Funds Managed by:

AKD Investment Management Ltd.

3rd Quarter Report
March 31, 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. M. Ramzan Sheikh*
Mr. Hasan Ahmed*
Mr. Ahmed Abdul Sattar*
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 COMPLIANCE OF THE MANAGEMENT COMPANY

Mr. Rashid Ahmed

AUDIT COMMITTEE

Mr. Ali Wahab Siddiqui (Chairman)
Mr. M. Ramzan Sheikh (Member)
Mr. Hasan Ahmed (Member)
Mr. Muhammad Yaqoob (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

*Election of Directors took place on October 11, 2014 and the approval is pending from SECP.

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 third quarter ended March 31, 2015.

Funds' Financial Performance

AKD Opportunity Fund (AKDOF)

For the nine months period of FY15, the return of AKD Opportunity Fund stood at 4.60% compared to the benchmark KSE-100 Index's return of 1.96%, thus outperforming the benchmark by 2.64%.

AKD Index Tracker Fund (AKDITF)

For the nine months period of FY15, the return of AKD Index Tracker Fund stood at 0.96% compared to the benchmark KSE-100 Index's return of 1.96%, thus underperforming the benchmark by 1.00%.

AKD Cash Fund (AKDCF)

For the nine months period of FY15, the annualized return of AKD Cash Fund stood at 8.91% compared to benchmark return of 8.37%, thus outperforming the benchmark by 0.54%.

AKD Aggressive Income Fund (AKDAIF)

For the nine months period of FY15, the annualized return of AKD Aggressive Income Fund stood at 21.81% compared to the benchmark return of 9.83%, thus outperforming the benchmark by 11.98%.

Macro Perspective

The macroeconomic outlook of Pakistan has improved over the past several months based on the prudent monetary and fiscal policies, lower international commodity prices, strong capital inflows and increased remittances. The economy, at broader scale, has started reaping benefits of the reform initiatives taken by the current government such as significant improvement in tax collection and reduction in subsidies to power sector taking advantage of the lower international commodity prices thus creating much needed fiscal space. Despite stability at overall political front during third quarter of fiscal year 2015, law and order situation in Karachi and regulatory issues with the brokers had short term negative impact on stock market during the months of February and March 2015.

So far, the most crucial achievement at macro front is continuous improvement in total liquid foreign exchange reserves position. Total liquid foreign exchange reserves increased to $16.194bn by the end of third quarter fiscal year 2015 against $9.864bn in the corresponding period of fiscal year 2014, which is a significant surge of 64% year over year. Receipt of two tranches of worth $550mn and $499mn from International Monetary Fund (IMF) under extended Fund Facility and multilateral, bilateral sources supported the reserves position during the third quarter fiscal year 2015. Clearly, it signifies the foreign institution's confidence in Pakistan's progress towards economic growth and reforms. Under the arrangement, the latest approval has brought total disbursements to about $3.5bn.

The Headline Consumer Price Index (CPI) inflation had touched the decade's lowest level of 2.5% in the month of March 2015 over the corresponding period of previous year mainly due to massive reduction in domestic oil prices in last six months. Average inflation in first nine months of fiscal year 2015 stood at 5.12% compared to 8.64% over the corresponding period last year. The inflation trend may continue to follow a downward trajectory in the near-term, however, Government may miss its target of 4%-5% average CPI inflation for the fiscal year 2015 due to increase in petrol and high speed diesel prices by Rs.4/liter and Rs.3/liter during March 2015. Due to soft inflation and favorable economic environment throughout the ongoing fiscal year State Bank of Pakistan (SBP) slashed the discount rate three times during first nine months of fiscal year 2015 including the latest discount rate cut of 50bps in March 2015. So far, SBP has slashed the discount rate by 200bps on cumulative basis during first nine months of fiscal year 2015 and corporate earnings have started reaping benefits from this monetary easing.

Despite government's attempts to reduce the trade deficit, Pakistan's overall exports to the rest of the world remained subdued during first nine months of fiscal year 2015. Although, Pakistan made $1 billion additional gains after availing the GSP Plus facility, its overall exports were badly hurt due to loss of competiveness and extremely narrow export-base. The trade deficit expanded to $16.2bn in first nine months of fiscal year 2015 as compared to trade deficit of $14.05bn in first nine months of fiscal year 2014. While exports dropped almost 6% during the July to March period, imports in the same period grew on an average of 3%, widening the trade deficit by 15.4%. However, in contrast to trade deficit, the current account deficit shrank by $1.23bn and settled at $1.46bn during first nine months of fiscal year 2015 against $2.69bn in the corresponding period last year. As a percentage of the gross domestic product (GDP), the current account deficit stood at 0.7% in July to March as opposed to 1.5% for the same period of fiscal year 2014. The large scale manufacturing growth remained a concern throughout the fiscal year 2015. The growth in the industrial output has witnessed a decelerated trend in the past few months, largely because of supply-side bottlenecks. The nominal growth was led by lackluster performance of sub-sectors like textile, chemicals and pharmaceuticals. The sector's growth has been in decline since November, but the government has yet to take any measures to address the situation; while, the government is actively engaged in economic reforms to achieve its GDP growth target. International Monetary Fund (IMF) and World Bank (WB), in their recent review, expressed satisfaction regarding the progress of economic and energy sector developments. These reviews are expected to build the investors' confidence witnessing improved investment activity going forward.

Equity Market

At the start of the third quarter of fiscal year 2015 KSE-100 Index continued its bullish momentum, reaching a historic high of 35,055.94 on Feb 4, 2015 on account of monetary easing, low inflation and record high foreign liquid reserves.

However, despite posting a hefty return of 7.20% during the month of January 2015, KSE-100 index clocked in a negative return of 5.91% for the third quarter of fiscal year 2015. The excessive selling was trickled by the liquidation of a foreign hedge fund which triggered a much awaited technical correction. Moreover, added selling pressure by the mutual funds to meet redemption requests crippled the stock prices settling to close KSE-100 Index at 30,233.87 as at March 31, 2015.

Money Market

In the third quarter of fiscal year 2015, SBP conducted six market treasury-bill auctions. The total amount realized from the auctions amounted to PkR 1,023.704bn. The weighted average yields on 3 months T-bills, 6 months T-bills and 12 months T-bills stood at 8.50%, 8.47% and 8.35% respectively. Over the span of third quarter, the 3 month, 6 month and 12 month yields have declined by 10.07%, 13.57% and 14.62% respectively. The SBP carried out 3 PIB auctions in the period under review where it raised a total amount of PkR 132.533bn. The weighted average yields stood at 8.48%, 9.04% and 9.75% for 3 years, 5 years and 10 years bonds declining by 6.60%, 7.90% and 6.48% respectively.SBP had to inject funds through open market operations to manage liquidity issue in the money market. An amount of total PkR 10,006.100bn was injected through repo transactions.

Future Outlook

Currently Pakistan is facing a complex environment, with war against terrorism on one hand, and severe energy crisis on the other creating major hurdles to achieve true economic potential. Also, the domestic economy's resilience is indeed impressive against global economic downturn caused by soft growth outlook of China, EU financial crunch and declining commodity prices. Yet, the statistics of Pakistan's GDP, GNP, FDI and stock market performance suggests that its economy is definitely on the path towards growth. Going forward, we believe the economy of Pakistan is expected to achieve a sustainable growth driven by low inflation, favorable international commodity prices, and growth in revenue collection, increase in foreign remittances, improved foreign direct investments and solid foreign exchange reserves. After successful divestment of HBL for $1.005bn in April 2015, the government is eyeing the divestment of distribution companies and 28% stake in Pakistan International Airlines by the end of CY15, these divestments coupled with next IMF tranches and other multilateral inflows will further strengthen the foreign reserve position. Moreover, large sum of money in the form of foreign direct investment, particularly from China in Energy and Infrastructure sector will help tackling the power shortage and improve local efficiencies in the country. Furthermore, on the back of soft inflation, we expect another cut of 50bps in the next Monetary Policy Meeting. The cumulative cut of 250bps significantly expected to enhance the corporate profitability.

Pakistan equity market is expected to gear up for a stellar performance in the coming quarters where we believe KSE-100 index to witness a strong positive return trajectory on the back of continued monetary easing, improvement in the economic indicators, effectiveness of the privatizations process, and growth in corporate profitability with attractive equity market valuations.

For and on behalf of the Board

Imran Motiwala

Karachi: April 29, 2015

Chief Executive Officer

AKD Opportunity Fund
Financial Information - Third Quarter FY15

Contents

AKD Opportunity 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
Habib Metropolitan Bank Limited
KASB Bank Limited
Summit Bank Limited

AUDITORS
KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No.2
Beaumont Road, Karachi.

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
BMA Financial Services Limited
IGI Investment Bank Limited
Foundation Securities (Private) Limited

RATING - AKDOF
BY PACRA
Performance Ranking

Long-term	Short-term
5-Star	4-Star

FUND MANAGER'S REPORT

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

Open - end Equity Scheme

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

The investment objective of the Fund is to invest in the capital markets, searching for the optimal combination of investment strategies, mainly in equities, followed by fixed income and money market as contingent defensive strategy.

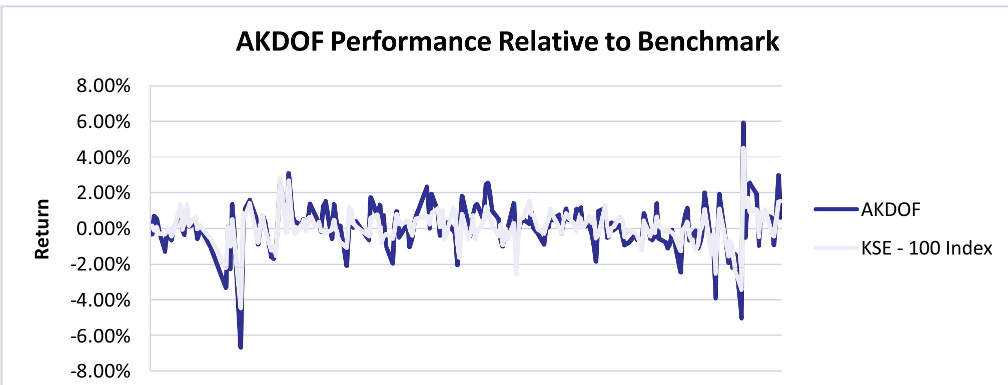
iii) Explanation as to whether Collective Investment Scheme achieved its stated objective:

For the nine months period of FY15, the return of the AKD Opportunity Fund stood at a 4.60% versus the benchmark KSE-100 Index' return of 1.96%, thus outperforming the benchmark by 2.64%.

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 its said benchmark:



Monthly Return	Jul 14	Aug 14	Sep 14	Oct 14	Nov 14	Dec 14	Jan 15	Feb 15	Mar 15
AKDOF	-1.36%	-8.63%	12.47%	1.81%	7.71%	7.57%	5.68%	-6.84%	-10.52%
Benchmark	2.23%	-5.76%	4.06%	2.19%	2.70%	2.99%	7.20%	-2.36%	-10.10%

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

AKD Opportunity Fund is an Open - End Equity Scheme; the return of the Fund is generated through investment in value stocks which have strong growth potential. AKDOF is fully complied with the relevant policies and procedures as per Fund's regulatory requirements.

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

Asset Allocation (% of Total Assets)	31-Mar-15	31-Dec-14
Equities	99.05%	95.24%
Cash	0.5%	4.23%
Other Assets	0.45%	0.53%
Leverage	Nil	Nil

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

Nine Months Period of FY15 Return	4.60%
Benchmark Return	1.96%

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

Net Asset Value		Change in Net Assets	NAV Per Unit	
31-Mar-15	31-Dec-14		31-Mar-15	31-Dec-14
(Rupees in "million")			Rs.	Rs.
941.545	884.491	6.45%	57.4705	65.6837

x) 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 macro indicators of Pakistan have shown significant improvement over the past few months. The government introduced several fiscal and monetary reforms which are supporting the economy. Soft commodity and oil prices, strong foreign remittances, multilateral inflows and reduction in discount rate provided the much needed strength to economy. Despite major positive triggers, the equity market struggled during the month of February and March 2015 because of law and order situation in Karachi and the Yemen crisis. These factors shattered the investors' confidence in short-term, however, equity market quickly recovered due to Pakistan's neutral stance regarding intervention in Yemen war.

Monetary easing remained one of the noticeable developments during the current fiscal year. Due to soft inflation and favorable economic environment throughout the ongoing fiscal year, State Bank of Pakistan (SBP) slashed the discount rate three times during first nine months of fiscal year 2015 including the latest discount rate cut of 50bps in March. So far, SBP has slashed the discount rate by 200bps on cumulative basis. As a result, the corporate earnings are experiencing significant growth in the recent quarters; except the depressed oil and gas sector. Going forward, it is expected that the discount rate will come down further in the next monetary policy in May 2015. In addition to monetary easing, the Headline Consumer Price Index (CPI) is also in declining phase as it reached its lowest level in ten years to 2.5% in March mainly due to the trickledown effect of falling international oil prices. Average inflation in first nine months of fiscal year 2015 has remained at 5.12% compared to 8.64% over the corresponding period last year. Based on the current trend in oil prices, it is expected that inflation level will remain low in 2015. However, government may miss its average CPI target of 4% to 5% for the full fiscal year 2015 primarily due to higher GST on oil products and recent increase of Rs.4/liter and Rs.3/liter in petrol and high speed diesel prices, respectively.

International Monetary Fund's (IMF) Extended Fund Facility Program has played a supportive role for Pakistan's economy. In the recent months, receipt of two tranches of worth $550mn and $499mn from International Monetary Fund (IMF) owing to successful reviews, multilateral and bilateral sources supported the reserves position during the third quarter fiscal year 2015. Resultantly, total liquid foreign exchange reserves have increased to $16.194bn by the end of third quarter fiscal year 2015 against $9.864bn in the corresponding period of fiscal year 2014, which is a significant surge of 64% year over year. Under the arrangement, the latest approval has brought total disbursements to about $3.5bn. It signifies the foreign institution's confidence in Pakistan's progress towards economic growth and reform policies. The government has been successful to large extent in meeting the targets set by IMF. Under the privatization program as well, recently, government has sold its entire holding in HBL to generate $1.005bn to further strengthen the foreign reserves. In addition, Moody's has also improved ratings of Pakistani bonds to positive from stable in international market. These factors will boost the confidence of local and international investors going forward.

Despite several important developments, severe energy crisis and flawed policies hammered the performance of textile, pharmaceutical and chemical sector. Resultantly, the large scale manufacturing (LSM) has been showing lagging growth throughout the current fiscal year but government has yet to take any measures to turn the situation around. Apart from slow LSM growth, government is actively engaged in economic reforms to achieve its GDP growth target. International Monetary Fund (IMF) and World Bank (WB), in their recent review, expressed satisfaction regarding the progress of economic and energy sector developments. This review helps build the investors' confidence witnessing improved investment activity going forward.

Further on the down side, trade deficit has continued to be a problem in the fiscal year 2015. The trade deficit expanded to $16.2bn in first nine months of fiscal year 2015 as compared to trade deficit of $14.05bn in first nine months of fiscal year 2014. Pakistan failed to improve the deficit as exports went down by almost 6% during the July to March period where as the imports in the same period grew on an average of 3%, widening the trade deficit by 15.4%. On the positive side, Pakistan was able to gain $1bn because of the GSP status granted by EU. However, the full benefits have not been extracted due to a narrow export base and lack of competitiveness. On the other hand, the current account presents a different picture. The current account deficit shrank by $1.23bn and reached a level of $1.46bn during first nine months of fiscal year 2015 against $2.69bn in the corresponding period last year. As a percentage of the gross domestic product (GDP), the current account deficit stood at 0.7% in July to March as opposed to 1.5% for the same period of fiscal year 2014.

Equity Market Performance

Bullish sentiment prevailed at the start of third quarter fiscal year 2015, posting a return of 7.2% for the month of January 2015 on account of monetary easing, soft inflation figure and build up foreign liquid reserves. Meanwhile KSE-100 index touched the historic high level of 35,055.94 points on February 4, 2015. However, later in the month of February and March, excessive foreign selling due to liquidation of a frontier market hedge fund nullified the January return and resultantly third quarter fiscal year 2015 return clocked in at -5.91%. Moreover, profit taking by individuals and institutional investors further dragged down the KSE-100 Index. Redemption claims from investor due to poor law and order situation in Karachi exerted pressure on mutual funds to clear positions that crippled the stock prices and KSE-100 index settled at 30,233.87 as at 31, March 2015.

Future Outlook

With the improvement in the economic outlook witnessed by the growth in national economic indicators such as GDP, GNP, FDI and stock market performance entice the notion of de-risking, however the energy shortage crippling the backbone of the manufacturing and service sector coupled with the resources exerted on continuous fight against war on terror has slowed down the pace and distant the milestone for the economy to reach its full potential.

However the Government's efforts to overcome the major obstacle of energy shortage by increasing the capacity of power generation through coal based projects is much appreciated, we expect going forward the economy of Pakistan to achieve a sustainable growth driven by low inflation, favorable international commodity prices, growth in revenue collection, increase in foreign remittances, improved foreign direct investments and solid foreign exchange reserves. After successful divestment of HBL for $1.005bn in April 2015, the government is eyeing the divestment of distribution companies and 28% stake in Pakistan International Airlines by the end of CY15, these divestments coupled with next IMF tranches and other multilateral inflows will further strengthen the foreign reserve position. Moreover, large sum of money in the form of foreign direct investment, particularly from China in Energy and Infrastructure sector will help tackling the power shortage and improved local efficiencies in the country. Furthermore, on the back of soft inflation, we expect another cut of 50bps in the next Monetary Policy Meeting. The cumulative cut of 250bps expected to further enhance the corporate profitability.

We expect the equity market to witness a record breaking upward trajectory going forward, with a base case of continued monetary easing, improvement in the economic indicators, effectiveness of the privatizations process, and growth in corporate profitability with attractive equity market valuations.

xi) 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 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 Fund Manager's report under review.

xii) Disclosure of any split (if any), comprising:

There was no split during the period.

xiii) Break down of unit holding size:

Range (Units)	No. of Investors
0.1 - 9,999	370
10,000 - 49,999	74
50,000 - 99,999	24
100,000 - 499,999	25
500,000 and above	6
	499

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

Investments are subject to credit and market risk.

xv) 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 broker or dealer by virtue of transactions conducted by the Collective Investment Scheme.

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT MARCH 31, 2015

	Note	31 March 2015 (Unaudited)	30 JUNE 2014 (Audited)
		(Rupees in '000)	
Assets			
Bank balances	5	**4,816**	12,488
Investments	6	**960,273**	985,670
Dividend, prepayment and other receivables	7	**1,754**	181
Security deposits		**2,600**	2,600
Total Assets		**969,443**	1,000,939
Liabilities			
Remuneration payable to the Management Company	13.2	**1,610**	1,674
Remuneration payable to the Trustee	13.2	**159**	160
Annual fee payable to Securities and Exchange Commission of Pakistan		**610**	854
Payable on redemption of units		**66**	177,095
Accrued expenses and other liabilities	8	**6,854**	4,334
Provision for workers' welfare fund	10	**18,588**	17,743
Unclaimed dividend		**11**	11
Total Liabilities		**27,898**	201,871
Contingencies and commitments	11		
Net Assets		**941,545**	799,068
Unit holders' fund (as per statement attached)		**941,545**	799,068
		(Number of Units)	
Number of units in issue		**16,383,105**	14,543,645
		(Rupees)	
Net assets value per unit (face value per unit Rs. 50/-)		**57.47**	**54.94**

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information

For AKD Investment Management Limited
(Management Company)

Imran Motiwala
Chief Executive Officer

Nadeem Saulat Siddiqui
Director

CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)

FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2015

	Note	Nine months period ended 31 March 2015	Nine months period ended 31 March 2014	Three months period ended 31 March 2015	Three months period ended 31 March 2014
		-------------------(Rupees in '000)-------------------			
Income					
Gain on sale of 'held for trading investments' - net		**83,678**	159,135	**13,898**	82,315
Dividend income		**10,365**	26,638	**1,586**	9,778
Profit on bank balances		**1,423**	1,730	**534**	724
Profit on investment in debt securities		**40**	-	**-**	-
Net unrealised appreciation/(diminution) in the fair value of investments at fair value through profit or loss- held for trading'		**(62,273)**	128,782	**(141,671)**	53,508
		33,233	316,285	**(125,653)**	146,325
Expenses					
Remuneration to the Management Company		**12,837**	12,991	**4,785**	4,434
Remuneration to the Trustee		**1,283**	1,299	**478**	443
Annual fee to the Securities and Exchange Commission of Pakistan		**610**	617	**228**	211
Securities transaction cost		**2,549**	2,824	**1,098**	1,257
Auditor's remuneration		**225**	199	**73**	59
Provision for workers' welfare fund	*10*	**845**	5,726	**(2,107)**	2,616
Others Expenses	*9*	**4,704**	5,079	**1,749**	1,650
		23,053	28,735	**6,304**	10,670
Net income from operating activities		**10,180**	287,550	**(131,957)**	135,655
Element of income / (loss) and capital gains / (losses) included in prices of units sold less those in units redeemed - net		**31,231**	(6,987)	**28,732**	(7,503)
Net income/(loss) for the period before taxation		**41,411**	280,563	**(103,225)**	128,152
Taxation	*12*	**-**	-	-	-
Net income/(loss) for the period after taxation		**41,411**	280,563	**(103,225)**	128,152

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

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

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2015

	Nine months period ended March 31,		Three months period ended March 31,	
	2015	2014	**2015**	2014
	(Rupees in '000)			
Net income/loss for the period	**41,411**	280,563	**(103,225)**	128,152
Other comprehensive income for the period	**-**	-	-	-
Total comprehensive income /(loss) for the period	**41,411**	280,563	**(103,225)**	128,152

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

Imran Motiwala
Chief Executive Officer

Nadeem Saulat Siddiqui
Director

CONDENSED INTERIM DISTRIBUTION STATEMENT (UNAUDITED)

FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2015

	Nine months period ended 31 March		Three months period ended 31 March	
	2015	2014	**2015**	2014
	(Rupees in '000)			
Surplus / (Deficit) at beginning of the period				
Represented by:				
- Realised	**(174,595)**	(70,398)	**(52,179)**	(83,481)
- Unrealised	**171,756**	108,530	**193,976**	124,343
	(2,839)	38,132	**141,797**	40,862
Net income/loss for the period	**41,411**	280,563	**(103,225)**	128,152
Distribution:				
Bonus units issued for the nine months period ended March 31, 2015 : Nil (2014 : Bonus units issued for the year ended 30 June 2013 at the rate of Rs.13.5 per unit distributed on 08 July 2013)	**-**	(149,681)	**-**	-
	41,411	130,882	**(103,225)**	128,152
Surplus / (Deficit) at end of the period	**38,572**	169,014	**38,572**	169,014
Represented by:				
- Realised	**2,451**	(3,880)	**2,451**	(3,880)
- Unrealised	**36,121**	172,894	**36,121**	172,894
	38,572	169,014	**38,572**	169,014

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

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 NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2015

	Nine months period ended 31 March		Three months period ended 31 March	
	2015	2014	**2015**	2014
	(Rupees in '000)			
Net assets at beginning of the period	**799,068**	675,980	**884,491**	856,476
Cash received on issue of 7,760,042 (2014: 9,032,152) units*	**473,921**	327,548	**234,839**	112,067
Cash paid on redemption of 5,920,582 (2014: 5,864,419) units	**(341,624)**	(333,849)	**(45,828)**	(146,969)
	132,297	(6,301)	**189,011**	(34,902)
Element of (income) / loss and capital (gains) / losses included in prices of units sold less those in units redeemed - net	**(31,231)**	6,987	**(28,732)**	7,503
Total comprehensive income / (loss) for the period	**41,411**	280,563	**(103,225)**	128,152
Net assets at end of the period	**941,545**	957,229	**941,545**	957,229
	(Rupees)			
Net assets value per unit at beginning of the period	**54.94**	60.97	**65.68**	57.74
Net assets value per unit at end of the period	**57.47**	67.15	**57.47**	67.15

* This includes Nil (2014: 3,153,288) units issued as bonus units.

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

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

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)

FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2015

	Nine months period ended March 31,		Three months period ended March 31	
	2015	2014	**2015**	2014
	--------------------(Rupees in '000)--------------------			
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income/(loss) for the period	**41,411**	280,563	**(103,225)**	128,152
Adjustments for:				
Net unrealised (appreciation)/diminution in the fair value of investments 'at fair value through profit or loss - held for trading'	**62,273**	(128,782)	**141,671**	(53,508)
Profit on bank balances	**(1,423)**	(1,730)	**(534)**	(724)
Element of (income) / loss and capital (gains) / losses - net included in prices of units sold less those in units redeemed - net	**(31,231)**	6,987	**(28,732)**	7,503
	71,030	157,038	**9,180**	81,423
(Increase) / decrease in assets				
Investments	**(36,876)**	(42,602)	**(199,618)**	85,533
Dividend, prepayment and other receivables	**(1,599)**	(13,042)	**733**	(13,264)
Receivable against sale of investments	**-**	(634)	**-**	(637)
Profit received on bank balances	**1,449**	1,494	**555**	513
	(37,026)	(54,784)	**(198,330)**	72,145
Increase / (decrease) in liabilities				
Remuneration payable to the Management Company	**(64)**	400	**217**	93
Remuneration payable to the Trustee	**(1)**	40	**22**	9
Annual fee payable to the Securities and Exchange Commission of Pakistan	**(244)**	195	**-** **228**	211
Payable against purchase of investments	**-**	(2,568)	**(33,541)**	916
Payable on redemption of units	**(177,029)**	(12,371)	**(1,298)**	(109)
Accrued expenses and other liabilities	**2,520**	2,559	**1,402**	1,514
Provision for workers' welfare fund	**845**	5,725	**(2,107)**	2,615
	(173,973)	(6,020)	**(35,077)**	5,249
Net cash (used in) / generated from operating activities	**(139,969)**	96,234	**(224,227)**	158,817
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash received on issuance of units	**473,921**	327,548	**234,839**	112,067
Cash paid on redemption of units	**(341,624)**	(333,849)	**(45,828)**	(146,969)
Net cash generated from / (used in) financing activities	**132,297**	(6,301)	**189,011**	(34,902)
Net increase/(decrease) in cash and cash equivalents during the period	**(7,672)**	89,933	**(35,216)**	123,915
Cash and cash equivalents at beginning of the period	**12,488**	37,694	**40,032**	3,712
Cash and cash equivalents at end of the period	**4,816**	127,627	**4,816**	127,627

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

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

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2015

1. LEGAL STATUS AND NATURE OF BUSINESS

AKD Opportunity Fund (the Fund) has been established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003. The Fund is governed under Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and Non -Banking Finance Companies and Notified Entities Regulations, 2008. It has been constituted under the trust deed, dated 19 December 2005, between AKD Investment Management Limited (AKDIML) as the Management Company, a company incorporated under the Companies Ordinance, 1984 and Central Depository Company of Pakistan Limited as the Trustee. The Trust Deed was Executed on 7 December 2005 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on 19 December 2005 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003. Accordingly title to the assets of the Fund is held in the name of Central Depository Company Limited as a Trustee of the Fund. The Fund is registered as notified entity under NBFC Regulations, 2008.

The Fund is an open end mutual fund and is listed on Karachi Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering them to the Fund.

The Fund shall invests at least 70% of its net assets in listed equity securities and the remaining net assets shall be invested in cash or near cash instruments which include cash in bank accounts (excluding TDRs) and treasury bills not exceeding 90 days maturity.

The registered office of the Management Company is situated at 216-217, Continental Trade Centre, Block-8, Clifton, Karachi, in the province of Sindh, Pakistan.

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 dated September 26, 2014 and April 10, 2015 respectively. The Pakistan Credit Rating Agency Ltd. (PACRA) has also assigned performance ranking of '5-Star' (Long-term) and '4-Star' (Short-term) to the Fund dated 8 April 2014.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984, the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and directives issued by the Securities and Exchange Commission of Pakistan (SECP). In case where requirements differ, the provisions of / or directives issued by the SECP 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 2014.

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

3. SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENTS 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 2014.

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 2014.

	Note	31 March 2015 (Unaudited)	30 June 2014 (Audited)
5. BANK BALANCES		(Rupees in '000)	
-In profit and loss sharing accounts	*5.1*	**4,797**	12,464
-In current accounts		**19**	25
		4,816	12,488

5.1 These represent profit and loss sharing accounts maintained with various banks carrying mark-up rates ranging from 5.5% to 7.75% (30 June 2014: 7% to 8.5%) per annum.

	Note	31 March 2015 (Unaudited)	30 June 2014 (Audited)
6. INVESTMENTS			
Investments in securities at fair value through profit or loss - held for trading			
Listed equity securities	*6.1*	**960,273**	935,786
Government Securities	*6.2*	**-**	49,884
		960,273	985,670

6.1 Listed equity securities - Held for trading

Sectors / companies (Ordinary shares have a face value of Rs 10 each unless stated otherwise)	Holding at beginning of the period 1 July 2014	Acquired during the period	Bonus / Right / Split shares received during the period	Disposed during the period	Holding at end of the period 31 March 2015	Cost as of the period ended 31 March 2015	Carrying value before revaluation as of the period ended 31 March 2015	Market value as of the period ended 31 March 2015 (revised carrying value)	Percentage in relation to: Net assets of the fund	Percentage in relation to: Paid-up capital of the investee company (with face value of investments)	Percentage in relation to: Total market value of investment
	(Number of Shares)					(Rupees in '000)			(Percentage)		
SHARES OF LISTED COMPANIES - fully paid ordinary shares of Rs. 10 each unless stated otherwise											
Automobile And Parts											
Atlas Honda Limited	-	180,000	-	-	180,000	64,236	64,236	60,300	6.40	0.17	6.28
						64,236	**64,236**	**60,300**			
Beverages											
Murree Brewery Company Limited	-	4,020	-	-	4,020	4,009	4,009	4,050	0.43	0.02	0.42
						4,009	**4,009**	**4,050**			
Chemicals											
Archroma Pakistan Limited	50,000	-	-	-	50,000	14,808	16,453	22,049	2.34	0.15	2.30
Arif Habib Corporation Limited	150,000	-	-	150,000	-	-	-	-	-	-	-
Biafo Industries Limited	249,900	6,000	-	255,900	-	-	-	-	-	-	-
Dawood Hercules Chemicals Limited	-	103,500	-	-	103,500	11,901	11,901	9,441	1.00	0.02	0.98
Dynea Pakistan Limited (Face Value of Rs. 5 each)	-	10,000	-	-	10,000	580	580	536	0.06	0.05	0.06
Engro Corporation Limited	100,000	-	-	100,000	-	-	-	-	-	-	-
Engro Fertilizer Limited	163,500	655,000	-	818,500	-	-	-	-	-	-	-
Engro Polymer & Chemicals Limited	481,500	-	-	481,500	-	-	-	-	-	-	-
Nimir Industrial Chemical Limited	2,124	-	-	-	2,124	14	53	47	0.01	0.00	0.00
						27,303	**28,987**	**32,072**			
Commercial Banks											
Allied Bank Limited	-	609,375	-	609,375	-	-	-	-	-	-	-
Askari Bank Limited	181,500	-	-	181,500	-	-	-	-	-	-	-
Bank Alfalah Limited	1,000,000	-	-	1,000,000	-	-	-	-	-	-	-
Bank Al-Habib Limited	224,028	-	-	224,028	-	-	-	-	-	-	-
BankIslami Pakistan Limited	1,728,000	-	156,786	11,000	1,873,786	12,789	18,240	16,902	1.80	0.33	1.76
BankIslami Pakistan Limited - LoR			1,405,781		1,405,781	-	-	295	0.03	2.93	0.03
Faysal Bank Limited	45,500	-	-	45,500	-	-	-	-	-	-	-
National Bank Of Pakistan	-	903,000	-	903,000	-	-	-	-	-	-	-
NIB Bank Limited	823,471	1,000,000	-	-	1,823,471	5,939	4,036	3,592	0.38	0.02	0.37
Samba Bank Limited	412,000	-	-	-	412,000	1,957	2,744	2,410	0.26	0.04	0.25
Summit Bank Limited	8,640,500	3,000,000	-	-	11,640,500	42,155	43,047	43,303	4.60	1.08	4.51
						62,839	**68,068**	**66,502**			
Construction And Materials											
Akzo Nobel Pakistan Limited	47,000	-	-	47,000	-	-	-	-	-	-	-
Balochistan Glass Limited	1,300,000	-	-	-	1,300,000	9,076	8,450	4,290	0.46	0.76	0.45
Berger Paints Pakistan Limited	-	100,000	-	100,000	-	-	-	-	-	-	-
Buxly Paints Limited	6,500	25,000	-	-	31,500	1,356	1,412	1,203	0.13	2.19	0.13
Dewan Cement Limited	7,494,000	-	-	2,065,500	5,428,500	35,849	39,737	33,114	3.52	1.40	3.45
Javedan Corporation Limited	-	-	200,000	-	200,000	4,800	4,800	4,950	0.53	0.34	0.52
Lafarge Pakistan Cement Limited	3,000,000	1,500,000	-	4,500,000	-	-	-	-	-	-	-
Shabbir Tiles And Ceramics (Face Value of Rs. 5 each)	-	64,000	37,120	-	101,120	772	772	815	0.09	0.07	0.08
						51,853	**55,170**	**44,372**			
Electricity											
K-Electric Limited	-	11,150,000	-	-	11,150,000	95,776	95,776	79,277	8.42	0.04	8.26
						95,776	**95,776**	**79,277**			
Electronic & Electrical Goods						-	-	-			
Pakistan Cables Limited	28,000	65,100	-	-	93,100	11,907	12,492	12,268	1.30	0.33	1.28
						11,907	**12,492**	**12,268**			

Sectors / companies (Ordinary shares have a face value of Rs 10 each unless stated otherwise)	Holding at beginning of the period 1 July 2014	Acquired during the period	Bonus / Right / Split shares received during the period	Disposed during the period	Holding at end of the period 31 March 2015	Cost as of the period ended 31 March 2015	Carrying value before revaluation as of the period ended 31 March 2015	Market value as of the period ended 31 March 2015 (revised carrying value)	Percentage in relation to: Net assets of the fund	Percentage in relation to: Paid-up capital of the investee company (with face value of investments)	Percentage in relation to: Total market value of investment
	(Number of Shares)					(Rupees in '000)			(Percentage)		
Fixed Line Telecommunication											
Pak Datacom Limited	304,227	583,031	-	-	887,258	65,325	65,631	64,592	6.86	9.05	6.73
Telecard Limited	2,000,000	-	-	-	2,000,000	11,200	8,240	5,040	0.54	0.67	0.52
						76,524	**73,871**	**69,632**			
Food Producers											
Engro Foods Limited	-	782,400	-	150,000	632,400	71,299	71,299	69,943	7.43	1.73	7.28
Noon Sugar Mills Limited	403,370	11,000	-	414,370	-	-	-	-	-	-	-
Quice Food Industries Limited	347,000	7,980,000	-	651,500	7,675,500	60,655	60,655	45,516	4.83	0.78	4.74
S.S. Oil Mills Limited	-	146,500	-	-	146,500	5,777	5,777	4,433	0.47	2.59	0.46
Shakarganj Mills Limited	1,349,500	224,000	-	-	1,573,500	28,193	26,172	20,786	2.21	2.26	2.16
						165,923	**163,903**	**140,678**			
Foresty (Paper & Board)											
Century Paper & Board Mills Limited	215,000	-	-	215,000	-	-	-	-	-	-	-
Pakistan Paper Products Limited	-	135,500	-	76,500	59,000	5,043	5,043	3,879	0.41	0.98	0.40
						5,043	**5,043**	**3,879**			
General Industrials											
Macpac Films Limited	309,500	127,000	-	-	436,500	8,843	8,038	6,259	0.66	1.12	0.65
Merit Packaging Limited	1,740,250	-	-	258,000	1,482,250	20,044	27,955	25,287	2.69	3.68	2.63
Thal Limited (Face Value of Rs. 5 each)	310,100	61,500	-	114,500	257,100	50,816	56,898	65,648	6.97	0.32	6.84
						79,703	**92,891**	**97,195**			
Health Care Equipments And Services											
Shifa International Hospitals Limited	19,000	-	-	19,000	-	-	-	-	-	-	-
						-	**-**	**-**			
Industrial Metals And Mining											
Huffaz Seamless Pipe Industries Limited	297,675	-	-	47,500	250,175	7,005	5,091	4,566	0.48	0.45	0.48
International Industries Limited	277,000	98,000	-	375,000	-	-	-	-	-	-	-
International Steels Limited	-	1,100,000	-	1,100,000	-	-	-	-	-	-	-
						7,005	**5,091**	**4,566**			
Industrial Transportation											
Pakistan National Shipping Corporation Limited	136,970	-	-	136,970	-	-	-	-	-	-	-
						-	-	-			
Media											
Hum Network Limited (Face Value of Rs. 1 each)*	80,000	94,000	96,300	195,300	75,000	875	856	1,040	0.11	0.02	0.11
						875	**856**	**1,040**			
Multiutilities (Gas & Water)											
Sui Northern Gas Pipelines Limited	3,033,000	459,000	-	1,225,000	2,267,000	51,508	51,732	52,390	5.56	0.39	5.46
Sui Southern Gas Company Limited	2,744,000	691,500	-	1,522,000	1,913,500	57,980	70,159	70,953	7.54	0.22	7.39
						109,489	**121,891**	**123,343**			
Non Life Insurance											
Adamjee Insurance Company Limited	285,500	590,000	-	100,000	775,500	37,222	36,680	31,004	3.29	0.69	3.23
Askari General Insurance Company Limited	561,500	-	-	280,000	281,500	5,046	4,926	7,685	0.82	0.72	0.80
TPL Direct Insurance Limited	225,000	7,500	-	167,524	64,976	686	862	1,188	0.13	0.14	0.12
						42,953	**42,468**	**39,877**			
Oil And Gas											
Attock Refinery Limited	39,400	-	-	39,400	-	-	-	-	-	-	-
National Refinery Limited	45,600	21,200	-	66,800	-	-	-	-	-	-	-
						-	**-**	**-**			

Sectors / companies (Ordinary shares have a face value of Rs 10 each unless stated otherwise)	Holding at beginning of the period 1 July 2014	Acquired during the period	Bonus / Right / Split shares received during the period	Disposed during the period	Holding at end of the period 31 March 2015	Cost as of the period ended 31 March 2015	Carrying value before revaluation as of the period ended 31 March 2015	Market value as of the period ended 31 March 2015 (revised carrying value)	Percentage in relation to		
									Net assets of the fund	Paid-up capital of the investee company (with face value of investments)	Total market value of investment
	(Number of Shares)					(Rupees in '000)			(Percentage)		
Personal Goods											
Cresent Fibres Limited	37,000	-	-	-	37,000	1,038	1,100	1,486	0.16	0.30	0.15
Ellcot Spinning Mills Limited	120,638	180,500	-	-	301,138	20,091	25,420	18,881	2.01	2.75	1.97
Fazal Cloth Mills Limited	600	-	-	-	600	56	93	66	0.01	0.00	0.01
Island Textile Mills Limited	30,500	500	-	-	31,000	5,454	26,655	25,699	2.73	6.20	2.68
Saif Textile Mills Limited	100,000	41,000	-	-	141,000	2,529	3,729	3,032	0.32	0.53	0.32
Samin Textiles Limited	53,500	-	-	-	53,500	440	722	455	0.05	0.20	0.05
Service Industries Limited	21,536	-	-	21,536	-	-	-	-	-	-	-
						29,608	**57,719**	**49,618**			
Pharma And Bio Tech											
Otsuka Pakistan Limited	185,758	-	-	185,758	-	-	-	-	-	-	-
						-	**-**	**-**			
Support Services											
TRG Pakistan Limited	7,236,624	-	1,126,641	1,998,000	6,365,265	45,747	85,849	94,651	10.05	1.43	9.86
						45,747	**85,849**	**94,651**			
Technology Hardware And Equipment											
TPL Trakker Limited	4,373,458	1,227,500	-	329,500	5,271,458	43,358	44,227	36,953	3.92	2.43	3.85
						43,358	**44,227**	**36,953**			
Total as at 31 March 2015						**924,152**	**1,022,546**	**960,273**			
Total as at 30 June 2014						**764,030**	**804,295**	**935,786**			

6.1.1 These include 2.5 million shares having market value of Rs. 37.17 million of TRG Pakistan Limited as pledged with National Clearing Company of Pakistan Limited as on 31 March 2015.

* The split reflected in this script represents the splitting of each share of the company into 10 shares during the period.

6.2 Government Securities

Government Securities	Holding at beginning of the period 1 July 2014	Acquired during the period	Disposed during the period	Holding at end of the period 31 March 2015	Amortized cost as at 31 March 2015 (before revaluation)	Market value as at 31 March 2015 (carrying value after revaluation)	Percentage in relation to		
							Net assets of the fund	Paid-up capital of the investee company (with face value of investments)	Total market value of investment
	(Number of bills)				(Rupees in '000)				
- Treasury Bills - 3 months (face value of Rs. 5,000 each)	10,000	-	10,000	-	-	-	-	-	-

		Note	31 March 2015 (Unaudited)	30 June 2014 (Audited)
			(Rupees in '000)	
7.	**DIVIDEND, PREPAYMENT AND OTHER RECEIVABLES**			
	Dividend Receivable		**1,586**	-
	Markup Receivable		**155**	181
	Prepayments		**13**	-
			1,754	181
8.	**ACCRUED EXPENSES AND OTHER PAYABLES**			
	Auditors' remuneration		**138**	200
	Brokerage payable		**159**	366
	Withholding tax		**234**	17
	Sindh Sales Tax on Management remuneration	*8.1*	**280**	311
	Federal Excise Duty on Management remuneration	*8.2*	**5,039**	2,985
	Others		**1,004**	455
			6,854	4,334

8.1 During the current period, an amount of Rs.2.234 million was charged on account of sales tax on Management fee levied through Sindh Sales Tax on Services Act, 2011. As at period end, sales tax on Management Company remuneration of Rs. 0.280 million was due, which was paid subsequent to the period end to the Management Company, for onwards payment to the Government of Sindh.

8.2 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. 5.039 million as at 31 March 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. 0.31 / 0.53%.

		31 March 2015 (Unaudited)	31 March 2014 (Unaudited)
		(Rupees in '000)	
9.	**Other Expenses**		
	Bank Charges	**23**	19
	Printing Expenses	**45**	157
	CDC Expenses	**69**	78
	Fees and Subscriptions	**279**	336
	Federal Excise Duty	**2,054**	2,079
	Sales Tax - Provincial	**2,234**	2,411
		4,704	5,079

10. WORKERS' WELFARE FUND

The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes / mutual funds (CISs) whose income exceeds Rs 0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a constitutional petition has been filed by certain CISs through their trustees in the Honourable High Court of Sindh (the Court), challenging the applicability of WWF to the CISs, which is pending for adjudication.

During the year 2011, a single bench of the Lahore High Court (LHC) in a constitutional petition relating to the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006, and the Finance Act 2008, has declared the said amendments as unlawful and unconstitutional and struck them down. However, in the month of March 2013, a larger bench of the Sindh High Court (SHC) in various constitutional petitions declared that amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006, and the Finance Act 2008, do not suffer from any constitutional or legal infirmity and overruled a single-member LHC bench judgement issued in August 2011. However, the Honourable Peshawar High Court on 29 May 2014 on a petition filed by certain aggrieved parties (other than the mutual funds) have adjudicated that the amendments introduced in the Workers' Welfare Fund Ordinance, 1971 through the Finance Acts of 1996 and 2009 lacks the essential mandate to be introduced and passed through the money bill under the Constitution of Pakistan and hence have been declared as ultra vires the Constitution.

However, as per the advice of legal counsel of MUFAP, the stay granted to CIS (as mentioned in the first paragraph) remains intact and the constitution petitions filed by the CIS to challenge the Workers' Welfare Fund contribution have not been affected by the SHC judgment.

As the matter relating to levy of WWF is currently pending in the Court, the Management Company, as a matter of prudence and abundant caution, has decided to make provision for WWF amounting to Rs. 18.588 million up to 31 March 2015.

Had the above recognition not been made, the net assets value per unit of the Fund would be higher by Rs. 1.13 / 1.97%.

11. CONTINGENCIES AND COMMITMENTS

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

12. 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 amongst the unit holders.

Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than unrealized capital gains to the unit holders. The Fund has not recorded any tax liability in respect of income relating to the current period as the management company intends to distribute at least 90 percent of the Fund's accounting income for the year ending 30 June 2015 as reduced by capital gains (whether realised or unrealised) to its unit holders. The Fund is also exempt from the provisions of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

13. 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 and AKD Securities Limited being the related parties of the Management Company, Central Depository Company of Pakistan Limited being the trustee, associated companies of the Management Company / other associates, other collective investment schemes managed by the Management Company and directors and key management personnel of the Management Company and above entities and also includes entities holding 10% or more in the units of the Fund as at 31 March 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.

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.

Transactions and balances with related parties other than those disclosed elsewhere are as follows:

13.1 Details of transactions with connected persons/related parties during the period	Nine months period ended 31 March	
	2015	2014
	(Rupees in '000)	
AKD Investment Management Limited - Management Company of the Fund		
Remuneration	**12,837**	12,991
Sindh Sales tax on Management Company's Remuneration	**2,234**	2,411
Federal excise duty on Management Company's Remuneration	**2,054**	2,079
Sales load	**1,698**	426
Units issued - 248,459 (2014: 446,594) units	**12,084**	21,906
Units redeemed - 248,459 (2014: 677,766) units	**14,837**	33,380
Issue of bonus - Nil (2014: 51,188) units	**-**	2,430
Gain on redemption of units - net (earned by the investor)	**2,753**	833
Aqeel Karim Dhedhi Securities (Private) Limited - Staff Provident Fund		
Issue of bonus - Nil (2014: 10,711) units	**-**	508

	Nine months period ended 31 March 2015	2014
	(Rupees in '000)	
National Bank of Pakistan (having invested more than 10% in the units of the Fund)		
Issue of bonus - Nil (2014: 1,104,831) units	-	52,446
Sindh Province Pension Fund (having invested more than 10% in the units of the fund)		
Units redeemed - Nil (2014: 829,500) units	-	52,383
Issue of bonus - Nil (2014: 367,443) units	-	17,443
Gain on redemption of units - net (earned by investor)	-	6,156
Arabian Sea Enterprises Limited (having invested more than 10% in the units of the fund)		
Units issued - 143,354 (2014: Nil) units	10,000	-
KAPCO Employees Pension Fund Trust (having interest than 10% in the units of the fund)		
Issue of bonus - Nil (2014: 113,774) units	-	5,401
Units issued - 957,387 (2014: 832,136) units	59,978	45,000
Units redeemed - 866,727 (2014: 1,140,078) units	48,380	62,134
AKD Investment Management Limited - Staff Provident Fund		
Issue of bonus - Nil (2014: 14,753) units	-	700
Units issued - 87678 (2014: 72,978) units	5,007	4,600
Units redeemed - 93464 (2014: 66,627) units	5,402	4,308
Gain on redemption of units - net (earned by the investor)	802	1,608
AKD Securities Limited - Brokerage House		
Commission paid on purchase and sale of marketable securities	348	91
Golden Arrow Selected Stocks Fund Limited (Fund managed by the Management company)		
Purchase of Shares	87,207	-
Sale of Shares	46,740	51,761
Miss Ayesha Aqeel - close relative of Mr. Aqeel Karim Dhedhi		
Purchase of 299,900 shares of BIAFO Industries Limited by the Fund	-	29,990
Ms. Yasmeen Dhedhi - close relative of Mr. Aqeel Karim Dhedhi		
Purchase of 175,000 shares of BIAFO Industries Limited by the Fund	-	17,500
Sale of 50,000 shares of BIAFO Industries Limited by the Fund	-	5,000

	Nine months period ended 31 March 2015	2014
	(Rupees in '000)	
Directors of the Management Company (Key management person)		
Issue of bonus units - Nil (2014: 2,523) units	-	120
Redemption of units - 3,850 units (2014: 11,392) units	-	681
Gain on redemption of units - net (earned by the investor)	-	226
Central Depository Company of Pakistan - Trustee of the Fund		
Remuneration	1,283	1,299
Central depository service charges	69	78

13.2 Balance as at period / year ended

	As at 31 March 2015 (Unaudited)	As at 30 June 2014 Audited
	(Rupees in '000)	
AKD Investment Management Limited - Management Company of the Fund		
Remuneration payable	1,610	1,674
Sales tax payable on Management Company's Remuneration	280	311
Sales load payable	894	86
Federal Excise Duty payable on Management Company's Remuneration	5,039	2,985
Units Outstanding - Nil (2014: Nil)	-	-
Central Depository Company of Pakistan - Trustee		
Remuneration payable	159	160
Security deposit	100	100
CDS charges	6	13
AKD Securities Limited- Brokerage House		
Brokerage payable on purchase and sale of marketable securities	-	44
AKD Investment Management Limited Staff Provident Fund		
Units outstanding - 87,678 (June 2014: 93,464)	5,039	5,135
Aqeel Karim Dhedhi Securities (Private) Limited - Staff Provident Fund		
Units outstanding - 61,952 (June 2014: 61,952)	3,560	3,404
Arabian Sea Enterprises Limited (having invested more than 10% in the units of the fund)		
Units outstanding - 1,987,004 (June 2014: 1,843,650)	114,194	101,295

	As at 31 March 2015 (Unaudited)	As at 30 June 2014 Audited
	(Rupees in '000)	
KAPCO Employees Pension Fund Trust (having interest than 10% in the units of the fund)		
Units outstanding - 1,824,115 (June 2014: 1,733,454)	**104,833**	95,241
Murtaza Wahab Siddiqui		
Units outstanding - 13,653 (June 2014: 13,653)	**785**	750

14. GENERAL

14.1 This condensed interim financial information is unaudited.

14.2 This condensed interim financial information is presented in Pak Rupees, which is the Fund's functional and presentation currency. All financial information presented in Pak Rupees has been rounded off to the nearest of rupees.

15. DATE OF AUTHORIZATION OF ISSUE

This condensed interim financial information was authorised for issue on April 29, 2015 by the Board of Directors of the Management Company.

For AKD Investment Management Limited
(Management Company)

Imran Motiwala
Chief Executive Officer

Nadeem Saulat Siddiqui
Director

AKD Investment
Management Ltd.

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