



# QUARTERLY REPORT

MARCH  
**2022**  
(UNAUDITED)

MCB-Arif Habib Savings and Investments Limited



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## **Vision**

To become synonymous with Savings

## **Mission**

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

## **Core Values**

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

## COMPANY INFORMATION

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<b>Board of Directors</b>	Mr. Haroun Rashid Mr. Nasim Beg Mr. Muhammad Saqib Saleem Mr. Ahmed Jahangir Mr. Kashif A. Habib Mirza Qamar Beg Syed Savail Meekal Hussain Ms. Mavra Adil Khan	Chairman Vice Chairman Chief Executive Officer Director Director Director Director Director
<b>Audit Committee</b>	Mirza Qamar Beg Mr. Nasim Beg Mr. Ahmed Jahangir Mr. Kashif A. Habib Syed Savail Meekal Hussain	Chairman Member Member Member Member
<b>Human Resource &amp; Remuneration Committee</b>	Mirza Qamar Beg Mr. Nasim Beg Mr. Ahmed Jahangir Syed Savail Meekal Hussain Ms. Mavra Adil Khan Mr. Muhammad Saqib Saleem	Chairman Member Member Member Member Member
<b>Chief Executive Officer</b>	Mr. Muhammad Saqib Saleem	
<b>Chief Operating &amp; Financial Officer</b>	Mr. Muhammad Asif Mehdi Rizvi	
<b>Company Secretary</b>	Mr. Altaf Ahmad Faisal	
<b>Share Registrar</b>	<b>CDC Share Registrar Services Limited</b> CDC House, 99-B, Block 'B', S.M.C.H.S Main Shahra-e-Faisal Karachi Tel: (92-21) 111-111-500 Fax: (92-21) 34326053 Web: <a href="http://www.cdcssl.com">www.cdcssl.com</a>	
<b>Bankers</b>	MCB Bank Limited Bank Al-Falah Limited Faysal Bank Limited Bank Al-Habib Limited MCB Islamic Bank Limited Summit Bank Limited	
<b>Auditors</b>	<b>A.F. Ferguson &amp; Co.</b> Chartered Accountants State Life Building No. 1-C, I.I. Chundrigar Road, Karachi.	
<b>Legal Advisor</b>	<b>Akhund Forbes</b> D-21, Block-4, Scheme-5 Clifton, Karachi	
	<b>Bawaney &amp; Partners</b> 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
<b>Registered Office</b>	<b>MCB-Arif Habib Savings &amp; Investments Limited</b> Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
<b>Rating</b>	AM1 Asset Manager Rating assigned by PACRA	

## **DIRECTOR'S REPORT FOR THE NINE MONTHS & QUARTER ENDED MARCH 31, 2022**

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The Board of Directors of MCB-Arif Habib Savings and Investments Limited (MCBAH) are pleased to present report on the affairs of the Company for the quarter ended March 31, 2022.

### **PRINCIPAL BUSINESS**

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

### **THE BUSINESS ENVIRONMENT**

#### **Economy and Money Market Review**

Political turmoil in the country has taken the central stage in past few weeks where we witnessed ruling party coalition government lost majority in the National Assembly and overthrown by opposition led coalition. In the backdrop of weak economic environment, the transition resulted in significant volatility in equity, fixed income and exchange rate markets. In heightened political environment, markets will increasingly focus on efforts of the new government on policies and measures taken to stabilize the economy.

The fiscal year (July – June) started on strong note with government's renewed focus on reviving growth through several incentives in fiscal year 2022 (FY22) budget to spur growth. This was in addition to lagged impact of monetary easing and incentives on capital investment at lower rates (TERF), which further supported to growth premise. However, the sharp recovery in domestic demand, coupled with rising international commodity prices, led to a strong pick-up in imports and a commensurate increase in the current account deficit. The start of Russia Ukraine conflict inflicted additional misery as international commodities prices spiked up further to multi-year high.

The country posted a current account deficit of USD 12.1bn in 8MFY22 compared to a surplus of USD 1.0bn in the corresponding period last year. This was the largest CAD since FY18, when country witnessed a deficit of USD 10.6bn in first eight months of the fiscal year. The deterioration came in primarily on the back of higher imports which grew by 49.1% in 8MFY22 compared to export growth of 28.1%. Trade Deficit increased by 70.2% to USD 27.3bn compared to USD 16.0bn in same period last year. The unprecedented increase in imports mainly came from historic high prices of our commodity basket including crude oil, palm oil, coal coupled with one time vaccines imports. As per our estimates, prices contributed more than two-third of the increase in import bill.

Foreign exchange reserves of central bank saw a decrease of USD 5.3bn on account of higher current account deficit and debt repayments. Pakistan was also unable to timely roll over commercial loan of USD 2.2bn from China which put further pressure on reserves. In addition, a USD 900mn penalty payment to settle Reko Dik case further dragged the reserves to 22 months' low of USD 11.3bn, implying an import cover of hardly a couple of months. These outflows coupled with widening current account deficit led PKR to lost ground against USD by 14.1% since start of the fiscal year.

Inflation remained a concern as rising commodities continued to create challenges for policy makers. Headline inflation represented by CPI averaged 10.7% in 9MFY22 compared to 8.4% in 9MFY21. The rise mainly came from higher food prices, elevated energy costs (both electricity and

**DIRECTOR'S REPORT  
FOR THE NINE MONTHS & QUARTER ENDED MARCH 31, 2022**

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fuel) and second round impact of PKR depreciation, which keeps the prices of imported commodities high. Core inflation as measured by Non Food Non Energy also depicted an upward trend as it increased to 9.5% in March 2022 compared to 6.9% in June 2021. The SBP increased policy rate by a cumulative 525bps to 12.75% in the fiscal year to counter inflationary pressures and slow aggregate demand.

On the fiscal side FBR tax collection increased by 29.1% in 9MFY22 to PKR 4,382bn compared to PKR 3,394bn during same period last year. This exceeded the target of 4,134bn by 248bn. The improved tax collection was primarily on the back of higher custom duty and sales tax collected on import stage.

Secondary markets yields have increased significantly in 9MFY22 as SBP started the monetary tightening cycle. The recent depreciation in rupee along with persistently high commodity prices will add pressure to inflation and we expect average inflation numbers to remain elevated in medium term. Bond yields for tenors of 3 years, 5 years and 10 years witnessed a rise of 2.4%, 2.1% and 1.4%, respectively during the period.

**Equity Market Review**

The KSE-100 Index posted a negative return of 5.1% (2,427 points drop) in 9MFY22 compared to a positive return of 29.5% in same period last year. Challenging macros (rising interest rates, depreciating PKR and widening twin deficits), uncertainty on political front, high commodity prices, and MSCI's decision to downgrade Pakistan from Emerging Market to Frontier Market all weighed heavily on the index during the period under review.

Cement, Technology, and Refinery sector remained the major index dampeners, contributing 1,288 points, 733 points, and 542 points to the index fall, respectively. In the cement sector, unprecedented surge in international coal prices (USD 250/ton compared to an average of USD 72.5/ton last year) created a weak near-term earnings outlook for the sector leading to selling pressure. Moreover, decline in Technology sector was largely on the account of a company specific event which led to a sell-off. In the case of Refinery, delay in approval of refinery policy and continuous accumulation of circular debt led to the decline.

Foreign institutional investors continued their selling spree, adding another USD 271.1 million during the 9MFY22. This amount was absorbed primarily by local individuals and corporates with net inflow of USD 82.3mn and USD 81.1mn, respectively. During the 9 months, average trading volumes saw a decline to 305mn shares compared to 483mn shares same period last year. Similarly, average trading value during 9MFY22 saw a drop of 48% over 9MFY21 to -USD 61mn.

**Economy & Market – Future Outlook**

The ongoing Russia – Ukraine war has kept international commodity prices at elevated levels which have exacerbated fears about the import bill and external outlook going forward. In addition, due to political pressure the government resorted to the populist move to absorb the hike in international energy prices and keep petroleum prices unchanged. This has undermined the structural reform process and put the IMF program on hold. Going forward the new government will have to engage with the IMF and find the right balance of growth and external account sustainability.

## **DIRECTOR'S REPORT FOR THE NINE MONTHS & QUARTER ENDED MARCH 31, 2022**

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We estimate GDP to grow by 4.5% this year, slightly lower than the government target of 4.8%. We expect Agriculture, Industrial and Services sectors to grow by 4.5%, 4.1% and 4.5% respectively. Industrial sector growth is likely to remain robust but below government's target due to demand compression as a result of monetary tightening. Agriculture sector growth on the other hand is likely to exceed government estimates due to growth in wheat and cotton crop. The Covid vaccination roll out has been quite successful which is anticipated to unleash Services growth as this segment was the most affected by the pandemic.

The persistently elevated international commodities prices especially petroleum, palm oil, fertilizers and steel, has led to a strong pick-up in imports and a rise in the current account deficit, which we expect to close the year around USD 19.0bn (5.7% of GDP). This would be the largest current account deficit since fiscal year 2018, when the country posted CAD of USD 19.2bn (6.1% of GDP). Responding to a high CAD, we expect PKR to depreciate further to end the fiscal year near PKR 192 against a dollar.

Successful resumption of the IMF program will be a key prerequisite to keep the financial account in positive zone. The SBP is expected to continue to discourage unnecessary imports and use flexible market determined exchange rate and appropriate monetary policy setting to ensure sustainable external account position. The remittances along with bilateral and multilateral flows would also be crucial in managing our external position.

We expect Average FY22 and FY23 inflation to clock at 11.6% and 13.8% respectively assuming international oil stays above USD 100/bbl. The recent hike in commodity prices and the resultant currency depreciation is likely to keep inflation numbers elevated in near term. In the recent monetary policy held in April-22 SBP increased policy rate by 25bps to 12.25% due to significant uncertainty around outlook for international commodities and global financial condition as result of Russia Ukraine war. As per the SBP the recent rate hike increased forward looking interest rates to mildly positive territory. Thus we may be at the end of monetary tightening cycle.

From capital market perspective, particularly equities, the recent correction in stock prices have opened up valuation. The market has priced in interest rate increase and currency depreciation. Market cap to GDP ratio has declined to 13.4%, a discount of 69% from its historical average. Similarly, risk premiums are close to 6.0%, compared to historical average of 1.9% signifying deep discount at which market is trading. We believe a micro view of sectors and stock will remain important and investment selection should focus on companies which trade at a deep discount to their intrinsic value. The market is currently trading at PER of 5.7x, while offering a dividend yield of 8.3%.

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

### **Mutual Fund Industry Review**

The Net Assets of the open end mutual fund industry increased by about 7.4% during the nine months to PKR 1,093bn. Total money market funds grew by about 11.9% since June 2021. Within the money market sphere, the conventional funds dominated with a growth of about 19.6% to PKR 341bn while Islamic funds declined by 0.2% to PKR 181bn. In addition, the total fixed Income funds increased by about 17.7% since June 2021, as the conventional income funds rose by 21.5%

## **DIRECTOR'S REPORT FOR THE NINE MONTHS & QUARTER ENDED MARCH 31, 2022**

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to PKR 153bn. Equity and related funds declined by 11.3% as market witnessed a decline in 9MFY22 eroding AUMS as concern over macroeconomic and geopolitical factors kept investors at bay.

In terms of the segment share, Money Market funds were the leader with a share of around 47.8%, followed by Income funds with a share of 26.4% and Equity and Equity related funds having a share of 24.3% as at the end of 9MFY22.

### **Mutual Fund Industry Outlook**

The recent increase in interest rates would increase flows in the money market funds. The money markets funds by virtue of its short duration would be the ideal for investors with a short term horizon and low risk profile. However recent correction in stock prices have opened up valuations and long term investors would look to add equity exposure at these attractive levels. Our operations remained seamless and given our competitive edge due to aggressive investment in digital access and online customer experience, the environment provides an opportunity with growing number of investors available online.

### **COMPANY'S PERFORMANCE REVIEW**

During the nine months ended March 31, 2022, the asset under management reached Rs. 171.1 Billion (June 30, 2021: 154.8 Billion) reflecting a healthy growth of 10.5%. Increased AUMs resulted in increased Management and Advisory Fees including Processing and related Income which also reflected a healthy growth of 15.4% to reach Rs. 677 million compared to Rs. 586 million in the same period last year.

Moreover, during the period under review, the Company's Investment Income remained low since significant portion of the Company's portfolio was invested in equity based funds, and KSE-100 index registered a dip of 4.9%, versus a gain of 29.5% in the corresponding period last year, resulting in significant valuation gains on the equity based investments. The overall investment income therefore remained Rs. 14.6 million in the nine-months compared to Rs. 151.1 million in the same period last year.

Though the Company recorded a strong growth of Rs. 90.7 million in core management fee income, however, returns on investment decreased by Rs.136.7 million resultantly profit before taxation decreased which was recorded at Rs. 259 million (March 31, 2021: Rs. 366.5 million) and profit after taxation of Rs. 184.9 million (March 31, 2021: Rs. 287.8 million).

During the March 2022 quarter the Company launched IPayments. Better positioning in Corporate and Individual Investors and improving customer reach remained our key focus. We are excited on the opportunities digital platforms provide to expand retail segment. While the results including of IPayments are continuing to be encouraging, we expect the platforms would require continuously higher investments, to improve our reach, customer experience and enhance data security. We remain confident that investments would bear fruits in future leading to higher returns in coming years.

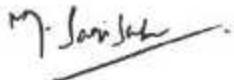
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**ACKNOWLEDGEMENT**

The Board of Directors of the Management Company is thankful to the Securities and Exchange Commission of Pakistan, the management of the Pakistan Stock Exchange Limited for their continued support and cooperation. The Directors also appreciate the efforts put in by the employees of the Company for their commitment and dedication and shareholders for their confidence in the Company.

For and on Behalf of Board



**Muhammad Saqib Saleem**  
Chief Executive Officer  
April 20, 2022



**Nasim Beg**  
Director/Vice Chairman

## **ڈائریکٹر رپورٹ برائے نوماہ اور سہ ماہی مختتمہ 31 مارچ 2022**

پہلے سال کی اسی مدت میں 151.1 ملین روپے تھی۔

اگرچہ کمپنی نے روپے کی مضبوط نموری کا ذکر کیا ہے۔ بنیادی انتظامی فیس کی آمدتی میں 90.7 ملین روپے، تاہم، سرمایہ کاری پر منافع میں 136.7 ملین روپے کی کمی واقع ہوئی جس کے نتیجے میں منافع قبل از الگیں کم ہوا جو کہ 259 ملین روپے ریکارڈ کیا گیا۔ (31 مارچ 2021: روپے 366.5 ملین روپے) منافع بعد از الگیں 184.9 ملین روپے (31 مارچ 2021: 287.8 ملین روپے)۔

مارچ 2022 کی سماں کے دوران کمپنی نے آئی ہمکشیں کا آغاز کیا۔ کارپوریٹ اور افرادی سرمایہ کاروں میں بہتر پوزیشنگ اور گاہک کی رسائی کو بہتر بنانا ہماری کلیدی تو چڑھی۔ ہم ان موقع پر جوش میں جو تکمیل پلیٹ فارمز خودہ طبقہ کو بڑھانے کے لیے فراہم کرتے ہیں۔ جبکہ آئی ہمکشیں کے تابع مسلسل حوصلہ افراہور ہے ہیں، ہم تو قیمت کرتے ہیں کہ پلیٹ فارمز کو ہماری رسائی، کسٹر کے تجربے کو بہتر بنانے اور ڈینا سکیو رنی کو بڑھانے کے لیے مسلسل زیادہ سرمایہ کاری کی ضرورت ہو گی۔ ہمیں یقین ہے کہ سرمایہ کاری مستقبل میں شراث لائے گی جس کے نتیجے میں آنے والے سالوں میں زیادہ منافع ملے گا۔

### **اکھار تقریر**

یہ جست کہیں کا بورڈ آف ڈائریکٹر سے کچھ کہیں آف پاکستان کاٹکر پیدا کرتا ہے، پاکستان انساک ایکچین لمبینہ کی انتظامیہ ان کی مسلسل حریت اور تعاون پر۔ ڈائریکٹر کمپنی کے مالز میں کے عزم اور الگن اور حصہ یافتگان کی جانب سے کمپنی پر اعتماد کے لیے کی جانے والی کوششوں کی بھی تعریف کرتے ہیں۔

من جانب ڈائریکٹر

سید علی نعیم

محمد تقی سعید

چیف اگریکٹور فیسر  
20 اپریل 2022ء

تمامی  
ڈائریکٹر اوس چیز میں  
20 اپریل 2022ء

## ڈائریکٹر رپورٹ برائے نوماہ اور سہ ماہی مختتمہ 31 مارچ 2022

### میوقل فنڈ صنعت کا جائزہ

ماں سال 2022 کے ابتدائی تواہ کے دوران اور پن end میوقل فنڈ صنعت کے net اشاعت جات تقریباً 7.4 فیصد بڑھ کر 1.093 بلین روپے ہو گئے۔ منی مارکیٹ کے مجموعی فنڈ میں جون 2021 کے بعد سے تقریباً 11.9 فیصد اضافہ ہوا۔ منی مارکیٹ کے دائرہ کار میں روایتی فنڈ رہاوی رہے جو تقریباً 19.6 فیصد بڑھ کر 341 بلین روپے ہو گئے، جبکہ اسلامی فنڈ کم ہو کر 181 بلین روپے ہو گئے۔ مزید برائی، مجموعی فنڈ اگر فنڈ میں جون 2021 سے تقریباً 17.7 فیصد اضافہ ہوا کیونکہ روایتی اگر فنڈ 21.5 فیصد بڑھ کر 153 بلین روپے ہو گئے۔ ایکوئی اور متعلقہ فنڈ میں 17.7 فیصد کی ہوئی کیونکہ ماہی سال 2022 کے ابتدائی تواہ کے دوران مارکیٹ تنزل کا ہوا رہی جس کے نتیجے میں مجموعی معاشی اور جغرافیائی سیاسی عوامل پر تشویش کے باعث سرمایہ کارروں کی حوصلہ ٹھنی اشاعت جات تحت الانتظامیہ (AUMs) میں انحطاط کا سبب ہے۔

شعبہ جاتی اعتبار سے منی مارکیٹ فنڈ تقریباً 47.8 فیصد حصے کے ساتھ سب سے آگے رہے، جبکہ اگر فنڈ 26.4 فیصد حصے اور ایکوئی اور ایکوئی سے متعلقہ فنڈ 24.3 فیصد حصے کے ساتھ بہتر ترتیب دوسرا اور تیسرا ثہر پر رہے۔

### میوقل فنڈ صنعت کے مستقبل کے امکانات

سودی شرحوں میں حالیہ اضافے سے منی مارکیٹ فنڈ میں آمدات میں اضافہ ہو گا۔ منی مارکیٹ فنڈ زانپنی مختصر معاوکی بدولت ایسے سرمایہ کارروں کے لیے موزوں ترین ہوں گے جو مختصر مدت کے لیے کم خطرات کے ساتھ چلانا چاہئے ہے۔ تاہم انساک کی قیمتیں میں حالیہ تصحیح سے valuations کھل گئی ہیں اور طویل المیعاد سرمایہ کارروں پر کشش سطبوں پر ایکوئی میں سرمایہ کاری کرنا چاہیں گے۔ ہمارے آپریشنز ہارکا دست چاری رہے، اور ڈیجیٹل سرمایہ کاری اور آن لائن سہولیات میں بھرپور سرمایہ کاری کے نتیجے میں ہمیں جو بہقت حاصل ہے اس کی بدولت ہم آن لائن دستیاب سرمایہ کارروں کی بڑھتی ہوئی تعداد سے استفادہ کر سکے۔

### کمپنی کی کارکردگی کا جائزہ

31 مارچ 2022 کو ختم ہونے والے نو مہینوں کے دوران، زیر انتظام اشاعت 171.1 بلین روپے، (30 جون 2021: 154.8 بلین روپے) تک بیٹھی گیا۔ 10.5% کی صحت مندرجہ کی عکاسی کرتا ہے۔ AUM میں اضافہ کے نتیجے میں پروسینگ اور متعلقہ آمدی نی سہست میخفیت اور ایڈ وائز ری فیس میں اضافہ ہوا جس کی وجہ سے آمدی (15.4) 15 فیصد کی صحت مندرجہ کے ساتھ 677 بلین روپے ہو گئی جبکہ گزشتہ سال کی اسی مدت میں 586 بلین روپے تھی۔

مزید برائی، نزیر جائزہ مدت کے دوران، کمپنی کی سرمایہ کاری کی آمدی کم رہی کیونکہ کمپنی کے پورٹ فولیو کا اہم حصہ کیوئی پر منی فنڈ میں لگایا گیا تھا، اور KSE-100 ایڈیکس نے 4.9 فیصد کی کم درج کی ہے۔ جبکہ گزشتہ سال کی اسی مدت میں 29.5 فیصد تھی، جس کے نتیجے میں ایکوئی پر منی سرمایہ کاری پر قابل قدر قدر میں اضافہ ہوا۔ اس لیے سرمایہ کاری کی مجموعی آمدی نوماہ میں 14.6 بلین روپے رہی، جبکہ

## ڈائریکٹر رپورٹ برائے نوماہ اور سہ ماہی مختتمہ 31 مارچ 2022

مسلسل بروجی ہوئی ہیں ان الاقوامی اشیائی قیتوں، خصوصاً پرولینٹ، پام تیل، کھاد اور اسٹائل، کے نتیجے میں درآمدات میں بھرپور بحالی اور کرنٹ اکاؤنٹ خسارے میں اضافہ ہوا ہے جو اختتام سال پر ہمارے اندازے کے مطابق تقریباً 19.0 بلین ڈالر (بی ڈی پی کا 5.7 فیصد) ہو گا۔ یہ مالی سال 2018ء میں ہونے والے 19.2 بلین ڈالر خسارے (بی ڈی پی کا 6.1 فیصد) کے بعد تاحال سب سے بڑا خسارہ ہو گا۔ اس بلند خسارے کے رویں میں ہم سمجھتے ہیں کہ روپے کی قدر میں مزید کمی ہو گی اور مالی سال کے اختتام پر یہ تقریباً 192 روپے بالمقابل ایک ڈالر ہو گا۔

آخری ایف پروگرام کی کامیاب بحالی مالیتی اکاؤنٹ کو شبہ مغلیق وقوع میں رکھنے کے لیے کلیدی شرط ہو گی۔ اسٹیٹ میک آف پاکستان متوقع طور پر غیر ضروری درآمدات کی حوصلہ ٹھنڈی چاری رکھے گا اور مارکیٹ سے تعین کردہ چکدار شرح مہاولہ اور موذوں مالیتی پاکیسٹان کے ذریعے خارجی اکاؤنٹ کے استحکام کو ترقی ہائے گا۔ ترخیات زرعی ووجہی اور کشرا بھقی آمدات بھی خارجی اکاؤنٹ کو سنجائی میں اہم عوامل ثابت ہوں گے۔

افراد از کار اوسٹ مالی سال 2022ء میں 11.6 فیصد اور مالی سال 2023ء میں 13.8 فیصد متوقع ہے بشرطیکہ تسلیک کی ہیں الاقوامی قیمت 100 ڈالر فی جیل برقرار ہے۔ اشیائی قیتوں میں حالیہ اضافہ اور اس کے نتیجے میں ہونے والی روپے کی قدر میں کمی کے باعث افراد از کے قریب المعاویہ میں بلند رہنے کا امکان ہے۔ حالیہ مائیکری پاکیسٹانی منعقدہ اپریل 2022ء میں اسٹیٹ میک آف پاکستان (اس بی پی) نے پاکیسٹانی شرح میں 250 بی بی پی اس اضافہ کر کے اسے 12.25 فیصد کر دیا کیونکہ روس اور یوکرین کے مابین جنگ کے باعث ہیں الاقوامی اشیائی قیتوں اور عالمی مالی حالات میں غیر متعین سورج ہا ہو گئی ہے۔ اس بی بی پی کے مطابق شرح میں حالیہ اضافے کے نتیجے میں forward looking شروع سود بڑھ کر معتدل حد تک ثبت مغلیق وقوع میں آگئی ہیں۔ چنانچہ مالیتی سنجی کے ذر کا اختتام متوقع ہے۔

کہیں مارکیٹ، خصوصاً ایکٹریز کے تماظیر سے، اسٹاک کی قیتوں میں حالیہ تصحیح سے valuation کھلہ گئی ہے۔ مارکیٹ نے سود کی شرح میں اضافے اور روپے کی قدر میں کمی سے فائدہ اٹھایا ہے۔ مارکیٹ cap کا مجموعی مکمل پیداوار (بی ڈی پی) کے ساتھ تابع کم ہو کر 13.4 فیصد ہو گیا ہے جو اس کے قدمی اوسٹ سے 69 فیصد کی ہے۔ اسی طرح، رسک پر بیسمنٹ 6.0 فیصد کے قریب ہیں جو اپنے قدمی اوسٹ 1.9 فیصد کے مقابلے میں مارکیٹ میں چاری تجارت میں گہری رعایت کی نشاندہی کرتے ہیں۔ ہم سمجھتے ہیں کہ سکٹر اور اسٹاک کی خود تصور یہ اہم ہے گی اور سرمایہ کاری کے انتخاب کا احصار ایسی کمپنیوں پر ہوتا چاہیے جو اپنی اندر وہی قدر میں گہری رعایت پر تجارت کرتی ہیں۔ فی الوقت مارکیٹ میں 5.7 گنا PER پر تجارت ہو رہی ہے جبکہ 8.3 فیصد ڈی یونڈ منافع پیش کیا جا رہا ہے۔

قرض مالیین کے لیے ہم توقع کرتے ہیں کہ بازار از کے ذلک سال بھر پلاکاؤٹ پاکیسٹانی شروعوں کی عکائی چاری رکھیں گے۔ دوسری جانب حکومتی بانڈز کے منافع جات افراد از کے دباؤ کے باعث بلند سطحوں پر برقرار رہیں گے۔ ہم بانڈز کے منافعوں کی موجودہ سطحوں کے حوالے سے محاط ہیں اور ذیتاپاً منافع کی مگر انی چاری رکھیں گے تاکہ موقع سے فائدہ اٹھایا جائے۔

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( 2,427 پاؤنس کی) جبکہ گزشتہ سال کی مماثل مدت میں 29.5 فیصد ثابت منافع ہوا تھا۔ دفت آئی میز جوہی خواں (سود کی برصغیر ہوئی شروع، روپے کی گرفتی ہوئی تدریج اور پھیلتے ہوئے جزو اس خساروں)، سیاسی میدان میں غیر قانونی صورتحال، بلند اشیائی قیمتیں، اور MSCI کے پاکستان کی درجہ بندی کو امر جنگ مارکیٹ' (اہمتر ہوئی مارکیٹ) سے کم کرنے کے فریضیں مارکیٹ' (متوسط درجے کی مارکیٹ) کرنے کے نتیجے، تمام نے زیر جائزہ مدت کے دوران انڈیکس پر شدید یو جھوڑا۔

سینٹ، نیکنالوجی اور ریفارمنزی کے شعبوں نے بالترتیب 1,288 733 پاؤنس، اور 542 پاؤنس کی کے ساتھ انڈیکس کو سب سے زیادہ متاثر کیا۔ کوئی کی میں الاقوامی قیمتیں میں فقید المثال اضافے (250 ڈالر فی ٹن سال روپاں بالقابل اوسط 72.5 ڈالر کا اضافہ گزشتہ سال) نے کوئے کے شعبے کے قریب المیاد مختبل کے امکانات کمزور کر دیئے جس کے نتیجے میں اس پر فروخت کا وبا پڑا۔ نیکنالوجی کے شعبے میں تجزی کی سب سے بڑی وجہ کمی سے متعلق ایک خاص و اتفاقی جس کے نتیجے میں ایک فروخت ناگزیر ہو گئی۔ ریفارمنزی کے شعبے میں ریفارمنزی پالیسی کی منظوری میں تاخیر اور گردشی قرض کا مسئلہ جمع ہونا تجزی کا سبب ہے۔

غیر ملکی اداوہ جاتی سرمایہ کاروں نے فروخت کا سلسہ چاری رکھا اور مالی سال 2022، کے ابتدائی نوماہ کے دوران مزید 271.1 ملین ڈالر کا اضافہ کیا۔ اس رقم کے بنیادی خریدار متعارف افراد اور کارپوریٹ اوارے تھے۔ جبکہ غالص آمد بالترتیب 82.3 ملین ڈالر اور 81.1 ملین ڈالر تھی۔ زیر جائزہ مدت کے دوران اوسط تجارتی حجم کم ہو کر 305 ملین حصہ ہو گئے، جبکہ گزشتہ سال مماثل مدت میں 483 ملین حصہ تھے۔ اسی طرح ابتدائی نوماہ کے دوران اوسط تجارتی تدریج 48 فیصد کم ہو کر 61 ملین ڈالر ہو گئی۔

### محیثت اور بازار - مختبل کے امکانات

روس اور یوکرین کے مابین جاری جنگ نے میں الاقوامی اشیائی قیمتیں کو بلند سطح پر رکھا ہوا ہے جس کے باعث درآمداتی پبل اور خارجی جہت کے امکانات سے متعلق انڈیشون میں اضافہ ہوا ہے۔ ہریدریاں، حکومت نے سیاسی دہانے کے باعث درآمداتی پبل اور خارجی مملکت کا قدم اٹھایا تاکہ تو انکی کی میں الاقوامی قیمتیں کو جذب کیا جاسکے اور پڑولیکم کی قیمتیں کو قیم تبدیل شدہ رکھا جاسکے۔ اس کے نتیجے میں بنیادی ڈھانچے سے متعلق اصلاح کے عمل میں رکاوٹ پیدا ہو گئی اور آئی ایم ایف پر گرام اتواء کا علاش کرنا ہو گا۔ مختبل میں نی کوئی کوئی ایم ایف کے ساتھ مر بوطہ ہو کر ترقی اور خارجی اکاؤنٹ کے احکام کے مابین درست توازن علاش کرنا ہو گا۔

ہمارے اندازے کے مطابق جوہی ملکی پیداوار (بی.ڈی.پی) میں اس سال 4.5 فیصد اضافہ ہو گا، جو کھوٹی بدف 4.8 فیصد سے کچھ کم ہے۔ زراعت، صنعت اور خدمات کے شعبوں میں بالترتیب 4.5 فیصد، 4.1 فیصد اور 4.5 فیصد ترقی متوقع ہے۔ صنعتی شعبے کی ترقی تیز رفتار ہو سکتی لیکن حکومتی بدف سے کم رہے گی کیونکہ مالیاتی شعبے کے نتیجے میں طلب تکریگی ہے۔ البتہ گذم اور کیاں کی بہتر فصل کی بدولت زراعت کے شعبے کی ترقی حکومتی تدبیون سے سبقت لے جاسکتی ہے۔ کوڈویکسینیشن کا ذور کافی کامیاب رہا جس کے نتیجے میں خدمات کے شعبے میں بھائی متوقع ہے کیونکہ یہ شعبہ دہاء سے سب سے زیادہ متاثر ہوا تھا۔

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یکبار درآمد۔ ہمارے اندازے کے مطابق درآمداتی بہل میں قیمتوں کا دو تباہی حصہ تھا۔

مرکزی بینک کے زر پمادل کے ذخیرے میں 5.3 بیلین ڈالر کی ہوئی جس کی وجہ کرنٹ اکاؤنٹ کا بلند تر خسارہ اور ادائیگی بقرض میں اضافہ تھا۔ علاوہ ازیں، پاکستان چین سے 2.2 بیلین ڈالر کے تجارتی قرض کی بروفت تجدید ہنس کر کا جس کے باعث ذخیرے پر مزید ڈباؤ پڑا۔ مزید برال، ریکوڈ ک معاملے کو نمانے کے لیے 900 میلین ڈالر جانے کی ادائیگی کے باعث ذخیرے کا 22 ماہ کی پست ترین سطح 11.3 بیلین ڈالر پر پہنچ گئے، یعنی بمشکل کچھ مہ کا درآمداتی cover۔ یا اخراجات، بھی پھیلتے ہوئے کرنٹ اکاؤنٹ خسارے کے نتیجے میں روپے کی ڈالر کے مقابلے میں قدر مالی سال کے آغاز سے 14.1 فیصد کم ہو گئی۔

افریاڑر باعث تشویش بھی رہی کیونکہ برصغیر ہوئی اشیائی قیمتوں کی وجہ سے پالیسی ساز شکلات کا شکار ہے۔ مجموعی افریاڑر، جس کی ترہانی صارفی قیمت کے اندازکس (یا پی آئی) سے ہوتی ہے، کا اوسط مالی سال 2022ء کے ابتدائی نوماہ میں 10.7 فیصد تھا، جبکہ مالی سال 2021ء کے ابتدائی نوماہ میں 8.4 فیصد تھا۔ اس اضافے کی بنیادی وجود اشیائے خورد و نوش کی برصغیر ہوئی قیمتیں، تو اسی (بھل اور انہیں، دو نوں) کی لاگتوں میں اضافہ، اور پاکستانی روپے کی قدر میں کی کے درمیں مرحلہ کا اڑھیں، جس سے درآمدہ اشیاء کی قیمتیں بلند رہتی ہیں۔ بنیادی افریاڑر، جس کی پیچھی اشیائے خورد و نوش اور تو انکی کے علاوہ سے ہوتی ہے، میں بھی اضافے کا رنجان رہا اور مارچ 2022ء میں 9.5 فیصد تک جا پہنچی، جبکہ جون 2021ء میں 6.9 فیصد تھی۔ اسیٹ بینک آف پاکستان (ایس پی پی) پالیسی شرح میں مجموعی طور پر 525 بیس پاؤنڈ (یا پی ایس) کا اضافہ کر کے اسے 12.75 فیصد تک لے گیا تاکہ افریاڑر کے دباؤ اور مجموعی طلب میں سنت روپی کا مقابلہ کیا جاسکے۔

مالیاتی جہت میں فینڈر بورڈ آف ریونیو (ایف بی آر) کی تکمیل و صولی مالی سال 2022ء کے ابتدائی نوماہ میں 29.1 فیصد بڑھ کر 4.382 بیلین روپے تک پہنچ گئی جو 4,134 بیلین روپے کے ہدف سے 248 بیلین روپے زیاد تھی، جبکہ گریٹر سال ممالی مدت کے دوران 3,394 بیلین روپے تھی۔ اس بہتر کارگوی کی بنیادی وجہ درآمد کے مرحلے پر پہلے سے زیادہ کشم و یوٹی اور سیلز تکمیل کی صولی ہے۔

ثانوی مارکیٹ کے منافع جات میں مالی سال 2022ء میں قابل ذکر اضافہ ہوا ہے کیونکہ ایس پی پی نے مالیاتی تجارت کے دور کا آغاز کر دیا۔ روپے کی قدر میں حالیہ کی کے ساتھ ساتھ مسلسل بڑھی ہوئی اشیائی قیمتوں سے افریاڑر پر دباؤ میں اضافہ ہو گا اور افریاڑر کا اوسط درمیانی مدت میں متوقع طور پر بلند رہے گا۔ تین، پانچ اور دس سالہ بازٹرے کے منافع جات میں دوران مدت بالترتیب 2.4، 2.1 اور 1.4 فیصد اضافہ ہوا۔

امکنی مارکیٹ کا جائزہ

مالی سال 2022ء کے ابتدائی نوماہ میں کراچی اسٹاک اکچیخ (کے ایس ای) 100 انڈکس نے 5.1 فیصد متنی منافع پوست کیا

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ایم ہی بی یونیورسٹیز ایڈیشنز لیمیٹڈ نیابت خوشی کے ساتھ (ایم ہی بی اے ایچ) کے بودا آف ڈائریکٹر کو 31 مارچ 2022 کو تمہارے  
والے نوماہ اور سہ ماہی کے لئے ایم ہی بی اے ایچ کے اور پر رپورٹ پیش کر رہے ہیں۔

### پرنسپل برنس

کمپنی ایک ہان پیکنک نام کمپنی ہے جسے سید نور نیز ایڈیشنز ایچ کمپنی آف پاکستان کے رکن گولیبی رنجیم کے تحت ایسٹ مینجنمنٹ کمپنی، انوسنٹ ایڈیشنز اور  
اور پیش فخر مخبر کے طور پر لائسنس دیا گیا ہے۔

### کاروباری ماحول

#### معیشت اور بازاری کا جائزہ

گزشتہ کچھ ہفتہوں کے دوران ملک میں سیاسی افراتغیری توجہ کا مرکز ہی رہی۔ حکمران جماعت نے قومی اسٹبلی میں اکثریت کھو دی اور  
حرب احتلاف کی قیادت میں بننے والے اتحاد کے ہاتھوں حکومت کا تھیوڑاٹ گیا۔ یہ تدبی پہلے سے ہی کمزور معاشری ماحول کے پس مظر  
میں ایکوئی مترہ آمدی اور شرح مہارکی مارکیٹوں میں عدم استحکام کا باعث ہی۔ اس ماضطرب سیاسی ماحول میں مارکیٹیں ہی حکومت کی  
معیشت کو مغلام کرنے کی پالیسیوں اور اقدام کی منتظر ہیں۔

ماہی سال (جولائی - جون) کا آغاز مضمونوں کے ساتھ ہوا جس میں حکومت کی جانب سے ماہی سال (FY22) کے بچت میں  
کئی مراعات کے ذریعے ترقی کی، بھائی پر نئی توجہ مرکوز کی گئی۔ یہ ماہی تسلیم کے تاخیری اثر اور کم شروع (TERF) پر مایا کاری کی  
ترنیجات پر مسترا و تھا جس سے ترقی کو مزید معافی حاصل ہوئی۔ تاہم مقامی طلب میں ہیز رفتار بھائی اور اس کے ساتھ ساتھ بڑھتی ہوئی  
میں الاقوامی اشیائی قیمتیوں کے نتیجے میں درآمدات میں بھی بھر پور بھائی ہوئی اور کرنٹ اکاؤنٹ خسارے میں متناسب اضافہ ہوا۔ روپ اور  
یوکرین کے مابین تباہی کے باعث مشکلات میں اضافہ ہوا کیونکہ میں الاقوامی اشیائی قیمتی کی برسوں کی بلند ترین سطح پر بیٹھ گئیں۔

ماہی سال 2022 کے ابتدائی آٹھ ماہ میں ملک کا کرنٹ اکاؤنٹ خسارہ 12.1 بیلین ڈالر تھا، جبکہ گزشتہ سال کی مہائل مدلت میں 1.0  
بیلین ڈالر فاضل (منافع) تھا۔ یہ ماہی سال 2018 کے ابتدائی آٹھ ماہ میں ہونے والے 10.6 بیلین ڈالر خسارے سے تا حال سب  
سے زیادہ خسارہ تھا۔ اس کی بنیادی وجہ ابتدائی آٹھ ماہ درآمدات میں 49.1 فیصد اضافہ تھی، جبکہ برآمدات میں اضافہ 28.1 فیصد تھا۔  
تجارتی خسارہ 70.2 فیصد بڑھ کر 27.3 بیلین ڈالر ہو گیا، جبکہ گزشتہ سال مہائل مدلت میں 16.0 بیلین ڈالر تھا۔ درآمدات میں یہ تقدیر  
الشال اضافہ ہماری اشیائی basket کی قدیم بلند قیمتیوں کی بدولات ہوا، بیشوف خام تسلی، پام تسلی، کونک اور اس کے ساتھ ساتھ ویکسین کی

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**As at 31 March 2022**

	Note	(Unaudited) 31 March, 2022	(Audited) 30 June, 2021		
		(Rupees)			
<b>ASSETS</b>					
<b>Non-current assets</b>					
Fixed assets	4	347,783,014	358,789,899		
Long-term investments	5	639,523,549	638,596,952		
Long-term loans and prepayments	6	16,845,091	14,161,597		
Long-term deposits		5,504,103	4,994,903		
		<b>1,009,655,757</b>	<b>1,016,543,351</b>		
<b>Current assets</b>					
Receivable from related parties	7	544,962,749	543,936,536		
Loans and advances		44,075,999	2,377,576		
Deposits, prepayments and other receivables	8	25,635,673	43,794,004		
Accrued mark-up		35,514	22,487		
Short-term investments	9	515,875,882	685,758,449		
Advance tax - net of provision	10	40,958,839	39,149,452		
Cash and bank balances		37,760,280	43,929,106		
		<b>1,209,304,936</b>	<b>1,358,967,610</b>		
<b>TOTAL ASSETS</b>		<b>2,218,960,694</b>	<b>2,375,510,961</b>		
<b>EQUITY AND LIABILITIES</b>					
<b>Share capital and reserves</b>					
Authorized share capital		<b>720,000,000</b>	<b>720,000,000</b>		
72,000,000 (30 June 2021: 72,000,000) ordinary shares of Rs. 10 each					
Issued, subscribed and paid-up share capital		<b>720,000,000</b>	<b>720,000,000</b>		
Reserves		725,956,900	883,129,589		
<b>Total equity</b>		<b>1,445,956,900</b>	<b>1,603,129,589</b>		
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Deferred taxation - net	11	66,324,652	67,176,622		
Lease liability against right-of-use assets	4.4	22,600,832	18,001,467		
<b>Current liabilities</b>					
Unclaimed dividend		5,455,400	4,672,994		
Current Portion of lease liability against right-of-use assets	4.4	24,384,757	32,347,100		
Trade and other payables	12	654,238,153	650,183,189		
<b>Total liabilities</b>		<b>773,003,794</b>	<b>772,381,372</b>		
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,218,960,694</b>	<b>2,375,510,961</b>		
<b>CONTINGENCIES AND COMMITMENTS</b>	16				

The annexed notes 1 to 19 form an integral part of this condensed interim financial information.

Chief Executive Officer

Chief Financial Officer

Director

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)**  
**For The Nine Months Ended March 31, 2022**

Note	Nine months ended		Quarter ended		
	March 31 2022	March 31 2021	March 31 2022	March 31 2021	
	Rupees				
<b>Revenue</b>					
Management fee / investment advisory fee	13	634,411,129	548,588,851	188,687,521	200,530,508
Processing and other related income		42,894,175	37,959,419	19,693,981	16,341,543
Profit on bank deposits		1,361,406	1,000,367	532,232	319,006
Dividend income		3,813,668	14,509,527	1,499,082	2,431,710
Capital gain / (loss) on sale of investments - net		10,144,503	27,200,111	3,603,860	15,480,250
Unrealized appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net		(711,280)	108,368,606	6,301,634	(2,124,707)
<b>Total income</b>		<b>691,913,601</b>	<b>737,626,879</b>	<b>220,318,310</b>	<b>232,978,308</b>
<b>Expenses</b>					
Administrative expenses	14	(340,585,149)	(322,380,795)	(114,845,931)	(116,449,759)
Selling and distribution expenses		(91,487,382)	(46,279,784)	(45,886,374)	(14,485,318)
Financial charges		(4,313,691)	(5,567,185)	(1,492,378)	(1,772,497)
		(436,386,222)	(374,227,764)	(162,224,683)	(132,707,574)
Other income		3,536,565	3,146,283	1,748,217	1,357,936
<b>Profit for the period before taxation</b>		<b>259,063,945</b>	<b>366,545,399</b>	<b>59,841,845</b>	<b>101,628,670</b>
<b>Taxation</b>					
- Current		(74,132,141)	(70,801,109)	(30,331,032)	(27,000,000)
- Prior		(925,070)	3,446,922	(925,070)	3,446,922
- Deferred		851,971	(11,400,000)	11,551,971	(700,000)
		(74,205,240)	(78,754,187)	(19,704,131)	(24,253,078)
<b>Profit for the period after taxation</b>		<b>184,858,705</b>	<b>287,791,212</b>	<b>40,137,714</b>	<b>77,375,592</b>
Earnings per share - basic and diluted (Rupees)		2.57	4.00	0.56	1.07

The annexed notes 1 to 19 form an integral part of this condensed interim financial information.

Chief Executive Officer

Chief Financial Officer

Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**For The Nine Months Ended March 31, 2022**

	Nine months ended		Quarter ended	
	March 31, 2022	2019	March 31, 2022	2019
	<b>Rupees</b>			
Profit for the period after taxation	184,858,705	287,791,212	40,137,714	77,375,592
Other comprehensive income for the period				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Net unrealized appreciation / (diminution) on re-measurement of 'available for sale' investments net of deferred tax	-	-	-	-
Total comprehensive income for the period	<b>184,858,705</b>	<b>287,791,212</b>	<b>40,137,714</b>	<b>77,375,592</b>

The annexed notes 1 to 19 form an integral part of this condensed interim financial information.

Chief Executive Officer

Chief Financial Officer

Director

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**  
**For The Nine Months Ended March 31, 2022**

	Reserves						
	Capital	Revenue					
	Issued, subscribed and paid-up capital	Share premium	Deficit arising on amalgamation	Sub-total	Unappropriated profit	Sub-total	Total
Rupees							
Balance as at July 01, 2020	720,000,000	396,000,000	(60,000,000)	336,000,000	494,695,425	494,695,425	1,550,695,425
Total comprehensive income for the nine months ended March 31, 2021					287,791,212	287,791,212	287,791,212
Final dividend for the year ended 30 June 2020 at Rs 2.25 per share					(162,000,000)	(162,000,000)	(162,000,000)
Interim dividend for the period ended 30 December 2020 at Rs 2.25 per share					(162,000,000)	(162,000,000)	(162,000,000)
					(36,208,788)	(36,208,788)	(36,208,788)
Balance as at March 31, 2021	720,000,000	396,000,000	(60,000,000)	336,000,000	458,486,638	458,486,638	1,514,486,638
Profit after taxation for the quarter ended 30 June 2021					88,611,557	88,611,557	88,611,557
Balance as at June 30, 2021	720,000,000	396,000,000	(60,000,000)	336,000,000	547,098,195	547,098,195	1,003,098,195
Comprehensive income for the nine months ended March 31, 2022					184,858,705	184,858,705	184,858,705
Other comprehensive income for the nine months ended March 31, 2022					184,858,705	184,858,705	184,858,705
Total comprehensive income for the nine months ended March 31, 2022					184,858,705	184,858,705	184,858,705
Final dividend for the year ended 30 June 2021 at Rs 2.75 per share					(198,000,000)	(198,000,000)	(198,000,000)
Interim dividend for the period ended 30 December 2021 at Rs 2.00 per share					(144,000,000)	(144,000,000)	(144,000,000)
Balance as at March 31, 2022	720,000,000	396,000,000	(60,000,000)	336,000,000	389,956,900	389,956,900	1,445,956,900

The annexed notes 1 to 19 form an integral part of this condensed interim financial information.

Chief Executive Officer

Chief Financial Officer

Director

**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**For The Nine Months Ended March 31, 2022**

	Nine months ended	
	March 31, 2022	March 31, 2021
	Rupees	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit for the period before taxation	259,063,945	366,545,399
<b>Adjustments for non-cash items:</b>		
Depreciation	11,440,542	15,481,916
Amortization	6,573,217	9,039,788
Finance Cost on Lease Liabilities	4,142,603	5,069,835
Depreciation on right of use assets	24,013,113	21,305,112
(Gain) / Loss on sale of fixed assets	(6,166)	(2,461,340)
Capital gain on sale of marketable securities	(10,144,503)	(27,200,111)
Impairment of leasehold improvements		4,768,237
Unrealized appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	711,280	(108,368,606)
Financial charges	171,088	497,350
	36,901,174	(81,867,817)
<b>CASH FLOW FROM OPERATING ACTIVITIES BEFORE WORKING CAPITAL CHANGES</b>		
	295,965,119	284,677,582
<b>WORKING CAPITAL CHANGES</b>		
<b>(Increase) / decrease in current assets</b>		
Receivable from related parties	(1,026,213)	(21,200,009)
Loans and advances	(41,898,423)	(8,902,375)
Deposits, prepayments and other receivables	18,158,331	(24,123,049)
Mark-up accrued	(13,027)	4,777
	(24,579,332)	(54,220,656)
<b>Increase / (decrease) in current liabilities</b>		
Unclaimed Dividend	782,406	114,364
Trade and other payables	4,054,964	73,116,684
<b>NET CASH USED IN WORKING CAPITAL CHANGES</b>	(19,741,962)	19,010,392
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Income tax paid	276,223,156	303,687,974
Finance cost paid	(76,866,597)	64,901,843
Dividend paid	(171,088)	(497,350)
Rentals paid	(342,000,000)	(324,000,000)
	(30,078,041)	(25,702,805)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	(172,892,569)	18,389,662
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure	(10,469,514)	(9,016,824)
Proceeds from sale of property plant and equipment	65,000	9,602,625
Net proceeds against redemption of investments	179,811,752	23,382,922
Long term loans and receivables	(2,174,294)	(5,877,343)
Long term deposits	(509,200)	419,326
	166,723,744	18,510,706
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	(6,168,826)	36,900,368
<b>NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS</b>	43,929,106	19,814,591
Cash and cash equivalents at the beginning of the period	37,760,280	56,714,959

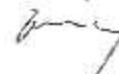
The annexed notes 1 to 19 form an integral part of this condensed interim financial information.



Chief Executive Officer



Chief Financial Officer



Director

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
For The Nine Months Ended March 31, 2022**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1 MCB - Arif Habib Savings and Investments Limited ("the Company") was incorporated in the name of Arif Habib Investment Management Limited (AHIML) on 30 August 2000 as an unquoted public limited company under the requirements of the Companies Ordinance, 1984. During 2008, AHIML was listed on the Karachi Stock Exchange Limited (now integrated into the Pakistan Stock Exchange Limited) by way of offer for sale of shares by few of its existing shareholders to the general public. In the same financial year, the name of AHIML was changed from "Arif Habib Investment Management Limited" to "Arif Habib Investments Limited" (AHIL). On 19 January 2011, a transfer agreement was signed between Arif Habib Corporation Limited (AHCL) [the then parent of AHIL] and MCB Bank Limited (MCB Bank) [the then parent of MCB Asset Management Company Limited (MCB AMC)] for the transfer of the entire business of MCB AMC to AHIL to achieve synergies in business and to access a wider distribution network. The scheme of amalgamation ("the Scheme") was approved by the shareholders of AHIL and MCB AMC in their respective extraordinary general meetings held on 21 May 2011. The Scheme was also approved by the Securities and Exchange Commission of Pakistan (SECP) with the effective date of amalgamation being 27 June 2011 (the effective date). In accordance with the terms contained in the Scheme, the Company became a subsidiary of MCB Bank Limited from the end of the year ended 30 June 2011, which owns 51.33% ordinary shares in the Company till date. Pursuant to the merger of MCB AMC with and into AHIL, the name of AHIL has been changed to MCB - Arif Habib Savings and Investments Limited effective from 23 May 2013.
- 1.2 The registered office of the Company is situated at 2nd Floor, Adamjee House, I.I Chundrigar Road, Karachi, Pakistan.
- 1.3 The Company is registered as a Pension Fund Manager under the Voluntary Pension System Rules, 2005, as an Asset Management Company and an Investment Advisor under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003.
- 1.4 The Company has been assigned an Asset Manager rating of AM1 by the Pakistan Credit Rating Agency Limited (PACRA). The rating was determined by PACRA on 6 October 2021. Currently, the Company is managing the following funds under its management:

Note	Net assets value as at	
	31 March 2022	30 June 2021
(Rupees in million)		
<b>Open-end Collective Investment Schemes (CISS)</b>		
Pakistan Income Fund	4,922	9,595
MCB Pakistan Stock Market Fund	10,684	12,397
MCB Pakistan Sovereign Fund	638	738
Pakistan Capital Market Fund	436	467
Pakistan Cash Management Fund	15,329	3,119
Pakistan Income Enhancement Fund	1,054	630
MCB Pakistan Asset Allocation Fund	1,120	912
MCB DCF Income Fund	4,546	3,646
MCB Cash Management Optimizer	36,238	34,030
Alhamra Islamic Money Market Fund	9,566	15,258
Alhamra Islamic Asset Allocation Fund	1,966	2,335
Alhamra Islamic Stock Fund	2,905	3,410
Alhamra Islamic Income Fund	8,227	5,575
Alhamra Daily Dividend Fund	6,209	2,279
Alhamra Smart Portfolio	164	123
<b>Pension Funds</b>		
Pakistan Pension Fund	2,139	1,933
Alhamra Islamic Pension Fund	1,414	1,354
<b>Discretionary portfolio</b>	<b>64,729</b>	<b>57,014</b>
The Company is also managing investments under discretionary portfolio management agreements, the details of which are given below:		

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
For The Nine Months Ended March 31, 2022**

	<b>Net assets value as at</b>	
	<b>31 March 2022</b>	<b>30 June 2021</b>
(Rupees in million)		
Number of clients	36	37
Total portfolio at cost (Rs. in millions)	55,302	46,869
Total portfolio at market value (Rs. in millions)	54,857	47,074
Fee earned (Rs. in millions)	52	47
<b>1.5</b>	In accordance with the requirements of Rule 9 of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003, the Company has obtained insurance coverage from Jubilee General Insurance Company Limited against any loss that may be incurred as a result of employees' fraud or gross negligence. The insurance company has been assigned a credit rating of AA+ by the Pakistan Credit Rating Agency Limited (PACRA) (latest available rating).	
<b>2</b>	<b>BASIS OF PRESENTATION</b>	
<b>2.1</b>	<b>Statement of compliance</b>	
	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 as applicable in Pakistan for interim financial reporting comprise of:	
	<ul style="list-style-type: none"> <li>- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;</li> <li>- Provisions of and directives issued under the Companies Act, 2017 along with part VIII A of the repealed Companies Ordinance, 1984; and</li> <li>- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).</li> </ul>	
	Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations have been followed.	
<b>2.2</b>	The disclosures made in these condensed interim financial statements are based on the requirements of the International Accounting Standard (IAS) 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 Company for the year ended 30 June 2020.	
<b>2.3</b>	The comparative condensed interim statement of financial position presented in these condensed interim financial statements have been extracted from the audited annual financial statements of the Company for the year ended 30 June 2020, whereas, the comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity have been extracted from the unaudited condensed interim financial statements for the period ended 31 March 2020.	
<b>2.4</b>	These condensed interim financial statements are unaudited. However, a review has been performed by the statutory 56(1) of 2016 dated January 28, 2016, the requirements of consolidation under section 237 of the repealed Companies Ordinance, 1984 (section 228 of the Companies Act, 2017) and IFRS 10 is not applicable in case of investment by companies in mutual funds established under trust structure. Accordingly, the mutual funds are not being consolidated by the Company.	

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
For The Nine Months Ended March 31, 2022**

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**2.5 Basis of measurement**

These condensed interim financial statements have been prepared on the basis of historical cost convention, except that certain investments are carried at fair values.

**2.6 Functional and presentation currency**

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

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

**3.1 The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of audited annual financial statements of the Company as at and for the year ended 30 June 2021.**

**3.2 New standards, interpretations and amendments adopted by the Company**

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

**3.3 Standards, interpretations and amendments to published approved accounting standards that are not yet effective**

In addition, certain IFRS, amendments and interpretations to approved accounting standards are not yet effective. However, these are not likely to have any material effect on the Company's financial statements.

**3.4 Critical management estimates and judgments**

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

The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited annual financial statements as at and for the year ended 30 June 2021.

**3.5 Financial risk management**

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

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
For The Nine Months Ended March 31, 2022**

4. FIXED ASSETS	Note	(Unaudited)	(Audited)
		31 March 2022	30 June 2021
(Rupees)			
<b>Tangible</b>			
Property and equipment:	4.1	24,630,792	25,860,853
Right of use assets	4.3	45,445,116	47,015,584
		70,075,908	72,875,237
<b>Intangible assets</b>			
Computer software:	4.2	5,388,173	10,151,388
Goodwill:	4.2	192,899,000	192,000,000
Capital work in progress:		-	1,830,328
Management rights	4.2	82,126,933	82,126,933
		277,787,108	286,110,621
		347,783,014	358,010,233

**4.1 Property and equipment.**

Following is a statement of property and equipment:

	31 March 2022 (Unaudited)					
	Computers	Office equipments	Furniture and fixtures	Leasehold improvements	Vehicles	Total
	(Rupees)					
<b>As at 1 July 2021</b>						
Cost	61,402,084	19,252,265	8,182,368	13,388,935	4,237,270	106,462,302
Accumulated depreciation	(44,387,298)	(15,674,244)	(5,291,723)	(5,798,064)	(2,385,539)	(73,516,888)
Accumulated impairment losses	-	-	(725,917)	(6,559,464)	-	(7,285,381)
Net book value	17,024,798	3,578,021	2,164,728	1,031,407	1,851,731	25,860,853
<b>Nine months ended 31 March 2022</b>						
Opening net book value	17,024,798	3,578,021	2,164,728	1,031,407	1,851,731	25,860,853
Additions during the period:						
Cost	5,793,818	1,982,870	521,977	2,346,849	-	10,465,514
Accumulated depreciation	(1,303,538)	(80,310)	-	-	-	(1,482,848)
Accumulated impairment losses	1,337,398	88,016	-	-	-	1,424,914
	-	-	-	-	-	-
	(55,540)	(3,224)	-	-	-	(56,834)
Depreciation for the period:						
	(6,888,988)	(1,517,585)	(1,234,874)	(1,004,827)	(794,488)	(11,446,542)
Closing net book value	15,724,856	3,988,032	1,451,831	2,387,629	1,851,243	24,830,792
<b>As at 31 March 2022:</b>						
Cost	57,185,862	21,155,135	8,704,345	15,729,784	4,237,270	115,449,588
Accumulated depreciation	(51,258,298)	(17,191,820)	(6,526,597)	(8,892,691)	(3,189,827)	(83,533,398)
Accumulated impairment loss	-	-	(725,917)	(6,559,464)	-	(7,285,381)
Net book value	15,849,596	3,983,528	1,451,831	2,387,629	1,851,243	24,830,792
Depreciation rates (% per annum)	25%	20% - 50%	10%	10% - 20%	25%	
<b>30 June 2021 (Audited)</b>						
	Computers	Office equipments	Furniture and fixtures	Leasehold improvements	Vehicles	Total
(Rupees)						
<b>As at 1 July 2021</b>						
Cost	55,234,835	28,793,272	17,221,864	45,978,793	4,237,270	151,466,134
Accumulated depreciation	(28,925,068)	(21,980,684)	(3,542,085)	(24,138,932)	(1,328,086)	(92,894,209)
Net book value	19,309,767	8,271,218	4,431,392	12,442,117	3,909,210	45,363,804
<b>Year ended 30 June 2021</b>						
Opening net book value	19,309,767	8,271,218	4,431,392	12,442,117	3,909,210	45,363,804
Additions during the year	7,118,523	1,837,881	1,675,844	893,804	-	11,325,722
Cost	(951,394)	(11,178,888)	(10,715,340)	(13,002,149)	-	(35,847,542)
Accumulated depreciation	948,407	8,741,313	5,964,183	7,130,213	-	22,794,116
Accumulated impairment losses	581,390	2,522,410	2,838,289	-	-	5,922,140
	(2,085)	(1,875,985)	(2,228,687)	(3,033,647)	-	(7,141,286)
Write-offs during the year	-	-	-	(20,481,412)	-	(20,481,412)
Cost	-	-	-	15,713,175	-	15,713,175
Accumulated depreciation	-	-	-	(4,788,237)	-	(4,788,237)
Depreciation for the year	(9,300,837)	(2,454,823)	(1,713,821)	(4,802,509)	(1,057,479)	(19,719,350)
Closing net book value	17,024,798	3,578,021	2,164,728	1,031,407	1,851,731	25,860,853
<b>As at 30 June 2021</b>						
Cost	61,402,084	19,252,265	8,182,368	13,388,935	4,237,270	106,462,302
Accumulated depreciation	(44,387,298)	(15,674,244)	(5,291,723)	(5,798,064)	(2,385,539)	(73,516,888)
Accumulated impairment losses	-	-	(725,917)	(6,559,464)	-	(7,285,381)
Net book value	17,024,798	3,578,021	2,164,728	1,031,407	1,851,731	25,860,853
Depreciation rates (% per annum)	25%	20% - 50%	10%	10% - 20%	25%	

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
For The Nine Months Ended March 31, 2022**

4.1.1 There was no disposal of fixed assets during the period, whose aggregate book value (cost minus accumulated depreciation and impairment loss) exceeds Rs. 5 million.

4.1.2 Included in the cost of property and equipment are fully depreciated items which are still in use, aggregating to Rs. 89.68 million as of March 31, 2022. (30 June 2021: Rs. 91.70 million).

**4.2 Intangible assets**

Following is a statement of intangible assets:

	31 March 2022 (Unaudited)		
	Computer software	Goodwill	Management rights
	(Rupees)		
<b>As at 1 July 2021</b>			
Cost	83,033,817	82,126,933	192,000,000
Accumulated amortization	(72,880,427)	-	-
Net book value	<u>10,153,390</u>	<u>82,126,933</u>	<u>192,000,000</u>
<b>Nine months ended 31 March 2022</b>			
Opening net book value	10,153,390	82,126,933	192,000,000
Additions during the period	-	-	-
Amortisation for the period	(6,573,217)	-	-
Closing net book value	<u>3,580,173</u>	<u>82,126,933</u>	<u>192,000,000</u>
<b>As at 31 March 2022</b>			
Cost	83,033,817	82,126,933	192,000,000
Accumulated amortization	(79,453,644)	-	-
Net book value	<u>3,580,173</u>	<u>82,126,933</u>	<u>192,000,000</u>
<b>Amortisation rates (% per annum)</b>	<u>25% - 33%</u>		
	30 June 2021 (Audited)		
	Computer software	Goodwill	Management rights
	(Rupees)		
<b>As at 1 July 2020</b>			
Cost	82,473,074	82,126,933	192,000,000
Accumulated amortization	(61,101,329)	-	-
Net book value	<u>21,371,745</u>	<u>82,126,933</u>	<u>192,000,000</u>
<b>Year ended 30 June 2021</b>			
Opening net book value	21,371,745	82,126,933	192,000,000
Additions during the year	560,743	-	-
Amortization for the year	(11,779,098)	-	-
Closing net book value	<u>10,153,390</u>	<u>82,126,933</u>	<u>192,000,000</u>
<b>As at 30 June 2021</b>			
Cost	83,033,817	82,126,933	192,000,000
Accumulated amortization	(72,880,427)	-	-
Net book value	<u>10,153,390</u>	<u>82,126,933</u>	<u>192,000,000</u>
<b>Amortisation rates (% per annum)</b>	<u>25% - 33%</u>		

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
For The Nine Months Ended March 31, 2022**

		(Unaudited)	(Audited)		
		31 March 2022	30 June 2021		
		(Rupees)			
<b>4.3 RIGHT OF USE ASSETS</b>					
Opening written down value		47,018,584	60,884,870		
Addition during the year:		22,439,645	22,788,921		
Effect of modification:		-	(1,825,359)		
Effect of termination:		-	(3,872,404)		
Depreciation for the Period		(24,013,113)	(30,937,453)		
Closing written down value		<b>45,445,118</b>	<b>47,018,584</b>		
<b>4.4 Finance lease liabilities are payable as follows:</b>					
		<b>As at 31 March 2022 (Unaudited)</b>			
		Minimum Lease Payments	Future Finance Cost		
			Present Value of Minimum Lease Payments		
Not later than one year:		27,844,510	3,459,753		
Later than one year and not later than five years:		26,269,267	3,688,375		
		<b>54,133,777</b>	<b>7,148,127</b>		
Less: Current portion:					
			(24,384,757)		
			<b>22,600,022</b>		
		<b>As at 30 June 2021 (Audited)</b>			
		Minimum Lease Payments	Future Finance Cost		
			Present Value of Minimum Lease Payments		
Not later than one year:		36,357,777	4,010,677		
Later than one year and not later than five years:		16,814,995	813,529		
		<b>53,172,772</b>	<b>4,824,205</b>		
Less: Current portion:					
			(32,347,100)		
			<b>18,001,467</b>		
<b>4.5.1</b> Above balances have been discounted at the rates ranging between 8.01% to 14.95% (30 June 2021: 8.01% to 14.95%) per annum.					
<b>5 LONG-TERM INVESTMENTS</b>		Note	(Unaudited) (Audited)		
			31 March 30 June		
			2022 2021		
			(Rupees) —————		
<b>Investments in pension schemes - related parties</b>					
At fair value through profit or loss:		5.1	<b>639,523,549</b> <b>638,508,952</b>		
<b>5.1 At fair value through profit or loss</b>					
Name of the Investor Fund	As at 1 July 2021	Purchased during the period	Redeemed / sold during the period (Number of units)	As at 31 March 2022	As at 31 March 2022 (Unaudited)
					Carrying value (Rupees)
Pakoden Pension Fund	805,305	-	-	805,305	311,672,289 317,161,173 5,288,899
Ahamra Islamic Pension Fund	876,129	-	-	876,129	326,724,664 322,362,370 (4,362,294)
					<b>638,508,952</b> <b>639,523,549</b> <b>926,526</b>
<b>6 LONG-TERM LOANS AND PREPAYMENTS</b>		Note	(Unaudited) (Audited)		
			31 March 30 June		
			2022 2021		
			(Rupees) —————		
<b>Loans:</b>					
Secured - considered good		6.1	<b>13,233,228</b> <b>4,308,289</b>		
- to executives					
Unsecured - considered good		6.2	<b>4,218,456</b> <b>5,875,024</b>		
- to executives					
- to other employees		6.3	<b>17,451,562</b> <b>10,181,313</b>		
Less: Current portion of loans					
			(7,183,662) (1,869,422)		
			<b>10,288,000</b> <b>8,311,891</b>		
<b>Prepayments:</b>					
Prepaid commission against issued units		9	<b>23,788,378</b> <b>16,847,454</b>		
Less: Current portion:			(17,299,887) (10,997,748)		
			<b>6,517,891</b> <b>5,849,706</b>		
			<b>16,845,991</b> <b>14,111,597</b>		

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
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**6.1** These represent interest based housing finance loans given to executives at the rate ranging from 4.5% to 7.01% per annum for a period of up to 20 years secured against house mortgage.

**6.2** These represent interest free loans for a period of 5 years given to executives as per the terms of employment for the purchase of motor vehicles.

**6.3** Based on month end balances, the maximum aggregate balance of loans to executives outstanding at any time during the year was Rs. 18.4 million (June 30, 2021: Rs. 10.55 million).

	Note	(Unaudited)	(Audited)
		31 March 2022	30 June 2021
<b>7. RECEIVABLE FROM RELATED PARTIES</b>			
Unsecured - considered good			
Pakistan Income Fund		14,736,461	18,431,896
MCB Pakistan Stock Market Fund		114,860,804	122,311,547
MCB Pakistan Sovereign Fund		34,296,529	34,215,894
Pakistan Capital Market Fund		7,670,687	7,643,048
Pakistan Pension Fund		8,975,446	8,924,272
Ahramma Islamic Pension Fund		5,031,703	5,176,771
Pakistan Cash Management Fund		12,491,885	12,243,674
Pakistan Income Enhancement Fund		22,705,761	22,733,982
Pakistan Samaya Mehoor Fund		4,267,360	4,267,360
MCB Pakistan Asset Allocation Fund		38,902,889	37,456,312
MCB Cash Management Optimizer Fund		64,079,983	64,482,664
MCB DCF Income Fund		140,042,887	137,095,740
Ahramma Islamic Money Market Fund		4,697,849	4,532,405
Ahramma Islamic Stock Fund		21,336,488	23,772,572
Ahramma Islamic Asset Allocation Fund		14,813,175	15,909,125
Ahramma Islamic Income Fund		17,821,753	14,454,260
Ahramma Daily Dividend Fund		1,716,482	435,889
Al-Hamra Smart Portfolio		20,560	9,888
<b>Advisory fee on account of discretionary portfolio management</b>	7.1	<b>528,428,621</b>	<b>533,657,299</b>
Adamjee Lite Assurance Company Limited		16,534,128	10,279,237
		<b>544,962,749</b>	<b>543,936,536</b>
<b>7.1</b>	The above amounts include Federal Excise Duty amounting to Rs 407.16 million (30 June 2021: Rs 407.16 million) which has been accrued by the Company and is receivable from the funds under its management. The matter is further explained in note 12 to the condensed interim financial statements.		
<b>8. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES</b>			
	Note	(Unaudited)	(Audited)
		31 March 2022	30 June 2021
<b>Deposits</b>			
Deposits		-	75,000
Prepayment		21,427,767	28,700,309
Other receivables			
Advisory fee on account of discretionary portfolio management		15,975,484	23,005,861
Commission receivable		422,938	4,217,311
Others		211,601	197,640
		<b>16,610,023</b>	<b>27,420,812</b>
Provision against advisory fee	8.1	(12,402,117)	(12,402,117)
		<b>25,635,673</b>	<b>43,794,004</b>
<b>8.1</b>	<b>Movement in provision</b>		
Opening balance		12,402,117	12,402,117
Provision made during the period		-	-
Closing balance		<b>12,402,117</b>	<b>12,402,117</b>

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
For The Nine Months Ended March 31, 2022**

9	SHORT-TERM INVESTMENTS		(Unaudited)		(Audited)	
			Note	31 March 2022	30 June 2021	
	Investment in Collective Investment Schemes - related parties					
	At fair value through profit or loss		9.1	515,610,882	685,758,449	
	Investment in Shares		9.2	265,000		
					515,875,882	685,758,449
9.1	At fair value through profit or loss					
	Name of the Investee Fund	As at 1 July 2021	Purchased during the period	Redeemed / sold during the period	As at 31 March 2022	As at 31 March 2022 (Unaudited)
						Carrying value
						(Number of units) (Rupees)
	MCB Cash Management Optimizer	64,767	35,503,858	30,947,779	4,620,846	183,247,580
	MCB Pakistan Stock Market Fund	1,415,390	742,947	1,415,301	742,946	75,000,000
	Ahsanah Islamic Stock Fund	2,164,502	-	-	2,164,502	24,437,229
	Pakistan Income Fund	7,152,428	8,753,800	15,906,228	-	32,554,113
	Ahsanah Smart Portfolio	1,200,000	-	-	1,200,000	119,853,520
	MCB Pakistan Sovereign Fund	-	1,802,776	1,802,776	-	-
	Pakistan Cash Management Fund	-	8,671,793	5,894,656	2,776,938	6,145,929
	Ahsanah Islamic Money Market Fund	-	-	-	-	-
	MCB Pakistan Asset Allocation Fund	-	1,572,404	307,912	1,264,582	108,505,501
						187,281,599
						(1,303,910)
						517,248,759
						515,610,882
						(1,637,877)
9.2	Mutual Funds Association of Pakistan (MUFAP) is in process of being converted into a Self Regulatory Organization (SRO) for the purpose of which Asset Management Companies (AMCs) being member of MUFAP contributed equally in the paid up capital. The Company has invested in 26,500 shares of MUFAP at Rs. 10 per share amounting to Rs. 265,000. Its also associated company of MCB Arif Habib Savings & Investments Limited.					
10	ADVANCE TAX - NET OF PROVISIONS					
	Income tax refundable includes assessed refunds for the tax years 2008, 2009, 2010, 2011 and 2013. The income tax returns up to the tax year 2021 have been filed under the self assessment scheme and are deemed to be finalized under section 120 of the Income Tax Ordinance, 2001.					
11	DEFERRED TAX LIABILITY - NET			(Unaudited)	(Audited)	
			Note	31 March 2022	30 June 2021	(Rupees)
	Deferred tax liability on taxable temporary differences					
	- Intangible assets			77,184,171	75,190,106	
	- Right of use asset			13,197,625	13,035,390	
	- Investments at fair value through profit or loss			-	1,768,989	
				90,381,796	90,594,365	
	Deferred tax asset on deductible temporary differences					
	- Property and equipment			(5,854,248)	(4,328,055)	
	- Finance cost on discounted loans			(858,410)	(891,989)	
	- Provision against advisory fee			(3,596,614)	(3,596,614)	
	- Investments at fair value through profit or loss			(122,051)	-	
	- Lease liabilities			(11,625,821)	(14,601,085)	
				(24,857,144)	(23,417,743)	
				66,324,652	67,176,622	

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
For The Nine Months Ended March 31, 2022**

12 TRADE AND OTHER PAYABLES	Note	(Unaudited)		(Audited) June 30, 2021
		March 31, 2022	Rupees	
Accrued expenses and other payables				
Sindh Workers' Welfare Fund	12.1	102,532,139	123,429,377	
Withholding tax payable		54,169,050	48,968,050	
Indirect taxes and duties payable	0.0	850,669	2,958,091	
Payable to facilitators / distributors		450,210,333	419,057,465	
		46,375,962	56,069,206	
		<u>654,238,153</u>	<u>650,183,189</u>	

12.1 Through Finance Act, 2008, the Federal Government introduced amendments to the Workers' Welfare Fund (WWF) Ordinance, 1971, whereby the definition of industrial establishment was extended. The amendments were challenged at various levels and conflicting judgments were rendered by the Lahore High Court, Sindh High Court and Peshawar High Court. Appeals against these orders were filed in the Supreme Court of Pakistan.

The Supreme Court of Pakistan vide its order dated November 10, 2016 has held that the amendments made in the law introduced by the Federal Government for the levy of Workers' Welfare Fund was not in the spirit of law as this is not in the nature of tax and therefore could not have been introduced through the money bill. The Federal Board of Revenue has filed review petitions against the above judgment which are currently pending with the Supreme Court of Pakistan.

In light of the judgment passed by the Supreme Court of Pakistan, the Management believes that the Company is not liable to pay any amounts under the Workers' Welfare Fund Ordinance, 1971, and accordingly an amount of Rs. 14.442 million was reversed on January 12, 2017. Further, as a consequence of the 18th Amendment to the Constitution, levy for Workers' Welfare was also introduced by the Government of Sindh (SWWF) which was effective from July 1, 2014. The Company believes that contribution to Workers' Welfare Fund under the Sindh Workers' Welfare Act, 2014 is not applicable on the Company as it is not a Financial Institution as required under SWWF Act, 2014.

However, out of abundant caution, the management has decided to provide for SWWF with effect from July 1, 2014 and has maintained a provision of Rs. 52.7 million as at December 31, 2021.

12.2 As per the requirements of the Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16% on the remuneration of the Management Company has been applied effective June 13, 2013 on assets under its management (related parties). The Management Company is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED may result in double taxation, which does not appear to be the spirit of law.

The matter has been collectively taken up by the Management Company jointly with other Asset Management Companies together with their respective Collective Investment Schemes through their trustees, through a Constitutional Petition filed in the Honorable Sindh High Court (SHC) on September 4, 2013 challenging the levy of FED. The Sindh High Court in its decision dated 16 July 2016 maintained the previous order passed against other constitutional petition whereby levy of FED has been declared to be 'Ultra Vires' the Constitution. The Deputy Commissioner Inland Revenue has filed an appeal against the said SHC order in the Honorable Supreme Court of Pakistan and thus the Company is carrying liability for Federal Excise Duty (FED) amounting to Rs. 412.88 million (June 30, 2021; Rs. 399.6 million) as a matter of abundant caution. This amount has also been classified as a balance receivable from related parties (in Note 7) and would be payable only after the final verdict as explained above and when received from the funds.

13 MANAGEMENT FEE / INVESTMENT ADVISORY FEE	Note	(Unaudited) Nine months ended		(Unaudited) Quarter ended	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
		Rupees	Rupees	Rupees	Rupees
From Collective Investment Schemes - related parties	13.1	658,176,777	578,549,770	194,845,753	207,348,032
From Discretionary Portfolio	13.3	58,707,800	41,355,632	19,251,442	19,251,442
		716,884,577	619,905,402	214,097,195	226,599,474
Less: Indirect taxes and duties on management fees		(82,473,448)	(71,316,551)	(24,630,651)	(26,068,966)
		634,411,129	548,588,851	189,466,544	200,530,508

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
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Note	(Unaudited)			
	Nine months ended		Quarter ended	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>13.1 From Collective Investment Schemes</b>				
- related parties				
MCB Cash Management Optimizer	72,689,922	85,361,008	21,213,627	29,915,564
MCB Pakistan Asset Allocation Fund	27,710,333	24,607,254	7,265,196	8,524,468
MCB DCF Income Fund	53,318,704	51,343,969	17,714,813	15,969,726
Ahamra Islamic Income Fund	28,049,692	18,975,317	11,705,234	6,433,308
MCB Pakistan Sovereign Fund	6,771,987	10,127,898	1,953,717	2,488,854
Pakistan Capital Market Fund	11,854,938	8,973,553	3,048,629	3,660,607
Pakistan Cash Management Fund	9,696,876	2,874,641	3,229,264	1,457,427
Pakistan Income Enhancement Fund	8,589,444	5,176,797	2,731,806	2,336,145
Pakistan Income Fund	60,248,008	28,331,996	14,385,493	14,889,553
Ahamra Islamic Asset Allocation Fund	62,953,636	46,860,658	19,429,435	19,502,539
MCB Pakistan Stock Market Fund	195,438,556	191,495,120	58,512,192	65,709,606
Ahamra Islamic Stock Fund	56,852,505	58,774,424	16,905,685	20,698,835
Ahamra Islamic Money Market Fund	15,072,865	1,789,570	-	1,485,639
Al Hamra Islamic Active Asset Allocation Fund - Plan I	-	38,678	-	-
Al Hamra Islamic Active Asset Allocation Fund - Plan II	-	36,246	-	5,518
Ahamra Daily Dividend Fund	6,114,490	5,093,413	2,264,542	1,226,225
Ahamra Smart Portfolio	49,879	-	19,189	-
	<b>614,751,835</b>	<b>539,860,542</b>	<b>180,338,122</b>	<b>134,303,814</b>
<b>From Pension Schemes - related parties</b>				
Pakistan Pension Fund	26,035,005	23,406,330	14,398,239	7,800,483
Pakistan Islamic Pension Fund	17,389,937	15,282,899	109,392	5,243,725
	<b>43,424,942</b>	<b>38,689,229</b>	<b>14,507,631</b>	<b>13,044,218</b>
	<b>658,176,777</b>	<b>578,549,778</b>	<b>134,845,753</b>	<b>207,348,932</b>

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

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

14	ADMINISTRATIVE AND OPERATING EXPENSES	(Unaudited)			
		Nine months ended		Quarter ended	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
		Rupees	Rupees	Rupees	Rupees
Salaries, allowances and other benefits	234,831,510	231,506,311	78,668,579	82,216,676	
Legal and professional charges	8,830,396	10,592,158	3,925,867	4,785,581	
Traveling and conveyance charges	3,408,578	835,647	2,814,205	342,500	
Rent, utilities, repairs and maintenance	65,840,242	51,407,384	17,016,236	19,651,629	
Office supplies	2,091,525	1,629,615	1,266,856	522,120	
Auditors' remuneration	2,150,546	2,732,536	675,144	700,844	
Directors' meeting fee	6,825,000	7,200,000	2,475,000	1,575,000	
Insurance	2,755,606	1,388,976	1,779,340	361,103	
Depreciation	14.2	24,778,370	15,481,914	8,327,238	3,497,931
Amortisation		6,573,228	9,039,788	1,549,456	2,900,113
Stamp duty and taxes	-	6,750	-	-	-
Registrar fee	1,283,091	464,445	489,895	137,595	
Printing and stationery	3,160,642	3,384,131	1,076,793	761,299	
Telephone expenses	3,767,411	3,845,271	933,375	1,384,081	
Entertainment expenses	3,362,208	2,425,078	1,541,692	843,493	
Books, periodicals, subscription and training	15,322,694	17,193,577	4,700,119	4,239,085	
Impairment on property and equipment	-	4,768,237	-	4,768,237	
Sindh Workers' Welfare Fund	5,500,000	7,400,000	1,500,000	2,000,000	
	<b>390,487,039</b>	<b>371,281,819</b>	<b>128,739,787</b>	<b>130,677,286</b>	
Charged to Collective Investment Schemes (CISs)	(49,901,890)	(48,821,024)	(17,893,856)	(14,227,527)	
	<b>340,585,149</b>	<b>322,380,795</b>	<b>110,845,931</b>	<b>116,449,759</b>	

14.1 The SECP vide S.R.O No. 1160 (1) / 2015 dated 25 November 2015 as amended through S.R.O 639 (I) / 2019 dated 20 June 2019 introduced amendments in the NBFC Regulations. As a result of these amendments, the management company may charge fees and expenses pertaining to registrar services, accounting, operations and valuation services, related to Collective Investment Schemes (CISs). Accordingly, expenses amounting to Rs. 49.9 million (31 March 2021: Rs. 48.82 million) have been charged by the Company to the respective CISs under its management.

14.2 This includes depreciation charged on right of use assets pertaining to head office amounting to Rs. 13.3 million and Rs.4.4 million for nine months and quarter ended respectively.

## **NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) For The Nine Months Ended March 31, 2022**

### **15 SELLING AND DISTRIBUTION EXPENSES**

SECP vide its Circular 40/2016 dated December 30, 2016, prescribed certain conditions on Asset Management Companies (AMCs) for charging of selling and marketing expenses to open end equity, asset allocation and index funds initially for a period of three years (from January 1, 2017 till December 31, 2019) for opening of new branches in cities, except Karachi, Lahore, Islamabad and Rawalpindi. The said condition was amended through Circular No. 11 of 2019 dated June 5, 2019, according to which an AMC may charge selling and marketing expenses to all types of open end mutual funds except Fund of Funds against the cost pertaining to opening and maintenance of all branches in all cities. Under this circular, expenses amounting to Rs. Rs. 203.17 million (March 31, 2021: Rs. 208.3 million) have been charged by the Company to the aforesaid funds under its management.

### **16 CONTINGENCIES AND COMMITMENTS**

The contingencies and commitments of the Company disclosed in the annual audited financial statements as at June 30, 2021 have remained unchanged during the period, except for the following:

During the year ended June 30, 2021, the Sindh Revenue Board (SRB) issued a Show Cause Notice (SCN) on April 15, 2021 on account of short payment of Sindh Sales Tax amounting to Rs. 9.97 million pertaining to tax periods July 2015 till June 2016. On December 13, 2021, Order was passed by Assistant Commissioner SRB whereby demand of Rs. 10.4 million was raised. The Company, being aggrieved, filed an appeal with Commissioner Appeals SRB. The Company also filed Stay Application in front of Honorable High Court of Sindh (SHC) and the Stay Order was duly granted by SHC. On February 02, 2022, Commissioner Appeals SRB passed Order against the Company. The Company, being aggrieved with said Order, filed Appeal before Appellate Tribunal SRB along with filing of Stay Application before SHC which was duly granted by SHC.

The management, in consultation with tax advisor anticipates favorable outcome of the case.

On June 05, 2017, the Company received an Order passed by the Assistant Commissioner - Sindh Revenue Board [AC-SRB] wherein a demand of Sindh Sales Tax of Rs. 10.62 million along with penalty of Rs. 6.33 million and default surcharges (to be calculated at the time of payment) was established for short levy and payment of Sindh Sales Tax on its services and for claiming inadmissible input tax during tax periods from July 2011 to June 2015. An appeal against the aforesaid order was filed before the Commissioner Appeals-SRB who upheld the Order of the Assistant Commissioner, SRB in its Appellate Order. An Appeal had been filed before the Appellate Tribunal, SRB against aforesaid Order of the Commissioner Appeals, SRB. The Appellate Tribunal, SRB has remanded back the case to the Commissioner Appeals - SRB to pass fresh speaking order after verifying the records on merit.

During the year ended June 30, 2021, Commissioner Appeals - SRB issued an Order on June 28, 2021 whereby the demand raised by AC SRB amounting to Rs. 10.62 million was confirmed in totality. The Company, being aggrieved with said order, filed appeal before the Appellate Tribunal, SRB against aforesaid order. The Stay was granted by Appellate Tribunal on July 06, 2021. Since time period for which Stay could be granted by Appellate Tribunal was exhausted, during the period under review, the Company filed Stay Application in front of Sindh High Court (SHC) which was duly granted by SHC.

The management, in consultation with tax advisor anticipates favorable outcome aforesaid appeal/case.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
For The Nine Months Ended March 31, 2022**

**17. TRANSACTIONS WITH RELATED PARTIES**

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

**17.1 Transactions with related parties during the period**

Name of the related party	Relationship and percentage of shareholding	Nature of transaction	Quarter ended	
			31 Mar 2022 (Rupees)	31 Mar 2021
MCB Bank Limited	Parent company with 51.33% Holding	Commission and other expenses Profit on bank deposits Branch sharing expenses Rent as per rental agreement Dividend paid Financial charges	28,410,444 1,186,518 2,848,124 3,840,000 175,544,648 165,438	24,205,878 825,024 2,188,530 2,400,000 166,306,458 357,567
MCB Islamic Bank Limited	Subsidiary of Parent Company	Profit on bank deposits	11,067	8,288
Nishat Real Estate Development Company (Pvt) Limited	Group Company of Parent Company	Rent as per rental agreement	—	1,018,736
Adanico Life Assurance Company Limited	Group Company of Parent Company	Investment advisory fee Amount paid against insurance	23,054,083 368,188	20,979,906 2,556,337
Adanico Insurance Company Limited	Group Company of Parent Company	Amount paid against insurance Dividend paid Rent as per rental agreement	18,430,029 25,344,500 21,801,656	18,814,140 24,579,000 15,152,500
Arif Habib Corporation Limited	Associate with 30.05% Holding Company	Dividend paid	102,904,793	97,488,752
Mutual Funds Association of Pakistan	Associate Company	Investment in Shares Amount Paid against Membership Fee	265,000 3,419,566	— 2,861,389
MCB Cash Management Optimizer	Funds under management	Management fee Investment in units Redemption of units Dividend Income Reimbursement of expenses Selling and marketing	64,527,394 3,580,760,531 3,138,580,507 763,963 18,613,741 26,855,888	85,361,008 4,053,366,891 4,829,932,067 12,344,468 20,039,750 —
MCB DCF Income Fund	Funds under management	Management fee Share of sales load Back end load Reimbursement of expenses Selling and marketing Investment in units Redemption of units	47,184,693 4,165,487 2,029,202 3,205,351 13,228,275 — —	51,343,360 1,779,885 — 3,029,143 11,813,657 1,014,790 1,015,540
Ahsanu Islamic Income Fund	Funds under management	Management fee Share of sales load Back end load Sharia fee paid on behalf of the fund Reimbursement of expenses Selling and marketing	24,797,205 8,358,130 112,117 540,000 5,821,238 8,457,756	18,915,316 941,122 55,080 564,193 4,989,816 8,123,665
MCB Pakistan Asset Allocation Fund	Funds under management	Management fee Share of sales load Reimbursement of expenses Selling and marketing Back end load Investment in units Redemption of units	24,522,420 140,080 833,119 — 18,698 125,000,000 25,000,000	24,607,256 338,044 955,788 11,084,595 18,391 — —
Ahsanu Islamic Money Market Fund	Funds under management	Management fee Reimbursement of expenses Selling and marketing Share of sales load Sharia fee paid on behalf of the fund Investment in units Redemption of units Dividend Income Other Expenses	13,338,819 141,248 3,554,199 4,010 540,000 — — — 1,216,507	1,789,569 20,640 164,905 28,454 — 1,867,655,457 1,867,631,544 1,388,098 1,888,703
Ahsanu Islamic Stock Fund	Funds under management	Management fee Share of sales load Reimbursement of expenses Investment in units Selling and marketing Sharia fee paid on behalf of the fund	50,311,950 1,164,114 2,515,597 — 32,702,767 540,000	56,774,425 638,579 2,600,638 — 33,808,297 564,193

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
For The Nine Months Ended March 31, 2022**

Name of the related party	Relationship and percentage of shareholding	Nature of transaction	Quarter ended	
			31 Mar 2022	31 Mar 2021
			(Rupees)	
MCB Pakistan Sovereign Fund	Funds under management	Management fee Share of sales load Reimbursement of expenses Selling and marketing Investment in units Redemption of units	5,408,837 85,845 537,745 1,931,146 100,000,000 100,054,083	10,127,898 8,572 1,054,863 1,476,808 590,222 590,660
MCB Pakistan Stock Market Fund	Funds under management	Management fee Share of sales load Reimbursement of expenses Selling and marketing Investment in units Redemption of units	172,954,475 3,531,997 8,755,534 113,821,936 75,000,000 140,830,433	191,495,121 3,141,743 8,473,235 110,152,061 397,420,896 235,000,000
Pakistan Capital Market Fund	Funds under management	Management fee Share of sales load Reimbursement of expenses Selling and marketing	10,491,096 10,058 341,961 -	8,973,563 13,691 352,851 3,879,305
Pakistan Cash Management Fund	Funds under management	Management fee Reimbursement of expenses Share of sales load Selling and marketing Dividend Income Investment in units Redemption of units	8,581,305 21,468 85,039 2,146,695 3,049,705 437,846,333 297,500,404	2,857,367 914,364 - - - 84 84
Pakistan Income Enhancement Fund	Funds under management	Management fee Share of sales load Reimbursement of expenses Selling and marketing	7,601,277 878,255 818,479 165,353	5,176,798 130,784 520,144 3,195,090
Pakistan Income Fund	Funds under management	Management fee Share of sales load Reimbursement of expenses Selling and marketing Investment in units Redemption of units	53,316,822 2,742,610 5,991,169 2,328,590 486,000,000 881,426,303	28,331,996 1,053,307 2,754,708 2,592,765 600,237,744 338,317,732
Ahura Islamic Asset Allocation Fund	Funds under management	Management fee Share of sales load Back end load Reimbursement of expenses Selling and marketing Sharia fee paid on behalf of the fund	55,711,182 743,736 7,699,575 1,680,218 -	46,860,658 517,809 11,415,762 1,846,365 19,427,449 564,104
Ahura Islamic Pension Fund	Funds under management	Management fee Share of sales load Contribution to fund on behalf of the employees	15,389,322 526,669 18,385,862	15,282,897 300,025 15,114,489
Pakistan Pension Fund	Funds under management	Management fee Share of sales load Contribution to fund on behalf of the employees	23,039,826 1,242,277 5,437,891	23,406,327 177,510 5,230,316
Al-Hanra Islamic Active Asset Allocation Fund Plan-I	Funds under management	Management fee Reimbursement of expenses	- -	38,678 148,370
Al-Hanra Islamic Active Asset Allocation Fund Plan-II	Funds under management	Management fee Reimbursement of expenses	- -	36,245 115,582
Al-Hanra Smart Portfolio	Funds under management	Management fee Reimbursement of expenses Share of sales load	44,141 131,194 790,672	- - -
Al-Hanra Daily Dividend Fund	Funds under management	Management fee Dividend Income Investment in units Redemption of units Selling and marketing Reimbursement of expenses Bank Charges Share of sales load	5,411,053 - - - - 485,230 467,047 3,216,199	5,093,410 276,963 350,236,419 350,236,419 2,587,207 985,786 574,033 60,305

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
For The Nine Months Ended March 31, 2022**

**17.2 Amount outstanding as at period end**

Name of the related	Relationship and percentage of shareholding	Nature of transaction	(Unaudited)	(Audited)
			31 Mar 2022	30 June 2021
			(Rupees)	
MCB Bank Limited	Parent company with 51.33% Holding	Bank balance Other payable Commission payable	8,162,572 6,384,588	11,755,754 4,380,075 4,492,704
MCB Islamic Bank Limited	Subsidiary of Parent Company	Bank balance Mark up receivable	348,991 1,427	519,078 1,212
Adamjee Life Assurance Company Limited	Group Company of Parent Company	Advisory fee receivable	3,275,745	2,736,923
MCB DCF Income Fund	Funds under management	Remuneration receivable Sales load receivable Receivable against reimbursement of expenses Receivable against selling & marketing expenses Back end load receivable Federal excise duty on remuneration Federal excise duty on sales load	6,557,526 1,340,889 386,875 4,308,847 452,304 95,060,437 27,932,990	6,605,112 36,252 330,685 3,918,724 171,540 99,060,437 27,932,990
MCB Pakistan Asset Allocation Fund	Funds under management	Remuneration receivable Sales load receivable Receivable against reimbursement of expenses Closing balance of investment in units Federal excise duty on remuneration Federal excise duty on sales load	3,510,890 98,365 94,130 107,261,590 19,027,350 16,172,955	2,168,536 16,558 80,913 19,027,350 16,172,955
MCB Cash Management Optimizer	Funds under management	Remuneration receivable Sales load receivable Receivable against reimbursement of expenses Federal excise duty on remuneration Federal excise duty on sales load Closing balance of investment in units	6,877,466 2,876,916 34,286,812 18,788 183,929,873	8,201,283 995,781 54,256,812 18,788 6,538,775
Ahsara Islamic Income Fund	Funds under management	Remuneration receivable Sales load receivable Back end load receivable Receivable against reimbursement of expenses Receivable against Sharah Fee Receivable against selling & marketing expenses Federal excise duty on remuneration Federal excise duty on sales load	4,035,042 1,205,246 126,683 727,203 60,000 5,639,183 3,028,386	1,793,235 325,267 608,189 60,000 8,626,193 3,028,386
MCB Pakistan Stock Market Fund	Funds under management	Remuneration receivable Sales load receivable Closing balance of investment in units Receivable against reimbursement of expenses Receivable against selling & marketing expenses Federal excise duty on remuneration Federal excise duty on sales load	19,771,165 449,208 73,241,856 874,830 35,058,983 54,773,935 3,932,683	23,299,687 836,859 146,676,096 1,030,960 38,437,423 54,773,935 3,932,683
Pakistan Income Fund	Funds under management	Remuneration receivable Sales load receivable Receivable against reimbursement of expenses Closing balance of investment in units Federal excise duty on remuneration Federal excise duty on sales load Other receivable	4,558,038 105,140 490,477 9,210,245 239,199 132,561	7,651,531 345,554 852,866 388,253,829 9,210,245 239,199 132,561
MCB Pakistan Sovereign Fund	Funds under management	Remuneration receivable Sales load receivable Receivable against reimbursement of expenses Receivable against selling & marketing expenses Federal excise duty on remuneration Federal excise duty on sales load	568,587 14,167 54,946 461,016 29,027,574 4,169,840	663,526 8 63,516 290,630 29,027,574 4,169,840
Pakistan Capital Market Fund	Funds under management	Remuneration receivable Sales load receivable Receivable against reimbursement of expenses Federal excise duty on remuneration Federal excise duty on sales load	1,368,436 83 36,176 5,872,250	1,338,866 38,190 5,872,250
		Federal excise duty on sales load	392,742	392,742

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
For The Nine Months Ended March 31, 2022**

Name of the related party	Relationship and percentage of shareholding	Nature of transaction	(Unaudited)	(Audited)
			31 Mar 2022	30 June 2021
			(Rupees)	
Ahura Islamic Stock Fund	Funds under management	Remuneration receivable Sales load receivable Receivable against reimbursement of expenses Receivable against selling & marketing expenses Receivable against Sharah Fee Closing balance of investment in units Federal excise duty on remuneration Federal excise duty on sales load	5,447,963 48,802 241,069 9,724,598 60,000 22,554,113 5,680,242 124,913	6,456,723 81,700 285,696 11,074,298 60,000 24,437,229 5,689,242 124,913
Pakistan Pension Fund	Funds under management	Remuneration receivable Sales load receivable Closing balance of investment in units Federal excise duty on remuneration	2,995,354 3,627 317,161,185 5,976,465	2,547,807 - 311,872,289 5,976,465
Ahura Islamic Asset Allocation Fund	Funds under management	Remuneration receivable Sales load receivable Back end load receivable Receivable against reimbursement of expenses Receivable against Sharah Fee Federal excise duty on remuneration Federal excise duty on sales load	6,177,070 82,037 1,282,272 165,650 60,000 5,910,300 1,135,845	7,384,899 404,315 815,726 198,040 60,000 5,910,300 1,135,845
Ahura Islamic Pension Fund	Funds under management	Remuneration receivable Sales load receivable Closing balance of investment in units Federal excise duty on remuneration	1,997,123 4,248 322,362,364 3,030,332	1,874,842 271,597 326,724,863 3,030,332
Pakistan Samaya Muftouh Fund (Matured)	Funds under management	Federal excise duty on remuneration Federal excise duty on sales load	1,960,082 2,307,278	1,960,082 2,307,278
Pakistan Cash Management Fund	Funds under management	Remuneration receivable Receivable against reimbursement of expenses Sales load receivable Closing balance of investment in units Federal excise duty on remuneration	558,921 - - 6,145,929 11,932,884	217,783 62,402 30,605 - 11,932,884
Pakistan Income Enhancement Fund	Funds under management	Remuneration receivable Sales load receivable Back end load receivable Other receivable Receivable against reimbursement of expenses Federal excise duty on remuneration Federal excise duty on sales load	1,021,998 123,403 - 132,561 91,769 16,589,808 4,746,222	1,188,734 20,666 - 132,561 55,991 16,589,808 4,746,222
Ahura Islamic Money Market Fund	Funds under management	Remuneration receivable Sales load receivable Receivable against Sharah Fee Others Payable Federal excise duty on remuneration Federal excise duty on sales load	172,378 112 60,000 (747,686) 840,741 3,624,619	- 7,045 60,000 (1,844,136) 840,741 3,624,619
Al-Hamra Smart Portfolio	Funds under management	Remuneration receivable Receivable against reimbursement of expenses Closing balance of investment in units	6,587 13,303 122,477,529	3,298 6,590 119,852,529
Ahura Daily Dividend Fund	Funds under management	Remuneration receivable Payable against bank charges Sales load receivable	1,035,957 (5,949) 680,925	433,744 (32,653) 3,145

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
For The Nine Months Ended March 31, 2022**

**18. FAIR VALUE OF FINANCIAL INSTRUMENTS**

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences can arise between carrying values and fair value estimates.

Underlying the definition of fair value is the presumption that the Company 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.

The fair values of investments in units of open-end collective investment schemes and pension schemes are based on the net assets value announced by the Company at each reporting date.

The estimated fair value of all other assets and liabilities is considered not to be significantly different from their carrying values as the items are either short-term in nature or are periodically revalued.

**Fair value hierarchy**

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Company to classify fair value measurements 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 1);

- 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) (level 2); and

- Level 3

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

The table below analyses financial instruments measured at the end of the reporting period by the level at the fair value hierarchy into which the fair value measurement is categorised:

On-balance sheet financial instruments	31 March 2022 (Unaudited)						
	Fair value through profit or loss	Carrying amount			Fair value		
		Amortized cost	Other financial liabilities	Total	Level 1	Level 2	Level 3
(Rupees)							
<b>Financial assets measured at fair value</b>							
Long-term investments	639,523,549	-	-	639,523,549	639,523,549	-	639,523,549
Short-term investments	515,675,382	-	-	515,675,382	515,675,382	-	515,675,382
	<b>1,155,198,931</b>	<b>-</b>	<b>-</b>	<b>1,155,198,931</b>	<b>1,155,198,931</b>	<b>-</b>	<b>1,155,198,931</b>
<b>Financial assets not measured at fair value</b>							
Long-term loans	-	10,268,000	-	10,268,000			
Long-term deposits	-	5,504,103	-	5,504,103			
Receivable from related parties	-	543,962,749	-	543,962,749			
Loans and advances	-	44,075,399	-	44,075,399			
Deposits and other receivables	-	25,035,673	-	25,035,673			
Accrued mark-up	-	25,514	-	25,514			
Cash and bank balances	-	37,760,288	-	37,760,288			
	<b>668,242,318</b>	<b>-</b>	<b>-</b>	<b>668,242,318</b>	<b>-</b>	<b>-</b>	<b>668,242,318</b>
<b>Financial liabilities not measured at fair value</b>							
Trade & other payables	-	-	148,908,102	148,908,102			
Uncollected dividend	-	-	5,495,400	5,495,400			
	<b>-</b>	<b>-</b>	<b>154,363,502</b>	<b>154,363,502</b>	<b>-</b>	<b>-</b>	<b>154,363,502</b>
 <b>On-balance sheet financial instruments</b>							
30 June 2021 (Audited)							
	Note	Fair value	Carrying amount			Fair value	
Amortized cost			Other financial liabilities	Total	Level 1	Level 2	Level 3
(Rupees)							
<b>Financial assets measured at fair value</b>							
Long-term investments	638,596,957	-	-	638,596,957	638,596,957	-	638,596,957
Short-term investments	515,758,449	-	-	515,758,449	515,758,449	-	515,758,449
	<b>1,154,355,406</b>	<b>-</b>	<b>-</b>	<b>1,154,355,406</b>	<b>1,154,355,406</b>	<b>-</b>	<b>1,154,355,406</b>
<b>Financial assets not measured at fair value</b>							
Loans	-	10,181,313	-	10,181,313			
Long-term deposits	-	4,594,903	-	4,594,903			
Receivable from related parties	-	543,906,536	-	543,906,536			
Deposits and other receivables	-	15,082,656	-	15,082,656			
Accrued mark-up	-	22,487	-	22,487			
Cash and bank balances	-	43,029,106	-	43,029,106			
	<b>618,158,040</b>	<b>-</b>	<b>-</b>	<b>618,158,040</b>	<b>-</b>	<b>-</b>	<b>618,158,040</b>
<b>Financial liabilities not measured at fair value</b>							
Trade & other payables	-	-	4,672,994	4,672,994			
Uncollected dividend	-	-	179,498,583	179,498,583			
	<b>-</b>	<b>-</b>	<b>184,171,577</b>	<b>184,171,577</b>	<b>-</b>	<b>-</b>	<b>184,171,577</b>

During the period ended 31 March 2022, there were no transfers between level 1 and level 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

**18.1** The Company has not disclosed the fair value for these financial assets and financial liabilities, as these are either short-term in nature or revalued periodically. Therefore, their carrying amounts are a reasonable approximation of fair value.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
For The Nine Months Ended March 31, 2022**

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**19. GENERAL**

**19.1 Corresponding figures**

Corresponding figures have been rearranged and reclassified for the purposes of comparison and better presentation. No significant reclassification was made in this condensed interim financial statements during the current period.

**19.2 Date of authorization for issue**

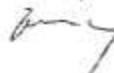
This condensed interim financial information was authorized for issue on April 20, 2022 by the Board of Directors of the Company.



Chief Executive Officer



Chief Financial Officer



Director

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

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

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

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

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