



**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](http://www.almeezangroup.com)  
E-mail: [info@almeezangroup.com](mailto: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  
E-mail: [bawaney@cyber.net.pk](mailto: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](http://www.almeezangroup.com)  
E-mail: [info@almeezangroup.com](mailto:info@almeezangroup.com)

## DISTRIBUTORS

Al Meezan Investment Management Limited  
Meezan Bank Limited



**MEEZAN BALANCED FUND**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT MARCH 31, 2022**

		<b>March 31, 2022 (Unaudited)</b>	<b>June 30, 2021 (Audited)</b>
	<b>Note</b>	<b>(Rupees in '000)</b>	
<b>Assets</b>			
Balances with banks	5	357,055	1,116,066
Investments	6	2,918,181	3,653,901
Receivables against conversion of units		186	7,965
Dividend receivable		5,994	8,950
Receivable against sale of investments		1,064	3,217
Advances, deposits and other receivables		20,210	77,868
<b>Total assets</b>		<b>3,302,689</b>	<b>4,867,967</b>
<b>Liabilities</b>			
Payable to AI Meezan Investment Management Limited - Management Company	8	13,897	12,761
Payable to Central Depository Company of Pakistan Limited - Trustee		420	516
Payable to the Securities and Exchange Commission of Pakistan		657	876
Payable to Meezan Bank Limited		162	143
Payable against purchase of investments - net		-	14,269
Payable against redemption and conversion of units		11,812	11,551
Dividend payable		7,498	7,498
Accrued expenses and other liabilities	9	46,970	107,216
<b>Total liabilities</b>		<b>81,416</b>	<b>154,830</b>
<b>Net assets</b>		<b>3,221,274</b>	<b>4,713,137</b>
<b>Contingencies and commitments</b>	7		
<b>Unit holders' fund (as per statement attached)</b>		<b>3,221,274</b>	<b>4,713,137</b>
		<b>(Number of units)</b>	
<b>Number of units in issue</b>		<b>200,041,732</b>	<b>290,931,590</b>
		<b>(Rupees)</b>	
<b>Net asset value per unit</b>		<b>16.1030</b>	<b>16.2002</b>

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 NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2022**

		Nine months period ended March 31,		Quarter ended March 31,	
		2022	2021	2022	2021
	Note	(Rupees in '000)		(Rupees in '000)	
<b>Income</b>					
Net realised (loss) / gain on sale of investments		(118,129)	137,595	(77,135)	82,545
Dividend income		116,208	72,103	41,447	19,634
Profit on sukuk certificates		78,417	89,489	21,539	29,174
Profit on commercial papers		31,697	-	20,164	-
Profit on saving accounts with banks		39,556	39,178	8,982	12,092
		147,749	338,365	14,997	143,445
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6	(90,460)	380,253	29,403	(41,738)
<b>Total income</b>		57,289	718,618	44,400	101,707
<b>Expenses</b>					
Remuneration of Al Meezan Investment Management Limited - Management Company	8.1	65,742	65,732	18,955	22,414
Sindh Sales Tax on remuneration of the Management Company		8,547	8,545	2,465	2,914
Allocated expenses	8.2	3,616	3,314	1,043	1,148
Selling and marketing expenses	8.3	32,871	14,781	9,478	6,117
Remuneration of Central Depository Company of Pakistan Limited - Trustee		4,038	4,036	1,195	1,367
Sindh Sales Tax on remuneration of the Trustee		525	525	155	178
Annual fee to the Securities and Exchange Commission of Pakistan		657	657	189	224
Auditors' remuneration		492	448	95	106
Charity expense		3,002	1,779	1,063	189
Fees and subscription		428	403	131	188
Legal and professional charges		184	-	-	-
Brokerage expense		3,360	3,936	1,300	1,926
Bank and settlement charges		447	319	111	96
Provision against sukuk		28,125	-	-	-
(Reversal of provision) / provision for Sindh Workers' Welfare Fund	9.1	(60,542)	12,283	-	1,297
<b>Total expenses</b>		91,492	116,758	36,180	38,164
<b>Net (loss) / income for the period before taxation</b>		(34,203)	601,860	8,220	63,543
Taxation	12	-	-	-	-
<b>Net (loss) / income for the period after taxation</b>		(34,203)	601,860	8,220	63,543
<b>Allocation of net income for the period</b>					
Net income for the period after taxation		-	601,860		
Income already paid on units redeemed		-	(76,253)		
		-	525,607		
<b>Accounting income available for distribution</b>					
- Relating to capital gains		-	517,848		
- Excluding capital gains		-	7,759		
		-	525,607		

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

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

\_\_\_\_\_  
**Chief Executive**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**MEEZAN BALANCED FUND**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2022**



**Meezan**  
 Balanced Fund

	Nine months period March 31,		Quarter ended, March 31,	
	2022	2021	2022	2021
	(Rupees in '000)		(Rupees in '000)	
Net (loss) / income for the period after taxation	(34,203)	601,860	8,220	63,543
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive (loss) / income for the period</b>	<b>(34,203)</b>	<b>601,860</b>	<b>8,220</b>	<b>63,543</b>

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 NINE MONTHS PERIOD ENDED MARCH 31, 2022**

	Nine months period ended March 31, 2022			Nine months period ended March 31, 2021		
	Capital value	Undistri-buted income	Total	Capital value	Undistri-buted income	Total
	(Rupees in '000)			(Rupees in '000)		
<b>Net assets at the beginning of the period</b>	4,059,835	653,302	4,713,137	3,839,430	76,131	3,915,561
Issue of 35,121,610 units (2021: 125,909,558 units)						
- Capital value (at net asset value per unit at the beginning of the period)	568,977	-	568,977	1,726,673	-	1,726,673
- Element of income	849	-	849	207,227	-	207,227
Total proceeds on issuance of units	569,826	-	569,826	1,933,900	-	1,933,900
Redemption of 126,011,468 units (2021: 129,710,776 units)						
- Capital value (at net asset value per unit at the beginning of the period)	2,041,411	-	2,041,411	1,778,802	-	1,778,802
- Element of loss	(13,925)	-	(13,925)	137,620	76,253	213,873
Total payments on redemption of units	2,027,486	-	2,027,486	1,916,422	76,253	1,992,675
Total comprehensive (loss) / income for the period	-	(34,203)	(34,203)	-	601,860	601,860
Distribution during the period	-	-	-	-	-	-
Net income for the period less distribution	-	(34,203)	(34,203)	-	601,860	601,860
<b>Net assets at the end of the period</b>	<b>2,602,175</b>	<b>619,099</b>	<b>3,221,274</b>	<b>3,856,908</b>	<b>601,738</b>	<b>4,458,646</b>
<b>Undistributed income brought forward</b>						
- Realised income		218,892			25,518	
- Unrealised income		434,410			50,613	
		653,302			76,131	
Accounting income available for distribution						
- Relating to capital gains	-			517,848		
- Excluding capital gains	-			7,759		
	-			525,607		
Net loss for the period after taxation	(34,203)			-		
Distribution during the period	-			-		
Undistributed income carried forward	619,099			601,738		
<b>Undistributed income carried forward</b>						
- Realised income		709,559			221,485	
- Unrealised gain		(90,460)			380,253	
		619,099			601,738	
Net assets value per unit at the beginning of the period		(Rupees) 16.2002			(Rupees) 13.7136	
Net assets value per unit at the end of the period		16.1030			15.8263	

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 NINE MONTHS PERIOD ENDED MARCH 31, 2022**

	<b>Nine months period ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
	<b>(Rupees in '000)</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net (loss) / income for the period before taxation	(34,203)	601,860
<b>Adjustments for:</b>		
Net unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	90,460	(380,253)
	56,257	221,607
<b>(Increase) / decrease in assets</b>		
Investments - net	645,261	(208,133)
Dividend receivable	2,956	(7,906)
Receivable against sale of investments - net	2,153	(22,909)
Deposits and other receivables	57,658	(7,154)
	708,028	(246,102)
<b>Increase / (decrease) in liabilities</b>		
Payable to Al Meezan Investment Management Limited - Management Company	1,136	10,329
Payable to Central Depository Company of Pakistan Limited - Trustee	(96)	77
Payable to the Securities and Exchange Commission of Pakistan	(219)	(248)
Payable to Meezan Bank Limited	19	(22)
Payable against purchase of investments - net	(14,269)	(4,740)
Accrued expenses and other liabilities	(60,246)	(12,405)
	(73,675)	(7,010)
<b>Net cash generated from / (used in) operating activities</b>	690,610	(31,504)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts against issuance and conversion of units	577,604	1,922,316
Payment against redemption and conversion of units	(2,027,226)	(1,984,599)
Dividend paid	-	(45,496)
<b>Net cash used in financing activities</b>	(1,449,621)	(107,779)
<b>Net decrease in cash and cash equivalents during the period</b>	(759,011)	(139,284)
Cash and cash equivalents at the beginning of the period	1,116,066	785,606
<b>Cash and cash equivalents at the end of the period</b>	357,055	646,322

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

**For Al 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 NINE MONTHS PERIOD ENDED MARCH 31, 2022**

**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 with effect 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 and, accordingly, the certificate holders of the closed end scheme at June 30, 2013 were converted to unitholders of the open end scheme.

During the year ended June 30, 2021, the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Consequently, the Fund is now required to be registered under the Sindh Trust Act. Accordingly, on September 3, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

- 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 of Pakistan (CDC) as the Trustee of the Fund.
- 1.6** The Management Company has been assigned a Asset Manager Quality rating of AM1 by VIS Credit Rating Company Limited dated December 27, 2021 (2020: AM1 dated December 31, 2020) 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.

**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 VIIIA 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 VIIIA 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 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. However, 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 March 31, 2022.

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

**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 for the year ended June 30, 2021.

#### **4.3 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current period**

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 significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

#### **4.4 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective**

There are certain new standards and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

		<b>March 31, 2022 (Unaudited)</b>	<b>June 30, 2021 (Audited)</b>
	<b>Note</b>	<b>(Rupees in '000)</b>	
<b>5</b>	<b>BALANCES WITH BANKS</b>		
In saving accounts	5.1	348,470	1,107,485
In current accounts		8,585	8,581
		<u>357,055</u>	<u>1,116,066</u>

**5.1** This includes balances maintained with Meezan Bank Limited (a related party) that has an expected profit rate of 4.50% (June 30, 2021: 2.50%) per annum. Other savings accounts of the Fund have expected rates of profit ranging from 2.60% to 11.30% (June 30, 2021: 1.50% to 7.00%) per annum.

		<b>March 31, 2022 (Unaudited)</b>	<b>June 30, 2021 (Audited)</b>
	<b>Note</b>	<b>(Rupees in '000)</b>	
<b>6</b>	<b>INVESTMENTS</b>		
	<b>Investments - 'at fair value through profit or loss'</b>		
Shares of listed companies - 'ordinary shares'	6.1	1,503,024	2,205,560
Sukuk certificates	6.1.2.1 & 6.1.2.2	616,014	1,448,341
Commercial papers		799,143	-
		<u>2,918,181</u>	<u>3,653,901</u>

## 6.1

## Shares of listed companies 'ordinary shares'

Name of the investee company	As at July 1, 2021	Purchases during the period	Right / Bonus issue	Sales during the period	As at March 31, 2022	Carrying value as at March 31, 2022	Market value as at March 31, 2022	Unrealised gain / (loss) as at March 31, 2022	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

## Commercial Banks

Bank Islami Pakistan Limited	631,462	1,405,500	-	1,400,000	636,962	8,051	8,070	19	0.25	0.06	0.28
Meezan Bank Limited (note 6.2.1.2) (an associate company of the Fund)	931,273	90,000	138,190	294,647	864,816	89,113	113,256	24,143	3.52	0.05	3.88
									3.77	0.11	4.16

## Automobile assemblers

Ghandhara Industries Limited	2,100	-	-	-	2,100	586	348	(238)	0.01	-	0.01
Ghandhara Nissan Limited	-	120,000	-	80,400	39,600	4,741	2,755	(1,986)	0.09	0.07	0.09
Millat Tractors Company Limited	27,063	5,000	10,307	20,660	21,710	16,276	18,822	2,546	0.58	0.03	0.64
Pak Suzuki Motor Company Limited	77,000	-	-	77,000	-	-	-	-	-	-	-
									0.68	0.10	0.75

## Automobile parts and accessories

Panther Tyres Limited	22,460	200,000	44,492	266,952	-	-	-	-	-	-	-
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## Chemicals

Dynea Pakistan Limited (note 6.1.1.1)	25,000	3,000	-	-	28,000	6,248	5,089	(1,159)	0.16	0.15	0.17
Engro Polymer and Chemicals Limited	848,454	572,000	-	769,500	650,954	32,537	43,262	10,725	1.34	0.07	1.48
ICI Pakistan Limited	82,266	2,500	-	53,350	31,416	27,094	24,466	(2,628)	0.76	0.03	0.84
Nimir Resins Limited	80,000	-	-	80,000	-	-	-	-	-	-	-
Sitara Chemical Industries Limited	18,100	-	-	18,100	-	-	-	-	-	-	-
									2.26	0.25	2.50

## Cement

Attock Cement Limited	4,528	-	-	-	4,528	814	573	(241)	0.02	-	0.02
Cherat Cement Company Limited	147,300	125,000	-	99,900	172,400	30,324	24,288	(6,036)	0.75	0.09	0.83
DG Khan Cement Limited	360,938	335,000	-	628,875	67,063	6,324	5,100	(1,224)	0.16	0.02	0.17
Fauji Cement Limited	-	200,000	-	-	200,000	3,704	3,624	(80)	0.11	0.01	0.12
Kohat Cement Limited	415,520	-	-	78,500	337,020	69,591	57,934	(11,657)	1.80	0.17	1.99
Lucky Cement Limited	260,391	31,019	-	140,463	150,947	128,645	96,055	(32,590)	2.98	0.05	3.29
Maple Leaf Cement Limited	1,098,771	1,455,650	-	1,658,434	895,987	34,671	32,300	(2,371)	1.00	0.08	1.11
									6.83	0.42	7.53

Name of the investee company	As at July 1, 2021	Purchases during the period	Right / Bonus issue	Sales during the period	As at March 31, 2022	Carrying value as at March 31, 2022	Market value as at March 31, 2022	Unrealised gain / (loss) as at March 31, 2022	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)			%		

## Fertilizers

Engro Corporation Limited (note 6.1.1.2)	356,014	20,000	-	158,000	218,014	64,268	58,341	(5,927)	1.81	0.02	2.00
Engro Fertilizer Limited	556,924	495,000	-	375,000	676,924	48,683	62,121	13,438	1.93	0.05	2.13
Fauji Fertilizer Bin Qasim Limited	-	500,000	-	500,000	-	-	-	-	-	-	-
									3.74	0.07	4.13

## Technology &amp; Communication

Air Link Communication Limited	-	198,750	14,906	78,500	135,156	8,989	7,289	(1,700)			
Avanceon Limited	442,776	211,500	-	552,776	101,500	8,867	8,984	117	0.28	0.04	0.31
Octopus Digital Limited	-	74,836	-	50,000	24,836	1,008	1,876	868	0.06	0.02	0.06
Systems Limited	153,615	-	124,615	29,000	249,230	69,812	94,426	24,614	2.93	0.18	3.24
Worldcall Telecom Limited	-	1,000,000	-	-	1,000,000	2,834	1,790	(1,044)	0.06	0.06	0.06
									3.32	0.30	3.67

## Paper &amp; Board

Century Paper & Board Mills Limited	300,300	-	45,045	-	345,345	36,658	24,295	(12,363)	0.75	0.17	0.83
Cherat Packaging Limited	40	-	-	-	40	8	6	(2)	-	-	-
Packages Limited	94,023	-	-	19,250	74,773	40,766	32,925	(7,841)	1.02	0.08	1.13
Roshan Packages Limited	86,500	-	-	44,000	42,500	1,400	781	(619)	0.02	0.03	0.03
Security Paper Limited	25,000	-	-	25,000	-	-	-	-	-	-	-
									1.80	0.28	1.99



March 31, 2022	1,596,692	1,503,024	(93,668)
June 30, 2021	1,777,673	2,205,560	427,887

**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 market value of Rs 40.140 million as at March 31, 2022 (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 March 31, 2022, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs. 4.556 million (June 30, 2021: 6.102 million).

## 6.1.2 Sukuk certificates

### 6.1.2.1 Corporate sukuks

Name of the investee company	Maturity	Profit rate	As at July 1, 2021	Purchases during the period	Sales / Redemptions / matured during the period	As at March 31, 2022	Carrying value as at March 31, 2022*	Market value as at March 31, 2022*	Unrealised gain / (loss) as at March 31, 2022	Percentage in relation to	
										Net Assets of the Fund	Total market value of investments
			-----Number of certificates-----						----- (Rupees in '000) -----		
Secured											
K Electric Limited - (7 years) (AA+, VIS, non-traded)	June 17, 2022	3 months KIBOR plus base rate of 1%	60,003	-	-	60,003	15,138	15,064	(74)	0.34	0.52
-											
Security Leasing Corporation Limited II * (non-traded)	January 19, 2022	N/A	1,540	-	-	1,540	-	-	-	-	-
Eden Housing Limited * (note 6.1.2.1.1) (non-traded)	September 29, 2014	N/A	5,000	-	-	5,000	-	-	-	-	-
Arzoo Textile Mills Limited * (non-traded)	April 15, 2014	N/A	5,000	-	-	5,000	-	-	-	-	-
Hascol Peroleum Limited - Sukuk (D, VIS, non-traded)	January 7, 2022	3 months KIBOR plus base rate of 1.50%	50,000	-	-	50,000	-	-	-	-	-
Dubai Islamic Bank Pakistan Limited - Sukuk (AA-, VIS, non-traded) (note 6.1.2.1.1)	July 14, 2027	6 months KIBOR plus base rate of 0.50%	141	-	-	141	144,943	145,723	780	3.30	4.99
International Brands Limited (AA, VIS, non-traded) (note 6.1.2.1.1)	May 5, 2022	3 months KIBOR plus base rate of 0.50%	650	-	-	650	2,886	2,892	6	0.07	0.10
K-Electric Limited (sukuk 5) (AA+, VIS, non-traded)	August 3, 2027	3 months KIBOR plus base rate of 1.70%	30,000	-	30,000	-	-	-	-	-	-
Meezan Bank Limited (AA, VIS, non-traded) (note 6.1.2.1.1)	September 22, 2026	6 months KIBOR plus base rate of 0.5%	80	-	80	-	-	-	-	-	-
Shakarganj Food Products Limited (BBB+, VIS, non-traded) (note 6.1.2.1.1)	July 10, 2025	3 months KIBOR plus base rate of 1.75%	82	-	-	82	57,621	59,175	1,554	1.34	2.03
Javedan Corporation Limited (AA-, VIS, non-traded) (note 6.1.2.1.1)	October 4, 2026	6 months KIBOR plus base rate of 1.75%	750	-	-	750	61,875	61,640	(235)	1.40	2.11
Agha Steel Industries Limited (A, VIS, non-traded) (note 6.1.2.1.1)	October 9, 2025	3 months KIBOR plus base rate of 0.80%	100	-	-	100	93,547	94,531	984	2.14	3.24
Engro Polymer and Chemicals Limited (AA, PACRA, traded) (note 6.1.2.1.1)	July 11, 2026	3 months KIBOR plus base rate of 0.90%	78	-	78	-	-	-	-	-	-
Hub Power Company Limited (AA+, PACRA, non traded)	March 19, 2024	1 year KIBOR plus base rate of 1.90%	300	-	-	300	30,720	30,750	30	0.70	1.05
Neelum Jhelum Hydropower Company (Private) Limited (AAA, VIS, non-traded)	June 29, 2026	6 months KIBOR plus base rate of 1.13%	230	-	-	230	13,326	13,496	170	0.31	0.46

Hub Power Holdings Limited (AA+, PACRA, traded)	November 12, 2025	6 months KIBOR plus base rate of 2.50%	2,000	-	-	2,000	190,711	190,711	-	4.32	6.54
OBS AGP (Private) Limited** (A+, VIS, non-traded) (note 6.1.2.1.1)	July 15, 2026	3 months KIBOR plus base rate of 1.55%	-	320	320	-	-	-	-	-	-
AGP Limited (A+, PACRA, non-traded) (note 6.1.2.1.1)	June 9, 2022	3 months KIBOR plus base rate of 1.3%	405	-	-	405	2,039	2,032	(7)	0.05	0.07
<b>Total</b>	<b>March 31, 2022</b>						<b>612,806</b>	<b>616,014</b>	<b>3,208</b>		<b>21.11</b>
<b>Total</b>	<b>June 30, 2021</b>						<b>949,701</b>	<b>951,818</b>	<b>2,117</b>		

\* In case of debt securities against which provision has been made, these are carried at carrying value less provision.

**6.1.2.1.1** 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, Neelum Jhelum Hydropower Company (Private) 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.

#### 6.1.2.1.2 Details of non-compliant investments with the investment criteria of the assigned category

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 December 31, 2021. 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 March 31, 2022	Value of investments after provision	Percentage of net assets	Percentage of total assets
		(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	62,037	62,037	-	-	-
Shakarganj Food Products Limited	Non-traded sukuk certificates	59,175	-	59,175	1.84	1.79
		<b>158,835</b>	<b>99,660</b>	<b>59,175</b>		

**6.1.2.1.2.1** On April 1, 2021, sukuk certificates of Hascol Petroleum Limited 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. 62.037 million (June 30, 2021: Rs. 33.912 million) have also been held as provision. The face value of sukuk certificates is Rs. 62.5 million as at March 31, 2022.

#### 6.1.2.2 Government securities - GOP Ijarah Sukuk

Name of the Security	Maturity date	Profit rate	As at July 1, 2021	Purchases during the period	Sales / matured during the period	As at March 31, 2022	Carrying value as at March 31, 2022	Market value as at March 31, 2022	Unrealised gain / (loss) as at March 31, 2022	Percentage in relation to	
			(Number of certificates)			(Rupees in '000)				Net Assets of the Fund	Total market value of investments
										%	
GoP Ijarah Sukuk Certificates - XVIII (Note 6.1.2.2.2)	April 30, 2025	Weighted Average 6 months T-Bills	1,480	-	1,480	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates - XIX (Note 6.1.2.2.2)	May 29, 2025	Weighted Average 6 months T-Bills	1,500	-	1,500	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates - XXII VRR (Note 6.1.2.2.2)	December 09, 2025	Weighted Average 6 months T-Bills	2,000	-	2,000	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates - XXIII FRR (Note 6.1.2.2.2)	October 06, 2026	Weighted Average 6 months T-Bills	-	2,000	2,000	-	-	-	-	-	-
<b>Total as at March 31, 2022</b>							<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00</b>	
<b>Total as at June 30, 2021</b>							<b>492,117</b>	<b>496,523</b>	<b>4,406</b>		

6.1.2.2.2 The nominal value of GoP Ijarah Sukuk certificates is Rs 100,000 each.

### 6.2.3 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 March 31, 2022	Carrying value as at March 31, 2022	Market value as at March 31, 2022	Unrealised appreciation / (diminution) as at December 31, 2021	Percentage in relation to	
			----- (Number of certificates) -----			----- (Rupees in '000) -----				Net assets of the Fund	Total market value of investment
Mughal Iron & Steel Industries Limited	July 21, 2022	6 months KIBOR plus base rate of 1.75%	-	165	-	165	161,481	161,481	-	5.01	5.53
Lucky Electric Power Company Limited	May 09, 2022	6 months KIBOR plus base rate of 0.75%	-	400	-	400	396,176	396,176	-	12.30	13.58
Lucky Electric Power Company Limited (II)	July 12, 2022	6 months KIBOR plus base rate of 1.50%	-	250	-	250	241,486	241,486	-	7.50	8.28
<b>Total as at March 31, 2022</b>							<b>799,143</b>	<b>799,143</b>	<b>-</b>		
<b>Total as at June 30, 2021</b>							<b>-</b>	<b>-</b>	<b>-</b>		

The nominal value of these commercial papers is Rs 1,000,000 each.

## 7 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2022 and June 30, 2021.

8	PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - THE MANAGEMENT COMPANY	Note	March 31, 2022 (Unaudited)	June 30, 2021 (Audited)
			(Rupees in '000)	
	Management fee payable	8.1	1,093	555
	Sindh Sales Tax on management fee payable		142	72
	Sales load payable		159	669
	Sindh Sales Tax on sales load payable		21	87
	Allocated expenses payable	8.2	315	412
	Selling and marketing expenses payable	8.3	12,167	10,966
			<b>13,897</b>	<b>12,761</b>

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% (2021: 2%) per annum of the average net assets of the Fund during the period ended March 31, 2022. 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% (2021: 0.1%) per annum of the average annual net assets of the Fund subject to the total expense charged being lower than actual expense incurred.

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% (2021: 0.4%) per annum of the average annual net assets of the Fund during the period subject to the total expense charged being lower than actual expense incurred.

9	ACCRUED EXPENSES AND OTHER LIABILITIES	Note	March 31, 2022 (Unaudited)	June 30, 2021 (Audited)
			(Rupees in '000)	
	Withholding tax payable and capital gain tax payable		870	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		1,497	1,401
	Charity payable		4,978	4,946
	Shariah advisory fee		374	243
	Auditors' remuneration payable		430	361
	Zakat payable		22	7
			<b>46,970</b>	<b>107,216</b>





- 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 March 31, 2022 would have been higher by Re 0.19 (June 30, 2021: Re 0.13) per unit.

## 10 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

- 10.1 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.
- 10.2 Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The management considers that the transactions between the related parties are executed in accordance with the parameters defined in the Offering document, trust deed and NBFC regulations which are publicly available documents and hence, the transactions are considered to be on an arm's length basis. The transactions with connected persons are also in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 10.3 Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.
- 10.4 Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.
- 10.5 The details of transactions carried out by the Fund with connected persons during the period and balances with them as at period end are as follows:

	March 31, 2022 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
<b>Al Meezan Investment Management Limited - Management Company</b>		
Management fee payable	1,093	555
Sindh Sales Tax on management fee payable	142	72
Sales load payable	159	669
Sindh Sales Tax on sales load payable	21	87
Allocated expenses payable	315	412
Selling and marketing expenses payable	12,167	10,966
Investment of 947,787 units (June 30, 2021: 947,787 units)	15,262	15,354
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Trustee fee payable	372	457
Sindh Sales Tax on trustee fee payable	48	59
Security deposit	300	300
<b>Meezan Bank Limited</b>		
Bank balance	37,625	22,259
Profit receivable on savings account	37	106
Sales load payable	143	127
Sindh Sales Tax on sales load payable	19	16
Shariah advisory fee payable	373	243
Investment of 18,886,746 units (June 30, 2021: 18,886,746 units)	304,133	305,969
Investment in sukuk certificates: nil (June 30, 2021: 80 sukuk certificates)	-	82,850
Investment in 864,816 shares (June 30, 2021: 931,273 shares)	113,256	107,478
Dividend receivables	1,297	1,978
<b>Al Meezan Investment Management Limited - Employees Gratuity Fund</b>		
Investment of 473,186 units (June 30, 2021: 473,186 units)	7,620	7,666

**Directors and Executives of the Management Company**

Investment of 6,522,293 units (June 30, 2021: 6,524,913 units)

105,028	105,705
---------	---------

**For the nine months period ended March 31**

2022	2021
------	------

(Unaudited)

(Rupees in '000)

**Transactions during the period****Al Meezan Investment Management Limited - Management Company**

Remuneration for the period

65,742	65,732
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Sindh Sales Tax on management fee

8,547	8,545
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Selling and Marketing expenses

32,871	14,781
--------	--------

Allocated expenses

3,616	3,314
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**Central Depository Company of Pakistan Limited - Trustee**

Remuneration for the period

4,038	4,036
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Sindh Sales Tax on trustee fee

525	525
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CDS charges

83	127
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**Meezan Bank Limited**

Profit on saving account

456	331
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Shares sold: 294,647 shares (March 31, 2021: 98,500)

40,585	10,597
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Shares purchased: 90,000 shares (March 31, 2021: 60,000)

12,119	4,837
--------	-------

Bonus shares: 138,190 shares (March 31, 2021: 93,388)

-	-
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Profit on sukuk certificates

2,952	5,486
-------	-------

Sukuks sold: 80 sukuks (March 31, 2021: nil)

80,000	-
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Dividend income

4,328	6,327
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Shariah advisory fee

400	375
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**Directors and Executives of the Management Company**

Units issued: 17,932 units (March 31, 2021: 39,427 units)

288	602
-----	-----

Units redeemed: 20,552 units (March 31, 2021: 75,751 units)

332	1,198
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**11 TOTAL EXPENSE RATIO**

The annualised Total Expense Ratio (TER) of the Fund for the period ended March 31, 2022 is 3.77% (2021: 3.46%) which include 0.31% (2021: 0.59%) representing government levy such as sales taxes and SECP fee. 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 unitholders. The Fund has not recorded any tax liability as the Fund has incurred a net loss during the period.

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.

**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 March 31, 2022 and June 30, 2021, the Fund held the following financial instruments measured at fair value:

As at March 31, 2022			
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'	1,503,024	-	-	1,503,024
Shares of listed companies - 'ordinary shares'	-	616,014	-	616,014
Commercial papers	-	799,143	-	799,143

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

**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 April 18, 2022 by the Board of Directors of the Management Company.

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

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director