (loss) / income for the quarter after taxation	(71,498)	186,167
Other comprehensive income for the quarter	-	-
Total comprehensive (loss) / income for the quarter	<u>(71,498)</u>	<u>186,167</u>

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

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

**MEEZAN ASSET ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	September, 2021			September, 2020		
	Capital Value	Accumulated losses	Total	Capital Value	Accumulated losses	Total
	----- Rupees in 000-----			----- Rupees in 000-----		
Net assets at beginning of the quarter	2,243,280	(571,049)	1,672,231	2,270,614	(931,312)	1,339,302
Issuance of 5,880,157 units (2020: 5,680,682 units)						
- Capital value (at net asset value per unit beginning of the quarter)	290,832	-	290,832	207,879	-	207,879
- Element of income	1,276	-	1,276	22,973	-	22,973
Total proceeds on issuance of units	292,108	-	292,108	230,852	-	230,852
Redemption of 7,748,158 units (2020: 6,568,410 units)						
- Capital value (at net asset value per unit beginning of the quarter)	383,224	-	383,224	240,364	-	240,364
- Element of loss	4,902	-	4,902	18,562	12,579	31,141
Total payments on redemption of units	388,126	-	388,126	258,926	12,579	271,505
Total comprehensive (loss) / income for the quarter	-	(71,498)	(71,498)	-	186,167	186,167
Distribution during the quarter	-	-	-	-	-	-
Net (loss) / income for the quarter less distribution	-	(71,498)	(71,498)	-	186,167	186,167
Net assets at end of the quarter	2,147,262	(642,547)	1,504,715	2,242,540	(757,724)	1,484,816
Accumulated loss brought forward						
- Realised loss		(768,055)			(982,342)	
- Unrealised income		197,006			51,030	
		(571,049)			(931,312)	
Accounting income available for distribution						
- Relating to capital gains		-			173,588	
- Excluding capital gains		-			-	
		-			173,588	
Net loss for the quarter after taxation		(71,498)			-	
Distribution during the quarter		-			-	
Accumulated loss carried forward		(642,547)			(757,724)	
Accumulated loss carried forward						
- Realised loss		(558,183)			(926,480)	
- Unrealised (loss) / income		(84,364)			168,756	
		(642,547)			(757,724)	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the quarter		49.4600			36.5940	
Net assets value per unit at end of the quarter		47.1081			41.5784	

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

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director



**MEEZAN ASSET ALLOCATION FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	September 30,	
	2021	2020
Note	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) / income for the quarter before taxation	(71,498)	186,167
Adjustments for:		
Amortisation of preliminary expenses and floatation costs	-	45
Net unrealised diminution / (appreciation) on re-measurement of investments classified 'as financial assets at fair value through profit or loss'	6.1 84,364	(168,756)
	<u>12,866</u>	<u>17,456</u>
Decrease / (Increase) in assets		
Investments	38,644	87,755
Dividend receivable	(4,403)	(4,047)
Receivable against sale of investments	(9,334)	2,647
Advances, deposits and other receivables	21,779	(1,983)
	46,686	84,372
Increase / (Decrease) in liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	2,142	709
Payable to Central Depository Company of Pakistan Limited - Trustee	(9)	24
Payable to the Securities and Exchange Commission of Pakistan	(228)	(234)
Payable to Meezan Bank Limited	(24)	(33)
Payable against purchase of investments - net	32,651	(3,166)
Accrued expenses and other liabilities	(22,644)	(1,646)
	11,888	(4,346)
Net cash generated from operating activities	<u>71,440</u>	<u>97,482</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	288,268	234,148
Dividend Paid	-	(4,236)
Payment against redemption and conversion of units	(387,132)	(235,799)
Net cash used in financing activities	(98,864)	(5,887)
Net (decrease) / increase in cash and cash equivalents during the quarter	<u>(27,424)</u>	<u>91,595</u>
Cash and cash equivalents at beginning of the quarter	249,862	245,253
Cash and cash equivalents at end of the quarter	<u><u>222,438</u></u>	<u><u>336,848</u></u>

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

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

MEEZAN ASSET ALLOCATION FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Meezan Asset Allocation Fund (the Fund) was established under a trust deed executed between Al Meezan Investment Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The trust deed was executed on November 25, 2015 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) on November 16, 2015. The initial offering period of the Fund was from April 18, 2016 to April 20, 2016 and the Fund commenced its operations from April 21, 2016. The Management Company has been licensed by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2** The objective of the Fund is to earn potentially high return through asset allocation between Shariah Compliant Equity Instruments, Shariah Compliant Fixed Income Instruments, Shariah Compliant Money Market Instruments and any other Shariah Compliant instruments as permitted by the SECP and the Shariah Advisor. Meezan Bank Limited acts as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.3** The Fund is an open-end Shariah Compliant Asset Allocation Scheme. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited.
- 1.4** The Management Company has been assigned a quality rating of AM1 by VIS dated December 31, 2020 (2020: AM1 dated December 31, 2019) and by PACRA dated June 23, 2021 (2020: AM1 dated June 26, 2020). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.5** Title to the assets of the Fund are held in the name of Central Depository Company as the Trustee of the Fund.
- 1.6** The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Trusts Act, 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company has fulfilled requirements for registration and accordingly, the fund has been registered under Sindh Trusts Act, 2020.

2. BASIS OF PRESENTATION

The transactions undertaken by the Fund in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor are accounted for on substance rather than the form prescribed by the aforementioned guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

3. BASIS OF PREPARATION

3.1 Statement Of Compliance

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of repealed Companies Ordinance, 1984; and
- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, (the NBFC Regulations) and the requirements of the Trust Deed.

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

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do 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 Fund for the year ended June 30, 2021.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at September 30, 2021.

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

4.1 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, 2021.

4.2 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, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2021.

4.3 There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2021. However, these do not have any impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

5. BALANCES WITH BANKS	Note	September 30,	June 30,
		2021 (Unaudited) (Rupees in '000)	2021 (Audited)
In saving accounts	5.1	221,360	247,213
In current accounts		1,078	2,649
		<u>222,438</u>	<u>249,862</u>

5.1 The balance in saving accounts have an expected profit ranging from 1.85% to 7.27% per annum (June 30, 2021: 2.24% to 7.32% per annum).

6. INVESTMENTS	Note	September 30,	June 30,
		2021 (Unaudited) (Rupees in '000)	2021 (Audited)
Investments at 'fair value through profit or loss'			
Shares of listed companies 'ordinary shares'	6.1	<u>1,300,394</u>	<u>1,423,402</u>

6.1 Shares of listed companies 'ordinary shares'

Name of the investee company	As at July 1, 2021	Purchases during the quarter	Bonus issue / Right shares	Sales during the quarter	As at September 30, 2021	Carrying value as at September 30, 2021	Market value as at September 30, 2021	Unrealised gain / (loss) as at September 30, 2021	Percentage in relation to				
									Net assets of the Fund	Paid up capital of investee company (with face value of investment)	Total market value of investments		
					----- (Number of shares) -----			----- (Rupees in '000) -----			----- % -----		
Sectors/ Companies													
Automobile Assembler													
Millat Tractors Limited	22,612	-	-	-	22,612	24,412	24,267	(145)	1.61	0.04	1.87		
Pak Suzuki Motor Company Limited	99,500	-	-	46,000	53,500	19,016	14,314	(4,702)	0.95	0.07	1.10		
									2.56	0.11	2.97		
Automobile Parts & Accessories													
Panther Tyres Limited	236,345	345,000	91,269	125,000	547,614	32,920	27,085	(5,835)	1.80	0.33	2.08		
Cable & Electrical Goods													
Waves Singer Pakistan Limited	67,500	-	-	67,500	-	-	-	-	-	-	-		
Cement													
Attock Cement Pakistan Limited	4,900	-	-	1,800	3,100	557	437	(121)	0.03	0.00	0.03		
Cherat Cement Company Limited	284,700	30,000	-	194,100	120,600	21,330	17,272	(4,058)	1.15	0.06	1.33		
D.G. Khan Cement Company Limited	459,000	30,000	-	445,000	44,000	5,183	3,890	(1,292)	0.26	0.01	0.30		
Fauji Cement Company Limited	320,000	-	-	75,000	245,000	5,635	4,398	(1,237)	0.29	0.02	0.34		
Gharibw al Cement	196,000	-	-	-	196,000	7,638	5,598	(2,040)	0.37	0.05	0.43		
Kohat Cement Company Limited	125,300	7,500	-	2,000	130,800	27,116	22,490	(4,627)	1.49	0.07	1.73		
Lucky Cement Limited	132,049	40,000	-	84,375	87,674	76,312	63,380	(12,933)	4.21	0.03	4.87		
Maple Leaf Cement Limited	677,707	-	-	510,000	167,707	7,879	5,903	(1,976)	0.39	0.02	0.45		
									8.19	0.25	9.48		
Chemicals													
Dynea Pakistan Limited (face value Rs. 5)	80,900	-	-	15,000	65,900	14,564	14,977	413	1.00	0.35	1.15		
Engro Polymer & Chemicals Limited	432,261	530,000	-	-	962,261	48,254	52,992	4,737	3.52	0.11	4.08		
Ghani Global Holdings Limited	162,450	-	-	162,450	-	-	-	-	-	-	-		
ICI Pakistan Limited	26,550	-	-	8,650	17,900	15,552	14,205	(1,347)	0.94	0.02	1.09		
Nimir Resins Limited (face value Rs. 5)	78,000	-	-	78,000	-	-	-	-	-	-	-		
Sitara Chemical Limited	19,500	-	-	19,500	-	-	-	-	-	-	-		
									5.46	0.47	6.32		
Commercial Banks													
Meezan Bank Limited (an associate of the Fund)	327,825	216,234	71,108	25,000	590,167	63,877	82,582	18,705	5.49	0.04	6.35		
Bank Islami Pakistan Limited	857,500	1,418,000	-	-	2,275,500	27,492	28,671	1,179	1.91	0.21	2.20		
									7.40	0.24	8.55		
Engineering													
Agha Steel Industries Limited	261,000	-	-	-	261,000	8,804	7,175	(1,629)	0.48	0.05	0.55		
Aisha Steel Limited	285,000	575,000	-	743,000	117,000	2,900	2,435	(465)	0.16	0.02	0.19		
International Industries Limited	201,200	-	-	185,400	15,800	3,334	2,635	(699)	0.18	0.01	0.20		
International Steels Limited	297,000	-	-	245,000	52,000	4,857	3,963	(894)	0.26	0.01	0.30		
Ittefaq Iron Industries Limited	915,000	617,500	-	-	1,532,500	26,052	22,482	(3,570)	1.49	1.06	1.73		
Mughal Iron and Steel Industries Limited	404,020	428,400	-	-	832,420	87,245	81,261	(5,984)	5.40	0.29	6.25		
									7.97	1.43	9.22		
Fertilizer													
Engro Corporation Limited	105,487	-	-	14,000	91,487	26,953	25,593	(1,359)	1.70	0.02	1.97		
Engro Fertilizers Limited	228,348	215,000	-	-	443,348	32,732	31,158	(1,574)	2.07	0.03	2.40		
									3.77	0.05	4.37		
Food and Personal Care Products													
Al-Shaheer Corporation Limited	7,704	-	-	-	7,704	154	109	(44)	0.01	0.00	0.01		
At-Tahur Limited	-	485,000	-	200,000	285,000	7,609	7,798	188	0.52	0.16	0.60		
Unity Foods Limited	511,000	635,000	-	364,980	781,020	28,187	24,383	(3,803)	1.62	0.08	1.88		
									2.15	0.24	2.49		
Glass and Ceramics													
Shabbir Tiles and Ceramics Limited (face value Rs. 5)	1,753,000	315,000	-	-	2,068,000	68,168	63,033	(5,136)	4.19	0.63	4.85		
Tariq Glass Industries Limited	76,500	-	-	76,500	-	-	-	-	-	-	-		
									4.19	0.63	4.85		

Name of the investee company	As at July 1, 2021	Purchases during the quarter	Bonus issue / Right shares	Sales during the quarter	As at September 30, 2021	Carrying value as at September 30, 2021	Market value as at September 30, 2021	Unrealised gain / (loss) as at September 30, 2021	Percentage in relation to		
									Net assets of the Fund	Paid up capital of investee company (with face value of investment)	Total market value of investments
						----- (Rupees in '000) -----			----- % -----		
Leather & Tanneries											
Service Global Footwear Limited	79,505	-	-	-	79,505	4,598	3,569	(1,029)	0.24	0.04	0.27
Miscellaneous											
Pakistan Aluminum Beverage Cans Limited	-	223,601	-	170,000	53,601	2,626	2,103	(523)	0.14	0.01	0.16
Oil and Gas Exploration Companies											
Mari Petroleum Company Limited	21,692	11,640	-	-	33,332	51,262	51,777	515	3.44	0.02	3.98
Oil and Gas Development Company Limited	356,650	180,000	-	-	536,650	50,376	44,971	(5,404)	2.99	0.01	3.46
Pakistan Oilfields Limited	66,667	-	-	10,000	56,667	22,319	21,270	(1,049)	1.41	0.02	1.64
Pakistan Petroleum Limited	580,428	-	-	-	580,428	50,399	43,480	(6,919)	2.89	0.02	3.34
									10.73	0.08	12.42
Oil and Gas Marketing Companies											
Pakistan State Oil Company Limited	193,861	22,000	-	42,000	173,861	39,007	34,944	(4,063)	2.32	0.04	2.69
Sui Northern Gas Pipelines Limited	641,400	230,000	-	-	871,400	42,932	39,631	(3,301)	2.63	0.14	3.05
									4.95	0.17	5.74
Paper and Board											
Century Paper & Board Mills Limited	304,100	-	32,100	90,100	246,100	26,123	18,440	(7,683)	1.23	0.12	1.42
Packages Limited	45,100	-	-	4,800	40,300	21,972	18,915	(3,056)	1.26	0.05	1.45
Roshan Packages Limited	200,000	-	-	-	200,000	6,588	4,980	(1,608)	0.33	0.14	0.38
Security Paper Limited	90,500	-	-	66,200	24,300	3,513	3,251	(262)	0.22	0.04	0.25
									3.04	0.35	3.50
Pharmaceuticals											
Abbott Laboratories (Pakistan) Limited	50	-	-	50	-	-	-	-	-	-	-
AGP Limited	136,100	-	-	116,000	20,100	2,358	2,307	(51)	0.15	0.01	0.18
Ferozsons Laboratories Limited	38,300	-	-	38,300	-	-	-	-	-	-	-
GlaxoSmithKline Consumer Healthcare Limited	22,100	-	-	-	22,100	5,527	5,637	110	0.37	0.02	0.43
IBL Healthcare Limited	444,000	6,000	-	56,000	394,000	43,670	35,574	(8,096)	2.36	0.73	2.74
The Searle Company Limited	142,661	-	-	20,000	122,661	29,760	24,717	(5,043)	1.64	0.05	1.90
									4.52	0.81	5.25
Power Generation and Distribution											
K-Electric Limited (face value Rs. 3.5)	2,579,500	1,000,000	-	-	3,579,500	14,208	14,318	110	0.95	0.01	1.10
The Hub Power Company Limited	797	110,000	-	-	110,797	8,643	8,147	(497)	0.54	0.01	0.63
									1.49	0.02	1.73
Refinery											
Attock Refinery Limited	90,000	-	-	90,000	-	-	-	-	-	-	-
Byco Petroleum Pakistan Limited	2,590,000	3,920,000	-	312,000	6,198,000	59,167	50,700	(8,467)	3.37	0.12	3.90
Pakistan Refinery Limited	-	540,000	-	-	540,000	10,031	9,061	(970)	0.60	0.68	0.70
									3.97	0.79	4.60
Technology and Communication											
Air Link Communication	-	136,500	-	-	136,500	9,760	9,838	78	0.65	0.04	0.76
Avanceon Limited	424,400	110,000	-	155,000	379,400	36,784	46,803	10,018	3.11	0.15	3.60
Netsol Technologies Limited	-	35,000	-	-	35,000	4,090	4,371	281	0.29	0.04	0.34
Octopus Digital Limited	-	75,024	-	-	75,024	3,046	3,046	-	0.20	0.05	0.23
Systems Limited	69,630	-	-	-	69,630	39,008	50,657	11,648	3.37	0.05	3.90
WorldCall Telecom Limited	3,050,000	5,000,000	-	-	8,050,000	27,684	21,896	(5,788)	1.46	0.45	1.68
									8.43	0.74	10.51
Textile Composite											
Feroze1888 Mills Limited	60,000	-	-	-	60,000	6,031	5,376	(655)	0.36	0.02	0.41
Interloop Limited	397,712	-	-	-	397,712	27,852	28,305	453	1.88	0.05	2.18
Kohinoor Textile Mills Limited	214,000	61,500	-	-	275,500	21,365	19,133	(2,231)	1.27	0.09	1.47
Nishat Mills Limited	197,500	50,000	-	41,800	205,700	19,328	18,690	(639)	1.24	0.06	1.44
									4.75	0.21	5.50
Total as at September 30, 2021						1,384,758	1,300,394	(84,364)			
Total as at June 30, 2021						1,226,396	1,423,402	197,006			

- 6.1.1** All shares have a nominal value of Rs 10 each except for the shares of Dynea Pakistan Limited, Nimir Resins Limited and Shabbir Tiles and Ceramics Limited which have a nominal value of Rs 5 each and K-Electric Limited which have a nominal value of Rs 3.5 each.
- 6.1.2** Investments include 60,000 shares of Engro Corporation Limited, 10,000 shares of Millat Tractors Limited, 100,000 shares of Oil and Gas Development Company Limited, having market value of Rs 16.785 million, Rs. 10.732 million and Rs. 8.380 million respectively as at September 30, 2021 (June 30, 2021: 60,000 shares of Engro Corporation Limited, 10,000 shares of Millat Tractors Limited, 100,000 shares of Oil and Gas Development Company Limited, having market value of Rs 17.676 million, Rs. 10.796 million and Rs. 9.503 million respectively) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.
- 6.2** The status of bonus shares already withheld prior to the introduction of Finance Act, 2018 is the same as that disclosed in the audited financial statements of the Fund for the year ended June 30, 2021. As at September 30, 2021, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs. 1.70 million (June 30, 2021: Rs. 1.99 million).

7. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	September 30, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
Charity payable		622	1,997
Brokerage payable		2,361	1,675
Auditors' remuneration payable		282	195
Withholding tax payable		183	177
Capital gain tax payable		252	595
Provision for Sindh Workers' Welfare Fund (SWWF)	7.1	-	21,839
Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	7.2	482	482
Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	7.2	145	145
Shariah advisory fee payable		403	269
Zakat payable		46	46
		4,776	27,420

- 7.1** SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and was also been taken up with the SECP. All the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF vide its circular dated August 30, 2021. Provisioning against SWWF amounting to Rs. 22 million has been reversed and it has contributed towards an increase in NAV of the fund by Rs. 0.68 (1.36%) per unit. This was one-off event and is not likely to be repeated in the future.
- 7.2** The status of provision of Federal Excise Duty is same as disclosed in financial statement for the year ended June 30, 2021. Had the provision for Federal Excise Duty not being made, the Net Asset Value per unit of the Fund as at September 30, 2021 would have been higher by Re 0.02 (June 30, 2021: Re 0.02) per unit.

8. CONTINGENCIES AND COMMITMENTS

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

9. PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED-MANAGEMENT COMPANY	Note	September 30, 2021 (Unaudited)	June 30, 2021 (Audited)
Management fee payable	9.1	1,935	137
Sindh Sales Tax on Management fee payable Management Company		252	18
Allocated expenses payable	9.2	143	152
Sales load payable		170	182
Sindh Sales Tax Payable on sales load		22	24
Selling and marketing expenses payable	9.3	4,124	3,991
		6,646	4,504



9.1 As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 1.5% (2021: 1.5%) per annum of the average net assets of the Fund during the quarter ended September 30, 2021. The remuneration is payable to the Management Company monthly in arrears.

9.2 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

The management company based on its own discretion has currently fixed a maximum capping of 0.11% of the average annual net assets of the scheme for allocation of such expenses to the Fund.

9.3 The SECP vide circular # 11 dated July 05, 2019 has revised the conditions for charging of Selling and Marketing expenses to the fund. Accordingly, effective from July 22, 2019 the Management Company, based on its own discretion has charged selling and marketing expense at 1% of the average annual net assets of the Fund which has also been approved by the Board.

10. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include Al Meezan Investment Management Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, Directors and Executives of the Management Company, others Funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited - Employees Gratuity Fund and Unit holders holding 10 percent or more of the Fund's net assets.

Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Rules, the NBFC Regulations and the Trust Deed respectively.

Details of transactions with connected persons and balances with them are as follows:

	September 30, 2021 (Unaudited)	June 30, 2021 (Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - the Management Company		
Remuneration payable	1,935	137
Sindh Sales Tax on management fee payable	252	18
Sales load payable	170	182
Sindh sales tax on sales load payable	22	24
Allocated expense payable	143	152
Selling & marketing expense payable	4,124	3,991
Meezan Bank Limited		
Sales load payable	22	43
Sindh Sales Tax on sales load payable	3	6
Bank balance	42,712	56,325
Profit receivable on saving account	51	84
Investment in 590,167 shares (June,30 2021: 327,825 shares)	82,582	37,834
Shariah Advisor fee payable	403	269
Central Depository Company of Pakistan Limited - the Trustee		
Trustee fee payable	205	213
Sindh Sales Tax on trustee fee payable	27	28
Security deposit	100	100
Directors and Executives of the Management Company		
Investments of 628,709 units (June 30, 2021: 991,743 units)	29,617	49,052
Unit holders holding 10% or more of units of the Fund		
Investment of 3,520,814 units (June 30, 2021: 3,520,814 units)	165,859	174,139

	For the quarter ended September 30,	
	2021	2020
	(Rupees in '000)	
	(Unaudited)	
Al Meezan Investment Management Limited - the Management Company		
Remuneration for the quarter	6,186	5,742
Sindh Sales Tax on management fee for the quarter	804	746
Allocated expenses	454	383
Selling and marketing expense	4,124	1,531
Meezan Bank Limited		
Profit on savings account	162	124
Purchase of 216,234 shares (2020: Nil shares)	28,947	-
Bonus shares issued: 71,108 shares (September 30, 2020: 55,344 shares)	-	-
Sale 25,000 shares (2020: Nil shares)	3,990	-
Dividend income	711	-
Shariah Advisor fee	134	133
Central Depository Company of Pakistan Limited - the Trustee		
Remuneration for the quarter	664	635
Sindh Sales Tax on trustee fee for the quarter	86	83
CDS charges	41	19
Directors and Executives of the Management Company		
Units issued: 409,901 units (September 30, 2020: 194,044 units)	19,748	7,829
Units redeemed: 772,934 units (September 30, 2020: 150,609 units)	38,936	6,176

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 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unitholders. The Fund has not recorded any tax liability as the Fund has incurred a net loss during the quarter.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

12. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at September 30, 2021 is 3.71% which includes 0.29% representing government levies on the Fund such as sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an Asset Allocation scheme.

13. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is 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. Consequently, differences can arise between carrying values and the fair value estimates.

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

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

Fair value hierarchy

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



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

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

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

As at September 30, 2021, the Fund held the following financial instruments measured at fair values:

As at September 30, 2021			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			

ASSETS

Financial assets 'at fair value through profit or loss'

Shares of listed companies 'ordinary shares'	1,300,394	-	-	1,300,394
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As at June 30, 2021			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			

ASSETS

Financial assets 'at fair value through profit or loss'

Shares of listed companies 'ordinary shares'	1,423,402	-	-	1,423,402
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14. GENERAL

Figures have been rounded off to the nearest thousand rupees.

15. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on October 11, 2021 by the Board of Directors of the Management Company.

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director