Funds Managed by:

AKD Investment Management Ltd.

3rd Quarter Report
March 31, 2016
(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. Nadeem Saulat Siddiqui
Mr. Saim Mustafa Zuberi*

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

*Appointed in place of Mr. Saad Iqbal who resigned on January 5, 2016.

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 (AKDIML), 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 nine months period ended March 31, 2016.

Funds' Financial Performance

AKD Opportunity Fund (AKDOF)

For the 9MFY16, the return of AKD Opportunity Fund stood at 1.03% compared to the benchmark KSE-100 Index return of -3.66%, thus significantly outperforming the benchmark by 4.69%.

AKD Index Tracker Fund (AKDITF)

For the 9MFY16, the return of AKD Index Tracker Fund stood at -5.24% compared to the benchmark KSE-100 Index return of -3.66%.

AKD Cash Fund (AKDCF)

For the 9MFY16, the annualized return of AKD Cash Fund stood at 5.51% compared to benchmark return of 5.50%,thus performed slightly above the benchmark.

AKD Aggressive Income Fund (AKDAIF)

For the 9MFY16, the annualized return of AKD Aggressive Income Fund stood at 11.01% compared to the benchmark return of 6.91%, thus outperforming the benchmark by 4.1%.

Macro Perspective

The major macroeconomic indicators continued to exhibit improvements in9MFY16 owing to favorable monetary and fiscal policy, subdued inflation, stable exchange rate, adequate foreign reserves, and low current and fiscal account deficits.

CPI inflation during 9MFY16 clocked in 2.6%YoY as compared to 5.1%YoY for the corresponding period last year. Throughout 9MFY16, downward momentum of inflation was driven by soft international commodity and oil prices. While lower oil and commodity prices have benefited consumers, it has also had an adverse impact on commodity-producing sectors of the economy: for instance, lower product prices have hit farmer incomes and affected cropping decisions. Additionally, listed companies' profitability was affected because of inventory losses caused by the commodity prices fall. Going forward, State Bank of Pakistan expects that average inflation in FY16 to range between 3%YoY to 4%YoY which is well below the target of 6% YoY. Having said, the likelihood of further reduction in interest rates looks remote.

Large scale manufacturing (LSM) showed growth of 4.1%YoY during July-January FY16 as compared to 3.1%YoY in the same period last year. The growth momentum in LSM continued to remain strong because of lower commodity prices, improved energy supplies, increased domestic demand for consumer durables and expansion of construction activities. In addition, accommodative policies (for instance, higher PSDP spending, "Apna Rozgar"scheme and decade low interest rates) have also supported high growth in LSM. In this regard, the real GDP is expected to maintain the previous growth momentum. It is however, expected that economic activity will improve further as infrastructure and energy projects under CPEC continue to materialize.

The total liquid foreign exchange reserves of Pakistan reached USD 20.42 billion by the end of 9MFY16 as compared to USD 16.66 billion at the end of 9MFY15. During 3QFY16, International Monetary Fund (IMF) released the 10th tranche of USD 502million under the Extended Fund Facility. In September 2013, IMF had approved the three-year extended financing arrangement of about USD 6.64 billion for Pakistan of which USD 5.53 Billion has been disbursed to date.However, inflow of IMF's 10th tranche was offset against the maturity of the 10-year Eurobond worth $500 million. Overseas Pakistani workers remitted USD14.2 billion in 9MFY16, as compared to USD 13.6 billion received during the corresponding period last year reflecting a growth of 4.14% YoY.

On the other hand, Federal Board of Revenue (FBR) almost met the revenue collection target of PKR 2.1 trillion for 9MFY16 by collecting over PKR 2.09 trillion during the period. This performance is attributed to better revenue generation as well as decline in non-development spending. Government revenue have grown by 17%YoY during 8MFY16 as compared to corresponding period on the back of additional tax measures that government took in second quarter (i) one percent across the board increase in custom duties; (ii) additional regulatory duty on 400 consumer items (iii) additional FED on cigarettes and (iv) one time super tax of 4% on bank's income.

Despite slump in commodity and tumbling oil prices, Pakistan balance of payment deteriorated for the period under review. Import bill of the country reduced by 5.04%YoY in 8MFY16 reaching USD 28.5 billion as compared to USD 30.48 billion in the corresponding period last year. However, a steep decline in exports offset much of the gains from the reduced import bill, causing the trade deficit to increase by 4.08% YoY clocking at USD 15.08 billion at end of 8MFY16. Weak global demand and structural constraints in Pakistan commodity producing sector, continued to affect the country's export. Despite increase in trade deficit, the current account deficit shrank by USD 88mn settling at USD 1.85 billion during 8MFY16 against USD 1.94 billion in the corresponding period last year.

Pakistan economic growth is expected to accelerate in future on the back of strong growth in industry, reduction in fiscal and current account deficit and high growth in remittances. In addition, Foreign Direct Investment has also shown growth of 15.1% YoY in 9MFY16 reaching USD 957.4 million. International Monetary Fund (IMF) and World Bank (WB), in their recent reviews, expressed satisfaction regarding strong progress of economic development in Pakistan. These reviews are expected to build the investors' confidence witnessing improved investment activity going forward.

Equity market review

The KSE-100 index started the FY16 on a positive note recording 3.9% return in the month of July; however the index fell by 3.66% overall in 9MFY16. Primary reason for the underperformance of index was low investor confidence as regulatory and investigative authorities pursued several inquiries related to capital market participants. Negative International events such as concerns over China's economic slowdown and US-Federal Reserve rate hike, dampened KSE's performance. Consequently, foreign investors sold equities worth USD 341 million during 9MFY16 compared to net sell of USD 18 million in 9MFY15.

During the 3QFY16, the Monetary Policy Committee (MPC) of the State Bank of Pakistan (SBP) kept the policy rate unchanged at 6.0 percent in January' 16 monetary policy statement. The primary reason for the unchanged policy rate was because ofinflation moving in upward trajectory as it rose for third consecutive month reaching 3.2% YoY in December 2015. SBP expects the average inflation to remain in the range of 3 to 4 percent in FY16 on back of moderate pickup in domestic demand and further ease in supply side constraints.

Money Market

Due to inflation moving in upward trajectory, the Monetary Policy Committee (MPC) of SBP kept the discount rate unchanged at 6.0 percent for next two months in the January' 2016 monetary policy statement (MPS). Government raised total amount of PKR 4.73 trillion in 9MFY16 compared to PKR 3.51 trillion raised in corresponding period last year through T-Bills and PIB auctions. The State Bank of Pakistan (SBP) carried out a total of 20 T-Bills auctions in the period under review, where the government managed to raise PKR 4.06 trillion. While only PKR 1.55 trillion were raised during 3QFY16. SBP also conducted 8 auctions of PIBs and managed to raise PKR 668 billion during 9MFY16. During this period, weighted average yield on 3, 6, 12-months T-Bills were 6.45%, 6.46%, 6.52% respectively down from 9.41%, 9.41%, and 9.36% during the corresponding period last year. The PIB auctions followed suit where weighted average maturities yield on 3, 5, 10 years PIB declined to 7.10%, 8.028%, 9.06% from 10.67%, 11.11%, 11.74% respectively from the corresponding period last year. During 9MFY16, State Bank of Pakistan conducted 70 open market operations (OMO's) of different maturities and injected an average amount of PKR 706 billion per OMO at an average cut off yield of 6.16%.

Future Outlook

Pakistan continues to face key challenges in the form of a severe energy crisis, which is hurting competitiveness of companies, creating hurdles in economic progression and adversely affecting the trade deficit. However, China Pakistan Economic Corridor (CPEC) worth USD 46 billion is expected to spur high economic growth by boosting investment in transportation, infrastructure and addressing the energy crisis. Pakistan macroeconomic indicators continue to show improvement due to lower commodity prices, which has led to an improved current account position and low inflation. This has helped to improve investors' confidence as measured by various agencies like State Bank of Pakistan, Fitch and Moody's Ratings.

Going forward, we believe that the economy of Pakistan is expected to achieve sustainable growth driven by relatively stable exchange rate, adequate foreign exchange reserves, low inflation rate, increase in foreign remittances and growth in tax collection. Pakistan equity market is expected to perform well in the 4QFY16, where we expect KSE-100 index to witness a strong performance on the back of lower policy rate, improved economic outlook, materialization of privatization process and growth in corporate profitability. Moreover, MSCI's decision to review Pakistan for potential reclassification into emerging markets is another reflection of strengthening economic dynamics. A reclassification will improve the outlook of Pakistan's stock market and its exposure to foreign institutional investors.

For and on behalf of the Board

Imran Motiwala
Chief Executive Officer

Karachi: April 28, 2016

AKD Opportunity Fund
Financial Information - Third Quarter FY16

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
Bank Al Habib Limited
BankIslami Pakistan Limited
Habib Metropolitan Bank Limited
Summit Bank Limited

AUDITORS
Naveed Zafar Ashfaq Jaffery & Co.
Chartered Accountants
1st Floor, Modern Motors House,
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
AKD Securities Limited
BMA Capital Management Limited
IGI Investment Bank Limited
Foundation Securities (Private) Limited
First Street Capital (Private) Limited
Savings Lounge (Pvt.) 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.

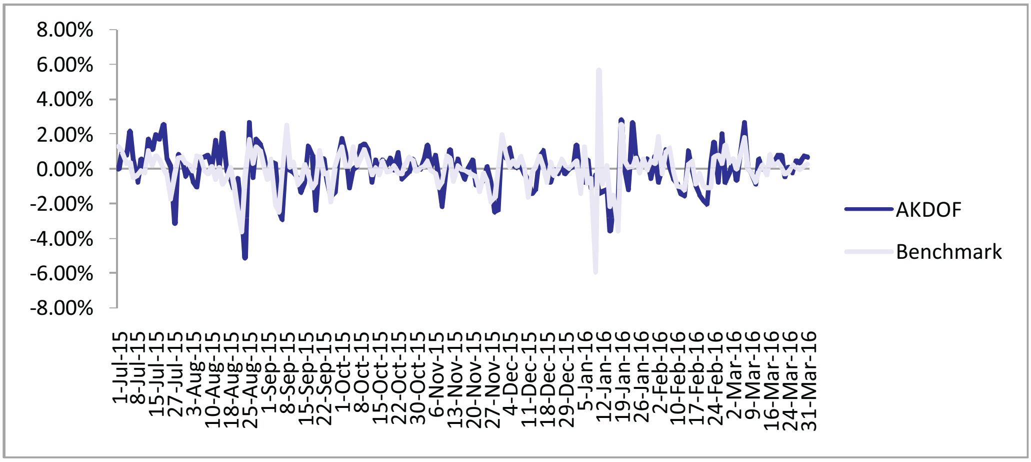
iii) Explanation as to whether Collective Investment Scheme achieved its stated objective:

For the 9MFY16, the return of AKD Opportunity Fund stood at 1.03% compared to the benchmark KSE-100 Index return of -3.66%, thus significantly outperforming the benchmark by 4.69%.

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 yield	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
AKDOF	15.56%	-0.17%	-8.75%	7.18%	-3.93%	-1.00%	-6.62%	-5.87%	7.10%
Benchmark	3.90%	-2.84%	-7.02%	6.11%	-5.86%	1.74%	-4.62%	0.23%	5.64%

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-16	31-Dec-15
Equities	98.18%	97.63%
Cash	1.32%	1.81%
Other Assets	0.51%	0.56%

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

9MFY16 Return	1.03%
Benchmark Return	-3.66%

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

Net Asset Value			NAV Per Unit	
31-Mar-16	31-Dec-15	Change in Net Assets	31-Mar-16	31-Dec-15
(Rupees In "000")			Rs.	Rs.
1,129,001	1,305,262	-13.50%	72.7653	77.2950

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 key macroeconomic indicators continued to exhibit improvements in 9MFY16 based on the prudent monetary and fiscal policy, subdued CPI inflation, stable exchange rate, adequate foreign reserves, low current account deficit despite sharp decline in exports and an improved fiscal position.

Large Scale Manufacturing (LSM) growth has witnessed an upward trajectory on the back lower commodity prices, better energy supplies, increased domestic demand for consumer durables and expansion of construction activities. It showed growth of 4.1%YoY during July-Jan FY16 as compared to 3.1%YoY in the same period last year. Looking forward, economic activity is expected to improve further on the back of materialization of mega projects worth USD 46 billion under China-Pakistan Economic Corridor (CPEC).

Headline Consumer Price Index (CPI) has been considerably low, reaching 2.6%YoY for 9MFY16 as compared to 5.1%YoY in the corresponding period last year. Subdued inflation was due to falling oil and commodity prices internationally. Keeping in view the depressed outlook of global commodities prices, expectation of a moderate pickup in domestic demand and further ease in supply side constraints, SBP expects that average inflation in FY16 to remain in the range of 3%YoY to 4%YoY.

Most important achievement on the macroeconomic front has been continuous improvement in liquid foreign exchange reserves position. Total foreign reserves increased to USD 21.42 billion at the end of 9MFY16 as compared to USD 16.6 billion in the corresponding period last year. Overseas Pakistani workers remitted USD 12.74 billion in 8MFY16, a growth of 6.07%YoY against remittance amounting to USD 11.98 billion received during the same period preceding year. In addition, International Monetary Fund (IMF) released its 10th tranche of USD 502 million in March 2015 under Extended Fund Facility. Previously, IMF had approved the three-year extended arrangement of about USD 6.64 billion for Pakistan of which USD 5.53 billion has been disbursed already. Moreover, 10-year Eurobond worth $500 million also matured in 2QFY16 leading to no substantial changes in foreign reserve.

On other hand, Federal Board of Revenue (FBR) almost met the revenue collection target of Rs 2.1 trillion for 9MFY16 by collecting over Rs2.09 trillion during the period. This performance can be attributed to better revenue generation as well as decline in non-development spending. Government revenue has grown by 17% during 8MFY16 as compared to corresponding period on the back of additional tax measures that government took in second quarter including (i) one percent across the board increase in custom duties; (ii) additional regulatory duty on 400 consumer items (iii) additional FED on cigarettes (iv) and one time super tax of 4% on bank's income.

Balance of payments position of Pakistan deteriorated in the period under review, as the exports tumbled by 13.29% in 8MFY16 to USD 13.86 billion from USD 15.99 billion in the corresponding period last year. However, Imports were also on a declining trend during 8MFY16, as they fell by 5.04% YoY reaching USD 28.5 Billion. Despite falling imports, trade deficit increased by 4.08%YoY reaching USD 14.49 billion during 8MFY16, as opposed to USD 15.08 billion in same period last year. Steep decline in exports offset much of the gains resulted from falling imports leading to increase trade deficit.

Pakistan economic growth in expected to accelerate in future on back of strong growth in industry, reduction in fiscal and current account deficit and strong growth in remittances. International Monetary Fund (IMF) and World Bank (WB) have expressed satisfaction regarding strong progress of economic activities in Pakistan in their recent view. These reviews are expected to build the investors' confidence witnessing improved investment activity going forward.

Equity Market

KSE-100 registered negative return of 3.9% in 9MFY16, yet outperforming both MSCI-FM and MSCI-EM indices as they shed 11.39% and 9.26% respectively. Market sentiments largely remained negative due to several inquiries related to capital market participants by regulatory and investigative authorities. In addition, US Federal Reserve rate hike in Decemeber'15 meeting also negatively impacted the equity market performance as it drained away foreign investment. Total foreign outflow worth USD 341 million was witnessed during 9MFY16, against net outflow of USD 18 million in corresponding period last year.

During the period under review, the average CPI inflation recorded at 2.6%YoY as compared to 5.1%YoY in the same period last year. Keeping in view the upward trend of inflation,State Bank Of Pakistan (SBP) kept the policy rate to 6.0 percent in January'16 monetary policy statement.

However, negative sentiments prevailing in the market outweighed the positive developments and left investors laid-back. Investor interest at the bourse dampenedfurther in the 3QFY16, as witnessed by decline in average daily turnover (8.46% QoQ) and average daily traded value (1.24% QoQ) respectively.

Future Outlook

Currently Pakistan is facing a complex situation, with war against terrorism on one hand and energy crisis on the other, creating major hurdles in way of achieving its true economic potential. In addition, global environment is going through a downturn because depressed growth in China, EU financial crunch and declining commodity prices. Despite the various challenges, Pakistan's economy is moving in the positive direction and performing better than other global economies as evident from healthy economic indicators such as GNP, GDP, FDI and stock market performance. This improvement is linked to the soft oil prices which improved the country's balance of payment positionwhile IMF EFF program payments further helped build up the foreign exchange reserves. In addition to that, government's focus on energy projects is expected to resolve the prevailing energy crisis and improve the competitiveness of industries.

China Pakistan Economic Corridor (CPEC) worth USD 46 billion is going to be a remarkable development for economic growth in the country through investments in transportation, infrastructure and the energy sector. Going forward, we believethe economy of Pakistan is expected to achieve sustainable growth on the back of increase in tax revenue collection, favorable commodity prices, low inflation, and increase in foreign exchange reserves & foreign remittances. Moving forward, trigger in market can result from Pakistan's review for classification as MSCI emerging market and Pre-budget FY17 news flows. However political uncertainty and alarming security situation in the country will continue to pose risks in future.

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 were no unit splits during the period.

xiii) Break down of unit holding size:

Range (Units)	No. of Investors
0.1 - 9,999	438
10,000 - 49,999	96
50,000 - 99,999	25
100,000 - 499,999	21
500,000 and above	5
	585

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, 2016

	Note	31 March 2016 (Unaudited)	30 June 2015 (Audited)
		------- (Rupees in '000) -------	
Assets			
Bank balances	5	**15,620**	34,087
Investments	6	**1,165,506**	1,173,917
Amount receivable on sale of Investments (subsequently received)		**-**	24,473
Dividend, prepayment, profit and other receivable	7	**3,431**	437
Security deposits		**2,600**	2,600
Total assets		**1,187,157**	1,235,514
Liabilities			
Remuneration payable to the Management Company	13.1.1	**1,892**	1,914
Remuneration payable to the Trustee	13.1.1	**177**	176
Annual fee payable to Securities and Exchange Commission of Pakistan		**909**	868
Payable against purchase of investments (subsequently paid)		**-**	23,809
Amount payable on redemption of units		**20,573**	13,080
Accrued expenses and other liabilities	8	**10,822**	10,823
Provision for Workers' Welfare Fund	10	**23,772**	23,772
Unclaimed dividend		**11**	11
Total liabilities		**58,156**	74,453
Contingencies and commitments	11		
Net assets		**1,129,001**	1,161,061
Unit holders' fund (as per statement attached)		**1,129,001**	1,161,061
		(Number of Units)	
Number of units in issue		**15,515,636**	16,120,443
		(Rupees)	
Net assets value per unit (face value per unit Rs. 50/-)		**72.77**	72.02

The annexed notes from 1 to 16 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, 2016

	Note	Nine months period ended 31 March 2016	Nine months period ended 31 March 2015	Three months period ended 31 March 2016	Three months period ended 31 March 2015
		(Rupees in '000)			
Income					
Gain / (Loss) on sale of 'held for trading investments' - net		**81,235**	83,678	**(7,196)**	13,898
Dividend income from held for trading investments		**20,890**	10,365	**6,467**	1,586
Profit on bank balances		**2,127**	1,423	**380**	534
Profit on investment in debt securities		**-**	40	**-**	-
Unrealised diminution in the fair value of investments 'at fair value through profit or loss - held for trading' - net		**(64,777)**	(62,273)	**(69,428)**	(141,671)
		39,475	33,233	**(69,777)**	(125,653)
Expenses					
Remuneration to the Management Company		**19,137**	12,837	**5,831**	4,785
Reimburseable Expenses		**220**	-	**220**	-
Remuneration to the Trustee		**1,708**	1,283	**540**	478
Annual fee to the Securities and Exchange Commission of Pakistan		**909**	610	**277**	228
Securities transaction cost		**3,518**	2,549	**437**	1,098
Auditors' remuneration		**219**	225	**62**	73
Other expenses	9	**7,175**	4,704	**2,182**	1,749
		32,886	22,208	**9,549**	8,411
Net income / (loss) from operating activities		**6,589**	11,025	**(79,326)**	(134,064)
Element of income and capital gains included in prices of units sold less those in units redeemed - net		**4,912**	31,231	**1,820**	28,732
Provision for Workers' Welfare Fund	10	**-**	(845)	**-**	2,107
Net income for the period before taxation		**11,501**	41,411	**(77,506)**	(103,225)
Taxation	12	**-**	-	**-**	-
Net income for the period after taxation		**11,501**	41,411	**(77,506)**	(103,225)

The annexed notes from 1 to 16 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 COMPREHENSIVE INCOME (UNAUDITED)

FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2016

	Nine months period ended 31 March		Three months period ended 31 March	
	2016	2015	**2016**	2015
	--------(Rupees in '000)--------			
Net income / (loss) for the period	**11,501**	41,411	**(77,506)**	(103,225)
Other comprehensive income for the period	**-**	-	**-**	-
Total comprehensive income / (loss) for the period	**11,501**	41,411	**(77,506)**	(103,225)

The annexed notes from 1 to 16 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, 2016

	Nine months period ended 31 March		Three months period ended 31 March	
	2016	2015	**2016**	2015
	-----------------(Rupees in '000)-----------------			
Surplus / (Deficit) at beginning of the period				
Represented by:				
- Realised	**17,294**	(174,595)	**212,445**	(52,179)
- Unrealised	**255,225**	171,756	**149,081**	193,976
	272,519	(2,839)	**361,526**	141,797
Net income / (loss) for the period	**11,501**	41,411	**(77,506)**	(103,225)
Surplus at end of the period	**284,020**	38,572	**284,020**	38,572
Represented by:				
- Realised	**207,985**	2,451	**207,985**	2,451
- Unrealised	**76,035**	36,121	**76,035**	36,121
	284,020	38,572	**284,020**	38,572

The annexed notes from 1 to 16 form an integral part of this condensed interim financial inforn

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, 2016

	Nine months period ended 31 March		Three months period ended 31 March	
	2016	2015	**2016**	2015
	--------------------(Rupees in '000)--------------------			
Net assets at beginning of the period	**1,161,061**	799,068	**1,305,262**	884,491
Cash received on issue of 5,558,573 (2015: 1,773,136) units	**434,301**	473,921	**96,005**	234,839
Cash paid on redemption of 6,163,380 (2015: 257,229 units)	**(472,950)**	(341,624)	**(192,940)**	(45,828)
	(38,649)	132,297	**(96,935)**	189,011
Element of (income) and capital (gains) included in prices of units sold less those in units redeemed - net	**(4,912)**	(31,231)	**(1,820)**	(28,732)
Total comprehensive income for the period (profit for the period)	**11,501**	41,411	**(77,506)**	(103,225)
Net assets at end of the period	**1,129,001**	941,545	**1,129,001**	941,545
	---------------------- (Rupees) ----------------------			
Net assets value / Ex-distribution net asset value per unit at beginning of the period	**72.02**	54.94	**77.29**	65.68
Net assets value per unit at end of the period	**72.77**	57.47	**72.77**	57.47

The annexed notes from 1 to 16 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 CASH FLOW STATEMENT (UNAUDITED)

FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2016

	Nine months period ended 31 March		Three months period ended 31 March	
	2016	2015	**2016**	2015
	----------------(Rupees in '000)----------------			
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income / (loss) for the period	**11,501**	41,411	**(77,506)**	(103,225)
Adjustments for:				
Net unrealised diminution in the fair value of investments 'at fair value through profit or loss - held for trading'	**64,777**	62,273	**69,428**	141,671
Element of (income) / loss and capital (gains) / losses - net included in prices of units sold less those in units redeemed - net	**(4,912)**	(31,231)	**(1,820)**	(28,732)
	71,366	72,453	**(9,898)**	9,714
(Increase) / decrease in assets				
Investments	**(56,366)**	(36,876)	**75,409**	(199,618)
Amount receivable on conversion of units	**-**	-	**1,502**	-
Dividend, prepayment, profit and other receivable	**(2,994)**	(1,573)	**(3,128)**	754
Amount receivable on sale of Investments	**24,473**	-	**3,216**	-
	(34,887)	(38,449)	**76,999**	(198,864)
Increase / (decrease) in liabilities				
Remuneration payable to the Management Company	**(22)**	(64)	**(357)**	217
Remuneration payable to the Trustee	**1**	(1)	**(18)**	22
Annual fee payable to the Securities and Exchange Commission of Pakistan	**41**	(244)	**277**	228
Payable against purchase of investments	**(23,809)**	-	**-**	(33,541)
Payable on redemption of units	**7,493**	(177,029)	**20,556**	(1,298)
Accrued expenses and other liabilities	**(1)**	2,520	**750**	1,402
Provision for Workers' Welfare Fund	**-**	845	**-**	(2,107)
	(16,297)	(173,973)	**21,208**	(35,077)
Net cash (used in) / generated from operating activities	**20,182**	(139,969)	**88,309**	(224,227)
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash received on issuance of units	**434,301**	473,921	**96,005**	234,839
Cash paid on redemption of units	**(472,950)**	(341,624)	**(192,940)**	(45,828)
Net cash generated from / (used in) financing activities	**(38,649)**	132,297	**(96,935)**	189,011
Net increase / (decrease) in cash and cash equivalents during the period	**(18,467)**	(7,672)	**(8,626)**	(35,216)
Cash and cash equivalents at beginning of the period	**34,087**	12,488	**24,246**	40,032
Cash and cash equivalents at end of the period	**15,620**	4,816	**15,620**	4,816

The annexed notes from 1 to 16 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

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2016

1. LEGAL STATUS AND NATURE OF BUSINESS

AKD Opportunity Fund ("the Fund") was established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the Rules). The Fund is governed under the Rules and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations). 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 Rules. Accordingly title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as a Trustee of the Fund. The Fund is registered as a notified entity under the Regulations.

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.

The Fund is an open end mutual fund and is listed on Pakistan Stock Exchange Limited (Formerly Karachi Stock Exchange Limited). 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 is categorised as Equity Scheme as per circular 7 of 2009 by SECP. As per the circular, the Fund shall invest 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 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 31 March 2016 and 06 January 2016 respectively.

1.2 On 13 August 2015, PACRA has assigned following rankings to the Fund based on the performance review for the period ended 30 June 2015 (trailing 12 months for 1 Year ranking, trailing 36 months for 3 Year ranking, and trailing 60 months for 5 Year ranking.)

1 Year : 4-Star (Good)
3 Year : 5-Star (Superior)
5 Year : 5-Star (Superior)

Similar rankings were assigned by PACRA on 21 November 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 2015.

2.3 This condensed interim financial information is unaudited.

3. SIGNIFICANT ACCOUNTING POLICIES, JUDGMENTS AND ESTIMATES

The accounting policies and methods of computation followed for the preparation of this condensed interim financial information are the same as those applied in preparing the financial statements as at and for the year ended 30 June 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 sources of estimation uncertainty were the same as those that applied to the annual financial expense. Actual results may differ from these estimates. The significant judgements made by Management in applying the Fund's accounting policies and the key 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.

	Note	**31 March 2016 (Unaudited)**	30 June 2015 (Audited)
5. BANK BALANCES		**------(Rupees in '000)------**	
Saving accounts	*5.1*	**15,602**	34,067
Current accounts		**18**	20
		15,620	34,087

5.1 These represent saving accounts maintained with various banks carrying mark-up at the rate from 4% to 5.75% (30 June 2015 : 4.5% to 6%) per annum.

6. INVESTMENTS

Investments in securities at fair value through profit or loss - held for trading

Listed equity securities	6.1	**1,165,506**	1,173,917

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 1st July 2015	Acquired during the Period	Bonus / Right shares received during the Period	Disposed during the Period	Holding at end of the 31 March 2016	Cost as of the Period ended 31 March 2016	Carrying value (before revaluation as of the Period ended 31 March 2016)	Market value as of the Period ended 31 March 2016 (revised carrying value)	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 shares..........					..........(Rupees in '000')..........			..........Percentage..........		
AUTOMOBILE ASSEMBLER											
Atlas Honda Limited	180,000	-	-	3,800	176,200	62,880	59,023	66,602	5.90	5.71	0.17
Dewan Farooque Motors Limited	-	100,000	-	-	100,000	940	940	955	0.08	0.08	-
						63,820	59,963	67,557			
AUTOMOBILE PARTS & ACCESSORIES											
Thal Limited (Face value of Rs. 5 each)	257,100	30,600	-	-	287,700	58,474	81,041	73,280	6.49	6.29	0.36
						58,474	81,041	73,280			
CABLE & ELECTRICAL GOODS											
Pakistan Cables Limited	185,900	115,900	-	-	301,800	43,987	50,331	42,349	3.75	3.63	1.06
TPL Trakker Limited	250,000	383,500	-	233,500	400,000	6,730	7,048	5,160	0.46	0.44	0.18
						50,717	57,379	47,509			
CEMENT											
D. G. Khan Cement Company Limited	-	25,000	-	25,000	-	-	-	-	-	-	-
Dewan Cement Limited	1,928,500	1,575,500	-	1,928,500	1,575,500	28,204	28,204	20,954	1.86	1.80	0.33
Javedan Corporation Limited	205,000	1,820,000	-	-	2,025,000	58,160	59,913	57,024	5.05	4.89	1.74
						86,364	88,117	77,978			
CHEMICAL											
Archroma Pakistan Limited	50,000	-	-	3,100	46,900	13,890	21,423	20,262	1.79	1.74	0.14
Biafo Industries Limited	325,000	-	-	44,900	280,100	50,009	55,608	70,302	6.23	6.03	1.40
Buxly Paints Limited	31,500	-	-	-	31,500	1,356	1,149	1,167	0.10	0.10	2.19
Dynea Pakistan Limited (Face value of Rs. 5 each)	10,000	-	-	-	10,000	580	490	385	0.03	0.03	0.05
Lotte Chemical Pakistan Limited	-	554,000	-	554,000	-	-	-	-	-	-	-
Nimir Industrial Chemicals Limited	124	-	-	-	124	1	2	3	0.00	0.00	0.00
						65,836	78,672	92,119			
COMMERCIAL BANKS											
BankIslami Pakistan Limited	3,279,567	62,500	-	-	3,342,067	27,549	34,155	35,927	3.18	3.08	0.58
NIB Bank Limited	1,823,471	-	-	-	1,823,471	5,939	3,683	3,410	0.30	0.29	0.02
Samba Bank Limited	412,000	-	-	-	412,000	1,957	2,204	3,086	0.27	0.26	0.04
Summit Bank Limited	11,640,500	100,000	-	8,750,000	2,990,500	10,850	10,181	9,659	0.86	0.83	0.28
						46,295	50,223	52,082			
ENGINEERING											
Aisha Steel Mills Limited	-	2,700,000	-	191,000	2,509,000	13,800	13,800	18,592	1.65	1.60	0.93
Crescent Steel And Allied Products Limited	450,000	-	-	450,000	-	-	-	-	-	-	-
Huffaz Seamless Pipe Industries Limited	234,675	-	-	-	234,675	6,571	4,276	3,954	0.35	0.34	0.42
						20,371	18,076	22,546			
FERTILIZER											
Dawood Hercules Corporation Limited	103,500	250,000	-	353,500	-	-	-	-	-	-	-
Engro Corporation Limited	80,000	325,000	-	405,000	-	-	-	-	-	-	-
						-	-	-			
FOOD & PERSONAL CARE-PRODUCTS											
Engro Foods Ltd	-	275,000	-	275,000	-	-	-	-	-	-	-
Murree Brewery Company Limited	5,840	1,750	-	7,590	-	-	-	-	-	-	-
Quice Food Industries Limited	7,131,500	200,000	-	3,131,500	4,200,000	33,260	39,250	33,306	2.95	2.86	4.27
						33,260	39,250	33,306			

Sectors / companies (Ordinary shares have a face value of Rs 10 each unless stated otherwise)	Holding at beginning of the Period 1st July 2015	Acquired during the Period	Bonus / Right shares received during the Period	Disposed during the Period	Holding at end of the 31 March 2016	Cost as of the Period ended 31 March 2016	Carrying value (before revaluation as of the Period ended 31 March 2016)	Market value as of the Period ended 31 March 2016 (revised carrying value)	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 shares................................					.... (Rupees in '000').........................			..................Percentage.....................		
GLASS & CERAMICS											
Balochistan Glass Limited	1,300,000	-	-	-	1,300,000	9,076	5,330	5,278	0.47	0.45	0.76
Shabbir Tiles & Ceramics Limited (Face value of Rs. 5 each)	101,120	-	-	-	101,120	772	899	750	0.07	0.06	0.07
						9,848	6,229	6,028			
INSURANCE											
Adamjee Insurance Company Limited	600,000	230,500	-	830,500	-	-	-	-	-	-	-
Pakistan Reinsurance Company Limited	113,000	-	-	-	113,000	2,938	3,266	3,442	0.30	0.30	0.04
TPL Direct Insurance Company	64,976	-	-	-	64,976	686	1,454	1,040	0.09	0.09	0.14
						3,624	4,720	4,482			
INVESTMENT BANKS/INV.COS/SECURITIES COS.											
Jahangir Siddiqui & Company Limited	-	2,200,000	200,000	2,400,000	-	-	-	-	-	-	-
JS Investments Limited	-	3,158,000	-	-	3,158,000	55,763	55,763	44,023	3.90	3.78	3.16
						55,763	55,763	44,023			
MISCELLANEOUS											
Macpac Films Limited	436,500	-	-	-	436,500	8,843	7,988	6,726	0.60	0.58	1.12
						8,843	7,988	6,726			
OIL & GAS EXPLORATION COMPANIES											
Oil And Gas Development Company Limited	-	1,278,600	-	652,300	626,300	81,556	81,556	71,674	6.35	6.15	0.01
Pakistan Petroleum Limited	-	225,000	-	125,000	100,000	11,950	11,950	12,812	1.13	1.10	0.01
						93,506	93,506	84,486			
OIL & GAS MARKETING COMPANIES											
Sui Northern Gas Pipelines Limited	2,100,000	4,094,000	-	3,194,000	3,000,000	82,356	84,985	76,500	6.78	6.56	0.52
Sui Southern Gas Company Limited	1,600,000	1,914,500	-	3,514,500	-	-	-	-	-	-	-
						82,356	84,985	76,500			
PAPER AND BOARD											
Merit Packaging Limited	1,003,000	-	-	273,500	729,500	9,865	14,087	10,811	0.96	0.93	1.81
Pakistan Paper Products Limited	59,000	6,500	-	-	65,500	5,473	3,961	3,232	0.29	0.28	1.09
						15,338	18,048	14,043			
PHARMACEUTICALS											
Glaxo Smithkline Pakistan Limited	-	185,000	-	185,000	-	-	-	-	-	-	-
						-	-	-			
POWER GENERATION & DISTRIBUTION											
K-Electric Limited (Face value Rs. 3.5/- each)	11,150,000	6,634,000	-	2,284,000	15,500,000	127,490	125,840	110,050	9.75	9.44	0.06
						127,490	125,840	110,050			
REFINERY											
Attock Refinery Limited	-	213,400	-	213,400	-	-	-	-	-	-	-
National Refinery Limited	-	37,400	-	37,400	-	-	-	-	-	-	-
						-	-	-			
SUGAR & ALLIED INDUSTRIES											
Shakarganj Limited	2,123,500	-	886,969	600,000	2,410,469	34,841	34,769	34,012	3.01	2.92	3.47
						34,841	34,769	34,012			

Sectors / companies (Ordinary shares have a face value of Rs 10 each unless stated otherwise)	Holding at beginning of the Period 1st July 2015	Acquired during the Period	Bonus / Right shares received during the Period	Disposed during the Period	Holding at end of the 31 March 2016	Cost as of the Period ended 31 March 2016	Carrying value (before revaluation as of the Period ended 31 March 2016)	Market value as of the Period ended 31 March 2016 (revised carrying value)	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 shares..........					..........(Rupees in '000')..........			..........Percentage..........		
TECHNOLOGY & COMMUNICATION											
Pak Datacom Limited	852,258	-	-	43,500	808,758	59,545	58,433	58,214	5.16	4.99	8.25
Pakistan Telecommunication Company Limited	1,225,000	776,500	-	-	2,001,500	41,986	41,651	30,063	2.66	2.58	0.05
Telecard Limited	1,750,000	-	-	-	1,750,000	9,800	7,455	4,568	0.40	0.39	0.58
TRG Pakistan Limited (6.1.1) & (6.1.2)	6,365,265	260,000	800,480	2,950,000	4,475,745	40,690	121,284	127,245	11.27	10.92	0.82
Worldcall Telecom Limited	-	12,500	-	-	12,500	34	34	19	0.00	0.00	0.00
						152,055	228,857	220,109			
TEXTILE COMPOSITE											
Nishat Mills Limited	-	250,000	-	250,000	-	-	-	-	-	-	-
						-	-	-			
TEXTILE SPINNING											
Crescent Fibres Limited	37,000	-	-	-	37,000	1,038	1,610	1,406	0.12	0.12	0.30
Ellcot Spinning Mills Limited	328,138	59,000	-	-	387,138	25,233	24,384	23,983	2.12	2.06	3.54
Fazal Cloth Mills Limited	600	-	-	-	600	56	87	73	0.01	0.01	0.00
Island Textile Mills Limited	31,000	100	-	-	31,100	5,528	22,983	22,703	2.01	1.95	6.22
Saif Textile Mills Limited	141,000	-	-	-	141,000	2,529	3,067	2,084	0.18	0.18	0.53
						34,384	52,131	50,249			
TEXTILE WEAVING											
Samin Textiles Limited	53,500	-	-	-	53,500	440	485	408	0.04	0.04	0.20
						440	485	408			
VANASPATI & ALLIED INDUSTRIES											
Punjab Oil Mills Limited	-	157,900	-	-	157,900	39,780	39,780	41,842	3.71	3.59	2.93
S.S. Oil Mills Limited	156,500	-	-	-	156,500	6,066	4,460	6,171	0.55	0.53	2.77
						45,846	44,240	48,013			
Balance as at March 31, 2016						1,089,471	1,230,282	1,165,506			
Balance as at June 30, 2015						918,692	1,009,404	1,173,917			

6.1.1 These include 2.5 million shares having market value of Rs. 71.07 million of TRG Pakistan Limited as pledged with National Clearing Company of Pakistan Limited as on 31 March 2016.

6.1.2 Investment in the listed equity shares of TRG Pakistan Limited exceeded the maximum limit of 10% of the net assets of the scheme prescribed under the regulation 55(5) of the NBFC regulations.

		Note	31 March 2016 (Unaudited)	30 June 2015 (Audited)
7.	**DIVIDEND, PREPAYMENT, PROFIT AND OTHER RECEIVABLE**		**------- (Rupees in '000)**	**------**
	Dividend receivable		**3,191**	326
	Prepayments		**47**	-
	Markup receivable		**77**	111
	Advance Tax		**116**	-
			3,431	437
8.	**ACCRUED EXPENSES AND OTHER LIABILITIES**			
	Auditors' remuneration		**188**	200
	Brokerage payable		**152**	357
	Sind Sales Tax	8.1	**333**	333
	Federal Excise Duty on Management remuneration	8.2	**8,970**	5,909
	Reimburseable expense Payable to Management Company	8.3	**220**	-
	Withholding tax payable		**40**	2,487
	Zakat payable		**215**	257
	Others		**704**	1,280
			10,822	10,823

8.1 During the current period, an amount of Rs.3.108 million was charged on account of sales tax on Management fee levied through Sindh Sales Tax on Services Act, 2011 and 0.252 million on trustee remuneration and CDS charges levied through Sindh Sales Tax on Finance Act 2015. As at period end, sales tax on Management Company remuneration of Rs. 0.307 million and on trustee remuneration and CDS charges amounting 0.026 million was due, which was paid subsequent to the period end to the Management Company and Central Depository Company respectively, 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. 8.97 million as at 31 March 2016. 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. 0.58 / 0.79%.

8.3 The reimbursable expenses have been charged as per NBFC Regulation 60, which states that fees and expenses related to registrar services, accounting, operation and valuation services related to CIS maximum upto 0.1% of average net assets of the Scheme or actual whichever is less. The Fund has started to charge the reimbursable expenses from Jan 22, 2016.

9. Other Expenses	31 March 2016 (Unaudited)	31 March 2015 (Unaudited)
	------- (Rupees in '000) -------	
Printing and stationery	71	45
National Clearing Company of Pakistan Limited charges	263	236
Central Depository Company of Pakistan Limited charges	100	69
Pakistan Stock Exchange listing fee	38	38
Fees and subscription	158	5
Bank charges	18	23
Federal excise duty	3,062	2,054
Sales tax on Management Remuneration / CDC / CDS	3,360	2,234
Credit Rating Fee	105	-
	7,175	4,704

10. PROVISION FOR 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 retain provision for WWF amounting to Rs. 23.772 million up to 31 March 2016.

Had the above recognition not been made, the net assets value per unit of the Fund would be higher by Rs. 1.53 / 2.1%.

The Finance Act, 2015 has excluded Mutual Funds and collective Investment Scheme from the definition of 'industrial establishment' subject to WWF under WWF Ordinance, 1971. Accordingly, no provision for WWF is made from 01 July 2015 onwards. However, provision made till 30 June 2015 has not been reversed as the above lawsuit is pending in the SHC.

11. CONTINGENCIES AND COMMITMENTS

There are no contingencies or commitments 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 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 2016 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 (holding company of the management company), 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 / holding company of management company and 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 2016. 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.

13.1 Details of transactions with connected persons/related parties during the period	Nine months Ended 31 March 2016 (Unaudited)	31 March 2015 (Unaudited)
	------ (Rupees in '000)------	
AKD Investment Management Limited - Management Company of the Fund		
Remuneration	**19,137**	12,837
Reimburseable Expense	**220**	-
Sindh Sales tax on Management Company's Remuneration*	**3,108**	2,234
Federal excise duty on Management Company's Remuneration*	**3,062**	2,054
Sales load	**1,770**	1,698
Units issued - 42,723 (2015 : 248,459) units	**2,987**	12,084
Units redeemed - 50,065 (2015 : 248,459) units	**4,200**	14,837
Central Depository Company of Pakistan - Trustee of the Fund		
Remuneration	**1,708**	1,283
Central Depository Service Charges	**100**	69
Sales Tax Provincial (Trustee & CDS Charges)	**253**	-
AKD Investment Management Limited- Staff Provident Fund		
Units issued : 205,087 (2015 : 87,678)	**16,012**	5,007
Units redeemed : 112,208 (2015 : 93,464)	**9,468**	5,402
Spouse- Chief Executive Officer of the Management Company		
Units issued : 608,674 (2015 : Nil)	**47,932**	-
Units redeemed : 146,896 (2015 : Nil)	**12,121**	-
Ms. Anum		
Chief Investment Officer of the Management Company		
Units Issued : 22,472 (2015: Nil)	**1,700**	-
Ms Hina Aqeel		
Close relative of Mr. Aqeel Karim Dhedhi		
Units Issued : 26,577 (2015: Nil)	**2,002**	-
Mr Saad Iqbal		
The Director of the Management Company **		
Units Issued : 58,790 (2015: Nil)	**5,000**	-
Units redeemed : 58,790 (2015: Nil)	**3,942**	-
Mr Muhammad Yaqoob Sultan		
The Chief Operating Officer and Company Secretar		
Units Issued : 1,170 (2015: Nil)	**80**	-
KAPCO Employees Pension Fund Trust (having invested more than 10% in the units		
Units issued : Nil (2015: 957,387) units	**-**	59,978
Units redeemed : Nil (2015: 866,727) units	**-**	48,380

	31 March 2016 (Unaudited)	31 March 2015 (Unaudited)
	------ **(Rupees in '000)** ------	
Arabian Sea Enterprises Limited (having invested more than 10% in the units of the fund)		
Units issued : Nil (2014: 143,354) units	**-**	10,000
AKD Securities Limited - Brokerage House		
Commission on purchase and sale of marketable securities	**236**	348
Golden Arrow Selected Stocks Fund Limited (Fund managed by the Management company)		
Purchase of shares by AKD Opportunity Fund	**-**	87,207
Sale of shares by AKD Opportunity Fund	**-**	46,740

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

** Mr Saad Iqbal resigned on January 05 2016

13.1.1 Balance as at period / year ended

	31 March 2015 (Unaudited)	30 June 2015 (Audited)
	------ **(Rupees in '000)** ------	
AKD Investment Management Limited - Management Company of the Fund		
Remuneration payable	**1,892**	1,914
Reimburseable Expense	**220**	-
Sales load payable	**102**	206
Units Outstanding : 432,683 (June 2015: 440,025)	**31,478**	31,682
Sales Tax payable on Management Company's remuneration*	**307**	333
Federal Excise Duty*	**8,970**	5,909
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	**177**	176
Security Deposit	**100**	100
CDS Charges	**6**	7
Sales Tax payable on Trustee fee & CDS Charges	**26**	-
Arabian Sea Enterprises Limited (having invested more than 10% in the units of the Fund)		
Units outstanding : 2,068,043 13.33% of the total units in issue as at the period end) (June 2015: 2,068,043) 12.83% of the total units in issue as at the year end)	**150,450**	148,899
KAPCO Employees Pension Fund Trust (having invested more than 10% in the units of the Fund)		
Units outstanding : 2,276,368 14.67%) (June 2015: 2,276,368 :14.12% of the total units in issue as at the year end)	**165,606**	163,898

	31 March 2015 (Unaudited)	30 June 2015 (Audited)
	------ (Rupees in '000) ------	
Aqeel Karim Dhedhi Securities (Pvt.) Limited Staff Provident Fund		
Units outstanding : 63,025 (June 2015: 63,025)	**4,585**	4,538
AKD Investment Management Ltd Staff Provident Fund		
Units outstanding : 92,879 (June 2015: Nil)	**6,757**	-
Ms Anum		
Chief Investment Officer of the Management Company		
Units outstanding : 22,472 (June 2015: Nil)	**1,635**	-
Ms Hina Aqeel		
Close relative of Mr. Aqeel Karim Dhedhi		
Units outstanding : 26,577 (June 2015: Nil)	**1,934**	-
Spouse - Chief Executive Officer of the Management Company		
Units outstanding : 608,674 (June 2015: 146,896)	**44,281**	10,576
Mr Muhammad Yaqoob Sultan		
The Chief Operating Officer and Company Secretary		
Units outstanding : 1,170 (2015: Nil	**85**	-
AKD Securities Limited - Brokerage House		
Brokerage payable on purchase and sale of marketable securities	**-**	15

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

14 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price). Adoption of IFRS 13 has not affected the condensed interim financial information.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the statement of assets and liabilities date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from book value.

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyse financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

	As at March 31, 2015			
	Level 1	**Level 2**	**Level 3**	**Total**
	(Rupees in '000)			
ASSETS				
Investment in securities - at fair value through profit or loss - held for-trading				
- Quoted equity securities	**1,165,506**	**-**	**-**	**1,165,506**
	1,165,506	**-**	**-**	**1,165,506**

	As at June 30, 2015			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
ASSETS				
Investment in securities - at fair value through profit or loss - held for-trading				
- Quoted equity securities	1,173,917	-	-	1,173,917
	1,173,917	-	-	1,173,917

15. GENERAL

15.1 This condensed interim financial information is unaudited.

15.2 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.

16. DATE OF AUTHORIZATION OF ISSUE

This condensed interim financial information was authorised for issue on April 28, 2016 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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