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**FUND'S INFORMATION**

|   |  |
|---|--|
| <b>Management Company:</b>                              | Alfalsh GHP Investment Management Limited<br>8-B, 8th Floor, Executive Tower, Dolmen City, Block-4,<br>Clifton, Karachi.   |
| <b>Board of Directors of the Management Company:</b>    | <ul style="list-style-type: none"><li>- Ms. Maheen Rahman</li><li>- Syed Ali Sultan</li><li>- Mr. Michael Hermann</li><li>- Mr. Hanspeter Beier</li><li>- Mr. Amin Dawood Saleh</li><li>- Mr. Abid Naqvi</li></ul> |
| <b>Head of Finance:</b>                                 | - Syed Hyder Raza Zaidi  |
| <b>Chief Operating Officer &amp; Company Secretary:</b> | - Noman Ahmed Soomro   |
| <b>Audit Committee:</b>                                 | <ul style="list-style-type: none"><li>- Syed Ali Sultan</li><li>- Mr. Abid Naqvi</li><li>- Mr. Amin Dawood Saleh</li></ul>   |
| <b>HR Committee:</b>                                    | <ul style="list-style-type: none"><li>- Syed Ali Sultan</li><li>- Mr. Michael Hermann</li><li>- Ms. Maheen Rahman</li></ul>  |
| <b>Trustee:</b>   | Central Depository Company of Pakistan Limited<br>CDC House, 99-B, Block 'B', SMCHS,<br>Main Shara-e-Faisal, Karachi   |
| <b>Fund Manager:</b>                                    | Mr. Nabeel Malik   |
| <b>Bankers to the Fund:</b>                             | Bank Alfalah Limited   |
| <b>Auditors:</b>  | Ernst & Young Ford Rhodes Sidat Hyder<br>Chartered Accountants<br>Progressive Plaza, Beaumont Road<br>P.O.Box 15541, Karachi 75530<br>Pakistan   |
| <b>Legal Advisor:</b>                                   | Bawaney & Partners<br>Room No. 404, 4th Floor<br>Beaumont Plaza, 6-cl-10<br>Beaumont Road, Civil Lines<br>Karachi.   |
| <b>Registrar:</b>                                       | Alfalsh GHP Investment Management Limited<br>8-B, 8th Floor, Executive Tower, Dolmen City, Block-4,<br>Clifton, Karachi.   |
| <b>Distributor:</b>                                     | Bank Alfalah Limited   |
| <b>Rating:</b>  | Stability Rating A+(f) by PACRA  |

**MISSION STATEMENT**

*"To be the best money management company in Pakistan. We will hold our clients money in sacred trust that has to be actively protected and sustainably nurtured so as to achieve client objectives".*

**VISION STATEMENT**

*"To be the leading wealth management firm by offering global investment advice, trust services, family estate planning etc for all Pakistani clients whether based in Pakistan or abroad".*

**REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY  
FOR THE THREE MONTH PERIOD ENDED SEPTEMBER 30, 2015**

*To our valued Unit Holders,*

On behalf of the Board of Directors, I am pleased to present the Financial Statements of Alfalah GHP Income Multiplier Fund (AGIMF) for the three months ended 30 September, 2015. The Financial Statements of the Scheme prepared by the Management Company present true and fair view of the state of affairs of the Scheme and results of its operations, cash flows and movement in unit holders' funds.

***Economic Review***

Pakistan observed substantial economic progress over 1QFY16, with improvement seen across the majority of indicators. Much of this improvement is owed to the prevalent low commodity cycle, which mainly benefits trade deficit countries like Pakistan that import commodities.

Owing to low crude oil prices, headline inflation averaged 1.66% YoY over the quarter under review - a multi-decade low inflation level for Pakistan. Support was mainly seen in the import bill, which saw a decline of 17% YoY. Low oil prices not only improved the trade deficit by 25% YoY over 1QFY16, but also kept incremental circular debt in check. However, concrete and long-term efforts are required to keep the import bill lower as oil prices are still very volatile and continually fluctuating. Any material increase in commodity price might tilt the import bill again to previously higher levels. For now, the situation is very compatible as reflected in the low current account deficit coupled with foreign flows (from IMF and bilateral partners) and Eurobond issuance. This has pushed foreign exchange reserves to a historical high level of USD 20bn.

CPI also saw support emanating from low food prices on the back of depressed agro-economics. This does impact farm income however the effects may be balanced out via sectors using agricultural inputs. Lower CPI has also resulted in historically low levels of interest rates which should boost investment and consumption spend.

During the quarter, the State Bank of Pakistan revised the key policy rate down by 50bps to 6.5%, and reduced the overnight target rate to 6.0%. The move came in light of record-low inflation and more than comfortable real rate of return, and was aimed at lifting private credit off-take and providing impetus to economic growth.

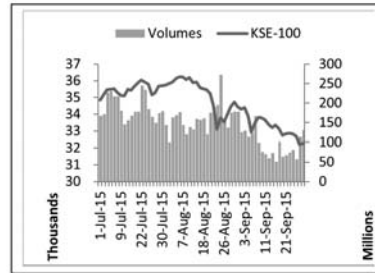
While manufacturers welcomed the recent easing, commercial banks could face some pressure as in the absence of private sector credit off take this could result in shrinkage of interest spreads. Furthermore, the government's attempt to tax banking transactions at 0.6% to widen the tax net was met with heavy criticism during the quarter. A direct impact was also seen on bank deposits, wherein total banking deposits fell from PKR 9.14tn in June to PKR 9.02tn in August (down by PKR 120bn), before recovering to PKR 9.06tn owing to aggressive quarter-end deposit mobilization. The governments continued reliance on indirect taxation methods to boost tax revenue points to a more regressive tax regime for the year.

Going forward, Pakistan is likely to continue to observe improvement in macroeconomic indicators, especially current account, foreign exchange reserves and inflation. Areas that still need significant attention include fiscal deficit, tax-to-GDP ratio/tax targets and faster privatization of state-owned entities.

**Capital Markets Review**

**EQUITIES REVIEW**

The quarter under review saw significant selloffs in regional and global equity markets. The Benchmark KSE100 also exhibited a similar trend and ended 6.1% lower on the back of an anticipation of a US Federal Reserve rate hike, regional currency devaluation, ensuing global equity slump, foreign selling and economic slowdown in China. Adding to the issues were rumors of SECP and NAB crackdown on local brokers and overall tighter liquidity in the interbank market. The benchmark KSE-100 index rose from 34,398 points to a high of 36,228 points during August, before succumbing to selling pressure, to settle lower at 32,287 points. Foreigners sold stocks worth USD 105mn over the period owing to the aforementioned factors.



The downward trend in the index was led by the Oil and Gas sector (-26.9%) and the Banking sector (-6.3%). While lower commodity prices hurt commodity producers, they impacted import-oriented sectors positively as multiyear low raw material prices propped up gross margins and lifted bottom-line of material intensive companies. In this connection, Pharmaceutical sector (+9.3%), Industrial Metals (+2.9%), Engineering sector (+1.0%), Food Producers (+1.8%) among others outperformed the broader index during the period. Notable appreciation was witnessed in the Software and Computer Services sector, which appreciated by an impressive 26% on the back of rapidly developing global clientele of locally listed sector constituents and frequent orders from such clients.

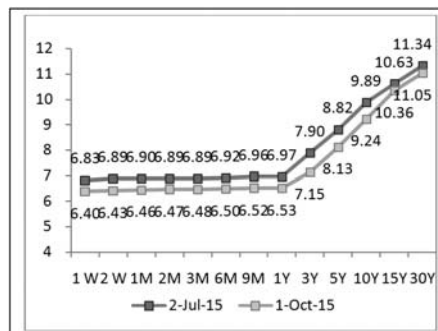
While the KSE100 Index has dropped over the quarter we maintain that Pakistan is a net beneficiary of global events in the commodities and inflation space. Further CPEC projects are now seen to be materializing actively on the ground. This combined with a far more stable current and fiscal account will yield benefits overall. As a result, we remain optimistic about the equity market over the remaining fiscal year and expect the market to leverage improving economic indicators.

Pakistan's re-entry into the emerging market (from frontier market) remains an eagerly anticipated trigger as the reclassification by MSCI could open avenues from which considerable foreign inflow could be realized. Primary risks to our view stem from further Chinese devaluation in the Yuan which could trigger further currency pressures regionally and force equities to correct thereby negatively impact both the PKR and the stock market.

Going forward, we expect the market to be driven by (i) implementation of government's economic reform agenda (ii) corporate earnings growth for selected sectors and (iii) categorization of the Index within emerging markets.

**MONEY MARKET REVIEW**

On the account of low inflation averaging at 1.66% YoY, SBP curtailed its discount rate at 6.5% and policy rate to 6.0% in the month of September. During the first quarter, yield curve shifted downwards by approximately 70bp across medium to longer tenors. Dryer liquidity was also witnessed in the interbank market due to a deposit outflow of approximately PKR 80bn during the quarter. Overall CPI appears benign but heavily dependent on the future movement of oil prices.

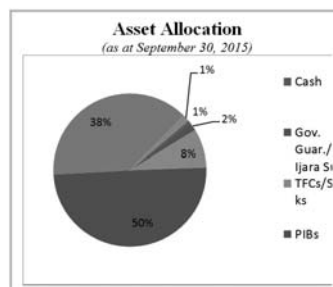


**Alfalsh GHP Income Multiplier Fund**

During the period, Alfalsh GHP Income Multiplier Fund generated a return of 8.85% while the benchmark stood at 7.28% during the same period.

The policy rate was slashed by the SBP in September with the fund adequately positioned to advantage from this due to 90% exposure in government securities. Duration risk has been brought down significantly over the last six months with WAM between 1.5 and 2 years.

Going forward, the Fund plans to maintain exposure towards medium-long term instruments as well as high yielding good quality TFCs while availing trading opportunities to boost yields.


**Key Financial Data**

Rs. In million

| Description                           | Three month period ended<br>30 September 2015 | Three month period ended<br>30 September 2014 |
|---------------------------------------|---|---|
| Net Assets at end of the period       | 2,829.250                                     | 2,162.833                                     |
| Gross income earned                   | 66.279  | 51.007  |
| Net comprehensive income              | 60.824  | 54.277  |
| Net Assets Value per Unit (Rs.)       | 51.7582                                       | 49.2097                                       |
| Issuance of units during the period   | 1,648.424                                     | 734.972                                       |
| Redemption of units during the period | -579.893                                      | -181.052                                      |

**Future Outlook**

Going forward, we believe the market shall continue to perform well on the back of strong overall corporate results. Although there is a strong correlation between turmoil in the international markets and the KSE100, the downside was still muted as compared to international markets. We believe Pakistan has its own set of advantages in the current global climate and a bottom up bottom-up investment philosophy on stock picking will yield good Opportunities. Interest rate easing cycle will make medium to long term bond more attractive than short term instruments hence the focus is to maintain a medium term portfolio of securities.

**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 behalf of the Board

Chief Executive Officer  
Date: October 29, 2015

**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED)  
AS AT SEPTEMBER 30, 2015**

|   | 30 September<br>2015<br>(Unaudited) | 30 June<br>2015<br>(Audited) |
|---|-------------------------------------|------------------------------|
|   | ----(Rupees)----                    |                              |
| Note  |                                     |                              |
| <b>Assets</b>   |                                     |                              |
| Bank balances   | 5 <b>15,549,531</b>                 | 180,146,284                  |
| Investments   | 6 <b>2,806,579,916</b>              | 2,003,303,635                |
| Income and profit receivable  | <b>38,009,273</b>                   | 92,604,636                   |
| Advances, deposits and other receivables                                  | <b>4,486,765</b>                    | 4,050,333                    |
| Receivable against sale of Investment                                     | -                                   | -                            |
| <b>Total assets</b>   | <b>2,864,625,486</b>                | 2,280,104,888                |
| <b>Liabilities</b>  |                                     |                              |
| Payable against Redemption of units                                       | -                                   | 520,527,894                  |
| Payable to Alfalah GHP Investment Management Limited - Management Company | <b>11,826,517</b>                   | 11,546,423                   |
| Payable to Central Depository Company of Pakistan Limited - Trustee       | <b>248,568</b>                      | 190,671                      |
| Payable to Securities and Exchange Commission of Pakistan -Annual fee     | <b>481,386</b>                      | 1,766,264                    |
| Provision for Workers' Welfare Fund                                       | <b>11,471,327</b>                   | 11,471,327                   |
| Accrued expenses and other liabilities                                    | <b>11,348,155</b>                   | 28,600,146                   |
| <b>Total liabilities</b>  | <b>35,375,953</b>                   | 574,102,725                  |
| <b>Contingencies and Commitments</b>                                      | 9 -                                 | -                            |
| <b>Net assets</b>   | <b>2,829,249,533</b>                | 1,706,002,163                |
| <b>Unit holders' funds (as per statement attached)</b>                    | <b>2,829,249,533</b>                | 1,706,002,163                |
|   | <b>(Number of units)</b>            |                              |
| <b>Number of units in issue</b>   | <b>54,662,795</b>                   | 33,696,096                   |
|   | <b>(Rupees)</b>                     |                              |
| <b>Net asset value per unit</b>   | <b>51.7582</b>                      | 50.6291                      |

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

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

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2015**

|  | <b>30 September<br/>2015<br/>(Unaudited)</b> | <b>30 September<br/>2014<br/>(Unaudited)</b> |
|--|--|--|
|  | <b>-----(Rupees)-----</b>                    |  |
| <b>Income</b>  |  |  |
| Income from term finance certificate - net of amortization of premium /discount  | <b>1,108,194</b>                             | 1,059,960                                    |
| Income from government securities - net of amortization of discount  | <b>50,320,771</b>                            | 31,545,613                                   |
| Income from clean placements   | -  | 3,392,676                                    |
| Income from term deposit receipts  | -  | 4,340,110                                    |
| Income from sukuk certificates   | <b>4,132,224</b>                             | 5,728,926                                    |
| Profit on deposit accounts with banks  | <b>1,903,048</b>                             | 1,945,040                                    |
| Capital gain on sales of investment  | <b>5,404,203</b>                             | 3,566,602                                    |
| Unrealised (diminution) / appreciation in the value of investments<br>-'at fair value through profit or loss'                | <b>6.3 3,381,060</b>                         | (593,338)                                    |
| Impairment in the value of investments classified as 'available for sale'  | -  | -  |
| Reversal of impairment in the value of investment classified as 'available for sale'   | -  | 6,462  |
| Other income   | <b>29,227</b>                                | 14,543                                       |
| <b>Total Income / (loss)</b>   | <b>66,278,728</b>                            | 51,006,594                                   |
| <b>Expenses</b>  |  |  |
| Remuneration of Alfalah GHP Investment Management<br>Limited - Management Company  | <b>8,023,523</b>                             | 5,745,426                                    |
| Sales tax on Management fee  | <b>7 1,303,017</b>                           | 1,002,186                                    |
| FED on Management fee  | <b>8 1,283,759</b>                           | 919,264                                      |
| Remuneration of Central Depository Company of Pakistan<br>Limited - Trustee  | <b>759,655</b>                               | 604,933                                      |
| Sales tax on Trustee fee   | <b>106,161</b>                               | -  |
| Annual fee - Securities and Exchange Commission of Pakistan  | <b>481,411</b>                               | 344,730                                      |
| Transaction cost   | <b>106,775</b>                               | 39,976                                       |
| Bank and Settlement charges  | <b>36,247</b>                                | 13,243                                       |
| Fees and subscriptions   | <b>156,768</b>                               | 138,433                                      |
| Auditor's remuneration   | <b>165,600</b>                               | 133,216                                      |
| Worker's welfare fund  | <b>10 -</b>                                  | 1,066,643                                    |
| Printing and related cost  | <b>37,878</b>                                | 50,411                                       |
| <b>Total expenses</b>  | <b>12,460,796</b>                            | 10,058,461                                   |
| <b>Net Income / (loss) from operating activities</b>   | <b>53,817,932</b>                            | 40,948,132                                   |
| Net element of income / (loss) and capital gains/(losses) included<br>in prices of units issued less those in units redeemed | <b>7,005,916</b>                             | 10,871,044                                   |
| <b>Net Income / (loss) for the period</b>  | <b>60,823,848</b>                            | 51,819,177                                   |

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

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

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director



**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2015**

|                                    | <b>30 September<br/>2015<br/>(Unaudited)</b> | <b>30 September<br/>2014<br/>(Unaudited)</b> |
|------------------------------------|--|--|
|                                    | ----- <b>(Rupees)</b> -----                  |  |
| Net Income / (loss) for the period | <b>60,823,848</b>                            | 51,819,177                                   |

**Other comprehensive income:**

|  |      |                          |                          |
|--|------|--------------------------|--------------------------|
| Element of income / (loss) and capital gains/(losses) included in prices of units issued less those in units redeemed - amount representing unrealised gains |      | -                        | 446,320                  |
| Net unrealised (diminution) / appreciation during the period in fair value of investments classified as 'available for sale'                                 | 6.10 | <b>898,445</b>           | 2,011,534                |
| Other comprehensive (loss) / Income for the period   |      | <b>898,445</b>           | 2,457,854                |
| <b>Total comprehensive Income / (loss) for the period</b>  |      | <b><u>61,722,293</u></b> | <b><u>54,277,031</u></b> |

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

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

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**CONDENSED INTERIM DISTRIBUTION STATEMENT (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2015**

|  | 30 September<br>2015<br>(Unaudited)<br>----- <b>(Rupees)</b> ----- | 30 September<br>2014<br>(Unaudited) |
|--|--|-------------------------------------|
| Undistributed (loss) brought forward   |  |                                     |
| - Realized   | <b>1,966,162</b>   | (18,880,294)                        |
| - Unrealized   | <b>85,133,557</b>  | 149,134                             |
|  | <b>87,099,719</b>  | (18,731,160)                        |
| Element of income / (loss) and capital gains/(losses) included<br>in prices of units issued less those in units redeemed - amount<br>representing unrealised gains | -  | 446,320                             |
| Net Income / (loss) for the period   | 6.10 <b>60,823,848</b>   | 51,819,177                          |
| Undistributed (loss) carried forward   |  |                                     |
| - Realized   | <b>144,542,507</b>   | 33,681,355                          |
| - Unrealized   | <b>3,381,060</b>   | (593,338)                           |
|  | <b>147,923,567</b>   | 33,088,017                          |

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

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

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2015**

|  | 30 September<br>2015<br>(Unaudited)<br>------(Rupees)----- | 30 September<br>2014<br>(Unaudited)<br>------(Rupees)----- |
|--|--|--|
| Net assets at the beginning of the period  | 1,706,002,163  | 1,565,953,696  |
| Issue 32,290,270 units (2014: 15,233,843 units)  | 1,648,424,489  | 734,971,501  |
| Redemption 11,323,571 units (2014: 3,856,222 units)  | (579,893,497)  | (181,051,859)  |
|  | 1,068,530,992  | 553,919,643  |
| Net element of income / (loss) and capital gains/(losses) included<br>in prices of units issued less those in units redeemed                                       | (7,005,916)  | (10,871,044)   |
| Element of income / (loss) and capital gains/(losses) included<br>in prices of units issued less those in units redeemed - amount<br>representing unrealised gains | -  | (446,320)  |
| Net unrealised (diminution) / appreciation during the period<br>in fair value of investments classified as 'available for sale'                                    | 898,445  | 2,011,534  |
| Capital gain on sale of investments  | 5,404,203  | 3,566,602  |
| Unrealised (diminution) / appreciation in the value of investments<br>-'at fair value through profit or loss'  | 3,381,060  | (593,338)  |
| Element of income / (loss) and capital gains/(losses) included<br>in prices of units issued less those in units redeemed - amount<br>representing unrealised gains | -  | 446,320  |
| Other net Income / (loss) for the period   | 52,038,585   | 48,845,913   |
| Net Income / (loss) for the period less distribution   | 60,823,848   | 52,265,497   |
| <b>Net assets at the end of the period</b>   | <b>2,829,249,533</b>                                       | <b>2,162,833,005</b>                                       |
|  | ------(Rupees)-----  |  |
| Net asset value per unit at the beginning of the period  | 50.6291  | 48.0741  |
| Net asset value per unit at the end of the period  | 51.7582  | 49.2097  |

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

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

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2015**

|  | 30 September<br>2015<br>(Unaudited)<br>------(Rupees)----- | 30 September<br>2014<br>(Unaudited) |
|--|--|-------------------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>  |  |                                     |
| Net Income / (loss) for the period   | <b>60,823,848</b>  | 51,819,177                          |
| <b>Adjustments for:</b>  |  |                                     |
| Unrealised (diminution) / appreciation in the value of investments<br>-at fair value through profit or loss'                   | <b>(3,381,060)</b>   | 593,338                             |
| Impairment in the value of investments classified as 'available for sale'  | -  | -                                   |
| Reversal of impairment in the value of investment classified as 'available for sale'   | -  | (6,462)                             |
| Income from sukuk certificates   | <b>(4,132,224)</b>   | (5,728,926)                         |
| Profit on deposit accounts with banks  | <b>(1,903,048)</b>   | (1,945,040)                         |
| Income from term finance certificate - net of amortization of premium /discount  | <b>(1,108,194)</b>   | (1,059,960)                         |
| Income from clean placements   | -  | (3,392,676)                         |
| Income from term deposit receipts  | -  | (4,340,110)                         |
| Income from government securities - net of amortization of premium /discount   | <b>(50,320,771)</b>  | (31,545,613)                        |
| Provision for Workers' Welfare Fund  | -  | 1,066,643                           |
| Net element of income / (loss) and capital gains / (losses) included<br>in prices of units issued less those in units redeemed | <b>(7,005,916)</b>   | (10,871,044)                        |
|  | <b>(7,027,365)</b>   | (5,410,674)                         |
| <b>(Increase) / decrease in assets</b>   |  |                                     |
| Investments  | <b>(798,996,776)</b>                                       | (726,618,233)                       |
| Receivable against sale of Investment  | -  | (24,542,163)                        |
| Deposits & Prepayments   | <b>(436,432)</b>   | (1,492,833)                         |
|  | <b>(799,433,208)</b>                                       | (752,653,229)                       |
| <b>Increase / (decrease) in liabilities</b>  |  |                                     |
| Payable against purchase of investments  | <b>(520,527,894)</b>                                       | 49,790,416                          |
| Payable to Alfalah GHP Investment Management<br>Limited - Management Company   | <b>280,094</b>   | 9,105,504                           |
| Payable to Central Depository Company of Pakistan<br>Limited - Trustee   | <b>57,897</b>  | 56,442                              |
| Payable to Securities and Exchange Commission of<br>Pakistan -Annual fee   | <b>(1,284,878)</b>   | 344,730                             |
| Accrued expenses and other liabilities   | <b>(17,251,991)</b>  | (12,976,017)                        |
|  | <b>(538,726,772)</b>                                       | 46,321,075                          |
| Profit received on investments   | <b>112,059,601</b>   | 32,998,591                          |
| <b>Net cash (used in) / from operating activities</b>  | <b>(1,233,127,745)</b>                                     | (678,744,237)                       |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>  |  |                                     |
| Amount received on issue of units  | <b>1,648,424,489</b>                                       | 734,971,501                         |
| Payment against redemption of units  | <b>(579,893,497)</b>                                       | (181,051,859)                       |
| <b>Net cash (used in) financing activities</b>   | <b>1,068,530,992</b>                                       | 553,919,643                         |
| Net (decrease) / increase in cash and cash equivalents during the period   | <b>(164,596,751)</b>                                       | (124,824,595)                       |
| Cash and cash equivalents at beginning of the period   | <b>180,146,284</b>   | 166,046,127                         |
| Cash and cash equivalents at end of the period   | <b>15,549,531</b>  | 41,221,532                          |

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

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

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**CONDENSED INTERIM NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2015****1. LEGAL STATUS AND NATURE OF BUSINESS**

Alfalsh GHP Income Multiplier Fund is an open-end collective investment scheme ("the Fund") established through a Trust Deed under the Trust Act, 1882, executed between Alfalsh GHP Investment Management Limited, ("the Management Company") and Central Depository Company of Pakistan Limited, ("the Trustee"). The Trust Deed was executed on 08 March 2007 and was approved by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the NBFC (Establishment and Regulation) Rules, 2003 ("NBFC Rules"), on 14 February 2007.

The Management Company of the Fund has been licensed by SECP to act as an Asset Management Company under NBFC Rules. The registered address of the Management Company is situated at 8th Floor, Executive Tower, Dolmen Mall, Block-5, Clifton, Karachi.

Alfalsh GHP Income Multiplier Fund is listed on the Karachi Stock Exchange. The Units of the Fund are offered to public on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund offers two types of Units, Growth and Income. Growth Unit Holders are entitled to bonus unit and Income Unit Holders are entitled to cash dividend at the time of distribution by Fund.

The Fund is categorized as an aggressive fixed income scheme and can invest in debt and money market securities as authorized in the Funds' Offering Document.

The Fund has three classes of units. Class A (restricted / core) units were issued to core investors with no sales load. These units cannot be redeemed for a period of two years from the date of initial public offer and shall be charged no sales load. Class B units were offered and issued during the private placement and initial period of offer and shall be charged no sales load. Class C units were offered and issued after the initial period of offer and shall be issued with or without sales load.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned 'AM2-' (Outlook: Stable) to the Management Company in its rating report dated April 15, 2015 and A+(f) Stability Rating to the Fund in its rating report dated May 26, 2015.

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

These condensed interim financial statements comprise of the condensed interim statement of assets and liabilities as at 30 September 2015 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of movement in unit holders' funds, condensed interim statement of cash flows and notes thereto, for the period ended 30 September 2015.

**2. BASIS OF PRESENTATION****2.1 Statement of compliance**

These condensed interim financial statements have been prepared in accordance with the requirement of approved accounting standards as applicable in Pakistan, the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) 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). Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by SECP shall prevail.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34, 'Interim Financial Reporting' and should be read in conjunction with the financial statements of the Fund for the year end June 30, 2015. These condensed interim financial statements are unaudited.

The Directors of the Asset Management Company declare that these condensed interim financial statements give a true and fair view of the Fund.

## 2.2 Basis of measurement

These condensed interim financial information have been prepared under the historical cost convention, except that investments held at 'fair value through profit or loss' category are measured at fair value.

## 2.3 Functional and presentation currency

These condensed interim financial information are presented in Pak Rupees which is the functional and presentation currency of the Fund and have been rounded off to the nearest thousand of Rupees.

## 2.4 Use of estimates and judgment

The preparation of condensed interim financial information requires the Management Company to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by the Management in applying accounting policies and the key sources of estimating uncertainty are the same as those that applied to financial statements as at and for the year ended 30 June 2015.

## 3. ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim financial statements are same as those applied in the preparation of the financial statements of the Fund for the year ended 30 June 2015.

### 3.1 Earnings per unit

Earnings per unit (EPU) for the period ended September 30, 2015 has not been disclosed in these condensed interim financial statements as in the opinion of the management determination of weighted average units for calculating EPU is not practicable.

## 4. FINANCIAL RISK MANAGEMENT

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 2015.

## 5. BANK BALANCES

In deposit accounts

|      | 30 September<br>2015<br>(Unaudited) | 30 June<br>2015<br>(Audited) |
|------|-------------------------------------|------------------------------|
| Note | ----(Rupees)----                    |                              |
| 5.1  | <u>15,549,531</u>                   | <u>180,146,284</u>           |
|      | <u>15,549,531</u>                   | <u>180,146,284</u>           |

5.1 These balances in saving deposit accounts bear profit rates ranging from 6% to 7% per annum (30 June 2015: 6% to 7% per annum).

|   | (Un-audited)<br>September 31,<br>2015 | (Audited)<br>June 30,<br>2015 |
|---|---------------------------------------|-------------------------------|
| Note  | -----(Rupees)----                     |                               |
| <b>6. INVESTMENTS</b>                             |                                       |                               |
| <b>At fair value through profit or loss</b>       |                                       |                               |
| Market treasury bills                             | 6.1 <b>1,096,281,722</b>              | 297,564,337                   |
| Investment in Pakistan Investment Bonds           | 6.2 <b>1,424,570,793</b>              | 1,463,206,568                 |
| Investment in GOP Ijara Sukuks                    | 6.3 <b>52,179,600</b>                 | 52,405,500                    |
| Investment in term finance certificates           | 6.4 <b>74,218,800</b>                 | 25,830,091                    |
| Investment in term finance certificates - Pre IPO | 6.5 <b>-</b>                          | -                             |
| Investment in sukuk certificates                  | 6.6 <b>134,904,452</b>                | 137,255,410                   |
|   | <b>2,782,155,367</b>                  | 1,976,261,906                 |
| <b>Available for sale</b>                         |                                       |                               |
| Investment in term finance certificates           | 6.8 <b>-</b>                          | -                             |
| Investment in sukuk certificates                  | 6.9 <b>24,424,549</b>                 | 27,041,729                    |
|   | <b>24,424,549</b>                     | 27,041,729                    |
|   | <b>2,806,579,916</b>                  | 2,003,303,635                 |

**6 INVESTMENTS**

| Issue Date                          | Note  | Face Value          |                             |                        |                           | As at 30 Sep 2015    | Cost as at 30 Sep 2015 | Fair Value as at 30 Sep 2015 | Fair value as a percentage of: |                  |
|-------------------------------------|-------|---------------------|-----------------------------|------------------------|---------------------------|----------------------|------------------------|------------------------------|--------------------------------|------------------|
|                                     |       | As at July 01, 2015 | Purchased during the period | Sold during the period | Matured during the period |                      |                        |                              | net assets                     | total investment |
| ------(Number of Certificates)----- |       |                     |                             |                        |                           |                      |                        |                              |                                |                  |
| Maturity upto 3 months              | 6.1.1 | -                   | 755,000,000                 | 400,000,000            | -                         | 355,000,000          | 353,339,394            | 353,330,948                  | 12                             | 13               |
| Maturity upto 6 months              | 6.1.2 | 300,000,000         | 625,000,000                 | 370,000,000            | -                         | 555,000,000          | 544,929,920            | 545,405,612                  | 19                             | 19               |
| Maturity upto 12 months             | 6.1.3 | -                   | 300,000,000                 | 100,000,000            | -                         | 200,000,000          | 197,406,846            | 197,545,163                  | 7                              | 7                |
|                                     |       | <b>300,000,000</b>  | <b>1,680,000,000</b>        | <b>870,000,000</b>     | <b>-</b>                  | <b>1,110,000,000</b> | <b>1,095,676,160</b>   | <b>1,096,281,722</b>         |                                |                  |

**6.1.1** These represent treasury bills having face value of Rs.355 million (June 30, 2015: Rs. Nil) and carrying purchase yield of 6.48% to 6.91% (June 30, 2015: Nil) per annum. These treasury bills have maturity upto December 10, 2015 (June 30, 2015: Nil).

**6.1.2** These represent treasury bills having face value of Rs.555 million (June 30, 2015: Rs.300 million) and carrying purchase yield of 6.60% to 6.95% (June 30, 2014: 6.85% to 7.07%) per annum. These treasury bills have maturity upto January 21, 2016 (June 30, 2015: September 03, 2015).

**6.1.3** These represent treasury bills having face value of Rs.200 million (June 30, 2015: Rs.Nil) and carrying purchase yield of 6.94% (June 30, 2015:Nil) per annum. These treasury bills have maturity of January 21, 2016 (June 30, 2015:Nil)

**6.2 Investment in Pakistan Investment Bonds - 'held for trading'**

| Issue Date                          | Note  | Face Value           |                             |                        |                           | As at 30 Sep 2015    | Cost as at 30 Sep 2015 | Fair Value as at 30 Sep 2015 | Fair value as a percentage of: |                  |
|-------------------------------------|-------|----------------------|-----------------------------|------------------------|---------------------------|----------------------|------------------------|------------------------------|--------------------------------|------------------|
|                                     |       | As at July 01, 2015  | Purchased during the period | Sold during the period | Matured during the period |                      |                        |                              | net assets                     | total investment |
| ------(Number of Certificates)----- |       |                      |                             |                        |                           |                      |                        |                              |                                |                  |
| Maturity upto 3 years               | 6.2.1 | 575,000,000          | 185,000,000                 | -                      | -                         | 760,000,000          | 767,608,564            | 795,483,044                  | 28.12                          | 28.34            |
| Maturity upto 5 years               | 6.2.2 | 400,000,000          | 35,000,000                  | -                      | -                         | 435,000,000          | 432,109,568            | 485,561,249                  | 17.16                          | 17.30            |
| Maturity upto 10 years              | 6.2.3 | 375,000,000          | -                           | 250,000,000            | -                         | 125,000,000          | 135,337,053            | 143,526,500                  | 5.07                           | 5.11             |
|                                     |       | <b>1,350,000,000</b> | <b>220,000,000</b>          | <b>250,000,000</b>     | <b>-</b>                  | <b>1,320,000,000</b> | <b>1,335,055,185</b>   | <b>1,424,570,793</b>         |                                |                  |

**6.2.1** These represent Pakistan investment bonds having face value of Rs.760 million (June 30, 2015: Rs.575) and carrying purchase yield of 7.30% to 12.52% (June 30, 2015: 7.30% to 12.52%) per annum. These Pakistan investment bonds have maturity upto March 26, 2018 (June 30, 2015: July 17, 2017).

**6.2.2** These represent Pakistan investment bonds having face value of Rs.435 million (June 30, 2015: Rs. 400 million) and carrying purchase yield of 8.24% to 12.97% (June 30, 2015: 9.38% to 12.97) per annum. These Pakistan investment bonds have maturity upto March 26, 2020 (June 30, 2015: July 17, 2019).

**6.2.3** These represent Pakistan investment bonds having face value of Rs.125 million (June 30, 2015: Rs. 375 million) and carrying purchase yield of 10.25% to 10.52% (June 30, 2015: 10.20% to 10.52) per annum. These Pakistan investment bonds have maturity upto July 19, 2022 (June 30, 2015: July 17, 2024).

**6.3 Investment in GOP Ijara Sukuks**

| Name of the investee company | Maturity      | Profit / mark-up rate | As at July 01, 2015 | Purchased during the period | Sales / Mature during the period | Redemption during the period | As at 30 Sep 2015 | Cost as at 30 Sep 2015 | Market value as at 30 Sep 2015 | (Impairment) in the value of investments | Appreciation / (Diminution) in the value of investments | Fair value as a percentage of: |                  |
|------------------------------|---------------|-----------------------|---------------------|-----------------------------|----------------------------------|------------------------------|-------------------|------------------------|--------------------------------|--|---|--------------------------------|------------------|
|                              |               |                       |                     |                             |                                  |                              |                   |                        |                                |  |   | net assets                     | total investment |
|                              |               |                       | (Rupees)            |                             |                                  |                              |                   | (Rupees)               |                                |  |   |                                |                  |
| GOP Ijara Sukuks ix          | November 2015 | 6.94%                 | 70,000              | -                           | -                                | -                            | 70,000            | 7,065,800              | 7,026,600                      | -  | (39,200)  | 0.25                           | 0.25             |
| GOP Ijara Sukuks xii         | November 2015 | 6.94%                 | 450,000             | -                           | -                                | -                            | 450,000           | 45,369,000             | 45,153,000                     | -  | (216,000)   | 1.60                           | 1.61             |
|                              |               |                       |                     |                             |                                  |                              |                   | <u>52,434,800</u>      | <u>52,179,600</u>              | <u>-</u>                                 | <u>(255,200)</u>  |                                |                  |

**6.4 Investment in quoted Term Finance Certificate - Held for Trading**

| Name of the investee company     | Maturity       | Profit / mark-up rate | As at July 01, 2015 | Purchased during the period | Sales / Mature during the period | Redemption during the period | As at 30 Sep 2015 | Cost as at 30 Sep 2015 | Market value as at 30 Sep 2015 | (Impairment) in the value of investments | Appreciation / (Diminution) in the value of investments | Fair value as a percentage of: |                  |
|----------------------------------|----------------|-----------------------|---------------------|-----------------------------|----------------------------------|------------------------------|-------------------|------------------------|--------------------------------|--|---|--------------------------------|------------------|
|                                  |                |                       |                     |                             |                                  |                              |                   |                        |                                |  |   | net assets                     | total investment |
|                                  |                |                       | (Rupees)            |                             |                                  |                              |                   | (Rupees)               |                                |  |   |                                |                  |
| Listed term finance certificates |                |                       |                     |                             |                                  |                              |                   |                        |                                |  |   |                                |                  |
| Bank Alfalah Limited - V         | March 2021     | 6M KIBOR+1.25%        | 1,225               | -                           | -                                | -                            | 1,225             | 6,118,875              | 6,083,685                      | -  | (35,190)  | 0.22                           | 0.22             |
| NIB Bank Limited                 | June 2022      | 6M KIBOR+1.15%        | 4,000               | -                           | -                                | -                            | 4,000             | 19,822,000             | 19,458,993                     | -  | (363,007)   | 0.69                           | 0.69             |
| Askari Bank Limited              | September 2024 | 6M KIBOR+1.20%        | -                   | 10,000                      | -                                | -                            | 10,000            | 50,104,975             | 48,676,122                     | -  | (1,428,853)   | 1.72                           | 1.73             |
|                                  |                |                       |                     |                             |                                  |                              |                   | <u>76,045,850</u>      | <u>74,218,800</u>              | <u>-</u>                                 | <u>(1,827,050)</u>                                      |                                |                  |

**6.6 Investment in Sukuk Certificates - Held for Trading**

| Name of the investee company     | Maturity   | Profit / mark-up rate | As at July 01, 2015 | Purchased during the period | Sales / Mature during the period | Redemption during the period | As at 30 Sep 2015 | Cost as at 30 Sep 2015 | Market value as at 30 Sep 2015 | (Impairment) in the value of investments | Appreciation / (Diminution) in the value of investments | Fair value as a percentage of: |                  |
|----------------------------------|------------|-----------------------|---------------------|-----------------------------|----------------------------------|------------------------------|-------------------|------------------------|--------------------------------|--|---|--------------------------------|------------------|
|                                  |            |                       |                     |                             |                                  |                              |                   |                        |                                |  |   | net assets                     | total investment |
|                                  |            |                       | (Rupees)            |                             |                                  |                              |                   | (Rupees)               |                                |  |   |                                |                  |
| Listed term finance certificates |            |                       |                     |                             |                                  |                              |                   |                        |                                |  |   |                                |                  |
| K - Electric Sukuk II            | March 2017 | 3M KIBOR+2.25%        | 11,000              | -                           | -                                | -                            | 11,000            | 56,463,500             | 56,169,850                     | -  | (293,650)   | 1.99                           | 2.00             |
| Engro Fertilizer Limited         | July 2019  | 6M KIBOR+1.75%        | 16,000              | -                           | -                                | -                            | 16,000            | 77,017,900             | 78,734,602                     | -  | 1,716,702   | 2.78                           | 2.81             |
|                                  |            |                       |                     |                             |                                  |                              |                   | <u>133,481,400</u>     | <u>134,904,452</u>             | <u>-</u>                                 | <u>1,422,052</u>  |                                |                  |

Total Investment at 'fair value through profit and loss'

2,692,693,395    2,782,155,367

30 September 2015 (Unaudited)    30 June 2015 (Audited)  
(Rupees in '000)

**6.7 Net Unrealized appreciation / (diminution) in the value of investments classified as 'at fair value through profit or loss'**

|  |                        |                 |
|--|------------------------|-----------------|
| Market value of investments  | <b>2,782,155,367</b>   | 1,976,261,906   |
| Less: Carrying value of investments  | <b>(2,692,693,395)</b> | (1,890,180,994) |
|  | <b>89,461,972</b>      | 86,080,912      |
| Net unrealised (appreciation) in the value of investment at the beginning of the period / year | <b>(86,080,912)</b>    | (947,355)       |
| Realised on disposal during the period / year  | <b>-</b>               | -               |
|  | <b>(86,080,912)</b>    | (947,355)       |
| Net unrealised (diminution) in the value of investment for the period / year                   | <b>3,381,060</b>       | 85,133,557      |



**6.8 Investment in term finance certificate - 'available for sale'**

| Name of the investee company                               | Notes | Maturity      | Profit / mark-up rate | As at July 01, 2015 | Purchased during the period | Sales / Mature during the period | Redemption during the period | As at 30 Sep 2015 | Cost as at 30 Sep 2015 | Market value as at 30 Sep 2015 | (Impairment) in the value of investments | Appreciation / (Diminution) in the value of investments | Fair value as a percentage of: |
|--|-------|---------------|-----------------------|---------------------|-----------------------------|----------------------------------|------------------------------|-------------------|------------------------|--------------------------------|--|---|--------------------------------|
|  |       |               |                       |                     |                             |                                  |                              |                   | (Rupees)               |                                |  |   |                                |
|  |       |               |                       |                     |                             |                                  |                              |                   | (Rupees)               |                                |  |   |                                |
| Listed term finance certificates                           |       |               |                       |                     |                             |                                  |                              |                   |                        |                                |  |   |                                |
| Trust Investment Bank Limited                              | 6.8.1 | July 2013     | 6M KIBOR + 1.85%      | -                   | 8,000                       | -                                | -                            | 8,000             | 14,994,000             | -                              | (14,994,000)                             | -   | -                              |
| Unlisted term finance certificates                         |       |               |                       |                     |                             |                                  |                              |                   |                        |                                |  |   |                                |
| Security Leasing Corporation Limited                       | 6.8.2 | January 2022  | 6%                    | -                   | 2,000                       | -                                | -                            | 2,000             | 1,557,300              | -                              | (1,557,300)                              | -   | -                              |
| Agritech Ltd (Formerly Pak American Fertilizer Limited)    | 6.8.3 | November 2017 | 6M KIBOR + 1.75%      | -                   | 17,950                      | -                                | -                            | 17,950            | 89,666,353             | -                              | (89,666,353)                             | -   | -                              |
| Agritech Ltd-IV (Formerly Pak American Fertilizer Limited) | 6.8.4 | January 2015  | Zero Coupon           | -                   | 4,084                       | -                                | -                            | 4,084             | 20,470,000             | -                              | (20,470,000)                             | -   | -                              |
|  |       |               |                       |                     |                             |                                  |                              |                   | <u>126,687,653</u>     | <u>-</u>                       | <u>(126,687,653)</u>                     |   |                                |

**6.8.1** These term finance certificates carry fixed mark-up rate equal to 6 months Karachi Interbank Offered Rate "ask side" plus 1.85% per annum, receivable semi-annually in arrears with a floor of 6% and cap of 10%. These term finance certificates are secured against first charge on specified leased assets and associated lease receivables with a 40% margin. TIBL defaulted on its payment of principal and markup due on 04 July 2012. Consequently, the security was classified as non-performing by MUFAP on 18 October 2012. Accordingly, accrual of markup on the same has been suspended and markup due amounting Rs. 1.437 million has been reversed and provision has been made amounting Rs. 14.994 million in accordance with the requirements of SECP circulars and directives issued from time to time and the Board's approved provisioning policy.

**6.8.2** These term finance certificates had been reshuffled in the past, however, during the current period, the security was again classified as 'non-performing' by MUFAP on August 15, 2014 and, accordingly, was provided for in full in accordance with the requirements of SECP circulars and the Board's approved provisioning policy.

**6.8.3** In prior years, a restructuring agreement was signed between Agritech Limited and the Investment Agent of the term finance certificates, whereby, certain terms included in the original trust deed dated November 15, 2007 were amended, including the repayment period which was extended from November 29, 2014 to November 29, 2017. Consequently, the security was classified as non-performing by MUFAP on 14 June 2010 and accrual on the same was suspended. Accordingly, the security has been fully provided (Rs.Nil in current year) in accordance with the requirements of SECP circulars and directives issued from time to time and the Board's approved provisioning policy.

**6.8.4** This represents additional certificates of Agritech Limited received by the Fund through restructuring agreement reached between lenders and Agritech Limited. Under such agreement outstanding mark up due on May 29, 2011 and July 13, 2011 against 1st and 2nd Issue respectively amounting to Rs.20.47 million was settled in the form of certificates valuing Rs.20.47 million. These investments had been recorded as 100% impaired (Rs.Nil in current year) since these have been received in lieu of suspended overdue mark-up to be recognised to income upon realisation.

**6.9 Investment in unquoted Sukuk bonds - available for sale**

| Name of the investee company      | Notes         | Maturity       | Profit / mark-up rate | As at July 01, 2015 | Purchased during the period | Sales / Mature during the period | Redemption during the period | As at 30 Sep 2015 | Cost as at 30 Sep 2015 | Market value as at 30 Sep 2015 | (Impairment) in the value of investments | Appreciation / (Diminution) in the value of investments | Fair value as a percentage of: |  |
|-----------------------------------|---------------|----------------|-----------------------|---------------------|-----------------------------|----------------------------------|------------------------------|-------------------|------------------------|--------------------------------|--|---|--------------------------------|--|
|                                   |               |                |                       |                     |                             |                                  |                              |                   | (Rupees)               |                                |  |   |                                |  |
|                                   |               |                |                       |                     |                             |                                  |                              |                   | Number of certificates |                                |  |   |                                |  |
| Maple Leaf Cement Factory Limited | December 2018 | 3M KIBOR +1%   | 15,000                | -                   | -                           | -                                | 15,000                       | 28,668,749        | 24,424,549             | -                              | (4,244,200)                              | 0.86  | 0.87%                          |  |
| Kohat Cement Company Limited      | 6.9.1         | September 2016 | 3M KIBOR +1.50%       | 23,000              | -                           | -                                | 23,000                       | -                 | -                      | -                              | -  | -   | 0.00%                          |  |
|                                   |               |                |                       |                     |                             |                                  |                              |                   | <u>28,668,749</u>      | <u>24,424,549</u>              | <u>-</u>                                 | <u>(4,244,200)</u>                                      |                                |  |
|                                   |               |                |                       |                     |                             |                                  |                              |                   | <u>155,356,402</u>     | <u>24,424,549</u>              | <u>(126,687,653)</u>                     | <u>(4,244,200)</u>                                      |                                |  |

**6.9.1** This represents investment in sukuk certificates of Maple Leaf Cement Factory Limited (MLCF), secured against first pari passu charge over all present and future fixed assets with a 25% margin. Maple Leaf Cement Factory (MLCF) defaulted on the installment due on September 13, 2011 as per the restructured agreement. Consequently, the security was classified as non-performing by MUFAP on September 19, 2011 and accrual amounting to Rs.9.235 million on the same was reversed. However, from the previous year, Maple Leaf Cement Factory has been regular in its payments as per the restructured agreement and has made payments of the overdue mark-up pertaining to the default period as well as current period. Therefore, MUFAP re-classified the security as performing.

|   | 30 September<br>2015<br>(Unaudited) | 30 June<br>2015<br>(Audited) |
|---|-------------------------------------|------------------------------|
|   | ----- (Rupees) -----                |                              |
| <b>6.10 Net unrealized appreciation / (diminution) in the value of investments classified as 'available for sale'</b> |                                     |                              |
| Market value of investments   | 24,424,549                          | 27,041,729                   |
| Less: Carrying value of investments   | (155,356,402)                       | (158,872,027)                |
|   | <b>(130,931,853)</b>                | (131,830,298)                |
| Impairment charged during the period / year   | -                                   | 963,215                      |
| Reversal of impairment during the period / year   | -                                   | (21,896,828)                 |
|   | <b>(130,931,853)</b>                | (152,763,911)                |
| Net unrealized diminution in the value of investments at the beginning of the period / year                           | 131,830,298                         | 138,760,355                  |
| Realized on disposals during the period / year  | -                                   | -                            |
| Net unrealized (diminution) / appreciation in the value of investments at the end of the period / year                | <b>898,445</b>                      | <b>(14,003,556)</b>          |
| <b>6.11 Particulars of impairment in the value of investments classified as 'available for sale'</b>                  |                                     |                              |
| Opening Balance   | 117,826,742                         | 138,760,355                  |
| Charged for the period / year   | -                                   | 963,215                      |
| Realised during the period / year   | -                                   | (21,896,828)                 |
| Reversal due to disposals during the period / year  | -                                   | -                            |
| Impairment in the value of investments classified as 'available for sale' - net                                       | -                                   | (20,933,613)                 |
| Closing balance   | <b>117,826,742</b>                  | <b>117,826,742</b>           |

## 7. SALES TAX ON MANAGEMENT FEE

During the current period, an amount of Rs. 1.303 million (30 September 2014: Rs. 1.002) was charged on account of sales tax on management fee levied through Sindh Sales Tax on Services Act, 2011.

## 8. FED ON MANAGEMENT FEE

As per the requirements of the Finance Act 2013, Federal Excise Duty (FED) at the rate of 16% on the services of the Management Company has been applied effective June 13, 2013. The Management Company is of the view that since the remuneration is already subject to provincial sales tax, further levy of FED results in double taxation, does not appear to be the spirit of the law. The matter has been collectively taken up by the Management Company jointly with other Asset Management Companies and Central Depository Company of Pakistan Limited on behalf of schemes through a constitutional petition filed in the Honourable Sindh High Court (SHC) during September 2013 which is pending adjudication. However, the SHC has issued a stay order against the recovery of FED. The Fund, as a matter of abundant caution, has charged FED and sales tax thereon in its financial statements with effect from June 13, 2013.

## 9. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at 30 September 2015.

## 10. WORKER 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 (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 similar case whereby the amendments introduced in WWF Ordinance through Finance Acts, 2006 and 2008 have been declared unconstitutional and therefore struck down. In March 2013, the SHC larger bench issued a judgment in response to various petitions in similar cases whereby the amendments introduced in the WWF Ordinance through Finance Acts, 2006 and 2008 respectively (Money Bills) have been declared constitutional and overruled a single-member Lahore High Court (LHC) bench judgment issued in August 2011.

Further, in May 2014, the Honourable Peshawar High Court (PHC) held that the impugned levy of contribution introduced in the WWF Ordinance through Finance Acts, 1996 and 2009 lacks the essential mandate to be introduced and passed through a Money Bill under the constitution and, hence, the amendments made through the Finance Acts are declared as 'Ultra Vires'.

As per the legal counsel handling the case, the constitutional petition filed by the CIS to challenge the WWF contribution has not been affected by SHC judgment.

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

#### **11. 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. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than unrealized capital gains / loss to the unit holders. The Management Company intends to distribute sufficient accounting income of the Fund for the year ending 30 June 2014 in order to comply with the above stated clause to enjoy the tax exemption. Accordingly, no tax provision has been made in these condensed interim financial statements for the three months period ended 30 September 2015.

#### **12. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES**

Connected persons / related parties include Alfalah GHP Investment Management Limited being the Management Company, GHP Arbitrium AG, Bank Alfalah Limited and MAB Investment Incorporated being associated companies of Management Company, directors and key management personnel of Alfalah GHP Investment Management Limited and Central Depository Company of Pakistan Limited (CDC) being the trustee of the Fund, Bank Alfalah Limited being sub custodian, and other associated companies and connected persons. The transactions with connected persons are in the normal course of business, at contractual rates and term determined in accordance with market rates.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provision of the NBFC Rules 2003, the NBFC Regulations 2008 and Trust Deed respectively.

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

| 12.1 Transactions and balances with connected persons / related parties      | 30 September<br>2015<br>(Unaudited) | 30 June<br>2015<br>(Audited) |
|--|-------------------------------------|------------------------------|
|  | ----- (Rupees) -----                |                              |
| <b>Alfalsh GHP Investment Management Limited</b>                             |                                     |                              |
| <b>- Management Company</b>  |                                     |                              |
| Balance at beginning of the period / year                                    | 11,546,423                          | 3,711,464                    |
| Remuneration for the period / year   | 8,023,523                           | 29,437,648                   |
| Sales tax on Management fee for the period / year                            | 1,303,017                           | 5,124,635                    |
| FED on Management fee for the period / year                                  | 1,283,759                           | 4,710,026                    |
| Sales load payable   | 3,076,082                           | 1,513,843                    |
|  | <u>25,232,804</u>                   | <u>44,497,616</u>            |
| Amount paid during the period / year   | <u>(10,462,864)</u>                 | <u>(32,951,193)</u>          |
| Balance at the end of the period / year                                      | <u>14,769,940</u>                   | <u>11,546,423</u>            |
| <b>Central Depository Company of Pakistan Limited</b>                        |                                     |                              |
| Balance at beginning of the period / year                                    | 190,671                             | 113,529                      |
| Remuneration for the period / year   | 759,655                             | 2,850,545                    |
| CDS Charges for the period / year  | 3,500                               | 9,161                        |
|  | <u>953,826</u>                      | <u>2,973,235</u>             |
| Amount paid during the period / year   | <u>(550,536)</u>                    | <u>(2,782,564)</u>           |
| Balance at the end of the period / year                                      | <u>403,290</u>                      | <u>190,671</u>               |
| Deposit with Central Depository Company of Pakistan Limited                  | <u>100,000</u>                      | <u>100,000</u>               |
| <b>Bank Alfalah Limited</b>  |                                     |                              |
| Balance in deposit accounts at the end of the period / year                  | <u>15,543,712</u>                   | <u>180,125,815</u>           |
| Mark-up receivable on bank deposits  | <u>254,389</u>                      | <u>765,653</u>               |
| Bank charges   | <u>25,929</u>                       | <u>44,468</u>                |
| Profit on deposit accounts at the end of the period / year                   | <u>1,899,623</u>                    | <u>15,351,724</u>            |
| Markup income on term finance certificates                                   | <u>139,956</u>                      | <u>661,929</u>               |
| Pakistan investment bonds - Purchases  | <u>36,148,000</u>                   | <u>553,315,450</u>           |
| Treasury bills - Purchases   | <u>852,500,000</u>                  | <u>637,432,270</u>           |
| Treasury bills - Sold  | <u>-</u>                            | <u>79,728,080</u>            |
| <b>Alfalsh GHP Income Fund</b><br>(formerly Alfalah GHP Income Fund)         |                                     |                              |
| Pakistan investment bonds - Purchases  | <u>-</u>                            | <u>121,362,275</u>           |
| Treasury bills - Purchases   | <u>59,695,320</u>                   | <u>77,978,250</u>            |
| Term finance certificates  | <u>9,918,790</u>                    | <u>19,830,000</u>            |
| <b>Alfalsh GHP Money Market Fund</b><br>(formerly IGI Money Market Fund)     |                                     |                              |
| Treasury bills - Purchases   | <u>68,968,480</u>                   | <u>491,274,955</u>           |
| Treasury bills - Sold  | <u>-</u>                            | <u>214,893,140</u>           |
| <b>Alfalsh GHP Cash Fund</b>   |                                     |                              |
| Treasury bills - Purchases   | <u>-</u>                            | <u>307,434,560</u>           |
| Treasury bills - Sold  | <u>69,541,670</u>                   | <u>221,267,000</u>           |
| <b>Alfalsh GHP Sovereign Fund</b>  |                                     |                              |
| Treasury bills - Purchases   | <u>-</u>                            | <u>49,346,700</u>            |
| Treasury bills - Sold  | <u>178,030,060</u>                  | <u>408,294,210</u>           |
| <b>Alfalsh GHP Islamic Income Fund</b><br>(formerly IGI Islamic Income Fund) |                                     |                              |
| GOP Ijara sukuk - purchased  | <u>-</u>                            | <u>52,509,000</u>            |
| GOP Ijara sukuk - sold   | <u>-</u>                            | <u>7,035,000</u>             |
| <b>Alfalsh GHP Islamic Stock Fund</b><br>(formerly Alfalah GHP Islamic Fund) |                                     |                              |
| Sukuks   | <u>-</u>                            | <u>60,993,900</u>            |

|  | September 30, 2015  |   |       |  |                          |                     |   |       |  |  |
|--|---------------------|---|-------|--|--------------------------|---------------------|---|-------|--|--|
|  | As at July 01, 2015 | Issued for cash / conversion in / transfer in | Bonus | Redeemed / conversion out / transfer out | As at September 30, 2015 | As at July 01, 2015 | Issued for cash / conversion in / transfer in | Bonus | Redeemed / conversion out / transfer out | Net asset value as at September 30, 2015 |
|  | (Units)             |   |       |  | (Rupees)                 |                     |   |       |  |  |
| <b>Associated Companies / Undertakings</b>   |                     |   |       |  |                          |                     |   |       |  |  |
| Bank Alfalah Limited   | 5,481,236           | -   | -     | -  | 5,481,236                | 277,510,024         | -   | -     | -  | 283,698,887                              |
| CDC-Trustee Alfalah GHP Conservative Allocation Plan                                   | -                   | 869,369                                       | -     | -  | 869,369                  | -                   | 45,000,000                                    | -     | -  | 44,996,957                               |
| CDC-Trustee Alfalah GHP Moderate Allocation Plan                                       | -                   | 579,579                                       | -     | -  | 579,579                  | -                   | 30,000,000                                    | -     | -  | 29,997,971                               |
| CDC-Trustee Alfalah GHP Active Allocation Plan   | -                   | 1,159,158                                     | -     | -  | 1,159,158                | -                   | 60,000,000                                    | -     | -  | 59,995,943                               |
| <b>Key Management Personal</b>   |                     |   |       |  |                          |                     |   |       |  |  |
| Moin Uddin   | -                   | -   | -     | -  | -                        | -                   | -   | -     | -  | -  |
| Ahsan Jawed Chishty  | -                   | 13,799  | -     | 2,821                                    | 10,978                   | -                   | 708,049                                       | -     | 146,000                                  | 568,193                                  |
| Jehanzeb Bashir Nawaz  | -                   | 12,753  | -     | 6,944                                    | 5,809                    | -                   | 650,000                                       | -     | 358,000                                  | 300,604                                  |
| <b>Unit holder holding 10% or more Units</b>   |                     |   |       |  |                          |                     |   |       |  |  |
| Society for the Promotion of Engineering Sciences and Technology in Pakistan (SOPREST) | 3,800,047           | 2,879,962                                     | -     | -  | 6,680,009                | 192,392,960         | 150,000,000                                   | -     | -  | 345,745,265                              |

|   | September 30, 2014  |   |       |  |                          |                     |   |       |  |  |
|---|---------------------|---|-------|--|--------------------------|---------------------|---|-------|--|--|
|   | As at July 01, 2014 | Issued for cash / conversion in / transfer in | Bonus | Redeemed / conversion out / transfer out | As at September 30, 2014 | As at July 01, 2014 | Issued for cash / conversion in / transfer in | Bonus | Redeemed / conversion out / transfer out | Net asset value as at September 30, 2014 |
|   | (Units)             |   |       |  | (Rupees)                 |                     |   |       |  |  |
| <b>Associated Companies / Undertakings</b>          |                     |   |       |  |                          |                     |   |       |  |  |
| Bank Alfalah Limited                                | 5,481,236           | -   | -     | -  | 5,481,236                | 263,505,467         | -   | -     | -  | 269,729,958                              |
| Management Company                                  | 2,016,664           | -   | -     | -  | 2,016,664                | 96,949,296          | -   | -     | -  | 99,239,419                               |
| <b>Key Management Personal</b>                      |                     |   |       |  |                          |                     |   |       |  |  |
| Employees   | -                   | 1,396   | -     | -  | 1,396                    | -                   | 67,122  | -     | -  | 68,697                                   |
| <b>Unit holder holding 10% or more Units</b>        |                     |   |       |  |                          |                     |   |       |  |  |
| Archroma Pakistan Limited - Employees Gratuity Fund | 1,518,744           | -   | -     | -  | 1,518,744                | 73,012,270          | -   | -     | -  | 74,736,957                               |
| Attock Cement Pakistan Limited                      | 6,434,782           | -   | -     | -  | 6,434,782                | 309,346,376         | -   | -     | -  | 316,653,715                              |
| Habib Metropolitan Bank Limited                     | 3,332,029           | -   | -     | -  | 3,332,029                | 160,184,301         | -   | -     | -  | 163,968,153                              |

### 13 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on October 29, 2015 by the Board of Directors of Management company.

### 14 GENERAL

Figures have been rounded off to the nearest thousand rupees.

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

\_\_\_\_\_  
Chief Executive Officer








\_\_\_\_\_  
Director










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