

FIRST CAPITAL MUTUAL FUND
CONDENSED FINANCIAL STATEMENTS
FOR NINE MONTHS ENDED 31 MARCH 2017

First Capital Mutual Fund

DIRECTORS' REVIEW

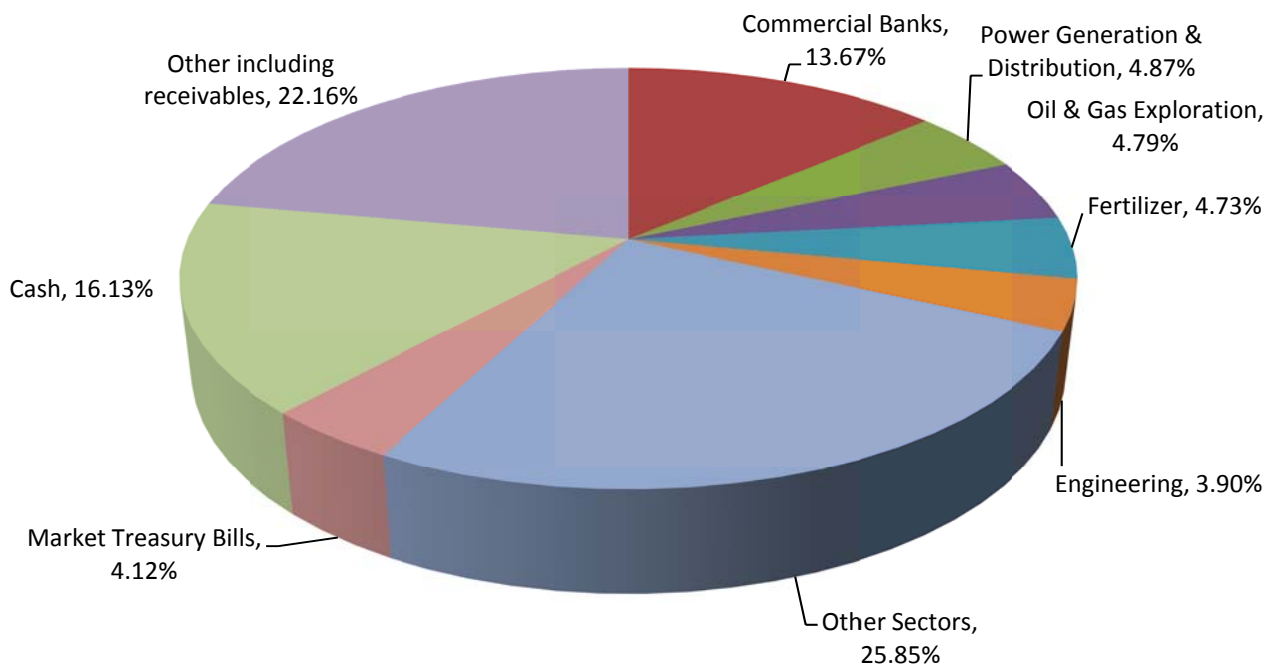
The Board of Directors of First Capital Investments Limited ("FCIL" or "Management Company") is pleased to present the un-audited financial statements of First Capital Mutual Fund ("FCMF" or "the Fund" or "the Scheme") for the nine months and quarter ended March 31, 2017.

Fund's Performance

During the nine months period under review, the Fund has reported total comprehensive income of Rs. 52.467 million as compared to loss of Rs. 4.060 million in the same period last year. Capital gain on sale of Investments is Rs. 46.929 million as compared to Rs. 4.178 million in corresponding period last year. During the period under review, the Fund has reported unrealized diminution on re-measurement of investments of Rs. 4.227 million as compared to diminution of Rs. 12.397 million in the corresponding period last year. The total operating expense of the fund for the period under review is Rs. 6.492 million as compared to Rs. 6.334 million in the same period last year. The Fund has reversed the provision against Workers' Welfare Fund's liability of Rs. 8,204,866 as per instructions received from MUFAP. The NAV per unit of the scheme has increased by Rs. 0.5031 due to reversal.

The Net Asset Value (NAV) per unit of FCMF has increased from Rs. 11.7968 to Rs. 13.7069 (Ex-Div), showing a return of 28.23% as compared to its Benchmark's (KSE-100 index) return of 27.45%. Thus, the Fund has outperformed its Benchmark by 0.78%. During the period under review the Fund has changed its exposure in various sectors / scrips as per their fundamentals to generate better return for their investors, mainly in Oil & Gas sector, Banking sector and Cement sector. The Fund outperformed the benchmark primarily on the back of reversal of Workers' Welfare Fund. Going forward, the management of the Fund intends to focus on sectors exhibiting positive corporate earnings growth and cheap valuations to enhance the performance.

The asset allocation of the Fund as on March 31, 2017 is as under:



First Capital Mutual Fund

Equity Market Review

KSE-100 index posted a return of 27.45% during the nine months period under review. However, the index posted a marginal gain of 349 points during 3QFY17, an appreciation of 0.73%.

During 3QFY17 the KSE-100 index remained under pressure mainly on the back of court proceedings & awaiting Panama Leaks case verdict by the apex court. SECP regulatory notices, against in-house badla-financing by the brokers, also drained the liquidity from market. Further, descending global oil prices due to uncertainties on the extension of agreed supply cut by OPEC and non-OPEC producers and continuous supply addition by the US Shale producers led the decline in oil & gas sector.

Going forward, there are a number of positives in the Pakistan's economy led by reasonable valuations as captured in forward P/E multiples of 10.4x; benign near-term inflation and interest rates; improving law & order situation in the wake of ongoing operation against terrorist; improving macro-economic outlook; flexible business and consumer sentiment; positive anticipation in energy & infrastructure projects due to China-Pakistan Economic Corridor (CPEC); and expectation of healthy foreign inflows from funds tracking MSCI EM Index

Income Distribution

An interim cash dividend for the quarter ended – N/A – at Rs. NIL. This is an addition to interim dividend(s) already paid at Rs. 0.52 per share i.e. 5.2% .

Workers' Welfare Fund

The Finance Act, 2008 had introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 ("WWF Ordinance") as a result of which it was construed that all CISs / mutual funds whose income exceeded Rs. 0.5 million in tax year were 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, which was higher.

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. MUFAP has recommended that entire provision against WWF held by the CISs till June 30, 2016, to be reversed on January 12, 2017, based on legal opinion, as mentioned in Note 12.

The Scheme has reversed the provision against Workers' Welfare Fund's liability of Rs. 8,204,866 as per instructions received from MUFAP. The NAV per unit of the scheme has increased by Rs. 0.5031 due to aforementioned adjustment. For details investors are advised to read Note 12 of the latest un-audited Financial Statements of the Scheme.

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.

First Capital Mutual Fund

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

Asif Pervaiz
Director

Imran Hafeez
Chief Executive Officer/Director

Date: April 29, 2017
Place: Lahore

ڈائریکٹرز کا جائزہ

فرسٹ کمپیٹل انویسٹمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز فرسٹ کمپیٹل میوچل فنڈ کے 31 مارچ 2017ء کو ختم ہونے والی سہ ماہی اور نو ماہ کے لیے غیر محاسب شدہ مالیاتی کیفیت نامے پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

فنڈ کی کارکردگی

زیرغور دورانیہ کے نو ماہ میں فنڈ نے 52.467 ملین روپے کی مجموعی آمدن بتائی جبکہ گذشتہ سال کے متعلقہ دورانیہ میں 4.060 ملین روپے کا خسارہ تھا۔ سرمایہ کاریوں کی فروخت پر ہونے والی آمدن 46.929 ملین روپے رہی جبکہ گذشتہ سال کے متعلقہ دورانیہ میں یہ 4.178 ملین روپے تھی۔ زیرغور دورانیہ میں فنڈ نے سرمایہ کاریوں کی دوبارہ پیمائش پر غیر حاصل شدہ کمی 4.227 ملین روپے بتائی جو کہ گذشتہ سال کے متعلقہ دورانیہ میں 12.397 ملین روپے تھی۔ زیرغور دورانیہ میں فنڈ نے کل عملیاتی اخراجات 6.492 ملین روپے بتائے جبکہ گذشتہ سال کے متعلقہ دورانیہ میں یہ اخراجات 6.334 ملین روپے تھے۔ فنڈ نے MUFAP کی ہدایات کے مطابق ورکرز ویلفیئر فنڈ کی ذمہ داری کے لیے 8,204,866 روپے کی مختص رقم ختم کر دی ہے۔ اس کی وجہ سے اسکیم کی خالص اثاثہ جاتی قدر (NAV) میں 0.5031 روپے کا اضافہ ہوا ہے۔

FCMF کی فی یونٹ خالص اثاثہ جاتی قدر میں 11.7968 روپے سے 13.7069 روپے کا اضافہ ہوا جس سے کے ایس سی 100 انڈیکس کے 27.45% معیار کے مقابلے میں 28.23% کا نفع ظاہر ہوا۔ اس طرح فنڈ نے مقررہ معیار سے 0.78% زیادہ کارکردگی دکھائی ہے۔ زیرغور دورانیہ میں فنڈ نے اپنے سرمایہ کاریوں کے لیے بہتر منافع پیدا کرنے کے لیے مختلف شعبوں میں اپنی موجودگی میں تبدیلی کی جن میں تیل اور گیس کا شعبہ، بینکنگ کا شعبہ اور سیمنٹ کا شعبہ نمایاں ہیں۔ فنڈ نے بنیادی طور پر ورکرز ویلفیئر فنڈ منسوخ کرنے کی وجہ سے مقررہ معیار سے زیادہ کارکردگی دکھائی۔ مستقبل میں فنڈ کی انتظامیہ ان شعبوں پر توجہ مرکوز کرنے کا عزم رکھتی ہے جو کارکردگی بڑھانے کے لیے کارپوریٹ منافع کی بڑھوتری کے لیے مثبت اور مستے تخمینے لگاتے ہیں۔

31 مارچ 2017ء تک فنڈ کے اثاثہ جات کی تقسیم درج ذیل ہے:

13.67%	کمرشل بینک
4.87%	توانائی کی پیداوار اور تقسیم
4.79%	تیل اور گیس کی تلاش
4.73%	کھادیں
3.90%	انجینئرنگ
25.85%	دیگر شعبہ جات
4.12%	مارکیٹ ٹریڈری بل
16.13%	نقد زر
22.16%	دیگر بشمول قابل وصول واجبات

ایکویٹی مارکیٹ کا جائزہ

کراچی اسٹاک ایکسچینج 100 انڈیکس نے نو ماہ کے زیرغور دورانیہ میں 27.45% منافع ظاہر کیا۔ تاہم انڈیکس نے مالیاتی سال 2017ء کی تیسری سہ ماہی میں 349 پوائنٹس کا معمولی منافع ظاہر کیا جو 0.73% اضافہ ہے۔

مالیاتی سال 2017ء کی تیسری سہ ماہی میں کے ایس سی 100 انڈیکس سپریم کورٹ میں پانامہ لیکس مقدمے کے ہونے والے فیصلے اور عدالتی کارروائی کی وجہ سے دباؤ میں رہا۔ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی طرف سے بروکرز کو اندرونی بدلہ فنانسنگ پر قواعد و ضوابط کے نوٹس جاری کیے گئے جس سے مارکیٹ میں سیالیت کم ہو گئی۔ مزید برآں، اوپیک اور غیر اوپیک پروڈیوسرز کی طرف سے متفقہ رسد میں کمی کے متعلق غیر یقینی کیفیت اور امریکی شیل پروڈیوسرز کی مسلسل رسد کی وجہ سے تیل کی عالمی قیمتیں کم ہوئیں جس سے تیل اور گیس کا شعبہ زوال میں رہا۔

مستقبل میں، پاکستانی معیشت میں کئی مثبت چیزیں ہیں جن کا نہایت معقول تخمینہ لگایا گیا ہے جیسا کہ 10.4x کی قیمت بمقابلہ آمدن نسبت میں اضافہ، خوش آئند قریب المدت افراط زر اور شرح سود؛ دہشت گردوں کے خلاف جاری آپریشن کی وجہ سے امن و امان کی بہتر صورت حال؛ کلیاتی معاشیات میں بہتر نقطہ نظر؛ پگھلنے والے دارکاری اور صارفانہ جذبات؛ سی پیک کی وجہ سے توانائی اور انفراسٹرکچر کے پراجیکٹس میں مثبت پیش گوئی اور MSCI کے ایمرجنگ مارکیٹس انڈیکس کی وجہ سے صحت مندانہ غیر ملکی سرمایے کے بہاؤ کی توقعات شامل ہیں۔

آمدن کی تقسیم

سہ ماہی کے اختتام پر عارضی نقدی منافع کوئی نہیں ہے۔ یہ پہلے سے ادا شدہ منافع بحساب 0.52 روپے فی حصص یعنی 5.2% میں اضافہ ہے۔

ورکرز ویلفیئر فنڈ

2008ء کے فنانس ایکٹ نے ورکرز ویلفیئر فنڈ آرڈی نینس 1971ء میں ایک ترمیم متعارف کرائی ہے جس کے نتیجے میں یہ کہا گیا کہ جن کمپنیاں انویسٹمنٹ کمپنیوں/میوچل فنڈز کی آمدن اس ٹیکس سال میں 0.5 ملین سے زیادہ ہوگی وہ ورکرز ویلفیئر فنڈ آرڈی نینس کے دائرہ کار میں آئیں گے لہذا وہ قابل ٹیکس آمدن یا حسابی آمدن میں سے جو بھی زیادہ ہو اس پر دو فیصد کے حساب سے ورکرز ویلفیئر فنڈ میں حصہ ڈالنے کے لیے ذمہ دار ہوں گے۔

فنانس ایکٹ 2015 نے میوچل فنڈ اور اجتماعی سرمایہ کاری اسکیموں کو صنعتی کاروبار کی تعریف سے نکال دیا ہے جس پر ورکرز ویلفیئر فنڈ آرڈی نینس 1971ء کے تحت ورکرز ویلفیئر فنڈ لاگو ہوتا تھا۔ MUFAP نے تجویز کیا کہ کمپنیاں انویسٹمنٹ کمپنیاں ورکرز ویلفیئر فنڈ کی مدد میں 30 جون 2016ء تک مختص کی گئی ساری رقم قانونی رائے کی بنیاد پر 12 جنوری 2017 کو ختم کر دیں، جیسا کہ نوٹ نمبر 12 میں مذکور ہے۔

اسکیم نے MUFAP کی ہدایات کے مطابق ورکرز ویلفیئر فنڈ کی ذمہ داری کے لیے 8,204,866 روپے کی مختص رقم ختم کر دی ہے۔ اس تبدیلی کی وجہ سے نئی پونٹ خالص اثاثہ جاتی قدر میں 0.5031 روپے کا اضافہ ہوا ہے۔ تفصیلات کے لیے سرمایہ کاروں کو ہدایت کی جاتی ہے کہ اسکیم کے تازہ ترین غیر محاسب شدہ مالیتی کیفیت نامے کا نوٹ نمبر 12 دیکھیں۔

اظہار تشکر

اس موقع کی مناسبت سے بورڈ آف ڈائریکٹرز تمام حصص مالکان کی مسلسل حمایت کے لیے ان کا شکریہ ادا کرتا ہے۔ بورڈ آف ڈائریکٹرز سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور میوچل فنڈز ایسوسی ایشن آف پاکستان کی رہنمائی اور معاونت پر ان کا بھی مشکور اور معترف ہے۔ آخر میں بورڈ کا رکنان اور سٹریٹجی کی طرف سے مسلسل لگن، سخت محنت اور تعاون کا بھی اعتراف کرتا ہے۔

بورڈ آف ڈائریکٹرز کی طرف سے

فرسٹ کمپنیاں انویسٹمنٹ لمیٹڈ

آصف پرویز

ڈائریکٹر

عمران حفیظ

چیف ایگزیکٹو آفیسر/ڈائریکٹر

**FIRST CAPITAL MUTUAL FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT MARCH 31, 2017 (Un - Audited)**

		March 31 2017 Un - Audited	June 30 2016 Audited
	Note	-----Rupees-----	
Assets			
Balances with banks	6	39,121,350	4,570,869
Investments	7	149,655,256	211,865,587
Dividend and profit receivable	8	881,412	382,707
Advance, deposit, prepayment and other receivable	9	52,860,410	724,075
Total assets		242,518,428	217,543,238
Liabilities			
Payable to First Capital Investment Limited - Management Company	10	4,597,714	4,080,426
Payable to Central Depository Company of Pakistan Limited - Trustee		67,182	65,410
Payable to Securities and Exchange Commission of Pakistan		153,230	190,561
Accrued expenses and other liabilities	11	963,722	842,133
Unclaimed dividend		9,796,624	9,796,624
Provision for Workers Welfare Fund Payable	12	-	8,204,866
Total liabilities		15,578,472	23,180,020
Net Assets		226,939,956	194,363,218
Unit holders' Fund		226,939,956	194,363,218
Contingencies and commitments	13	(Number of Units)	
Number of units in issue		16,556,604	16,475,941
		-----Rupees-----	
Net asset value per unit		13.7069	11.7968

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

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

Chief Executive

Director

**FIRST CAPITAL MUTUAL FUND
CONDENSED INTERIM INCOME STATEMENT
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2017 (UN-AUDITED)**

Note	For the Nine Months Ended		For the Quarter Ended		
	March 31		March 31		
	2017	2016	2017	2016	
	-----Rupees-----		-----Rupees-----		
INCOME					
Dividend income	6,466,168	9,409,280	1,463,341	3,371,770	
Capital gain on sale of investments	46,928,631	4,177,847	23,907,536	466,646	
Unrealised (diminution) / appreciation on re-measurement of investments - at fair value through profit or loss	(4,226,753)	(12,396,978)	(21,328,844)	182,178	
Income from government securities	691,703	680,047	166,157	231,696	
Profit on bank deposits	607,851	332,460	312,908	121,346	
Total Income	50,467,600	2,202,656	4,521,098	4,373,636	
EXPENSES					
Remuneration of First Capital Investments Limited - Management Company	10.1	3,225,891	3,069,686	1,163,831	868,312
Punjab Sales tax on remuneration of Management Company	10.2	516,142	491,150	186,212	138,930
FED on remuneration of Management Company		-	569,734	-	161,159
Remuneration of Central Depository Company of Pakistan Limited - Trustee		525,480	525,956	172,605	174,043
Sindh Sales tax on remuneration of trustee		68,312	73,634	22,438	24,366
Annual fee - Securities and Exchange Commission of Pakistan		153,230	145,814	55,282	41,249
Bank charges		16,678	8,113	6,566	3,461
Securities transaction costs		909,602	305,757	444,022	64,261
Auditors' remuneration		736,747	882,676	255,891	208,278
Annual listing fee		22,520	22,541	7,398	7,459
Legal and professional charges		-	77,073	-	-
Fund ranking fee		105,367	95,874	34,610	31,725
Advertisement expense		-	5,250	-	-
Printing and postage charges		37,535	60,907	12,329	4,100
Accounting and operational charges		161,294	-	58,191	-
Sindh Sales tax on accounting and operational charges		12,904	-	4,656	-
Total Operating Expenses		6,491,702	6,334,165	2,424,031	1,727,343
Net income / (loss) from operating activities		43,975,898	(4,131,509)	2,097,067	2,646,293
Element of income and capital gains included in prices of units redeemed		286,733	71,495	438,603	17,080
Reversal of provision for Workers' Welfare Fund	12	(8,204,867)	-	(8,204,867)	-
Net income / (loss) for the period before taxation		52,467,498	(4,060,014)	10,740,537	2,663,373
Taxation	15	-	-	-	-
Net income / (loss) for the period after taxation		52,467,498	(4,060,014)	10,740,537	2,663,373
Other comprehensive income / (loss) for the period		-	-	-	-
Total comprehensive income / (loss) for the period		52,467,498	(4,060,014)	10,740,537	2,663,373

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

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

Chief Executive

Director

**FIRST CAPITAL MUTUAL FUND
CONDENSED INTERIM DISTRIBUTION STATEMENT
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2017 (UN-AUDITED)**

	For the Nine Months Ended March 31		For the Quarter Ended March 31	
	2017	2016	2017	2016
	-----Rupees-----		-----Rupees-----	
Undistributed income brought forward	47,102,744	49,951,668	76,506,162	26,364,050
Net income / (loss) for the period after taxation	52,467,498	(4,060,014)	10,740,537	2,663,373
Cash dividend for the year ended June 30, 2016 declared on September 30, 2016 at the rate of Rs. 0.76 per unit (2015: Rs. 0.91 per unit)	(12,323,543)	(16,864,231)	-	-
Cash dividend for the half year ended December 31, 2016 declared on February 28, 2017 at the rate of Rs. 0.52 per unit	(8,518,780)	-	(8,518,780)	-
Undistributed income carried forward	78,727,919	29,027,423	78,727,919	29,027,423

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

**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 NINE MONTHS AND QUARTER ENDED MARCH 31, 2017 (UN-AUDITED)**

	For the Nine Months Ended March 31		For the Quarter Ended March 31	
	2017	2016	2017	2016
	-----Rupees-----		-----Rupees-----	
Net assets at the beginning of the period	194,363,218	264,232,211	221,783,622	177,685,827
Issue of 616,470 (2016: 221,093) units and 520,177 (2016: Nil) units for the nine months and quarter ended respectively	8,477,732	2,568,580	7,283,000	-
Redemption of 535,807 (2016: 5,492,892) units and 271,416 (2016: 11,954) units for the nine months and quarter ended respectively	(7,239,436)	(65,598,936)	(3,909,820)	(126,005)
Element of income and capital gains included in prices of units redeemed	1,238,296	(63,030,356)	3,373,180	(126,005)
	(286,733)	(71,495)	(438,603)	(17,080)
Total comprehensive income / (loss) for the period:				
Capital gain on sale of investments	46,928,631	4,177,847	23,907,536	466,646
Unrealised (diminution) / appreciation on re-measurement of investments - at fair value through profit or loss	(4,226,753)	(12,396,978)	(21,328,844)	182,178
Other net income for the period	9,765,620	4,159,117	8,161,845	2,014,549
	52,467,498	(4,060,014)	10,740,537	2,663,373
Distribution made:				
Cash dividend declared for the year ended June 30, 2016 at the rate of Rs. 0.76 per unit declared on September 30, 2016 (2016: Rs. 0.91 per unit declared on October 5, 2015)	(12,323,543)	(16,864,231)	-	-
Cash dividend declared for the half year end December 31, 2016 at the rate of Rs. 0.52 per unit declared on February 28, 2017	(8,518,780)	-	(8,518,780)	-
Net assets at the end of the period	226,939,956	180,206,115	226,939,956	180,206,115
Net assets value per unit at the beginning of the period	11.7968	11.9697	13.5998	10.5670
Net assets value per unit at the end of the period	13.7069	10.7245	13.7069	10.7245

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

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

Chief Executive

Director

**FIRST CAPITAL MUTUAL FUND
CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2017 (UN-AUDITED)**

	For the Nine Months Ended March 31		For the Quarter Ended March 31	
	2017	2016	2017	2016
	-----Rupees-----		-----Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income / (loss) for the period before taxation	52,467,498	(4,060,014)	10,740,537	2,663,373
Adjustments				
Element of income and capital gains included in prices of units redeemed	(286,733)	(71,495)	(438,603)	(17,080)
Dividend income	(6,466,168)	(9,409,280)	(1,463,341)	(3,371,770)
Profit on bank deposits	(607,851)	(332,460)	(312,908)	(121,346)
Reversal of provision for Workers Welfare Fund Payable	(8,204,867)	-	(8,204,867)	-
Unrealised diminution / (appreciation) on re-measurement of investments - at fair value through profit or loss	4,226,753	12,396,978	21,328,844	(182,178)
	<u>41,128,632</u>	<u>(1,476,271)</u>	<u>21,649,662</u>	<u>(1,029,001)</u>
(Increase) / decrease in assets				
Investments - net	57,983,579	68,046,004	42,066,676	(4,505,119)
Advance, deposit, prepayment and other receivable	(52,136,335)	(110,630)	(51,740,593)	21,988
	<u>5,847,244</u>	<u>67,935,374</u>	<u>(9,673,917)</u>	<u>(4,483,131)</u>
Increase / (decrease) in liabilities				
Payable to First Capital Investment Limited - Management Company	517,288	(1,619,628)	(704,696)	(1,003,094)
Payable to Central Depository Company of Pakistan Limited - Trustee	1,772	10,480	-	-
Payable to Securities and Exchange Commission of Pakistan	(37,331)	(141,141)	55,282	41,249
Payable against Purchase of Investments	-	477,159	-	(21,400)
Accrued expenses and other liabilities	121,589	41,443	298	(109,617)
Unclaimed dividend	-	1,555,186	(1,592,221)	(657)
	<u>603,318</u>	<u>323,499</u>	<u>(2,241,337)</u>	<u>(1,093,519)</u>
Dividend received	6,087,739	7,580,066	1,182,875	891,392
Profit received on bank deposits	487,575	337,458	264,057	124,077
Net cash inflow / (outflow) from operating activities	54,154,508	74,700,126	11,181,340	(5,590,182)
CASH FLOW FROM FINANCING ACTIVITIES				
Receipts against issuance of units	8,477,732	2,568,580	7,282,998	-
Payments made against redemption of units	(7,239,436)	(65,598,936)	(3,909,818)	(126,005)
Dividend Paid	(20,842,323)	(16,864,231)	(8,518,780)	-
Net cash used in financing activities	(19,604,027)	(79,894,587)	(5,145,600)	(126,005)
Net Increase / (decrease) in cash and cash equivalents during the period	34,550,481	2,679,872	6,035,740	(5,716,187)
Cash and cash equivalents at the beginning of the period	4,570,869	1,547,638	33,085,610	9,366,697
Cash and cash equivalents at the end of the period	39,121,350	4,227,510	39,121,350	3,650,510

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

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

Chief Executive

Director

**FIRST CAPITAL MUTUAL FUND
NOTES TO AND FORMING PART OF CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2017 (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 ("the 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 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 CDC as trustee of the Fund and the Fund was previously listed on Lahore Stock Exchange of Pakistan. However, due to integration of Karachi, Lahore and Islamabad Stock Exchanges into Pakistan Stock Exchange ("PSX") with effect from January 11, 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 has assigned "3 Star" to the fund on November 30, 2016 and December 07, 2016 respectively.

2 Basis of preparation

2.1 STATEMENT OF COMPLIANCE

This condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984, the NBC Rules, the NBFC Regulations and directives issued by the SECP. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and directives issued by the SECP have been followed.

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 June 30, 2016.

The comparative in the statement of assets and liabilities presented in the condensed interim financial information as at March 31, 2017 have been extracted from the audited financial statements of the Fund for the year ended June 30, 2016, where as the comparatives in the condensed interim income statement, condensed interim distribution statement, condensed interim cash flow statement, and condensed interim statement of movement in unit holders' funds are stated from unaudited condensed interim financial information for the nine month and quarter ended March 31, 2016.

The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34: "Interim Financial Reporting". This condensed interim financial information is unaudited.

The Directors of the Management Company declare that this condensed interim financial information give a true and fair view of the Fund.

2.2 Functional and presentation currency

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 rupees.

**FIRST CAPITAL MUTUAL FUND
NOTES TO AND FORMING PART OF CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2017 (UN-AUDITED)**

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation followed in the preparation of this condensed interim financial information are the same as those applied in the preparation of financial statements for the year ended June 30, 2016.

- 3.1 Except as disclosed in note 3.2, amendments to certain existing standards and interpretations on approved accounting standards effective during the period were not relevant to the fund operations and did not result in change in accounting policy of the Fund except for, which applicable, change in presentation and additional disclosures.

4 Estimates and Judgments

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing this condensed interim financial information, the significant judgments made by management in applying accounting policies and key sources of estimating uncertainty were the same as those that applied to financial statements as at and for the year ended June 30, 2016.

5 Financial risk management

The Fund's financial risk management objectives and policies are consistent with that disclosed in the financial statements as at and for the year ended June 30, 2016.

	Note	March 31 2017 Un audited	June 30 2016 Audited
-----Rupees-----			
6 BALANCES WITH BANKS			
- In saving accounts	6.1	39,116,350	4,565,869
- In current account		5,000	5,000
		<u>39,121,350</u>	<u>4,570,869</u>

- 6.1 The rate of return on these saving accounts is 3.75% to 4.25% (June 30, 2016: 4.00% to 5.00%) per annum.

7 INVESTMENTS

At fair value through profit or loss - Held for trading

Listed equity securities	7.1	139,674,616	193,942,033
Unlisted equity security	7.2	-	21,600
Government securities - Market treasury bills	7.3	9,980,640	17,901,954
		<u>149,655,256</u>	<u>211,865,587</u>

7.1 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				Balances as at March 31, 2017 (Rupees)			(%) Percentage in relation to			
	As at July 01, 2016	Purchases during the period	Bonus / Rights during the period	Sales during the period	As at March 31, 2017	Carrying value	Market value	Appreciation / (Diminution)	Net assets of the Fund (with market value of investments)	Market value of total investments	Paid up capital of investee company (with face value of investments)
Cement											
Attock Cement Pakistan Limited	1,450	1,500	-	2,950	-	-	-	-	-	-	-
Bestway Cement Limited	-	8,492	-	8,492	-	-	-	-	-	-	-
Cherat Cement Company Limited	7,500	43,400	-	50,900	-	-	-	-	-	-	-
Dewan Cement Limited	-	75,000	-	62,500	12,500	473,699	302,250	(171,449)	0.13	0.20	0.0003
D.G. Khan Cement Company Limited	24,200	20,800	-	45,000	-	-	-	-	-	-	-
Dandot Cement Company Limited	-	128,500	-	29,500	99,000	1,430,089	1,605,780	175,691	0.71	1.07	0.0104
Fauji Cement Company Limited	70,500	69,500	-	125,000	15,000	627,417	640,200	12,783	0.28	0.43	0.0001
Fecto Cement Limited	7,000	-	-	7,000	-	-	-	-	-	-	-
Flying Cement Company Limited	-	83,000	-	83,000	-	-	-	-	-	-	-
Gharibwal Cement Limited	-	30,000	-	-	30,000	1,929,745	1,815,300	(114,445)	0.80	1.21	0.0007
Kohat Cement Company Limited	4,600	14,400	-	15,300	3,700	988,164	974,543	(13,621)	0.43	0.65	0.0002
Lucky Cement Limited	13,500	2,500	-	13,000	3,000	2,292,082	2,512,170	220,088	1.11	1.68	0.0001
Maple Leaf Cement Factory Limited	23,500	3,000	-	26,500	-	-	-	-	-	-	-
Pakcem Limited - Freeze	84,916	-	-	84,916	-	-	-	-	-	-	-
Pioneer Cement Limited	19,000	51,000	-	62,500	7,500	1,074,350	1,072,500	(1,850)	0.47	0.72	0.0003
Power Cement Limited	-	650,000	-	650,000	-	-	-	-	-	-	-
Thatta Cement Company Limited	-	25,000	-	25,000	-	-	-	-	-	-	-
	256,166	1,206,092	-	1,291,558	170,700	8,815,546	8,922,743	107,197	3.93	5.96	0.0121
Refinery											
Attock Refinery Limited	4,800	7,000	-	11,800	-	-	-	-	-	-	-
Byco Petroleum Pakistan Limited	59,000	141,000	-	-	200,000	4,657,705	4,310,000	(347,705)	1.90	2.88	0.0020
National Refinery Limited	3,800	-	-	3,800	-	-	-	-	-	-	-
Pakistan Refinery Limited	-	20,000	-	20,000	-	-	-	-	-	-	-
	67,600	168,000	-	35,600	200,000	4,657,705	4,310,000	(347,705)	1.90	2.88	0.0020
Power Generation & Distribution											
The Hub Power Company Limited	75,300	-	-	19,000	56,300	6,759,378	7,378,678	619,300	3.25	4.93	0.0005
Japan Power Generation Limited	-	100,000	-	100,000	-	-	-	-	-	-	-
Kot Addu Power Company Limited	35,000	-	-	-	35,000	3,123,750	2,807,350	(316,400)	1.24	1.88	0.0004
K-Electric Limited (i)	308,500	151,500	-	260,000	200,000	1,753,328	1,636,000	(117,328)	0.72	1.09	0.0002
Lalpir Power Limited	49,000	-	-	49,000	-	-	-	-	-	-	-
Nishat Chunian Power Limited	27,502	-	-	27,502	-	-	-	-	-	-	-
Nishat Power Limited	38,500	-	-	38,500	-	-	-	-	-	-	-
Pakgen Power Limited	25,000	-	-	25,000	-	-	-	-	-	-	-
Tri-Star Power Limited	-	100,000	-	100,000	-	-	-	-	-	-	-
	558,802	351,500	-	619,002	291,300	11,636,456	11,822,028	185,572	5.21	7.90	0.0011
Oil & Gas Marketing Companies											
Attock Petroleum Limited	2,200	-	-	2,200	-	-	-	-	-	-	-
Hascol Petroleum Limited	9,493	10,700	-	14,200	5,993	1,948,956	1,797,301	(151,655)	0.79	1.20	0.0005
Hi-Tech Lubricants Limited	-	10,000	-	10,000	-	-	-	-	-	-	-
Pakistan State Oil Company Limited	18,700	21,300	-	28,000	12,000	5,150,744	5,082,240	(68,504)	2.24	3.40	0.0004
Shell Pakistan Limited	7,500	5,000	-	12,500	-	-	-	-	-	-	-
Sui Northern Gas Pipelines Limited	44,000	30,000	-	74,000	-	-	-	-	-	-	-
Sui Northern Gas Company Limited	44,500	84,500	-	129,000	-	-	-	-	-	-	-
	126,393	161,500	-	269,900	17,993	7,099,700	6,879,541	(220,159)	3.03	4.60	0.0009

7.1 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				Balances as at March 31, 2017 (Rupees)			(%) Percentage in relation to			
	As at July 01, 2016	Purchases during the period	Bonus / Rights during the period	Sales during the period	As at March 31, 2017	Carrying value	Market value	Appreciation / (Diminution)	Net assets of the Fund (with market value of investments)	Market value of total investments	Paid up capital of investee company (with face value of investments)
Oil & Gas Exploration Companies											
Mari Petroleum Company Limited	627	500	-	1,000	127	121,642	193,100	71,458	0.09	0.13	-
Oil & Gas Development Company Limited	62,800	25,000	-	57,800	30,000	4,282,853	4,449,300	166,447	1.96	2.97	0.0001
Pakistan Oilfields Limited	9,700	11,800	-	13,500	8,000	4,102,500	3,560,400	(542,100)	1.57	2.38	0.0003
Pakistan Petroleum Limited	45,200	30,000	-	53,200	22,000	3,684,755	3,408,020	(276,735)	1.50	2.28	0.0001
	118,327	67,300	-	125,500	60,127	12,191,750	11,610,820	(580,930)	5.12	7.76	0.0005
Industrial Engineering											
Aisha Steel Mills Limitec	-	500,000	-	450,000	50,000	1,303,580	1,273,000	(30,580)	0.56	0.85	0.0018
Amreli Steels Limitec	16,500	31,500	-	48,000	-	-	-	-	-	-	-
Crescent Steel & Allied Products Limitec	9,200	10,000	-	19,200	-	-	-	-	-	-	-
Dost Steels Limitec	-	200,000	-	100,000	100,000	1,418,990	1,439,000	20,010	0.63	0.96	0.0032
International Steels Limitec	5,000	44,000	-	24,000	25,000	3,418,645	3,223,500	(195,145)	1.42	2.15	0.0006
KSB Pumps Company Limitec	-	-	-	-	-	-	-	-	-	-	-
Mughal Iron & Steel Industries Limitec	20,500	65,000	-	60,500	25,000	3,717,850	3,525,750	(192,100)	1.55	2.36	0.0020
	51,200	850,500	-	701,700	200,000	9,859,065	9,461,250	(397,815)	4.16	6.32	0.0076
Automobile Assembler											
Al-Ghazi Tractors Limited (i)	3,490	4,000	-	7,490	-	-	-	-	-	-	-
Atlas Honda Limited	1,000	1,000	-	2,000	-	-	-	-	-	-	-
Dewan Farooque Motors Limited	-	10,000	-	10,000	-	-	-	-	-	-	-
Gandhara Nissan Limited	6,000	-	-	6,000	-	-	-	-	-	-	-
Honda Atlas Cars (Pakistan) Limited	2,900	3,000	-	2,900	3,000	2,396,000	2,255,760	(140,240)	0.99	1.51	0.0002
Indus Motor Company Limited	1,800	1,500	-	3,300	-	-	-	-	-	-	-
Millat Tractors Limited	1,216	7,000	-	7,216	1,000	1,163,972	1,316,410	152,438	0.59	0.88	0.0002
Pak Suzuki Motor Company Limited	2,800	-	-	2,800	-	-	-	-	-	-	-
	19,206	26,500	-	41,706	4,000	3,559,972	3,572,170	12,198	1.58	2.39	0.0004
Automobile Parts & Accessories											
Exide Pakistan Limited	-	-	-	-	-	-	-	-	-	-	-
The General Tyre & Rubber Company of Pakistan	5,400	10,000	-	5,400	10,000	3,012,500	2,710,800	(301,700)	1.19	1.81	0.0017
Loads Limited	-	30,000	-	30,000	-	-	-	-	-	-	-
	5,400	40,000	-	35,400	10,000	3,012,500	2,710,800	(301,700)	1.19	1.81	0.0017
Cables & Electrical Goods											
Pak Elektron Limited	40,000	60,000	-	100,000	-	-	-	-	-	-	-
Singer Pakistan Limited	-	40,000	-	40,000	-	-	-	-	-	-	-
TPL Trakker Limited	47,000	250,000	-	47,000	250,000	4,286,390	3,517,500	(768,890)	1.55	2.35	0.0115
	87,000	350,000	-	187,000	250,000	4,286,390	3,517,500	(768,890)	1.55	2.35	0.0115
Transport											
Pakistan International Bulk Terminal Limited	15,000	45,000	7,625	7,625	60,000	1,880,490	1,701,000	(179,490)	0.75	1.14	-
Pakistan National Shipping Corporation	7,200	20,000	-	7,200	20,000	3,872,500	3,506,800	(365,700)	1.55	2.34	0.0015
	22,200	65,000	7,625	14,825	80,000	5,752,990	5,207,800	(545,190)	2.30	3.48	0.0015

7.1 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				Balances as at March 31, 2017 (Rupees)			(%) Percentage in relation to			
	As at July 01, 2016	Purchases during the period	Bonus / Rights during the period	Sales during the period	As at March 31, 2017	Carrying value	Market value	Appreciation / (Diminution)	Net assets of the Fund (with market value of investments)	Market value of total investments	Paid up capital of investee company (with face value of investments)
Technology & Communications											
Media Times Limited	-	20,000	-	20,000	-	-	-	-	-	-	-
Netsol Technologies Limited	-	45,000	-	30,000	15,000	1,330,499	1,123,950	(206,549)	0.50	0.75	0.0017
Pakistan Telecommunication Company Limited	88,500	-	-	88,500	-	-	-	-	-	-	-
Systems Limited	-	5,000	-	5,000	-	-	-	-	-	-	-
TRG Pakistan Limited - Class 'A'	-	157,500	-	107,500	50,000	2,227,656	2,604,000	376,344	1.15	1.74	0.0009
Worldcall Telecom Limited	-	750,000	-	200,000	550,000	1,375,000	1,303,500	(71,500)	0.57	0.87	0.0064
	88,500	977,500	-	451,000	615,000	4,933,155	5,031,450	98,295	2.22	3.36	0.0090
Fertilizer											
Dawood Hercules Corporation Limited	25,000	5,000	-	10,000	20,000	2,974,500	2,650,200	(324,300)	1.17	1.77	0.0004
Engro Fertilizers Limited	58,000	5,000	-	46,000	17,000	1,095,244	1,065,220	(30,024)	0.47	0.71	0.0001
Engro Corporation Limited	27,600	17,400	-	37,500	7,500	2,627,306	2,760,150	132,844	1.22	1.84	0.0001
Fatima Fertilizer Company Limited	47,500	12,500	-	60,000	-	-	-	-	-	-	-
Fauji Fertilizer Bin Qasim Limited	31,000	15,000	-	23,000	23,000	1,243,155	1,201,290	(41,865)	0.53	0.80	0.0002
Fauji Fertilizer Company Limited	27,700	9,000	-	-	36,700	4,189,344	3,802,120	(387,224)	1.68	2.54	0.0003
	216,800	63,900	-	176,500	104,200	12,129,549	11,478,980	(650,569)	5.07	7.66	0.0011
Pharmaceuticals											
Abbot Laboratories (Pakistan) Limited	1,300	-	-	1,000	300	226,200	281,862	55,662	0.12	0.19	-
Ferozsons Laboratories Limited	500	-	-	500	-	-	-	-	-	-	-
GlaxoSmithKline Pakistan Limited	7,200	10,600	-	2,800	15,000	3,498,518	3,384,300	(114,218)	1.49	2.26	0.0005
GlaxoSmithKline Consumer Healthcare Pakistan Limited	2,160	-	-	-	2,160	21,600	187,976	166,376	0.08	0.13	0.0002
Highnoon Laboratories Limited	2,365	-	-	2,334	31	17,868	20,192	2,324	0.01	0.01	-
The Searle Company Limited	5,005	-	1,100	4,700	1,405	600,852	887,848	286,996	0.39	0.59	0.0001
	18,530	10,600	1,100	11,334	18,896	4,365,038	4,762,178	397,140	2.09	3.18	0.0008
Chemicals											
Akzo Nobel Pakistan Limited	5,700	-	-	5,700	-	-	-	-	-	-	-
Archroma Pakistan Limited	3,100	-	-	3,100	-	-	-	-	-	-	-
Ghani Gases Limited	-	170,000	-	170,000	-	-	-	-	-	-	-
ICI Pakistan Limited	1,688	3,000	-	3,188	1,500	1,607,500	1,673,790	66,290	0.74	1.12	0.0002
Lottee Chemical Pakistan Limited	-	100,000	-	100,000	-	-	-	-	-	-	-
Nimra Industrial Chemicals Limited	-	10,000	-	10,000	-	-	-	-	-	-	-
	10,488	283,000	-	291,988	1,500	1,607,500	1,673,790	66,290	0.74	1.12	0.0002
Paper & Board											
Cherat Packaging Limited	2,100	-	-	2,100	-	-	-	-	-	-	-
Packages Limited	6,800	4,800	-	1,400	10,000	7,524,344	8,679,800	1,155,456	3.82	5.80	0.0011
	8,700	4,800	-	3,500	10,000	7,524,344	8,679,800	1,155,456	3.82	5.80	0.0011

7.1 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					Balances as at March 31, 2017 (Rupees)			(%) Percentage in relation to		
	As at July 01, 2016	Purchases during the period	Bonus / Rights during the period	Sales during the period	As at March 31, 2017	Carrying value	Market value	Appreciation / (Diminution)	Net assets of the Fund (with market value of investments)	Market value of total investments	Paid up capital of investee company (with face value of investments)
Foods & Personal Care Products											
Al Shaheer Corporation Limited	8,000	-	-	8,000	-	-	-	-	-	-	-
Engro Foods Limited	11,500	-	-	11,500	-	-	-	-	-	-	-
National Foods Limited (i)	3,400	-	-	3,400	-	-	-	-	-	-	-
Nestle Pakistan Limited	-	-	-	-	-	-	-	-	-	-	-
Treet Corporation Limited	-	10,000	-	10,000	-	-	-	-	-	-	-
	22,900	10,000	-	32,900	-	-	-	-	-	-	-
Glass & Ceramics											
Shabbir Tiles & Ceramics Limited	-	150,000.00	-	150,000	-	-	-	-	-	-	-
Tariq Glass Industries Limited	-	40,000.00	-	40,000	-	-	-	-	-	-	-
	-	190,000	-	190,000	-	-	-	-	-	-	-
Miscellaneous											
Pace (Pakistan) Limited	-	95,000	-	70,000	25,000	288,750	232,750	(56,000)	0.10	0.16	0.0009
	-	95,000	-	70,000	25,000	288,750	232,750	(56,000)	0.10	0.16	0.0009
Grand Total	2,720,594	7,178,392	11,805	6,003,142	3,907,649	143,901,152	139,674,616	(4,226,536)	61.55		

(i) The face value of each share held of Habib Insurance Company Limited, Al Ghazi Tractors Limited and National Foods Limited is Rs. 5 each and face value of each share held of K-Electric Limited is Rs. 3.5 each.

7.2 This represents 2,160 unlisted ordinary shares of GlaxoSmithKline Consumer Healthcare Pakistan Limited received on demerger of Consumer Healthcare business from GlaxoSmithKline Pakistan Limited. Under the scheme of arrangement, the Fund received 3 ordinary shares of newly formed GlaxoSmithKline Consumer Healthcare Pakistan Limited for every 10 existing ordinary shares of GlaxoSmithKline Pakistan Limited held on the entitlement date. The unlisted ordinary shares of GlaxoSmithKline Consumer Healthcare Pakistan Limited was listed on PSX on March 2017.

7.3 Government securities - Market treasury bills

Category	Face Value (Rupees)					Balances as at March 31, 2017			(%) Percentage in relation to	
	As at July 01, 2016	Purchases during the period	Sales during the period	Mature during the period	As at March 31, 2017	Amortised cost	Market value	Appreciation / (Diminution)	Net assets of the Fund (with market value of investments)	Market value of total investments
3 months T-Bills	18,000,000	46,000,000	-	54,000,000	10,000,000	9,980,857	9,980,640	(217)	4.40	6.67
	18,000,000	46,000,000	-	54,000,000	10,000,000	9,980,857	9,980,640	(217.00)	4.40	6.67

7.3.1 This market treasury bill have purchase yield of 5.90% (30 June 2016: 6.21%) per annum and will mature by 13 April 2017 (30 June 2016: 4 August 2016).

	Notes	March 31 2017 Un audited	June 30 2016 Audited
-----Rupees-----			
8 Dividend and profit receivable			
Dividend receivable		740,945	362,516
Profit accrued on bank deposits		140,467	20,191
		<u>881,412</u>	<u>382,707</u>
9 Advances, deposits, prepayments and other receivables			
Security deposit with the CDC		237,500	237,500
Advance Tax deducted		632,917	262,177
Prepaid Annual Fee of the CDC		31,973	13,035
Other receivable from the Management Company		211,363	211,363
Receivable against sale of investments		51,746,657	-
		<u>52,860,410</u>	<u>724,075</u>
10 PAYABLE TO FIRST CAPITAL INVESTMENTS LIMITED - MANAGEMENT COMPANY			
Remuneration of Management Company	10.1	762,298	316,360
Punjab Sales tax on Remuneration of Management Company	10.2	121,968	50,618
Federal Excise Duty on Remuneration of Management Company	10.3	3,713,448	3,713,448
		<u>4,597,714</u>	<u>4,080,426</u>
10.1	As per the amendments made in the NBFC Regulations, 2008 vide SRO 1160 (1) / 2015 dated November 25, 2015, the Management Company is entitled to a remuneration equal to an amount not exceeding 2% of the average annual net assets in case of equity schemes. Previously, the Management Company was entitled to receive a remuneration during the first five years of the Fund, at a rate not exceeding 3% of the average annual net assets of the Fund and thereafter, at a rate of 2% of such assets. Accordingly, the Management Company has charged its remuneration at a rate of 2% (June 30, 2016: 2%) per annum of the average annual net assets of the fund for the period. The fee is payable to the Management Company monthly in arrears.		
10.2	The Provincial Government of Punjab levied Punjab Sales Tax at the rate of 16% on the remuneration of the Management Company through the Punjab Sales Tax on Services Act, 2012 effective from July 01, 2012.		
10.3	As per requirement of the Finance Act 2013, the Federal Excise Duty ("FED") is applicable at the rate of 16% on the remuneration of Management Company with effect from June 13, 2013. Since the remuneration is already subject to the Provincial Sales Tax, the management is of the view that further levy of FED may result in double taxation which does not appear to be the spirit of the law. A stay order against the collection has been granted by the Honorable Sindh High Court ("Honorable SHC") on a petition filed by the Mutual Funds Association of Pakistan ("MUFAP") as on September 04, 2013.		
	The Honorable SHC has passed a Judgment on June 30, 2016 that the Provinces alone have the legislative power to levy a tax on rendering or providing services after 18th amendment in Constitution of Pakistan. Therefore chargeability and collection of FED after July 01, 2011 is Ultra Vires to the Constitution of Pakistan. However, the Federal Board of Revenue (Deputy Commissioner Inland Revenue) has filed a civil petition for leave to appeal in the Honorable Supreme Court of Pakistan ("Honorable SCP"). The Honorable SCP has suspended the operation of impugned judgment by Honorable SHC during the pendency of filed civil petition. Resultantly, the management shall make appropriate adjustment after the final decision of the Honorable SCP.		
	With effect from July 01, 2016, the fund has not recognized a further provision for FED since Finance Act 2016 has excluded the asset management companies from the levy of FED with effect from July 01, 2016 where the Provinces have levied their respective Provincial Sales Tax.		
11 ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration payable		428,746	717,500
Annual Listing Fee Payable		52,520	30,000
Printing charges payable		6,285	-
Annual ranking fee payable		105,367	-
Withholding & capital gain tax payable		190,391	75,470
Transaction costs payable		-	1,368
Other payable		-	17,795
CDS charges payable		5,500	-
SST on CDS Charges payable		715	-
Accounting and operational charges payable		161,294	-
SST on accounting and operational charges		12,904	-
		<u>963,722</u>	<u>842,133</u>
12 Provision for Worker's Welfare Fund			

The Finance Act, 2008 had introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 ("WWF Ordinance") as a result of which it was construed that all CISs / mutual funds whose income exceeded Rs 0.5 million in a tax year were 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 was higher. In light of this, MUFAP filed a constitutional petition in the Honorable SHC challenging the applicability of WWF on CISs which is pending adjudication. Similar cases were disposed of by the Peshawar and the Lahore High Courts in which these amendments were declared unlawful and unconstitutional. However, these decisions were challenged in the Honorable SCF

Subsequently, the Finance Act, 2016 introduced an amendment under which CISs / mutual funds have been excluded from the definition of "industrial establishment" subject to WWF under the WWF Ordinance. Consequently, mutual funds are not subject to this levy after the introduction of this amendment which is applicable from tax year 2016. Accordingly, no further provision in respect of WWF was made with effect from July 01, 2016.

On November 10, 2016 the Honorable SCP has passed a judgment declaring the amendments made in the Finance Acts 2006 and 2008 pertaining to WWF as illegal citing that WWF was not in the nature of tax and could, therefore, not have been introduced through money bills. Accordingly, the aforesaid amendments have been struck down by the Honorable SCP. The Federal Board of Revenue has filed a petition in the Honorable SCP against the said judgment, which is pending hearing. While the petitions filed by the CISs on the matter are still pending before the SHC, the MUFAP (collectively on behalf of the asset management companies and their CISs) has taken legal and tax opinions on the impact of the Honorable SCP judgment on the CISs petition before the Honorable SHC. Both legal and tax advisors consulted, were of the view that the judgment has removed the very basis on which the demands were raised against the CISs. Therefore, there was no longer any liability against the CISs under the WWF Ordinance and that all cases pending in the Honorable SHC or lower appellate forums will now be disposed of in light of the earlier judgment of the Honorable SCP.

In view of the above development regarding the applicability of WWF on CISs / mutual funds, and based on legal opinion, MUFAP has recommended that the entire provision against WWF held by the CISs till June 30, 2016, to be reversed on January 12, 2017.

The above decisions were communicated to the SECP and the PSX on January 12, 2017 and the SECP vide its letter dated February 01, 2017 has advised MUFAP that the adjustments relating to the above should be prospective and supported by adequate disclosures in the financial statements of the CISs/ mutual funds. Accordingly, the Fund has recorded these adjustments in its books on January 12, 2017.

13 Contingencies And Commitments

There were no contingencies and commitments outstanding as at March 31, 2017 & June 30, 2016.

14 Total Expense Ratio

As per the NBFC Regulations 2008, the Total Expense Ratio ("TER") of the Fund shall be capped up to 4% of the Average Net Assets excluding expenses representing Government levies, and the SECP Fee.

Without taking impact of Reversal of Provision for Workers' Welfare Fund :

TER of the Fund for the period is 4.02% including expenses representing Government levies, and the SECP Fee. However, after deducting Government levy, and the SECP Fee i.e. 0.59%, the expense ratio will be 3.43% that is with the prescribed limit.

With impact of Reversal of Provision for Workers' Welfare Fund :

TER of the Fund for the period is (1.06%) including expenses representing Government levies, and the SECP Fee. However, after deducting Government levy and the SECP Fee i.e. 0.59%, the expense ratio will be (1.65%) that is with the prescribed limit.

15 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 realized or unrealized is distributed to the unit holders in the form of cash dividend. The management intends to distribute at least 90% of the Fund's net accounting income earned by the year end to the unit holders. Accordingly, no provision in respect of taxation has been made in this condensed interim financial information.

16 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.

16.1 <u>Transactions for the period:</u>	For the Nine Months Ended		For the Quarter Ended	
	March 31		March 31	
	2017	2016	2017	2016
	-----Rupees-----		-----Rupees-----	
First Capital Investments Limited - Management Company				
Remuneration of the Management Company	3,225,891	3,069,686	1,163,831	868,312
Punjab Sales Tax on Remuneration of the Management Company	516,142	569,734	35,286	161,159
Federal Excise Duty on Remuneration of the Management Company	-	491,150	-	138,930
Dividend Paid	13,188,393	10,200,916	4,989,280	-
Issue of 322,609 (2016: 587) units and 322,609 (2016: Nil) unit for the nine months and quarter ended respectively	4,500,000	-	4,500,000	-
Redemption of 158,391 (2016: 103) units and Nil (2016: Nil) unit for the nine months and quarter ended respectively	2,014,594	-	-	-
Transfer in of Nil (2016:586) units and Nil (2016: Nil) units for the nine months and quarter ended respectively	-	6,518	-	-
Central Depository Company of Pakistan Limited - Trustee				
Remuneration of the Trustee	525,480	525,956	172,605	174,043
Sindh Sales Tax on Remuneration of the Trustee	68,312	73,634	(261,618)	24,366
Settlement Charges inclusive of Sindh Sales Tax	31,154	61,635	14,985	24,307
CDS Fee paid	76,275	-	-	-
Amortization of CDS Fee	57,373	-	18,807	-

First Capital Equities Limited				
Brokerage expense	104,087	17,339	45,855	1,509
SST on brokerage expense	13,531	2,427	5,961	211
Dividend Paid	1,363	1,632	-	-
First Capital Securities Corporation Limited				
Issue of 162,973 (2016: Nil) units and 162,973 (2016: Nil) unit for the nine months and quarter ended respectively	2,300,000	-	2,300,000	-
Redemption of 162,973 (2016: 103) units and 162,973 (2016: Nil) unit for the nine months and quarter ended respectively	2,354,025	-	2,354,025	-
Dividend Paid	407,408	305,137	152,568	-
AI Hoqani securities and Investments Corporation (Private) Limited				
Dividend Paid	178	594,103	-	-
Redemption of Nil (2016:3,082,860) units and Nil (2016: Nil) unit for the nine months and quarter ended respectively	-	36,894,043	-	-
Salman Taseer (Late)				
Dividend Paid	2,546,350	-	953,237	-
Sulaiman Ahmed Saeed AI Hoqani				
Dividend Paid	2	875,259	-	-
Redemption of Nil (2016: 2,211,821) units and Nil (2016: Nil) units for the nine months and quarter ended respectively	-	26,460,434	-	-

16.2 Outstanding balances as at period / year end:

	March 31 2017 Un audited	June 30 2016 Audited
	-----Rupees-----	
First Capital Investments Limited - Management Company		
Remuneration payable inclusive of taxes thereon	4,597,714	4,080,426
Receivables	211,363	211,363
Units held: 11,110,915 (June 30, 2016: 10,946,697) unit	152,296,205	129,171,027
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable inclusive of taxes thereon	67,182	65,410
Security deposit	237,500	237,500
Settlement charges payable inclusive of taxes thereon	6,215	1,368
Prepaid Fee	31,973	13,035
First Capital Securities Corporation Limited		
Units held: 335,316 (June 30, 2016: 335,316) unit	4,596,138	3,955,656
First Capital Equities Limited		
Units held: 1,793 (June 30, 2016: 1,793) unit:	24,578	21,152
Salman Taseer (Late)		
Units held: 2,096,201 (30 June 2016: 2,096,201) unit	28,716,336	24,728,464
Sulaiman Ahmed Saeed AI Hoqani		
Units held: 2 (June 30, 2016: 2) unit:	27	27
Key Management Personnel of the Management Company		
Units held: 587 (June 30, 2016: 602) unit:	8,044	7,102

17 Financial instruments- fair values and risk management

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

Fair value of underlying financial assets are determined based on requirement of regulation 66 of Non-Banking Finance Companies and Notified Entities Regulations, 2008 and directives if any issued by Securities and Exchange Commission of Pakistan. The fair value of financial assets traded in active market i.e. listed securities are based on quoted market price at stock exchange as determined in accordance with its regulations.

The fund measures fair value using the fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: Quoted market price (unadjusted) in an active market for an identical instrument
- Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: Valuation techniques using significant unobservable input:

		March 31, 2017							
		Carrying Amount			Fair Value				
		Fair value through profit or loss	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		(Rupees)							
Financial assets measured at fair value									
Investments									
	7.1	143,901,152	-	-	143,901,152	139,674,616	-	-	139,674,616
	7.3	10,000,000	-	-	10,000,000	9,980,857	-	-	9,980,857
Financial assets not measured at fair value									
	6	-	39,121,350	-	39,121,350	-	-	-	-
	8	-	881,412	-	881,412	-	-	-	-
	9	-	52,860,410	-	52,860,410	-	-	-	-
		153,901,152	92,863,172	-	246,764,324	149,655,473	-	-	149,655,473

		June 30, 2016							
		Carrying Amount			Fair Value				
		Fair value through profit or loss	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		(Rupees)							
Financial liabilities - not measured at fair value									
	10.1	-	-	762,298	762,298	-	-	-	-
		-	-	59,453	59,453	-	-	-	-
		-	-	153,230	153,230	-	-	-	-
	11	-	-	963,722	963,722	-	-	-	-
		-	-	9,796,624	9,796,624	-	-	-	-
		-	-	11,735,327	11,735,327	-	-	-	-

		June 30, 2016							
		Carrying Amount			Fair Value				
		Fair value through profit or loss	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		(Rupees)							
Financial assets measured at fair value									
Investments									
		193,942,033	-	-	193,942,033	193,942,033	-	-	193,942,033
		21,600	-	-	21,600	-	-	-	-
		17,901,954	-	-	17,901,954	17,901,954	-	-	17,901,954
Financial assets not measured at fair value									
	6	-	4,570,869	-	4,570,869	-	-	-	-
	8	-	382,707	-	382,707	-	-	-	-
	9	-	724,075	-	724,075	-	-	-	-
		211,865,587	5,677,651	-	217,543,238	211,843,987	-	-	211,843,987

		June 30, 2016							
		Carrying Amount			Fair Value				
		Fair value through profit or loss	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		(Rupees)							
Financial liabilities - not measured at fair value									
	10.1	-	-	316,360	316,360	-	-	-	-
		-	-	57,377	57,377	-	-	-	-
		-	-	190,561	190,561	-	-	-	-
	11	-	-	842,133	842,133	-	-	-	-
		-	-	9,796,624	9,796,624	-	-	-	-
		-	-	11,203,055	11,203,055	-	-	-	-

- 17.1 The Fund has not disclosed the fair values for these financial assets, because their carrying amounts are reasonable approximation of fair value.
- 17.2 All the financial liabilities of the fund are classified as trade and other payables. The fund has not disclosed the fair value of these financial liabilities, because their carrying amount are reasonable approximation of fair value

18 General

- 18.1 Units ha\Units have been rounded off to the nearest decimal place.
- 18.2 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.

19 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorized for issue by the Board of Directors of the Management Company on April 29, 2017.

For First Capital Investments Limite
(Management Company)

Chief Executive

Director