

# **PAKISTAN INCOME FUND**

## CONTENTS

---

|   |   |    |
|---|---|----|
| 1 | Fund's Information  | 36 |
| 2 | Report of the Directors of the Management Company                                   | 37 |
| 3 | Condensed Interim Statement of Assets And Liabilities                               | 41 |
| 4 | Condensed Interim Income Statement (Un-audited)                                     | 42 |
| 5 | Condensed Interim Statement of Comprehensive Income (Un-audited)                    | 43 |
| 6 | Condensed Interim Statement of Movement in Unit Holder's Funds (Un-audited)         | 44 |
| 7 | Condensed Interim Cash Flow Statement ( Un-audited)                                 | 45 |
| 8 | Notes to and forming part of the Condensed Interim Financial Statements (Unaudited) | 46 |

## FUND'S INFORMATION

|  |   |  |
|--|---|--|
| <b>Management Company</b>                              | MCB-Arif Habib Savings & Investments Limited<br>24th Floor, Centre Point, Off Shaheed-e-Millat Expressway<br>Near K.P.T. Interchange, Karachi.  |  |
| <b>Board of Directors</b>                              | Mian Muhammad Mansha<br>Mr. Nasim Beg<br>Mr. Muhammad Saqib Saleem<br>Dr. Syed Salman Ali Shah<br>Mr. Haroun Rashid<br>Mr. Ahmed Jahangir<br>Mr. Samad A. Habib<br>Mr. Mirza Qamar Beg  | Chairman<br>Vice Chairman<br>Chief Executive Officer<br>Director<br>Director<br>Director<br>Director<br>Director |
| <b>Audit Committee</b>                                 | Mr. Haroun Rashid<br>Mr. Ahmed Jahangir<br>Mr. Mirza Qamar Beg<br>Mr. Nasim Beg   | Chairman<br>Member<br>Member<br>Member   |
| <b>Human Resource &amp; Remuneration Committee</b>     | Dr. Syed Salman Ali Shah<br>Mr. Nasim Beg<br>Mr. Haroun Rashid<br>Mr. Ahmed Jahangir<br>Mr. Muhammad Saqib Saleem   | Chairman<br>Member<br>Member<br>Member<br>Member   |
| <b>Chief Executive Officer</b>                         | Mr. Muhammad Saqib Saleem   |  |
| <b>Chief Operating Officer &amp; Company Secretary</b> | Mr. Muhammad Asif Mehdi Rizvi   |  |
| <b>Chief Financial Officer</b>                         | Mr. Abdul Basit   |  |
| <b>Trustee</b>   | <b>Central Depository Company of Pakistan Ltd.</b><br>CDC House, 99-B, Block 'B'S.M.C.H.S<br>Main Shahra-e-Faisal Karachi<br>Tel: (92-21) 111-111-500<br>Fax: (92-21) 34326053<br>Web: www.cdcPakistan.com  |  |
| <b>Bankers</b>   | MCB Bank Limited<br>Habib Metropolitan Bank Limited<br>Bank Al-Falah Limited<br>Faysal Bank Limited<br>United Bank Limited<br>Allied Bank Limited<br>NIB Bank Limited<br>Bank Al-Habib Limited<br>NRSP Micro Finance Bank Limited<br>Mobilink Micro Finance Bank Limited<br>U Micro Finance Bank Limited<br>Khushali Micro Finance Bank Limited<br>Telenor Micro Finance Bank Limited<br>Finca Micro Finance Bank Limited<br>JS Bank Limited<br>Zarai Traqiati Bank Limited<br>Habib Bank Limited<br>First Mirco Finance Bank Limited<br>National Bank of Pakistan<br>Silk Bank Limited |  |
| <b>Auditors</b>  | <b>A.F. Ferguson &amp; Co.</b><br>Chartered Accountants<br>(A Member Firm of PWC Network<br>State Life Building 1-C<br>I.I. Chundrigar Road, Karachi.   |  |
| <b>Legal Advisor</b>                                   | <b>Bawaney &amp; Partners</b><br>3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area<br>Phase VI, D.H.A., Karachi   |  |
| <b>Transfer Agent</b>                                  | <b>MCB-Arif Habib Savings &amp; Investments Limited</b><br>24th Floor, Centre Point,<br>Off Shaheed-e-Millat Expressway<br>Near K.P.T. Interchange, Karachi.  |  |
| <b>Rating</b>  | <b>AM2++</b> Asset Manager Rating assigned by PACRA   |  |

# REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2018

---

**Dear Investor,**

On behalf of the Board of Directors, we are pleased to present **Pakistan Income Fund** accounts review for the nine months ended March 31, 2018.

## **MARKET & ECONOMIC REVIEW**

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

The economic scorecard showed a mixed picture with the real side depicting strong growth momentum while external side demanding policy measures.

The policy makers allowed the PKR/USD parity to adjust towards ~115 to support the deteriorating reserves position by arresting the worsening external account. The government at the end of March announced a tax amnesty scheme for undeclared foreign and domestic assets with tax rates ranging from 2%-5%.

The real growth remained strong depicted by Large Scale Manufacturing registering a growth of 6.24% YoY in first eight months of FY18 supported by strong growth in Petroleum Products, Steel and Food & Beverage sectors. The better preliminary crop numbers of cotton, wheat and sugar along with strong LSM growth is expected to keep the growth target of 6% in reach.

The fiscal deficit for the first half of this financial year was recorded at ~2.2% of GDP, despite high tax collection. Tax Authorities managed to collect PKR 2.0 trillion during the period, showing a growth of 17.6% compared to same period last year.

CPI for the nine months of FY18 remained modest averaging 3.78% YoY supported by stable food prices, controlled house rent and higher base effect. However, rising oil prices and depreciating currency indicate upward pressure going forward.

On the external side, trade deficit widened to alarming levels. The current account deficit (CAD) for the nine months clocked in at ~USD 10.8 billion (up 50% YoY). Trade deficit for the first nine months of the financial year reached USD 19.7 billion up ~22% YoY. Import registered an increase of ~17% during the half year, propelled by petroleum imports and an expansionary fiscal and monetary policies. On the flip side, the impact of textile package introduced by the government in order to boost exports, started to gain some momentum as textile exports grew by ~8% during the nine months of the financial year, though insufficient to bridge the gap created by rising imports. Resultantly, the foreign exchange reserves declined by USD ~3.6 billion, despite USD 2.5 billion bond issuance in international bond markets. PKR also depreciated by ~10% against USD indicating a much need attempt from government to address widening external account.

Money markets took clue from the rising inflation expectations, after the recent rupee depreciation, as against all tenors, 3-months Treasury Bills remained the most preferred play. Meanwhile, longer tenor PIBs remained out of favor with very low participation from financial institutions and banks in auctions.

## **FUND PERFORMANCE**

During the period under review, the fund generated an annualized return of 4.42% as against its benchmark return of 5.89%.

At period-end, the fund was 2.1% invested in Treasury Bills, 35.6% in TFCs, 0% in TDRs and 51.4% in Cash. Weighted average maturity of the fund stands at 1.9 years at period end as per our outlook on the monetary cycle.

The Net Assets of the Fund as at March 31, 2018 stood at Rs. 1,342 million as compared to Rs. 1,722 million as at June 30, 2017 registering a decrease of 22.07%.

The Net Asset Value (NAV) per unit as at March 31, 2018 was Rs.55.5473 as compared to opening NAV of Rs.53.7626 per unit as at June 30, 2017 registering an increase of Rs. 1.7847 per unit.

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2018

---

### MARKET & ECONOMY - FUTURE OUTLOOK

The recent rupee depreciation of ~10% is expected to reflect in the external account numbers going forward. Exports are expected to continue growth trajectory with textile package also providing support. Unnecessary imports are expected to slow down reflecting the higher imported cost. Given our outlook of trade deficit and weak performance on remittances, we expect current account deficit to approach ~USD 16 billion for the FY18 which in our estimates indicate an additional financing need of near USD 5 billion. Next year could fare better, provided oil stays close to current levels, given machinery imports would slow down and impact of recent rupee devaluation would be more visible in proceeding year's numbers.

The recent tax amnesty scheme announced could be successful as it is followed by some complimentary steps to curb the undeclared money. Additionally, regulations over the world would allow information sharing of residents from September, 2017 and undeclared assets would be difficult to hide. The tax amnesty scheme could bring in much needed foreign inflow of around ~USD 4 bn.

KSE-100 trades at a forward P/E of 10.28x, at a steep discount of 19.5% from its emerging market peer group. Enduring themes that should play out over the medium-term include PKR depreciation and higher interest rates, CPEC and continued GoP support for the export-oriented sector that would encourage exports. The upcoming budget with expectations of removal of tax on bonus shares and rationalization of capital gains tax could propel positive sentiments. The success of the amnesty scheme would also be a positive omen as foreign inflows would allow to control external vulnerabilities and stock market would become a potential investment avenue after whitening of money.

On the fixed income front, market is expected to remain cautious on back of a precarious external account position along with an expected uptick in inflation trajectory. Visibility on economic front, in particular to balance of payments, would guide further participation towards fixed income markets.

### 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  
April 19, 2018



Nasim Beg  
Vice Chairman / Director

31 مارچ 2018ء کو Net اثاثہ جاتی قدر (NAV) فی یونٹ 55.5473 روپے تھی، جو 30 جون 2017ء کو 53.7626 روپے فی یونٹ ابتدائی NAV کے مقابلے میں 1.7847 روپے فی یونٹ اضافہ ہے۔

### بازار اور معیشت - مستقبل کی صورتحال

روپے کی قدر میں حالیہ 10% کمی کی عکاسی متوقع طور پر خارجی اکاؤنٹ کے بلند ہوتے ہوئے اعداد و شمار میں ہوگی۔ برآمدات کی ترقی کا سفر جاری رہنے کی امید ہے، اور ٹیکسٹائل پیکج بھی پشت پناہی فراہم کرے گا۔ درآمداتی لاگت میں اضافے کے باعث غیر ضروری درآمدات میں کمی متوقع ہے۔ تجارتی خسارے اور ترسیلات زر کی کمزور کارکردگی کے پیش نظر کرنٹ اکاؤنٹ کا خسارہ متوقع طور پر 16 بلین ڈالر تک پہنچ جائے گا، جس کے نتیجے میں ہمارے تخمینے کے مطابق تقریباً 5 بلین ڈالر کی اضافی سرمایہ کاری کی ضرورت ہوگی۔ اگلا برس کافی بہتر ہو سکتا ہے، بشرطیکہ تیل موجودہ سطحوں کے قریب برقرار رہے، مشینری کی موجودہ درآمدات میں کمی ہو، اور روپے کی قدر میں حالیہ کمی کی عکاسی اگلے سال کے اعداد و شمار میں واضح تر ہو۔

حالیہ اعلان کردہ ٹیکس معاف اسکیم کامیاب ہو سکتی ہے کیونکہ اس کے ساتھ ساتھ غیر اعلانیہ رقم پر قابو پانے کے لیے کچھ مفید اقدامات کیے گئے ہیں۔ اس کے علاوہ عالمی سطح کے اصول و ضوابط کے نتیجے میں ستمبر 2017ء سے رہائشیوں کی معلومات ظاہر کرنے کی اجازت ہوگی اور غیر اعلانیہ اثاثہ جات کو پوشیدہ رکھنا مشکل ہو جائے گا۔ ٹیکس معاف اسکیم تقریباً 4 بلین ڈالر کی مطلوبہ آمد کو بھی یقینی بنا سکتی ہے۔


KSE-100 کی تجارت 10.82x کی فارورڈ P/E پر ہوئی جو اس کے ابھرتے ہوئے مارکیٹ peer گروپ کے مقابلے میں 19.5% کی بھرپور رعایت ہے۔ مستحکم پیش رفت، جن کا اثر درمیانی مدت تک رہے گا، میں روپے کی قدر میں کمی اور انٹریسٹ کی اونچی شرحیں، اور CPEC اور برآمدات پر منحصر شعبے کے لئے حکومت پاکستان کی مسلسل پشت پناہی (جن کی بدولت برآمدات کی حوصلہ افزائی ہوگی) شامل ہیں۔


آئندہ بجٹ، جس میں بونس حصص پر ٹیکس ختم ہونے اور کیپٹل منافعوں کی rationalization کی متوقع ہے، خوش آئند ثابت ہو سکتا ہے۔ ٹیکس معاف اسکیم کی کامیابی بھی مثبت علامت ہوگی کیونکہ غیر ملکی آمدات سے خارجی خطرات پر قابو پایا جاسکے گا اور اسٹاک مارکیٹ کا لے دھن کی صفائی کے بعد سرمایہ کاری کا اچھا موقع فراہم کرے گی۔ مقررہ آمدنی کی جہت میں توقع ہے کہ مارکیٹ خارجی اکاؤنٹ کی خطرناک صورتحال اور افراط زر کی سطح میں اضافے کی بنیاد پر مختار رہے گی۔ معاشی رُخ، خاص طور پر ادائیگیوں کے توازن کی واضح تصویر سے مقررہ آمدنی کی مارکیٹس میں مزید شرکت کی طرف راہنمائی ہوگی۔

### اظہارِ تحکُّر

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

من جانب بورڈ

  
نسیم بیگ  
وائس چیئرمین / ڈائریکٹر

  
محمد ثاقب سلیم  
چیف ایگزیکٹو آفیسر

19 اپریل 2018ء

## عزیز سرمایہ کار

بورڈ آف ڈائریکٹرز کی جانب سے پاکستان انکم فنڈ کے 31 مارچ 2018ء کو ختم ہونے والے نو ماہ کے اکاؤنٹس کا جائزہ پیش خدمت ہے۔

## بازار اور معیشت کا جائزہ

### معیشت اور بازار کا جائزہ

معاشی اعداد و شمار میں ملاحظہ جاتا رہا۔ حقیقی رُخ بدستور ترقی کی جانب اشارہ کر رہا ہے، جبکہ خارجی رُخ پالیسی کے اقدامات مطالبہ کر رہا ہے۔ پالیسی ساز پاکستانی روپے اور امریکی ڈالر کے مابین برابری کو 115 کی جانب لے گئے تاکہ گھٹتے ہوئے ذخائر کے باعث خارجی اکاؤنٹ کی بگڑتی ہوئی حالت پر قابو پایا جاسکے۔ مارچ کے اختتام پر حکومت نے غیر اعلانیہ ملکی و غیر ملکی اثاثہ جات کے لئے ٹیکس میں رعایت کی پالیسی کا اعلان کیا اور ٹیکس کی شرحوں کو 2% سے 5% کے درمیان لے آئی۔ حقیقی ترقی مستحکم رہی جس کی عکاسی بڑے پیمانے کی مینوفیکچرنگ (LSM) میں مالی سال 2018ء کے پہلے آٹھ ماہ میں 6.24% YoY ترقی سے ہوئی، اور اس کی پشت پناہی پٹرولیم مصنوعات، اسٹیل اور اشیائے خورد و نوش کے شعبے میں مستحکم ترقی نے کی۔ کپاس، گندم اور چینی کی بہتر ابتدائی فصل بشمول مضبوط LSM ترقی کی بدولت 6% ترقی کا ہدف متوقع طور پر قابل حصول ہے۔

موجودہ مالی سال کی پہلی ششماہی میں ٹیکس کے بھرپور حصول کے باوجود مالی خسارہ مجموعی ملکی پیداوار (GDP) کا 2.2% تھا۔ ٹیکس کے اداروں نے دورانِ مدت 2.0 ٹریلین روپے ٹیکس جمع کیا جو سال گزشتہ کی اسی مدت کے مقابلے میں 17.6% زیادہ ہے۔

مالی سال 2018ء کے نو ماہ کے لئے CPI کا اوسط 3.78% YoY کے درمیانے درجے پر تھا جس کی پشت پناہی اشیائے خورد و نوش کی مستحکم قیمتوں، محدود رہائشی کرائے اور پہلے سے زیادہ base effect سے ہوئی۔ تاہم تیل کی بڑھتی ہوئی قیمتیں اور روپے کی گھٹتی ہوئی قدر دباؤ میں مزید اضافے کی طرف اشارہ کر رہی ہیں۔ خارجی رُخ پر تجارتی خسارے میں تشویشناک سطح تک اضافہ ہو گیا۔ کرنٹ اکاؤنٹ کا خسارہ (CAD) برائے نو ماہ 10.8 بلین ڈالر تھا (YoY 50% اضافہ)۔ مالی سال کے پہلے نو ماہ میں تجارتی خسارہ 19.7 ڈالر تک پہنچ گیا، جو 22% YoY اضافہ ہے۔ سال کے نصف اول کے دوران درآمدات میں 17% اضافہ ہوا جس کے اسباب پٹرولیم کی درآمدات اور وسعت پذیر اقتصادی اور مالیاتی پالیسی ہیں۔ دوسری جانب برآمدات کے فروغ کے لئے حکومت کے متعارف کردہ ٹیکسٹائل پیکیج کے اثرات نے کچھ رفتار پکڑی اور مالی سال کے پہلے نو ماہ کے دوران ٹیکسٹائل کی برآمدات میں 8% اضافہ ہوا، لیکن یہ اضافہ بڑھتی ہوئی برآمدات سے پیدا ہونے والی چیلنج کو پُر کرنے کے لئے ناکافی تھا۔ نتیجتاً، غیر ملکی زرمبادلہ کے ذخائر میں 3.6 بلین ڈالر کمی ہوئی، اگرچہ بین الاقوامی بانڈ مارکیٹ میں 2.5 بلین ڈالر مالیت کے بانڈز کا اجراء ہوا۔ علاوہ ازیں، امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر میں 10% کمی ہوئی جس سے وسعت پذیر خارجی اکاؤنٹ پر حکومتی توجہ کی ضرورت کی عکاسی ہوتی ہے۔

روپے کی قدر میں حالیہ کمی کے بعد افراط زر میں تمام tenors کے مقابلے میں اضافے کی توقعات بازار کے لئے اشارہ تھا۔ سہ ماہیہ ٹریڈری بلز کو سب سے زیادہ ترجیح حاصل رہی، جبکہ طویل المیعاد پاکستان انویسٹمنٹ بانڈز (PIBs) سب سے کم مقبول رہے کیونکہ ان کو مالیاتی اداروں اور auctions میں ٹینکوں سے بہت محدود پذیرائی حاصل ہوئی۔

## فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران فنڈ کا ایک سال پر محیط منافع 4.42% تھا، بالمقابل اس کے بیچ مارک منافع 5.89% کے۔ اختتام مدت پر فنڈ کی سرمایہ کاری 2.1% ٹریڈری بلز میں، 35.6% ٹرم فنانس سرٹیفکیٹس (TFCs) میں، 0% TDRs میں اور 5.41% نقد میں تھی۔ اختتام مدت پر فنڈ کی weighted اوسط مپجورٹی مالیاتی چکر کے بارے میں ہمارے اندازے کے مطابق 1.9 سال تھی۔ 31 مارچ 2018ء کو فنڈ کے net اثاثہ جات 1,342 ملین روپے تھے، جو 30 جون 2017ء کو 1,722 ملین روپے کے مقابلے میں 22.07% کمی ہے۔

# CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2018

|  |      | (Un-Audited)<br>March 31,<br>2018 | (Audited)<br>June 30,<br>2017 |
|--|------|-----------------------------------|-------------------------------|
|  | Note | ----- (Rupees in '000) -----      |                               |
| <b>ASSETS</b>  |      |                                   |                               |
| Balances with banks  |      | 714,991                           | 1,194,719                     |
| Investments  | 5    | 532,304                           | 489,911                       |
| Profit & Dividend Receivables  |      | 8,829                             | 12,268                        |
| Receivable against sale of investments   |      | 86,891                            | -                             |
| Receivable against Margin Trading System   |      | 11,826                            | 17,519                        |
| Advances, deposits and prepayments   |      | 36,556                            | 27,007                        |
| <b>Total assets</b>  |      | <b>1,391,397</b>                  | <b>1,741,424</b>              |
| <b>LIABILITIES</b>   |      |                                   |                               |
| Payable to the Management Company  |      | 2,158                             | 2,471                         |
| Payable to the Trustee   |      | 194                               | 209                           |
| Annual fee payable to the Securities and Exchange<br>Commission of Pakistan (SECP) |      | 859                               | 919                           |
| Payable against redemption of units  |      | 47                                | 313                           |
| Payable against purchase of investments  |      | 30,510                            | -                             |
| Accrued and other liabilities  | 6    | 15,660                            | 15,551                        |
| <b>Total liabilities</b>   |      | <b>49,428</b>                     | <b>19,463</b>                 |
| <b>NET ASSETS</b>  |      | <b>1,341,969</b>                  | <b>1,721,961</b>              |
| <b>Unit holders' fund (as per statement attached)</b>                              |      | <b>1,341,969</b>                  | <b>1,721,961</b>              |
| <b>Contingencies and commitments</b>   | 7    |                                   |                               |
| <b>NUMBER OF UNITS IN ISSUE</b>  |      |                                   |                               |
|  |      | <b>24,159,028</b>                 | <b>32,028,956</b>             |
| <b>NET ASSETS VALUE PER UNIT</b>   |      |                                   |                               |
|  |      | <b>55.5473</b>                    | <b>53.7626</b>                |

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

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



Chief Executive Officer



Chief Financial Officer



Director



# CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2018

|               |       | Nine months ended |                   | Quarter ended     |                   |
|---------------|-------|-------------------|-------------------|-------------------|-------------------|
|               |       | March 31,<br>2018 | March 31,<br>2017 | March 31,<br>2018 | March 31,<br>2017 |
| Note          |       | (Rupees in '000)  |                   |                   |                   |
| <b>INCOME</b> |       |                   |                   |                   |                   |
|               |       | 3,461             | 13,584            | 1,770             | 998               |
|               |       | 19,132            | 15,599            | 7,822             | 5,012             |
|               |       | 1,598             | (8,014)           | 2,291             | (4,792)           |
|               |       | 46,094            | 23,675            | 11,487            | 9,439             |
|               |       | 8,215             | 3,600             | 2,125             | 3,425             |
|               |       | 2,165             | 2,017             | 569               | 866               |
|               | 5.2.1 | (2,067)           | 12,146            | (1,996)           | 11,118            |
|               |       | 57                | 57                | 20                | 35                |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |
|               |       |                   |                   |                   |                   |

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

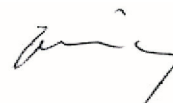
## For MCB-Arif Habib Savings and Investments Limited (Management Company)



**Chief Executive Officer**



**Chief Financial Officer**



**Director**

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2018**

|  | Nine Months ended            |                   | Quarter ended        |                   |
|--|------------------------------|-------------------|----------------------|-------------------|
|  | March 31,<br>2018            | March 31,<br>2017 | March 31,<br>2018    | March 31,<br>2017 |
|  | ----- (Rupees in '000) ----- |                   |                      |                   |
| <b>Net income for the period after taxation</b>  | <b>49,696</b>                | 65,260            | <b>16,029</b>        | 39,886            |
| <b>Other comprehensive (loss) / income<br/>for the period:</b>   |                              |                   |                      |                   |
| <b>To be reclassified to profit or loss<br/>account in subsequent periods</b>  |                              |                   |                      |                   |
| Net unrealised (diminution) / appreciation<br>on re-measurement of investments<br>classified as 'available-for-sale' | <b>256</b>                   | 1,466             | <b>(67)</b>          | (68)              |
|  | <u><b>256</b></u>            | <u>1,466</u>      | <u><b>(67)</b></u>   | <u>(68)</u>       |
| <b>Total comprehensive income<br/>for the period</b>   | <u><b>49,952</b></u>         | <u>66,726</u>     | <u><b>15,962</b></u> | <u>39,818</u>     |

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

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



**Chief Executive Officer**



**Chief Financial Officer**



**Director**

# CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2018

|  | Nine months period ended     |                         |  |                              |                   |
|--|------------------------------|-------------------------|--|------------------------------|-------------------|
|  | March 31, 2018               |                         |  |                              | March 31,<br>2017 |
|  | Capital value                | Undistributed<br>income | Unrealised<br>appreciation /<br>(diminution)<br>on available-<br>for-sale<br>investments | Total                        | Total             |
|  | ----- (Rupees in '000) ----- |                         |  |                              |                   |
| Net assets at beginning of the period  | 1,601,187                    | 120,774                 | (179)  | 1,721,961                    | 1,050,298         |
| Issuance of 7,067,858 units (2017: 32,968,048 units)   |                              |                         |  |                              |                   |
| - Capital value (at net asset value per unit<br>at the beginning of the period)  | 379,986                      | -                       | -  | 379,986                      | -                 |
| - Element of income  | 5,013                        | -                       | -  | 5,013                        | -                 |
|  | 384,999                      | -                       | -  | 384,999                      | 592,740           |
| Redemption of 14,937,787 units (2017: 38,556,184 units)  |                              |                         |  |                              |                   |
| - Capital value (at net asset value per unit<br>at the beginning of the period)  | (803,094)                    | -                       | -  | (803,094)                    | -                 |
| - Amount paid out of element of income   |                              |                         |  |                              |                   |
| - Relating to 'Net income for the period after taxation'   | -                            | (9,377)                 | -  | (9,377)                      | -                 |
| - Relating to 'Other comprehensive income for the period'  | -                            | -                       | -  | -                            | -                 |
| - Refund / adjustment on units as element of loss  | (2,472)                      | -                       | -  | (2,472)                      | -                 |
|  | (805,566)                    | (9,377)                 | -  | (814,943)                    | (394,793)         |
| Element of income and capital gains included in prices of<br>units issued less those in units redeemed - net                                   | -                            | -                       | -  | -                            | (6,434)           |
| Total comprehensive income for the period  | -                            | 49,696                  | 256  | 49,952                       | 66,726            |
| Distribution during the period   | -                            | -                       | -  | -                            | -                 |
| Net income for the period less distribution  | -                            | 49,696                  | 256  | 49,952                       |                   |
| Net assets at end of the period  | 1,180,620                    | 161,093                 | 77   | 1,341,969                    | 1,308,537         |
| Undistributed income brought forward comprising of:  |                              |                         |  |                              |                   |
| - Realised gain  |                              | 116,258                 |  |                              | 39,886            |
| - Unrealised (loss) / gain   |                              | 4,516                   |  |                              | 32,449            |
|  |                              | 120,774                 |  |                              | 72,335            |
| Accounting income available for distribution:  |                              |                         |  |                              |                   |
| - Relating to capital gains  |                              | -                       |  |                              |                   |
| - Excluding capital gains  |                              | 40,319                  |  |                              |                   |
|  |                              | 40,319                  |  |                              |                   |
| Net Income for the period after taxation   |                              | -                       |  |                              | 65,260            |
| Element of loss and capital losses included in prices<br>of units issued less those in units redeemed -<br>amount representing unrealised loss |                              | -                       |  |                              | 13,112            |
| Distribution during the period   |                              | -                       |  |                              | -                 |
| Undistributed income carried forward   |                              | 161,093                 |  |                              | 150,707           |
| Undistributed income carried forward comprising of:  |                              |                         |  |                              |                   |
| - Realised gain  |                              | 161,473                 |  |                              | 153,596           |
| - Unrealised (loss) / gain   |                              | (380)                   |  |                              | (2,889)           |
|  |                              | 161,093                 |  |                              | 150,707           |
|  |                              |                         |  | ----- (Rupees in '000) ----- |                   |
| Net assets value per unit at beginning of the period   |                              |                         |  | 53.7626                      | 53.6062           |
| Net assets value per unit at end of the period   |                              |                         |  | 55.5473                      | 56.4975           |

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

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



**Chief Executive Officer**



**Chief Financial Officer**



**Director**

# CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2018

|  | Nine months period ended     |                   |
|--|------------------------------|-------------------|
|  | March 31,<br>2018            | March 31,<br>2017 |
| Note   | ----- (Rupees in '000) ----- |                   |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>  |                              |                   |
| Net income for the period before taxation  | 49,696                       | 65,260            |
| <b>Adjustments for:</b>  |                              |                   |
| Net unrealised loss / (gain) on revaluation of investments 'at fair value through profit or loss - held-for-trading' | 1,828                        | 2,889             |
| Provision against debt securities  | (955)                        | 402               |
| Element of income and capital gains included in the prices of units sold less those in units redeemed:               | -                            | (6,434)           |
|  | <b>50,569</b>                | <b>62,117</b>     |
| <b>Increase / (decrease) in assets</b>   |                              |                   |
| Investments  | (43,010)                     | 253,241           |
| Profit & Dividend Receivables  | 3,439                        | 9,688             |
| Derivatives - future contracts   | -                            | (1,931)           |
| Receivable against sale of investments   | (86,891)                     | (316,520)         |
| Receivable against Margin Trading System   | 5,693                        | (18,475)          |
| Advances, deposits and prepayments   | (9,549)                      | (77,358)          |
|  | <b>(130,318)</b>             | <b>(321,355)</b>  |
| <b>(Decrease) / increase in liabilities</b>  |                              |                   |
| Payable to the Management Company  | (313)                        | 327               |
| Payable to the Trustee   | (15)                         | 18                |
| Annual fee payable to SECP   | (60)                         | (272)             |
| Payable against purchase of investments  | 30,510                       | 289,695           |
| Payable against redemption of units  | (266)                        | -                 |
| Accrued and other liabilities  | 109                          | (26,841)          |
|  | <b>29,965</b>                | <b>262,927</b>    |
| <b>Net cash (used in) / generated from operating activities</b>  | <b>(49,784)</b>              | <b>3,689</b>      |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>  |                              |                   |
| Receipts from issuance of units  | 384,999                      | 592,740           |
| Payments on redemption of units  | (814,943)                    | (394,793)         |
| <b>Net cash (used in) / generated from financing activities</b>  | <b>(429,944)</b>             | <b>197,947</b>    |
| <b>Net (decrease) / increase in cash and cash equivalents during the period</b>                                      | <b>(479,728)</b>             | <b>201,636</b>    |
| Cash and cash equivalents at beginning of the period   | 1,194,719                    | 286,385           |
| <b>Cash and cash equivalents at end of the period</b>  | <b>714,991</b>               | <b>658,021</b>    |

10

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

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



Chief Executive Officer



Chief Financial Officer



Director

# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2018

---

## 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Pakistan Income Fund (the Fund) was established under a Trust Deed dated, November 09, 2006, executed between MCB Asset Management Company Limited (now merged with and into Arif Habib Investments Limited) as the Management Company and Central Depository Company of Pakistan Limited as the Trustee. The Trust Deed was amended through a supplemental Trust Deed dated January 21, 2007. The Fund was approved by SECP as a Collective Investment Scheme under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) on December 12, 2006.
- 1.2** Pursuant to the merger of MCB Asset Management Company Limited with and into Arif Habib Investments Limited (AHIL), the name of AHIL has been changed to MCB-Arif Habib Savings and Investments Limited.
- 1.3** The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 24th Floor, Centre Point, Off. Shaheed-e-Millat Expressway, Near KPT Interchange, Karachi, Pakistan.
- 1.4** The Fund is an open ended mutual fund and has been categorised as "income scheme" and offers units for public subscription on a continuous basis. The units of the Fund are transferable and can also be redeemed by surrendering to the Fund. The units are listed on the Pakistan Stock Exchange Limited.
- 1.5** The Fund primarily invests in money market and other instruments which includes corporate debt and government securities, repurchase agreements and spread transactions. The Fund may also invest a portion of the fund in medium term assets in order to provide higher return to the unit holders.
- 1.6** The Pakistan Credit Rating Agency Limited (PACRA) has assigned a long-term rating of "AM2++" with a stable outlook (June 30, 2017: AM2++) to the Management Company on December 28, 2017 while the Fund has been assigned a Fund stability rating of A+(f) (June 30, 2017: A+(f)) on July 12, 2017.
- 1.7** Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.

## 2. BASIS OF PREPARATION

- 2.1** This condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan which comprises of :

International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017

Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and

Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

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

- 2.2** This condensed interim financial information does not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the financial statements for the year ended 30 June 2017.
- 2.3** The comparative in the statement of assets and liabilities presented in the condensed interim financial information as at 31 March 2018 have been extracted from the audited financial statements of the Fund for the year ended

## NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2018

30 June 2017, where as the comparatives in the condensed interim income statement, condensed interim cash flow statement, condensed interim distribution statement and condensed interim statement of movement in unit holders' funds are stated from unaudited condensed interim financial

**2.4** In compliance with schedule V of the NBFC Regulations the Directors of the Management Company, hereby declare that this condensed interim financial statement give a true and fair view of the Fund.

**2.5** This condensed interim financial information is presented in Pak Rupees which is the functional and presentation currency of the Fund and rounded to the nearest thousand rupees, unless otherwise specified.

### **3. SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ESTIMATES, JUDGEMENTS AND CHANGES THEREIN**

The accounting policies, financial risk management objectives and policies, basis of accounting estimates applied and methods of computation adopted in the preparation of the condensed interim financial statement are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2017, except as described in notes 3.1.

**3.1** The Securities and Exchange Commission of Pakistan (SECP) through its SRO 756(I)/2017 dated August 03, 2017 has made certain amendments in the NBFC Regulations. The notification includes a definition and explanation relating to "element of income" and excludes the element of income from the expression "accounting income" as described in Regulation 63 (amount distributable to unit holders) of the NBFC Regulations. As per the notification, element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Further, the Regulations also specify that element of income is a transaction of capital nature and the receipt and payment of element of income shall be taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund will be refunded in the form of additional units at zero cost in the same proportion as dividend bears to accounting income available for distribution. Furthermore, the revised Regulations also require certain additional disclosures with respect to 'Income Statement' and 'Statement of Movement in Unit Holders' Fund', whereas disclosure with respect to 'Distribution Statement' has been deleted in the revised Regulations.

Previously, an equalization account called the 'element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed' was created, in order to prevent the dilution of per unit income and distribution of income already paid out on redemption. The net element of income / (loss) and capital gains / (losses) relating to units issued and redeemed during the accounting period which pertained to unrealized appreciation / (diminution) held in the Unit Holder's Fund was recorded in a separate account and any amount remaining in this reserve account at the end of the accounting period (whether gain or loss) was included in the amount available for distribution to the unit holders. The remaining portion of the net element of income / (loss) and capital gains / (losses) relating to units issued and redeemed during an accounting period was recognized in the Income Statement.

As required by IAS 8: 'Accounting Policies, Changes in Accounting Estimates and Errors', a change in accounting policy requires retrospective application as if that policy had always been applied. However, the Management Company has applied the above changes in accounting policy, including the additional disclosures requirements in the 'Income Statement' and 'Statement of Movement in Unit Holders' Fund', prospectively from July 01, 2017 as required by SECP vide its S.R.O. No. 756(I) / 2017 dated August 03, 2017. Accordingly, corresponding figures have not been restated. The 'Distribution Statement' for the comparative period has not been presented as it has been deleted as a result of the amendments made in the NBFC Regulations the aforementioned SRO issued by the SECP.

Had the element of loss been recognized as per the previous accounting policy, the income of the Fund would have been lower by Rs. 6.489 million. However, the change in accounting policy does not have any impact on the 'cash flow statement', the 'net assets attributable to the unit holders' and 'net asset value per unit' as shown in the 'Statement of Assets and Liabilities' and 'Statement of Movement in Unit Holders' Fund'. The change has resulted in inclusion of certain additional disclosures / new presentation requirements in the 'Income Statement' and 'Statement of Movement in Unit Holders' Fund' which have been incorporated in these statements.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2018**

**4. TOTAL EXPENSE RATIO**

Total expense ratio of the Fund is 1.47% as on March 31, 2018 (March 31, 2017: 1.76%) and this includes 0.31% (March 31, 2017: 0.34%) representing government Levy on the Fund such as Sales tax, Sindh Workers' Welfare Fund, SECP fee, etc.

**5. INVESTMENTS**

| <b>Investment by category</b>                                    |       | <b>(Un-Audited)<br/>March 31,<br/>2018</b> | <b>(Audited)<br/>June 30,<br/>2017</b> |
|--|-------|--|--|
|  |       | <b>----- (Rupees in '000) -----</b>        |  |
| <b>'At fair value through profit or loss - held-for-trading'</b> |       |  |  |
| Government securities  | 5.1   | <b>29,874</b>                              | 49,617                                 |
| Listed equity securities   | 5.2   | -  | -                                      |
| Listed debt securities   | 5.3.1 | <b>369,868</b>                             | 273,892                                |
| Unlisted debt securities   | 5.3.2 | -  | 7,517                                  |
|  |       | <b>399,741</b>                             | 331,026                                |
| <b>'Available-for-sale'</b>                                      |       |  |  |
| Government securities  | 5.4   | <b>7,563</b>                               | 7,885                                  |
| <b>Term Deposit Receipt</b>                                      |       |  |  |
| Term deposit receipt   |       | -  | 150,000                                |
| <b>Advance against IPO of sukuk certificates</b>                 |       |  |  |
|  | 5.5   | <b>125,000</b>                             | 1,000                                  |
|  |       | <b>532,304</b>                             | 489,911                                |

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2018**

**5.1 Government securities - 'at fair value through profit or loss - held-for-trading'**

| Name of security          | Date of Issue     | Face value          |                             |                            |                           |                      | Balance as at March 31, 2018 |              |                          | Market value as a percentage of net assets | Market value as a percentage of total investments |
|---------------------------|-------------------|---------------------|-----------------------------|----------------------------|---------------------------|----------------------|------------------------------|--------------|--------------------------|--|---|
|                           |                   | As at July 01, 2017 | Purchased during the period | Disposed during the period | Matured during the period | As at March 31, 2018 | Carrying value               | Market value | Unrealised gain / (loss) |  |   |
| (Rupees in '000)          |                   |                     |                             |                            |                           |                      |                              |              |                          |  |   |
| Treasury bills - 3 Months | May 25, 2017      | 50,000              | -                           | -                          | 50,000                    | -                    | -                            | -            | -                        | -  | -   |
| Treasury bills - 3 Months | February 01, 2018 | -                   | 30,000                      | -                          | -                         | 30,000               | 29,875                       | 29,874       | (1)                      | 0.02                                       | 7.33%   |
| Treasury bills - 3 Months | July 20, 2017     | -                   | 15,000                      | -                          | 15,000                    | -                    | -                            | -            | -                        | -  | -   |
| Treasury bills - 3 Months | August 03, 2017   | -                   | 50,000                      | -                          | 50,000                    | -                    | -                            | -            | -                        | -  | -   |
| Treasury bills - 3 Months | January 04, 2018  | -                   | 300,000                     | 300,000                    | -                         | -                    | -                            | -            | -                        | -  | -   |
| Treasury bills - 3 Months | December 07, 2017 | -                   | 50,000                      | 50,000                     | -                         | -                    | -                            | -            | -                        | -  | -   |
| Treasury bills - 3 Months | January 18, 2018  | -                   | 150,000                     | 150,000                    | -                         | -                    | -                            | -            | -                        | -  | -   |
| Treasury bills - 3 Months | February 15, 2018 | -                   | 150,000                     | 150,000                    | -                         | -                    | -                            | -            | -                        | -  | -   |
| Treasury bills - 6 Months | July 06, 2017     | -                   | 50,000                      | 50,000                     | -                         | -                    | -                            | -            | -                        | -  | -   |
| March 31, 2018            |                   | 50,000              | 795,000                     | 700,000                    | 115,000                   | 30,000               | 29,875                       | 29,874       | (1)                      | 2.00%                                      | 7.33%   |
| June 30, 2017             |                   |                     |                             |                            |                           |                      | 49,619                       | 49,617       | (2)                      | 2.88%                                      | 10.00%  |

**5.1.1** The above includes Market treasury bills with a face value aggregating to Rs.30 (June 30, 2017: Rs.50) million pledged with National Clearing Company of Pakistan Limited as security against MTS trades and exposure margin / MTM losses as per Circular No. 11 dated October 23, 2007 issued by SECP.



**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2018**

**5.2 Listed equity securities - 'at fair value through profit or loss - held-for-trading'**

| Name of the investee company  | As at July 01, 2017 | Purchases during the period | Sales during the period | As at March 31, 2018 | Balance as at March 31, 2018 |              |                      | Market value as a percentage of net assets | Market value as a percentage of total investments | Paid-up value of shares as a percentage of total paid-up capital of the investee company |
|---|---------------------|-----------------------------|-------------------------|----------------------|------------------------------|--------------|----------------------|--|---|--|
|   |                     |                             |                         |                      | Carrying value               | Market value | Unrealised Gain/Loss |  |   |  |
| (Number of shares)  |                     |                             |                         |                      |                              |              |                      |  |   |  |
| Shares of listed companies - fully paid ordinary shares of Rs.10 each unless stated otherwise |                     |                             |                         |                      |                              |              |                      |  |   |  |
| Oil and gas exploration companies   |                     |                             |                         |                      |                              |              |                      |  |   |  |
| -   |                     | 10,000                      | 10,000                  | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
| -   |                     | 2,000                       | 2,000                   | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
| -   |                     | 5,000                       | 5,000                   | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
|   |                     |                             |                         |                      | -                            | -            | -                    | 0.00%                                      | 0.00%   | 0.00%  |
| Oil and gas marketing companies   |                     |                             |                         |                      |                              |              |                      |  |   |  |
| -   |                     | 268,000                     | 268,000                 | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
| -   |                     | 19,500                      | 19,500                  | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
| -   |                     | 116,000                     | 116,000                 | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
|   |                     |                             |                         |                      | -                            | -            | -                    | 0.00%                                      | 0.00%   | 0.00%  |
| Textile composite   |                     |                             |                         |                      |                              |              |                      |  |   |  |
| -   |                     | 12,000                      | 12,000                  | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
| -   |                     | 197,500                     | 197,500                 | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
| -   |                     | 12,000                      | 12,000                  | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
|   |                     |                             |                         |                      | -                            | -            | -                    | 0.00%                                      | 0.00%   | 0.00%  |
| Fertilizer  |                     |                             |                         |                      |                              |              |                      |  |   |  |
| -   |                     | 54,500                      | 54,500                  | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
| -   |                     | 4,000                       | 4,000                   | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
| -   |                     | 500                         | 500                     | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
| -   |                     | 19,000                      | 19,000                  | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
| -   |                     | 32,000                      | 32,000                  | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
|   |                     |                             |                         |                      | -                            | -            | -                    | 0.00%                                      | 0.00%   | 0.00%  |

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2018**

| Name of the investee company  | As at July 01, 2017 | Purchases during the period | Sales during the period | As at March 31, 2018 | Balance as at March 31, 2018 |              |                      | Market value as a percentage of net assets | Market value as a percentage of total investments | Paid-up value of shares as a percentage of total paid-up capital of the investee company |
|---|---------------------|-----------------------------|-------------------------|----------------------|------------------------------|--------------|----------------------|--|---|--|
|   |                     |                             |                         |                      | Carrying value               | Market value | Unrealised Gain/Loss |  |   |  |
|   |                     |                             |                         |                      |                              |              |                      |  |   |  |
| (Rupees in '000)  |                     |                             |                         |                      |                              |              |                      |  |   |  |
| (Number of shares)  |                     |                             |                         |                      |                              |              |                      |  |   |  |
| Shares of listed companies - fully paid ordinary shares of Rs.10 each unless stated otherwise |                     |                             |                         |                      |                              |              |                      |  |   |  |
| Technology and communication  |                     |                             |                         |                      |                              |              |                      |  |   |  |
| Pakistan Telecommunication Company Limited 'A'  | -                   | 164,000                     | 164,000                 | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
| Trg Pakistan  | -                   | 354,500                     | 354,500                 | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
| Worldcall Telecom Limited   | -                   | 251,500                     | 251,500                 | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
|   |                     |                             |                         |                      | -                            | -            | -                    | 0.00%                                      | 0.00%   | -  |
| Power generation and distribution   |                     |                             |                         |                      |                              |              |                      |  |   |  |
| Hub Power Company Ltd   | -                   | 75,500                      | 75,500                  | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
| Kot Addu Power Co. Ltd  | -                   | 500                         | 500                     | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
| K-Electric Ltd  | -                   | 186,500                     | 186,500                 | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
|   |                     |                             |                         |                      | -                            | -            | -                    | 0.00%                                      | 0.00%   | 0.00%  |
| Chemicals   |                     |                             |                         |                      |                              |              |                      |  |   |  |
| Descon Oxychem Limited  | -                   | 707,500                     | 707,500                 | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
| Engro Polymer & Chemical  | -                   | 322,500                     | 322,500                 | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
| Lotte Chemical Pakistan   | -                   | 813,500                     | 813,500                 | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
|   |                     |                             |                         |                      | -                            | -            | -                    | 0.00%                                      | 0.00%   | 0.00%  |
| Cement  |                     |                             |                         |                      |                              |              |                      |  |   |  |
| Cherat Cement   | -                   | 7,000                       | 7,000                   | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
| D.G. Khan Cement  | -                   | 573,500                     | 573,500                 | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
| Fauji Cement Co Ltd   | -                   | 55,000                      | 55,000                  | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
| Lucky Cement  | -                   | 1,000                       | 1,000                   | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
| Maple Leaf Cement Factory Ltd   | -                   | 146,500                     | 146,500                 | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
| Pioneer Cement Ltd  | -                   | 45,000                      | 45,000                  | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
| Power Cement Limited  | -                   | 4,000                       | 4,000                   | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
|   |                     |                             |                         |                      | -                            | -            | -                    | 0.00%                                      | 0.00%   | 0.00%  |
| Transport   |                     |                             |                         |                      |                              |              |                      |  |   |  |
| Pakistan International Bulk Terminal Ltd  | -                   | 232,500                     | 232,500                 | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
|   |                     |                             |                         |                      | -                            | -            | -                    | 0.00%                                      | 0.00%   | 0.00%  |
| Pharmaceuticals   |                     |                             |                         |                      |                              |              |                      |  |   |  |
| Searle Company  | -                   | 9,000                       | 9,000                   | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
|   |                     |                             |                         |                      | -                            | -            | -                    | 0.00%                                      | 0.00%   | 0.00%  |
| Automobile Parts & Accessories  |                     |                             |                         |                      |                              |              |                      |  |   |  |
| Loads Limited   | -                   | 5,000                       | 5,000                   | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
|   |                     |                             |                         |                      | -                            | -            | -                    | 0.00%                                      | 0.00%   | 0.00%  |
| Food and personal care products   |                     |                             |                         |                      |                              |              |                      |  |   |  |
| Engro Foods Limited   | -                   | 22,500                      | 22,500                  | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
| Treet Corporation Limited   | -                   | 7,500                       | 7,500                   | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
|   |                     |                             |                         |                      | -                            | -            | -                    | 0.00%                                      | 0.00%   | 0.00%  |

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2018**

| Name of the investee company  | As at July 01, 2017 | Purchases during the period | Sales during the period | As at March 31, 2018 | Balance as at March 31, 2018 |              |                      | Market value as a percentage of net assets | Market value as a percentage of total investments | Paid-up value of shares as a percentage of total paid-up capital of the investee company |
|---|---------------------|-----------------------------|-------------------------|----------------------|------------------------------|--------------|----------------------|--|---|--|
|   |                     |                             |                         |                      | Carrying value               | Market value | Unrealised Gain/Loss |  |   |  |
| Shares of listed companies - fully paid ordinary shares of Rs.10 each unless stated otherwise |                     |                             |                         |                      |                              |              |                      |  |   |  |
| Commercial banks  |                     |                             |                         |                      |                              |              |                      |  |   |  |
| Askari Bank Limited   | -                   | 84,500                      | 84,500                  | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
| Bank Al Falah Limited   | -                   | 509,000                     | 509,000                 | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
| Bank Of Punjab  | -                   | 1,081,500                   | 1,081,500               | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
| Habib Bank Limited  | -                   | 2,000                       | 2,000                   | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
| National Bank Of Pakistan   | -                   | 6,500                       | 6,500                   | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
| United Bank Limited   | -                   | 15,000                      | 15,000                  | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
|   |                     |                             |                         |                      | -                            | -            | 0.00%                | 0.00%                                      | 0.00%   | 0.00%  |
| Engineering   |                     |                             |                         |                      |                              |              |                      |  |   |  |
| Aisha Steel Ltd   | -                   | 72,500                      | 72,500                  | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
| Amreli Steels Limited   | -                   | 1,000                       | 1,000                   | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
| Crescent Steel & Allied Prod  | -                   | 3,000                       | 3,000                   | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
| International Industries  | -                   | 26,500                      | 26,500                  | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
| International Steels Ltd  | -                   | 97,000                      | 97,000                  | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
|   |                     |                             |                         |                      | -                            | -            | 0.00%                | 0.00%                                      | 0.00%   | 0.00%  |
| Cable and electrical goods  |                     |                             |                         |                      |                              |              |                      |  |   |  |
| Pak Elektron Limited  | -                   | 508,000                     | 508,000                 | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
| Tpl Trakker Limited   | -                   | 131,500                     | 131,500                 | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
|   |                     |                             |                         |                      | -                            | -            | 0.00%                | 0.00%                                      | 0.00%   | 0.00%  |
| Refinery  |                     |                             |                         |                      |                              |              |                      |  |   |  |
| Attock Refinery Limited   | -                   | 252,000                     | 252,000                 | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
| Byco Petroleum Pakistan   | -                   | 19,500                      | 19,500                  | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
| National Refinery   | -                   | 4,500                       | 4,500                   | -                    | -                            | -            | -                    | -  | -   | 0.00%  |
|   |                     |                             |                         |                      | -                            | -            | 0.00%                | 0.00%                                      | 0.00%   | 0.00%  |
| March 31, 2018  |                     |                             |                         |                      |                              |              |                      |  |   |  |
|   |                     |                             |                         |                      | -                            | -            | -                    | -  | -   |  |
| June 30, 2017   |                     |                             |                         |                      |                              |              |                      |  |   |  |
|   |                     |                             |                         |                      | -                            | -            | -                    | -  | -   |  |

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

**5.2.1** The movement in equity securities represent spread transactions entered into by the Fund. The Fund purchases equity securities in ready settlement market and sells the securities in future settlement market on the same day, resulting in spread income / (loss) due to difference in ready and future stock prices.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2018**

|   |             | (Un-Audited)<br>March 31,<br>2018<br>----- (Rupees in '000) ----- | (Audited)<br>June 30,<br>2017 |
|---|-------------|---|-------------------------------|
| <b>5.3 Listed debt securities</b>                 | <b>Note</b> |   |                               |
| Market value                                      | 5.3.1       | <b>469,639</b>  | 373,663                       |
| Less: Provision at July 1                         |             |   |                               |
| Pace Pakistan Limited                             |             | (49,940)  | (46,542)                      |
| Telecard Limited                                  |             | (31,088)  | (31,088)                      |
| Trust Investment Bank Limited - III               | -           | (18,743)  | (18,743)                      |
|   |             | <b>(99,771)</b>   | (96,373)                      |
| Less: Provision charged during the period against |             |   |                               |
| Pace Pakistan Limited                             |             |   |                               |
| - Reversal against carrying value matured         |             | -   | 6,586                         |
| - Charge against face value receivable            |             | -   | (9,984)                       |
|   |             |   | (3,398)                       |
|   |             | <b>369,868</b>  | 273,892                       |

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2018**

**5.3.1 Listed debt securities - term finance certificates of Rs.5,000 each (unless stated otherwise) - at fair value through profit or loss - held-for-trading'**

| Name of investee company  | Number of certificates |                             |                           |                            | Balance as at March 31, 2018 |                |                          | Market value as a percentage of net assets | Market value as a percentage of total investments |
|---|------------------------|-----------------------------|---------------------------|----------------------------|------------------------------|----------------|--------------------------|--|---|
|   | As at July 01, 2017    | Purchased during the period | Matured during the period | Disposed during the period | As at March 31, 2018         | Carrying value | Unrealised (loss) / gain |  |   |
|   |                        |                             |                           |                            |                              |                |                          |  |   |
| <b>Commercial banks</b>   |                        |                             |                           |                            |                              |                |                          |  |   |
| Askari Bank Limited (23-12-11 issue) (TFC)***                         | 37                     | -                           | -                         | 16                         | 21                           | 21,262         | 21,159                   | (103)                                      | 1.58%   |
| Bank Al Falah Limited (20-02-13 issue) (TFC)                          | 13,381                 | -                           | -                         | 3,000                      | 10,381                       | 53,280         | 52,164                   | (1,116)                                    | 3.89%   |
| Askari Bank Limited (30-09-14 issue) (TFC)                            | 5,000                  | 10,000                      | -                         | 11,000                     | 4,000                        | 20,125         | 20,052                   | (73)                                       | 1.49%   |
| Habib Bank Limited (19-02-16 issue) (TFC)***                          | 500                    | -                           | -                         | 500                        | -                            | -              | -                        | -  | 0.00%   |
| Bank Al-Habib Limited (17-03-16 issue) (TFC)                          | 9,000                  | 8,000                       | -                         | -                          | 17,000                       | 85,628         | 84,932                   | (696)                                      | 6.33%   |
| <b>Chemical</b>   |                        |                             |                           |                            |                              |                |                          |  |   |
| Ghani Gases Limited (03-02-17 issue) (Sukuk)                          | 480                    | -                           | -                         | -                          | 480                          | 40,400         | 40,045                   | (355)                                      | 2.98%   |
| <b>Oil and Gas Exploration Companies</b>                              |                        |                             |                           |                            |                              |                |                          |  |   |
| Byco Petroleum Pakistan Limited (18-01-17 issue) (Sukuk)              | -                      | 10                          | -                         | -                          | 10                           | 1,000          | 1,004                    | 4  | 0.07%   |
| <b>Investment Banks / Investment Companies / Securities Companies</b> |                        |                             |                           |                            |                              |                |                          |  |   |
| Trust Investment Bank Limited (04-07-08 issue) (TFC)                  | -                      | -                           | -                         | -                          | -                            | 18,743         | 18,743                   | -  | -   |
| - Due but not received  | -                      | -                           | -                         | -                          | -                            | -              | -                        | -  | -   |
| <b>Technology and Communication</b>                                   |                        |                             |                           |                            |                              |                |                          |  |   |
| Telecard Limited (27-05-05 issue) (TFC)                               | -                      | -                           | -                         | -                          | -                            | 31,088         | 31,088                   | -  | -   |
| - Due but not received  | -                      | -                           | -                         | -                          | -                            | -              | -                        | -  | -   |
| <b>Miscellaneous</b>  |                        |                             |                           |                            |                              |                |                          |  |   |
| Pace Pakistan Limited (15-02-08 issue) (TFC)                          | -                      | -                           | -                         | -                          | -                            | 49,940         | 49,940                   | -  | -   |
| - Due but not received  | -                      | -                           | -                         | -                          | -                            | -              | -                        | -  | -   |
| Dawood Hercules Corporation Limited                                   | -                      | 1,000                       | -                         | -                          | 1,000                        | 100,000        | 100,511                  | 511  | 7.49%   |
| International Brands Ltd. Sukuk (15-11-17)                            | -                      | 500                         | -                         | -                          | 500                          | 50,000         | 50,000                   | -  | 3.73%   |
| <b>March 31, 2018</b>   | <b>28,398</b>          | <b>19,510</b>               | <b>-</b>                  | <b>14,516</b>              | <b>33,392</b>                | <b>471,466</b> | <b>469,639</b>           | <b>(1,827)</b>                             | <b>27.6%</b>                                      |
| <b>June 30, 2017</b>  | <b>37,918</b>          | <b>480</b>                  | <b>-</b>                  | <b>10,000</b>              | <b>28,398</b>                | <b>371,912</b> | <b>373,663</b>           | <b>1,751</b>                               | <b>15.91%</b>                                     |

\* Nominal value of these term finance certificates is Rs.100,000 per certificate.

# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2018

## 5.3.2 Unlisted debt securities - term finance and sukuk certificates of Rs.5,000 each (unless stated otherwise) - 'at fair value through profit or loss - held-for-trading'

| Name of investee company | Number of certificates |                             |                           |                            |                      | Balance as at March 31, 2018 |              |                          | Market value as a percentage of net assets | Market value as a percentage of total investments |
|--------------------------|------------------------|-----------------------------|---------------------------|----------------------------|----------------------|------------------------------|--------------|--------------------------|--|---|
|                          | As at July 01, 2017    | Purchased during the period | Matured during the period | Disposed during the period | As at March 31, 2018 | Carrying value               | Market value | Unrealised (loss) / gain |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            |                      |                              |              |                          |  |   |
|                          |                        |                             |                           |                            | </                   |                              |              |                          |  |   |

\* Nominal value of this sukuk certificate is Rs.100,000 per certificate.

## 5.4 Government securities - 'available-for-sale'

| Name of security                    | Date of issue   | Face value          |                             |                            |                           |                      | Balance as at March 31, 2018 |              |                             | Market value as a percentage of net assets | Market value as a percentage of total investment |
|-------------------------------------|-----------------|---------------------|-----------------------------|----------------------------|---------------------------|----------------------|------------------------------|--------------|-----------------------------|--|--|
|                                     |                 | As at July 01, 2017 | Purchased during the period | Disposed during the period | Matured during the period | As at March 31, 2018 | Carrying value               | Market value | Appreciation / (diminution) |  |  |
|                                     |                 |                     |                             |                            |                           |                      |                              |              |                             |  |  |
| (Rupees in '000)                    |                 |                     |                             |                            |                           |                      |                              |              |                             |  |  |
| Pakistan Investment Bond - 10 years | August 30, 2008 | 7,400,000           | -                           | -                          | -                         | 7,400,000            | 7,909                        | 7,563        | (347)                       | 0.56%                                      | 1.42%  |
| March 31, 2018                      |                 | 7,400,000           | -                           | -                          | -                         | 7,400,000            | 7,909                        | 7,563        | (347)                       | 0.56%                                      | 1.42%  |
| June 30, 2017                       |                 |                     |                             |                            |                           |                      | 8,064                        | 7,885        | (179)                       | 0.48%                                      |  |

## 5.5 Advance against IPO of sukuk certificates

| Company                           | Date of Deposit   | Maturity Date     | Tenor   | Profit Rate | Amount Deposited |
|-----------------------------------|-------------------|-------------------|---------|-------------|------------------|
| <b>"Rupees in 000"</b>            |                   |                   |         |             |                  |
| Jahangir Siddique Company Limited | March 05, 2018    | March 5, 2023     | 5 Years | 7.87%       | 100,000          |
| Dawood Hercules Corp Limited      | February 28, 2018 | February 28, 2023 | 5 Years | 7.38%       | 25,000           |
| <b>March 31, 2018</b>             |                   |                   |         |             | <b>125,000</b>   |
| <b>June 30, 2017</b>              |                   |                   |         |             | 1,000            |

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2018**

|   |      | (Un-Audited)<br>March 31,<br>2018 | (Audited)<br>June 30,<br>2017 |
|---|------|-----------------------------------|-------------------------------|
|   | Note | ----- (Rupees in '000) -----      |                               |
| <b>6. ACCRUED AND OTHER LIABILITIES</b>                     |      |                                   |                               |
| Provision for Sindh Workers' Welfare Fund (SWWF)            | 6.1  | 3,850                             | 2,836                         |
| Federal Excise Duty payable on management fee               | 6.2  | 9,210                             | 9,210                         |
| Federal Excise Duty and related taxes payable on sales load |      | 239                               | 239                           |
| Auditors' remuneration                                      |      | 283                               | 375                           |
| Withholding tax payable                                     |      | 689                               | 1,686                         |
| Brokerage payable   |      | 418                               | 289                           |
| Others  |      | 970                               | 916                           |
|   |      | <u>15,660</u>                     | <u>15,551</u>                 |

- 6.1** There is no change in the status of the SWWF as reported in the annual financial statements of the Fund for the year ended June 30, 2017. Had the provision for SWWF not been recorded in the condensed interim financial information of the Fund, the net asset value of the Fund as at March 31, 2018 would have been higher by Re. 0.159 per unit (June 30, 2017 Re. 0.089 per unit).
- 6.2** There is no change in the status of the appeal filed by the Federal Board of Revenue in the Honorable Supreme Court of Pakistan in respect of levy of Federal Excise Duty as reported in the annual financial statements of the Fund for the year ended June 30, 2017. Had the said provision for FED not been recorded in the condensed interim financial information of the Fund, the net asset value of the Fund as at March 31, 2018 would have been higher by Re. 0.381 per unit (June 30, 2017: Re. 0.288 per unit).

**7. CONTINGENCIES AND COMMITMENTS**

**7.1 CONTINGENCIES**

There were no contingencies as at March 31, 2018.

**7.2 COMMITMENTS**

Future sale transactions of equity securities entered into by the Fund in respect of which the sale transactions have not been settled as at period / year end

| (Un-Audited)<br>March 31,<br>2018 | (Audited)<br>June 30,<br>2017 |
|-----------------------------------|-------------------------------|
| ----- (Rupees in '000) -----      |                               |
| <u>86,891</u>                     | <u>-</u>                      |

Future buy transactions of equity securities entered into by the Fund in respect of which the buy transactions have not been settled as at period / year end

|               |          |
|---------------|----------|
| <u>30,510</u> | <u>-</u> |
|---------------|----------|

Margin Trading System (MTS) transactions entered into by the fund which have not been settled as at period / year end:

- Purchase transactions
- Sale transactions

|            |              |
|------------|--------------|
| <u>-</u>   | <u>-</u>     |
| <u>990</u> | <u>2,275</u> |

**8. TAXATION**

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders by way of cash dividend. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulation, 2008, the Fund is required to distribute 90% of the net accounting income other than unrealised capital gains to the unit holders in cash. The Fund is also exempt from the provision of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Since the management intends to distribute the income earned by the Fund during the year to the unit holders in cash in the manner as explained above, accordingly, no provision for taxation has been made in these condensed interim financial statements.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2018**

---

**9. EARNINGS PER UNIT**

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

**10. CASH AND CASH EQUIVALENTS**

Balances with banks  
Term deposit receipt

| ----- (Un-Audited) -----     |                   |
|------------------------------|-------------------|
| March 31,<br>2018            | March 31,<br>2017 |
| ----- (Rupees in '000) ----- |                   |
| 714,991                      | 488,021           |
| -                            | 170,000           |
| <u>714,991</u>               | <u>658,021</u>    |



**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2018**

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

Related parties / connected persons of the Fund include the Management Company, its parent and the related subsidiaries of the parent, associated companies / undertakings of the Management Company, its parents and the related subsidiaries, other funds managed by the Management Company, post employment benefit funds of the Management Company, employment funds of the parent, subsidiaries and its associated undertakings. It also includes the Central Depository Company of Pakistan Limited being the Trustee of the Fund, the directors and officers of the Management Company and any person or Company beneficially owning directly or indirectly 10% or more of the units in issue / net assets of the Fund.

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

"Remuneration of the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed respectively.

The details of transactions carried out by the Fund with connected persons / related parties and balances with them at the period end, other than those which have been disclosed elsewhere in this condensed interim financial information, are as follows:

**11.1. Unit Holders' Fund**

|   | FOR NINE ENDED MARCH 31, 2018 |                    |          |                         |                        |                    |          |                         |
|---|-------------------------------|--------------------|----------|-------------------------|------------------------|--------------------|----------|-------------------------|
|   | As at<br>July 01, 2017        | Issued<br>for cash | Redeemed | As at March 31,<br>2018 | As at July 01,<br>2017 | Issued<br>for cash | Redeemed | As at March 31,<br>2018 |
|   | Units                         |                    |          |                         |                        | (Rupees in '000)   |          |                         |
| Associated companies  |                               |                    |          |                         |                        |                    |          |                         |
| Adamjee Life Assurance Company Limited -<br>Employees Gratuity Fund | 21,338                        | -                  | -        | 21,338                  | 1,147                  | -                  | -        | 1,185                   |
| Mandate under discretionary portfolio services                      | 532                           | 185,670            | 70,611   | 115,591                 | 29                     | 10,005             | 3,805    | 6,421                   |
| Key management personnel  | 99,181                        | 3,728              | 102,903  | 6                       | 5,332                  | 204                | 5,588    | -                       |
|   | FOR NINE ENDED MARCH 31, 2017 |                    |          |                         |                        |                    |          |                         |
|   | As at<br>July 01, 2016        | Issued<br>for cash | Redeemed | As at March 31,<br>2017 | As at<br>July 01, 2016 | Issued<br>for cash | Redeemed | As at March 31,<br>2017 |
|   | Units                         |                    |          |                         |                        | (Rupees in '000)   |          |                         |
| Mandate under discretionary portfolio services                      | 4,202                         | 198,948            | 202,627  | 523                     | 225                    | 10,781             | 11,014   | 30                      |
| Key management personnel  | 350                           | -                  | 350      | -                       | 19                     | -                  | 20       | -                       |
| Associated companies  |                               |                    |          |                         |                        |                    |          |                         |
| Adamjee Life Assurance Company Limited -<br>Employees Gratuity Fund | -                             | 20,332             | -        | 20,332                  | -                      | 1,144              | -        | 1,149                   |

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2018**

| ----- (Un-Audited) -----     |                   |
|------------------------------|-------------------|
| Nine months period ended     |                   |
| March 31,<br>2018            | March 31,<br>2017 |
| ----- (Rupees in '000) ----- |                   |

**11.2 Transactions during the period:**

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

|  |        |        |
|--|--------|--------|
| Remuneration of the Management Company<br>(including indirect taxes) | 19,422 | 14,400 |
| Expense allocated by the Management<br>Company and related sales tax | 1,295  | 960    |

**Central Depository Company of  
Pakistan Limited - Trustee**

|                                    |       |       |
|------------------------------------|-------|-------|
| Remuneration (including sales tax) | 1,822 | 1,537 |
| Settlement charges                 | 350   | 166   |

**Group / associated companies**

**MCB Bank Limited**

|                             |    |     |
|-----------------------------|----|-----|
| Mark-up on deposit accounts | 55 | 142 |
| Bank charges                | 13 | 6   |

**Arif Habib Limited**

|                     |   |   |
|---------------------|---|---|
| Brokerage expense * | 3 | 9 |
|---------------------|---|---|

**Summit Capital (Private) Limited\*\***

|                     |   |   |
|---------------------|---|---|
| Brokerage expense * | - | 1 |
|---------------------|---|---|

**Next Capital Limited**

|                     |   |    |
|---------------------|---|----|
| Brokerage expense * | 9 | 33 |
|---------------------|---|----|

**Silk Bank Limited**

|                             |       |   |
|-----------------------------|-------|---|
| Mark-up on deposit accounts | 3,636 | - |
| Bank charges                | 11    | - |

| (Un-Audited)                 | (Audited)        |
|------------------------------|------------------|
| March 31,<br>2018            | June 30,<br>2017 |
| ----- (Rupees in '000) ----- |                  |

**11.3 Balances outstanding at period / year end:**

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

|  |       |       |
|--|-------|-------|
| Remuneration payable to the Management Company | 1,748 | 2,064 |
| Sales tax payable on management fee            | 228   | 269   |
| Sales load payable                             | 65    | 6     |
| Expense allocated by the Management Company    | 116   | 132   |

**Central Depository Company of  
Pakistan Limited - Trustee**

|                                  |     |     |
|----------------------------------|-----|-----|
| Security deposit                 | 200 | 200 |
| Remuneration payable             | 172 | 185 |
| Sales tax payable on Trustee fee | 22  | 24  |

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2018**

|                                     | (Un-Audited)<br>March 31,<br>2018<br>----- (Rupees in '000) ----- | (Audited)<br>June 30,<br>2017<br>----- |
|-------------------------------------|---|--|
| <b>Group / associated companies</b> |   |  |
| <b>MCB Bank Limited</b>             |   |  |
| Bank balance                        | 7,295   | 28,632                                 |
| Profit receivable                   | 5   | 1                                      |
| <b>Silk Bank Limited</b>            |   |  |
| Bank balance                        | 502,517   | -                                      |
| Profit receivable                   | 2,052   | -                                      |
| <b>Next Capital Limited</b>         |   |  |
| Brokerage expense *                 | 9   | -                                      |
| <b>Arif Habib Limited</b>           |   |  |
| Brokerage expense *                 | 3   | -                                      |

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

**12. DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements were authorised for issue on April 19, 2018 by the Board of Directors of the Management Company.

**13. GENERAL**

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation and disclosure. No significant rearrangement or reclassification has been made in this condensed interim financial information, except for the impacts of change in accounting policies as disclosed in note 3.1.

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



**Chief Executive Officer**



**Chief Financial Officer**



**Director**