

## NBP ISLAMIC MAHANA AMDANI FUND



QUARTERLY REPORT  
**MARCH 31, 2020**



# **MISSION STATEMENT**

**To rank in the top quartile  
in performance of  
NBP FUNDS  
relative to the competition,  
and to consistently offer  
Superior risk-adjusted returns to investors.**



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**FUND'S INFORMATION**

**Management Company**

**NBP Fund Management Limited - Management Company**

**Board of Directors of Management Company**

Shaikh Muhammad Abdul Wahid Sethi	Chairman
Dr. Amjad Waheed	Chief Executive Officer
Mr. Saad ur Rahman Khan	Director
Syed Hasan Irtiza Kazmi	Director
Mr. Ali Saigol	Director
Mr. Imran Zaffar	Director
Mr. Khalid Mansoor	Director
Mr. Humayun Bashir	Director
Mr. Saad Amanullah Khan	Director

**Company Secretary & COO**

Mr. Muhammad Murtaza Ali

**Chief Financial Officer**

Mr. Khalid Mehmood

**Audit & Risk Committee**

Mr. Saad Amanullah Khan	Chairman
Syed Hasan Irtiza Kazmi	Member
Mr. Imran Zaffar	Member
Mr. Humayun Bashir	Member

**Human Resource Committee**

Mr. Khalid Mansoor	Chairman
Shaikh Muhammad Abdul Wahid Sethi	Member
Mr. Ali Saigol	Member
Mr. Humayun Bashir	Member

**Strategy & Business Planning Committee**

Mr. Humayun Bashir	Chairman
Mr. Saad ur Rahman Khan	Member
Mr. Ali Saigol	Member
Mr. Imran Zaffar	Member
Mr. Saad Amanullah Khan	Member

**Trustee**

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

**Bankers to the Fund**

Al Baraka Bank Limited  
Allied Bank Limited  
Bank Al Habib Limited  
Bank Islami Pakistan Limited  
Dubai Islamic Bank Pakistan Limited  
Habib Metropolitan Bank Limited  
Habib Bank Limited  
JS Bank Limited  
MCB Bank Limited  
Meezan Bank Limited  
National Bank of Pakistan  
Silk Bank Limited  
Soneri Bank Limited  
Sindh Bank Limited  
Summit Bank Limited  
United Bank Limited

**Auditors**

A.F. Ferguson & Co. Chartered Accountants  
State Life Building No. 1-C  
I.I. Chundrigar Road,  
P.O.Box 4716  
Karachi.

**Legal Advisor**

Akhund Forbes  
D-21, Block 4, Scheme 5,  
Clifton, Karachi 75600, Pakistan.

**Head Office:**

7th Floor Clifton Diamond Building, Block No. 4,  
Scheme No. 5, Clifton Karachi.  
UAN: 021 (111-111-632),  
(Toll Free): 0800-20002,  
Fax: (021) 35825329  
Website: [www.nbpfunds.com](http://www.nbpfunds.com)

**Lahore Office:**

7-Noon Avenue, Canal Bank,  
Muslim Town, Lahore.  
UAN: 042-111-111-632  
Fax: 92-42-35861095

**Islamabad Office:**

1st Floor, Ranjha Arcade  
Main Double Road, Gulberg Greens,  
Islamabad.  
UAN: 051-111-111-632  
Fax: 051-4859031

**Peshawar Office:**

Opposite Gul Haji Plaza, 2nd Floor  
National Bank Building  
University Road Peshawar,  
UAN: 091-111 111 632  
Fax: 091-5703202

**Multan Office:**

NBP City Branch, Hussain-e-Gahi, Multan.  
Phone No: 061-4502204  
Fax No: 061-4502203

## DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited is pleased to present the unaudited financial statements of **NBP Islamic Mahana Amdani Fund** (NIMAF) (Formerly: NBP Aitemaad Mahana Amdani Fund) (NAMAF) for the period ended March 31, 2020.

### Fund's Performance

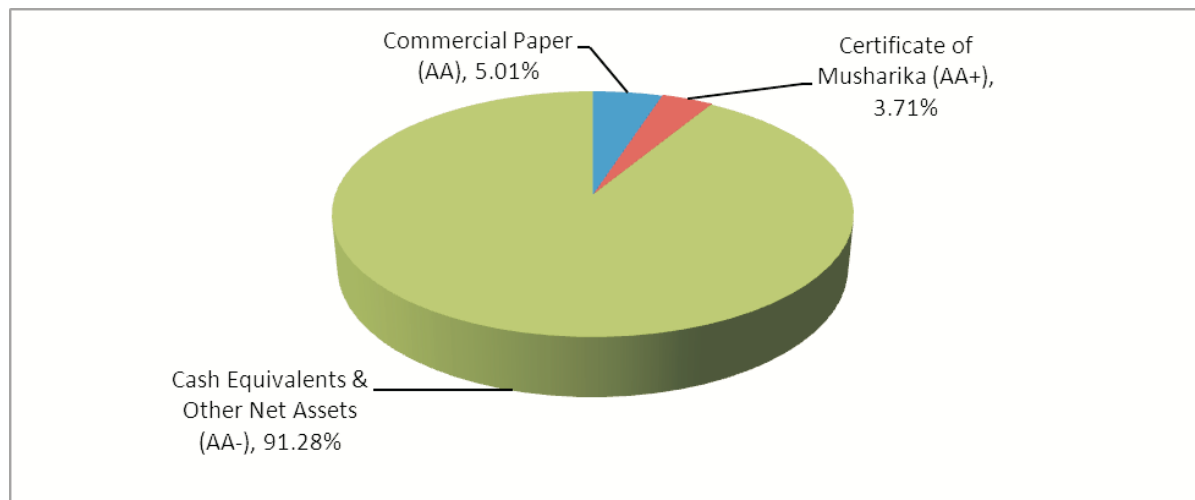
The size of NBP Islamic Mahana Amdani Fund has increased from Rs. 8,556 million to Rs. 26,932 million during the period (i.e. a significant growth of 215%). During the period, the unit price of the Fund has increased from Rs. 9.9262 (Ex-Div) on June 30, 2019 to Rs. 10.8772 on March 31, 2020, thus showing return of 12.7% as compared to its benchmark return of 6.3% for the same period. The performance of the Fund is net of management fee and other expenses.

NIMAF is categorized as a Shariah Compliant Income Fund. The Fund aims to provide monthly income to investors by investing in Shariah Compliant money market and debt avenues. Minimum eligible rating is A-, while the Fund is allowed to invest with Islamic Banks, Islamic branches / windows of conventional banks providing easy liquidity. The Fund is allowed to invest in Shariah Compliant Money Market instruments & debt securities rated A- or better. The Fund is not authorized to invest in Equities. The weighted average time to maturity of the Fund cannot exceed 4 years excluding government securities.

During the period under review, the market witnessed issuance of a decent size of corporate sukuks and Shariah Compliant commercial papers to meet the increasing funding need for fixed capital investments and working capital, respectively. In the secondary market, the trading activity in corporate sukuks remained around Rs. 19 billion compared to Rs. 9 billion, during the same period last year.

During 9MFY20, the State Bank of Pakistan (SBP) held six Monetary Policy Committee (MPC) meetings. In its first meeting in July 2019, the Policy Rate was increased by 100bps to 13.25% with the objective to curtail inflationary pressure. Thenceforth the central bank maintained tight monetary policy stance and left the key benchmark rate unchanged in the subsequent three MPC meetings. In its meeting on March 17th, 2020 and again on March 24th, 2020 the SBP slashed the Policy Rate by a cumulative 225bps to 11%; owing to improved inflation outlook, sharp fall in the global oil prices, and economic fallout from the Coronavirus pandemic.

The Fund has earned a total income of Rs. 1,684.017 million during the period. After deducting for total expenses of Rs. 175.732 million, the net income is Rs. 1,508.285 million. The chart below presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NIMAF.



### **Income Distribution**

The Board of Directors of the Management Company has approved interim cash dividend of 0.966% of the opening ex-NAV (0.968% of the par value) during the period ended March 31, 2020.

### **Acknowledgement**

The Board takes this opportunity to thank its valued unit-holders for their confidence and trust in the Management Company, and providing the opportunity to serve them. It also offers its sincere gratitude to the Securities & Exchange Commission of Pakistan and State Bank of Pakistan for their patronage and guidance.

The Board also wishes to place on record its appreciation for the hard work, dedication and commitment shown by the staff and the Trustee.

On behalf of the Board of  
**NBP Fund Management Limited**

Chief Executive

Director

Date: **April 27, 2020**

Place: Karachi.

## ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 31 مارچ 2020ء کو ختم ہونے والی نو ماہی کے لئے NBP اسلامک ماہانہ آمدنی فنڈ (سابقہ: NBP) اعتماد ماہانہ آمدنی فنڈ (NIMAF) کے غیر جانچ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

### فنڈ کی کارکردگی

موجودہ مدت کے دوران NBP اسلامک ماہانہ آمدنی فنڈ کا سائز 8,556 ملین روپے سے بڑھ کر 26,932 ملین روپے ہو گیا ہے یعنی 215% کا نمایاں اضافہ ہوا۔ زیر جائزہ مدت کے دوران، فنڈ کے یونٹ کی قیمت 30 جون 2019 کو 9.9262 روپے (EX-Div) سے بڑھ کر 31 مارچ 2020ء کو 10.8772 روپے ہو گئی، لہذا اسی مدت کے دوران فنڈ نے اپنے بیچ مارک 6.3% کے مقابلے میں 12.7% منافع درج کیا۔ فنڈ کی یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

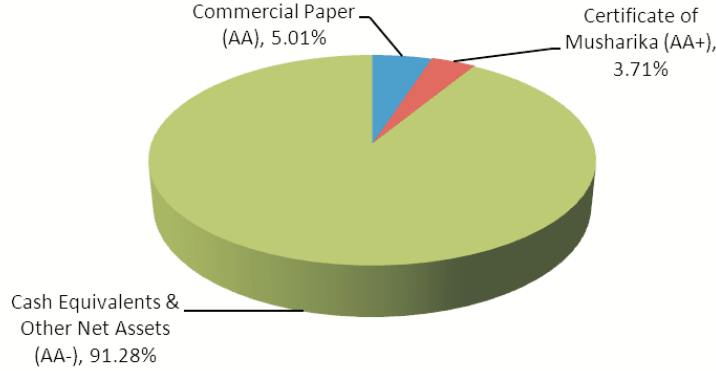
NIMAF شریعت کے مطابق انکم فنڈ کے طور پر درجہ بندی کیا جاتا ہے۔ فنڈ کا مقصد شرعی مطابقت پذیر منی مارکیٹ اور قرض کی آمد میں سرمایہ کاری کر کے سرمایہ کاروں کو ماہانہ آمدنی فراہم کرنا ہے۔ کم از کم اہل درجہ بندی-A، جبکہ فنڈ اسلامی بینکوں، اسلامی شاخوں اور ایچ بی بینکوں کی وٹڈ و آسان فراہمی کرنے کے ساتھ سرمایہ کاری کرنے کی اجازت دی جاتی ہے۔ فنڈ شریعت کے مطابق Money Market Instruments اور Debt Securities میں سرمایہ کاری کرنے کی اجازت دیتا ہے جو-A یا اس سے بہتر ہو۔ فنڈ ایک یوٹیلٹی میں سرمایہ کاری کرنے کا اختیار نہیں رکھتا۔ فنڈ کی اوسط میچورٹی گورنمنٹ سیکورٹیز کے علاوہ 4 سال سے زائد نہیں ہے۔

زیر جائزہ مدت کے دوران، مارکیٹ میں بالترتیب فیکسڈ کیپٹل سرمایہ کاری اور روکنگ کیپٹل سرمایہ کاری کے لئے بڑھتی ہوئی فنڈنگ کی ضروریات کو پورا کرنے کے لئے کارپوریٹ سکوک اور شریعہ کمپلیٹ کمرشل پیپرز کے ایک معقول سائز کے اجراء کا مشاہدہ کیا گیا۔ ثانوی مارکیٹ میں، کارپوریٹ سکوک میں تجارت 19 ملین روپے رہی جو کہ گذشتہ سال کی اسی مدت کے دوران 9 ملین روپے تھی۔

مالی سال 2020 کی نو ماہی میں اسٹیٹ بینک آف پاکستان نے چھ ماہی پالیسی کمیٹی (MPC) کے اجلاس طلب کئے۔ افراط زر کو قابو کرنے کے لئے SBP نے جولائی 2019ء میں منعقدہ ماہی پالیسی کے اپنے پہلے اجلاس میں پالیسی کی شرح کو بحساب 100bps سے بڑھا کر 13.25 فی صد کر دیا۔ اس کے بعد مرکزی بینک نے سخت معاشی پالیسی کا موقف برقرار رکھا اور اس کے بعد ہونے والی تین MPC اجلاسوں میں کلیدی معیار تبدیل نہیں کیا۔ 17 مارچ، 2020 کو اور پھر 24 مارچ، 2020 کو اپنے اجلاس میں اسٹیٹ بینک نے افراط زر کی صورتحال میں بہتری، تیل کی عالمی قیمتوں میں تیزی سے کمی اور کورونا وائرس وبائی مرض سے معاشی خرابی کی وجہ سے پالیسی کی شرح میں بحساب 225bps سے کمی کر کے مجموعی طور پر 11 فیصد کر دیا۔

فنڈ نے موجودہ مدت کے دوران 1,684.017 ملین روپے کی مجموعی آمدنی کمائی ہے۔ 175.723 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 1,508.285 ملین روپے ہے۔

درج ذیل چارٹ NIMAF کی ایسٹ ایلوکیشن اور اس کے ذیلی اثاثوں کے تمام درجوں کی پیکائش شدہ اوسط کریڈٹ ریٹنگ پیش کرتا ہے:



### آمدنی کی تقسیم

میٹجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز نے 31 مارچ 2020 کو ختم ہونے والی مدت کے لئے اوپننگ ex-NAV کا 0.966% (par value کا 0.968%) عبوری نقد ڈیویڈنڈ منظور کیا۔

### اظہار تشکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے میٹجمنٹ کمپنی پر اعتماد، اعتبار اور خدمت کا موقع فراہم کرنے پر اپنے قابل قدر یونٹ ہولڈرز کا شکریہ ادا کرتا ہے۔ یہ سیکورٹیز اینڈ اینڈ ایکسچینج کمیشن آف پاکستان اور اسٹیٹ بینک آف پاکستان کی سرپرستی اور رہنمائی کے لئے ان کے مخلص رویہ کا بھی اعتراف کرتا ہے۔

بورڈ اپنے اسٹاف اور سٹریٹجی کی طرف سے سخت محنت، لگن اور عزم کے مظاہرے پر اپنا خراج تحسین بھی ریکارڈ پر لانا چاہتا ہے۔

منجانب بورڈ آف ڈائریکٹرز

**NBP** فنڈ میٹجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو

تاریخ: 27 اپریل 2020ء

مقام: کراچی

**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
AS AT MARCH 31, 2020

	Note	(Un-Audited) March 31, 2020	(Audited) June 30, 2019
(Rupees in '000)			
<b>Assets</b>			
Bank balances	4	24,447,914	6,633,350
Investments	5	2,348,986	1,891,327
Profit receivable		283,960	62,027
Preliminary expenses and floatation costs		706	857
Receivable against transfer of sale		4,885	-
Deposits, prepayments and other receivables		2,896	2,836
<b>Total assets</b>		<b>27,089,347</b>	<b>8,590,397</b>
<b>Liabilities</b>			
Payable to the Management Company		68,584	19,000
Payable to the Trustee		1,921	608
Payable to Securities and Exchange Commission of Pakistan		2,491	1,259
Payable against redemption of units		31,942	-
Accrued expenses and other liabilities		52,884	13,758
<b>Total liabilities</b>		<b>157,822</b>	<b>34,625</b>
<b>Net assets</b>		<b>26,931,525</b>	<b>8,555,772</b>
<b>Unit holders' funds (As per Statement attached)</b>		<b>26,931,525</b>	<b>8,555,772</b>
<b>Contingencies and commitments</b>	7		
(Number of units)			
<b>Number of units in issue</b>		<b>2,475,959,762</b>	<b>853,643,044</b>
(Rupees)			
<b>Net asset value per unit</b>		<b>10.8772</b>	<b>10.0227</b>

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Financial Officer

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

\_\_\_\_\_  
Director

**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)**  
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2020

Note	Nine Months Ended March 31, 2020	For the period from October 07, 2018 To March 31, 2019	Quarter Ended March 31, 2020	Quarter Ended March 31, 2019
<b>Rupees in '000</b>				
<b>Income</b>				
Income on sukuk certificates	11,916	-	-	-
Income on commercial papers	162,009	3,634	77,410	3,634
Income on term deposit receipts	205,402	-	75,511	-
Income on certificate of musharika	24,322	-	24,322	-
Profit on bank deposits	1,280,368	38,903	585,140	34,762
<b>Total income</b>	<b>1,684,017</b>	<b>42,537</b>	<b>762,383</b>	<b>38,396</b>
<b>Expenses</b>				
Remuneration of the Management Company	26,916	2,829	11,418	2,572
Sindh Sales Tax on remuneration of the Management Company	3,499	368	1,484	335
Allocated expenses	12,455	392	5,701	352
Selling and marketing expenses	85,312	-	39,909	-
Remuneration of the Trustee	9,341	540	4,276	471
Sales Tax on remuneration of the Trustee	1,214	70	556	61
Annual fees to the Securities and Exchange Commission of Pakistan	2,491	294	1,140	264
Amortisation of preliminary expenses and floatation costs	151	96	50	49
Settlement and bank charges	1,240	212	275	180
Auditors' remuneration	466	298	87	135
Annual rating fee	112	103	43	62
Shariah advisory fee	1,644	61	546	54
Listing fee	21	13	7	7
Printing charges	59	18	7	9
Legal and professional charges	30	24	10	13
<b>Total expenses</b>	<b>144,951</b>	<b>5,318</b>	<b>65,509</b>	<b>4,564</b>
<b>Net income from operating activities</b>	<b>1,539,066</b>	<b>37,219</b>	<b>696,874</b>	<b>33,832</b>
Provision for Sindh Workers' Welfare Fund	(30,781)	(744)	(13,937)	(676)
<b>Net income for the period before taxation</b>	<b>1,508,285</b>	<b>36,475</b>	<b>682,937</b>	<b>33,156</b>
<b>Taxation</b>	-	-	-	-
<b>Net income for the period after taxation</b>	<b>1,508,285</b>	<b>36,475</b>	<b>682,937</b>	<b>33,156</b>
<b>Allocation of Net income for the period:</b>				
Net income for the period	1,508,285	36,475	682,937	33,156
Income already paid on units redeemed	(431,391)	(909)	(190,581)	(672)
	<b>1,076,894</b>	<b>35,566</b>	<b>492,356</b>	<b>32,484</b>
<b>Accounting Income available for distribution:</b>				
- Relating to capital gains	-	-	-	-
- Excluding capital gains	1,076,894	35,566	492,356	32,484
	<b>1,076,894</b>	<b>35,566</b>	<b>492,356</b>	<b>32,484</b>

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

**For NBP Fund Management Limited**  
**(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2020

	Nine Months Ended March 31, 2020	For the period from October 07, 2018 To March 31, 2019	Quarter Ended March 31, 2020	Quarter Ended March 31, 2019
	Rupees in '000'			
Net income for the period after taxation	1,508,285	36,475	682,937	33,156
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>1,508,285</b>	<b>36,475</b>	<b>682,937</b>	<b>33,156</b>

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Financial Officer

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

\_\_\_\_\_  
Director

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED)**  
FOR THE NINE MONTHS ENDED MARCH 31, 2020

	Nine Months Ended March 31, 2020			For the period from October 07, 2018 to March 31, 2019		
	Capital value	Undistributed loss	Total	Capital value	Undistributed loss	Total
	----- (Rupees in '000) -----					
<b>Net Assets at beginning of the year</b>	8,538,068	17,704	8,555,772	-	-	-
Issuance of 4,769,916,460 units (2019 : 1,190,108,202 units)						
- Capital value	47,804,580		47,804,580	3,427,579	-	3,427,579
- Element of Income	2,050,096		2,050,096	13,213	-	13,213
Total proceeds on issuance of units	49,854,676	-	49,854,676	3,440,792	-	3,440,792
Redemption of 3,147,599,742 units (2019 : 803,246,075 units)						
- Capital value	(31,545,559)		(31,545,559)	(348,871)	-	(348,871)
- Element of (Loss)	(937,358)	(431,391)	(1,368,749)	(288)	(909)	(1,197)
Total payments on redemption of units	(32,482,917)	(431,391)	(32,914,308)	(349,159)	(909)	(350,068)
Total comprehensive Income for the period	-	1,508,285	1,508,285	-	36,475	36,475
Interim Cash distribution						
- Nil (2019 : Re. 0.0464 per unit declared on October 29,2018)	-	-	-	(110)	(547)	(657)
- Nil (2019 : Re. 0.0627 per unit declared on November 28,2018)	-	-	-	(121)	(891)	(1,012)
- Nil (2019 : Re. 0.0727 per unit declared on December 28,2018)	-	-	-	(576)	(1,367)	(1,943)
- Nil (2019 : Re. 0.0789 per unit declared on January 28,2019)	-	-	-	(2,843)	(3,259)	(6,102)
- Nil (2019 : Re. 0.0756 per unit declared on February 26,2019)	-	-	-	(3,705)	(8,856)	(12,561)
- Nil (2019 : Re. 0.0792 per unit declared on March 28,2019)	-	-	-	(5,479)	(17,548)	(23,027)
- @ Re. 0.0006 per unit date of declaration on July 19, 2019 (2019 : Nil)	-	(519)	(519)	-	-	-
- @ Re. 0.0968 per unit date of declaration on July 30, 2019 (2019 : Nil)	(13,911)	(58,470)	(72,381)	-	-	-
	(13,911)	(58,989)	(72,900)	(12,834)	(32,468)	(45,302)
<b>Net assets at end of the period</b>	<b>25,895,916</b>	<b>1,035,609</b>	<b>26,931,525</b>	<b>3,078,799</b>	<b>3,098</b>	<b>3,081,897</b>
Undistributed Income brought forward						
Realized		17,704			-	
Unrealized		-			-	
		<u>17,704</u>			<u>-</u>	
Accounting income available for distribution:						
- Relating to capital gains		-			-	
- Excluding capital gains		1,076,894			35,566	
		<u>1,076,894</u>			<u>35,566</u>	
Interim cash distribution		(58,989)			(32,468)	
Undistributed income carried forward		<u>1,035,609</u>			<u>3,098</u>	
Undistributed income carried forward						
- Realised Income		1,035,609			3,098	
- Unrealised Income		-			-	
		<u>1,035,609</u>			<u>3,098</u>	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the period			<u>10.0227</u>			<u>10.0000</u>
Net assets value per unit at end of the period			<u>10.8772</u>			<u>10.0104</u>

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

**For NBP Fund Management Limited**  
**(Management Company)**

\_\_\_\_\_  
Chief Financial Officer

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

\_\_\_\_\_  
Director

**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
FOR THE NINE MONTHS ENDED MARCH 31, 2020

	Note	Nine Months Ended March 31, 2020	For the period from October 07, 2018 to March 31, 2019
		(Rupees in '000)	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net income for the period before taxation		1,508,285	36,475
<b>Adjustments for:</b>			
Provision for Sindh Workers' Welfare Fund		30,781	744
Amortisation of preliminary expenses and floatation costs		151	96
		<u>1,539,217</u>	<u>37,315</u>
<b>Increase in assets</b>			
Investments		(457,659)	(278,211)
Profit receivable		(221,933)	(19,987)
Preliminary expenses and floatation costs		-	(1,004)
Deposits, prepayments and other receivables		(60)	(1,065)
		<u>(679,652)</u>	<u>(300,267)</u>
<b>Increase in liabilities</b>			
Payable to the Management Company		49,584	19,084
Payable to the Trustee		1,313	280
Payable to Securities and Exchange Commission of Pakistan		1,232	294
Accrued expenses and other liabilities		8,345	2,958
		<u>60,474</u>	<u>22,616</u>
<b>Net cash generated from / (used in) operating activities</b>		<u>920,039</u>	<u>(240,336)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Net receipts from issue of units		49,835,880	3,427,958
Net payments on redemption of units		(32,882,366)	(350,068)
Distribution paid		(58,989)	(32,468)
<b>Net cash generated from financing activities</b>		<u>16,894,525</u>	<u>3,045,422</u>
<b>Net increase in cash and cash equivalents during the period</b>		<u>17,814,564</u>	<u>2,805,086</u>
Cash and cash equivalents at the beginning of the period		6,633,350	-
<b>Cash and cash equivalents at the end of the period</b>	4	<u><u>24,447,914</u></u>	<u><u>2,805,086</u></u>

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Financial Officer

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

\_\_\_\_\_  
Director

**NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2020**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

NBP Islamic Mahana Amdani Fund (Formerly: NBP Aitemaad Mahana Amdani Fund) (the Fund) is an open end mutual fund constituted under a trust deed entered into on October 09, 2018 between NBP Fund Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 7th Floor, Clifton Diamond Building, Block 4, Scheme No. 5, Clifton, Karachi. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

The Fund has been categorised as an open ended 'Shari'ah compliant income scheme' by the Board of Directors of the Management Company pursuant to the provisions contained in circular 7 of 2009 and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription under pre - IPO at a par value of Rs.10 per unit. Thereafter, the units were being offered for public subscription on a continuous basis from October 07, 2018 and are transferable and redeemable by surrendering them to the Fund.

The objective of the Fund is to earn a reasonable rate of return along with a high degree of liquidity by investing in short-term Shari'ah compliant money market and debt securities.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned and maintained an asset manager rating of AM1 as at December 24, 2019 to the Management Company and rated A(f) with stable outlook as at April 17, 2020 to the Fund.

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

**2 STATEMENT OF COMPLIANCE**

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- 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 requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

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 June 30, 2019.

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declared that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2020.

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2019.

3.2 There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on July 1, 2019 that have a material effect on the financial statements of the Fund.

4 BANK BALANCES	Note	(Un-Audited) March 31, 2020	(Audited) June 30, 2019
Rupees in '000			
Balances with banks in:			
Savings accounts	4.1	24,402,850	6,616,900
Current accounts		45,064	16,450
		<u>24,447,914</u>	<u>6,633,350</u>

4.1 These include a balance of Rs 8,529.155 million (June 30, 2019: Rs 830.857 million) maintained with BankIslami Pakistan Limited (a related party) and a balance of Rs 15.036 million (June 30, 2019: Rs 1.063 million) maintained with National Bank of Pakistan (a related party), that carry profit at the rates of 8% to 12.5% (June 30, 2019: 8% to 13.5%) per annum. Other savings accounts of the Fund carry profit rates ranging from 7.05% to 13.25% (June 30, 2019: 13% to 13.85%) per annum.

5 INVESTMENTS	Note	(Un-Audited) March 31, 2020	(Audited) June 30, 2019
Rupees in '000			
<b>Financial assets at fair value through profit or loss</b>			
Sukuk certificates - listed		-	335,000
Commercial paper	5.1	1,348,986	286,327
Term deposit receipts		-	1,270,000
Certificate of musharilka	5.2	1,000,000	-
		<u>2,348,986</u>	<u>1,891,327</u>

## 5.1 Commercial paper

Name of the security	Issue date	Profit rate (%) / Tenor	As at July 01, 2019	Purchased during the period	Matured during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Market value as a percentage of total investments	Market value as a percentage of net assets	
							----- Rupees in '000 -----	----- Percentage -----			
K-Electric Limited	14-Feb-20	14.64 6 months	-	432,000	-	432,000	410,200	410,200	17.46	1.52	
K-Electric Limited	26-Feb-20	14.64 6 months	-	644,000	-	644,000	608,612	608,612	25.91	2.26	
K-Electric Limited	10-Mar-20	13.64 6 months	-	350,000	-	350,000	330,174	330,174	14.06	1.23	
<b>Total as at March 31, 2020</b>							<b>1,348,986</b>	<b>1,348,986</b>			

## 5.2 Certificate of musharilka

Name of the security	Issue date	Profit rate (%) / Tenor	As at July 01, 2019	Purchased during the period	Matured during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Market value as a percentage of total investments	Market value as a percentage of net assets	
							----- Rupees in '000 -----	----- Percentage -----			
First Habib Modarba	24-Jan-20	13.35 3 months	-	500,000	-	500,000	500,000	500,000	21.29	1.86	
First Habib Modarba	27-Jan-20	13.35 3 months	-	500,000	-	500,000	500,000	500,000	21.29	1.86	
<b>Total as at March 31, 2020</b>							<b>1,000,000</b>	<b>1,000,000</b>			

## 6 PROVISION FOR SINDH WORKERS' WELFARE FUND

The legal status of applicability of Worker's Welfare Fund and Sindh Workers' Welfare Fund is same as that disclosed in note 12.1 to the annual audited financial statements of the Fund for the year ended June 30, 2019.

The Fund, being prudent, recognized provision for SWWF amounting to Rs. 34.326 million as at March 31, 2020 in this condensed interim financial information, Had the provision not been made, net assets value per unit at March 31, 2020 would have been higher by Rs. 0.0139 per unit (June 30, 2019: Rs. 0.0042 per unit).

## 7 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2020 and June 30, 2019.

## 8 SELLING AND MARKETING EXPENSES

The SECP vide circular 11 of 2019 dated July 05, 2019 has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) and prescribed revised conditions for charging of selling and marketing expenses to CIS. The said circular also supersedes circular No. 40 of 2016, circular No. 05 of 2017 and circular No. 5 of 2018. These expenses shall be counted in the total expense ratio cap of the fund. Accordingly, the Management Company has charged selling and marketing expenses at the rate of 0.7% per annum of the net assets of the Fund.

## 9 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 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unit holders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2020 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

## 10 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at March 31, 2020 is 1.41% (June 30, 2019: 1.49%) which includes 0.31% (June 30, 2019: 0.39%) representing government levies on the Fund such as sales taxes, federal excise duties, annual fee to the SECP, etc. This ratio is within the maximum limit of 2.5% (as amended by S.R.O 639 dated June 20, 2019) prescribed under the NBFC Regulations for a collective investment scheme categorised as 'Shari'ah compliant income scheme'.

## 11 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

- 11.1** Connected persons include NBP Fund Management Limited being the Management Company (NBP Funds), Central Depository Company of Pakistan Limited (CDC) being the Trustee, National Bank of Pakistan (NBP) and its connected persons, and Baltoro Growth Fund being the sponsors, other collective investment schemes managed by the Management Company, entities having common directorship with the Management Company, retirement funds of group companies, directors and officers of the Management Company and any person or company which beneficially owns directly or indirectly 10% or more of the units in issue / net assets of the Fund.
- 11.2** Transactions with connected persons are executed on an arm's length basis and essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 11.3** Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.
- 11.4** Remuneration to the Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.



11.5 Details of transactions with related parties / connected persons during the period are as follows:

	(Un-Audited)	
	Nine Months Ended March 31, 2020	For the period from October 07, 2018 To March 31, 2019
	Rupees in '000	
<b>NBP Fund Management Limited - Management Company</b>		
Remuneration of the Management Company	26,916	2,829
Sindh Sales Tax on remuneration of the Management Company	3,499	368
Sales load during the period	126,480	18,153
Allocated expenses	12,455	392
Selling and marketing expenses	85,312	-
Amortisation of preliminary expenses and floatation costs	151	96
Dividend re-invest units issued - Nil (2019: 339,999)	-	3,401
Units issued - Nil (2019: 14,986,820)	-	149,867
Units redeemed - Nil (2019: 5,996,882)	-	60,000
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration	9,341	69
Sindh sales tax on remuneration of Trustee	1,214	9
Settlement charges	5	-
<b>Employees of NBP Fund Management Limited</b>		
Dividend re-invest units issued - 6,379 (2019: 22,655)	64	227
Units issued - 14,665,722 (2019: 7,916,432)	152,283	79,259
Units redeemed - 13,300,459 (2019: 7,015,003)	137,892	70,423
<b>Dr Amjad Waheed - Chief Executive Officer of the Management Company</b>		
Units issued during the period - 1,414,249 (2019: Nil)	14,929	-
Units redeemed during the period - 1,414,249 (2019: Nil)	14,982	-
<b>Khalid Mehmood - Chief Financial Officer</b>		
Dividend re-invest units issued - 2,326 (2019: Nil)	23	-
Units issued during the period - 147,646 (2019: Nil)	1,513	-
Units redeemed during the period - 430,482 (2019: Nil)	4,502	-
<b>Muhammad Murtaza Ali - Chief Operating Officer and Company Secretary</b>		
Dividend re-invest units issued - 13* (2019: 3,229)	-	32
Units issued - 281,237 (2019: 419,186)	3,051	4,195
Units redeemed - 48,558 (2019: 143,429)	521	1,440
<b>Imran Zaffar - Director</b>		
Dividend re-invest units issued - 12,952 (2019: Nil)	130	-
Units issued during the period - 1* (2019: Nil)	-	-
Units redeemed during the period - 1,548,000 (2019: Nil)	15,808	-
<b>Portfolio managed by the Management Company</b>		
Dividend re-invest units issued - 3,205 (2019: Nil)	32	-
Units issued during the period - 27,212,197 (2019: Nil)	290,752	-
Units redeemed during the period - 1,755,275 (2019: Nil)	18,400	-
<b>Fauji Fertilizer Company Limited</b>		
Units issued during the period - 12,937,847 (2019: Nil)	130,001	-
Units redeemed during the period - 12,937,769 (2019: Nil)	130,085	-
<b>National Bank of Pakistan</b>		
Profit on bank balances	120	-
<b>NBP Financial Sector Income Fund</b>		
Purchase of commercial paper	96,989	-
<b>NBP Riba Free Savings Fund</b>		
Purchase of commercial paper	388,056	-
<b>NBP Islamic Daily Dividend Fund</b>		
Purchase of commercial paper	99,147	-
<b>Pakistan Stock Exchange Limited **</b>		
Listing fee paid	25	-
<b>BankIslami Pakistan Limited - common directorship</b>		
Profit income	520,529	8,217
Placement of term deposit receipts	17,005,533	-
Income from term deposit receipts	205,402	-

\* Nil due to rounding off

# NBP ISLAMIC MAHANA AMDANI FUND (FORMERLY ; NBP AITEMAAD MAHANA AMDANI FUND)



## 11.6 Amounts / balances outstanding as at period end:

	(Un- Audited) March 31, 2020	Audited June 30, 2019
	Rupees in '000	
<b>NBP Fund Management Limited - Management Company</b>		
Payable against formation cost	1,004	1,004
Remuneration payable to the Management Company	4,533	5,069
Sales load payable to management company	14,527	8,438
Transfer load payable	306	891
Other payable to the Management Company	80	80
Sindh sales tax payable on remuneration of the Management Company	589	659
Sindh sales tax payable on sales load	1,935	1,220
Allocated expense payable	5,701	1,639
Selling and marketing expense payable	39,909	-
<b>Employees of the Management Company</b>		
3,516,803 units held (June 30, 2019 : 2,145,163 units)	38,253	21,500
<b>Muhammad Murtaza Ali - Chief Operating Officer and Company Secretary</b>		
235,850 units held (June 30, 2019 : 3,157 units)	2,566	32
<b>Imran Zaffar - Director</b>		
531,917 units held (June 30, 2019 : 2,066,964 units)	5,786	20,717
<b>Fauji Fertilizer Company Limited</b>		
77 units held (June 30, 2019 : Nil units)	1	-
<b>Portfolio managed by the Management Company</b>		
25,661,772 units held (June 30, 2019 : 1,005,739 units)	279,128	10,080
<b>Khalid Mehmood - Chief Financial Officer</b>		
1,210 units held (June 30, 2019 : 281,720 units)	13	2,824
<b>Bulk Management Pakistan Private Limited - unit holder with more than 10% holding *</b>		
Nil units held (June 30, 2019 : 89,415,527 units)	-	896,185
<b>Central Depository Company of Pakistan Limited - the Trustee</b>		
Remuneration payable	1,700	538
Sindh sales tax on remuneration of the Trustee	221	70
Settlement charges payable	4	-
Security deposit	103	103
<b>BankIslami Pakistan Limited - common directorship</b>		
Bank balance	8,529,155	830,857
Term deposit receipts	-	1,270,000
Profit receivable on bank balances and term deposit receipts	114,976	17,199
<b>Summit Bank Limited *</b>		
Balance with bank	-	3,096
<b>National Bank of Pakistan Limited - parent company</b>		
Balance with bank	15,036	1,063
Profit receivable	23	8

\* Current period figure has not been presented as the person is not classified as a related party / connected person of the Fund as at March 31, 2020.

\*\* Prior period figure has not been presented as the person is not classified as a related party / connected person of the Fund as at June 30, 2019.

**12 DATE OF AUTHORISATION FOR ISSUE**

This condensed interim financial information was authorised for issue by the Board of Directors of the Management Company on **April 27, 2020**.

**13 GENERAL**

Figures have been rounded off to the nearest thousand rupees, unless otherwise specified.

For NBP Fund Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Financial Officer

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

\_\_\_\_\_  
Director

## Head Office

7th Floor, Clifton Diamond Building, Block No.4,  
Scheme No.5, Clifton, Karachi.

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 /nbpffunds

## NBP ISLAMIC DAILY DIVIDEND FUND



QUARTERLY REPORT  
**MARCH 31, 2020**



# **MISSION STATEMENT**

**To rank in the top quartile  
in performance of  
NBP FUNDS  
relative to the competition,  
and to consistently offer  
Superior risk-adjusted returns to investors.**

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## FUND'S INFORMATION

### Management Company

**NBP Fund Management Limited - Management Company**

### Board of Directors of Management Company

Shaikh Muhammad Abdul Wahid Sethi	Chairman
Dr. Amjad Waheed	Chief Executive Officer
Mr. Saad ur Rahman Khan	Director
Syed Hasan Irtiza Kazmi	Director
Mr. Ali Saigol	Director
Mr. Imran Zaffar	Director
Mr. Khalid Mansoor	Director
Mr. Humayun Bashir	Director
Mr. Saad Amanullah Khan	Director

### Company Secretary & COO

Mr. Muhammad Murtaza Ali

### Chief Financial Officer

Mr. Khalid Mehmood

### Audit & Risk Committee

Mr. Saad Amanullah Khan	Chairman
Syed Hasan Irtiza Kazmi	Member
Mr. Imran Zaffar	Member
Mr. Humayun Bashir	Member

### Human Resource Committee

Mr. Khalid Mansoor	Chairman
Shaikh Muhammad Abdul Wahid Sethi	Member
Mr. Ali Saigol	Member
Mr. Humayun Bashir	Member

### Strategy & Business Planning Committee

Mr. Humayun Bashir	Chairman
Mr. Saad ur Rahman Khan	Member
Mr. Ali Saigol	Member
Mr. Imran Zaffar	Member
Mr. Saad Amanullah Khan	Member

### Trustee

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

### Bankers to the Fund

Dubai Islamic Bank Pakistan Limited  
Habib Bank Limited  
Meezan Bank Limited  
National Bank of Pakistan  
Askari Bank Limited  
Allied Bank Limited  
JS Bank Limited  
Bank Al Habib Limited



## **Auditors**

A.F. Ferguson & Co. Chartered Accountants  
State Life Building No. 1-C  
I.I. Chundrigar Road,  
P.O.Box 4716  
Karachi.

## **Legal Advisor**

Akhund Forbes  
D-21, Block 4, Scheme 5,  
Clifton, Karachi 75600, Pakistan.

## **Head Office:**

7th Floor Clifton Diamond Building, Block No. 4,  
Scheme No. 5, Clifton Karachi.  
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(Toll Free): 0800-20002,  
Fax: (021) 35825329  
Website: [www.nbpfunds.com](http://www.nbpfunds.com)

## **Lahore Office:**

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Muslim Town, Lahore.  
UAN: 042-111-111-632  
Fax: 92-42-35861095

## **Islamabad Office:**

1st Floor, Ranjha Arcade  
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Islamabad.  
UAN: 051-111-111-632  
Fax: 051-4859031

## **Peshawar Office:**

Opposite Gul Haji Plaza, 2nd Floor  
National Bank Building  
University Road Peshawar,  
UAN: 091-111 111 632  
Fax: 091-5703202

## **Multan Office:**

NBP City Branch, Hussain-e-Gahi, Multan.  
Phone No: 061-4502204  
Fax No: 061-4502203

## DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited is pleased to present the unaudited financial statements of **NBP Islamic Daily Dividend Fund (NIDDF)** for the period ended March 31, 2020.

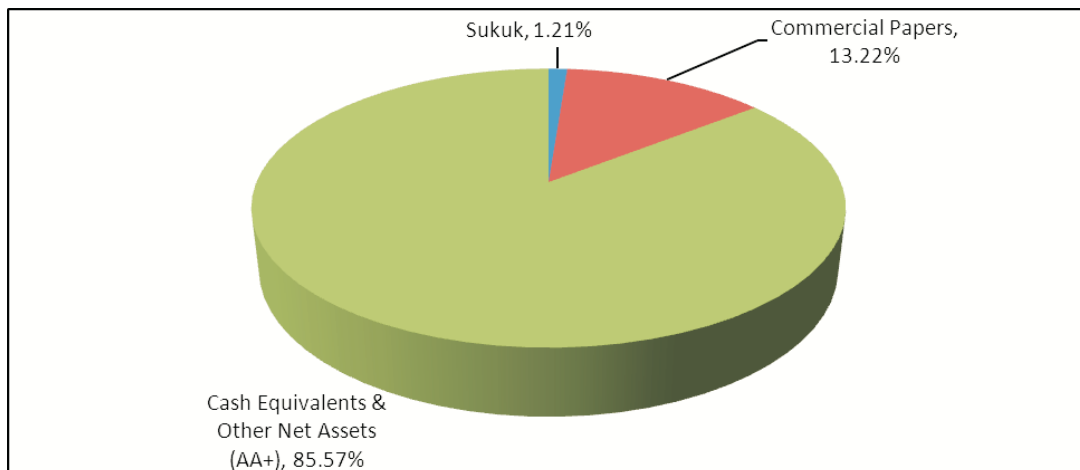
### Fund's Performance

The size of NBP Islamic Daily Dividend Fund is Rs. 3,714 million as at March 31, 2020. The Fund has earned an annualized return of 13.0% p.a. since its inception (November 01, 2019) as compared to its benchmark return of 5.5% p.a. The performance of the Fund is net of management fee and all other expenses.

NIDDF is categorized as a Shariah Compliant Money Market Fund. The fund aims to consistently provide better return than the profit rates offered by Islamic Banks / Islamic windows of commercial banks. Minimum eligible rating is AA, while the Fund is not allowed to invest in any security exceeding six months maturity. The weighted average time to maturity of the Fund cannot exceed 90 days, thereby providing easy liquidity along with a high-quality credit profile.

During 9MFY20, the State Bank of Pakistan (SBP) held six Monetary Policy Committee (MPC) meetings. In its first meeting in July 2019, the Policy Rate was increased by 100bps to 13.25% with the objective to curtail inflationary pressure. Thenceforth the central bank maintained tight monetary policy stance and left the key benchmark unchanged in the subsequent three MPC meetings. In its meeting on March 17th, 2020 and again on March 24th, 2020 the SBP slashed the Policy Rate by a cumulative 225bps to 11%; owing to improved inflation outlook, sharp fall in the global oil prices, and economic fallout from the Coronavirus pandemic.

The Fund has earned a total income of Rs 106.822 million during the period. After deducting total expenses of Rs 7.121 million, the net income is Rs. 99.701 million. The below chart presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NIDDF.



### Income Distribution

The Board of Directors of the Management Company has approved interim cash dividend of 5.22% of the opening ex-NAV (5.22% of the par value) for the period ended March 31, 2020.

## Acknowledgement

The Board takes this opportunity to thank its valued unit-holders for their confidence and trust in the Management Company, and providing the opportunity to serve them. It also offers its sincere gratitude to the Securities & Exchange Commission of Pakistan and State Bank of Pakistan for their patronage and guidance.

The Board also wishes to place on record its appreciation for the hard work, dedication and commitment shown by the staff and the Trustee.

On behalf of the Board of  
**NBP Fund Management Limited**

Chief Executive

Director

Date: April 27, 2020

Place: Karachi.

## ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 31 مارچ 2020ء کو ختم ہونے والی نو ماہی کے لئے NBP اسلامک ڈیلی ڈیویڈنڈ فنڈ (NIDDF) کے غیر جانچ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

### فنڈ کی کارکردگی

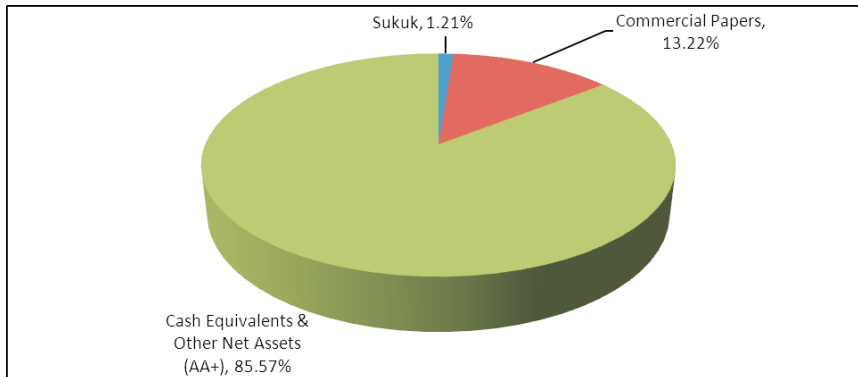
31 مارچ 2020ء کو NBP اسلامک ڈیلی ڈیویڈنڈ فنڈ کا سائز 3,714 ملین روپے ہے۔ فنڈ نے اپنے آغاز (یکم نومبر 2019) کو اپنے بیچ مارک منافع 5.5% کے مقابلے 13.0% کا منافع درج کیا۔ فنڈ کی یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

NIDDF کی شریر کمپلیٹ منی مارکیٹ فنڈ کے طور پر درجہ بندی کی گئی ہے۔ فنڈ کا مقصد اسلامی بینکوں / کرسٹل بینکوں کی اسلامی ونڈوز کی پیش کردہ منافع کی شرحوں کے مقابلے تو اتار سے بہتر منافع فراہم کرنا ہے، کم از کم اہل ریٹنگ AA ہے، جب کہ فنڈ چھ ماہ سے زائد میچورٹی کی کسی سیکورٹی میں سرمایہ کاری کی اجازت نہیں دیتا ہے۔ فنڈ کی میچورٹی کی اوسط مدت 90 دنوں سے تجاوز نہیں کر سکتی، لہذا اعلیٰ کوالٹی کے کریڈٹ پروفائل کے ساتھ آسان لیکویڈیٹی بھی مہیا کرتا ہے۔

مالی سال 2020 کی نو ماہی میں اسٹیٹ بینک آف پاکستان نے چھ ماہی پالیسی کمیٹی (MPC) کے اجلاس طلب کئے۔ افراط زر کو قابو کرنے کے لئے SBP نے جولائی 2019ء میں منعقدہ ماہی پالیسی کے اپنے پہلے اجلاس میں پالیسی کی شرح کو بحساب 100bps سے بڑھا کر 13.25 فی صد کر دیا۔ اس کے بعد مرکزی بینک نے سخت معاشی پالیسی کا موقف برقرار رکھا اور اس کے بعد ہونے والی تین MPC اجلاسوں میں کلیدی معیار تبدیل نہیں کیا۔ 17 مارچ، 2020ء کو اور پھر 24 مارچ، 2020ء کو اپنے اجلاس میں اسٹیٹ بینک نے افراط زر کی صورتحال میں بہتری، تیل کی عالمی قیمتوں میں تیزی سے کمی اور کورونا وائرس وبائی مرض سے معاشی خرابی کی وجہ سے پالیسی کی شرح میں بحساب 225bps سے کمی کر کے مجموعی طور پر 11 فی صد کر دیا۔

فنڈ کو اس مدت کے دوران 106.822 ملین روپے کی مجموعی آمدنی ہوئی۔ 7.121 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 99.701 ملین روپے ہے۔

NIDDF کی ایسٹ ایلویشن اور اس کی ہرز بلی ایسٹ کلاس کی اوسط کریڈٹ ریٹنگ درج ذیل ہے:



### آمدنی کی تقسیم

مینجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز نے 31 مارچ 2020ء کو ختم ہونے والی مدت کے لئے اوپننگ ex-NAV کا 5.22% (par value کا 5.22%) عبوری نقد ڈیویڈنڈ منظور کیا۔



## اظہار تشکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے مینجمنٹ کمپنی پر اعتماد، اعتبار اور خدمت کا موقع فراہم کرنے پر اپنے قابل قدر یونٹ ہولڈرز کا شکریہ ادا کرتا ہے۔ یہ سیکورٹیز اینڈ اینڈ اسٹیٹس کمیونٹی آف پاکستان اور اسٹیٹ بینک آف پاکستان کی سرپرستی اور رہنمائی کے لئے ان کے مخلص رویہ کا بھی اعتراف کرتا ہے۔ بورڈ اپنے اسٹاف اور رٹسٹی کی طرف سے سخت محنت، لگن اور عزم کے مظاہرے پر اپنا خراج تحسین بھی ریکارڈ پر لانا چاہتا ہے۔

منجانب بورڈ آف ڈائریکٹرز

**NBP فنڈ مینجمنٹ لمیٹڈ**

ڈائریکٹر

چیف ایگزیکٹو

تاریخ: 27 اپریل 2020ء

مقام: کراچی

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2020

	Note	(Un-audited) March 31, 2020 Rupees in '000
<b>ASSETS</b>		
Bank balances		3,145,870
Investments	4	535,929
Profit receivable		41,686
Prepayments, deposits and other receivables		757
Preliminary expenses and floatation costs		1,083
<b>Total assets</b>		3,725,325
<b>LIABILITIES</b>		
Payable to NBP Fund Management Limited - Management Company		5,102
Payable to Central Depository Company of Pakistan Limited - Trustee		246
Payable to the Securities and Exchange Commission of Pakistan		162
Accrued expenses and other liabilities		6,256
<b>Total liabilities</b>		11,766
<b>NET ASSETS</b>		3,713,559
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		3,713,559
<b>CONTINGENCIES AND COMMITMENTS</b>	6	
		<b>Number of units</b>
<b>NUMBER OF UNITS IN ISSUE</b>		371,354,787
		<b>Rupees</b>
<b>NET ASSET VALUE PER UNIT</b>		10.0000

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Financial Officer

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

\_\_\_\_\_  
Director

## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE PERIOD FROM NOVEMBER 1, 2019 TO MARCH 31, 2020

	For the period from November 01, 2019 to March 31, 2020	Quarter Ended March 31 2020
Note -----Rupees in '000-----		
<b>INCOME</b>		
Profit on bank balances	84,938	77,678
Income on sukuk certificates	2,440	1,682
Income on term deposit receipt	5,617	5,617
Income on commercial papers	13,827	13,037
<b>Total income</b>	<u>106,822</u>	<u>98,014</u>
<b>EXPENSES</b>		
Remuneration of NBP Fund Management Limited - Management Company	1,029	946
Sindh sales tax on remuneration of the Management Company	134	123
Allocated expenses	809	747
Selling and marketing expense	1,616	1,573
Remuneration of Central Depository Company of Pakistan Limited - Trustee	526	486
Sindh sales tax on remuneration of the Trustee	68	63
Annual fee of the Securities and Exchange Commission of Pakistan	162	150
Amortisation of preliminary expenses and floatation costs	103	60
Auditors' remuneration	413	229
Legal and professional charges	15	9
Listing fee	17	10
Shariah advisor fee	23	14
Settlement and bank charges	100	82
Printing expenses	9	5
Rating fee	62	37
<b>Total operating expenses</b>	<u>5,086</u>	<u>4,534</u>
<b>Net income from operating activities</b>	<u>101,736</u>	<u>93,480</u>
Provision against Sindh Workers' Welfare Fund	5 (2,035)	(1,870)
<b>Net income for the period before taxation</b>	<u>99,701</u>	<u>91,610</u>
Taxation	7 -	-
<b>Net income for the period after taxation</b>	<u><u>99,701</u></u>	<u><u>91,610</u></u>
<b>Allocation of net income for the period</b>		
- Net income for the period after taxation	99,701	91,610
- Income already paid on units redeemed	-	-
	<u>99,701</u>	<u>91,610</u>
<b>Accounting income available for distribution:</b>		
- Relating to capital gains	-	-
- Excluding capital gains	<u>99,701</u>	<u>91,610</u>
	<u><u>99,701</u></u>	<u><u>91,610</u></u>

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

**For NBP Fund Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Financial Officer

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

\_\_\_\_\_  
Director

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE PERIOD FROM NOVEMBER 1, 2019 TO MARCH 31, 2020

	For the period from November 01, 2019 to March 31, 2020	Quarter Ended March 31 2020
	-----Rupees in '000-----	
<b>Net income for the period after taxation</b>	99,701	91,610
Other comprehensive income for the period	-	-
<b>Total comprehensive income for the period</b>	99,701	91,610

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Financial Officer

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

\_\_\_\_\_  
Director

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED) FOR THE PERIOD FROM NOVEMBER 1, 2019 TO MARCH 31, 2020

For the period from November 01, 2019 to March 31, 2020		
Capital value	Undistributed income	Total

Note ----- Rupees in '000 -----

Issuance of 604,672,235 units

- Capital value

- Element of income

Total proceeds on issuance of units

6,046,721	-	6,046,721
-	-	-
6,046,721	-	6,046,721

Redemption of 233,317,449 units

- Capital value

- Element of loss

Total payments on redemption of units

(2,333,162)	-	(2,333,162)
-	-	-
(2,333,162)	-	(2,333,162)

Total comprehensive income for the period

Distribution paid

Net income for the period less distribution

9

-	99,701	-
-	(99,701)	-
-	-	-

**Net assets at end of the period (un-audited)**

<b>3,713,559</b>	<b>-</b>	<b>3,713,559</b>
------------------	----------	------------------

Accounting income available for distribution:

- Relating to capital gains

- Excluding capital gains

-
99,701
99,701

Cash distribution

(99,701)

Undistributed income carried forward

-

Undistributed income carried forward:

- Realised income

- Unrealised income

-
-
-

**(Rupees)**

Net assets value per unit at end of the period

10.0000

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Financial Officer

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

\_\_\_\_\_  
Director

## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE PERIOD FROM NOVEMBER 1, 2019 TO MARCH 31, 2020

For the period from  
November 01, 2019  
to March 31, 2020

Rupees in '000

### CASH FLOWS FROM OPERATING ACTIVITIES

Net income for the period before taxation	99,701
<b>Adjustments</b>	
Provision against Sindh Workers' Welfare Fund	2,035
Amortisation of preliminary expenses and floatation costs	103
	2,138
<b>Increase in assets</b>	
Prepayments, deposits and other receivables	(757)
Profit receivable on bank deposits	(41,686)
Investments - net	(535,929)
Preliminary expenses and floatation costs	(1,186)
	(579,558)
<b>Increase in liabilities</b>	
Payable to NBP Fund Management Limited - Management company	5,102
Payable to Central Depository Company of Pakistan Limited - Trustee	246
Payable to the Securities and Exchange Commission of Pakistan	162
Accrued expenses and other liabilities	4,221
	9,731
<b>Net cash flows (used in) from operating activities</b>	(467,988)

### CASH FLOWS FROM FINANCING ACTIVITIES

Amount received against issuance of units	6,046,721
Amount paid against redemption of units	(2,333,162)
Distributions paid	(99,701)
<b>Net cash flows generated from financing activities</b>	3,613,858
<b>Net increase in cash and cash equivalents during the period</b>	3,145,870
Cash and cash equivalents at the beginning of the period	-
<b>Cash and cash equivalents at the end of the period</b>	3,145,870

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Financial Officer

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

\_\_\_\_\_  
Director

## NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD FROM NOVEMBER 1, 2019 TO MARCH 31, 2020

### 1 LEGAL STATUS AND NATURE OF BUSINESS

NBP Islamic Daily Dividend Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on September 23, 2019 between NBP Fund Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the Securities and Exchange Commission of Pakistan (SECP). The registered office of the Management Company is situated at 7th Floor, Clifton Diamond Building, Block 4, Scheme No. 5, Clifton, Karachi. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

The Fund has been categorised as an open ended 'Shari'ah compliant money market fund' by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs. 10 per unit. Thereafter, the units were being offered for public subscription on a continuous basis from November 2, 2019 and are transferable and redeemable by surrendering them to the Fund.

The objective of the Fund is to provide competitive return along with daily dividend by investing in Shari'ah compliant money market instruments.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of AM1 as at December 24, 2019 to the Management Company and rated AA(f) with stable outlook as at November 19, 2019 to the Fund.

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

These are the first condensed interim financial statements of the Fund for the period from November 1, 2019 to March 31, 2020 therefore, comparative figures have not been included.

### 2 BASIS OF PREPARATION

#### 2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- 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 requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

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 half year published reviewed audited financial statements of the Fund for the half year ended December 31, 2019.

2.2 In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declared that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2020.

These financial statements are presented in Pakistan Rupee, which is the Fund's functional and presentation currency.

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the half year financial statements of the fund for the half year ended December 31, 2019.

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on July 1, 2019 that have a material effect on the financial statements of the Fund.

4 INVESTMENTS	Note	(Un-audited)
		March 31, 2020
		Rupees in '000
Commercial paper	4.1	490,929
Sukuk certificate	4.2	45,000
		535,929

#### 4.1 Commercial paper

Name of the security	Issue date	Profit rate (%) / Tenor	Purchased during the period	Matured during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Market value as a percentage of		Investment as a percentage of total issue size	
								Net assets of the Fund	Total market value of investments		
							Percentage				
K-Electric Limited	February 14, 2020	14.76% 6 months	312,000		312,000	296,249	296,249	7.98	55.28	3.70	
K-Electric Limited	February 26, 2020	14.76% 6 months	206,000	-	206,000	194,680	194,680	5.24	36.33	2.43	
							490,929	490,929	13.22	91.60	6.14

## 4.2 Sukuk certificate

Name of the security	Issue date	Coupon rate / tenor	Number of certificates			Market value as at March 31, 2020	Market value as a percentage of	
			Purchased during the period	Matured during the period	As at March 31, 2020		Net assets of the Fund	Total market value of investments
Hub Power Company Limited	November 21, 2019	14.99% 6 months	450	-	450	45,000	1.21	8.40
<b>Carrying value as at March 31, 2020</b>						<u>45,000</u>		
<b>Unrealised gain on re-measurement of investments classified as financial assets at fair value through profit or loss - as at March 31, 2020</b>						<u>-</u>		

Rupees in 000      ----- % -----

## 5 PROVISION FOR SINDH WORKERS' WELFARE FUND

The legal status of applicability of Worker's Welfare Fund and Sindh Workers' Welfare Fund is same as that disclosed in note 12.1 to the half yearly reviewed audited financial statements of the Fund for the half year ended December 31, 2019.

The Fund, being prudent, recognised provision for SWWF amounting to Rs.2.035 million for the period ended March 31, 2020 in this condensed interim financial information. Had the provision not been made, net assets value per unit at March 31, 2020 would have been higher by Rs. 0.0055 per unit (December 31, 2019: Rs. 0.0015 per unit).

## 6 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2020 and December 31, 2019.

## 7 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 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unit holders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2020 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

## 8 TOTAL EXPENSE RATIO

The Total Expense ratio (TER) of the Fund for the period ended March 31, 2020 is 0.88% which includes 0.30% representing government levies on the Fund such as provision against Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as an money market scheme.

## 9 INTERIM DISTRIBUTION

The Fund makes distribution on daily basis as per clause 12.1 of the Trust Deed and clause 1.4 of the Offering Document and re-invests the distributed dividend as per clause 1.4 of the Offering Document. During the period, the Management Company on behalf of the Fund, has distributed the total profit earned during the period amounting to Rs 99.701 million as dividend after deducting applicable taxes.

# NBP ISLAMIC DAILY DIVIDEND FUND



Payout Date	Payout Per Unit Rupees	Payout Date	Payout Per Unit Rupees	Payout Date	Payout Per Unit Rupees
November 2, 2019	0.0067	December 23, 2019	0.0037	February 12, 2020	0.0034
November 3, 2019	0.0032	December 24, 2019	0.0037	February 13, 2020	0.0033
November 4, 2019	0.0032	December 25, 2019	0.0037	February 14, 2020	0.0034
November 5, 2019	0.0032	December 26, 2019	0.0037	February 15, 2020	0.0034
November 6, 2019	0.0032	December 27, 2019	0.0038	February 16, 2020	0.0034
November 7, 2019	0.0031	December 28, 2019	0.0037	February 17, 2020	0.0033
November 8, 2019	0.0032	December 29, 2019	0.0038	February 18, 2020	0.0034
November 9, 2019	0.0032	December 30, 2019	0.0037	February 19, 2020	0.0034
November 10, 2019	0.0032	December 31, 2019	0.0038	February 20, 2020	0.0034
November 11, 2019	0.0032	January 1, 2020	0.0037	February 21, 2020	0.0034
November 12, 2019	0.0033	January 2, 2020	0.0049	February 22, 2020	0.0033
November 13, 2019	0.0032	January 3, 2020	0.0048	February 23, 2020	0.0034
November 14, 2019	0.0032	January 4, 2020	0.0048	February 24, 2020	0.0034
November 15, 2019	0.0033	January 5, 2020	0.0047	February 25, 2020	0.0033
November 16, 2019	0.0033	January 6, 2020	0.0038	February 26, 2020	0.0033
November 17, 2019	0.0033	January 7, 2020	0.0037	February 27, 2020	0.0033
November 18, 2019	0.0034	January 8, 2020	0.0037	February 28, 2020	0.0032
November 19, 2019	0.0033	January 9, 2020	0.0037	February 29, 2020	0.0033
November 20, 2019	0.0033	January 10, 2020	0.0038	March 1, 2020	0.0034
November 21, 2019	0.0034	January 11, 2020	0.0038	March 2, 2020	0.0033
November 22, 2019	0.0034	January 12, 2020	0.0037	March 3, 2020	0.0033
November 23, 2019	0.0034	January 13, 2020	0.0036	March 4, 2020	0.0033
November 24, 2019	0.0034	January 14, 2020	0.0034	March 5, 2020	0.0032
November 25, 2019	0.0034	January 15, 2020	0.0037	March 6, 2020	0.0033
November 26, 2019	0.0034	January 16, 2020	0.0038	March 7, 2020	0.0033
November 27, 2019	0.0034	January 17, 2020	0.0038	March 8, 2020	0.0032
November 28, 2019	0.0034	January 18, 2020	0.0031	March 9, 2020	0.0033
November 29, 2019	0.0034	January 19, 2020	0.0031	March 10, 2020	0.0033
November 30, 2019	0.0034	January 20, 2020	0.0034	March 11, 2020	0.0033
December 1, 2019	0.0035	January 21, 2020	0.0035	March 12, 2020	0.0032
December 2, 2019	0.0034	January 22, 2020	0.0035	March 13, 2020	0.0033
December 3, 2019	0.0034	January 23, 2020	0.0034	March 14, 2020	0.0033
December 4, 2019	0.0034	January 24, 2020	0.0035	March 15, 2020	0.0032
December 5, 2019	0.0034	January 25, 2020	0.0035	March 16, 2020	0.0033
December 6, 2019	0.0034	January 26, 2020	0.0034	March 17, 2020	0.0032
December 7, 2019	0.0034	January 27, 2020	0.0033	March 18, 2020	0.0033
December 8, 2019	0.0035	January 28, 2020	0.0033	March 19, 2020	0.0033
December 9, 2019	0.0034	January 29, 2020	0.0035	March 20, 2020	0.0032
December 10, 2019	0.0034	January 30, 2020	0.0034	March 21, 2020	0.0033
December 11, 2019	0.0034	January 31, 2020	0.0035	March 22, 2020	0.0032
December 12, 2019	0.0034	February 1, 2020	0.0034	March 23, 2020	0.0033
December 13, 2019	0.0034	February 2, 2020	0.0034	March 24, 2020	0.0032
December 14, 2019	0.0034	February 3, 2020	0.0034	March 25, 2020	0.0032
December 15, 2019	0.0034	February 4, 2020	0.0034	March 26, 2020	0.0031
December 16, 2019	0.0035	February 5, 2020	0.0034	March 27, 2020	0.0033
December 17, 2019	0.0034	February 6, 2020	0.0034	March 28, 2020	0.0032
December 18, 2019	0.0034	February 7, 2020	0.0034	March 29, 2020	0.0032
December 19, 2019	0.0037	February 8, 2020	0.0033	March 30, 2020	0.0033
December 20, 2019	0.0037	February 9, 2020	0.0033	March 31, 2020	0.0032
December 21, 2019	0.0036	February 10, 2020	0.0034		
December 22, 2019	0.0037	February 11, 2020	0.0033		

## 10 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

- 10.1** Related parties / connected persons include NBP Fund Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan, Baltoro Growth Fund being the sponsors, NAFA Pension Fund and NAFA Provident Fund Trust being the associates of the Management Company, Funds under management of the Management Company, directors and key management personnel of the Management Company and other associated companies. Connected persons also includes any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.
- 10.2** Transactions with related parties / connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to related parties / connected persons. The transactions with related parties / connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with the market rates.
- 10.3** Remuneration to the Management Company and the Trustee of the Fund is determined in accordance with the Trust Deed and Offering Document.
- 14.4** Details of transactions with related parties / connected persons during the period are as follows:

For the period from November 01, 2019 to March 31, 2020
---

Rupees in '000

### **NBP Fund Management Limited - Management Company**

Remuneration of NBP Fund Management Limited - Management Company	1,029
Sindh sales tax on remuneration of the Management Company	134
Allocated expenses	809
Sale Load	978
Selling and marketing expense	1,616
Preliminary expenses and floatation costs borne by the Management Company	103

### **Central Depository Company of Pakistan Limited - Trustee**

Remuneration of Central Depository Company of Pakistan Limited - Trustee	526
Sindh sales tax on remuneration of the Trustee	68

### **Employees of NBP Fund Management Limited**

Units issued - 999	10
Units redeemed - 1,010	10

### **National Bank of Pakistan**

Profit on bank balances	13
-------------------------	----

### **Bank Al-Habib Limited Islamic Banking**

Profit on bank balances	212
-------------------------	-----

### **Baltoro Partners (Private) Limited**

Dividend re-invest units issued - 21,646	216
Units issued - 701,000	7,010

### **Shafi Gluco Chem (Private) Limited - unit holder holding 10% or more units**

Dividend re-invest units issued - 1,770,227	17,702
Units issued - 106,060,737	1,060,607
Units Redemption- 35,200,000	352,000



For the period from  
November 01, 2019  
to March 31, 2020

Rupees in '000

**Lucky Commodities (Private) Limited - unit holder holding 10% or more units**

Dividend re-invest units issued - 1,008,098

10,081

Units issued - 38,000,000

380,000

**Bank Al-Habib Limited Islamic Banking - unit holder holding 10% or more units**

Dividend re-invest units issued - 490,309

4,903

Units issued - 50,000,000

500,000

**Hub Power Company Limited**

Purchase of sukuk certificates

45,000

**NBP Riba-Free Savings Fund**

Purchase of Commercial paper (K-Electric)

157,638

**NBP Money Market Fund**

Purchase of Commercial paper (K-Electric)

24,457

**NBP Active Allocation Riba Free Savings Fund**

Purchase of Commercial paper (K-Electric)

29,395

**NBP Islamic Mahana Amdani Fund**

Sell of Commercial paper (K-Electric)

99,147

**Pakistan Stock Exchange Limited**

Listing fee paid

25

As at March 31,  
2020  
Rupees in '000

**10.5 Amounts / balances outstanding as at period end are as follows**

**NBP Fund Management Limited - Management Company**

Remuneration of the Management Company	412
Sindh sales tax on remuneration of the Management Company	53
Allocated expenses payable	746
Selling and marketing expenses payable	1,572
Sales load payable to Management Company	865
Sindh sales tax payable on sales load	113
Other payable to Management Company	1,341

**Central Depository Company of Pakistan Limited - Trustee**

Remuneration payable to the Trustee	216
Sindh sales tax payable on Trustee remuneration	28

**Baltoro Partners (Private) Limited**

Units outstanding - 722,646	7,226
-----------------------------	-------

**Shafi Gluco Chem (Private) Limited - unit holder holding 10% or more units**

Units outstanding - 72,630,964	726,310
--------------------------------	---------

**Bank Al-Habib Limited Islamic Banking - unit holder holding 10% or more units**

Units outstanding - 50,490,309	504,903
--------------------------------	---------

**Lucky Commodities (Private) Limited - unit holder holding 10% or more units**

Units outstanding - 39,008,097	390,081
--------------------------------	---------

**Bank Al-Habib Limited Islamic Banking**

Bank balance	502
Profit receivable on bank balances	212

**National Bank of Pakistan**

Bank balance	104
Profit receivable on bank balances	13

**Hub Power Company Limited**

Sukuk certificates	45,000
--------------------	--------

**11 DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on April 27, 2020.

**12 GENERAL**

Figures in these condensed interim financial statements have been rounded off to the nearest thousand of rupees.

**For NBP Fund Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Financial Officer

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

\_\_\_\_\_  
Director

## Head Office

7th Floor, Clifton Diamond Building, Block No.4,  
Scheme No.5, Clifton, Karachi.

**UAN:** 021-111-111-632

**Toll Free:** 0800-20002

**Sms:** INVEST to 9995

**Fax:** 021-35825335

**Email:** [info@nbpfunds.com](mailto:info@nbpfunds.com)

**Website:** [www.nbpfunds.com](http://www.nbpfunds.com)

 /nbpfunds



# NBP FUNDS

*Managing Your Savings*

**AM1**  
Rated by PACRA

## NBP GOVERNMENT SECURITIES LIQUID FUND



QUARTERLY REPORT  
**MARCH 31, 2020**



# **MISSION STATEMENT**

**To rank in the top quartile  
in performance of  
NBP FUNDS  
relative to the competition,  
and to consistently offer  
Superior risk-adjusted returns to investors.**



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**FUND'S INFORMATION**

**Management Company**

**NBP Fund Management Limited - Management Company**

**Board of Directors of Management Company**

Shaikh Muhammad Abdul Wahid Sethi	Chairman
Dr. Amjad Waheed	Chief Executive Officer
Mr. Saad ur Rahman Khan	Director
Syed Hasan Irtiza Kazmi	Director
Mr. Ali Saigol	Director
Mr. Imran Zaffar	Director
Mr. Khalid Mansoor	Director
Mr. Humayun Bashir	Director
Mr. Saad Amanullah Khan	Director

**Company Secretary & COO**

Mr. Muhammad Murataz Ali

**Chief Financial Officer**

Mr. Khalid Mehmood

**Audit & Risk Committee**

Mr. Saad Amanullah Khan	Chairman
Syed Hasan Irtiza Kazmi	Member
Mr. Imran Zaffar	Member
Mr. Humayun Bashir	Member

**Human Resource Committee**

Mr. Khalid Mansoor	Chairman
Shaikh Muhammad Abdul Wahid Sethi	Member
Mr. Ali Saigol	Member
Mr. Humayun Bashir	Member

**Strategy & Business Planning Committee**

Mr. Humayun Bashir	Chairman
Mr. Saad ur Rahman Khan	Member
Mr. Ali Saigol	Member
Mr. Imran Zaffar	Member
Mr. Saad Amanullah Khan	Member

**Trustee**

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

**Bankers to the Fund**

MCB Bank Limited  
Summit Bank Limited  
JS Bank Limited  
Meezan Bank Limited  
Habib Bank Limited  
United Bank Limited  
Bank Alfalah Limited  
Bank Al Habib Limited  
Askari Bank Limited  
Habib Metropolitan Bank Limited  
Allied Bank Limited  
Sindh Bank Limited  
National Bank of Pakistan  
Samba Bank Limited  
Zarai Taraqiati Bank Limited  
MCB Islamic Bank Limited  
Faysal Bank Limited  
Soreni Bank Limited



**Auditors**

Deloitte Yousuf Adil  
Chartered Accountants  
Cavish Court,  
A-35, Block 7 & 8,  
KCHSU, Sharae Faisal  
Karachi-75350 Pakistan.

**Legal Advisor**

Akhund Forbes  
D-21, Block, Scheme 5,  
Clifton, Karachi 75600, Pakistan.

**Head Office:**

7th Floor Clifton Diamond Building, Block No. 4,  
Scheme No. 5, Clifton Karachi.  
UAN: 021 (111-111-632),  
(Toll Free): 0800-20002,  
Fax: (021) 35825329  
Website: [www.nbpfunds.com](http://www.nbpfunds.com)

**Lahore Office:**

7-Noon Avenue, Canal Bank,  
Muslim Town, Lahore.  
UAN: 042-111-111-632  
Fax: 92-42-35861095

**Islamabad Office:**

1st Floor, Ranjha Arcade  
Main Double Road, Gulberg Greens,  
Islamabad.  
UAN: 051-111-111-632  
Phone: 051-2514987  
Fax: 051-4859031

**Peshawar Office:**

Opposite Gul Haji Plaza, 2nd Floor  
National Bank Building  
University Road Peshawar,  
UAN: 091-111 111 632  
Fax: 091-5703202

**Multan Office:**

NBP City Branch, Hussain-e-Gahi, Multan.  
Phone No: 061-4502204  
Fax No: 061-4502203

## DIRECTORS' REPORT

The Board of Directors of **NBP Fund Management Limited** is pleased to present the unaudited financial statements of **NBP Government Securities Liquid Fund (NGSLF)** (Formerly: NAFA Government Securities Liquid Fund) for the period ended March 31, 2020.

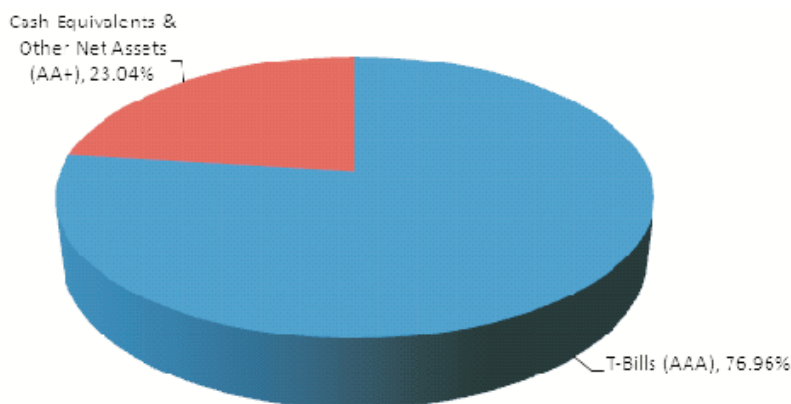
### Fund's Performance

The size of NBP Government Securities Liquid Fund has increased from Rs. 1,931 million to Rs. 2,723 million during the period (i.e. a growth of 41%). During the period, the unit price of the Fund has increased from Rs. 9.2866 (Ex-Div) on June 30, 2019 to Rs. 10.2034 on March 31, 2020, thus showing a return of 13.1% as compared to the benchmark return of 12.6% for the same period. The performance of the Fund is net of management fee and all other expenses.

NGSLF's stability rating is 'AAA (f)' awarded by PACRA. The rating reflects exceptionally strong credit and liquidity profile of the Fund. T-Bills are the major asset class of the Fund. Exposure of the Fund to credit, liquidity and interest rate risk is exceptionally low due to 70% minimum investment in Government securities (T-Bills) with average maturity of the overall portfolio at 45 days. The Fund invests in AA and above rated Banks/DFIs with maximum maturity of six months.

During 9MFY20, the State Bank of Pakistan (SBP) held six Monetary Policy Committee (MPC) meetings. In its first meeting in July 2019, the Policy Rate was increased by 100bps to 13.25% with the objective to curtail inflationary pressures. Thenceforth the central bank maintained tight monetary policy stance and left the key benchmark rate unchanged in the subsequent three MPC meetings. In its meeting on March 17th, 2020 and again on March 24th, 2020 the SBP cumulatively slashed the Policy Rate by 225bps to 11%; owing to improved inflation outlook, sharp fall in global oil prices, and economic fallout from the Coronavirus pandemic. Sovereign yields also responded to these policy actions and inflation and interest rate outlook. Furthermore, SBP held twenty (20) T-Bill auctions during the period, realizing a total of Rs. 12,443 billion. The yields on T-Bills for 3-month, 6-month and 12-month tenures decreased by 175 basis points, 193 basis points and 264 basis points, respectively.

The Fund has earned a total income of Rs.250.706 million during the period. After deducting total expenses of Rs. 29.623 million, the net income is Rs. 221.083 million. The below chart presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NGSLF.



### **Income Distribution**

The Board of Directors of the Management Company has approved interim cash dividend of 9.29% of the opening ex-NAV (9.47% of the par value) during the period ended March 31, 2020.

### **Acknowledgement**

The Board takes this opportunity to thank its valued unit-holders for their confidence and trust in the Management Company, and providing the opportunity to serve them. It also offers its sincere gratitude to the Securities & Exchange Commission of Pakistan and State Bank of Pakistan for their patronage and guidance.

The Board also wishes to place on record its appreciation for the hard work, dedication and commitment shown by the staff and the Trustee.

On behalf of the Board of  
**NBP Fund Management Limited**

**Chief Executive**

**Director**

Date: April 27, 2020  
Place: Karachi.

## ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 31 مارچ 2020ء کو ختم ہونے والی نو ماہی کے لئے NBP گورنمنٹ سیکورٹیز لیکویڈ فنڈ (سابقہ: NAFA گورنمنٹ سیکورٹیز لیکویڈ فنڈ) (NGSLF) کے غیر جانچ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

### فنڈ کی کارکردگی

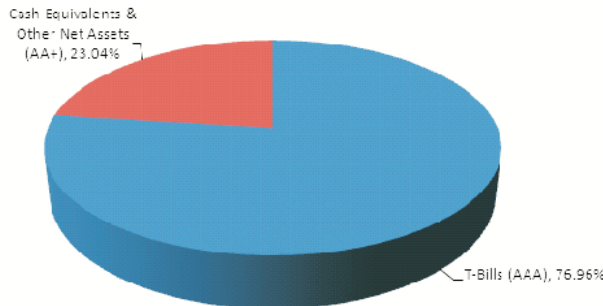
اس مدت کے دوران NBP گورنمنٹ سیکورٹیز لیکویڈ فنڈ (NGSLF) کا سائز 1,931 ملین روپے سے بڑھ کر 2,723 ملین روپے ہو گیا یعنی 41% کا اضافہ ہوا۔ زیر جائزہ مدت کے دوران، فنڈ کے یونٹ کی قیمت 30 جون 2019 کو 9.2866 روپے (Ex-Div) سے بڑھ کر 31 مارچ 2020ء کو 10.20.34 روپے ہو گئی، لہذا اسی مدت کے دوران فنڈ نے اپنے بیچ مارک منافع 12.6% کے مقابلے میں 13.1% کا منافع درج کیا۔ فنڈ کی یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

NGSLF کو PACRA کی طرف سے مستحکم ریٹنگ "AAA(f)" دی گئی ہے۔ یہ ریٹنگ فنڈ کے غیر معمولی مستحکم کریڈٹ اور لیکویڈٹی پر فائل کی عکاسی کرتی ہے۔ T-Bills اس فنڈ کی بڑی ایسیٹ کلاس ہے۔ مجموعی پورٹ فولیو کی 45 دن کی اوسط میچورٹی کے ساتھ گورنمنٹ سیکورٹیز (T-Bills) میں کم از کم 70% سرمایہ کاری کے ساتھ فنڈ کے کریڈٹ، لیکویڈٹی اور انٹرسٹ ریٹ کے خطرات کی زد میں آنے کے امکانات نہ ہونے کے برابر ہیں۔ فنڈ کو زیادہ سے زیادہ چھ ماہ کی میچورٹی کے ساتھ AA یا زائد ریٹنگ والے بینکوں / DFIs میں انویسٹ کرنے کی اجازت ہے۔

مالی سال 2020 کی نو ماہی میں اسٹیٹ بینک آف پاکستان نے چھ ماہی پالیسی کمیٹی (MPC) کے اجلاس طلب کئے۔ افراط زر کو قابو کرنے کے لئے SBP نے جولائی 2019ء میں منعقدہ ماہی پالیسی کے اپنے پہلے اجلاس میں پالیسی کی شرح کو بحساب 100bps سے بڑھا کر 13.25 فی صد کر دیا۔ اس کے بعد مرکزی بینک نے سخت معاشی پالیسی کا موقف برقرار رکھا اور اس کے بعد ہونے والی تین MPC اجلاسوں میں کلیدی معیار تبدیل نہیں کیا۔ 17 مارچ، 2020ء کو اور پھر 24 مارچ، 2020ء کو اپنے اجلاس میں اسٹیٹ بینک نے افراط زر کی صورتحال میں بہتری، تیل کی عالمی قیمتوں میں تیزی سے کمی اور کورونا وائرس وبائی مرض سے معاشی خرابی کی وجہ سے پالیسی کی شرح میں بحساب 225bps سے کمی کر کے مجموعی طور پر 11 فی صد کر دیا۔ ان پالیسی اقدامات اور افراط زر اور شرح سود کے تناظر میں گورنمنٹ بانڈز منافع میں ردعمل دیکھا گیا۔ اس کے علاوہ، اس مدت میں SBP نے بیس (20) T-Bills نیلامیوں سے مجموعی طور پر 12,443 ملین روپے حاصل کئے۔ سہ ماہی، شش ماہی اور سالانہ مدتوں کے دوران T-Bills منافع بالترتیب 175bps، 193bps اور 264bps تک کم ہوئی۔

فنڈ نے اس مدت کے دوران 250.706 ملین روپے کی مجموعی آمدنی کمائی۔ 29.623 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 221.083 ملین روپے ہے۔

درج ذیل چارٹ NBP گورنمنٹ سیکورٹیز لیکویڈ فنڈ کی ایسٹ ایبلویشن اور اس کے ذیلی اثاثوں کے تمام درجوں کی پیمائش شدہ اوسط کریڈٹ ریٹنگ پیش کرتا ہے:





## آمدنی کی تقسیم

میٹجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز نے 31 مارچ 2020 کو ختم ہونے والی مدت کے لئے اوپننگ ex-NAV کا 9.29% (9.47% par value) عبوری نقد ڈیویڈنڈ منظور کیا۔

## اظہار تشکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے میٹجمنٹ کمپنی پر اعتماد، اعتبار اور خدمت کا موقع فراہم کرنے پر اپنے قابل قدر یونٹ ہولڈرز کا شکریہ ادا کرتا ہے۔ یہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور اسٹیٹ بینک آف پاکستان کی سرپرستی اور رہنمائی کے لئے ان کے مخلص رویہ کا بھی اعتراف کرتا ہے۔

بورڈ اپنے اسٹاف اور ڈسٹری بیوٹرز کی طرف سے سخت محنت، لگن اور عزم کے مظاہرے پر اپنا خراج تحسین بھی ریکارڈ پر لانا چاہتا ہے۔

منجانب بورڈ آف ڈائریکٹرز

**NBP فنڈ میٹجمنٹ لمیٹڈ**

ڈائریکٹر

چیف ایگزیکٹو

تاریخ: 27 اپریل 2020ء

مقام: کراچی



**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
AS AT MARCH 31, 2020

	Note	Unaudited March 31, 2020	Audited June 30, 2019
Rupees in '000			
<b>ASSETS</b>			
Bank balances		1,048,572	1,985,384
Investments	4	2,095,939	1,484,649
Mark-up accrued		8,224	8,108
Receivable against conversion of units		97	-
Advance, prepayment and other receivable		10,394	10,219
<b>Total assets</b>		<b>3,163,226</b>	<b>3,488,360</b>
<b>LIABILITIES</b>			
Payable to the Management Company		6,282	2,848
Payable to the Trustee		174	204
Payable to Securities and Exchange Commission of Pakistan		351	2,619
Payable on redemption of units		2,353	2
Payable against purchase of investment		355,867	1,484,649
Accrued expenses and other liabilities		74,735	66,706
<b>Total liabilities</b>		<b>439,762</b>	<b>1,557,028</b>
<b>NET ASSETS</b>		<b>2,723,464</b>	<b>1,931,332</b>
<b>Unit Holders' Funds (as per statement attached)</b>		<b>2,723,464</b>	<b>1,931,332</b>
<b>Contingencies and Commitments</b>	6	-----Number of units-----	
<b>Number of units in issue</b>		<b>266,917,677</b>	<b>189,603,859</b>
		<b>Rupees</b>	
<b>Net assets value per unit</b>		<b>10.2034</b>	<b>10.1861</b>

The annexed notes 1 to 12 form an integral part of this condensed interim financial information

For NBP Fund Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Financial Officer

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

\_\_\_\_\_  
Director

**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)**  
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020

	Nine months ended		Quarter ended	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
	-----Rupees in '000-----			
<b>INCOME</b>				
Gain / (Loss) on sale of investments - net	306	(2,523)	1,042	(662)
Income from government securities	165,353	194,566	55,922	42,226
Income from letter of placements	-	25,681	-	-
Profit on bank deposits	79,449	42,440	32,032	22,741
Net unrealised appreciation on re-measurement of investment classified as 'financial assets at fair value through profit or loss'	5,598	152	5,598	126
<b>Total Income</b>	<b>250,706</b>	<b>260,316</b>	<b>94,594</b>	<b>64,431</b>
<b>EXPENSES</b>				
Remuneration of the Management Company	7,639	20,544	2,706	4,989
Sindh sales tax on remuneration of the Management Company	993	2,671	352	649
Remuneration of the Trustee	1,142	2,821	411	639
Sindh sales tax on remuneration of Trustee	148	367	53	83
Annual fee - Securities and Exchange Commission of Pakistan	351	2,258	126	454
Accounting and operational charges to the Management Company	1,757	3,011	632	606
Selling and marketing expenses	11,890	-	4,419	-
Securities transaction cost	16	9	8	2
Bank charges	218	228	74	91
Annual listing fee	21	23	7	7
Rating fee	361	350	120	108
Auditors' remuneration	482	540	110	127
Legal and professional charges	37	23	12	13
Printing Charges	56	23	5	23
<b>Total Expenses</b>	<b>25,111</b>	<b>32,868</b>	<b>9,035</b>	<b>7,791</b>
<b>Net income from operating activities</b>	<b>225,595</b>	<b>227,448</b>	<b>85,559</b>	<b>56,640</b>
Provision for Sindh Workers' Welfare Fund	5 (4,512)	(4,549)	(1,711)	(1,133)
<b>Net income for the period before taxation</b>	<b>221,083</b>	<b>222,899</b>	<b>83,848</b>	<b>55,507</b>
Taxation	8 -	-	-	-
<b>Net income for the period after taxation</b>	<b>221,083</b>	<b>222,899</b>	<b>83,848</b>	<b>55,507</b>
<b>Earnings per unit</b>				
<b>Allocation of net income for the period</b>				
Net income for the period after taxation	221,083	222,899	83,848	55,507
Income already paid on redemption of units	(5,188)	(87,304)	(2,331)	(2,827)
	<b>215,895</b>	<b>135,595</b>	<b>81,517</b>	<b>52,680</b>
<b>Accounting income available for distribution:</b>				
- Relating to capital gain	5,685	-	5,685	-
- Excluding capital gain	210,210	135,595	75,832	52,680
	<b>215,895</b>	<b>135,595</b>	<b>81,517</b>	<b>52,680</b>

The annexed notes 1 to 12 form an integral part of this condensed interim financial information

For NBP Fund Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020

	Nine months ended		Quarter ended	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
	-----Rupees in '000-----			
Net income for the period after taxation	221,083	222,899	83,848	55,507
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>221,083</b>	<b>222,899</b>	<b>83,848</b>	<b>55,507</b>

The annexed notes 1 to 12 form an integral part of this condensed interim financial information

For NBP Fund Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Financial Officer

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

\_\_\_\_\_  
Director

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

	Nine months period ended					
	March 31, 2020			March 31, 2019		
	Capital Value	Undistributed Income	Total	Capital Value	Undistributed Income	Total
	----- (Rupees in '000) -----					
Net assets at beginning of the period	1,833,215	98,117	1,931,332	5,514,312	276,300	5,790,612
Issue of 418,769,012 units (2019: 300,705,107 units)						
- Capital value	4,265,623	-	4,265,623	3,055,735	-	3,055,735
- Element of income	21,562	-	21,562	50,474	-	50,474
Total proceeds on issuance of units	4,287,185	-	4,287,185	3,106,209	-	3,106,209
Redemption of 341,455,194 units (2019: 625,995,559 units)						
- Capital value	(3,478,097)	-	(3,478,097)	(6,361,304)	-	(6,361,304)
- Element of loss	(10,591)	(5,188)	(15,779)	(40,454)	(87,304)	(127,758)
Total payments on redemption of units	(3,488,688)	(5,188)	(3,493,876)	(6,401,758)	(87,304)	(6,489,062)
Total comprehensive income for the period	-	221,083	221,083	-	222,899	222,899
Final distribution for the year ended June 30, 2019: Nil (2018: Rs. 0.5367 declared on July 04, 2018)						
- Cash Distribution	-	-	-	-	(182,581)	(182,581)
- Refund of Capital	-	-	-	(107,908)	-	(107,908)
	-	-	-	(107,908)	(182,581)	(290,489)
Interim distributions made during the period:						
Re. 0.0956 on July 30, 2019 (2018: Nil)	(3,322)	(17,677)	(20,999)	-	-	-
Re. 0.1033 on August 29, 2019 (2018: Nil)	(946)	(22,556)	(23,502)	-	-	-
Re. 0.1017 on September 28, 2019 (2018: Nil)	(1,878)	(25,312)	(27,190)	-	-	-
Re. 0.1109 on October 29, 2019 (2018: Nil)	(84)	(23,845)	(23,929)	-	-	-
Re. 0.0971 on November 28, 2019 (2018: Nil)	(129)	(20,502)	(20,631)	-	-	-
Re. 0.1002 on December 27, 2019 (Dec 21, 2018: Re. 0.3401)	(165)	(20,630)	(20,795)	(8,842)	(75,736)	(84,578)
Re. 0.1132 on January 28, 2020 (Jan 29, 2019: Re. 0.1022)	(523)	(23,669)	(24,192)	(679)	(26,068)	(26,747)
Re. 0.1062 on February 27, 2020 (Feb 27, 2019: Re. 0.0751)	(3,553)	(25,107)	(28,660)	(98)	(16,661)	(16,759)
Re. 0.1184 on March 27, 2020 (Mar 29, 2018: Re. 0.0737)	(349)	(32,013)	(32,362)	(293)	(15,535)	(15,828)
	(10,949)	(211,311)	(222,260)	(9,912)	(134,000)	(143,912)
<b>Net assets at end of the period</b>	<b>2,620,763</b>	<b>102,701</b>	<b>2,723,464</b>	<b>2,100,943</b>	<b>95,314</b>	<b>2,196,257</b>
Undistributed income brought forward						
- Realised income		98,117			278,749	
- Unrealised loss		-			(2,449)	
		98,117			276,300	
Accounting income available for distribution						
- Relating to capital gain	5,685				-	
- Excluding capital gain	210,210				135,595	
	215,895				135,595	
Final distribution for the year ended June 30, 2019 / 2018					(182,581)	
Interim distributions made during the period:		(211,311)			(134,000)	
<b>Undistributed income carried forward</b>		<b>102,701</b>			<b>95,314</b>	
Undistributed income carried forward						
- Realised income		97,103			95,162	
- Unrealised income		5,598			152	
		102,701			95,314	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the period			10.1861			10.6986
Net assets value per unit at end of the period			10.2034			10.1698

The annexed notes 1 to 12 form an integral part of this condensed interim financial information

**For NBP Fund Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Financial Officer

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

\_\_\_\_\_  
Director

**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

	<b>Nine months ended</b>	
	<b>March 31, 2020</b>	<b>March 31, 2019</b>
	<b>----- Rupees in '000 -----</b>	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net income for the period	221,083	222,899
<b>Adjustments</b>		
Net unrealised (appreciation) on re-measurement of investment classified as financial assets at fair value through profit or loss'	(5,598)	(152)
	<u>215,485</u>	<u>222,747</u>
<b>(Increase) / decrease in assets</b>		
Investments	(605,692)	2,444,228
Mark-up accrued	(116)	(2,443)
Advance, prepayment and other receivable	(175)	(4)
	<u>(605,983)</u>	<u>2,441,781</u>
<b>(Decrease) / increase in liabilities</b>		
Payable to the Management Company	3,434	(2,938)
Payable to the Trustee	(30)	(231)
Payable to Securities and Exchange Commission of Pakistan	(2,268)	(1,486)
Payable against purchase of investment	(1,128,782)	(2,446,677)
Accrued expenses and other liabilities	8,029	5,949
	<u>(1,119,617)</u>	<u>(2,445,383)</u>
<b>Net cash (used in) / generated from from operating activities</b>	<u>(1,510,115)</u>	<u>219,145</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Receipts from issue of units	4,276,139	2,988,842
Payments on redemption of units	(3,491,525)	(6,488,958)
Distribution paid	(211,311)	(316,581)
<b>Net cash generated / (used in) from financing activities</b>	<u>573,303</u>	<u>(3,816,697)</u>
Net (decrease) in cash and cash equivalents during the period	<u>(936,812)</u>	<u>(3,597,552)</u>
Opening balance of cash and cash equivalents	1,985,384	5,847,133
<b>Cash and cash equivalents at the end of the period</b>	<u><u>1,048,572</u></u>	<u><u>2,249,581</u></u>

The annexed notes 1 to 12 form an integral part of this condensed interim financial information

For NBP Fund Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Financial Officer

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

\_\_\_\_\_  
Director

**NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

NBP Government Securities Liquid Fund (the Fund) was established under a Trust Deed executed between NBP Fund Management Limited as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on 10 April 2009 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).

Last year on May 30, 2019, the name of the Fund was changed from NAFA Government Securities Liquid Fund to NBP Government Securities Liquid Fund. The change of name was made effective vide Fund's fifth Supplement Offering Document which was approved by SECP vide its letter no. SCD/AMCW/NAFA/430/2019 dated May 30, 2019.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by SECP. The registered office of the Management Company is situated at 7th floor, Clifton Diamond Building, Block No. 4, Scheme No. 5, Clifton, Karachi. The Management Company is also the member of Mutual Fund Association of Pakistan (MUFAP).

The Fund is an open-ended mutual fund and is listed on the Pakistan Stock Exchange (PSX). Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund is categorised as an Open-End "Money Market Scheme" as per the criteria laid down by Securities and Exchange Commission of Pakistan (SECP) for categorisation of Collective Investment Schemes (CIS).

The objective of the Fund is to generate optimal return with minimum risk, to provide easy liquidity and reasonable income to its unit holders by investing primarily in short-term government securities.

The Pakistan Credit Rating Agency (PACRA) has assigned a stability rating of 'AAA(f)' to the Fund and an asset manager rating of 'AM1' to the Management Company on December 24, 2019.

Title of the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited (CDC) as Trustee of the Fund.

**2 STATEMENT OF COMPLIANCE**

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- 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 requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

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 June 30, 2019.

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declared that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2020.

These financial statements are presented in Pakistan Rupee, which is the Fund's functional and presentation currency.

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2019.

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on July 1, 2019 that have a material effect on the financial statements of the Fund.

(Unaudited)                      (Audited)  
Note    March 31, 2020                      June 30, 2019  
------(Rupees in '000)-----

### 4 INVESTMENTS

#### At fair value through profit or loss

Government securities - Market Treasury Bills                      4.1                      2,095,939                      1,484,649

#### 4.1 Investment in government securities - 'at fair value through profit or loss'

Issue date	Tenor	Face value			As at March 31, 2020	Market Value as at March 31, 2020	Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 1, 2019	Purchased during the period	Sold / matured during the period				

-----Rupees in '000-----                      -----(%)-----

#### Market Treasury Bills

9-May-19	3 Months	1,500,000	-	1,500,000	-	-	-	-
18-Jul-19	3 Months	-	4,516,000	4,516,000	-	-	-	-
16-Aug-19	3 Months	-	1,210,000	1,210,000	-	-	-	-
1-Aug-19	3 Months	-	1,230,000	1,230,000	-	-	-	-
10-Oct-19	3 Months	-	1,510,000	1,510,000	-	-	-	-
10-Oct-19	6 Months	-	500,000	500,000	-	-	-	-
24-Oct-19	3 Months	-	1,775,000	1,775,000	-	-	-	-
24-Oct-19	6 Months	-	250,000	250,000	-	-	-	-
7-Nov-19	3 Months	-	1,550,000	1,550,000	-	-	-	-
7-Nov-19	6 Months	-	150,000	150,000	-	-	-	-
29-Aug-19	3 Months	-	500,000	500,000	-	-	-	-
12-Sep-19	3 Months	-	258,615	258,615	-	-	-	-
26-Sep-19	3 Months	-	266,115	266,115	-	-	-	-
21-Nov-19	3 Months	-	1,502,000	1,502,000	-	-	-	-
5-Dec-19	3 Months	-	740,000	740,000	-	-	-	-
19-Dec-19	3 Months	-	1,050,000	1,050,000	-	-	-	-

Issue date	Tenor	Face value				Market Value as at March 31, 2020	Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 1, 2019	Purchased during the period	Sold / matured during the period	As at March 31, 2020			
-----Rupees in '000-----						-----(%)------		
2-Jan-20	3 Months	-	755,000	755,000	-	-	-	-
30-Jan-20	3 Months	-	550,000	550,000	-	-	-	-
12-Sep-19	6 Months	-	800,000	800,000	-	-	-	-
13-Feb-20	3 Months	-	250,000	-	250,000	247,295	9.08	11.80
27-Feb-20	3 Months	-	800,000	-	800,000	788,039	28.94	37.60
12-Mar-20	3 Months	-	475,000	-	475,000	465,956	17.11	22.23
12-Mar-20	6 Months	-	250,000	-	250,000	238,423	8.75	11.38
26-Mar-20	6 Months	-	750,000	375,000	375,000	356,226	13.08	17.00
		<b>1,500,000</b>	<b>21,637,730</b>	<b>20,987,730</b>	<b>2,150,000</b>	<b>2,095,939</b>	<b>76.96</b>	<b>100.01</b>

Carrying Value before fair value adjustment as at March 31, 2020

**2,090,341**

4.1.1 These carry a rate of return ranging from of 11.15% to 13.40% (June 30, 2019: 12.58%) per annum.

## 5 PROVISION FOR SINDH WORKERS' WELFARE FUND

The legal status of applicability of Worker's Welfare Fund and Sindh Workers' Welfare Fund is same as that disclosed in note 10.1 to the annual audited financial statements of the Fund for the year ended June 30, 2019.

The Fund, being prudent, recognised provision for SWWF amounting to Rs. 22.208 million for the period ended March 31, 2020 in this condensed interim financial information, Had the provision not been made, net assets value per unit at March 31, 2020 would have been higher by Rs. 0.0832 per unit (June 30, 2019: Rs. 0.0933 per unit).

## 6 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2020 and June 30, 2019.

## 7 SELLING AND MARKETING EXPENSES

The SECP vide circular 11 of 2019 dated July 05, 2019 has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) and prescribed revised conditions for charging of selling and marketing expenses to CIS. The said circular also supersedes circular No. 40 of 2016, circular No. 05 of 2017 and circular No. 5 of 2018. These expenses shall be counted in the total expense ratio cap of the fund. Accordingly, the Management Company has charged selling and marketing expenses at the rate of 0.7% per annum of the net assets of the Fund.

## 8 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 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unit holders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2020 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

**9 TOTAL EXPENSE RATIO**

The Total Expense Ratio (TER) of the Fund as at March 31, 2020 is 1.68% (2019: 1.25%) which includes 0.34% (2019: 0.33%) representing government levies on the Fund such as sales taxes, federal excise duties, annual fee to the SECP, etc. This ratio is within the maximum limit of 2.0% (as amended by S.R.O 639 dated June 20, 2019) prescribed under the NBFC Regulations for a collective investment scheme categorised as 'money market scheme'.

**10 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS**

**10.1** Connected persons include NBP Fund Management Limited being the Management Company (NBP Funds), Central Depository Company of Pakistan Limited (CDC) being the Trustee, National Bank of Pakistan (NBP) and its connected persons, and Baltoro Growth Fund being the sponsors, NAFA Pension Fund, NAFA Provident Fund Trust being the associates of the Management Company, other collective investment schemes managed by the Management Company and directors and officers of the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund and unit holders holding ten percent or more units of the Fund.

**10.2** The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

**10.3** Remuneration to the Management Company is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

**10.4** Remuneration payable to the Trustee is determined in accordance with the provisions of the Trust Deed.

**10.5** Details of the transactions with connected persons are as follows:

	----- (Unaudited) -----	
	<u>Nine months ended</u>	
	March 31, 2020	March 31, 2019
	----- Rupees in '000 -----	
<b>NBP Fund Management Company Limited - Management Company</b>		
Remuneration of the Management Company	7,639	20,544
Sindh sales tax on remuneration of the Management Company	993	2,671
Accounting and operational charges to the Management Company	1,757	3,011
Selling and marketing expenses	11,890	-
<b>National Bank of Pakistan (Parent of the Management Company)</b>		
T-Bills purchased during the period	784,340	-
Bank profit earned by the fund on deposit in saving account	423	325
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Trustee fee for the period	1,142	2,821
Sindh sales tax on remuneration of Trustee	148	367
<b>Muhammad Murtaza Ali (Company Secretary and Chief Operating Officer)</b>		
Dividend reinvested: 150 units	2	-
Units issued: 6 units (March 31, 2019: 188,751 units)	-	1,877
Units redeemed: 2,587 units (March 31, 2019: 315,519 units)	27	3,257
<b>Employees of the Management Company</b>		
Dividend reinvested: 241 units	2	-
Units issued: 87,534 units (March 31, 2019: 701,012 units)	893	7,138
Units redeemed: 104,588 units (March 31, 2019: 408,656 units)	1,073	4,211
<b>NBP Employees Pension Fund (Subsidiary of the parent company)</b>		
Dividend reinvested: 1,949,026 units	19,860	-
Units issued: 594 units (March 31, 2019: 1,753,838 units)	-	17,822

	----- (Unaudited) -----	
	Nine months ended	
	March 31, 2020	March 31, 2019
	----- Rupees in '000 -----	
<b>** Fauji Fertilizer Company Limited (Common directorship)</b>		
Dividend reinvested: 1,670,349 units	17,020	-
Units issued: 306,301,089 units (March 31, 2019: Nil units)	3,130,006	-
Units redeemed: 248,091,032 units (March 31, 2019: Nil units)	2,539,082	-
<b>Taurus Securities Limited- Subsidiary of parent company</b>		
Dividend reinvested: 431,091 units	4,393	-
Units issued: 9,817,520 units (March 31, 2019: Nil units)	100,000	-
Units redeemed: 10,248,611 units (March 31, 2019: Nil units)	104,922	-
<b>NBP Fund Management Limited - Employees Provident Fund</b>		
Units issued: Nil units (March 31, 2019: 3,288 units)	-	4
Units redeemed: Nil units (March 31, 2019: 68,103 units)	-	707
<b>NBP Endowment Funds Students Loan Scheme</b>		
Units issued: Nil units (March 31, 2019: 337,609 units)	-	3,431
Units redeemed: Nil units (March 31, 2019: 2,167,133 units)	-	22,200
<b>NBP Mahana Amdani Fund (CIS managed by the Management Company)</b>		
Market Treasury Bills purchased	-	24,926
<b>NBP Money Market Fund (CIS managed by the Management Company)</b>		
Market Treasury Bills sold	1,336,416	-
<b>NBP Stock Fund (CIS managed by the Management Company)</b>		
Market Treasury Bills purchased	342,727	-
<b>Mutual Fund Association of Pakistan - MUFAP</b>		
Units issued: Nil units (March 31, 2019: 9,214 units)	-	93
<b>NBP Income Opportunity Fund (CIS managed by the Management Company)</b>		
Market Treasury Bills purchased	-	199,407
<b>Portfolios managed by the Management Company</b>		
Market Treasury Bills purchased	-	25,012
Market Treasury Bills sold	133,998	8,073
<b>NBP Savings Fund (CIS managed by the Management Company)</b>		
Market Treasury Bills purchased	-	29,911
<b>Faruque Private Limited (Common Directorship)</b>		
Units issued: Nil units (March 31, 2019: 172 units)	-	1
<b>* Pakistan Mobile Communication Limited</b>		
Units issued: Nil units (March 31, 2019: 87,303,280 units)	-	866,233
Units redeemed: Nil units (March 31, 2019: 127,059,062 units)	-	1,320,880

	----- (Unaudited) -----	
	<u>Nine months ended</u>	
	March 31, 2020	March 31, 2019
	----- Rupees in '000 -----	
<b>K &amp; N's Foods Private Limited (Unit holder of 10% or more of units of the CIS)</b>		
Units issued: 4,734,117 units (March 31, 2019: 5,034,452 units)	48,224	51,160
<b>** Fauji Akbar Portia Marine Terminals Limited (Unit holder of 10% or more of units of the CIS)</b>		
Units issued: 41,377,094 units (March 31, 2019: Nil units)	419,636	-
Units redeemed: 4,970,227 units (March 31, 2019: Nil units)	51,000	-
<b>10.6 Amounts outstanding as at period / year end</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>As at</b>	<b>As at</b>
	<b>March 31,</b>	<b>June 30,</b>
	<b>2020</b>	<b>2019</b>
	----- Rupees in '000 -----	
<b>NBP Fund Management Limited (Management Company)</b>		
Remuneration of the Management Company	1,089	1,558
Sindh Sales Tax on remuneration of the Management Company	142	202
Operational expenses	631	1,088
Selling and marketing expense Payable	4,420	-
<b>Central Depository Company of Pakistan Limited (Trustee)</b>		
Remuneration of the Trustee	154	181
Sindh Sales Tax on remuneration of the Trustee	20	23
<b>National Bank of Pakistan □ (Parent of the Management Company)</b>		
Bank balance	4,079	5,137
Bank profit receivable	9	67
<b>Muhammad Murtaza Ali (Company Secretary and chief operating officer of the management company )</b>		
Investment held in the Fund: Nil units (June 30, 2019: 2,431, units)	-	25
<b>* Summit Bank Limited</b>		
Bank balance	-	4,649
<b>* Askari Bank Limited</b>		
Bank balance	-	138
Bank profit receivable	-	2
<b>Employees of the Management Company</b>		
Investment held in the Fund: 6,184 units (June 30, 2019: 231,355 units)	63	2,357
<b>NBP Employees Pension Fund - Subsidiary of parent company</b>		
Investment held in the Fund: 23,270,462 units (June 30, 2019: 21,320,842)	237,438	217,176
<b>NBP Endowment Fund Students Loan Scheme- Subsidiary of parent company</b>		
Investment held in the Fund: nil units (June 30, 2019: 20,187 units)	-	206

	(Unaudited) As at March 31, 2020 ----- Rupees in '000 -----	(Audited) As at June 30, 2019 -----
<b>Faruque Private Limited (Common directorship)</b> Investment held in the Fund: nil units (June 30, 2019: 1,923 units)	-	20
<b>** Fauji Fertilizer Company Limited (Common directorship)</b> Investment held in the Fund: 59,880,405 units (June 30, 2019: Nil units)	<b>610,984</b>	-
<b>K &amp; N's Foods Private Limited (Unit holder of 10% or more of units of the CIS)</b> Investment held in the Fund: 62,611,886 units (June 30, 2019: 57,877,769)	<b>638,854</b>	589,549
<b>* Asian securities limited</b> Investment held in the Fund Nil units (2019: 19,508,682 units)	-	198,717
<b>** Fauji Akbar Portia Marine Terminals Limited (Unit holder of 10% or more of units of the CIS)</b> Investment held in the Fund: 36,406,866 units (2019: Nil units)	<b>371,474</b>	-

\* Current balances with these parties have not been disclosed as they did not remain connected persons and related parties as at period end.

\*\* Prior period balances with these parties have not been disclosed as they were not connected persons and related parties during prior periods.

## 11 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue by the Board of Directors of the Management Company on April 27, 2020.

## 12 GENERAL

12.1 Figures have been rounded off to the nearest thousand rupees.

12.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison. No significant changes or reclassifications were made in this condensed interim financial information.

For NBP Fund Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Financial Officer

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

\_\_\_\_\_  
Director

## Head Office

7th Floor, Clifton Diamond Building, Block No.4,  
Scheme No.5, Clifton, Karachi.

**UAN:** 021-111-111-632

**Toll Free:** 0800-20002

**Sms:** INVEST to 9995

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 /nbpfunds

# NAFA ISLAMIC ACTIVE ALLOCATION FUND - III



QUARTERLY REPORT  
**MARCH 31, 2020**



# **MISSION STATEMENT**

**To rank in the top quartile  
in performance of  
NBP FUNDS  
relative to the competition,  
and to consistently offer  
Superior risk-adjusted returns to investors.**



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## FUND'S INFORMATION

### Management Company

**NBP Fund Management Limited - Management Company**

### Board of Directors of Management Company

Shaikh Muhammad Abdul Wahid Sethi	Chairman
Dr. Amjad Waheed	Chief Executive Officer
Mr. Saad ur Rahman Khan	Director
Syed Hasan Irtiza Kazmi	Director
Mr. Ali Saigol	Director
Mr. Imran Zaffar	Director
Mr. Khalid Mansoor	Director
Mr. Humayun Bashir	Director
Mr. Saad Amanullah Khan	Director

### Company Secretary & COO

Mr. Muhammad Murtaza Ali

### Chief Financial Officer

Mr. Khalid Mehmood

### Audit & Risk Committee

Mr. Saad Amanullah Khan	Chairman
Syed Hasan Irtiza Kazmi	Member
Mr. Imran Zaffar	Member
Mr. Humayun Bashir	Member

### Human Resource Committee

Mr. Khalid Mansoor	Chairman
Shaikh Muhammad Abdul Wahid Sethi	Member
Mr. Ali Saigol	Member
Mr. Humayun Bashir	Member

### Strategy & Business Planning Committee

Mr. Humayun Bashir	Chairman
Mr. Saad ur Rahman Khan	Member
Mr. Ali Saigol	Member
Mr. Imran Zaffar	Member
Mr. Saad Amanullah Khan	Member

### Trustee

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

### Bankers to the Fund

Allied Bank Limited  
Bank Al Habib Limited  
Dubai Islamic Bank Pakistan Limited  
Habib Bank Limited  
JS Bank Limited  
Meezan Bank Limited  
Soneri Bank Limited  
United Bank Limited



## **Auditors**

A.F. Fergusons & Co. Chartered Accountants  
State Life Building No. 1 - C  
I.I. Chundrigar Road,  
P.O. Box 4716  
Karachi.

## **Legal Advisor**

Akhund Forbes  
D-21, Block, Scheme 5,  
Clifton, Karachi 75600, Pakistan.

## **Head Office:**

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(Toll Free): 0800-20002,  
Fax: (021) 35825329  
Website: [www.nbpfonds.com](http://www.nbpfonds.com)

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Fax: 92-42-35861095

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Phone: 051-2514987  
Fax: 051-4859031

## **Peshawar Office:**

Opposite Gul Haji Plaza, 2nd Floor  
National Bank Building  
University Road Peshawar,  
UAN: 091-111 111 632  
Fax: 091-5703202

## **Multan Office:**

NBP City Branch, Hussain-e-Gahi, Multan.  
Phone No: 061-4502204  
Fax No: 061-4502203

## DIRECTORS' REPORT

The Board of Directors of **NBP Fund Management Limited** is pleased to present the reviewed financial statements of **NAFA Islamic Active Allocation Fund - III (NIAAF- III)** for the nine months period ended March 31, 2020

NAFA Islamic Active Allocation Fund-III has been constituted in the form of a Trust Scheme that shall invest in following Collective Investment Schemes through three (3) Allocation Plans including NAFA Islamic Capital Preservation Plan-III (NICPP-III), NAFA Islamic Capital Preservation Plan-IV (NICPP-IV) & NBP Islamic Capital Preservation Plan-V (NICPP-V).

Islamic Money Market:  
Islamic Equity Fund:

**NBP Islamic Money Market Fund**  
**NBP Islamic Active Allocation Equity Fund**

During 9MFY20, amid heightened volatility, the stock market depicted dismal performance as reflected by a large 16.8% decline in the benchmark KMI-30 Index. The market started the year on a faltering note initially on account of concerns on the economic front and later on due to deteriorating Pakistan-India relations over the repeal of article 370 in the Indian-occupied Kashmir. Resultantly, panic selling sent the Index to a multi-year low level of 44,929 points on August 16th that opened-up valuation gap in the broader part of the market. However, as the threat of armed conflict between India and Pakistan subsided, attractive valuations and mitigation of risks on the balance of payment position with signing of USD 6 billion Extended Funds facility (EFF) and substantial financial support from the friends of Pakistan triggered value buying in the market. The market sentiment was further uplifted by significant improvement in external account position. The current account balance for the first time in 42 months turned into surplus in Oct-19 and the monthly CAD averaged USD 366 million during July'19 to Feb'20 period, down massively by 70% on a year-on-year basis. Capital flows from the multilateral agencies and portfolio inflows in the government securities also rejuvenated the sentiment. The market also celebrated the steep decline in yields on the government securities on the expectation of commencement of monetary easing cycle. As a result, the KMI-30 Index surged by a massive 58% from August 16th, 2019 to its recent peak on January 10th, 2020. Then, things started to reverse, initially, concerns over delay of 3rd tranche from the IMF due to noncompliance of Performance Criteria under EFF, fear of mini budget to meet expected revenue shortfalls, and reversal of hot money from T-Bills started to weigh on the stock market sentiment. It was however the fear of spread of the Coronavirus and the ensuing lockdown/shutdown of the business activity that caused indiscriminate selling in the stock market. Consequently, the market tumbled by 36.4% from its peak in January till March end.

During the period under review, in terms of sectoral performance, Cements, Chemicals, Engineering, Fertilizers, Pharmaceuticals, Food & Personal Care and Glass & Ceramics out-performed the market, while Automobile Assemblers, Commercial Banks, Insurance, Oil & Gas Exploration, Oil & Gas Marketing, Textile Composite, and Power Generation & Distribution lagged behind. Regarding the participant-wise activity, Individuals remained major buyers with net inflows of USD 144 million, along with Insurance Companies that accumulated positions worth USD 94 million. On the other hand, Foreign investors were the major sellers in the market, offloading positions worth USD 130 million. Likewise, Mutual Funds, and Banks/DFIs were net sellers with net outflows of USD 85 million, and USD 48 million, respectively.

During 9MFY20, the State Bank of Pakistan (SBP) held six Monetary Policy Committee (MPC) meetings. In its first meeting in July 2019, the Policy Rate was increased by 100bps to 13.25% with the objective to curtail inflationary pressure. Thenceforth the central bank maintained tight monetary policy stance and left the key benchmark unchanged in the subsequent three MPC meetings. In its meeting on March 17th, 2020 and again on March 24th, 2020 the SBP slashed the Policy Rate by a cumulative 225bps to 11%; owing to improved inflation outlook, sharp fall in the global oil prices, and economic fallout from the Corona virus pandemic.

During the period under review, the market witnessed issuance of a decent size of corporate sukuks and Shari'ah Compliant commercial papers to meet the increasing funding need for fixed capital investments and working capital, respectively. In the secondary market, the trading activity in corporate sukuks remained around Rs. 19 billion compared to Rs 9 billion, during the same period last year.

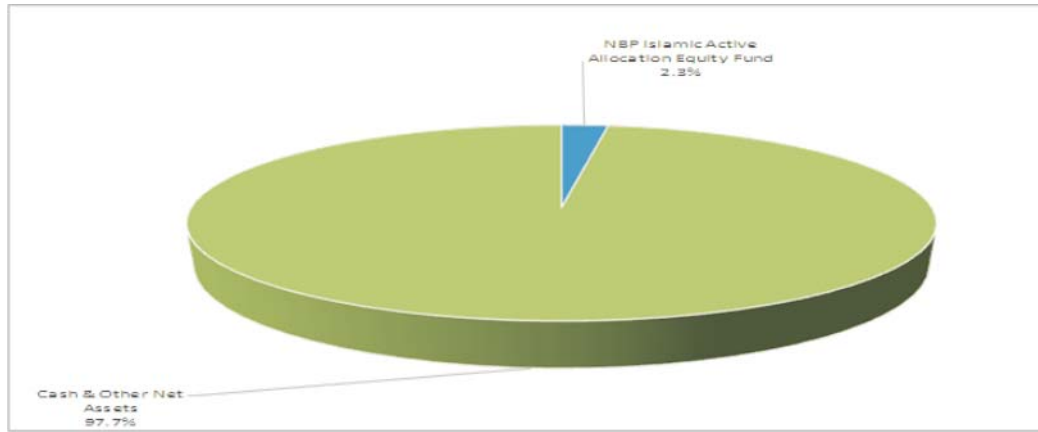
### NAFA Islamic Capital Preservation Plan-III (NICPP-III)

#### Plan's Performance

During the period, the unit price (NAV) of NAFA Islamic Capital Preservation Plan-III (NICPP-III) has increased from Rs. 98.9065 (Ex-Div) on June 30, 2019 to Rs. 101.1376 on March 31, 2020, thus showing an increase of 2.2%. The Benchmark increased by 0.6%. Thus, the Fund has outperformed its Benchmark by 1.6%. Since inception, the unit price of NAFA Islamic Capital Preservation Plan-III (NICPP-III) has increased from Rs.98.8114 (Ex-Div) on June 22, 2018 to Rs. 101.1376 on March 31, 2020, thus showing an increase of 2.4%. The Benchmark decreased during the same period was 1.8%. Thus, the Fund has outperformed its Benchmark by 4.2%. This performance is net of management fee and all other expenses. The size of the Plan is Rs. 211 million.

The Plan has earned a total income of Rs. 15.33 million during the period. After deducting total expenses of Rs. 3.74 million, the net income is Rs. 11.59 million

The asset allocation of the Plan as on March 31, 2020 is as follows:



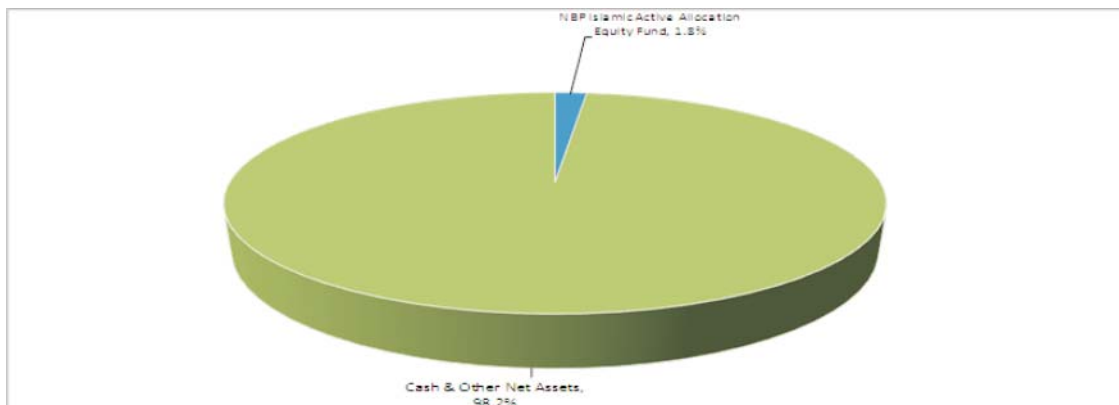
## NAFA Islamic Capital Preservation Plan-IV (NICPP-IV)

### Plan's Performance

During the period, the unit price (NAV) of NAFA Islamic Capital Preservation Plan-IV (NICPP-IV) has increased from Rs. 98.7262 on June 30, 2019 to Rs. 100.4268 on March 31, 2020, thus showing an increase of 1.7%. The Benchmark increased by 0.7%. Thus, the Fund has outperformed its Benchmark by 1.0%. Since inception, the unit price of NAFA Islamic Capital Preservation Plan-IV (NICPP-IV) has increased from Rs.100.0000 September 14, 2018 to Rs. 100.4268 on March 31, 2020, thus showing an increase of 0.4%. The Benchmark decrease during the same period was 2.1%. Thus, the Fund has outperformed its Benchmark by 2.5%. This performance is net of management fee and all other expenses. The size of the Plan is Rs. 150 million

The Plan has earned a total income of Rs. 5.62 million during the period. After deducting total expenses of Rs. 2.26 million, the net income is Rs. 3.36 million.

The asset allocation of the Plan as on March 31, 2020 is as follows:



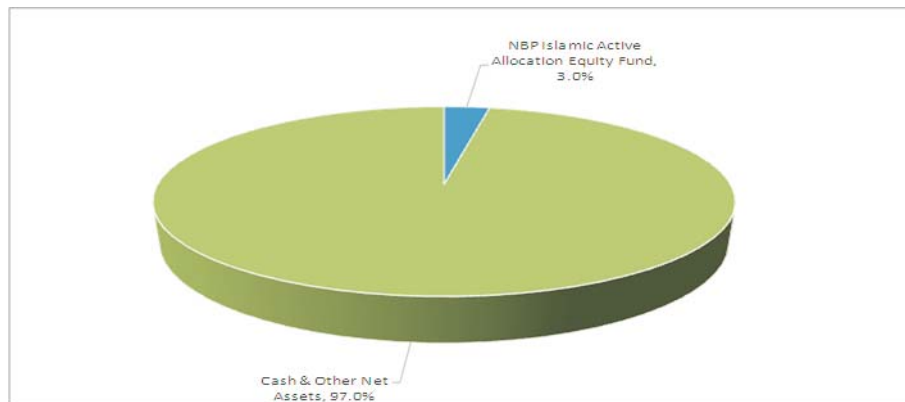
## NBP Islamic Capital Preservation Plan-V (NICPP-V)

### Plan's Performance

During the period, the unit price (NAV) of NBP Islamic Capital Preservation Plan-V (NICPP-V) has increased from Rs. 98.1965 on June 30, 2019 to Rs. 98.8381 on March 31, 2020, thus showing an increase of 0.7%. The Benchmark increased by 0.5%. Thus, the Fund has outperformed its Benchmark by 0.2%. Since inception, the unit price of NBP Islamic Capital Preservation Plan-V (NICPP-V) has decreased from Rs.100.00 on December 17, 2018 to Rs. 98.8381 on March 31, 2020, thus showing a decrease of 1.2%. The Benchmark decrease during the same period was 2.5%. Thus, the Fund has outperformed its Benchmark by 1.3%. This performance is net of management fee and all other expenses. The size of the Plan is Rs. 89 million.

The Plan has earned a total income of Rs. 4.06 million during the period. After deducting total expenses of Rs. 1.56 million, the net income is Rs. 2.50 million.

The asset allocation of the Plan as on March 31, 2020 is as follows:



### Acknowledgement

The Board takes this opportunity to thank its valued unit-holders for their confidence and trust in the Management Company, and providing the opportunity to serve them. It also offers its sincere gratitude to the Securities & Exchange Commission of Pakistan and State Bank of Pakistan for their patronage and guidance.

The Board also wishes to place on record its appreciation for the hard work, dedication and commitment shown by the staff and the Trustee.

On behalf of the Board of  
**NBP Fund Management Limited**

**Chief Executive**

**Director**

Date: **April 27, 2020**  
Place: Karachi.



## ڈائریکٹرز کی رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 31 مارچ 2020ء کو ختم ہونے والی نو ماہی کے لئے NAFA اسلامک ایکٹیو ایلوکیشن فنڈ-III (NIAAF-III) کے غیر جانچ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

### فنڈ کی کارکردگی

NAFA اسلامک ایکٹیو ایلوکیشن فنڈ-III (NIAAF-III) ایک ٹرسٹ اسکیم کی شکل میں تیار کیا گیا ہے جو کہ تین (3) ایلوکیشن پلانز کے ذریعے درج ذیل مجموعی سرمایہ کاری اسکیموں میں سرمایہ کاری کریں گے، یہ پلانز NAFA اسلامک کیپٹل پریزرویشن پلان-III (NICCP-III)، NAFA اسلامک کیپٹل پریزرویشن پلان-IV (NICCP-IV) اور NBP اسلامک کیپٹل پریزرویشن پلان-V (NICCP-V) ہیں۔

اسلامک منی مارکیٹ: NBP اسلامک منی مارکیٹ فنڈ

اسلامک ایکویٹی فنڈ: NBP اسلامک ایکٹیو ایلوکیشن ایکویٹی فنڈ

مالی سال 2020 کی نو ماہی میں، تیز اتار چڑھاؤ کے ساتھ اسٹاک مارکیٹ نے مایوس کن کارکردگی کا مظاہرہ کیا جیسا کہ KMI-30 انڈیکس بیچ مارک میں بڑے پیمانہ کی کمی 16.8 فیصد سے ظاہر ہوتا ہے۔ مارکیٹ نے اقتصادی محاذ پر تیش پائے جانے اور بعد میں ہندوستان کے مقبوضہ کشمیر میں آرٹیکل 370 کی منسوخی پر پاک بھارت تعلقات خراب ہونے کی وجہ سے منفی رجحان سے سال کا آغاز کیا۔ نتیجتاً، خوف و ہراس میں فروخت کی وجہ سے 16 اگست 2019ء کو انڈیکس کثیر سالہ کی کم ترین سطح 44,929 پوائنٹس تک پہنچ گیا جس نے مارکیٹ کے بڑے حصہ میں قیمت کے خلاء کو واضح کر دیا۔ تاہم، جیسے ہی بھارت اور پاکستان کے مابین مسلح تصادم کا خطرہ کم ہوا، 6 بلین ڈالر کے توسیعی فنڈز کی سہولت (EFF) پر دستخط اور ادائیگی کی پوزیشن میں توازن سے پرکشش تشخیص اور خطرات کی تخفیف ہوئی اور پاکستان کے دوست ممالک کی طرف سے خاطر خواہ مالی مدد نے مارکیٹ میں قیمت خرید کو متحرک کر دیا۔ بیرونی اکاؤنٹ کی پوزیشن میں نمایاں بہتری کی وجہ سے مارکیٹ کے جذبات کو مزید تقویت ملی۔ کرنٹ اکاؤنٹ بیلنس پہلی بار 42 مہینوں میں اکتوبر 19 میں سرپلس میں بدل گیا اور ماہانہ کرنٹ اکاؤنٹ خسارہ (CAD) اوسطاً 366 بلین امریکی ڈالر، جولائی 19 تا فروری 20 کے دوران سالانہ بنیادوں پر بڑے پیمانے پر 70 فیصد کم ہوا۔ کثیر الجہتی ایجنسیوں کی طرف سے سرمائے اور گورنمنٹ سکیورٹیز میں پورٹ فولیو کی آمد نے بھی جذبات کو ابھارا۔ متوقع مانیٹری نرمی کے آغاز پر مارکیٹ نے گورنمنٹ سکیورٹیز کے منافع میں بھی شدید کمی کو سراہا۔ نتیجے کے طور پر، KMI-30 انڈیکس میں 16 اگست 2019 سے بڑے پیمانے پر 58 فیصد اضافہ ہوا، 13 جنوری 2020 کو اپنی موجودہ بلند ترین سطح پر آ گیا۔ پھر، معاملات اٹلے ہونا شروع ہو گئے، جس کی بنیاد پر EFF کے تحت کارکردگی کے معیاری عدم تعمیل کی وجہ سے آئی ایم ایف سے تیسری قسط کی تاخیر کے خدشات، متوقع آمدن کی کمی کو پورا کرنے کے لئے منی بجٹ کا خوف، اور (T-Bills) سے ہاٹ منی کے واپس جانے سے اسٹاک مارکیٹ کے جذبات پر دباؤ آنے لگا۔ تاہم کورونا وائرس کے پھیلاؤ اور اس کے بعد ہونے والے لاک ڈاؤن/کاروباری سرگرمی کے بند ہونے کا خوف جس کی وجہ سے اسٹاک مارکیٹ میں اندھا دھند فروخت ہوئی۔ اس کے نتیجے میں، جنوری تا مارچ کے آخر تک مارکیٹ اپنے عروج سے 36.4 فیصد تک گر گئی۔

زیر جائزہ مدت کے دوران، شعبہ جاتی کارکردگی کے تناظر میں سیمنٹ، کیمیکلز، انجینئرنگ، فریٹ لائزر، فارماسیوٹیکلز، خوراک اور پرسنل کیئر اور شیشے اور سرامکس نے مارکیٹ میں بہتر کارکردگی کا مظاہرہ کیا جبکہ آٹوموبائل، کمرشل بینک، انشورنس، تیل اور گیس ایکسپلوریشن، تیل اور گیس مارکیٹنگ، ٹیکسٹائل کمپوزٹ، پاور جنریشن اور ڈسٹری بیوشن نے ان کی پیروی کی۔ شریک دار کارکردگی کے تناظر میں انفرادی سرمایہ کار 144 بلین ڈالر کے مجموعی ان فلو کے ساتھ بڑے خریدار رہے جب کہ انشورنس کمپنیوں نے 94 بلین ڈالر کے ساتھ پوزیشن مستحکم کی۔ دوسری جانب، غیر ملکی سرمایہ کار 130 بلین امریکی ڈالر کے ساتھ بڑے فروخت کنندہ رہے اسی طرح جیو چیل فنڈ ز اور بینک/DFI بالترتیب 85 بلین ڈالر اور 48 بلین ڈالر کے آؤٹ فلو کے ساتھ خالص فروخت کنندگان رہے۔



مالی سال 2020 کی نو ماہی میں اسٹیٹ بینک آف پاکستان نے چھ ماہی پالیسی کمیٹی (MPC) کے اجلاس طلب کئے۔ افراط زر کو قابو کرنے کے لئے SBP نے جولائی 2019ء میں منعقدہ ماہی پالیسی کے اپنے پہلے اجلاس میں پالیسی کی شرح کو بحساب 100bps سے بڑھا کر 13.25 فی صد کر دیا۔ اس کے بعد مرکزی بینک نے سخت معاشی پالیسی کا مؤقف برقرار رکھا اور اس کے بعد ہونے والی تین MPC اجلاسوں میں کلیدی معیار تبدیل نہیں کیا۔ 17 مارچ، 2020 کو اور پھر 24 مارچ، 2020 کو اپنے اجلاس میں اسٹیٹ بینک نے افراط زر کی صورتحال میں بہتری، تیل کی عالمی قیمتوں میں تیزی سے کمی اور کورونا وائرس وبائی مرض سے معاشی خرابی کی وجہ سے پالیسی کی شرح میں بحساب 225bps سے کمی کر کے مجموعی طور پر 11 فی صد کر دیا۔

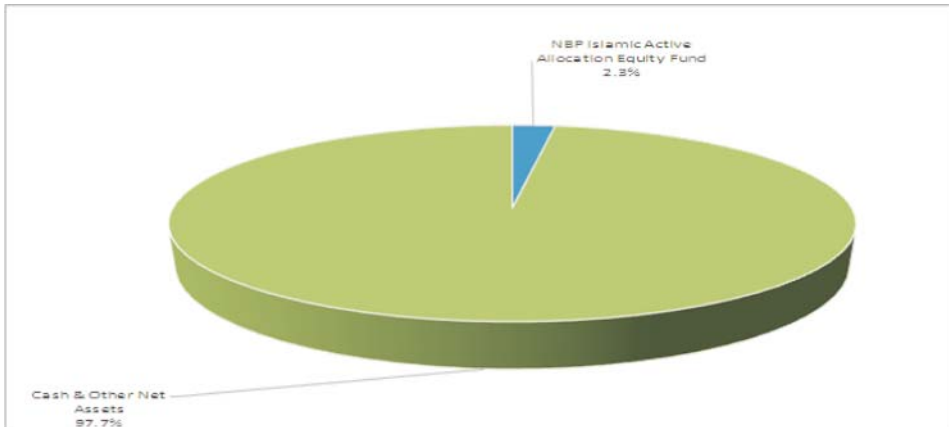
زیر جائزہ مدت کے دوران، مارکیٹ میں بالترتیب فلسفہ کیپٹل سرمایہ کاری اور ورکنگ سرمایہ کے لئے بڑھتی ہوئی فنڈنگ کی ضروریات کو پورا کرنے کے لئے کارپوریٹ سکوک اور شریعہ کمپلیٹ کمرشل پیپرز کے ایک معقول سائز کے اجراء کا مشاہدہ کیا گیا۔ ثانوی مارکیٹ میں، کارپوریٹ سکوک میں تجارت 19 بلین روپے رہی جو کہ گذشتہ سال کی اسی مدت کے دوران 9 بلین روپے تھی۔

### NAFA اسلامک کیپٹل پریزرویشن پلان-III (NICCP-III) پلان کی کارکردگی

موجودہ مدت کے دوران NAFA اسلامک کیپٹل پریزرویشن پلان-III (NICCP-III) کے یونٹ کی قیمت 30 جون 2019 کو 98.9251 روپے سے بڑھ کر 31 مارچ 2020 کو 101.1376 روپے ہو چکی ہے اور اس طرح 2.2% کا اضافہ دکھایا ہے۔ بیچ مارک بڑھ کر 0.6% ہو گیا۔ لہذا پلان نے اپنے بیچ مارک سے 1.6% بہتر کارکردگی کا مظاہرہ کیا ہے۔ 22 جون 2018 کو اپنے قیام کے وقت اسلامک کیپٹل پریزرویشن پلان-III (NICCP-III) کے یونٹ کی قیمت 98.8114 روپے سے بڑھ کر 31 مارچ 2020 کو 101.1376 روپے ہو گئی، لہذا 2.4% کا اضافہ دکھایا۔ اس مدت کے دوران بیچ مارک 1.8% کم ہوا۔ لہذا پلان نے اپنے بیچ مارک سے 4.2% کی بہتر کارکردگی کا مظاہرہ کیا۔ پلان کی یہ کارکردگی بیٹجمنٹ فیس اور دیگر تمام اخراجات کے بعد حاصل ہے۔ پلان کا سائز 211 بلین روپے ہے۔

اسلامک کیپٹل پریزرویشن پلان-III (NICCP-III) کو اس مدت کے دوران 15.33 بلین روپے کی مجموعی آمدنی ہوئی۔ 3.74 بلین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 11.59 بلین روپے ہے۔

31 مارچ 2020 کو پلان کی ایسٹ ایلوکیشن درج ذیل ہے:





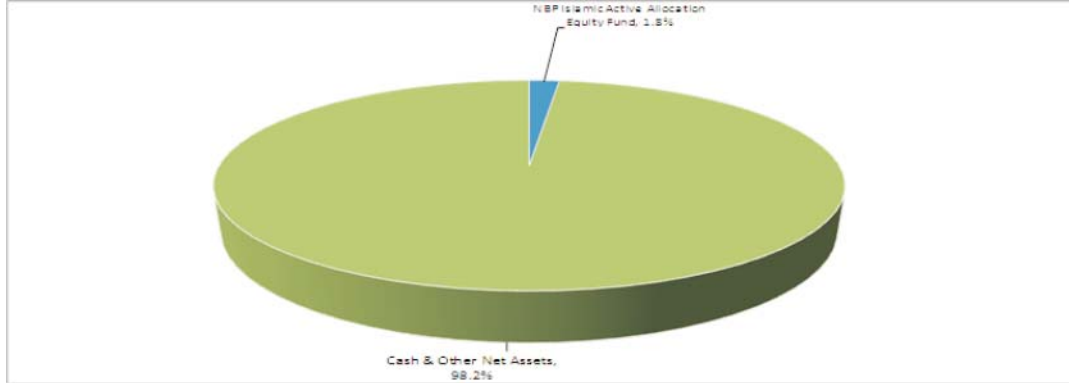
### NAFA اسلامک کیپٹل پریزرویشن پلان (NICPP-IV) IV

#### پلان کی کارکردگی

موجودہ مدت کے دوران NAFA اسلامک کیپٹل پریزرویشن پلان (NICPP-IV) IV کے یونٹ کی قیمت 30 جون 2019 کو 98.7262 روپے سے بڑھ کر 31 مارچ 2020 کو 100.4268 روپے ہو چکی ہے اور اس طرح 1.7% کا اضافہ دکھایا ہے۔ بیچ مارک بڑھ کر 0.7% ہو گیا۔ لہذا پلان نے اپنے بیچ مارک سے 1.0% بہتر کارکردگی کا مظاہرہ کیا ہے۔ 14 ستمبر 2018 کو اپنے قیام کے وقت اسلامک کیپٹل پریزرویشن پلان (NICPP-IV) IV کے یونٹ کی قیمت 100.00 روپے سے بڑھ کر 31 مارچ 2020 کو 100.4268 روپے ہو گئی، لہذا 0.4% کا اضافہ دکھایا۔ اس مدت کے دوران بیچ مارک 2.1% کم ہوا۔ لہذا پلان نے اپنے بیچ مارک سے 2.5% کی بہتر کارکردگی کا مظاہرہ کیا۔ پلان کی یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔ پلان کا سائز 150 ملین روپے ہے۔

NBP اسلامک کیپٹل پریزرویشن پلان (NICPP-IV) IV کو اس مدت کے دوران 5.62 ملین روپے کی مجموعی آمدنی ہوئی۔ 2.26 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 3.36 ملین روپے ہے۔

31 مارچ 2020 کو پلان کی ایسٹ ایلوکیشن درج ذیل ہے:



### NBP اسلامک کیپٹل پریزرویشن پلان (NICPP-V) V

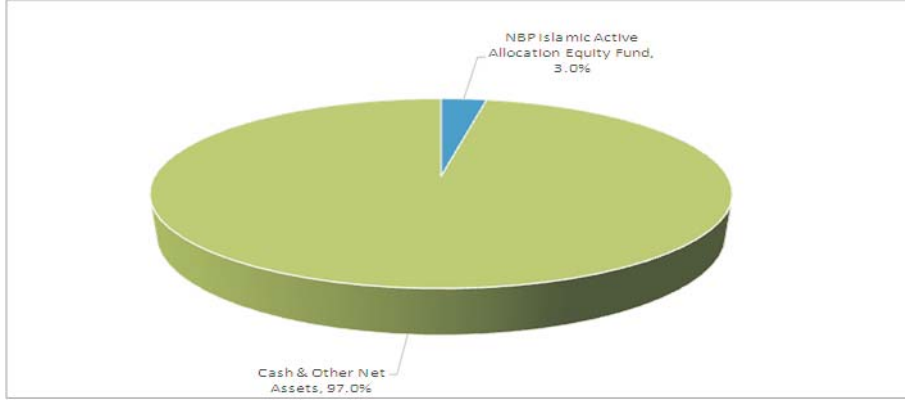
#### پلان کی کارکردگی

موجودہ مدت کے دوران NBP اسلامک کیپٹل پریزرویشن پلان (NICPP-V) V کے یونٹ کی قیمت 30 جون 2019 کو 98.1965 روپے سے بڑھ کر 31 مارچ 2020 کو 98.8381 روپے ہو چکی ہے اور اس طرح 0.7% کا اضافہ دکھایا ہے۔ بیچ مارک بڑھ کر 0.5% ہو گیا۔ لہذا پلان نے اپنے بیچ مارک سے 0.2% بہتر کارکردگی کا مظاہرہ کیا ہے۔ 17 دسمبر 2018 کو اپنے قیام کے وقت اسلامک کیپٹل پریزرویشن پلان (NICPP-V) V کے یونٹ کی قیمت 100.00 روپے سے بڑھ کر 31 مارچ 2020 کو 98.8381 روپے ہو گئی، لہذا 1.2% کی کمی دکھائی۔ اس مدت کے دوران بیچ مارک 2.5% کم ہوا۔ لہذا پلان نے اپنے بیچ مارک سے 1.3% کی بہتر کارکردگی کا مظاہرہ کیا۔ پلان کی یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔ پلان کا سائز 89 ملین روپے ہے۔



NBP اسلامک کیپیٹل پریزرویشن پلان V-(NICPP-V) کو اس مدت کے دوران 4.06 ملین روپے کی مجموعی آمدنی ہوئی۔ 1.56 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 2.50 ملین روپے ہے۔

31 مارچ 2020 کو پلان کی ایسٹ ایلوکیشن درج ذیل ہے:



## اظہار تشکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے مینجمنٹ کمیٹی پر اعتماد، اعتبار اور خدمت کا موقع فراہم کرنے پر اپنے قابل قدر یونٹ ہولڈرز کا شکریہ ادا کرتا ہے۔ یہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور اسٹیٹ بینک آف پاکستان کی سرپرستی اور رہنمائی کے لئے ان کے مخلص رویہ کا بھی اعتراف کرتا ہے۔

بورڈ اپنے اسٹاف اور ٹرسٹی کی طرف سے سخت محنت، لگن اور عزم کے مظاہرے پر اپنا خراج تحسین بھی ریکارڈ پر لانا چاہتا ہے۔

منجانب بورڈ آف ڈائریکٹرز

NBP فنڈ مینجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو

تاریخ: 27 اپریل 2020ء

مقام: کراچی

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT 31 MARCH 2020

	Unaudited 31 March 2020				Audited 30 June 2019			
	NICPP III	NICPP IV	NICPP V	Total	NICPP III	NICPP IV	NICPP V	Total
Note	----- (Rupees in 000) -----				----- (Rupees in 000) -----			
<b>ASSETS</b>								
Bank balances	204,893	146,162	85,766	436,821	306,399	215,994	105,924	628,317
Investments	4,911	2,768	2,668	10,347	85,299	65,288	46,472	197,059
Profit receivable on bank deposits	1,751	1,257	508	3,516	3,366	2,363	1,196	6,925
Advance and other receivable	223	2	452	677	220	-	450	670
Preliminary expenses and floatation costs	222	255	187	664	967	669	387	2,023
<b>Total assets</b>	<b>212,000</b>	<b>150,444</b>	<b>89,581</b>	<b>452,025</b>	<b>396,251</b>	<b>284,314</b>	<b>154,429</b>	<b>834,994</b>
<b>LIABILITIES</b>								
Payable to Management Company	259	181	118	558	2,849	1,554	772	5,175
Payable to Trustee	15	11	6	32	38	27	15	80
Payable to Securities and Exchange Commission of Pakistan	44	28	17	89	647	329	114	1,090
Accrued expenses and other liabilities	783	399	385	1,567	522	384	236	1,142
<b>Total liabilities</b>	<b>1,101</b>	<b>619</b>	<b>526</b>	<b>2,246</b>	<b>4,056</b>	<b>2,294</b>	<b>1,137</b>	<b>7,487</b>
<b>Net assets</b>	<b>210,899</b>	<b>149,825</b>	<b>89,055</b>	<b>449,779</b>	<b>392,195</b>	<b>282,020</b>	<b>153,292</b>	<b>827,507</b>
<b>Unit holders' fund (as per statement attached)</b>	<b>210,899</b>	<b>149,825</b>	<b>89,055</b>	<b>449,779</b>	<b>392,195</b>	<b>282,020</b>	<b>153,292</b>	<b>827,507</b>
<b>Contingencies and commitment</b>	6				6			
	----- (Number of units) -----				----- (Number of units) -----			
<b>Number of units in issue</b>	<b>2,085,269</b>	<b>1,491,885</b>	<b>901,016</b>		<b>3,921,193</b>	<b>2,856,590</b>	<b>1,561,069</b>	
	----- (Rupees) -----				(Rupees)			
<b>Net assets value per unit</b>	<b>101.1376</b>	<b>100.4268</b>	<b>98.8381</b>		<b>100.0193</b>	<b>98.7262</b>	<b>98.1965</b>	

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

For NBP Fund Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Financial Officer

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

\_\_\_\_\_  
Director



## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2020

Note	Nine Months Period Ended			Total	Nine Months Ended	From September 14, 2018	From December 17, 2018	Total			
	----March 31, 2020----								-----March 31, 2019-----		
	NICPP III	NICPP IV	NICPP V						NICPP III	NICPP IV	NICPP V
	(Rupees in 000)										
<b>Income</b>											
(Loss) / gain on sale of investments - net	(4,203)	(6,339)	(2,458)	(13,000)	(9,435)	(6,464)	358	(15,542)			
Profit on bank deposits	20,636	12,622	7,154	40,412	40,751	20,088	5,660	66,500			
Net unrealised (diminution) / appreciation on re-measurement as financial assets at fair value through profit or loss'	(1,102)	(660)	(639)	(2,401)	(8,516)	(6,029)	(1,985)	(16,530)			
<b>Total income</b>	<b>15,331</b>	<b>5,623</b>	<b>4,057</b>	<b>25,011</b>	<b>22,800</b>	<b>7,595</b>	<b>4,034</b>	<b>34,429</b>			
<b>Expenses</b>											
Remuneration to Management Company	1,615	990	578	3,183	4,813	2,139	519	7,472			
Sindh Sales Tax on remuneration to the Management Company	210	129	75	414	626	278	68	971			
Remuneration to Trustee	155	99	60	314	545	251	70	867			
Sindh Sales Tax on remuneration to the Trustee	20	13	8	41	71	33	9	113			
Annual fee - Securities and Exchange Commission of Pakistan	44	28	17	89	539	255	71	865			
Settlement and bank charges	76	19	50	145	124	97	72	293			
Auditors' remuneration	275	286	348	909	268	278	125	671			
Allocation of expenses related to registrar services, accounting, operation and valuation services	222	142	86	450	567	268	75	910			
Legal and professional charges	66	16	27	109	25	36	21	82			
Listing fee	7	7	7	21	7	5	5	17			
Shariah advisor fee	37	26	15	78	110	48	12	170			
Amortisation of formation cost	745	414	200	1,359	1,016	333	76	1,424			
Printing charges	34	27	39	100	45	3	32	80			
<b>Total expenses</b>	<b>3,506</b>	<b>2,196</b>	<b>1,510</b>	<b>7,212</b>	<b>8,756</b>	<b>4,024</b>	<b>1,154</b>	<b>13,934</b>			
<b>Net income from operating activities</b>	<b>11,825</b>	<b>3,427</b>	<b>2,547</b>	<b>17,799</b>	<b>14,044</b>	<b>3,571</b>	<b>2,880</b>	<b>20,495</b>			
Provision for Sindh Worker's Welfare Fund	5	(237)	(69)	(357)	(281)	(71)	(58)	(410)			
<b>Net income for the period before taxation</b>	<b>11,588</b>	<b>3,358</b>	<b>2,496</b>	<b>17,442</b>	<b>13,763</b>	<b>3,500</b>	<b>2,822</b>	<b>20,085</b>			
<b>Taxation</b>	<b>7</b>	-	-	-	-	-	-	-			
<b>Net income for the period after taxation</b>	<b>11,588</b>	<b>3,358</b>	<b>2,496</b>	<b>17,442</b>	<b>13,763</b>	<b>3,500</b>	<b>2,822</b>	<b>20,085</b>			
Net income for the period	11,588	3,358	2,496	17,442	13,763	3,500	2,822	20,085			
Income already paid on units redeemed	(7,369)	(1,744)	(2,192)	(11,305)	(4,568)	(1,125)	(954)	(6,647)			
	<b>4,219</b>	<b>1,614</b>	<b>304</b>	<b>6,137</b>	<b>9,195</b>	<b>2,375</b>	<b>1,868</b>	<b>13,438</b>			
<b>Accounting income available for distribution:</b>											
- Relating to capital gains	-	-	-	-	-	-	-	-			
- Excluding capital gains	4,219	1,614	304	6,137	9,195	2,375	1,868	13,438			
	<b>4,219</b>	<b>1,614</b>	<b>304</b>	<b>6,137</b>	<b>9,195</b>	<b>2,375</b>	<b>1,868</b>	<b>13,438</b>			

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

For NBP Fund Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED 31 MARCH 2020

	Quarter Ended			Total	Quarter Ended			Total
	----March 31, 2020----				-----March 31, 2019-----			
	NICPP III	NICPP IV	NICPP V		NICPP III	NICPP IV	NICPP V	
Note	(Rupees in 000)				(Rupees in 000)			
<b>Income</b>								
(Loss) / gain on sale of investments - net	(1,432)	(4,891)	(3,465)	(9,788)	421	355	358	1,134
Profit on bank deposits	4,786	3,317	1,696	9,799	11,545	7,584	4,397	23,526
Net unrealised (diminution) / appreciation on re-measurement as financial assets at fair value through profit or loss'	(21,041)	(11,820)	(8,260)	(41,121)	1,880	1,247	(1,985)	1,142
<b>Total income</b>	<b>(17,687)</b>	<b>(13,394)</b>	<b>(10,029)</b>	<b>(41,110)</b>	<b>13,847</b>	<b>9,186</b>	<b>2,771</b>	<b>25,803</b>
<b>Expenses</b>								
Remuneration to Management Company	411	270	156	837	1,099	728	408	2,235
Sindh Sales Tax on remuneration to the Management Company	54	35	20	109	143	95	53	291
Remuneration to Trustee	44	29	17	90	149	101	60	310
Sindh Sales Tax on remuneration to the Trustee	6	4	2	12	19	13	8	40
Annual fee - Securities and Exchange Commission of Pakistan	12	8	5	25	149	102	60	311
Settlement and bank charges	37	5	31	73	42	16	46	105
Auditors' remuneration	91	63	96	250	54	97	90	242
Allocation of expenses related to registrar services, accounting, operation and valuation services	64	42	25	131	157	107	64	328
Legal and professional charges	11	4	11	26	1	5	18	23
Listing fee	2	2	2	6	2	-	4	6
Shariah advisor fee	10	8	5	23	32	22	10	65
Amortisation of formation cost	246	137	66	449	244	136	65	445
Printing charges	3	4	5	12	8	3	31	42
<b>Total expenses</b>	<b>991</b>	<b>611</b>	<b>441</b>	<b>2,043</b>	<b>2,101</b>	<b>1,425</b>	<b>918</b>	<b>4,444</b>
<b>Net (loss) / income from operating activities</b>	<b>(18,678)</b>	<b>(14,005)</b>	<b>(10,470)</b>	<b>(43,153)</b>	<b>11,746</b>	<b>7,761</b>	<b>1,853</b>	<b>21,359</b>
Provision for Sindh Worker's Welfare Fund	5	373	280	862	(235)	(71)	(37)	(343)
<b>Net (loss) / income for the period before taxation</b>	<b>(18,305)</b>	<b>(13,725)</b>	<b>(10,261)</b>	<b>(42,291)</b>	<b>11,511</b>	<b>7,690</b>	<b>1,816</b>	<b>21,017</b>
<b>Taxation</b>	<b>7</b>	-	-	-	-	-	-	-
<b>Net (loss) / income for the period after taxation</b>	<b>(18,305)</b>	<b>(13,725)</b>	<b>(10,261)</b>	<b>(42,291)</b>	<b>11,511</b>	<b>7,690</b>	<b>1,816</b>	<b>21,017</b>
Net income for the period	-	-	-	-	11,511	7,690	1,816	21,017
Income already paid on units redeemed	-	-	-	-	(2,717)	(1,125)	(936)	(4,778)
	-	-	-	-	8,794	6,565	880	16,239
<b>Accounting income available for distribution:</b>								
- Relating to capital gains	-	-	-	-	2,302	1,602	-	3,904
- Excluding capital gains	-	-	-	-	6,492	4,963	880	12,335
	-	-	-	-	8,794	6,565	880	16,239

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

For NBP Fund Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director



## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS PERIOD & QUARTER ENDED 31 MARCH 2020

	Nine Months Period Ended			Total	Nine Months Ended	From September 14, 2018	From December 17, 2018	Total			
	---March 31, 2020---								-----March 31, 2019-----		
	NICPP III	NICPP IV	NICPP V						NICPP III	NICPP IV	NICPP V
	----- (Rupees in 000) -----										
Net income for the period	11,588	3,358	2,496	17,442	13,763	3,500	2,822	20,085			
Other comprehensive income for the period	-	-	-	-	-	-	-	-			
<b>Total comprehensive income for the period</b>	<b>11,588</b>	<b>3,358</b>	<b>2,496</b>	<b>17,442</b>	<b>13,763</b>	<b>3,500</b>	<b>2,822</b>	<b>20,085</b>			

	Quarter Ended			Total	Quarter Ended			Total
	---March 31, 2020---				-----March 31, 2019-----			
	NICPP III	NICPP IV	NICPP V		NICPP III	NICPP IV	NICPP V	
	----- (Rupees in 000) -----							
Net (loss) / income for the period	(18,305)	(13,725)	(11,468)	(43,498)	11,511	7,690	1,816	21,017
Other comprehensive income for the period	-	-	-	-	-	-	-	-
<b>Total comprehensive (loss) / income for the period</b>	<b>(18,305)</b>	<b>(13,725)</b>	<b>(11,468)</b>	<b>(43,498)</b>	<b>11,511</b>	<b>7,690</b>	<b>1,816</b>	<b>21,017</b>

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

For NBP Fund Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Financial Officer

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

\_\_\_\_\_  
Director



## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2020

	Nine Months ended March 31, 2020											
	NICPP III			NICPP IV			NICPP V			Total		
	Capital Value	Undistributed income / (loss)	Total	Capital Value	Undistributed (loss) / income	Total	Capital Value	Undistributed (loss) / income	Total	Capital Value	Undistributed (loss) / income	Total
	(Rupees in '000)											
Net assets at beginning of the period	387,783	4,412	392,195	285,475	(3,455)	282,020	156,104	(2,812)	153,292	829,362	(1,855)	827,507
Issue of units (NICPP - III ) 31,160 (NICPP - IV) Nil units, (NICPP-V) Nil units												
- Capital value	3,117	-	3,117	-	-	-	-	-	-	3,117	-	3,117
- Element of income	(56)	-	(56)	-	-	-	-	-	-	(56)	-	(56)
Total proceeds on issuance of units	3,061	-	3,061	-	-	-	-	-	-	3,061	-	3,061
Redemption of units Issue of units (NICPP - III ) 1,867,083 (NICPP - IV) 1,364,705 units, (NICPP-V) 660,052 units												
- Capital value	(186,744)	-	(186,744)	(134,732)	-	(134,732)	(64,815)	-	(64,815)	(386,291)	-	(386,291)
- Element of loss	2,168	(7,369)	(5,201)	923	(1,744)	(821)	274	(2,192)	(1,918)	3,365	(11,305)	(7,940)
Total payments on redemption of units	(184,576)	(7,369)	(191,945)	(133,809)	(1,744)	(135,553)	(64,541)	(2,192)	(66,733)	(382,926)	(11,305)	(394,231)
Total comprehensive income for the period	-	11,588	11,588	-	3,358	3,358	-	2,496	2,496	-	17,442	17,442
Final Distribution @ Rs.1.0847 declared on July 18, 2019	-	(4,000)	(4,000)	-	-	-	-	-	-	-	(4,000)	(4,000)
<b>Net assets at end of the period</b>	<b>206,268</b>	<b>4,631</b>	<b>210,899</b>	<b>151,666</b>	<b>(1,841)</b>	<b>149,825</b>	<b>91,563</b>	<b>(2,508)</b>	<b>89,055</b>	<b>449,497</b>	<b>282</b>	<b>449,779</b>
Undistributed Income / (loss) brought forward												
- Realised Income		22,560			9,343			4,369			36,272	
- Unrealised		(18,148)			(12,798)			(7,181)			(38,127)	
		4,412			(3,455)			(2,812)			(1,855)	
Accounting income available for distribution												
- Relating to capital gains		-			-			-			-	
- Excluding capital gains		4,219			1,614			304			6,137	
		4,219			1,614			304			6,137	
Final Distribution @ Rs.1.0847 declared on July 18, 2019		(4,000)			-			-			(4,000)	
Undistributed income / (loss) carried forward		4,631			(1,841)			(2,508)			282	
Undistributed income / (loss) carried forward												
- Realised Income / (loss)		5,733			(1,181)			(1,869)			2,683	
- Unrealised Loss		(1,102)			(660)			(639)			(2,401)	
		4,631			(1,841)			(2,508)			282	
			(Rupees)			(Rupees)			(Rupees)			
Net assets value per unit at beginning of the period		100.0193			98.7262			98.1965				
Net assets value per unit at end of the period		101.1376			100.4268			98.8381				

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

**For NBP Fund Management Limited  
(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director



### CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2020

	Nine Months ended			From September 14, 2018 to March 31, 2019			From December 17, 2018 to			Total		
	NICPP III			NICPP IV			NICPP V					
	Capital Value	Undistributed income / (loss)	Total	Capital Value	Undistributed (loss) / income	Total	Capital Value	Undistributed (loss) / income	Total	Capital Value	Undistributed income / (loss)	Total
----- (Rupees in '000) -----												
Net assets at beginning of the period	953,819	791	954,610	-	-	-	-	-	-	953,819	791	954,610
Issue of units (NICPP - III ) 7,480 including additional units 1,260, (NICPP - IV) 6,166,465 units (NICPP-V) 2,951,175 units												
- Capital value	754	-	754	616,647	-	616,647	295,117	-	295,117	912,518	-	912,518
- Element of income	-	-	-	221	-	221	-	-	-	221	-	221
Total proceeds on issuance of units	754	-	754	616,868	-	616,868	295,117	-	295,117	912,739	-	912,739
Redemption of units Issue of units (NICPP - III ) 4,042,666 (NICPP - IV) 2,482,050 units, (NICPP-V) 699,327 units												
- Capital value	(404,268)	-	(404,268)	(248,205)	-	(248,205)	(69,933)	-	(69,933)	(722,405)	-	(722,405)
- Element of loss	(6)	(4,568)	(4,574)	(122)	(1,125)	(1,247)	-	(954)	(954)	(128)	(6,647)	(6,775)
Total payments on redemption of units	(404,274)	(4,568)	(408,842)	(248,327)	(1,125)	(249,452)	(69,933)	(954)	(70,887)	(722,534)	(6,647)	(729,181)
Total comprehensive income for the period	-	13,763	13,763	-	3,500	3,500	-	2,822	2,822	-	20,085	20,085
Final Distribution @ Rs.0.0957 declared on July 04, 2018												
- Cash Distribution	-	(767)	(767)	-	-	-	-	-	-	-	(767)	(767)
- Refund of Capital	(126)	-	(126)	-	-	-	-	-	-	(126)	-	(126)
	(126)	(767)	(893)	-	-	-	-	-	-	(126)	(767)	(893)
Net assets at end of the period	550,173	9,219	559,392	368,541	2,375	370,916	225,184	1,868	227,052	1,143,898	13,462	1,157,360
Undistributed Income brought forward												
- Realised Income		791			-			-			791	
- Unrealised		-			-			-			-	
		791			-			-			791	
Accounting income available for distribution												
- Relating to capital gains		-			-			-			-	
- Excluding capital gains		9,195			2,375			1,868			13,438	
		9,195			2,375			1,868			13,438	
Final Distribution @ Rs.0.0957 declared on July 04, 2018		(767)			-			-			(767)	
Undistributed income carried forward		9,219			2,375			1,868			13,462	
Undistributed income / (loss) carried forward												
- Realised Income		17,735			8,403			3,853			29,992	
- Unrealised Loss		(8,516)			(6,029)			(1,985)			(16,530)	
		9,219			2,374			1,868			13,462	
			(Rupees)		(Rupees)			(Rupees)				
Net assets value per unit at beginning of the period			100.0962		-			-				
Net assets value per unit at end of the period			101.6754		100.6716			100.8291				

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

For NBP Fund Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director



## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2020

	Nine Months Ended				Nine Months Ended	From September 14, 2018	From December 17, 2018	Total
	March 31, 2020				March 31, 2019			
	NICPP III	NICPP IV	NICPP V	Total	NICPP III	NICPP IV	NICPP V	
	----- (Rupees in '000) -----				----- (Rupees in '000) -----			
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>								
Net Income for the period before taxation	11,588	3,358	2,496	17,442	13,763	3,500	2,822	20,085
<b>Adjustments</b>								
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	1,102	660	639	2,401	8,516	6,029	1,985	16,530
Amortisation of formation cost	745	414	200	1,359	1,016	333	76	1,424
	13,435	4,432	3,335	21,202	23,295	9,861	4,883	38,039
<b>Decrease / (Increase) in assets</b>								
Investments	79,286	61,860	43,165	184,311	(191,834)	(139,900)	(96,958)	(428,691)
Profit receivable on bank deposits	1,615	1,106	688	3,409	(2,590)	(2,401)	(1,251)	(6,242)
Advance and other receivable	(3)	(2)	(2)	(7)	(118)	(4)	(350)	(472)
Preliminary expenses and floatation costs	-	-	-	-	1,668	(1,139)	(530)	(1)
	80,898	62,964	43,851	187,713	(192,874)	(143,443)	(99,089)	(435,406)
<b>Increase / (decrease) in liabilities</b>								
Payable to Management Company	(2,590)	(1,373)	(654)	(4,617)	(25,681)	1,687	768	(23,226)
Payable to Trustee	(23)	(16)	(9)	(48)	521	255	71	847
Payable to Securities and Exchange Commission of Pakistan	(603)	(301)	(97)	(1,001)	33	37	23	93
Accrued expenses and other liabilities	261	15	149	425	531	422	278	1,231
	(2,955)	(1,675)	(611)	(5,241)	(24,596)	2,401	1,140	(21,056)
<b>Net cash generated from / (used in) operating activities</b>	91,378	65,721	46,575	203,674	(194,175)	(131,182)	(93,066)	(418,423)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>								
Amount received against issuance of units	-	-	-	-	628	616,868	295,117	912,613
Payments against redemption of units	(191,945)	(135,553)	(66,733)	(394,231)	(408,842)	(249,452)	(70,887)	(729,181)
Distributions paid	(939)	-	-	(939)	(767)	-	-	(767)
<b>Net cash (used in) / generated from financing activities</b>	(192,884)	(135,553)	(66,733)	(395,170)	(408,981)	367,417	224,230	182,664
<b>Net (decrease) / increase in cash and cash equivalents during the period</b>	(101,506)	(69,832)	(20,158)	(191,496)	(603,156)	236,235	131,164	(235,757)
Cash and cash equivalents at the beginning of the period	306,399	215,994	105,924	628,317	978,453	-	-	978,453
<b>Cash and cash equivalents at the end of the period</b>	<u>204,893</u>	<u>146,162</u>	<u>85,766</u>	<u>436,821</u>	<u>375,297</u>	<u>236,235</u>	<u>131,164</u>	<u>742,696</u>

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

For NBP Fund Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

## NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2020

### 1 LEGAL STATUS AND NATURE OF BUSINESS

NAFA Islamic Active Allocation Fund-III (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on March 30, 2018 between NBP Fund Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 7th floor, Clifton Diamond Building, Block 4, Scheme No. 5, Clifton, Karachi. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

The Fund has been categorised as an open ended Shari'ah compliant fund of funds by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 and is listed on Pakistan Stock Exchange Limited.

The objective of NAFA Islamic Active Allocation Fund-III is to earn a potentially high return through dynamic asset allocation between Shari'ah compliant dedicated equity and money market based collective investment schemes, while providing capital preservation of the initial investment value including sales load at completion of twenty four months and beyond. The investment objectives and policies are explained in the Fund's offering document.

The Pakistan Credit Rating Agency (PACRA) has assigned an Asset Manager Rating of AM1 as at December 24, 2019 to the Management Company. The Fund has not yet been rated.

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

### 2 BASIS OF PREPARATION

#### 2.1 STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- 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 requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

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 June 30, 2019.

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declared that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2020.

These financial statements are presented in Pakistan Rupee, which is the Fund's functional and presentation currency.

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2019.

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on July 1, 2019 that have a material effect on the financial statements of the Fund.

### 4 INVESTMENTS

Notes	31 March 2020				30 June 2019			
	NICPP III	NICPP IV	NICPP V	Total	NICPP III	NICPP IV	NICPP V	
	(Rupees in '000)							
	Unaudited				Audited			
Financial assets 'at fair value through profit or loss'								
Investment in mutual funds - related parties	4.1	4,911	2,768	2,668	10,347	85,299	65,288	46,472

#### 4.1 Investment in mutual funds - related parties

##### 4.1.1 NAFA Islamic Capital Preservation Plan - III

Name of Fund	As at 1 July 2019	Purchased during the period	Redeemed during the period	As at 31 March 2020	Market value as at 31 March 2020	Market value as % of net assets	Market value as % of total investments
	(Number of units)			(Rupees in '000)		(%)	
NBP Islamic Active Allocation Equity Fund	9,391,858	8,698,497	17,453,530	636,825	4,911	2.33	100.00
<b>Total</b>	<b>9,391,858</b>	<b>8,698,497</b>	<b>17,453,530</b>	<b>636,825</b>	<b>4,911</b>	<b>2.33</b>	<b>100.00</b>
Carrying Value as at 31 March 2020					<b>6,013</b>		

##### 4.1.2 NAFA Islamic Capital Preservation Plan - IV

Name of Fund	As at 1 July 2019	Purchased during the period	Redeemed during the period	As at 31 March 2020	Market value as at 31 March 2020	Market value as % of net assets	Market value as % of total investments
	(Number of units)			(Rupees in '000)		(%)	
NBP Islamic Active Allocation Equity Fund	7,188,521	2,902,034	9,731,617	358,938	2,768	1.85	100.00
<b>Total</b>	<b>7,188,521</b>	<b>2,902,034</b>	<b>9,731,617</b>	<b>358,938</b>	<b>2,768</b>	<b>1.85</b>	<b>100.00</b>
Carrying Value as at 31 March 2020					<b>3,428</b>		

##### 4.1.3 NBP Islamic Capital Preservation Plan - V

Name of Fund	As at 1 July 2019	Purchased during the period	Redeemed during the period	As at 31 March 2020	Market value as at 31 March 2020	Market value as % of net assets	Market value as % of total investments
	(Number of units)			(Rupees in '000)		(%)	
NBP Islamic Active Allocation Equity Fund	5,116,830	2,851,131	7,621,979	345,982	2,668	3.00	100.00
<b>Total</b>	<b>5,116,830</b>	<b>2,851,131</b>	<b>7,621,979</b>	<b>345,982</b>	<b>2,668</b>	<b>3.00</b>	<b>100.00</b>
Carrying Value as at 31 March 2020					<b>3,307</b>		

## 5 PROVISION FOR SINDH WORKERS' WELFARE FUND

The legal status of applicability of Worker's Welfare Fund and Sindh Workers' Welfare Fund is same as that disclosed in note 12.1 to the annual audited financial statements of the Fund for the year ended June 30, 2019.

The Fund, being prudent, recognised provision for SWWF amounting to Rs. 0.35 million in NICPP-III, Rs. 0.07 million in NICPP-IV and Rs. 0.05 million in NICPP-V for the period ended March 31, 2019 in this condensed interim financial information. Had the provision not been made, net assets value per unit at March 31, 2019 of NICPP III, NICPP IV and NICPP V would have been higher by Rs. 0.1687 per unit (June 30, 2019: 0.0293), Rs. 0.0459 (June 30, 2019: Nil) and Rs. 0.0565 (June 30, 2019: Nil) respectively.

## 6 CONTINGENCIES AND COMMITMENTS

There was no contingencies and commitments outstanding as at March 31, 2020 and June 30, 2019.

## 7 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 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unit holders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2020 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

## 8 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at March 31, 2020 is 1.69% - NICPP - III, 1.60% - NICPP - IV and 1.81% - NICPP - V (June 30, 2019: 1.56% - NICPP-III, 1.51% - NICPP-IV, 1.54% - NICPP-V) which includes 0.23% - NICPP - III, 0.17% - NICPP - IV and 0.17% - NICPP - V (June 30, 2019: 0.23% - NICPP-III, 0.21% - NICPP-IV, 0.20% - NICPP-V) representing government levies on the Fund such as, sales taxes, federal excise duties, annual fee to the SECP, etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a 'Fund of Funds' scheme.

## 9 TRANSACTIONS WITH CONNECTED PERSONS

- 9.1 Connected persons include NBP Fund Management Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan (NBP) and its connected persons, Baltoro Growth Fund being the sponsors, NAFA Pension Fund and NAFA Provident Fund Trust being the associates of the Management Company, other collective investment schemes managed by the Management Company, any entity in which the Management Company, its CISs or their connected persons have material interest, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.
- 9.2 The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.
- 9.3 Remuneration and front-end load payable to the Management Company is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.
- 9.4 Remuneration payable to the Trustee is determined in accordance with the provisions of the NBFC regulation and the Trust Deed.



### 9.5 Transactions during the period:

	Nine Months Ended				Total	Nine Months Ended	From September 14, 2018	From December 17, 2018	Total			
	March 31, 2020			Total						March 31, 2019		
	NICPP III	NICPP IV	NICPP V							NICPP III	NICPP IV	NICPP V
	----- (Rupees in '000) -----											
<b>NBP Fund Management Limited - Management Company</b>												
Remuneration to Management Company	1,615	990	578	3,183	4,813	2,139	519	7,472				
Sindh Sales Tax on remuneration of Management Company	210	129	75	414	626	278	68	971				
Allocation of expenses related to registrar services, accounting, operation and valuation services	222	142	86	450	567	268	75	910				
Preliminary expenses and floatation costs	745	414	200	1,359	1,016	333	76	1,424				
<b>Central Depository Company of Pakistan Limited - Trustee</b>												
Remuneration to the Trustee	155	99	60	314	545	251	70	867				
Sindh Sales Tax on remuneration to Trustee	20	13	8	41	71	33	9	113				
<b>NBP Islamic Active Allocation Equity Fund</b>												
Units purchased: 8,698,497 units (NICPP III) , units 2,902,034 (NICPP IV), 2,851,131 units (NICPP V) (March 31, 2019: Units purchased: 31,180,552 units (NICPP III) , 22,553,868 units (NICPP IV), 9,864,636 units (NICPP V))	82,851	29,857	28,252	140,960	349,607	252,429	106,000	708,036				
Units Sold: 17,453,530 units (NICPP III) , 9,731,617 units (NICPP IV) , 7,621,979 units (NICPP V) (March 31, 2019: Units Sold: 13,764,036 units (NICPP III) , 9,835,114 units (NICPP IV) , 841,495 units (NICPP V))	157,933	85,378	68,959	312,270	148,338	106,065	9,400	263,803				
<b>Employee of the Management Company</b>												
Units Redeemed: Nil Units (March 31, 2019: 2,017 units) - NICPP-III	-	-	-	-	204	-	-	204				
<b>Pakistan Stock Exchange Limited *</b>												
Listing Fee paid	8	8	9	25	-	-	-	-				

### 9.6 Amounts outstanding as at period end:

	March 31, 2020				June 30, 2019			
	Un-Audited				Audited			
	NICPP III	NICPP IV	NICPP V	Total	NICPP-III	NICPP-IV	NICPP-V	Total
	----- (Rupees in '000) -----							
<b>NBP Fund Management Limited - Management Company</b>								
Management remuneration payable	148	102	57	307	263	182	92	537
Sindh Sales Tax payable	19	13	7	39	34	24	12	70
Allocation of expenses related to registrar services, accounting, operation and valuation services	64	42	25	131	271	185	109	565
Other payable	28	24	29	81	2281	1,163	559	4,003
<b>Central Depository Company of Pakistan Limited - Trustee</b>								
Remuneration payable	13	10	5	28	34	24	13	71
Sindh Sales Tax payable on remuneration to Trustee	2	1	1	4	4	3	2	9
<b>FCS Limited Employees Provident Fund - (Unit holder with more than 10% holding)</b>								
Units held: Nil (2019: 398,045 units) - NICPP - IV	-	-	-	-	-	39,297	-	39,297
<b>PITC Employees Trust (Pension) Fund - (Unit holder with more than 10% holding)</b>								
Units held: 447,014 units (2019: 447,014 units) - NICPP - IV	-	44,892	-	44,892	-	44,132	-	44,132
<b>NBP Islamic Active Allocation Equity Fund</b>								
Units held: 636,825 units (NICPP III) , 358,938 units (NICPP-IV), 345,982 units (NICPP V) (June 30, 2019: 9,391,856 units (NICPP III) , 7,188,521 units (NICPP IV) , 5,116,830 units (NICPP V))	4,911	2,768	2,668	10,347	85,299	65,288	46,472	197,058
<b>Mid City International - (Unit holder with more than 10% holding) *</b>								
Units held: 100,316 units (2019: 100,316 units) - NICPP - V	-	-	9,915	9,915	-	-	-	-
<b>IM Sciences Trust - (Unit holder with more than 10% holding) *</b>								
Units held: 97,540 units (2019: 97,540 units) - NICPP - V	-	-	9,641	9,641	-	-	-	-
<b>Station Head Quarter Rawalpindi - (Unit holder with more than 10% holding) *</b>								
Units held: 97,082 units (2019: 97,082 units) - NICPP - V	-	-	9,595	9,595	-	-	-	-

\* Prior period figures has not been presented as the person was not classified as a related party / connected person as at mentioned dates.



## 10 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue by the Board of Directors of the Management Company on April 27, 2020.

## 11 GENERAL

11.1 Figures have been rounded off to the nearest thousand rupees, unless otherwise is specified.

11.2 Corresponding figures have been rearranged or reclassified, where necessary, for the purposes of better presentation.

For NBP Fund Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Financial Officer

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

\_\_\_\_\_  
Director

## Head Office

7th Floor, Clifton Diamond Building, Block No.4,  
Scheme No.5, Clifton, Karachi.

**UAN:** 021-111-111-632

**Toll Free:** 0800-20002

**Sms:** INVEST to 9995

**Fax:** 021-35825335

**Email:** [info@nbpfunds.com](mailto:info@nbpfunds.com)

**Website:** [www.nbpfunds.com](http://www.nbpfunds.com)

 /nbpfunds



# NBP FUNDS

*Managing Your Savings*

**AM1**  
Rated by PACRA

## NBP GOVERNMENT SECURITIES SAVINGS FUND



QUARTERLY REPORT  
**MARCH 31, 2020**



# **MISSION STATEMENT**

**To rank in the top quartile  
in performance of  
NBP FUNDS  
relative to the competition,  
and to consistently offer  
Superior risk-adjusted returns to investors.**



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**FUND'S INFORMATION**

**Management Company**

**NBP Fund Management Limited - Management Company**

**Board of Directors of Management Company**

Shaikh Muhammad Abdul Wahid Sethi	Chairman
Dr. Amjad Waheed	Chief Executive Officer
Mr. Saad ur Rahman Khan	Director
Syed Hasan Irtiza Kazmi	Director
Mr. Ali Saigol	Director
Mr. Imran Zaffar	Director
Mr. Khalid Mansoor	Director
Mr. Humayun Bashir	Director
Mr. Saad Amanullah Khan	Director

**Company Secretary & COO**

Mr. Muhammad Murtaza Ali

**Chief Financial Officer**

Mr. Khalid Mehmood

**Audit & Risk Committee**

Mr. Saad Amanullah Khan	Chairman
Syed Hasan Irtiza Kazmi	Member
Mr. Imran Zaffar	Member
Mr. Humayun Bashir	Member

**Human Resource Committee**

Mr. Khalid Mansoor	Chairman
Shaikh Muhammad Abdul Wahid Sethi	Member
Mr. Ali Saigol	Member
Mr. Humayun Bashir	Member

**Strategy & Business Planning Committee**

Mr. Humayun Bashir	Chairman
Mr. Saad ur Rahman Khan	Member
Mr. Ali Saigol	Member
Mr. Imran Zaffar	Member
Mr. Saad Amanullah Khan	Member

**Trustee**

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

**Bankers to the Fund**

Allied Bank Limited  
Bank Alfalah Limited  
Bank Al Habib Limited  
Bank Islami Pakistan Limited  
Habib Bank Limited  
Habib Metropolitan Bank Limited  
JS Bank Limited  
Khushali Microfinance Bank Limited  
MCB Bank Limited  
National Bank of Pakistan  
Samba Bank Limited  
Sindh Bank Limited  
Soneri Bank Limited  
Summit Bank Limited  
Telenor Microfinance Bank Limited  
The First Microfinance Bank Limited  
United Bank Limited  
U Microfinance Bank Limited  
Zarai Taraqiati Bank Limited

# NBP GOVERNMENT SECURITIES SAVINGS FUND (FORMERLY NAFA GOVERNMENT SECURITIES SAVINGS FUND)



**NBP FUNDS**  
Managing Your Savings

## **Auditors**

A.F. Ferguson & Co. Chartered Accountants  
State Life Building No. 1-C  
I.I. Chundrigar Road,  
P.O.Box 4716  
Karachi.

## **Legal Advisor**

Akhund Forbes  
D-21, Block, Scheme 5,  
Clifton, Karachi 75600, Pakistan.

## **Head Office:**

7th Floor Clifton Diamond Building, Block No. 4,  
Scheme No. 5, Clifton Karachi.  
UAN: 021 (111-111-632),  
(Toll Free): 0800-20002,  
Fax: (021) 35825329  
Website: [www.nbpffunds.com](http://www.nbpffunds.com)

## **Lahore Office:**

7-Noon Avenue, Canal Bank,  
Muslim Town, Lahore.  
UAN: 042-111-111-632  
Fax: 92-42-35861095

## **Islamabad Office:**

1st Floor, Ranjha Arcade  
Main Double Road, Gulberg Greens,  
Islamabad.  
UAN: 051-111-111-632  
Phone: 051-2514987  
Fax: 051-4859031

## **Peshawar Office:**

Opposite Gul Haji Plaza, 2nd Floor  
National Bank Building  
University Road Peshawar,  
UAN: 091-111 111 632  
Fax: 091-5703202

## **Multan Office:**

NBP City Branch, Hussain-e-Gahi, Multan.  
Phone No: 061-4502204  
Fax No: 061-4502203

## DIRECTORS' REPORT

The Board of Directors of **NBP Fund Management Limited** is pleased to present the reviewed financial statements of **NBP Government Securities Savings Fund (NGSSF)** (Formerly; Nafa Government Securities Savings Fund) for the period ended March 31, 2020.

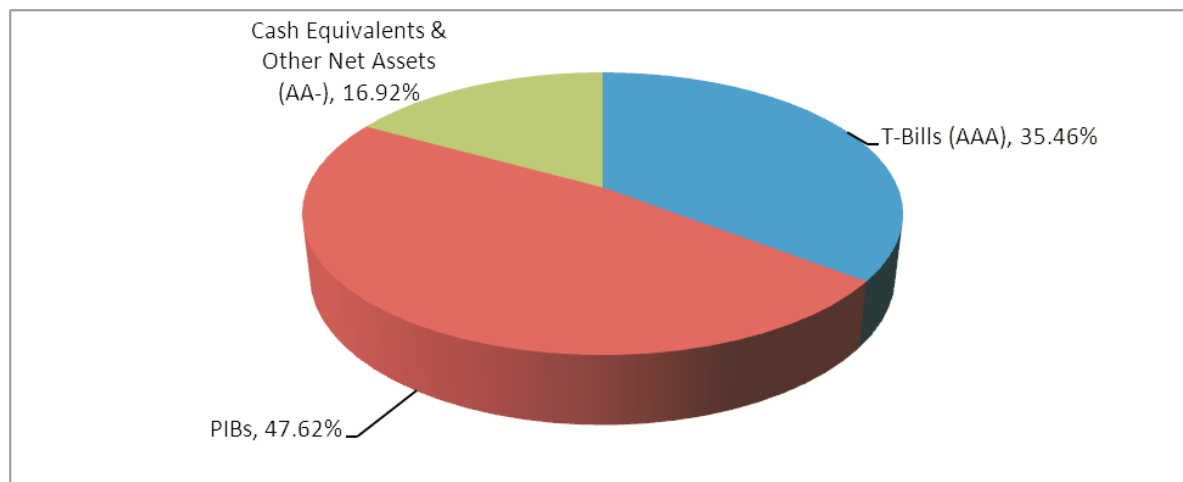
### Fund's Performance

The size of NBP Government Securities Savings Fund (Formerly; Nafa Government Securities Savings Fund) decreased from Rs. 1,092 million to Rs. 660 million during the period (i.e. a decline of 40%). During the period, the unit price of the Fund has increased from Rs. 8.9852 (Ex-Div) on June 30, 2019 to Rs. 10.4091 on March 31, 2020, thus showing return of 21.0% as compared to the benchmark return of 13.3% for the same period. The performance of the Fund is net of management fee and all other expenses. The Fund has been assigned a stability rating of 'AA- (f)' by PACRA.

During 9MFY20, the State Bank of Pakistan (SBP) held six Monetary Policy Committee (MPC) meetings. In its first meeting in July 2019, the Policy Rate was increased by 100bps to 13.25% with the objective to curtail inflationary pressure. Thenceforth the central bank maintained tight monetary policy stance and left the key benchmark rate unchanged in the subsequent three MPC meetings. In its meeting on March 17th, 2020 and again on March 24th, 2020 the SBP slashed the Policy Rate by a cumulative 225bps to 11%; owing to improved inflation outlook, sharp fall in the global oil prices, and economic fallout from the Corona virus pandemic.

Sovereign yields responded to these policy actions and inflation and interest rate outlook. SBP held twenty (20) T-Bill auctions during the period, realizing a total of Rs. 12,443 billion. The yields on T-Bills for 3-month, 6-month and 12-month tenures decreased by 175 basis points, 193 basis points and 264 basis points, respectively. Similarly, expecting protracted period of monetary easing, PIB yields decline by 456 bps, 470 bps, and 457 bps for 3-year, 5-year, and 10-year tenures, respectively. During this period, nine (9) PIB auctions were also held where an amount of Rs. 1,671 billion was realized.

The Fund has earned a total income of Rs.99.908 million during the period. After deducting total expenses of Rs. 9.277 million, the net income is Rs. 90.631 million. The below chart presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NGSSF.





**Income Distribution**

The Board of Directors of the Management Company has approved interim cash dividend of 14.16% of the opening ex-NAV (14.61% of the par value) during the period ended March 31, 2020.

**Acknowledgement**

The Board takes this opportunity to thank its valued unit-holders for their confidence and trust in the Management Company, and providing the opportunity to serve them. It also offers its sincere gratitude to the Securities & Exchange Commission of Pakistan and State Bank of Pakistan for their patronage and guidance.

The Board also wishes to place on record its appreciation for the hard work, dedication and commitment shown by the staff and the Trustee.

On behalf of the Board of  
**NBP Fund Management Limited**

Chief Executive

Director

Date: April 27, 2020

Place: Karachi.

## ڈائریکٹرز کی رپورٹ

NBP فنڈ میجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 31 مارچ 2020ء کو ختم ہونے والی نو ماہی کے لئے NBP گورنمنٹ سیکورٹیز سیونگ فنڈ (NGSSF) (سابقہ: NAFA گورنمنٹ سیکورٹیز سیونگ فنڈ) کے غیر جانچ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔  
فنڈ کی کارکردگی

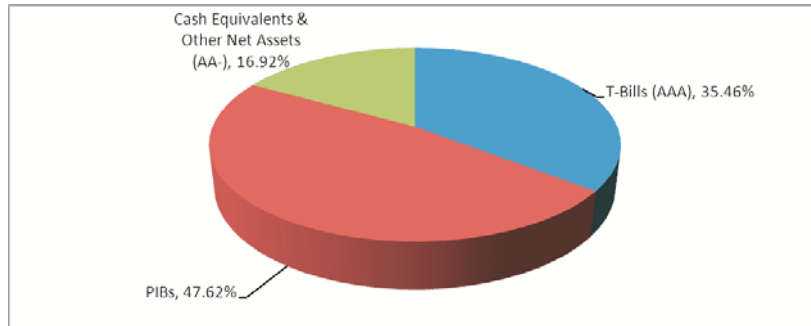
اس مدت کے دوران NBP گورنمنٹ سیکورٹیز سیونگ فنڈ (NGSSF) (سابقہ: NAFA گورنمنٹ سیکورٹیز سیونگ فنڈ) کا سائز 1,092 ملین روپے سے کم ہو کر 660 ملین روپے ہو گیا یعنی 40% کی کمی ہوئی۔ زیر جائزہ مدت کے دوران، فنڈ کے یونٹ کی قیمت 30 جون 2019 کو 8.9852 روپے (Ex-Div) سے بڑھ کر 31 مارچ 2020ء کو 10.4091 روپے ہو گئی، لہذا اسی مدت کے دوران فنڈ نے اپنے بیچ مارک %13.3 کے مقابلے میں %21.0 کا منافع درج کیا۔ فنڈ کی یہ کارکردگی میجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔ فنڈ کو PACRA کی طرف سے مستحکم ریٹنگ "AA-(f)" دی گئی ہے۔

مالی سال 2020 کی نو ماہی میں اسٹیٹ بینک آف پاکستان نے چھ ماہی پالیسی کمیٹی (MPC) کے اجلاس طلب کئے۔ افراط زر کو قابو کرنے کے لئے SBP نے جولائی 2019ء میں معتقدہ ماہی پالیسی کے اپنے پہلے اجلاس میں پالیسی کی شرح کو بحساب 100bps سے بڑھا کر 13.25 فی صد کر دیا۔ اس کے بعد مرکزی بینک نے سخت معاشی پالیسی کا موقف برقرار رکھا اور اس کے بعد ہونے والی تین MPC اجلاسوں میں کلیدی معیار تبدیل نہیں کیا۔ 17 مارچ، 2020 کو اور پھر 24 مارچ، 2020 کو اپنے اجلاس میں اسٹیٹ بینک نے افراط زر کی صورتحال میں بہتری، تیل کی عالمی قیمتوں میں تیزی سے کمی اور کورونا وائرس وبائی مرض سے معاشی خرابی کی وجہ سے پالیسی کی شرح میں بحساب 225bps سے کمی کر کے مجموعی طور پر 11 فیصد کر دیا۔ ان پالیسی اقدامات اور افراط زر اور شرح سود کے تناظر میں گورنمنٹ بانڈز منافع میں ردعمل دیکھا گیا۔

اسی مدت کے دوران کارپوریٹ ڈیٹ سیکورٹیز میں تجارتی سرگرمی میں اضافہ دیکھا گیا۔ مجموعی تجارتی قدر 20.4 بلین روپے رہی جبکہ گزشتہ سال کی اسی مدت میں 11.4 بلین روپے تھی۔ ان پالیسی اقدامات اور افراط زر اور شرح سود کے تناظر میں گورنمنٹ بانڈز منافع میں ردعمل دیکھا گیا۔ اس مدت میں SBP نے بیس (20) T-Bills نیلامیوں سے مجموعی طور پر 12,443 بلین روپے حاصل کئے۔ سہ ماہی، شش ماہی اور سالانہ مدتوں کے دوران T-Bills منافع بالترتیب 175bps، 193bps اور 264bps تک کم ہوئی۔ اسی طرح متنوع ماہی پالیسی آسانی کے آغاز کے باعث 3 سال، 5 سال اور 10 سال کی مدتوں کے دوران PIB منافع بالترتیب 456bps، 470bps اور 457bps کی کمی ہوئی۔ اس مدت کے دوران، نو (9) PIB نیلامیاں بھی کی گئیں جہاں سے 1,671 بلین روپے حاصل کئے۔

فنڈ نے اس مدت کے دوران 99.908 بلین روپے کی مجموعی آمدنی کمائی۔ 9.277 بلین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 90.631 بلین روپے ہے۔

درج ذیل چارٹ NBP گورنمنٹ سیکورٹیز سیونگ فنڈ کی ایسٹ ایلوکیشن اور اس کے ذیلی اثاثوں کے تمام درجوں کی پیمائش شدہ اوسط کریڈٹ ریٹنگ پیش کرتا ہے:





## آمدنی کی تقسیم

میٹجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز نے 31 مارچ 2020 کو ختم ہونے والی مدت کے لئے اوپننگ ex-NAV کا 14.16% (par value کا 14.61%) عبوری نقد ڈیویڈنڈ منظور کیا۔

## اظہار تشکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے میٹجمنٹ کمپنی پر اعتماد، اعتبار اور خدمت کا موقع فراہم کرنے پر اپنے قابل قدر یونٹ ہولڈرز کا شکریہ ادا کرتا ہے۔ یہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور اسٹیٹ بینک آف پاکستان کی سرپرستی اور رہنمائی کے لئے ان کے مخلص رویہ کا بھی اعتراف کرتا ہے۔  
بورڈ اپنے اسٹاف اور ڈسٹریبیوٹرز کی طرف سے سخت محنت، لگن اور عزم کے مظاہرے پر اپنا خراج تحسین بھی ریکارڈ پر لانا چاہتا ہے۔

منجانب بورڈ آف ڈائریکٹرز

**NBP فنڈ میٹجمنٹ لمیٹڈ**

ڈائریکٹر

چیف ایگزیکٹو

تاریخ: 27 اپریل 2020ء

مقام: کراچی

**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
AS AT 31 MARCH 2020

	Unaudited 31 March 2020	Audited 30 June 2019
Note	------(Rupees in '000)-----	
<b>Assets</b>		
Bank balances	84,109	861,816
Investments	4 583,092	736,275
Profit receivable	7,212	12,356
Deposit, prepayment and other receivables	1,153	994
Receivable against transfer of units	5,913	-
<b>Total assets</b>	<b>681,479</b>	<b>1,611,441</b>
<b>Liabilities</b>		
Payable to the Management Company	5,256	3,804
Payable to the Trustee	43	155
Payable to Securities and Exchange Commission of Pakistan	110	536
Payable against purchase of investments	-	509,729
Payable against redumption of units	7,287	-
Accrued expenses and other liabilities	9,060	4,920
<b>Total liabilities</b>	<b>21,756</b>	<b>519,144</b>
<b>Net assets</b>	<b>659,723</b>	<b>1,092,297</b>
<b>Unit holders' fund (as per statement attached)</b>	<b>659,723</b>	<b>1,092,297</b>
<b>Contingencies and commitments</b>	6	
	------(Number of units)-----	
<b>Number of units in issue</b>	<b>63,379,480</b>	<b>105,846,683</b>
	(Rupees)	
<b>Net assets value per unit</b>	<b>10.4091</b>	<b>10.3196</b>

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

For NBP Fund Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Financial Officer

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

\_\_\_\_\_  
Director

**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)**  
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED 31 MARCH 2020

	Nine Months Ended		Quarter Ended	
	March 31 2020	March 31 2019	March 31 2020	March 31 2019
	Note ----- (Rupees in '000) -----			
<b>Income</b>				
Income from Market Treasury Bills	31,014	23,124	8,153	19,437
Income from Pakistan Investment Bonds	20,694	-	6,488	-
Income from Term Deposit Receipts	2,423	-	1,361	-
Profit on bank deposits	20,607	12,266	4,566	10,364
Gain / (Loss) on sale of investments - net	3,600	(745)	1,879	(682)
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	21,570	123	17,445	122
<b>Total income</b>	<b>99,908</b>	<b>34,768</b>	<b>39,892</b>	<b>29,241</b>
<b>Expenses</b>				
Remuneration of the Management Company	1,670	1,762	535	1,417
Sindh Sales Tax on remuneration to Management Company	217	229	70	184
Remuneration of the Trustee	358	445	101	336
Sindh Sales Tax on remuneration to Trustee	47	58	14	44
Annual fee - Securities and Exchange Commission of Pakistan	110	254	31	206
Allocation of expenses related to registrar services, accounting, operation and valuation services	550	339	156	275
Auditors' remuneration	331	299	110	163
Securities transaction cost	76	-	2	-
Settlement and bank charges	102	66	46	37
Listing fee	19	16	5	5
Professional charges	27	14	9	1
Mutual fund rating fee	248	239	82	72
Printing and other charges	52	22	16	4
Selling & Marketing Expense	3,620	115	1,090	-
<b>Total expenses</b>	<b>7,427</b>	<b>3,858</b>	<b>2,267</b>	<b>2,744</b>
<b>Net income from operating activities</b>	<b>92,481</b>	<b>30,910</b>	<b>37,625</b>	<b>26,497</b>
Provision for Sindh Workers' Welfare Fund	(1,850)	(618)	(753)	(530)
<b>Net income for the period before taxation</b>	<b>90,631</b>	<b>30,292</b>	<b>36,872</b>	<b>25,967</b>
Taxation	-	-	-	-
<b>Net income for the period</b>	<b>90,631</b>	<b>30,292</b>	<b>36,872</b>	<b>25,967</b>
<b>Allocation of net income for the period</b>				
Net income for the period	90,631	30,292	36,872	25,967
Income already paid on units redeemed	(33,009)	(1,752)	(4,553)	(943)
	<b>57,622</b>	<b>28,540</b>	<b>32,319</b>	<b>25,024</b>
<b>Accounting income available for distribution:</b>				
-Relating to capital gains	16,652	-	16,557	-
-Excluding capital gains	40,970	28,540	15,762	25,024
	<b>57,622</b>	<b>28,540</b>	<b>32,319</b>	<b>25,024</b>

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

For NBP Fund Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED 31 MARCH 2020

	<b>Nine Months Ended</b>		<b>Quarter Ended</b>	
	<b>2020</b>	2019	<b>2020</b>	2019
	----- (Rupees in '000) -----			
Net income for the period	<b>90,631</b>	30,292	<b>36,872</b>	25,967
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive income for the period</b>	<b><u>90,631</u></b>	<u>30,292</u>	<b><u>36,872</u></b>	<u>25,967</u>

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

For NBP Fund Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Financial Officer

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

\_\_\_\_\_  
Director

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED)**  
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2020

	Nine Months Ended March 31 2020			Nine Months Ended March 31 2019		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
----- (Rupees in '000) -----						
Net assets at beginning of the period	1,051,874	40,423	1,092,297	98,668	45,221	143,889
Issuance of 236,880,515 units (2019: 152,403,265 units)						
- Capital value	2,444,516	-	2,444,516	1,570,455	-	1,570,455
- Element of income	50,459	-	50,459	67,229	-	67,229
Total proceeds on issuance of units	2,494,975	-	2,494,975	1,637,684	-	1,637,684
Redemption of 279,347,718 units (2019: 10,889,758 units)						
- Capital value	(2,882,761)	-	(2,882,761)	(112,215)	-	(112,215)
- Element of loss	(7,312)	(33,009)	(40,321)	(1,992)	(1,752)	(3,744)
Total payments on redemption of units	(2,923,082)	(33,009)	(2,923,082)	(114,207)	(1,752)	(115,959)
Total comprehensive income for the period	-	90,631	90,631	-	30,292	30,292
Distribution during the period						
-@Re. 0.7207 per unit (date of declaration: October 29, 2019)	(36,670)	(15,298)	(51,968)	-	-	-
-@Re. 0.0726 per unit (date of declaration: November 28, 2019)	(800)	(2,959)	(3,759)	-	-	-
-@Re. 0.1274 per unit (date of declaration: December 27, 2019)	(2,475)	(5,913)	(8,388)	-	-	-
-@Re. 0.0824 per unit (date of declaration: January 28, 2020)	(421)	(3,779)	(4,200)	-	-	-
-@Re. 0.0963 per unit (date of declaration: February 27, 2020)	(150)	(4,536)	(4,686)	-	-	-
-@Re. 0.3616 per unit (date of declaration: March 27, 2020)	(3,323)	(18,774)	(22,097)	-	-	-
	(43,839)	(51,259)	(95,098)	-	-	-
Distribution for the year ended June 30, 2018: 5.16% (Date of declaration: 04 July 2018)	-	-	-	(500)	(6,364)	(6,864)
	-	-	-	(500)	(6,364)	(6,864)
Net assets at end of the period	579,928	46,786	659,723	1,621,645	67,397	1,689,041
Undistributed income brought forward						
- Realised		46,868			45,280	
- Unrealised		(6,445)			(59)	
		40,423			45,221	
Accounting income available for distribution:						
- Relating to capital gains		16,652			-	
- Excluding capital gains		40,970			28,540	
		57,622			28,540	
Distribution during the period						
- Cash Distribution		(51,259)			(6,364)	
Undistributed income carried forward		46,786			67,397	
Undistributed income carried forward						
- Realised		25,216			67,274	
- Unrealised		21,570			123	
		46,786			67,397	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the period			10.3196			10.8208
Net assets value per unit at end of the period			10.4091			10.9103

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

**For NBP Fund Management Limited**  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2020

	<b>Nine Months Ended March 31,</b>	
	<b>2020</b>	<b>2019</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>(Rupees in '000)</b>	
Net income for the period before taxation	90,631	30,292
<b>Adjustments:</b>		
Realized (gain) on sale of investments - net	(3,600)	-
Net unrealised (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(21,570)	(123)
	<b>65,461</b>	<b>30,169</b>
<b>(Increase) / decrease in assets</b>		
Investments - net	178,353	(1,217,409)
Profit receivable	5,144	(3,176)
Deposits and prepayment	(159)	(6)
	<b>183,338</b>	<b>(1,220,591)</b>
<b>Increase / (decrease) in liabilities</b>		
Payable to the Management Company	1,452	1,167
Payable to the Trustee	(112)	172
Payable to Securities and Exchange Commission of Pakistan	(426)	140
Payable against purchase of investments	(509,729)	1,260,219
Accrued expenses and other liabilities	4,140	651
	<b>(504,675)</b>	<b>1,262,348</b>
<b>Net cash (used in) / generated from operating activities</b>	<b>(255,876)</b>	<b>71,926</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Amounts received on issue of units	2,445,223	1,637,184
Payments against redemption of units	(2,915,795)	(115,959)
Distribution paid	(51,259)	(6,364)
<b>Net cash flows (used in) / generated from financing activities</b>	<b>(521,831)</b>	<b>1,514,862</b>
<b>Net (decrease) / increase in cash and cash equivalents during the period</b>	<b>(777,707)</b>	<b>1,586,787</b>
Cash and cash equivalents at beginning of the period	<b>861,816</b>	<b>103,911</b>
<b>Cash and cash equivalents at end of the period</b>	<b>84,109</b>	<b>1,690,697</b>

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

For NBP Fund Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Financial Officer

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

\_\_\_\_\_  
Director

**NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2020**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1 NBP Government Securities Savings Fund (Formerly NAFA Government Securities Savings Fund) (the Fund) was established under a Trust Deed entered into between NBP Fund Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on June 5, 2014 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on May 30, 2014.
- 1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 7th Floor, Clifton Diamond Building, Block No. 4, Scheme No. 5, Clifton, Karachi. The Management Company is also the member of the Mutual Funds Association of Pakistan (MUFAP).
- 1.3 The Fund is an open-ended mutual fund and is listed on the Pakistan Stock Exchange Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund is categorized as an "Income Scheme" as per the criteria laid down by the Securities and Exchange Commission of Pakistan for categorization of Collective Investment Schemes (CIS).
- 1.4 The objective of the Fund is to provide unit holders with competitive return from portfolio of low credit risk securities by investing primarily in government securities.
- 1.5 The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of AM1 as at December 24, 2019 to the Management Company and performance ranking of AA-(f) as at October 18, 2019 to the Fund.
- 1.6 Title of the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited (CDC) as Trustee of the Fund.

**2 BASIS OF PREPARATION**

**2.1 Statement of compliance**

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- 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 requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

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 June 30, 2019.

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declared that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2020.

These financial statements are presented in Pakistan Rupee, which is the Fund's functional and presentation currency.

### 3 ACCOUNTING POLICIES

The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2019.

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on July 1, 2019 that have a material effect on the financial statements of the Fund.

### 4 INVESTMENTS

Financial assets 'at fair value through profit or loss'	Note	31 March 2020	30 June 2019
		Unaudited (Rupees in '000)	Audited
<b>Government Securities</b>			
Market Treasury Bills	4.1	233,936	509,729
Pakistan Investment Bonds	4.2	314,156	226,546
Term Deposit Receipt	4.3	35,000	-
		<b>583,092</b>	<b>736,275</b>

#### 4.1 Market Treasury Bills

Issue date	Tenor	Face value				Market value / Carrying value as at March 31 2020	Market value as a percentage of net assets	Market value as a percentage of total investments
		As at 01 July 2019	Purchases during the period	Sales / matured during the period	As at March 31, 2020			
		(Rupees in '000)				(%)		
9 May 19	03 Months	515,000	50,000	565,000	-	-	-	
1 August 19	03 Months	-	124,000	124,000	-	-	-	
2 January 20	03 Months	-	1,000	1,000	-	-	-	
2 January 20	12 Months	-	100,000	100,000	-	-	-	
9 December 19	03 Months	-	20,000	20,000	-	-	-	
7 November 19	12 Months	-	983,930	880,000	103,930	97,627	14.80	
7 November 19	03 Months	-	265,000	265,000	-	-	-	
10 October 19	03 Months	-	105,000	105,000	-	-	-	
10 October 19	12 Months	-	160,800	160,800	-	-	-	
13 February 20	03 Months	-	1,500	1,500	-	-	-	
16 August 19	03 Months	-	519,300	519,300	-	-	-	
19 July 19	03 Months	-	630,000	630,000	-	-	-	
21 November 19	03 Months	-	70,000	70,000	-	-	-	
24 November 19	03 Months	-	200,000	200,000	-	-	-	
24 November 19	12 Months	-	144,880	144,880	-	-	-	
24 November 19	06 Months	-	20,000	20,000	-	-	-	
26 March 20	12 Months	-	100,000	-	100,000	90,663	13.74	
27 February 20	12 Months	-	50,000	-	50,000	45,646	6.92	
29 August 19	12 Months	-	100,000	100,000	-	-	-	
30 January 20	03 Months	-	55,000	55,000	-	-	-	
<b>Total</b>		<b>515,000</b>	<b>3,700,410</b>	<b>3,961,480</b>	<b>253,930</b>	<b>233,936</b>	<b>35.46</b>	<b>40.12</b>
<b>Carrying value before fair value adjustment as at 31 March 2020</b>						<b>232,177</b>		

4.1.1 These carry rate of return ranging from 10.671 % to 13.75% per annum (30 June 2019: 12.58% per annum).

#### 4.2 Pakistan Investment Bonds

Issue date	Tenor	Face value			Market value / Carrying value as at March 31 2020	Market value as a percentage of net assets	Market value as a percentage of total investments
		As at 01 July 2019	Purchases during the period	Sales / matured during the period			
------(Rupees in '000)-----					------(%)-----		
12 July 18	03 Year	255,000	-	255,000	-	-	-
19 July 12	10 Year		25,000		25,000	3.96	4.48
19 September 19	03 Year		300,000	200,000	100,000	98,596	14.95
19 September 19	05 Year		287,500	100,000	187,500	189,443	28.72
<b>Total</b>		<b>255,000</b>	<b>612,500</b>	<b>555,000</b>	<b>312,500</b>	<b>314,156</b>	<b>47.62</b>

Carrying value before fair value adjustment as at 31 March 2020 294,344

4.1.2 These carry rate of return ranging from 11.46 % to 14.01% per annum (30 June 2019: 7.25% per annum).

#### 4.3 Term Deposit Receipt

This is maintained with Mobilink Microfinance Bank Limited and carries profit at the rate of 15.6% (June 30, 2019: Nil) per annum, with maturity on October 31, 2020.

#### 5 PROVISION FOR SINDH WORKERS' WELFARE FUND

The legal status of applicability of Worker's Welfare Fund and Sindh Workers' Welfare Fund is same as that disclosed in note 13.1 to the annual audited financial statements of the Fund for the year ended June 30, 2019.

The Fund, being prudent, recognised provision for SWWF amounting to Rs. 3.570 million for the period ended March 31, 2020 in this condensed interim financial information, Had the provision not been made, net assets value per unit at March 31, 2020 would have been higher by Rs. 0.0563 per unit (June 30, 2019: Rs. 0.0163 per unit).

#### 6 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2020 and June 30, 2019.

#### 7 SELLING AND MARKETING EXPENSE

The SECP vide circular 11 of 2019 dated July 05, 2019 has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) and prescribed revised conditions for charging of selling and marketing expenses to CIS. The said circular also supersedes circular No. 40 of 2016, circular No. 05 of 2017 and circular No. 5 of 2018. These expenses shall be counted in the total expense ratio cap of the fund. Accordingly, the Management Company has charged selling and marketing expenses at the rate of 0.7% per annum of the net assets of the Fund.

#### 8 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 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unit holders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2020 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

## 9 TOTAL EXPENSE RATIO

The total expense ratio (TER) of the Fund for the period ended March 31, 2020 is 1.69% (2019: 1.31%) which includes 0.40% (2019: 0.34%) representing government levies on the Fund such as sales taxes, Sindh Workers' Welfare Fund, annual fee payable to the SECP, etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an income scheme.

## 10 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS

Connected persons and related parties include NBP Fund Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan being the Parent of the Management Company and Baltoro Growth Fund being the sponsor of the Management Company. It also includes associated companies of Management Company due to common directorship, post-employment benefit funds of the Management Company, its parent and sponsor. It also includes subsidiaries and associated companies of the Parent of the Management Company and other collective investment schemes (CIS) managed by the Management Company, directors and key management personnel of the Management Company and any person or company beneficially owning directly or indirectly 10% or more of the units in issue / net assets of the Fund.

**10.1** The transactions with connected persons and related parties are carried out in the normal course of business, at contracted rates and terms determined in accordance with the market norms.

**10.2** Remuneration of the Management Company is determined in accordance with the provisions of the NBFC Regulations.

**10.3** Remuneration of the Trustee is determined in accordance with the provisions of the Trust Deed.

### 10.4 Transactions during the period:

	(Unaudited)	
	Nine months ended	
	31 March 2020	31 March 2019
(Rupees in '000)		
<b>NBP Fund Management Limited</b>		
Remuneration of the Management Company	1,670	1,762
Sindh Sales Tax on remuneration of Management Company	217	229
Allocation of expenses related to registrar services, accounting, operation and valuation services	550	339
Sale load	1,449	44
Selling and marketing	3,620	115
Units Redeemed: 9,842,418 units (31 March 2019: 3,423,160 units)	105,248	36,000
Dividend Re-invest units (31 March 2019: 1,365 units).	-	3,414
<b>Employees of the Management Company</b>		
Units Issued: 764,038 units (31 March 2019: 966 units)	8,028	10
Units redeemed: 302,595 units (31 March 2019: 965 units)	3,270	10
Dividend Re-invest 30,664 units(31 March 2019: 1,365 units).	317	14

# NBP GOVERNMENT SECURITIES SAVINGS FUND (FORMERLY NAFA GOVERNMENT SECURITIES SAVINGS FUND)



	(Unaudited)	
	Nine months ended	
	31 March 2020	31 March 2019
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration of the Trustee	358	445
Sindh Sales Tax on remuneration of Trustee	47	58
<b>Shahid Abdullah - unit holder holding 10% or more units</b>		
Dividend reinvestment: 551,466 units (March 31, 2019: Nil units)	5,693	-
Bonus issue: 308,405 units (March 31, 2019: Nil units)	-	-
Units issued: 8,412,646 units (March 31, 2019: Nil units)	95,693	-
<b>Management Association of Pakistan</b>		
Units Issued: Nil units (31 March 2019: 966 units)	-	2,970
<b>Portfolio managed by the Management Company</b>		
Units redeemed: 3,952,715 units (March 31, 2019: Nil units)	41,401	-
Purchases of Market Treasury Bills	130,840	-
Purchase of PIB	24,759	-
Sell of PIB	8,271	-
<b>NBP Financial Sector Income Fund</b>		
Purchases of Market Treasury Bills	179,430	-
<b>National Bank of Pakistan</b>		
Purchases of Market Treasury Bills	274,410	-
Purchases of PIB	93,536	-
Profit income	70	-
<b>Bank Islami Pakistan Limited</b>		
Profit income	60	-
<b>NBP Income Opportunity Fund</b> (Formerly: NAFA Income Opportunity Fund)		
Purchases of Market Treasury Bills	44,946	-
<b>NBP Mahana Amdani Fund</b> (Formerly: NAFA Savings Plus Fund)		
Sell of Market Treasury Bills	82,978	-
<b>Pakistan Stock Exchange Limited*</b>		
Listing fee paid	25	-

# NBP GOVERNMENT SECURITIES SAVINGS FUND (FORMERLY NAFA GOVERNMENT SECURITIES SAVINGS FUND)



10.5 Amounts outstanding as at period / year end:	Unaudited 31 March 2020	Audited 30 June 2019
	------(Rupees in '000)-----	
<b>NBP Fund Management Limited</b>		
Management remuneration payable	287	555
Sindh Sales Tax payable on management remuneration	34	72
Federal excise duty on remuneration of the Management Company	1,864	1,864
Federal excise duty on sales load	371	371
Sales load and transfer load payable	1,230	201
Sindh Sales Tax on sales load	180	46
Allocation of expenses related to registrar services, accounting, operation and valuation services	156	650
Other payable	44	45
Selling and Marketing Expenses Payable	1,090	-
Units held: Nil units (30 June 2019: 9,842,418 units)	-	101,570
 <b>Employees of the Management Company</b>		
Units held: 526,824 (30 June 2019: 34,717 units)	5,484	358
 <b>Central Depository Company of Pakistan Limited - Trustee</b>		
Trustee remuneration payable	35	137
Sindh Sales Tax payable on Trustee remuneration	8	18
Security deposit	102	102
 <b>National Bank of Pakistan</b>		
Bank balances	396	449
Profit receivable	40	-
 <b>Summit Bank Limited</b>		
Bank balances	562	1,059
 <b>Bank Islami Pakistan Limited</b>		
Balance in saving account	454	49
Profit receivable	48	-
 <b>Shahid Abdullah - unit holder holding 10% or more units</b>		
Units held: 9,272,517 units (30 June 2019: Nil units)	96,519	-
 <b>Portfolio managed by the Management Company</b>		
Units held: Nil (2019: 35,536,861 units)	-	366,726



**11 DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial information were authorised for issue on April 27, 2020 by the Board of directors of the Management Company.

**12 GENERAL**

**12.1** Figures have been rounded off to the nearest thousand rupees.

**For NBP Fund Management Limited  
(Management Company)**

\_\_\_\_\_  
**Chief Financial Officer**

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

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

## Head Office

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