

# FIRST CAPITAL MUTUAL FUND

Quarterly Accounts, 30th September 2016



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**FIRST CAPITAL INVESTMENTS LIMITED**

**(Asset Management Company)**

# First Capital Mutual Fund

## Directors' Report

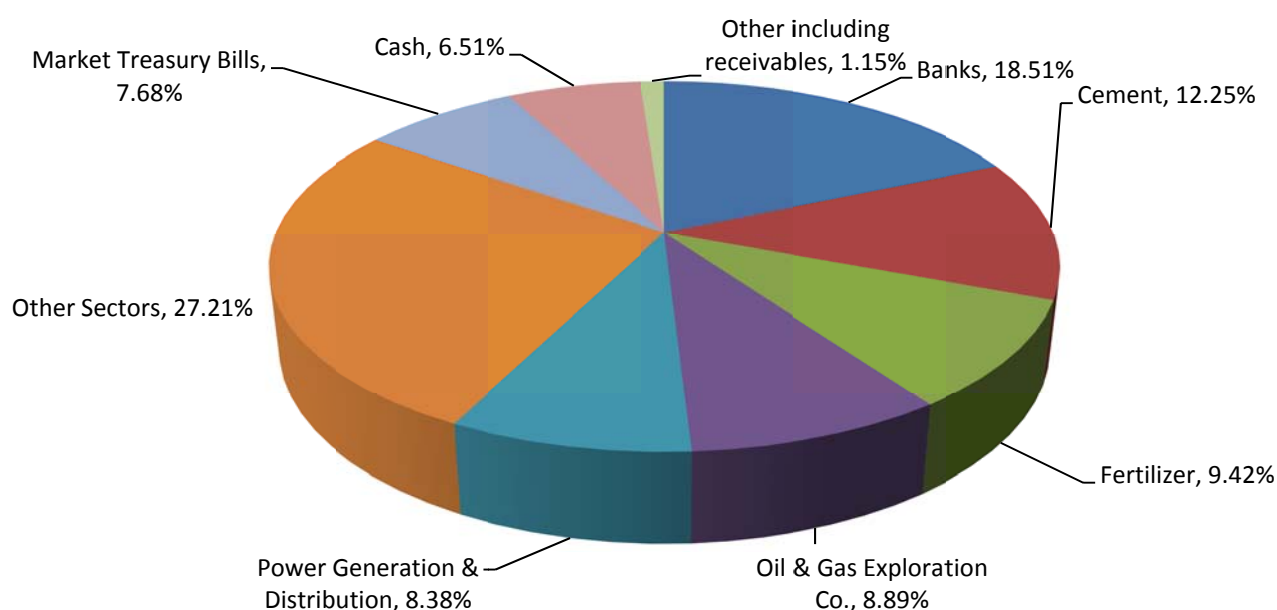
The Board of Directors of First Capital Investments Limited ("FCIL" or "Management Company") is pleased to present the financial statements of First Capital Mutual Fund ("FCMF" or "the Fund" or "the Scheme") for the quarter ended September 30, 2016.

### Fund's Performance

During the period under review the Net Asset Value (NAV) per unit of FCMF has increased from Rs.11.7968 to Rs.12.0351 while declaring a dividend of Rs. 0.76 per unit for the period ended June 30, 2016. The Fund has posted a return of 8.50%, as compared to its Benchmark ("KSE-100 index") return of 7.30%, for the same period. Thus, the Fund has outperformed the benchmark by 1.20%. The outperformance exhibited by the Fund mainly on the back of overweight in key stocks of Oil & Gas Marketing Co. sector, Engineering sector and Cement sector. Furthermore, zero weight in Sugar & Allied Industries also contributed in the outperformance of the fund.

During the first quarter, the fund has posted total comprehensive income of Rs. 16.188 million as compared to total comprehensive loss of Rs.11.405 million in the corresponding period last year. The total comprehensive income has increased mainly on the back of unrealized appreciation on re-measurement of investments which is recorded at Rs. 11.584 million as compared to diminution of Rs. 14.401 million in the corresponding period last year. Capital gain on sale of investments has also increased to Rs. 4.444 million from Rs. 3.482 million in the same period last year. The total expenses of the fund during the period under review has decreased to Rs. 1.857 million from Rs. 2.704 million in the corresponding period last year. Remuneration to the Management Company has decreased to Rs. 1.030 million from Rs. 1.267 million in the same period last year.

The asset allocation of the Fund as on 30 September 2016 is as under:



KSE-100 index posted an increase of 7.30% during the period under review. The upbeat tone of stock market is settled due to expectations of foreign inflows due to upgradation of MSCI Pakistan from "Frontier market" to "Emerging

# First Capital Mutual Fund

market”, approval of 12th & final trench by IMF board and strong corporate results. The surprise announcement of OPEC members to freeze the oil output in international market also added to market optimism momentum.

During the quarter under review, Automobile Assemblers sector led the sector chart, mainly supported by the strong demand outlook emanating from renewed interest in auto financing. Oil & Gas Marketing sector gained traction due to increase in petroleum sales. Foreigner’s interest continued to tilt towards Commercial Banks after their inclusion in the Emerging Market Index that keeps the Commercial Banks sector in limelight. Refinery sector also managed to outperform the market as a result of healthy earnings announcements and expectation of improving earnings. While on the flipside Cement sector lagged the market due to an array of expansion announcements by cement players and increase in coal prices during the quarter. Fertilizer sector underperform the market due to decrease in gross margins on the back of steep discounts offered by the producers to clear huge inventories and Pharmaceutical sector also remained laggards due to disappointed earnings announcements and stretched valuations.

## Workers’ Welfare Fund

The Scheme has maintained provisions against Workers' Welfare Fund’s liability to the tune of Rs. 8,204,866 up to June 30, 2015.

The Finance Act, 2015 has excluded Mutual Funds and Collective Investment Schemes from the definition of ' Industrial establishment' subject to WWF under WWF Ordinance, 1971. However, provision made till 30 June 2015 has not been reversed as in Note 6 being a lawsuit is pending in the SHC.

If the provision was not made the NAV per unit/return of the Scheme would be higher by Rs.0.5060/4.56%. For details investors are advised to read Note 6 of the latest Financial Statements of the Scheme.

## Declaration by Directors

As required under the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of Asset Management Company state that the financial statements of the fund for the quarter ended September 30, 2016 give a true and fair view of the fund.

## Acknowledgment

The Board would like to take this opportunity to thank and appreciate all the unit-holders for their continued support. The board also wishes to place on record its appreciation for the guidance and support extended by the Securities and Exchange Commission of Pakistan and Mutual Funds Association of Pakistan. Finally, the board would like to appreciate the commitment, hard work and co-operation shown by the staff and the Trustee.

For and on behalf of the Board of  
**First Capital Investments Limited**

**Asif Pervaiz**

Director

Date: 29 October 2016

Place: Lahore

**Imran Hafeez**

Chief Executive Officer/Director

## ڈائریکٹرز کی رپورٹ

فرسٹ کیپٹل انویسٹمنٹ لمیٹڈ کے ڈائریکٹرز فرسٹ کیپٹل میوچل فنڈ کے مالیاتی کیفیت نامے برائے سہ ماہی 30 ستمبر 2016 پیش کرتے ہوئے نہایت خوشی محسوس کرتے ہیں۔

### فنڈ کی کارکردگی

زیرغور مالیاتی دورانیہ میں اثاثہ جات کی خالص قدر فی اکائی برائے FCMF، 11.7968 ملین روپے سے بڑھ کر 12.0351 ملین روپے ہو گئی جبکہ 30 جون 2016 کو ختم ہونے والے دورانیہ کے لیے فی اکائی 0.76 روپے منافع کا اعلان کیا گیا۔ اس دورانیہ میں فنڈ نے معیاری آمدن ("KSE-100 index") کے مقابلے میں 7.30% کے مقابلے میں 8.50% آمدن بتائی۔ اس طرح فنڈ نے معیاری قدر سے 1.20% زیادہ کارکردگی دکھائی۔ فنڈ کی یہ غیر معمولی کارکردگی بنیادی طور پر تیل اور گیس مارکیٹنگ شعبہ، انجینئرنگ اور سیمنٹ کے شعبہ کے کلیدی ذخائر کی زیادہ قدر کی وجہ سے ہے۔ مزید برآں چینی اور متعلقہ صنعتوں میں صفر قدر نے بھی فنڈ کی نمایاں کارکردگی میں حصہ ڈالا۔

پہلی سہ ماہی میں فنڈ نے مجموعی طور پر 16.188 ملین روپے کی کل آمدن بتائی جبکہ اس کے مقابلے میں گذشتہ سال کے متعلقہ دورانیہ میں مجموعی طور پر کل خسارہ 11.405 ملین روپے تھا۔ مجموعی طور پر کل آمدن میں اضافہ کی وجہ سے سرمایہ کاریوں کی ترمیمی پیمائش پر ان کی قدر میں اضافہ ہے جو 11.584 ملین روپے ہے جبکہ گذشتہ سال کے متعلقہ دورانیہ میں 14.401 ملین روپے کی کمی تھی۔ سرمایہ کاریوں کی فروخت پر سرمایے کے حصول میں بھی گذشتہ سال کے متعلقہ دورانیہ میں 3.482 ملین روپے سے 4.444 ملین روپے کا اضافہ ہوا۔ زیرغور مالیاتی دورانیہ میں فنڈ کے مجموعی اخراجات گذشتہ سال کے متعلقہ دورانیہ کے مقابلے میں 2.704 ملین روپے سے کم ہو کر 1.857 ملین روپے رہ گئے۔ کمپنی انتظامیہ کو دیا جانے والا معاوضہ گذشتہ سال کے متعلقہ دورانیہ میں 1.267 ملین روپے تھا جو موجودہ دورانیہ میں کم ہو کر 1.030 ملین روپے ہو گیا۔

30 ستمبر 2016 تک فنڈ کے اثاثہ جات درج ذیل حساب سے مختص کیے گئے ہیں:

7.68%	مارکیٹ ٹریڈری بلز
18.51%	بینک
12.25%	سیمنٹ
9.42%	کھادیں
8.89%	تیل اور گیس کی تلاش کے لیے کمپنیاں
8.38%	توانائی کی پیداوار اور تقسیم
27.21%	دیگر شعبہ جات
6.51%	نقدی
1.15%	دیگر بشمول واجب الوصول

زیرغور مالیاتی دورانیہ میں KSE-100 انڈیکس نے 7.30% اضافہ بتایا۔ اسٹاک مارکیٹ کا مثبت رویہ اس وجہ سے مستحکم ہے کہ MSCI نے پاکستان کو ترقی پذیر مارکیٹ کے بجائے ابھرتی ہوئی مارکیٹ قرار دیا، آئی ایم ایف بورڈ نے بارہویں اور تہمی حصے (tranche) کی منظوری دے دی اور کارپوریٹ نتائج مثبت رہے لہذا غیر ملکی نقدیوں کی درآمد کی

توقعات ہیں۔ اوپیک ارکان کی طرف سے عالمی مارکیٹ میں تیل کی پیداوار میں کمی کرنے کے حیران کن اعلان نے بھی مارکیٹ مثبت پسندی کے رویے میں اضافہ کیا۔ زیرغور مالیاتی دورانیہ میں آٹوموبائل اسمبلرز شعبہ جاتی چارٹ پر حاوی رہے جنہیں آٹوفائننگ میں نئی دلچسپی سے پیدا ہونے والی مضبوط طلب کا سہارا حاصل تھا۔ تیل اور گیس مارکیٹنگ کے شعبے نے پٹرولیم کی فروخت میں اضافے کی وجہ سے قوت حاصل کی۔ غیر ملکیوں کی دلچسپی مسلسل طور پر کمرشل بینکوں کی طرف مرکوز رہی کیونکہ کمرشل بینکوں کی ابھرتی ہوئی مارکیٹ کے اشاریے میں شمولیت کی وجہ سے اس شعبہ کا چرچا رہتا ہے۔ ریفاؤنڈی کے شعبہ نے مارکیٹ سے بڑھ کر کارکردگی دکھائی کیونکہ آمدنیوں کے اعلانات مثبت رہے اور آمدنیوں میں اضافے کی توقعات رہیں۔ اس کے برعکس سیمنٹ کا شعبہ مارکیٹ سے پیچھے رہا کیونکہ اس دورانیہ میں کونکریٹ کی قیمتوں میں اضافہ ہوا اور سیمنٹ شعبہ میں وسعت کے اعلانات کا تسلسل رہا۔ کھادوں کے شعبے نے مارکیٹ سے کم کارکردگی دکھائی کیونکہ پیدا کنندگان کی جانب سے بڑے کھاتوں کے تصفیے کے لیے چھوٹ کی پیش کشوں کی وجہ سے کلی طور پر منافع کا امکان کم ہو گیا۔ توسیعی تخصیص اور مایوس کن آمدنی کے اعلانات کی وجہ سے فارماسیوٹیکل شعبہ بھی پیچھے رہا۔

### کارکنان کی بہبود کا فنڈ

سکیم نے کارکنان کے بہبودی فنڈ کے لیے 30 جون 2015 تک کے لیے 8,204,866 روپے کے ذخائر قائم رکھے ہیں۔ فنانس ایکٹ 2015 نے باہمی فنڈز (میوچل فنڈز) اور اجتماعی سرمایہ کاری اسکیموں کو کارکنان کے بہبودی فنڈ آرڈیننس 1971 کے تحت ”صنعتی اداروں“ کی تعریف سے خارج کر دیا ہے۔ تاہم 30 جون 2015 تک رکھے گئے ذخائر میں کوئی تبدیلی نہیں کی گئی جیسا کہ نوٹ نمبر 6 سے واضح ہے کیونکہ سندھ ہائی کورٹ میں ایک مقدمہ زیر سماعت ہے۔ اگر یہ ذخیرہ نہ رکھا جاتا تو اسکیم کے NAV فی اکائی میں 0.5060 روپے (4.56%) کا اضافہ ہو جاتا۔ تفصیلات کے لیے سرمایہ کاروں کو اسکیم کے تازہ ترین مالیاتی کیفیت ناموں کا نوٹ 6 پڑھنے کی ہدایت کی جاتی ہے۔

### ڈائریکٹرز کا اعلامیہ

نان بینکنگ فنانس کمپنیز اور Notified Entities Regulations، 2008 کے تحت ایسٹ مینجمنٹ کمپنی کے ڈائریکٹرز تسلیم کرتے ہیں کہ فنڈ کے مالیاتی کیفیت نامے برائے سہ ماہی 30 ستمبر 2016 فنڈ کی درست اور صحیح تصویر پیش کرتے ہیں۔

### اقرار نامہ

اس موقع کی مناسبت سے بورڈ کے ڈائریکٹرز تمام حصہ داران کا شکریہ ادا کرتے ہوئے ان کی مسلسل حمایت کو سراہتے ہیں۔ بورڈ کے ڈائریکٹرز سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور میوچل فنڈ ایسوسی ایشن آف پاکستان کی رہنمائی اور معاونت کو بھی سراہتے ہیں۔ آخر میں ہم اسٹاف ممبران اور متولی (ٹرسٹی) کی لگن، محنت اور باہمی تعاون کو سراہتے ہیں۔

بورڈ کی جانب سے

فرسٹ کیپٹل انویسٹمنٹ لمیٹڈ

آصف پرویز

عمران حفیظ

ڈائریکٹر

چیف ایگزیکٹو آفیسر / ڈائریکٹر

تاریخ 28 اکتوبر 2016

لاہور

**FIRST CAPITAL MUTUAL FUND  
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES  
AS AT SEPTEMBER 30, 2016 (Un audited)**

		September 30 2016 Un audited	June 30 2016 Audited
	Note	-----Rupees-----	
<b>Assets</b>			
Balances with bank	4	15,201,826	4,570,869
Investments	5	215,542,038	211,865,587
Dividend and profit receivable		1,517,224	382,707
Receivable against sale of investments		368,896	-
Advances, deposits, prepayments and other receivables		792,695	724,075
<b>Total assets</b>		<b>233,422,679</b>	<b>217,543,238</b>
<b>Liabilities</b>			
Remuneration payable to First Capital Investment Limited - Management Company		4,105,517	4,080,426
Remuneration payable to Central Depository Company of Pakistan Limited - Trustee		132,194	65,410
Annual fee payable to Securities and Exchange Commission of Pakistan		48,937	190,561
Payable against Purchase of Investments		2,294,970	-
Accrued expenses and other liabilities		1,364,812	842,133
Dividend payable / unclaimed dividend		22,120,167	9,796,624
Provision for Workers Welfare Fund Payable	6	8,204,866	8,204,866
<b>Total liabilities</b>		<b>38,271,463</b>	<b>23,180,020</b>
<b>Net Assets</b>		<b>195,151,216</b>	<b>194,363,218</b>
<b>Unit holders' Fund</b>		<b>195,151,216</b>	<b>194,363,218</b>
Contingencies and commitments	7		
<b>Number of units in issue</b>		<b>16,215,189</b>	<b>16,475,941</b>
		-----Rupees-----	
<b>Net asset value per unit</b>		<b>12.0351</b>	<b>11.7968</b>

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

**For First Capital Investments Limited  
(Management Company)**

**Chief Executive**

**Director**

**FIRST CAPITAL MUTUAL FUND  
CONDENSED INTERIM INCOME STATEMENT  
FOR THE QUARTER ENDED SEPTEMBER 30, 2016 (UN-AUDITED)**

		<b>For the Quarter Ended September 30</b>	
Note	2016	2015	
-----Rupees-----			
<b>INCOME</b>			
Capital gain on sale of 'fair value through profit or loss investments' - net	4,443,602	3,481,728	
Dividend income from 'fair value through profit or loss investments'	1,887,922	3,347,695	
Income from government securities	263,346	329,613	
Profit on bank deposits	74,521	52,088	
Unrealised appreciation / (diminution) on re-measurement of investments - at fair value through profit or loss - net	11,584,240	(14,401,472)	
<b>Total income</b>	<b>18,253,631</b>	<b>(7,190,348)</b>	
<b>EXPENSES</b>			
Remuneration to the Management Company	1,030,255	1,266,938	
Punjab Sales tax on remuneration to the Management Company	164,841	235,144	
Federal Excise Duty on remuneration to the Management Company	-	202,710	
Remuneration to the Trustee	176,438	175,956	
Sindh Sales tax on remuneration to the Trustee	22,937	24,634	
Annual fee - Securities and Exchange Commission of Pakistan	48,937	60,180	
Securities transaction costs	46,146	141,916	
Accounting and operational charges	51,513	-	8
Sindh Sales tax on accounting and operational charges	4,121	-	
Auditors' remuneration	264,657	478,962	
Annual listing fee - Pakistan Stock Exchange Limited	7,560	7,540	
Legal and professional charges	-	77,073	
Fund ranking fee	35,378	32,677	
Bank charges	4,275	620	
<b>Total expenses</b>	<b>1,857,058</b>	<b>2,704,350</b>	
<b>Net income / (loss) from operating activities</b>	<b>16,396,573</b>	<b>(9,894,698)</b>	
Element of loss and capital losses included in prices of units issued less those in units redeemed - net	(208,992)	(1,510,161)	
<b>Net income / (loss) for the period before taxation</b>	<b>16,187,581</b>	<b>(11,404,859)</b>	
Taxation	-	-	9
<b>Net income / (loss) for the period after taxation</b>	<b>16,187,581</b>	<b>(11,404,859)</b>	

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

**For First Capital Investments Limited  
(Management Company)**

Chief Executive

Director

**FIRST CAPITAL MUTUAL FUND  
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED SEPTEMBER 30, 2016 (UN-AUDITED)**

	<b>For the Quarter Ended September 30</b>	
	<b>2016</b>	<b>2015</b>
	<b>-----Rupees-----</b>	
<b>Net income / (loss) for the period after taxation</b>	<b>16,187,581</b>	<b>(11,404,859)</b>
Other comprehensive income / (loss) for the period	-	-
<b>Total comprehensive income / (loss) for the period</b>	<b><u>16,187,581</u></b>	<b><u>(11,404,859)</u></b>

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

**For First Capital Investments Limited  
(Management Company)**

**Chief Executive**

**Director**



**FIRST CAPITAL MUTUAL FUND  
CONDENSED INTERIM DISTRIBUTION STATEMENT  
FOR THE QUARTER ENDED SEPTEMBER 30, 2016 (UN-AUDITED)**

	<b>For the Quarter Ended September 30</b>	
	<b>2016</b>	<b>2015</b>
	-----Rupees-----	
<b>Undistributed income brought forward</b>	<b>47,102,744</b>	49,951,668
Net income / (loss) for the period after taxation	<b>16,187,581</b>	(11,404,859)
Final cash dividend for the year ended June 30, 2016 at the rate of Rs. 0.76 per unit declared on September 30, 2016	<b>(12,323,543)</b>	-
<b>Undistributed income carried forward</b>	<b><u>50,966,782</u></b>	<b><u>38,546,809</u></b>

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

**For First Capital Investments Limited  
(Management Company)**

**Chief Executive**

**Director**

**FIRST CAPITAL MUTUAL FUND  
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND  
FOR THE QUARTER ENDED SEPTEMBER 30, 2016 (UN-AUDITED)**

	<b>For the Quarter Ended September 30</b>	
	<b>2016</b>	<b>2015</b>
	<b>-----Rupees-----</b>	
<b>Net assets at the beginning of the period</b>	<b>194,363,218</b>	264,232,211
Amount received on issue of Nil (2015: 188,116) units	-	2,214,440
Amount paid on redemptions of 260,752 (2015: 3,731,078) units	<b>(3,285,032)</b>	(46,132,795)
	<b>(3,285,032)</b>	(43,918,355)
Element of loss and capital losses included in prices of units issued less those in units redeemed - net	<b>208,992</b>	1,510,161
<b>Total comprehensive income / (loss) for the period:</b>		
Capital gain on sale of investments - net	<b>4,443,602</b>	3,481,728
Unrealised appreciation / (diminution) on re-measurement of investments - at fair value through profit or loss	<b>11,584,240</b>	(14,401,472)
Other net income / (loss) for the period	<b>159,739</b>	(485,115)
	<b>16,187,581</b>	(11,404,859)
<b>Distribution made:</b>		
Final cash dividend for the year ended June 30, 2016 at the rate of Rs. 0.76 per unit declared on September 30, 2016	<b>(12,323,543)</b>	-
<b>Net total comprehensive income / (loss) less distribution for the period</b>	<b>3,864,038</b>	(11,404,859)
<b>Net assets at the end of the period</b>	<b>195,151,216</b>	210,419,158
Net assets value per unit at the beginning of the period	<b>11.7968</b>	11.9697
Net assets value per unit at the end of the period	<b>12.0351</b>	11.3543

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

**For First Capital Investments Limited  
(Management Company)**

**Chief Executive**

**Director**

**FIRST CAPITAL MUTUAL FUND  
CONDENSED INTERIM CASH FLOW STATEMENT  
FOR THE QUARTER ENDED SEPTEMBER 30, 2016 (UN-AUDITED)**

	<b>For the Quarter Ended September 30</b>	
	<b>2016</b>	<b>2015</b>
	-----Rupees-----	
<b><u>Cash flows from operating activities</u></b>		
<b>Net income / (loss) for the period before taxation</b>	<b>16,187,581</b>	<b>(11,404,859)</b>
<b>Adjustments</b>		
Element of loss and capital losses included in prices of units issued less those in units redeemed - net	<b>208,992</b>	1,510,161
Unrealised (appreciation) / diminution on re-measurement of investments - at fair value through profit or loss - net	<b>(11,584,240)</b>	14,401,472
	<b>4,812,333</b>	4,506,773
<b>(Increase) / decrease in assets</b>		
Investments - net	<b>7,907,789</b>	34,173,333
Dividend and profit receivable	<b>(1,134,517)</b>	(2,006,375)
Receivable against sale of investments	<b>(368,896)</b>	7,874,333
Advances, deposits, prepayments and other receivables	<b>(68,620)</b>	(131,129)
	<b>6,335,756</b>	39,910,162
<b>Increase / (decrease) in liabilities</b>		
Remuneration payable to Management Company	<b>25,091</b>	(1,878,475)
Remuneration payable to Trustee	<b>66,784</b>	8,298
Annual fee payable to Securities and Exchange Commission of Pakistan	<b>(141,624)</b>	(226,775)
Payable against purchase of investments	<b>2,294,970</b>	2,688,599
Accrued expenses and other liabilities	<b>522,679</b>	(136,653)
Dividend payable / unclaimed dividend	<b>12,323,543</b>	-
	<b>15,091,443</b>	454,994
<b>Net cash inflow from operating activities</b>	<b>26,239,532</b>	44,871,929
<b><u>Cash flows from financing activities</u></b>		
Receipts against issuance of units	<b>-</b>	2,214,440
Distribution made during the period	<b>(12,323,543)</b>	(46,132,795)
Payments made against redemption of units	<b>(3,285,032)</b>	-
<b>Net cash outflow on financing activities</b>	<b>(15,608,575)</b>	(43,918,355)
<b>Net Increase in cash and cash equivalents during the period</b>	<b>10,630,957</b>	623,963
Cash and cash equivalents at the beginning of the period	<b>4,570,869</b>	1,547,638
<b>Cash and cash equivalents at the end of the period</b>	<b>15,201,826</b>	2,171,601

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

**For First Capital Investments Limited  
(Management Company)**

**Chief Executive**

**Director**

**FIRST CAPITAL MUTUAL FUND  
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED SEPTEMBER 30, 2016 (UN-AUDITED)**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

First Capital Mutual Fund (the Fund) was constituted by virtue of a scheme of arrangement for conversion of First Capital Mutual Fund Limited into an Open end scheme under a Trust deed executed between First Capital investment Limited (FCIL) as management company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The trust deed was executed on August 06, 2013 after being approved by the Securities and Exchange Commission of Pakistan (SECP) on July 30, 2013 in accordance with the provision of Non - Banking Finance Companies and Notified Entities Regulation, 2008 (the NBFC Regulations).

The Management Company has been licensed by the SECP to act as an asset management company under the Non Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 2nd and 3rd floor, Pace Mall, Fortress Stadium, Lahore, Pakistan.

The Fund has been formed to augment the wealth of investors through investments geared towards securing maximum returns whilst simultaneously offsetting resultant risks through efficient diversification across sectors with low correlation amongst them. The Fund shall invest its net assets in high quality dividend yielding stocks. While the remaining assets shall be invested in cash and/or near cash instruments.

Title of the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited (CDC) as trustee of the Fund and the Fund was previously listed on Lahore Stock Exchange (LSE) of Pakistan. However due to integration of Karachi, Lahore and Islamabad Stock Exchanges into Pakistan Stock Exchange (PSX) with effect from 11 January 2016 the Fund is now listed on PSX.

Pakistan Credit Rating Agency Limited (PACRA) has assigned management quality rating of AM4++ to the management company and performance ranking of 2 Star to the Fund on June 08, 2016 and June 29, 2016 respectively.

**2 STATEMENT OF COMPLIANCE**

These condensed interim financial statements has been prepared in accordance with International Accounting Standard - 34 "Interim Financial Reporting", the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and directives issued by the SECP. In case where requirements differ, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the requirements of the said directives prevail.

These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Fund for the year ended June 30, 2016.

**3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies applied for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Fund for the year ended June 30, 2016.

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

The significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended June 30, 2016.

The financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2016.

	Note	September 30 2016 Un audited	30-Jun-15 2016 Audited
-----Rupees-----			
<b>4 BALANCES WITH BANKS</b>			
- In saving accounts	4.1	15,196,826	4,565,869
- In current account		5,000	5,000
		<u>15,201,826</u>	<u>4,570,869</u>

4.1 These bank accounts carry profit at the rate ranging from 3.50% to 3.85% (June 30, 2016: 4% to 5%) per annum.

**5 INVESTMENTS**

**At fair value through profit or loss**

Listed equity securities	5.1	197,595,666	193,942,033
Unlisted equity securities	5.2	21,600	21,600
Government securities - Market treasury bills	5.3	17,924,772	17,901,954
		<u>215,542,038</u>	<u>211,865,587</u>

## 5.1 Listed equity securities - at fair value through profit or loss

Shares of listed companies - Fully paid ordinary shares with a face value of Rs. 10 each unless stated otherwise

Name of Investee company	Number of shares					Rupees		Percentage (%)	
	As at July 01, 2016	Purchases during the period	Bonus during the period	Sales during the period	As at September 30, 2016	Carrying value as at September 30, 2016	Market value as at September 30, 2016	Market Value as percentage of net assets	Percentage of investee company paid up capital
<b>Automobile Parts &amp; Accessories</b>									
The General Tyre & Rubber Company of Pakistan Limited	5,400	-	-	5,400	-	-	-	-	-
	<b>5,400</b>	-	-	<b>5,400</b>	-	-	-	-	-
<b>Automobile Assembler</b>									
Al-Ghazi Tractors Limited *	3,490	-	-	-	3,490	1,472,885	1,528,725	0.78	0.0053
Atlas Honda Limited	1,000	-	-	1,000	-	-	-	-	-
Ghandhara Nissan Limited	6,000	-	-	6,000	-	-	-	-	-
Honda Atlas Cars (Pakistan) Limited	2,900	-	-	1,300	1,600	574,544	978,912	0.50	0.0007
Indus Motor Company Limited	1,800	-	-	800	1,000	939,540	1,500,380	0.77	0.0019
Millat Tractors Limited	1,216	-	-	-	1,216	693,424	825,640	0.42	0.0019
Pak Suzuki Motor Company Limited	2,800	-	-	1,300	1,500	573,225	868,410	0.44	0.0011
	<b>19,206</b>	-	-	<b>10,400</b>	<b>8,806</b>	<b>4,253,618</b>	<b>5,702,067</b>	<b>2.91</b>	<b>0.0109</b>
<b>Banks</b>									
Allied Bank Limited	13,295	-	-	-	13,295	1,196,018	1,305,170	0.67	0.0001
Askari Bank Limited	84,500	-	-	-	84,500	1,578,460	1,682,395	0.86	0.0001
Bank Alfalah Limited	40,000	-	-	-	40,000	1,022,800	1,149,200	0.59	0.0001
Bank Al Habib Limited	85,800	-	-	-	85,800	3,699,696	3,859,284	1.98	0.0003
The Bank of Punjab	47,180	53,000	-	-	100,180	1,048,477	1,334,398	0.68	0.0001
Faysal Bank Limited	72,300	-	-	15,000	57,300	751,203	907,632	0.47	0.0001
Habib Bank Limited	50,500	-	-	-	50,500	9,976,780	11,150,905	5.71	0.0008
Habib Metropolitan Bank Limited	55,000	-	-	-	55,000	1,560,350	1,663,750	0.85	0.0002
MCB Bank Limited	33,500	-	-	-	33,500	7,370,670	7,396,800	3.79	0.0007
Meezan Bank Limited	1,000	-	-	1,000	-	-	-	-	-
National Bank Of Pakistan	49,750	-	-	15,000	34,750	2,008,898	2,544,048	1.30	0.0001
Standard Chartered Bank (Pakistan) Limited	16,000	-	-	-	16,000	381,600	344,000	0.18	-
United Bank Limited	49,600	-	-	-	49,600	8,775,232	9,859,488	5.05	0.0008
	<b>598,425</b>	<b>53,000</b>	-	<b>31,000</b>	<b>620,425</b>	<b>39,370,184</b>	<b>43,197,070</b>	<b>22.13</b>	<b>0.0034</b>

## 5.1 Listed equity securities - at fair value through profit or loss

Shares of listed companies - Fully paid ordinary shares with a face value of Rs. 10 each unless stated otherwise

Name of Investee company	Number of shares					Rupees		Percentage (%)	
	As at July 01, 2016	Purchases during the period	Bonus during the period	Sales during the period	As at September 30, 2016	Carrying value as at September 30, 2016	Market value as at September 30, 2016	Market Value as percentage of net assets	Percentage of investee company paid up capital
<b>Cables &amp; Electrical Goods</b>									
Pak Elektron Limited	40,000	-	-	-	40,000	2,586,000	2,830,800	1.45	0.0006
TPL Trakker Limited	47,000	-	-	47,000	-	-	-	-	-
	<b>87,000</b>	-	-	<b>47,000</b>	<b>40,000</b>	<b>2,586,000</b>	<b>2,830,800</b>	<b>1.45</b>	<b>0.0006</b>
<b>Cement</b>									
Attock Cement Pakistan Limited	1,450	-	-	-	1,450	346,130	364,139	0.19	0.0003
Pakcem Limited ***	84,916	-	-	84,916	-	-	-	-	-
Bestway Cement Limited	-	8,491	-	-	8,491	1,499,617	1,989,866	1.02	0.0003
Cherat Cement Company Limited	7,500	7,500	-	-	15,000	1,875,524	1,929,900	0.99	0.0011
D.G. Khan Cement Company Limited	24,200	-	-	-	24,200	4,609,858	4,498,296	2.31	0.0010
Fauji Cement Company Limited	70,500	-	-	-	70,500	2,523,900	2,486,535	1.27	0.0002
Fecto Cement Limited	7,000	-	-	-	7,000	808,500	865,690	0.44	0.0017
Kohat Cement Company Limited	4,600	4,300	-	-	8,900	2,322,332	2,288,813	1.17	0.0015
Lucky Cement Limited	13,500	-	-	-	13,500	8,754,885	9,143,010	4.69	0.0028
Maple Leaf Cement Factory Limited	23,500	-	-	-	23,500	2,479,485	2,251,300	1.15	0.0004
Pioneer Cement Limited	19,000	-	-	-	19,000	2,040,600	2,008,110	1.03	0.0009
Thatta Cement Company Limited	-	20,000	-	-	20,000	777,000	769,000	0.39	0.0008
	<b>256,166</b>	<b>40,291</b>	-	<b>84,916</b>	<b>211,541</b>	<b>28,037,831</b>	<b>28,594,659</b>	<b>14.65</b>	<b>0.0110</b>
<b>Chemicals</b>									
AKZO Nobel Pakistan Limited	5,700	-	-	5,700	-	-	-	-	-
Archroma Pakistan Limited	3,100	-	-	700	2,400	1,169,640	1,418,328	0.73	0.0042
ICI Pakistan Limited	1,688	-	-	688	1,000	445,020	652,190	0.33	0.0007
	<b>10,488</b>	-	-	<b>7,088</b>	<b>3,400</b>	<b>1,614,660</b>	<b>2,070,518</b>	<b>1.06</b>	<b>0.0049</b>
<b>Fertilizer</b>									
Dawood Hercules Corporation Limited	25,000	-	-	-	25,000	3,721,750	3,324,000	1.70	0.0007
Engro Fertilizers Limited	58,000	-	-	-	58,000	3,739,840	3,576,280	1.83	0.0003
Engro Corporation Limited	27,600	-	-	-	27,600	9,189,972	8,038,500	4.12	0.0015
Fatima Fertilizer Company Limited	47,500	-	-	-	47,500	1,612,150	1,646,350	0.84	0.0001
Fauji Fertilizer Bin Qasim Limited	31,000	-	-	-	31,000	1,643,310	1,592,780	0.82	0.0002
Fauji Fertilizer Company Limited	27,700	9,000	-	-	36,700	4,189,344	3,816,066	1.96	0.0003
	<b>216,800</b>	<b>9,000</b>	-	-	<b>225,800</b>	<b>24,096,366</b>	<b>21,993,976</b>	<b>11.27</b>	<b>0.0031</b>

## 5.1 Listed equity securities - at fair value through profit or loss

Shares of listed companies - Fully paid ordinary shares with a face value of Rs. 10 each unless stated otherwise

Name of Investee company	Number of shares					Rupees		Percentage (%)	
	As at July 01, 2016	Purchases during the period	Bonus during the period	Sales during the period	As at September 30, 2016	Carrying value as at September 30, 2016	Market value as at September 30, 2016	Market Value as percentage of net assets	Percentage of investee company paid up capital
<b>Power Generation &amp; Distribution</b>									
The Hub Power Company Limited	75,300	-	-	4,000	71,300	8,560,278	8,496,821	4.35	0.0007
Kot Addu Power Company Limited	35,000	-	-	-	35,000	3,123,750	2,929,150	1.50	0.0003
K-Electric Limited**	308,500	51,500	-	60,000	300,000	2,451,378	2,763,000	1.42	-
Lalpir Power Limited	49,000	-	-	-	49,000	1,063,300	1,086,330	0.56	0.0003
Nishat Chunian Power Limited	27,502	-	-	-	27,502	1,445,505	1,533,237	0.79	0.0004
Nishat Power Limited	38,500	-	-	-	38,500	1,944,635	2,165,625	1.11	0.0006
Pakgen Power Limited	25,000	-	-	-	25,000	601,250	594,750	0.30	0.0002
	<b>558,802</b>	<b>51,500</b>	<b>-</b>	<b>64,000</b>	<b>546,302</b>	<b>19,190,096</b>	<b>19,568,913</b>	<b>10.03</b>	<b>0.0025</b>
<b>Technology &amp; Communications</b>									
Netsol Technologies Limited	-	12,000	-	-	12,000	673,500	726,720	0.37	0.0008
Pakistan Telecommunication Company Limited	88,500	-	-	20,000	68,500	1,029,555	1,252,180	0.64	-
TRG Pakistan Limited	-	10,000	-	-	10,000	438,500	458,900	0.24	0.0001
	<b>88,500</b>	<b>22,000</b>	<b>-</b>	<b>20,000</b>	<b>90,500</b>	<b>2,141,555</b>	<b>2,437,800</b>	<b>1.25</b>	<b>-</b>
<b>Foods &amp; Personal Care Products</b>									
Al Shaheer Corporation Limited	8,000	-	-	-	8,000	417,680	510,320	0.26	0.0004
Engro Foods Limited	11,500	-	-	-	11,500	1,878,295	1,682,565	0.86	0.0002
National Foods Limited *	3,400	-	-	-	3,400	955,400	1,139,000	0.58	0.0022
Treet Corporation Limited	-	10,000	-	-	10,000	606,000	546,200	0.28	0.0004
	<b>22,900</b>	<b>10,000</b>	<b>-</b>	<b>-</b>	<b>32,900</b>	<b>3,857,375</b>	<b>3,878,085</b>	<b>1.98</b>	<b>0.0032</b>
<b>Paper &amp; Board</b>									
Cherat Packaging Limited	2,100	-	-	-	2,100	717,717	808,500	0.41	0.00273
Packages Limited	6,600	-	-	1,400	5,200	3,308,344	3,480,204	1.78	0.00389
	<b>8,700</b>	<b>-</b>	<b>-</b>	<b>1,400</b>	<b>7,300</b>	<b>4,026,061</b>	<b>4,288,704</b>	<b>2.19</b>	<b>0.0066</b>

## 5.1 Listed equity securities - at fair value through profit or loss

Shares of listed companies - Fully paid ordinary shares with a face value of Rs. 10 each unless stated otherwise

Name of Investee company	Number of shares					Rupees		Percentage (%)	
	As at July 01, 2016	Purchases during the period	Bonus during the period	Sales during the period	As at September 30, 2016	Carrying value as at September 30, 2016	Market value as at September 30, 2016	Market Value as percentage of net assets	Percentage of investee company paid up capital
<b>Industrial Engineering</b>									
Amreli Steels Limited	16,500	-	-	-	16,500	775,830	1,176,285	0.60	0.0004
Crescent Steel & Allied Products Limited	9,200	-	-	-	9,200	1,054,412	1,159,292	0.59	0.0015
International Steels Limited	5,000	5,000	-	-	10,000	481,850	607,500	0.31	0.0005
Mughal Iron and Steel Industries Limited	20,500	-	-	-	20,500	1,377,395	1,752,955	0.90	0.0014
	<b>51,200</b>	<b>5,000</b>	-	-	<b>56,200</b>	<b>3,689,487</b>	<b>4,696,032</b>	<b>2.40</b>	<b>0.0038</b>
<b>Insurance</b>									
Adamjee Insurance Company Limited	10,574	-	-	-	10,574	530,392	577,552	0.30	0.0002
Habib Insurance Company Limited *	72,500	-	-	-	72,500	1,177,400	1,214,375	0.62	0.0020
Pakistan Reinsurance Company Limited	29,000	-	-	-	29,000	877,540	1,058,500	0.54	0.0004
Shaheen Insurance Company Limited	110,318	-	-	-	110,318	551,590	704,932	0.36	0.0016
The United Insurance Company of Pakistan Limited	36,680	-	-	-	36,680	537,362	622,460	0.32	0.0005
	<b>259,072</b>	-	-	-	<b>259,072</b>	<b>3,674,284</b>	<b>4,177,819</b>	<b>2.14</b>	<b>0.0047</b>
<b>Refinery</b>									
Attock Refinery Limited	4,800	-	-	1,800	3,000	840,420	977,640	0.50	0.0011
Byco Petroleum Pakistan Limited	59,000	-	-	-	59,000	1,211,860	1,395,350	0.72	0.0001
National Refinery Limited	3,800	-	-	3,800	-	-	-	-	-
	<b>67,600</b>	-	-	<b>5,600</b>	<b>62,000</b>	<b>2,052,280</b>	<b>2,372,990</b>	<b>1.22</b>	<b>0.0012</b>
<b>Investment Banks / Investment Companies</b>									
First Capital Equities Limited	128,395	-	-	-	128,395	3,562,961	3,457,369	1.77	0.0024
	<b>128,395</b>	-	-	-	<b>128,395</b>	<b>3,562,961</b>	<b>3,457,369</b>	<b>1.77</b>	<b>0.0024</b>
<b>Oil &amp; Gas Exploration Companies</b>									
Mari Petroleum Company Limited	627	-	-	-	627	569,454	598,490	0.31	0.0005
Oil & Gas Development Company Limited	62,800	-	-	-	62,800	8,670,796	8,869,244	4.54	0.0002
Pakistan Oilfields Limited	9,700	-	-	-	9,700	3,370,556	3,892,707	1.99	0.0016
Pakistan Petroleum Limited	45,200	-	-	-	45,200	7,008,260	7,397,884	3.79	0.0004
	<b>118,327</b>	-	-	-	<b>118,327</b>	<b>19,619,066</b>	<b>20,758,325</b>	<b>10.63</b>	<b>0.0027</b>



## 5.1 Listed equity securities - at fair value through profit or loss

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Name of Investee company	Number of shares					Rupees		Percentage (%)	
	As at July 01, 2016	Purchases during the period	Bonus during the period	Sales during the period	As at September 30, 2016	Carrying value as at September 30, 2016	Market value as at September 30, 2016	Market Value as percentage of net assets	Percentage of investee company paid up capital
<b>Oil &amp; Gas Marketing Companies</b>									
Attock Petroleum Limited	2,200	-	-	-	2,200	962,588	1,144,000	0.59	0.0014
Hascol Petroleum Limited	9,493	2,200	-	2,200	9,493	1,930,063	2,090,833	1.07	0.0017
Pakistan State Oil Company Limited	18,700	2,000	-	-	20,700	7,849,102	8,572,695	4.39	0.0032
Shell Pakistan Limited	7,500	-	-	5,000	2,500	725,525	1,025,150	0.53	0.0010
Sui Northern Gas Pipelines Limited	44,000	-	-	20,000	24,000	870,960	1,202,880	0.62	0.0002
Sui Southern Gas Company Limited	44,500	-	-	25,000	19,500	536,827	790,530	0.41	0.0001
	<b>126,393</b>	<b>4,200</b>	<b>-</b>	<b>52,200</b>	<b>78,393</b>	<b>12,875,065</b>	<b>14,826,088</b>	<b>7.61</b>	<b>0.0076</b>
<b>Textile Composite</b>									
Nishat (Chunian) Limited	25,500	-	-	-	25,500	903,210	1,169,430	0.60	0.0003
Nishat Mills Limited	27,300	-	-	-	27,300	2,945,670	3,846,570	1.97	0.0011
	<b>52,800</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>52,800</b>	<b>3,848,880</b>	<b>5,016,000</b>	<b>2.57</b>	<b>0.0014</b>
<b>Pharmaceuticals</b>									
Abbott Laboratories (Pakistan) Limited	1,300	-	-	-	1,300	980,200	1,103,050	0.57	0.0011
Ferozsons Laboratories Limited	500	-	-	-	500	515,470	435,240	0.22	0.0014
Glaxosmithkline Pakistan Limited	7,200	-	-	-	7,200	1,491,192	1,554,480	0.80	0.0005
Highnoon Laboratories Limited	2,365	-	-	-	2,365	1,363,186	1,297,463	0.66	0.0064
The Searle Company Limited	5,005	-	-	-	5,005	2,683,431	2,870,368	1.47	0.0023
	<b>16,370</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,370</b>	<b>7,033,479</b>	<b>7,260,601</b>	<b>3.72</b>	<b>0.0117</b>
<b>Textile Spinning</b>									
Gadoon Textile Mills Limited	3,690	-	-	3,690	-	-	-	-	-
	<b>3,690</b>	<b>-</b>	<b>-</b>	<b>3,690</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Transport</b>									
Pakistan Interantion Bulk Terminal Limited	15,000	-	-	-	15,000	481,050	467,850	0.24	-
Pakistan National Shipping Corporation	7,200	-	-	7,200	-	-	-	-	-
	<b>22,200</b>	<b>-</b>	<b>-</b>	<b>7,200</b>	<b>15,000</b>	<b>481,050</b>	<b>467,850</b>	<b>0.24</b>	<b>-</b>
<b>Grand Total</b>	<b>2,718,434</b>	<b>194,991</b>	<b>-</b>	<b>339,894</b>	<b>2,573,531</b>	<b>186,010,298</b>	<b>197,595,666</b>		

\* The face value of these shares is Rs. 5 each

\*\* The face value of these shares is Rs. 3.5 each

\*\*\* Merger of PAKCEM with Best way Limited at a ratio of 10:1

## 5.2 Unlisted equity securities - at fair value through profit or loss

Name of Investee company	Number of shares					Rupees		Percentage (%)	
	As at July 01, 2016	Purchases during the period	Bonus during the period	Sales during the period	As at September 30, 2016	Carrying value as at September 30, 2016	Market value as at September 30, 2016	Market Value as percentage of net assets	Percentage of of investee company paid up capital
Gloaxosmithkline Consumer Healthcare Pakistan Limited	2,160	-	-	-	2,160	21,600	21,600	0.01	0.0010
	<b>2,160</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,160</b>	<b>21,600</b>	<b>21,600</b>	<b>-</b>	<b>-</b>

## 5.3 Government securities - Market treasury bills

Category	Face Value (Rupees)					Rupees		Percentage (%)	
	As at July 01, 2016	Purchases during the period	Sales during the period	Mature during the period	As at September 30, 2016	Amortised cost as at September 30, 2016	Market value as at September 30, 2016	Market Value as percentage of total investments	Market Value as percentage of net assets
3 months T-Bills	18,000,000	18,000,000	-	18,000,000	18,000,000	17,925,900	17,924,772	8.32	9.19
	<b>18,000,000</b>	<b>18,000,000</b>	<b>-</b>	<b>18,000,000</b>	<b>18,000,000</b>	<b>17,925,900</b>	<b>17,924,772</b>	<b>8.32</b>	<b>9.19</b>

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**6 PROVISION FOR WORKERS' WELFARE FUND**

The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes / Mutual Funds (CISs) / Pension Funds whose income exceeds Rs. 0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a Constitutional Petition has been filed by certain CISs through their trustees in the Honorable High Court of Sindh (SHC), challenging the applicability of WWF to the CISs / pension funds, which is pending adjudication. However, without prejudice to the above, the Management Company made a provision for WWF contribution in the annual financial statements since the financial year ended 30 June 2010.

During the year ended 30 June 2011, a clarification was issued by the Ministry of Labour and Manpower (the Ministry) on 8 July 2010 which stated that mutual funds are not liable to contribute to WWF on the basis of their income. However on 14 December 2010 the Ministry filed its response against the Constitutional Petition requesting the Court to dismiss the same. Show cause notices were then issued by Federal Board of Revenue (FBR) to several Mutual Funds (CISs) / Pension Funds for the collection of WWF including some of the mutual funds and pension funds managed by the AMC. In respect of such show cause notices, certain Mutual Funds (CISs) / Pension Funds have been granted stay by Honorable SHC on the basis of the pending Constitutional Petition as referred above.

In March 2013, a three member bench of the Sindh High Court in its judgment on various Constitutional Petitions challenging the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006, and the Finance Act, 2008, held that WWF is a tax and consequently, the amendments introduced in the Workers' Welfare Fund Ordinance, 1971 through Finance Act, 2006 and 2008 respectively (Money Bills) do not suffer from any constitutional or legal infirmity. This judgment was in contrast to the July 2011 single member bench decision of the Honorable Lahore High Court which had held such amendments as unlawful and unconstitutional for the reason that they were made through the money bills. For the CISs and Pension Funds, the issue of chargeability or otherwise of WWF levy to the CISs / Pension Funds is currently pending before the Honorable SHC.

In a judgment of May 2015, the Honorable Peshawar High Court (PHC) has also held these amendments to be ultra vires as they lacked the essential mandate to be introduced and passed through the Money Bill under the constitution. For the CISs and Pension Funds, the issue of chargeability or otherwise of WWF levy to the CISs / Pension Funds is currently pending before the Honorable SHC. The Finance Act, 2015 has excluded Mutual Funds and Collective Investment Schemes from the definition of 'Industrial establishment' subject to WWF under WWF Ordinance, 1971.

In view of the pending decision of the SHC, the Management Company of the Fund, as a matter of abundant caution, has decided to continue to maintain the provision for WWF till June 30, 2015 amounting to Rs. 8.2049 million (June 30, 2016: Rs. 8.2049 million) in these condensed interim financial statements. Had the same not been made the net asset value per unit of the Fund would have been higher by Rs. 0.5060 (June 30, 2016: Rs. 0.4980) per unit.

**7 CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments outstanding as at September 30, 2016 and June 30, 2016.

**8 ACCOUNTING AND OPERATIONAL CHARGES**

In accordance with the provisions of the NBFC Regulations, 2008 (amended vide S.R.O 1160(I) / 2015 dated 25 November 2015), the Management Company of the Fund is entitled to reimbursement of fees and expenses incurred by the Management Company in relation to registrar services, accounting, operation and valuation services related to the Fund upto a maximum of 0.1% of the average annual net assets of the Scheme or actual whichever is less. Accordingly, the Management Company has charged accounting and operational charges to the Fund at the rate of 0.1% per annum of the average annual net assets of the Fund.

**9 TAXATION**

The income of the fund 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 to the unit holders as cash dividend. The management intends to distribute at least 90% of the Fund's net accounting income earned by the year end, as cash dividend, to the unit holders. Accordingly, no provision in respect of taxation has been made in these condensed interim financial statements.

**10 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS**

Connected persons include First capital Investments Limited (FCIL) being the Management Company, Central Depository Company of Pakistan Limited (CDC) being the Trustee of the Fund, any person or company beneficially owning ten percent or more of the capital of the Management Company or net assets of the Fund and directors and key management personnel of the Management Company.

Transactions with related parties / connected persons are in the normal course of business and on arm's length basis.

Remuneration to the Management Company and the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations and Trust Deed

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10.1 <u>Transactions for the period:</u>	For the Quarter Ended September 30	
	2016	2015
	-----Rupees-----	
<b>First Capital Investments Limited - Management Company</b>		
Remuneration of the Management Company	1,030,255	1,266,938
Punjab Sales Tax on Remuneration of the Management Company	164,841	235,144
Federal Excise Duty on Remuneration of the Management Company	-	202,710
Redemption of 158,391 (2015:Nil) units	2,014,594	1,129
Dividend declared	8,199,113	-
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration of the Trustee	176,438	175,956
Sindh Sales Tax on Remuneration of the Trustee	22,937	24,634
Settlement Charges inclusive of Sindh Sales Tax	17,080	24,890
<b>First Capital Securities Corporation Limited - Group Company</b>		
Dividend declared	254,840	-
<b>First Capital Equities Limited - Group Company</b>		
Dividend declared	1,363	-
Brokerage expense	2,700	9,855
<b>Salman Taseer (Late) - unit holder having holding of more than 10%</b>		
Dividend declared	1,593,113	-
<b>Al Hoqani securities and Investments Corporation (Private) Limited Holder of more than 10% shares of the Management Company</b>		
Redemption of Nil units (2015: 2,430,000) units	-	29,680,136
<b>Sulaiman Ahmed Saeed Al Hoqani Holder of more than 10% shares of the Management Company</b>		
Redemption of Nil units (2015:1,250,000) units	-	15,832,600
Dividend declared	2	-
<b>Key Management Personnel of the Management Company</b>		
Dividend declared	458	-
10.2 <u>Outstanding balances as at period / year end:</u>	September 30 2016 Un audited	June 30 2016 Audited
	-----Rupees-----	
<b>First Capital Investments Limited - Management Company</b>		
Remuneration payable inclusive of taxes thereon	4,105,517	4,080,426
Receivables	211,363	211,363
Units held: 10,788,306 (June 30, 2016: 10,946,697)	129,838,342	129,135,995
Dividend payable	8,199,113	-
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration payable inclusive of taxes thereon	132,194	65,410
Security deposit	237,500	237,500
Settlement charges payable inclusive of taxes thereon	4,000	1,368
Prepaid fee	-	13,035
<b>First Capital Securities Corporation Limited - Group Company</b>		
Units held: 335,316 (June 30, 2016: 335,316)	4,035,562	3,955,656
Dividend payable	254,840	-
<b>First Capital Equities Limited - Group Company</b>		
Units held: 1,793 (June 30, 2016: 1,793)	21,579	21,152
Dividend payable	1,363	-
<b>Salman Taseer (Late) - unit holder having holding of more than 10%</b>		
Units held: 2,096,201 (June 30, 2016: 2,096,201) units	25,227,989	24,728,464
Dividend payable	1,593,113	-
<b>Sulaiman Ahmed Saeed Al Hoqani Holder of more than 10% shares of the Management Company</b>		
Units held: 2 (June 30, 2016: 2) units	28	27
Dividend payable	2	-
<b>Key Management Personnel of the Management Company</b>		
Units held: Nil (June 30, 2016: 602) units	7,245	7,102
Dividend payable	458	-

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**11 General**

11.1 Figures have been rounded off to the nearest Rupee.

11.2 Units have been rounded off to the nearest decimal place.

11.3 Corresponding figures have been reclassified, rearranged or additionally incorporated in this condensed interim financial information, wherever necessary to facilitate comparison and to conform with changes in presentation in the current year. No significant rearrangements or reclassifications were made in this condensed interim financial information.

**12 DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on \_\_\_\_\_.

**For First Capital Investments Limited  
(Management Company)**

**Chief Executive**

**Director**