



MCB-ARIF HABIB  
Savings and Investments Limited

# ANNUAL REPORT 2020

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



# **ALHAMRA ISLAMIC ACTIVE ALLOCATION 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
<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
<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
<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>MCB Financial Services Limited</b> 4th Floor, Pardesi House, Old Queens Road, Karachi, Pakistan Ph: (92-21) 32419770 Fax: (92-21) 32416371 Web: www.mcbfsl.com.pk	
<b>Bankers</b>	MCB Bank Limited Dubai Islamic Bank Limited Bank Islamic Pakistan Limited	
<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>AM2++</b> Asset Manager Rating assigned by PACRA	

# REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2020

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Dear Investor,

On behalf of the Board of Directors, We are pleased to present **Alhamra Islamic Active Allocation Plan –I** accounts review for the year ended June 30, 2020 (launched on March 29, 2016).

## **Economy and Money Market Review**

FY20 was a tale of two halves as macroeconomic consolidation process which was on track during the first half was seriously disrupted by the Covid'19 pandemic in the second half. Global cases topped 17 million, while more than 650,000 people became the morsel of death as the fatal outbreak continued to spread throughout the world. The pandemic wreaked havoc on the global economy as worldwide lockdowns lowered the overall consumption patterns along with causing massive unemployment. The IMF predicts that the global economy will shrink 4.9% this year, which would be the worst annual contraction after the Second World War.

On the local front, the economy was locked down at a large scale till May as the health infrastructure was overwhelmed with number of cases. As a result of the output gap, the forecasts for economic growth were lowered to -0.4%, compared to earlier growth expectations of 2.4%. Large Scale Manufacturing (LSM) and Services sector had to bear the major brunt resulting from lockdowns. LSM contracted by 10.3% during the first eleven months of FY20. Amongst the major industries, Automobiles and Iron & Steel witnessed a sharp downfall, declining by 44.8% and 17.0% respectively. Textile with the largest weight in LSM, also contracted by 11.0% after global lockdowns put a halt on exports. Moreover, the Agriculture sector also disappointed as the production of major crops (Cotton, Wheat and Sugar) remained well below the target levels.

Fiscal consolidation was seriously disrupted after the lockdowns caused massive shortfall in tax collection. FBR managed to collect PKR 4.0 trillion against the earlier envisaged target of PKR 4.8 trillion. Till Feb 2020, the tax collection was growing at a rate of ~16% YoY, however during the last four months of the fiscal year, the tax collection saw a massive contraction of ~20% YoY which resulted in a huge shortfall. Alongside, government rolled out a social safety program to insulate masses from vulnerabilities posed by lockdown, which resulted in more than desired expenditures. As a result of this, it is expected that fiscal deficit will fall north of 9.0% of GDP.

Lagged impacts of policy action in terms of monetary tightening and exchange rate adjustments continued to bear fruits as reflected in improvement in Balance of Payments position. The current account deficit during the year contracted by ~78% on Year on Year basis to USD 2.8 billion. A major portion of reduction in current account deficit was explained by decline in Imports of goods and services as it compressed by ~19%, translating into a reduction of USD ~12 billion. Remittances also remained resilient as they increased by ~6% during the year to USD 23.1 billion. Foreign Direct Investment (FDI) stood at USD ~2.5 billion, up 75% compared to last year as renewal of Telecom Licenses and onset of power sector projects fetched new investments. Debt related flows from IMF and multilateral institutions also kept the overall financial flows in the positive zone. Pakistan received USD 2.4 billion from IMF and more than USD ~5 billion were disbursed by the multilateral institutions for various programs. Overall, the financial account generated a surplus of USD ~7 billion. As a result, foreign exchange reserves of SBP grew by USD 4.9 billion during the year to close at USD 12.1 billion. While import cover improved from 1.7x to 2.6x, it is still below the accepted global benchmarks. PKR saw a nominal depreciation of 3.2% against USD during the year to close at 168.2.

Average CPI for FY20 clocked in at 10.8%, compared to 6.8% witnessed during the preceding year. Food inflation was prominent during the year averaging at 14.5%, after supply side weakness caused a spike in the prices of some essential commodities and perishable food items. Sugar prices increased by ~29%, while Wheat flour saw an increase of ~16% during the year. Among perishable items, onion and potatoes witnessed a hike of ~70% and ~65% respectively. However, the inflationary pressures have started trending downwards with inflation for June clocking in at 8.6% as lower petroleum prices along with easing food inflation have put a break on overall inflation. Nevertheless, core inflation as measured by Non Food Non Energy was still controlled and averaged 7.9% for the period.

The MPC committee remained proactive throughout the calendar year and reduced the interest rates by record 625 bps to bring the policy rate at 7.0%. Recessionary pressures due to Covid'19 and lower expectation of inflation were the primary drivers behind the unprecedented move. Alongside, the central bank announced various schemes to lessen the burden of financial emergencies in the system. Nearly PKR 650 billion of loans were deferred by commercial banks for one year, while close to PKR 150 billion of loans were restructured.

Yield curve started to slope downward during the first half of FY20 before the monetary easing started, in anticipation of lower inflation. As the pandemic struck during the start of the calendar year and the recessionary pressures became imminent, central bank pursued aggressive monetary easing and reduced the policy rate by cumulative 625 bps in several meetings. As a result the yield curve further shifted downwards during the period. 3Y, 5Y and 10Y bonds eased off by

# REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2020

632, 577 and 503 bps respectively during the year. The yield curve has again started to slope upwards as the market participants are expecting the interest rates to bottom out.

## EQUITIES MARKET OVERVIEW

Similar to economic story, the equity markets were also a tale of two halves. During the first half, investors cherished the gains posted by macroeconomic consolidation with the benchmark KSE-100 index rallying by 19.8%. However, as panic hit equity markets around the globe post novel coronavirus spread, KSE-100 Index was no different. The benchmark index plunged by ~16% in the second half of the fiscal year, reversing most of the gains of the fiscal year. Notwithstanding, the KSE-100 managed to post a nominal positive return of 1.5% for full year of FY20, breaking the streak of two successive years of negative returns. Foreigners selling remained unabated, as they sold USD 285 million of equities, remaining in the red zone for the fifth successive year. Individuals and Insurance companies remained net buyers adding USD 213 and USD 128 respectively to their positions. Daily traded volumes averaged at 194 mn shares (up 26.2% YoY), while daily traded value averaged PKR 7.2 bn (up 10.4% YoY) during the period.

Pharmaceuticals, Construction & Materials & Fertilizers were the major outperformers during the year, posting returns of ~45%, ~43% and ~23% respectively. Pharmaceutical companies were in limelight as Covid'19 unleashed the potential of the sector. Cement sector companies gained traction as interest rates were lowered and the marketing arrangement between the players strengthened. While, fertilizer plays had a decent run as dividend yielding stocks got highlighted after successive interest rate cuts. On the flip side, the major index heavy weights, Commercial Banks and E&P's underperformed the benchmark by posting negative returns of ~14% and ~10% respectively. Commercial banks underperformed as record monetary easing caused NIMS compression, while E&P's underperformance was explained by a slump in crude oil prices, after Saudi Arabia started a price war as an agreement wasn't reached between OPEC and Russia. Alongside, a weak global demand amidst the contagious virus added fuel to the fire.

## FUND PERFORMANCE

During the period under review, the fund posted a return of 6.40% against the benchmark return of -0.03% an outperformance of 6.43%. The fund was 94.4% invested in Alhamra Islamic Income Fund as at 30<sup>th</sup> June, 2020.

The Net Assets of the Fund as at June 30, 2020 stood at Rs. 341 million as compared to Rs. 627 million as at June 30, 2019 registering a decrease of 45.6%. The Net Asset Value (NAV) per unit as at June 30, 2020 was Rs. 90.2980 as compared to opening NAV of Rs. 89.1993 per unit as at June 30, 2019, an increase of Rs. 1.0987 per unit.

## FUTURE OUTLOOK

GDP growth for FY21 is projected at 2.0% by government and various institutions. Pakistan has essentially survived the first wave of pandemic, as number of daily cases (~1K) have reduced to one-sixth of the peak daily cases (~6K) witnessed during early June. While most of the sectors have been opened, few sectors are still virtually closed and operating below the potential capacity. Barring a second wave of Covid, we expect the economy to fully gear up by the second quarter of fiscal year. A potential vaccine by the end of the calendar year will also allow the global activities to fully resume in the next calendar year. With a lower base and various stimulus measures, we expect government to meet the annual target for GDP growth. Monetary stimulus announced by central bank will pave the way to revive the growth in cyclical industries. Moreover, government's construction package will also provide the much needed impetus to demand led growth.

Balance of Payment worries are over for now as current account deficit has adjusted to reasonable level since the policy actions taken by the central government. The fall of international oil prices to USD 40/BBL has come as a blessing in disguise. Global economy has started to recover and the news flow suggests that the exports are gaining momentum. Remittances have also been far above the general expectations and in fact 50% YoY growth in June has surprised everyone. Even accounting for a 10% decline in remittances, the overall situation will remain in comfortable zone. We expect CAD to settle at 1.6% of GDP in the FY21, which can be easily financed via flows from foreign investments and debt flows. Swift continuation of IMF program will be a key prerequisite to keep the financial account in positive zone. With the current scenario, we expect foreign exchange reserves to further increase by USD 2 billion during the next year, which will help alleviate any pressure on currency.

CPI is expected to tone down to an average of ~7.5% during the next year assuming average oil prices of USD 40/BBL. Central bank has already adjusted the policy rate to 7.0% in the wake of lower expected inflation. The inflation trajectory would remain below 7.0% during the first half of the fiscal year due to lower petroleum prices, thus causing the policy rate

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2020

to remain positive. However, during the second half as the impact of low base resumes, inflation will move above the policy rate, which means that central bank will be prompted to adjust the interest rates under the normal economic scenario. However, a better than expected scenario on the balance of payment side will allow central bank to continue the current policy rate.

Fiscal department will remain an Achilles heel for the government as it is expected to remain north of 7.0%. With limited expected growth in taxes, we believe government will not have much room to provide impetus via public development spending. Alongside, government reliance on borrowing via domestic sources will continue to crowd out private sector investment. In an environment where government muscles have been reined in, the importance of private sector will continue to dominate in reviving the overall economic growth.

From capital market perspective, particularly equities, we are getting a much clearer picture now. As covid curve continues to flatten out, the valuations are catching up with historical norms. Barring a second wave of the virus, we think equities have a lot to offer to the investors. Market cap to GDP ratio is at 17.5%, still at a discount of 33% from its historical average. Similarly, risk premiums are close to 4.0%, compared to historical average of 0.9% signifying decent upside for long term investors. We believe a micro view of sectors and stock will remain more important this year and investment selection should focus on companies which trade at a deep discount to their intrinsic value. Similarly, focus should also revert back to companies that are expected to exhibit stellar earnings growth over the medium term.

For debt holders, we expect Money Market Funds to continue to seamlessly mirror policy rates throughout the year. On the other hand, government bonds have priced in the anticipated yield curve. We remain cautious at the current levels of bond yields and would continue to monitor the data points to capitalize on opportunities.

### Corporate Governance

The Fund is committed to implement the highest standards of corporate governance. With four (4) Non-Executive Directors, three (3) Independent Directors and one (1) Executive Director on the Board, as governing body of the Management Company, the Board is accountable to the unit holders for good corporate governance. The Board consists of 1 female and 7 male directors. The details are as under:

Sr. No.	Name	Status	Membership in other Board Committees
1.	Mr. Haroun Rashid	Non-Executive Director	None
2.	Mr. Nasim Beg	Non-Executive Director	(i) Audit Committee; and (ii) HR&R* Committee
3.	Mr. Ahmed Jahangir	Non-Executive Director	(i) Audit Committee; and (ii) HR&R* Committee.
4.	Mr. Kashif A. Habib	Non-Executive Director	Audit Committee
5.	Syed Savail Meekal Hussain	Independent Director	HR&R* Committee
6.	Mr. Mirza Qamar Beg	Independent Director	(i) Audit Committee (Chairman); and (ii) HR&R* Committee (Chairman).
7.	Ms. Mavra Adil Khan	Independent Director	HR&R* Committee
8.	Mr. Muhammad Saqib Saleem	Executive Director	HR&R* Committee

\* HR&R stands for Human Resource and Remuneration

Management is continuing to comply with the provisions of best practices set out in the code of corporate governance particularly with regard to independence of non-executive directors. The Fund remains committed to conduct business in line with listing regulations of Pakistan Stock Exchange, which clearly defined the role and responsibilities of Board of Directors and Management.

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2020

The following specific statements are being given to comply with the requirements of the Code of Corporate Governance:

- a. Financial statements present fairly its state of affairs, the results of operations, cash flows and changes in equity.
- b. Proper books of accounts of the Fund have been maintained.
- c. Appropriate accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- d. International Financial Reporting Standards, as applicable in Pakistan , provisions of the Non-Banking Finance Companies (Establishment & Regulations) Rules, 2003, Non-Banking Finance Companies and Notified Entities Regulations, 2008, requirements of the respective Trust Deeds and directives issued by the Securities & Exchange Commission of Pakistan have been followed in the preparation of financial statements.
- e. The system of internal control is sound in design and has been effectively implemented and monitored with ongoing efforts to improve it further.
- f. There are no doubts what so ever upon the Fund's ability to continue as going concern.
- g. There has been no material departure from the best practices of Corporate Governance.
- h. Outstanding statutory payments on account of taxes, duties, levies and charges, if any have been fully disclosed in the financial statements.
- i. The statement as to the value of investments of provident/gratuity and pension fund is not applicable on the Fund but applies to the Management Company; hence no disclosure has been made in the Directors' Report.
- j. As at June 30, 2020, the Company is in compliance with the requirements of Directors' Training Program, as contained in Regulation No. 20 of the Code.
- k. The detailed pattern of unit holding, as required by NBFC Regulations are enclosed.
- l. The details of attendance of Board of Directors meeting is disclosed in financial statements. Below is the details of committee meetings held during the year ended June 30, 2020:

### 1. Meeting of the Audit Committee.

During the year, eight (8) meetings of the Audit Committee were held. The attendance of each participant is as follows:

Name of Persons	Number of meetings held	Number of meetings		
		Attendance required	Attended	Leave granted
1. Mr. Haroun Rashid (Former Chairman)*	8	5	4	1
2. Mirza Qamar Beg(Chairman)	8	8	8	0
3. Mr. Nasim Beg	8	8	8	0
4. Mr. Ahmed Jahangir	8	8	7	1
5. Mr. Kashif A. Habib	8	3	3	0
6. Syed Savail Meekal Hussain	8	3	3	0

\* Mr. Haroun Rashid ceased to be chairmen/member of the committee effective February 07, 2020.

\*\*Syed Savail Meekal Hussain and Ms. Mavra Adil khan were elected on the Board on February 06, 2020.

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2020

### 2. Meeting of the Human Resource and Remuneration Committee.

During the year, four (4) meeting of the Human Resource and Remuneration Committee were held. The attendance of each participant is as follows:

Name of Persons	Number of meetings	Number of meetings		
		Attendance required	Attended	Leave granted
1. Mr. Mirza Qamar Beg	4	4	4	-
2. Mr. Haroun Rashid*	4	4	4	-
3. Mr. Ahmed Jahangir	4	4	4	-
4. Mr. Nasim Beg	4	4	4	-
5. Ms. Mavra Adil Khan**	4	-	-	-
6. Syed Savail Meekal Hussain**	4	-	-	-
7. Mr. Muhammad Saqib Saleem (CEO)	4	4	4	-

\* Mr. Haroun Rashid ceased to be member of the committee effective February 07, 2020.

\*\* Ms. Mavra Adil Khan and Syed Savail Meekal Hussain were appointed members of the committee post elections.

- m. Nil units of the Fund were carried out during the year by Directors, Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Company Secretary, and Chief Internal Auditor of the Management Company and their spouses and minor children.

### External Auditors

The fund's external auditors, **Ernst & Young Ford Rhodes Chartered Accountants** have expressed their willingness to continue as the fund auditors for the ensuing year ending June 30, 2021. The audit committee of the Board has recommended reappointment of **Ernst & Young Ford Rhodes Chartered Accountants** as auditors of the fund for the year ending June 30, 2021.

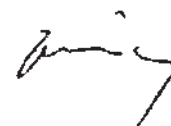
### ACKNOWLEDGMENT

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  
August 22, 2020



**Nasim Beg**  
Director / Vice Chairman

# REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2020

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Dear Investor,

On behalf of the Board of Directors, We are pleased to present **Alhamra Islamic Active Allocation Plan II** accounts review for the year ended June 30, 2020.

## ECONOMY AND MONEY MARKET OVERVIEW

FY20 was a tale of two halves as macroeconomic consolidation process which was on track during the first half was seriously disrupted by the Covid'19 pandemic in the second half. Global cases topped 17 million, while more than 650,000 people became the morsel of death as the fatal outbreak continued to spread throughout the world. The pandemic wreaked havoc on the global economy as worldwide lockdowns lowered the overall consumption patterns along with causing massive unemployment. The IMF predicts that the global economy will shrink 4.9% this year, which would be the worst annual contraction after the Second World War.

On the local front, the economy was locked down at a large scale till May as the health infrastructure was overwhelmed with number of cases. As a result of the output gap, the forecasts for economic growth were lowered to -0.4%, compared to earlier growth expectations of 2.4%. Large Scale Manufacturing (LSM) and Services sector had to bear the major brunt resulting from lockdowns. LSM contracted by 10.3% during the first eleven months of FY20. Amongst the major industries, Automobiles and Iron & Steel witnessed a sharp downfall, declining by 44.8% and 17.0% respectively. Textile with the largest weight in LSM, also contracted by 11.0% after global lockdowns put a halt on exports. Moreover, the Agriculture sector also disappointed as the production of major crops (Cotton, Wheat and Sugar) remained well below the target levels.

Fiscal consolidation was seriously disrupted after the lockdowns caused massive shortfall in tax collection. FBR managed to collect PKR 4.0 trillion against the earlier envisaged target of PKR 4.8 trillion. Till Feb 2020, the tax collection was growing at a rate of ~16% YoY, however during the last four months of the fiscal year, the tax collection saw a massive contraction of ~20% YoY which resulted in a huge shortfall. Alongside, government rolled out a social safety program to insulate masses from vulnerabilities posed by lockdown, which resulted in more than desired expenditures. As a result of this, it is expected that fiscal deficit will fall north of 9.0% of GDP.

Lagged impacts of policy action in terms of monetary tightening and exchange rate adjustments continued to bear fruits as reflected in improvement in Balance of Payments position. The current account deficit during the year contracted by ~78% on Year on Year basis to USD 2.8 billion. A major portion of reduction in current account deficit was explained by decline in Imports of goods and services as it compressed by ~19%, translating into a reduction of USD ~12 billion. Remittances also remained resilient as they increased by ~6% during the year to USD 23.1 billion. Foreign Direct Investment (FDI) stood at USD ~2.5 billion, up 75% compared to last year as renewal of Telecom Licenses and onset of power sector projects fetched new investments. Debt related flows from IMF and multilateral institutions also kept the overall financial flows in the positive zone. Pakistan received USD 2.4 billion from IMF and more than USD ~5 billion were disbursed by the multilateral institutions for various programs. Overall, the financial account generated a surplus of USD ~7 billion. As a result, foreign exchange reserves of SBP grew by USD 4.9 billion during the year to close at USD 12.1 billion. While import cover improved from 1.7x to 2.6x, it is still below the accepted global benchmarks. PKR saw a nominal depreciation of 3.2% against USD during the year to close at 168.2.

Average CPI for FY20 clocked in at 10.8%, compared to 6.8% witnessed during the preceding year. Food inflation was prominent during the year averaging at 14.5%, after supply side weakness caused a spike in the prices of some essential commodities and perishable food items. Sugar prices increased by ~29%, while Wheat flour saw an increase of ~16% during the year. Among perishable items, onion and potatoes witnessed a hike of ~70% and ~65% respectively. However, the inflationary pressures have started trending downwards with inflation for June clocking in at 8.6% as lower petroleum prices along with easing food inflation have put a break on overall inflation. Nevertheless, core inflation as measured by Non Food Non Energy was still controlled and averaged 7.9% for the period.

The MPC committee remained proactive throughout the calendar year and reduced the interest rates by record 625 bps to bring the policy rate at 7.0%. Recessionary pressures due to Covid'19 and lower expectation of inflation were the primary drivers behind the unprecedented move. Alongside, the central bank

# REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2020

announced various schemes to lessen the burden of financial emergencies in the system. Nearly PKR 650 billion of loans were deferred by commercial banks for one year, while close to PKR 150 billion of loans were restructured.

Yield curve started to slope downward during the first half of FY20 before the monetary easing started, in anticipation of lower inflation. As the pandemic struck during the start of the calendar year and the recessionary pressures became imminent, central bank pursued aggressive monetary easing and reduced the policy rate by cumulative 625 bps in several meetings. As a result the yield curve further shifted downwards during the period. 3Y, 5Y and 10Y bonds eased off by 632, 577 and 503 bps respectively during the year. The yield curve has again started to slope upwards as the market participants are expecting the interest rates to bottom out.

## EQUITIES MARKET OVERVIEW

Similar to economic story, the equity markets were also a tale of two halves. During the first half, investors cherished the gains posted by macroeconomic consolidation with the benchmark KSE-100 index rallying by 19.8%. However, as panic hit equity markets around the globe post novel coronavirus spread, KSE-100 Index was no different. The benchmark index plunged by ~16% in the second half of the fiscal year, reversing most of the gains of the fiscal year. Notwithstanding, the KSE-100 managed to post a nominal positive return of 1.5% for full year of FY20, breaking the streak of two successive years of negative returns. Foreigners selling remained unabated, as they sold USD 285 million of equities, remaining in the red zone for the fifth successive year. Individuals and Insurance companies remained net buyers adding USD 213 and USD 128 respectively to their positions. Daily traded volumes averaged at 194 mn shares (up 26.2% YoY), while daily traded value averaged PKR 7.2 bn (up 10.4% YoY) during the period.

Pharmaceuticals, Construction & Materials & Fertilizers were the major outperformers during the year, posting returns of ~45%, ~43% and ~23% respectively. Pharmaceutical companies were in limelight as Covid'19 unleashed the potential of the sector. Cement sector companies gained traction as interest rates were lowered and the marketing arrangement between the players strengthened. While, fertilizer plays had a decent run as dividend yielding stocks got highlighted after successive interest rate cuts. On the flip side, the major index heavy weights, Commercial Banks and E&P's underperformed the benchmark by posting negative returns of ~14% and ~10% respectively. Commercial banks underperformed as record monetary easing caused NIMS compression, while E&P's underperformance was explained by a slump in crude oil prices, after Saudi Arabia started a price war as an agreement wasn't reached between OPEC and Russia. Alongside, a weak global demand amidst the contagious virus added fuel to the fire.

## FUND PERFORMANCE

During the period under review, the fund posted a return of 11.77% against the benchmark return of 1.60% an outperformance of 10.17%. The fund was 93.5% invested in Alhamra Islamic Income Fund as at 30<sup>th</sup> June, 2020.

The Net Assets of the Fund as at June 30, 2020 stood at Rs. 177 million as compared to Rs.708 million as at June 30, 2019 registering a decrease of 75.0%. The Net Asset Value (NAV) per unit as at June 30, 2020 was Rs.95.6301 as compared to opening NAV of Rs. 93.8703 per unit as at June 30, 2019 an increase of Rs.1.7598 per unit.

## FUTURE OUTLOOK

GDP growth for FY21 is projected at 2.0% by government and various institutions. Pakistan has essentially survived the first wave of pandemic, as number of daily cases (~1K) have reduced to one-sixth of the peak daily cases (~6K) witnessed during early June. While most of the sectors have been opened, few sectors are still virtually closed and operating below the potential capacity. Barring a second wave of Covid, we expect the economy to fully gear up by the second quarter of fiscal year. A potential vaccine by the end of the calendar year will also allow the global activities to fully resume in the next calendar year. With a lower base and various stimulus measures, we expect government to meet the annual target for GDP growth. Monetary stimulus announced by central bank will pave the way to revive the growth in cyclical industries. Moreover, government's construction package will also provide the much needed impetus to demand led growth.

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2020

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Balance of Payment worries are over for now as current account deficit has adjusted to reasonable level since the policy actions taken by the central government. The fall of international oil prices to USD 40/BBL has come as a blessing in disguise. Global economy has started to recover and the news flow suggests that the exports are gaining momentum. Remittances have also been far above the general expectations and in fact 50% YoY growth in June has surprised everyone. Even accounting for a 10% decline in remittances, the overall situation will remain in comfortable zone. We expect CAD to settle at 1.6% of GDP in the FY21, which can be easily financed via flows from foreign investments and debt flows. Swift continuation of IMF program will be a key prerequisite to keep the financial account in positive zone. With the current scenario, we expect foreign exchange reserves to further increase by USD 2 billion during the next year, which will help alleviate any pressure on currency.

CPI is expected to tone down to an average of ~7.5% during the next year assuming average oil prices of USD 40/BBL. Central bank has already adjusted the policy rate to 7.0% in the wake of lower expected inflation. The inflation trajectory would remain below 7.0% during the first half of the fiscal year due to lower petroleum prices, thus causing the policy rate to remain positive. However, during the second half as the impact of low base resumes, inflation will move above the policy rate, which means that central bank will be prompted to adjust the interest rates under the normal economic scenario. However, a better than expected scenario on the balance of payment side will allow central bank to continue the current policy rate.

Fiscal department will remain an Achilles heel for the government as it is expected to remain north of 7.0%. With limited expected growth in taxes, we believe government will not have much room to provide impetus via public development spending. Alongside, government reliance on borrowing via domestic sources will continue to crowd out private sector investment. In an environment where government muscles have been reined in, the importance of private sector will continue to dominate in reviving the overall economic growth.

From capital market perspective, particularly equities, we are getting a much clearer picture now. As covid curve continues to flatten out, the valuations are catching up with historical norms. Barring a second wave of the virus, we think equities have a lot to offer to the investors. Market cap to GDP ratio is at 17.5%, still at a discount of 33% from its historical average. Similarly, risk premiums are close to 4.0%, compared to historical average of 0.9% signifying decent upside for long term investors. We believe a micro view of sectors and stock will remain more important this year and investment selection should focus on companies which trade at a deep discount to their intrinsic value. Similarly, focus should also revert back to companies that are expected to exhibit stellar earnings growth over the medium term.

For debt holders, we expect Money Market Funds to continue to seamlessly mirror policy rates throughout the year. On the other hand, government bonds have priced in the anticipated yield curve. We remain cautious at the current levels of bond yields and would continue to monitor the data points to capitalize on opportunities.

### **Corporate Governance**

The Fund is committed to implement the highest standards of corporate governance. With four (4) Non-Executive Directors, three (3) Independent Directors and one (1) Executive Director on the Board, as governing body of the Management Company, the Board is accountable to the unit holders for good corporate governance.

The Board consists of 1 female and 7 male directors. The details are as under:

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2020

Sr. No.	Name	Status	Membership in other Board Committees
1.	Mr. Haroun Rashid	Non-Executive Director	None
2.	Mr. Nasim Beg	Non-Executive Director	(i) Audit Committee; and (ii) HR&R* Committee
3.	Mr. Ahmed Jahangir	Non-Executive Director	(i) Audit Committee; and (ii) HR&R* Committee.
4.	Mr. Kashif A. Habib	Non-Executive Director	Audit Committee
5.	Syed Savail Meekal Hussain	Independent Director	HR&R* Committee
6.	Mr. Mirza Qamar Beg	Independent Director	(i) Audit Committee (Chairman); and (ii) HR&R* Committee (Chairman).
7.	Ms. Mavra Adil Khan	Independent Director	HR&R* Committee
8.	Mr. Muhammad Saqib Saleem	Executive Director	HR&R* Committee

\* HR&R stands for Human Resource and Remuneration

Management is continuing to comply with the provisions of best practices set out in the code of corporate governance particularly with regard to independence of non-executive directors. The Fund remains committed to conduct business in line with listing regulations of Pakistan Stock Exchange, which clearly defined the role and responsibilities of Board of Directors and Management.

The following specific statements are being given to comply with the requirements of the Code of Corporate Governance:

- a. Financial statements present fairly its state of affairs, the results of operations, cash flows and changes in equity.
- b. Proper books of accounts of the Fund have been maintained.
- c. Appropriate accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- d. International Financial Reporting Standards, as applicable in Pakistan , provisions of the Non-Banking Finance Companies (Establishment & Regulations) Rules, 2003, Non-Banking Finance Companies and Notified Entities Regulations, 2008, requirements of the respective Trust Deeds and directives issued by the Securities & Exchange Commission of Pakistan have been followed in the preparation of financial statements.
- e. The system of internal control is sound in design and has been effectively implemented and monitored with ongoing efforts to improve it further.
- f. There are no doubts what so ever upon the Fund's ability to continue as going concern.
- g. There has been no material departure from the best practices of Corporate Governance.
- h. Outstanding statutory payments on account of taxes, duties, levies and charges, if any have been fully disclosed in the financial statements.
- i. The statement as to the value of investments of provident/gratuity and pension fund is not applicable on the Fund but applies to the Management Company; hence no disclosure has been made in the Directors' Report.

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2020

- j. As at June 30, 2020, the Company is in compliance with the requirements of Directors' Training Program, as contained in Regulation No. 20 of the Code.
- k. The detailed pattern of unit holding, as required by NBFC Regulations are enclosed.
- l. The details of attendance of Board of Directors meeting is disclosed in financial statements. Below is the details of committee meetings held during the year ended June 30, 2020:

### 1. Meeting of the Audit Committee.

During the year, eight (8) meetings of the Audit Committee were held. The attendance of each participant is as follows:

Name of Persons	Number of meetings held	Number of meetings		
		Attendance required	Attended	Leave granted
1. Mr. Haroun Rashid (Former Chairman)*	8	5	4	1
2. Mirza Qamar Beg(Chairman)	8	8	8	0
3. Mr. Nasim Beg	8	8	8	0
4. Mr. Ahmed Jahangir	8	8	7	1
5. Mr. Kashif A. Habib	8	3	3	0
6. Syed Savail Meekal Hussain	8	3	3	0

\* Mr. Haroun Rashid ceased to be chairmen/member of the committee effective February 07, 2020.

\*\*Syed Savail Meekal Hussain and Ms. Mavra Adil khan were elected on the Board on February 06, 2020.

### 2. Meeting of the Human Resource and Remuneration Committee.

During the year, four (4) meeting of the Human Resource and Remuneration Committee were held. The attendance of each participant is as follows:

Name of Persons	Number of meetings	Number of meetings		
		Attendance required	Attended	Leave granted
1. Mr. Mirza Qamar Beg	4	4	4	-
2. Mr. Haroun Rashid*	4	4	4	-
3. Mr. Ahmed Jahangir	4	4	4	-
4. Mr. Nasim Beg	4	4	4	-
5. Ms. Mavra Adil Khan**	4	-	-	-
6. Syed Savail Meekal Hussain**	4	-	-	-
7. Mr. Muhammad Saqib Saleem (CEO)	4	4	4	-

\* Mr. Haroun Rashid ceased to be member of the committee effective February 07, 2020.

\*\* Ms. Mavra Adil Khan and Syed Savail Meekal Hussain were appointed members of the committee post elections.

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2020

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- m. Nil units of the Fund were carried out during the year by Directors, Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Company Secretary, and Chief Internal Auditor of the Management Company and their spouses and minor children.

### External Auditors

The fund's external auditors, **Ernst & Young Ford Rhodes Chartered Accountants** have expressed their willingness to continue as the fund auditors for the ensuing year ending June 30, 2021. The audit committee of the Board has recommended reappointment of **Ernst & Young Ford Rhodes Chartered Accountants** as auditors of the fund for the year ending June 30, 2021.

### ACKNOWLEDGMENT

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,



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**Muhammad Saqib Saleem**  
Chief Executive Officer  
August 22, 2020



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**Nasim Beg**  
Director / Vice Chairman

## ڈائریکٹرز رپورٹ

\*جناب ہارون رشید 07 فروری 2020ء سے کمیٹی کے چیئرمین اراکن نہیں ہیں۔  
\*\*محترمہ ماوراء عادل خان اور سید ساویل میرکال حسین کی بعد از انتخابات کمیٹی کے رکن کی حیثیت سے تقرری کی گئی۔

m. دوران سال مینجمنٹ کمیٹی کے ڈائریکٹرز، چیف ایگزیکٹو آفیسر، چیف آپریٹنگ آفیسر، چیف فنانس انشیل آفیسر، کمپنی سیکرٹری اور چیف انٹرنل آڈیٹر اور ان کے شریک حیات اور چھوٹے بچوں نے فنڈ کے پونڈس کی کوئی خرید و فروخت نہیں کی۔

### خارجی آڈیٹرز

فنڈ کے خارجی آڈیٹرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس نے 30 جون 2021ء کو ختم ہونے والے اگلے سال کے لئے فنڈ کے آڈیٹرز کے طور پر کام جاری رکھنے پر رضامندی ظاہر کی ہے۔ بورڈ کی آڈٹ کمیٹی نے 30 جون 2021ء کو ختم ہونے والے سال کے لئے فنڈ کے آڈیٹرز کے طور پر اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کی دوبارہ تقرری کی سفارش کی ہے۔

### اظہار تشکر

بورڈ آف ڈائریکٹرز فنڈ کے گراں قدر سرمایہ کاروں، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور فنڈ کے ٹرسٹیز کی مسلسل معاونت اور پشت پناہی کے لئے شکر گزار ہے۔ علاوہ ازیں، ڈائریکٹرز مینجمنٹ ٹیم کی کوششوں کو بھی خراج تحسین پیش کرتے ہیں۔

من جانب ڈائریکٹرز،



نیم بیگ  
ڈائریکٹر اوپنس چیئرمین



محمد ثاقب سلیم  
چیف ایگزیکٹو آفیسر  
22 اگست 2020ء

## ڈائریکٹرز رپورٹ

30 جون 2020ء کو کمپنی کوڈ آف کارپورٹ گورننس کے ریگولیشن نمبر 20 کے مطابق ڈائریکٹرز ٹریڈنگ پروگرام کی شرائط پر تعمیل پیرا ہے۔  
K این بی ایف سی کے قواعد و ضوابط کے تحت مطلوب یونٹ ہولڈنگ کا تفصیلی خاکہ ملحق ہے۔

1. بورڈ آف ڈائریکٹرز کی میٹنگ میں حاضری کی تفصیلات مالیاتی گوشواروں میں ظاہر کی گئی ہیں۔ 30 جون 2020ء کو ختم ہونے والے سال کے دوران ہونے والی کمیٹی میٹنگز کی تفصیلات درج ذیل ہیں:

### 1۔ آڈٹ کمیٹی کی میٹنگ

دوران سال آڈٹ کمیٹی کی آٹھ (8) میٹنگز منعقد ہوئیں۔ شرکاء کی حاضری درج ذیل ہے:

میٹنگز کی تعداد			منعقدہ میٹنگز کی تعداد	نام
منظور شدہ رخصت	حاضری	مطلوبہ حاضری		
1	4	5	8	1۔ جناب ہارون رشید (سابقہ چیئرمین)*
0	8	8	8	2۔ مرزا محمد قمر بیگ (چیئرمین)
0	8	8	8	3۔ جناب نسیم بیگ
1	7	8	8	4۔ جناب احمد جہانگیر
0	3	3	8	5۔ جناب کاشف اے حبیب
0	3	3	8	6۔ سید ساویل میکال حسین**

\* جناب ہارون رشید 07 فروری 2020ء سے کمیٹی کے چیئرمین اراکن نہیں ہیں۔

\*\* سید ساویل میکال حسین کا 06 فروری 2020ء کو بورڈ میں انتخاب ہوا۔

2۔ ہیومن ریسورس اینڈ ریویژن کمیٹی کی میٹنگ

دوران سال ہیومن ریسورس اینڈ ریویژن کمیٹی کی چار (4) میٹنگز منعقد ہوئیں۔ شرکاء کی حاضری درج ذیل ہے:

میٹنگز کی تعداد			منعقدہ میٹنگز کی تعداد	نام
منظور شدہ رخصت	حاضری	مطلوبہ حاضری		
-	4	4	4	1۔ جناب مرزا قمر بیگ
-	4	4	4	2۔ جناب ہارون رشید*
-	4	4	4	3۔ جناب احمد جہانگیر
-	4	4	4	4۔ جناب نسیم بیگ
-	-	-	4	5۔ محترمہ ماوراء عادل خان**
-	-	-	4	6۔ سید ساویل میکال حسین**
-	4	4	4	7۔ جناب محمد ثاقب سلیم (سی ای او)

## ڈائریکٹرز رپورٹ

نمبر شمار	نام	عہدہ	دیگر بورڈ کمیٹیوں میں رکنیت
1.	جناب ہارون رشید	Non ایگزیکٹو ڈائریکٹر	کوئی نہیں
2.	جناب نسیم بیگ	Non ایگزیکٹو ڈائریکٹر	(i) آڈٹ کمیٹی؛ اور (ii) ایچ آر اینڈ آر کمیٹی *
3.	جناب احمد جہانگیر	Non ایگزیکٹو ڈائریکٹر	(i) آڈٹ کمیٹی؛ اور (ii) ایچ آر اینڈ آر کمیٹی *
4.	جناب کاشف اے حبیب	Non ایگزیکٹو ڈائریکٹر	آڈٹ کمیٹی
5.	سید ساویل میکال حسین	خود مختار ڈائریکٹر	ایچ آر اینڈ آر کمیٹی *
6.	جناب مرزا قمر بیگ	خود مختار ڈائریکٹر	(i) آڈٹ کمیٹی (چیئر مین)؛ اور (ii) ایچ آر اینڈ آر کمیٹی * (چیئر مین)
7.	مخترمہ ماوراء عادل خان	خود مختار ڈائریکٹر	ایچ آر اینڈ آر کمیٹی *
8.	جناب محمد ثاقب سلیم	ایگزیکٹو ڈائریکٹر	ایچ آر اینڈ آر کمیٹی *

\* ایچ آر اینڈ آر : ہیومن ریسورس اینڈ میوزیشن

انتظامیہ بہترین طریقوں، خاص طور پر Non ایگزیکٹو ڈائریکٹرز کی خود مختاری کے حوالے سے کارپوریٹ گورننس کے ضابطہء اخلاق کی دفعات کی بدستور تعمیل کر رہی ہے۔ فنڈ پاکستان اسٹاک ایکسچینج کے لسٹنگ قوانین کے مطابق کاروبار جاری رکھنے کے عزم پر قائم ہے جن میں بورڈ آف ڈائریکٹرز اور انتظامیہ کے کردار اور ذمہ داریوں کی وضاحت کی گئی ہے۔

ذیل میں کارپوریٹ گورننس کے ضابطہء اخلاق کی شرائط کی تعمیل کے لئے خصوصی بیانات دیئے جا رہے ہیں:

a. مالیاتی گوشوارے فنڈ کے معاملات کی صورتحال، اس کی سرگرمیوں کے نتائج، نقد کی آمد و رفت اور ایکویٹی میں تبدیلیوں کی منصفانہ عکاسی کرتے ہیں۔

b. فنڈ کی درست بکس آف اکاؤنٹس تیار کی گئی ہیں۔

c. مالیاتی گوشواروں کی تیاری میں درست اکاؤنٹنگ پالیسیوں کا باقاعدگی کے ساتھ اطلاق کیا گیا ہے اور اکاؤنٹنگ تخمینے معقول اور محتاط اندازوں پر مبنی ہیں۔

d. مالیاتی گوشواروں کی تیاری میں بین الاقوامی مالیاتی رپورٹنگ کے معیار (پاکستان میں اطلاق کی حد تک)، نان بینکنگ فنانس کمپنیز (اسٹیبلشمنٹ اینڈ ریگولیشنز) 2003ء اور نان بینکنگ فنانس کمپنیز اینڈ نوٹیفائیڈ انٹیلیجیٹ ریگولیشنز 2008ء کی دفعات، متعلقہ ٹرسٹ ڈیڈز کی شرائط اور سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جاری کردہ ہدایات کی تعمیل کی گئی ہے۔

e. انٹرنل کنٹرول کا نظام مستحکم خطوط پر استوار اور مؤثر انداز میں نافذ کیا گیا ہے اور اس کی مؤثر نگرانی کی جاتی ہے، اور اسے مزید بہتر بنانے کی کوششیں جاری ہیں۔

f. فنڈ کے کاروبار جاری رکھنے کی صلاحیت میں کسی قسم کے کوئی شبہات نہیں ہیں۔

g. کارپوریٹ گورننس کی بہترین روایات سے کوئی قابل ذکر انحراف نہیں ہوا ہے۔

h. واجب الاداء ٹیکسز، ڈیویڈنڈ، محصولات اور چارجز کو (اگر کوئی ہے تو) مالیاتی گوشواروں میں مکمل طور پر ظاہر کیا گیا ہے۔

i. پراویڈنٹ / گریجویٹ فنڈ اور پینشن فنڈ میں سرمایہ کاریوں کی مالیت کے اسٹیٹمنٹ کا اطلاق فنڈ پر نہیں بلکہ منجمنٹ کمپنی پر ہوتا ہے، چنانچہ ڈائریکٹرز رپورٹ میں اس حوالے سے کوئی معلومات ظاہر نہیں کی گئی ہیں۔

## ڈائریکٹرز رپورٹ

امید ہے کہ کرنٹ اکاؤنٹ کا خسارہ مالی سال 2020-21ء میں مجموعی ملکی پیداوار کے 1.6 فیصد پرزے کے گا، اور اس کے لیے غیر ملکی سرمایہ کاریوں اور قرضہ جاتی آمدات سے بآسانی رقم فراہم کی جاسکتی ہے۔ مالی اکاؤنٹ کو مثبت حدود میں رکھنے کے لیے آئی ایم ایف پروگراموں کا سبک رفقاری کے ساتھ جاری رہنا کلیدی شرط ہے۔ موجودہ صورتحال میں ہمیں امید ہے کہ غیر ملکی زرمبادلہ کے ذخائر میں اگلے سال کے دوران 2 بلین ڈالر کا مزید اضافہ ہوگا جس سے روپے پر کسی قسم کے دباؤ کو ختم کرنے میں مدد ملے گی۔

اگلے سال کے دوران تیل کی قیمتوں کے اوسط 40 فی بی بی ایل کے مفروضے پر صارفی قیمت کے انڈیکس (سی پی آئی) کا متوقع اوسط 7.5 فیصد ہوگا۔ مرکزی بینک نے افراط زر میں متوقع کمی کے تناظر میں پہلے ہی پالیسی شرح میں ترمیم کر کے اسے 7.0 فیصد کر دیا ہے۔ مالی سال کے نصف اول کے دوران افراط زر کی رفتار پٹرولیم کی کم تر قیمتوں کے باعث 7.0 فیصد سے کافی کم رہے گی اور پالیسی شرح کو مثبت رکھنے میں کردار ادا کرے گی۔ تاہم نصف آخر کے دوران چونکہ کم تر base کا اثر بحال ہوگا چنانچہ افراط زر پالیسی شرح سے اوپر جائے گی، جس کا مطلب ہے کہ عمومی معاشی صورتحال کے تحت مرکزی بینک کو انٹریسٹ کی شرحوں میں ترمیم کرنا ہوگی۔ تاہم اگر ادائیگیوں کے توازن کی صورتحال متوقع سے بہتر ہوگی تو مرکزی بینک موجودہ پالیسی شرح کو جاری رکھ سکے گا۔

مالیاتی محکمہ حکومت کے لیے ڈھکتی رگ بنا رہے گا کیونکہ اس کا 7.0 فیصد کے شمال میں رہنا متوقع ہے۔ ٹیکسوں میں محدود متوقع اضافے کے باعث ہم سمجھتے ہیں کہ حکومت کے پاس عوامی ترقیاتی خرچ کے ذریعے محرک فراہم کرنے کی زیادہ گنجائش نہیں ہوگی۔ ساتھ ساتھ، مقامی ذرائع سے حصول قرض پر حکومتی انحصار سے پرائیویٹ سیکٹر میں سرمایہ کاری متاثر ہوگی۔ حکومت پر بڑھتے ہوئے بوجھ کے ماحول میں مجموعی معاشی ترقی کی تجدید کے لیے پرائیویٹ سیکٹر کی اہمیت بدستور حاوی رہے گی۔

کیپیٹل مارکیٹ، خصوصاً ایکویٹیز، کے نظریے سے ہمیں اب کافی واضح صورتحال نظر آرہی ہے۔ جہاں کووڈ کے خم کے ہموار ہونے کا سلسلہ جاری ہے وہاں valuations بتدریج پرانے رجحانات کے ساتھ ہم آہنگ ہو رہی ہیں۔ وائرس کی دوسری لہر کا سدباب کرتے ہوئے ہم سمجھتے ہیں کہ ایکویٹیز میں سرمایہ کاروں کے لیے بہت فوائد مضمر ہیں۔ مارکیٹ کیپیٹلائزیشن کا جی ڈی پی کے ساتھ تناسب 17.5 فیصد ہے، جو اب بھی اپنے پرانے اوسط سے 33 فیصد کم ہے۔ اسی طرح رسک پریمیم 0.4 فیصد کے قریب ہیں جو اپنے پرانے اوسط 0.9 فیصد کے مقابلے میں طویل المیعاد سرمایہ کاروں کے لیے قابل قبول بہتری ہے۔ ہم سمجھتے ہیں کہ سیکٹرز اور اسٹاک کی خوردقصور اس سال زیادہ اہم رہے گی اور سرمایہ کاری کے انتخاب کا انحصار ایسی کمپنیوں پر ہونا چاہیے جو اپنی اندرونی قدر میں گہری رعایت پر تجارت کرتی ہیں۔ اسی طرح ایسی کمپنیوں کی طرف بھی توجہ دوبارہ مرکوز ہونی چاہیے جن کی درمیانی مدت کی آمدنی میں زبردست ترقی متوقع ہے۔

Debt حاملین کے لیے ہم توقع کرتے ہیں کہ بازار زر کے فنڈ پالیسی شرحوں کی عکاسی بلا رکاوٹ سال بھر جاری رکھیں گے۔ دوسری جانب حکومتی بانڈز دوران سال پہلے ہی کچھ حد تک متوقع مالیاتی تسہیل میں کردار ادا کر چکے ہیں۔ ہم بانڈز کے منافعوں کی موجودہ سطحوں کے حوالے سے محتاط ہیں اور ڈیٹا کے نکات کی نگرانی جاری رکھیں گے تاکہ مواقع سے فائدہ اٹھایا جاسکے۔

### کارپوریٹ گورننس

فنڈ کارپوریٹ گورننس کے اعلیٰ ترین معیارات نافذ کرنے کے لئے پرعزم ہے۔ چار (4 Non) ایگزیکٹو ڈائریکٹرز، تین (3) خود مختار ڈائریکٹرز اور ایک (1) ایگزیکٹو ڈائریکٹر کے ساتھ بورڈ، مینجمنٹ کمپنی کے انتظامی ادارے کی حیثیت سے، عمدہ کارپوریٹ گورننس کے لئے پونٹ ہولڈرز کو جوابدہ ہے۔ بورڈ 1 خاتون اور 7 حضرات ڈائریکٹرز پر مشتمل ہے۔ تفصیلات درج ذیل ہیں:

## ڈائریکٹرز رپورٹ

دوران سال دو سازی، تعمیرات اور مواد، اور کھاد کے شعبے بالترتیب 45 فیصد، 43 فیصد اور 23 فیصد منافع جات پوسٹ کر کے سبقت لے گئے۔ دو ساز کمپنیاں مرکز نگاہ تھیں کیونکہ کووڈ 19 نے اس شعبے کی استعداد میں اضافہ کر دیا تھا۔ سیمنٹ کے شعبے میں تحریک ہوئی جس کے اسباب انٹریسٹ کی شرحوں میں کمی اور فریقوں کے درمیان مارکیٹنگ انتظام کا استحکام تھے۔ کھاد کے شعبے نے قابل قبول کارکردگی کا مظاہرہ کیا کیونکہ انٹریسٹ کی شرح میں متواتر کمی کے بعد ڈیویڈنڈ دینے والے اسٹاکس منظر عام پر آ گئے۔ دوسری جانب کمرشل بینکوں اور دریافت اور پیداوار (ای اینڈ پی) کے شعبے کی کارکردگی انڈیکس کے مضبوط فریق ہونے کے باوجود بیچ مارک سے کم تھی۔ بالترتیب 14 فیصد اور 10 فیصد منفی منافع۔ کمرشل بینکوں کی کمزور کارکردگی کی وجہ اب تک کی سب سے زیادہ مالیاتی تسہیل کے باعث NIMS میں سنکڑن تھی، جبکہ ای اینڈ پی کی کمزور کارکردگی کی وجہ خام تیل کی قیمتوں میں گراوٹ تھی کیونکہ سعودی عرب نے اوپیک اور روس کے درمیان معاہدہ نہ ہونے پر قیمت کی ایک جنگ کا آغاز کر دیا۔ ساتھ ساتھ، وباء کے تناظر میں عالمی سطح پر مانگ میں کمی نے صورتحال کو ابتر کر دیا۔

### فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران فنڈ نے 11.77 فیصد منافع دیا جو بیچ مارک منافع 1.60 فیصد کے مقابلے میں 10.17 فیصد بہتر کارکردگی تھی۔  
30 جون 2020ء کو فنڈ کی 93.5 فیصد سرمایہ کاری الحمراء اسلامک انکم فنڈ میں تھی۔

30 جون 2020ء کو فنڈ کے inet اثاثہ جات 177 ملین روپے تھے جو 30 جون 2019ء کو 708 ملین روپے کے مقابلے میں 75.0 فیصد کمی ہے۔ 30 جون 2020ء کو inet اثاثہ جاتی قدر (این اے وی) فی یونٹ 95.6301 روپے تھی جو 30 جون 2019ء کو ابتدائی این اے وی 93.8703 روپے فی یونٹ کے مقابلے میں 1.7598 روپے فی یونٹ اضافہ ہے۔

### مستقبل کا منظر نامہ

حکومت اور مختلف اداروں کے مطابق مالی سال 2020-21ء کے لیے مجموعی ملکی پیداوار (جی ڈی پی) میں متوقع ترقی 2.0 فیصد ہے۔ پاکستان و باہ کی پہلی لہر سے نمٹنے میں کامیاب ہوا ہے اور متاثر افراد کی یومیہ تعداد (ایک ہزار) ماہ جون کے اوائل میں بلند ترین یومیہ تعداد (چھ ہزار) کا چھٹا حصہ رہ گئی ہے۔ اگرچہ اکثر شعبے کھول دیئے گئے ہیں لیکن کچھ تاحال بالکل بند ہیں اور کچھ استعداد سے کم کام کر پارہے ہیں۔ کووڈ کی دوسری لہر کا سدباب کرتے ہوئے ہم پُر امید ہیں کہ مالی سال کی دوسری سہ ماہی تک معیشت مکمل بحال ہو جائے گی۔ علاوہ ازیں، متوقع طور پر دسمبر تک ویکسین کے منظر عام پر آ جانے سے جنوری سے عالمی سطح پر سرگرمیاں بھی مکمل بحال ہو جائیں گی۔ ہم امید کرتے ہیں کہ حکومت کم تر base اور مختلف محرکات اقدامات کے ساتھ جی ڈی پی میں ترقی کا سالانہ ہدف حاصل کر سکے گی۔ مرکزی بینک کا اعلان کردہ مالیاتی محرک گردش صنعتوں میں ترقی بحال کرنے کی راہ ہموار کرے گا۔ علاوہ ازیں، حکومت کے تعمیرات سے متعلق پیکیج سے مانگ پر مبنی ترقی کو مطلوبہ محرک حاصل ہوگا۔

ادائیگی کے توازن کی پریشانیاں فی الوقت ختم ہو گئی ہیں کیونکہ کرنٹ اکاؤنٹ خسارہ مرکزی حکومت کے پالیسی اقدامات کے بعد معقول سطح تک آ گیا ہے۔ تیل کی بین الاقوامی قیمتوں کا 40 ڈالر فی بیرل تک کم ہو جانا زحمت کے بھیس میں رحمت ثابت ہوا ہے۔ عالمی معیشت بحال ہونا شروع ہو گئی ہے اور جو خبریں گردش میں ہیں ان کے مطابق برآمدات میں تیزی آرہی ہے۔ ترسیلات زر بھی عمومی متوقع سطح سے کافی زیادہ ہوئی ہیں، بلکہ ماہ جون میں 50 فیصد YoY ترقی نے سب کو حیران کر دیا ہے۔ ترسیلات زر میں 10 فیصد کمی کو شامل کرنے کے باوجود مجموعی صورتحال قابل قبول رہے گی۔ ہمیں

## ڈائریکٹرز رپورٹ

ڈالر منافع حاصل کیا۔ نتیجتاً اسٹیٹ بینک آف پاکستان کے غیر ملکی زرمبادلہ کے ذخائر دوران سال 4.9 بلین ڈالر بڑھ کر 12.1 بلین ڈالر تک پہنچ گئے۔ اگرچہ درآمدات کے cover میں بہتری آئی، یعنی 1.7x سے 2.6x، لیکن یہ اب بھی مقبول عالمی معیارات سے کم ہے۔ ڈالر کے مقابلے میں روپے کی قدر دوران سال 3.2 فیصد کم ہو کر 168.2 ہو گئی۔

مالی سال 2020ء کے لیے صارفی قیمت کے انڈیکس (سی پی آئی) کا اوسط 10.8 فیصد جبکہ دوران سال گزشتہ 6.8 فیصد تھا۔ دوران سال اشیائے خورد و نوش کا افراط زر نمایاں تھا جس کا اوسط 14.5 فیصد تھا کیونکہ رسد کی جہت میں کمزوری کے باعث کچھ ضروری اشیاء اور جلد خراب ہوجانے والی اشیاء کی قیمتوں میں اضافہ ہو گیا۔ چینی کی قیمتوں میں دوران سال 29 فیصد جبکہ گندم کے آٹے کی قیمت میں 16 فیصد اضافہ ہوا۔ جلد خراب ہوجانے والی اشیاء میں پیاز اور آلو کی قیمتوں میں بالترتیب 70 فیصد اور 65 فیصد اضافہ ہوا۔ تاہم افراط زر کے دباؤ میں کمی آغاز ہو گیا ہے اور جون میں افراط زر 6.8 فیصد تھی کیونکہ پٹرولیم کی کم تر قیمتوں کے ساتھ ساتھ اشیائے خورد و نوش کی افراط زر میں تسہیل سے مجموعی افراط زر رک گئی۔ بہر حال، اہم ترین افراط زر، جس کی پیمائش اشیائے خورد و نوش اور توانائی کے شعبے کے علاوہ ہوتی ہے، پھر بھی محدود تھی اور زیر جائزہ مدت کے لیے اس کا اوسط 7.9 فیصد تھا۔

مانیٹری پالیسی کمیٹی (ایم پی سی) سارا سال متحرک رہی اور اس نے انٹریسٹ کی شرحوں میں 625 بیس پوائنٹس (بی پی ایس) کی ریکارڈ کمی کر کے پالیسی کی شرح کو 7.0 فیصد تک پہنچا دیا۔ کووڈ 19 کے باعث مندی کے دباؤ اور افراط زر کی کم تر توقع اس اہم اقدام کے بنیادی اسباب تھے۔ ساتھ ساتھ مرکزی بینک نے نظام میں مالیاتی ہنگامی صورتحال کے بوجھ کو کم کرنے کے لیے مختلف اسکیموں کا اعلان کیا۔ کمرشل بینکوں نے تقریباً 650 بلین روپے کے قرضہ جات ایک سال کے لیے ملتوی کیے، جبکہ تقریباً 150 بلین ڈالر کے قرضہ جات کی تسکین ہوئی گئی۔

مالی سال 2020ء کے نصف اول کے دوران مالیاتی تسہیل سے قبل کم تر افراط زر کی توقعات کے باعث پیداواری خم میں جھکاؤ آنا شروع ہو گیا۔ سال کے آغاز کے دوران وباء کے سر اٹھانے کے باعث مندی کے دباؤ قریب الورد ہو گئے اور مرکزی بینک نے متحرک انداز میں مالیاتی تسہیل کر کے متعدد میننگلز میں پالیسی شرح کو 625 بی پی ایس کم کر دیا۔ اس کے نتیجے میں پیداواری خم دوران مدت مزید نیچے ہو گیا۔ تین سالہ، پانچ سالہ اور دس سالہ بانڈ میں دوران سال بالترتیب 632، 577 اور 503 بی پی ایس کی تسہیل ہوئی۔ پیداواری خم دوبارہ بلندی کی طرف جانا شروع ہو گیا ہے کیونکہ بازار کے فریق انٹریسٹ کی شرحوں کے کم ترین سطح تک جانے کی توقع کر رہے ہیں۔

### ایکویٹیز مارکیٹ کا مجموعی جائزہ

معاشی صورتحال کی طرح ایکویٹیز مارکیٹوں کی صورتحال بھی سال کے نصف اول اور نصف آخر کے دوران بہت مختلف تھی۔ نصف اول کے دوران سرمایہ کاروں نے گلاں معاشی یکجائی کے حاصل کردہ منافع جات کا خیر مقدم کیا اور بیچ مارک KSE-100 انڈیکس میں 19.8 فیصد کا زبردست اضافہ ہوا۔ تاہم کورونا وائرس کے زور کے بعد ایکویٹی مارکیٹیں بد حالی سے دوچار ہو گئیں اور KSE-100 انڈیکس بھی متاثر ہوا۔ بیچ مارک انڈیکس مالی سال کے نصف آخر میں 16 فیصد گر گیا جس سے نصف اول میں حاصل کیے گئے منافع جات بے اثر ہو گئے۔ بہر حال KSE-100 نے مجموعی طور پر پورے سال کے لیے 1.5 فیصد معمولی منافع پوسٹ کیا اور گزشتہ دو متواتر سالوں سے منفی منافعوں کا رجحان ختم ہوا۔ غیر ملکیوں کی جانب سے ہونے والی ایکویٹیز کی فروخت کمی سے محفوظ رہی اور 285 ملین ڈالر مالیت کی ایکویٹیز کی فروخت کے ساتھ پانچویں متواتر سال ریڈ زون میں رہی۔ افراد اور بیمہ کمپنیاں بالترتیب 213 ڈالر اور 128 ڈالر مالیت کی ایکویٹیز خرید کر net خریدار رہے۔ خرید و فروخت کے یومیہ حجم کا اوسط دوران مدت 194 ملین حصص تھا (26.2 فیصد YoY اضافہ)، جبکہ یومیہ قدر کا اوسط 7.2 بلین روپے (10.4 فیصد YoY اضافہ) تھا۔

بورڈ آف ڈائریکٹرز کی طرف سے الحراء اسلامک ایکٹیو ایلوکیشن پلان-II کے گوشواروں برائے مدتِ مختتمہ 30 جون 2020ء کا جائزہ پیش خدمت ہے۔

### معیشت اور بازار کا مجموعی جائزہ

مالی سال 2020ء کے نصف اول کی صورتحال نصفِ آخر کے حالات سے کافی مختلف تھی۔ گلاں معاشیاتی یکجائی، جو نصف اول میں صحیح راہ پر گامزن تھی، کو وڈ 19 کے باعث نصفِ آخر میں شدید متاثر ہوئی۔ اس قاتل وباء سے جہاں عالمی سطح پر 17 ملین سے زائد افراد متاثر ہوئے اور 650,000 سے زائد لقمہ اجل بنے وہیں عالمی معیشت بھی تباہی سے دوچار ہوئی کیونکہ دنیا بھر میں لاک ڈاؤن کے باعث صرفی رجحان میں کمی ہوئی اور بڑے پیمانے پر بے روزگاری پھیلی۔ انٹرنیشنل مانیٹری فنڈ (آئی ایم ایف) کے مطابق اس سال عالمی معیشت 4.9 فیصد سکڑ جائے گی جو دوسری جنگِ عظیم کے بعد ایک سال کے دوران بدترین تنزلی ہے۔

مقامی سطح پر معیشت میں ماہِ مئی تک بڑے پیمانے پر لاک ڈاؤن رہا اور صحتِ عامہ کے شعبے میں متاثر افراد کا وفور رہا۔ ماحصل میں فرق کے نتیجے میں معاشی ترقی میں -0.4 فیصد تک کمی کی پیش گوئی کی گئی بالمقابل سابقہ متوقع ترقی کے جو 2.4 فیصد تھی۔ بڑے پیمانے کی مینوفیکچرنگ (ایل ایس ایم) اور خدمات کے شعبے لاک ڈاؤن سے سب سے زیادہ متاثر ہوئے۔ ایل ایس ایم مالی سال 2020ء کے پہلے گیارہ ماہ کے دوران 10.3 فیصد سکڑ گیا۔ بڑی صنعتوں میں گاڑیوں اور لوہے اور اسٹیل کی صنعتیں سنگین متاثر ہوئیں اور ان میں بالترتیب 44.8 فیصد اور 17.0 فیصد تنزلی ہوئی۔ ایل ایس ایم کی سب سے بڑی فریق ٹیکسٹائل صنعت بھی عالمی لاک ڈاؤن کے نتیجے میں برآمدات رُک جانے کے باعث 11.0 فیصد سکڑ گئی۔ مزید برآں، زراعت کے شعبے کی کارکردگی بھی مایوس کن رہی کیونکہ اہم فصلوں (کپاس، گندم اور گنا) ہدف سے کافی پست سطح پر رہیں۔

لاک ڈاؤن کے باعث ٹیکس وصولی میں سنگین کمی کے نتیجے میں مالی یکجائی شدید متاثر ہوئی۔ فیڈرل بورڈ آف ریونیو (ایف بی آر) سابقہ متوقع ہدف 4.8 ٹریلین روپے کے مقابلے میں 0.4 ٹریلین روپے جمع کر سکا۔ فروری 2020ء تک ٹیکس وصولی 16 فیصد سال در سال (YoY) کی شرح سے بڑھ رہی تھی، تاہم مالی سال کے آخری چار ماہ کے دوران 20 فیصد YoY کی خطیر شرح سے سکڑ گئی جس کے نتیجے میں شدید کمی پیدا ہو گئی۔ مزید برآں، حکومت نے لاک ڈاؤن سے پیدا ہونے والے خطرات سے عوام کی حفاظت کے مقصد سے ایک سماجی تحفظ کارپورگم شروع کیا لیکن اس میں مطلوبہ سے زیادہ اخراجات ہو گئے جس کے نتیجے میں مالیاتی خسارے کا مجموعی ملکی پیداوار (جی ڈی پی) سے 9.0 فیصد زیادہ ہونا متوقع ہے۔

پالیسی اقدام کے تحت رفتار اثرات بحوالہ مالیاتی سختی اور زرمبادلہ کی شرح میں ترمیم کے ثمرات حاصل ہونے کا سلسلہ جاری رہا جس کی عکاسی ادائیگیوں کے توازن کی صورتحال میں بہتری میں ہوئی۔ کرنٹ اکاؤنٹ خسارہ دوران سال 78 فیصد YoY بنیاد پر سکڑ کر 2.8 بلین ڈالر ہو گیا۔ کرنٹ اکاؤنٹ خسارے میں کمی کی بڑی وجہ اشیاء کی درآمدات میں کمی ہے جو 19 فیصد سکڑ گئیں جس کے نتیجے میں 12 بلین ڈالر کمی ہوئی۔ ترسیلات زر بھی لچکدار رہیں اور دوران سال 6 فیصد بڑھ کر 23.1 بلین ڈالر ہو گئیں۔ غیر ملکی براہ راست سرمایہ کاری (ایف ڈی آئی) 2.5 بلین ڈالر کی سطح پر تھی جو سال گزشتہ کے مقابلے میں 75 فیصد زیادہ ہے کیونکہ ٹیلی کام لائسنسوں کی تجدید اور بجلی کے شعبے میں منصوبوں کے آغاز کی بدولت نئی سرمایہ کاریاں آئیں۔ آئی ایم ایف اور کثیر الجہتی اداروں سے قرضوں سے متعلقہ آمدات نے بھی مجموعی مالیاتی آمدات کو مثبت سمت میں قائم رکھا۔ پاکستان کو آئی ایم ایف سے 2.4 بلین روپے موصول ہوئے اور کثیر الجہتی اداروں نے مختلف منصوبوں کے لیے 5 بلین ڈالر سے زائد جاری کیے۔ مجموعی طور پر مالی اکاؤنٹ نے 7 بلین

## ڈائریکٹرز رپورٹ

\*جناب ہارون رشید 07 فروری 2020ء سے کمیٹی کے چیئرمین اراکین نہیں ہیں۔  
\*\*محترمہ ماوراء عادل خان اور سید ساویل میکال حسین کی بعد از انتخابات کمیٹی کے رکن کی حیثیت سے تقرری کی گئی۔

m. دوران سال مینجمنٹ کمیٹی کے ڈائریکٹرز، چیف ایگزیکٹو آفیسر، چیف آپریٹنگ آفیسر، چیف فنانسئل آفیسر، کمپنی سیکرٹری اور چیف انٹرنل آڈیٹر اور ان کے شریک حیات اور چھوٹے بچوں نے فنڈ کے پونٹس کی کوئی خرید و فروخت نہیں کی۔

### خارجی آڈیٹرز

فنڈ کے خارجی آڈیٹرز ارنسٹ اینڈ ینگ فورڈ رھوڈز چارٹرڈ اکاؤنٹنٹس نے 30 جون 2021ء کو ختم ہونے والے اگلے سال کے لئے فنڈ کے آڈیٹرز کے طور پر کام جاری رکھنے پر رضامندی ظاہر کی ہے۔ بورڈ کی آڈٹ کمیٹی نے 30 جون 2021ء کو ختم ہونے والے سال کے لئے فنڈ کے آڈیٹرز کے طور پر ارنسٹ اینڈ ینگ فورڈ رھوڈز چارٹرڈ اکاؤنٹنٹس کی دوبارہ تقرری کی سفارش کی ہے۔

### اظہار تشکر

بورڈ آف ڈائریکٹرز فنڈ کے گراں قدر سرمایہ کاروں، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور فنڈ کے ٹرسٹیز کی مسلسل معاونت اور پشت پناہی کے لئے شکر گزار ہے۔ علاوہ ازیں، ڈائریکٹرز مینجمنٹ ٹیم کی کوششوں کو بھی خراج تحسین پیش کرتے ہیں۔

من جانب ڈائریکٹرز،



نسیم بیگ  
ڈائریکٹر اوائس چیئرمین



محمد ثاقب سلیم  
چیف ایگزیکٹو آفیسر  
22 اگست 2020ء

## ڈائریکٹرز رپورٹ

30 جون 2020ء کو کمپنی کوڈ آف کارپورٹ گورننس کے ریگولیشن نمبر 20 کے مطابق ڈائریکٹرز ٹریڈنگ پروگرام کی شرائط پر تعمیل پیرا ہے۔  
K این بی ایف سی کے قواعد و ضوابط کے تحت مطلوب یونٹ ہولڈنگ کا تفصیلی خاکہ ملحق ہے۔

1. بورڈ آف ڈائریکٹرز کی میٹنگ میں حاضری کی تفصیلات مالیاتی گوشواروں میں ظاہر کی گئی ہیں۔ 30 جون 2020ء کو ختم ہونے والے سال کے دوران ہونے والی کمیٹی میٹنگز کی تفصیلات درج ذیل ہیں:

### 1- آڈٹ کمیٹی کی میٹنگ

دوران سال آڈٹ کمیٹی کی آٹھ (8) میٹنگز منعقد ہوئیں۔ شرکاء کی حاضری درج ذیل ہے:

میٹنگز کی تعداد			منعقدہ میٹنگز کی تعداد	نام
منظور شدہ رخصت	حاضری	مطلوبہ حاضری		
1	4	5	8	1- جناب ہارون رشید (سابقہ چیئرمین)*
0	8	8	8	2- مرزا محمد قمر بیگ (چیئرمین)
0	8	8	8	3- جناب نسیم بیگ
1	7	8	8	4- جناب احمد جہانگیر
0	3	3	8	5- جناب کاشف اے حبیب
0	3	3	8	6- سید ساویل میکال حسین**

\* جناب ہارون رشید 07 فروری 2020ء سے کمیٹی کے چیئرمین اراکن نہیں ہیں۔

\*\* سید ساویل میکال حسین کا 06 فروری 2020ء کو بورڈ میں انتخاب ہوا۔

2- ہیومن ریسورس اینڈ ریویژن کمیٹی کی میٹنگ

دوران سال ہیومن ریسورس اینڈ ریویژن کمیٹی کی چار (4) میٹنگز منعقد ہوئیں۔ شرکاء کی حاضری درج ذیل ہے:

میٹنگز کی تعداد			منعقدہ میٹنگز کی تعداد	نام
منظور شدہ رخصت	حاضری	مطلوبہ حاضری		
-	4	4	4	1- جناب مرزا قمر بیگ
-	4	4	4	2- جناب ہارون رشید*
-	4	4	4	3- جناب احمد جہانگیر
-	4	4	4	4- جناب نسیم بیگ
-	-	-	4	5- محترمہ ماوراء عادل خان**
-	-	-	4	6- سید ساویل میکال حسین**
-	4	4	4	7- جناب محمد ثاقب سلیم (سی ای او)

## ڈائریکٹرز رپورٹ

نمبر شمار	نام	عہدہ	دیگر بورڈ کمیٹیوں میں رکنیت
1.	جناب ہارون رشید	Non ایگزیکٹو ڈائریکٹر	کوئی نہیں
2.	جناب نسیم بیگ	Non ایگزیکٹو ڈائریکٹر	(i) آڈٹ کمیٹی؛ اور (ii) ایچ آر اینڈ آر کمیٹی *
3.	جناب احمد جہانگیر	Non ایگزیکٹو ڈائریکٹر	(i) آڈٹ کمیٹی؛ اور (ii) ایچ آر اینڈ آر کمیٹی *
4.	جناب کاشف اے حبیب	Non ایگزیکٹو ڈائریکٹر	آڈٹ کمیٹی
5.	سید ساویل میکال حسین	خود مختار ڈائریکٹر	ایچ آر اینڈ آر کمیٹی *
6.	جناب مرزا قمر بیگ	خود مختار ڈائریکٹر	(i) آڈٹ کمیٹی (چیئر مین)؛ اور (ii) ایچ آر اینڈ آر کمیٹی * (چیئر مین)
7.	مخترمہ ماوراء عادل خان	خود مختار ڈائریکٹر	ایچ آر اینڈ آر کمیٹی *
8.	جناب محمد ثاقب سلیم	ایگزیکٹو ڈائریکٹر	ایچ آر اینڈ آر کمیٹی *

\* ایچ آر اینڈ آر : ہیومن ریسورس اینڈ میوزیشن

انتظامیہ بہترین طریقوں، خاص طور پر Non ایگزیکٹو ڈائریکٹرز کی خود مختاری کے حوالے سے کارپوریٹ گورننس کے ضابطہء اخلاق کی دفعات کی بدستور تعمیل کر رہی ہے۔ فنڈ پاکستان اسٹاک ایکسچینج کے لسٹنگ قوانین کے مطابق کاروبار جاری رکھنے کے عزم پر قائم ہے جن میں بورڈ آف ڈائریکٹرز اور انتظامیہ کے کردار اور ذمہ داریوں کی وضاحت کی گئی ہے۔

ذیل میں کارپوریٹ گورننس کے ضابطہء اخلاق کی شرائط کی تعمیل کے لئے خصوصی بیانات دیئے جا رہے ہیں:

a. مالیاتی گوشوارے فنڈ کے معاملات کی صورتحال، اس کی سرگرمیوں کے نتائج، نقد کی آمد و رفت اور ایکویٹی میں تبدیلیوں کی منصفانہ عکاسی کرتے ہیں۔

b. فنڈ کی درست بکس آف اکاؤنٹس تیار کی گئی ہیں۔

c. مالیاتی گوشواروں کی تیاری میں درست اکاؤنٹنگ پالیسیوں کا باقاعدگی کے ساتھ اطلاق کیا گیا ہے اور اکاؤنٹنگ تخمینے معقول اور محتاط اندازوں پر مبنی ہیں۔

d. مالیاتی گوشواروں کی تیاری میں بین الاقوامی مالیاتی رپورٹنگ کے معیار (پاکستان میں اطلاق کی حد تک)، نان بینکنگ فنانس کمپنیز (اسٹیبلشمنٹ اینڈ ریگولیشنز) 2003ء اور نان بینکنگ فنانس کمپنیز اینڈ نوٹیفائیڈ انٹیلیجنٹ ریگولیشنز 2008ء کی دفعات، متعلقہ ٹرسٹ ڈیڈز کی شرائط اور سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جاری کردہ ہدایات کی تعمیل کی گئی ہے۔

e. انٹرنل کنٹرول کا نظام مستحکم خطوط پر استوار اور مؤثر انداز میں نافذ کیا گیا ہے اور اس کی مؤثر نگرانی کی جاتی ہے، اور اسے مزید بہتر بنانے کی کوششیں جاری ہیں۔

f. فنڈ کے کاروبار جاری رکھنے کی صلاحیت میں کسی قسم کے کوئی شبہات نہیں ہیں۔

g. کارپوریٹ گورننس کی بہترین روایات سے کوئی قابل ذکر انحراف نہیں ہوا ہے۔

h. واجب الادا ٹیکسز، ڈیویڈنڈ، محصولات اور چارجز کو (اگر کوئی ہے تو) مالیاتی گوشواروں میں مکمل طور پر ظاہر کیا گیا ہے۔

i. پراویڈنٹ / گریجویٹ فنڈ اور پینشن فنڈ میں سرمایہ کاریوں کی مالیت کے اسٹیٹمنٹ کا اطلاق فنڈ پر نہیں بلکہ منجمنٹ کمپنی پر ہوتا ہے، چنانچہ ڈائریکٹرز رپورٹ میں اس حوالے سے کوئی معلومات ظاہر نہیں کی گئی ہیں۔

## ڈائریکٹرز رپورٹ

امید ہے کہ کرنٹ اکاؤنٹ کا خسارہ مالی سال 2020-21ء میں مجموعی ملکی پیداوار کے 1.6 فیصد پر رُکے گا، اور اس کے لیے غیر ملکی سرمایہ کاریوں اور قرضہ جاتی آمدات سے بآسانی رقم فراہم کی جاسکتی ہے۔ مالی اکاؤنٹ کو مثبت حدود میں رکھنے کے لیے آئی ایم ایف پروگراموں کا سبک رفتاری کے ساتھ جاری رہنا کلیدی شرط ہے۔ موجودہ صورتحال میں ہمیں امید ہے کہ غیر ملکی زرمبادلہ کے ذخائر میں اگلے سال کے دوران 2 بلین ڈالر کا مزید اضافہ ہوگا جس سے روپے پر کسی قسم کے دباؤ کو ختم کرنے میں مدد ملے گی۔

اگلے سال کے دوران تیل کی قیمتوں کے اوسط 40 فی بی بی ایل کے مفروضے پر صارفی قیمت کے انڈیکس (سی پی آئی) کا متوقع اوسط 7.5 فیصد ہوگا۔ مرکزی بینک نے افراط زر میں متوقع کمی کے تناظر میں پہلے ہی پالیسی شرح میں ترمیم کر کے اسے 7.0 فیصد کر دیا ہے۔ مالی سال کے نصف اول کے دوران افراط زر کی رفتار پٹرولیم کی کم تر قیمتوں کے باعث 7.0 فیصد سے کافی کم رہے گی اور پالیسی شرح کو مثبت رکھنے میں کردار ادا کرے گی۔ تاہم نصف آخر کے دوران چونکہ کم تر base کا اثر بحال ہوگا چنانچہ افراط زر پالیسی شرح سے اوپر جائے گی، جس کا مطلب ہے کہ عمومی معاشی صورتحال کے تحت مرکزی بینک کو انٹریسٹ کی شرحوں میں ترمیم کرنا ہوگی۔ تاہم اگر ادائیگیوں کے توازن کی صورتحال متوقع سے بہتر ہوگی تو مرکزی بینک موجودہ پالیسی شرح کو جاری رکھ سکے گا۔

مالیاتی محکمہ حکومت کے لیے ڈھکتی رگ بنا رہے گا کیونکہ اس کا 7.0 فیصد کے شمال میں رہنا متوقع ہے۔ ٹیکسوں میں محدود متوقع اضافے کے باعث ہم سمجھتے ہیں کہ حکومت کے پاس عوامی ترقیاتی خرچ کے ذریعے محرک فراہم کرنے کی زیادہ گنجائش نہیں ہوگی۔ ساتھ ساتھ، مقامی ذرائع سے حصول قرض پر حکومتی انحصار سے پرائیویٹ سیکٹر میں سرمایہ کاری متاثر ہوگی۔ حکومت پر بڑھتے ہوئے بوجھ کے ماحول میں مجموعی معاشی ترقی کی تجدید کے لیے پرائیویٹ سیکٹر کی اہمیت بدستور حاوی رہے گی۔

کیپیٹل مارکیٹ، خصوصاً ایکویٹیز، کے نظریے سے ہمیں اب کافی واضح صورتحال نظر آرہی ہے۔ جہاں کووڈ کے خم کے ہموار ہونے کا سلسلہ جاری ہے وہاں valuations بتدریج پرانے رجحانات کے ساتھ ہم آہنگ ہو رہی ہیں۔ وائرس کی دوسری لہر کا سبب باب کرتے ہوئے ہم سمجھتے ہیں کہ ایکویٹیز میں سرمایہ کاروں کے لیے بہت فوائد مضمر ہیں۔ مارکیٹ کیپیٹلائزیشن کا جی ڈی پی کے ساتھ تناسب 17.5 فیصد ہے، جو اب بھی اپنے پرانے اوسط سے 33 فیصد کم ہے۔ اسی طرح رسک پریمیم 0.4 فیصد کے قریب ہیں جو اپنے پرانے اوسط 0.9 فیصد کے مقابلے میں طویل المیعاد سرمایہ کاروں کے لیے قابل قبول بہتری ہے۔ ہم سمجھتے ہیں کہ سیکٹرز اور اسٹاک کی خورد تصویر اس سال زیادہ اہم رہے گی اور سرمایہ کاری کے انتخاب کا انحصار ایسی کمپنیوں پر ہونا چاہیے جو اپنی اندرونی قدر میں گہری رعایت پر تجارت کرتی ہیں۔ اسی طرح ایسی کمپنیوں کی طرف بھی توجہ دوبارہ مرکوز ہونی چاہیے جن کی درمیانی مدت کی آمدنی میں زبردست ترقی متوقع ہے۔

Debt حاملین کے لیے ہم توقع کرتے ہیں کہ بازار زر کے فنڈ پالیسی شرحوں کی عکاسی بلا رکاوٹ سال بھر جاری رکھیں گے۔ دوسری جانب حکومتی بانڈز دوران سال پہلے ہی کچھ حد تک متوقع مالیاتی تسہیل میں کردار ادا کر چکے ہیں۔ ہم بانڈز کے منافعوں کی موجودہ سطحوں کے حوالے سے محتاط ہیں اور ڈیٹا کے نکات کی نگرانی جاری رکھیں گے تاکہ مواقع سے فائدہ اٹھایا جاسکے۔

### کارپوریٹ گورننس

فنڈ کارپوریٹ گورننس کے اعلیٰ ترین معیارات نافذ کرنے کے لئے پرعزم ہے۔ چار (4 Non) ایگزیکٹو ڈائریکٹرز، تین (3) خود مختار ڈائریکٹرز اور ایک (1) ایگزیکٹو ڈائریکٹر کے ساتھ بورڈ، مینجمنٹ کمپنی کے انتظامی ادارے کی حیثیت سے، عمدہ کارپوریٹ گورننس کے لئے پونٹ ہولڈرز کو جوابدہ ہے۔ بورڈ 1 خاتون اور 7 حضرات ڈائریکٹرز پر مشتمل ہے۔ تفصیلات درج ذیل ہیں:

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دوران سال دو اساسی، تعمیرات اور مواد، اور کھاد کے شعبے بالترتیب 45 فیصد، 43 فیصد اور 23 فیصد منافع جات پوسٹ کر کے سبقت لے گئے۔ دو سال کمپنیاں مرکز نگاہ تھیں کیونکہ کووڈ 19 نے اس شعبے کی استعداد میں اضافہ کر دیا تھا۔ سیمنٹ کے شعبے میں تحریک ہوئی جس کے اسباب انٹریسٹ کی شرحوں میں کمی اور فریقوں کے درمیان مارکیٹنگ انتظام کا استحکام تھے۔ کھاد کے شعبے نے قابل قبول کارکردگی کا مظاہرہ کیا کیونکہ انٹریسٹ کی شرح میں متواتر کمی کے بعد ڈیویڈنڈ دینے والے اسٹاکس منظر عام پر آ گئے۔ دوسری جانب کمرشل بینکوں اور دریافت اور پیداوار (ای اینڈ پی) کے شعبے کی کارکردگی انڈیکس کے مضبوط فریق ہونے کے باوجود بیچ مارک سے کم تھی۔ بالترتیب 14 فیصد اور 10 فیصد منفی منافع۔ کمرشل بینکوں کی کمزور کارکردگی کی وجہ اب تک کی سب سے زیادہ مالیاتی تسہیل کے باعث NIMS میں سکڑن تھی، جبکہ ای اینڈ پی کی کمزور کارکردگی کی وجہ خام تیل کی قیمتوں میں گراوٹ تھی کیونکہ سعودی عرب نے اوپیک اور روس کے درمیان معاہدہ نہ ہونے پر قیمت کی ایک جنگ کا آغاز کر دیا۔ ساتھ ساتھ، وباء کے تناظر میں عالمی سطح پر مانگ میں کمی نے صورتحال کو ابتر کر دیا۔

### فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران فنڈ نے 6.40 فیصد منافع دیا جو بیچ مارک منافع - 0.03 فیصد کے مقابلے میں 6.43 فیصد بہتر کارکردگی تھی۔  
30 جون 2020ء کو فنڈ کی 94.4 فیصد سرمایہ کاری الحمراء اسلامک انکم فنڈ میں تھی۔

30 جون 2020ء کو فنڈ کے net اثاثہ جات 341 ملین روپے تھے جو 30 جون 2019ء کو 627 ملین روپے کے مقابلے میں 5.6 فیصد کمی ہے۔ 30 جون 2020ء کو net اثاثہ جاتی قدر (این اے وی) فی یونٹ 90.2980 روپے تھی جو 30 جون 2019ء کو ابتدائی این اے وی 89.1993 روپے فی یونٹ کے مقابلے میں 1.0987 روپے فی یونٹ اضافہ ہے۔

### مستقبل کا منظر نامہ

حکومت اور مختلف اداروں کے مطابق مالی سال 2020-21ء کے لیے مجموعی ملکی پیداوار (جی ڈی پی) میں متوقع ترقی 2.0 فیصد ہے۔ پاکستان وباء کی پہلی لہر سے نمٹنے میں کامیاب ہوا ہے اور متاثر افراد کی یومیہ تعداد (ایک ہزار) ماہ جون کے اوائل میں بلند ترین یومیہ تعداد (چھ ہزار) کا چھٹا حصہ رہ گئی ہے۔ اگرچہ اکثر شعبے کھول دیئے گئے ہیں لیکن کچھ تا حال بالکل بند ہیں اور کچھ استعداد سے کم کام کر پارہے ہیں۔ کووڈ کی دوسری لہر کا سدباب کرتے ہوئے ہم پر اُمید ہیں کہ مالی سال کی دوسری سہ ماہی تک معیشت مکمل بحال ہو جائے گی۔ علاوہ ازیں، متوقع طور پر دسمبر تک ویکسین کے منظر عام پر آ جانے سے جنوری سے عالمی سطح پر سرگرمیاں بھی مکمل بحال ہو جائیں گی۔ ہم اُمید کرتے ہیں کہ حکومت کم تر base اور مختلف محرومانہ اقدامات کے ساتھ جی ڈی پی میں ترقی کا سالانہ ہدف حاصل کر سکے گی۔ مرکزی بینک کا اعلان کردہ مالیاتی محرک گردش صنعتوں میں ترقی بحال کرنے کی راہ ہموار کرے گا۔ علاوہ ازیں، حکومت کے تعمیرات سے متعلق پیکیج سے مانگ پر مبنی ترقی کو مطلوبہ محرک حاصل ہوگا۔

ادائیگی کے توازن کی پریشانیاں فی الوقت ختم ہو گئی ہیں کیونکہ کرنٹ اکاؤنٹ خسارہ مرکزی حکومت کے پالیسی اقدامات کے بعد معقول سطح تک آ گیا ہے۔ تیل کی بین الاقوامی قیمتوں کا 40 ڈالر فی بیرل تک کم ہو جانا زحمت کے بھیس میں رحمت ثابت ہوا ہے۔ عالمی معیشت بحال ہونا شروع ہو گئی ہے اور جو خبریں گردش میں ہیں اُن کے مطابق برآمدات میں تیزی آرہی ہے۔ ترسیلات زر بھی عمومی متوقع سطح سے کافی زیادہ ہوئی ہیں، بلکہ ماہ جون میں 50 فیصد YoY ترقی نے سب کو حیران کر دیا ہے۔ ترسیلات زر میں 10 فیصد کمی کو شامل کرنے کے باوجود مجموعی صورتحال قابل قبول رہے گی۔ ہمیں

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ڈالر منافع حاصل کیا۔ نتیجتاً اسٹیٹ بینک آف پاکستان کے غیر ملکی زرمبادلہ کے ذخائر دوران سال 4.9 بلین ڈالر بڑھ کر 12.1 بلین ڈالر تک پہنچ گئے۔ اگرچہ درآمدات کے cover میں بہتری آئی، یعنی 1.7x سے 2.6x، لیکن یہ اب بھی مقبول عالمی معیارات سے کم ہے۔ ڈالر کے مقابلے میں روپے کی قدر دوران سال 3.2 فیصد کم ہو کر 168.2 ہو گئی۔

مالی سال 2020ء کے لیے صارفی قیمت کے انڈیکس (سی پی آئی) کا اوسط 10.8 فیصد جبکہ دوران سال گزشتہ 6.8 فیصد تھا۔ دوران سال اشیائے خورد و نوش کا افراط زر نمایاں تھا جس کا اوسط 14.5 فیصد تھا کیونکہ رسد کی جہت میں کمزوری کے باعث کچھ ضروری اشیاء اور جلد خراب ہوجانے والی اشیاء کی قیمتوں میں اضافہ ہو گیا۔ چینی کی قیمتوں میں دوران سال 29 فیصد جبکہ گندم کے آٹے کی قیمت میں 16 فیصد اضافہ ہوا۔ جلد خراب ہوجانے والی اشیاء میں پیاز اور آلو کی قیمتوں میں بالترتیب 70 فیصد اور 65 فیصد اضافہ ہوا۔ تاہم افراط زر کے دباؤ میں کمی آغاز ہو گیا ہے اور جون میں افراط زر 6.8 فیصد تھی کیونکہ پٹرولیم کی کم تر قیمتوں کے ساتھ ساتھ اشیائے خورد و نوش کی افراط زر میں تسہیل سے مجموعی افراط زر رک گئی۔ بہر حال، اہم ترین افراط زر، جس کی پیمائش اشیائے خورد و نوش اور توانائی کے شعبے کے علاوہ ہوتی ہے، پھر بھی محدود تھی اور زیر جائزہ مدت کے لیے اس کا اوسط 7.9 فیصد تھا۔

مانیٹری پالیسی کمیٹی (ایم پی سی) سارا سال متحرک رہی اور اس نے انٹریسٹ کی شرحوں میں 625 بیس پوائنٹس (بی پی ایس) کی ریکارڈ کمی کر کے پالیسی کی شرح کو 7.0 فیصد تک پہنچا دیا۔ کووڈ 19 کے باعث مندی کے دباؤ اور افراط زر کی کم تر توقع اس اہم اقدام کے بنیادی اسباب تھے۔ ساتھ ساتھ مرکزی بینک نے نظام میں مالیاتی ہنگامی صورتحال کے بوجھ کو کم کرنے کے لیے مختلف اسکیموں کا اعلان کیا۔ کمرشل بینکوں نے تقریباً 650 بلین روپے کے قرضہ جات ایک سال کے لیے ملتوی کیے، جبکہ تقریباً 150 بلین ڈالر کے قرضہ جات کی تسکین ہوئی گئی۔

مالی سال 2020ء کے نصف اول کے دوران مالیاتی تسہیل سے قبل کم تر افراط زر کی توقعات کے باعث پیداواری خم میں جھکاؤ آنا شروع ہو گیا۔ سال کے آغاز کے دوران وباء کے سر اٹھانے کے باعث مندی کے دباؤ قریب الورد ہو گئے اور مرکزی بینک نے متحرک انداز میں مالیاتی تسہیل کر کے متعدد میننگلز میں پالیسی شرح کو 625 بی پی ایس کم کر دیا۔ اس کے نتیجے میں پیداواری خم دوران مدت مزید نیچے ہو گیا۔ تین سالہ، پانچ سالہ اور دس سالہ بانڈ میں دوران سال بالترتیب 632، 577 اور 503 بی پی ایس کی تسہیل ہوئی۔ پیداواری خم دوبارہ بلندی کی طرف جانا شروع ہو گیا ہے کیونکہ بازار کے فریق انٹریسٹ کی شرحوں کے کم ترین سطح تک جانے کی توقع کر رہے ہیں۔

### ایکویٹیز مارکیٹ کا مجموعی جائزہ

معاشی صورتحال کی طرح ایکویٹیز مارکیٹوں کی صورتحال بھی سال کے نصف اول اور نصف آخر کے دوران بہت مختلف تھی۔ نصف اول کے دوران سرمایہ کاروں نے گلاں معاشی یکجائی کے حاصل کردہ منافع جات کا خیر مقدم کیا اور بیچ مارک KSE-100 انڈیکس میں 19.8 فیصد کا زبردست اضافہ ہوا۔ تاہم کورونا وائرس کے وُرد کے بعد ایکویٹی مارکیٹیں بد حالی سے دوچار ہو گئیں اور KSE-100 انڈیکس بھی متاثر ہوا۔ بیچ مارک انڈیکس مالی سال کے نصف آخر میں 16 فیصد گر گیا جس سے نصف اول میں حاصل کیے گئے منافع جات بے اثر ہو گئے۔ بہر حال KSE-100 نے مجموعی طور پر پورے سال کے لیے 1.5 فیصد معمولی منافع پوسٹ کیا اور گزشتہ دو متواتر سالوں سے منفی منافعوں کا رجحان ختم ہوا۔ غیر ملکیوں کی جانب سے ہونے والی ایکویٹیز کی فروخت کمی سے محفوظ رہی اور 285 ملین ڈالر مالیت کی ایکویٹیز کی فروخت کے ساتھ پانچویں متواتر سال ریڈ زون میں رہی۔ افراد اور بیمہ کمپنیاں بالترتیب 213 ڈالر اور 128 ڈالر مالیت کی ایکویٹیز خرید کر net خریدار رہے۔ خرید و فروخت کے یومیہ حجم کا اوسط دوران مدت 194 ملین حصص تھا (26.2 فیصد YoY اضافہ)، جبکہ یومیہ قدر کا اوسط 7.2 بلین روپے (10.4 فیصد YoY اضافہ) تھا۔

## ڈائریکٹرز رپورٹ

عزیز سرمایہ کار

بورڈ آف ڈائریکٹرز کی طرف سے الحمد للہ اسلامک ایکٹیو ایلوکیشن پلان-1 (آغاز کردہ 29 مارچ 2016ء) کے گوشواروں برائے مدتِ مختتمہ 30 جون 2020ء کا جائزہ پیش خدمت ہے۔

### معیشت اور بازار زرکا مجموعی جائزہ

مالی سال 2020ء کے نصف اول کی صورتحال نصف آخر کے حالات سے کافی مختلف تھی۔ گلاں معاشیاتی یکجائی، جو نصف اول میں صحیح راہ پر گامزن تھی، کو وڈ ۱۹ کے باعث نصف آخر میں شدید متاثر ہوئی۔ اس قاتل وباء سے جہاں عالمی سطح پر 17 ملین سے زائد افراد متاثر ہوئے اور 650,000 سے زائد لقمہ اجل بنے وہیں عالمی معیشت بھی تباہی سے دوچار ہوئی کیونکہ دنیا بھر میں لاک ڈاؤن کے باعث صرفی رجحان میں کمی ہوئی اور بڑے پیمانے پر بے روزگاری پھیلی۔ انٹرنیشنل مانیٹری فنڈ (آئی ایم ایف) کے مطابق اس سال عالمی معیشت 4.9 فیصد سکڑ جائے گی جو دوسری جنگ عظیم کے بعد ایک سال کے دوران بدترین تنزلی ہے۔

مقامی سطح پر معیشت میں ماہِ مئی تک بڑے پیمانے پر لاک ڈاؤن رہا اور صحت عامہ کے شعبے میں متاثر افراد کا دُور رہا۔ ماحصل میں فرق کے نتیجے میں معاشی ترقی میں -0.4 فیصد تک کمی کی پیش گوئی کی گئی بالمقابل سابقہ متوقع ترقی کے جو 2.4 فیصد تھی۔ بڑے پیمانے کی مینوفیکچرنگ (ایل ایس ایم) اور خدمات کے شعبے لاک ڈاؤن سے سب سے زیادہ متاثر ہوئے۔ ایل ایس ایم مالی سال 2020ء کے پہلے گیارہ ماہ کے دوران 10.3 فیصد سکڑ گیا۔ بڑی صنعتوں میں گاڑیوں اور لوہے اور اسٹیل کی صنعتیں سنگین متاثر ہوئیں اور ان میں بالترتیب 44.8 فیصد اور 17.0 فیصد تنزلی ہوئی۔ ایل ایس ایم کی سب سے بڑی فریق ٹیکسٹائل صنعت بھی عالمی لاک ڈاؤن کے نتیجے میں برآمدات رُک جانے کے باعث 11.0 فیصد سکڑ گئی۔ مزید برآں، زراعت کے شعبے کی کارکردگی بھی مایوس کن رہی کیونکہ اہم فصلوں (کپاس، گندم اور گنا) ہدف سے کافی پست سطح پر رہیں۔

لاک ڈاؤن کے باعث ٹیکس وصولی میں سنگین کمی کے نتیجے میں مالی یکجائی شدید متاثر ہوئی۔ فیڈرل بورڈ آف ریونیو (ایف بی آر) سابقہ متوقع ہدف 4.8 ٹریلین روپے کے مقابلے میں 0.4 ٹریلین روپے جمع کر سکا۔ فروری 2020ء تک ٹیکس وصولی 16 فیصد سال در سال (YoY) کی شرح سے بڑھ رہی تھی، تاہم مالی سال کے آخری چار ماہ کے دوران 20 فیصد YoY کی خطیر شرح سے سکڑ گئی جس کے نتیجے میں شدید کمی پیدا ہو گئی۔ مزید برآں، حکومت نے لاک ڈاؤن سے پیدا ہونے والے خطرات سے عوام کی حفاظت کے مقصد سے ایک سماجی تحفظ کا پروگرام شروع کیا لیکن اس میں مطلوبہ سے زیادہ اخراجات ہو گئے جس کے نتیجے میں مالیاتی خسارے کا مجموعی ملکی پیداوار (جی ڈی پی) سے 9.0 فیصد زیادہ ہونا متوقع ہے۔

پالیسی اقدام کے سست رفتار اثرات بحوالہ مالیاتی سختی اور زرمبادلہ کی شرح میں ترمیم کے ثمرات حاصل ہونے کا سلسلہ جاری رہا جس کی عکاسی ادائیگیوں کے توازن کی صورتحال میں بہتری میں ہوئی۔ کرنٹ اکاؤنٹ خسارہ دوران سال 78 فیصد YoY بنیاد پر سکڑ کر 2.8 بلین ڈالر ہو گیا۔ کرنٹ اکاؤنٹ خسارے میں کمی کی بڑی وجہ اشیاء کی درآمدات میں کمی ہے جو 19 فیصد سکڑ گئیں جس کے نتیجے میں 12 بلین ڈالر کی کمی ہوئی۔ ترسیلات زر بھی لچکدار رہیں اور دوران سال 6 فیصد بڑھ کر 23.1 بلین ڈالر ہو گئیں۔ غیر ملکی براہ راست سرمایہ کاری (ایف ڈی آئی) 2.5 بلین ڈالر کی سطح پر تھی جو سال گزشتہ کے مقابلے میں 75 فیصد زیادہ ہے کیونکہ ٹیلی کام لائسنسوں کی تجدید اور بجلی کے شعبے میں منصوبوں کے آغاز کی بدولت نئی سرمایہ کاریاں آئیں۔ آئی ایم ایف اور کثیر الجہتی اداروں سے قرضوں سے متعلقہ آمدات نے بھی مجموعی مالیاتی آمدات کو مثبت سمت میں قائم رکھا۔ پاکستان کو آئی ایم ایف سے 2.4 بلین روپے موصول ہوئے اور کثیر الجہتی اداروں نے مختلف منصوبوں کے لیے 5 بلین ڈالر سے زائد جاری کیے۔ مجموعی طور پر مالی اکاؤنٹ نے 7 بلین

# REPORT OF THE FUND MANAGER FOR THE YEAR ENDED JUNE 30, 2020

## Fund Type and Category

Alhamra Islamic Active Allocation Plan-I is a Shariah Compliant Islamic Asset Allocation Plan

## Fund Benchmark

The benchmark for ALHIAAP-I is KMI-30 Index and six (6) months average deposit rates of three (3) "A" rated Scheduled Islamic Banks or Islamic Windows of Conventional Banks on the basis of actual proportion held by the scheme

## Investment Objective

Alhamra Islamic Active Allocation Plan-I is a Shari'ah Compliant Islamic Asset Allocation Plan with an objective to earn a potentially high return through active asset allocation among Shari'ah Compliant Islamic Scheme based on the Fund Manager's outlook of the asset classes.

## Manager's Review

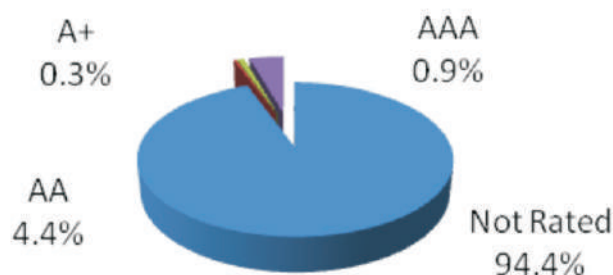
During the period under review, the fund posted a return of 6.40% against the benchmark return of -0.03% an outperformance of 6.43%. The fund was 94.4% invested in Alhamra Islamic Income Fund as at 30<sup>th</sup> June, 2020.

The Net Assets of the Fund as at June 30, 2020 stood at Rs. 341 million as compared to Rs. 627 million as at June 30, 2019 registering a decrease of 45.6%. The Net Asset Value (NAV) per unit as at June 30, 2020 was Rs. 90.2980 as compared to opening NAV of Rs. 89.1993 per unit as at June 30, 2019, an increase of Rs. 1.0987 per unit.

### Asset Allocation as on June 30, 2020 (% of total assets)

Asset Allocation (%age of Total Assets)	Jun-20
Others including receivables	0.0%
Cash	5.6%
Alhamra Islamic Income Fund	94.4%

### Asset Quality as on June 30, 2020 (% of total assets)



Syed Abid Ali  
Fund Manager

# REPORT OF THE FUND MANAGER FOR THE YEAR ENDED JUNE 30, 2020

## Fund Type and Category

Alhamra Islamic Active Allocation Plan-II is a Shariah Compliant Islamic Asset Allocation Plan.

## Fund Benchmark

The benchmark for ALHIAAP-II is KMI-30 Index and six (6) months average deposit rates of three (3) "A" rated Scheduled Islamic Banks or Islamic Windows of Conventional Banks on the basis of actual proportion held by the scheme

## Investment Objective

Alhamra Islamic Active Allocation Plan-II is a Shari'ah Compliant Islamic Asset Allocation Plan with an objective to earn a potentially high return through active asset allocation among Shari'ah Compliant Islamic Scheme based on the Fund Manager's outlook of the asset classes.

## Manager's Review

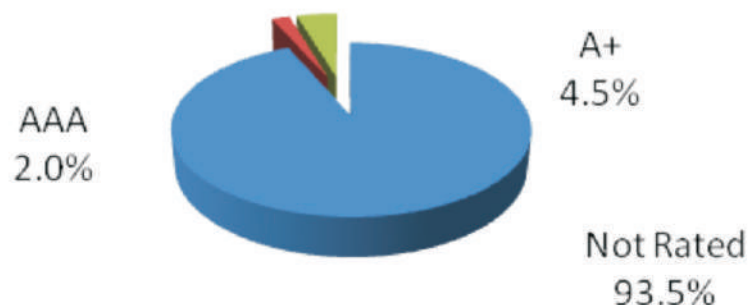
During the period under review, the fund posted a return of 11.77% against the benchmark return of 1.60% an outperformance of 10.17%. The fund was 93.5% invested in Alhamra Islamic Income Fund as at 30<sup>th</sup> June, 2020.

The Net Assets of the Fund as at June 30, 2020 stood at Rs. 177 million as compared to Rs.708 million as at June 30, 2019 registering a decrease of 75.0%. The Net Asset Value (NAV) per unit as at June 30, 2020 was Rs.95.6301 as compared to opening NAV of Rs. 93.8703 per unit as at June 30, 2019 an increase of Rs. 1.7598 per unit.

### Asset Allocation as on June 30, 2020 (% of total assets)

Asset Allocation (%age of Total Assets)	Jun-20
Cash	6.5%
Alhamra Islamic Income Fund	93.5%

### Asset Quality as on June 30, 2020 (% of total assets)



Syed Abid Ali  
Fund Manager

# TRUSTEE REPORT TO THE UNIT HOLDERS



## MCB FINANCIAL SERVICES LIMITED

### REPORT OF THE TRUSTEE TO THE UNIT HOLDERS

#### ALHAMRA ISLAMIC ACTIVE ALLOCATION FUND

#### Report of the Trustee Pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

Al-Hamra Islamic Active Allocation Fund, an open-end Scheme established under a Trust Deed executed between MCB Arif Habib Savings and Investments Limited as Management Company and MCB Financial Services Limited as Trustee on November 25, 2016.. The scheme was approved by Securities & Exchange Commission of Pakistan on December 02, 2016.

- I. MCB Arif Habib Savings and Investments Limited, the Management Company of Al-Hamra Islamic Active Allocation Fund has, in all material respects, managed Al-Hamra Islamic Active Allocation Fund during the year ended June 30, 2020 in accordance with the provisions of the following:
  - (i) Investment limitations imposed on the Asset Management Company and the Trustee under the trust deed and other applicable laws;
  - (ii) the valuation or pricing is carried out in accordance with the deed and any regulatory requirement;
  - (iii) the creation and cancellation of units are carried out in accordance with the deed;
  - (iv) and any regulatory requirement

A handwritten signature in black ink, appearing to read 'Anwar', written over a light blue circular stamp.

Khawaja Anwar Hussain  
Chief Executive Officer  
MCB Financial Services Limited

Karachi: September 3, 2020

4th Floor, Perdesi House, 2/1, R-Y-16, Old Queens Road, Karachi - 74200  
Direct Nos. 021-32430485, 32415454, 32415204, 32428731 PABX No. 021-32419770, Fax No. 021-32416371  
Website: <http://www.mcbfsl.com.pk>

# REPORT OF THE SHARIAH ADVISORY BOARD

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Karachi: September 18, 2020

## REPORT OF THE SHARIAH ADVISORY BOARD

Alhamdulillah, We the Shariah Advisory Board of Alhamra Islamic Active Allocation (the Fund), are issuing this report in accordance with the Offering document of the Fund. The scope of the report is to express an opinion on the Shariah compliance of the Fund's activities.

It is the responsibility of M/s MCB Arif Habib Savings and Investments limited (MCBAH), the management company of the fund, to establish and maintain a system of internal controls to ensure compliance with Shariah guidelines. Our responsibility is to express an opinion, based on our review of the representation made by the management, to the extent where such compliance can be objectively verified.

A review is limited primarily to inquire to the Management Company's personnel and review of various documents prepared by the management company to comply with prescribed criteria. In the light of the above, we hereby certify that:

- We have reviewed and approved the modes of investment of ALHIAAP in the light of the Shariah guidelines.
- All the provisions of the scheme and investments made on account of ALHIAAP by Management Company are Shariah Compliant and in accordance with the criteria established.
- On the basis of information provided by the Management Company, all the operations of ALHIAAP for the period from July 01, 2019 to June 30, 2020 have been in compliance with Shariah principles.

May Allah bless us with Tawfeeq to accomplish these cherished tasks, make us successful in this world and in the hereafter, and forgive our mistakes.



Dr Muhammad Zubair Usmani



Dr Ejaz Samadani

**For and on behalf of Shariah Advisory Board**

# INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS



EY Ford Rhodes  
Chartered Accountants  
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## INDEPENDENT AUDITORS' REPORT

To the Unit holders of Alhamra Islamic Active Allocation Fund

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of **Alhamra Islamic Active Allocation Fund** (the Fund), which comprise the statement of assets and liabilities as at **30 June 2020**, and the income statement, comprehensive income, cash flows statement and movement in unit holders' fund for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, (or give a true and fair view of) the financial position of the Fund as at 30 June 2020, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the key audit matters:

Key audit matter	How our audit addressed the key audit matter
<b>1. Existence and valuation of bank balances and investments</b>	
As disclosed in note 5 and 6 to the accompanying financial statements of the Fund for the year ended 30 June 2020, the bank balances and investments (comprised of open end mutual funds) held by the Fund represent 99.96% of the total assets of the Fund as at the year end.  In view of the significance of bank balances and investment in relation to the total assets and the Net Asset Value (NAV) of the Fund, we have considered the existence	We performed a combination of audit procedures focusing on the existence and valuation of investments. Our key procedures included the following: <ul style="list-style-type: none"><li>- We obtained independent confirmations for verifying the existence of the bank balances as at 30 June 2020 and reconciled it with the books and records of the Fund.</li><li>- We tested controls over acquisition, disposals and periodic valuation of investments portfolio.</li></ul>

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A member firm of Ernst & Young Global Limited

# INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS



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Key audit matter	How our audit addressed the key audit matter
and valuation of such bank balances and investments as a key audit matter.	<ul style="list-style-type: none"> <li>- We performed substantive audit procedures on year-end balance of portfolio including review of custodian's statement and related reconciliations and valuations on such investments in accordance with the accounting policy of the Fund as mentioned in note 4.</li> <li>- We evaluated the appropriateness of the classification of the investments in accordance with the requirements of IFRS 9 and the valuations in accordance with the requirements of Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations).</li> <li>- We assessed the Fund's compliance with the requirements of the Regulations in relation to the concentration of investments and exposure limits prescribed in such Regulations and the applicability of disclosures in this regard.</li> <li>- We also evaluated the adequacy of the overall disclosures in the financial statements in respect of the investment portfolio in accordance with the requirements of the Regulations and applicable financial reporting standards.</li> </ul>

## Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

# INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS



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The Board of Directors are responsible for overseeing the Fund's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS

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From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

In our opinion, the financial statements have been prepared in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and the Non-Banking Finance Companies and Notified Entities Regulation, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Shaikh Ahmed Salman.

A handwritten signature in black ink, appearing to read 'EY Shaikh Ahmed Salman'.

**Chartered Accountants**

**Date:** 18 September 2020

**Karachi**

**STATEMENT OF ASSETS AND LIABILITIES  
AS AT JUNE 30, 2020**

	Note	----- June 30, 2020 -----			----- June 30, 2019 -----		
		Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total	Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
<b>ASSETS</b>							
Balances with banks	5	19,166	11,444	30,610	21,062	7,530	28,592
Investments	6	322,630	166,072	488,702	607,695	701,524	1,309,219
Profit receivable		95	46	141	202	86	288
Advance, deposits and other receivables	7	60	-	60	60	-	60
<b>Total assets</b>		<b>341,951</b>	<b>177,562</b>	<b>519,513</b>	629,019	709,140	1,338,159
<b>LIABILITIES</b>							
Payable to the Management Company	8	40	21	61	75	63	138
Payable to the Trustee	9	28	25	53	54	60	114
Payable to the Securities and Exchange Commission of Pakistan	10	87	65	152	1,098	725	1,823
Accrued expenses and other liabilities	11	1,004	888	1,892	460	321	781
<b>Total liabilities</b>		<b>1,159</b>	<b>999</b>	<b>2,158</b>	1,687	1,169	2,856
<b>NET ASSETS</b>		<b>340,792</b>	<b>176,563</b>	<b>517,355</b>	627,332	707,971	1,335,303
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<b>340,792</b>	<b>176,563</b>	<b>517,355</b>	627,332	707,971	1,335,303
<b>Contingencies and Commitments</b>	12	---			---		
		--- (Number of units) ---			--- (Number of units) ---		
<b>NUMBER OF UNITS IN ISSUE</b>		<b>3,774,078</b>	<b>1,846,316</b>		<b>7,032,922</b>	<b>7,542,008</b>	
		----- (Rupees) -----			----- (Rupees) -----		
<b>NET ASSET VALUE PER UNIT</b>		<b>90.2980</b>	<b>95.6301</b>		<b>89.1993</b>	<b>93.8703</b>	

The annexed notes 1 to 24 form an integral part of these financial statements.

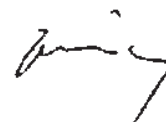
For MCB-Arif Habib Savings and Investments Limited  
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

# INCOME STATEMENT FOR THE YEAR ENDED JUNE 30, 2020

	Note	June 30, 2020			June 30, 2019		
		Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total	Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
		(Rupees in '000)					
<b>INCOME</b>							
Gain / (loss) on sale of investments - net		8,102	17,850	25,952	24,515	(8,825)	15,690
Net unrealised (diminution) on re-measurement of investments at fair value through profit or loss	6.1	2,205	1,016	3,221	(57,151)	(45,343)	(102,494)
Profit on bank balances		1,841	1,049	2,890	3,702	1,278	4,980
Dividend income		14,628	8,682	23,310	8,698	12,949	21,647
Other income		-	-	-	738	468	1,206
<b>Total income / (loss)</b>		<b>26,776</b>	<b>28,597</b>	<b>55,373</b>	<b>(19,498)</b>	<b>(39,473)</b>	<b>(58,971)</b>
<b>EXPENSES</b>							
Remuneration of the Management Company	8.1	183	104	287	441	136	577
Sindh sales tax on remuneration of the Management Company	8.2	24	13	37	57	18	75
Remuneration of the Trustee	9.1	393	330	723	981	686	1,667
Sindh sales tax on remuneration of the Trustee	9.2	51	43	94	127	89	216
Annual fee to Securities and Exchange Commission of Pakistan	10	87	65	152	1,098	725	1,823
Allocated expenses	8.3	436	324	760	1,155	763	1,918
Auditors' remuneration	13	221	149	370	218	143	361
Amortisation of preliminary expenses and floatation costs		-	-	-	1,240	-	1,240
Printing charges		35	25	60	28	22	50
Settlement and bank charges		19	38	57	39	14	53
Listing fee		13	14	27	18	10	28
Legal and professional charges		42	37	79	105	66	171
Provision for Sindh Workers' Welfare Fund	11.1	505	549	1,054	-	-	-
<b>Total expenses</b>		<b>2,009</b>	<b>1,691</b>	<b>3,700</b>	<b>5,507</b>	<b>2,672</b>	<b>8,179</b>
<b>Net income / (loss) for the year before taxation</b>		<b>24,767</b>	<b>26,906</b>	<b>51,673</b>	<b>(25,005)</b>	<b>(42,145)</b>	<b>(67,150)</b>
Taxation	14	-	-	-	-	-	-
<b>Net income / (loss) for the year</b>		<b>24,767</b>	<b>26,906</b>	<b>51,673</b>	<b>(25,005)</b>	<b>(42,145)</b>	<b>(67,150)</b>
<b>Allocation of net income for the year</b>							
Net income for the year after taxation		24,767	26,906	51,673	-	-	-
Income already paid on units redeemed		(8,228)	(11,131)	(19,359)	-	-	-
<b>Accounting income available for distribution</b>		<b>16,539</b>	<b>15,775</b>	<b>32,314</b>	<b>-</b>	<b>-</b>	<b>-</b>
- Relating to capital gains		1,986	7,551	9,537	-	-	-
- Excluding capital gains		14,553	8,224	22,777	-	-	-
		<b>16,539</b>	<b>15,775</b>	<b>32,314</b>	<b>-</b>	<b>-</b>	<b>-</b>

The annexed notes 1 to 24 form an integral part of these financial statements.

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



Chief Executive Officer



Chief Financial Officer



Director

**STATEMENT OF OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED JUNE 30, 2020**

	June 30, 2020			June 30, 2019		
	Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total	Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
	----- (Rupees in '000) -----					
<b>Net income / (loss) for the year after taxation</b>	24,767	26,906	51,673	(25,005)	(42,145)	(67,150)
Other comprehensive income for the year	-	-	-	-	-	-
<b>Total comprehensive income / (loss) for the year</b>	<u>24,767</u>	<u>26,906</u>	<u>51,673</u>	<u>(25,005)</u>	<u>(42,145)</u>	<u>(67,150)</u>

The annexed notes 1 to 24 form an integral part of these financial statements.

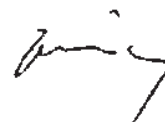
For MCB-Arif Habib Savings and Investments Limited  
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

# STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS FOR THE YEAR ENDED JUNE 30, 2020

	Alhamra Islamic Active Allocation Plan - I			Alhamra Islamic Active Allocation Plan - II			Alhamra Islamic Active Allocation Plan - I			Alhamra Islamic Active Allocation Plan - II		
	June 30, 2020						June 30, 2019					
	Capital Value	Undistri- buted (loss) / income	Total	Capital Value	Undistri- buted (loss) / income	Total	Capital Value	Undistri- buted loss	Total	Capital Value	Undistri- buted income / (loss)	Total
<b>Net Assets at the beginning of the year</b>	759,234	(131,902)	627,332	743,249	(35,278)	707,971	1,510,798	(106,897)	1,403,901	785,630	8,462	794,092
Issuance of 150,284 units of Plan-I and 140,407 units of Plan-II (2019: Nil units of Plan-I and 13,715 units of Plan-II)												
- Capital value (at net assets value per unit at the beginning of the year)	13,405	-	13,405	13,180	-	13,180	-	-	-	1,366	-	1,366
- Element of income	171	-	171	253	-	253	-	-	-	(3)	-	(3)
	<u>13,576</u>	<u>-</u>	<u>13,576</u>	<u>13,433</u>	<u>-</u>	<u>13,433</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,363</u>	<u>-</u>	<u>1,363</u>
Redemption of 3,409,128 units of Plan-I and 5,836,099 units of Plan-II (2019: 8,034,924 units of Plan-I and 446,703 units of Plan-II)												
- Capital value (at net assets value per unit at the beginning of the year)	(304,092)	-	(304,092)	(547,836)	-	(547,836)	(748,630)	-	(748,630)	(44,479)	-	(44,479)
- Amount paid out of element of income												
- Relating to 'Net income for the year after taxation'	-	(8,228)	(8,228)	-	(11,131)	(11,131)	-	-	-	-	-	-
- Relating to 'Other comprehensive income for the year'	-	-	-	-	-	-	-	-	-	-	-	-
- Refund / (adjustment) on units as element of income	4,156	-	4,156	3,075	-	3,075	(2,934)	-	(2,934)	735	-	735
	<u>(299,936)</u>	<u>(8,228)</u>	<u>(308,164)</u>	<u>(544,761)</u>	<u>(11,131)</u>	<u>(555,892)</u>	<u>(751,564)</u>	<u>-</u>	<u>(751,564)</u>	<u>(43,744)</u>	<u>-</u>	<u>(43,744)</u>
Total comprehensive income / (loss) for the year	-	24,767	24,767	-	26,906	26,906	-	(25,005)	(25,005)	-	(42,145)	(42,145)
Distribution during the year	-	(16,719)	(16,719)	-	(15,855)	(15,855)	-	-	-	-	(1,595)	(1,595)
Net income / (loss) for the year less distribution	-	8,048	8,048	-	11,051	11,051	-	(25,005)	(25,005)	-	(43,740)	(43,740)
<b>Net assets at end of the year</b>	<u>472,874</u>	<u>(132,082)</u>	<u>340,792</u>	<u>211,921</u>	<u>(35,358)</u>	<u>176,563</u>	<u>759,234</u>	<u>(131,902)</u>	<u>627,332</u>	<u>743,249</u>	<u>(35,278)</u>	<u>707,971</u>
<b>Undistributed (loss) / income brought forward comprising of:</b>												
- Realised		(74,751)			10,065			(61,709)			13,697	
- Unrealised		(57,151)			(45,343)			(45,188)			(5,235)	
		<u>(131,902)</u>			<u>(35,278)</u>			<u>(106,897)</u>			<u>8,462</u>	
Accounting income available for distribution:												
- Relating to capital gains		1,986			7,551			(25,005)			(42,145)	
- Excluding capital gains		14,553			8,224			-			-	
		<u>16,539</u>			<u>15,775</u>			<u>(25,005)</u>			<u>(42,145)</u>	
Distribution during the year		(16,719)			(15,855)			-			(1,595)	
Undistributed loss carried forward		<u>(132,082)</u>			<u>(35,358)</u>			<u>(131,902)</u>			<u>(35,278)</u>	
<b>Undistributed loss carried forward comprising of:</b>												
- Realised		(134,287)			(36,374)			(74,751)			10,065	
- Unrealised		2,205			1,016			(57,151)			(45,343)	
		<u>(132,082)</u>			<u>(35,358)</u>			<u>(131,902)</u>			<u>(35,278)</u>	
	-- (Rupees) --			-- (Rupees) --			-- (Rupees) --		-- (Rupees) --			-- (Rupees) --
Net assets value per unit at beginning of the year	<u>89.1993</u>			<u>93.8703</u>			<u>93.1720</u>			<u>99.5728</u>		
Net assets value per unit at end of the year	<u>90.2980</u>			<u>95.6301</u>			<u>89.1993</u>			<u>93.8703</u>		

The annexed notes 1 to 24 form an integral part of these financial statements.

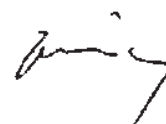
For MCB-Arif Habib Savings and Investments Limited  
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

## CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2020

	June 30, 2020			June 30, 2019		
	Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total	Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
----- (Rupees in '000) -----						
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Net income / (loss) for the year	24,767	26,906	51,673	(25,005)	(42,145)	(67,150)
<b>Adjustments for non cash and other items:</b>						
Amortisation of preliminary expenses and floatation costs	-	-	-	1,240	-	1,240
Net unrealised loss on re-measurement of investments at fair value through profit or loss	(2,205)	(1,016)	(3,221)	57,151	45,343	102,494
Provision against Sindh Workers' Welfare Fund	505	549	1,054	-	-	-
	(1,700)	(467)	(2,167)	58,391	45,343	103,734
<b>Decrease in assets</b>						
Investments	287,270	536,468	823,738	661,753	20,877	682,630
Profit receivable	107	40	147	218	135	353
Advance, deposits and other receivables	-	-	-	149	-	149
	287,377	536,508	823,885	662,120	21,012	683,132
<b>(Decrease) / increase in liabilities</b>						
Payable to the Management Company	(35)	(42)	(77)	(116)	(42)	(158)
Payable to the Trustee	(26)	(35)	(61)	(55)	(8)	(63)
Payable to the Securities and Exchange Commission of Pakistan	(1,011)	(660)	(1,671)	(287)	38	(249)
Accrued expenses and other liabilities	39	18	57	(362)	(87)	(449)
	(1,033)	(719)	(1,752)	(820)	(99)	(919)
<b>Net cash generated from operating activities</b>	<b>309,411</b>	<b>562,228</b>	<b>871,639</b>	<b>694,686</b>	<b>24,111</b>	<b>718,797</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
Amount received on issuance of units	13,576	13,433	27,009	-	1,363	1,363
Amount paid on redemption of units	(308,164)	(555,892)	(864,056)	(751,564)	(43,744)	(795,308)
Dividend paid	(16,719)	(15,855)	(32,574)	-	(1,595)	(1,595)
<b>Net cash used in financing activities</b>	<b>(311,307)</b>	<b>(558,314)</b>	<b>(869,621)</b>	<b>(751,564)</b>	<b>(43,976)</b>	<b>(795,540)</b>
<b>Net (decrease) / increase in cash and cash equivalents during the year</b>	<b>(1,896)</b>	<b>3,914</b>	<b>2,018</b>	<b>(56,878)</b>	<b>(19,865)</b>	<b>(76,743)</b>
Cash and cash equivalents at the beginning of the year	21,062	7,530	28,592	77,940	27,395	105,335
<b>Cash and cash equivalents at the end of the year</b>	<b>19,166</b>	<b>11,444</b>	<b>30,610</b>	<b>21,062</b>	<b>7,530</b>	<b>28,592</b>

The annexed notes 1 to 24 form an integral part of these 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 FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

## 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Alhamra Islamic Active Allocation Fund (the Fund) was established under a Trust Deed dated, November 25, 2016, executed between MCB Arif Habib Investments Limited as Management Company and MCB Financial Services Limited as Trustee. The Fund was approved by the Securities and Exchange Commission of Pakistan (SECP) on December 02, 2016 under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations 2008).
- 1.2 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 has been changed from 24th Floor, Centre Point, Off Shaheed-e-Millat Expressway, Near KPT Interchange, Karachi to 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.3 The Fund commenced its operations from December 29, 2016. The Fund is an open-end Shariah Compliant Fund of Funds that shall invest in other Shariah compliant Collective Investment Schemes as specified in the Investment Policy contained in the offering document and SECP circular No. 7 of 2009, as may be amended or substituted from time to time. The units of the Fund are redeemable subject to a contingent load.
- 1.4 The duration of the Fund is perpetual. However, Allocation Plans launched may have a set time frame. The Fund commenced its operations from December 29, 2016 and on that date, had offered one type of Allocation Plan (Plan-I). On June 16, 2017, the Fund has launched Allocation Plan-II. The Fund is allowed to invest in Shariah Compliant Collective Investment Schemes or in cash and / or near cash instruments as allowed under circular no.7 of 2009 dated March 6, 2009 issued by the SECP. The maturity of Allocation Plan I was two years from the close of the initial offer period of December 29, 2016 (i.e. maturing on December 28, 2018), however, the said maturity has been extended for another two years (i.e. maturing on December 28, 2020). The maturity of Allocation Plan II was two years from the close of the initial offer period of June 16, 2017 (i.e. maturing on June 16, 2019) however, the said maturity has been extended by two year (i.e. maturing on June 16, 2021).
- The management and the board has intention to extend the duration of both plans upon its maturity. Accordingly, these financial statements are prepared on going concern basis.
- 1.5 The Pakistan Credit Rating Agency (PACRA) Limited has assigned Management quality rating of 'AM2++' dated October 08, 2019 to the Management Company.
- 1.6 Title to the assets of the Fund is held in the name of MCB Financial Services Limited as Trustee of the Fund.

## 2. STATEMENT OF COMPLIANCE

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

- International Financial Reporting Standards (IFRS) 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, Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of Trust Deed.

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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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 IFRS Standards, 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.

### 3. BASIS OF PREPARATION

#### 3.1 Accounting convention

These financial statements have been prepared under the historical cost convention except for investments which are measured at fair value.

#### 3.2 Critical accounting estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis.

Judgments made by management in the application of accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment are explained in notes 4.5.1 and 4.9 respectively.

#### 3.3 Functional and presentation currency

These financial statements are presented in Pakistani Rupees which is the Fund's functional and presentation currency.

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial years

#### 4.1 New / Revised Standards, Interpretations and Amendments

The Fund has adopted the following accounting standard and the amendments and interpretation of IFRSs which became effective for the current year:

IFRS 16 – Leases

IFRIC 23 – Uncertainty over Income Tax Treatments

IFRS 3 – Business Combinations – Previously held interests in a joint operation

IFRS 9 – Financial instruments – Prepayment Features with Negative Compensation (Amendments)

IAS 28 – Long-term Interests in Associates and Joint Ventures (Amendments)

IFRS 11 – Joint Arrangements – Previously held interests in a joint operation

IAS 12 Income Taxes – Income tax consequences of payments on financial instruments classified as equity

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

IAS 23 – Borrowing Costs - Borrowing costs eligible for capitalisation

IAS 19 – Employee Benefits – Plan Amendment, Curtailment or Settlement (Amendments)

IFRS 14 – Regulatory Deferral Accounts

In addition to the above standards and amendments, improvements to various accounting standards have also been issued by the IASB in December 2017. Such improvements are effective for accounting periods beginning on or after January 01, 2019 respectively.

The adoption of the above amendments to accounting standards and interpretations did not have any material effect on the financial statements.

#### 4.2 Standards, interpretations and amendments to approved accounting standards that are not yet effective

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

<b>Standard or Interpretation</b>	<b>Effective date (annual periods beginning on or after)</b>
Definition of a Business - Amendments to IFRS 3	January 01, 2020
Interest rate benchmark reform - Amendment to IFRS 9, IAS 39 and IFRS 7	January 01, 2020
Definition of Material – Amendments to IAS 1 and IAS 8	January 01, 2020
Covid-19-Related Rent Concessions – Amendment to IFRS 16	June 01, 2020
Property, Plant and Equipment: Proceeds before Intended Use – - Amendments to IAS 16	January 01, 2020
Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37	January 01, 2020
Classification of liabilities as current or non-current - Amendment to IAS 1	January 01, 2022
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28	Not yet finalized

The above standards and amendments are not expected to have any material impact on the Fund's financial statements in the period of initial application.

The IASB has also issued the revised Conceptual Framework for Financial Reporting (the Conceptual Framework) in March 2018 which is effective for annual periods beginning on or after January 01, 2020 for preparers of financial statements who develop accounting policies based on the Conceptual Framework. The revised Conceptual Framework is not a standard, and none of the concepts override those in any standard or any requirements in a standard. The purpose of the Conceptual Framework is to assist IASB in developing standards, to help preparers develop consistent accounting policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

<b>Standards</b>	<b>IASB Effective date (annual periods beginning on or after)</b>
IFRS 1 - First-time Adoption of International Financial Reporting Standards	July 01, 2009
IFRS 17 – Insurance Contracts	January 01, 2023

## 4.3 Cash and cash equivalents

Cash and cash equivalents comprise of bank balances and short term highly liquid investments (if any) with original maturity of three months or less, are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short term cash commitments rather than for investments and other purposes.

## 4.4 Financial assets

### 4.4.1 Classification

#### **Business model assessment**

The Fund determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Fund's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- The objectives for the portfolio, in particular, whether management's strategy focuses on earning contractual revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realizing cash flows through the sale of the assets;
- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed; and
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Fund's original expectations, the Fund does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

#### **Assessments whether contractual cash flows are solely payments of principal and interest (SPPI)**

As a second step of its classification process the Fund assesses the contractual terms of financial to identify whether they meet the SPPI test.

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium / discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Fund applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than the minimum exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at fair value through profit or loss.

### **4.4.2 Initial Measurement**

Investments are initially measured at their fair value except in the case of financial assets recorded at FVTPL, transaction costs are added to, or subtracted from, this amount.

#### **Subsequent Measurement**

##### **Debt instruments at Amortized Cost**

After initial measurement, such debt instruments are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the Effective Interest Rate.

##### **Debt instruments at fair value through other comprehensive income**

Financial assets at fair value through other comprehensive income are recorded in the statement of financial position at fair value. Changes in fair value are recorded in other comprehensive income.

##### **Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss are recorded in the statement of financial position at fair value. Changes in fair value are recorded in profit and loss.

### **4.4.3 Impairment of financial assets**

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized.

However, SECP through its SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 have deferred the applicability of above impairment requirements in relation to debt securities for mutual funds and accordingly, basis defined in Circular No. 33 of 2012 dated, October 24, 2012 will be followed.

### **4.5 Derecognition**

The Fund derecognises a financial asset when the contractual right to the cash flows from the financial asset expires or it transfers the right to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020**

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### **4.6 Financial liabilities**

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognised at fair value and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired.

### **4.7 Offsetting of financial assets and liabilities**

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

### **4.8 Provisions**

Provisions are recognised when the Fund has a present, legal or constructive, obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions, if any, are regularly reviewed and adjusted to reflect the current best estimate.

### **4.9 Taxation**

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders as cash dividend.

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

### **4.10 Dividend distribution and appropriations**

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared. Based on Mutual Funds Association of Pakistan (MUFAP) guidelines (duly consented upon by SECP), distributions for the year are deemed to comprise of the portion of amount of income already paid on units redeemed and the amount of cash distribution for the year.

The distribution per unit is announced based on units that were held for the entire period. The rate of distribution is adjusted with effect of refund of capital if any based on the period of investment made during the year. Resultantly, the rate of distribution per unit may vary depending on the period of investment.

### **4.11 Issue and redemption of units**

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the distributors during business hours on that date. The offer price represents the net asset value per unit as of the close of the business day plus the allowable sales load and any provision for duties and charges, if applicable. The sales load is payable to investment facilitators, distributors and the Management Company.

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020**

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Units redeemed are recorded at the redemption price, applicable to units for which the distributors receive redemption applications during business hours of that day. The redemption price represents the net asset value per unit as of the close of the business day less any back-end load, any duties, taxes, and charges on redemption, if applicable.

### **4.12 Net asset value per unit**

The Net Asset Value (NAV) per unit, as disclosed in the statement of assets and liabilities, is calculated by dividing the net assets of the Fund by the number of units in circulation at the year end.

### **4.13 Revenue recognition**

- Gain or loss on sale of investment is accounted for in the income statement in the period in which it arises.
- Unrealised gain / loss arising on revaluation of investments classified as 'at fair value through profit or loss' is included in the income statement in the period in which it arises.
- Dividend income is recognised when the right to receive the dividend is established.
- Profit / mark-up on bank balances, term deposit receipts and government securities is recognised on effective interest rate method.

### **4.14 Expenses**

All expenses chargeable to the Fund including remuneration of the Management Company, Trustee fee and annual fee of the SECP are recognised in the Income Statement on an accrual basis.

### **4.15 (Loss) / earnings per unit**

(Loss) / earnings per unit (EPU) has not been disclosed as in the opinion of the management, determination of weighted average number of outstanding units for calculating EPU is not practicable.

### **4.16 Preliminary expenses and floatation cost**

Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of operations of the Fund. These costs are being amortised over a period of two years in accordance with the requirements set out in the Trust Deed of the Fund and the Non-Banking Finance companies and Notified Entities Regulation, 2008.

### **4.17 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed**

Element of income represents the difference between NAV per unit on the issuance or redemption date, as the case may be, of units and the NAV per unit at the beginning of the relevant accounting period. Further, the element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend NAV of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

		June 30, 2020		
		Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
		----- (Rupees in '000) -----		
<b>5. BALANCES WITH BANKS</b>				
In current accounts	5.1	3,024	3,492	6,516
In saving accounts	5.2	16,142	7,952	24,094
		<b>19,166</b>	<b>11,444</b>	<b>30,610</b>

		June 30, 2019		
		Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
		----- (Rupees in '000) -----		
In current accounts	5.1	1,672	400	2,072
In saving accounts	5.2	19,390	7,130	26,520
		<b>21,062</b>	<b>7,530</b>	<b>28,592</b>

5.1 These accounts are maintained with MCB Bank Limited, a related party.

5.2 These carry profit ranging from 7.25% to 7.5% (2019: 11.75% to 12.25%) per annum.

		June 30, 2020		
		Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
		----- (Rupees in '000) -----		
<b>6. INVESTMENTS</b>				
<b>At fair value through profit or loss</b>				
- Units of open-end mutual funds	6.1	<b>322,630</b>	<b>166,072</b>	<b>488,702</b>

		June 30, 2019		
		Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
		----- (Rupees in '000) -----		
<b>At fair value through profit or loss - held for trading</b>				
- Units of open-end mutual funds		607,695	701,524	1,309,219

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

6.1 Units of open-end mutual funds

Name of the fund	Number of units			Balances as at June 30, 2020			Market value as a percentage of net assets ----- %	Market value as a percentage of total investment ----- %
	As at July 01, 2019	Purchased during the period	Redemption during the period	As at June 30, 2020	Carrying Value	Market Value		
<b>Alhamra Islamic Active Allocation Plan - I - with related party</b>								
Alhamra Islamic Stock Fund	45,343,343	19,136,675	64,480,018	-	-	-	0.00%	0.00%
Alhamra Islamic Income Fund	2,147,943	5,762,005	4,742,102	3,167,846	320,425	322,630	94.67%	100.00%
<b>Total as at June 30, 2020</b>					<u>320,425</u>	<u>322,630</u>		<u>2,205</u>
<b>Total as at June 30, 2019</b>					664,846	607,695		(57,151)
<b>Alhamra Islamic Active Allocation Plan - II - with related party</b>								
Alhamra Islamic Stock Fund	42,329,805	5,202,563	47,532,368	-	-	-	0.00%	0.00%
Alhamra Islamic Income Fund	3,331,944	3,323,034	5,024,349	1,630,629	165,056	166,072	94.06%	100.00%
<b>Total as at June 30, 2020</b>					<u>165,056</u>	<u>166,072</u>		<u>1,016</u>
<b>Total as at June 30, 2019</b>					746,867	701,524		(45,343)

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

**7. ADVANCE, DEPOSITS AND OTHER RECEIVABLES**

Advance tax deducted at source

June 30, 2020		
Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
----- (Rupees in '000) -----		
60	-	60

Advance tax deducted at source

June 30, 2019		
Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
----- (Rupees in '000) -----		
60	-	60

**8. PAYABLE TO MCB-ARIF HABIB SAVINGS AND INVESTMENTS LIMITED - MANAGEMENT COMPANY**

Management remuneration payable 8.1  
Sindh sales tax payable on management remuneration 8.2  
Payable against allocated expenses 8.3

Note

June 30, 2020		
Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
10	5	15
1	1	2
29	15	44
40	21	61

Management remuneration payable  
Sindh sales tax payable on management remuneration  
Payable against allocated expenses

June 30, 2019		
Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
19	3	22
3	1	4
53	59	112
75	63	138

**8.1** The Management Company has charged remuneration at the rate of 10% on accrued bank mark-up as per the offering document.

**8.2** During the year, Sindh Sales Tax on management fee has been charged at 13% (2019: 13%).

**8.3** During the year the Management Company has charged actual expenses related to registrar services, accounting, operations and valuation services to the CIS as per SECP vide SRO 639 dated June 20, 2019. Previously the Management Company was entitled to charge expenses related to registrar services, accounting, operations and valuation services, related to a Collective Investment Scheme (CIS) at the rate of 0.1% of the average annual net assets of the scheme or actual whichever is lower.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

		June 30, 2020		
		Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
<b>9. PAYABLE TO MCB FINANCIAL SERVICES LIMITED - TRUSTEE</b>	<b>Note</b>			
Trustee remuneration payable	10.1	25	22	47
Sindh sales tax payable on trustee remuneration	10.2	3	3	6
		<b>28</b>	<b>25</b>	<b>53</b>

		June 30, 2019		
		Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
Trustee remuneration payable		48	53	101
Sindh sales tax payable on trustee remuneration		6	7	13
		<b>54</b>	<b>60</b>	<b>114</b>

**9.1** Under the provisions of the Trust Deed, the Trustee is entitled to a remuneration, to be paid monthly in arrears as per the following tariff structure.

Net Assets Value (NAV)	Tariff per annum
Up to Rs.1 billion	Rs.0.09% per annum of Daily Net Assets or Rs.0.25 million per annum, whichever is higher
Over Rs.1 billion	Rs.0.9 million plus 0.065% per annum of Daily Net Assets exceeding Rs.1 billion

**9.2** Sindh Sales Tax at 13% (2019: 13%) is charged on Trustee fee.

**10. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)**

SECP, vide SRO No. 685(I)/2019 dated June 28, 2019, revised the rate of annual fee at 0.02% (2019: 0.095%) of net assets on all categories of collective investment schemes which is effective from July 01, 2019.

		June 30, 2020		
		Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
<b>11. ACCRUED EXPENSES AND OTHER LIABILITIES</b>	<b>Note</b>			
Auditors' remuneration		197	122	319
Provision for Sindh Workers' Welfare Fund (SWWF)	11.1	769	725	1,494
Payable to legal advisor		13	8	21
Others		25	33	58
		<b>1,004</b>	<b>888</b>	<b>1,892</b>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

	June 30, 2019		
	Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
	----- (Rupees in '000) -----		
Auditors' remuneration	130	95	225
Provision for Sindh Workers' Welfare Fund (SWWF)	264	176	440
Payable to legal advisor	44	32	76
Others	22	18	40
	460	321	781

**11.1** As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, was required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs/mutual funds, the MUFAP recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the SWWF Act, 2014 (i.e. starting from May 21, 2015). However, All these plans have been launched after 2015 so provision for SWWF has been made from their respective date of launch.

Had the provision for SWWF not been recorded in the financial statements of the Fund, the net asset value of Plan I and II as at June 30, 2019 would have been higher by Re. 0.2038 (2019: Re. 0.0375) per unit and Re. 0.3926 (2019: Re. 0.0233) per unit respectively.

**12. CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments outstanding as at June 30, 2020 and June 30, 2019.

	June 30, 2020		
	Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
	----- (Rupees in '000) -----		

**13. AUDITORS' REMUNERATION**

Annual audit fee	142	83	225
Half yearly review fee	40	29	69
Sindh sales tax	17	13	30
Other certifications	10	12	22
Out of pocket expenses and others	12	12	24
	221	149	370

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

	June 30, 2019		
	Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
	----- (Rupees in '000) -----		
Annual audit fee	126	82	208
Half yearly review fee	41	27	68
Other certifications	-	-	-
Sindh sales tax	13	9	22
Out of pocket expenses	38	25	63
	218	143	361

**14. TAXATION**

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders as cash dividend. Furthermore, regulation 63 of the NBFC Regulations requires the Fund to distribute 90% of the net accounting income other than capital gains to the unit holders. The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded any tax liability in respect of income relating to the current year as the Management Company intends to distribute in cash at least 90 percent of the Fund's accounting income for the year ending June 30, 2020 as reduced by capital gains (whether realised or unrealised) to its unit holders in the form of cash.

**15. TRANSACTIONS AND BALANCES OUTSTANDING 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, key management personnel and other associated undertakings and connected persons. Connected persons also include any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, other charges, sale and purchase of investments and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

Remuneration payable to the Management Company is determined in accordance with the provision of the NBFC Regulations and constitutive documents of the Fund respectively.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

Details of transactions and balances at year end with related parties / connected persons are as follows:

**15.1 Unit Holders' Fund**

	June 30, 2020						June 30, 2019					
	As at July 01, 2019	Issued for cash / conversion in / transfer in	Redeemed / conversion out / transfer out	As at June 30, 2020	As at July 01, 2019	Issued for cash / conversion in / transfer in	Redeemed / conversion out / transfer out	As at June 30, 2019	As at July 01, 2018	Issued for cash / conversion in / transfer in	Redeemed / conversion out / transfer out	As at June 30, 2019
	----- (Number of units) -----						----- (Rupees in '000) -----					
<b>Alhamra Islamic Active Allocation Plan - I</b>												
<b>Group / associated companies</b>												
MCB Employees' Pension Fund *	586,520	29,952	-	616,472	52,317	2,706	-	55,666				
<b>Alhamra Islamic Active Allocation Plan - II</b>												
<b>Group / associated companies</b>												
MCB Employees' Pension Fund *	752,862	73,135	-	825,997	70,671	6,997	-	78,990				
<b>Unit holders holding 10% or more units</b>	651,782	28,292	-	680,074	58,138	2,556	-	61,409				
<b>Alhamra Islamic Active Allocation Plan - I</b>												
<b>Group / associated companies</b>												
MCB Employees' Pension Fund *	586,520	-	-	586,520	54,647	-	-	52,317				
<b>Alhamra Islamic Active Allocation Plan - II</b>												
<b>Group / associated companies</b>												
MCB Employees' Pension Fund *	751,350	1,512	-	752,862	74,814	150	-	70,671				
<b>Mandate Under discretionary portfolio</b>	52,821	90	-	52,911	5,260	9	-	4,967				
<b>Unit holders holding 10% or more units</b>	1,001,305	1,763	-	1,003,068	99,703	175	-	94,158				

\* These persons are also related party due to holding of more than 10% units of net assets of the Fund.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

**15.2 Transactions during the year:**

	June 30, 2020		Total
	Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	
	----- (Rupees in '000) -----		
<b>MCB-Arif Habib Savings and Investments Limited - Management Company</b>			
Remuneration of the Management Company	183	104	287
Sindh sales tax on remuneration of the Management Company	24	13	37
Allocated expenses	436	324	760
<b>MCB Financial Services Limited - Trustee</b>			
Remuneration of the Trustee	393	330	723
Sindh sales tax on remuneration of the Trustee	51	43	94
<b>Alhamra Islamic Stock Fund</b>			
Purchase of 19,136,675 units and 5,202,563 units by the Fund	194,000	51,000	245,000
Sale of 64,480,019 units and 47,532,368 units by the Fund	580,934	421,475	1,002,409
<b>Alhamra Islamic Income Fund</b>			
Purchase of 5,762,005 units and 3,323,034 units by the Fund	595,561	344,157	939,718
Sale of 4,742,102 units and 5,024,350 units by the Fund	504,000	528,000	1,032,000
<b>MCB Bank Limited</b>			
Bank charges	3	8	11
	June 30, 2019		
	----- (Rupees in '000) -----		
<b>MCB-Arif Habib Savings and Investments Limited - Management Company</b>			
Remuneration of the Management Company	441	136	577
Sindh sales tax on remuneration of the Management Company	57	18	75
Allocated expenses	1,155	763	1,918
<b>MCB Financial Services Limited - Trustee</b>			
Remuneration of the Trustee	981	686	1,667
Sindh sales tax on remuneration of the Trustee	127	89	216
<b>Alhamra Islamic Stock Fund</b>			
Purchase of 186,031,118 units and 86,261,001 units by the Fund	1,897,500	857,500	2,755,000
Sale of 196,676,428 units and 76,126,874 units by the Fund	2,038,940	768,301	2,807,241
<b>Alhamra Islamic Income Fund</b>			
Purchase of 20,170,680 units and 7,808,149 units by the Fund	2,089,117	2,592,500	4,681,617
Sale of 24,839,072 units and 8,442,045 units by the Fund	813,347	882,500	1,695,847
<b>MCB Bank Limited</b>			
Bank charges	9	1	10

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

**15.3 Balances outstanding at year end:**

	June 30, 2020		
	Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
	----- (Rupees in '000) -----		
<b>MCB-Arif Habib Savings and Investments Limited - Management Company</b>			
Management remuneration payable	10	5	15
Sindh sales tax payable on Management Company remuneration	1	1	2
Payable against allocated expenses	29	15	44
<b>MCB Financial Services Limited - Trustee</b>			
Trustee remuneration payable	25	22	47
Sindh sales tax payable on Trustee remuneration	3	3	6
<b>MCB Bank Limited - Group / associated company</b>			
Balances with bank - current account	3,024	3,492	6,516
<b>Alhamra Islamic Income Fund</b>			
Outstanding 3,167,846 and 1,630,629 units (investments made by the Fund)	322,630	166,072	488,702
	June 30, 2019		
	Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
	----- (Rupees in '000) -----		
<b>MCB-Arif Habib Savings and Investments Limited - Management Company</b>			
Management remuneration payable	19	3	22
Sindh sales tax payable on Management Company remuneration	3	1	4
Payable against allocated expenses	53	59	112
<b>MCB Financial Services Limited - Trustee</b>			
Trustee remuneration payable	48	53	101
Sindh sales tax payable on Trustee remuneration	6	7	13
<b>MCB Bank Limited - Group / associated company</b>			
Balances with bank - current account	1,672	400	2,072
<b>Alhamra Islamic Stock Fund</b>			
Outstanding 45,343,343 and 42,329,805 units (investments made by the Fund)	390,406	337,064	727,470
<b>Alhamra Islamic Income Fund</b>			
Outstanding 2,147,943 and 3,331,943 units (investments made by the Fund)	217,289	364,460	581,749

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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## 16. FINANCIAL RISK MANAGEMENT

The Fund's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Fund's financial performance.

The Fund's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate and other price risk), credit risk and liquidity risk. Risk of the Fund are being managed by the Management Company in accordance with the approved policies of the investment committee which provide broad guidelines for management of above mention risks. The Board of Directors of the Management Company has overall responsibility for the establishment and oversight of the Fund's risk management framework.

The Fund primarily invests in Sharia compliant Islamic schemes of the Management Company and Sharia compliant Islamic schemes of other asset management companies subject to the prior approval of the Commission and the Sharia Advisor, Islamic Bank and Islamic banking windows of conventional bank account.

### 16.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in market prices.

The Management Company manages market risk by monitoring exposure on marketable securities by following the internal risk management policies and investment guidelines approved by the Board and regulations laid down by the SECP and the NBFC Regulations, The NBFC Rules.

Market risk comprises of three types of risk: currency risk, interest rate risk and other price risk.

#### 16.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund, at present is not exposed to currency risk as all transactions were carried out in Pak Rupees.

#### 16.1.2 Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

##### a) Sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in profit rates at the reporting date would have increased / decreased the income statement by Rs.0.161 million (2019: Rs.0.194 million) and Rs.0.080 million (2019: Rs.0.071 million) for Plan I and II respectively and consequently statement of movement in unit holders' fund would be affected by the same amount. The analysis assumes that all other variables remain constant.

##### b) Sensitivity analysis for fixed rate instruments

Presently, the Fund does not hold any fixed rate instruments that may expose the Fund to any material profit rate risk.

The composition of the Fund's investment may change over time. Accordingly, the sensitivity analysis prepared as at June 30, 2020 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
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Yield rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet financial instruments is based on settlement date.

**Alhamra Islamic Active Allocation Fund Plan I**

Particulars	As at June 30, 2020					Total
	Effective yield / rate	Exposed to yield risk			Not exposed to yield rate risk	
		Upto three months	More than three months and up to one year	More than one year		
%	----- (Rupees in '000) -----					

**On-balance sheet financial instruments**

**Financial assets**

Bank balances	7.25% - 7.5%	16,142	-	-	3,024	19,166
Investments		-	-	-	322,630	322,630
Profit receivable		-	-	-	95	95
Advance, deposits and other receivables		-	-	-	60	60
<b>Sub total</b>		<b>16,142</b>	-	-	<b>325,809</b>	<b>341,951</b>

**Financial liabilities**

Payable to the Management Company		-	-	-	39	39
Payable to the Trustee		-	-	-	25	25
Accrued expenses and other liabilities		-	-	-	218	218
<b>Sub total</b>		-	-	-	<b>282</b>	<b>282</b>

**On-balance sheet gap**

		<b>16,142</b>	-	-	<b>325,526</b>	<b>341,668</b>
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**Alhamra Islamic Active Allocation Fund Plan II**

Particulars	As at June 30, 2020					Total
	Effective yield / rate	Exposed to yield risk			Not exposed to yield rate risk	
		Upto three months	More than three months and up to one year	More than one year		
%	----- (Rupees in '000) -----					

**On-balance sheet financial instruments**

**Financial assets**

Bank balances	7.25% - 7.5%	7,952	-	-	3,492	11,444
Investments		-	-	-	166,072	166,072
Profit receivable		-	-	-	46	46
<b>Sub total</b>		<b>7,952</b>	-	-	<b>169,610</b>	<b>177,562</b>

**Financial liabilities**

Payable to the Management Company		-	-	-	20	20
Payable to the Trustee		-	-	-	22	22
Accrued expenses and other liabilities		-	-	-	151	151
<b>Sub Total</b>		-	-	-	<b>193</b>	<b>193</b>

**On-balance sheet gap**

		<b>7,952</b>	-	-	<b>169,418</b>	<b>177,370</b>
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

Alhamra Islamic Active Allocation Fund Plan I						
As at June 30, 2019						
Particulars	Effective yield / rate	Exposed to yield risk			Not exposed to yield rate risk	Total
		Upto three months	More than three months and up to	More than one year		
	%	----- (Rupees in '000) -----				
<b>On-balance sheet financial instruments</b>						
<b>Financial assets</b>						
Bank balances	11.75%-12.25%	19,390	-	-	1,672	21,062
Investments		-	-	-	607,695	607,695
Profit receivable		-	-	-	202	202
Other receivable		-	-	-	60	60
<b>Sub total</b>		19,390	-	-	609,629	629,019
<b>Financial liabilities</b>						
Payable to the Management Company		-	-	-	72	72
Payable to the Trustee		-	-	-	48	48
Accrued expenses and other liabilities		-	-	-	196	196
<b>Sub total</b>		-	-	-	316	316
<b>On-balance sheet gap</b>		19,390	-	-	609,313	628,703

Alhamra Islamic Active Allocation Fund Plan II						
As at June 30, 2019						
Particulars	Effective yield / rate	Exposed to yield risk			Not exposed to yield rate risk	Total
		Upto three months	More than three months and up to	More than one year		
	%	----- (Rupees in '000) -----				
<b>On-balance sheet financial instruments</b>						
<b>Financial assets</b>						
Bank balances	11.75%-12.25%	7,130	-	-	400	7,530
Investments		-	-	-	701,524	701,524
Profit receivable		-	-	-	86	86
<b>Sub total</b>		7,130	-	-	702,010	709,140
<b>Financial liabilities</b>						
Payable to the Management Company		-	-	-	62	62
Payable to the Trustee		-	-	-	53	53
Accrued expenses and other liabilities		-	-	-	145	145
<b>Sub Total</b>		-	-	-	260	260
<b>On-balance sheet gap</b>		7,130	-	-	701,750	708,880

**16.1.3 Price risk**

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

A reasonably possible change of 5% increase or decrease in fair values at the reporting date would have increased / decreased the income statement and statement of comprehensive income by Rs.16.132 million (2019: Rs.30.385 million) and Rs. 8.304 million (2019: Rs.35.076 million) for Plan I and II respectively and consequently statement of movement in unit holders' fund would be affected by the same amount. The analysis assumes that all other variables remain constant.

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

### 16.2 Credit risk

Credit risk represents the risk of a loss if counterparties fail to perform as contracted and arises principally from bank balances, investments, profit and other receivable.

The Fund's policy is to enter into financial contracts in accordance with the internal risk management policies and investment guidelines approved by the Investment Committee. In addition, the risk is managed through assignment of credit limits and by following strict credit evaluation criteria laid down by the Management Company. The Fund does not expect to incur material credit losses on its financial assets.

The Fund's maximum exposure to credit risk related to receivables at June 30, 2020 and June 30, 2019 is the carrying amounts of following financial assets.

	June 30, 2020			
	Alhamra Islamic Active Allocation Plan - I		Alhamra Islamic Active Allocation Plan - II	
	Balance as per statement of assets and liabilities	Maximum exposure	Balance as per statement of assets and liabilities	Maximum exposure
	----- (Rupees in '000) -----			
Bank balances	19,166	19,166	11,444	11,444
Investments	322,630	322,630	166,072	166,072
Profit receivable	95	95	46	46
Advance, deposits and other receivables	60	60	-	-
	<b>341,951</b>	<b>341,951</b>	<b>177,562</b>	<b>177,562</b>

The maximum exposure to credit risk as at June 30, 2019 was as follows:

	June 30, 2019			
	Alhamra Islamic Active Allocation Plan - I		Alhamra Islamic Active Allocation Plan - II	
	Balance as per statement of assets and liabilities	Maximum exposure	Balance as per statement of assets and liabilities	Maximum exposure
	----- (Rupees in '000) -----			
Bank balances	21,062	21,062	7,530	7,530
Investments	607,695	607,695	701,524	701,524
Profit receivable	202	202	86	86
Advance, deposits and other receivables	60	60	-	-
	<b>629,019</b>	<b>629,019</b>	<b>709,140</b>	<b>709,140</b>

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

### Balances by rating category

The Fund held bank balances and investments at June 30, 2020 with banks having following credit ratings:

Rating	June 30, 2020			
	Alhamra Islamic Active Allocation Plan - I		Alhamra Islamic Active Allocation Plan - II	
	Rupees in '000	%	Rupees in '000	%
<b>Balances with banks</b>				
AAA	3,024	15.78%	3,492	5.31%
AA	14,946	77.98%	-	-
A+	1,196	6.24%	7,952	94.69%
	<u>19,166</u>	<u>100.00%</u>	<u>11,444</u>	<u>100.00%</u>

### Investment - Units of open-end mutual funds

AA-(F)	<u>322,630</u>	<u>100.00%</u>	<u>166,072</u>	<u>100.00%</u>
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Above rates are on the basis of available ratings assigned by PACRA and VIS as of June 30, 2020.

The Fund held bank balances and investments at June 30, 2019 with banks having following credit ratings:

Rating	June 30, 2019			
	Alhamra Islamic Active Allocation Plan - I		Alhamra Islamic Active Allocation Plan - II	
	Rupees in '000	%	Rupees in '000	%
<b>Balances with banks</b>				
AAA	1,672	7.93%	400	5.31%
AA+	17,110	81.24%	-	0.00%
A+	2,280	10.83%	7,130	94.69%
	<u>21,062</u>	<u>100.00%</u>	<u>7,530</u>	<u>100.00%</u>

### Investment - Units of open-end mutual funds

AA-(F)	<u>607,695</u>	<u>100.00%</u>	<u>701,524</u>	<u>100.00%</u>
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Above rates are on the basis of available ratings assigned by PACRA and VIS as of June 30, 2019.

### 16.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Fund is exposed to daily cash redemptions, if any, at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation. Its policy is therefore to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

The Fund has the ability to borrow in the short-term to ensure settlement. During the current year, the Fund did not availed any borrowing. As per the NBFC Regulations the maximum amount available to the Fund from the borrowing would be limited to fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund and bear interest at commercial rates.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
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In order to manage the Fund's overall liquidity, the Fund also has the ability to withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the year.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

**Alhamra Islamic Active Allocation Fund Plan I**

Particulars	As at June 30, 2020			
	Upto three months	More than three months and upto one year	More than one year	Total
----- (Rupees in '000) -----				
<b>Liabilities</b>				
Payable to the Management Company	39	-	-	39
Payable to the Trustee	25	-	-	25
Accrued expenses and other liabilities	218	-	-	218
	<b>282</b>	<b>-</b>	<b>-</b>	<b>282</b>

**Alhamra Islamic Active Allocation Fund Plan II**

Particulars	As at June 30, 2020			
	Upto three months	More than three months and upto one year	More than one year	Total
----- (Rupees in '000) -----				
<b>Liabilities</b>				
Payable to the Management Company	20	-	-	20
Payable to the Trustee	22	-	-	22
Accrued expenses and other liabilities	151	-	-	151
	<b>193</b>	<b>-</b>	<b>-</b>	<b>193</b>

**Alhamra Islamic Active Allocation Fund Plan I**

Particulars	As at June 30, 2019			
	Upto three months	More than three months and upto one year	More than one year	Total
----- (Rupees in '000) -----				
<b>Liabilities</b>				
Payable to the Management Company	72	-	-	72
Payable to the Trustee	48	-	-	48
Accrued expenses and other liabilities	196	-	-	196
	<b>316</b>	<b>-</b>	<b>-</b>	<b>316</b>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

Alhamra Islamic Active Allocation Fund Plan II				
As at June 30, 2019				
Particulars	Upto three months	More than three months and upto one year	More than one year	Total
----- (Rupees in '000) -----				
<b>Liabilities</b>				
Payable to the Management Company	62	-	-	62
Payable to the Trustee	53	-	-	53
Accrued expenses and other liabilities	145	-	-	145
	<u>260</u>	<u>-</u>	<u>-</u>	<u>260</u>

**16.4 Financial instruments by category**

Alhamra Islamic Active Allocation Fund Plan I				
As at June 30, 2020				
Particulars	At Fair value through OCI	At fair value through profit or loss	Amortised cost	Total
----- (Rupees in '000) -----				
<b>Financial assets</b>				
Bank balances	-	-	19,166	19,166
Investments	-	322,630	-	322,630
Profit receivable	-	-	95	95
Advance, deposits and other receivables	-	-	60	60
	<u>-</u>	<u>322,630</u>	<u>19,321</u>	<u>341,951</u>

As at June 30, 2020			
Particulars	At fair value through profit or loss	Amortised cost	Total
----- (Rupees in '000) -----			
<b>Financial liabilities</b>			
Payable to the Management Company	-	39	39
Payable to the Trustee	-	25	25
Accrued expenses and other liabilities	-	218	218
	<u>-</u>	<u>282</u>	<u>282</u>

Alhamra Islamic Active Allocation Fund Plan II				
As at June 30, 2020				
Particulars	At Fair value through OCI	At fair value through profit or loss	Amortised cost	Total
----- (Rupees in '000) -----				
<b>Financial assets</b>				
Bank balances	-	-	11,444	11,444
Investments	-	166,072	-	166,072
Profit receivable	-	-	46	46
	<u>-</u>	<u>166,072</u>	<u>11,490</u>	<u>177,562</u>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

Particulars	As at June 30, 2020		
	At fair value through profit or loss	Amortised cost	Total

----- (Rupees in '000) -----

**Financial liabilities**

Payable to the Management Company	-	20	20
Payable to the Trustee	-	22	22
Accrued expenses and other liabilities	-	151	151
	-	<u>193</u>	<u>193</u>

**Alhamra Islamic Active Allocation Fund Plan I**

Particulars	As at June 30, 2019			
	At Fair value through OCI	At fair value through profit or loss	Amortised cost	Total

----- (Rupees in '000) -----

**Financial assets**

Bank balances	-	-	21,062	21,062
Investments	-	607,695	-	607,695
Profit receivable	-	-	202	202
Advances, deposits and Other receivable	-	-	60	60
	-	<u>607,695</u>	<u>21,324</u>	<u>629,019</u>

Particulars	As at June 30, 2019		
	At fair value through profit or loss	Amortised cost	Total

----- (Rupees in '000) -----

**Financial liabilities**

Payable to the Management Company	-	72	72
Payable to the Trustee	-	48	48
Accrued expenses and other liabilities	-	196	196
	-	<u>316</u>	<u>316</u>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

**Alhamra Islamic Active Allocation Fund Plan II**

Particulars	As at June 30, 2019			
	At Fair value through OCI	At fair value through profit or	Amortised cost	Total
----- (Rupees in '000) -----				
<b>Financial assets</b>				
Bank balances	-	-	7,530	7,530
Investments	-	701,524	-	701,524
Profit receivable	-	-	86	86
	-	701,524	7,616	709,140

Particulars	As at June 30, 2019		
	At fair value through profit or loss	Amortised cost	Total
----- (Rupees in '000) -----			
<b>Financial liabilities</b>			
Payable to the Management Company	-	62	62
Payable to the Trustee	-	53	53
Accrued expenses and other liabilities	-	145	145
	-	260	260

**17. Unit holders' fund risk management**

The Fund's objective when managing unit holders' funds is to safeguard the Fund's ability to continue as a going concern so that it can continue to provide optimum returns to its unit holders, to maintain a strong base of assets to meet unexpected losses or opportunities and to ensure reasonable safety of capital. The Fund manages its investment portfolio and other assets by monitoring return on net assets and makes adjustments to it in the light of changes in markets' conditions. The capital structure depends on the issuance and redemption of units.

The Fund has no restrictions on the subscription and redemption of units. As required under the NBFC Regulations, every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs.100 million at all times during the life of the scheme. The Fund has maintained and complied with the requirement of minimum fund size during the current year.

In accordance with the risk management policies as stated above, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption requests, such liquidity being augmented by short-term borrowings or disposal of investments where necessary.

**18. 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 FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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

The following table shows financial instruments recognized at fair value, analyzed between those whose fair value is 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).

As at June 30, 2020 and June 30, 2019, the Fund held the following instruments measured at fair values:

	June 30, 2020			Total
	Level 1	Level 2	Level 3	
	(Rupees in '000)			
<b>Alhamra Islamic Active Allocation Plan - I</b>				
At fair value through profit or loss	-	322,630	-	322,630
<b>Alhamra Islamic Active Allocation Plan - II</b>				
At fair value through profit or loss	-	166,072	-	166,072
	-	488,702	-	488,702

	June 30, 2019			Total
	Level 1	Level 2	Level 3	
	(Rupees in '000)			
<b>Alhamra Islamic Active Allocation Plan - I</b>				
At fair value through profit or loss	-	607,695	-	607,695
<b>Alhamra Islamic Active Allocation Plan - II</b>				
At fair value through profit or loss	-	701,524	-	701,524
	-	1,309,219	-	1,309,219

**18.1** Fair values of investments in units of mutual funds are determined based on redemption prices disclosed at the MUFAP as at the close of the business days.

During the year ended June 30, 2020, 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.

The Fund has not disclosed the fair values of other financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are a reasonable approximation of their fair values.

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

### 19. PARTICULARS OF THE INVESTMENT COMMITTEE AND THE FUND MANAGER

Details of the members of the investment committee of the Fund are as follows:

S. No.	Name	Designation	Experience in years	Qualification
1	Mr. Muhammad Saqib Saleem	Chief Executive Officer	22.5	FCA & FCCA
2	Mr. Muhammad Asim	Chief Investment Officer	17	MBA & CFA
3	Mr. Awais Abdul Sattar	Head of Research	8.8	MBA & CFA
4	Mr. Saad Ahmed	Head of Fixed Income	14.3	MBA
5	Mr. Muhammad Aitazaz Farooqui	Senior Analyst	7	MBA & CFA
6	Mr. Syed Abid Ali	Head of Equities	12	MBA
7	Mr. Shoaib Kamal	Fund Manager Fixed Income - Investment Advisory	8.1	B.com/ACCA Member , CFA Level 2
8	Mr. Muhammad Arsalan	Fund Manager - Investment Advisory	7.3	BSc
9	Mr. Syed Muhammad Usama Iqbal	Fund Manager	16.3	Graduate

### 20. PATTERN OF UNIT HOLDING

#### Plan-I

Category	As at June 30, 2020			
	Number of unit holders	Number of units held	Net assets value of the amount invested	Percentage of total investment
	(Rupees in '000)			
Individuals	196	2,320,847	209,568	61.49%
Associated companies	1	616,472	55,666	16.33%
Retirement funds	1	76,782	6,933	2.03%
Others	3	759,977	68,625	20.15%
	<b>201</b>	<b>3,774,078</b>	<b>340,792</b>	<b>100.00%</b>

#### Plan-II

Category	As at June 30, 2020			
	Number of unit holders	Number of units held	Net assets value of the amount invested	Percentage of total investment
	(Rupees in '000)			
Individuals	74	963,038	92,095	52.16%
Associated companies	1	825,997	78,990	44.74%
Others	1	57,281	5,478	3.10%
	<b>76</b>	<b>1,846,316</b>	<b>176,563</b>	<b>100.00%</b>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
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**Plan-I**

Category	As at June 30, 2019			
	Number of unit holders	Number of units held	Net assets value of the amount invested	Percentage of total investment
	(Rupees in '000)			
Individuals	394	5,434,418	484,746	77.27%
Associated companies	1	586,520	52,317	8.34%
Insurance companies	2	693,059	61,820	9.85%
Retirement funds	3	230,105	20,525	3.27%
Others	2	88,820	7,923	1.26%
	<u>402</u>	<u>7,032,922</u>	<u>627,332</u>	<u>100.00%</u>

**Plan-II**

Category	As at June 30, 2019			
	Number of unit holders	Number of units held	Net assets value of the amount invested	Percentage of total investment
	(Rupees in '000)			
Individuals	344	6,006,447	563,827	79.64%
Associated companies	1	752,862	70,671	9.98%
Insurance companies	2	306,347	28,757	4.06%
Retirement funds	3	383,390	35,989	5.08%
Others	2	92,962	8,726	1.23%
	<u>352</u>	<u>7,542,008</u>	<u>707,971</u>	<u>100.00%</u>

**21. ATTENDANCE AT THE MEETINGS OF THE BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY**

The 151st, 152nd, 153rd, 154th, 155th and 156th meeting of the Board of Directors were held on August 01, 2019, September 13, 2019, October 24, 2019, February 06, 2020, February 21, 2020 and April 20, 2020 respectively. Information in respect of attendance by the directors and other persons in the meetings is given below:

S. No.	Name	Number of meetings				Meetings not attended
		Held	Attendance required	Attended	Leave granted	
<b>Directors</b>						
1	Mr. Mian Muhammad Mansha *	6	4	1	3	151, 153 and 154
2	Mr. Nasim Beg	6	6	6	-	-
3	Mr. Muhammad Saqib Saleem	6	6	6	-	-
4	Mr. Kashif A. Habib **	6	2	1	1	156
5	Mr. Haroun Rashid	6	6	5	1	154
6	Mr. Ahmed Jahangir	6	6	6	-	-
7	Mr. Mirza Qamar Beg	6	6	6	-	-
8	Mr. Samad A. Habib *	6	4	1	3	151, 153 and 154
9	Syed Savail Meekal Hussain ***	6	5	5	-	-
10	Ms. Mavra Adil Khan **	6	2	2	-	-

\* Retired on completion of term on February 06, 2020.

\*\* New Directors elected on the Board of Directors on February 06, 2020

\*\*\* Appointed on September 04, 2019.

An election of Directors was held in an EOGM conducted on February 06, 2020 wherein all retiring directors except for Mr. Mian Muhammad Mansha and Mr. Samad A. Habib were re-elected.

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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### 22. TOTAL EXPENSE RATIO

Total Expense Ratio of the Alhamra Islamic Active Allocation Plan I and Alhamra Islamic Active Allocation Plan II is 0.46% and 0.52% respectively as on June 30, 2019 (2019: 0.45% and 0.34% respectively) and these include 0.15% and 0.21% (2019: 0.09% and 0.10% respectively) representing Government Levy, Sindh Workers' Welfare Fund (SWWF) and SECP fee respectively. The ratio of each plan is within the maximum limit of 0.5% as prescribed under the NBFC Regulations 60(5) for a shariah compliant collective investment scheme categorised as a Shairah Compliant Fund of Fund scheme.

### 23. GENERAL

Figures have been rounded off to the nearest thousand rupees unless otherwise stated.

### 24. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company in the meeting held on August 18, 2020.

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



Chief Executive Officer



Chief Financial Officer



Director

**PATTERN OF UNITS HOLDING BY SIZE  
FOR THE YEAR ENDED JUNE 30, 2020**

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**ALHAMRA ISLAMIC ACTIVE ALLOCATION PLAN I**

No. of Unit Holders	Unit Holdings	Total Units Held
13	001-10,000	336
36	10,001 – 100,000	23,686
99	100,001 – 1000,000	514,136
53	1000,001+	3,235,919
<b>201</b>		<b>3,774,078</b>

**ALHAMRA ISLAMIC ACTIVE ALLOCATION PLAN II**

No. of Unit Holders	Unit Holdings	Total Units Held
9	001-10,000	231
2	10,001 – 100,000	1,569
40	100,001 – 1000,000	184,131
25	1000,001+	1,660,385
<b>76</b>		<b>1,846,316</b>

**PERFORMANCE TABLE  
FOR THE YEAR ENDED JUNE 30, 2020**

**Alhamra Islamic Active Allocation Plan I**

Performance Information	2020	2019	2018	2017
Total Net Assets Value – Rs. in million	341	627.332	1,404	1,584
Net Assets value per unit – Rupees	90.2980	89.1993	93.172	100.0163
Closing Offer Price	N/A	N/A	96.3305	103.4069
Closing Repurchase Price	N/A	N/A	93.1720	100.0163
Highest offer price per unit	N/A	N/A	N/A	106.2503
Lowest offer price per unit	N/A	N/A	N/A	100
Highest Redemption price per unit	N/A	N/A	100.8834	103.0089
Lowest Redemption price per unit	N/A	N/A	89.4505	97.0831
Distribution per unit – Rs. *	4.6138	-	-	0.80
<b>Average Annual Return - %</b>				
One year (Inception Date 29-Dec-16)	6.40	(4.26)	(6.84)	0.81
Two year	1.07	(5.55)	(3.02)	N/A
Three year	(1.57)	(3.43)	N/A	N/A
Net (Loss) / Income for the period – Rs. in million	24.7670	(25.01)	(107.16)	12.93
Distribution made during the year – Rs. in million	16.7194	0	-	12.67
Accumulated Capital Growth – Rs. in million	8.0476	(25.01)	(107.16)	0.26

\* Date of Distribution

2020	
Date	Rate
June 30, 2020	4.6138

2019	
Date	Rate
Nil	

2018	
Date	Rate
Nil	

2017	
Date	Rate
June 30, 2017	0.8000

**Alhamra Islamic Active Allocation Plan II**

Performance Information	2020	2019	2018	2017
Total Net Assets Value – Rs. in million	176.563	707.971	794	87.97
Net Assets value per unit – Rupees	95.6301	93.8703	99.5728	100.0057
Closing Offer Price	NA	NA	102.9483	103.3959
Closing Repurchase Price	NA	NA	99.5728	100.0057
Highest offer price per unit	NA	NA	108.2673	103.6315
Lowest offer price per unit	NA	NA	100.4237	100
Highest Redemption price per unit	NA	NA	104.7174	100.2336
Lowest Redemption price per unit	NA	NA	97.1310	97.0282
Distribution per unit – Rs. *	9.2940	-	-	0.18
<b>Average Annual Return - %</b>				
One year (Inception Date 16-Jun-17)	11.77	(5.54)	(0.43)	0.19
Two year	3.12	(2.99)	(0.12)	N/A
Three year	1.93	(1.93)	N/A	N/A
Net (loss) / Income for the period – Rs. in million	26.9059	(42.15)	8.46	0.16
Distribution made during the year – Rs. in million	15.8552	-	-	0.15
Accumulated Capital Growth – Rs. in million	11.0507	(42.15)	8.46	0.01

\* Date of Distribution

2020	
Date	Rate
June 30, 2020	9.2940

2019	
Date	Rate
Nil	

2018	
Date	Rate
Nil	

2017	
Date	Rate
June 30, 2017	0.1800

**Disclaimer**

The past performance is not necessarily indicative of future performance and unit prices and investments and returns may go down, as well as up.

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

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