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## Mission ]

Our vision will be realized through;

### Customers

Being the preferred provider of Investment solutions through innovative products and service concepts

### Shareholders

Consistently delivering above market average return on capital

### Employees

Providing the environment necessary to be the employer of choice

### Community

Compliance with the highest ethical and moral standards

## Vision ]

IGI Funds Limited is committed to being one of the leading providers of investment and fund management solutions in Pakistan.

## Values ]

### Integrity

Our foremost standard of conduct

### Professionalism

The essence of our business

### Focus on Growth

For all our stakeholders

## Funds Manager's Information ]

### Management Company

IGI Funds Limited

### Head Office

7th Floor, The Forum, Suite # 701-703, G-20,  
Khayaban-e-Jami, Block-9, Clifton, Karachi-75600,  
Pakistan  
Tel: (92-21) 111-367-444  
Fax: (92-21) 5301729  
Email: info@igifunds.com.pk  
Website: www.igifunds.com.pk

### Board of Directors of the Management Company

Mr. Javed Hamid (Chairman)  
Syed Javed Hassan (Chief Executive Officer)  
Mr. Khalid Yacob  
Mr. Ahmed Alman Aslam  
Mr. Abid Naqvi  
Mr. Adi J. Cawasji  
Syed Wahab Mehdi

### Chief Financial Officer

Syed Muhammad Zeeshan

### Company Secretary

Mr. Akbar Ali Tijani

### Audit Committee

Mr. Khalid Yacob (Chairman)  
Mr. Abid Naqvi (Member)  
Mr. Adi J. Cawasji (Member)

## [ Fund's Information ]

### **Trustee**

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block B, S.M.C.H.S  
Main Shahra-e-Faisal, Karachi-74400 Pakistan

### **Distributors**

Al - Habib Capital Markets (Pvt.) Ltd.  
Allied Bank Limited  
Alfalah Securities (Pvt.) Ltd.  
Atlas Capital Markets (Pvt.) Ltd.  
BMA Capital Management Ltd.  
Bulls and Bulls  
Foundation Securities (Pvt) Ltd.  
IGI Investment Bank Limited  
Invest Capital and securities (Pvt.) Ltd.  
JS Global Capital Limited  
KASB Securities  
Mybank Limited  
National Clearing Company of Pakistan Limited  
Pak Oman Investement  
Pyramid Financial Consultant (Pvt.) Ltd.  
Siza Commodites (Pvt.) Ltd.  
Mr. Khurram Shehzad Hashmi  
Mr. Zulfiqar Lodhi  
Mr. Rizwan Ahmed  
Mr. Salman Najeeb  
Vector Consulting (Pvt) Ltd.

### **Auditors**

KPMG Taseer Hadi & Co.  
Chartered Accountants  
1st Floor, Sheikh Sultan Trust Building - 2, Beaumont Road, Karachi

### **Legal Advisor**

Hassan & Hassan (Advocates)  
PAAF Building, 7D Kashmir Egerton Road, Lahore.

### **Bankers**

Allied Bank Limited  
Atlas Bank Limited  
Bank Alfalah Limited  
Bank Al-Habib Limited  
Bank of Punjab  
Bank of Khyber  
Samba Bank Limited  
JS Bank Limited  
KASB Bank Limited  
MCB Bank Limited  
My Bank Limited  
NIB Bank Limited

## IGI Income Fund Directors' Report ]

*To our valued Unit Holders,*

The Board of Directors of IGI Funds Limited is pleased to present you the financial statements of the IGI Income Fund (the "Fund") for the nine months period ended 31 March 2009.

### **Economic Review**

The current quarter-end (3QFY09) was seen as a life saver for the country over all. Pakistan's default risk on foreign obligation was greatly reduced on one hand, and foreign exchange reserve adequacy ratio advanced on the other. IMF's stand-by-agreement (SBA) disbursed the second tranche at the period-end of the quarter under review. This has paved way for other promised aids to follow, as the country failed to fall prey to the defaulting financial markets globally. Currently the country has healthy PkR 11bn foreign reserves under its belt.

The State Bank of Pakistan (SBP) is likely to resist cuts in discount rate in the Monetary Policy in April '09, or at most a fractional cut may be visible. The fight is on to curtail the inflationary pressure largely prevalent, as previously, government budgetary borrowing fueled large part of the periodic inflation. IMF is strict on government borrowing to be met through means other than the central bank. This has helped lower inflation other than commodity prices falling.

## [ IGI Income Fund Directors' Report ]

The country's ability and strength to weather the storm so far, has helped contribute to stability of the country. However, greater effect of the inflation would not materialize unless lower prices are passed on to the final consumer.

KIBOR rates have lowered significantly from the start of the fiscal year. Deeper discounts were built in by market players, as excess liquidity provided lesser options to invest. In the wake of financial crisis worldwide, banks halted extending financing lines to NBFIs, resulting in counters defaulting their commitments. Banks with large paid-up capitals and relatively higher rating have drawn funds from the market at lower yields. Lenders are more worried about their capital being secured, rather than recovery from defaulting counters.

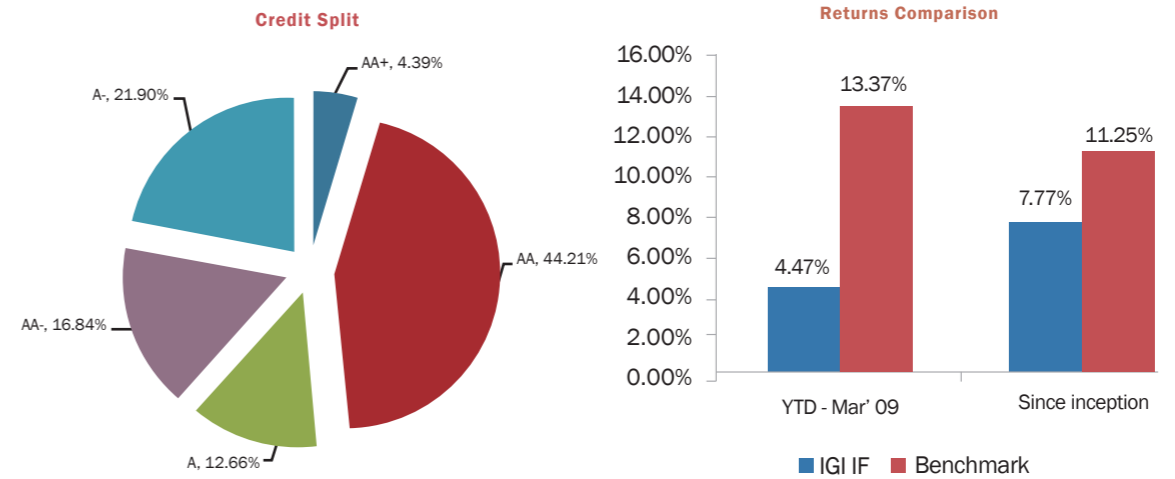
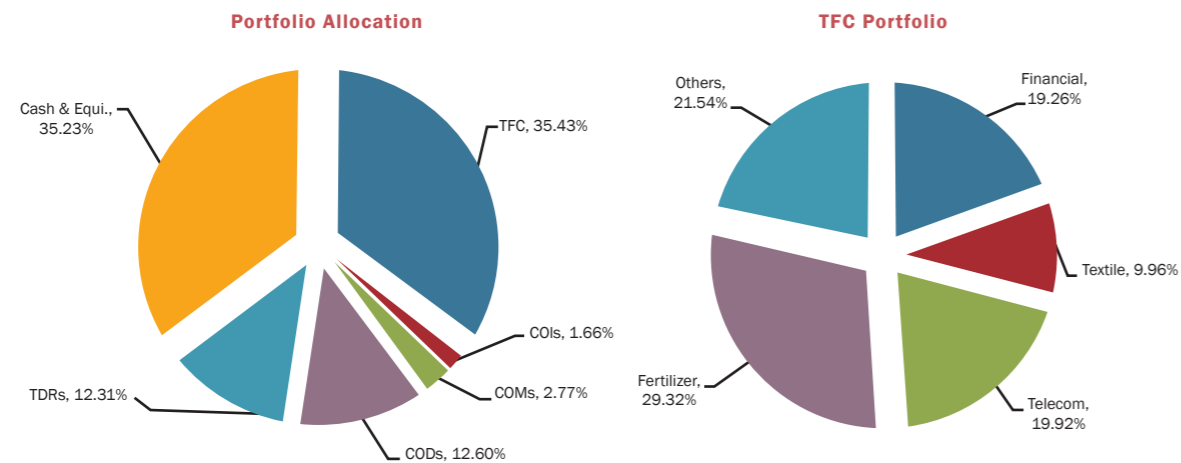
Few income funds recovered their par prices during the period under review. Transformation of prices being set by MUFAP from SECP previously, helped regulate the system on per issue basis. The entity, TFC ratings were determined along with the volumetric trades. Each issue was bifurcated between traded and non-traded, to normalize pricing. However, there are many income funds still suffering below their par values because of the forced discounting of TFCs in November 2008 under SECP circular # 26 dated 05 November 2008.

### Fund Operations and Performance

During the third quarter, the net assets value of the fund increased by Rs. 3.83 per unit from Rs. 99.59 per unit (as on 31 December 2008) to Rs. 103.42 per unit (as on 31 March 2009).

Your Fund's strategy to keep more than one-third of the portfolio in liquid form helped the Fund search for placement avenues, while few competitors remained cash starved. The Fund continued to perform well with consistent returns and has been able to generate positive month-to-date and year-to-date yields.

The graphical illustration and key financial data showing portfolio allocation and performance of the Fund is given below;



(Rupees in millions)

Description	For the nine months period ended 31 March 2009	For the nine months period ended 31 March 2008
Net Assets	1,634.79	4,045.29
Net Income/ (Loss)	51.19	279.52
Net Assets Value per Unit (Rs.)	103.42	107.46
Issuance of units during the period	2,568.80	6,513.25
Redemption of units during the period	4,607.47	4,349.20

### Future Outlook

In the midst of complexities, the only thing that is clear at this point in time is downward revision of interest rates. The GDP growth expected as low as 2.5% for FY09, and a laggard growth projected for the next year is going to keep things on a very slow pace.

Therefore placements in safe counters (ratings AA and above) for long periods would be the alternative after the government bonds and T-Bills. The big four banks are likely to attract more deposits, until the economic slowdown is settled. Yields are expected to settle, and therefore windfall profits would be short lived.

### 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

Syed Javed Hassan  
Chief Executive Officer  
23 April 2009

# IGI Income Fund

## Condensed Interim Statement of Assets and Liabilities (Unaudited)

As at 31 March 2009

		31 March 2009 (Unaudited)	30 June 2008 (Audited)
<b>Assets</b>			
Bank balances	5	602,749,477	780,195,202
Investments	6	1,108,346,070	2,841,782,069
Deferred formation cost		2,183,256	2,724,406
Security deposits		2,600,000	3,600,000
Prepayments and other receivables		34,677,983	58,510,106
<b>Total assets</b>		<b>1,750,556,786</b>	<b>3,686,811,783</b>
<b>Liabilities</b>			
Payable on redemption of units		111,678,999	11,057,748
Payable to the Management Company		1,603,786	3,303,992
Remuneration payable to the Trustee		213,245	357,626
Annual fee payable to Securities and Exchange Commission of Pakistan		1,471,571	3,086,134
Accrued and other liabilities		796,791	835,226
<b>Total liabilities</b>		<b>115,764,392</b>	<b>18,640,726</b>
<b>Net assets attributable to unitholders</b>	Rupees	<b>1,634,792,394</b>	<b>3,668,171,057</b>
<b>Unit holders' funds</b>	Rupees	<b>1,634,792,394</b>	<b>3,668,171,057</b>
<b>Number of units in issue</b>	Number	<b>15,807,365</b>	<b>35,705,994</b>
<b>Net assets value per unit</b>	Rupees	<b>103.42</b>	<b>102.73</b>

The annexed notes from 1 to 11 an integral part of this condensed interim financial information.

For IGI Funds Limited  
(Management Company)

Chief Executive

Director

# IGI Income Fund

## Condensed Interim Income Statement (Unaudited)

For the nine months period ended 31 March 2009

	Note	Nine months period ended		Quarter ended	
		31 March 2009	31 March 2008	31 March 2009	31 March 2008
<b>INCOME</b>					
Financial income	7	233,868,469	229,189,716	53,112,456	86,477,151
Income from equity securities		-	1,143,863	-	635,967
Capital (loss) / gain on sale of term finance certificates		(19,034,696)	579,956	(15,393,880)	222,500
Net unrealised (diminution) / appreciation in fair value of investments classified as 'at fair value through profit or loss - held for trading'		(46,833,624)	6,652,430	49,309,518	4,569,153
Impairment loss in respect of investments classified as 'available for sale'		-	-	3,546,667	-
Provision for doubtful debts in respect of investments classified as 'held to maturity'		(29,900,000)	-	(29,900,000)	-
Element of income and capital gains included in prices of units sold less those in units redeemed - net		(48,728,007)	75,860,081	8,383,291	60,102,202
<b>Total income</b>		<b>89,372,142</b>	<b>313,426,046</b>	<b>69,058,052</b>	<b>152,006,973</b>
<b>EXPENSES</b>					
Remuneration to the Management Company		19,951,497	26,971,551	4,219,709	10,344,783
Remuneration to the Trustee		2,335,545	2,909,190	584,174	1,076,255
Annual fee to the Securities and Exchange Commission of Pakistan		1,471,571	2,157,715	213,029	827,581
Brokerage expense and capital value tax		214,185	1,054,563	26,218	388,401
Bank and settlement charges		61,241	79,251	21,300	23,152
Amortization of deferred formation cost		541,150	543,125	177,750	179,725
Auditors' remuneration		230,468	72,962	104,428	16,198
National Clearing Company of Pakistan Limited charges		756,625	51,380	246,600	24,249
Mark-up on Credit Finance Facility		12,432,213	-	3,771,207	-
Other expenses		191,509	65,000	67,221	65,000
<b>Total expenses</b>		<b>38,186,004</b>	<b>33,904,737</b>	<b>9,431,636</b>	<b>12,945,344</b>
<b>Income for the period</b>	Rupees	<b>51,186,138</b>	<b>279,521,309</b>	<b>59,626,416</b>	<b>139,061,629</b>

The annexed notes from 1 to 11 an integral part of this condensed interim financial information.

For IGI Funds Limited  
(Management Company)

Chief Executive

Director

# IGI Income Fund

Condensed Interim Distribution Statement (Unaudited)

For the nine months period ended 31 March 2009

	Nine months period ended		Quarter ended	
	31 March 2009	31 March 2008	31 March 2009	31 March 2008
<b>Undistributed income brought forward at the beginning of the period</b>	<b>97,477,364</b>	32,980,379	<b>(5,583,799)</b>	141,449,080
Income for the period	<b>51,186,138</b>	279,521,309	<b>59,626,416</b>	139,061,629
Final distribution of bonus @ 1.95 units for every 100 units held, for the year ended 30 June 2007, approved on: 3 July 2007	-	(31,990,979)	-	-
Final distribution (bonus units at the rate Rs. 2.65) for the year ended 30 June 2008, approved on: 3 July 2008 *	<b>(94,620,885)</b>	-	-	-
<b>Undistributed (loss) / income carried forward</b>	<b>54,042,617</b>	280,510,709	<b>54,042,617</b>	280,510,709

\* It includes distribution paid in cash, amounting to Rs. 35,236,215.

The annexed notes from 1 to 11 an integral part of this condensed interim financial information.

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

Chief Executive

Director

# IGI Income Fund

Condensed Interim Statement of Movement in Unit Holders' Fund (Unaudited)

For the nine months period ended 31 March 2009

	Nine months period ended		Quarter ended	
	31 March 2009	31 March 2008	31 March 2009	31 March 2008
Net assets at beginning of the period	<b>3,668,171,057</b>	1,677,576,006	-	-
Amount realised on issuance of 24,566,269 units (2008: 63,121,471 units) and 10,275,399 units (2008: 14,185,122) for nine months and quarter respectively	<b>2,509,412,759</b>	6,513,245,513	<b>1,054,096,459</b>	1,512,774,600
Issuance of 593,372 bonus units (2008: No units) and no units (2008: No units) for nine months and quarter respectively	<b>59,384,670</b>	-	-	-
Amount paid / payable on redemption of 45,058,267 units (2008: 41,915,711 units) and 8,087,053 units (2008: 5,172,298 units) for nine months and quarter respectively	<b>(4,607,469,352)</b>	(4,349,195,336)	<b>(826,851,540)</b>	(551,330,238)
	<b>1,629,499,134</b>	3,841,626,183	<b>227,244,919</b>	961,444,362
Element of income and capital loss / (gain) included in prices of units sold less those in units redeemed - net	<b>48,728,007</b>	(75,860,081)	<b>(8,383,291)</b>	(60,102,202)
Net unrealised diminution in fair value of investments classified as 'available for sale'	-	-	<b>3,546,667</b>	-
Impairment recognised through income statement	-	-	<b>(3,546,667)</b>	-
Net income before capital loss - realised and unrealised	<b>146,954,458</b>	272,288,923	<b>55,610,778</b>	134,269,976
Net capital (loss) / gain on sale of investments	<b>(19,034,696)</b>	579,956	<b>(15,393,880)</b>	222,500
Provision for doubtful debts in respect of investments classified as 'held to maturity'	<b>(29,900,000)</b>	-	<b>(29,900,000)</b>	-
Net unrealised (diminution) / appreciation in fair value of investments classified as 'at fair value through profit or loss - held for trading'	<b>(46,833,624)</b>	6,652,430	<b>49,309,518</b>	4,569,153
<b>Income for the period</b>	<b>51,186,138</b>	279,521,309	<b>59,626,416</b>	139,061,629
Final distributions made during the period	<b>(94,620,885)</b>	-	-	-
(Loss) / income less distributions for the period	<b>(43,434,747)</b>	279,521,309	<b>59,626,416</b>	139,061,629
<b>Net assets at end of the period</b>	<b>1,634,792,394</b>	4,045,287,411	<b>278,488,044</b>	1,040,403,789
<b>Net assets value per unit at the end of the period</b>	<b>103.42</b>	107.46	<b>103.42</b>	107.46

The annexed notes from 1 to 11 an integral part of this condensed interim financial information.

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

Chief Executive

Director

# IGI Income Fund

Condensed Interim Cash Flow Statement (Unaudited)

For the nine months period ended 31 March 2009

Note	Nine months period ended		Quarter ended	
	31 March 2009	31 March 2008	31 March 2009	31 March 2008
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Income for the period	51,186,138	279,521,309	59,626,416	139,061,629
<b>Adjustment for:</b>				
Income from equity securities	-	(1,143,863)	-	(635,967)
Loss / (gain) on sale of term finance certificates	19,034,696	(579,956)	15,393,880	(222,500)
Net unrealised diminution / (appreciation) in fair value of investments classified as 'at fair value through profit or loss- held for trading'	46,833,624	(6,652,430)	(49,309,518)	(4,569,153)
Impairment loss in respect of available for sale investments	-	-	(3,546,667)	-
Provision for doubtful debts in respect of investments classified as 'held to maturity'	29,900,000	-	29,900,000	-
Deferred formation cost	541,150	543,125	177,750	179,725
Element of income and capital gains included in prices of units sold less those in units redeemed	48,728,007	(75,860,081)	(8,383,291)	(60,102,202)
<b>Cash flows from operations before working capital changes</b>	<b>196,223,615</b>	<b>195,828,104</b>	<b>43,858,570</b>	<b>73,711,532</b>
<b>(Increase) / decrease in assets</b>				
Balance receivable against continuous funding system	-	(55,627,645)	-	(101,613,075)
Investments - net	1,400,448,771	(2,386,216,040)	14,476,938	(1,463,012,583)
Receivable against interest / mark-up	(8,471,073)	(43,134,532)	(486,397)	(28,495,308)
Receivable against sale of securities	31,560,025	(82,077,042)	-	(80,889,865)
Deposits prepayments and other receivables	1,743,172	(3,468,114)	1,239,013	(828,422)
<b>Increase / (decrease) in liabilities</b>				
Payable to the Management Company	(1,700,206)	(2,449,795)	87,109	903,994
Remuneration payable to the Trustee	(144,381)	185,876	6,973	72,312
Annual fee to the Securities and Exchange Commission of Pakistan	(1,614,563)	1,856,125	(2,873,105)	827,581
Accrued and other liabilities	(38,435)	249,996	372,394	37,572
<b>Net cash flows from operating activities</b>	<b>1,618,006,925</b>	<b>(2,374,853,067)</b>	<b>56,681,495</b>	<b>(1,599,286,262)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Amounts received on issue of units	2,509,412,759	6,513,245,513	1,054,096,459	1,512,774,600
Payment against redemption of units	(4,506,848,101)	(4,159,164,170)	(734,371,689)	(365,483,634)
Distribution paid	(35,236,215)	-	-	-
	(2,032,671,557)	2,354,081,343	319,724,770	1,147,290,966
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(414,664,632)</b>	<b>(20,771,724)</b>	<b>376,406,265</b>	<b>(451,995,296)</b>
Cash and cash equivalents at beginning of the period	1,228,086,058	660,976,087	437,015,161	1,092,199,659
Cash and cash equivalents at end of the period 8 Rupees	813,421,426	640,204,363	813,421,426	640,204,363

The annexed notes from 1 to 11 an integral part of this condensed interim financial information.

For IGI Funds Limited  
(Management Company)

Chief Executive

Director

# IGI Income Fund

Notes to the Condensed Interim Financial Information (Unaudited)

For the nine months period ended 31 March 2009

## 1. LEGAL STATUS AND NATURE OF BUSINESS

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

The Fund invests primarily in fixed-rate securities and other avenues of investment, which include corporate debt securities, certificates of investments, certificates of musharika, commercial papers, letter of placement, term deposit receipts, spread transactions, reverse repurchase agreements and transactions under continuous funding system.

## 2. BASIS OF PRESENTATION

### 2.1 Statement of compliance

These condensed interim financial statements ("interim financial information") are unaudited and 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. This condensed interim financial information do not include all of the information and disclosures required in the financial statements, and should be read in conjunction with the Fund's annual financial statements for the period ended 30 June 2008.

2.2 This condensed interim financial information is being submitted to the unit holders as required by listing regulations of Lahore Stock Exchanges and rule 38(g) of the Non Banking Finance Companies and Notified Entities Regulations, 2008

## 3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements of the Fund for the year ended 30 June 2008.

### 3.1 Accounting estimates and judgments

The preparation of condensed interim financial information requires management 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.

In preparing this condensed interim financial information, significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended 30 June 2008.

## 4. FINANCIAL RISK MANAGEMENT

The Fund's financial risk management objectives and policies are consistent with that disclosed in the financial statements as at and for the period ended 30 June 2008.

# IGI Income Fund

Notes to the Condensed Interim Financial Information (Unaudited)

For the nine months period ended 31 March 2009

## 5. BANK BALANCES - local currency

		31 March 2009	30 June 2008
Deposit account	5.1	602,749,477	780,186,102
Current account		-	9,100
		<b>602,749,477</b>	<b>780,195,202</b>

5.1 These saving accounts carry profit rates ranging from 5.00% to 14.00 % (2008: 11.60 % to 15.00 %) per annum.

## 6. INVESTMENTS

### Financial asset at fair value through profit and loss- Held for trading

Term Finance Certificates	6.1	606,280,758	767,481,584
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### Available-for-sale

Application money for subscription of Term Finance Certificates	6.2	-	47,733,333
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### Held to maturity

Commercial papers	6.3	-	48,978,438
Certificates of investment	6.4	28,414,245	282,464,995
Certificates of musharika	6.5	47,454,204	435,442,059
Certificates of deposits	6.6	215,524,914	-
Term deposits	6.7	210,671,949	1,259,681,660
		<b>502,065,312</b>	<b>2,026,567,152</b>
		<b>1,108,346,070</b>	<b>2,841,782,069</b>

### 6.1 Term finance certificates

Name of the investee company	Profit / mark-up rate	As at 01 July 2008	Purchased/ issued during the period	Sold / matured during the period	As at 31 March 2009	Pledged as collateral 6.1.1	Market value (carrying value after revaluation)	Percentage of total investments on the basis of market value	Percentage of net assets on the basis of market value
<b>Quoted investments</b>									
<b>Commercial Bank</b>									
Bank Alfalah Limited	17.14%	2,000	-	2,000	-	-	-	-	-
Faysal Bank Limited	17.16%	552	-	552	-	-	-	-	-
NIB Bank Limited	11.46%	10,440	-	10,440	-	-	-	-	-
United Bank Limited - III	15.18%	3,000	-	-	3,000	3,000	13,780,985	1.24%	0.84%
<b>Fertilizer</b>									
Engro Chemicals Pakistan Limited	17.22%	12,281	-	5,500	6,781	6,281	33,213,609	3.00%	2.03%
Pakarab Fertilizers Limited	11.83%	1,724	-	1,724	-	-	-	-	-
<b>Leasing</b>									
Orix Leasing Pakistan Limited II	17.14%	3,000	-	-	3,000	3,000	15,208,414	1.37%	0.93%
Saudi Pak Leasing Co. Limited	15.40%	5,000	-	5,000	-	-	-	-	-
<b>Technology and Communication</b>									
Pakistan Mobile Communication Limited	16.25%	-	12,000	6,000	6,000	-	27,930,000	2.52%	1.71%
<b>Miscellaneous</b>									
Pace Pakistan Limited	15.78%	10,000	-	-	10,000	10,000	48,000,792	4.33%	2.94%

# IGI Income Fund

Notes to the Condensed Interim Financial Information (Unaudited)

For the nine months period ended 31 March 2009

Name of the investee company	Profit / mark-up rate	As at 01 July 2008	Purchased/ issued during the period	Sold / matured during the period	As at 31 March 2009	Pledged as collateral 6.1.1	Market value (carrying value after revaluation)	Percentage of total investments on the basis of market value	Percentage of net assets on the basis of market value
<b>Unquoted investments</b>									
<b>Cement</b>									
Maple Leaf Cement Factory Limited - SUKUK	17.37%	6,000	-	-	6,000	6,000	27,621,000	2.49%	1.69%
<b>Fertilizer</b>									
Engro Chemicals Pakistan Limited I	14.14%	18,400	-	-	18,400	-	80,960,000	7.30%	4.95%
Engro Chemicals Pakistan Limited II	13.69%	4,000	-	-	4,000	-	17,534,000	1.58%	1.07%
Pak American Fertilizers Limited	17.40%	4,000	-	-	4,000	4,000	19,006,394	1.71%	1.16%
Pak American Fertilizers Limited - SUKUK	16.72%	-	10,000	5,000	5,000	5,000	23,500,000	2.12%	1.44%
<b>Investment banks / securities</b>									
First Dawood Investment Bank Limited	11.60%	5,000	-	5,000	-	-	-	-	-
Jahangir Siddiqui & Co. Limited	17.38%	7,000	-	-	7,000	7,000	30,956,415	2.79%	1.89%
<b>Leasing</b>									
Orix Leasing Pakistan Limited	16.77%	250	-	-	250	250	25,025,000	2.26%	1.53%
<b>Modaraba</b>									
Al-Zamin Leasing Modaraba - SUKUK	17.66%	7,000	-	-	7,000	-	32,749,500	2.95%	2.00%
<b>Textile Composite</b>									
Azgard Nine Limited	17.91%	13,000	-	-	13,000	13,000	62,589,454	5.65%	3.83%
<b>Paper and Board</b>									
Century Papers - SUKUK	15.42%	-	5,000	5,000	-	-	-	-	-
<b>Miscellaneous</b>									
Avari Hotels	18.35%	-	3,547	-	3,547	-	14,186,666	1.28%	0.87%
House Building Finance Corp - SUKUK	16.24%	5,000	-	5,000	-	-	-	-	-
KASHF Foundation	17.30%	10,000	4,667	4,667	10,000	-	42,428,529	3.83%	2.60%
Pakistan Mobile Communication Limited	15.82%	20,000	-	-	20,000	20,000	91,590,000	8.26%	5.60%
		<b>147,647</b>	<b>35,214</b>	<b>55,883</b>	<b>126,978</b>	<b>77,531</b>	<b>606,280,758</b>		

6.1.1 These TFCs have been kept under pledge as collateral against credit finance facility obtained from Bank Alfalah Limited during the period.

### 6.2 Application money for subscription of Term Finance Certificates

		31 March 2009	30 June 2008
Avari Hotels Limited	6.2.1	-	17,733,333
Pakistan Mobile Communication Limited	6.2.2	-	30,000,000
	<i>Rupees</i>	<b>-</b>	<b>47,733,333</b>

6.2.1 During the period, 3,547 Term Finance Certificates have been received by the Fund against this application money.

6.2.2 During the period, 6,000 Term Finance Certificates have been received by the Fund against this application money.

### 6.3 Commercial Papers - unsecured

Pak Electron Limited	-	24,901,481
Azgard Nine Limited	-	24,076,957
	<i>Rupees</i>	<b>-</b>
		<b>48,978,438</b>

During the period all commercial papers have been matured and realized.



# IGI Income Fund

Notes to the Condensed Interim Financial Information (Unaudited)

For the nine months period ended 31 March 2009

		31 March 2009	30 June 2008
<b>6.4</b>	<b>Certificates of investment - unsecured</b>		
	First Dawood Investment Bank Limited	-	102,112,562
	Saudi Pak Leasing Company Limited	28,414,245	77,473,919
	Security Leasing Corporation Limited	-	102,878,514
	<i>Rupees</i>	<u>28,414,245</u>	<u>282,464,995</u>

**6.4.1** The above investment include principal amount of Rs 28 million and Rs 0.41 being interest @ 18.00% per annum (June 2008: 10.60% per annum). The deal matured on 2 April 2009. On this date the COI was rolled over for 3 months period up to 2 July 2009 at interest rate of 16%. Subsequent to period end Rs. 3 million was repaid by SPLC in respect of principal outstanding at 31 March 2009. Under this deal Rs. 9 million out of Rs. 25 million is repayable in 3 equal monthly instalments and the remaining principal will be either paid in lump sum or further rolled over at option of the borrower at the maturity date of 2 July 2009.

## 6.5 Certificates of Musharika - unsecured

		31 March 2009	30 June 2008
	Al Zamin Leasing Modaraba	-	154,941,275
	BRR International Modaraba	67,554,204	76,794,542
	Less: Provision for doubtful balance	(20,100,000)	-
		<u>47,454,204</u>	<u>76,794,542</u>
	First Punjab Modaraba	-	128,164,505
	First National Bank Modaraba	-	75,541,737
	<i>Rupees</i>	<u>47,454,204</u>	<u>435,442,059</u>

**6.5.1** This certificate carries mark up rate of 16% (June 2008: 10.65%) per annum and will mature on 13 April 2009 (June 2008: 10 July 2008).

## 6.6 Certificates of Deposits - unsecured

		31 March 2009	30 June 2008
	First Dawood Investment Bank Limited	49,724,920	-
	Less: Provision for doubtful debt	(9,800,000)	-
		<u>39,924,920</u>	<u>-</u>
	IGI Investment Bank Limited	175,599,994	-
	<i>Rupees</i>	<u>215,524,914</u>	<u>-</u>

**6.6.1** The above CoD with FDIBL had matured on 1 January 2009, against which neither the principal amount of Rs 49 million nor interest @ 18% of Rs. 0.7 million were received. Keeping in view the financial difficulties of the borrower and based on the best judgement, the management has decided to make certain provision against such investment. However, the extent of expected loss cannot be determined at this point of time.

**6.6.2** These certificates carries a mark up rate of 13% to 18% (June 2008: Nil) per annum and will mature on 27 April 2009 (June 2008: Nil).

**6.7** Term deposit accounts amounting to Rs.100 million are maintained with Atlas Bank Limited and Saudi Pak Commercial Bank Limited each and will mature on 16 April 2009 and 27 April 2009 respectively (June 2008: 02 July 2008 to 17 September 2009). Profit rates on these accounts are 11% and 13.45% per annum respectively (June 2008: 10.35% to 11.50% per annum).

# IGI Income Fund

Notes to the Condensed Interim Financial Information (Unaudited)

For the nine months period ended 31 March 2009

	Nine months period ended		Quarter ended	
	31 March 2009	31 March 2008	31 March 2009	31 March 2008
<b>7. FINANCIAL INCOME</b>				
Financial income on;				
<b>Financial asset at fair value through profit and loss- Held for trading</b>				
Term finance certificates	80,537,367	36,414,075	27,610,362	18,066,250
<b>Available-for-sale</b>				
Application money for subscription of term finance certificates	3,039,981	-	240,705	-
<b>Held to maturity</b>				
Commercial papers	4,567,827	895,567	790,640	895,567
Certificates of Investment	3,540,748	4,162,724	-	2,767,724
Letter of Placement	3,957,844	-	1,378,848	-
Certificates of Musharika	18,432,345	26,230,434	2,837,210	11,225,347
Certificates of Deposits	5,181,689	-	1,324,922	-
Term Deposits Receipt	55,379,393	91,733,349	5,409,727	33,099,792
	<u>91,059,846</u>	<u>123,022,074</u>	<u>11,741,347</u>	<u>47,988,430</u>
<b>Others</b>				
Bank deposits	59,159,560	64,518,097	13,520,042	18,927,361
Continuous funding system	71,715	5,235,470	-	1,495,110
<i>Rupees</i>	<u>233,868,469</u>	<u>229,189,716</u>	<u>53,112,456</u>	<u>86,477,151</u>
<b>8. CASH AND CASH EQUIVALENTS</b>				
Bank balances	602,749,477	640,204,363	602,749,477	640,204,363
Term deposit receipts maturing within three months	210,671,949	-	210,671,949	-
<i>Rupees</i>	<u>813,421,426</u>	<u>640,204,363</u>	<u>813,421,426</u>	<u>640,204,363</u>
<b>9. TRANSACTIONS AND BALANCES WITH RELATED PARTIES</b>				
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 holding company of the management company and IGI Insurance Limited being the holding company of the holding company of the management company and Packages Limited being the holding company of IGI Insurance Limited.				
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.				
Transactions and balances with related parties other than those disclosed elsewhere are as follows:				



## [ Fund's Information ]

### **Trustee**

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block B, S.M.C.H.S  
Main Shahra-e-Faisal, Karachi-74400 Pakistan

### **Distributors**

Al - Habib Capital Markets (Pvt.) Ltd.  
Allied Bank Limited  
Alfalalah Securities (Pvt.) Ltd.  
Atlas Capital Markets (Pvt.) Ltd.  
BMA Capital Management Ltd.  
Bulls and Bulls  
Foundation Securities (Pvt) Ltd.  
IGI Investment Bank Limited  
Invest Capital and securities (Pvt.) Ltd.  
JS Global Capital Limited  
KASB Securities  
Mybank Limited  
National Clearing Company of Pakistan Limited  
Pak Oman Investment  
Pyramid Financial Consultant (Pvt.) Ltd.  
Siza Commodites (Pvt.) Ltd.  
Mr. Khurram Shehzad Hashmi  
Mr. Zulfiqar Lodhi  
Mr. Rizwan Ahmed  
Mr. Salman Najeeb  
Vector Consulting (Pvt) Ltd.

### **Auditors**

KPMG Taseer Hadi & Co.  
Chartered Accountants  
1st Floor, Sheikh Sultan Trust Building - 2, Beaumont Road, Karachi

### **Legal Advisor**

Hassan & Hassan (Advocates)  
PAAF Building, 7D Kashmir Egerton Road, Lahore.

### **Bankers**

Bank Alfalah Limited

## IGI Stock Fund Directors' Report ]

*To our valued Unit Holders,*

The Board of Directors of IGI Funds Limited is pleased to present you the financial statements of the IGI Stock Fund (the "Fund") for the nine months period ended 31 March 2009.

### **Market Review**

During the period Jan-March 2009, the KSE 100 has appreciated by 17%, outperforming its regional peers (save China) by a significant spread.

Since the removal of the freeze in mid December 2008, the market has steadily recaptured its former glory. During 3QFY09, the foreign quarter has been a net seller of USD 238.9Mn; an amount absorbed by the rising index, with no sharp downturns.

## [ IGI Stock Fund Directors' Report ]

Improvement in economic indicators has been pivotal in restoring investor confidence in the KSE-100. With the second tranche received from the IMF, the Forex reserves rest at a comfortable USD 10.09Bn level in contrast to USD 4Bn in the previous quarter. Comparing inflation figures, average inflation for the period Jul-Feb 2009 was 23.5% (Jul-Feb 2008: 8.9%). This is a significant rise YoY, but it is starting to taper off. CPI for March 2009 has fallen to 19.1% from 21.1% in February 2009. The reason for this decline is the easing off in commodity prices, Oil, the most crucial commodity for all industries, fell from USD 140Bn to below USD 40Bn. During 3QFY09, the prices have risen by 25% from USD 42.40Bn to USD 53Bn, remaining significantly lower than the average of 1HFY09. We expect oil prices to pique to USD 60 - 65Bn for FY09.

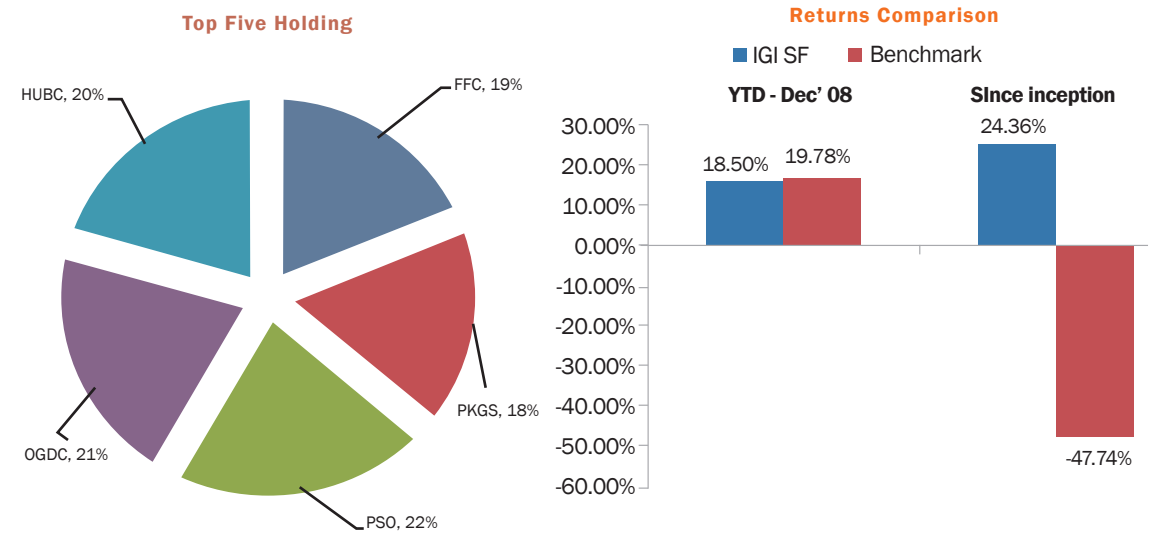
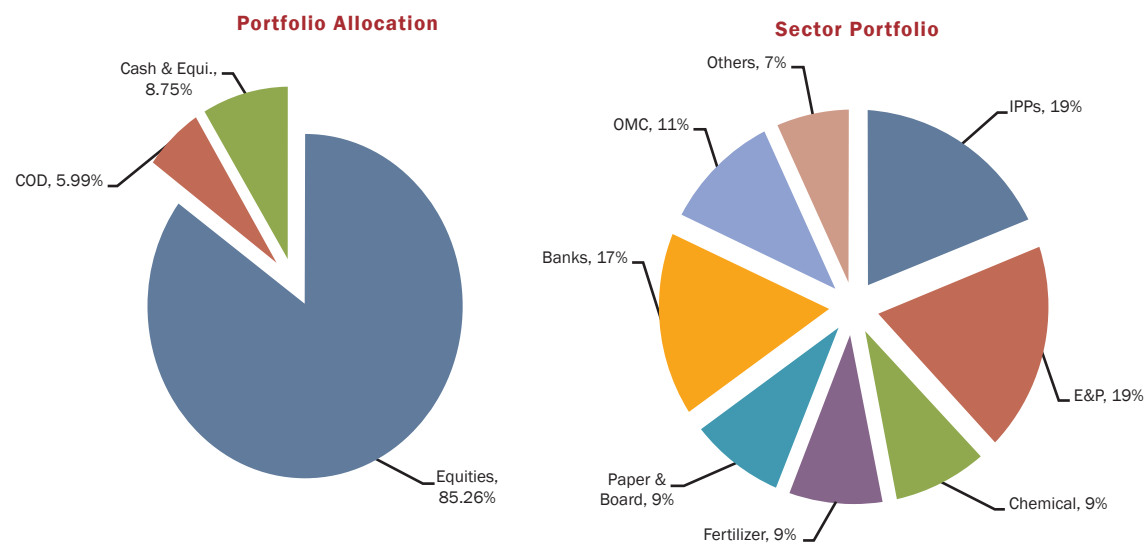
Going forward, the market is expected to attain an index level of 8,500 - 9,000 for the last quarter of FY09. Besides the aforementioned reasons, the interest rate is also easing off in the face of lower inflation. The 6M KIBOR has declined by 283bps during 3QFY09, providing relaxation for highly leveraged companies. In addition, the shrinkage of the CFS Market has prompted cash only transactions. Therefore, the index appreciation is currently neither leveraged nor subject to crashes such as witnessed in the past.

### Fund Operations and Performance

During the third quarter, the net assets value of the fund increased by Rs. 27.73 per unit from Rs.96.63 (as on 31 December 2008) per unit to Rs. 124.36 per unit (as on 31 March 2009). The net assets of the fund increased by Rs. 133.53 million during the period to end at Rs. 214.67 million (June 2008: 100 million).

Your Fund performed very well in light of the rising index level. The Fund yielded a month-to-date return of 18.50% against a benchmark return of 19.78%. On year-to-date basis, the Fund outperformed the index by generating a return of 24.36% vs. a loss of 47.74%.

The graphical illustration and key financial data showing portfolio allocation and performance of the Fund is given below;



(Rupees in millions)

Description	For the nine months period ended 31 March 2009
Net Assets	214.67
Net Income	42.05
Net Assets Value per Unit (Rs.)	124.36
Issuance of units during the period	211.68
Redemption of units during the period	146.51

### Future Outlook

The current index is moving forward with strong support from all sectors. Positive news such as reduction in cyclical debt to IPPs and international interest in national E&P companies for exploration and development in their own countries bodes well for the market.

In addition, slow down in the KIBOR translates into lower financial charges for highly geared companies across all sectors. Talks about raising USD 500mn by issuing Eurobonds, will further instill confidence in the country's economic standing.

Your Fund's strategy is to reflect the benchmark in our portfolio, in order to capitalize on expected gains. We expect the market to continue a steady hike once it settles above the 7,000 psychological index level. We will endeavor to park excess liquid funds in such avenue to provide steady support to NAV appreciation.

### 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

Syed Javed Hassan  
Chief Executive Officer  
23 April 2009

# IGI Stock Fund

Condensed Interim Statement of Assets and Liabilities (Unaudited)

As at 31 March 2009

	Note	31 March 2009 (Unaudited)	30 June 2008 (Audited)
<b>ASSETS</b>			
Bank balances	5	22,121,356	100,000,000
Investments	6	230,813,043	-
Dividend receivable		4,527,875	-
Deferred formation cost		1,110,071	1,285,957
Advance and security deposits		3,600,000	20,000
Prepayments and other receivables		850,331	328,767
<b>Total assets</b>		<b>263,022,676</b>	<b>101,634,724</b>
<b>LIABILITIES</b>			
Payable on redemption of units		45,603,949	-
Payable to the Management Company		2,050,934	1,305,957
Remuneration payable to the Trustee		59,458	-
Annual fee payable to Securities and Exchange Commission of Pakistan		107,738	-
Accrued and other liabilities		529,195	328,767
<b>Total liabilities</b>		<b>48,351,274</b>	<b>1,634,724</b>
<b>Net assets attributable to unit holders</b>	<i>Rupees</i>	<b>214,671,402</b>	<b>100,000,000</b>
<b>Unit holders' funds</b>	<i>Rupees</i>	<b>214,671,402</b>	<b>100,000,000</b>
<b>Number of units in issue</b>	<i>Number</i>	<b>1,726,211</b>	<b>1,000,000</b>
<b>Net assets value per unit</b>	<i>Rupees</i>	<b>124.36</b>	<b>100.00</b>

The annexed notes from 1 to 10 an integral part of this condensed interim financial information.

For IGI Funds Limited  
(Management Company)

Chief Executive

Director

# IGI Stock Fund

Condensed Interim Income Statement (Unaudited)

For the nine months period ended 31 March 2009

	Nine months period ended 31 March 2009	Quarter ended 31 March 2009
<b>INCOME</b>		
Capital gain on sale of equity securities	3,699,463	11,385,464
Interest income on bank and other deposits	7,609,183	1,569,136
Interest income on investments classified as 'held to maturity'	855,137	475,362
Dividend income on equity securities	5,166,510	4,795,900
Net unrealised (diminution) / appreciation in fair value of investments classified as 'at fair value through profit or loss- held for trading'	36,702,423	37,728,310
Element of income and capital gain included in prices of units sold less those in units redeemed - net	(7,448,470)	(8,887,248)
<b>Total income</b>	<b>46,584,246</b>	<b>47,066,924</b>
<b>EXPENSES</b>		
Remuneration to the Management Company	2,219,841	1,044,113
Remuneration to the Trustee	496,762	172,620
Annual fee to the Securities and Exchange Commission of Pakistan	107,738	48,946
Brokerage expense and capital value tax	819,976	680,756
Amortization of deferred formation cost	183,631	63,810
Auditors' remuneration	204,516	84,060
Legal and professional charges	119,484	29,065
Printing and advertisement	372,022	59,310
Bank charges	9,776	4,070
<b>Total expenses</b>	<b>4,533,746</b>	<b>2,186,750</b>
<b>Income for the period</b>	<b>42,050,500</b>	<b>44,880,174</b>

The annexed notes from 1 to 10 an integral part of this condensed interim financial information.

For IGI Funds Limited  
(Management Company)

Chief Executive

Director

# IGI Stock Fund

Condensed Interim Distribution Statement (Unaudited)

For the nine months period ended 31 March 2009

	Nine months period ended 31 March 2009	Quarter ended 31 March 2009
Undistributed income brought forward at the beginning of the period	-	(2,829,674)
Income for the period	<b>42,050,500</b>	44,880,174
<b>Undistributed income carried forward</b>	<b>42,050,500</b>	<u>42,050,500</u>

Rupees

The annexed notes from 1 to 10 an integral part of this condensed interim financial information.

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

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

\_\_\_\_\_  
Director

# IGI Stock Fund

Condensed Interim Statement of Movement in Unit Holders' Fund (Unaudited)

For the nine months period ended 31 March 2009

	Nine months period ended 31 March 2009	Quarter ended 31 March 2009
Net assets at beginning of the period	<b>100,000,000</b>	81,140,414
Amount realized on issuance of 2,011,254 units (quarter ended 31 March 2009: 1,664,457 units)	<b>211,681,826</b>	177,008,371
Amount paid on redemption of 1,285,043 units (quarter ended 31 March 2009: 777,913 units)	<b>(146,509,394)</b>	(97,244,805)
	<b>165,172,432</b>	<u>160,903,980</u>
Element of income and capital gain included in prices of units sold less those in units redeemed - net	<b>7,448,470</b>	8,887,248
Income for the period	<b>42,050,500</b>	44,880,174
<b>Net assets at end of the period</b>	<b>214,671,402</b>	<u>214,671,402</u>

Rupees

The annexed notes from 1 to 10 an integral part of this condensed interim financial information.

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

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

\_\_\_\_\_  
Director

# IGI Stock Fund

Condensed Interim Cash Flow Statement (Unaudited)

For the nine months ended 31 March 2009

Note	Nine months period ended 31 March 2009	Quarter ended 31 March 2009
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income for the period	42,050,500	44,880,174
Adjustment for:		
Deferred formation cost	183,631	63,810
Loss/ (gain) on sale of equity securities	(3,699,463)	(11,385,464)
Net unrealised diminution/ (appreciation) in fair value of investments	(36,702,423)	(37,728,310)
Element of income and capital gains included in prices of units sold less those in units redeemed	7,448,470	8,887,248
<b>Cash flows from operations before working capital changes (Increase) / decrease in assets</b>	<b>9,280,715</b>	<b>4,717,458</b>
Investments - net	(175,261,579)	(162,677,045)
Deferred formation cost	(7,745)	-
Receivables and other deposit	(8,629,439)	(4,543,479)
	<b>(183,898,763)</b>	<b>(167,220,524)</b>
<b>Increase / (decrease) in liabilities</b>		
Payable to the Management Company	744,977	235,094
Remuneration payable to the Trustee	59,458	-
Annual fee to the Securities & Exchange Commission of Pakistan	107,738	48,946
Accrued and other liabilities	200,428	(1,007,140)
	<b>1,112,601</b>	<b>(723,100)</b>
<b>Net cash flows from operating activities</b>	<b>(173,505,447)</b>	<b>(163,226,166)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of units	211,681,826	177,008,371
Payment against redemption of units	(100,905,445)	(51,640,856)
	<b>110,776,381</b>	<b>125,367,515</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(62,729,066)</b>	<b>(37,858,651)</b>
Cash and cash equivalents at beginning of the period	100,000,000	75,129,585
Cash and cash equivalents at end of the period	7 Rupees 37,270,934	37,270,934

The annexed notes from 1 to 10 an integral part of this condensed interim financial information.

For IGI Funds Limited  
(Management Company)

Chief Executive

Director

# IGI Stock Fund

Notes to the Condensed Interim financial information (Unaudited)

For the nine months period ended 31 March 2009

## 1. LEGAL STATUS AND NATURE OF BUSINESS

IGI Stock Fund ("the Fund") has been constituted under Trust Deed dated 10 June 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 Fund has been established under the Rules of business applicable to open ended mutual fund of the Non-Banking Finance Companies. The fund is an open ended fund listed on Lahore Stock Exchange.

The Fund seeks to generate long term capital appreciation and income, from a portfolio that is substantially constituted of equity and equity related securities. The Fund may also invest a certain portion of its corpus in debt and money market securities in order to meet liquidity requirements from time to time.

## 2. BASIS OF PRESENTATION

### 2.1 Statement of compliance

These condensed interim financial statements ("interim financial information") are unaudited and 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.

This condensed interim financial information do not include all of the information and disclosures required in the financial statements, and should be read in conjunction with the Fund's annual financial statements for the period ended 30 June 2008.

This condensed interim financial information is being submitted to the unit holders as required by listing regulations of Lahore Stock Exchanges and rule 38(g) of the Non Banking Finance Companies and Notified Entities Regulations, 2008.

## 3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements of the Fund for the year ended 30 June 2008.

## 4. FINANCIAL RISK MANAGEMENT

The Fund's financial risk management objectives and policies are consistent with that disclosed in the financial statements as at and for the period ended 30 June 2008.

## 5. BANK BALANCES

These represent balance in deposit accounts with banks and carry interest rate of 5% to 12% (30 June 2008: 12%).

# IGI Stock Fund

Notes to the Condensed Interim financial information (Unaudited)

For the nine months period ended 31 March 2009

6. INVESTMENTS		31 March 2009 (Unaudited)	30 June 2008 (Audited)
<b>Financial asset at fair value through profit and loss - held for trading</b>			
<b>Quoted Investments</b>			
Equity Securities	6.1	214,527,865	-
Fair value of financial derivatives on investments classified as 'held for trading'		1,135,600	-
		<b>215,663,465</b>	-
<b>Held to maturity</b>			
Certificate of deposit	6.2	15,149,578	-
	Rupees	<b>230,813,043</b>	-

## 6.1 Equity Securities

Name of security	As at 01 July 2008		Sold during the period	As at 31 March 2009		Carrying amount & Market value as at 31 March 2009 (Rupees)	Percentage of net assets on the basis of market value
	Purchase/ Bonus during the period	(Units)		Purchase/ Bonus during the period	(Units)		
<b>Investment Banks/Cos./Securities</b>							
Jahangir Siddiqui & Company Limited	-	30,000	30,000	-	-	-	0.00%
<b>Commercial Bank</b>							
Bank Al-Falah Limited	-	415,000	15,000	400,000	5,604,000	2.61%	
Bank Al-Habib Limited	-	67,600	67,600	-	-	0.00%	
MCB Bank Limited	-	264,300	208,800	55,500	7,836,600	3.65%	
National Bank of Pakistan	-	170,000	60,000	110,000	9,691,000	4.51%	
NIB Bank Limited	-	302,000	302,000	-	-	0.00%	
United Bank Limited	-	260,000	5,000	255,000	13,089,150	6.10%	
<b>Textile Composite</b>							
Nishat Mills Limited	-	10,000	10,000	-	-	0.00%	
<b>Power Generation &amp; Distribution</b>							
Kot Addu Power	-	553,800	40,000	513,800	18,645,802	8.69%	
The Hub Power Company	-	1,534,500	448,000	1,086,500	22,403,630	10.44%	
<b>Oil &amp; Gas Marketing Companies</b>							
Attock Petroleum Limited	-	8,000	3,000	5,000	1,378,550	0.64%	
Pakistan State Oil	-	159,700	45,500	114,200	22,376,348	10.42%	
<b>Oil &amp; Gas Exploration Companies</b>							
Oil & Gas Development Company Limited	-	514,900	199,900	315,000	22,702,050	10.58%	
Pakistan Oilfields Limited	-	58,000	58,000	-	-	0.00%	
Pakistan Petroleum Limited	-	324,600	223,600	101,000	17,500,270	8.15%	
<b>Technology &amp; Communication</b>							
Pakistan Telecommunication Company Limited	-	975,000	250,000	725,000	12,093,000	5.63%	
<b>Fertilizer</b>							
Engro Chemical Pakistan Limited	-	52,000	52,000	-	-	0.00%	
Fauji Fertilizer Bin Qasim Limited	-	118,000	118,000	-	-	0.00%	
Fauji Fertilizer Company Limited	-	403,125	175,500	227,625	19,785,165	9.22%	
<b>Pharmaceuticals</b>							
Glaxo SmithKline Pakistan	-	119,200	500	118,700	10,758,968	5.01%	
<b>Chemical</b>							
Descon Oxychem Limited	-	460,112	460,112	-	-	0.00%	
ICI Pakistan Limited	-	262,000	160,000	102,000	9,810,360	4.57%	
<b>Paper &amp; Board</b>							
Packages Limited	-	193,300	85,000	108,300	18,745,647	8.73%	
<b>Food &amp; Personal Care Products</b>							
Nestle Pakistan	-	1,700	-	1,700	1,999,030	0.93%	
<b>Miscellaneous</b>							
Tri-Pack Films Limited	-	43,700	40,600	3,100	108,295	0.05%	
		<b>7,300,537</b>	<b>3,058,112</b>	<b>4,242,425</b>	<b>214,527,865</b>		

# IGI Stock Fund

Notes to the Condensed Interim financial information (Unaudited)

For the nine months period ended 31 March 2009

6.1.1 400,000 and 270,000 (30 June 2008: Nil) shares of The Hub Power Company and Kot Addu Power Company respectively, were pledged with National Clearing Company of Pakistan Limited as collateral against exposure margin & MTM losses.

	31 March 2009 (Unaudited)	30 June 2008 (Audited)

## 6.2 Certificate of deposit

IGI Investment Bank Limited - related party 6.2.1 Rupees **15,149,578** -

6.2.1 This certificate carries a mark up rate of 14.00% and was to mature on 06 June 2009. This certificate of deposit has since been encashed on 08 April 2009.

## 7. CASH AND CASH EQUIVALENTS

	Nine months period ended 31 March 2009 (Unaudited)	Quarter ended 31 March 2009
Bank balances	<b>22,121,356</b>	22,121,356
Certificate of deposit maturing within three months	<b>15,149,578</b>	15,149,578
	<b>37,270,934</b>	37,270,934

## 8. 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 holding company of the management company and IGI Insurance Limited being the holding company of the holding company of the management company and Packages Limited being the holding company of IGI Insurance Limited. Tri Pack Films Limited being the associates of IGI Insurance Limited. 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, 2007, and the Trust Deed respectively.

### 8.1 Unit Holders' Fund

Associated Companies / Undertakings	Nine months period ended 31 March 2009								
	As at 01 July 2008	Issued for cash	Redeemed	As at 31 March 2009	As at 1 July 2008	Issued for cash	Redeemed	As at 31 March 2009	NAV as at 31 March 2009
	(Units)			(Rupees)					
IGI Investment Bank Limited	1,000,000	388,791	492,406	896,385	100,000,000	37,768,355	47,832,196	89,936,159	111,474,435
Packages Limited - Employees Provident Fund	50,000	-	-	50,000	5,000,000	-	-	5,000,000	6,218,000



# IGI Stock Fund

Notes to the Condensed Interim financial information (Unaudited)

For the nine months period ended 31 March 2009

	Quarter ended 31 March 2009								
	As at 01 January 2009	Issued for cash	Redeemed	As at 31 March 2009	As at 01 January 2009	Redeemed	As at 31 March 2009	NAV as at 31 March 2009	
	(Units)			(Rupees)					
<b>Associated Companies / Undertakings</b>									
IGI Investment Bank Limited	515,500	380,885	-	896,385	52,958,358	36,977,801	-	89,936,159	111,474,435
Packages Limited - Employees Provident Fund	50,000	-	-	50,000	5,000,000	-	-	5,000,000	6,218,000
								<b>Nine months period ended 31 March 2009</b>	<b>Quarter ended 31 March 2009</b>
<b>8.2 Other transactions</b>								<b>2009</b>	<b>2009</b>
<b>Associated Companies / Undertakings</b>									
<b>IGI Funds Limited - Management Company</b>									
Formation cost paid							Rupees	7,745	-
Management fee							Rupees	2,219,841	1,044,113
Load on units							Rupees	29,802	15,710
Security deposit paid							Rupees	100,000	-
Printing charges paid							Rupees	202,000	-
<b>IGI Investment Bank Limited</b>									
Interest accrued in respect in certificate of deposit							Rupees	855,137	475,362
<b>Other Related Parties</b>									
<b>IGI Finex Securities Limited</b>									
Brokerage / Commission							Rupees	180,839	166,010
Capital value tax							Rupees	21,117	17,547
<b>Central Depository Company of Pakistan Limited</b>									
Trustee fee							Rupees	496,762	172,620
<b>8.3 Other balances</b>								<b>31 March 2009</b>	<b>30 June 2008</b>
<b>Associated Companies / Undertakings</b>								<b>(Unaudited)</b>	<b>(Audited)</b>
<b>IGI Funds Limited - Management Company</b>									
Formation cost payable							Rupees	1,293,702	1,285,957
Initial deposit for bank accounts							Rupees	20,000	20,000
Management fee payable							Rupees	2,021,132	-
Front end load payable							Rupees	29,802	-
Security deposit payable							Rupees	100,000	-
Printing charges payable							Rupees	202,000	-
<b>Other Related Parties</b>									
<b>IGI Finex Securities Limited</b>									
Brokerage/ Commission payable							Rupees	27,630	-
Capital value tax payable							Rupees	1,736	-
<b>Central Depository Company of Pakistan Limited</b>									
Trustee fee payable							Rupees	59,458	-

# IGI Stock Fund

Notes to the Condensed Interim financial information (Unaudited)

For the nine months period ended 31 March 2009

## 9. 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 intentions for the distribution of 90% of the net accounting income other than unrealized capital gains to the unit holders in case the Fund earns net accounting income in the subsequent period.

## 10. DATE OF AUTHORISATION FOR ISSUE

10.1 Figures have been rounded off to the nearest rupee.

10.2 This condensed interim financial information is unaudited. Furthermore, the figures for the three months period ended 31 March 2009 in this condensed interim financial information have not been reviewed by the auditors.

10.3 This condensed interim financial information was authorised for issue by Board of Directors of the Management Company on 23 April 2009.

The annexed notes from 1 to 10 an integral part of this condensed interim financial information.

For IGI Funds Limited  
(Management Company)

Chief Executive

Director