

CONTENTS

Mission and Vision Statement.....	01
Fund's information	02
Report of the Directors of the Management Company.....	03
Condensed Interim Statement of Assets and Liabilities	06
Condensed Interim Income Statement	07
Condensed Interim Statement of Comprehensive Income	08
Condensed Interim Statement of Cash Flows.....	09
Condensed Interim Distribution Statement	10
Condensed Interim Statement of Movement in Unit Holders' Funds	11
Notes to the Condensed Interim Financial Statements.....	12

VISION

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

MISSION

Our vision will be realized by:

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

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

VALUES

Integrity, Professionalism, Focus on Sustainable Growth

FUND'S INFORMATION

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

DIRECTORS' REPORT

For the nine month period ended 31 March, 2014

To our valued Unit Holders,

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

Economic Review

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

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

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

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

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

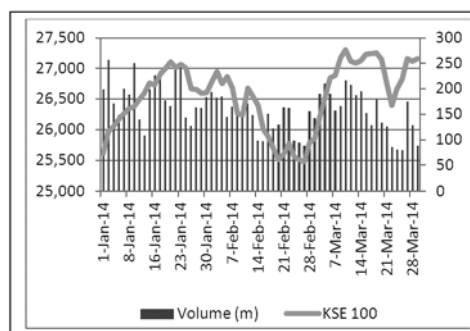
With no immediate risk to inflation, controlled parity, rising reserves, and manageable balance of payments as expected inflows are likely to finance the decline in exports, the SBP may get room to cut interest rates in CY14.

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

Capital Markets Review

EQUITIES REVIEW

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



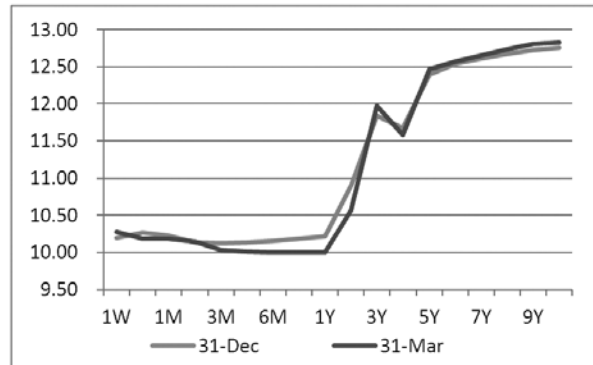
The 6.97% appreciation in the value of the PKR, while a boon for import dependent sectors, has proved a bane for exporting sectors, thus valuations for the Textile sector have been revised downwards, while Autos and Pharmaceutical companies have had their earnings forecasts revised upwards.

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

MONEY MARKET REVIEW

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

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



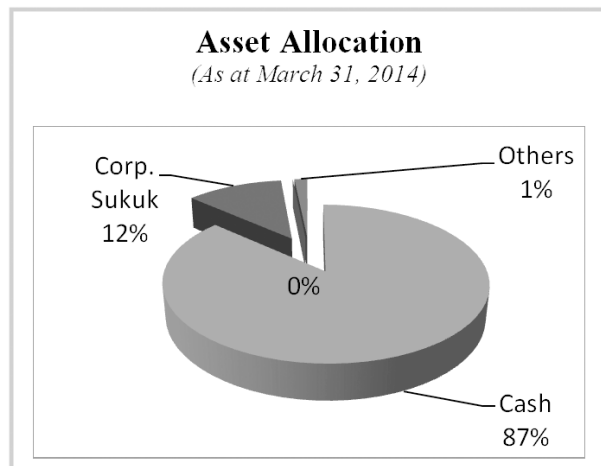
Fund Operations and Performance

IGI Islamic Income Fund

During 3QFY14, IGI Islamic Income Fund (IGIIF) generated a return of 6.99% p.a. versus the benchmark return of 6.69% p.a., taking the return for 9MFY14 to 6.05% p.a.

IGIIF's low fund size continues to result in a relatively high expense ratio for the fund.

Going forward, we will be focusing on increasing the size of the fund, which will not only lower the fund's expense ratio, it will also increase the fund's counterparty limit, enabling a better ability to book assets.



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

Key Financial Data*Rs. in million*

Description	Nine month period ended 31 March 2014	Nine month period ended 31 March 2013
Net Assets at end of the period	103.46	164.29
Gross income	7.27	15.00
Net Comprehensive income	4.53	10.95
Net Assets Value per Unit (Rs.)	102.2222	100.8164
Issuance of units during the period	11.22	50.70
Redemption of units during the period	23.19	99.68

Cumulative interim payouts during the period

Dividend per unit	4.0993
Bonus per 100 units	4.0793

Future Outlook

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

Acknowledgement

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

For and on behalf of the Board of Directors

Chief Executive Officer

Date April 24, 2014

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

		March 31, 2014 (Un-audited)	June 30, 2013 (Audited)
	Note	----- (Rupees) -----	
ASSETS			
Balances with banks	5	90,465,348	39,615,664
Investments	6	12,376,776	70,093,480
Deferred formation cost		288,347	609,201
Security Deposit		100,000	100,000
Prepayments & Other receivables		1,232,939	1,308,692
Total assets		<u>104,463,410</u>	<u>111,727,037</u>
LIABILITIES			
Payable to the Management Company	7	369,039	172,648
Remuneration payable to the Trustee		14,865	15,477
Annual fee payable to Securities and Exchange Commission of Pakistan		56,933	131,857
Amount payable on redemption of units		-	-
Accrued and other liabilities	8	554,983	464,500
Total liabilities		<u>995,820</u>	<u>784,482</u>
Contingency	9	-	-
Net assets attributable to unit holders		<u>103,467,590</u>	<u>110,942,555</u>
Unit holders' Funds		<u>103,467,590</u>	<u>110,942,555</u>
		----- (Number of units) -----	
Number of units in issue		<u>1,012,184</u>	<u>1,084,036</u>
		----- (Rupees) -----	
Net assets value per unit		<u>102.2222</u>	<u>102.3422</u>

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

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive Officer

Director

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

	Nine months period ended		Quarter ended	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
Note	----- (Rupees) -----		----- (Rupees) -----	
INCOME				
Profit on bank and other deposits	2,843,773	4,362,111	1,157,191	1,030,401
Income on investments classified as 'held to maturity'	48,861	2,637,238	-	793,681
Income on investments classified as 'fair value through profit or loss-held-for-trading'	3,877,550	8,016,461	1,095,079	2,132,713
Net unrealised appreciation in fair value of investment classified as 'at fair value through profit or loss - held-for-trading'	376,776	(520,900)	239,826	(504,450)
Net capital gain on sale of investments classified as 'at fair value through profit or loss - held-for-trading'	130,200	510,834	-	900
Total income	7,277,160	15,005,744	2,622,296	3,453,245
EXPENSES				
Remuneration to the Management Company	1,138,898	2,169,984	374,858	632,136
Sales Tax on management fee	211,391	347,192	69,580	101,143
Federal excise duty on management fee	182,220	-	59,972	-
Remuneration to the Trustee	129,087	449,086	42,491	147,510
Annual fee to the Securities and Exchange Commission of Pakistan	56,933	108,492	18,739	31,605
Amortization of deferred formation cost	320,854	320,854	105,390	105,390
Auditors' remuneration	285,432	303,858	69,120	79,802
Bank & Settlement charges	15,789	9,316	2,167	3,417
Brokerage Expense	-	13,425	-	4,425
Printing charges	108,778	93,708	35,730	30,780
Annual listing fee	16,820	22,520	3,240	7,397
Stability rating fee	236,462	115,186	77,670	29,970
Worker welfare fund	86,311	-	34,733	-
Total expenses	2,788,975	3,953,621	893,690	1,173,575
Net Income from operating activities	4,488,185	11,052,123	1,728,606	2,279,670
Element of income/ (loss) and capital gains/ (losses) included in prices of units sold less those in units redeemed - net	42,185	(96,529)	171,676	(215,783)
Net income for the period before taxation	4,530,370	10,955,594	1,900,282	2,063,887
Taxation	11	-	-	-
Net income for the period	4,530,370	10,955,594	1,900,282	2,063,887

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

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive Officer

Director

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

	Nine months period ended		Quarter ended	
	March, 31, 2014	March, 31, 2013	March, 31, 2014	March, 31, 2013
	----- (Rupees) -----		----- (Rupees) -----	
Net income for the period	4,530,370	10,955,594	1,900,282	2,063,887
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>4,530,370</u>	<u>10,955,594</u>	<u>1,900,282</u>	<u>2,063,887</u>

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

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive Officer

Director

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

	Nine months period ended	
	March 31, 2014	March 31, 2013
	----- (Rupees) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period	4,530,370	10,955,594
Adjustments for:		
Unrealized loss on remeasurement of held for trading investment to fair value	(376,776)	520,900
Capital Gain on sale of investments classified as fair value through profit & loss- held for trading	(130,200)	(510,834)
Amortization of deferred formation cost	320,854	320,854
Element of income/ (loss) and capital gains/ (losses) included in prices of units sold less those in units redeemed - net	(42,185)	96,529
	<u>4,302,063</u>	<u>11,383,043</u>
Movement in:		
Investments - net	58,223,680	14,650,078
Profit receivable & Prepayment	75,753	2,529,220
	<u>58,299,433</u>	<u>17,179,298</u>
Amount payable to unitholder	-	(100,062)
Payable to the Management Company	196,391	(93,788)
Remuneration payable to the Trustee	(612)	1,639
Annual fee payable to the Securities and Exchange Commission of Pakistan	(74,924)	(200,374)
Accrued and other liabilities	90,483	(134,376)
	<u>211,338</u>	<u>(526,961)</u>
Net cash from operating activities	<u>62,812,834</u>	<u>28,035,380</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of units	11,228,595	50,709,584
Payment against redemption of units	(23,191,745)	(99,680,074)
Dividend paid	-	(2,987)
Net cash (used in) / from financing activities	<u>(11,963,150)</u>	<u>(48,973,477)</u>
Net increase in cash and cash equivalents during the year	<u>50,849,684</u>	<u>(20,938,097)</u>
Cash and cash equivalents at beginning of the period	39,615,664	76,540,569
Cash and cash equivalents at end of the period	<u>90,465,348</u>	<u>55,602,472</u>

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

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

Chief Executive Officer

Director

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

	Nine months periods ended		Quarter ended	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
	----- (Rupees) -----		----- (Rupees) -----	
Undistributed income brought forward at the beginning of the period	2,538,906	4,898,089	478,378	1,292,724
Total comprehensive income for the period	4,530,370	10,955,594	1,900,282	2,063,887
Distributions made during the period				
Final distribution of bonus @ 1.9716 units for every 100 units held, approved on: July 04, 2013 (2012: @ 1.9849 units for every 100 units held, approved on: July 05, 2012)	(2,145,090)	(3,934,659)	-	-
Final distribution of cash dividend @ Rs.1.9788 per unit held, approved on: July 04, 2013 (2012: @ Rs.1.9946 per unit held, approved on: July 05, 2012)	-	(980)	-	-
Interim distribution of bonus @ 1.4470 units for every 100 units held, approved on: September 27, 2013 (2012: @ 2.3962 units for every 100 units held, approved on: September 27, 2012)	(1,393,880)	(5,635,943)	-	-
Interim distribution of cash dividend @ Rs.1.4499 per unit held, approved on: September 27, 2013 (2012: @ 2.4069 per unit held, approved on: September 27, 2012)	-	(1,183)	-	-
Interim distribution of bonus @ 1.1761 units for every 100 units held, approved on: December 27, 2013 (2012: @ 1.6668 units for every 100 units held, approved on: December 31, 2012)	(1,151,646)	(2,923,483)	-	-
Interim distribution of cash dividend @ Rs.1.1813 per unit held, approved on: December 27, 2013 (2011: @ Rs.1.6776 per unit held, approved on: December 31, 2012)	-	(824)	-	-
Interim distribution of bonus @ 1.6668 units for every 100 units held, approved on: March 26, 2013	-	(2,026,154)	-	(2,026,154)
Undistributed income carried forward	<u>2,378,660</u>	<u>1,330,457</u>	<u>2,378,660</u>	<u>1,330,457</u>

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

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

Chief Executive Officer

Director

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

	Nine months period ended		Quarter ended	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
	----- (Rupees) -----		----- (Rupees) -----	
Net assets at beginning of the period	110,942,555	202,212,880	98,054,128	178,512,409
Amount realized on issuance of 110,984 units (2013: 497,779 units) and 46,563 units (2013: 87,832) for the nine months and quarter ended respectively	11,228,595	50,709,584	4,709,738	8,890,000
Issuance of 46,750 units in respect of final and interim distributions (31 March 2013: 144,427)	4,690,616	14,520,239	-	2,026,154
Amount paid on redemption of 229,586 units (2013: 985,743 units) and 10,136 units (2013: 250,532) for the nine months and quarter ended respectively	(23,191,745)	(99,680,074)	(1,024,882)	(25,390,553)
	103,670,021	167,762,629	101,738,984	164,038,010
Element of income and capital gains included in prices of units sold less those in units redeemed - net	(42,185)	96,529	(171,676)	215,783
Total comprehensive income for the period before gains - realised and unrealised	4,023,394	10,965,660	1,530,256	2,567,437
Net unrealised (diminution) / appreciation in fair value of investments classified as 'at fair value through profit or loss - held-for-trading'	376,776	(520,900)	239,826	(504,450)
Net gain on sale of investments classified as 'at fair value through profit or loss - held-for-trading'	130,200	510,834	130,200	900
Total Comprehensive income for the period	4,530,370	10,955,594	1,900,282	2,063,887
Distributions made during the period				
Final distribution of bonus units	(2,145,090)	(3,934,659)	-	-
Final distribution of cash dividend	-	(980)	-	-
Interim distribution of bonus units	(2,545,526)	(10,585,580)	-	(2,026,154)
Interim distribution of cash dividend	-	(2,007)	-	-
	(4,690,616)	(14,523,226)	-	(2,026,154)
Net assets at end of the period	103,467,590	164,291,526	103,467,590	164,291,526

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

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

Chief Executive Officer

Director

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

1. LEGAL STATUS AND NATURE OF BUSINESS

IGI Islamic Income Fund (the Fund) has been established under the Non-Banking Finance Companies (Establishment and Regulation), Rules 2003 (the NBFC Rules) and has been authorised as a unit trust scheme by the Securities and Exchange Commission of Pakistan (SECP) on July 01, 2008. It has been constituted under a Trust Deed, dated July 03, 2008 between IGI Funds Limited (the Management Company), a company incorporated under the Companies Ordinance, 1984 and Central Depository Company of Pakistan Limited (CDC) as the Trustee, also incorporated under the Companies Ordinance, 1984. The Fund is an open ended fund and offers units for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering to the Fund. The units are listed on the Lahore Stock Exchange (Guarantee) Limited (LSE). The Fund was launched on December 03, 2009.

The scheme seeks 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 Fund is categorised as a shariah compliant (Islamic) scheme as specified by SECP and is subject to the guidelines prescribed by SECP.

Title to the assets of the Fund is held in the name of CDC as Trustee of the Fund.

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

The Pakistan Credit Rating Agency Limited has assigned fund stability rating of A+(f) to the scheme.

2. BASIS OF PRESENTATION

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the requirements of the approved accounting standard, International Accounting Standard "Interim Financial Reporting" (IAS 34) as applicable in Pakistan for interim financial reporting.

These condensed interim financial and information are unaudited and does not include all of the information and disclosures should be read in conjunction with the Fund's financial statements as at and for the year ended 30 June 2013.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation which have been used in the preparation of these condensed interim financial statements are the same as those applied in preparation of the financial statements for the period ended 30 June 2013.

4 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgements 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.

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

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

		March 31, 2014 (Un-audited)	June 30, 2013 (Audited)
	Note	----- (Rupees) -----	
5. BANK BALANCES			
Bank balances - local currency	5.1	<u>90,465,348</u>	<u>39,615,664</u>

- 5.1 The deposit accounts with the banks carry profit at the rates ranging from 6% to 8.75% per annum (June 30, 2013: 6% to 8.75% per annum).

6. INVESTMENTS

Financial assets classified as 'at fair value through profit or loss' - held-for-trading	Note		
Government of Pakistan Ijarah Sukuk	6.1	-	54,605,300
Sukuk certificates	6.2	12,376,776	-
Held to maturity			
Commercial papers		-	15,488,180
		<u>12,376,776</u>	<u>70,093,480</u>

- 6.1 Government of Pakistan - Ijarah Sukuks - held-for-trading

Particulars	Profit / mark-up rate	Face Value				Carrying amount as at March 31, 2014	Market value as at March 31, 2014	Unrealised gain / (loss) on revaluation	Net assets on the basis of market value	Total investment on the basis of market value
		As at July 01, 2013	Purchased during the period	Sold / matured during the period	As at March 31, 2014					
----- (Rupees) -----										
GOP Ijara Sukuk - VII	-	33,500,000	-	33,500,000	-	-	-	-	-	-
GOP Ijara Sukuk - VIII	-	3,000,000	-	3,000,000	-	-	-	-	-	-
GOP Ijara Sukuk - IX	-	15,000,000	-	15,000,000	-	-	-	-	-	-
GOP Ijara Sukuk - X	-	3,000,000	-	3,000,000	-	-	-	-	-	-
		<u>54,500,000</u>	<u>-</u>	<u>54,500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

6.2 Sukuk certificates - held-for-trading

Particulars	Profit / mark-up rate	Face Value			Carrying amount as at March 31, 2014	Market value as at March 31, 2014	Unrealised gain / (loss) on revaluation	% of net assets on the basis of market value	% of total investment on the basis of market value	
		As at July 01, 2013	Purchased during the period	Sold / matured during the period						As at March 31, 2014
------(Rupees)-----										
WAPDA-III	10.55%	-	2,400	-	2,400	12,000,000	12,376,776	376,776	11.96%	100.00%
		-	2,400	-	2,400	12,000,000	12,376,776	376,776	11.96%	100.00%

March 31,
2014
(Un-audited)
 Note ----- (Rupees) -----

7. PAYABLE TO MANAGEMENT COMPANY

Remuneration payable to the Management Company	131,088	136,449
Sales tax on management fee	43,345	23,813
Federal excise duty payable on management fees	7.1 194,606	12,386
	369,039	172,648

7.1 The Management Company is entitled to remuneration for services rendered to the Fund under the provisions of the NBFC Regulations, of an amount not exceeding 3% per annum of the average daily net assets of the Fund during first five years of the Fund's existence and thereafter an amount equal to 2% per annum of such assets of the Fund. Currently, the management fee is charged @ 1.5% (June 30, 2012: 1.5%) of the average daily net assets of the Fund.

8. ACCRUED AND OTHER LIABILITIES

	March 31, 2014 (Un-audited)	June 30, 2013 (Audited)
	----- (Rupees) -----	
Dividend payable to unit holders	-	-
Brokerage payable	-	4,000
Auditors' remuneration	265,432	280,500
Stability Rating fee payable	119,462	125,000
Printing charges payable	83,778	55,000
Withholding tax payable	-	-
Worker welfare fund	8.1 86,311	-
	554,983	464,500

8.1 PROVISION FOR WORKERS' WELFARE FUND

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

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

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

However as a matter of abundant caution, with effect from July 01, 2013, the fund has commenced making provision in respect of contribution to WWF prospectively. Accordingly, a provision for WWF amounting to RS. 0.086 million has been made in these financial statements

The aggregate unrecognised amount of WWF upto June 30, 2013 amounted to Rs. 2.247 million. As per the Share Purchase Agreement (SPA) signed by IGI Investment Bank Limited (the Bank) and Alfalah GHP Investment Management Limited (AGIML), the Bank has agreed to indemnify AGIML against unrecognised WWF contribution exposure in the Fund upto June 30, 2013.

9. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at 31 March, 2014.

10. TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

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.

10.1 Unit Holders' Fund

	Nine months period ended 31 March 2014 (Un audited)									
	As at July 01, 2013	Issued for cash / conversion in / transfer in	Bonus	Redeemed / conversion out / transfer out	As at March 31, 2014	As at July 01, 2013	Issued for cash / conversion in / transfer in	Bonus	Redeemed / conversion out / transfer out	Net asset value as at March 31, 2014
	Units					(Rupees)				
Associated Companies / Undertakings										
Alfalah GHP Investment Management Ltd	-	39,595	-	-	39,595	-	4,000,000	-	-	4,047,488
Key Management Personnel - Management Company Employees										
Employees	24,870	13,552	568	38,990	-	2,545,251	1,365,000	57,046	3,921,645	-
Unit holder holding 10% or more units										
Gurmani Foundation	984,661	-	43,311	98,915	929,057	100,772,373	-	4,345,574	10,000,000	94,970,250

Nine months period ended 31 March 2013 (Un audited)

	As at July 01, 2012	Issued for cash / conversion in / transfer in	Bonus	Redeemed/ conversion out / transfer out	As at March 31, 2013	As at July 01, 2012	Issued for cash / conversion in / transfer in	Bonus	Redeemed / conversion out / transfer out	Net asset value as at March 31, 2013
	----- Units -----					----- (Rupees) -----				
Connected persons										
Gurmani Foundation	1,103,216	-	79,181	148,158	1,034,239	113,060,235	-	7,961,493	15,000,000	104,268,253
Key Management Personnel - Management Company										
Employees	9,895	24,563	745	10,333	24,870	1,014,025	2,500,000	74,946	1,055,795	2,507,304
Unit holder holding 10% or more units										
Hamdard Laboratories Waqf Pakistan	241,835	-	18,128	-	259,963	24,783,838	-	1,822,889	-	26,208,534

Quarter ended 31 March 2014

	As at January 01, 2014	Issued for cash / conversion in / transfer in	Bonus	Redeemed/ conversion out / transfer out	As at March 31, 2014	As at January 01, 2014	Issued for cash / conversion in / transfer in	Bonus	Redeemed / conversion out / transfer out	NAV as at March 31, 2014
	----- Units -----					----- (Rupees) -----				
Associated Companies / Undertakings										
Alfalah GHP Investment Management Ltd	-	39,595	-	-	39,595	-	4,000,000	-	-	4,047,488
Key Management Personnel - Management Company										
Employees	3,036	-	-	3,036	-	305,089	-	-	305,850	-
Unit holder holding 10% or more units										
Gurmani Foundation	929,057	-	-	-	929,057	93,361,217	-	-	-	94,970,250

Quarter ended 31 March 2013

	As at January 01, 2013	Issued for cash / conversion in / transfer in	Bonus	Redeemed/ conversion out / transfer out	As at March 31, 2013	As at January 01, 2011	Issued for cash / conversion in / transfer in	Bonus	Redeemed / conversion out / transfer out	NAV as at March 31, 2013
	----- Units -----					----- (Rupees) -----				
Associated Companies / Undertakings										
Gurmani Foundation	1,070,876	-	12,766	49,404	1,034,239	107,868,822	-	1,285,932	5,000,000	104,268,253
Key Management Personnel - Management Company										
Employees	-	24,563	307	-	24,870	-	2,500,000	30,922	-	2,507,304
Unit holder holding 10% or more units										
Hamdard Laboratories Waqf Pakistan	256,755	-	3,209	-	259,964	25,862,773	-	323,229	-	26,208,635

	Nine months period ended		Quarter ended	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
	----- (Rupees) -----			
10.2 Other transactions				
Associated Companies / Undertakings				
<i>Alfalah GHP Investment Management Limited - Management Company</i>				
Remuneration of the Management Company	<u>1,138,898</u>	-	<u>374,858</u>	-
Sales tax on management fee	<u>211,391</u>	-	<u>69,580</u>	-
Federal excise duty on management fee	<u>182,220</u>	-	<u>59,972</u>	-
Sales load	<u>1,370</u>	-	-	-
<i>IGI Funds Limited - Management Company</i>				
Remuneration of the Management Company	-	2,169,984	-	632,136
Sales tax on management fee	-	347,192	-	101,143
Sales load	-	13,416	-	-
Other Related Parties				
<i>Central Depository Company of Pakistan Limited</i>				
Trustee fee	<u>129,087</u>	<u>449,086</u>	<u>42,491</u>	<u>147,510</u>

	March 31, 2014	June 30, 2013
	(Un-audited)	(Audited)
	----- (Rupees) -----	
10.3 Other balances		
Associated Companies / Undertakings		
<i>Alfalah GHP Investment Management Limited - Management Company</i>		
Remuneration payable to the management company	<u>131,088</u>	-
Sales tax on management fee payable	<u>43,345</u>	-
Federal excise duty on management fee	<u>194,606</u>	-
<i>IGI Funds Limited - Management Company</i>		
Remuneration payable to the management company	-	136,449
Sales tax on management fee payable	-	23,813
Federal excise duty on management fee	-	12,386
Other Related Parties		
<i>Central Depository Company of Pakistan Limited</i>		
Trustee fee payable	<u>14,865</u>	<u>49,177</u>

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 realised or unrealised is distributed amongst the unit holders. The Management Company intends to distribute not less than 90% of its annual accounting income, if any, to comply with the above clause at year end. Accordingly, no provision for current and deferred tax has been made in these financial statements.

12. GENERAL

Figures have been rounded off to the nearest rupee.

13. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial statements was authorised for issue by Board of Directors of the Management Company on 24th April, 2014.

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

Chief Executive Officer

Director