

# First Capital Mutual Fund

## Directors' Report

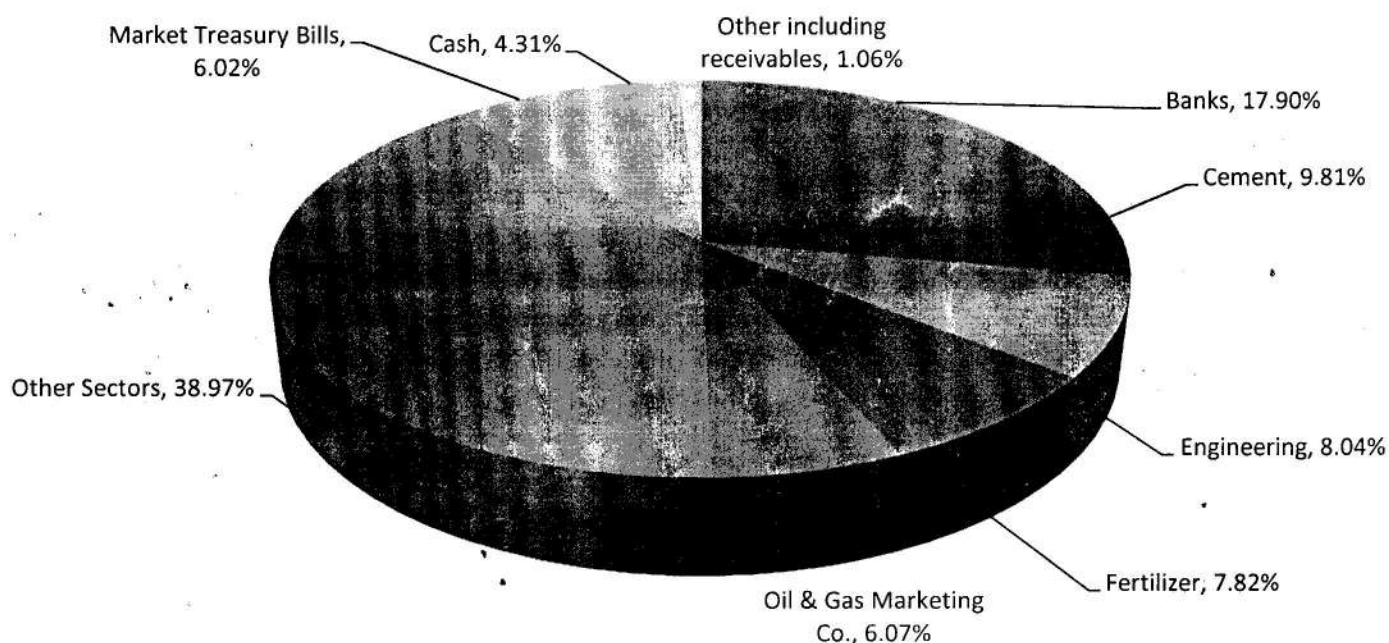
The Board of Directors of First Capital Investments Limited ("FCIL" or "Management Company") is pleased to present the financial statements of First Capital Mutual Fund ("FCMF" or "the Fund" or "the Scheme") for the quarter ended September 30, 2017.

### Fund's Performance

During the period under review the Net Asset Value (NAV) per unit of FCMF has decreased from Rs.12.5359 to Rs. 10.9032, accordingly posting a drop of 13.02%, as compared to its Benchmark's (KSE-100 index) return of -8.93%, for the same period. Thus, the Fund has underperformed the benchmark by 4.10%, mainly on the back of underweight in Oil & Gas Exploration, Refineries, Pharmaceuticals and Fertilizer sector's stocks which outperformed the market

During the first quarter, the fund has posted net loss of Rs. 26.822 million as compared to total comprehensive income of Rs.16.188 million in the corresponding period last year. The unrealized diminution on re-measurement of investments for the period under review is recorded at Rs. 26.535 million as compared to profit of Rs. 11.584 million last year. The unrealized diminution on re-measurement of investments is mainly due to instability in equity market. Capital loss on sale of investments has recorded at Rs. 0.138 million as compared to capital gain of Rs. 4.444 million in the corresponding period last year. The dividend income has decreased to Rs. 1.312 million from Rs. 1.888 million, a reduction of 30.50%. The Fund size of FCMF at the end of the period stood at Rs. 179.135 million as compared to Rs. 208.148 million at the start of the period under review.

The asset allocation of the Fund as on 30 September 2017 is as under:



During the period under review KSE-100 index decreased by 8.93%, due to political uncertainty after disqualification of prime minister. Investors' anxiety amplified during the court proceedings on the JIT report with the benchmark KSE-100 Index hitting a low of 40,958.65 levels (down 12.04% on financial year to date basis) on

## **First Capital Mutual Fund**

September 7, 2017, a cumulative decline of 22.54% from the all-time high levels hit on May 24, 2017. President Trump's allegation that Pakistan offers safe haven to terrorist organizations led to further decline in Pakistan stock market. Further, penalty imposition on HBL's New York branch also deteriorated investor's confidence. Foreign investors remained net seller with the outflow of US\$91.36 million.

During the month of September the market turned toward stability with a return of 2.92%, led by Fertilizer and Oil & Gas Exploration sector. Fertilizer sector outperformed the market on the back of surge in international urea prices. Recovery in the international oil prices, expectation of some currency devaluation, and reasonable valuations led to healthy performance of the Oil & Gas Exploration sector.

### **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, 2017 give a true and fair view of the fund.

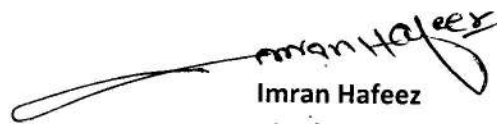
### **Acknowledgment**

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



**Imran Hafeez**  
Chief Executive Officer/Director

Date: 27 October 2017

Place: Lahore

# فرسٹ کیپیٹل میوچل فنڈ

## ڈائریکٹرز کی رپورٹ

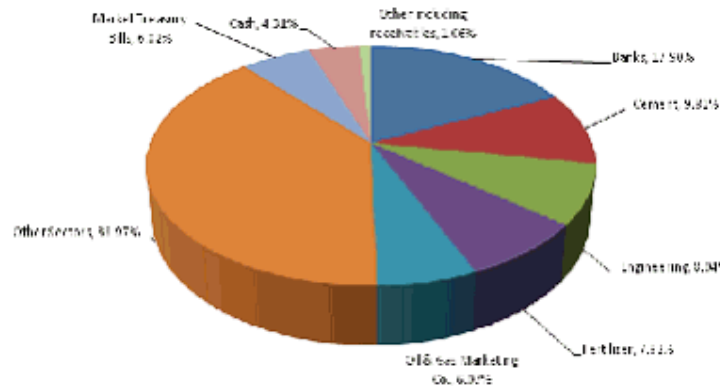
فرسٹ کیپیٹل انویسٹمنٹ لمیٹڈ ("FCIL" یا "انتظامی کمپنی") کے بورڈ آف ڈائریکٹرز 30 ستمبر 2017ء کو اختتام پذیر سہ ماہی کے لئے فرسٹ کیپیٹل میوچل فنڈ لمیٹڈ ("FCMF" یا "فنڈ" یا "سکیم") کی مالیاتی اسٹیٹمنٹس پیش کرنے میں فخر محسوس کرتے ہیں۔

## فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران FCMF کے فی یونٹ اثاثہ جات کی قدر 12.5359 سے 10.9032 روپے کم ہوئی ہے۔ اسی طرح سے مذکورہ بالا مدت کے لئے بینچ مارک (KSE-100 انڈیکس) کے 8.93 فی صد ریٹرن کے مقابلہ میں 13.02 فی صد کم ہوئی۔ اس لئے فنڈ نے بینچ مارک سے 4.10 فی صد کم کارکردگی دکھائی۔ جس کی بنیادی وجہ تیل اور گیس، ریفرنسری، فارماسیوٹیکل، فریٹلائزر شعبہ جات میں بینچ مارک کے مقابلہ میں قلیل مقدار تھی جنہوں نے مارکیٹ کے مقابلہ میں اچھا ریٹرن دیا تھا۔

پہلی سہ ماہی کے دوران، گزشتہ سال کی اسی مدت میں 16.188 ملین روپے کی مجموعی آمدنی کے مقابلہ میں 26.822 ملین روپے کا خالص نقصان درج کیا۔ زیر جائزہ مدت کے لئے سرمایہ داری کی دوبارہ تشخیص کی غیر موصول شدہ آمدنی میں 26.535 ملین روپے کی درج کی گئی جو کہ گزشتہ سال میں 11.584 نفع کے طور پر ریکارڈ کی گئی۔ سرمایہ کاری کی دوبارہ تشخیص پر غیر موصول شدہ آمدنی میں کمی کی بنیادی وجہ ایکویٹی مارکیٹ میں عدم استحکام تھا۔ سرمایہ داری کی فروخت پر کیپٹل نقصان 0.138 ملین روپے درج کیا گیا جو گزشتہ سال کی اسی مدت میں 4.444 ملین روپے کیپٹل آمدنی کی صورت میں درج کیا گیا۔ منافع منقسمہ کی آمدنی 1.888 ملین روپے سے 1.312 ملین روپے کم پوسٹ کی گئی۔ یہ کمی 30.50 فی صد ہے۔ اس مدت کے اختتام پر FCMF کا فنڈ سائز 179.135 ملین روپے رہا جو زیر جائزہ مدت کے آغاز پر 208.148 ملین روپے تھا۔

30 ستمبر 2017ء کو فنڈ کے اثاثہ جات کی نامزدگی حسب ذیل ہے:



زیر جائزہ مدت کے دوران KSE-100 انڈیکس وزیراعظم کی نااہلی کے بعد غیر یقینی صورت حال کی وجہ سے 8.93 فی صد کم رہا۔ JIT رپورٹ پر عدالتی کارروائی کے دوران سرمایہ داروں کی تشویش میں مزید اضافہ ہوا جس کی وجہ سے 07 ستمبر 2017ء کو شیخ مارک KSE-100 انڈیکس نے 40958.65 پوائنٹس کی کم ترین سطح کو چھوا۔ (مالی سال کی حالیہ مدت میں 12.04 فی صد کمی) جو 24 مئی 2017ء کی بہترین سطح کے مقابلہ میں مجموعی طور پر 22.54 فی صد کم رہا۔ امریکی صدر ڈونلڈ ٹرمپ کے پاکستان پر الزامات کی وجہ سے دہشت گرد تنظیموں کو تقویت دی جا رہی ہے جس کی وجہ سے پاکستان سٹاک مارکیٹ بری طرح متاثر ہوئی۔ مزید برآں، HBL کی نیویارک برانچ پر لاکو جرمانہ نے بھی سرمایہ داروں کے اعتماد کو ٹھیس پہنچائی۔ غیر ملکی سرمایہ دار 91.36 ملین ڈالر کے آؤٹ فلو پر فروخت کا رہے۔

ماہ ستمبر کے دوران تیل، گیس اور فرٹیلائزر کی دریافت کے شعبہ میں بہتری کی وجہ سے مارکیٹ 2.92 فی صد ریٹرن کے ساتھ مستحکم رہی۔ کھاد کی بین الاقوامی قیمتوں میں اضافہ کی وجہ سے فرٹیلائزر شعبہ نے بری کارکردگی دکھائی۔ تیل کی بین الاقوامی قیمتوں میں کمی، کرنسی کی قدر میں کمی کی توقعات اور قیمت کے مناسب تعین کی وجہ سے آئل اور گیس دریافت کے شعبہ نے بہتر کارکردگی دکھائی۔

### ڈائریکٹرز کا اعلامیہ

نان بینکنگ فائیننس کمپنیز اور نوٹی فائینڈ اینٹی ٹریڈ ریگولیشنز 2008ء کے تحت ایسٹ مینجمنٹ کمپنی کے ڈائریکٹرز بیان کرتے ہیں کہ 30 ستمبر 2017ء کو اختتام پذیر ساہ ماہی کے لئے فنڈ کی مالی اسٹیٹمنٹس اس کی شفاف اور درست تصویر پیش کرتی ہیں۔

### اعتراف

بورڈ اپنے پونٹ ہولڈرز کی مسلسل حمایت کے لئے ان کا شکریہ ادا کرتا ہے۔ بورڈ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور میوچل فنڈ ایسوسی ایشن آف پاکستان کی وسیع رہنمائی اور معاونت کا بھی شکریہ ادا کرتا ہے۔ بورڈ عملہ اور سٹی کے عزم، محنت اور تعاون کے لئے بھی ان کی کاوشوں کو تسلیم کرتا ہے۔

بورڈ (کے لئے/کی جانب سے)

فرسٹ کیپٹل نوٹسٹمٹ لمیٹڈ

عمران حفیظ

چیف ایگزیکٹو آفیسر/ڈائریکٹر

آصف پرویز

ڈائریکٹر

بتاریخ: 27 اکتوبر 2017ء

مقام: لاہور

**FIRST CAPITAL MUTUAL FUND**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT SEPTEMBER 30, 2017 (Un audited)**

		September 30 2017 Un - audited	June 30 2017 Audited
	Note	-----Rupees-----	
<b>Assets</b>			
Bank Balances	4	8,467,403	3,418,018
Investments	5	186,134,254	221,458,116
Dividend and profit receivable	6	930,530	362,597
Advances, deposits, prepayments and other receivables	7	1,155,295	1,108,193
<b>Total assets</b>		<b>196,687,482</b>	<b>226,346,924</b>
<b>Liabilities</b>			
Payable to First Capital Investment Limited - <i>Management Company</i>			
- <i>against remuneration</i>	8	4,438,567	5,027,607
- <i>other payables</i>	9	54,525	245,375
Remuneration payable to Central Depository Company of Pakistan Limited - <i>Trustee</i>		65,013	65,013
Annual fee payable to Securities and Exchange Commission of Pakistan		45,838	207,043
Payable against redemption of units		14,078	-
Accrued expenses and other liabilities	10	1,262,644	982,302
Unclaimed dividend	11	11,672,005	11,672,005
<b>Total liabilities</b>		<b>17,552,670</b>	<b>18,199,345</b>
Contingencies and commitments	12		
<b>Net Assets</b>		<b>179,134,812</b>	<b>208,147,579</b>
<b>Unit holders' fund (as per statement attached)</b>		<b>179,134,812</b>	<b>208,147,579</b>
		<b>(Number of Units)</b>	
<b>Number of units in issue</b>		<b>16,429,567</b>	<b>16,604,097</b>
		-----Rupees-----	
<b>Net asset value per unit (Face value per unit Rs. 10/-)</b>		<b>10.9032</b>	<b>12.5359</b>

The annexed notes 1 to 17 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, 2017 (UN-AUDITED)**

	Note	For the Quarter Ended September 30	
		2017	2016
		-----Rupees-----	
<b>INCOME</b>			
Profit on bank deposits		98,580	74,521
Dividend income from 'fair value through profit or loss investments'		1,312,106	1,887,922
Income from government securities		178,821	263,346
Capital gain on sale of 'fair value through profit or loss investments' - net		(137,821)	4,443,602
Unrealised (diminution) / appreciation on re-measurement of investments - at fair value through profit or loss' - net		(26,535,072)	11,584,240
		(26,672,893)	16,027,842
<b>Total (loss) / income</b>		(25,083,386)	18,253,631
<b>EXPENSES</b>			
Remuneration to the Management Company	8.1	965,030	1,030,255
Punjab Sales tax on remuneration to the Management Company	8.2	154,405	164,841
Federal Excise Duty on remuneration to the Management Company	8.3	-	-
Remuneration to the Trustee		176,438	176,438
Sindh Sales tax on remuneration to the Trustee		22,937	22,937
Annual fee - Securities and Exchange Commission of Pakistan		45,837	48,937
Securities transaction costs		52,016	46,146
Auditors' remuneration		265,338	264,657
Accounting and operational charges		48,252	51,513
Sindh Sales tax on accounting and operational charges		6,273	4,121
Annual listing fee - Pakistan Stock Exchange Limited		7,560	7,560
Fund ranking fee		35,378	35,378
Printing, postage and other charges		47,442	-
Bank charges		2,161	4,275
<b>Total expenses</b>		1,829,067	1,857,058
<b>Net (loss) / income from operating activities</b>		(26,912,453)	16,396,573
Element of loss and capital losses included in prices of units issued less those in units redeemed - net		-	(208,992)
<b>Net (loss) / income for the period before taxation</b>		(26,912,453)	16,187,581
Taxation	14	-	-
<b>Net (loss) / income for the period after taxation</b>		(26,912,453)	16,187,581
<b>Loss / (Income) already received on units redeemed</b>		90,604	-
<b>Accounting (loss) / income available for distribution:</b>			
- Relating to capital gains		-	-
- Excluding capital gains		(26,821,849)	(26,821,849)
		(26,821,849)	16,187,581

The annexed notes 1 to 17 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, 2017 (UN-AUDITED)**

	For the Quarter Ended September 30	
	2017	2016
	-----Rupees-----	
Net (loss) / income for the period after taxation	(26,821,849)	16,187,581
Other comprehensive (loss) / income for the period	-	-
Total comprehensive (loss) / income for the period	<u>(26,821,849)</u>	<u>16,187,581</u>

The annexed notes 1 to 17 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, 2017 (UN-AUDITED)**

	For the Quarter Ended September 30	
	2017	2016
	-----Rupees-----	
<b>Undistributed income brought forward represented by:</b>		
- Realised income	84,506,217	32,222,633
- Unrealised (loss) / income	(25,130,945)	14,880,112
	<u>59,375,272</u>	<u>47,102,745</u>
Final cash dividend distributed for the year ended June 30, 2016 at the rate of Rs. 0.76 per unit declared on September 30, 2016	-	(12,323,544)
Net (loss) / income for the year after taxation	(26,912,453)	16,187,581
<b>Undistributed income carried forward</b>	<u><u>32,462,819</u></u>	<u><u>50,966,782</u></u>
<b>Undistributed income carried forward represented by:</b>		
- Realised income	82,598,919	37,784,189
- Unrealised (loss) / income	(50,136,100)	13,182,593
	<u><u>32,462,819</u></u>	<u><u>50,966,782</u></u>

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

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

Chief Executive

 Manoj Haker

  
Director

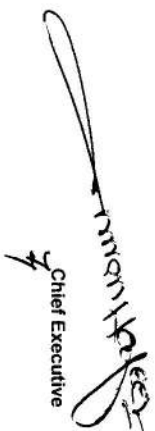


**FIRST CAPITAL MUTUAL FUND**  
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2017 (UN-AUDITED)**

	September 30, 2017				September 30, 2016			
	Units	Capital Value	Undistributed Income	Net Assets	Units	Capital Value	Undistributed Income	Net Assets
	Rupees				Rupees			
<b>Net assets at the beginning of the period</b> [Rs. 12,53,559 (2016: Rs. 11,79,668) per unit] [Includes unrealised loss on investments of Rs. 25,130,945] [2016: unrealised gain on investments of Rs. 14,880,112]	16,604,097	148,772,307	59,375,272	208,147,579	16,475,941	147,260,473	47,102,745	194,363,218
Issue of units	5,825	70,000	-	70,000	-	-	-	-
Redemption of units	(180,365)	(2,260,918)	-	(2,260,918)	(260,752)	(3,285,032)	-	(3,285,032)
	(174,530)	(2,190,918)	-	(2,190,918)	(260,752)	(3,285,032)	-	(3,285,032)
Element of loss and capital losses included in prices of units redeemed	-	-	-	-	-	208,992	-	208,992
<b>Accounting income available for distribution for the period</b> - Relating to capital gains - Excluding capital gains	-	-	(26,821,849)	(26,821,849)	-	-	16,187,581	16,187,581
<b>Total comprehensive (loss) / Income for the period:</b>	-	-	(26,821,849)	(26,821,849)	-	-	16,187,581	16,187,581
Final cash dividend distributed for the year ended June 30, 2016 at the rate of Rs. 0.76 per unit declared on September 30, 2016	-	-	-	-	-	-	(12,323,543)	(12,323,543)
<b>Net assets at the end of the period</b> [Rs. 10,9032 (2016: Rs. 12,0351) per unit] [Includes unrealised loss on investments of Rs. 50,136,100] [2016: unrealised gain on investments of Rs. 13,182,593]	16,429,567	146,581,389	32,553,423	179,134,812	16,215,189	144,184,433	50,966,783	195,151,216

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For First Capital Investments Limited  
(Management Company)

  
Chief Executive

  
Director

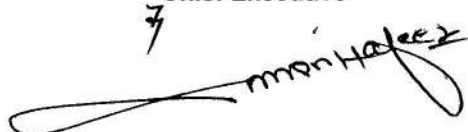
**FIRST CAPITAL MUTUAL FUND  
CONDENSED INTERIM CASH FLOW STATEMENT  
FOR THE QUARTER ENDED SEPTEMBER 30, 2017 (UN-AUDITED)**

	For the Quarter Ended September 30	
	2017	2016
	-----Rupees-----	
<b><u>Cash flows from operating activities</u></b>		
Net (loss) / income for the period before taxation	(26,821,849)	16,187,581
<b>Adjustments</b>		
Element of loss and capital losses included in prices of units issued less those in units redeemed - net	-	208,992
Unrealised diminution / (appreciation) on re-measurement of investments - at fair value through profit or loss' - net	26,535,072	(11,584,240)
	(286,777)	4,812,332
<b>(Increase) / decrease in assets</b>		
Investments - net	8,788,790	7,907,789
Dividend and profit receivable	(567,933)	(1,134,517)
Receivable against sale of investments	-	(368,896)
Advances, deposits, prepayments and other receivables	(47,102)	(68,620)
	8,173,755	6,335,756
<b>Increase / (decrease) in liabilities</b>		
Remuneration payable to Management Company	(589,040)	25,091
Other payable to Management Company	(190,850)	-
Remuneration payable to Trustee	-	66,784
Annual fee payable to Securities and Exchange Commission of Pakistan	(161,205)	(141,624)
Payable against purchase of investments	-	2,294,970
Payable against redemption of units	14,078	-
Accrued expenses and other liabilities	280,342	522,679
Unclaimed dividend	-	12,323,543
	(646,675)	15,091,443
<b>Net cash generated from operating activities</b>	<b>7,240,303</b>	<b>26,239,532</b>
<b><u>Cash flows from financing activities</u></b>		
Receipts against issuance of units	70,000	-
Cash payout against distribution of final cash dividend	-	(12,323,543)
Payments made against redemption of units	(2,260,918)	(3,285,032)
<b>Net cash used in financing activities</b>	<b>(2,190,918)</b>	<b>(15,608,575)</b>
<b>Net Increase in cash and cash equivalents during the period</b>	<b>5,049,385</b>	<b>10,630,957</b>
Cash and cash equivalents at the beginning of the period	3,418,018	4,570,869
<b>Cash and cash equivalents at the end of the period</b>	<b>8,467,403</b>	<b>15,201,826</b>

The annexed notes 1 to 17 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, 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 (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 Shopping Mall, Fortress Stadium, Lahore, Pakistan. The Fund is an Open end equity scheme and offers units for public subscription on a continuous basis. The units are transferable and can be redeemed by submitting them into the Fund.

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 has assigned "3 Star" to the Fund on November 30, 2016 and August 28, 2017 respectively.

**2 Statement Of Compliance**

These condensed interim financial statements has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, 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 the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

The Companies Ordinance, 1984 has been repealed after the enactment of the Companies Act, 2017 (the Act) on 30 May 2017. However, the SECP vide its press release dated 20 July 2017 allowed Companies whose financial year closes on or before 30 June 2017 to prepare the financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984. The Act does not impact the financial statements of the Fund for the year ended June 30, 2017.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2017.

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that this condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at September 30, 2017.

**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, 2017.

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, 2017.

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, 2017.

The Securities and Exchange Commission of Pakistan (SECP) vide statutory notification (S.R.O) no. 756(I) / 2017 dated August 03, 2017, has amended the (1) NBFC Regulations. The amendment has been done in consultation with the Institute of Chartered Accountants of Pakistan, keeping in view the (2) International Accounting Reporting Standards. According to the amendment the "element of income" contributed on units to be issued and paid out on redemption is defined as transaction of capital nature and its receipt and payment is to be taken to Unit Holders' Fund.

The net element of income that was till the close of last financial year recognized in the income statement as an equalization account will not be available for payment as dividend on units, contributing to element of income. Accordingly dividend amount will vary with the dates of issue of units. To maintain same ex-dividend net asset value of all units outstanding on accounting date, net element of income contributed on issue of units lying in Unit Holders' Fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

Mutual Funds Association of Pakistan (MUFAP) has issued a circular with the approval of the SECP, explaining the impact of the above notification on the accounting of mutual funds and the procedure to be followed. According to MUFAP's circular, that accounting for element of income will be applicable from the current financial year and prior year's figures will not be adjusted.

	Note	September 30 2017 Un-audited	June 30 2017 Audited
		-----Rupees-----	
<b>4 Bank Balance</b>			
Cash at Bank			
- In saving accounts	4.1	8,462,403	3,413,018
- In current account		5,000	5,000
		<u>8,467,403</u>	<u>3,418,018</u>

4.1 The rate of return on these saving accounts is 3.75% to 4.25% (June 30, 2017: 3.75% to 4.25%) per annum.

		September 30 2017 Un-audited	June 30 2017 Audited
		-----Rupees-----	
<b>5 Investments</b>			
<b>At fair value through profit or loss</b>			
Listed equity securities	5.1	174,291,178	209,467,908
Government securities - Market treasury bills	5.2	11,843,076	11,990,208
		<u>186,134,254</u>	<u>221,458,116</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 in relation to		
	As at July 01, 2017	Purchases during the period	Bonus / Rights during the period	Sales during the period	As at September 30, 2017	Carrying value as at September 30, 2017	Market value as at September 30, 2017	Appreciation / (diminution)	Net assets of the Fund (with market value of investments)	Paid up capital of investee company (with face value of investments)	Market value of total investments
<b>Inv. Banks / Inv. Cos. / Securities Cos.</b>											
First Capital Equities Limited	127,895	-	-	-	127,895	1,151,055	1,024,439	(126,616)	0.57	0.0090	0.55
	127,895	-	-	-	127,895	1,151,055	1,024,439	(126,616)	0.57	0.0090	0.55
<b>Banks</b>											
The Bank Of Punjab	350,180	-	-	-	350,180	4,140,525	3,466,782	(673,743)	1.94	0.0013	1.86
Faysal Bank Limited	100,880	-	-	-	100,880	2,269,800	2,259,712	(10,088)	1.26	0.0008	1.21
Habib Bank Limited	60,000	-	-	-	60,000	16,148,400	10,845,600	(5,302,800)	6.05	0.0004	5.83
Mcb Bank Limited	39,000	-	-	-	39,000	8,206,770	8,151,000	(55,770)	4.55	0.0003	4.38
Summit Bank Limited	550,000	-	-	-	550,000	2,266,000	1,738,000	(528,000)	0.97	0.0031	0.93
United Bank Limited	46,000	-	-	-	46,000	10,833,920	8,747,820	(2,086,100)	4.88	0.0004	4.70
	1,146,060	-	-	-	1,146,060	43,865,415	35,208,914	(8,656,501)	19.65	0.0063	18.91
<b>Insurance</b>											
Shahen Insurance Company Limited	356,818	-	-	82,000	274,818	1,734,102	1,593,944	(140,157)	0.89	0.0458	0.86
The United Insurance Company Of Pakistan Limited	1,286	-	-	-	1,286	21,541	20,795	(746)	0.01	0.0001	0.01
	358,104	-	-	82,000	276,104	1,755,642	1,614,739	(140,903)	0.90	0.0459	0.87
<b>Textile Composite</b>											
Gul Ahmed Textile Mills Limited	50,000	-	-	-	50,000	2,049,000	1,962,000	(87,000)	1.10	0.0014	1.05
Nishat (Chunian) Limited	10,000	-	-	-	10,000	513,200	545,200	32,000	0.30	0.0004	0.29
Nishat Mills Limited	28,000	-	-	-	28,000	4,443,040	4,062,800	(380,240)	2.27	0.0008	2.18
	88,000	-	-	-	88,000	7,005,240	6,570,000	(435,240)	3.67	0.0026	3.52
<b>Sugar &amp; Allied Industries</b>											
Imperial Sugar Limited	-	10,000	-	-	10,000	306,595	292,600	(13,995)	0.16	0.0010	0.16
Noon Sugar Mills Limited	5,000	-	-	-	5,000	427,500	399,250	(28,250)	0.22	0.0030	0.21
	5,000	10,000	-	-	15,000	734,095	691,850	(42,245)	0.38	0.0040	0.37
<b>Cement</b>											
D.G. Khan Cement Company Limited	24,000	-	-	-	24,000	5,115,840	3,524,640	(1,591,200)	1.97	0.0005	1.89
Dandot Cement Company Limited	22,500	-	-	1,500	21,000	299,250	282,450	(16,800)	0.16	0.0022	0.15
Fauji Cement Company Limited	65,000	-	-	-	65,000	2,666,950	2,113,800	(553,150)	1.18	0.0005	1.14
Garhwal Cement Limited	30,000	-	-	-	30,000	1,366,200	996,300	(369,900)	0.56	0.0007	0.54
Lucky Cement Limited	12,000	-	-	-	12,000	10,035,120	6,782,160	(3,252,960)	3.79	0.0004	3.64
Maple Leaf Cement Factory Limited	18,000	-	-	-	18,000	2,004,480	1,511,460	(493,020)	0.84	0.0003	0.81
Maple Leaf Cement Factory Limited - LoR	-	-	2,250	-	2,250	-	40,095	40,095	0.02	0.0003	0.02
Pioneer Cement Limited	27,000	-	-	-	27,000	3,510,000	2,428,380	(1,081,620)	1.36	0.0012	1.30
Power Cement Limited	150,000	-	-	-	150,000	2,007,000	1,620,000	(387,000)	0.90	0.0016	0.87
	348,500	-	2,250	1,500	349,250	27,004,840	19,299,285	(7,705,555)	10.78	0.0077	10.36



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 in relation to			
	As at July 01, 2017	Purchases during the period	Bonus / Rights during the period	Sales during the period	As at September 30, 2017	Carrying value as at September 30, 2017	Market value as at September 30, 2017	Appreciation / (diminution)	Net assets of the Fund (with market value of investments)	Paid up capital of investee company (with face value of investments)	Market value of total investments	
<b>Refinery</b>												
Attock Refinery Limited	3,000	-	-	-	3,000	1,147,740	1,239,630	91,890	0.69	0.0004	0.67	
Byco Petroleum Pakistan Limited	200,000	-	-	-	200,000	3,820,000	3,530,000	(290,000)	1.97	0.0020	1.90	
Pakistan Refinery Limited	25,000	-	-	12,500	12,500	665,750	593,500	(72,250)	0.33	0.0004	0.32	
	228,000	-	-	12,500	215,500	5,633,490	5,363,130	(270,360)	2.99	0.0028	2.89	
<b>Power Generation &amp; Distribution</b>												
The Hub Power Company Limited	56,300	-	-	-	56,300	6,611,309	6,294,903	(316,406)	3.51	0.0005	3.38	
Kot Addu Power Company Limited	35,000	-	-	-	35,000	2,520,700	2,661,400	140,700	1.49	0.0004	1.43	
K-Electric Limited (i)	200,000	-	-	200,000	-	-	-	-	-	-	-	
Tri-Star Power Limited	25,000	-	-	25,000	-	-	-	-	-	-	-	
	316,300	-	-	225,000	91,300	9,132,009	8,956,303	(175,706)	5.00	0.0009	4.81	
<b>Oil &amp; Gas Marketing Companies</b>												
Hascol Petroleum Limited	6,042	-	-	-	6,042	2,060,926	1,698,346	(362,580)	0.95	0.0005	0.91	
Pakistan State Oil Company Limited	15,500	-	-	-	15,500	6,003,925	6,847,280	843,355	3.82	0.0006	3.68	
Sui Northern Gas Pipelines Limited	20,000	-	-	-	20,000	2,976,400	2,677,200	(301,200)	1.49	0.0003	1.44	
Sui Southern Gas Company Limited	20,000	-	-	-	20,000	728,200	724,600	(3,600)	0.40	0.0002	0.39	
	61,542	-	-	-	61,542	11,771,451	11,947,426	175,975	6.66	0.0016	6.42	
<b>Oil &amp; Gas Exploration Companies</b>												
Mart Petroleum Company Limited	77	-	-	-	77	121,324	115,886	(5,439)	0.06	-	0.06	
Oil & Gas Development Company Limited	30,000	-	-	-	30,000	4,220,700	4,459,200	238,500	2.49	0.0001	2.40	
Pakistan Oilfields Limited	8,000	-	-	4,000	4,000	1,632,600	2,128,160	295,560	1.19	0.0002	1.14	
Pakistan Petroleum Limited	44,500	-	-	22,000	22,500	3,333,150	3,930,525	597,375	2.19	0.0001	2.11	
	82,577	-	-	26,000	56,577	9,507,774	10,633,771	1,125,996	5.93	0.0004	5.71	
<b>Industrial Engineering</b>												
Aisha Steel Mills Limited	240,000	-	-	-	240,000	4,881,600	4,524,000	(357,600)	2.53	0.0029	2.43	
Amreli Steels Limited	10,000	-	-	-	10,000	1,229,500	1,019,700	(209,800)	0.57	0.0003	0.55	
Dost Steels Limited	137,500	-	-	-	137,500	1,515,250	1,698,125	182,875	0.95	0.0044	0.91	
International Steels Limited	40,000	-	-	-	40,000	5,115,600	4,845,200	(270,400)	2.70	0.0009	2.60	
Mughal Iron and Steel Industries Limited	65,000	-	-	-	65,000	5,247,450	3,719,300	(1,528,150)	2.08	0.0026	2.00	
	492,500	-	-	-	492,500	17,989,400	15,806,325	(2,183,075)	8.83	0.0111	8.49	
<b>Automobile Assembler</b>												
Al-Ghazi Tractors Limited (i)	2,300	-	-	-	2,300	1,480,924	1,364,521	(116,403)	0.76	0.0008	0.73	
Honda Atlas Cars (Pakistan) Limited	3,000	-	-	-	3,000	2,603,070	1,618,470	(984,600)	0.90	0.0002	0.87	
Milat Tractors Limited	2,000	-	-	-	2,000	2,748,880	2,496,580	(252,300)	1.39	0.0005	1.34	
	7,300	-	-	-	7,300	6,832,874	5,479,571	(1,353,303)	3.05	0.0015	2.94	

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 in relation to		
	As at July 01, 2017	Purchases during the period	Bonus / Rights during the period	Sales during the period	As at September 30, 2017	Carrying value as at September 30, 2017	Market value as at September 30, 2017	Appreciation / (diminution)	Net assets of the Fund (with market value of investments)	Paid up capital of investee company (with face value of investments)	Market value of total investments
<b>Automobile Parts &amp; Accessories</b>											
The General Tyre & Rubber Company of Pakistan Limited	10,000	-	-	-	10,000	3,035,000	2,013,000	(1,022,000)	1.12	0.0017	1.08
	10,000	-	-	-	10,000	3,035,000	2,013,000	(1,022,000)	1.12	0.0017	1.08
<b>Cables &amp; Electrical Goods</b>											
Pak Elektron Limited	15,000	-	-	-	15,000	1,654,800	1,139,250	(515,550)	0.64	0.0003	0.61
Singer Pakistan Limited	42,000	-	-	-	42,000	2,614,080	2,050,440	(563,640)	1.14	0.0092	1.10
TPL Trakker Limited	150,000	-	-	53,500	96,500	953,420	874,290	(79,130)	0.49	0.0044	0.47
	207,000	-	-	53,500	153,500	5,222,300	4,063,980	(1,158,320)	2.27	0.0139	2.18
<b>Transport</b>											
Pakistan Interation Bulk Terminal Limited	30,000	-	-	-	30,000	694,800	647,700	(47,100)	0.36	0.0002	0.35
Pakistan National Shipping Corporation	12,400	-	-	-	12,400	1,561,160	1,609,644	48,484	0.90	0.0009	0.86
	42,400	-	-	-	42,400	2,255,960	2,257,344	1,384	1.26	0.0011	1.21
<b>Technology &amp; Communications</b>											
Netsol Technologies Limited	15,000	-	-	-	15,000	867,450	990,000	122,550	0.55	0.0017	0.53
TRG Pakistan Limited	115,000	-	-	-	115,000	4,610,350	4,245,800	(364,550)	2.37	0.0021	2.28
Worldcall Telecom Limited	200,000	-	-	150,000	50,000	152,500	176,000	23,500	0.10	0.0006	0.09
	330,000	-	-	150,000	180,000	5,630,300	5,411,800	(218,500)	3.02	0.0044	2.90
<b>Fertilizer</b>											
Engro Fertilizers Limited	42,000	-	-	-	42,000	2,320,080	2,642,220	322,140	1.47	0.0003	1.42
Engro Corporation Limited	26,500	-	-	-	26,500	8,636,615	8,031,885	(604,730)	4.48	0.0005	4.32
Fauji Fertilizer Bin Qasim Limited	23,000	-	-	-	23,000	985,320	824,550	(160,770)	0.46	0.0002	0.44
Fauji Fertilizer Company Limited	46,700	-	-	-	46,700	3,859,288	3,882,638	23,350	2.17	0.0004	2.09
	138,200	-	-	-	138,200	15,801,303	15,381,293	(420,010)	8.58	0.0014	8.27
<b>Pharmaceuticals</b>											
Glaxosmithkline Pakistan Limited	15,000	-	-	-	15,000	2,953,800	2,759,850	(193,950)	1.54	0.0005	1.48
Glaxosmithkline Consumer Healthcare Pakistan Limited	1,000	-	-	-	1,000	209,010	278,450	69,440	0.16	0.0001	0.15
Highnoon Laboratories Limited	34	-	-	-	34	21,293	17,126	(4,167)	0.01	-	0.01
The Seale Company Limited	6,442	-	-	-	6,442	3,298,175	2,602,053	(696,123)	1.45	0.0004	1.40
	22,476	-	-	-	22,476	6,482,278	5,657,478	(824,800)	3.16	0.0010	3.04
<b>Chemicals</b>											
Engro Polymer & Chemicals Limited	50,000	-	-	-	50,000	1,825,000	1,670,500	(154,500)	0.93	0.0008	0.90
Ghani Gases Limited	50,000	-	-	-	50,000	1,315,000	1,127,000	(188,000)	0.63	0.0040	0.61
ICI Pakistan Limited	3,000	-	-	-	3,000	3,283,650	2,740,860	(542,790)	1.53	0.0003	1.47
	103,000	-	-	-	103,000	6,423,650	5,538,360	(885,290)	3.09	0.0051	2.98



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 in relation to		
	As at July 01, 2017	Purchases during the period	Bonus / Rights during the period	Sales during the period	As at September 30, 2017	Carrying value as at September 30, 2017	Market value as at September 30, 2017	Appreciation / (diminution)	Net assets of the Fund (with market value of investments)	Paid up capital of investee company (with face value of investments)	Market value of total investments	
<b>Paper &amp; Board Packages Limited</b>	15,000	-	-	-	15,000	10,433,700	8,655,150	(1,778,550)	4.83	0.0017	4.65	
	15,000	-	-	-	15,000	10,433,700	8,655,150	(1,778,550)	4.83	0.0017	4.65	
<b>Foods &amp; Personal Care Products Treet Corporation Limited</b>	34,000	-	-	-	34,000	1,933,920	1,667,020	(266,900)	0.93	0.0038	0.90	
	34,000	-	-	-	34,000	1,933,920	1,667,020	(266,900)	0.93	0.0038	0.90	
<b>Miscellaneous TPL Properties Limited</b>	100,000	-	-	-	100,000	1,225,000	1,050,000	(175,000)	0.59	0.0037	0.56	
	100,000	-	-	-	100,000	1,225,000	1,050,000	(175,000)	0.59	0.0037	0.56	
<b>Total as at September 30, 2017</b>	<b>4,263,854</b>	<b>10,000</b>	<b>2,250</b>	<b>550,500</b>	<b>3,725,604</b>	<b>200,826,696</b>	<b>174,291,178</b>	<b>(26,535,519)</b>				
<b>Total as at June 30, 2017</b>						<b>233,341,027</b>	<b>209,467,908</b>	<b>(23,873,119)</b>				

(i) The face value of each share held of Al Ghazi Tractors Limited is Rs. 5 each and face value of each share held of K-Electric Limited is Rs. 3.5 each.

The Finance Act 2014 brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5% is to be applied on the value of bonus shares determined on the basis of day end price on the first day of book closure. The tax is to be collected at source by the Company declaring bonus shares which shall be considered as final discharge of tax liability on such income. However, the Management Company of the fund along with other asset management companies and Mutual Fund Association of Pakistan, had filed a petition in the Honorable Sindh High Court ("the Court") to declare the amendments brought into the Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes ("CIS") as null and void and not applicable on mutual funds based on the premise of exemption given to mutual funds under clause 47B of Part IV and clause 99 of Part I of the Second Schedule of the Income Tax Ordinance, 2001. The Court has granted stay order in favor of CIS till the final outcome of the case. Accordingly, the investee companies have withheld the shares equivalent to 5% bonus shares announcement and not deposited in CDC account of department of Income Tax.

5.2 Government securities - Market treasury bills

Tenor	Purchased Date	Face Value				As at September 30, 2017			Percentage in relation to		
		As at July 01, 2017	Purchases during the period	Disposed / Matured during the period	As at September 30, 2017	Carrying Value	Market value	Appreciation / (diminution)	Market value as a percentage of total investments	Market value as a percentage of net assets	Effective rate of return
3 months	April 13, 2017	12,000,000	-	12,000,000	-	-	-	-	-	-	-
3 months	July 06, 2017	-	12,000,000	12,000,000	-	-	-	-	-	-	-
3 months	Sept. 28, 2017	-	12,000,000	-	12,000,000	11,842,628	11,843,076	447	6.36	6.61	5.9710
Total as at September 30, 2017		12,000,000	24,000,000	24,000,000	12,000,000	11,842,629	11,843,076	447			
Total as at June 30, 2017						11,990,286	11,990,208	(78)			

5.2.1 The outstanding treasury bills will be mature on December 21, 2017 (June 30, 2017: July 06, 2017).

		September 30 2017 Un-audited	June 30 2017 Audited
	Note	-----Rupees-----	
<b>6 Dividend and profit receivable</b>			
Dividend receivable		901,358	346,292
Profit accrued on bank deposits		29,172	16,305
		<u>930,530</u>	<u>362,597</u>
<b>7 Advances, deposits, prepayments and other receivables</b>			
Advance Tax deducted		636,426	646,374
Other receivable from Management Company		211,363	211,363
Prepaid CDS Annual Fee		70,006	12,956
Security Deposits with CDC		237,500	237,500
		<u>1,155,295</u>	<u>1,108,193</u>
<b>8 Remuneration payable to First Capital Investment Limited - Management Company</b>			
Remuneration of Management Company	8.1	625,103	1,162,973
Punjab Sales tax on Remuneration of Management Company	8.2	100,016	151,186
Federal Excise Duty on Remuneration of Management Company	8.3	3,713,448	3,713,448
		<u>4,438,567</u>	<u>5,027,607</u>

8.1 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 incase of equity schemes. Previously, the Management Company was entitled to receive a remuneration during the first five years of the Fund, at the rate not exceeding 3% of the average annual net assets of the Fund and thereafter, at the rate of 2% of such assets. During the quarter ended September 30, 2017, the Management Company has charged its remuneration at the rate of 2% (2016: 2%) per annum of the average net assets for the year. The fee is payable to the Management Company monthly in arrears.

8.2 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.

8.3 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from June 13, 2013. As the asset management services rendered by the Management Company of the Fund are already subject to provincial sales tax on services levied by the Sindh Revenue Board, which is being charged to the Fund as explained in note 8.2, the Management Company was of the view that further levy of FED was not justified.

On 4 September 2013, a Constitutional Petition was filed in the Honourable Sindh High Court (SHC) jointly by various asset management companies, together with their representative Collective Investment Schemes through their trustees, challenging the levy of FED.

During the year ended June 30, 2017, the SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan which is pending adjudication.

With effect from 1 July 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 01, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 3.713 million (June 30, 2017: Rs. 3.713 million) is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been recorded in the financial statements of the Fund, the net asset value of the Fund as at September 30, 2017 would have been higher by Rs. 0.2260 (June 30, 2017: Rs 0.2236) per unit.

		September 30 2017 Un-audited	June 30 2017 Audited
		-----Rupees-----	
<b>9 Other payable to Management Company</b>			
Accounting & operational charges		48,252	217,940
Sindh Sales Tax on accounting & operational charges		6,273	17,435
Sales load payable		-	10,000
		<u>54,525</u>	<u>245,375</u>

	September 30 2017 Un-audited	June 30 2017 Audited
	-----Rupees-----	
<b>10 Accrued expenses and other liabilities</b>		
Auditors' remuneration	956,538	691,200
Listing fees payable	67,562	60,000
Fund ranking fee payable	35,379	-
Withholding & Capital Gain Tax payable	170,682	209,352
Transaction costs payable	1,130	3,000
Printing charges payable	31,353	18,750
	<u>1,262,644</u>	<u>982,302</u>

**11 Unclaimed dividend**

This mainly includes an amount of Rs. 8.81 million (June 30, 2017: Rs. 8.81 million) not paid to Salman Taseer (Late) due to pending adjudication for issuance of succession certificate before the Honorable Lahore High Court.

**12 Contingencies And Commitments**

There were no contingencies and commitments outstanding as at September 30, 2017 and June 30, 2017.

**13 Total Expense Ratio**

In the current period, Securities and Exchange Commission of Pakistan (SECP) vide directive no. SCD/PRDD/Direction/18/2016 dated July 20, 2016, required that Collective Investment Scheme (CIS) shall disclose Total Expense Ratio (TER) in the periodic financial statements of CIS / the Fund. 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 Government levies, WWF and the SECP Fee etc. TER of the Fund including and excluding Government levies, WWF and the SECP Fee etc is 3.80% per annum (June 30, 2017: 3.97% per annum) and 3.26% per annum (June 30, 2017: 3.40% per annum) respectively.

**14 Taxation**

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. 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. The Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Accordingly, no provision in respect of taxation has been made in these condensed interim financial statements.

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

Connected persons include the Management Company, 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 as at September 30, 2017.

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 respectively.

**15.1 Transactions for the period:**

	Un-audited For the Quarter Ended September 30	
	2017	2016
	-----Rupees-----	
<b>Note</b>		
<b>First Capital Investments Limited - Management Company</b>		
Remuneration of the Management Company	965,030	1,030,255
Punjab Sales Tax on Remuneration of the Management Company	154,405	164,841
Redemption of Nil (2016: 158,391) units	-	2,014,594
Dividend declared	-	8,199,113
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration of the Trustee	176,438	176,438
Sindh Sales Tax on Remuneration of the Trustee	22,937	22,937
Settlement Charges inclusive of Sindh Sales Tax	19,591	17,080
<b>First Capital Securities Corporation Limited - Group Company</b>		
Redemption of 100,000 (2016: Nil) units	1,208,610	-
Dividend declared	-	254,840

For the Quarter Ended  
September 30

2017                      2016  
-----Rupees-----

**Transactions for the period (continued)...**

**First Capital Equities Limited - Group Company**

Dividend declared		1,363
Brokerage expense	6,000	2,700
SST on brokerage	780	351

**Salman Taseer (Late)**

*Holder of more than 10% shares of the Management Company*

Dividend declared	-	1,593,113
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**Sulaiman Ahmed Saeed Al Hoqani**

*Holder of more than 10% shares of the Management Company*

Dividend declared	15.3	2
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**Key Management Personnel of the Management Company**

Dividend declared	-	458
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**15.2 Outstanding balances as at period / year end:**

September 30                      June 30  
2017                      2017

Un-audited                      Audited

-----Rupees-----

**First Capital Investments Limited - Management Company**

Remuneration payable inclusive of taxes thereon	4,438,567	5,027,607
Receivables	211,363	211,363
Units held: 11,110,915 (June 30, 2017: 11,110,915) units	121,144,531	139,285,323

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

Remuneration payable inclusive of taxes thereon	65,013	65,013
Security deposit	237,500	237,500
Settlement charges payable inclusive of taxes thereon	1,130	3,390
Prepaid Fee	70,006	12,956

**First Capital Equities Limited - Group Company**

Units held: 1,793 (June 30, 2017: 1,793) units	19,551	22,477
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**First Capital Securities Corporation Limited - Group Company**

Units held: 235,316 (June 30, 2017: 335,316) units	2,565,693	4,203,483
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**Salman Taseer (Late) - Holder of more than 10%**

*Holder of more than 10% shares of the Management Company*

Units held: 2,096,201 (June 30, 2017: 2,096,201) units	22,855,299	26,277,771
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**Key Management Personnel of the Management Company**

Units held: 2,363 (June 30, 2017: 2,363) units	25,761	29,619
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**15.3** During the period 2016, Mr. Sulaiman Ahmed Saeed Al Hoqani were connected persons due to their more than 10% shareholding in the Management Company. However they were not connected persons at reporting date since they disposed off their entire shareholding in the financial year ending June 30, 2017.

**16 General**

**16.1** Figures have been rounded off to the nearest Rupee.

**16.2** Units have been rounded off to the nearest decimal place.

**16.3** 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 these condensed interim financial statements.

**17 DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on October 27, 2017.

For First Capital Investments Limited  
(Management Company)

Chief Executive

Director