

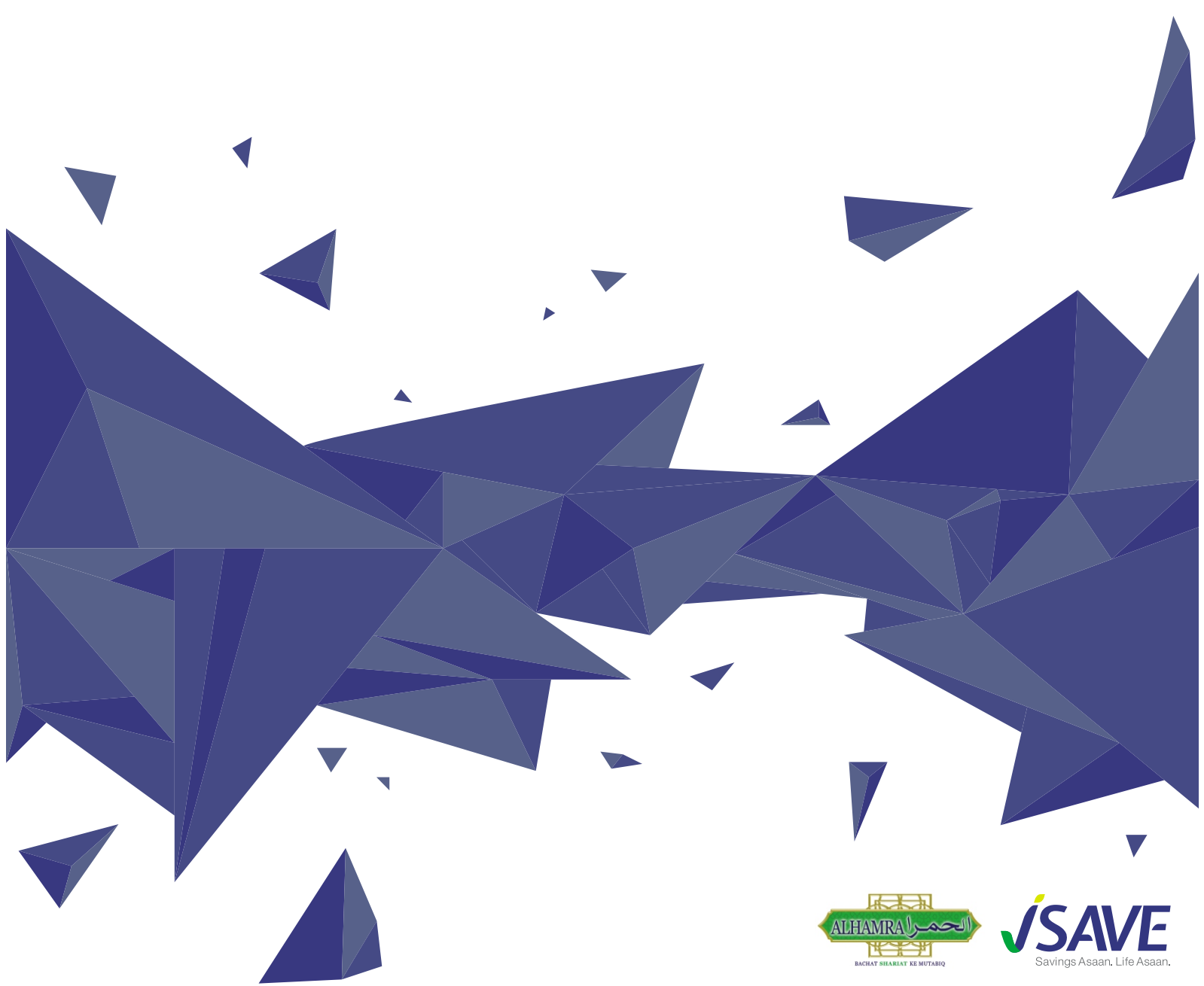


**MCB-ARIF HABIB**  
Savings and Investments Limited

# QUARTERLY REPORT

MARCH  
**2023**  
(UNAUDITED)

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



**ALHAMRA ISLAMIC STOCK FUND**

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## FUND'S INFORMATION

<b>Management Company</b>	<b>MCB-Arif Habib Savings &amp; Investments Limited</b> Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
<b>Board of Directors</b>	Mr. Haroun Rashid Mr. Nasim Beg Mr. Muhammad Saqib Saleem Mr. Ahmed Jahangir Mr. Kashif A. Habib Mirza Qamar Beg Syed Savail Meekal Hussain Ms. Mavra Adil Khan	Chairman Vice Chairman Chief Executive Officer Director Director Director Director 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>Credit Committee</b>	Mr. Nasim Beg Mr. Ahmed Jahangir	Member Member
<b>Chief Executive Officer</b>	Mr. Muhammad Saqib Saleem	
<b>Chief Operating Officer &amp; Chief Financial Officer</b>	Mr. Muhammad Asif Mehdi Rizvi	
<b>Company Secretary</b>	Mr. Altaf Ahmad Faisal	
<b>Trustee</b>	<b>Central Depository Company of Pakistan Ltd.</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: www.cdcpakistan.com	
<b>Bankers</b>	MCB Bank Limited Habib Metropolitan Bank Limited United Bank Limited Allied Bank Limited Habib Bank Limited National Bank of Pakistan Standard Chartered Bank Limited Silk Bank Limited MCB Islamic Bank Limited Bank Islami Pakistan Limited Dubai Islamic Bank Limited Askari Bank Limited Bank Al Habib Limited Faysal Bank Limited Soneri Bank Limited Al-Baraka Bank Pakistan Limited The Bank of Khyber	
<b>Auditors</b>	<b>Ernst &amp; Young Ford Rhodes</b> Chartered Accountants Progressive Plaza, Beaumont Road, P.O.Box 15541 Karachi, Sindh-75530, Pakistan.	
<b>Legal Advisor</b>	<b>Bawaney &amp; Partners</b> 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
<b>Transfer Agent</b>	<b>MCB-Arif Habib Savings &amp; Investments Limited</b> Adamjee House, 2nd Floor I.I. Chundrigar Road, Karachi.	
<b>Rating</b>	<b>AM1</b> Asset Manager Rating assigned by PACRA	

# REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2023

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Dear Investor,

On behalf of the Board of Directors, I am pleased to present **Alhamra Islamic Stock Fund** Accounts review for the nine months and quarter ended March 31, 2023.

## ECONOMY AND MONEY MARKET REVIEW

The country faced a period of heightened economic challenges, which were further escalated by the worst floods in more than a decade. The floods caused significant damage to infrastructure, crops, and livestock, as well as loss of precious lives. Efforts to shore up international aid, while resulted in significant commitments of near USD 10bn over medium term however the strain, intensified the short term pressures as country is already grappling with depleting foreign exchange reserves while struggling to unlock IMF support.

The county's external position remains precarious with SBP foreign exchange reserves declining to USD 4.2 billion (mere import cover of 3 weeks) compared to USD 9.8 billion at the start of the fiscal year. The government has been aggressively pursuing IMF program - albeit with a delay – to conclude 9th review of the Fund. Despite taking politically unpopular steps like raising energy tariff, letting PKR devalue, slapping additional taxes and raising interest rates, IMF's Staff Level Agreement (SLA) yet eludes us. The delay in the IMF program led to a slowdown in foreign flows from bilateral and multilateral partners leading to erosion in reserves. As a result, the currency remained under severe pressure, with dollar appreciating by 38.6% in 9MFY23 to close at 283.4 near to its all-time high level.

The country posted a current account deficit (CAD) of USD 3.9 billion in first eight months of the fiscal year 2023 (8MFY23) declining by 68% YoY compared to a deficit of USD 12.1 billion in the corresponding period last year. Narrowing trade deficit was the major contributor towards improving CAD as a 9.7% decrease in exports coupled with 21.0% drop in imports led to 29.8% contraction in the trade deficit. The government kept a lid on imports through administrative measures such as imposing import quotas on selective imports. However, these steps have led to an increase in smuggling activity which is also picking away remittances through gray channels. Furthermore, the tight leash on imports is not sustainable as it is causing shortages across various industries impacting overall economic growth.

Headline inflation represented by CPI averaged 27.2% during 9MFY23 as compared to 10.7% in the corresponding period last year. Higher food prices coupled with higher electricity, gas and petroleum prices were the major contributors towards rising CPI. The inflationary pressures were broad based, which is depicted by core inflation increasing to 20.4% compared to 12.3% at the end of last fiscal year. SBP increased the policy rate by a further 100bps to 21.0% in the latest monetary policy held in April 2023. On the fiscal side, FBR tax collection increased by 17.6% in 9MFY23 to PKR 5,156bn compared to PKR 4,385bn in the same period last year and below the target by PKR 304bn.

Secondary markets yields increased in 9MFY23 on account of monetary tightening and an additional bout of inflationary pressures post a massive currency devaluation. The 3,6 and 12 Month T-Bills yield increased by 643, 595 and 585 basis points (bps) respectively while 3,5 and 10 Years Bond yields rose by 479,226 and 206bps respectively during 9MFY23.

## EQUITY MARKET REVIEW

The KSE-100 index closed in negative territory, declining by 1,540 points (-3.7%) in 9MFY23 to close at 40,001 points. The initial exuberance on the account of the resumption of the IMF program and support from friendly countries soon washed away with catastrophic floods, which further deteriorated the already ailing economic conditions of the country. The period under review was marked with elevated inflation (CPI clocking the highest since 1974), depleting SBP Reserves (lowest levels since March 2014), and highest ever interest rates, which kept investors in a grim situation. Moreover, continuous delay in the completion of the 9th review under the IMF Program amid political turbulence in the country further dented investors' sentiments.

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2023

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Foreigners turned net buyer with an inflow of USD 7.2 million, while on the local front, Mutual Funds offloaded about USD 111 million, which was largely absorbed by Companies, Banks and Individuals with net buying of USD 82.4 million, USD 60.0 million and USD 57.6 million, respectively. During the 9MFY23, average trading volumes saw a decline to 204 million shares compared to about 291 million shares during the preceding 9M. Similarly, the average trading value during the 9M saw a drop of 49% over the same period last year to near USD 28.2 million.

Pharma, Miscellaneous, Auto Assemblers, and Food sector were the major contributors to the index decline, posting -449/-426/-388/-318 points, respectively. Pharma sector struggled with the risk of exchange losses amid depreciating PKR against USD posing risk to near-term earnings. Automobile Assemblers struggled due to poor volumetric sales thanks to restrictions imposed by SBP. On the flip side, Technology sector added 801 points to the index.

### FUND PERFORMANCE

During the period, ALHISF delivered a return of -3.08% as compared to benchmark return of 0.83%. Overall equity exposure of the fund stood at 92.60% at the end of the period. The fund changed its investment strategy several times during the quarter to cope with various sector and company level fundamental developments. During the period, the fund had exposures majorly in Oil and Gas Exploration Companies, Cement, Fertilizer, Technology and Commercial Banks. The Net Assets of the Fund as at March 31, 2023 stood at Rs. 2,682 million as compared to Rs. 2,430 million as at June 30, 2022 registering an increase of 10.37%. The Net Asset Value (NAV) per unit as at March 31, 2023 was Rs. 8.82 as compared to opening NAV of Rs. 9.10 per unit as at June 30, 2022 registering a decrease of Rs. 0.28 per unit.

### ECONOMY & MARKET – FUTURE OUTLOOK

We expect FY23 GDP growth to decline to 0.1% as monetary tightening, rupee devaluation and the prevailing uncertainty will lead to slowdown in the economy. The loss of cotton and rice crop in the aftermath of floods would trim agriculture growth to 0.4% while industrial growth is expected at clock at -6.9% owing to demand slowdown and shortage of raw materials. The government is taking administrative measures to control imports, which may reduce service sector growth to 2.3%.

We expect the government to keep a tight leash on imports and discourage unnecessary dollar outflows. The import bill is expected to decrease by 20% YoY to USD 66 billion as we will witness volumetric compression in several segments of the economy. Thus we expect the CAD to ease to USD 5.8 billion (1.7% of GDP) in FY23, a massive drop, when compared with USD 17.4 billion (4.5% of GDP) in FY22.

Media reports indicate positive progress on confirmation of support from friendly countries which will remove the last hurdle towards IMF agreement. Saudi Arabia has confirmed commitment of USD 2bn and Pakistan is hoping for similar commitment for UAE or some other source which would lead to the much-delayed staff-level agreement with IMF. The successful resumption of IMF program is essential as it will allow us to tap funding from bilateral and multilateral sources. Due to ongoing uncertainty other external funding sources including Foreign Direct Investment and Roshan Digital Account also remain muted making IMF even more critical for sustainability of external account and economic stability.

We expect Average FY23 inflation to clock at 29.2% compared to 12.1% in FY22. A second round impact of the currency devaluation will keep inflation numbers elevated for the remainder of the year. SBP has increased interest rates by 1.0% to 21.0% in April-23 MPS to push the real interest rate in positive territory on a forward-looking basis and anchor inflation expectations. In our view, subject to smooth resumption of IMF, Interest Rates appear to be near peak and after a brief phase of current rates, a monetary easing cycle can potentially begin in the later part of the year as the base effect on inflation starts kicking in which will be more pronounced from the start of next calendar year.

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2023

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From capital market perspective, particularly equities, the correction in stock prices has further opened up valuation. The market appears to have priced in the interest rate increase and currency depreciation. Market cap to GDP ratio has declined to 7.7%, a discount of 61% from its historical average. Similarly, Earning Yield Minus Risk Free Rate are close to 6.8%, compared to historical average of 2.7% 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. However, resolution of challenges on external account shall be critical in unlocking the huge potential. The market is currently trading at PER of 4.6x, while offering a dividend yield of 12.1%.

For debt holders, we expect Money Market Funds to continue to seamlessly mirror policy rates throughout the year. We would continue to monitor the data points and capitalize on opportunities to add government bonds in Income Funds at attractive rates to benefit from the expected monetary easing in the medium term.

### MUTUAL FUND INDUSTRY REVIEW

The Net Assets of the open end mutual funds industry increased by about 22.8% during 9MFY23 to PKR 1,491 billion. Total money market funds grew by about 26.8% since June 2022. Within the money market sphere, the conventional funds showed a decline of 1.1% to PKR 441 billion while Islamic funds increased by 82.2% to PKR 411 billion. In addition, the total fixed Income funds increased by about 24.0% since June 2022 to PKR 358 billion. Equity and related funds declined by 21.9% as market witnessed a drop in 9MFY23, eroding AUMs as concern over macroeconomic factors kept investors at bay.

In terms of the segment share, Money Market funds were the leader with a share of around 57.1%, followed by Income funds with 24.0% and Equity and Equity related funds having a share of 12.0% as at the end of 9MFY23.

### MUTUAL FUND INDUSTRY OUTLOOK

The current interest rates would encourage higher flows in the money market funds as they are ideal for investors with a short term horizon and low risk profile. However, a correction in stock prices has opened up valuations and the long term investors may look to add equity exposure at these highly attractive levels. Our operations remained seamless and given our competitive edge in digital access and online customer experience, we are prepared to get benefits of the growing number of investors available online.

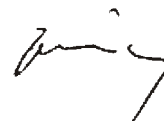
### ACKNOWLEDGEMENT

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

On behalf of Directors,



Muhammad Saqib Saleem  
Chief Executive Officer  
April 14, 2023



Nasim Beg  
Director/Vice Chairman

## ڈائریکٹرز رپورٹ

دوسرے نمبر پر انکم فنڈز تھے جن کا 24.0 فیصد حصہ تھا، اور تیسرے نمبر پر ایکویٹی اور ایکویٹی سے متعلقہ فنڈز تھے جن کا 12.0 فیصد حصہ تھا۔

میوچل فنڈ کی صنعت کے مستقبل کا منظر

سوڈی موجودہ شرحوں سے Money مارکیٹ فنڈز میں زیادہ آمدورفت کی حوصلہ افزائی ہوگی کیونکہ یہ مختصر المیعاد سرمایہ کاروں کے لیے موزوں ترین ہیں جو خطرے کی کم سطح پر رہنا چاہتے ہیں۔ تاہم اسٹاک کی قیمتوں میں تصحیح سے تعینات قدر کھل گئی ہیں اور طویل المیعاد سرمایہ کاران پر کشش سطحوں پر ایکویٹی میں مزید پیسہ لگانا چاہیں گے۔ ہمارے آپریشنز بلا رکاوٹ جاری رہے، اور ڈیجیٹل رسائی اور آن لائن سہولیات میں بھرپور سرمایہ کاری کے نتیجے میں ہمیں جو سبقت حاصل ہے اس کی بدولت ہم آن لائن کام کرنے والے سرمایہ کاروں کی بڑھتی ہوئی تعداد سے استفادہ کر سکتے ہیں۔

اظہار تشکر

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

من جانب ڈائریکٹرز



نسیم بیگ  
ڈائریکٹر / وائس چیئرمین



محمد ثاقب سلیم  
چیف ایگزیکٹو آفیسر  
کراچی، 14 اپریل 2023ء



## ڈائریکٹرز رپورٹ

ہم حکومت سے اُمید کرتے ہیں کہ وہ درآمدات کی لگام مضبوطی سے کھینچ کر رکھے گی اور ڈالر کے غیر ضروری اخراجاتی بہاؤ کی حوصلہ شکنی کرے گی۔ درآمدات متوقع طور پر 20 فیصد YoY کم ہو کر 66 بلین ڈالر ہو جائیں گی کیونکہ معیشت کے متعدد گوشوں کے حجم سنکڑ جائیں گے۔ چنانچہ ہمیں توقع ہے کہ مالی سال 2023ء میں سی اے ڈی کم ہو کر 5.8 بلین ڈالر (جی ڈی پی کا 1.7 فیصد) ہو جائے گا جو مالی سال 2022ء کے 17.4 بلین ڈالر (جی ڈی پی کے 4.5 فیصد) کے مقابلے میں قابل ذکر کمی ہے۔

میڈیا رپورٹس کے مطابق دوست ممالک سے تعاون کی تصدیق میں مثبت پیش رفت ہوئی ہے جس کی بدولت آئی ایم ایف معاہدے کی راہ میں حائل آخری رکاوٹ دور ہو جائے گی۔ سعودی عرب نے 2 بلین ڈالر کے معاہدے کی تصدیق کی ہے، اور متحدہ عرب امارات سے بھی اسی نوعیت کے معاہدے کی توقع ہے، جس کی بدولت بے حد مطلوب آئی ایم ایف اسٹاف لیول معاہدے کی راہ ہموار ہوگی۔ آئی ایم ایف پروگرام کی کامیابی کی بحالی ایک کلیدی مثبت پیش رفت ہے کیونکہ اس کی بدولت ہم دو طرفہ اور کثیر الجہتی ذرائع سے رقم حاصل کر سکیں گے۔ موجودہ غیر یقینی صورتحال کے باعث حصول رقم کے دیگر خارجی ذرائع بشمول براہ راست غیر ملکی سرمایہ کاری (FDI) اور روشن ڈیجیٹل اکاؤنٹ بھی کارآمد ثابت نہیں ہو رہے ہیں، اور اس کے نتیجے میں آئی ایم ایف خارجی اکاؤنٹ کی قابلیت بقاء اور معاشی استحکام کے لیے مزید مشکل ہو رہی ہے۔

مالی سال 2023ء میں اوسط مہنگائی 29.2 فیصد متوقع ہے، بالمقابل مالی سال 2022ء میں 12.1 فیصد کے۔ روپے کی قدر میں کمی کے اثر کا دوسرا دور سال کے بقیہ حصے کے دوران مہنگائی کے عدد بلند سطح پر رکھے گا۔ ایس بی پی نے اپریل 2023ء MPS میں سود کی شرحوں کو 1.0 فیصد بڑھا کر 21.0 فیصد کر دیا ہے تاکہ حقیقی شرح سود کو ترقی پسندانہ بنیاد پر مثبت علاقے میں لے جایا جاسکے اور مہنگائی کی توقعات کو لنگر انداز کیا جاسکے۔

ہم سمجھتے ہیں کہ آئی ایم ایف کی پلا رکاوٹ بحالی سے مشروط سود کی شرحیں بظاہر بلندی کے قریب ہیں، اور موجودہ شرحوں کے ایک مختصر دور کے بعد سال کے اواخر میں مالیاتی تسہیل کا چکر شروع ہو سکتا ہے، کیونکہ مہنگائی پر base effect پڑنے لگے گا جو اگلے سال کے آغاز سے مزید واضح ہوگا۔

کیپیٹل مارکیٹ، خصوصاً ایکویٹیز، کے نقطہ نظر سے اسٹاک کی قیمتوں میں تصحیح سے تعین قدر مزید کھل گئی ہے۔ مارکیٹ نے بظاہر شرح سود میں اضافے اور روپے کی قدر میں کمی کو مد نظر رکھا ہے۔ مارکیٹ cap کا جی ڈی پی کے ساتھ تناسب کم ہو کر 7.7 فیصد ہو گیا ہے جو اس کے قدیم اوسط سے 61 فیصد کمی ہے۔ اسی طرح، Earning Yield Minus Risk Free Rate تقریباً 6.8 فیصد ہیں، اور ان کے قدیم اوسط 2.7 فیصد سے موازنہ کرنے پر مارکیٹ میں ہونے والی تجارت میں بھرپور کمی کا پتہ چلتا ہے۔ ہم سمجھتے ہیں کہ شعبہ جات اور اسٹاکس کا بہت قریبی تناظر اہم رہے گا اور سرمایہ کاری کے انتخاب کے لیے ان کمپنیوں پر توجہ مرکوز کی جانی چاہیے جو اپنی اندرونی قدر میں بھرپور کمی پر تجارت کرتی ہیں۔ تاہم ضخیم استعداد سے فائدہ اٹھانے کے لیے خارجی میدان کے مسائل سے نمٹنا ضروری ہے۔ موجودہ طور پر مارکیٹ میں 4.6x PER پر تجارت ہو رہی ہے جبکہ ڈیویڈنڈ کی آمدنی 12.1 فیصد پر ہے۔

حاملین قرض کے لیے ہم توقع کرتے ہیں کہ Money مارکیٹ فنڈ سال بھر بلا رکاوٹ پالیسی شرحوں کی عکاسی جاری رکھیں گے۔ ہم ڈیٹا پوائنٹس کی نگرانی، اور پُرکشش شرحوں پر انکم فنڈز میں حکومتی بانڈز شامل کرنے کے مواقع سے استفادہ، جاری رکھیں گے تاکہ درمیانی مدت میں متوقع مالیاتی تسہیل سے فائدہ اٹھایا جاسکے۔

### میوچل فنڈ صنعت کا جائزہ

اوپن اینڈ میوچل فنڈ صنعت کے net اثاثہ جات مالی سال 2023ء کے ابتدائی نو ماہ کے دوران تقریباً 22.8 فیصد بڑھ کر 1,491 بلین روپے ہو گئے۔ مجموعی Money مارکیٹ فنڈز میں جون 2022ء سے اب تک تقریباً 26.8 فیصد اضافہ ہوا۔ Money مارکیٹ کے دائرہ کار میں روایتی فنڈز 1.1 فیصد بڑھ کر 441 بلین روپے ہو گئے، جبکہ اسلامک فنڈز 82.2 فیصد بڑھ کر 411 بلین روپے ہو گئے۔ مزید برآں، مجموعی فیکسڈ انکم فنڈز جون 2022ء سے اب تک تقریباً 24.0 فیصد بڑھ کر 358 بلین روپے ہو گئے۔ ایکویٹی اور متعلقہ فنڈز 21.9 فیصد کم ہو گئے جس کی وجہ زیر جائزہ مدت کے دوران مارکیٹ میں انحطاط اور اثاثہ جات تحت الانظامیہ میں کمی ہے کیونکہ مجموعی معاشی عوامل سے متعلق خدشات سرمایہ کاروں کی حوصلہ شکنی کا سبب بنے۔

شعبہ جاتی اعتبار سے مالی سال 2023ء کے ابتدائی نو ماہ کے اختتام پر Money مارکیٹ فنڈز تقریباً 57.1 فیصد حصے کے ساتھ سب سے آگے تھے، جبکہ

## ڈائریکٹرز رپورٹ

### ایکویٹی مارکیٹ کا جائزہ

کراچی اسٹاک ایکسچینج KSE-100 انڈیکس منفی رجحان میں بند ہوا؛ مالی سال 2023ء کے ابتدائی نو ماہ میں 1540 پوائنٹس (3.7- فیصد) کم ہو کر 40,001 پوائنٹس پر بند ہوا۔ آئی ایم ایف پروگرام کی بحالی اور دوست ممالک کی طرف سے تعاون کے حوالے سے جو ابتدائی جوش و خروش تھا وہ جلد ہی تباہ کن سیلابوں کی نذر ہو گیا جس کے نتیجے میں ملک کی پہلے سے بد حال معیشت مزید ابتر ہو گئی۔ زیر جائزہ مدت میں مہنگائی میں اضافہ ہوا (سی پی آئی 1974ء سے اب تک کی بلند ترین سطح پر پہنچ گیا) جس کے باعث ایس بی پی کے ذخائر کم ہوئے مارچ 2014ء سے اب تک کی پست ترین سطح پر پہنچ گئے)، اور شروع سودا ب تک کی بلند ترین سطح پر پہنچ گیا جس کے باعث سرمایہ کاروں ناگوں کی کیفیت میں مبتلا رہے۔ مزید برآں، آئی ایم ایف پروگرام کے تحت نویں (9th) جائزے میں مسلسل تاخیر اور ملک میں سیاسی افراتفری نے سرمایہ کاروں کو مزید پریشانی سے دوچار کر دیا۔

غیر ملکی افراد 7.2 ملین ڈالر آمدنی بہاؤ کے ساتھ net خریدار رہے، جبکہ مقامی جہت میں میوچل فنڈز نے 111 ملین ڈالر کی فروخت کی جس کے بڑے خریدار کمپنیاں (82.4 ملین ڈالر)، بینک (60.0 ملین ڈالر) اور افراد (57.6 ملین ڈالر) تھے۔ مالی سال 2023ء کے ابتدائی نو ماہ کے دوران اوسط تجارتی حجم کم ہو کر 204 ملین حصص ہو گیا، جبکہ سابقہ نو ماہ کے دوران تقریباً 291 ملین حصص تھا۔ اسی طرح، زیر جائزہ نو ماہ کے دوران اوسط تجارتی قدر سال گزشتہ مماثل مدت کے مقابلے میں 49 فیصد کم ہو کر تقریباً 28.2 ملین ڈالر ہو گئی۔

انڈیکس کی کمی میں اہم ترین کردار دو اساسی کمپنی، دیگر کمپنیاں، گاڑیوں کی اسمبلنگ، اور ایشیائے خورد و نوش کے شعبوں نے ادا کیا جنہوں نے بالترتیب 449-، 426-، 388- اور 318- پوائنٹس پوسٹ کیے۔ روپے کی قدر میں کمی کے باعث دو اساسی کے شعبے کو زرمبادلہ کے خسارہ جات کا سامنا رہا جس کے نتیجے میں قریب المیعاد کی آمدنیوں کو خطرہ لاحق ہوا۔ گاڑیوں کی اسمبلنگ کی کمپنیاں فروخت کے ناقص حجم کے باعث مشکل کا شکار ہوئیں جس کی وجہ ایس بی پی کی عائد کردہ پابندیاں ہیں۔ دوسری جانب ٹیکنالوجی کے شعبے نے انڈیکس میں 801 پوائنٹس کا اضافہ کیا۔

### فنڈ کی کارکردگی

مدت کے دوران، ALHISF نے (3.08) فیصد کا منافع پوسٹ کیا، جبکہ مقررہ معیار منافع 0.83 فیصد تھا۔ مدت کے اختتام پر فنڈ کی مجموعی ایکویٹی ایکسپوزر 92.60 فیصد رہی۔ فنڈ نے مختلف سیکٹرز اور کمپنی کی سطح کی بنیادی پیش رفت سے نمٹنے کے لیے سہ ماہی کے دوران کئی بار اپنی سرمایہ کاری کی حکمت عملی تبدیل کی۔ اس مدت کے دوران، فنڈ نے تیل اور گیس پیدا کرنے والی کمپنیوں، سینٹ، کھاد، ٹیکنالوجی اور کمرشل بینکوں میں بڑے پیمانے پر سرمایہ کاری کی تھی۔ 31 مارچ 2023ء کو فنڈ کے خالص اثاثہ جات 2,682 ملین روپے تھے، جو 30 جون 2022ء کو 2,430 ملین روپے کے مقابلے میں 10.37 فیصد کا اضافہ ہے۔

31 مارچ 2023ء کو خالص اثاثہ جاتی قدر (NAV) فی یونٹ 8.82 روپے تھی، جو 30 جون 2022ء کو ابتدائی اثاثہ جاتی قدر (NAV) 9.10 روپے فی یونٹ کے مقابلے میں 0.28 روپے فی یونٹ کی کمی ہے۔

### معیشت اور بازار - مستقبل کے امکانات

مالی سال 2023ء میں جی ڈی پی کی ترقی میں 0.1 فیصد کمی متوقع ہے کیونکہ مالیاتی سختی، روپے کی قدر میں کمی اور موجودہ غیر یقینی صورتحال کے نتیجے میں معیشت منست روی کا شکار ہو جائے گی۔ سیلاب کی تباہ کاریوں کے ضمن میں کپاس اور چاول کی فصلوں کے ضیاع کے باعث زراعت کی ترقی متاثر ہو کر 0.4 فیصد ہو جائے گی جبکہ صنعتی ترقی 6.9- فیصد متوقع ہے جس کے اسباب طلب میں منست روی اور خام مال کی قلت ہیں۔ حکومت درآمدات پر قابو پانے کے لیے انتظامی اقدامات کر رہی ہے جس کے باعث خدمات کے شعبے کی ترقی کم ہو کر 2.3 فیصد ہو جائے گی۔

## ڈائریکٹرز رپورٹ

عزیز سرمایہ کار

بورڈ آف ڈائریکٹرز کی جانب سے الحمد للہ اسلامک اسٹاک فنڈ کے اکاؤنٹس مختتمہ برائے نو ماہ اور سہ ماہی 31 مارچ 2023ء کا جائزہ پیش خدمت ہے۔

معیشت اور بازار کا جائزہ

ملک گھمبیر معاشی مسائل کے دور سے گزرا ہے اور گزشتہ ایک دہائی سے زائد کے بدترین سیلابوں نے اسے مزید سنگین بنا دیا۔ سیلابوں سے انفراسٹرکچر یعنی ساخت، فصلوں اور مویشیوں کو شدید نقصان پہنچا اور انسانی جانوں کا ضیاع ہوا۔ بین الاقوامی امداد جمع کرنے کی کوششوں کے نتیجے میں اگرچہ درمیانی مدت میں تقریباً 10 بلین ڈالر سے زائد کے وعدے حاصل ہوئے تاہم مختصر مدت کے دباؤ میں اضافہ ہوا کیونکہ ملک پہلے ہی زرمبادلہ کے کم ہوتے ہوئے ذخائر سے نمٹ رہا ہے اور آئی ایم ایف کی امداد حاصل کرنے کی کاوش میں لگا ہوا ہے۔

ملک کی خارجی صورتحال غیر یقینی رہی کیونکہ ایس بی پی کے زرمبادلہ کے ذخائر کم ہو کر 4.2 بلین ڈالر (صرف 3 ہفتوں کا درآمداتی cover) جبکہ مالی سال کے آغاز میں 9.8 بلین ڈالر تھے۔ حکومت متحرک انداز میں آئی ایم ایف پروگرام پر عمل کرتے ہوئے - اگرچہ کچھ تاخیر کے ساتھ - فنڈ کا نواں (9th) جائزہ پایہ تکمیل تک پہنچانے کے لیے پرعزم ہے۔

سیاسی اعتبار سے ناپسندیدہ فیصلوں مثلاً بجلی اور گیس کی قیمت بڑھانے، روپے کی قدر میں کمی ہونے دینا، اضافی ٹیکس لگانے، اور سود کی شرحوں میں اضافہ کرنے کے باوجود آئی ایم ایف کا اسٹاف لیول ایگریمنٹ (SLA) اب بھی ہمارے ہاتھ نہیں آیا ہے۔ آئی ایم ایف پروگرام میں تاخیر کے باعث دو طرفہ اور کثیرالجنبہ شراکت داروں سے غیر ملکی امداد دست روی کا شکار ہوئیں اور ذخائر میں کمی ہوئی۔ اس کے نتیجے میں روپے پر شدید دباؤ رہا اور مالی سال 2023ء میں ڈالر کی قدر 38.6 فیصد بڑھ کر 283.4 روپے ہو گئی جو اب تک کی بلند ترین سطح ہے۔

مالی سال 2023ء کے ابتدائی آٹھ ماہ میں ملک نے 3.9 بلین ڈالر کرنٹ اکاؤنٹ خسارہ (سی اے ڈی) پوسٹ کیا، جو سال گزشتہ کی مماثل مدت کی سطح 12.1 بلین ڈالر کے مقابلے میں 68 فیصد YoY کمی ہے۔ سی اے ڈی میں بہتری میں اہم ترین کردار تجارتی خسارے میں کمی کا ہے۔ برآمدات میں 9.7 فیصد کمی کے ساتھ ساتھ درآمدات میں 21.0 فیصد کمی کی بدولت تجارتی خسارہ 29.8 فیصد سے سنکڑ گیا۔ حکومت نے انتظامی اقدامات کے ذریعے درآمدات کو قابو میں رکھا، مثلاً منتخب درآمدات پر درآمداتی کوٹوں کا نفاذ۔ تاہم ان اقدامات سے اسمگلنگ (غیر قانونی درآمدات) کی سرگرمیوں میں اضافہ ہوا ہے اور مشتہ ذرائع سے ترسیلات زر ضائع ہو رہی ہیں۔ علاوہ ازیں، درآمدات کو سختی سے قابو میں رکھنا پائیدار عمل نہیں ہے کیونکہ اس سے مختلف صنعتوں میں کمی پیدا ہو رہی ہے جس کے نتیجے میں مجموعی معاشی ترقی متاثر ہو رہی ہے۔

ہیڈ لائن افراط زر، جس کی ترجمانی CPI یعنی صارفین کی قیمت کے انڈیکس سے ہوتی ہے، کا اوسط مالی سال 2023ء کے ابتدائی نو ماہ کے دوران 27.2 فیصد تھا جبکہ گزشتہ سال مماثل مدت میں 10.7 فیصد تھا۔ اشیائے خورد و نوش کی قیمتوں کے ساتھ ساتھ بجلی کے نرخ میں اضافہ اور پٹرول کی بڑھتی ہوئی قیمتیں CPI میں اضافے کے اہم ترین اسباب تھے۔ مہنگائی کا دباؤ وسیع پیمانے پر تھا جس کا اظہار core مہنگائی میں 20.4 فیصد کی سطح تک اضافے سے ہوا جو گزشتہ مالی سال کے اختتام پر 12.3 فیصد تھا۔ ایس بی پی نے اپریل 2023ء کی تازہ ترین ماہی پالیسی میں پالیسی شرح کو مزید 100 بیسیس پوائنٹس (بی پی ایس) بڑھا کر 21.0 فیصد کر دیا۔ مالیاتی جہت میں ایف بی آر کی ٹیکس وصولی میں مالی سال 2023ء کے ابتدائی نو ماہ میں 17.6 فیصد اضافہ ہوا اور 5,156 بلین روپے ٹیکس جمع ہوئے، جبکہ گزشتہ سال مماثل مدت میں 4,385 بلین روپے تھا اور ہدف سے 304 بلین روپے کم تھا۔

ثانوی مارکیٹوں کی پیداوار میں مالی سال 2023ء کے ابتدائی نو ماہ میں اضافہ ہوا جس کے اسباب مالیاتی سختی اور روپے کی قدر میں خطیر کمی کے بعد مہنگائی کے دباؤ کی نئی لہر ہے۔ 3، 6 اور 12 ماہانہ ٹی۔ ہلنز کے منافع جات میں بالترتیب 643,595 اور 585 بی پی ایس، جبکہ 3، 5 اور 10 سالہ بانڈز کے منافع جات میں بالترتیب 479,226 اور 206 بی پی ایس کا اضافہ ہوا۔

# CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2023

		(Un-Audited) March 31, 2023	(Audited) June 30, 2022
	Note	----- (Rupees in '000) -----	
<b>ASSETS</b>			
Balance with banks	5	176,944	141,898
Investments	6	2,531,805	2,306,876
Receivable against sale of investments		3,055	42,371
Dividend and markup receivables		19,169	2,052
Advances, deposits and other receivables		3,576	4,121
<b>Total assets</b>		<b>2,734,549</b>	<b>2,497,318</b>
<b>LIABILITIES</b>			
Payable to the Management Company		14,191	13,788
Payable to the Central Depository Company of Pakistan Limited - Trustee		358	330
Payable to the Securities and Exchange Commission of Pakistan		385	638
Payable against purchase of investments		12,786	27,702
Accrued expenses and other liabilities	7	25,140	24,517
<b>Total liabilities</b>		<b>52,860</b>	<b>66,975</b>
<b>NET ASSETS</b>		<b>2,681,689</b>	<b>2,430,343</b>
<b>Unit holders' fund (as per statement attached)</b>		<b>2,681,689</b>	<b>2,430,343</b>
<b>Contingencies and commitments</b>	8		
		----- (Number of units) -----	
<b>Number Of Units In Issue</b>		<b>303,964,346</b>	<b>267,102,604</b>
		----- (Rupees) -----	
<b>NET ASSETS VALUE PER UNIT</b>		<b>8.82</b>	<b>9.10</b>

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

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



Chief Executive Officer



Chief Financial Officer



Director

# CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2023

	Nine months ended March 31,		Quarter ended March 31,	
	2023	2022	2023	2022
<b>INCOME</b>	Note ----- (Rupees in '000) -----			
Capital gain / (loss) on sale of investments	9,809	(154,694)	(4,896)	(49,038)
Dividend income	112,171	134,743	46,414	48,797
Markup on bank deposits	11,211	8,214	2,387	3,290
Net unrealised (diminution) / appreciation in fair value of investments classified as 'at fair value through profit or loss'	(124,406)	(178,167)	2,526	(4,541)
<b>Total Income / (loss)</b>	<b>8,785</b>	<b>(189,905)</b>	<b>46,431</b>	<b>(1,493)</b>
<b>EXPENSES</b>				
Remuneration of the Management Company	38,695	50,314	13,303	14,961
Sindh Sales Tax and Federal Excise Duty on remuneration of the Management Company	5,030	6,541	1,728	1,944
Remuneration of the Central Depository Company of Pakistan Limited - Trustees	2,665	3,266	892	994
Sindh Sales tax on remuneration of Trustee	358	425	127	130
Securities and Exchange Commission of Pakistan - annual fee	385	503	130	149
Allocated expense	1,935	2,516	665	748
(Reversal) / provision for Sindh Workers' Welfare Fund	-	(27,763)	-	-
Selling and marketing expenses	25,151	32,702	8,646	9,724
Brokerage Expense	7,874	11,252	2,934	2,958
Settlement and bank charges	779	1,093	211	337
Fees and subscription	21	21	7	7
Legal and professional charges	157	511	76	39
Shariah advisory fee	541	541	178	178
Donation	4,210	4,435	1,815	1,812
Auditors' remuneration	579	335	161	112
Printing and related costs	27	25	13	12
<b>Total expenses</b>	<b>88,406</b>	<b>86,715</b>	<b>30,885</b>	<b>34,103</b>
<b>Net (loss) / Income for the period before taxation</b>	<b>(79,622)</b>	<b>(276,620)</b>	<b>15,545</b>	<b>(35,596)</b>
Taxation	-	-	-	-
<b>Net Income (loss) / Income for the period</b>	<b>(79,622)</b>	<b>(276,620)</b>	<b>15,545</b>	<b>(35,596)</b>
<b>Allocation of net Income for the period:</b>				
Net Income for the period	-	-	-	-
Income already paid on units redeemed	-	-	-	-
<b>Accounting income available for distribution:</b>				
- Relating to capital gains	-	-	-	-
- Excluding capital gains	-	-	-	-
<b>Earnings Per Unit</b>	10			

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

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



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2023**

	Nine months ended March 31,		Quarter ended March 31,	
	2023	2022	2023	2022
	----- (Rupees in '000) -----			
Net (loss) / income for the period after taxation	(79,622)	(276,620)	15,545	(35,596)
Other comprehensive (loss) / income for the period	-	-	-	-
<b>Total comprehensive (loss) / income for the period</b>	<b>(79,622)</b>	<b>(276,620)</b>	<b>15,545</b>	<b>(35,596)</b>

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

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



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2023**

	Nine months ended March 31,					
	2023			2022		
	(Rupees in '000)					
Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	
Net assets at beginning of the period	3,063,112	(632,769)	2,430,343	3,385,741	24,439	3,410,180
Issue of 190,296,848 units (2022: 233,768,310 units):						
- Capital value (at net asset value per unit at the beginning of the period)	1,731,702	-	1,731,702	2,639,244	-	2,639,244
- Element of loss	(19,984)	-	(19,984)	(80,727)	-	(80,727)
Total proceeds on issuance of units	1,711,718	-	1,711,718	2,558,517	-	2,558,517
Redemption of 153,435,106 units (2021: 257,039,196 units):						
- Capital value (at net asset value per unit at the beginning of the period)	1,396,259	-	1,396,259	2,901,973	-	2,901,973
- Refund / adjustment on units as element of income	(15,509)	-	(15,509)	(115,184)	-	(115,184)
Total payments on redemption of units	1,380,751	-	1,380,750	2,786,788	-	2,786,788
Total comprehensive (loss) / income for the period	-	(79,622)	(79,622)	-	(276,620)	(276,620)
<b>Net assets at end of the period</b>	<b>3,394,080</b>	<b>(712,391)</b>	<b>2,681,689</b>	<b>3,157,470</b>	<b>(252,181)</b>	<b>2,905,289</b>
Undistributed income brought forward						
- Realised	-			(216,927)		
- Unrealised	(632,769)			241,366		
	(632,769)			24,439		
Accounting income available for distribution:						
- Relating to capital gains	-			-		
- Excluding capital gains	-			-		
	-			-		
Net loss for the period	(79,622)			(276,620)		
Undistributed loss carried forward	(712,391)			(252,181)		
Undistributed income carried forward						
- Realised	(587,985)			(74,014)		
- Unrealised	(124,406)			(178,167)		
	(712,391)			(252,181)		
Net assets value per unit at beginning of the period	9.10			11.29		
Net assets value per unit at end of the period	8.82			10.42		

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


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



Chief Executive Officer



Chief Financial Officer



Director

# CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2023

	Nine months ended March 31,	
	2023	2022
	----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss for the period before taxation	(79,622)	(276,620)
<b>Adjustments for:</b>		
Markup on balances with banks	(11,211)	(8,214)
Dividend income	(112,171)	(134,743)
(Reversal) / provision for Sindh Workers' Welfare Fund	-	(27,763)
Loss / (gain) on sale of investments - net	(9,809)	154,694
Unrealised (appreciation) / diminution in value of investments classified as 'at fair value through profit or loss' - net	124,406	178,167
	(88,407)	(114,479)
<b>(Increase) / Decrease in assets</b>		
Investments	(339,526)	260,680
Advances, deposits and prepayments	545	(1,398)
Receivable against sale of investments	39,316	7,464
	(299,665)	266,746
<b>(Decrease) / Increase in liabilities</b>		
Payable to the Management Company	403	(2,434)
Payable to the Central Depository Company of Pakistan Limited - Trustee	28	(47)
Payable to Securities and Exchange Commission of Pakistan	(253)	(188)
Payable against purchase of investments	(14,916)	(6,745)
Accrued expenses and other liabilities	623	(2,514)
	(14,115)	(11,928)
Dividend and markup received	106,264	138,468
<b>Net cash (used in) / generated from operating activities</b>	(295,922)	278,806
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts from issuance of units	1,711,718	2,558,517
Payments on redemption of units	(1,380,750)	(2,786,788)
<b>Net cash generated from / (used in) from financing activities</b>	330,968	(228,271)
<b>Net increase in cash and cash equivalents during the period</b>	35,046	50,536
Cash and cash equivalents at beginning of the period	141,898	126,051
<b>Cash and cash equivalents at end of the period</b>	176,944	176,587

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

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



Chief Executive Officer



Chief Financial Officer



Director



# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2023

## 1. LEGAL STATUS AND NATURE OF BUSINESS

Alhamra Islamic Stock Fund (the Fund) was established under a Trust Deed executed between MCB-Arif Habib Savings and Investments Limited as "Management Company" and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on October 26, 2004 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on February 28, 2002 in accordance with the Asset Management Companies Rules, 1995 (AMC Rules) repealed by Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). Formation of the Fund as a closed-end fund was authorized by SECP on 13 May 2004, however with effect from 11 November 2010 the Fund was converted into open-end fund. The Trust Act, 1882 has been repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on August 12, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Pakistan.

The Fund is categorised as "Shariah Compliant Islamic Equity Scheme" and is listed on the Pakistan Stock Exchange Limited. The Fund primarily invests in listed equity securities. It also invests in cash instruments and treasury bills not exceeding 90 days maturity. The units of the Fund are transferable and can also be redeemed by surrendering them to the Fund.

The Management Company of the Fund obtained the requisite license from the Securities and Exchange Commission of Pakistan (SECP) to undertake asset management services under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The registered office of the Company is situated at 2nd Floor, Adamjee House, 1.1 Chundrigar Road, Karachi, Pakistan.

The Pakistan Credit Rating Agency (PACRA) Limited has assigned Management quality rating of 'AM1' dated October 06, 2022 to the Management Company.

Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund.

## 2. BASIS OF PREPARATION

### 2.1. STATEMENT OF COMPLIANCE

This Condensed interim financial information have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);
- Provisions of and directives issued under the Companies Act 2017 along with part VIIIA of the repealed Companies ordinance, 1984 ; and
- The NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of Trust Deed.

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

- 2.2. This condensed interim financial information does not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the financial statements for the year ended 30 June 2022. The comparative in the statement of assets and liabilities presented in the condensed interim financial information as at 31 March 2023 have been extracted from the audited financial statements of the Fund for the year ended 30 June 2022, where as the comparatives in the condensed interim income statement, condensed interim cash flow statement, condensed interim distribution statement and condensed interim statement of movement in unit holders' funds are stated from unaudited condensed interim financial information for the nine months ended 31 March 2022.
- 2.3. 'The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information is unaudited.
- 2.4. 'In compliance with schedule V of the NBFC Regulations the Directors of the Management Company, hereby declare that this condensed interim financial statement give a true and fair view of the state of affairs of the Fund.
- 2.4. 'This condensed interim financial information is presented in Pakistani Rupees which is the Fund's functional and presentation currency and rounded to the nearest thousand rupees, unless otherwise specified.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2023**

**3. SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS**

- 3.1** The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2022.
- 3.2** The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2022.

**4. FINANCIAL RISK MANAGEMENT**

The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Funds for the year ended June 30, 2022.

		(Un-Audited) March 31, 2023	(Audited) June 30, 2022
	Note	----- (Rupees in '000) -----	
<b>5. BALANCE WITH BANKS</b>			
- in saving accounts	5.1	115,279	17,410
- in current accounts	5.2	61,665	124,488
		176,944	141,898

- 5.1** These carry markup at rates ranging between 6.48% to 17.5% (30 Jun 2022: 6.6% to 15.51%) per annum and include bank balance of Rs. 47.855 (30 June 2022: Rs. 0.033) million maintained with MCB Islamic Bank Limited (a related party). Above balances are held with the Islamic banks / Islamic windows operations of the conventional banks.
- 5.2** These include Rs. 14.34 (30 June 2022: Rs. 5.022) million held with MCB Bank Limited (a related party).

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2023**

(Un-Audited) (Audited)  
March 31, June 30,  
2023 2022  
Note ----- (Rupees in '000) -----

**6. INVESTMENTS**

**'At fair value through profit or loss'**  
Listed equity securities

6.1	2,531,805	2,306,876
	2,531,805	2,306,876

**6.1 Listed equity securities - 'At fair value through profit or loss'**

Shares of listed companies - fully paid ordinary shares of Rs.10 each unless stated otherwise

Name of the Investee Company	Number of shares						Balance as at March 31, 2023				Market value	
	As at July 01, 2022	Purchased during the period	Bonus / right issue during the period	Sold during the period	Balance as at March 31, 2023	Carrying value	Market Value	Unrealised (loss) / gain	As a percentage of net assets	As a percentage of total investments	As a paid up capital	
<b>Automobile Assembler</b>												
Pak Suzuki Motors Company Limited	500	-	-	500	-	-	-	-	-	-	-	-
<b>Automobile Parts &amp; Accessories</b>												
Agriauto Industries Limited**	47,500	-	11,825	59,325	-	-	-	-	-	-	-	-
Panther Tyres Limited	250,000	-	-	250,000	-	-	-	-	-	-	-	-
Thal Limited**	81,300	18,700	-	19,000	81,000	20,759	13,527	(7,232)	0.50	0.53	-	3.34
					<b>81,000</b>	<b>20,759</b>	<b>13,527</b>	<b>(7,232)</b>				
<b>Cable &amp; Electrical Goods</b>												
Pak Elektron Limited	1,475,300	1,427,000	-	902,000	2,000,300	31,118	22,603	(8,514)	0.84	0.89	-	2.64
					<b>2,000,300</b>	<b>31,118</b>	<b>22,603</b>	<b>(8,514)</b>				

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2023**

Name of the Investee Company	Number of shares				Balance as at March 31, 2023			Market value			
	As at July 01, 2022	Purchased during the period	Bonus / right issue during the period	Sold during the period	Balance as at March 31, 2023	Carrying value	Market Value	Unrealised (loss) / gain	As a percentage of net assets	As a percentage of total investments	As a paid up capital
<b>Cement</b>											
Cherat Cement Company Limited	375,068	610,000	-	437,366	547,702	56,347	61,660	5,313	2.30	2.44	0.03
D.G. Khan Cement Company Limited**	500,000	646,000	-	1,146,000	-	-	-	-	-	-	-
Fauji Cement Company Limited	9,405,500	8,987,500	1,250,000	2,593,000	17,050,000	213,272	203,918	(9,354)	7.60	8.05	0.01
Gharibal Cement Ltd	612,000	20,000	-	32,000	600,000	11,691	10,302	(1,389)	0.38	0.41	0.00
Kohat Cement Company Limited	360,050	269,350	-	254,400	375,000	49,720	52,286	2,567	1.95	2.07	0.03
Lucky Cement Limited	342,500	249,000	-	216,500	375,000	168,905	150,915	(17,990)	5.63	5.96	0.05
Maple Leaf Cement Factory Limited	4,150,000	6,429,122	-	3,429,122	7,150,000	174,735	185,757	11,022	6.93	7.34	0.02
Pioneer Cement Limited	-	1,000,000	-	600,000	400,000	25,682	28,064	2,382	1.05	1.11	0.01
					<b>26,497,702</b>	<b>700,352</b>	<b>692,903</b>	<b>(7,449)</b>			
<b>Chemicals</b>											
Dyneema Pakistan Limited**	-	25,000	-	25,000	-	-	-	-	-	-	-
Engro Polymer and Chemicals Limited	-	50,000	-	-	50,000	5,000	5,999	999	0.22	0.24	0.00
					<b>50,000</b>	<b>5,000</b>	<b>5,999</b>	<b>999</b>			
<b>Commercial Banks</b>											
Bankislami Pakistan Limited	5,419,500	3,545,500	-	8,965,000	-	-	-	-	-	-	-
Faysal Bank Limited	-	5,578,000	-	1,978,000	3,600,000	94,462	78,372	(16,090)	2.92	3.10	0.01
Meezan Bank Limited	2,121,451	1,415,983	208,000	1,585,434	2,160,000	224,500	205,632	(18,868)	7.67	8.12	0.01
					<b>5,760,000</b>	<b>318,961</b>	<b>284,004</b>	<b>(34,957)</b>			
<b>Engineering</b>											
AGHA STEEL IND. LTD	250	-	-	250	-	-	-	-	-	-	-
Aisha Steel Mills Limited***	1,599,990	1,255,639	-	155,629	2,700,000	29,558	18,441	(11,117)	0.69	0.73	0.00
Amreil Steels Limited	560,000	-	-	560,000	-	-	-	-	-	-	-
International Industries Limited	125,000	-	-	125,000	-	-	-	-	-	-	-
Mughal Iron & Steel Industries Limite	645,000	612,509	-	347,509	910,000	52,279	44,708	(7,571)	1.67	1.77	0.01
					<b>3,610,000</b>	<b>81,837</b>	<b>63,149</b>	<b>(18,688)</b>			
<b>Fertilizer</b>											
Engro Fertilizer Limited	470,000	589,862	-	404,862	655,000	168,353	181,291	12,938	6.76	7.16	0.03
Engro Corporation Limited	950,000	545,972	-	570,825	925,147	79,813	78,471	(1,342)	2.93	3.10	0.01
Fauji Fertilizer Bin Qasim Limited	830,000	393,000	-	1,223,000	-	-	-	-	-	-	-
					<b>1,580,147</b>	<b>248,166</b>	<b>259,762</b>	<b>11,596</b>			
<b>Food &amp; Personal Care Products</b>											
AT-TAHUR LIMITED	600,920	432,000	75,092	50,000	1,058,012	18,564	16,082	(2,483)	0.60	0.64	0.01
The Organic Meat Company Limited	1,576,000	886,500	121,875	584,000	2,000,375	41,118	38,707	(2,411)	1.44	1.53	0.03
					<b>3,058,387</b>	<b>59,682</b>	<b>54,789</b>	<b>(4,893)</b>			
<b>Glass &amp; Ceramics</b>											
Shabbir Tiles & Ceramics Limited**	737,500	427,000	-	64,500	1,100,000	15,283	9,361	(5,922)	0.35	0.37	0.01
Tariq Glass Industries	300,000	-	-	300,000	-	-	-	-	-	-	-
					<b>1,100,000</b>	<b>15,283</b>	<b>9,361</b>	<b>(5,922)</b>			
<b>Miscellaneous</b>											
Shifa International Hospitals	140,030	165,100	-	5,000	300,130	44,931	35,709	(9,221)	1.33	1.41	0.06
					<b>300,130</b>	<b>44,931</b>	<b>35,709</b>	<b>(9,221)</b>			

\* Rupees in '000) %

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2023**

Name of the Investee Company	Number of shares				Balance as at March 31, 2023			Market value			
	As at July 01, 2022	Purchased during the period	Bonus / right issue during the period	Sold during the period	Balance as at March 31, 2023	Carrying value	Market Value	Unrealised (loss) / gain	As a percentage of net assets	As a percentage of total investments	As a paid up capital
<b>OIL &amp; GAS EXPLORATION COMPANIES</b>											
Mari Petroleum Company Limited	129,000	34,160	-	50,427	112,733	191,724	170,599	(21,125)	6.36	6.74	0.13
Oil & Gas Development Company Limited****	900,000	2,393,410	-	1,493,410	1,800,000	150,161	150,048	(113)	5.60	5.93	0.00
Pakistan Oilfields Limited	60,000	143,635	-	103,635	100,000	40,384	39,889	(495)	1.49	1.58	0.01
Pakistan Petroleum Limited	1,400,000	2,218,000	-	2,243,000	1,375,000	92,686	87,945	(4,741)	3.28	3.47	0.00
					<b>3,387,733</b>	<b>474,955</b>	<b>448,481</b>	<b>(26,474)</b>			
<b>Oil And Gas Marketing Companies</b>											
Attock Petroleum Limited	32,000	40,300	-	72,300	-	-	-	-	-	-	-
Sui Northern Gas Pipelines Limited	400,000	750,000	-	450,000	700,000	27,913	27,363	(550)	1.02	1.08	0.00
					<b>700,000</b>	<b>27,913</b>	<b>27,363</b>	<b>(550)</b>			
<b>Paper And Board</b>											
Century Paper & Board Mills Limited	35,000	334,000	-	44,500	324,500	13,599	15,297	1,698	0.57	0.60	0.01
Packages Limited	63,300	2,000	-	2,700	62,600	24,976	21,265	(3,710)	0.79	0.84	0.02
					<b>387,100</b>	<b>38,575</b>	<b>36,562</b>	<b>(2,012)</b>			
<b>Pharmaceuticals</b>											
Agp Limited	257,410	121,069	-	308,479	70,000	3,780	3,794	14	0.14	0.15	0.00
Citi Pharma limited	1,100,000	703,266	-	403,266	1,400,000	43,587	35,798	(7,789)	1.33	1.41	0.02
Ferozsons Laboratories Limited	-	121,000	14,000	45,000	90,000	19,105	12,217	(6,889)	0.46	0.48	0.03
Haleon Pakistan Limited	177,000	67,600	-	44,600	200,000	42,139	26,200	(15,939)	0.98	1.03	0.02
Hightoon Laboratories Limited	15,825	116,500	-	15,825	116,500	54,379	54,931	551	2.05	2.17	0.13
					<b>1,876,500</b>	<b>162,991</b>	<b>132,940</b>	<b>(30,051)</b>			
<b>Power Generation &amp; Distribution</b>											
Hub Power Company Limited****	1,275,000	1,698,300	-	1,473,300	1,500,000	98,721	101,295	2,574	3.78	4.00	0.01
					<b>1,500,000</b>	<b>98,721</b>	<b>101,295</b>	<b>2,574</b>			
<b>Refinery</b>											
Attock Refinery Limited	275,000	125,000	-	400,000	-	-	-	-	-	-	-

\* (Rupees in '000) %

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2023**

Name of the Investee Company	Number of shares						Balance as at March 31, 2023			Market value	
	As at July 01, 2022	Purchased during the period	Bonus / right issue during the period	Sold during the period	Balance as at March 31, 2023	Carrying value	Market Value	Unrealised (loss) / gain	As a percentage of net assets	As a percentage of total investments	As a paid up capital
<b>Technology &amp; Communications</b>											
Air Link Communication Ltd	593,000	-	-	593,000	-	-	-	-	-	-	-
Avanceon Limited	-	325,000	-	325,000	-	-	-	-	-	-	-
Octopus Digital Limited	-	450,000	-	450,000	-	-	-	-	-	-	-
Systems Limited	185,000	267,767	-	79,767	373,000	141,384	172,348	30,964	6.43	6.81	0.06
					<b>373,000</b>	<b>141,384</b>	<b>172,348</b>	<b>30,964</b>			
<b>Textile Composite</b>											
Interloop Limited	400,000	1,379,073	37,800	117,652	1,699,221	98,185	81,376	(16,810)	3.03	3.21	0.01
Kohinoor Textile Mills Limited	852,800	483,500	-	139,500	1,196,800	59,332	62,724	3,392	2.34	2.48	0.02
Nishat (Chunian) Limited***	1,650,000	2,150,000	-	2,500,000	1,300,000	28,067	26,910	(1,157)	1.00	1.06	0.01
Nishat Mills Limited***	835,000	583,020	-	1,418,020	-	-	-	-	-	-	-
					<b>4,196,021</b>	<b>185,585</b>	<b>171,010</b>	<b>(14,575)</b>			
<b>Total as at March 31, 2023</b>					<b>56,458,020</b>	<b>2,656,211</b>	<b>2,531,805</b>	<b>(124,406)</b>			
Total as at June 30, 2022							2,728,320	2,306,876			

\* These have a face value of Rs.3.5 per share

\*\* These have a face value of Rs.5 per share

\*\*\* These denote related parties / connected persons

\*\*\*\* Following shares were pledged with National Clearing Company of Pakistan Limited (NCCPL) as collateral against margin:

Name of security	March 31, 2023	June 30, 2022	March 31, 2023	June 30, 2022
The Hub Power Company Limited	500,000	650,000	33,765	44,311
Oil & Gas Development Company Limited	700,000	700,000	58,352	55,069
	<b>1,200,000</b>	<b>1,350,000</b>	<b>92,117</b>	<b>99,380</b>

6.2 There is no change in the status of matter related to bonus shares as reported in the annual financial statements of the Fund for the year ended June 30, 2022.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2023**

	(Un-Audited) March 31, 2023	(Audited) June 30, 2022
Note	----- (Rupees in '000) -----	
<b>7. ACCRUED EXPENSES AND OTHER LIABILITIES</b>		
Provision for Federal Excise Duty and related tax on	7.1	
- Management fee	5,689	5,689
- Sales load	125	125
Auditors' remuneration	486	266
Unclaimed dividends	12,236	12,236
Brokerage payable	1,998	992
Withholding tax payable	62	47
Charity / donation payable	4,210	4,808
Others	333	354
	<b>25,140</b>	<b>24,517</b>

**7.1 Federal Excise Duty and related tax payable**

There is no change in the status of the appeal filed by the Federal Board of Revenue in the Honorable Supreme Court of Pakistan in respect of levy of Federal Excise Duty, as reported in the notes of the annual financial statements of the Fund for the year ended June 30, 2022. Had the provision for FED not been recorded in the condensed interim financial statements of the Fund, the net assets value of the Fund as at March 31, 2023 would have been higher by Re.0.02 (June 2022 Re.0.02) per unit.

**8. CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments outstanding as at March 31, 2023 and June 30, 2022.

**9. TAXATION**

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders by way of cash dividend. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than unrealised capital gains to the unit holders in cash. The Fund is also exempt from the provision of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded any tax liability in respect of income relating to current period as the Management Company intends to distribute in cash the required minimum percentage of the Fund's accounting income for the year ending June 30, 2023 as reduced by capital gains (whether realised or unrealised) to its unitholders.

**10. EARNINGS PER UNIT**

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

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2023**

**11. TOTAL EXPENSE RATIO**

The Annualized total expense ratio of the Fund is 4.57% as on March 31, 2023 (March 31, 2022: 4.25%) and this includes 0.35% (March 31, 2022: 0.31%) representing Government Levy, Sindh Workers' Welfare Fund (SWWF) and SECP fee.

**12. TRANSACTIONS WITH CONNECTED PERSONS / OTHER RELATED PARTIES**

Related parties / connected persons of the Fund include the Management Company, other collective investment schemes managed by the Management Company, MCB Bank Limited being the holding company of the Management Company, the Trustee, directors and key management personnel, other associated undertakings and unit holders holding more than 10% units of the Fund.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provision of the NBFC Regulations 2008 and Constitutive documents of the Fund.

The transactions with connected persons / related parties are in the normal course of business and are carried out on agreed terms at contracted rates.

Details of transactions and balances at period end with related parties / connected persons, other than those which have been disclosed elsewhere in these financial statements, are as follows:

**12.1 Transactions during the period with connected persons / related parties in units of the Fund:**

	For the Nine months ended March 31, 2023							
	As at July 01, 2022	Issued for cash	Redeemed	As at March 31, 2023	As at July 01, 2022	Issued for cash	Redeemed	As at March 31, 2023
<b>MCB-Arif Habib Savings and Investments Limited - Management Company</b>	1,911,887	2,853,881	4,765,768	0	17,398	25,000	41,174	0
<b>Group / associated companies / undertakings</b>								
Adamjee Insurance Company Limited - Amanat Fund	17,205,899	3,404,255	11,432,550	9,177,604	156,574	32,000	97,291	80,946
Adamjee Life Assurance Company Limited - IMF	72,848,990	85,506,718	-	158,355,708	662,927	766,545	-	1,396,697
Adamjee Insurance Company Limited - MAZAAF	41,547,236	-	13,935,340	27,611,896	378,080	-	125,000	243,537
D.G. Khan Cement Company Limited - Employees Provident Fund Trust	462,336	-	-	462,336	4,207	-	-	4,078
Hyundai Nishat Motor Private Limited Employees Provident Fund	167,542	1,446,145	-	1,613,687	1,525	13,000	-	14,233
Nishat Mills Limited	1,121,411	-	-	1,121,411	10,205	-	-	9,891
Asghari Beg Memorial Trust	368,021	-	368,021	(0)	3,349	-	3,364	(0)
MCBFSL Trustee Alhamra Smart Portfolio Fund	3,869,444	374,761	976,093	3,268,112	35,212	3,327	9,042	28,825
<b>Directors And Key Management Personnel</b>	1,902,151	11,033,808	11,649,379	1,286,579	16,787	101,045	106,839	11,348
<b>Mandate under discretionary portfolio services</b>	5,210,449	24,507,122	11,027,740	18,689,831	45,891	220,304	99,299	164,844

\* This reflects the position of related party / connected persons status as at March 31, 2023.



**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2023**

For the Nine months ended March 31, 2022

Group / associated companies	As at July 01, 2021		As at March 31, 2022		As at July 01, 2021		As at March 31, 2022	
	Issued for cash	Redeemed	Issued for cash	Redeemed	Issued for cash	Redeemed	Issued for cash	Redeemed
	Units (Rupees in '000)							
Nishat Mills Limited	1,121,410	-	1,121,410	-	12,661	-	11,685	-
Asghari Beg Memorial Trust	387,764	-	387,764	-	4,378	-	4,041	-
D.G. Khan Cement Company Ltd - Employees Provident Fund Trust	462,336	-	462,336	-	5,220	-	4,818	-
MCB-Arif Habib Savings And Investments Limited	2,164,502	-	2,164,502	-	24,437	-	22,554	-
Adamjee Life Assurance Co. Ltd. - Non-Utilised Investment Linked Fund	10,803,462	10,803,462	-	-	121,971	-	-	121,000
Adamjee Life Assurance Co. Ltd. - Investment Multiplier Fund	99,292,172	-	72,848,990	26,443,182	1,121,009	-	759,086	288,000
Adamjee Life Assurance Co. Ltd. - Amaanat Fund	17,293,090	2,835,183	17,205,899	2,922,374	195,239	30,500	179,285	32,000
Adamjee Life Assurance Co. Ltd. - Mazaaf	30,061,811	16,802,216	42,297,817	4,566,210	339,398	176,000	440,743	50,000
Hyundai Nishat Motor Private Limited	-	1,920,274	1,874,819	45,455	-	21,467	19,536	500
Employees Provident Fund	2,681,101	2,286,471	3,598,117	1,369,454	30,270	25,518	37,492	14,617
Alhamra Smart Portfolio	1,834,806	9,700,890	2,296,432	9,239,264	20,715	105,231	23,929	100,019
<b>Key management personnel*</b>								
<b>Mandate under discretionary portfolio services*</b>	14,868,656	13,243,095	14,622,929	13,488,822	167,867	145,071	152,371	141,008

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2023**

**12.2 Details of transactions with the connected persons / related parties during the period are as follows:**

	(Unaudited) March 31, 2023	(Unaudited) March 31, 2022
	----- (Rupees in '000) -----	
<b>MCB Arif Habib Savings and Investments Limited - Management Company</b>		
Remuneration (including indirect taxes)	43,726	56,855
Expenses allocated by the Management Company and related sales tax	1,935	2,516
Shariah advisory fee	541	541
Selling and marketing expenses	25,151	32,702
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration including indirect taxes	3,023	3,691
Settlement charges including indirect taxes	100	298
<b>Group / associated companies</b>		
<b>Arif Habib Limited</b>		
Brokerage expense *	308	308
<b>MCB Bank Limited</b>		
Bank charges	19	42
Profit Recieved	651	-
<b>Nishat Mills Limited</b>		
Purchase of 583,020 (2022: 1,177,200) shares	35,866	101,658
Sales of 1,418,020 (2022: 817,200) shares	89,262	70,953
Dividend income	1,000	1,515
<b>Nishat (Chunian) Limited</b>		
Purchase of 2,150,000 (2022: 1,090,000) shares	59,985	53,348
Sales of 2,500,000 (2022: 516,465) shares	99,323	25,779
Dividend income	2,800	3,150
<b>Aisha Steel Mills Limited</b>		
Purchase 1,255,639 of (2022: 4,064,500) shares	13,592	64,400
Sales of 155,629 (2022: 2,684,500) shares	1,502	44,432
<b>D.G. Khan Cement Company Limited</b>		
Purchase of 646,000 (2022: 817,516) shares	37,783	65,193
Sales of 1,146,000 (2022: 365,014) shares	61,622	34,222
Dividend income	600	530

\* The amount disclosed represents the amount of brokerage paid to connected persons and not the purchase or sale value of securities transacted through them. The purchase or sale value has not been treated as transactions with connected persons as the ultimate counter parties are not connected persons.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2023**

	<b>(Unaudited) March 31, 2023</b>	<b>(Audited) June 30, 2022</b>
----- (Rupees in '000) -----		
<b>12.3 Amount outstanding as at period end / year end</b>		
<b>MCB Arif Habib Savings and Investments Limited - Management Company</b>		
Remuneration payable	4,638	4,181
Sales tax payable on Management remuneration	603	544
Expense allocated by the Management Company	232	209
Sales load payable	11	5
Shariah advisory fee payable	61	60
Selling and marketing expenses payable	8,647	8,789
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration payable (including indirect taxes)	358	330
Security deposit	300	300
<b>Arif Habib Limited</b>		
Brokerage payable *	105	1
<b>MCB Bank Limited</b>		
Balances with bank	14,335	5,022
<b>MCB Islamic Bank Limited</b>		
Balances with bank	47,855	10
<b>D.G. Khan Cement Company Limited</b>		
Nil shares held (June 30, 2022: 500,000 shares)	-	31,250
<b>Nishat Mills Limited</b>		
Nil shares held (June 30, 2022: 835,000 shares)	-	61,715
<b>Nishat (Chunian) Limited</b>		
1,300,000 shares held (June 30, 2022: 1,650,000 shares)	26,910	73,904
<b>Aisha Steel Mills Limited</b>		
2,700,000 shares held (June 30, 2022: 1,599,990 shares)	18,441	17,680

\* The amount disclosed represents the amount of brokerage paid / payable to connected persons and not the purchase or sale value of securities transacted through them. The purchase or sale value has not been treated as transactions with connected persons as the ultimate counter-parties are not connected persons.

**13. GENERAL**

13.1 Figures have been rounded off to the nearest thousand rupees, unless otherwise specified.

13.2 Certain prior period's figures have been re-arranged / re-classified, wherever necessary, to facilitate comparison in the presentation in the current period. However, there are material re-arrangements / re-classifications to report.

**14 FAIR VALUE OF FINANCIAL INSTRUMENTS**

IFRS 13 - 'Fair Value Measurement' establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price).

## NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2023

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

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

**Level 1** : quoted prices in active markets for identical assets or liabilities;

**Level 2** those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

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

### 15. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on April 14, 2023 by the Board of Directors of the Management Company.

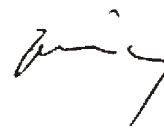
For MCB-Arif Habib Savings and Investments Limited  
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

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

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

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