



Atlas Islamic Income Fund

Atlas Islamic Stock Fund

QUARTERLY REPORT

30 September 2016

(UN-AUDITED)



Management Company

Atlas Asset Management

Rated AM2 by PACRA



Vision

To be a market leader in providing quality fund management services with customer satisfaction as our premier goal.

Mission Statement

We are committed to offering our investors the best possible risk adjusted returns on a diverse range of products, providing a stimulating and challenging environment for our employees, and committing to the highest ethical and fiduciary standards. We firmly believe that by placing the best interests of our clients first, we will also serve the best interest of our employees, our shareholders and the communities in which we operate.

CONTENTS

ORGANISATION	2
CHAIRMAN'S REVIEW	3

ATLAS ISLAMIC INCOME FUND

CORPORATE INFORMATION	5
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES	6
CONDENSED INTERIM INCOME STATEMENT	7
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME	8
CONDENSED INTERIM DISTRIBUTION STATEMENT	9
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND	10
CONDENSED INTERIM CASH FLOW STATEMENT	11
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS	12

ATLAS ISLAMIC STOCK FUND

CORPORATE INFORMATION	19
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES	20
CONDENSED INTERIM INCOME STATEMENT	21
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME	22
CONDENSED INTERIM DISTRIBUTION STATEMENT	23
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND	24
CONDENSED INTERIM CASH FLOW STATEMENT	25
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS	26

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ORGANISATION

Management Company

Atlas Asset Management Limited

Board of Directors of the Management Company

Chairman Mr. Yusuf H. Shirazi
(Non-Executive Director)

Directors Mr. Tariq Amin
(Independent Director)

Mr. Shamshad Nabi
(Independent Director)

Mr. Frahim Ali Khan
(Non-Executive Director)

Mr. Ali H. Shirazi
(Non-Executive Director)

Mr. Arshad P. Rana
(Non-Executive Director)

Chief Executive Officer Mr. M. Habib-ur-Rahman
(Executive Director)

Company Secretary Ms Qurrat-ul-Ain Jafari

Board Committees

Audit Committee

Chairman Mr. Tariq Amin
Members Mr. Shamshad Nabi
Mr. Frahim Ali Khan

Secretary Mr. M. Uzair Uddin Siddiqui

Board Evaluation Committee

Chairman Mr. Tariq Amin
Members Mr. Shamshad Nabi
Mr. Ali H. Shirazi

Secretary Mr. M. Habib-ur-Rahman

Human Resource & Remuneration Committee

Chairman Mr. Frahim Ali Khan
Members Mr. Ali H. Shirazi
Mr. M. Habib-ur-Rahman

Investment Committee

Chairman Mr. M. Habib-ur-Rahman
Members Mr. Ali H. Shirazi
Mr. Muhammad Abdul Samad
Mr. Khalid Mahmood
Mr. Muhammad Umar Khan
Mr. Fawad Javaid
Secretary Mr. Faran ul Haq

Management Committee

Chairman Mr. M. Habib-ur-Rahman
Members Mr. Muhammad Abdul Samad
Mr. Abbas Sajjad
Mr. Khalid Mahmood
Ms Qurrat-ul-Ain Jafari
Secretary Mr. Muhammad Umar Khan

Risk Management Committee

Chairman Mr. M. Habib-ur-Rahman
Members Mr. Muhammad Abdul Samad
Mr. Khalid Mahmood
Secretary Mr. Muhammad Faizan Ghori

Chief Internal Auditor

Mr. M. Uzair Uddin Siddiqui

Registered Office

Ground Floor, Federation House, Sharae Firdousi
Clifton, Karachi - 75600
Tel: (92-21) 111-MUTUAL (6-888-25)
(92-21) 35379501-04
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Website: www.atlasfunds.com.pk

First Quarter Report 2016-17

CHAIRMAN'S REVIEW

It is my pleasure to present to you the un-audited financial statements of Atlas Islamic Income Fund (AIIF) and Atlas Islamic Stock Fund (AISF) for the three months period ended 30 September 2016 of the FY 2016-17.

The Economy

During the period July-September FY 2016-17, total exports stood at US\$ 4.68 billion as compared to US\$ 5.14 billion worth of exports reported in the same period last year. The foreign exchange reserves of the country stood at US\$ 23.61 billion as on 30 September 2016 with SBP's share of US\$ 18.49 billion in the total liquid foreign exchange reserves. Foreign remittances for the period July-September FY 2016-17 stood at US\$ 4.70 billion, which was a decrease of 5.39% YoY compared to the corresponding period last year. CPI inflation for the period of July-September FY 2016-17 was recorded at 3.9%. The SBP in its latest monetary policy statement decided to keep the policy rate unchanged at 5.75%. Previously, accommodative monetary stance of SBP saw cumulative decline in policy rate of 425 bps since November 2014 till May 2016. The current policy rate of 5.75% is the lowest rate in last 44 years reflecting improved macro-economic conditions.

Fund Operations - AIIF

The Net Asset Value per unit of Atlas Islamic Income Fund increased by 1.37% to Rs.508.30 as on 30 September 2016, this works out to 5.44% on an annualized basis. AIIF's total Exposure in Government of Pakistan Ijara Sukuks was 45.01%, exposure in corporate sukuk was 9.15% with remaining 45.84% in high yielding Shariah compliant bank deposits. The Net Assets of the Fund stood at Rs.538.52 million, with 1.06 million units outstanding as of 30 September 2016.

Fund Operations - AISF

The Net Asset Value per unit of Atlas Islamic Stock Fund increased by 9.26% to Rs.516.32 as on 30 September 2016. The benchmark KMI-30 index has increased by 4.23% during the same period. The KMI - 30 index has increased from 66,162.77 points as on 30 June 2016 to 68,959.36 points as on 30 September 2016. AISF's strategy will continue to focus on dividend plays and stocks which are trading at relatively cheap multiples with earning growth prospects. AISF's equity portfolio exposure was mainly in Cement, Oil & Gas Exploration, Fertilizer and Oil & Gas Marketing sectors. The Net Assets of the Fund stood at Rs.1.64 billion, with 3.19 million units outstanding as of 30 September 2016.

RATINGS

• Asset Manager Rating

The Pakistan Credit Rating Agency Limited (PACRA) assigned asset manager rating of Atlas Asset Management Limited (AAML) to "AM2" (AM Two). The rating denotes high quality as the asset manager meets high investment management industry standards and benchmarks with noted strengths in several of the rating factors.

• Fund Stability Rating - AIIF

PACRA has assigned a stability rating of "AA- (f)" (Double A Minus - Fund rating) to the fund. The Fund's rating denotes a very strong capacity to manage relative stability in returns and very low exposure to risks.

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Future Outlook

Pakistan economic growth has accelerated in recent periods on the cumulative impact of the government's macroeconomic and structural reforms, lower oil prices, and improved security conditions. Inflation and the current account deficit have been lower than expected, while foreign exchange reserves have strengthened and the budget deficit has been reduced. Tax reforms were launched to improve revenue performance and substantial progress has been achieved toward restructuring the power sector. However, key challenges remain regarding improving productivity, increasing exports, attracting investment and strengthening public enterprises. Trade reforms and business friendly regulatory & administrative changes would also help improve business climate in the country. A major impetus to growth going forward will be the implementation of USD 46 billion program of infrastructure spending on roads, railways, pipelines and power projects under CPEC. Overall, improved macro-economic environment has thus opened up opportunity for efficient reforms to ensure improvements in the economy are sustainable.

The Funds are committed to prudent investment procedures and will continue to provide consistent long term returns to the investors.

خودی کو کر بلند اتنا کہ ہر تقدیر سے پہلے
خدا بندے سے خود پوچھے بتا تیری رضا کیا ہے

(Self-reliance depends on Self-determination)

Acknowledgement

I would like to thank the Securities and Exchange Commission of Pakistan, the Board of Directors, and the Group Executive Committee for their help, support and guidance. I also thank the financial institutions and the unit holders for their help, support and the confidence reposed in the Funds and the Chief Executive Officer, Mr. M. Habib-ur-Rahman and his management team for their hard work, dedication, and sincerity of purpose.

Karachi: 27 October 2016

Yusuf H. Shirazi
Chairman

First Quarter Report 2016-17

Atlas Islamic Income Fund

Corporate Information

Trustee

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

Shariah Advisor

Mufti Muhammad Yahya Asim

Auditors

A. F. Ferguson & Co.
Chartered Accountants

Legal Advisers

Mohsin Tayebaly & Co.

Bankers

Al-Baraka Bank (Pakistan) Limited
Bank Islami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
MCB Bank Limited - Islamic Banking

Atlas Islamic Income Fund

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED)
AS AT 30 SEPTEMBER 2016

		30 September 2016 Un-audited	30 June 2016 Audited
	Note	----- Rupees -----	----- Rupees -----
ASSETS			
Cash and Bank balances	4	245,787,586	220,654,282
Investments	5	295,948,160	345,793,940
Receivable against issue of units		-	258,098
Markup accrued	6	4,196,246	3,298,578
Security deposit, prepayment and other receivables		460,730	203,300
Total assets		546,392,722	570,208,198
LIABILITIES			
Payable to Atlas Asset Management Limited - Management Company	7	2,148,457	2,160,379
Payable to Central Depository Company of Pakistan Limited - Trustee		83,843	90,606
Annual fee payable to the Securities and Exchange Commission of Pakistan		100,760	375,854
Payable against redemption of units		14,273	20,000
Unclaimed dividend		61,502	61,502
Accrued expenses and other liabilities	8	5,468,433	8,946,645
Total liabilities		7,877,268	11,654,986
NET ASSETS		538,515,454	558,553,212
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		538,515,454	558,553,212
CONTINGENCIES AND COMMITMENTS	9		
NUMBER OF UNITS IN ISSUE		1,059,446	1,113,938
NET ASSET VALUE PER UNIT		508.30	501.42

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

First Quarter Report 2016-17

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2016

	Note	2016 Rupees	2015 Rupees
Income			
Markup income	11	7,521,228	7,266,863
Capital (loss)/gain on sale of investments - net		(14,925)	-
Net unrealised appreciation/(diminution) on re-measurement of investments classified as "financial assets at fair value through profit or loss"		944,220	(326,530)
Element of income and capital gains included in prices of units issued less those in units redeemed - net		36,205	140,713
Total income		8,486,728	7,081,046
Expenses			
Remuneration of Atlas Asset Management Limited - Management Company	7.1	403,020	330,410
Sindh Sales Tax on remuneration of the Management Company	7.2	52,393	53,659
Federal Excise Duty on remuneration of the Management Company	7.3	-	52,866
Remuneration of Central Depository Company of Pakistan Limited - Trustee		228,373	187,233
Sindh Sales Tax on Remuneration of the Trustee		29,688	26,213
Annual fees - Securities and Exchange Commission of Pakistan		100,760	82,602
Accounting and operational charges	10	131,008	-
Sindh Sales Tax on accounting and operational charges		10,243	-
Auditors' remuneration		59,827	56,643
Securities transaction cost		24,295	14,683
Annual listing fee		13,863	7,541
Annual rating fee		75,859	71,148
Printing charges		25,849	77,245
Shariah Advisory Fee		44,083	-
Bank charges		1,756	7,634
Total expenses		1,201,017	967,877
Net income for the period before taxation		7,285,711	6,113,169
Taxation	13	-	-
Net income for the period after taxation		7,285,711	6,113,169

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

Atlas Islamic Income Fund

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2016

	2016	2015
	----- Rupees -----	
Net income for the period after taxation	7,285,711	6,113,169
Other comprehensive income	-	-
Total comprehensive income for the period	<u>7,285,711</u>	<u>6,113,169</u>

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

First Quarter Report 2016-17

CONDENSED INTERIM DISTRIBUTION STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2016

	2016	2015
	----- Rupees -----	
Undistributed income brought forward [Includes unrealised gain on investment of Rs.1,585,940] (2015: unrealised gain on investments of Rs.466,792)	1,231,704	1,252,989
Net income for the period after taxation	7,285,711	6,113,169
Undistributed income carried forward [includes unrealised gain on investments of Rs.1,885,160] (2015: unrealised gain on investments of Rs.212,190)	<u>8,517,415</u>	<u>7,366,159</u>

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

Atlas Islamic Income Fund

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2016

	30 September 2016		30 September 2015	
	Units	Rupees	Units	Rupees
Net assets at the beginning of the period [Rs.501.42 (2015: Rs.501.44) per unit]	1,113,938	558,553,212	846,460	424,446,971
Issue of units	94,859	47,974,352	100,935	51,034,044
Redemption of units	(149,351)	(75,261,616)	(63,336)	(32,036,434)
	(54,492)	(27,287,264)	37,599	18,997,610
Element of (income)/loss and capital losses/(gains) included in prices of units issued less those in units redeemed - net	-	(36,205)	-	(140,713)
Capital loss on sale of investments - net	-	(14,925)	-	-
Net unrealised appreciation/(diminution) on re-measurement of investments classified as "financial assets at fair value through profit or loss"	-	944,220	-	(326,530)
Other net income for the period	-	6,356,416	-	6,439,699
Total comprehensive income for the period	-	7,285,711	-	6,113,169
Net assets at the end of the period [Rs.508.30 (2015: Rs.508.36) per unit]	1,059,446	538,515,454	884,059	449,417,037

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

First Quarter Report 2016-17

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2016

	2016	2015
Note	----- Rupees -----	-----
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period after taxation	7,285,711	6,113,169
Adjustment for:		
Markup income	(7,521,228)	(7,266,863)
Capital loss on sale of investments - net	14,925	-
Net unrealised (appreciation)/diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(944,220)	326,530
Element of income and capital gains included in prices of units issued less those in units redeemed - net	(36,205)	(140,713)
	(8,486,728)	(7,081,046)
(Increase)/decrease in assets		
Security deposit, prepayment and other receivables	(257,430)	(35,336)
(Decrease)/increase in liabilities		
Payable to Atlas Asset Management Limited - Management Company	(11,922)	(90,523)
Payable to Central Depository Company of Pakistan Limited	(6,763)	20,964
Annual fee payable to the Securities and Exchange Commission of Pakistan	(275,094)	(279,293)
Accrued expenses and other liabilities	(3,478,212)	(1,191,609)
	(3,771,991)	(1,540,461)
Markup received	6,623,560	5,579,667
Investments made during the period	(50,000,000)	(57,037,290)
Investments sold/matured during the period	100,775,075	-
Net cash generated from/(used in) operating activities	52,168,197	(54,001,297)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issuance of units	48,232,450	81,901,250
Net payments against redemption of units	(75,267,343)	(41,239,906)
Dividend paid	-	(12,510,325)
Net cash (used in)/generated from financing activities	(27,034,893)	28,151,019
Net increase/(decrease) in cash and cash equivalents	25,133,304	(25,850,278)
Cash and cash equivalents at the beginning of the period	220,654,282	253,953,014
Cash and cash equivalents at the end of the period	4 245,787,586	228,102,736

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

**For Atlas Asset Management Limited
(Management Company)**

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

Atlas Islamic Income Fund

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2016

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Atlas Islamic Income Fund (the Fund) is an open ended Fund constituted by a trust deed entered into on 7 May 2008 between Atlas Asset Management Limited (AAML) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the trustee. The Trust Deed has been revised through the First Supplemental Trust Deed dated 23 June 2010, the Second Supplemental Trust Deed dated 12 November 2010, and Third Supplemental Trust Deed dated 20 September 2013, with the approval of the SECP. Also, the Offering Document of the Fund has been revised through the First Supplement dated 23 June 2010, the Second Supplement dated 12 November 2010, the Third Supplement dated 20 September 2013, the Fourth Supplement dated 24 March 2015, the fifth supplement 3 August 2015 and the sixth supplement dated 30 September 2016 with the approval of the SECP. The investment activities and administration of the Fund are managed by AAML, whose registered office is situated at Ground Floor, Federation House, Shahrah-e-Firdousi, Clifton, Karachi.
- 1.2 The Fund is an open-end collective investment scheme categorised as a 'shariah compliant income scheme' by the Board of Directors of the Management Company pursuant to the provision contained in Circular 07 of 2009. The Fund is listed on Pakistan Stock Exchange (formerly Karachi Stock Exchange in which Lahore Stock Exchange and Islamabad Stock Exchange have amalgamated). The units of the Fund were initially offered for public subscription at a par value of Rs. 500 per unit. Thereafter, the units are being offered to the public for subscription on a continuous basis since 14 October 2008, and are transferable and redeemable by surrendering them to the Fund.
- 1.3 According to the trust deed, the objective of the Fund is to provide investors with a good and stable rate of current income consistent with long term preservation of capital in a Shariah Compliant manner. A secondary objective is to take advantage of opportunities to realize capital appreciation. The investment objectives and policies are fully defined in the Fund's Offering Document.
- 1.4 The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of "AM2" to the Management Company on 8 June 2016 and has assigned a rating of "AA-" to the Fund on 31 December 2015.
- 1.5 Titles to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2. 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. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended 30 June 2016.

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at 30 September 2016.

First Quarter Report 2016-17

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Fund for the year ended 30 June 2016.

The preparation of these 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.

The significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended 30 June 2016.

The financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended 30 June 2016.

	Note	30 September 2016	30 June 2016
		Un-audited	Audited
		Rupees	
4. CASH AND BANK BALANCES			
In local currency			
- Profit and loss sharing accounts	4.1	244,982,586	214,852,779
- Current account		5,000	5,000
- Cheques in hand	4.2	800,000	5,796,503
		245,787,586	220,654,282

4.1 The rate of return on these profit and loss sharing accounts ranges between 2.50% to 6.10% (30 June 2016: 4.00% to 6.10%) per annum.

4.2 These cheques were received against issue of units which were cleared subsequent to the period end on 10 October 2016 (30 June 2016: 04 July 2016).

	Note	30 September 2016	30 June 2016
		Un-audited	Audited
		Rupees	
5. INVESTMENTS			
At fair value through profit or loss			
Government of Pakistan (GoP) - Ijarah Sukuks	5.1	245,948,160	345,793,940
Sukuk certificates - unlisted	5.2	50,000,000	-
		295,948,160	345,793,940

5.1 Government of Pakistan - Ijarah Sukuks

Script	Face Value - Rupees			As at 30 September 2016	Rupees Market Value	Percentage of	
	As at 01 July 2016	Acquired during the period	Disposed during the period			Market Value as a percentage of total investments	Market Value as a percentage of net assets
Government of Pakistan							
Ijarah Sukuks	343,400,000	-	100,000,000	243,400,000	245,948,160	83.11	45.67
	343,400,000	-	100,000,000	243,400,000	245,948,160	83.11	45.67

5.1.1 The cost of investments as at 30 September 2016 amounts to Rs.244,063,000 (30 June 2016: Rs.344,208,000).

5.1.2 The expected rate of markup ranges between 3.89% to 6.10% (30 June 2016: 3.89% to 6.10%) per annum and will mature by 15 February 2019 (30 June 2016: 15 February 2019).

Atlas Islamic Income Fund

5.2 Sukuk certificates - unlisted

(Certificates having a face value of Rs. 1,000,000 each)

Script	Face Value - Rupees			As at 30 September 2016	Rupees	Percentage of	
	As at 01 July 2016	Acquired during the period	Disposed during the period		Market Value	Market Value as a percentage of total investments	Market Value as a percentage of net assets
BANKS							
Meezan Bank Limited-Tier II	-	50	-	50	50,000,000	16.89	9.28
	<u>-</u>	<u>50</u>	<u>-</u>	<u>50</u>	<u>50,000,000</u>	<u>16.89</u>	<u>9.28</u>

5.2.1 The cost of investments as at 30 September 2016 amounts to Rs.50,000,000 (30 June 2016: Rs.Nil).

5.1.2 The expected rate of markup is 6.56% (30 June 2016: Nil) per annum and will mature by 22 September 2026 (30 June 2016: Nil).

Note	30 September 2016	30 June 2016
	Un-audited	Audited
	Rupees	
6. MARKUP ACCRUED		
Profit and loss sharing accounts	1,197,600	1,023,422
GoP - Ijarah Sukuks	2,917,769	2,275,156
Sukuk certificates	80,877	-
	<u>4,196,246</u>	<u>3,298,578</u>

7. PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY (RELATED PARTY)

Remuneration of the Management Company	7.1	130,056	139,375
Sindh Sales Tax payable on remuneration of the Management Company	7.2	284,500	287,103
Federal Excise Duty payable on remuneration of the Management Company	7.3	1,733,901	1,733,901
		<u>2,148,457</u>	<u>2,160,379</u>

7.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 1160(1)/2015 dated 25 November 2015, the Management Company is entitled to a remuneration equal to an amount not exceeding 1% of the average annual net assets income of income schemes. Previously, the Management Company was entitled to receive a remuneration during the first five years of the Fund, at the rate not exceeding 3% of the average annual net assets of the Fund and thereafter, at the rate of 2% of such assets. During the quarter ended 30 September 2016 the Management Company has charged its remuneration at the rate of 0.30% (2015: 0.30%) per annum of the average net assets.

7.2 During the period, an amount of Rs.52,393 (2015: Rs.53,659) was charged on account of sales tax on management fee levied through Sindh Sales Tax on Services Act, 2011, and an amount of Rs. 54,996 (2015: Rs.66,891) has been paid to the Management Company which acts as the collecting agent.

7.3 The Finance Act, 2013 has enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from 13 June 2013. As the asset management services rendered by the Management Company of the Fund are already subject to provincial sales tax on services levied by the Sindh Revenue Board, which is being charged to the Fund as explained in note 7.2 above, the Management Company is of the view that further levy of FED is not justified.

On 4 September 2013, a Constitutional Petition has been filed in Honorable Sindh High Court (SHC) jointly by various asset management companies, together with their representative Collective Investment Schemes through their trustees, challenging the levy of FED. In this respect, the Hon'ble SHC has issued a stay order against recovery proceedings till the date of next hearing. Pending decision of the SHC, the Fund is not making payment in respect of FED.

First Quarter Report 2016-17

In a recent order of the SHC, all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) have been set aside. However as a matter of abundant caution full provision for FED on remuneration of the Management Company is being retained in the financial statements of the Fund from 13 June 2013 till 30 June 2016 as the management believes that the Federal government retains the right to appeal against the said order in the Supreme Court within the prescribed timeline. Has the same not been made the net asset value per unit of the Fund would have been higher by Rs. 1.64 (30 June 2016: Rs. 1.56) per unit.

With effect from 01 July 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

In response to the above mentioned judgment, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan. Thereafter, during the pendency of the present civil petition, the Supreme Court has suspended the operation of impugned SHC judgment. The matter is still pending adjudication.

		30 September 2016	30 June 2016
	Note	Un-audited	Audited
		----- Rupees -----	
8. ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration payable		58,164	173,272
Printing charges payable		266,728	240,869
Brokerage payable		22,600	-
Payable to Shariah Advisor		44,375	43,417
Withholding tax payable		33,315	3,412,996
Provision for Workers' Welfare Fund	8.1	4,443,900	4,443,900
Annual rating fee payable		75,859	-
Zakat payable		-	114,155
Accounting and operational Charges		50,649	46,458
Sindh Sales Tax Payable on Operational Charges		4,052	2,787
Other payable		468,791	468,791
		5,468,433	8,946,645

- 8.1** The Finance Act, 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance) as a result of which it was construed that all Collective Investment Schemes/mutual funds (CISs) whose income exceeded Rs 0.5 million in a tax year were 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 was higher. In light of this, the Mutual Funds Association of Pakistan (MUFAP) filed a constitutional petition in the Honourable Sindh High Court challenging the applicability of WWF on CISs which is pending adjudication.

The Finance Act, 2015 introduced an amendment under which mutual funds and collective investment schemes have been excluded from the definition of industrial establishment. Consequently, mutual funds are not subject to this levy after the introduction of this amendment which is applicable for tax year 2016. The provision made till 30 June 2015 has not been reversed as the law suit referred to in the previous paragraph is still pending in the SHC.

Although the Management Company is hopeful that the case will be decided in favour of the Funds, it has retained the provision in the financial information as at 30 September 2016 in respect of the liability towards WWF amounting to Rs. 4,443,900 (30 June 2016: Rs. 4,443,900). Had the same not been made the net asset value per unit of the Fund would have been higher by Rs. 4.19 (30 June 2016: Rs. 3.99) per unit.

Atlas Islamic Income Fund

9. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 30 September 2016 and 30 June 2016.

10. ACCOUNTING AND OPERATIONAL CHARGES

In accordance with the provisions of the NBFC Regulations, 2008 (amended vide S.R.O 1160(I) / 2015 dated 25 November 2015), the Management Company of the Fund is entitled to reimbursement of fees and expenses incurred by the Management Company in relation to registrar services, accounting, operation and valuation services related to the Fund upto a maximum of 0.1% of the average annual net assets of the Scheme or actual whichever is less. Accordingly, the Management Company has charged accounting and operational charges to the Fund at the rate of 0.1% per annum of the average annual net assets of the Fund.

11. MARKUP INCOME

	For the Quarter Ended	
	30 September 2016	30 September 2015
	Un-audited	Un-audited
	----- Rupees -----	
Profit and loss sharing accounts	3,284,573	3,849,658
Government of Pakistan - Ijarah Sukuks	4,155,778	3,417,205
Sukuk certificates	80,877	-
	7,521,228	7,266,863

12. EXPENSE RATIO

Total Expense Ratio (TER) of the Fund is 0.89% including expenses representing Government levy, WWF and SECP Fee. However, after deducting Government levy, WWF and SECP Fee i.e. 0.14%, the expense ratio will be 0.75% which is inline with the limit specified by the Commission under the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

13. TAXATION

The Fund's income is exempt from Income Tax as per Clause 99 of Part I of the Second Schedule to 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 as cash dividend amongst the unit holders. The management intends to distribute at least 90% of the Fund's net accounting income earned by the year end, as cash dividend, to the unit holders. Accordingly, no provision has been made for taxation in these condensed interim financial statements.

14. TRANSACTIONS WITH CONNECTED PERSONS/OTHER RELATED PARTIES

	For the Quarter Ended	
	30 September 2016	30 September 2015
	Un-audited	Un-audited
	----- Rupees -----	
14.1 Details of transactions with related parties during the period are as follows:		
Atlas Asset Management Limited (Management Company)		
Remuneration of the Management Company	403,020	330,410
Remuneration paid to the Management Company	412,339	460,567
Sindh Sales Tax on remuneration of the Management Company	52,393	53,659
Federal Excise Duty on remuneration of the Management Company	-	52,866
Dividend Paid	-	494,439
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	228,373	187,233
Remuneration paid to the Trustee	233,655	175,640
Sindh Sales Tax on remuneration of the Trustee	29,688	26,213
Settlement charges	1,500	1,500
Settlement charges paid	1,500	1,000
Sindh Sales Tax on settlement charges	195	210

First Quarter Report 2016-17

	For the Quarter Ended	
	30 September 2016	30 September 2015
	Un-audited	Un-audited
Note	----- Rupees -----	----- Rupees -----
14.1 Details of transactions with related parties during the period are as follows: (Continued...)		
Shirazi Capital (Private) Limited (Group Company)		
Redemption of Nil (2015: 991) units	-	500,000
Atlas Power Limited Staff Provident Fund (Retirement benefit plan of group company)		
Dividend paid	-	39,733
Atlas Group of Companies, Management Staff Gratuity Fund (Retirement benefit plan of group company)		
Dividend paid	-	956,018
Shirazi Trading Company (Private) Limited Employees Provident Fund (Retirement benefit plan of a Group Company)		
Dividend paid	-	771,123
Meezan Bank Limited (Unit Holder with more than 10% holding)		
Dividend paid	-	3,955,774
Hamdard Laboratories (WAQF) Pakistan (Unit Holder with more than 10% holding)		
Sale of Nil (2015: 48,319) units	-	24,462,896
Key Management Personnel of Management Company 14.3		
Issue of 7,340 (2015: 4,885) units	3,697,318	2,475,000
Redemption of 663 (2015: 3,694) units	335,000	1,870,000
Dividend paid	-	188,886
	30 September 2016	30 June 2016
	Un-audited	Audited
	----- Rupees -----	----- Rupees -----

14.2 Details of balances with related parties as at the period/year end as follows:

Atlas Asset Management Limited (Management Company)		
Remuneration payable to the Management Company	130,056	139,375
Sindh Sales Tax payable on Remuneration of the Management Company	284,500	287,103
Federal Excise Duty payable on Remuneration of the Management Company	1,733,901	1,733,901
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration payable to the Trustee	73,697	78,979
Sindh Sales Tax payable on Remuneration of the trustee	9,581	11,057
Settlement charges payable	500	500
Sindh Sales Tax payable on settlement charges	65	70
Atlas Power Limited Staff Provident Fund (Retirement benefit plan of group company)		
Outstanding 339 (30 June 2016: 339) units - at net asset value	172,194	169,864
Shirazi Capital (Private) Limited (Group Company)		
Outstanding 109,280 (30 June 2016: 109,280) units - at net asset value	55,547,039	54,795,192
Shirazi Trading Company (Private) Limited Employees Provident Fund (Retirement benefit plan of a Group Company)		
Outstanding 20,240 (30 June 2016: 20,240) units - at net asset value	10,287,933	10,148,683

Atlas Islamic Income Fund

30 September
2016
Un-audited
Note ----- Rupees -----

30 June
2016
Audited

14.2 Details of balances with related parties as at the period/year end as follows: (Continued....)

Chevron Pakistan Lubricants (Private) Limited Gratuity Fund

(Unit Holder with more than 10% holding)

Outstanding 151,812 (30 June 2016: 151,812) units - at net asset value	77,166,034	76,121,568
--	------------	------------

Hamdard Laboratories (WAQF) Pakistan

(Unit Holder with more than 10% holding)

Outstanding 126,201 (30 June 2016: 126,201) units - at net asset value	64,147,735	63,279,476
--	------------	------------

Key Management Personnel of Management Company 14.3

Outstanding 21,779 (30 June 2016: 15,102) units - at net asset value	11,070,210	7,572,200
--	------------	-----------

14.3 For the purpose of this disclosure, transactions by the Board of Directors, and key management personnel falling within the scope of "executive" under the Code of Corporate Governance, 2012 are included herein. The term "executive" includes the Chief Executive Officer, Chief Operating Officer, Chief Financial Officer and Company Secretary, Chief Internal Auditor, and executives of the Management Company of the Fund whose gross remuneration is Rs.4 million and above, as set by the Board of Directors of the Management Company for the FY 2016-17.

14.4 The transactions with related parties/connected persons are in the normal course of business at contracted rates and terms determined in accordance with market rates.

15. **GENERAL**

Figures have been rounded off to the nearest Rupee.

16. **DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements were authorised for issue by the Board of Directors of the management company on 27 October 2016.

**For Atlas Asset Management Limited
(Management Company)**

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

First Quarter Report 2016-17

Atlas Islamic Stock Fund

Corporate Information

Trustee

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

Shariah Advisor

Mufti Muhammad Yahya Asim

Auditors

A. F. Ferguson & Co.
Chartered Accountants

Legal Advisers

Mohsin Tayebaly & Co.

Bankers

Al-Baraka Bank (Pakistan) Limited
Bank Islami Pakistan Limited
Bank Alfalah Limited - Islamic Banking

Atlas Islamic Stock Fund

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED)
AS AT 30 SEPTEMBER 2016

		30 September 2016 Un-audited	30 June 2016 Audited
	Note	----- Rupees -----	-----
ASSETS			
Bank balances	4	155,719,257	76,854,269
Investments	5	1,523,871,177	1,367,162,490
Profit receivable on bank balances		866,219	396,343
Dividend receivable		17,382,300	1,485,300
Receivable against issue of units		-	225,000
Security deposits and other receivables		5,168,074	5,074,830
Total assets		1,703,007,027	1,451,198,232
LIABILITIES			
Payable to Atlas Asset Management Limited - Management Company	6	14,985,009	14,731,468
Payable to Central Depository Company of Pakistan Limited - Trustee		257,833	244,758
Payable to the Securities and Exchange Commission of Pakistan		370,596	1,262,204
Payable against purchase of investments		19,727,064	-
Payable against redemption of units		84,324	492,980
Accrued and other liabilities	7	23,022,564	22,677,578
Total liabilities		58,447,390	39,408,988
NET ASSETS		1,644,559,637	1,411,789,244
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		1,644,559,637	1,411,789,244
CONTINGENCIES AND COMMITMENTS	8		
NUMBER OF UNITS IN ISSUE		3,185,181	2,987,494
NET ASSET VALUE PER UNIT		516.32	472.57

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

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

First Quarter Report 2016-17

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2016

	Note	2016 ----- Rupees	2015 ----- Rupees
INCOME			
Profit on bank balances		2,139,553	1,370,173
Dividend income		18,688,500	23,129,925
Capital gain on sale of investments - net		45,425,329	8,040,286
Net unrealized appreciation/(diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		78,039,098	(122,003,861)
		123,464,427	(113,963,575)
Element of income and capital gains included in prices of units issued less those in units redeemed - net		6,790,471	1,066,015
		151,082,951	(88,397,462)
EXPENSES			
Remuneration of Atlas Asset Management Limited - Management Company	6.1	7,802,004	6,671,408
Sindh sales tax on remuneration of the Management Company	6.2	1,014,261	1,083,437
Federal Excise Duty on remuneration of the Management Company	6.3	-	1,067,425
Remuneration of Central Depository Company of Pakistan Limited - Trustee		642,154	584,937
Sindh sales tax on remuneration of the Trustee		83,480	81,891
Annual fee - Securities and Exchange Commission of Pakistan		370,596	316,892
Accounting and operational charges	9	382,039	-
Sindh sales tax on accounting and operational charges		29,954	-
Shariah advisory fee		87,361	-
Auditors' remuneration		78,120	86,006
Securities transaction cost		956,483	1,092,098
Annual listing fee		13,863	10,073
Annual ranking fee		-	32,678
Printing charges		74,946	76,415
Bank charges		4,945	7,217
		11,540,206	11,110,477
Net income/(loss) for the period before taxation		139,542,745	(99,507,939)
Taxation	11	-	-
Net income/(loss) for the period after taxation		139,542,745	(99,507,939)

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

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

Atlas Islamic Stock Fund

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2016

	2016	2015
	----- Rupees -----	
Net income/(loss) for the period after taxation	139,542,745	(99,507,939)
Other comprehensive income/(loss)	-	-
Total comprehensive income/(loss) for the period	139,542,745	(99,507,939)

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

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

First Quarter Report 2016-17

CONDENSED INTERIM DISTRIBUTION STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2016

	2016	2015
Note	----- Rupees -----	-----
Undistributed income brought forward	275,395,025	338,826,471
[Includes unrealised gain on investments of Rs.88,885,893] [2015: unrealised gain on investments of Rs.80,129,906]		
Final cash dividend declared for the year ended 30 June 2016: Nil (2015: Rs.50 per unit declared on 7 July 2015)	-	(142,711,650)
Net income/(loss) for the period after taxation	139,542,745	(99,507,939)
Shariah non-compliant income set-aside for charity 7.1	192,987	(359,136)
Undistributed income carried forward	415,130,757	96,247,746
[Includes unrealised gain on investments of Rs.146,371,287] [2015: unrealised loss on investments of Rs.32,857,535]		

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

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

Atlas Islamic Stock Fund

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2016

	30 September 2016		30 September 2015	
	Units	Rupees	Units	Rupees
Net assets at beginning of the period [Rs.472.57 (2015: Rs.496.02) per unit]	2,987,494	1,411,789,244	2,854,233	1,415,762,781
Issue of units	445,157	227,632,626	228,229	101,952,372
Redemption of units	(247,470)	(127,421,520)	(133,252)	(58,536,676)
	197,687	100,211,106	94,977	43,415,696
Element of (income)/loss and capital gains/(losses) included in prices of units issued less those in units redeemed - net	-	(6,790,471)	-	(1,066,015)
Final cash dividend declared for the year ended 30 June 2016: Nil (2015: Rs.50 per unit declared on 7 July 2015)	-	-	-	(142,711,650)
Capital gain on sale of investments - net	-	45,425,329	-	8,040,286
Net unrealised appreciation/(diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	-	78,039,098	-	(122,003,861)
Other net income for the period	-	16,078,318	-	14,455,636
Total comprehensive income/(loss) for the period	-	139,542,745	-	(99,507,939)
Shariah non-compliant income set-aside for charity	-	(192,987)	-	(359,136)
Net assets at end of the period [Rs.516.32 (2015: Rs.412.16) per unit]	3,185,181	1,644,559,637	2,949,210	1,215,533,737

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

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

First Quarter Report 2016-17

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2016

Note	2016 ----- Rupees -----	2015 ----- Rupees -----
CASH FLOW FROM OPERATING ACTIVITIES		
Net income/(loss) for the period after taxation	139,542,745	(99,507,939)
Adjustments for:		
Profit on bank balances	(2,139,553)	(1,370,173)
Dividend income	(18,688,500)	(23,129,925)
Capital gain on sale of investments - net	(45,425,329)	(8,040,286)
Net unrealised (appreciation)/diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(78,039,098)	122,003,861
Element of (income)/losses and capital (gains)/losses included in prices of units issued less those in units redeemed - net	(6,790,471)	(1,066,015)
	(151,082,951)	88,397,462
(Increase)/decrease in assets		
Receivable against sale of investments	-	3,095,816
Security deposits and other receivables	(93,244)	(223,401)
	(93,244)	2,872,415
Increase/(decrease) in liabilities		
Payable to Atlas Asset Management Limited - Management Company	253,541	1,019,439
Payable to Central Depository Company of Pakistan Limited - Trustee	13,075	13,969
Payable to the Securities and Exchange Commission of Pakistan	(891,608)	(601,872)
Payable against purchase of investments	19,727,064	(53,359,424)
Accrued and other liabilities	151,999	255,639
	19,254,071	(52,672,249)
Profit received on bank balances	1,669,677	1,248,876
Dividend received	2,791,500	3,691,625
Investments made during the period	(517,955,031)	(633,475,719)
Investments sold during the period	484,710,771	686,087,808
Net cash used in operating activities	(21,162,463)	(3,357,721)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issuance of units	227,857,626	105,686,444
Net payments against redemption of units	(127,830,176)	(63,472,589)
Dividend paid	-	(142,711,650)
Net cash generated from/(used in) financing activities	100,027,450	(100,497,795)
Net increase/(decrease) in cash and cash equivalents during the period	78,864,988	(103,855,516)
Cash and cash equivalents at the beginning of the period	76,854,269	117,843,272
Cash and cash equivalents at the end of the period	155,719,257	13,987,756

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

**For Atlas Asset Management Limited
(Management Company)**

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

Atlas Islamic Stock Fund

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE QUARTER ENDED 30 SEPTEMBER 2016

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Atlas Islamic Stock Fund (the Fund) is an open ended Fund constituted by a trust deed entered into on 12 September 2006 between Atlas Asset Management Limited (AAML) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was revised through the First Supplemental Trust Deed dated 29 October 2007, the Second Supplemental Trust Deed dated 6 March 2008, the Third Supplemental Trust Deed dated 4 December 2009 and the Fourth Supplemental Trust Deed dated 23 June 2010 with the approval of the Securities & Exchange Commission of Pakistan (SECP). In addition, the Offering Document of the Fund was also revised through the First, Second, Third, Fourth, Fifth, Sixth and Seventh Supplements, dated 29 October 2007, 6 March 2008, 4 December 2009, 23 June 2010, 20 September 2013, 24 March 2015 and 29 September 2016 respectively with the approval of the Securities and Exchange Commission of Pakistan (SECP). The investment activities and administration of the Fund are managed by AAML whose registered office is situated at Ground Floor, Federation House, Shah rah-e-Firdousi, Clifton, Karachi.
- 1.2 The Fund is an open-end collective investment scheme categorised as a 'shariah compliant equity scheme' by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009. The Fund is listed on Pakistan Stock Exchange (formerly Karachi Stock Exchange in which Lahore Stock Exchange and Islamabad Stock Exchange have amalgamated). The units of the Fund were initially offered for public subscription at a par value of Rs. 500 per unit. Thereafter, the units are being offered to the public for subscription on a continuous basis from 15 January 2007 and are transferable and redeemable by surrendering them to the Fund.
- 1.3 According to the trust deed, the objective of the Fund is to provide one window facility to invest in a diversified and professionally managed investment portfolio of shariah compliant securities, such as equities, cash and/or near cash Shariah Compliant instruments including cash in bank accounts (excluding TDRs) and Shariah Compliant government securities not exceeding 90 days maturity. The investment objectives and policies are fully defined in the Fund's Offering Document.
- 1.4 The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of AM2 to the Management Company on 8 June 2016.
- 1.5 The title of the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as trustee.

2. 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. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended 30 June 2016.

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that this condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at 30 September 2016.

First Quarter Report 2016-17

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Fund for the year ended 30 June 2016.

The preparation of these 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.

The significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended 30 June 2016.

The financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended 30 June 2016.

		30 September 2016 Un-audited	30 June 2016 Audited
	Note	----- Rupees -----	
4. BANK BALANCES			
In local currency			
- Profit and loss sharing accounts	4.1	155,697,892	76,841,269
- Current account		21,365	13,000
		<u>155,719,257</u>	<u>76,854,269</u>

4.1 The rate of return on these profit and loss sharing accounts ranges between 5.65% to 6.10% (30 June 2016: 4.50% to 6.10%) per annum.

5. INVESTMENTS

At fair value through profit or loss

- Listed equity securities	5.1	1,523,871,177	1,367,162,490
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5.1 Listed equity securities

Shares of listed companies - fully paid ordinary shares with a face value of Rs 10 each unless stated other wise.

Name of Investee Company	Number of shares held					Rupees		Percentage of		
	As at 01 July 2016	Purchases during the period	Bonus/ Right shares during the period	Sales during the period	As at 30 September 2016	Carrying Cost	Market Value	Market Value as a percentage of total Investments	Market Value as a percentage of net assets	Market value as a percentage of paid up capital of investee company held
At fair value through profit or loss - equity securities										
Banks										
Meezan Bank Limited	1,600,000	-	-	466,500	1,133,500	48,173,750	62,353,835	4.09	3.79	0.11
	<u>1,600,000</u>	<u>-</u>	<u>-</u>	<u>466,500</u>	<u>1,133,500</u>	<u>48,173,750</u>	<u>62,353,835</u>	<u>4.09</u>	<u>3.79</u>	<u>0.11</u>
Textile Composite										
Nishat Mills Limited	500,000	75,000	-	85,000	490,000	53,963,874	69,041,000	4.53	4.20	0.14
	<u>500,000</u>	<u>75,000</u>	<u>-</u>	<u>85,000</u>	<u>490,000</u>	<u>53,963,874</u>	<u>69,041,000</u>	<u>4.53</u>	<u>4.20</u>	<u>0.14</u>
Cement										
Cherat Cement Company Limited	142,000	-	-	-	142,000	16,978,940	18,269,720	1.20	1.11	0.08
D.G. Khan Cement Company Limited	400,000	150,000	-	50,000	500,000	95,130,118	92,940,000	6.10	5.65	0.11
Fauji Cement Company Limited	1,510,000	290,000	-	-	1,800,000	64,659,005	63,486,000	4.17	3.86	0.13
Kohat Cement Company Limited	76,500	6,500	-	-	83,000	21,695,681	21,345,110	1.40	1.30	0.05
Lucky Cement Limited 53	132,500	-	-	37,500	95,000	61,608,450	64,339,700	4.22	3.91	0.03
Pioneer Cement Limited	350,000	100,000	-	-	450,000	48,264,418	47,560,500	3.12	2.89	0.20
	<u>2,611,000</u>	<u>546,500</u>	<u>-</u>	<u>87,500</u>	<u>3,070,000</u>	<u>308,336,612</u>	<u>307,941,030</u>	<u>20.21</u>	<u>18.72</u>	<u>0.61</u>

Atlas Islamic Stock Fund

Name of Investee Company	Note	Number of shares held			Rupees		Percentage of			Market value as a percentage of paid up capital of investee company held
		As at 01 July 2016	Purchases during the period	Bonus/ Right shares during the period	Sales during the period	As at 30 September 2016	Carrying Cost	Market Value	Market Value as a percentage of total Investments	
At fair value through profit or loss - equity securities										
Refinery										
Attock Refinery Limited		-	25,000	-	25,000	-	-	-	-	-
National Refinery Limited		60,000	-	-	12,500	47,500	22,581,500	26,865,525	1.76	1.63
		60,000	25,000	-	37,500	47,500	22,581,500	26,865,525	1.76	1.63
Power Generation & Distribution										
K-Electric Limited		3,800,500	1,200,000	-	-	5,000,500	41,393,245	46,054,605	3.02	2.80
The Hub Power Company Limited	5.3	550,000	200,000	-	50,000	700,000	85,058,384	83,419,000	5.47	5.07
		4,350,500	1,400,000	-	50,000	5,700,500	126,451,629	129,473,605	8.50	7.87
Oil & Gas Marketing Companies										
Attock Petroleum Limited		85,000	20,800	-	-	105,800	47,933,657	55,016,000	3.61	3.35
Hi-Tech Lubricants Limited		250,000	200,000	-	450,000	-	-	-	-	-
Pakistan State Oil Company Limited	5.3	285,000	-	-	50,000	235,000	88,233,100	97,322,900	6.39	5.92
Sui Northern Gas Pipelines Limited		-	325,000	-	-	325,000	15,357,798	16,289,000	1.07	0.99
		620,000	545,800	-	500,000	665,800	151,524,555	168,627,900	11.07	10.25
Oil & Gas Exploration Companies										
Mari Petroleum Company Limited		116,000	63,000	-	54,000	125,000	117,164,989	119,316,250	7.83	7.26
Oil & Gas Development Company Limited		470,000	280,000	-	290,000	460,000	64,016,308	64,965,800	4.26	3.95
Pakistan Oilfields Limited		209,700	106,300	-	136,000	180,000	65,294,531	72,235,800	4.74	4.39
Pakistan Petroleum Limited	5.3	550,000	25,000	-	375,000	200,000	31,073,818	32,734,000	2.15	1.99
		1,345,700	474,300	-	855,000	965,000	277,549,646	289,251,850	18.98	17.59
ENGINEERING										
Industrial Engineering										
Amreli Steels Limited		520,000	180,000	-	350,000	350,000	17,261,755	24,951,500	1.64	1.52
Mughal Iran and Steel Industries limited		150,000	4,500	-	154,500	-	-	-	-	-
International Industries Limited		-	70,000	-	-	70,000	8,853,465	9,434,600	0.62	0.57
		670,000	254,500	-	504,500	420,000	26,115,220	34,386,100	2.26	2.09
Automobile Assembler										
Millat Tractors Limited		31,900	-	-	16,900	15,000	8,553,750	10,184,700	0.67	0.62
Pak Suzuki Motor Company Limited		35,000	-	-	35,000	-	-	-	-	-
		66,900	-	-	51,900	15,000	8,553,750	10,184,700	0.67	0.62
Automobile Parts & Accessories										
Agriauto Industries Limited (face value Rs.5/-)		40,000	40,000	-	10,000	70,000	13,693,563	20,309,100	1.33	1.23
Thal Limited (face value Rs.5/-)		42,800	-	-	-	42,800	12,113,256	17,361,820	1.14	1.06
		82,800	40,000	-	10,000	112,800	25,806,819	37,670,920	2.47	2.29
Technology & Communications										
Pakistan Telecommunication Company Limited		1,306,500	443,500	-	-	1,750,000	27,582,845	31,990,000	2.10	1.95
		1,306,500	443,500	-	-	1,750,000	27,582,845	31,990,000	2.10	1.95
Fertilizer										
Engro Fertilizers Limited		1,150,000	600,000	-	-	1,750,000	114,277,430	107,905,000	7.08	6.56
Engro Corporation Limited		295,000	237,500	-	60,000	472,500	151,410,720	137,615,625	9.03	8.37
		1,445,000	837,500	-	60,000	2,222,500	265,688,151	245,520,625	16.11	14.93

First Quarter Report 2016-17

Name of Investee Company	Number of shares held				Rupees			Percentage of		
	As at 01 July 2016	Purchases during the period	Bonus/ Right shares during the period	Sales during the period	As at 30 September 2016	Carrying Cost	Market Value	Market Value as a percentage of total Investments	Market Value as a percentage of net assets	Market value as a percentage of paid up capital of investee company held
At fair value through profit or loss - equity securities										
Pharmaceuticals										
Abbott Laboratories (Pakistan) Limited	25,000	-	-	-	25,000	18,850,000	21,212,500	1.39	1.29	0.03
Glaxo Smith Kline Pakistan Limited	-	70,000	-	35,000	35,000	7,524,976	7,556,500	0.50	0.46	0.01
	25,000	70,000	-	35,000	60,000	26,374,976	28,769,000	1.89	1.75	0.04
Chemicals										
Akzo Nobel Pakistan Limited	-	75,000	-	75,000	-	-	-	-	-	-
ICI Pakistan Limited	-	12,500	-	-	12,500	7,624,990	8,152,375	0.53	0.50	0.01
	-	87,500	-	75,000	12,500	7,624,990	8,152,375	0.53	0.50	0.01
Foods & Personal Care Products										
Al Shaheer Corporation Limited	261,250	138,500	-	-	399,750	22,638,788	25,500,052	1.67	1.55	0.32
Engro Foods Limited	100,000	-	-	-	100,000	16,333,000	14,631,000	0.96	0.89	0.01
	361,250	138,500	-	-	499,750	38,971,788	40,131,052	2.63	2.44	0.34
Transport										
Pakistan National Shipping Corporation	-	151,000	-	-	151,000	15,531,975	17,011,660	1.12	1.03	0.11
	-	151,000	-	-	151,000	15,531,975	17,011,660	1.12	1.03	0.11
Miscellaneous										
Shifa International Hospitals Limited	50,000	-	-	-	50,000	15,000,000	16,500,000	1.08	1.00	0.09
	50,000	-	-	-	50,000	15,000,000	16,500,000	1.08	1.00	0.09
Total as at 30 September, 2016						1,445,832,079	1,523,871,177	100.00	92.66	
Total as at 30 June 2016						1,278,276,597	1,367,162,490			

5.2 The cost of listed equity securities as at 30 September 2016 is Rs.1,377,499,890 (30 June 2016: Rs.1,278,276,597).

5.3 The above investments include following shares which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades:

	Number of shares		Market value	
	30 September 2016 Un-audited	30 June 2016 Audited	30 September 2016 Un-audited	30 June 2016 Audited
			----- Rupees -----	
Lucky Cement Limited	75,000	75,000	50,794,500	48,638,250
Pakistan Petroleum Limited	135,000	135,000	22,095,450	20,931,750
Pakistan State Oil Company Limited	110,000	110,000	45,555,400	41,300,600
The Hub Power Company Limited	200,000	200,000	23,834,000	24,012,000
	520,000	520,000	142,279,350	134,882,600

Atlas Islamic Stock Fund

		30 September 2016 Un-audited	30 June 2016 Audited
	Note	----- Rupees -----	
6. PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY - RELATED PARTY			
Remuneration of the Management Company	6.1	2,632,799	2,387,299
Sindh Sales Tax payable on remuneration of the Management Company	6.2	1,898,825	1,890,784
Federal Excise Duty payable on remuneration of the Management Company	6.3	10,453,385	10,453,385
		14,985,009	14,731,468

- 6.1** As per the amendments made in the NBFC Regulations, 2008 vide SRO 1160(1)/2015 dated 25 November 2015, the Management Company is entitled to a remuneration equal to an amount not exceeding 2% of the average annual net assets in case of equity schemes. Previously, the Management Company was entitled to receive a remuneration during the first five years of the Fund, at the rate not exceeding 3% of the average annual net assets of the Fund and thereafter, at the rate of 2% of such assets. During the quarter ended 30 September 2016 the Management Company has charged its remuneration at the rate of 2% (30 June 2016: 2%) per annum of the average net assets of the Fund.
- 6.2** During the period, an amount of Rs.1,014,261 (2015: Rs.1,083,437) was charged on account of sales tax on remuneration of Management Company levied through Sindh Sales Tax on Services Act, 2011, and an amount of Rs.1,006,220 (2015: Rs.977,587) has been paid to the Management Company which acts as the collecting agent.
- 6.3** The Finance Act, 2013 has enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from 13 June 2013. As the asset management services rendered by the Management Company of the Fund are already subject to provincial sales tax on services levied by the Sindh Revenue Board, which is being charged to the Fund as explained in note 6.1 above, the Management Company is of the view that further levy of FED is not justified.

On 4 September 2013, a Constitutional Petition has been filed in Honorable Sindh High Court (SHC) jointly by various asset management companies, together with their representative Collective Investment Schemes through their trustees, challenging the levy of FED. In this respect, the Honorable SHC has issued a stay order against recovery proceedings till the date of next hearing. Pending decision of the SHC, the Fund is not making payment in respect of FED.

In a recent order of the SHC, all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) have been set aside. However as a matter of abundant caution full provision for FED on remuneration of the Management Company is being retained in the financial statements of the Fund from 13 June 2013 till 30 June 2016 as the management believes that the Federal government retains the right to appeal against the said order in the Supreme Court within the prescribes timeline. Has the same not been made the net asset value per unit of the Fund would have been higher by Rs. 3.28 (30 June 2016: Rs.3.50) per unit.

With effect from 01 July 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

In response to the above mentioned judgment, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan. Thereafter, during the pendency of the present civil petition, the Supreme Court has suspended the operation of impugned SHC judgment. The matter is still pending adjudication.

First Quarter Report 2016-17

		30 September 2016	30 June 2016
	Note	Un-audited	Audited
		----- Rupees -----	
7. ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration payable		65,174	232,455
Printing charges payable		315,808	240,862
Ranking fee payable		140,000	140,000
Charity payable	7.1	192,987	87,061
Transaction charges payable		596,952	499,266
Withholding and capital gain tax payable		217,824	29,728
Payable to Shariah Advisor		86,418	85,307
Provision for Workers' Welfare Fund	7.2	21,015,392	21,015,392
Accounting and operational charges payable		151,525	119,365
Sindh sales tax on accounting and operational charges		12,122	7,162
Others		228,362	220,980
		23,022,564	22,677,578

7.1 The Shariah Advisor of the Fund, has certified an amount of Rs.192,987 (30 June 2016: Rs.769,158) against dividend income, as Shariah non-compliant income during the period, which has accordingly been marked to charity and shall be paid in due course of time.

7.2 The Finance Act, 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance) as a result of which it was construed that all Collective Investment Schemes/ mutual funds (CISs) whose income exceeded Rs 0.5 million in a tax year were 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 was higher. In light of this, the Mutual Funds Association of Pakistan (MUFAP) filed a constitutional petition in the Honorable Sindh High Court challenging the applicability of WWF on CISs which is pending adjudication.

The Finance Act, 2015 introduced an amendment under which mutual funds and collective investment schemes have been excluded from the definition of industrial establishment. Consequently, mutual funds are not subject to this levy after the introduction of this amendment which is applicable for tax year 2016. The provision made till June 30, 2015 has not been reversed as the law suit referred to in the previous paragraph is still pending in the SHC.

Although the Management Company is hopeful that the case will be decided in favor of the Funds, it has retained the provision in the financial statements as at 30 September 2016 in respect of the liability towards WWF amounting to Rs. 21,015,392 (30 June 2016: Rs. 21,015,392). Had the same not been made the net asset value per unit of the Fund would have been higher by Rs. 6.60 (30 June 2016: Rs. 7.03) per unit.

8. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 30 September 2016 and as at 30 June 2016.

9. ACCOUNTING AND OPERATIONAL CHARGES

In accordance with the provisions of the NBFC Regulations, 2008 (amended vide S.R.O 1160(I) / 2015 dated 25 November 2015), the Management Company of the Fund is entitled to reimbursement of fees and expenses incurred by the Management Company in relation to registrar services, accounting, operation and valuation services related to the Fund upto a maximum of 0.1% of the average annual net assets of the Scheme or actual whichever is less. Accordingly, the Management Company has charged accounting and operational charges to the Fund at the rate of 0.1% per annum of the average annual net assets of the Fund.

10. EXPENSE RATIO

Total Expense Ratio (TER) of the Fund is 2.95% including expenses representing Government levy, WWF and SECP Fee. However, after deducting Government levy, WWF and SECP Fee i.e. 0.43%, the expense ratio will be 2.52% which is inline with the limit specified by the Commission under the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

Atlas Islamic Stock Fund

11. TAXATION

The income of the Fund is exempt from Income Tax as per Clause 99 of Part I of the Second Schedule to 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 as cash dividend amongst the unit holders. The Management intends to distribute at least 90% of the Fund's net accounting income earned by the year end, as cash dividend, to the unit holders. Accordingly, no provision has been made for taxation in these condensed interim financial statements.

12. TRANSACTIONS WITH CONNECTED PERSONS/OTHER RELATED PARTIES

		<u>For the Quarter Ended</u>	
		<u>30 September</u>	<u>30 September</u>
		<u>2016</u>	<u>2015</u>
		<u>Un-audited</u>	<u>Un-audited</u>
		----- Rupees -----	

12.1 Details of transactions with related parties during the period are as follows:

Atlas Asset Management Limited (Management Company)

Remuneration of the Management Company	7,802,004	6,671,408
Remuneration paid	7,556,504	6,825,245
Sindh sales tax on remuneration of the Management Company	1,014,261	1,083,437
Federal Excise Duty on remuneration of the Management Company	-	1,067,425
Issue of Nil (2015: 25,377) units	-	11,643,546
Cash Dividend	-	1,878,338

Central Depository Company of Pakistan Limited (Trustee)

Remuneration of the Trustee	642,154	584,937
Remuneration paid	629,655	592,853
Sindh sales tax on remuneration of the Trustee	83,480	81,891
Settlement charges	42,835	57,054
Sindh sales tax on settlement charges	5,580	7,988

Atlas Battery Limited (Group Company)

Cash Dividend	-	19,528,495
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Atlas Engineering Limited Employee Provident Fund (Retirement benefit plan of group company)

Cash Dividend	-	2,895,879
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Atlas Foundation (Group company)

Issue of Nil (2015: 825) units	-	368,126
Cash Dividend	-	420,716

Atlas Group of Companies, Management Staff Gratuity Fund (Retirement benefit plan of group company)

Cash Dividend	-	3,123,021
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Atlas Honda Limited (Group Company)

Cash Dividend	-	36,072,632
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Atlas Insurance Limited (Group company)

Issue of 280,819 (2015: 62,876) units	145,000,000	27,994,812
Redemption of 213,064 (2015: Nil) units	110,019,858	-
Cash Dividend	-	28,565,500

First Quarter Report 2016-17

	For the Quarter Ended	
	30 September 2016	30 September 2015
	Un-audited	Un-audited
Note	----- Rupees -----	
12.1 Details of transactions with related parties during the period are as follows: (Continued...)		
Batools Benefit Trust (Trust having common Director/Trustee)		
Issue of Nil (2015: 9,277) units	-	4,137,705
Cash Dividend	-	4,728,806
Atlas Insurance Limited Staff Provident Fund Trust (Retirement benefit plan of group company)		
Issue of Nil (2015: 2,744) units	-	1,223,666
Cash Dividend	-	1,223,666
Atlas Honda Limited Employee Provident Fund (Retirement benefit plan of group company)		
Cash Dividend	-	5,399,235
Shirazi Investments (Private) Limited (Group Company)		
Issue of Nil (2015: 5,074) units	-	2,263,134
Cash Dividend	-	2,586,439
Key Management Personnel of the Management Company 12.3		
Issue of Nil (2015: 14,845) units	-	6,586,213
Redemption of 2,161 (2015: 3,532) units	1,067,318	1,550,000
Cash Dividend	-	6,059,709
	30 September 2016	30 June 2016
	Un-audited	Audited
	----- Rupees -----	
12.2 Details of balances with related parties as at the period/year end are as follows:		
Atlas Asset Management Limited (Management Company)		
Remuneration payable to the Management Company	2,632,799	2,387,299
Sindh Sales Tax payable on remuneration of the management company	1,898,825	1,890,784
Federal Excise Duty payable on remuneration of the Management Company	10,453,385	10,453,385
Outstanding 62,944 (30 June 2016: 62,944) units at net asset value	32,499,312	29,745,506
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration payable to the Trustee	213,833	201,334
Sindh sales tax payable on remuneration of the Trustee	27,798	28,187
Settlement charges payable	14,338	13,366
Sindh sales tax payable on settlement charges	1,864	1,871
Atlas Battery Limited (Group Company)		
Outstanding 468,850 (30 June 2016: 468,851) units - at net asset value	242,076,842	221,564,637
Atlas Engineering Limited Employee Provident Fund (Retirement benefit plan of group company)		
Outstanding 57,918 (30 June 2016: 57,918) units - at net asset value	29,904,002	27,370,108
Atlas Foundation		
Outstanding 88,630 (30 June 2016: 88,630) units - at net asset value	45,761,805	41,884,211

Atlas Islamic Stock Fund

30 September 2016
Un-audited

30 June 2016
Audited

Note ----- Rupees -----

12.2 Details of balances with related parties as at the period/year end are as follows: (Continued...)

Atlas Group of Companies, Management Staff Gratuity Fund (Retirement benefit plan of group company)		
Outstanding 62,460 (30 June 2016: 62,460) units - at net asset value	32,249,562	29,516,919
Atlas Honda Limited (Group Company)		
Outstanding 721,453 (30 June 2016: 721,453) units - at net asset value	372,500,424	340,936,871
Atlas Insurance Limited (Group Company)		
Outstanding 676,510 (30 June 2016: 608,755) units - at net asset value	349,295,727	287,679,178
Batools Benefit Trust (Trust having common Director/Trustee)		
Outstanding 103,853 (30 June 2016: 103,853) units - at net asset value	53,621,411	49,077,840
Atlas Insurance Limited Staff Provident Fund Trust (Retirement benefit plan of group company)		
Outstanding 27,217 (2016: 27,217) units - at net asset value	14,052,595	12,861,859
Atlas Honda Limited Employee Provident Fund (Retirement benefit plan of group company)		
Outstanding 107,985 (2016: 107,985) units - at net asset value	55,754,659	51,030,328
<u>Key Management Personnel of management company</u>	12.3	
Outstanding 127,033 (30 June 2016: 129,194) units - at net asset value	65,589,886	61,053,440

12.3 For the purpose of this disclosure, transactions by the Board of Directors, and key management personnel falling within the scope of "executive" under the Code of Corporate Governance, 2012 are included herein. The term "executive" includes the Chief Executive Officer, Chief Operating Officer, Chief Financial Officer and Company Secretary, Chief Internal Auditor, and executives of the Management Company of the Fund whose gross remuneration is Rs.4 million and above, as set by the Board of Directors of the Management Company for the FY 2016-17.

12.4 The transactions with related parties/connected persons are in the normal course of business at contracted rates and terms determined in accordance with market rates.

13. GENERAL

Figures have been rounded off to the nearest Rupee.

14. DATE OF AUTHORISATION FOR ISSUE

These interim condensed financial statements were authorised for issue by the Board of Directors of the Management Company on 27 October 2016.

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

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