

**IGI Islamic Income Fund**  
**Condensed Interim Financial Statements**  
**Unaudited**  
**For the nine months period ended**  
**31 March 2012**

**IGI Islamic Income Fund**  
**Condensed Interim Statement of Assets and Liabilities (Un-audited)**  
**As at 31 March 2012**

	<i>Note</i>	<b>31 March 2012 Unaudited</b>	<b>30 June 2011 Audited</b>
-----Rupees-----			
<b>ASSETS</b>			
Balances with banks	5	113,084,813	240,900,620
Investments	6	220,890,998	425,672,847
Deferred formation cost		1,143,177	1,465,202
Security Deposit, Prepayment and other receivable	7	52,498,131	15,696,675
<b>Total assets</b>		<b>387,617,119</b>	<b>683,735,344</b>
<b>LIABILITIES</b>			
Amount payable to unitholders		61,599,183	449,002
Payable to the Management Company		574,354	2,024,464
Remuneration payable to the Trustee		56,256	81,043
Annual fee payable to Securities and Exchange Commission of Pakistan		252,094	345,858
Accrued and other liabilities		499,141	360,700
<b>Total liabilities</b>		<b>62,981,028</b>	<b>3,261,067</b>
<b>Contingency</b>	8		
<b>Net assets attributable to unit holders</b>		<b>324,636,091</b>	<b>680,474,277</b>
<b>Unit holders' Funds</b>		<b>324,636,091</b>	<b>680,474,277</b>
<b>Number of units in issue</b>		<b>3,222,855</b>	<b>6,575,506</b>
		(Number)	
<b>Net assets value per unit</b>		<b>100.7293</b>	<b>103.4862</b>
		(Rupees)	

The annexed notes from 1 to 13 are an integral part of this condensed interim financial information.

**For IGI Funds Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive**

\_\_\_\_\_  
**Director**

**IGI Islamic Income Fund**  
**Condensed Interim Income Statement (Un-audited)**  
**For the nine months period ended 31 March 2012**

Note	<i>Nine months period ended</i>		<i>Quarter ended</i>	
	<b>31 March 2012</b>	31 March 2011	<b>31 March 2012</b>	31 March 2011
	-----Rupees-----			
<b>INCOME</b>				
Profit on bank and other deposits	9,589,569	10,904,001	2,827,980	4,185,760
Income on investments classified as 'held to maturity'	-			
Income on Government of Pakistan Ijara Sukuk	829,216	16,548,589	829,216	4,913,810
Net unrealised appreciation in fair value of investment classified as 'at fair value through profit or loss - held-for-trading'	31,368,061	10,047,880	8,305,539	3,771,046
Net capital gain on sale of investments classified as 'at fair value through profit or loss - held-for-trading'	(217,887)	-	(2,541,493)	-
Element of income/ (loss) and capital gains/ (losses) included in prices of units sold less those in units redeemed - net	(421,679)	-	(816,808)	-
<b>Total income</b>	<b>(6,073,531)</b>	(480,819)	<b>(906,040)</b>	296,698
	<b>35,073,749</b>	37,019,651	<b>7,698,394</b>	13,167,314
<b>EXPENSES</b>				
Remuneration to the Management Company	5,041,861	4,961,297	1,484,098	1,666,984
Sales Tax on management fee	806,701	-	237,456	-
Remuneration to the Trustee	571,578	628,203	168,336	188,929
Annual fee to the Securities and Exchange Commission of Pakistan	252,094	248,063	74,207	83,340
Amortization of deferred formation cost	322,025	292,221	106,561	105,390
Auditors' remuneration	269,116	239,086	95,768	57,290
Bank charges	11,397	4,133	2,293	375
Brokerage Expense	54,500	9,000	20,000	9,000
Printing charges	96,550	93,708	33,622	30,780
Annual listing fee	29,975	21,619	9,919	8,280
Stability rating fee	131,450	157,890	43,498	46,938
Workers' Welfare Fund	-	(400,510)	-	-
<b>Total expenses</b>	<b>7,587,247</b>	6,254,710	<b>2,275,758</b>	2,197,306
<b>Net income for the period</b>	<b>27,486,502</b>	30,764,941	<b>5,422,636</b>	10,970,008

The annexed notes from 1 to 13 are an integral part of this condensed interim financial information.

**For IGI Funds Limited**  
**(Management Company)**

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

\_\_\_\_\_  
Director

IGI Islamic Income Fund  
 Condensed Interim Statement of Comprehensive Income (Un-audited)  
 For the nine months period ended 31 March 2012

	<i>Nine months period ended</i>		<i>Quarter ended</i>	
	<i>31 March 2012</i>	<i>31 March 2011</i>	<i>31 March 2012</i>	<i>31 March 2011</i>
	-----Rupees-----			
<b>Net income for the period</b>	<b>27,486,502</b>	30,764,941	<b>5,422,636</b>	10,970,008
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<b><u>27,486,502</u></b>	<u>30,764,941</u>	<b><u>5,422,636</u></b>	<u>10,970,008</u>

The annexed notes from 1 to 13 are an integral part of this condensed interim financial information.

**For IGI Funds Limited  
 (Management Company)**

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

\_\_\_\_\_  
 Director

**IGI Islamic Income Fund**  
**Condensed Interim Cash Flow Statement (Un-audited)**  
**For the nine months period ended 31 March 2012**

	<i>Nine months period ended</i>	
	<b>31 March 2012</b>	<b>31 March 2011</b>
	-----Rupees-----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period	<b>27,486,502</b>	30,764,941
<b>Adjustments for:</b>		
Unrealized loss on remeasurement of held for trading investment to fair value	<b>217,887</b>	-
Capital Gain on sale of investments classified as fair value through profit & loss- held for trading	<b>421,679</b>	-
Amortization of deferred formation cost	<b>322,025</b>	292,221
Amortization of premium on GOP Ijara Sukuk	-	196,552
Element of income/ (loss) and capital gains/ (losses) included in prices of units sold less those in units redeemed - net	<b>6,073,531</b>	480,819
	<b>34,521,624</b>	31,734,533
<b>Movement in:</b>		
Investments - net	<b>204,142,268</b>	(125,090,000)
Deferred formation cost	-	(2,137,356)
Profit receivable & Prepayment	<b>(36,801,456)</b>	2,908,813
	<b>167,340,812</b>	(124,318,543)
Amount payable to unitholder	<b>60,066,730</b>	-
Payable to the Management Company	<b>(1,450,110)</b>	86,881
Remuneration payable to the Trustee	<b>(24,787)</b>	306
Annual fee payable to the Securities and Exchange Commission of Pakistan	<b>(93,764)</b>	81,630
Accrued and other liabilities	<b>138,441</b>	451,477
	<b>58,636,510</b>	620,294
<b>Net cash from operating activities</b>	<b>260,498,946</b>	(91,963,716)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of units	<b>327,252,175</b>	252,857,027
Payment against redemption of units	<b>(714,452,068)</b>	(227,031,721)
Dividend paid	<b>(1,114,860)</b>	(871,203)
<b>Net cash (used in) / from financing activities</b>	<b>(388,314,753)</b>	24,954,103
Net increase in cash and cash equivalents during the year	<b>(127,815,807)</b>	(67,009,613)
Cash and cash equivalents at beginning of the period	<b>240,900,620</b>	289,471,837
<b>Cash and cash equivalents at end of the period</b>	<b>113,084,813</b>	222,462,224

The annexed notes from 1 to 13 are an integral part of this condensed interim financial information.

**For IGI Funds Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive**

\_\_\_\_\_  
**Director**

**IGI Islamic Income Fund**  
**Condensed Interim Distribution Statement (Un-audited)**  
**For the nine months period ended 31 March 2012**

	<i>Nine months period ended</i>		<i>Quarter ended</i>	
	<i>31 March 2012</i>	<i>31 March 2011</i>	<i>31 March 2012</i>	<i>31 March 2011</i>
	-----Rupees-----			
<b>Undistributed income brought forward at the beginning of the period</b>	<b>22,923,479</b>	19,624,990	<b>5,253,206</b>	2,357,136
Total comprehensive income for the period	<b>27,486,502</b>	30,764,941	<b>5,422,636</b>	10,970,008
<b>Distributions made during the period</b>				
Final distribution of bonus @ 3.2477 units for every 100 units held, for the year ended June 30, 2011, approved on July 05, 2011 (2011: @ 5.0098 units for every 100 unit held, approved on July 02, 2010)	<b>(21,398,120)</b>	<b>(19,036,369)</b>	-	-
Final distribution of cash dividend @ Rs.3.2552 per unit for the year ended June 30, 2011, approved on July 05, 2011 (2010: Nil)	<b>(6,482)</b>		-	-
Interim distribution of bonus @ 2.5536 units for every 100 units held, approved on September 29, 2011 (2010: @ 2.2703 units for every 100 units held, approved on October 01, 2010)	<b>(9,994,131)</b>	(9,912,406)	-	-
Interim distribution of cash dividend @ Rs.2.5609 per unit, approved on September 29, 2011 (2010: Nil)	<b>(67,123)</b>	-	-	-
Interim distribution of bonus @ 2.1018 units for every 100 units held, approved on December 29, 2011 (2010: @ 2.0606 units for every 100 units held, approved on December 29, 2010)	<b>(7,227,028)</b>	(8,114,012)	-	-
Interim distribution of cash dividend @ Rs.2.1287 per unit approved on December 29, 2011 (2010: Nil)	<b>(1,041,255)</b>		-	-
Interim distribution of bonus @ 2.2040 units for every 100 units held, approved on March 29, 2012 (2011: @ 2.1774 units for every 100 units held, approved on March 28, 2011)	<b>(7,241,962)</b>	(871,203)	<b>(7,241,962)</b>	(871,203)
Interim distribution of cash dividend @ Rs.2.2220 per unit approved on March 29, 2012 (2011: @ 2.1926 per unit approved on: 28 March 2011)	<b>(1,083,451)</b>	(8,817,148)	<b>(1,083,451)</b>	(8,817,148)
<b>Undistributed income carried forward</b>	<b>2,350,429</b>	<b>3,638,793</b>	<b>2,350,429</b>	<b>3,638,793</b>

The annexed notes from 1 to 13 are an integral part of this condensed interim financial information.

**For IGI Funds Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive**

\_\_\_\_\_  
**Director**

**IGI Islamic Income Fund**  
**Condensed Interim Statement of Movement in Unit Holders' Fund (Un-audited)**  
**For the nine months period ended 31 March 2012**

	<i>Nine months period ended</i>		<i>Quarter ended</i>	
	<i>31 March 2012</i>	<i>31 March 2011</i>	<i>31 March 2012</i>	<i>31 March 2011</i>
	-----Rupees-----			
<b>Net assets at beginning of the period</b>	<b>680,474,277</b>	399,016,731	<b>400,314,904</b>	402,210,621
Amount realized on issuance of 3,201,975 units (2011: 2,495,228 units) and 88,043 units (2011: 1,044,390) for the nine months and quarter ended respectively	<b>327,252,175</b>	252,857,027	<b>8,967,761</b>	105,997,218
Issuance of 456,337 units in respect of final and interim distributions (31 March 2011: 457,233)	<b>45,861,226</b>	45,879,935	<b>7,241,963</b>	8,817,148
Amount paid on redemption of 7,010,963 units (2011: 2,230,734 units) and 887,637 units (2011: 614,838) for the nine months and quarter ended respectively	<b>(714,452,068)</b>	(227,044,851)	<b>(89,891,800)</b>	(62,806,482)
	<b>339,135,610</b>	470,708,842	<b>326,632,828</b>	454,218,505
Element of income and capital gains included in prices of units sold less those in units redeemed - net	<b>6,073,531</b>	480,819	<b>906,040</b>	(296,698)
Total comprehensive income for the period	<b>27,486,502</b>	30,764,941	<b>5,422,636</b>	10,970,008
Distributions made during the period				
Final distribution of bonus units	<b>(21,398,120)</b>	(19,036,369)	-	-
Final distribution of cash dividend	<b>(6,482)</b>	-	-	-
Interim distribution of bonus units	<b>(24,463,121)</b>	(27,714,769)	<b>(7,241,962)</b>	(9,688,351)
Interim distribution of cash dividend	<b>(2,191,829)</b>	-	<b>(1,083,451)</b>	-
	<b>(48,059,552)</b>	(46,751,138)	<b>(8,325,413)</b>	(9,688,351)
<b>Net assets at end of the period</b>	<b>324,636,091</b>	455,203,464	<b>324,636,091</b>	455,203,464

The annexed notes from 1 to 13 are an integral part of this condensed interim financial information.

**For IGI Funds Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive**

\_\_\_\_\_  
**Director**

## **1. LEGAL STATUS AND NATURE OF BUSINESS**

IGI Islamic Income Fund (the Fund) has been constituted under Trust Deed dated 3 July 2008, 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 Trust deed was subsequently amended through first supplemental trust deed executed on 23 September 2008. Subsequently, the SECP required the Management Company to make certain amendments in the Trust deed to bring it in line with Non Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations) and accordingly, the Trust deed was amended through second supplemented trust deed executed on 16 September 2009.

The Fund has been established under the rules of business applicable to open ended mutual Funds. Fund is an open ended Islamic mutual Fund listed on Lahore Stock Exchange. The Fund offers units for public subscription on continuous basis. These can be redeemed by surrendering them to the Fund at the option of the unit holder, except for the units issued to core investors which are not redeemable for a period of two years from the date of initial public offer.

The scheme seek to provide good total return through a combination of current income and long term capital appreciation, consistent with reasonable investment risk in a shariah compliant manner. The Fund invests in shariah compliant deposits, profit bearing accounts, certificate of investments, Musharika and Morabaha arrangements and debt securities.

The Pakistan Credit Rating Agency Company Limited has assigned stability rating of "A+" to the scheme.

## **2. BASIS OF PRESENTATION**

### **2.1 Statement of compliance**

These condensed interim financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. The disclosures in the condensed interim financial statements do not include the information reported for full annual financial statements and should therefore be read in conjunction with the financial statements for the year ended 30 June 2011.

These condensed interim financial statements comprise of condensed interim statement of assets and liabilities as at 31 March 2012 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim distribution statement, condensed interim statement of movement in unit holders' fund, and notes thereto, for the nine months period ended 31 March 2012.

These condensed interim financial statements are being submitted to the unit holders as required under Regulation 38 (g) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations).



## 2.2 Functional and presentation currency

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

## 3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation which have been used in the preparation of this condensed interim financial statements are the same as those applied in preparation of the financial statements for the preceding year ended 30 June 2011.

## 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 2011.

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 2011.

## 5. BALANCES WITH BANKS - Local Currency

This represents balance in deposit accounts with Islamic banks and carry profit rate of 5% - 11.75% per annum (30 June 2011: 5%-11.15% per annum).

## 6. INVESTMENTS

		<b>31 March 2012 (Un-audited)</b>	30 June 2011 (Audited)
		------(Rupees)-----	
<b>Financial asset at fair value through profit and loss - held for trading</b>			
- Government of Pakistan Ijarah Sukuk	6.1	<b>158,630,998</b>	425,672,847
- Commercial paper	6.2	<b>62,260,000</b>	-
		<b>220,890,998</b>	<b>425,672,847</b>

- 6.1 These carry profit rates from 11.7903% to 11.8177% with maturities from 17 September, 2012 to 16 May 2014. These represent 48.61% of net assets on the basis of carrying amount. These investments are carried at cost and approximate their fair values.
- 6.2 These commercial papers carries mark-up rate of 13.09% to 13.55% (2011:Nil) and will mature on August 03, 2012 and September 22, 2012. Investment in commercial paper represents 19.43% of the net assets on the basis of carrying amount

**7. INCOME RECEIVABLE**

	<b>31 March 2012 (Un-audited)</b>	30 June 2011 (Audited)
	<b>(Rupees)</b>	
Income / Profit receivable on:		
- Balances with banks	<b>38,088</b>	1,510,753
- Government of Pakistan Ijarah Sukuk Bonds	<b>1,101,428</b>	14,185,922
- Income from commercial paper	<b>829,216</b>	-
- Prepayment	<b>10,025</b>	-
- Security deposit	<b>100,000</b>	-
- Other asset	<b>50,419,374</b>	-
	<b><u>52,498,131</u></b>	<u>15,696,675</u>

**8. 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 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 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. However, without prejudice to the above, the Management Company made a provision for WWF contribution in the annual financial statements for the

Subsequent to the year ended June 30, 2010, a clarification was issued by the Ministry of Labour and Manpower (the Ministry) which stated that mutual funds are not liable to contribute to WWF on the basis of their income. This clarification was forwarded by Federal Board of Revenue (FBR) (being the collecting agency of WWF on behalf of the Ministry) to its members for necessary action through letter dated October 06, 2010. Based on this clarification, the FBR also withdrew notice of demand which it had earlier issued to one of the mutual funds for collection of WWF. Notices of demand have also been issued to several other mutual funds and the matter has been taken up by the respective mutual funds with the FBR for their withdrawal on the basis of the above referred clarification of the Ministry. However, the Secretary (Income Tax Policy) Federal Board of Revenue vide letter dated January 04, 2011 subsequently cancelled ab-initio the clarification letter dated October 06, 2010 on applicability of WWF on mutual funds

On December 14, 2010, the Ministry had filed its response against the constitutional petition requesting the SHC to dismiss the petition. According to the legal counsel who is handling the case, there is a contradiction between the aforementioned clarification issued by the Ministry and the response filed by the Ministry in the SHC.

During the current period, the Honorable Lahore High Court (LHC) in a similar Constitutional Petition relating to the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006, and the Finance Act, 2008, has declared the said amendments as unlawful and unconstitutional. The Management Company is hopeful that the decision of the LHC, will lend further support to the Constitutional Petition which is pending in the SHC. However, pending the decision of the said constitutional petition, the Management Company believes that the Fund is not liable to contribute to WWF. Hence, aggregate unrecognised amount of WWF as at March 31, 2011 amounted to Rs.1.467 million (June 30, 2011: Rs. 0.917 million).

**9. CASH AND CASH EQUIVALENTS**

	<i>Nine months period ended</i>		<i>Quarter ended</i>	
	<b>31 March 2012</b>	31 March 2011	<b>31 March 2012</b>	31 March 2011
	-----Rupees-----			
Bank balances	<b>113,084,813</b>	119,911,512	<b>113,084,813</b>	119,911,512
Term deposits receipts maturing within three months	-	102,550,712	-	102,550,712
	<b>113,084,813</b>	222,462,224	<b>113,084,813</b>	222,462,224

**10. TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS**

Related parties include IGI Funds Limited being the Management Company, Central Depository Company of Pakistan Limited being the trustee, IGI Investment Bank Limited being the holding company of the Management Company, IGI Finex Securities Limited being the subsidiary of the IGI Investment Bank Limited and IGI Insurance Limited being the holding company of the IGI Investment Bank Limited and Packages Limited being the holding company of IGI Insurance Limited, Tri Pack Films Limited, Tetra Pak Pakistan Limited being the associates of IGI Insurance Limited and Key Management personnel. Transactions with these related parties involve issue and redemption of units and issue of bonus shares.

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. Front end load is charged to unit holder and is payable to the Management Company according to provisions of the offering document of the fund.

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

#### 10.1 Unit Holder's Fund

	Nine months period ended 31 March 2012									
	As at 01 July 2011	Issued for cash/ conversion in/ transfer in	Bonus	Redeemed/ conversion out/ transfer out	As at 31 March 2012	As at 01 July 2011	Issued for cash/ conversion in/ transfer in	Bonus	Redeemed/ conversion out/ transfer out	Net asset value as at March 2012
	----- (Units) -----					----- (Rupees) -----				
<b>Associated Companies / Undertakings</b>										
IGI Investment Bank Limited	566,736	573,893	33,341	1,173,970	-	58,651,510	58,920,882	3,342,622	120,715,994	-
IGI Finex Securities Limited	-	573,909	-	573,909	-	-	58,905,800	-	58,905,800	-
Gurmani Foundation	933,029	-	19,484	48,997	903,516	94,543,635	-	1,964,319	5,000,000	91,010,562
<b>Transactions with employees</b>	3,622	24,543	504	28,287	382	374,786	2,497,261	49,717	2,870,643	38,442

	Nine months period ended 31 March 2011									
	As at 01 July 2010	Issued for cash/ conversion in/ transfer in	Bonus	Redeemed/ conversion out/ transfer out	As at 31 March 2011	As at 01 July 2010	Issued for cash/ conversion in/ transfer in	Bonus	Redeemed/ conversion out/ transfer out	Net asset value as at 31 March 2011
	----- (Units) -----					----- (Rupees) -----				
<b>Associated Companies / Undertakings</b>										
IGI Investment Bank Limited	500,000	554,222	49,482	536,969	566,735	52,585,000	56,622,182	4,963,745	54,620,500	1,046,237
IGI Insurance Limited	-	533,522	10,994	544,516	-	-	54,269,852	1,104,977	54,123,949	54,772,864
IGI Funds Limited - Staff provident fund	5,340	-	513	5,853	-	561,608	-	51,437	599,149	588,753
<b>Transactions with employees</b>	4,204	9,857	366	11,924	2,503	442,135	1,007,440	36,689	1,207,815	228,842
<b>Key Management Personnel</b>										
Syed Babar Ali - Group Chairman	401,631	-	29,696	431,327	-	42,239,532	-	2,975,135	43,661,546	-

	Quarter ended 31 March 2012									
	As at 01 January 2012	Issued for cash/ conversion in/ transfer in	Bonus	Redeemed/ conversion out/ transfer out	As at 31 March 2012	As at 01 January 2012	Issued for cash/ conversion in/ transfer in	Bonus	Redeemed/ conversion out/ transfer out	Net asset value as at 31 March 2012
	----- (Units) -----					----- (Rupees) -----				
<b>Associated Companies / Undertakings</b>										
IGI Investment Bank Limited	-	-	-	-	-	-	-	-	-	-
IGI Finex Securities	-	-	-	-	-	-	-	-	-	-
Gurmain Foundation	933,029	-	19,484	48,997	903,516	94,543,635	-	1,964,319	5,000,000	91,010,562
<b>Transactions with employees</b>	374	11,136	8	11,136	382	37,838	1,137,000	830	1,145,074	38,442

	Quarter ended 31 March 2011									
	As at 01 January 2011	Issued for cash/ conversion in/ transfer in	Bonus	Redeemed/ conversion out/ transfer out	As at 31 March 2011	As at 01 January 2011	Issued for cash/ conversion in/ transfer in	Bonus	Redeemed/ conversion out/ transfer out	Net asset value as at 31 March 2011
	----- (Units) -----					----- (Rupees) -----				
<b>Associated Companies / Undertakings</b>										
IGI Investment Bank Limited	10,401	544,257	12,077	-	566,735	2,722,064	55,612,218	1,216,145	-	50,375,000
IGI Insurance Limited	544,516	-	-	544,516	-	55,374,829	-	-	54,123,949	-
IGI Funds Limited - Staff provident fund	5,853	-	-	5,853	-	613,045	-	-	599,149	-
<b>Transactions with employees</b>	2,275	7,021	64	6,856	2,504	251,294	717,030	6,435	696,310	454,282

## 10.2 Other transactions

	<i>Nine months period ended</i>		<i>Quarter ended</i>	
	<b>31 March 2012</b>	31 March 2011	<b>31 March 2012</b>	31 March 2011
-----Rupees-----				
<b>Associated Companies / Undertakings</b>				
<b>IGI Funds Limited - Management Company</b>				
Management fee	<b>5,848,562</b>	1,819,021	<b>1,721,554</b>	1,819,021
Load on units	<b>169,355</b>	2,972	-	2,972
Stability Rating Fee paid	-	-	-	-
Formation cost paid	-	-	<b>2,137,356</b>	-
<b>Other Related Parties</b>				
<b>Central Depository Company of Pakistan Limited</b>				
Trustee fee	<b>571,578</b>	67,910	<b>168,336</b>	67,910

## 10.3 Other balances

	<b>31 March</b>	30 June
	<b>2012</b>	2011
	<b>(Un-audited)</b>	(Audited)
-----Rupees-----		
<b>Associated Companies / Undertakings</b>		
<b>IGI Funds Limited - Management Company</b>		
Formation cost paid on behalf of the Fund	-	2,137,356
Management fee payable	<b>574,354</b>	490,329
Front end load payable	-	2,972
<b>Other Related Parties</b>		
<b>Central Depository Company of Pakistan Limited</b>		
Trustee fee payable	<b>67,841</b>	65,380

## 12. 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 realised or unrealised is distributed amongst the unit holders. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than unrealized capital gains / loss to the unit holders. The management company has declared at period end a sufficient distribution out of accounting income of the Fund for the nine months period ended 31 March 2012 in order to comply with the above stated clause and regulation and intends to distribute not less than 90% of the its annual accounting income, if any, to comply with the above clause and regulation at year end. Accordingly, no tax provision has been made in this condensed interim financial statements for the nine months period ended 31 March 2012.

## 13. GENERAL

This condensed interim financial statements was authorised for issue by Board of Directors of the Management Company on **24 April 2011**.

**For IGI Funds Limited  
(Management Company)**

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

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Director