Funds Managed by:

AKD Investment Management Ltd.

1st Quarter Report
September 30, 2015
(Un-audited)

quarterly report

AKD OPPORTUNITY FUND

AKD INDEX TRACKER FUND

AKD CASH FUND

AKD AGGRESSIVE INCOME FUND

Partner with AKD Profit from the Experience

AKD Investment Management Ltd.

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CORPORATE INFORMATION

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

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Chairman
Mr. Abdul Karim Memon

Director & Chief Executive Officer
Mr. Imran Motiwala

Directors
Mr. Ali Wahab Siddiqui
Mr. Hasan Ahmed
Mr. Ahmed Abdul Sattar
Mr. Saad Iqbal
Mr. Nadeem Saulat Siddiqui

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY

Mr. Muhammad Munir Abdullah

COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Muhammad Yaqoob

HEAD OF INTERNAL AUDIT OF THE MANAGEMENT COMPANY

Ms. Noureen Nadir Ali

HEAD OF COMPLIANCE OF THE MANAGEMENT COMPANY

Mr. Rashid Ahmed

AUDIT COMMITTEE

Mr. Ali Wahab Siddiqui (Chairman)
Mr. Ahmed Abdul Sattar (Member)
Mr. Hasan Ahmed (Member)
Ms. Noureen Nadir Ali (Secretary)

HUMAN RESOURCE & REMUNERATION COMMITTEE (HR & R)

Mr. Abdul Karim Memon (Chairman)
Mr. Imran Motiwala (Member)
Mr. Ahmed Abdul Sattar (Member)

RATING
AKD Investment Management Ltd. (AMC)
AM3 (AM Three) issued by PACRA
AM3 (AM Three) issued by JCR-VIS

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 Fund 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, the Management Company of AKD Opportunity Fund (AKDOF), AKD Index Tracker Fund (AKDITF), AKD Cash Fund (AKDCF) and AKD Aggressive Income Fund (AKDAIF) is pleased to present its interim report along with the Funds' accounts for the first quarter ended September 30, 2015.

Funds' Financial Performance

AKD Opportunity Fund (AKDOF)

For the 1QFY16, the return of AKD Opportunity Fund stood at 5.27% compared to the benchmark KSE-100 Index's return of -6.14%, thus outperforming the benchmark by 11.41%.

AKD Index Tracker Fund (AKDITF)

For the 1QFY16, the return of AKD Index Tracker Fund stood at -6.63% compared to the benchmark KSE-100 Index's return of -6.14%.

AKD Cash Fund (AKDCF)

For the 1QFY16, the annualized return of AKD Cash Fund stood at 5.97% compared to benchmark return of 5.84%, thus outperforming the benchmark by 0.13%.

AKD Aggressive Income Fund (AKDAIF)

For the 1QFY16, the annualized return of AKD Aggressive Income Fund stood at 9.67% compared to the benchmark return of 7.28%, thus outperforming the benchmark by 2.39%.

Macro Perspective

The fiscal year 2016 started on a positive note as macroeconomic indicators of Pakistan remained intact throughout the first quarter FY16. In fact, the CPI inflation during the first quarter of FY16 clocked in at the lowest level of 1.66% as compared to 7.52% during the first quarter of FY15. The downward momentum of inflation throughout the quarter was due to soft international and domestic oil and commodity prices.

The total liquid foreign exchange reserves of Pakistan reached a new highest level of $20.07 billion at the end of first quarter FY16. As the International Credit Rating Agencies upgraded the rating, the Government of Pakistan raised $500 million through Eurobond during the month of September, taking the full advantage of upgraded credit rating. In addition, International Monetary Fund (IMF) released another tranche of $505 million under Extended Fund Facility (EFF), and Pakistan also received $375 million from Coalition Support Fund. Overseas Pakistani workers remitted $5.0 billion in the first quarter of FY16, a growth of 4% over remittances amounting to $4.8 million received during the same period of the preceding year.

The muted inflation and strengthening foreign exchange reserves had a favorable impact on overall economic activity. In this regard, the State Bank of Pakistan (SBP) announced another policy rate cut of 50bps to 6.0% in the September Monetary Policy Statement (MPS).

Tax collection, on the other hand, remained an uphill task as Federal Board of Revenue (FBR) collected Rs. 584 billion in the first quarter, falling short of its target collection of Rs. 647 billion. Despite an increase of 8.5% in the net collection, the collection target of Rs. 3.014 trillion for FY16 is unlikely to be achieved as the dispute over withholding tax on banking transaction continues and so far, FBR has failed to expand the tax network.

Pakistan's exports continued to tumble and dropped by 14% during the first quarter of FY16. The exports value declined to $5.2 billion during first quarter of FY16 as compared to $6 billion in the corresponding period. In the meanwhile, the value of imports also dropped by 14.39% to $10.7 billion in the first quarter of FY16 from $12.5 billion in the corresponding period of the last year.

Therefore, Pakistan's trade deficit, the gap between exports and imports, shrunk by 14.8% to $5.5 billion in the first quarter of FY16 from $6.5 billion of the corresponding period of the last year.

The low interest rate environment and near to the ground inflation would further enhance the economic activity as both of these factors are expected to remain low for a while. However, the progress of economic activity largely depends on the uptick in private sector credit off-take and large scale manufacturing (LSM) growth as both of these indicators have remained unsatisfactory so far. That said, the Government of Pakistan is keen to further strengthen the foreign exchange reserves while expecting the privatization of Pakistan International Airlines (PIA) and Pakistan Steel Mills (PSM) by the end of FY16.

Equity Market

The KSE-100 index posted a negative return of 6.14% in 1QFY16, despite starting off the quarter on a positive note with 3.9% return in the month of July. Furthermore market remained under uncertainty as the news of investigations by NAB against brokers and major investors at the bourse shattered investor's confidence. Moreover, concerns over China's economic slowdown and US-Federal Reserve rate hike also negatively impacted KSEs' performance. Resultantly, foreign investors sold equity worth USD 105 million during 1QFY16, against corresponding period last year's net buying of USD 155 million.

During the period under review, State Bank Of Pakistan (SBP) cut the discount rate by 50 basis points in September '15 monetary policy statement, continuing the easing cycle from previous fiscal year. Moreover, the CPI inflation recorded at historic low of 1.66% during 1QFY16, against 7.52% last year. However, these developments brought no excitement to the investors as negativity outweighed the developments.

Due the prevailing negative sentiment, investors opted to take short term positions and trading approach rather than building long term positions. Resultantly, average trading volume increased by 15.6%/134.3% QoQ/YoY, respectively to 312.366mn shares.

Money Market

During 1QFY16, a total of six T-Bills auctions were held by State Bank of Pakistan (SBP). The total amount realized, amounted to Rs. 1,267 billion. The cut off rates for 3 months, 6 months and 12 months T-Bills averaged at 6.85%, 6.86%, 6.95% respectively. Furthermore, during 1QFY16, three Pakistan Investment Bonds (PIB) auctions were held. The total amount realized, amounted to Rs. 218.28 billion while the rates for the 3 year and 5 year bonds averaged at 7.64% and 8.57% respectively. The government announced its monetary policy in September 2015, where it slashed the policy rate by 50 basis points. Then after decline in the cut off rates were observed

Future Outlook

Currently, Pakistan is facing severe energy crisis hurting competitiveness of companies, creating hurdles to economic progression and adversely affecting the trade deficit. However, domestic economic progress is impressive against global economic downturn caused by uncertain outlook of China, EU financial crunch and declining commodity prices. Still, the economic indicators of Pakistan, showing signs of growth as GDP, GNP, FDI and stock market performance are on an upward trend. The BoP position during FY16 is likely to remain stable, where under Coalition support fund, further payments of US$300mn-US$350mn is expected over the remainder of fiscal year 2016, global oil prices trading low and healthy remittances growth will be key driving factors. We also highlight space for a minor surplus if exports remain stagnant and imports benefits from lower oil imports.

Going forward, we believe the economy of Pakistan is expected to achieve sustainable growth driven by low inflation, favorable commodity prices, increase in foreign exchange reserves and foreign remittances, and growth in tax collection. Moreover, expected foreign direct investments, particularly from China-Pakistan Economic Corridor (CPEC) will help improve the trade deficit and tackling power shortages in the country.

Pakistan equity market is expected to be the top performing market in the coming quarter, where we believe KSE-100 index to witness a strong positive trajectory on the back of lower policy rate, improved economic outlook, stable oil prices, effectiveness of privatization process and growth in corporate profitability arising from lower inflation and higher disposable income. However, upcoming result season remains a major milestone for further market consolidation.

For and on behalf of the Board

Imran Motiwala
Chief Executive Officer

Karachi: October 29, 2015

AKD Index Tracker Fund
Financial Statements - First Quarter FY16

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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 Shahra-e-Faisal,
Karachi.

BANKERS
Bank Alfalah Limited
Bank Al-Habib Limited
BankIslami Pakistan Limited
Habib Metropolitan Bank Limited
MCB Bank Limited

AUDITORS
Naveed Zafar Ashfaq & Co.
Chartered Accountants
1st Floor, Modern Motors House,
Beaumont Road, Karachi.

LEGAL ADVISER
Sattar & Sattar
Attorneys -at -law
3rd Floor, UBL Building,
1.1 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
AKD Securities Limited
BMA Capital Management Limited
First Street Capital (Pvt.) Limited
IGI Investment Bank Limited

RATING
Asset Management Company
PACRA: AM3 (AM-Three)
JCR-VIS: AM3 (AM-Three)

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 and provide investors with a high quality, in-depth diversification instrument.

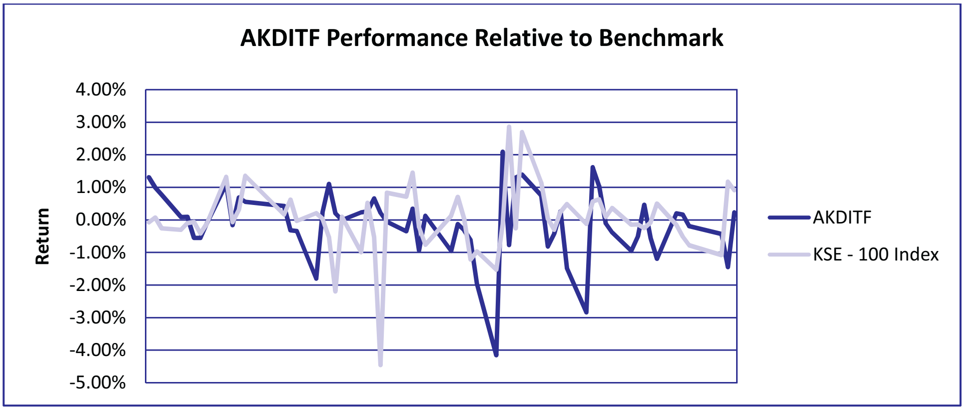
iii) Explanation as to whether Collective Investment Scheme achieved its stated objective:

For the 1QFY16, the return of the AKD Index Tracker Fund stood at -6.63% versus the benchmark KSE-100 Index returns of -6.14%.

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-15	Aug-15	Sep-15
AKDITF	3.75%	-3.01%	-7.22%
Benchmark	3.90%	-2.84%	-7.02%

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 trail 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 since the last report (if applicable)

Asset Allocation (% of Total Asset)	30-Sep-15	30-Jun-15
Equities	97.58%	98.16%
Cash	1.03%	0.36%
Other Assets	1.39%	1.48%
Leverage	Nil	Nil
TFCs	Nil	Nil

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

1QFY16 Return	-6.63%
Benchmark	-6.14%

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

Net Assets Value			NAV Per Unit	
30-Sep-15	30-Jun-15	Change in Net Assets	30-Sep-15	30-Jun-15
(Rupees in "000")			Rs.	Rs.
383,623	411,296	-6.72%	13.3748	14.3252

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:

Economy

The macroeconomic outlook of Pakistan remained intact in the start of the fiscal year 2016, based on the prudent monetary and fiscal policies, strong capital inflows, increased remittances and lower international commodity prices. During the first quarter of FY16, CPI inflation clocked in at the lowest level of 1.66% as compared to 7.52% in the first quarter of FY15. The downward movement of inflation was supported by lower international commodity prices.

The most crucial development at macro front is the improvement in total liquid foreign exchange reserves of Pakistan. Total liquid foreign exchange reserves increased to $20.07 billion by the end of first quarter FY16 against $16.194bn in the corresponding period of FY15, which is a significant increase of 23.9% YoY. The Government of Pakistan raised $500 million through Eurobond during the first quarter of FY16, taking the full advantage of upgraded international credit rating. In addition, under Extended Fund Facility (EFF), International Monetary Fund (IMF) released another tranche of $505 million and Government of Pakistan also received $375 million from coalition support fund. Remittances amounted to $5 billion in the first quarter of FY16, against $4.8 million received in the corresponding period of FY15, showing growth of 4%.

The downward trajectory of inflation and strengthening foreign exchange reserves had a favorable impact on overall economic activity. As a result, the State Bank of Pakistan (SBP) announced another policy rate cut of 50bps to 6.0% in the September Monetary Policy Statement (MPS).

On the other hand, Federal Board of Revenue (FBR) collected Rs. 584 billion in this quarter, again falling short of its target collection of Rs. 647 billion by Rs. 63 billion. Overall, net tax collection increased by 8.5% but the collection target of Rs. 3.014 trillion for FY16 remains to be unachieved due to dispute over withholding tax on banking transactions. So far, FBR has failed to improve the tax collection.

Despite government's efforts to reduce trade deficit, Pakistan's exports continued to tumble and dropped by 14% during the first quarter of FY16 due to lower commodity prices and cost competitiveness (with chronic energy shortages). The overall exports value declined to $5.2 billion during first quarter FY16 as compared to $6 billion in the corresponding period. However, the imports also dropped by 14.39% to $10.7 billion in the first quarter of FY16 from $12.5 billion in the first quarter FY15. Therefore, Pakistan's trade deficit has improved by 14.8% to $5.5 billion in the first quarter of FY16.

The low interest rate environment and declining inflation would further enhance the economic activity as both of these factors are expected to remain lower side. However, the progress of economic activity largely depends on the uptick in private sector credit off-take and large scale manufacturing (LSM) growth as both of these indicators have remained unsatisfactory so far. That said, the government of Pakistan is keen to further strengthen the foreign exchange reserves while expecting the privatization of Pakistan International Airlines (PIA) and Pakistan Steel Mills (PSM) by the end of FY16.

Equity Market Performance

The KSE-100 index recorded a negative return of 6.14% in 1QFY16, despite starting off the quarter on a positive note posting a return of 3.9% in the month of July. Market however took a downward turn in the next two months remained in red as investors faced uncertainty with news of investigations by NAB against big brokers and investors. Moreover, concerns over China's economic slowdown and US-Federal Reserve rate hike also negatively affected KSE performance. Resultantly, foreign investors sold equity worth USD 105 million during 1QFY16, against corresponding period last year's net buying of USD 155 million.

During the period under review, the State Bank Of Pakistan (SBP) cut the discount rate by 50 basis points in September '15 monetary policy statement, continuing the easing cycle. Moreover, the CPI inflation recorded at historic low of 1.66% during 1QFY16, against 7.52% last year. However, these developments brought no excitement to the investors as negativity outweighed the developments.

Due the prevailing negative sentiment, investors opted to take short term positions and trading approach rather than building long term positions. Resultantly, average trading volume increased by 15.6%/134.3% QoQ/YoY, respectively to 312.366mn shares

Future Outlook

Currently, Pakistan is facing severe energy crisis hurting competitiveness of companies, creating hurdles to economic progression and adversely affecting the trade deficit. However, domestic economic progress is impressive against global economic downturn caused by uncertain outlook of China, EU financial crunch and declining commodity prices. Still, the economic indicators of Pakistan, showing signs of growth as GDP, GNP, FDI and stock market performance are on an upward trend. The BoP position during FY16 is likely to remain stable, where under Coalition support fund, further payments of US$300mn-US$350mn is expected over the remainder of fiscal year 2016, global oil prices trading low and healthy remittances growth will be key driving factors. We also highlight space for a minor surplus if exports remain stagnant and imports benefits from lower oil imports.

Going forward, we believe the economy of Pakistan is expected to achieve sustainable growth driven by low inflation, favorable commodity prices, increase in foreign exchange reserves and foreign remittances, and growth in tax collection. Moreover, expected foreign direct investments, particularly from China-Pakistan economic corridor (CPEC) will help improve the trade deficit and tackling power shortages in the country.

Pakistan equity market is expected to be the top performing market in the coming quarter, where we believe KSE-100 index to witness a strong positive trajectory on the back of lower policy rate, improved economic outlook, stable oil prices, effectiveness of privatization process and growth in corporate profitability arising from lower inflation and higher disposable income. However, upcoming result season remains a major milestone for further market consolidation.

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 and up till the date of the Fund Manager's report under review.

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

There was no unit split during the period.

xiv) Break down of unit holdings by size:

Range (Units)	No. of Investors
0.1 - 9,999	646
10,000 - 49,999	17
50,000 - 99,999	4
100,000 - 499,999	2
500,000 and above	1
Total	**670**

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.

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT SEPTEMBER 30, 2015

	Note	(Unaudited) September 30, 2015	(Audited) June 30 2015
		(Rupees in '000')	
ASSETS			
Bank balances	5	**1,358**	1,933
Investments	6	**379,635**	409,795
Receivable against sale of investment (subsequently cleared)		**-**	2,434
Dividend and other receivables		**5,444**	699
Security deposits		**2,600**	2,600
Total Assets		**389,037**	417,461
LIABILITIES			
Remuneration payable to the Management Company	11.2	**244**	255
Remuneration payable to the Trustee	11.2	**54**	67
Annual fee payable to the Securities and Exchange Commission of Pakistan		**99**	371
Payable against purchase of investment (subsequently paid)		**-**	397
Accrued expenses and other liabilities	7	**1,715**	1,773
Provision for Workers' Welfare fund	8	**2,679**	2,679
Unclaimed dividend		**622**	622
Total Liabilities		**5,413**	6,164
Contigencies and commitments	9		
Net Assets		**383,624**	411,297
Unit holders' fund (as per statement attached)		**383,624**	411,297
		.... Number of Units	
Number of units in issue		**28,682,659**	28,711,391
		..........(Rupees)........	
Net assets value per unit (face value per unit Rs. 10/-)		**13.37**	14.33

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

For AKD Investment Management Limited
(Management Company)

Imran Motiwala
Chief Executive Officer

Nadeem Saulat Siddiqui
Director

CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2015

	Note	Quarter ended September 30, 2015	Quarter ended September 30, 2014
		(Rupees in '000')	
Income			
Investment Income			
Gain on sale of 'available for sale investment' - net		**2,651**	3,561
Dividend income from available for sale investments		**6,312**	4,649
Profit on bank balances		**39**	300
		9,002	8,510
Expenses			
Remuneration to the Management Company		**781**	699
Remuneration to the Trustee		**208**	187
Annual fee to the Securities and Exchange Commission of Pakistan		**99**	89
Auditors' remuneration		**63**	63
Other		**510**	316
		1,661	1,354
Net income from operating activities		**7,341**	7,156
Element of income / (loss) and capital gains / (losses) included in prices of units sold less those in units redeemed-net		151	(496)
Provision for Workers' Welfare Fund		-	(133)
Net income for the period before taxation		**7,492**	6,527
Taxation	10	**-**	-
Net income for the period after taxation		**7,492**	6,527

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

For AKD Investment Management Limited
(Management Company)

Imran Motiwala
Chief Executive Officer

Nadeem Saulat Siddiqui
Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2015

	Quarter ended September 30, 2015	Quarter ended September 30, 2014
	(Rupees in '000')	
Net income for the period	**7,492**	6,527
Other comprehensive income for the period		
Items that will be reclassified subsequently to income statement		
Unrealized diminution during the period in the fair value of investments classified as 'available for sale' - net	**(31,961)**	(4,165)
Diminution in fair value of 'available for slae' investment transferred to profit and loss account on sale - net	**(2,580)**	(3,543)
Total comprehensive loss for the period	**(27,049)**	(1,181)

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

For AKD Investment Management Limited
(Management Company)

Imran Motiwala
Chief Executive Officer

Nadeem Saulat Siddiqui
Director

CONDENSED INTERIM DISTRIBUTION STATEMENT (UNAUDITED)

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2015

	Quarter ended September 30, 2015	2014
	(Rupees in '000')	
Deficit at beginning of the period - (realized)	**(71,519)**	(89,755)
Element of income / (loss) and capital gains / (losses) included in prices of units sold less those in units redeemed - amount representing unrealised capital gains / (losses) that form part of the unit holder's fund	**(213)**	492
Net income for the period	**7,492**	6,527
	7,279	7,019
Deficit at the end of the period - realized	**(64,240)**	(82,736)

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

For AKD Investment Management Limited
(Management Company)

Imran Motiwala
Chief Executive Officer

Nadeem Saulat Siddiqui
Director

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2015

	Quarter ended September 30, 2015	2014
	(Rupees in '000')	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit for the period	**7,492**	6,527
Adjustments for :		
Element of (income) / loss and capital (gains) / losses included in prices of units sold less those in units redeemed-net	**(151)**	496
	7,341	7,023
Decrease / (Increase) in assets		
Investments	**(4,381)**	(14,366)
Receivable against sale of securities	**2,434**	1,093
Dividend and other receivables	**(4,745)**	(2,991)
	(6,692)	(16,264)
(Decrease) / increase in liabilities		
Remuneration payable to the Management Company	**(11)**	3
Remuneration payable to the Trustee	**(13)**	-
Annual fee payable to the Securities and Exchange Commission of Pakistan	**(272)**	(219)
Payable against purchase of investment	**(397)**	-
Payable against redemption of units		(55)
Accrued expenses and other liabilities	**(58)**	196
Provision for Workers' Welfare Fund	**-**	133
	(751)	58
Net cash generated from / (used in) operating activities	**(102)**	(9,183)
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received on issuance of units	**3,650**	1,101
Amount paid on redemption of units	**(4,123)**	(125)
Net cash (used in) / generated from financing activities	**(473)**	976
Net decrease in cash and cash equivalents during the period	**(575)**	(8,207)
Cash and cash equivalents at beginning of the period	1,933	14,056
Cash and cash equivalents at end of the period	**1,358**	5,849

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

For AKD Investment Management Limited
(Management Company)

Imran Motiwala
Chief Executive Officer

Nadeem Saulat Siddiqui
Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2015

	Quarter ended September 30, 2015	2014
	(Rupees in '000')	
Net assets at beginning of the period	**411,297**	370,557
Amount received on issue of 258,619 units (2014: 82,908)	**3,650**	1,101
Amount paid on redemption of 287,351 units (2014: 9,386 units)	**(4,123)**	(125)
	(473)	976
Element of (income) / loss and capital (gains) / losses included in prices of units sold less those in units redeemed		
- amount representing element of (income) / loss and realised capital (gains) / losses transferred to income statement	**(151)**	496
Total comprehensive income for the period	**(27,049)**	(1,181)
Net assets at end of the period	**383,624**	370,848
	------------Rupees-----------	
Ex-distribution net assets value net asset value per unit at beginning of the period	**14.33**	13.32
Net asset value per unit at end of the period (face value per unit Rs. 10/-)	**13.37**	13.30

* This includes 2015 : Nil Units (2014 : 4,432,464 units) issued as bonus units.
** please see the condensed interim statement of comprehensive income.

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

For AKD Investment Management Limited
(Management Company)

Imran Motiwala
Chief Executive Officer

Nadeem Saulat Siddiqui
Director

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2015

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 AKD Index Tracker Fund (The Fund) was established under a Trust Deed executed between AKD Investment Management Limited (AKDIML) as Asset Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on 02 May 2007 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on 12 April 2007 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The Fund is registered as notified entity under Non-Banking Finance Companies and Notified Entities Regulations, 2008.

1.2 The Management Company of the Fund has obtained a license to act as an Asset Management Company under the NBFC Rules from SECP. Registered office of the Management Company is situated at Continental Trade Centre, Block-8, Clifton, Karachi, in the province of Sindh.

1.3 The Fund is an open-end mutual fund and is listed on the Karachi Stock Exchange Limited. Its units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering the same to the Fund. Title to the assets of Fund is held in the name of Central Depository Company Limited as a trustee of the Fund.

1.4 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 uninvested amount shall be kept in cash and / or near cash instrument where near cash instrument include cash in bank account (excluding TDRs), and treasury bills not exceeding 90 days maturity.

The Pakistan Credit Rating Company Limited (PACRA) and JCR-VIS Credit Rating Company Limited (JCR-VIS) has assigned asset manager/management quality rating of 'AM3' to the management company on 16 June 2015 and 10 April 2015 respectively.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, Non Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations) and directives issued by the Securities and Exchange Commission of Pakistan (SECP). In case the requirements differ, the requirements of the Rules, the Regulations and the directives issued by the SECP shall prevail.

2.2 These 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 2015.

2.3 These condensed interim financial information is being submitted to the unit holders 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 these condensed interim financial information are the same as those applied in preparing the financial statements as at and for the year ended 30 June 2015.

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 Fund'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 2015.

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 2015.

		(Unaudited) September 30, 2015	(Audited) June 30, 2015
5. BANK BALANCES		(Rupees in '000)	
Balances with banks in:			
- profit and loss sharing accounts	5.1	**966**	1,539
- current accounts		**392**	394
		1,358	1,933

5.1 These represent profit and loss sharing accounts maintained with various banks carrying mark-up rates ranging from 4.5% to 6% (30 June 2015: 6%) per annum.

6. INVESTMENTS			
Investments in securities classified as 'available for sale'			
Listed equity securities	*6.1*	**379,635**	409,795
		379,635	409,795

6.1 Listed equity securiites - available for sale

Sector / Companies (Ordinary shares have a face value of Rs 10 each unless stated otherwise)	Holding at beginning of the period 1 July 2015	Acquired during the period	Bonus / right shares received during the period *including the Splitting of shares	Disposed during the period	Holding at end of the period end September 30, 2015	Cost as of the period ended September 30, 2015	Market Value as of September 30, 2015	Market Value as a percentage of net assets	Percentage in relation to total market value of investment	Percentage of paid-up capital of the investee company held
		< - - - - - - - - - - Number of Share	- - - - - - - - - - >			< - - - Rupees in '000'	- - - - >	< - - - Percentage	- - - - >	
Oil & Gas Exploration Companies										
Mari Petroleum Company Limited	4,681	-	-	-	4,681	248	1,700	0.44	0.45	0.01
Mari Petroleum Company Limited - Pref. Shares (note 6.3)	42,806	-	-	-	42,806	-	428	0.11	0.11	0.01
Oil and Gas Development Company Limited (note 6.2 & note 6.4)	137,787	-	-	350	137,437	16,583	17,134	4.47	4.51	0.01
Pakistan Oil Fields Limited	23,229	-	-	150	23,079	7,585	6,784	1.77	1.79	0.01
Pakistan Petroleum Limited (note 6.4)	102,724	-	-	-	102,724	10,227	12,239	3.19	3.22	0.01
						34,643	**38,285**			
Oil & Gas Marketing Companies										
Attock Petroleum Limited	4,450	-	-	-	4,450	1,267	2,226	0.58	0.59	0.01
Pakistan State Oil Company Limited (note 6.4)	27,156	-	-	-	27,156	4,424	7,832	2.04	2.06	0.01
Shell Pakistan Limited	4,451	-	-	-	4,451	388	872	0.23	0.23	0.01
Sui Northern Gas Pipelines Limited	33,670	-	-	-	33,670	525	1,058	0.28	0.28	0.01
Sui Southern Gas Company Limited	46,343	-	-	-	46,343	691	1,718	0.45	0.45	0.01
						7,295	**13,706**			
Refinery										
Attock Refinery Limited	7,219	-	-	-	7,219	1,031	1,379	0.36	0.36	0.01
National Refinery Limited	5,543	-	-	100	5,443	1,168	1,197	0.31	0.32	0.01
						2,199	**2,576**			
Chemical										
ICI Pakistan Limited	2,938	-	-	100	2,838	413	1,366	0.36	0.36	0.01
Archroma Pakistan Limited	1,790	-	-	-	1,790	274	734	0.19	0.19	0.01
Colgate Palmolive (Pakistan) Limited	1,016	-	-	-	1,016	324	1,372	0.36	0.36	0.01
			-			**1,011**	**3,472**			
Fertilizer										
Dawood Hercules Corporation Limited	72,296	-	-	500	71,796	3,831	7,564	1.97	1.99	0.01
Engro Corporation Limited	55,924	-	-	150	55,774	6,210	16,642	4.34	4.38	0.01
Fauji Fertilizer Bin Qasim Limited	70,451	-	-	1,000	69,451	2,215	4,177	1.09	1.10	0.01
Fauji Fertilizer Company Limited	149,450	-	-	600	148,850	13,251	18,376	4.79	4.84	0.01
Arif Habib Corporation Limited	23,937	5,000	-	2,000	26,937	723	1,349	0.35	0.36	0.01
Engro Fertilizers Limited	43,075	27,000	-	-	70,075	5,114	6,293	1.64	1.66	0.01
Fatima Fertilizer Company Limited (note 6.4)	90,234	21,500	-	-	111,734	2,776	5,171	1.35	1.36	0.01
						34,120	**59,572**			
Miscellaneous										
Shifa International Hospitals Limited	3,200	-	-	-	3,200	252	848	0.22	0.22	0.01
Pakistan Services Limited	6,200	-	-	-	6,200	1,917	3,095	0.81	0.82	0.02
						2,169	**3,943**			
Cement										
Attock Cement Pakistan Limited	4,886	-	-	500	4,386	175	767	0.20	0.20	0.01
Cherat Cement Company Limited	24,296	-	-	-	24,296	1,188	2,095	0.55	0.55	0.01
D.G. Khan Cement Company Limited (note 6.4)	51,887	-	-	500	51,387	2,003	7,041	1.84	1.85	0.01
Fauji Cement Company Limited	157,250	-	-	2,000	155,250	1,169	5,198	1.35	1.37	0.01

Sector / Companies (Ordinary shares have a face value of Rs 10 each unless stated otherwise)	Holding at beginning of the period 1 July 2015	Acquired during the period	Bonus / right shares received during the period *including the period Splitting of shares	Disposed during the period	Holding at end of the period end September 30, 2015	Cost as of the period ended September 30, 2015	Market Value as of September 30, 2015	Market Value as a percentage of net assets	Percentage in relation to total market value of investment	Percentage of paid-up capital of the investee company held
	< - - - - - - - - - - Number of Share			- - - - - - - - - - >		< - - - Rupees in '000'	- - - - >	< - - - Percentage	- - - - >	
Pakcem Limited	78,799	-	-	38,500	40,299	502	729	0.19	0.19	0.01
Lucky Cement Limited	27,833	-	-	350	27,483	3,646	14,475	3.77	3.81	0.01
Kohat Cement Company Limited	10,000	-	-	500	9,500	1,028	1,814	0.47	0.48	0.01
Pioneer Cement Limited	26,500	-	-	-	26,500	1,726	2,299	0.60	0.61	0.01
Maple Leaf Cement Factory Limited (note 6.4)	51,000	-	-	-	51,000	1,367	3,496	0.91	0.92	0.01
						12,804	**37,914**			
Paper & Board										
Packages Limited	6,539	-	-	-	6,539	1,279	3,489	0.91	0.92	0.01
						1,279	**3,489**			
Glass & Ceramics										
Ghani Glass Limited	10,500	-	-	1,400	9,100	729	910	0.24	0.24	0.01
						729	**910**			
Transport										
Pakistan International Bulk Terminal Limited	65,280	-	-	-	65,280	2,283	1,681	0.44	0.44	0.01
Pakistan International Bulk Terminal Ltd. - LoR	-	-	22,195	-	22,195	-	347	0.09	0.09	0.01
						2,283	**2,028**			
Automobile Assembler										
Indus Motor Company Limited	3,369	-	-	-	3,369	680	3,374	0.88	0.89	0.01
Honda Atlas Cars (Pakistan) Limited (note 6.4)	6,200	-	-	100	6,100	1,399	1,405	0.37	0.37	0.01
Millat Tractors Limited	3,793	-	-	-	3,793	1,411	2,369	0.62	0.62	0.01
Atlas Honda Limited	2,200	-	-	-	2,200	669	717	0.19	0.19	0.01
Pak Suzuki Motors Company Limited	4,670	-	-	-	4,670	301	1,936	0.50	0.51	0.01
						4,460	**9,801**			
Automobile Parts & Accessories										
Atlas Battery Limited	772	-	-	50	722	481	558	0.15	0.15	0.01
Thal Limited (Face value Rs. 5/- each) (note 6.4)	8,621	-	-	-	8,621	1,006	2,181	0.57	0.57	0.01
						1,487	**2,739**			
Food & Personal Care Products										
Nestle Pakistan Limited	969	-	-	-	969	4,419	9,834	2.56	2.59	0.01
Engro Foods Limited (note 6.4)	24,691	-	-	-	24,691	1,285	3,638	0.95	0.96	0.01
Rafhan Maize Products Company Limited	92	-	-	-	92	135	819	0.21	0.22	0.01
National Foods Limited (Face Value Rs. 5) *(note 6.4)	10,000	-	-	-	10,000	2,059	3,618	0.94	0.95	0.01
Shezan International Limited	751	-	-	-	751	596	558	0.15	0.15	0.01
Murree Brewery Company Limited (note 6.4)	2,317	-	-	-	2,317	323	2,530	0.66	0.67	0.01
						8,817	**20,997**			
Sugar & Allied Industries										
JDW Sugar Mills Limited	6,450	-	-	-	6,450	651	1,935	0.50	0.51	0.01
						651	**1,935**			

Sector / Companies (Ordinary shares have a face value of Rs 10 each unless stated otherwise)	**Holding at beginning of the period 1 July 2015**	**Acquired during the period**	**Bonus / right shares received during the period *including the Splitting of shares**	**Disposed during the period**	**Holding at end of the period end September 30, 2015**	**Cost as of the period ended September 30, 2015**	**Market Value as at September 30, 2015**	**Market Value as a percentage of net assets**	**Percentage in relation to total market value of investment**	**Percentage of paid-up capital of the investee company held**
		< - - - - - - - - - - Number of Share			- - - - - - - - - - >	< - - - Rupees in '000'	- - - - >	< - - - Percentage		- - - - >
Textile Composite										
Nishat Mills Limited	37,847	-	-	500	37,347	2,031	3,708	0.97	0.98	0.01
Nishat Chunian Limited	21,130	-	-	-	21,130	702	812	0.21	0.21	0.01
Kohinoor Textile Mills Limited (note 6.4)	39,500	-	-	-	39,500	1,171	2,787	0.73	0.73	0.02
Gul Ahmed Textile Mills Limited	16,855	-	-	-	16,855	915	656	0.17	0.17	0.01
						4,819	**7,963**			
Leather & Tanneries										
Bata Pakistan Limited	377	-	-	-	377	192	1,120	0.29	0.29	0.01
Service Industries Limited	1,288	-	-	-	1,288	1,060	1,037	0.27	0.27	0.01
						1,252	**2,157**			
Textile Weaving										
Feroze 1888 Mills Limited	1,500	-	-	-	1,500	94	90	0.02	0.02	0.01
						94	**90**			
Woollen										
Bannu Wollen Mills Limited	500	-	-	-	500	24	34	0.01	0.01	0.01
						24	**34**			
Synthetics & Rayon										
Ibrahim Fibres Limited	3,000	-	-	-	3,000	216	182	0.05	0.05	0.01
						216	**182**			
Textile Spinning										
Indus Dyeing & Manufacturing Company Ltd.	550	-	-	-	550	514	714	0.19	0.19	0.01
						514	**714**			
Leasing Companies										
Orix Leasing Pakistan Limited	8,570	-	-	-	8,570	548	567	0.15	0.15	0.01
						548	**567**			
Tobacco										
Pakistan Tobacco Company Limited (note 6.4)	2,640	-	-	-	2,640	213	2,675	0.70	0.70	0.01
						213	**2,675**			
Pharmaceuticals										
Abbott Laboratories (Pakistan) Limited	4,465	-	-	-	4,465	606	2,918	0.76	0.77	0.01
The Searle Company Limited (note 6.4)	8,194	-	-	-	8,194	1,569	3,280	0.86	0.86	0.01
GlaxoSmithKline Pakistan Limited	10,773	-	-	-	10,773	514	2,302	0.60	0.61	0.01
						2,689	**8,500**			
Technology & Communication										
Pakistan Telecommunication Company Limited "A"	125,517	-	-	-	125,517	1,428	2,183	0.57	0.57	0.01
Hum Network Limited (Face Value Rs. 1) *	70,100	10,000	-	-	80,100	274	1,307	0.34	0.34	0.01
TRG Pakistan Limited (note 6.4)	81,138	-	-	-	81,138	696	2,676	0.70	0.70	0.02
TRG Pakistan Limited - LoR	-	-	18,217	-	18,217	-	400	0.10	0.11	0.01
						2,398	**6,566**			

Sector / Companies (Ordinary shares have a face value of Rs 10 each unless stated otherwise)	Holding at beginning of the period 1 July 2015	Acquired during the period	Bonus / right shares received during the period *including the Splitting of shares	Disposed during the period	Holding at end of the period end September 30, 2015	Cost as of the period ended September 30, 2015	Market Value as at September 30, 2015	Market Value as a percentage of net assets	Percentage in relation to total market value of investment	Percentage of paid-up capital of the investee company held
		<- - - - - - - - - - Number of Share - - - - - - - - - ->				<- - - Rupees in '000' - - - ->		<- - - Percentage - - - ->		
Power Generation & Distribution										
Hub Power Company Limited	185,541	-	-	800	184,741	8,497	18,149	4.73	4.78	0.02
Kohinoor Energy Limited	14,000	-	-	-	14,000	328	693	0.18	0.18	0.01
Kot Addu Power Company Limited	97,779	-	-	1,000	96,779	6,140	9,170	2.39	2.42	0.01
K-Electric Limited. (Face Value Rs.3.5)	593,148	-	-	7,000	586,148	3,037	4,138	1.08	1.09	0.03
Nishat Chunian Power Limited	38,665	-	-	-	38,665	949	2,165	0.56	0.57	0.01
Pakgen Power Limited (note 6.4)	35,000	-	-	-	35,000	697	978	0.25	0.26	0.01
Nishat Power Limited (note 6.4)	34,070	-	-	-	34,070	682	1,782	0.46	0.47	0.01
						20,330	**37,075**			
Commercial Banks										
Allied Bank Limited	36,962	-	-	600	36,362	2,136	3,382	0.88	0.89	0.01
Askari Bank Limited	80,813	-	-	-	80,813	1,156	1,763	0.46	0.46	0.01
The Bank of Punjab	138,659	-	-	8,500	130,159	1,360	1,076	0.28	0.28	0.01
Bank Al Habib Limited	143,347	10,000	-	-	153,347	3,732	6,379	1.66	1.68	0.01
Bank Al-Falah Limited	153,305	-	-	5,000	148,305	1,981	3,697	0.96	0.97	0.01
Faysal Bank Limited	89,952	-	-	10,000	79,952	467	1,212	0.32	0.32	0.01
Habib Bank Limited	140,983	15,000	-	-	155,983	27,944	30,835	8.04	8.12	0.01
Habib Metropolitan Bank Limited	101,568	-	-	1,000	100,568	1,998	2,909	0.76	0.77	0.01
MCB Bank Limited	95,228	-	-	11,000	84,228	11,993	19,326	5.04	5.09	0.01
Meezan Bank Limited	21,032	-	-	-	21,032	232	1,062	0.28	0.28	0.01
National Bank of Pakistan	108,738	-	-	8,000	100,738	3,413	5,153	1.34	1.36	0.01
Soneri Bank Limited	69,447	-	-	-	69,447	424	924	0.24	0.24	0.01
Standard Chartered Bank (Pakistan) Limited	41,098	-	-	-	41,098	329	884	0.23	0.23	0.01
United Bank Limited	104,679	-	-	350	104,329	13,947	15,307	3.99	4.03	0.01
						71,112	**93,909**			
Insurance										
Adamjee Insurance Company Limited	52,240	-	-	-	52,240	1,181	2,720	0.71	0.72	0.01
EFU General Insurance Limited (note 6.4)	20,713	-	-	400	20,313	1,081	2,895	0.75	0.76	0.01
Jubilee General Insurance Company Limited	8,644	-	-	500	8,144	235	988	0.26	0.26	0.01
IGI Insurance Limited	8,797	-	-	-	8,797	591	1,924	0.50	0.51	0.01
Jubilee Life Insurance Company Limited	3,100	-	-	-	3,100	971	1,612	0.42	0.42	0.01
EFU Life Assurance Limited	4,184	-	-	-	4,184	195	1,013	0.26	0.27	0.01
						4,254	**11,152**			
Inv. Banks / Inv. Cos. / Securities Cos.										
Jahangir Siddiqui & Company Limited	57,253	-	-	-	57,253	615	1,028	0.27	0.27	0.01
Jahangir Siddiqui & Company Limited - LoR	-	-	11,450	-	11,450	-	91	0.02	0.02	0.01
						615	**1,119**			
Close-End Mutual Fund										
PICIC Growth Fund	48,512	-	-	-	48,512	752	1,156	0.30	0.30	0.02
						752	**1,156**			

Sector / Companies (Ordinary shares have a face value of Rs 10 each unless stated otherwise)	Holding at beginning of the period 1 July 2015	Acquired during the period	Bonus / right shares received during the period *including the Splitting of shares	Disposed during the period	Holding at end of the period end September 30, 2015	Cost as of the period ended September 30, 2015	Market Value as at September 30, 2015	Market Value as a percentage of net assets	Percentage in relation to total market value of investment	Percentage of paid-up capital of the investee company held
		<- - - - - - - - - - Number of Share - - - - - - - - - ->				<- - - Rupees in '000' - - - ->		<- - - Percentage - - - ->		
Modarabas										
Allied Rental Modaraba	15,000	-	-	2,500	12,500	519	487	0.13	0.13	0.01
						519	**487**			
Vanaspati & Allied Industries										
Punjab Oil Mills Limited	-	300	-	-	300	80	70	0.02	0.02	0.01
						80	**70**			
Cable & Electrical Goods										
Pak Electron Limited (note 6.4)	38,700	-	-	-	38,700	2,680	2,790	0.73	0.73	0.01
						2,680	**2,790**			
Engineering										
International Steel Limited	40,500	-	-	-	40,500	695	1,062	0.28	0.28	0.01
						695	**1,062**			
					September 30, 2015	**227,751**	**379,635**			
					June 30, 2015	**223,370**	**409,795**			

* The splitting of the scrips of Hum Network Limited and National Foods Limited represents the splitting of their ordinary shares of Rs. 10 each and into ordinary share of Re. 1 and Rs. 5 respectively.

6.2 These include 100,000 shares having market value of Rs. 12.467 million of Oil and Gas Development Company Limited as pledged with National Clearing Company of Pakistan Limited as on September 30, 2015.

6.3 These are phyiscal shares of Mari Petroleum Company Limited-Preference shares received as special dividend from Mari Petroleum Company Limited (MARI) @ 877% on May 21, 2015. The shares of MARI are valued at Rs.10 which is approximately equal to its fair value.

6.4 These investments held by the Fund exceeded the maximum limit prescribed by the regulation No. 55 (6) of the NBFC regulations. Arrangements are being made to adjust theese investments with the weight prescribed in the NBFC regulations.

	(Unaudited) September 30, 2015	(Audited) June 30 2015
Balance as of 01 July	**186,425**	175,922
Unrealised gain for the period / year	**(31,961)**	31,796
Unrealised gain recongnized in the income statement on sale - net	**(2,580)**	(21,293)
Balance as of period / year, end recognised directly into unit holders' fund	**151,884**	186,425

			(Unaudited) September 30, 2015	(Audited) June 30 2015
7.	**ACCRUED EXPENSES AND OTHER LIABILITIES**			
	Auditors' remuneration		**302**	239
	Sindh Sales Tax payable on Management Company's remuneration	7.1	**40**	44
	Federal Excise Duty	7.2	**999**	874
	Withholding tax payable		**-**	216
	Zakat payable		**-**	53
	Other liabilities		**374**	347
			1,715	1,773

7.1 During the period, an amount of Rs. 0.127 million was charged on account of Sindh Sales tax on management fee levied through Sindh Sales Tax on Services Act, 2011. As at period end, sales tax on management remuneration of Rs. 0.0419 million was due, which was paid subsequent to the period end to the Management Company, who then has to pay to the Government of Sindh.

7.2 The Finance Act, 2013 introduced an amendment to Federal Excise Act 2005 where by Federal Excise Duty (FED) has been imposed at the rate of 16% of the services rendered by assets management companies. However MUFAP has filed a petition in the Sindh High Court (SHC) challenging the levy of FED on assets management services. The SHC in its short order of September 2013 directed the FBR not to take any coercive action against the petitioners pursuant to impugned notices till next date of hearing. In view of uncertainty regarding the applicability of FED on asset management services, the management, as a matter of abundant caution, has decided to maintain the provision for FED amounting to of Rs. 0.999 million as at September 30, 2015. Had the said provision of FED not been recorded in the books of account of the Fund, the NAV of the Fund would have been higher by Re. 0.035 / 0.26%.

8. Provision for Workers' Welfare Fund

The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance), whereby the definition of ‘Industrial Establishment’ had been made applicable to any establishment to which West Pakistan Shops and Establishment Ordinance, 1969 applies. As a result of this amendment, all Collective Investment Schemes (CISs) / mutual funds whose income exceeds Rs.0.5 million in a tax year had been brought within the scope of the WWF Ordinance thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a constitutional petition has been filed by certain Collective Investment Schemes (CISs) through their trustees in the Honorable Sindh High Court (SHC), challenging the applicability of WWF to the CISs, which is pending adjudication.

In 2011, a single judge of the Lahore High Court (LHC) issued a judgment in response to a petition in similar case whereby the amendments introduced in WWF Ordinance through Finance Acts, 2006 and 2008 have been declared unconstitutional and therefore struck down. However in 2013, the Larger Bench of SHC issued a judgment in response to a petition in another similar case in which it is held that the amendments introduced in the WWF Ordinance through Finance Acts, 2006 and 2008 do not suffer from any constitutional or legal infirmity. In 2014, the Peshawar High Court (PHC) has also held these amendments to be ultra vires as they lacked the essential mandate to be introduced and passed through the Money Bill under the Constitution.

The Finance Act 2015 makes amendment in WWF Ordinance by excluding Collective Investment Schemes (CIS) from the definition of Industrial Establishment, and consequently CIS are no more liable to pay contribution to WWF with effect from July 01, 2015. Owing to the fact that the decision of SHC on the applicability of WWF (till September 30, 2015) to the CISs is currently pending for adjudication, the Management Company has decided to retain provision of WWF in its books of account and financial statements till June 30, 2015 which aggregates to Rs. 2.679 million. Had the above recognition not been made, the net assets value per unit of the Fund would be higher by Re. 0.09 / 0.70%. However, with effect from July 01, 2015, the Fund stopped making further provision of WWF in pursuance to the said amendment of the Finance Act 2015.

9. CONTINGENCIES AND COMMITMENTS

The Fund had no contingency or commitment at the period end.

10. 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 ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11 of part IV of the second schedule to the Income Tax Ordinance, 2001.

11. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include AKD Investment Management Limited (AKDIML), being the asset management company of the Fund, Aqeel Karim Dhedhi Securities (Private) Limited (holding company of the management company), AKD Securities Limited being the related companies of the management company, Central Depository Company of Pakistan Limited being the trustee, other collective investment schemes managed by the Management Company and directors and key management personnel of the Management Company and also includes entities holding 10% or more in the units of the Fund as at September 30, 2015. It also includes staff retirement funds of the above connected persons / related parties and entities in which the above parties or their connected persons have a material interest. All related party transactions have been transacted at arm's length basis. Remuneration to the Management Company and the Trustee is determined in accordance with the provisions of Non-Banking Finance Companies and Notified Entities Regulations, 2008, and the Trust Deed respectively. Purchase and redemptions of the Fund's units by the connected persons / related parties are recorded at the applicable net asset value per unit. Other transactions are recorded in accordance with the agreed terms.

	Unaudited September 30, 2015	Unaudited September 30, 2014
	(Rupees in '000)	
11.1 Details of transactions with connected persons / related parties during the period		
AKD Investment Management Limited - Management Company of the Fund		
Remuneration	**781**	699
Sindh Sales tax on Management Company's remuneration	**127**	122
Federal excise duty	**125**	112
Sales Load	**1**	10
AKD Securities Limited - Brokerage House		
Commission Paid	**9**	-
AKD Investment Management Limited-Staff Provident Fund		
Units issued - 255,093 units (2014: Nil) units	**3,600**	-
Redemption of units - 255,093 units (2014: Nil) units	**3,647**	-
Gain by the related party on redemption of units - net	**47**	-
Central Depository Company of Pakistan Limited - Trustee		
Remuneration	**208**	187
Central Depository Service charges	**3**	3

	(Unaudited) September 30, 2015	(Audited) June 30 2015
	(Rupees in '000)	
11.2 Balances outstanding at the period end		
AKD Investment Management Limited		
Remuneration payable	**244**	255
Sindh sales tax on Management Company's remuneration	**40**	44
Federal Excise Duty Payable Management Company's remuneration	**999**	874
Sales Load payable	**1**	1
Payable to Central Depository Company of Pakistan Limited - Trustee		
Remuneration	**54**	67
Security Deposit	**100**	100
CDS charges	**1**	4
Mr. Aqeel Karim Dhedhi		
Number of units outstanding - 390 (June 30, 2015: 390) units	**5**	6
National Bank of Pakistan Employees Pension Fund (having invested more than 10% in the units of the Fund)		
Number of units outstanding - 26,402,224 units (92.05% of the total units in issue as at the period end) {(30 June 2015 : 26,402,224) 91.96% of the total units in issue as at year end}	**353,124**	378,080
AKD Securities Limited - Brokerage House		
Brokerage payable	**-**	9

* Sales tax and FED is paid / payable to the management company for onwards payment to the Government.

12. GENERAL

All financial information presented in Pak Rupees have been rounded off to the nearest thousand rupees.

13. DATE OF AUTHORIZATION OF ISSUE

These condensed interim financial information were authorised for issue on October 29, 2015 by the board of directors of the Management Company.

For AKD Investment Management Limited
(Management Company)

Imran Motiwala	**Nadeem Saulat Siddiqui**
Chief Executive Officer	Director

AKD Investment
Management Ltd.

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