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VISION

The Company shall be a trusted provider of fund management solutions and services which focus on best serving the investments interests of its clients.

MISSION

Our vision will be realized by:

Providing solutions to client investment requirements which adhere to the highest ethical standards while meeting long-term objectives and short-term needs.

Attracting and retaining talent that shares our core values of integrity and excellence being responsible corporate citizen.

VALUES

Integrity, Professionalism, Focus on Sustainable Growth

FUND'S INFORMATION

Management Company:	Alfalsh GHP Investment Management Limited 8-B,8th Floor, Executive Tower, Dolmen City, Block-4, Clifton, Karachi.
Board of Directors of the Management Company:	<ul style="list-style-type: none">- Ms. Maheen Rahman- Syed Ali Sultan- Mr. David Burlison- Mr. Hanspeter Beier- Mr. Amin Dawood Saleh- Mr. Muhammad Asif Saad- Mr. Abid Naqvi
CFO & Company Secretary Of the Management Company:	- Syed Muhammad Zeeshan
Audit Committee:	<ul style="list-style-type: none">- Syed Ali Sultan- Mr. Abid Naqvi- Mr. Amin Dawood Saleh
Fund Manager:	-Mr. Nabeel Malik
Trustee:	Central Depository Company of Pakistan Limited. CDC House, 99-B, Block 'B', SMCHS, Main Shara-e-Faisal, Karachi.
Bankers to the Fund:	Bank Alfalah Limited
Auditors:	Ernst &Young Ford Rhodes Sidat Hyder Chartered Accountants Progressive Plaza, Beaumont Road P.O. Box 15541, Karachi 75530.
Legal Advisor:	Bawany & Partners Room No. 404, 4th Floor Beaumont Plaza, 6-cl-10 Beaumont Road, Civil Lines Karachi.
Registrar:	Alfalsh GHP Investment Management Limited 8-B,8th Floor, Executive Tower, Dolmen City, Block-4, Clifton, Karachi.
Distributor:	Bank Alfalah Limited
Rating:	A + (f)

DIRECTORS' REPORT

For the nine month period ended 31 March, 2014

To our valued Unit Holders,

On behalf of the Board of Directors, I am pleased to present the Financial Statements of IGI Income Fund (IGIIF), for the nine months ended 31 March, 2014. The Financial Statements of the Schemes prepared by the Management Company present true and fair view of the state of affairs of the Schemes and results of their operations, cash flows and movement in unit holders' funds.

Economic Review

Economic indicators have begun to signal the beginnings of a turnaround in economic activity.

Overall growth in Large Scale Manufacturing (LSM) at 6.05% for the 7 month period Jul '13 - Jan '14 was driven mainly by exceptionally strong growth in Food, Beverage, and Tobacco sector, and the Fertilizer sector, which benefitted from increased supply of gas during the period. FY14 LSM growth will remain steady at 5% and resultantly, this improvement should deliver a higher GDP growth of over 4.5% as compared to the IMF's original target of 2.5%.

Inflation remained in check during 3QFY14 with the monthly CPI number down to 8.5% in March 2014. Core inflation further dipped in March to 7.6%, and Cumulative 9MFY14 CPI numbers now stand at 8.6%. Thus, the real interest rate stands at approximately 1.4%.

Current account for the month of Feb '14 posted a surplus of USD 164 million, taking the 8MFY14 current account deficit to USD 2 billion compared to USD 0.8 billion during the same period last year. Recently released data for Trade deficit (-5%MoM) and Remittances (+11%MoM) suggest further surplus in Mar'14.

Meanwhile, the PKR has shown appreciation against the USD during the period, and is expected to gain further strength going forward as USD inflows have picked up and further inflows are expected on account of Pakistan Development Fund, auction of 3G/4G licenses, Eurobond issue, Coalition Support Fund, and positive response from multilateral donor agencies .

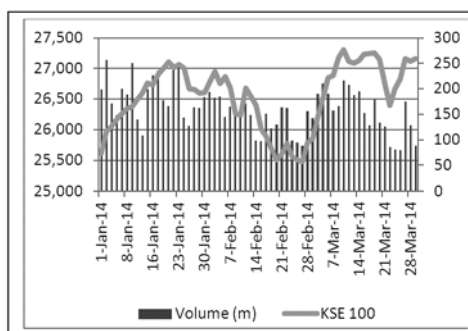
With no immediate risk to inflation, controlled parity, rising reserves, and manageable balance of payments as expected inflows are likely to finance the decline in exports, the SBP may get room to cut interest rates in CY14.

The pace of this recovery and its sustainability hinges on the governments continued ability to raise external financing to fund the budget deficit, given that tax revenues have fallen short of targets over this period. Positive efforts have been seen in this regard; should this sustain, domestic economic environment can be expected to improve with resultant positive benefits on capital markets.

Capital Markets Review

EQUITIES REVIEW

Despite a bearish spell from end-Jan to end-Feb which saw the KSE-100 dip 6%, the market recorded another appreciable performance in 3QFY14 as a 5.3% increase in March took the KSE-100's net return to 7.5% for the period taking the 9MFY14 gain to 29.3%. The February market decline was mostly driven by foreign selling, as foreign investors booked gains which accrued to them due to the sharp appreciation in the PKR. Overall, the quarter closed positive due to improving macro situation and news of Pakistan's increased weightage in MSCI FM index.



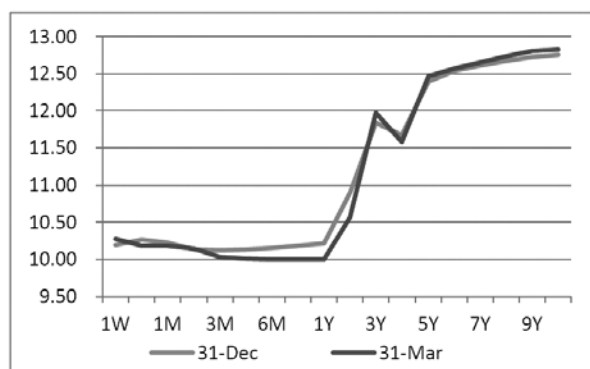
The 6.97% appreciation in the value of the PKR, while a boon for import dependent sectors, has proved a bane for exporting sectors, thus valuations for the Textile sector have been revised downwards, while Autos and Pharmaceutical companies have had their earnings forecasts revised upwards.

With the interest rate outlook having stabilized, there are increasing expectations of a cut in the benchmark discount rate in the next Monetary Policy Statement due to be announced in May 2014. If this happens, it could provide a further boost to the equity markets.

MONEY MARKET REVIEW

SBP having tightened the monetary policy in 1HFY14 due to inflationary pressures and external side issues opted to maintain the discount rate steady at 10% in anticipation of improvement in macroeconomic indicators and a better foreign exchange reserve position.

Thereon, lower than expected inflation numbers, improving exchange rate, and a generally improving macro-economic picture has led to a stable outlook on interest rates for the remaining part of the current fiscal year.



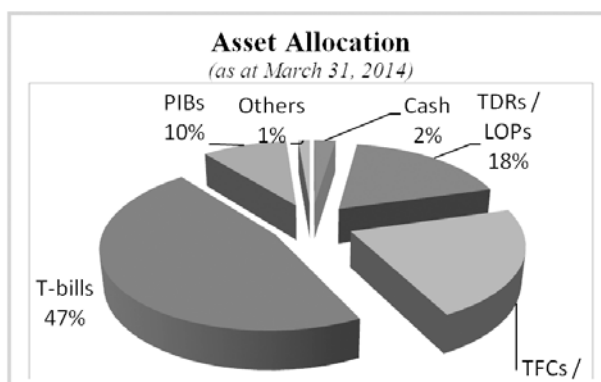
Fund Operations and Performance

IGI Income Fund

During 3QFY14, IGI Income Fund (IGIIF) generated a return of 9.25% p.a. versus the benchmark return of 10.14% p.a., taking the return for 9MFY14 to 8.10% p.a.

IGIIF maintained a high percentage in government and corporate securities during the period under review, gradually increasing the duration of the fund to benefit from the stabilizing interest rate environment.

Going forward, increased allocation to long term bonds shall support the bottom line due to attractive spread compared to T-Bills.



The Pakistan Credit Rating Agency (PACRA) has maintained the Fund's stability rating at 'A+ (f)' (Single A Plus - fund rating).

Key Financial Data*Rs. in million*

Description	Nine month period ended 31 March 2014	Nine month period ended 31 March 2013
Net Assets at end of the period	1,562.99	1,619.05
Gross income earned	131.51	124.63
Net comprehensive income	94.84	116.81
Net Assets Value per Unit (Rs.)	102.8389	100.8836
Issuance of units during the period	1,283.53	2,498.83
Redemption of units during the period	1,598.56	1,873.18

Cumulative interim payouts during the period

Dividend per unit	3.556
Bonus per 100 units	3.5433

Future Outlook

There has been definitive progress on the macroeconomic front during the tenure of the present government. 7MFY14 LSM growth of above 6% is encouraging and raises our expectations of GDP growth of above 4% for the year. Inflation has been kept in check while the PKR has shown strong appreciation during 3QFY14. Consequently, we expect the equity markets to stay strong for the remainder of the current fiscal year with further USD inflows expected on account of PDF, Eurobond issue, bandwidth auction, etc., and a stable to declining view on interest rates. Our top picks in this scenario would be Commercial Banks, Pharmaceuticals, and Auto stocks.

Acknowledgement

The Directors express their gratitude to the Securities and Exchange Commission of Pakistan for its valuable support, assistance, and guidance. The Board also thanks the employees of the Management Company and the Trustee for their dedication and hard work and the unit holders for their confidence in the Management.

For and on behalf of the Board of Directors

Chief Executive Officer
Date April 24, 2014

IGI INCOME FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT MARCH 31, 2014

	Note	March 31, 2014 (Un-audited)	June 30, 2013 (Audited)
----- (Rupees) -----			
Assets			
Bank balances	5	37,739,782	141,688,422
Investments	6	1,486,032,358	1,628,516,465
Security deposits		4,243,308	2,850,000
Prepayments and other receivables	7	63,666,831	11,445,782
Total assets		1,591,682,279	1,784,500,669
Liabilities			
Remuneration payable to the Management Company	8	5,054,436	2,997,624
Remuneration payable to the Trustee		179,067	192,597
Annual fee payable to Securities and Exchange Commission of Pakistan		1,001,977	1,179,383
Payable against redemption of unit holders		19,949,663	2,280,000
Accrued and other liabilities		2,502,818	722,899
Total liabilities		28,687,961	7,372,503
Contingency	10		
Net assets attributable to unitholders	Rupees	<u>1,562,994,318</u>	<u>1,777,128,166</u>
Unit holders' funds	Rupees	<u>1,562,994,318</u>	<u>1,777,128,166</u>
Number of units in issue	Number	<u>15,198,474</u>	<u>17,159,045</u>
Net assets value per unit	Rupees	<u>102.8389</u>	<u>103.5680</u>

The annexed notes from 1 to 14 are an integral part of these financial statements.

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive Officer

Director

IGI INCOME FUND
CONDENSED INTERIM INCOME STATEMENT
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2014 (UN-AUDITED)

	Note	Nine months period ended		Quarter ended	
		March 31, 2014 ----- (Rupees) -----	March 31, 2013 -----	March 31, 2014 ----- (Rupees) -----	March 31, 2013 -----
Income					
Financial Income		129,381,950	119,746,771	37,570,623	49,181,741
Net capital loss on sale of investments classified as 'at fair value through profit or loss - held-for-trading'		(1,753,416)	6,203,497	117,085	717,110
Net unrealised appreciation / (diminution) in fair value of investments classified as 'at fair value through profit or loss - held-for-trading'		3,888,261	4,249,958	4,473,630	(1,479,452)
Provision for non-performing term finance certificates classified as held-for-trading		-	(5,568,924)	-	-
Total Income		131,516,795	124,631,302	42,161,338	48,419,399
Expenses					
Remuneration to the Management Company		16,699,800	14,203,083	4,324,855	6,177,181
Sales tax on Management Fee		3,099,483	2,272,482	1,036,659	988,350
Federal excise duty on management fee	9	2,671,969	-	893,678	-
Remuneration to the Trustee		1,773,714	1,595,435	525,709	629,663
Annual fee to the Securities and Exchange Commission of Pakistan		1,001,977	852,182	278,912	370,628
Brokerage expense and capital value tax		134,967	267,896	34,020	85,946
Bank and settlement charges		174,856	190,431	56,312	59,928
Auditors' remuneration		344,542	358,087	70,470	87,036
Clearing charges		385,906	312,693	294,028	90,390
CDS transaction fee		13,604	12,179	4,480	6,148
Annual listing fee		29,990	30,140	9,900	9,900
Printing charges		112,614	93,708	36,990	30,780
Rating fee		181,662	122,024	59,670	21,372
Worker welfare fund	10	1,867,746	-	692,229	-
Total expenses		28,492,830	20,310,340	8,317,912	8,557,322
Net Income for the period before taxation		103,023,965	104,320,962	33,843,426	39,862,077
Element of (loss) / income and capital gains / (losses) included in prices of units sold less those in units redeemed - net		(8,179,462)	12,493,805	1,061,021	1,180,521
Net income for the period before taxation		94,844,503	116,814,767	34,904,447	41,042,598
Taxation	13				
Net income for the period	Rupees	94,844,503	116,814,767	34,904,447	41,042,598

The annexed notes from 1 to 14 are an integral part of these financial statements.

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive Officer

Director

IGI INCOME FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2014 (UN-AUDITED)

	<u>Nine months period ended</u>		<u>Quarter ended</u>	
	<u>March 31,</u> <u>2014</u>	<u>March 31,</u> <u>2013</u>	<u>March 31,</u> <u>2014</u>	<u>March 31,</u> <u>2013</u>
	----- (Rupees) -----		----- (Rupees) -----	
Net income for the period	94,844,503	116,814,767	34,904,447	41,042,598
Other comprehensive income:	-	-	-	-
Total comprehensive income for the period	Rupees <u>94,844,503</u>	<u>116,814,767</u>	<u>34,904,447</u>	<u>41,042,598</u>

The annexed notes from 1 to 14 are an integral part of these financial statements.

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive Officer

Director

IGI INCOME FUND
CONDENSED INTERIM CASH FLOWS STATEMENT
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2014 (UN-AUDITED)

	Nine months period ended	
	March 31, 2014	March 31, 2013
Note	----- (Rupees) -----	
Net income for the period	94,844,503	116,814,767
Adjustments for:		
Net gain / (loss) on sale/ redemption of investments classified as 'at fair value through profit or loss - held for trading'	1,753,416	(6,203,497)
Net unrealised appreciation / (diminution) in fair value of investments classified as 'at fair value through profit or loss - held-for-trading'	(3,888,261)	(4,249,958)
Provision for impairment in valuation of investments classified as held for trading and interest accrued thereon	-	5,568,924
Element of (loss) / income and capital gains / (losses) included in prices of units sold less those in units redeemed - net	<u>8,179,462</u>	<u>(12,493,805)</u>
	100,889,120	99,436,431
(Increase) / decrease in assets		
Investments - net	571,576,036	(625,414,398)
Receivable under reverse repurchase transaction	-	(45,088,458)
Security Deposit	(1,393,308)	(2,443,790)
Prepayments and other receivables	(52,221,049)	(6,569,379)
	517,961,679	(679,516,025)
Increase / (decrease) in liabilities		
Payable to the Management Company	2,056,812	1,432,874
Remuneration payable to the Trustee	(13,530)	93,317
Annual fee to the Securities & Exchange Commission of Pakistan	(177,406)	14,495
Payable against redemption of unit holders	17,669,663	49,969,312
Accrued and other liabilities	1,779,919	(181,508)
	<u>21,315,458</u>	<u>51,328,490</u>
Net cash from / (used in) operating activities	640,166,257	(528,751,104)
CASH FLOWS FROM FINANCING ACTIVITIES		
Distribution paid	(2,121,263)	(2,420,581)
Amounts received on issue of units	1,283,532,683	2,498,833,731
Payment against redemption of units	(1,598,569,233)	(1,873,183,156)
Net cash (used in) / from financing activities	(317,157,813)	623,229,994
Net increase in cash and cash equivalents during the year	<u>323,008,444</u>	<u>94,478,890</u>
Cash and cash equivalents at beginning of the year	750,999,664	674,744,175
Cash and cash equivalents at end of the period	<u>1,074,008,108</u>	<u>769,223,065</u>

Rupees 11

The annexed notes from 1 to 14 are an integral part of this condensed interim financial information.

**For Alfalah GHP Investment Management Limited
(Management Company)**

Chief Executive Officer

Director

IGI INCOME FUND
CONDENSED INTERIM DISTRIBUTION STATEMENT
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2014 (UN-AUDITED)

	Nine months period ended		Quarter ended	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
	----- (Rupees) -----		----- (Rupees) -----	
Undistributed income brought forward at the beginning of the year	61,223,751	14,589,072	8,242,590	14,583,530
Total comprehensive income for the period	94,844,503	116,814,767	34,904,447	41,042,598
Final distribution of bonus @ 3.1235 units for every 100 units held (2012: @ 1.0806 units for every 100 units held)	(52,833,484)	(9,538,519)	-	-
Final distribution of cash dividend @ Rs.3.1370 per unit held, (2012: @ Rs.1.0868 per unit held)	(994,441)	(12,795)	-	-
	(53,827,925)	(9,551,314)	-	-
Interim distribution of bonus @ 1.9582 units for every 100 units held (2012: @ 2.2424 units for every 100 units held)	(34,800,723)	(24,715,820)	-	-
Interim distribution of cash divided @ Rs. 1.9625 per units held (2012: @ Rs. 2.2530 per unit held)	(622,120)	(26,526)	-	-
Interim distribution of bonus @ 1.5851 units for every 100 units held (2012: @ 2.4175 units for every 100 units held)	(23,165,747)	(39,102,791)	-	-
Interim distribution of cash divided @ Rs. 1.5921 per units held (2012: @ Rs. 2.4359 per unit held)	(504,702)	(2,381,260)	-	-
Interim distribution of bonus - Nil (2013: @ 1.9651 units for every 100 units held,	-	(39,510,044)	-	(39,510,044)
Interim distribution of cash dividend - Nil (2013: @ Rs. 1.9802 per unit held)	-	(1,935,782)	-	(1,935,782)
	(112,921,217)	(117,223,537)	-	(41,445,826)
Undistributed income carried forward	Rupees <u>43,147,037</u>	<u>14,180,302</u>	<u>43,147,037</u>	<u>14,180,302</u>

The annexed notes from 1 to 14 are an integral part of these financial statements.

**For Alfalah GHP Investment Management Limited
(Management Company)**

Chief Executive Officer

Director

IGI INCOME FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2014 (UN-AUDITED)

	Nine months period ended		Quarter ended	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
	----- (Rupees) -----		----- (Rupees) -----	
Net assets at beginning of the year	1,777,128,166	893,436,371	1,517,510,599	1,756,418,402
Amount realized / unrealized on issuance of 12,684,939 units (March 2013 : 24,537,217 units) and 4,299,532 units (31 March 2013 : 7,340,173 units) for the nine months and quarter ended respectively	1,283,532,683	2,498,833,731	437,981,178	746,486,638
Issuance of 1,103,957 bonus units in respect of final and interim distributions (31 March 2013 : 1,121,008 units)	110,799,954	112,867,173	-	39,510,043
Amount paid / payable on redemption of 15,749,467 units (31 March 2013 : 18,397,985 units) and 4,193,739 units (31 March 2013 : 9,101,902 units) for the nine months and quarter ended respectively	(1,598,569,233)	(1,873,183,156)	(426,340,885)	(921,779,790)
	1,572,891,570	1,631,954,119	1,529,150,892	1,620,635,293
Element of (loss) / income and capital gains / (losses) included in prices of units sold less those in units redeemed - net	8,179,462	(12,493,805)	(1,061,021)	(1,180,521)
Total comprehensive income for the period before capital gains realised and unrealised and provision for impairment	92,709,658	111,930,236	30,313,732	41,804,940
Net gain / (loss) on sale / redemption of investments classified as 'at fair value through profit or loss - held for trading'	(1,753,416)	6,203,497	117,085	717,110
Provision for non-performing term finance certificates classified as held-for-trading	-	(5,568,924)	585,369	-
Net unrealised appreciation / (diminution) in fair value of investments classified as 'at fair value through profit or loss - held-for-trading'	3,888,261	4,249,958	3,888,261	(1,479,452)
Total comprehensive income for the period - net	94,844,503	116,814,767	34,904,447	41,042,598
<i>Distributions made during the period</i>				
Final distribution of bonus units	(52,833,484)	(9,538,519)	-	-
Final distribution of cash dividend	(994,441)	(12,795)	-	-
Interim distribution of bonus units	(57,966,470)	(103,328,655)	-	(39,510,044)
Interim distribution of cash dividend	(1,126,822)	(4,343,568)	-	(1,935,782)
	(112,921,217)	(117,223,537)	-	(41,445,826)
Net income less distributions for the period	(18,076,714)	(408,770)	34,904,447	(403,228)
Net assets at end of the period	Rupees 1,562,994,318	1,619,051,544	1,562,994,318	1,619,051,544

The annexed notes from 1 to 14 are an integral part of these financial statements.

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive Officer

Director

IGI INCOME FUND
CONDENSED INTERIM NOTES TO THE FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2014 (UN-AUDITED)

1. LEGAL STATUS AND NATURE OF BUSINESS

IGI Income Fund (the Fund) has been constituted under Trust Deed dated December 18, 2006 between IGI Funds Limited (IGIFL) as Management Company, incorporated under the Companies Ordinance, 1984 and Central Depository Company of Pakistan Limited (CDC) as the Trustee incorporated under the Companies Ordinance, 1984. The Fund has been established under the Rules of business applicable to open ended mutual fund of the Non-Banking Finance Companies.

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

The Fund invests primarily in fixed-rate securities and other avenues of investment, which include corporate debt securities, certificates of investments, certificates of musharika, commercial papers, term deposit receipts, spread transactions, reverse repurchase agreements and transactions under continuous funding system. The Fund is categorise as income scheme and is subject to the guideline prescribes by SECP.

Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.

During the current period dated October 15, 2013, the management rights of the Fund have been transferred from IGI Funds Limited (Management Company of the Fund) to AlfalahGHP Investment Management Limited (Management Company of the Fund) by means of Securities & Exchange Commission of Pakistan sanctioned order No. SCD/NBFC-II/IGIFL & AFGHP/742/2013. The registered address of the Management Company is situated at 8-B, 8th Floor, Executive Tower, Dolmen City, Block-4, Clifton, Karachi-Pakistan.

PACRA has awarded normal rating of A+ (f)" to IGI Income Fund.

2. BASIS OF PRESENTATION

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the International Accounting Standard (IAS) 34 "Interim Financial Reporting" as applicable in Pakistan.

These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statement of the fund for the year ended June 30, 2013.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted and methods of computation followed in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2013.

4. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of this condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

Judgments and estimates made by the management in the preparation of this condensed interim financial statements are the same as those that were applied to the financial statements as at and for the year ended 30 June 2013.

The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 30 June 2013.

5. BANK BALANCES - local currency

This represents balance in deposit accounts with banks and carry profit rates ranging from 6.00% to 9.25% (30 June 2013: 6.00% to 8.75%).

6. INVESTMENTS

	Note	March 31, 2014 (Un-audited) ----- (Rupees) -----	June 30, 2013 (Audited) -----
Financial asset at fair value through profit and loss- Held for trading			
Term finance certificates	6.1	247,056,620	344,259,831
Sukuk certificates	6.2	51,569,900	-
Treasury Bills	6.3	742,603,701	1,032,365,529
Pakistan Investment Bonds	6.4	151,354,225	-
		1,192,584,446	1,376,625,360
Held to maturity			
Certificates of deposit		-	53,039,039
Commercial papers		-	118,743,043
Letter of placement	6.5	141,804,077	-
Term deposit receipts	6.6	151,643,835	80,109,023
		293,447,912	251,891,105
	Rupees	1,486,032,358	1,628,516,465

6.1 Term Finance Certificates (TFCs) - held-for-trading

Name of the investee company	Profit / mark-up rate	As at July 01, 2013	Purchased during the period	Sold / matured during the period	As at March 31, 2014	Cost as at March 31, 2014	Market value as at March 31, 2014	% of net assets on the basis of market value	% of total investment on the basis of market value
		----- (Number of certificates) -----				----- (Rupees) -----		----- (%) -----	
Quoted investments									
Pakistan Mobile Communication - III	11.27%	15,504	-	15,504	-	-	-	-	-
Pakistan Mobile Communication - VII	11.50%	450	-	-	450	34,137,000	34,580,385	2.21%	2.33%
United Bank Limited - IV	10.30%	681	-	681	-	-	-	-	-
Faysal Bank Limited (12 Nov, 2007)	11.01%	2,001	-	-	2,001	5,092,365	5,036,753	0.32%	0.34%
Faysal Bank Limited (27 Dec, 2010)	12.40%	9,000	-	-	9,000	45,395,730	48,822,503	3.12%	3.29%
						84,625,095	88,439,641		
Un-quoted investments									
Commercial banks									
Bank AlFalah Limited - IV (Fixed)	15.00%	6,500	-	4,000	2,500	12,851,768	13,408,450	0.86%	0.90%
Bank AlFalah Limited - IV (Floting)	12.58%	7,050	-	-	7,050	36,249,831	37,805,247	2.42%	2.54%
Bank AlFalah Limited - V	11.41%	12,800	-	-	12,800	63,974,400	65,229,962	4.17%	4.39%
Engro Fertilizer Limited	11.63%	5,000	-	-	5,000	24,989,880	24,945,312	-	-
Bank Al Habib - IV	15.00%	5,500	-	2,400	3,100	16,560,983	17,228,008	1.10%	1.16%
						154,626,862	158,616,979		
						<u>239,251,957</u>	<u>247,056,620</u>		
6.2 Sukuk						<u>50,000,000</u>	<u>51,569,900</u>	3.30%	3.47%
WAPDA - III	9.26%	-	10,000	-	10,000				

6.3 Treasury bills - held-for-trading

Note	As at July 01, 2013	Purchased during the period	Sold during the period	As at March 31, 2013	Carrying amount as at March 31, 2014	Market value as at March 31, 2013	Unrealised gain / (loss) on revaluation	Net assets on the basis of market value	Total investment on the basis of market value	
	----- (Number of certificates) -----				----- (Rupees) -----			----- (%) -----		
Treasury bills face value - face value of Rs. 100 each issued on										
Maturity upto 3 months	6.2.1	900,000	40,455,000	34,105,000	7,250,000	718,251,078	718,088,722	(162,356)	45.94%	48.32%
Maturity upto 6 months		-	16,292,000	16,292,000	-	-	-	-	-	-
Maturity upto 12 months	6.2.3	9,864,100	5,711,000	15,325,100	250,000	24,569,338	24,514,975	(54,363)	1.57%	1.65%
		<u>10,764,100</u>	<u>62,458,000</u>	<u>65,722,100</u>	<u>7,500,000</u>	<u>742,820,416</u>	<u>742,603,697</u>	<u>(216,719)</u>		

6.2.1 These represent treasury bills having face value of Rs.725.129 million (June 30, 2013: Rs.90 million) and carrying purchase yield ranging from 9.80% to 10.05% (June 30, 2013: 9.23% to 9.60%) per annum. These treasury bills have maturity upto June 12, 2014 (June 30, 2013: September 05, 2013).

6.2.3 These represent treasury bills having face value of Rs.25 million (June 30, 2013: Rs.986.41 million) and carrying purchase yield ranging from 9.20% to 9.21% (June 30, 2013: 8.96% to 11.59%) per annum. These treasury bills have maturity upto June 12, 2014 (June 30, 2013: June 12, 2014).

6.4 Pakistan Investment Bonds - held-for-trading

Note	As at July 01, 2013	Purchased during the period	Sold during the period	As at March 31, 2014	Carrying amount as at March 31, 2014	Market value as at March 31, 2014	Unrealised gain / (loss) on revaluation	Net assets on the basis of market value	Total investment on the basis of market value
	----- (Number of certificates) -----				----- (Rupees) -----			----- (%) -----	
Maturity upto 10 years	-	2,100,000	569,000	1,531,000	151,817,678	151,354,225	(463,453)	9.68%	10.19%
	<u>-</u>	<u>2,100,000</u>	<u>569,000</u>	<u>1,531,000</u>	<u>151,817,678</u>	<u>151,354,225</u>	<u>(463,453)</u>		

6.5 These letter of placement carries mark-up rate of 10.00% & 10.05% (June 30 2013: Nil) and will mature on April 01,2014 and April 14,2014 (June 30 2013: Nil). Investment in letter of placement of Pak Brunei Investment Company Limited represent 4.71% & Pak Oman Investment Company Limited represent 4.71% (June 30 2013: Nil) of total investment on the basis of face value and 9.07% respectively (June 30 2013: Nil) of net assets on the basis of carrying amount.

6.6 Term deposit receipts are maintained with various financial institutions and carry profit rates ranging from 10.00% per annum (June 30, 2013: Nil). These deposits have mature upto April 03, 2014 (June 30, 2013: Nil). Investmet in term deposit receipts represent 10.09% (June 30, 2013: Nil) of total investment on the basis of face value and 9.60% (June 30, 2013: Nil) of net assets on the basis of face value.

	March 31, 2014 (Un-audited)	June 30, 2013 (Audited)
	----- (Rupees) -----	
7. PREPAYMENTS AND OTHER RECEIVABLES - considered good		
Mark-up / return receivable on:		
- bank balances	412,062	742,578
- term finance certificates	9,467,229	10,703,204
- Pakistan Investment Bonds	3,527,530	-
- Annual Listing fee	10,010	19,910
Advance against purchases of TFC	50,000,000	-
- NCCPL Annual Fee for MTS	250,000	-
	<u>63,666,831</u>	<u>11,465,692</u>
8. PAYABLE TO THE MANAGEMENT COMPANY		
Remuneration payable to the Management Company	1,586,318	1,804,822
Sales tax payable on management fee	582,680	315,326
Federal excise duty payable on management fee	2,837,948	165,979
Sales load payable to Management Company	47,490.45	711,497
	<u>5,054,436</u>	<u>2,997,624</u>

9. FEDERAL EXCISE DUTY ON MANAGEMENT FEE

During the current year, an amount of Rs.2.672 million (June 30, 2013: Rs.0.711) was charged on account of Federal excise duty on management fee levied through Finance Bill 2013 with effect from June 14, 2013.

10. CONTINGENCY - 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 mutual funds / Collective Investment Schemes (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 (SHC), challenging the applicability of WWF to the CISs, which is pending adjudication.

In August 2011, the Lahore High Court (LHC) issued a judgment in response to a petition in a similar case whereby the amendments introduced in the Workers' Welfare Fund Ordinance, 1971 through Finance Acts 2006 and 2008 have been declared unconstitutional and therefore struck down. However, during March 2013, the larger bench of the Honourable High Court of Sindh issued a judgment in response to various petitions in similar cases whereby the amendments introduced in the Workers' Welfare Fund Ordinance, 1971 through Finance Acts 2006 and 2008 respectively (Money Bills) have been declared constitutional and overruled the judgement passed by a single-member Lahore High Court bench issued in August 2011.

MUFAP's legal counsel is of the view that the stay granted to mutual funds in respect of recovery of WWF remains intact and the constitutional petition filed by the mutual funds / Collective Investment Schemes to challenge the Workers' Welfare Fund contribution has not been affected by the Judgment passed by the larger bench of the Honourable High Court of Sindh.

However as a matter of abundant caution, with effect from July 01, 2013, the fund has commenced making provision in respect of contribution to WWF prospectively. Accordingly, a provision for WWF amounting to RS. 1.868 million has been made in these financial statements.

The aggregate unrecognised amount of WWF upto June 30, 2013 amounted to Rs. 15.570 million. As per the Share Purchase Agreement (SPA) signed by IGI Investment Bank Limited (the Bank) and Alfalah GHP Investment Management Limited (AGIML), the Bank has agreed to indemnify AGIML against unrecognised WWF contribution exposure in the Fund upto June 30, 2013.

	March 31, 2014 (Un-audited)	June 30, 2013 (Audited)
	----- (Rupees) -----	
11. CASH AND CASH EQUIVALENTS		
Bank balances	37,739,782	141,688,422
Certificate of investment maturing within 3 months	-	80,109,023
Letter of placement maturing within three months	141,804,077	-
Treasury Bill with maturity within 3 months	742,820,414	410,459,176
Commercial Paper maturing within 3 months	-	118,743,043
Term deposit receipts maturity within 3 months	151,643,835	-
	<u>1,074,008,108</u>	<u>750,999,664</u>

12. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Remuneration payable to the Management Company and the Trustee are determined in accordance with the provisions of Non-Banking Finance Companies and Notified Entities Regulations, 2008, and the Trust Deed respectively.

12.1 Unit Holder's Fund

	For the nine months period ended 31 March 2014									
	As at July 01, 2013	Issued for cash	Bonus	Redeemed	As at March 31, 2014	As at July 01, 2013	Issued for cash	Bonus	Redeemed	NAV as at March 31, 2014
	----- Units -----					----- (Rupees) -----				
Associated companies / undertakings										
Alfalah GHP Investment Management Limited - Management Company	1,197,299	69,174	81,014	574,053	773,434	124,001,841	7,000,000	8,131,397	58,500,000	79,539,042
Key Management Personal										
Employees										
Unit holder holding 10% or more units										
Attock Cement Pakistan Limited	486,069	4,695,936	74,763	2,940,205	2,316,563	50,341,172	475,000,000	7,500,448	300,000,000	238,232,716
Baber ali Foundation	1,687,498	487,142	114,911	270,394	2,019,157	174,770,768	50,000,000	11,533,676	27,500,000	207,647,869
Habib Metropolitan Bank Limited	739,418	1,633,761	64,075	887,935	1,549,319	76,580,026	165,000,000	6,432,406	9,075,940	159,330,176

For the nine months period ended 31 March 2013

	As at July 01, 2012	Issued for cash	Bonus	Redeemed	As at March 31, 2013	As at July 01, 2012	Issued for cash	Bonus	Redeemed	NAV as at March 31, 2013
	-----Units-----					------(Rupees)-----				
Associated Companies / Undertakings										
Packages Limited - Employees Gratuity Fund	-	222,917	-	222,917	-	-	23,000,000	-	23,456,825	-
Packages Limited - Employees Provident Fund	-	1,378,187	35,937	1,414,124	-	-	139,854,673	3,621,113	144,069,181	-
Packages Limited - Staff Pension Fund	85,445	1,002,593	21,928	1,109,966	-	8,686,324	102,580,899	2,208,818	114,812,880	-
IGI Funds Limited - Management Company	702,450	971,220	63,159	1,736,829	-	71,411,091	99,300,000	6,358,159	176,191,477	-
Other Related Parties										
Tri Pack Films Limited - Employees Gratuity Fund	60,758	191,341	5,873	34,522	223,450	6,176,706	19,500,000	561,476	3,500,000	22,542,409
Tri Pack Films Limited - Employees Provident Fund	83,676	181,201	10,315	-	275,192	8,506,507	18,500,000	1,038,672	-	27,762,385
Tetra Pak Pakistan Limited - Employees Provident Fund	-	103,751	4,596	-	108,347	-	10,500,000	463,141	-	10,930,460
Tetra Pak Pakistan Limited - Employees Gratuity Fund	-	97,822	4,334	-	102,156	-	9,900,000	436,676	-	10,305,862
Tetra Pak Pakistan Limited - Employees Pension Fund	150,085	-	11,895	-	161,980	15,257,645	-	1,197,309	-	16,341,160
Babar Ali Foundation	1,071,726	438,535	90,925	59,479	1,541,707	108,951,652	45,000,000	9,152,609	-	155,532,855
Adi Jehangir Cawasji	-	65,102	4,259	-	69,361	-	6,650,000	428,794	-	6,997,351
Jalees Ahmed Siddiqi	-	190,953	7,080	35,524	162,509	-	19,411,761	713,433	3,625,000	16,394,514
Key Management Personnel										
Other employees	-	13,656	-	13,656	-	-	1,389,378	-	1,398,884	-
Unit holder holding 10% or more units										
The Nishat Mills Limited Employees Provident Fund Trust	-	4,213,641	186,819	838,059	3,562,401	-	427,934,424	18,814,186	86,343,488	359,387,873

Quarter ended 31 March 2014

12.2

	As at January 01, 2014	Issued for cash	Bonus	Redeemed	As at March 31, 2014	As at January 01, 2014	Issued for cash	Bonus	Redeemed	NAV as at March 31, 2014
	-----Units-----					------(Rupees)-----				
Associated companies / undertakings										
Alfalsh GHP Investment Management Limited - Management Company	1,263,845	-	-	490,411	773,434	773,433	127,074,675	-	50,000,000	79,539,042
Other Related Parties										
Key Management Personnel										
Employees	-	-	-	-	-	-	-	-	-	-
Unit holder holding 10% or more units										
Attock Cement Pakistan Limited	1,335,057	981,506	-	-	2,316,563	134,234,725	100,000,000	-	-	238,232,716
Babar Ali Foundation	1,802,409	487,142	-	270,394	2,019,157	181,225,181	50,000,000	-	27,500,000	207,647,869
Habib Metropolitan Bank Limited	1,730,742	641,029	-	822,453	1,549,318	174,019,383	65,000,000	-	83,333,934	159,330,175

Quarter ended 31 March 2013

	As at January 01, 2013	Issued for cash	Bonus	Redeemed	As at March 31, 2013	As at January 01, 2013	Issued for cash	Bonus	Redeemed	NAV as at March 31, 2013
	-----Units-----					------(Rupees)-----				
Associated Companies / Undertakings										
IGI Investment Bank Limited	-	974,694	-	974,694	-	-	100,000,000	-	100,233,342	-
Packages Limited - Staff Pension Fund	75,160	-	8,624	-	83,784	7,665,140	-	869,356	-	8,471,593
IGI Funds Limited - Management Company	748,394	78,268	80,931	169,564	738,029	77,458,530	8,000,000	8,158,215	17,400,000	74,623,810
Other Related Parties										
Tri Pack Films Limited - Employees Gratuity Fund	25,689	29,409	4,479	-	59,577	2,670,217	3,000,000	451,480	-	6,023,967
Tri Pack Films Limited - Employees Provident Fund	27,344	49,015	5,691	-	82,050	2,842,240	5,000,000	573,516	-	8,296,264
Tetra Pak Pakistan Limited - Employees Pension Fund	143,802	-	3,366	-	147,168	14,470,690	-	340,035	-	14,880,495
Babar Ali Foundation	1,292,289	465,655	115,875	831,524	1,042,295	55,628,165	48,000,000	5,666,121	1,848,782	105,388,845
Adi Jehangir Cawasji	9,910	-	1,137	-	11,047	1,030,070	-	114,625	-	1,116,980
Key Management Personnel										
Other employees	-	26,059	608	16,664	10,003	-	2,674,931	61,440	1,720,600	1,011,426

	For the Nine months period ended		Quarter ended	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
	----- (Rupees) -----			
12.3 Other transactions				
Associated Companies / Undertakings				
Associated Companies / Undertakings				
Alfalah GHP Investment Management Limited				
- Management Company				
Remuneration to the Management Company	<u>16,699,800</u>	<u>-</u>	<u>4,324,855</u>	<u>-</u>
Sales tax on management fee	<u>3,099,483</u>	<u>-</u>	<u>1,036,659</u>	<u>-</u>
Federal excise duty on management fee	<u>2,671,969</u>	<u>-</u>	<u>893,678</u>	<u>-</u>
Sales load	<u>47,490</u>	<u>-</u>	<u>(142,398)</u>	<u>-</u>
IGI Funds Limited - Management Company				
Remuneration to the Management Company	<u>-</u>	<u>14,203,083</u>	<u>-</u>	<u>6,177,181</u>
Sales tax on management fee	<u>-</u>	<u>2,272,482</u>	<u>-</u>	<u>988,350</u>
Federal excise duty on management fee	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Sales load	<u>-</u>	<u>1,223,597</u>	<u>-</u>	<u>633,258</u>
Central Depository Company of Pakistan Limited				
Remuneration to the Trustee	<u>1,773,714</u>	<u>1,595,435</u>	<u>525,709</u>	<u>629,663</u>
Other Related Parties				
IGI Finex Securities Limited				
Brokerage/ Commission	<u>-</u>	<u>18,739</u>	<u>-</u>	<u>-</u>
			March 31, 2014	June 30, 2013
			(Un-audited)	(Audited)
			----- (Rupees) -----	
12.4 Other balances				
Associated Companies / Undertakings				
Associated Companies / Undertakings				
Alfalah GHP Investment Management Limited				
- Management Company				
Remuneration to the Management Company			<u>1,586,318</u>	<u>-</u>
Sales tax on management fee			<u>582,680</u>	<u>-</u>
Federal excise duty on management fee			<u>2,837,948</u>	<u>-</u>
Sales load			<u>47,489</u>	<u>-</u>
IGI Funds Limited - Management Company				
Remuneration to the Management Company			<u>-</u>	<u>1,804,822</u>
Sales tax on management fee			<u>-</u>	<u>315,326</u>
Federal excise duty on management fee			<u>-</u>	<u>165,979</u>
Sales load			<u>-</u>	<u>711,497</u>
IGI Investment Bank Limited				
Certificate of deposit			<u>-</u>	<u>53,039,039</u>
IGI Finex Securities Limited				
Brokerage / commission			<u>-</u>	<u>30,277</u>
Central Depository Company of Pakistan Limited				
Remuneration to the Trustee			<u>179,067</u>	<u>192,597</u>

13. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule of 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 realized or unrealized is distributed amongst the unit holders. The Management Company intends to distribute not less than 90% of its annual accounting income, if any, to comply with the above clause at year end. Accordingly, no tax provision has been made in these condensed interim financial statements for the nine months period ended 31 March 2014.

14. GENERAL

These financial statements were authorised for issue by Board of Directors of the Management Company on April 24, 2014.

**For Alfalah GHP Investment Management Limited
(Management Company)**

Chief Executive Officer

Director