

Funds Managed by:
AKD Investment Management Ltd.

Quarterly Report
September 30, 2021
(Un-Audited)



quarterly report



Partner with AKD
Profit from the Experience



MANAGEMENT COMPANY

216-217, Continental Trade Centre, Block-8,
Clifton, Karachi-74000

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Chairman
Mr. Abdul Karim

Director & Chief Executive Officer
Mr. Imran Motiwala

Director
Ms. Anum Dhedhi
Ms. Aysha Ahmed
Mr. Ali Wahab Siddiqui
Mr. Hasan Ahmed
Mr. Saim Mustafa Zuberi

CHIEF OPERATING OFFICER AND COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Muhammad Yaqoob Sultan, CFA

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY

Muhammad Munir Abdullah

HEAD OF INTERNAL AUDIT OF THE MANAGEMENT COMPANY

Ms. Tayyaba Masoom Ali

AUDIT COMMITTEE

Mr. Ali Wahab Siddiqui (Chairman)
Mr. Hasan Ahmed (Member)
Mr. Saim Mustafa Zuberi (Member)
Ms. Tayyaba Masoom Ali (Secretary)

HUMAN RESOURCE AND REMUNERATION (HR & R) COMMITTEE

Ms. Aysha Ahmed (Chairman)
Mr. Abdul Karim (Member)
Mr. Imran Motiwala (Member)
Ms. Anum Dhedhi (Member)
Mr. Saim Mustafa Zuberi (Member)
Mr. Muhammad Yaqoob Sultan, CFA (Secretary)

RATING

AKD Investment Management Limited
AM3++ (AM Three Plus Plus) issued by PACRA

CORPORATE INFORMATION

VISION



To serve investors in Pakistan's capital markets with diligence, integrity and professionalism, thereby delivering consistent superior returns and unparalleled customer service.

MISSION STATEMENT



AKD Funds shall continuously strive to:

- ▶ *Keep primary focus on investing clients' interest*
- ▶ *Achieve highest standards of regulatory compliance and good governance*
- ▶ *Prioritize risk management while endeavoring to provide inflation adjusted returns on original investment*
- ▶ *Enable the investing public and clients to make AKDIML Funds a preferred part of their overall savings and investment management strategy*
- ▶ *Distinguish themselves and compete on the basis of unparalleled service quality while setting industry standards for professionalism, transparency and consistent superior performance*
- ▶ *Foster and encourage technical, professional, ethical development of human capital to provide our people the best opportunities and environment for their personal growth*

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of AKD Investment Management Limited (AKDIML), the Management Company of AKD Opportunity Fund (AKDOF), AKD Index Tracker Fund (AKDITF), AKD Cash Fund (AKDCF), AKD Aggressive Income Fund (AKDAIF), AKD Islamic Income Fund (AKDISIF), Golden Arrow Stock Fund (GASF) and AKD Islamic Stock Fund (AKDISSF) presents its first quarter report along with the Funds' un-audited Financial Statements for the Quarter ended September 30, 2021.

FUNDS' FINANCIAL PERFORMANCE

AKD Opportunity Fund (AKDOF)

For the 1QFY22, the return of AKD Opportunity Fund stood at -7.86% compared to the benchmark KSE-100 Index return of -5.19%.

Golden Arrow Stock Fund (GASF)

For the 1QFY22, the return of Golden Arrow Stock Fund stood at -5.04% compared to the benchmark KSE-100 Index return of -5.19%.

AKD Index Tracker Fund (AKDITF)

For the 1QFY22, the return of AKD Index Tracker Fund stood at -4.50% compared to the benchmark KSE-100 Index return of -5.19%.

AKD Cash Fund (AKDCF)

For the 1QFY22, the annualized return of AKD Cash Fund stood at 8.12% compared to the benchmark return of 6.77%.

AKD Aggressive Income Fund (AKDAIF)

For the 1QFY22, the annualized return of AKD Aggressive Income Fund stood at 11.23% compared to the benchmark return of 7.93%.

AKD Islamic Income Fund (AKDISIF)

For the 1QFY22, the annualized return of AKD Islamic Income Fund stood at 8.53% compared to the benchmark return of 3.13%.

AKD Islamic Stock Fund (AKDISSF)

For the 1QFY22, the return of AKD Islamic Stock Fund stood at -7.18% compared to the benchmark KMI-30 Index return of -5.62%.

MACRO PERSPECTIVE

Pakistan's economy continued to witness robust recovery where pace of the economy has exceeded the expectations of the State Bank of Pakistan (SBP). However, rising domestic demand coupled with surging international commodity prices have led to a Current Account Deficit (CAD) of 4.1% of GDP, imported inflation and depreciation of the local currency. The SBP while remaining cognizant of inflationary pressures of the CAD, opted to lean towards a growth accommodating monetary stance; hence, nominally increasing the discount rate by 25bps to 7.25% in its September 2021 monetary policy meeting. Receipts of ~\$2.77bn provided by the IMF under its program to facilitate developing countries during the pandemic helped forex reserves to reach \$25.98bn.

The external account for 1QFY22 reported a CAD of \$3.4bn (4.1% of GDP) as compared to surplus of \$0.87 bn (1.2% of GDP) reported during same period last year (SPLY) owing to an increase in the Balance of Trade, as the imports remained under pressure due to higher commodity prices – crude oil in particular, coupled with the import of vaccines and disbursements against TERF related capital expenditure (SBP disbursement reportedly \$1.63bn during FY22). However, Remittances posted phenomenal growth of 12.49%YoY to \$8.04bn during 1QFY22. The Government's efforts to attract Non-Resident Pakistani money paid off, attracting \$2.41bn through Roshan Digital Accounts (RDA) with more than 245,000 accounts.

According to press reports, the Federal Board of Revenue (FBR) has made net revenue collection of PKR 1,395bn during 1QFY22, up by 38.3%YoY as compared to ~PKR 1,004bn recorded during SPLY. FBR has exceeded its given target of PKR 1,211bn by a margin of PKR 186 billion. In addition, FBR has also witnessed an impressive 45% growth in the filing of tax returns and 64% growth in tax collection as of closing date for filing income tax returns, despite FBR's avoidance this year of extending filing dates as observed in the past.

As per Pakistan Bureau of Statistics (PBS), the average National Consumer Price Index (NCPI) in 1QFY22 was recorded at 8.58%YoY as compared to 8.84%YoY. Core Inflation, calculated by excluding food and energy prices, clocked in at 6.53%YoY and 6.43% YoY for Urban and Rural areas respectively, as compared to 5.47%YoY and 7.73%YoY, SPLY.

The Large Scale Manufacturing (LSM) sector witnessed an increase of 7.26% for July-August FY22 as compared 3.66% reported during same period last year. During the period under review, major contribution towards the growth came from Automobiles, Food, Beverages & Tobacco, Iron & Steel Products, and Pharmaceuticals to name a few. However, overall growth during the period was kept in check by sectors that posted negative growth including Rubber Products and Fertilizers.

EQUITY MARKET REVIEW

During 1QFY22, KSE-100 Index declined by 2,456pts, down by 5.19% to close at 44,899.60pts. The Equity market remained under pressure owing to 1) setbacks on the foreign policy front following US withdrawal from Afghanistan, 2) weakness in macro indicators on the back of the CAD and 3) tightening monetary stance by the Central Bank, were a few key factors that kept investors cautious.

Average daily turnover also decreased by 38.4%QoQ and 18%YoY to 412.3 million shares as compared to 669.42mn shares and 500.23mn shares recorded during 4QFY21 and 1QFY21 respectively. Moreover, investor interest diverted to second and third tier stocks as depicted by a decrease in ratio of KSE-100 volumes over total turnover and value traded. Overwhelming response was witnessed for fresh equity issues where two new companies got listed during 1QFY22 in which a liking towards the technology sector was also affirmed by record participation.

Some of the negative news flows that kept investor sentiments abay included: 1) SBP increased interest rates by 25 bps to 7.25% after 15 months to contain the soaring CAD and higher inflation expectations. 2) US senators move draft bill seeking imposition of sanctions on Pakistan. 3) CAD rose to USD 1.5 billion in August 2021 and Rupee hits all-time low of PKR 172 against the USD. 4) MSCI downgrades Pakistan to a “Frontier” market from Emerging effective December and 5) FATF plenary meeting scheduled in October 2021. On the other hand, some of the positive news reports failed to revive investor interest included: 1) FBR collection up by 45%YoY to PKR 434bn during August 2021 exceeding the target by PKR 85bn 2) IMF 6th review to start in mid of October for release of \$1bn tranche 3) Fitch predicts Pakistan’s GDP to grow by 4.2% and 4) The receipt of \$~2.8bn from the IMF took forex reserves with the SBP to ~20 billion

Foreign investors continued to remain net sellers for the eighth consecutive quarters with net outflows of \$83.40mn taking cumulative outflows to \$778.95mn. Individuals, Other Organizations and Banks/DFI were the major net buyers with net buying of \$32.53mn, \$26.85mn and \$21.30mn respectively. Whereas Brokers and Mutual Funds were net sellers with net selling of \$14.95mn and \$7.42mn respectively.

The sectors that dragged the KSE-100 down included Cement, Tobacco, Oil & Gas Exploration, Refinery and Automobile Assembler with decrease in market capitalization by 17.5%, 19.1%, 8.6%, 33.5%, and 13.2% respectively. However, some of the losses were compensated by Technology & Communication, Miscellaneous, Commercial Banks, Modarabas and Real Estate Investment Trust with increase in market capitalization by 13.8%, 43.0%, 2.6%, 74.5% and 6.4% respectively.

In terms of valuation, the KSE-100 Index closed at a forward Price to Earnings multiple of 5.25x, which is a 63.18% discount as compared to MSCI Frontier Markets P/E of 14.27 and offering a healthy dividend yield of 6.91%.

MONEY MARKET REVIEW

During 1QFY22, six (6) MTB auctions were carried out by the SBP, where the government managed to raise PKR 3.50trn cumulatively. Weighted average yield of 3, 6 and 12 months MTB were 7.27%, 7.53%, and 7.65% respectively, up by 0.36%, 0.58%, and 0.60% as compared to 6.91%, 6.95%, and 7.05% same period last year.

SBP also conducted three (3) auctions of Fixed Rate Pakistan Investment Bonds (PIBs) and was successful in raising PKR 409.26bn during 1QFY22. Weighted average yield for 3, 5 and 10 years PIBs increased by 0.97%, 0.83%, and 0.93% to 8.78%, 9.18%, and 9.84% as compared to 7.81%, 8.35%, and 8.91% for same period last year.

The Monetary Policy Committee announced two (2) Monetary Policy Statements during the year where the Committee increased the policy rate by 25 bps to 7.25% in September 2021. The SBP conducted 25 Open Market Operations (OMO) of different maturities and injected average amount of PKR1.19trn at an average cut off yield of 7.13% and mopped-up PKR0.20trn at a cut off yield of 7.22%.

As per the auction target calendar for October – December 2021, the SBP targets to raise PKR5.05trn by issuing MTB against maturing amount of PKR 5.10trn. In addition, SBP targets to raise another PKR 300 bn through 3 – 30 years Fixed Rate PIBs during the period against maturing amount of PKR 55bn.

FUTURE OUTLOOK

Going forward, we remain optimistic about the economic outlook for FY22, where the SBP expects growth in upper end of 4 to 5 percent. Recent depreciation of local currency has helped to contain the external account as CAD for September has decreased by 24%MoM to \$1.11bn as compared to \$1.47bn. Reportedly, CAD is expected to go up to \$14bn (~4% of GDP). SBP's stance to raise interest rates in monetary policy of September will help contain inflationary pressures. As per the staff level agreement, reportedly Pakistan has agreed to further increase interest rates by 100 bps to 8.25%. The Real Effective Exchange Rate (REER) of 95.86 by end of September 2021 implies a very low likelihood of further Rupee depreciation.

We believe the reclassification of Pakistan to MSCI Frontier market will reduce foreign selling which has been recorded since FY16 as the local bourse would have a more significant weight of a much smaller fund allocated to frontier markets, unlike the case in the emerging markets.

On the Fixed Income front, expected increase in interest rates as agreed with International Monetary Fund in staff level agreement, will bode well for yields of fixed income instruments.

We expect the stock market to remain positive due to expansionary fiscal policy by the Government where the country has posted a provisional GDP growth of ~4.40% in FY21. We reiterate our positive market outlook for FY22 based on (i) expected growth in GDP owing to robust corporate earnings and agriculture growth (ii) compelling Price to Earnings multiple of 5.25x, (iii) Healthy dividend yield of 6.91% (iv) negative real interest rates, (v) reduction in capital gains tax rate from 15.00% to 12.50% for capital market transactions.

For and on behalf of the board

Imran Motiwala
Chief Executive Officer

Abdul Karim Memon
Chairman

Karachi: October 29, 2021

AKD Index Tracker Fund



MANAGEMENT COMPANY

AKD Investment Management Limited
216-217, Continental Trade Centre, Block-8,
Clifton, Karachi-74000

TRUSTEE

Central Depository Company
of Pakistan Limited
CDC House 99-B, Block-B
S.M.C.H.S., Main Shahr-e-Faisal,
Karachi.

BANKERS

Askari Bank Limited
Bank Alfalah Limited
BankIslami Pakistan Limited
Faysal Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
United Bank Limited

AUDITORS

Yousuf Adil
Chartered Accountants
Cavish Court, A-35, Block 7 & 8
KCHSU Shahr-e-Faisal,
Karachi-75350

LEGAL ADVISER

Sattar & Sattar
Attorneys - at - law
3rd Floor, UBL Building,
I.I Chundrigar Road,
Karachi.

REGISTRAR

AKD Investment Management Limited,
216 - 217, Continental Trade Centre,
Block-8, Clifton Karachi-74000
UAN: 111-253-465 (111-AKDIML)

DISTRIBUTORS

AKD Investment Management Limited
Investomate (Private) Limited.
Financial Investments Mart (Pvt) Ltd.
ITMinds Limited.
Investlink Advisor (Private) Limited.
YPay Financial Services (Pvt.) Ltd.

RATING

Asset Management Company
PACRA: AM3++ (AM-Three Plus Plus)

FUND MANAGER'S REPORT

i) Description of the Collective Investment Scheme Category and type:

Open - end Scheme investing in Equity Securities of KSE-100 Index.

ii) Statement of Collective Investment Scheme's investment objective:

The objective of the AKD Index Tracker Fund (AKDITF) is to trail the return of KSE-100 Index with up to 85% accuracy and provide investors with a high quality, in-depth diversification instrument.

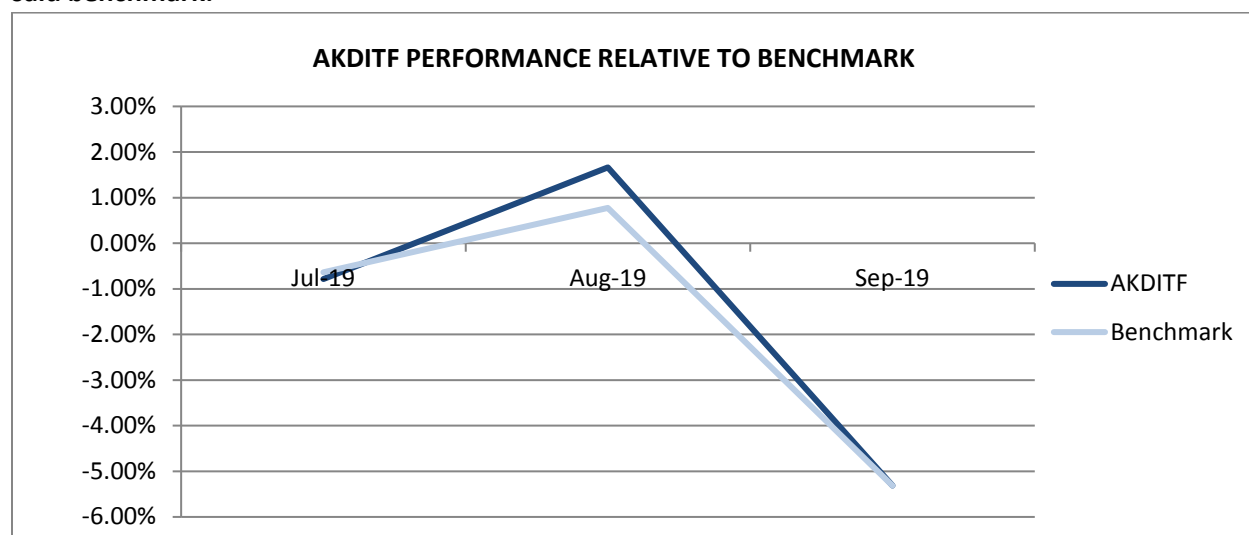
iii) Explanation as to whether Collective Investment Scheme achieved its stated objective:

For the 1QFY22, the return of AKD Index Tracker Fund stood at -4.50% compared to the benchmark KSE-100 Index return of -5.19%.

iv) Statement of benchmark (s) relevant to the Collective Investment Scheme:

KSE-100 Index

v) Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmark:



Monthly return	Jul-21	Aug-21	Sep-21
AKDITF	-0.79%	1.66%	-5.31%
Benchmark	-0.64%	0.77%	-5.31%

vi) Description of the strategies and policies employed during the period under review in relation to the Collective Investment scheme's performance:

AKD Index Tracker Fund is a passively managed open - end equity portfolio; its performance is directly linked to the performance of KSE-100 Index with up to 85% accuracy. The Fund Manager attempts to track the movement of the Index by using the weights of the respective stocks in the KSE-100 Index.

vii) Disclosure of Collective Investment Scheme's asset allocation as the date of the report and particulars of significant changes in asset allocation:

Asset Allocation (% of Total Asset)	30-Sep-21	30-June-21
Equities	95.64%	97.48%
Cash	2.88%	1.53%
Other Assets including Receivables	1.48%	0.99%

viii) Analysis of the Collective Investment Scheme's performance:

1QFY22 Return	-4.50%
Benchmark Return	-5.19%.

ix) Changes in total NAV and NAV per unit since the last reviewed period:

Net Assets Value		NAV Per Unit		
30-Sep-21	30-Jun-21	Change in Net Assets	30-Sep-21	30-Jun-21
(Rupees In "000")			Rs.	Rs.
457,902	478,975	-4.40%	13.6729	14.3166

x) Statement on the characteristics and general composition of the index:

AKD Index Tracker Fund tracks the returns of the KSE-100 Index with up to 85% accuracy, providing investors with high quality, in depth diversification instrument.

xi) Disclosure on the markets that the Collective Investment Scheme has invested in including- review of the market (s) invested in and returns during the period:

MACRO PERSPECTIVE

Pakistan's economy continued to witness robust recovery where pace of the economy has exceeded the expectations of the State Bank of Pakistan (SBP). However, rising domestic demand coupled with surging international commodity prices have led to a Current Account Deficit (CAD) of 4.1% of GDP, imported inflation and depreciation of the local currency. The SBP while remaining cognizant of inflationary pressures of the CAD, opted to lean towards a growth accommodating monetary stance; hence,

nominally increasing the discount rate by 25bps to 7.25% in its September 2021 monetary policy meeting. Receipts of ~\$2.77bn provided by the IMF under its program to facilitate developing countries during the pandemic helped forex reserves to reach \$25.98bn.

The external account for 1QFY22 reported a CAD of \$3.4bn (4.1% of GDP) as compared to surplus of \$0.87 bn (1.2% of GDP) reported during same period last year (SPLY) owing to an increase in the Balance of Trade, as the imports remained under pressure due to higher commodity prices – crude oil in particular, coupled with the import of vaccines and disbursements against TERF related capital expenditure (SBP disbursement reportedly \$1.63bn during FY22). However, Remittances posted phenomenal growth of 12.49%YoY to \$8.04bn during 1QFY22. The Government's efforts to attract Non-Resident Pakistani money paid off, attracting \$2.41bn through Roshan Digital Accounts (RDA) with more than 245,000 accounts.

According to press reports, the Federal Board of Revenue (FBR) has made net revenue collection of PKR 1,395bn during 1QFY22, up by 38.3%YoY as compared to ~PKR 1,004bn recorded during SPLY. FBR has exceeded its given target of PKR 1,211bn by a margin of PKR 186 billion. In addition, FBR has also witnessed an impressive 45% growth in the filing of tax returns and 64% growth in tax collection as of closing date for filling income tax returns, despite FBR's avoidance this year of extending filing dates as observed in the past.

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xii) Description and explanation of any significant changes in the state of the affairs of the Collective Investment Scheme during the period and up till the date of the Fund manager's report, not otherwise disclosed in the financial statements.

There were no significant changes in the state of affairs during the period under review.

xiii) Disclosure on unit split (if any), comprising:

There were no unit splits during the period.

xiv) Break down of unit holdings by size:

Range (Units)	No. of Investors
0.1 - 9,999	34
10,000 - 49,999	551
50,000 - 99,999	18
100,000 - 499,999	39
500,000 and above	9
Total	651

xv) Disclosure of circumstances that materially affect any interests of unit holders:

Investments are subject to credit and market risk.

xvi) Disclosure if the Asset Management Company or its delegate, if any, receives any soft commission (i.e. goods and services) from its broker (s) or dealers by virtue of transaction conducted by the Collective Investment Scheme:

No soft commission has been received by the AMC from its brokers or dealers by virtue of transactions conducted by the Collective Investment Scheme.

AKD INDEX TRACKER FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2021

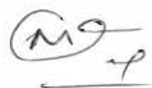
		September 30 2021 (Un-audited) ----- (Rupees in '000) -----	June 30 2021 (Audited) -----
	Note		
ASSETS			
Bank balances	5	13,429	7,500
Investments	6	446,048	478,242
Dividend and profit receivable on bank deposits		4,249	2,200
Deposits and other receivables		2,676	2,650
Total assets		466,402	490,592
LIABILITIES			
Payable to AKD Investment Management Limited - Management Company	7	1,727	1,818
Payable to Central Depository Company of Pakistan Limited - Trustee	8	92	95
Payable to Securities and Exchange Commission of Pakistan	9	24	91
Accrued expenses and other liabilities	10	2,929	5,885
Unclaimed dividend		3,728	3,728
Total liabilities		8,500	11,617
NET ASSETS		457,902	478,975
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		457,902	478,975
CONTINGENCIES AND COMMITMENTS	11		
		----- (Number of Units) -----	
NUMBER OF UNITS IN ISSUE		33,489,861	33,455,976
		----- (Rupees) -----	
NET ASSETS VALUE PER UNIT		13.67	14.32

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

For AKD Investment Management Limited
(Management Company)


Chief Executive Officer


Director


Chief Financial Officer

AKD INDEX TRACKER FUND
CONDENSED INTERIM INCOME STATEMENT(UN-AUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2021

for the quarter ended
September 30,
Unaudited Unaudited
2021 2020
----- (Rupees in '000) -----

INCOME

Capital gain/(loss) on sale of investments classified as 'at fair value through profit or loss'	(728)	601
Net unrealised appreciation / (diminution) on remeasurement of investments classified as 'at fair value through profit or loss'	(31,620)	64,267
Dividend income	7,864	2,656
Profit on bank deposits	100	95
Reversal of provision against Sindh Workers' Welfare Fund	4,814	-
Total income/(loss)	(19,570)	67,619

EXPENSES

Remuneration of AKD Investment Management Limited - Management Company	904	826
Sindh Sales tax on remuneration of Management Company	117	107
Remuneration of Central Depository Company of Pakistan Limited - Trustee	241	220
Sindh Sales tax on remuneration of Trustee	32	29
Annual fee to the Securities and Exchange Commission of Pakistan	24	22
Expenses allocated by Management Company	120	110
Auditors' remuneration	81	73
Brokerage	33	27
Printing and stationery	38	38
Legal and professional charges	279	108
Settlement and bank charges	5	5
Fee and subscription	84	83
Provision against Sindh Workers' Welfare Fund	-	1,320
Total expenses	1,958	2,968

Net income/(loss) for the period before taxation

(21,528) 64,651

Taxation

13

-

-

Net income/(loss) for the period after taxation

(21,528)

64,651

Allocation of income for the period

Net income for the period after taxation
Income already paid on units redeemed

- 64,651

- (1,365)

- 63,286

Accounting income available for distribution

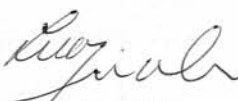
Relating to capital gain	-	63,286
Excluding capital gains	-	-
	-	63,286

Earnings per unit

14

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

For AKD Investment Management Limited
(Management Company)


Chief Executive Officer


Director


Chief Financial Officer

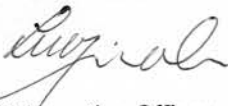
AKD INDEX TRACKER FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2021

for the quarter ended
September 30,
Unaudited Unaudited
2021 2020
----- (Rupees in '000) -----

Net income/(loss) for the period after taxation	(21,528)	64,651
Other comprehensive income for the period	-	-
Total comprehensive income for the period	<u>(21,528)</u>	<u>64,651</u>

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

For AKD Investment Management Limited
(Management Company)


Chief Executive Officer


Director


Chief Financial Officer

AKD INDEX TRACKER FUND
CONDENSED INTERIM CASH FLOW STATEMENT(UN-AUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2021

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2021

	for the quarter ended September 30,	
	Unaudited 2021	Unaudited 2020
Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income/(loss) for the period after taxation	(21,528)	64,651
Adjustments for non cash items and other items:		
Unrealised (appreciation) / diminution on remeasurement of investments classified as 'at fair value through profit or loss'	31,620	(64,267)
Capital gain/(loss) on sale of investment	728	(601)
(Reversal)/Provision for Sindh Workers' Welfare Fund	-	1,320
	<u>10,820</u>	<u>1,103</u>
Decrease / (increase) in assets		
Dividend and profit receivable on bank deposits	(2,049)	(854)
Deposits and other receivables	(26)	(45)
Receivable against sale of securities	-	32
	<u>(2,075)</u>	<u>(867)</u>
Increase / (decrease) in liabilities		
Payable to AKD Investment Management Limited - Management Company	(91)	96
Payable to Central Depository Company of Pakistan Limited - Trustee	(3)	15
Payable to Securities and Exchange Commission of Pakistan	(67)	(55)
Accrued expenses and other liabilities	(2,956)	211
	<u>(3,117)</u>	<u>267</u>
Investment - net	(154)	6,579
	<u>5,474</u>	<u>7,082</u>
Net cash generated from / (used in) operating activities		
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received on issue of units	9,536	1,762
Payment against redemption of units	(9,081)	(11,914)
Net cash flows (used in) / generated from financing activities	<u>455</u>	<u>(10,152)</u>
Net increase/(decrease) in cash and cash equivalents during the period	<u>5,929</u>	<u>(3,070)</u>
Cash and cash equivalents at beginning of the period	7,500	9,733
Cash and cash equivalents at end of the period	<u>13,429</u>	<u>6,663</u>

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

For AKD Investment Management Limited
(Management Company)

Chief Executive Officer

Director

Chief Financial Officer

AKD INDEX TRACKER FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND(UN-AUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2021

	2021			2020		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)					
Net assets at beginning of the period	365,165	113,810	478,975	376,206	11,101	387,307
Issue of 665,338 (2020: 133,690) units						
- Capital value (at Ex-Net asset value per unit at the beginning of year)	9,525	-	9,525	1,485	-	1,485
- Element of income	11	-	11	277	-	277
Total proceeds on issuance of units	9,536	-	9,536	1,762	-	1,762
Redemption of 631,454 (2020: 948,434) units						
- Capital value (at Ex-Net asset value per unit at the beginning of year)	(9,040)	-	(9,040)	10,533	-	10,533
- Element of income	(41)	-	(41)	16	1,365	1,381
Total payments on redemption of units	(9,081)	-	(9,081)	10,549	1,365	11,914
Total comprehensive income/(loss) for the period	-	(21,528)	(21,528)	-	64,651	64,651
Refund of capital	-	-	-	-	-	-
Net income/(loss) for the period less distribution	-	(21,528)	(21,528)	-	64,651	64,651
Net assets at end of the period	365,620	92,282	457,902	367,419	74,387	441,806
Undistributed income brought forward						
- Realised income		11,208			28,978	
- Unrealised income		102,602			(17,877)	
		113,810			11,101	
Accounting income available for distribution						
- Relating to capital gains		-			63,286	
- Excluding capital gains		-			-	
		-			63,286	
Net loss for the period after taxation		(21,528)			-	
Undistributed income carried forward		92,282			74,387	
Undistributed income carried forward						
- Realised income		123,902			10,120	
- Unrealised income / (loss)		(31,620)			64,267	
		92,282			74,387	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the period		14.32			11.11	
Net assets value per unit at end of the period		13.67			12.97	

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

For AKD Investment Management Limited
(Management Company)


Chief Executive Officer


Director


Chief Financial Officer

AKD INDEX TRACKER FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

AKD Index Tracker Fund ("The Fund") was established under a Trust Deed, dated May 2, 2007 executed between AKD Investment Management Limited (AKDIML) as Asset Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on May 02, 2007 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on April 12, 2007 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) as an open-ended mutual fund. The Fund commenced its operations from October 11, 2005.

The Management Company of the Fund has been registered as a Non - Banking Finance Company (NBFC) under the NBFC Rules and has obtained a requisite license from SECP to undertake Asset Management services. The registered office of the Management Company is situated at 216-217, Continental Trade Centre, Block-8, Clifton, Karachi, in the province of Sindh.

The Fund is an open-ended mutual fund and offers units for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering the same to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited

The Fund is categorised as Index Tracker Scheme as per circular 7 of 2009 by SECP. As per the circular, the Fund shall strive to remain fully invested in accordance with the stated index (i.e. KSE-100 index), however, under no circumstances shall it be invested less than 85% of its net assets in securities covered in the index or its subsets during the year based on monthly average investment calculated on daily basis. The units invested amount shall be kept in cash and / or near cash instrument where near cash instrument include deposits with bank (excluding TDRs), and treasury bills not exceeding 90 days maturity.

The title to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as Trustee of the Fund.

The Management Company has been assigned a quality rating of "AM3++" by the Pakistan Credit Rating Agency Limited (PACRA) on February 28, 2021. Due to specialised nature of the Fund, performance rating has not been taken, as the comparable benchmark is not available.

2. BASIS OF PRESENTATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

- 2.2** This condensed interim financial information does not include all the information required for a complete set of annual financial statements and should be read in conjunction with the latest annual financial statements as at and for the year ended 30 June 2021.

2.3 This condensed interim financial information is being submitted to the unitholders as required under Regulation 38 (g) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations) and are unaudited.

3. SIGNIFICANT ACCOUNTING POLICIES, JUDGMENTS AND ESTIMATES

The accounting policies and methods of computation followed for the preparation of this condensed interim financial information are the same as those applied in preparing the financial statements as at and for the year ended 30 June 2021.

In preparing this condensed interim financial information, Management make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgements made by Management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements as at and for the year ended 30 June 2021.

4. FINANCIAL RISK MANAGEMENT

The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements for the year ended 30 June 2021.

		Un-Audited September 30 2021	Audited June 30 2021
		----- (Rupees in '000) -----	
5.	BANK BALANCES	Note	
	Saving accounts	5.1	13,040
	Current accounts		389
			<u>13,429</u>
5.1	Mark-up rate on these saving accounts is 5.50% (June 30, 2021: 5.50%) per annum.		<u>7,111</u>
			<u>7,500</u>
		Un-Audited September 30 2021	Audited June 30 2021
		----- (Rupees in '000) -----	
6.	INVESTMENTS	Note	
	At fair value through profit or loss		
	Listed equity securities	6	446,048
			<u>478,242</u>

Name of investee company	Face value per share / certificate (Rupees)	As at July 01, 2021	Purchases during the year	Bonus / right issue	Sales during the year	As at September 30, 2021	Balance as at September 30, 2021			Market value as percentage of investments	Market value as percentage of net assets	Percentage of paid up capital of the investee company held
							Carrying cost	Market value	Appreciation / (diminution)			
Fully paid ordinary shares / certificates												
Rupees in '000'												
----- % -----												
Automobile Assembler												
Atlas Honda Limited	10	2,920	-	-	-	2,920	1,402	1,212	(190)	0.27	0.26	0.00
Honda Alias Cars (Pakistan) Limited	10	6,770	-	-	-	6,770	2,341	1,784	(557)	0.40	0.39	0.00
Indus Motor Company Limited	10	3,179	20	-	-	3,199	4,012	3,737	(275)	0.84	0.82	0.00
Millat Tractors Limited	10	6,668	20	-	30	6,658	7,188	7,145	(43)	1.60	1.56	0.01
Pak Suzuki Motor Company Limited	10	5,132	-	-	-	5,132	1,824	1,373	(451)	0.31	0.30	0.01
							<u>16,767</u>	<u>15,251</u>	<u>(1,516)</u>			
Automobile Parts & Accessories												
Agriauto Industries Limited	5	4,300	150	-	4,450	-	-	-	-	-	-	-
Thal Limited	5	7,621	850	-	-	8,471	3,567	3,290	(277)	0.74	0.72	0.01
							<u>3,567</u>	<u>3,290</u>	<u>(277)</u>			
Cable & Electrical Goods												
Pak Elektron Limited	10	58,775	-	-	-	58,775	2,061	1,619	(442)	0.36	0.35	0.01
Cement												
Cherat Cement Company Limited	10	27,805	-	-	100	27,705	4,914	3,968	(946)	0.89	0.87	0.01
D.G. Khan Cement Company Limited	10	52,187	500	-	100	52,587	6,192	4,650	(1,542)	1.04	1.02	0.01
Fauji Cement Company Limited	10	180,800	-	-	500	180,300	4,147	3,236	(911)	0.73	0.71	0.01
Kohat Cement Company Limited	10	14,350	-	-	50	14,300	2,953	2,459	(494)	0.55	0.54	0.01
Lucky Cement Limited	10	26,964	500	-	100	27,364	23,568	19,781	(3,787)	4.43	4.32	0.01
Maple Leaf Cement Factory Limited	10	117,747	-	-	500	117,247	5,508	4,127	(1,381)	0.93	0.90	0.01
Pioneer Cement Limited	10	26,900	-	-	-	26,900	3,526	2,376	(1,150)	0.53	0.52	0.01
							<u>50,808</u>	<u>40,597</u>	<u>(10,211)</u>			
Chemical												
Archroma Pakistan Limited	10	1,950	50	-	-	2,000	1,145	1,249	104	0.28	0.27	0.01
Colgate Palmolive (Pakistan) Limited	10	1,502	-	225	-	1,727	3,755	3,812	57	0.85	0.83	0.00
Engro Polymer & Chemicals Limited	10	75,897	400	-	700	75,597	3,575	4,163	588	0.93	0.91	0.01
ICI Pakistan Limited	10	3,288	-	-	-	3,288	2,857	2,609	(248)	0.58	0.57	0.00
Lotte Chemical Pakistan Limited	10	88,000	2,000	-	-	90,000	1,390	1,259	(131)	0.28	0.27	0.01
							<u>12,722</u>	<u>13,092</u>	<u>370</u>			
Close - end Mutual Fund												
HBL Growth Fund - Class A	10	57,512	5,000	-	-	62,512	517	487	(30)	0.11	0.11	0.02
Commercial Banks												
Allied Bank Limited	10	40,539	300	-	-	40,839	3,029	2,777	(252)	0.62	0.61	0.00
Askari Bank Limited	10	89,813	-	-	-	89,813	2,041	2,038	(3)	0.46	0.45	0.01
Bank AL Habib Limited	10	172,032	3,000	-	400	174,632	12,243	12,076	(167)	2.71	2.64	0.02
Bank Alfalah Limited	10	169,034	2,000	-	-	171,034	5,505	5,533	28	1.24	1.21	0.01
Faysal Bank Limited	10	90,180	-	-	-	90,180	1,530	2,374	844	0.53	0.52	0.01
Habib Bank Limited	10	174,933	3,500	-	600	177,833	21,728	19,446	(2,282)	4.36	4.25	0.01
Habib Metropolitan Bank Limited	10	112,248	-	-	500	111,748	4,537	4,861	324	1.09	1.06	0.01
MCB Bank Limited	10	98,878	2,000	-	310	100,568	16,054	15,155	(899)	3.40	3.31	0.01
Meezan Bank Limited	10	84,287	13,000	12,613	10,900	99,000	10,356	13,853	3,497	3.11	3.03	0.01
National Bank of Pakistan	10	120,938	-	-	500	120,438	4,404	4,027	(377)	0.90	0.88	0.01
Standard Chartered Bank (Pakistan) Limited	10	265,659	-	-	-	264,659	2,223	2,160	(63)	0.36	0.35	0.00
The Bank of Punjab	10	116,729	2,000	-	1,000	118,429	14,463	14,041	(422)	0.48	0.47	0.01
United Bank Limited	10			-	300		<u>99,666</u>	<u>99,934</u>	<u>268</u>	3.15	3.07	0.01

Name of investee company	Face value per share / certificate (Rupees)	As at July 01, 2021	Purchases during the year	Bonus / right Issue	Sales during the year	As at September 30, 2021	Balance as at September 30, 2021			Market value as percentage of investments	Market value as percentage of net assets	Percentage of paid up capital of the investee company held
							Carrying cost	Market value	Appreciation / (diminution)			
----- Rupees in '000' -----												
----- % -----												
(Number of Shares / Certificate)												
Engineering												
International Industries Limited	10	17,300	-	-	50	17,250	3,640	2,877	(763)	0.64	0.63	0.01
International Steels Limited	10	36,100	-	-	-	36,100	3,372	2,751	(621)	0.62	0.60	0.01
							7,012	5,628	(1,384)			
Fertilizer												
Engro Corporation Limited	10	75,581	1,800	-	300	77,081	22,682	21,563	(1,119)	4.83	4.71	0.01
Engro Fertilizer Limited	10	143,275	1,500	-	400	144,375	10,156	10,147	(9)	2.27	2.22	0.01
Falima Fertilizer Company Limited	10	74,134	500	-	-	74,634	2,146	2,217	71	0.50	0.48	0.00
Fauji Fertilizer Bin Qasim Limited	10	106,302	1,000	-	-	107,302	2,836	2,414	(422)	0.54	0.53	0.01
Fauji Fertilizer Company Limited	10	166,450	2,000	-	200	168,250	17,850	17,172	(678)	3.85	3.75	0.01
							55,670	53,513	(2,157)			
Food & Personal Care Product												
Frieslandcampina Engro Pakistan Limited	10	18,024	200	-	-	18,224	2,097	1,778	(319)	0.40	0.39	0.00
Murree Brewery Company Limited	10	2,930	-	-	-	2,930	1,705	1,483	(222)	0.33	0.32	0.01
National Foods Limited	5	13,132	150	-	-	13,282	3,042	2,817	(225)	0.63	0.62	0.01
Nestle Pakistan Limited	10	534	-	-	-	534	3,097	3,223	126	0.72	0.70	0.00
Unity Foods Limited	10	130,000	-	-	22,500	107,500	4,786	3,356	(1,430)	0.75	0.73	0.01
							14,727	12,657	(2,070)			
Glass & Ceramics												
Ghani Glass Limited	10	59,293	500	-	-	59,793	2,883	2,979	96	0.67	0.65	0.01
Insurance												
Adamjee Insurance Company Limited	10	66,240	-	-	-	66,240	2,747	2,336	(411)	0.52	0.51	0.02
EFU General Insurance Limited	10	14,137	-	-	-	14,137	1,640	1,539	(101)	0.35	0.34	0.01
IGI Holdings Limited	10	8,116	300	-	-	8,416	1,626	1,388	(238)	0.31	0.30	0.01
Jubilee Life Insurance Company Limited	10	4,111	-	-	4,111	-	-	-	-	-	-	-
							6,013	5,263	(750)			
Inv. Banks / Inv. Cos. / Securities Cos.												
Dawood Hercules Corporation Limited	10	80,246	-	-	200	80,046	9,207	8,245	(962)	1.85	1.80	0.02
Pakistan Stock Exchange Limited	10	113,500	500	-	-	114,000	2,544	2,082	(462)	0.47	0.45	0.01
							11,751	10,327	(1,424)			
Jute												
Crescent Jute Products Limited	10	500	-	-	-	500	-	-	-	-	0.00	0.00
Leasing Companies												
Orix Leasing Pakistan Limited	10	20,962	-	-	500	20,462	527	488	(39)	0.11	0.11	0.01
Leather & Tanneries												
Service Industries Limited	10	4,480	-	-	50	4,430	2,603	1,976	(627)	0.44	0.43	0.01
Miscellaneous												
Pakistan Services Limited	10	4,990	-	-	-	4,990	4,491	7,335	2,844	1.64	1.60	0.02
Shifa International Hospitals Limited	10	8,104	-	-	-	8,104	1,776	1,560	(216)	0.35	0.34	0.01
							6,267	8,895	2,628			
Modarbas												

Name of investee company	Face value per share / certificate (Rupees)	As at July 01, 2021					Purchases during the year	Bonus / right issue	Sales during the year	As at September 30, 2021	Balance as at September 30, 2021			Market value as percentage of investments	Market value as percentage of net assets	Percentage of paid up capital of the investee company held
		5	39,000	(Number of Shares / Certificate)							Carrying cost	Market value	Appreciation / (diminution)			
				1,500	-	-										
First Habib Modaraba																
Oil & Gas Exploration Companies																
Mari Petroleum Company Limited	10	6,358	-	-	-	20	6,338	9,662	9,845	183	2.21	2.15	0.00			
Oil & Gas Development Company Limited (note 6.3)	10	153,837	3,000	-	-	500	156,337	14,819	13,101	(1,718)	2.94	2.86	0.00			
Pakistan Oilfields Limited	10	30,884	400	-	-	50	31,234	12,298	11,724	(574)	2.63	2.56	0.01			
Pakistan Petroleum Limited	10	158,930	3,000	-	-	600	161,330	13,962	12,085	(1,877)	2.71	2.64	0.01			
								50,741	46,755	(3,986)						
Oil & Gas Marketing Companies																
Attock Petroleum Limited	10	5,940	-	-	-	50	5,890	1,891	1,708	(183)	0.38	0.37	0.01			
Hascol Petroleum Limited	10	141,047	-	-	-	141,047	-	-	-	-	-	-	-			
Pakistan State Oil Company Limited	10	50,345	-	-	-	150	50,195	11,256	10,089	(1,167)	2.26	2.20	0.01			
Shell Pakistan Limited	10	12,702	-	-	-	-	12,702	2,225	1,719	(506)	0.39	0.38	0.01			
Sui Northern Gas Pipelines Limited	10	67,570	-	-	-	-	67,570	3,283	3,073	(210)	0.69	0.67	0.01			
Sui Southern Gas Company Limited	10	75,828	1,500	-	-	77,328	-	-	-	-	-	-	-			
								18,655	16,589	(2,066)						
Paper & Board																
Packages Limited	10	5,289	-	-	-	-	5,289	2,884	2,482	(402)	0.56	0.54	0.01			
Century Paper and Board Mills Limited	10	14,700	-	-	-	100	16,790	1,782	1,258	(524)	0.28	0.27	0.01			
								4,666	3,740	(926)						
Pharmaceuticals																
Abbot Laboratories (Pakistan) Limited	10	4,964	-	-	-	-	4,964	3,933	3,836	(97)	0.86	0.84	0.01			
AGP Limited	10	19,876	-	-	-	-	19,876	2,332	2,282	(50)	0.51	0.50	0.01			
Glaxo Smithkline Pakistan Limited	10	12,373	-	-	-	100	12,273	2,033	1,814	(219)	0.41	0.40	0.00			
Highnoon Laboratories Limited	10	3,619	400	-	-	-	4,019	2,424	2,490	66	0.56	0.54	0.01			
The Searle Company Limited	10	25,687	-	-	-	-	25,687	6,232	5,176	(1,056)	1.16	1.13	0.01			
								16,954	15,598	(1,356)						
Power Generation & Distribution																
The Hub Power Company Limited	10	231,995	3,000	-	-	800	234,195	18,659	17,220	(1,439)	3.86	3.76	0.02			
K-Electric Limited	3.5	652,648	-	-	-	-	652,648	2,728	2,611	(117)	0.59	0.57	0.00			
Kot Addu Power Company Limited	10	108,779	-	-	-	500	108,279	4,802	3,790	(1,012)	0.85	0.83	0.01			
								26,189	23,621	(2,568)						
Real Estate Investment Trust																
Dolmen City REIT	10	129,500	2,500	-	-	-	132,000	1,456	1,547	91	0.35	0.34	0.01			
Refinery																
Attock Refinery Limited	10	10,173	-	-	-	50	10,123	2,596	1,810	(786)	0.41	0.40	0.01			
National Refinery Limited	10	6,200	-	-	-	-	6,200	3,244	1,878	(1,366)	0.42	0.41	0.01			
BYCO Petroleum Pakistan Limited	10	126,300	125,000	-	-	-	251,300	2,679	2,056	(623)	0.46	0.45	0.00			
								8,519	5,744	(2,775)						
Sugar & Allied Industries																
JDW Sugar Mills Limited	10	2,000	100	-	-	2,100	-	-	-	-	-	-	-			
Synthetic & Rayon																
Ibrahim Fibres Limited	10	3,700	-	-	-	10	3,690	583	582	(1)	0.13	0.13	0.00			
								583	582	(1)						

Name of investee company	Face value per share / certificate (Rupees)	(Number of Shares / Certificate)					Rupees in '000'				%		
		As at July 01, 2021	Purchases during the year	Bonus / right issue	Sales during the year	As at September 30, 2021	Carrying cost	Market value	Appreciation / (diminution)	Market value as percentage of investments	Market value as percentage of net assets	Percentage of paid up capital of the investee company held	
Technology & Communication													
Pakistan Telecommunication Company Limited	10	140,517	-	-	-	140,517	1,664	1,315	(349)	0.29	0.29	0.00	
Systems Limited	10	19,405	300	-	50	19,655	11,060	14,299	3,239	3.21	3.12	0.01	
TRG Pakistan Limited	10	110,555	2,000	-	400	112,155	18,644	18,132	(512)	4.07	3.96	0.02	
							31,368	33,746	2,378				
Textile Composite													
Azgard Nine Limited	10	86,300	-	-	-	86,300	2,925	1,739	(1,186)	0.39	0.38	0.02	
Gul Ahmed Textile Mills Limited	10	36,720	-	-	100	36,620	1,858	2,007	149	0.45	0.44	0.01	
Interloop Limited	10	31,000	-	-	-	31,000	2,171	2,206	35	0.49	0.48	0.00	
Kohinoor Textile Mills Limited	10	53,095	300	-	-	53,395	4,017	3,708	(309)	0.83	0.81	0.02	
Nishat Chunian Limited	10	25,330	300	-	-	25,630	1,290	1,269	(21)	0.28	0.28	0.01	
Feroze 1888 Mills Limited	10	13,100	300	-	-	13,400	1,348	1,201	(147)	0.27	0.26	0.00	
Nishat Mills Limited	10	37,647	100	-	200	37,547	3,503	3,412	(91)	0.76	0.75	0.01	
							17,112	15,542	(1,570)				
Textile Spinning													
Gadoon Textile Mills Limited	10	2,000	-	-	-	2,000	517	564	47	0.13	0.12	0.01	
							517	564	47				
Textile Weaving													
Yousaf Weaving Mills Limited	10	15,500	-	-	-	15,500	82	109	27	0.02	0.02	0.02	
							82	109	27				
Tobacco													
Pakistan Tobacco Company Limited	10	2,960	-	-	-	2,960	4,275	3,487	(788)	0.78	0.76	0.00	
							4,275	3,487	(788)				
Transport													
Pakistan International Bulk Terminal Limited	10	212,935	-	-	500	212,435	2,418	1,893	(525)	0.42	0.41	0.01	
Vanaspati & Allied Industries													
Punjab Oil Mills Limited	10	500	-	-	-	500	124	92	(32)	0.02	0.02	0.01	
Woollen													
Bannu Woollen Mills Limited	10	500	500	-	-	1,000	50	41	(9)	0.01	0.01	0.01	
							477,668	446,048	(31,620)				
							400,298	382,422	(17,877)				
Total as at June 30, 2021													
Total as at June 30, 2020													

6.1 These include 100,000 shares of Oil and Gas Development Company Limited as pledged with National Clearing Company of Pakistan Limited as on September 30, 2021.

		Un-Audited September 30 2021	Audited June 30 2021
	Note	----- (Rupees in '000) -----	
6.1	Net unrealised appreciation / (diminution) on remeasurement of investments classified as 'at fair value through profit or loss'		
		446,048	478,242
		(477,668)	(375,640)
		<u>(31,620)</u>	<u>102,602</u>

		Un-Audited September 30 2021	Audited June 30 2021
	Note	----- (Rupees in '000) -----	

7. PAYABLE TO AKD INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY

Management fee	7.1	291	302
Sindh sales tax on management fee	7.2	38	39
Expenses allocated by the Management Company	7.3	39	118
Payable to Management Company		1	1
Sales Load payable		1	1
Federal excise duty on management fee	7.4	<u>1,357</u>	<u>1,357</u>
		<u>1,727</u>	<u>1,818</u>

7.1 The Management Company has charged remuneration at the rate of 0.75% per annum (June 30, 2021: 0.75%) of the average daily net assets. The remuneration is paid to the Management Company on a monthly basis in arrears.

7.2 Sindh sales tax on services at the rate of 13% (June 30, 2021: 13%) on gross value of management fee under the provisions of Sindh Sales Tax on Services Act, 2011.

7.3 The Management Company has charged expenses at the rate of 0.1% (June 30, 2021: 0.1%) per annum of the average annual net assets of the Fund.

7.4 As per the requirements of the Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16% on the remuneration of the Management Company was applied with effect from June 13, 2013. The Management Company is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED results in double taxation, which does not appear to be the spirit of the law. The matter was collectively taken up by the Management Company jointly with other Asset Management Companies and Trustees of respective Collective Investment Schemes (CISs), through a Constitutional Petition filed in the Sindh High Court (SHC) during September 2013. In this respect, the SHC had issued a stay order against the recovery of FED due to which the Fund has not made any payments for FED since June 13, 2013.

On June 30, 2016, the Sindh High Court had passed a judgment that after 18th amendment in the Constitution of Pakistan, the Provinces alone have the legislative power to levy a tax on rendering or providing services, therefore, chargeability and collection of FED after July 01, 2011 is ultra vires to the Constitution of Pakistan. On September 23, 2016, the Federal Board of Revenue (FBR) filed an appeal in the Supreme Court of Pakistan (SCP) against above judgement, which is pending adjudication. Management Company, as a matter of abundant caution, has maintained full provision for FED aggregating to Rs. 1.357 million (June 30, 2021: Rs. 1.357 million) until the matter is resolved. Had the provision not been retained, the net asset value per unit of the Fund as at June 30, 2021 would have been higher by Re. 0.041 per unit (June 30, 2021: Re. 0.041 per unit).

Through Finance Act, 2016, FED on services rendered by Non-Banking Financial Institutions (NBFIs) including Asset Management Companies, which are already subject to provincial sales tax, has been withdrawn.

Therefore, provision for FED has not been recorded in these financial statements from July 01, 2016 onwards.

Un-Audited September 30 2021	Audited June 30 2021
----- (Rupees in '000) -----	

8. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

Trustee fees	82	84
Sindh sales tax on trustee fee	10	11
	<u>92</u>	<u>95</u>

- 8.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed as per the tariff specified therein, based on the daily net assets of the Fund. The fee is paid to the Trustee monthly in arrears.

The tariff structure applicable to the Fund is as follows:

**Amount of Funds Under Managem: Tariff per annum
[Average Net Assets Value (NAV)]**

Upto Rs 1,000 million	0.20% per annum of net asset value of the Fund, whichever is higher.
Exceeding Rs 1,000 million	Rs. 2.0 million plus 0.10% per annum of net assets value on amount exceeding Rs 1,000 million.

- 8.2 Sindh sales tax on services at the rate of 13% (June 30, 2021: 13%) on gross value of trustee fee under the provisions of Sindh Sales Tax on Services Act, 2011.

Un-Audited September 30 2021	Audited June 30 2021
2021	2021
2021	2020
----- (Rupees in '000) -----	

9. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAK

Note

Annual fee payable to SECP	9.1	<u>24</u>	<u>91</u>
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- 9.1 Under the provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 all Collective Investment Scheme are required to pay an annual fee, to the Securities and Exchange Commission of Pakistan, an amount equal to 0.02 % (June 30, 2021: 0.02%) of the average annual net assets of the scheme.

	Un-Audited September 30	Audited June 30
	2021	2021
Note	----- (Rupees in '000) -----	
10. ACCRUED EXPENSES AND OTHER LIABILITIES		
Auditor's remuneration	310	262
Brokerage payable	2,194	19
Withholding tax payable	20	422
Sindh Workers Welfare Fund payable	-	4,814
Printing charges payable	188	150
Others	217	218
	<u>2,929</u>	<u>5,885</u>

10.1 Sindh Workers Welfare Fund

During the year Sindh Revenue Board (SRB) through its letter dated August 12, 2021 to Mutual Funds Association of Pakistan (MUFAP) has clarified that Asset Management Company's (AMCs) are covered under the term "financial institutions" as per the SWWF Act, 2014 and are therefore, subject to SWWF charge whereas the Mutual Funds managed by those AMCs do not qualify as "Financial Institutions" as per SWWF Act, 2014 and are therefore, not liable to pay SWWF contributions. The development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with the SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

11. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments outstanding as at September 30, 2021 and June 30, 2021.

12. TOTAL EXPENSE RATIO

The total expense ratio of the Fund is 0.41% (September 30, 2020: 0.68%) and this includes 0.04% (September 30, 2020: 0.34%) representing government levies on the Fund such as sales taxes, annual fee payable to the SECP, etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a Collective Scheme categorised as a "Index Scheme".

13. TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders in cash.

Since the management has distributed the required minimum percentage of income earned by the Fund for the year ended June 30, 2021 to the unit holders in the manner as explained above, therefore; no provision for taxation has been made in these financial statements during the year.

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.

14. EARNINGS PER UNIT

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

15. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Related parties / connected persons of the Fund include the Management Company, other collective investment schemes managed by the Management Company, the Trustee, AKD Securities Limited, directors, officers, key management personnel, other associated undertakings and unit holders holding more than 10% units of the Fund.

The transactions with connected persons / related parties are in the normal course of business and are carried out on agreed terms at contracted rates.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provision of the NBFC Regulations 2008 and Constitutive documents of the Fund.

Details of transactions and balances at period end with related parties / connected persons, other than those which have been disclosed elsewhere in these financial statements, are as follows:

**Details of transactions with connected persons
/ related parties during the period**

**AKD Investment Management Limited -
Management Company of the Fund**

Remuneration for the year	904	826
Sindh sales tax on Management Company's Remuneration	117	107
Allocated expenses by the management company	120	110
Sales load	1	2

Central Depository Company of Pakistan Limited - Trustee

Trustee Fee	241	220
Central Depository Service charges	3	3
Sindh sales tax on Trustee Fee	32	29

**Un-Audited Audited
September 30, June 30,
2021 2021**

Balances outstanding at period end

**AKD Investment Management Limited -
Management Company of the Fund**

Remuneration payable	291	302
Allocated expenses by management company payable	39	117
Other payable	1	1
Sindh sales tax payable on Management Company's remuneration	38	39
Federal Excise Duty payable on Management Company's remuneration	1,357	1,357
Sales load payable	1	2

Payable to Central Depository Company of Pakistan - Trustee

Remuneration payable	81	84
Security deposit	100	100
CDS charges payable	1	1
Sales tax on trustee Fee payable	10	11

Mr. Aqeel Karim Dhedhi - Chairman of the Group

Number of units outstanding : 390 (2021: 390)	5	6
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**National Bank of Pakistan Employees
Pension Fund (having invested more than 10% in
the units of the Fund)**

Number of units outstanding : 31,210,812 (2021 : 31,210,812)	426,742	446,832
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16. FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS 13 - 'Fair Value Measurement' establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price).

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the close of trading i.e. period end date. The estimated fair value of all other financial assets and financial liabilities is considered not significantly different from book value as these are short term in nature.

The following table shows financial instruments recognised at fair value based on:

- Level 1: quoted prices in active markets for identical assets or liabilities;
- Level 2: those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3: those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As At September 30, 2021			
Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----			
Assets			
Investment in securities - at fair value through profit or loss			
Listed equity securities	446,048	-	446,048

As At June 30, 2021			
Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----			
Assets			
Investment in securities - at fair value through profit or loss			
Listed equity securities	478,242	-	478,242

There were no transfers between various levels of fair value hierarchy during the period.

16. GENERAL

16.1 Figures have been rounded off to the nearest thousand Rupees.

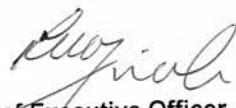
16.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison and better presentation.

17. DATE OF AUTHORISATION FOR ISSUE

29 OCT 2021

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

For AKD Investment Management Limited
(Management Company)


Chief Executive Officer


Director


Chief Financial Officer



**AKD Investment
Management Ltd.**

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