

NBP MAHANA AMDANI FUND

AM1
Rated by PACRA

QUARTERLY REPORT
SEPTEMBER 30, 2021



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. Tauqeer Mazhar	Director
Ms. Mehnaz Salar	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
Ms. Mehnaz Salar	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
Mr. Saad Amanullah Khan	Member

Strategy & Business Planning Committee

Mr. Humayun Bashir	Chairman
Mr. Tauqeer Mazhar	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	Samba Bank Limited
Askari Bank Limited	Silk Bank Limited
Bank Al Habib Limited	Soneri Bank Limited
Bank Alfalah Limited	Telenor Microfinance Bank Limited
Bank Islami Pakistan Limited	The First Microfinance Bank Limited
Habib Bank Limited	U Microfinance Bank Limited
Habib Metropolitan Bank Limited	United Bank Limited
JS Bank Limited	Zarai Taraqati Bank Limited
Khushhali Bank Limited	Mobilink Microfinance Bank Limited
MCB Bank Limited	
Meezan 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.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
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:

Khan Center, 1st Floor, Abdali Road, Multan.
Phone No. : 061-4540301-6, 061-4588661-2&4



DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited is pleased to present the unaudited condensed Interim financial statements of **NBP Mahana Amdani Fund (NMAF)** for the quarter ended September 30, 2021.

Fund's Performance

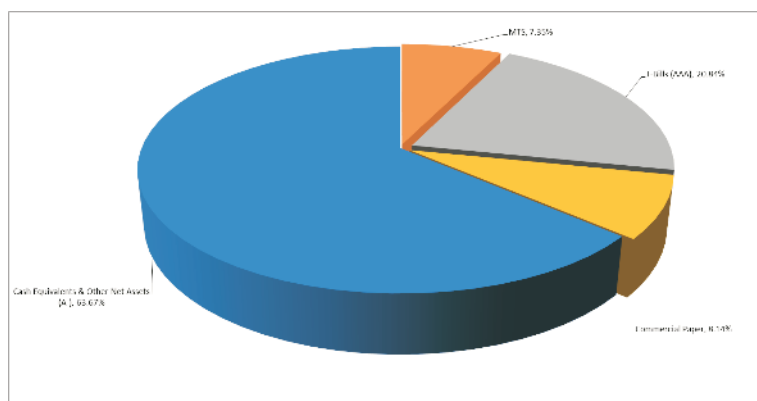
Inflation as measured by the CPI clocked-in at 9.0% on year-on-year basis in September 2021 as compared to an increase of 8.4% in the previous month and 9.0% in September 2020. Amid sharp spike in prices of food component, CPI increased by 2.1% on a month-on-month basis in September 2021 as compared to an increase of 1.5% in September 2020. After maintaining status quo for about fifteen months, in its meeting held on September 20th, the SBP raised the Policy Rate by 25 basis points to 7.25%. While acknowledging the needed appropriate policy mix, the SBP cited that "looking ahead, in the absence of unforeseen circumstances, the MPC expects monetary policy to remain accommodative in the near term, with possible further gradual tapering of stimulus."

During the period under review, sovereign yields responded to the reversal of monetary easing cycle as T-Bills yields increased by 31 bps, 46 bps, and 92 bps for 3-month, 6-month, and 12-month tenures owing to the increase in the Policy Rate. SBP held seven T-Bills auctions during the period, realizing a total of Rs. 4.3 trillion against the maturity of Rs. 4.1 trillion and target of Rs. 4.7 trillion.

The size of NBP Mahana Amdani Fund has almost doubled from Rs. 5,287 million to Rs. 5,361 million during the period (i.e., a mere growth of 1%). During the period, the unit price of the Fund has increased from Rs. 10.1883 on June 30, 2021 to Rs. 10.3892 on September 30, 2021, thus showing a return of 7.8% p.a. as compared to the benchmark return of 7.7% p.a. for the same period. The performance of the Fund is net of management fee and all other expenses. During August 2021, provisioning against Sindh Workers' Welfare Fund has been reversed. The reversal of provision has contributed towards an unusual increase in NAV of the Fund. This is one-off event and is not likely to be repeated in the future.

The Fund is rated 'AA- (f)' by PACRA, which denotes a very strong capacity to maintain relative stability in returns and very low exposure to risks. Weighted average maturity of the Fund cannot exceed one year. The Fund is allowed to invest in MTS. However, NBP Funds' internal guidelines permit financing in only fundamentally strong companies. It is pertinent to mention that in this asset class the Fund provides financing at only pre-determined rate of return with no direct exposure to the stock market.

The Fund has earned a total income of Rs. 127.49 million during the period. After deducting total expenses of Rs. 21.05 million, the net income is Rs. 106.44 million. The below chart presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NMAF.



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: **October 29, 2021**

Place: Karachi.

ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بھد مسرت 30 ستمبر 2021ء کو ختم ہونے والی سہ ماہی کے لئے NBP ماہانہ آمدنی فنڈ کے غیر جانچ شدہ عبوری مالیاتی گوشوارے پیش کرتے ہیں۔

فنڈ کی کارکردگی

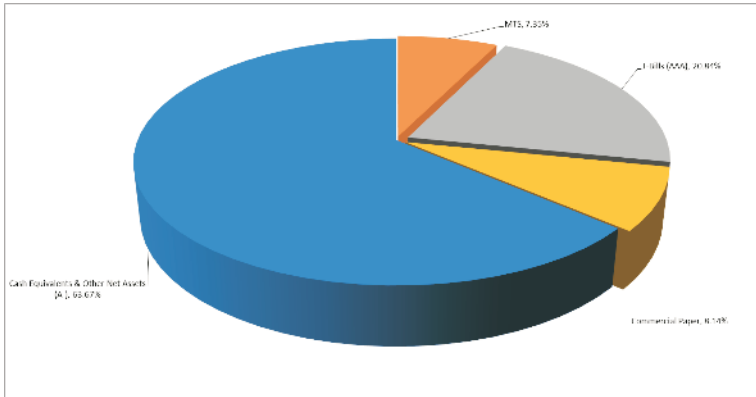
CPI کی طرف سے پیمائش کردہ افراط زر گزشتہ ماہ میں 8.4% اور ستمبر 2020 میں 9.0% کے مقابلے میں ستمبر 2021 میں سالانہ بنیاد پر تقریباً 9.0% رہی۔ خوراک کے اجزاء کی قیمتوں میں تیز اضافہ کے درمیان، ستمبر 2020 میں 1.5% بڑھنے کے مقابلے میں ستمبر 2021 میں ماہانہ بنیاد پر 2.1% تک بڑھ گیا۔ تقریباً پندرہ ماہ تک پرانا نظام برقرار رکھنے کے بعد، 20 ستمبر کو منعقدہ اپنے اجلاس میں، اسٹیٹ بینک آف پاکستان (SBP) نے پالیسی شرح میں 25 بیس پوائنٹس کے اضافہ کے ساتھ 7.25% تک زیادہ کر دی۔ مطلوبہ موزوں پالیسی کس کو تسلیم کرتے ہوئے، اسٹیٹ بینک نے حوالہ دیا کہ "غیر متوقع حالات کی عدم موجودگی میں، آگے دیکھتے ہوئے، ایم پی سی توقع کرتی ہے کہ مالیاتی پالیسی مستقبل قریب میں موزوں رہے گی، ممکنہ طور پر مزید تدریج کی آئے گی۔"

زیر جائزہ مدت کے دوران، حکومتی منافع نے مانیٹری آسانی سائیکل کی واپسی کے نتائج دینے کیونکہ پالیسی شرح میں اضافہ کی وجہ سے ٹی بلز کی پیداوار میں 3 ماہ، 6 ماہ اور 12 ماہ کے عرصہ میں بالترتیب 31 بی پی ایس، 46 بی پی ایس، اور 92 بی پی ایس اضافہ ہوا۔ اسٹیٹ بینک پاکستان نے اس عرصے کے دوران سات ٹی بلوں کی بنیادی کی، جس میں 4.1 ٹریلین روپے کی میچورٹی اور 4.7 ٹریلین روپے کے ہدف کے مقابل مجموعی طور پر 4.3 ٹریلین روپے حاصل کئے۔

اس مدت کے دوران NBP ماہانہ آمدنی فنڈ کا سائز 5,287 ملین روپے سے بڑھ کر 5,361 ملین روپے ہو گیا ہے، یعنی 1% کا معمولی اضافہ ہوا۔ اس مدت کے دوران فنڈ کے یونٹ کی قیمت 30 جون 2021 کو 10.1883 روپے سے بڑھ کر 30 ستمبر 2021 کو 10.3892 روپے تک پہنچ چکی ہے، لہذا اسی مدت کے لئے اپنے بیخ مارک منافع 7.7% کے مقابلے میں 7.8% منافع درج کرایا۔ فنڈ کی یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد حاصل ہے۔ اگست 2021 کے دوران، سندھ ورکرز ویلفیئر فنڈ کی پروویڈنٹس ریورس کر دی گئی۔ اس پروویڈنٹس کے ریورسل کے باعث فنڈ کی NAV میں غیر معمولی اضافہ ہوا۔ یہ ایک ایسا موقع ہے جس کا مستقبل میں دوبارہ آنے کا امکان نہیں ہے۔

فنڈ کو PACRA کی طرف سے AA-(f) کی ریٹنگ دی گئی ہے جو منافع جات میں متعلقہ استحکام برقرار رکھنے کی زبردست اہلیت اور خطرات کی زد میں آنے کے بہت معمولی امکانات کی نشاندہی کرتی ہے۔ فنڈ کی میچورٹی کی نئی تلی اوسط مدت ایک سال سے زائد نہیں ہو سکتی۔ فنڈ کو MTS میں سرمایہ کاری کی اجازت ہے، تاہم NBP فنڈ زکی داخلی دہايات صرف بنیادی طور پر مستحکم کمپنیوں میں سرمایہ کاری کی اجازت دیتی ہیں۔ یہ یہاں ذکر مناسب ہے کہ اس ایسیٹ کلاس میں فنڈ منافع کی پہلے سے طے شدہ شرح منافع پر فائنانسنگ فراہم کرتا ہے اور اسٹاک مارکیٹ میں براہ راست سرمایہ کاری نہیں کرتا۔

فنڈ کو اس مدت کے دوران 127.49 ملین روپے کی مجموعی آمدنی ہوئی۔ 21.05 ملین روپے کے اخراجات متہا کرنے کے بعد خالص آمدنی 106.44 ملین روپے ہے۔ درج ذیل چارٹ 30 ستمبر 2021 کو NBP ماہانہ آمدنی فنڈ کی ایٹنٹ ایلویشن اور اس کے ذیلی اثاثوں کے تمام درجوں کی پیمائش شدہ اوسط کریڈٹ ریٹنگ پیش کرتا 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 انویسٹمنٹ 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 فنانس مینجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو

تاریخ: 29 اکتوبر 2021

مقام: کراچی



CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2021

	Note	Un-Audited September 30, 2021	Audited June 30, 2021
(Rupees in '000)			
ASSETS			
Balances with banks	4	4,552,522	4,278,626
Investments	5	1,553,648	19,945
Receivable against Margin Trading System		393,944	1,013,394
Profit receivable		20,823	26,292
Receivable against conversion of units		2,060	640
Deposits, prepayments and other receivables		515	35,599
Total assets		6,523,512	5,374,496
LIABILITIES			
Payable to the Management Company		27,952	31,893
Payable to Central Depository Company of Pakistan Limited - Trustee		377	600
Payable to Securities and Exchange Commission of Pakistan		276	1,215
Payable against redemption of units		13,688	5,551
Payable against purchase of Investment		1,117,319	-
Accrued expenses and other liabilities		2,979	47,915
Total liabilities		1,162,591	87,174
NET ASSETS		5,360,921	5,287,322
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		5,360,921	5,287,322
CONTINGENCIES AND COMMITMENTS			
	7		
		Number of units	
Number of units in issue		516,008,727	518,960,391
		Rupees	
NET ASSET VALUE PER UNIT		10.3892	10.1883

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 QUARTER ENDED SEPTEMBER 30, 2021

	Note	Quarter Ended September 30, 2021	Quarter Ended September 30, 2020
(Rupees in '000)			
INCOME			
Income from government securities		5,778	8,853
Income from term deposit receipts		-	1,180
Income from commercial papers		3,420	2,213
Income from clean placement		-	3,404
Income on bank deposits		78,301	58,721
Income from Margin Trading System		24,845	34,882
(Loss) on sale of investments		(24)	(284)
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		8	(4)
Total income		112,328	108,965
EXPENSES			
Remuneration of the Management Company		2,193	1,798
Sindh sales tax on Management Fee		285	234
Accounting and operational charges to the Management Company		1,723	1,198
Selling and marketing expense	8	11,819	5,690
Remuneration of the Trustee		1,034	899
Sindh sales tax on Trustee Fee		134	117
Annual fee - Securities and Exchange Commission of Pakistan		276	240
Settlement and bank charges		3,026	4,011
Annual listing fee		7	7
Legal & Professional charges		101	23
Auditors' remuneration		240	181
Fund rating Fee		144	132
Other charges		72	77
Total Expenses		21,054	14,607
Net Income from operating activities		91,274	94,358
Reversal / (Provision) for Sindh Workers' Welfare Fund	6	15,168	(1,887)
Net Income for the period before taxation		106,442	92,471
Taxation	9	-	-
Net income for the period after taxation		106,442	92,471
Earnings per unit			
Allocation of Net income for the period:			
Net income for the period		106,442	92,471
Income already paid on units redeemed		(12,972)	(11,243)
		93,470	81,228
Accounting income available for distribution:			
-Relating to capital gains		-	-
-Excluding capital gains		93,470	81,228
		93,470	81,228

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 STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Quarter Ended September 30, 2021 (Rupees in '000)	Quarter Ended September 30, 2020
Accounting income available for distribution	106,442	92,471
Other Comprehensive Income	-	-
Total comprehensive income for the period	<u>106,442</u>	<u>92,471</u>

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

Chief Financial Officer

Chief Executive Officer

Director



CONDENSED STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Quarter Ended September 30, 2021			Quarter Ended September 30, 2020		
	Value	Undistributed income	Total	Value	Undistributed income	Total
----- (Rupees in '000) -----						
Net assets at beginning of the period	5,267,767	19,555	5,287,322	2,913,724	14,187	2,927,911
Issuance of 269,393,532 units (2020: 609,140,245 units)						
- Capital value	2,744,662	-	2,744,662	-	-	6,198,916
- Element of income	30,552	-	30,552	70,284	-	70,284
Total proceeds on issuance of units	2,775,213	-	2,775,214	70,284	-	6,269,200
Redemption of 272,345,196 units (2020: 206,865,947 units)						
- Capital value	(2,774,735)	-	(2,774,735)	(2,105,171)	-	(2,105,171)
- Element of loss	(20,350)	(12,972)	(33,322)	(13,134)	(11,243)	(24,377)
Total payments on redemption of units	(2,808,057)	(12,972)	(2,808,057)	(2,129,548)	(11,243)	(2,129,548)
Total comprehensive income for the period	-	106,442	106,442	-	92,471	92,471
Net assets at end of the period	5,234,923	113,025	5,360,921	854,460	95,415	7,160,034
Undistributed income brought forward						
- Realised		19,554			14,106	
- Unrealised		1			81	
		19,555			14,187	
Accounting income available for distribution:						
- Relating to capital gains		-			-	
- Excluding capital gains		93,470			81,228	
		93,470			81,228	
Undistributed income carried forward		113,025			95,415	
Undistributed income carried forward						
- Realised		113,017			95,419	
- Unrealised		8			(4)	
		113,025			95,415	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the period			10.1883			10.1765
Net assets value per unit at end of the period			10.3892			10.3771

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 QUARTER ENDED SEPTEMBER 30, 2021

	Quarter Ended September 30, 2021	Quarter Ended September 30, 2020
Note	(Rupees in '000)	
CASH FLOW FROM OPERATING ACTIVITIES		
Income for the period before taxation	106,442	92,471
Adjustments		
Unrealised diminution in the value of investment carried at fair value through profit and loss - net	(8)	4
	106,434	92,475
(Increase) in assets		
Investments	(1,533,695)	(331,344)
Receivable against Margin Trading System	619,450	(1,274,444)
Profit receivable	5,469	(16,337)
Deposits, prepayments and other receivables	35,084	104,138
	(873,692)	(1,517,987)
(decrease)/Increase in liabilities		
Payable to the Management Company	(3,941)	6,193
Payable to Central Depository Company of Pakistan Limited - Trustee	(223)	191
Payable against Purchase of Investment	1,117,319	-
Payable to the Securities and Exchange Commission of Pakistan	(939)	(121)
Accrued expenses and other liabilities	(44,936)	(16,311)
	1,067,280	(10,048)
Net cash (used in) Operating activities	300,022	(1,435,560)
CASH FLOW FROM FINANCING ACTIVITIES		
Net receipts from issue of units	2,773,794	6,264,971
Net payments on redemption of units	(2,799,920)	(2,048,889)
Net cash generated from (used in) financing activities	(26,126)	4,216,082
Net Increased in cash and cash equivalents during the period	273,896	2,780,522
Cash and cash equivalents at the beginning of the period	4 4,278,626	2,300,436
Cash and cash equivalents at the end of the period	4,552,522	5,080,958

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 QUARTER ENDED SEPTEMBER 30, 2021

1 LEGAL STATUS AND NATURE OF BUSINESS

NBP Mahana Amdani Fund (the Fund) was established under a Trust Deed executed between NBP Fund Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on October 9, 2009, in accordance with the Non-Banking and Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules).

The Management Company of the Fund has been licensed to act as an Asset Management Company by the SECP 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 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 'income scheme' pursuant to the provisions contained in Circular 7 of 2009.

The objectives of the fund are to minimise risk, preserve capital and to provide reasonable return to investors along with a high degree of liquidity from a portfolio primarily constituting of bank deposits and money market investments.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of AM1 as at June 23, 2021 (2020: AM1) to the Management Company and rating of AA-(f) with stable outlook as at April 17, 2020. PACRA has maintained the stability rating of "AA-(f)" to the Fund dated April 16, 2021 (2020: "AA-(f)" dated April 17, 2020).

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

The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Trusts Act, 2020" (the Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced as part of the Act. The Management Company after fulfilling the requirement for registration of Trust Deed under the Trust Act, has submitted Collective Investment Scheme Trust Deed to Registrar acting under the Trust Act for registration.

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, 2021.

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 September 30, 2021.

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, 2021.

3.3 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2021.

		(Un-audited) September 30, 2021	(Audited) June 30, 30, 2021
4	BALANCES WITH BANKS		
		(Rupees in '000)	
	Current accounts	1,751	5,958
	Savings accounts	4,550,771	4,272,668
		<u>4,552,522</u>	<u>4,278,626</u>

4.1 These savings accounts carry markup at rates ranging from 3.50% to 9.00% per annum (2020: 3.50% to 15.50% per annum).

		(Un-audited) September 30, 2021	(Audited) June 30, 30, 2021
5	INVESTMENTS		
	At fair value through profit or loss		
		(Rupees in '000)	
	Commercial Paper	436,320	-
	Investment in Government Securities -Market Treasury Bills	1,117,328	19,945
		<u>1,553,648</u>	<u>19,945</u>

5.1 This represents the purchase of commercial paper from K- Electric Limited on August 26, 2021 face value of Rs.450 million, (Carrying value of Rs. 436.320 million) which carry profit at the rate of 8.01% and will mature on February 26, 2022.



5.2 Investment in government securities

Issue date	Tenor	Face value				Market Value As at September 30, 2021	Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 1, 2021	Purchased during the period	Disposed / matured during the period	As at September 30, 2021			

Market Treasury Bills

April 22, 2021	3 months	20,000	-	20,000	-	-	-	-
June 3, 2021	3 months	-	395,000	395,000	-	-	-	-
July 15, 2021	6 months	-	250,000	250,000	-	-	-	-
May 6, 2021	6 months	-	1,100,000	-	1,100,000	1,092,429	0.20	0.70
May 20, 2021	3 months	-	150,000	150,000	-	-	-	-
March 25, 2021	6 months	-	185,000	185,000	-	-	-	-
August 27, 2020	12 months	-	440,000	440,000	-	-	-	-
July 29, 2021	3 months	-	275,000	250,000	25,000	24,899	0.00	0.02
						1,117,328	0.21	0.72

Carrying value before fair value adjustment as at September 30, 2021

1,117,320

6 PROVISION FOR SINDH WORKERS' WELFARE FUND

Subsequent to the year ended June 30, 2021, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF on August 13, 2021, recognised in the financial statements of the Funds, for the period from May 21, 2015 to August 12, 2021.

Provisioning against Sindh Workers' Welfare Fund by NBP MAHANA AMDANI FUND amounting to Rs. 16.05 million has been reversed on the clarification received by Sindh Revenue Board vide letter No. SRB/TP/70/2013/8772 dated August 12, 2021 addressed to Mutual Funds Association of Pakistan. This reversal of provision has contributed towards an unusual increase in NAV of the NBP MAHANA AMDANI FUND by 0.3% on August 13, 2021. This is one-off event and is not likely to be repeated in the future.

7 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2020 and June 30, 2020

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 0.97% 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 as cash dividend. 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, 2022 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 annualised total expense ratio (TER) of the Fund based on the current period is 1.53% (September 30, 2020: 1.36%) which includes 0.05% (September 30, 2020: 0.20%) representing Government Levy, and the SECP Fee. The prescribed limit for the ratio is 2.5% (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as an "income" scheme.

11 TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS

11.1 Connected persons include NBP Fund Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan (NBP), 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.

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, 2008 and the Trust Deed.

11.4 Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.

11.5 Allocated expenses and selling and marketing expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.

11.6 Details of the transactions with connected persons are as follows:

	Un-audited Quarter Ended September 30, 2021	Un-audited Quarter Ended September 30, 2020
	(Rupees in '000)	
NBP Fund Management Limited - Management Company		
Management fee expense for the period	2,193	1,798
Sindh sales tax on remuneration of the Management Company	285	234
Selling and marketing expense	11,819	5,690
Front end load for the period	4,660	9,716
Allocated expenses	1,723	1,198
ADC chargers including Sindh sales tax	274	-
Units issued: Nil units (2020: 30,039,632 units)	-	310,000
Units redeemed: Nil units (2020: 32,038,910 units)	-	330,010
Pakistan Stock Exchange Limited*		
Listing fee paid	-	25
Key management personnel of the Management Company		
Units issued / transferred In 1,155,044 units (2020: 10,953,555 units)	11,917	113,104
Units redeemed / transferred out 1,062,655 units (2020: Nil units)	10,963	65,473
Central Depository Company of Pakistan Limited - Trustee		
Remuneration	1,034	899
Sindh sales tax on remuneration of trustee	134	117



	Un-audited Quarter Ended September 30, 2021 (Rupees in '000)	Un-audited Quarter Ended September 30, 2020
Fauji Fertilizer Company Limited - common directorship		
Units issued / transferred In Nil units; (2020: 74,563,899 units)	-	760,000
Portfolio managed by the Management Company		
Units issued / transferred In 5,098,594 units (2020:199,227,984 units)	52,715	199,166
Units redeemed / transferred out 5,098,594 units (2020: Nil units)	52,715	-
Sell of Market Treasury Bills	-	4,847
BankIslami Pakistan Limited - common directorship		
Profit on bank deposits	118	22
National Bank of Pakistan - parent company		
Profit on bank deposits	26	101
Khushhali Bank Limited - common directorship		
Profit on bank deposits	10,724	-
National Clearing Company of Pakistan Limited - common directorship		
Settlement charges during the period	105	105
	Un-audited September 30, 2021	Audited June 30, 2021 (Rupees in '000)

11.7 Amounts outstanding as at period end

NBP Fund Management Limited - Management Company		
Remuneration payable to the Management Company	671	797
Sindh sales tax on remuneration of the Management Company	87	103
Federal Excise Duty on remuneration of the Management Company	10,620	10,620
Federal Excise Duty on sales load	292	292
Allocated expenses payable	1,723	1,990
Selling and marketing expenses payable	11,819	11,146
Sales and transfer load payable	1,526	5,488
Sindh sales tax on sales load	198	713
ADC charges payable including Sindh sales tax	728	456
Others	288	288
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable to the Trustee	334	397
Sindh sales tax payable on Trustee remuneration	43	52
Security deposit	100	100
Settlement charges payable	51	151
National Bank of Pakistan - parent company		
Current account	1,751	1,751
Savings account	4,419	13,269
Profit receivable on savings account	9	66
Telenor Microfinance Bank Limited - common directorship		
Bank balances	1	1
Khushhali Bank Limited - common directorship		
Bank balances	504,274	493,624
Profit receivable on savings account	3,523	3,471



	Un-audited September 30, 2021 (Rupees in '000)	Audited June 30, 2021
BankIslami Pakistan Limited - common directorship		
Bank balances	5,890	16,458
Profit receivable on savings account	36	21
Key management personnel of the Management Company		
Units held: 2,131,792 units (30, June 2021: 1,850,493 units)	22,148	18,853
Portfolio managed by the Management Company		
Units held: 5,098,594 (30 June 2021: Nil units)	52,970	-
Ali Saigol - Director		
Units held: 1,077 units (30 June, 2021: 1,077 units)	11	11
Muhammad Murtaza Ali - Company Secretary / COO		
Units held: 105,045 units (30 June 2021: 105,045 units)	1,091	1,070
National Clearing Company of Pakistan Limited - common directorship		
Security deposit	63	250

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

12 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on October 29, 2021.

13 GENERAL

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

13.2 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@nbpffunds.com

Website: www.nbpffunds.com

 /nbpffunds



NBP
ISLAMIC MAHANA AMDANI
FUND

QUARTERLY REPORT
SEPTEMBER 30, 2021

AM1
Rated by PACRA



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. Tauqeer Mazhar	Director
Ms. Mehnaz Salar	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
Ms. Mehnaz Salar	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
Mr. Saad Amanullah Khan	Member

Strategy & Business Planning Committee

Mr. Humayun Bashir	Chairman
Mr. Tauqeer Mazhar	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

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
United Bank Limited
Zarai Taraqiati 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

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:

Khan Center, 1st Floor, Abdali Road, Multan.
Phone No. : 061-4540301-6, 061-4588661-2 & 4



DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited is pleased to present the unaudited condensed Interim financial statements of **NBP Islamic Mahana Amdani Fund (NIMAF)** for the quarter ended September 30, 2021.

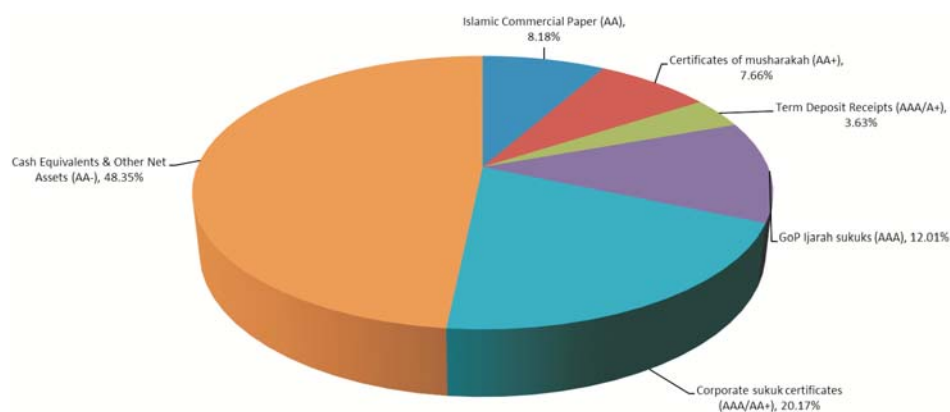
Fund's Performance

The primary market for Corporate Sukuks remained under-supplied against the growing demand. In the secondary market, the trading activity in Corporate Sukuks was abysmally low with cumulative traded value of around Rs. 0.8 billion in 1QFY22 compared to Rs. 5.6 billion during same period last year. Inflation as measured by the CPI clocked-in at 9.0% on year-on-year basis in September 2021 as compared to 8.4% in the previous month and 9.0% in September 2020. Amid sharp spike in prices of food component, CPI increased by 2.1% on a month-on-month basis in September 2021 as compared to an increase of 1.5% in September 2020. After maintaining status quo for about fifteen months, in its meeting held on September 20th, the SBP raised the Policy Rate by 25 basis points to 7.25%. While acknowledging the needed appropriate policy mix, the SBP cited that "looking ahead, in the absence of unforeseen circumstances, the MPC expects monetary policy to remain accommodative in the near term, with possible further gradual tapering of stimulus."

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.

The size of NBP Islamic Mahana Amdani Fund has decreased from Rs. 15,085 million to Rs. 13,760 million during the period (i.e., a decline of 9%). During the period, the unit price of the Fund has increased from Rs. 10.0493 on June 30, 2021 to Rs. 10.2695 on September 30, 2021, thus showing return of 8.7% p.a. as compared to its benchmark return of 3.1% p.a. for the same period. The performance of the Fund is net of management fee and other expenses. During August 2021, provisioning against Sindh Workers' Welfare Fund has been reversed. The reversal of provision has contributed towards an unusual increase in NAV of the Fund. This is one-off event and is not likely to be repeated in the future.

The Fund has earned a total income of Rs. 344.474 million during the quarter. After deducting total expenses of Rs. 43.961 million, the net income is Rs. 300.513 million. The below chart presents the asset allocation and the weighted average credit rating of each of the sub-asset class of NIMAF:



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: **October 29, 2021**
Place: Karachi.

ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 30 ستمبر 2021ء کو ختم ہونے والی سہ ماہی کے لئے NBP اسلامک ماہانہ آمدنی فنڈ (NIMAF) کے غیر جانچ شدہ عبوری مالیاتی گوشوارے پیش کرتے ہیں۔

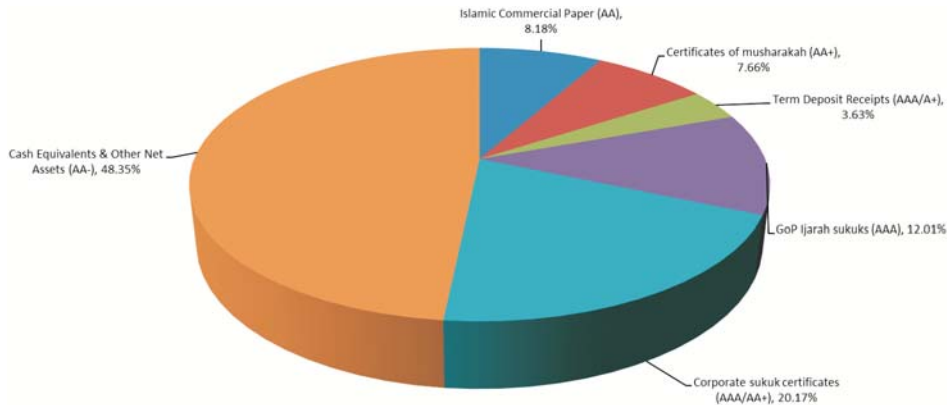
فنڈ کی کارکردگی

کارپوریٹ سکوک کے لئے ابتدائی مارکیٹ کی زیادہ طلب کے مقابلہ میں رسد کم رہی۔ ثانوی منڈی میں، کارپوریٹ سکوک میں تجارتی سرگرمی غیر معمولی طور پر کم رہی جس کی مجموعی تجارتی قدر مالیاتی سال 2021ء کی پہلی سہ ماہی میں 5.6 بلین روپے کے مقابلہ میں مالیاتی سال 2022ء کی پہلی سہ ماہی میں 0.8 بلین روپے رہی۔ CPI کی طرف سے پیمائش کردہ افراط زر گزشتہ ماہ میں 8.4% اور ستمبر 2020 میں 9.0% کے مقابلے ستمبر 2021 میں سالانہ بنیاد پر تقریباً 9.0% رہی۔ خوراک کے اجزاء کی قیمتوں میں تیز اضافہ کے درمیان، CPI ستمبر 2020 میں 1.5% بڑھنے کے مقابلے ستمبر 2021 میں ماہانہ بنیاد پر 2.1% تک بڑھ گیا۔ تقریباً پندرہ ماہ تک پرانا نظام برقرار رکھنے کے بعد، 20 ستمبر کو منعقدہ اپنے اجلاس میں، اسٹیٹ بینک آف پاکستان (SBP) نے پالیسی شرح میں 25 پبزر پوائنٹس کے اضافہ کے ساتھ 7.25% تک زیادہ کر دی۔ مطلوبہ موزوں پالیسی مکس کو تسلیم کرتے ہوئے، اسٹیٹ بینک نے حوالہ دیا کہ "غیر متوقع حالات کی عدم موجودگی میں، آگے دیکھتے ہوئے، ایم پی سی توقع کرتی ہے کہ مالیاتی پالیسی مستقبل قریب میں موزوں رہے گی، ممکنہ طور پر مزید بتدریج کمی آئے گی۔"

NIMAF شریعت کے مطابق انکم فنڈ کے طور پر درجہ بندی کیا جاتا ہے۔ فنڈ کا مقصد شریعی 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 شناختی/روایتی بینکوں کی وٹڈ 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 ایکویٹیز میں سرمایہ کاری کرنے کا اختیار نہیں رکھتا۔ فنڈ کی اوسط میچورٹی گورنمنٹ سکیورٹیز کے علاوہ 4 سال سے زائد نہیں ہے۔

موجودہ مدت کے دوران NBP اسلامک ماہانہ آمدنی فنڈ کا ساٹھ ساٹھ 15,085 ملین روپے سے کم ہو کر 13,760 ملین روپے ہو گیا ہے یعنی 9% کی کمی ہوئی۔ زیر جائزہ مدت کے دوران، فنڈ کے پونٹ کی قیمت 30 جون 2021 کو 10.0493 روپے (EX-Div) سے بڑھ کر 30 ستمبر 2021 کو 10.2695 روپے ہو گئی، لہذا اس مدت کے دوران فنڈ نے اپنے بیچ مارک 3.1% کے مقابلے میں 8.7% منافع درج کیا۔ فنڈ کی یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔ اگست 2021 کے دوران، سندھ ورکرز ویلفیئر فنڈ کی پروڈیونگ رپورس کر دی گئی۔ اس پروڈیون کے رپورسل کے باعث فنڈ کی NAV میں غیر معمولی اضافہ ہوا۔ یہ ایک ایسا موقع ہے جس کا مستقبل میں دوبارہ آنے کا امکان نہیں ہے۔

فنڈ نے موجودہ مدت کے دوران 344.474 ملین روپے کی مجموعی آمدنی کمائی ہے۔ 43.961 ملین روپے کے اخراجات متہا کرنے کے بعد خالص آمدنی 300.513 ملین روپے ہے۔ درج ذیل چارٹ NIMAF کی ایسٹ ایلوکیشن اور اس کے ذیلی اثاثوں کے تمام درجوں کی پیمائش شدہ اوسط کرڈٹ ریٹنگ پیش کرتا 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 پونٹ 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 فنانس مینجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو

تاریخ: 29 اکتوبر 2021

مقام: کراچی



CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2021

		(Un-Audited) September 30, 2021	(Audited) June 30, 2021
	Note	(Rupees in '000)	
Assets			
Bank balances	4	7,436,793	7,268,163
Investments	5	7,107,718	9,512,849
Profit receivable		144,154	127,154
Receivable against sale of units		9,563	105,380
Preliminary expenses and floatation costs		404	455
Deposits, prepayments and other receivables		2,963	2,994
Total assets		14,701,595	17,016,995
Liabilities			
Payable to NBP Fund Management Limited - the Management Company		37,090	44,678
Payable to Central Depository Company of Pakistan Limited - the Trustee		948	1,188
Payable to the Securities and Exchange Commission of Pakistan		701	3,714
Payable against redemption of units		27,231	22,890
Payable against purchase of investments		869,816	1,660,562
Accrued expenses and other liabilities		5,775	199,157
Total liabilities		941,561	1,932,189
Net assets		13,760,034	15,084,806
Unit holders' funds (As per Statement attached)		13,760,034	15,084,806
Contingencies and commitments	7		
		(Number of units)	
Number of units in issue		1,339,893,214	1,501,086,720
		(Rupees)	
Net asset value per unit		10.2695	10.0493

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 QUARTER ENDED SEPTEMBER 30, 2021

	Note	Quarter Ended September 30, 2021	Quarter Ended September 30, 2020
		Rupees in '000	
Income			
Income on sukuk certificates		89,868	95,889
Income on Islamic commercial papers		24,044	56,678
Income on term deposit receipts		16,085	59,311
Profit on savings accounts		105,583	161,178
Income on bai muajjal receivable		4,587	19,793
Income on certificates of musharakah		19,615	18,480
Gain / (loss) on sale of investments - net		5,785	(6,129)
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		12,054	14,595
Total income		277,621	419,795
Expenses			
Remuneration of the Management Company		7,583	11,137
Sindh Sales Tax on remuneration of the Management Company		986	1,448
Allocated expenses		4,380	5,233
Selling and marketing expenses	8	26,262	36,630
Remuneration of the Trustee		2,628	3,925
Sales Tax on remuneration of the Trustee		342	510
Annual fees to the Securities and Exchange Commission of Pakistan		701	1,047
Amortisation of preliminary expenses and floatation costs		51	51
Securities and transaction cost		6	456
Settlement and bank charges		137	369
Auditors' remuneration		175	138
Annual rating fee		52	47
Shariah advisory fee		598	699
Listing fee		7	7
Printing charges		18	18
Legal and professional charges		35	10
Total expenses		43,961	61,725
Net income from operating activities		233,660	358,070
Reversal / (Provision) for Sindh Workers' Welfare Fund	6	66,853	(7,161)
Net income for the period before taxation		300,513	350,909
Taxation	9	-	-
Net income for the period after taxation		300,513	350,909
Allocation of Net income for the period:			
Net income for the period		300,513	350,909
Income already paid on units redeemed		(33,290)	(73,214)
		267,223	277,695
Accounting Income available for distribution:			
- Relating to capital gains		17,839	3,990
- Excluding capital gains		249,384	273,705
		267,223	277,695

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 QUARTER ENDED SEPTEMBER 30, 2021

	Quarter Ended September 30, 2021	Quarter Ended September 30, 2020
	Rupees in '000'	
Net income for the period after taxation	300,513	350,909
Other comprehensive income	-	-
Total comprehensive income for the period	<u>300,513</u>	<u>350,909</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 STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Quarter Ended September 30, 2021			Quarter Ended September 30, 2020		
	Capital value	Undistributed profit	Total	Capital value	Undistributed profit	Total
Note	----- (Rupees in '000) -----					
Net Assets at beginning of the year	15,016,569	68,237	15,084,806	20,258,361	54,913	20,313,274
Issuance of 397,121,414 units (2020 : 1,120,723,226 units)						
- Capital value	3,990,792	-	3,990,792	11,252,397	-	11,252,397
- Element of Income	44,458	-	44,458	112,221	-	112,221
Total proceeds on issuance of units	4,035,250	-	4,035,250	11,364,618	-	11,364,618
Redemption of 558,314,920 units (2020 : 1,111,993,719 units)						
- Capital value	(5,610,674)	-	(5,610,674)	(11,164,751)	-	(11,164,751)
- Element of (Loss)	(16,571)	(33,290)	(49,861)	(39,786)	(73,214)	(113,000)
Total payments on redemption of units	(5,627,245)	(33,290)	(5,660,535)	(11,204,537)	(73,214)	(11,277,751)
Total comprehensive Income for the period	-	300,513	300,513	-	350,909	350,909
Net assets at end of the period	13,424,574	335,460	13,760,034	20,418,442	332,608	20,751,050
Undistributed Income brought forward						
- Realised income		55,951			91,428	
- Unrealised income / (loss)		12,286			(36,515)	
		68,237			54,913	
Accounting income available for distribution:						
- Relating to capital gains	17,839			3,990		
- Excluding capital gains	249,384			273,705		
	267,223			277,695		
Interim cash distribution		-			-	
Undistributed loss carried forward		335,460			332,608	
Undistributed loss carried forward						
- Realised Income		323,406			318,013	
- Unrealised Income		12,054			14,595	
		335,460			332,608	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the period			10.0493			10.0403
Net assets value per unit at end of the period			10.2695			10.2126

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 QUARTER ENDED SEPTEMBER 30, 2021

	Quarter Ended September 30, 2021	Quarter Ended September 30, 2020
	(Rupees in '000)	
CASH FLOW FROM OPERATING ACTIVITIES		
Net income for the period before taxation	300,513	350,909
Adjustments for:		
Reversal / (Provision) for Sindh Workers' Welfare Fund	(66,853)	7,161
Amortisation of preliminary expenses and floatation costs	51	51
Net unrealised (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(12,054)	(14,595)
	<u>221,657</u>	<u>343,526</u>
Decrease / (Increase) in assets		
Investments	2,417,185	(1,212,608)
Profit receivable	(17,000)	(104,494)
Deposits, prepayments and other receivables	31	26
	<u>2,400,216</u>	<u>(1,317,076)</u>
(Decrease) in liabilities		
Payable to NBP Fund Management Limited - the Management Company	(7,588)	(9,968)
Payable to Central Depository Company of Pakistan Limited - the Trustee	(240)	(151)
Payable to the Securities and Exchange Commission of Pakistan	(3,013)	(2,741)
Payable against purchase of investments	(790,746)	-
Accrued expenses and other liabilities	(126,529)	(195,925)
	<u>(928,116)</u>	<u>(208,785)</u>
Net cash generated from / (used in) operating activities	<u>1,693,757</u>	<u>(1,182,335)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Net receipts from issue of units	4,131,067	11,145,457
Net payments on redemption of units	(5,656,194)	(11,301,105)
Net cash (used in) financing activities	<u>(1,525,127)</u>	<u>(155,648)</u>
Net increase / (decrease) in cash and cash equivalents during the period	168,630	(1,337,983)
Cash and cash equivalents at the beginning of the period	7,268,163	8,080,669
Cash and cash equivalents at the end of the period	<u><u>7,436,793</u></u>	<u><u>6,742,686</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 QUARTER ENDED SEPTEMBER 30, 2021

1 LEGAL STATUS AND NATURE OF BUSINESS

NBP Islamic 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 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 Securities and Exchange Commission of Pakistan (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 Mutual Funds Association of Pakistan (MUFAP).

The Fund has been categorised as an open ended 'Shariah compliant income scheme' by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 issued by the Securities and Exchange Commission of Pakistan 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 Shariah compliant money market and debt securities.

The Pakistan Credit Rating Agency (PACRA) has reaffirmed an asset manager rating of the Management Company of AM1 on June 23, 2021. The rating reflects the Management Company's experienced management team, structured investment process and sound quality of systems and processes. Furthermore, PACRA has maintained the stability rating of the Fund to A(f) (2021: A(f) on April 16, 2021) on October 18, 2021.

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

The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Trusts Act, 2020" (the Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced as part of the Act. The Management Company after fulfilling the requirement for registration of Trust Deed under the Trust Act, has submitted Collective Investment Scheme Trust Deed to Registrar acting under the Trust Act for registration.

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 as 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 VIII A 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, 2021.

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2021.

These condensed interim 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, 2021.

3.2 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2021.

4 BANK BALANCES	(Un-Audited) September 30, 2021	(Audited) June 30, 2021
Note	Rupees in '000	
Balances with banks in:		
Savings accounts	4.1 7,368,971	7,217,975
Current accounts	67,822	50,188
	<u>7,436,793</u>	<u>7,268,163</u>

4.1 These include a balance of Rs 14.639 million (2021: Rs 26.867 million) maintained with BankIslami Pakistan Limited (a related party) and balances of 2.511 million (2021: Rs 3.236 million) with National Bank of Pakistan Limited (a related party) that carry profit at the rate of 6.85% (2021: 6.8%) per annum and 4.75% (2021: 4.50%) per annum respectively. Other savings accounts of the Fund carry profit rates ranging from 3.75% to 7.59% per annum (2021: 4.50% to 7.4%).



5	INVESTMENTS	Note	(Un-Audited)	(Audited)
			September 30, 2021	June 30, 2021
			Rupees in '000	
Financial assets at fair value through profit or loss				
	GoP Ijarah sukuk	5.1	1,652,539	1,645,614
	Corporate sukuk certificates	5.2	2,775,289	2,751,498
	Islamic commercial papers	5.3	1,125,191	715,535
	Term deposit receipts	5.4	500,000	3,300,000
	Certificates of musharakah	5.5	1,054,699	1,100,202
			7,107,718	9,512,849

5.1 GoP Ijarah sukuk

Name of the security	Issue date	Profit rate	As at July 01, 2021	Purchased during the period	Sales / redemptions during the period	As at September 30, 2021	Carrying value as at September 30, 2021	Market value as at September 30, 2021	Market value as a percentage of total investments	Market value as a percentage of net assets
									----- Percentage -----	----- Percentage -----
						Number of certificates	(Rupees in '000)	----- Percentage -----		
GoP Ijarah Sukuk Certificates - XX	30-Apr-20	Weighted average 6 months T-Bills	8,655	8,655	8,655	8,655	846,459	846,459	11.91	6.15
GoP Ijarah Sukuk Certificates - XXI	29-May-20	Weighted average 6 months T-Bills	8,000	-	-	8,000	805,040	806,080	11.34	5.86
Total as at September 30, 2021							<u>1,651,499</u>	<u>1,652,539</u>		

5.2 Corporate sukuk certificates

Name of the security	Issue date	Profit rate	As at July 01, 2021	Purchased during the period	Sales / redemptions during the period	As at September 30, 2021	Carrying value as at September 30, 2021	Market value as at September 30, 2021	Market value as a percentage of total investments	Market value as a percentage of net assets
									----- Percentage -----	----- Percentage -----
						Number of certificates	(Rupees in '000)	----- Percentage -----		
POWER GENERATION AND DISTRIBUTION										
Hub Power Holding company limited	12-Nov-20	6 months KIBOR plus base rate of 2.50%	5,700	-	-	5,700	516,520	516,520	7.27	3.75
Hub Power Company Limited	19-Mar-20	1 year KIBOR plus base rate of 1.90%	6,500	-	-	6,500	665,600	667,250	9.39	4.85
K-Electric Limited	3-Aug-20	3 months KIBOR plus base rate of 1.7%	83,300	-	-	83,300	422,955	424,269	5.97	3.08
Pakistan Energy Sukuk-II	21-May-20	6 months KIBOR plus base rate of 0.10%	230,000	-	-	230,000	1,159,200	1,167,250	16.42	8.48
Total as at September 30, 2021							<u>2,764,275</u>	<u>2,775,289</u>		



5.3 Islamic commercial papers

Name of Investee Company	Issue date	Yeild	As at July 01, 2021	Purchased during the period	Matured during the period	As at September 30, 2021	Carrying value as at September 30, 2021	Market value as at September 30, 2021	Market value as a percentage of total investments	Market value as a percentage of net assets
						Face value (Rupees in '000)	(Rupees in '000)	----- Percentage -----		----- Percentage -----
K-Electric Limited	6-Apr-21	8.42%	450,000	-	-	450,000	449,502	449,502	6.32	3.27
K-Electric Limited	27-Jul-21	8.05%	-	550,000	-	550,000	536,245	536,245	7.54	3.90
Mughal Iron and Steel Industries Limited	26-Jul-21	9.44%	-	150,000	-	150,000	139,444	139,444	1.96	1.01
Total as at September 30, 2021							<u>1,125,191</u>	<u>1,125,191</u>		

5.4 Term deposit receipts

Name of the security	Issue date	Profit rate	As at July 01, 2021	Purchased during the period	Matured during the period	As at September 30, 2021	Carrying value as at September 30, 2021	Market value as at September 30, 2021	Market value as a percentage of total investments	Market value as a percentage of net assets
						Rupees in '000			----- Percentage -----	----- Percentage -----
BankIslami Pakistan Limited - a related party	27-Sep-21	7.45%	-	500,000	-	500,000	500,000	500,000	7.03	3.63
Total as at September 30, 2021							<u>500,000</u>	<u>500,000</u>		

5.5 Certificates of musharakah

Name of Investee Company	Issue date	Profit rate	As at July 01, 2021	Placed during the period	Matured during the period	As at September 30, 2021	Carrying value as at September 30, 2021	Market value as at September 30, 2021	Market value as a percentage of total investments	Market value as a percentage of net assets
						Rupees in '000			----- Percentage -----	----- Percentage -----
First Habib Modaraba	28-Apr-21	7.30%	554,699	-	-	554,699	554,669	554,669	7.80	4.03
First Habib Modaraba	26-Jul-21	7.30%	-	500,000	-	500,000	500,000	500,000	7.03	3.63
Total as at September 30, 2021							<u>1,054,669</u>	<u>1,054,669</u>		

6 PROVISION FOR SINDH WORKERS' WELFARE FUND

Subsequent to the year ended June 30, 2021, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF on August 13, 2021 recognised in the financial statements of the Funds, for the period from since inception to August 12, 2021.

Provisioning against Sindh Workers' Welfare Fund by NBP ISLAMIC MAHANA AMDANI FUND amounting to Rs. 69.05 million has been reversed on the clarification received by Sindh Revenue Board vide letter No. SRB/TP/70/2013/8772 dated August 12, 2021 addressed to Mutual Funds Association of Pakistan. This reversal of provision has contributed towards an unusual increase in NAV of the NBP ISLAMIC MAHANA AMDANI FUND by 0.5% on August 13, 2021. This is one-off event and is not likely to be repeated in the future.



7 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2021 and June 30, 2021.

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 0.8% 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 as cash dividend. 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, 2022 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 annualised total expense ratio (TER) of the Fund based on the current period is 1.26% (September 30, 2020: 1.32%) which includes 0.06% (September 30, 2020: 0.2%) representing Government Levies, and the SECP Fee. The prescribed limit for the ratio is 2.5% (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as an "Shariah 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)	
	Quarter Ended September 30, 2021	Quarter Ended September 30, 2020
	Rupees in '000	
NBP Fund Management Limited - Management Company		
Remuneration of the Management Company	7,583	11,137
Sindh Sales Tax on remuneration of the Management Company	986	1,448
Sales load and transfer load including sales tax during the period	6,670	8,492
ADC charges including Sindh sales tax	375	-
Allocated expenses	4,380	5,233
Selling and marketing expenses	26,262	36,630
Amortisation of preliminary expenses and floatation costs	51	51
Central Depository Company of Pakistan Limited - Trustee		
Remuneration	2,628	3,925
Sindh sales tax on remuneration of Trustee	342	510
Employees of NBP Fund Management Limited		
4,036,111 units issued / transferred in (2020 : 11,067,045 units)	41,110	112,205
4,329,069 units redeemed / transferred out (2020 : 11,889,568 units)	43,965	120,468
Khalid Mehmood - Chief Financial Officer		
207,913 units issued / transferred in (2020 : 39,622 units)	2,100	400
207,913 units redeemed / transferred out (2020 : Nil units)	2,134	-
Muhammad Murtaza Ali - Chief Operating Officer and Company Secretary		
71 units issued / transferred in (2020 : Nil units)	1	-
1,707 units redeemed / transferred out (2020 : 42,315 units)	18	427
Portfolio managed by the Management Company		
1,286 units issued / transferred in (2020 : 3,373,671 units)	13	34,000
1,793,564 units redeemed / transferred out (2020: 13,859,478 units)	18,158	139,612
National Bank of Pakistan Limited - parent company		
Profit on savings account	30	22
Purchase of GoP Ijarah sukus	-	1,284,542
BankIslami Pakistan Limited - common directorship		
Profit on savings account	2,464	8,519
Income from term deposit receipts	8,221	5,811
Placement of Term Deposit Receipts	1,200,000	1,350,000
The Hub Power Company Limited *		
Purchase of sukuk certificates	-	707,421
Profit on sukuk certificates	-	27,424
NBP Riba Free Savings Fund		
Purchase of Hubco Sukuk	-	707,421
Purchase of K-electric Sukuk	-	417,997
Pakistan Stock Exchange Limited *		
Listing Fee paid	-	25



11.6 Amounts / balances outstanding as at period end:

	(Un- Audited) September 30, 2021	Audited June 30, 2021
	Rupees in '000	
NBP Fund Management Limited - Management Company		
Remuneration payable to the Management Company	2,320	2,803
Sales load payable to management company	2,289	4,861
Transfer load payable	-	33
ADC charges payable including Sindh sales tax	1,151	777
Other payable to the Management Company	80	80
Sindh sales tax payable on remuneration of the Management Company	302	364
Sindh sales tax payable on sales load	306	644
Allocated expense payable	4,380	5,321
Selling and marketing expense payable	26,262	29,795
Employees of the Management Company		
Units held 7,490,826 (2021: 6,329,429) units	76,927	63,606
Muhammad Murtaza Ali - Chief Operating Officer and Company Secretary		
Units held 99,580 (2021: 101,216) units	1,023	1,017
Imran Zaffar - Director		
Units held 2,112 (2021: 2,112) units	22	21
Portfolio managed by the Management Company		
Units held 7,910,726 (2021: 9,703,004) units	81,239	97,508
Dr Amjad Waheed - Chief Executive Officer		
Units held 549 units (2021: 549) units	6	6
Fauji Fertilizer Company Limited - common directorship		
Units held 17 units (2021: 17) ** units	-	-
Central Depository Company of Pakistan Limited - the Trustee		
Remuneration payable	839	1,051
Sindh sales tax on remuneration of the Trustee	109	137
Security deposit	103	103
BankIslami Pakistan Limited - common directorship		
Bank balances	14,639	26,867
Investment in term deposit receipts	500,000	700,000
Profit receivable on term deposit receipts	408	280
Profit receivable on bank balances	41	13,874
The Hub Power Company Limited *		
Sukuk certificates	-	503,742
Profit receivable on sukuk certificates	-	211
The Hub Power Company Limited *		
Sukuk certificates	-	665,600
Profit receivable on sukuk certificates	-	18,761
National Bank of Pakistan Limited - parent company		
Balance with bank	2,511	3,236
Profit receivable	9	17



* Current period figures have not been shown as the companies were not a related parties / connected persons as at September 30, 2021.

** Nil due to rounding off.

12 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on October 29, 2021

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.

UAN: 021-111-111-632

Toll Free: 0800-20002

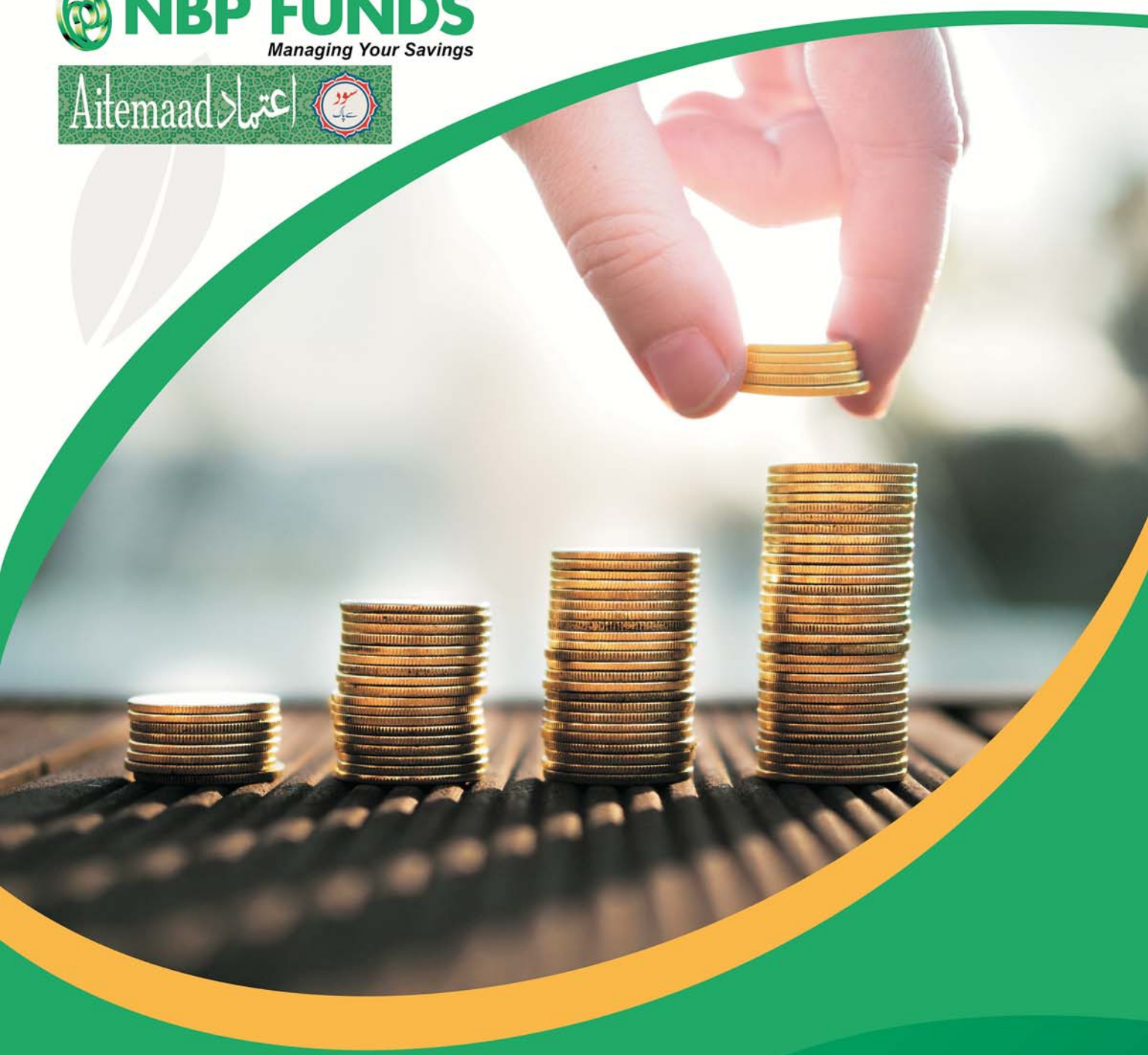
Sms: INVEST to 9995

Fax: 021-35825335

Email: info@nbpfunds.com

Website: www.nbpfunds.com

 /nbpfunds



NBP ISLAMIC MONEY MARKET FUND

QUARTERLY REPORT
SEPTEMBER 30, 2021



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. Tauqeer Mazhar	Director
Ms. Mehnaz Salar	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
Ms. Mehnaz Salar	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
Mr. Saad Amanullah Khan	Member

Strategy & Business Planning Committee

Mr. Humayun Bashir	Chairman
Mr. Tauqeer Mazhar	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	Summit Bank Limited
Askari Bank Limited	United Bank Limited
Bank Al Habib Limited	Dubai Islamic Bank Limited
Faysal Bank Limited	Zarai Taraqiati Bank Limited
Habib Bank Limited	Bank Islami Pakistan Limited
Habib Metropolitan Bank Limited	National Bank of Pakistan
JS Bank Limited	
MCB Bank Limited	
Meezan Bank Limited	



Auditors

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

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.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
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:

Khan Center, 1st Floor, Abdali Road, Multan.
Phone No. : 061-4540301-6, 061-4588661-2 & 4



DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited is pleased to present the unaudited condensed Interim financial statements of **NBP Islamic Money Market Fund (NIMMF)** for the quarter ended September 30, 2021.

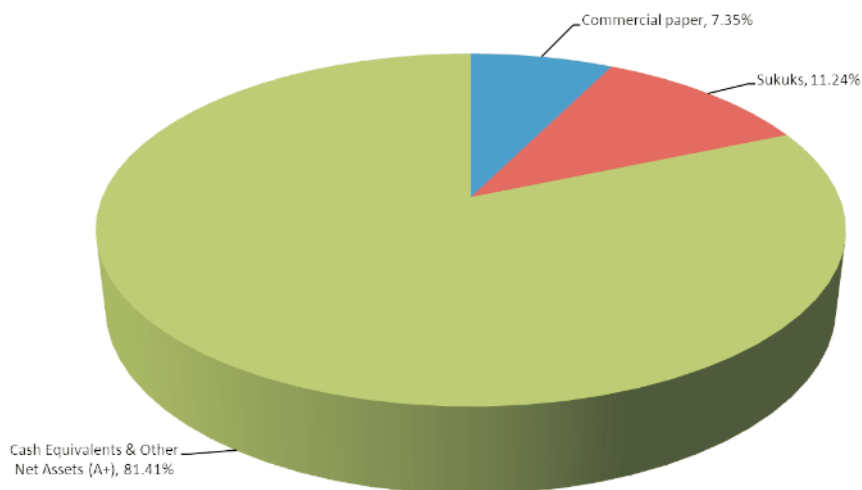
Fund's Performance

During 1QFY22, the market witnessed a sizable issuance of Shariah Compliant commercial papers from the corporates to meet their increasing funding need for working capital / bridge financing for fixed capital investments. Inflation as measured by the CPI clocked-in at 9.0% on year-on-year basis in September 2021 as compared to 8.4% in the previous month and 9.0% in September 2020. Amid sharp spike in prices of food component, CPI increased by 2.1% on a month-on-month basis in September 2021 as compared to an increase of 1.5% in September 2020. After maintaining status quo for about fifteen months, in its meeting held on September 20th, the SBP raised the Policy Rate by 25 basis points to 7.25%. While acknowledging the needed appropriate policy mix, the SBP cited that "looking ahead, in the absence of unforeseen circumstances, the MPC expects monetary policy to remain accommodative in the near term, with possible further gradual tapering of stimulus."

NIMMF 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 while also providing easy liquidity along with a high-quality credit profile.

The size of NBP Islamic Money Market Fund has decreased from Rs. 4,823 million to Rs. 4,137 million during the period (i.e., a decline of -14%). During the period, the unit price of the Fund has increased from Rs. 10.0504 on June 30, 2021 to Rs. 10.2462 on September 30, 2021, thus showing return of 7.7% p.a. as compared to the benchmark return of 3.3% p.a. for the same period. The performance of the Fund is net of management fee and all other expenses. During August 2021, provisioning against Sindh Workers' Welfare Fund has been reversed. The reversal of provision has contributed towards an unusual increase in NAV of the Fund. This is one-off event and is not likely to be repeated in the future.

The Fund has earned a total income of Rs. 97.42 million during the period. After deducting total expenses of Rs. 10.20 million, the net income is Rs. 87.22 million. The below chart presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NIMMF.





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: October 29, 2021
Place: Karachi.

ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ کمپنیز کے بورڈ آف ڈائریکٹرز بصد مسرت 30 ستمبر 2021ء کو ختم ہونے والی سہ ماہی کے لئے NAFA اسلامک منی مارکیٹ فنڈ (NIMMF) کے غیر جانچ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

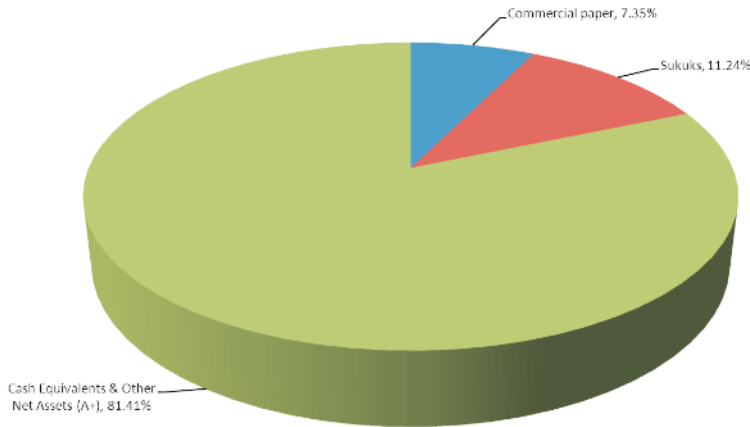
فنڈ کی کارکردگی

مالی سال 22 کی پہلی سہ ماہی کے دوران، مارکیٹ نے مقررہ کیپیٹل سرمایہ کاری کے لئے ورکنگ کیپیٹل ابرج فنانسنگ کی بڑھتی ہوئی ضروریات کو پورا کرنے کے لئے کارپوریشن سے شریعہ کیپلیٹ کمرشل پیپرز کا قابل ذکر اجراء کا مشاہدہ کیا۔ CPI کی طرف سے پیش کردہ افراط زر گزشتہ ماہ میں 18.4% اور ستمبر 2020 میں 9.0% کے مقابلے میں 2021 میں سالانہ بنیاد پر تقریباً 9.0% رہی۔ خوراک کے اجزاء کی قیمتوں میں تیز اضافہ کے درمیان، CPI ستمبر 2020 میں 1.5% بڑھنے کے مقابلے میں ستمبر 2021 میں ماہانہ بنیاد پر 2.1% تک بڑھ گیا۔ تقریباً پندرہ ماہ تک پرانا نظام برقرار رکھنے کے بعد، 20 ستمبر کو منعقدہ اپنے اجلاس میں، اسٹیٹ بینک آف پاکستان (SBP) نے پالیسی شرح میں 25 پیسز پوائنٹس کے اضافے کے ساتھ 7.25% تک زیادہ کردی۔ مطلوبہ موزوں پالیسی کس کو تسلیم کرتے ہوئے، اسٹیٹ بینک نے عوالہ دیا کہ "غیر متوقع حالات کی عدم موجودگی میں، آگے دیکھتے ہوئے، ایم پی سی توقع کرتی ہے کہ مالیاتی پالیسی مستقبل قریب میں موزوں رہے گی، ممکنہ طور پر مزید بتدریج کمی آئے گی۔"

NIMMF کی درجہ بندی بطور شریعہ کیپیٹل منی مارکیٹ فنڈ کی گئی ہے۔ اس فنڈ کا مقصد اسلامی بینکوں / تجارتی بینکوں کی اسلامی ونڈوز کی پیش کردہ منافع کی شرحوں کے مقابلے میں تو اتز سے بہتر منافع فراہم کرنا ہے۔ ریٹنگ کا کم از کم تقاضا AA ہے، جب کہ فنڈ کو چھ ماہ سے زائد میچورٹی والی سیکورٹی میں انویسٹ کرنے کی اجازت نہیں ہے۔ فنڈ کی میچورٹی کی نئی تلی اوسط مدت 90 دن سے زائد نہیں ہو سکتی، جبکہ اعلیٰ کوالٹی پروفائل کے ساتھ آسان لیکویڈیٹی بھی فراہم کرتی ہے۔

موجودہ مدت کے دوران NAFA اسلامک منی مارکیٹ فنڈ (NIMMF) کا سائز 4,823 ملین روپے سے کم ہو کر 4,137 ملین روپے ہو گیا ہے یعنی 14% کی کمی ہوئی۔ زبرد جائزہ مدت کے دوران، فنڈ کے یونٹ کی قیمت 30 جون 2021 کو 10.0504 روپے (EX-Div) سے بڑھ کر 30 ستمبر 2021 کو 10.2462 روپے ہو گئی، لہذا اس مدت کے دوران فنڈ نے اپنے بیچ مارک 3.3% کے مقابلے میں 7.7% منافع درج کیا۔ فنڈ کی یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔ اگست 2021 کے دوران، سندھ ورکرز ویلفیئر فنڈ کی پروڈنگ ریورس کردی گئی۔ اس پروڈنگ کے ریورسل کے باعث فنڈ کی NAV میں غیر معمولی اضافہ ہوا۔ یہ ایک ایسا موقع ہے جس کا مستقبل میں دوبارہ آنے کا امکان نہیں ہے۔

فنڈ نے موجودہ مدت کے دوران 97.42 ملین روپے کی مجموعی آمدنی کمائی ہے۔ 10.20 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 87.22 ملین روپے ہے۔ درج ذیل چارٹ NIMMF کی ایسٹ ایلوکییشن اور اس کے ذیلی اثاثوں کے تمام درجوں کی پیش کردہ اوسط گریڈ ریٹنگ پیش کرتا 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 پونٹ 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 فونڈ مینجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو

تاریخ: 29 اکتوبر 2021

مقام: کراچی



CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2021

	Note	Un-Audited September 30, 2021	Audited June 30, 2021
(Rupees in '000)			
ASSETS			
Bank balances	4	3,340,851	3,767,594
Investment	5	769,266	1,101,709
Preliminary and floatation costs		305	360
Profit accrued		32,994	30,530
Receivable against transfer of units		7,042	7,835
Deposits, prepayments and other receivable		253	284
Total assets		4,150,711	4,908,312
LIABILITIES			
Payable to NBP Fund Management Limited - Management Company		10,847	10,180
Payable to Central Depository Company of Pakistan Limited - Trustee		263	286
Payable to the Securities and Exchange Commission of Pakistan		227	955
Payable against redemption of units		57	37,621
Accrued expenses and other liabilities		2,023	36,628
Total liabilities		13,417	85,670
NET ASSETS		4,137,294	4,822,642
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		4,137,294	4,822,642
Contingencies and commitments	7		
		-----Number of units-----	
Number of units in issue		403,786,423	479,846,676
		-----Rupees-----	
Net asset value per unit		10.2462	10.0504

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director



CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

INCOME	Note	Quarter Ended September 30, 2021 (Rupees in '000)	Quarter Ended September 30, 2020 (Rupees in '000)
Return / profit on:			
- bank balances		58,133	48,775
- term deposit receipts		5,538	12,924
- commercial paper		7,388	16,097
- sukuks		10,255	-
- bai maujjal		-	9,860
		81,314	87,656
Gain on sale of investment at fair value through profit and loss		29	-
Total income		81,343	87,656
EXPENSES			
Remuneration of NBP Fund Management Limited - Management Company		1,249	1,209
Sindh Sales Tax on remuneration of the Management Company		162	157
Reimbursement of operational expenses to the Management Company		1,420	1,209
Remuneration of the Central Depository Company of Pakistan Limited - Trustee		738	786
Sindh Sales Tax on remuneration of the Trustee		96	102
Annual fee to the Securities and Exchange Commission of Pakistan		227	242
Settlement and bank charges		92	92
Auditors' remuneration		173	167
Preliminary and floatation cost		56	56
Fund rating fee		57	233
Legal and professional charges		46	23
Annual listing fee		7	12
Printing charges		46	46
Selling & Marketing Expense	8	5,679	8,463
Shariah advisor fee		153	126
Total expenses		10,201	12,923
Net income from operating activities		71,142	74,733
Reversal / (Provision) for Sindh Workers' Welfare Fund	6	16,079	(1,495)
Net income for the period before taxation		87,221	73,238
Taxation	9	-	-
Net income for the period after taxation		87,221	73,238
Earnings per unit			
Allocation of net income for the period:			
Net income for the period after taxation		87,221	73,238
Income already paid on units redeemed		(15,231)	(12,680)
		71,990	60,558
Accounting income available for distribution:			
- Relating to capital gain		29	-
- Excluding capital gain		71,961	60,558
		71,990	60,558

The annexed notes from 1 to 13 form an integral part of these 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 QUARTER ENDED SEPTEMBER 30, 2021

	Quarter Ended September 30, 2021 (Rupees in '000)	Quarter Ended September 30, 2020 (Rupees in '000)
Net income for the period after taxation	87,221	73,238
Other comprehensive income	-	-
Total comprehensive income for the period	87,221	73,238

The annexed notes from 1 to 13 form an integral part of these 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 QUARTER ENDED SEPTEMBER 30, 2021

	Quarter Ended September 30, 2021			Quarter Ended September 30, 2020		
	(Rupees in '000)			(Rupees in '000)		
	Capital Value	Undistributed Income	Total	Capital Value	Undistributed Income	Total
Net assets at beginning of the period	4,807,069	15,573	4,822,642	5,877,657	8,739	5,886,396
Issuance of units 167,352,187 units (2020: 316,071,399 units)						
- Capital value	1,681,956	-	1,681,956	3,171,935	-	3,171,935
- Element of income	15,554	-	15,554	22,074	-	22,074
Total proceeds on issuance of units	1,697,510	-	1,697,510	3,194,009	-	3,194,009
Redemption of 243,412,440 units (2020: 417,763,284 units)						
- Capital value	(2,446,392)	-	(2,446,392)	(4,192,463)	-	(4,192,463)
- Element of loss	(8,456)	(15,231)	(23,687)	(7,798)	(12,680)	(20,478)
Total payments on redemption of units	(2,454,848)	(15,231)	(2,470,079)	(4,200,261)	(12,680)	(4,212,941)
Total comprehensive income for the period	-	87,221	87,221	-	73,238	73,238
Net assets at end of the period	4,049,731	87,563	4,137,294	4,871,405	69,297	4,940,702
Undistributed income carried forward						
- Realised		15,573			8,739	
- Unrealised		-			-	
		<u>15,573</u>			<u>8,739</u>	
Accounting income available for distribution						
- Relating to capital gain		29			-	
- Excluding capital gain		71,961			60,558	
		<u>71,990</u>			<u>60,558</u>	
Undistributed income carried forward		<u>87,563</u>			<u>69,297</u>	
Undistributed income carried forward						
- Realised		87,563			69,297	
- Unrealised		-			-	
		<u>87,563</u>			<u>69,297</u>	
			- (Rupees) -			- (Rupees) -
Net assets value per unit at beginning of the period			10.0504			10.0355
Net assets value per unit at end of the period			<u>10.2462</u>			<u>10.1898</u>

The annexed notes from 1 to 13 form an integral part of these 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 QUARTER ENDED SEPTEMBER 30, 2021

	Quarter Ended September 30, 2021 (Rupees in '000)	Quarter Ended September 30, 2020 (Rupees in '000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	87,221	73,238
Adjustments:		
Return on - bank balances	(58,133)	(48,775)
Return on - term deposit receipts	(5,538)	(12,924)
Return on - commercial paper	(7,388)	(16,097)
Return on - sukuks	(10,255)	-
Return on - bai maujjal	-	(9,860)
Amortization of preliminary and floatation cost (Reversal) / Provision for Sindh Workers' Welfare Fund	56 (16,079)	56 1,495
	(97,337)	(86,105)
Decrease in assets		
Investments	339,831	396,944
Deposits and prepayments	31	77
	339,862	397,021
Decrease in liabilities		
Payable to the Management Company	667	1,543
Payable to the Trustee	(23)	(5)
Payable to the Securities and Exchange Commission of Pakistan	(728)	(451)
Accrued expenses and other liabilities	(18,527)	(17,485)
	(18,611)	(16,398)
Return on bank balances received	71,462	80,507
Net cash generated from operating activities	382,597	448,263
CASH FLOWS FROM FINANCING ACTIVITIES		
Amounts received on issuance of units	1,698,303	3,180,981
Amounts paid on redemption of units	(2,507,643)	(4,311,847)
Net cash used in financing activities	(809,340)	(1,130,867)
Net decrease in cash and cash equivalents during the year	(426,743)	(682,604)
Cash and cash equivalents at the beginning of the year	3,767,594	3,742,608
Cash and cash equivalents at the end of the year	3,340,851	3,060,004

The annexed notes from 1 to 13 form an integral part of these 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 QUARTER ENDED SEPTEMBER 30, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

NBP Islamic Money Market Fund (the Fund) was established under a Trust Deed executed 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 January 09, 2018 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on January 04, 2018 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules).

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 classified as sharia compliant "shariah compliant money market scheme" by the Management Company and is listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units of the Fund are transferable and can be redeemed by surrendering them to the Fund.

The objective of the Fund is to provide competitive return with maximum possible capital preservation by investing in low risk and liquid Shariah Compliant authorized instruments.

The Pakistan Credit Rating Agency (PACRA) has maintained an asset manager rating of 'AM1' to the Management Company and has assigned stability rating AA(f) to the Fund.

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.

The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Trusts Act, 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Sindh Trusts Act, 2020 have been introduced. In order to fulfill the requirement for registration of Trust Deed under Sindh Trusts Act, 2020, the Management Company has submitted Trust Deed of the Fund to Registrar (acting under Sindh Trusts Act, 2020).

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 as 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



- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and 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 requirements of the Trust Deed differ from the IFRS, 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 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.

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, 2021.

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2021.

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

3. SUMMARY OF 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, 2021.
- 3.2** The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2021.

4 BANK BALANCES	Un-audited September 30, 2021	Audited June 30, 2021
	Note ----- Rupees in '000 -----	
Current accounts	4.1 5,471	16,684
Savings accounts	4.2 3,335,381	3,750,910
	3,340,851	3,767,594



- 4.1 These include bank balances of Rs. 2.605 million (June 30, 2021: Rs. 1.19) maintained with Bank Islami Pakistan (related party).
- 4.2 These savings accounts carry profit at rates ranging from 6.25% to 7.59% per annum (June 30, 2021: 6.25% to 7.16% per annum).

5 INVESTMENTS	Un-audited September 30, 2021		Audited June 30, 2021	
	Note ----- Rupees in '000 -----			
At fair value through profit or loss				
Commercial papers	5.1	304,266		186,709
Term deposit receipts		-		450,000
Sukuks	5.2	465,000		465,000
Bai muajjal		-		-
		769,266		1,101,709

5.1 This represents the investment in commercial papers issued by K-Electric Limited carrying profit rate, on face value of Rs. 60 million and Rs. 250 million, of 7.02% and 7.59% respectively. This represents 7.35% of net assets and 39.55% of total investments.

5.2 Sukuks

Name of the investee company	Number of certificates				Market value as at September 30, 2021	Investment as a percentage	
	As at July 01, 2021	Purchases during the year	Disposals / matured during the year	As at September 30, 2021		Net assets	Market value of total investments
					Rupees '000	% -----	

All sukuks have a face value of Rs. 100,000 each .

HUB Power Company Limited - (5.2.1)	4,650	-	-	4,650	465,000	11.24%	60.45%
-------------------------------------	-------	---	---	-------	---------	--------	--------

Carrying value as at September 30, 2021

465,000

5.2.1 Significant terms and conditions of sukuk outstanding as at September 30, 2021 are as follows:

Name of security	Total Face Value	Face value (unredeemed)	Profit rate (per annum)	Issue Date	Maturity Date
-----Rupees '000'-----					

HUB Power Company Limited

465,000

465,000

6 month KIBOR + 1.00%

May 05, 2021

November 05,
2021



6 PROVISION FOR SINDH WORKERS' WELFARE FUND

Subsequent to the year ended June 30, 2021, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021.

Provisioning against Sindh Workers' Welfare Fund by NBP ISLAMIC MONEY MARKET FUND amounting to Rs. 16.75 million has been reversed on the clarification received by Sindh Revenue Board vide letter No. SRB/TP/70/2013/8772 dated August 12, 2021 addressed to Mutual Funds Association of Pakistan. This reversal of provision has contributed towards an unusual increase in NAV of the NBP ISLAMIC MONEY MARKET FUND by 0.37% on August 13, 2021. This is one-off event and is not likely to be repeated in the future.

7 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at September 30, 2021 and June 30, 2021.

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 0.50% 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 as cash dividend. 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, 2022 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.

In assessment for Tax Year 2018 in respect of NBP Islamic Money Market Fund, the said exemption has been denied by The Additional Commissioner Audit (AC), on the ground that the amount paid as income on units redeemed by investors during the tax year cannot be treated as distribution of income as per criteria envisaged under Clause 99 of Part 1 of the Second Schedule of the Ordinance and AC due to commented that the distribution by the Fund fell short of 90% distribution threshold.

In response to the order, the Fund has filed appeal with commissioner, which is pending before commissioner appeal inland revenue.

Meanwhile, these Funds filed petition for stay in High Court of Sindh (SHC), and stay order has been granted by SHC. In its judgment, SHC held that since the subject matter is pending before commissioner appeal inland revenue, therefore, the recovery of impugned demand will not be enforced till the final decision of appeal.

Further, the issue of distribution of income is also being contested by MUFAP on behalf of the mutual funds industry at various regulatory and Government levels and are very hopeful that the matter will be resolved soon as the matter has merely arisen due to incorrect interpretation by the relevant commissioners. SECP also agrees with MUFAPs interpretation and is also actively following up with FBR to resolve the matter at the earliest.



10 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period is 0.90% (September 30, 2020: 1.2%) which includes 0.04% (September 30, 2020: 0.17%) representing Government Levy, Sindh Worker's Welfare Fund and the SECP Fee. The prescribed limit for the ratio is 2% (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as an 'Shari'ah compliant Money Market scheme'.

11 TRANSACTIONS WITH CONNECTED PERSONS AND RELATED PARTIES

11.1 Connected persons include NBP Fund Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan (NBP), 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.

11.2 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.

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

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

11.5 Details of transactions with connected persons are as follows:

	Un-audited Quarter Ended September 30, 2021 (Rupees in '000)	Un-audited Quarter Ended September 30, 2020 (Rupees in '000)
NBP Fund Management Limited - Management Company		
Remuneration of the Management Company	1,249	1,209
Sindh Sales Tax on Management Company's remuneration	162	157
Operational expenses	1,420	1,209
Selling and marketing expenses	5,679	8,463
Sales load inclusive of Sindh Sales Tax	838	234
ADC charge	27	-
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	738	786
Sindh Sales Tax on Remuneration of the Trustee	96	102
CDS charges	46	2
Pakistan Stock Exchange Limited - Common Directorship		
Listing Fee paid	-	25
Employees of the Management Company		
Units issued / transferred in 4,328,591 units (2020: 14,865,446)	43,972	150,506
Unit redeemed / transferred out 5,332,091 units (2020: 14,104,988)	54,110	142,641



	Un-audited Quarter Ended September 30, 2021 (Rupees in '000)	Un-audited Quarter Ended September 30, 2020 (Rupees in '000)
CDC Trustee NAFA Islamic Capital Preservation Plan-I		
Units issued / transferred in 968,479 units (2020: 356,044)	9,900	3,600
Unit redeemed / transferred out 5,866,610 units (2020: 5,457,219)	59,712	55,090
CDC Trustee NAFA Islamic Capital Preservation Plan-II		
Units issued / transferred in 235,914 units (2020: nil)	2,400	-
Unit redeemed / transferred out 3,423,525 units (2020: nil)	34,968	-
CDC Trustee NAFA Islamic Capital Preservation Plan-III		
Units issued / transferred in 890,694 units (2020: nil)	9,117	-
Unit redeemed / transferred out 4,032,781 units (2020: nil)	41,145	-
CDC Trustee NAFA Islamic Capital Preservation Plan-IV		
Units issued / transferred in 248,633 units (2020: 356,044)	2,545	-
Unit redeemed / transferred out 3,142,087 units (2020: 5,457,219)	32,090	-
CDC Trustee NAFA Islamic Capital Preservation Plan-V		
Units issued / transferred in 207,341 units (2020: 356,044)	2,122	-
Unit redeemed / transferred out 3,298,979 units (2020: 5,457,219)	33,721	-
CDC Trustee NAFA Islamic Principal Preservation Fund		
Unit redeemed / transferred out 400,502 units (2020: nil)	4,077	-
Portfolios managed by the Management Company		
Units issued / transferred in 35,470,198 units (2020: 17,828,539)	357,415	179,458
Unit redeemed / transferred out 49,604,015 units (2020: 13,364,272)	505,197	135,200
CP Fund Lady Reading Hospital Medical Teaching Intitiution - Holding more than 10%**		
Units issued / transferred in 9,094,599 units (2020: nil units)	93,289	-



11.6 Balances outstanding as at the period / year end	Un-audited September 30, 2021 (Rupees in '000)	Audited June 30, 2021
NBP Fund Management Limited - Management Company		
Remuneration of the Management Company	307	389
Sindh Sales Tax payable on remuneration of the Management Company	97	51
Operational expenses	1,420	1,475
Selling & marketing expenses	5,679	5,899
Sales load	2,738	1,900
Sindh Sales Tax on sales load	356	247
ADC charges and Sindh Sales Tax on ADC charges	99	68
Other Payable	151	151
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	200	253
Sindh Sales tax Remuneration payable	63	33
CDC Charges	41	15
Security deposit	100	100
Employees of the Management Company		
Investment held in the Fund: 2,909,446 units (June 30, 2021: 4,075,064 units)	29,811	40,956
Fauji Fertilizer Company Limited - common directorship		
Investment held in the Fund: 863 units (June 30, 2021: nil units)	9	-
CDC Trustee NAFA Islamic Capital Preservation Plan-I		
Investment held in the Fund: 1,083,737 units (June 30, 2021: 5,981,867 units)	11,104	60,120
CDC Trustee NAFA Islamic Capital Preservation Plan-II		
Investment held in the Fund: 1,052,457 units (June 30, 2021: 4,240,068 units)	10,874	42,614
CDC Trustee NAFA Islamic Capital Preservation Plan-III		
Investment held in the Fund: 1,786,757 units (June 30, 2021: 4,928,844 units)	18,307	49,537
CDC Trustee NAFA Islamic Capital Preservation Plan-IV		
Investment held in the Fund: 1,022,451 units (June 30, 2021: 3,915,905 units)	10,476	39,356
CDC Trustee NAFA Islamic Capital Preservation Plan-V		
Investment held in the Fund: 1,358,149 units (June 30, 2021: 4,449,786 units)	13,916	44,722
CDC Trustee NAFA Islamic Principal Preservation Fund (common management)		
Investment held in the Fund: 823,366 units (June 30, 2021: 1,223,868 units)	8,436	12,300
Bank Islami Pakistan Limited (common directorship with the Management Company)		
Bank balances	2,605	1,192
National Bank of Pakistan - Parent of the Management Company		
Bank balances	1,506	1,398
Portfolios managed by the Management Company		
Investment held in the Fund: 24,291,368 units (June 30, 2021: 24,923,849 units)	248,894	250,495
AF FERGUSON & CO PROVIDENT FUND PAKISTAN **		
Investment held in the Fund: 1,005,257 units (June 30, 2021: nil units)	10,300	-



* Current Year transactions with these parties are not disclosed as they did not remain connected persons and related parties during the period.

** Balances with these parties are not disclosed as they were not connected persons and related parties during the period.

12 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on October 29, 2021.

13 GENERAL

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

13.2 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

Website: www.nbpfunds.com

 /nbpfunds



NBP ISLAMIC ENERGY FUND

QUARTERLY REPORT
SEPTEMBER 30, 2021



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. Tauqeer Mazhar	Director
Ms. Mehnaz Salar	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
Ms. Mehnaz Salar	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
Mr. Saad Amanullah Khan	Member

Strategy & Business Planning Committee

Mr. Humayun Bashir	Chairman
Mr. Tauqeer Mazhar	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 Al Habib Limited
Bank Islami Pakistan Limited
Dubai Islami Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
MCB Bank Limited
Meezan Bank Limited
Summit Bank Limited
United Bank Limited



Auditors

Grant Thornton Anjum Rahman.
1st & 3rd Floor,
Modern Motors House, Beaumont Road,
Karachi, 75530

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.nbpfunfs.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:

Khan Center, 1st Floor, Abdali Road, Multan.
Phone No. : 061-4540301-6, 061-4588661-2 & 4



DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited is pleased to present the unaudited condensed interim financial statements of **NBP Islamic Energy Fund (NIEF)** for the quarter ended September 30, 2021.

Fund's Performance

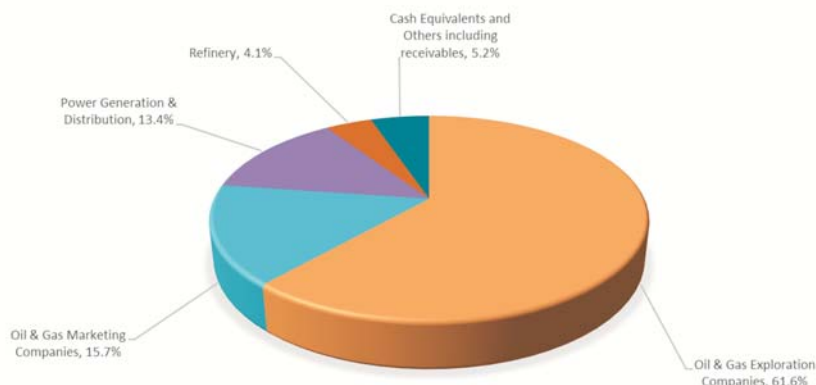
After delivering a robust 39% return in FY21, the stock market lost positive momentum as the benchmark KMI 30 Index fell by 5.6% during 1QFY22. In the first two months of the outgoing quarter, range bound activity was witnessed at the local bourse amid thin trading volumes and lackluster investors' participation. During the month of September, the market came under severe selling pressure with KMI 30 Index slumping by 6.9%.

Despite record profitability and healthy payouts announced by the listed corporate sector for June period, the lackluster market performance during the quarter can be attributable to the following factors. Investors seemed worried about shifting Pak-US relations amid developments in the neighboring Afghanistan with possible spillover effects on Pakistan. Adding to investors' angst was the widening Current Account Deficit (CAD) that clocked-in at USD 1.5 billion in August 2021 and USD 800 million in the previous month. Furthermore, the steady devaluation of the PKR versus US dollar coupled with rising industrial raw material and energy prices have ignited concerns on the corporate profitability outlook. In a bid to contain the consumption led demand pressure, the SBP's decision to raise the Policy Rate by 0.25% in its MPC meeting held on September 20th, 2021 was also not well received by the market. According to the market talks, leveraged positions of retail investors, who received margin calls after continuous decline in the Index also accelerated the sell-off of equities towards the end of the quarter. On the other hand, the market ignored positive developments on the external account front notably, record inflows in Roshan Digital Account (RDA) amounting to USD 849 million during the quarter, taking the cumulative inflows to USD 2.4 billion and the receipt of USD 2.7 billion from the IMF on account of SDR allocation.

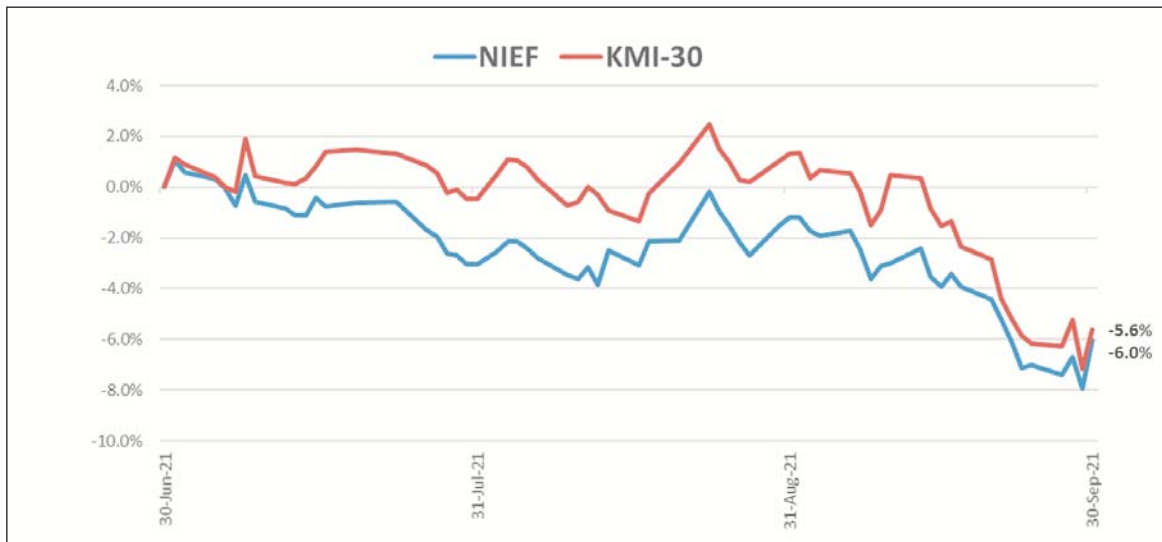
Looking at the sector wise performance of the market, Automobile Assemblers and Accessories, Cements, Engineering, Insurance, Oil & Gas Exploration and Marketing Companies, Paper & Board, Refineries, and Transport sectors underperformed the market, while Chemicals, Commercial Banks, Fertilizers, Food & Personal Care, Glass & Ceramics, Power Generation and Distribution, Technology, and Textile Composite sectors outperformed the market. In terms of participant-wise activity, Individuals, Other Organizations, and Banks /DFIs remained the largest buyers during the quarter with net inflows of USD 33 million, USD 27 million and USD 21 million, respectively. On the other hand, Foreigners were the largest sellers in the market with net outflows amounting to USD 83 million.

The size of NBP Islamic Energy Fund at the end of the period stood at Rs. 780 million, 10% lower than at June 30, 2021. During the period the unit price of NBP Islamic Energy Fund has decreased from Rs. 9.4868 on June 30, 2021 to Rs. 8.9145 on September 30, 2021, thus showing a decrease of 6.0%. The Benchmark (KMI-30 Index) decreased by 5.6%. Thus, the Fund has underperformed its Benchmark by 0.4% during the period under review. Since inception (April 21, 2016), the unit price of the Fund has shown an increased of 1.1% as compared to 22.6% increase in its Benchmark. Thus, the Fund has underperformed its Benchmark by 21.5%. This performance is net of management fee and all other expenses. During August 2021, provisioning against Sindh Workers' Welfare Fund has been reversed. The reversal of provision has contributed towards an unusual increase in NAV of the Fund. This is one-off event and shall not be repeated in the future.

NBP Islamic Energy Fund has incurred a loss of Rs. 43.800 million during the period. After deducting total expenses of Rs. 9.468 million, the total loss is Rs. 53.268 million. The asset allocation of the Fund as on September 30, 2021 is as follows:



NIEF Performance versus Benchmark



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: October 29, 2021
 Place: Karachi.

ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 30 ستمبر 2021ء کو ختم ہونے والی سہ ماہی کے لئے NBP اسلامک انرجی فنڈ (NIEF) کے غیر جانچ شدہ عبوری مالیاتی گوشوارے پیش کرتے ہیں۔

فنڈ کی کارکردگی

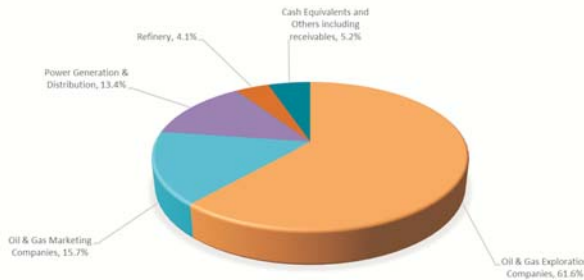
مالی سال 2021 میں 39 فیصد کا بھرپور منافع دینے کے بعد، اسٹاک مارکیٹ کی مثبت رفتار کم ہوگئی جیسا کہ مالی سال 22 کی پہلی سہ ماہی کے دوران بیچ مارک KMI-30 انڈیکس میں 5.6 فیصد کی کمی ہوئی۔ رواں سہ ماہی کے پہلے دو ماہ میں، ریٹ باؤنڈ سترگرمی میں مقامی سطح پر تجارتی حجم اور سرمایہ کاروں کی شرکت کی کمی دیکھی گئی۔ ستمبر کے مہینے کے دوران، مارکیٹ KMI-30 انڈیکس میں 6.9 فیصد کی کمی ساتھ شدید فروختی دباؤ میں آگئی۔

لغذ کارپوریٹ سیکٹرز کی طرف سے جون کی مدت کے لیے ریکارڈ منافع اور ڈیویڈنڈز کے باوجود، سہ ماہی کے دوران مارکیٹ کی ناقص کارکردگی درج ذیل عوامل سے منسوب کی جاسکتی ہے۔ پڑوسی افغانستان میں پاکستان پر کمانڈ پھیلنے والے اثرات کے ساتھ سرمایہ کار پاک امریکہ تعلقات تبدیل ہونے کے بارے میں پریشان دکھائی دیے۔ سرمایہ کاروں کی ناراضگی میں مزید اضافہ کیا جڑھتے ہوئے کرنٹ اکاؤنٹ خسارہ (CAD) نے جو کہ اگست 2021 میں تقریباً 1.5 بلین امریکی ڈالر اور پچھلے مہینے میں 800 بلین امریکی ڈالر تھا۔ مزید برآں، امریکی ڈالر کے مقابلے پاکستانی روپیہ کی مسلسل قدر میں کمی کے ساتھ ساتھ صنعتی خام مال اور توانائی کی بڑھتی ہوئی قیمتوں نے کارپوریٹ منافع بخش نقطہ نظر پر تشویش کو جنم دیا ہے۔ کھپت کی وجہ سے طلب کے دباؤ پر قابو پانے کے لیے، اسٹیٹ بینک کے 20 ستمبر 2021 کو منعقدہ اپنے ایم پی سی اجلاس میں پالیسی کی شرح میں 0.25 فیصد اضافے کے فیصلے کو بھی مارکیٹ میں نہیں سراہا گیا۔ مارکیٹ چنگوٹیوں کے مطابق، انڈیکس میں مسلسل کمی کے بعد مارجن کا لز وصول کرنے والے ریٹیل سرمایہ کاروں کی لیورجڈ پوزیشنز نے سہ ماہی کے اختتام پر ایکویٹی کی فروخت میں بھی اضافہ کر دیا۔ دوسری طرف، مارکیٹ نے بیرونی اکاؤنٹ کے مجاز پر مثبت پیش رفت کو نظر انداز کیا، سہ ماہی کے دوران خاص طور پر روٹن ڈیجیٹل اکاؤنٹ (RDA) میں 849 بلین امریکی ڈالر کی ریکارڈ آمد ہوئی ہے، جس سے مجموعی آمد 2.4 بلین ڈالر اور SDR ایلوکییشن کی مد میں آئی ایم ایف سے 2.7 بلین امریکی ڈالر کی وصولی ہوئی۔

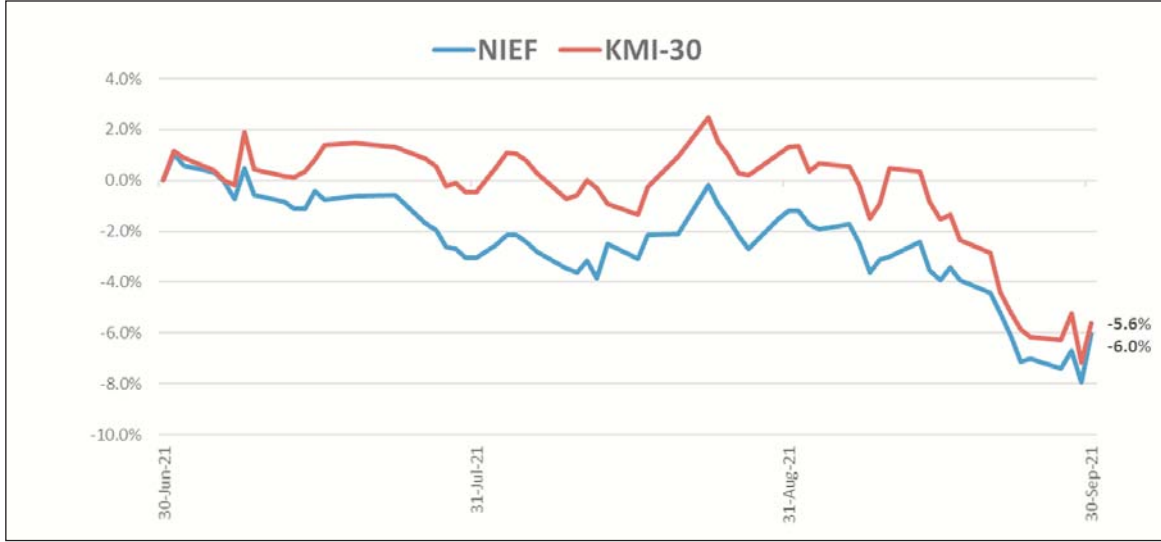
مارکیٹ کی سیکٹرز اور کارکردگی کو دیکھتے ہوئے، آٹوموبائل اسمبلر ز اور ایئر سیریز، سینٹ، انجینئرنگ، انفونرس، آئل اینڈ گیس ایکسپلوریشن اور مارکیٹنگ کمپنیاں، کاغذ اور بورڈ، کیفائز اور ٹرانسپورٹ سیکٹرز نے مارکیٹ سے اتر کر کارکردگی کا مظاہرہ کیا جبکہ کیمیکلز، کمرشل بینک، کھاد، خوراک اور ذاتی نگہداشت، گلاس اینڈ سٹریکس، پاور جنریشن اور ڈسٹری بیوٹن، ہیکنا لو جی اور ٹیکسٹائل کمپوزٹس سیکٹرز نے مارکیٹ سے بہتر کارکردگی کا مظاہرہ کیا۔ شراکت دار سرگرمی کے لحاظ سے، افراد، دیگر آرگنائزیشن، اور بینک / DFIs بالترتیب 33 بلین امریکی ڈالر، 27 بلین امریکی ڈالر اور 21 بلین امریکی ڈالر کی خالص آمد کے ساتھ سب سے بڑے خریدا رہے۔ دوسری طرف، غیر ملکی 83 بلین امریکی ڈالر کے خالص اخراج کے ساتھ مارکیٹ میں سب سے بڑے فروخت کنندگان تھے۔

موجودہ مدت کے دوران NBP اسلامک انرجی فنڈ کا سائز 780 بلین روپے رہا۔ جو 30 جون 2020 کے مقابلے میں 10% کم ہے۔ اس مدت کے دوران، NBP اسلامک انرجی فنڈ کے پونٹ کی قیمت 30 جون 2021 کو 9.4868 روپے سے کم ہو کر 30 ستمبر 2021 کو 8.9145 روپے ہوگئی، لہذا 6.0% کی کمی ظاہر کی۔ بیچ مارک (KMI-30 انڈیکس) 5.6% سے کم ہوا۔ لہذا فنڈ کی کارکردگی زیر جائزہ مدت کے دوران اپنے بیچ مارک سے 10.4% اتر رہی۔ اپنے قیام کے وقت (21 اپریل 2016) سے اب تک فنڈ کے پونٹ کی قیمت نے اپنے بیچ مارک میں 22.6% اضافے کے مقابلے میں 1.1% کا اضافہ ظاہر کیا۔ اس طرح فنڈ کی کارکردگی اپنے بیچ مارک کے مقابلے میں 21.5% اتر رہی۔ فنڈ کی یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔ اگست 2021 کے دوران، سندھ و کرز ویلفیئر فنڈ کی پروڈیونگ ریورس کر دی گئی۔ اس پروڈیونگ کے ریورسل کے باعث فنڈ کی NAV میں غیر معمولی اضافہ ہوا۔ یہ ایک ایسا موقع ہے جس کا مستقبل میں دوبارہ آنے کا امکان نہیں ہے۔

NBP اسلامک انرجی فنڈ کو اس مدت کے دوران 43.800 بلین روپے کا نقصان ہوا۔ 9.468 بلین روپے کے اخراجات منہا کرنے کے بعد مجموعی نقصان 53.268 بلین روپے ہے۔ 30 ستمبر 2021 کو فنڈ کی ایسٹ ایلوکییشن درج ذیل ہے:



NIEF کی کارکردگی بمقابلہ بیسچ مارک



اظہار تشکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے مینجمنٹ کمیٹی پر اعتماد، اعتبار اور خدمت کا موقع فراہم کرنے پر اپنے قابل قدر پونٹ 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 آرٹسٹس 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 فنانس مینجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو

تاریخ: 29 اکتوبر 2021

مقام: کراچی



CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2021

		(Unaudited) 30 September 2021	(Audited) 30 June 2021
	Note	(Rupees in '000)	
Assets			
Balances with banks		29,549	38,604
Investments	4	739,122	849,498
Profit receivable		191	217
Dividend receivable		16,836	1,269
Deposits and other receivable		5,604	5,604
Receivable against issuance of units		941	-
Total assets		792,243	895,192
Liabilities			
Payable to NBP Fund Management Limited - Management Company		8,037	8,234
Remuneration payable to the Central Depository Company of Pakistan Limited - Trustee		153	171
Payable to Securities and Exchange Commission of Pakistan		43	136
Payable against redemption of units		-	1,210
Payable against purchase of investments		-	310
Accrued expenses and other liabilities		4,317	19,691
Total liabilities		12,550	29,752
Net assets		779,693	865,440
Unit holders' fund		779,693	865,440
Contingencies and commitments	6		
		(Number of units)	
Number of units in issue		87,463,196	91,226,104
		(Rupees)	
Net assets value per unit		8.9145	9.4868

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 QUARTER ENDED SEPTEMBER 30, 2021

	Note	Quarter Ended September 30	
		2021 ----- (Rupees in '000) -----	2020
Income			
Profit on bank deposits		655	465
Dividend income		18,466	1,933
Net (loss)/ gain on sale of investments		(7,311)	16,876
Net unrealised (diminution) /appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		(70,644)	51,320
Total Income / (loss)		(58,834)	70,594
Expenses			
Remuneration of Management Company		3,214	2,192
Sales tax and federal excise duty on remuneration of Management Company		418	285
Accounting and operational charges		398	146
Selling and marketing expense	7	4,297	2,192
Remuneration of Central Depository Company of Pakistan Limited - Trustee		428	292
Sindh Sales tax on remuneration of trustee		56	38
Annual fee - Securities and Exchange Commission of Pakistan		43	29
Settlement and bank charges		27	156
Securities and transaction cost		317	328
Amortization of formation cost		-	115
Listing Fee		7	7
Legal fee		32	49
Auditors' remuneration		203	57
Printing charges		20	-
Shariah Advisor fee		9	20
Total expenses		9,468	5,906
		(68,302)	64,688
Reversal/ (provision) for Sindh Workers' Welfare Fund	5	15,034	(1,294)
Net (loss)/ income for the period before taxation		(53,268)	63,394
Taxation	8	-	-
Net (loss)/ income for the period after taxation		(53,268)	63,394
Allocation of net income for the period:			
Net income for the period after taxation		-	63,394
Income already paid on units redeemed		-	(18,477)
		-	44,917
Accounting income available for distribution			
-Relating to capital gains		-	44,917
-Excluding capital gains		-	-
		-	44,917

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 QUARTER ENDED SEPTEMBER 30, 2021

	Quarter Ended September 30	
	2021 ----- (Rupees in '000) -----	2020 -----
Net (loss)/ income for the period after taxation	(53,268)	63,394
Other comprehensive income / (loss) for the period	-	-
Total comprehensive (loss)/ income for the period	<u>(53,268)</u>	<u>63,394</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 MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Quarter Ended 2021			Quarter Ended 2020		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
----- Rupees in '000 -----						
Net assets at beginning of the period	806,978	58,462	865,440	573,989	24,570	598,559
Issue of 30,676,959 units (2020: 14,830,239 units)						
- Capital value	291,026	-	291,026	125,858	-	125,858
- Element of income	(5,824)	-	(5,824)	12,969	-	12,969
Total proceeds on issuance of units	285,202	-	285,202	138,827	-	138,827
Redemption of 34,439,867 units (2020: 32,064,964 units)						
- Capital value	(326,724)	-	(326,724)	(272,123)	-	(272,123)
- Element of income	9,043	-	9,043	(10,521)	(18,477)	(28,999)
Total payments on redemption of units	(317,681)	-	(317,681)	(282,644)	(18,477)	(301,121)
Total comprehensive (loss)/ income for the period	-	(53,268)	(53,268)	-	63,394	63,394
Distribution during the period	-	-	-	-	-	-
Net (loss)/ income for the period less distribution	-	(53,268)	(53,268)	-	63,394	63,394
Net assets at end of the period	774,500	5,194	779,693	430,172	87,964	499,659
Undistributed income / (loss) brought forward						
- Realised income		59,366			43,207	
- Unrealised loss		(904)			(18,637)	
		58,462			24,570	
Accounting income available for distribution						
- Relating to capital gains		-			44,917	
- Excluding capital gains		-			-	
		-			44,917	
Net (loss)/ income for the period after taxation		(53,268)			63,394	
Distribution for the period		-			-	
Undistributed income carried forward		5,194			87,964	
Undistributed income carried forward						
- Realised income		75,838			36,644	
- Unrealised (loss)/ gain		(70,644)			51,320	
		5,194			87,964	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the period			9.4868			8.4866
Net assets value per unit at end of the period			8.9145			9.3753

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 QUARTER ENDED SEPTEMBER 30, 2021

	Quarter Ended September 30	
	2021	2020
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss)/ income for the period before taxation	(53,268)	63,394
Adjustments for non-cash charges and other items:		
Net unrealised (diminution) /appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	70,644	(51,320)
Amortisation of preliminary expenses and taxation costs	-	115
(Reversal)/ provision for Sindh Workers' Welfare Fund	(15,034)	1,294
	2,342	13,483
Decrease/ (increase) in assets		
Investments	39,422	137,049
Profit receivable	26	(12)
Dividend receivable	(15,567)	-
Prepayments and other receivables	-	(20)
	23,881	137,017
(Decrease)/ increase in liabilities		
Payable to NBP Fund Management Limited - Management Company	(197)	363
Payable to the Central Depository Company of Pakistan Limited - Trustee	(18)	40
Payable to the Securities and Exchange Commission of Pakistan	(93)	(81)
Accrued expenses and other liabilities	(340)	(399)
	(648)	(77)
Net cash generated from operating activities	25,575	150,423
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	284,261	142,173
Payments on redemption of units	(318,891)	(299,520)
Net cash (used in) financing activities	(34,629)	(157,347)
Net (decrease) in cash and cash equivalents during the period	(9,055)	(6,924)
Cash and cash equivalents at beginning of the period	38,604	30,237
Cash and cash equivalents at end of the period	29,549	23,313

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 QUARTER ENDED SEPTEMBER 30, 2021

1 LEGAL STATUS AND NATURE OF BUSINESS

NBP Islamic Energy Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on March 28, 2016 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 equity 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 objective of the Fund is to provide higher risk adjusted returns to investors by investing in diversified portfolio of Shariah compliant energy sector equity instruments. The investment objectives and policies are explained in the Fund's offering document.

The Pakistan Credit Rating Agency (PACRA) has maintained an asset manager rating of AM1 as at June 23, 2021 (2020: AM1) 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 CDC as the Trustee of the Fund.

The Trust Act, 1882 has been repealed due to promulgation of the Provincial Trust Act "Sindh Trusts Act, 2020" as empowered under the Eighteenth Amendment to the constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company to fulfill the requirement for registration of Trust Deed under Sindh Trusts Act, 2020, has submitted Collective Investment Scheme Trust Deed to Registrar (acting under Sindh Trusts Act, 2020).

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, 2021.

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 September 30, 2021.

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, 2021.

3.2 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2021.

4 INVESTMENTS

Financial assets 'at fair value through profit or loss'

- Listed equity securities

	Un-Audited As at September 30, 2021	Audited As at June 30, 2021
<i>Note</i>	(Rupees in '000)	
4.1	<u>739,122</u>	<u>849,498</u>



4.1 Investments in shares of companies at fair value through profit or loss

Name of the investee company	As at July 1, 2021	Purchases during the period	Bonus / right shares	Sales during the period	As at September 30, 2021	Market Value as at September 30, 2021	Market value as a percentage of net assets	Market value as a percentage of total investment	Nominal value as a percentage of Paid up capital of the investee company
----- Number of shares -----						(Rupees in '000)		----- % -----	
OIL AND GAS EXPLORATION COMPANIES									
Mari Petroleum Company Limited	91,595	-	-	4,300	87,295	135,601	17.39	18.35	0.01
Oil & Gas Development Company Limited	1,492,300	92,000	-	120,300	1,464,000	122,683	15.73	16.60	0.00
Pakistan Oilfields Limited	291,641	11,500	-	35,400	267,741	100,497	12.89	13.60	0.01
Pakistan Petroleum Limited	1,602,496	152,000	-	136,400	1,618,096	121,212	15.55	16.40	0.01
OIL AND GAS MARKETING COMPANIES									
Attock Petroleum Limited	73,400	-	-	9,500	63,900	18,531	2.38	2.51	0.01
Hi-Tech Lubricants Limited	61,200	-	-	11,500	49,700	3,082	0.40	0.42	0.00
Pakistan State Oil Company Limited	337,089	-	-	3,900	333,189	66,968	8.59	9.06	0.01
Shell (Pakistan) Limited	89,800	-	-	10,900	78,900	10,680	1.37	1.44	0.01
Sui Northern Gas Pipelines Limited	652,700	-	-	147,500	505,200	22,976	2.95	3.11	0.01
POWER GENERATION AND DISTRIBUTION									
Hub Power Company Limited	1,300,529	-	-	129,900	1,170,629	86,076	11.04	11.65	0.01
K-Electric Limited	5,982,500	-	-	2,550,000	3,432,500	13,730	1.76	1.86	0.00
Lalpir Power Limited	626,500	-	-	307,000	319,500	5,013	0.64	0.68	0.01
REFINERY									
Attock Refinery Limited	29,800	-	-	-	29,800	5,328	0.68	0.72	0.00
Byco Petroleum Pakistan Limited	700,000	2,036,500	-	-	2,736,500	22,385	2.87	3.03	0.01
National Refinery Limited	14,400	-	-	-	14,400	4,361	0.56	0.59	0.00
						739,122	94.80	100.00	
Carrying value as at September 30, 2021						809,766			

4.1.1 Investments include shares with market value of Rs. 75.318 million (June 30, 2021: Rs. 81.133 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular no.11 dated October 23, 2007 issued by the SECP.

5 PROVISION FOR SINDH WORKERS' WELFARE FUND

Subsequent to the year ended June 30, 2021, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF on August 13, 2021, recognised in the financial statements of the Funds, for the period from May 21, 2015 to August 12, 2021,

Provisioning against Sindh Workers' Welfare Fund by NBP Islamic Energy Fund amounting to Rs. 15.03 million has been reversed on the clarification received by Sindh Revenue Board vide letter No. SRB/TP/70/2013/8772 dated August 12, 2021 addressed to Mutual Funds Association of Pakistan. This reversal of provision has contributed towards an unusual increase in NAV of the NBP Islamic Energy Fund by 1.84% on August 13, 2021. This is one-off event and is not likely to be repeated in the future.



6 CONTINGENCIES AND COMMITMENTS

There were no contingencies outstanding as at September 30, 2021 and June 30, 2021.

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 2.05% 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 as cash dividend. 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, 2022 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 annualised total expense ratio (TER) of the Fund based on the current period is 4.42% (September 30, 2020: 4.94%) which includes 0.24% (September 30, 2020: 1.13%) representing Government Levy and the SECP Fee. The prescribed limit for the ratio is 4.5% (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as an "shari'ah compliant equity" scheme.

10 TRANSACTIONS WITH CONNECTED PERSONS

- 10.1 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 and 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.
- 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 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.
- 10.4 Remuneration payable to the Trustee is determined in accordance with the provisions of the NBFC regulation and the Trust Deed.



	Un audited For the Quarter ended September 30, 2021 2020 (Rupees in '000)	
10.5 Details of the transactions with connected persons are as follows:		
NBP Fund Management Limited - Management Company		
Remuneration of the Management Company	3,214	2,192
Sindh sales tax on remuneration of the Management Company	418	285
Accounting and operational charges	398	146
Selling and marketing expense	4,297	2,192
Sales and transfer load	22	-
Sindh sales tax on sales load	3	-
Central Depository Company of Pakistan Limited - Trustee		
Remuneration for the period	428	292
Sindh sales tax on remuneration	56	38
CDC Charges	-	52
Key management personnel of the Management Company		
Units Issued / Trasferred In: 2,021,810 units (2020: 2,638,899 units)	18,444	25,059
Units redeemed / transferred out: 782,106 units (2020: 3,033,207 units)	7,084	28,626
Taurus Securities Limited - Common Directorship		
Brokerage Expense	28	72
Bank Islami Pakistan Limited - Common Directorship		
Profit on bank deposits	254	229
National Clearing Company of Pakistan Limited - Common Directorship		
NCCPL Charges	27	86
Pakistan Stock Exchange Limited - Common Directorship *		
Listing Fee Paid	-	25
Farida Ali Asghar (more than 10% holding) **		
Units Issued / Transferred In: 20,228,241 (2020: Nil)	188,222	-
Units Redeemed/ Transferred Out: 20,228,241 (2020: Nil)	188,222	-
	Un-audited	Audited
	As at	As at
	September 30,	June 30,
	2021	2021
	(Rupees in '000)	
10.6 Amounts outstanding as at period/ year end		
NBP Fund Management Limited - Management Company		
Remuneration payable to the Management Company	1,010	1,135
Sindh sales tax on remuneration of the Management Company	131	148
Federal Excise Duty on remuneration of the Management Company	583	583
Front-end load payable	68	46
Sindh sales tax on front end load	30	27
Federal Excise Duty on front end load	1,501	1,501
Selling and marketing expense payable	4,297	4,443
Others	16	16
Accounting and operational charges payable	398	333
ADC Share - Payable To Management Company	3	2



Un-audited
As at
September 30,
2021
(Rupees in '000)

Audited
As at
June 30,
2021

Central Depository Company of Pakistan Limited - Trustee

Trustee fee	135	151
Sindh sales tax on the remuneration of trustee	18	20
Security deposit	100	100

Key management personnel of the Management Company

Units held 2,714,257 units (June 2021: 3,943,419 units)	24,196	37,410
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Bank Islami Pakistan Limited (Common Directorship)

Bank balances	7,793	25,176
Profit receivable	52	101

Taurus Securities Limited - Common Directorship

Brokerage payable	-	20
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Portfolio managed by the Management Company

Units held: 352,267 units (June 2021: 352,267 units)	3,140	3,342
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Farida Ali Asghar - Holding more than 10%

Units held 20,228,241 units (June 2021: 20,228,241 units)	180,324	191,901
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Humayun Bashir - Directors

Units held 1,088,937 units (June 2021: 1,088,937 units)	9,707	10,331
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Hub Power Company Limited - Common Directorship *

Units held (June 2021: 1,300,529 units)	-	103,613
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National Clearing Company of Pakistan Limited - Common directorship

Security deposit	2,500	2,500
NCCPL charges payable	25	71

* Current period figure has not been presented as the person is not classified as a related party / connected person of the Fund as at September 30, 2021.

** Previous Year transactions with these parties are not disclosed as they were not related parties in the previous period.

11 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on October 29, 2021

12 GENERAL

12.1 Figures have been rounded off to the nearest thousand Rupee unless otherwise stated.

12.2 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

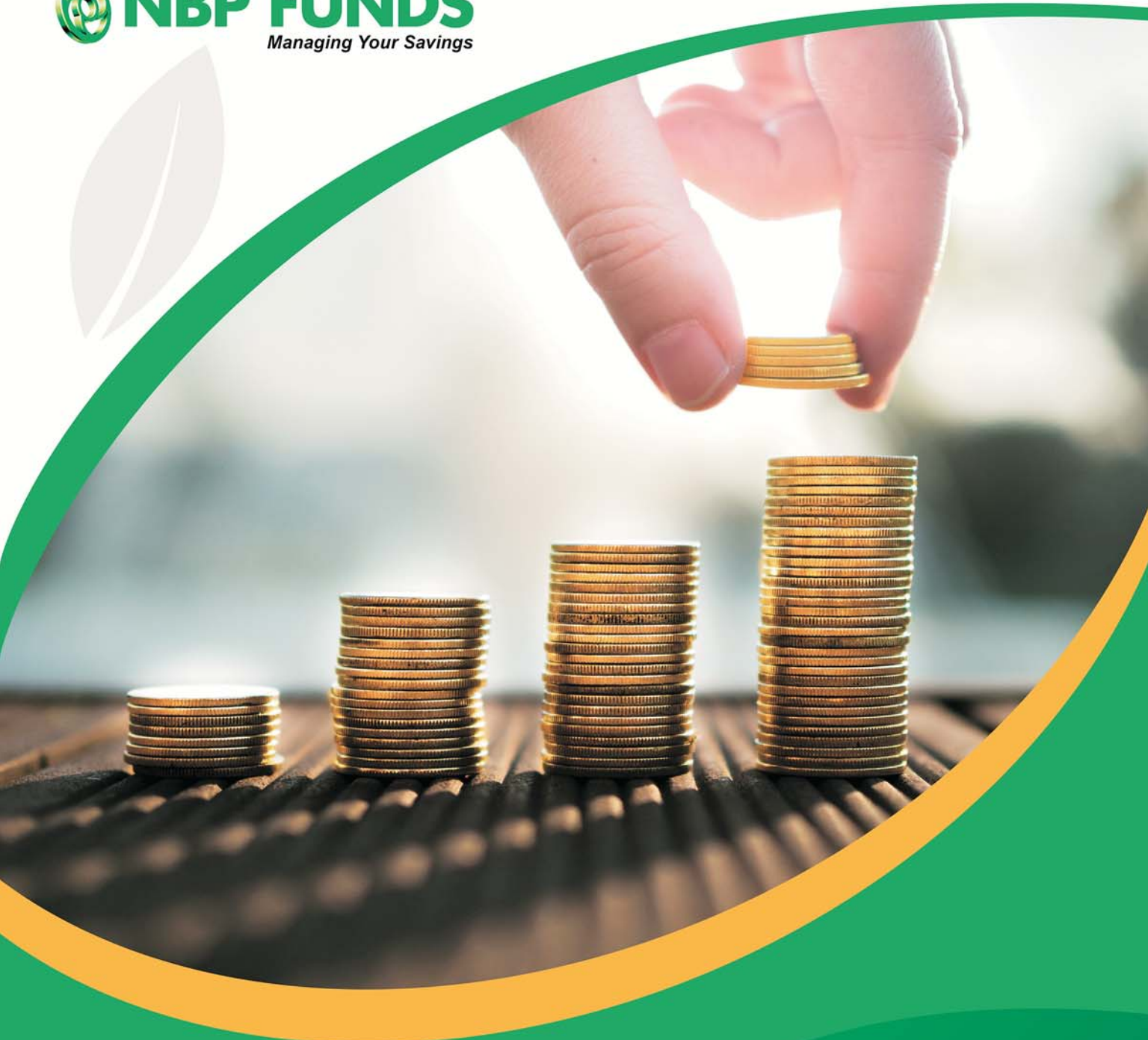
Sms: INVEST to 9995

Fax: 021-35825335

Email: info@nbpfunds.com

Website: www.nbpfunds.com

 /nbpfunds



NBP BALANCED FUND

AM1
Rated by PACRA

QUARTERLY REPORT
SEPTEMBER 30, 2021



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. Tauqeer Mazhar	Director
Ms. Mehnaz Salar	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
Ms. Mehnaz Salar	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
Mr. Saad Amanullah Khan	Member

Strategy & Business Planning Committee

Mr. Humayun Bashir	Chairman
Mr. Tauqeer Mazhar	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	MCB Bank Limited
Askari Bank Limited	Meezan Bank Limited
Bank Alfalah Limited	National Bank of Pakistan
Bank Al Habib Limited	Zarai Taraqati Bank Limited
Bank Islami Pakistan Limited	Dubai Islamic Bank Limited
Faysal Bank Limited	Soneri Bank Limited
Habib Bank Limited	Summit Bank Limited
Habib Metropolitan Bank Limited	United Bank Limited
JS Bank Limited	



Auditors

Grant Thornton Anjum Rahman.
1st & 3rd Floor,
Modern Motors House, Beaumont Road,
Karachi, 75530

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

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:

Khan Center, 1st Floor,
Abdali Road, Multan.
Phone No. : 061-4540301-6, 061-4588661-2&4



DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited is pleased to present the unaudited condensed interim financial statements of **NBP Balanced Fund (NBF)** for the quarter ended September 30, 2021.

Fund's Performance

After delivering a robust 38% return in FY21, the stock market lost positive momentum as the benchmark KSE 100 Index fell by 5.2% during 1QFY22. In the first two months of the outgoing quarter, range bound activity was witnessed at the local bourse amid thin trading volumes and lackluster investors' participation. During the month of September, the market came under severe selling pressure with KSE 100 Index slumping by 5.3%.

Despite record profitability and healthy payouts announced by the listed corporate sector for June period, the lackluster market performance during the quarter can be attributable to the following factors. Investors seemed worried about shifting Pak-US relations amid developments in the neighboring Afghanistan with possible spillover effects on Pakistan. Adding to investors' angst was the widening Current Account Deficit (CAD) that clocked-in at USD 1.5 billion in August 2021 and USD 800 million in the previous month. Furthermore, the steady devaluation of the PKR versus US dollar coupled with rising industrial raw material and energy prices have ignited concerns on the corporate profitability outlook. In a bid to contain the consumption led demand pressure, the SBP's decision to raise the Policy Rate by 0.25% in its MPC meeting held on September 20th, 2021 was also not well received by the market. According to the market talks, leveraged positions of retail investors, who received margin calls after continuous decline in the Index also accelerated the sell-off of equities towards the end of the quarter. On the other hand, the market ignored positive developments on the external account front notably, record inflows in Roshan Digital Account (RDA) amounting to USD 849 million during the quarter, taking the cumulative inflows to USD 2.4 billion and the receipt of USD 2.7 billion from the IMF on account of SDR allocation.

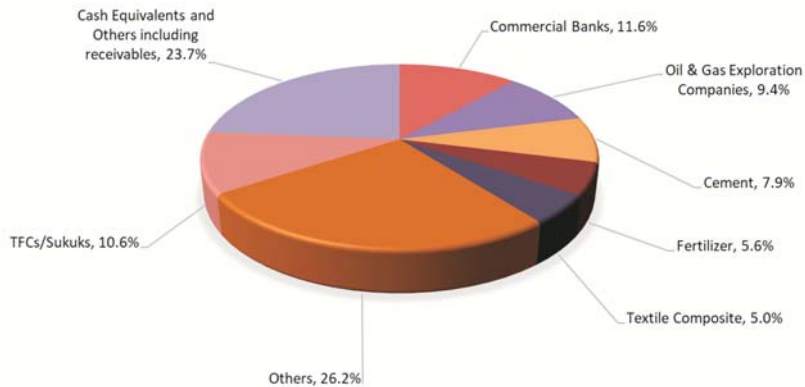
Looking at the sector wise performance of the market, Automobile Assemblers and Accessories, Cements, Engineering, Insurance, Oil & Gas Exploration and Marketing Companies, Paper & Board, Refineries, and Transport sectors underperformed the market, while Chemicals, Commercial Banks, Fertilizers, Food & Personal Care, Glass & Ceramics, Power Generation and Distribution, Technology, and Textile Composite sectors outperformed the market. In terms of participant-wise activity, Individuals, Other Organizations, and Banks /DFIs remained the largest buyers during the quarter with net inflows of USD 33 million, USD 27 million and USD 21 million, respectively. On the other hand, Foreigners were the largest sellers in the market with net outflows amounting to USD 83 million.

During 1QFY22, lackluster activity was witnessed in the corporate debt market as there was no fresh issuance of corporate debt securities. In the secondary market, the trading activity remained thin with the trade value of Rs. 2.1 billion in 1QFY22 versus Rs. 6.7 billion in 1QFY21. Inflation as measured by the CPI clocked-in at 9.0% on year-on-year basis in September 2021 as compared to an increase of 8.4% in the previous month and 9.0% in September 2020. Amid sharp spike in prices of food component, CPI increased by 2.1% on a month-on-month basis in September 2021 as compared to an increase of 1.5% in September 2020. After maintaining status quo for about fifteen months, in its meeting held on September 20th, the SBP raised the Policy Rate by 25 basis points to 7.25%. While acknowledging the needed appropriate policy mix, the SBP cited that "looking ahead, in the absence of unforeseen circumstances, the MPC expects monetary policy to remain accommodative in the near term, with possible further gradual tapering of stimulus."

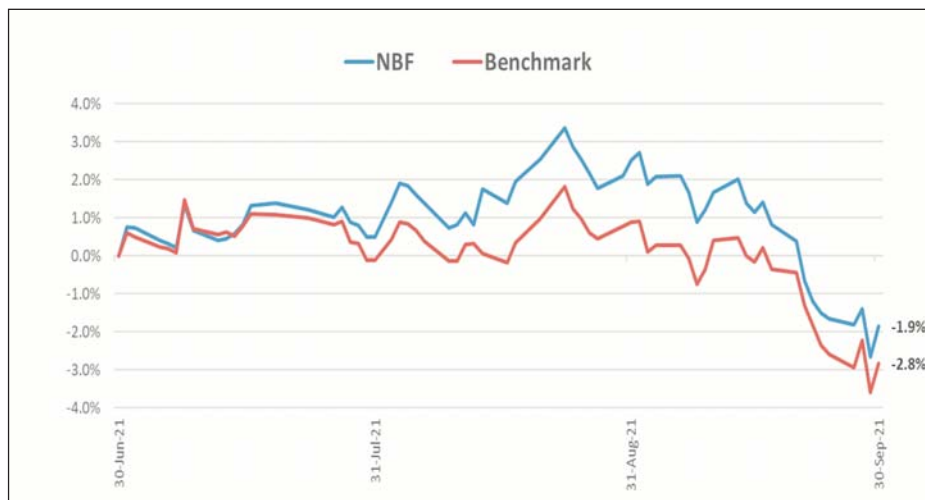
During the period under review, sovereign yields responded to the reversal of monetary easing cycle as T-Bills yields increased by 31 bps, 46 bps, and 92 bps for 3-month, 6-month, and 12-month tenures owing to the increase in the Policy Rate. SBP held seven T-Bills auctions during the period, realizing a total of Rs. 4.3 trillion against the maturity of Rs. 4.1 trillion and target of Rs. 4.7 trillion.

The size of NBP Balanced Fund has decreased from Rs. 1,608 million to Rs. 1,541 million during the period, i.e. a decrease of 4%. During the period, the unit price of NBP Balanced Fund (NBF) has decreased from Rs. 19.3595 on June 30, 2021 to Rs. 18.9994 on September 30, 2021, thus showing a decrease of 1.9%. The Benchmark decrease during the same period was 2.8%. Thus, the Fund has outperformed its Benchmark by 0.9% during the period under review. Since inception the NAV of the Fund has increased from Rs.3.4582 (Ex-Div) on January 19, 2007 to Rs. 18.9994 on September 30, 2021, thus showing an increase of 449.4%. During the said period, the Benchmark increased by 227.4%, translating into outperformance of 222.0%. This performance is net of management fee and all other expenses. During August 2021, provisioning against Sindh Workers' Welfare Fund has been reversed. The reversal of provision has contributed towards an unusual increase in NAV of the Fund. This is one-off event and is not likely to be repeated in the future.

NBP Balanced Fund incurred a loss of Rs. 12.07 million during the period. After deducting total expenses of Rs. 16.26 million, the total loss is Rs. 28.33 million. The asset allocation of the Fund as on September 30, 2021 is as follows:



NBF Performance versus Benchmark



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: October 29, 2021
 Place: Karachi.

ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 30 ستمبر 2021ء کو ختم ہونے والی سہ ماہی کے لئے NBP: بیلنسڈ فنڈ (NBF) کے غیر جانچ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

فنڈ کی کارکردگی

مالی سال 2021 میں 38 فیصد کا بھر پور منافع دینے کے بعد، اسٹاک مارکیٹ کی مثبت رفتار کم ہو گئی جیسا کہ مالی سال 22 کی پہلی سہ ماہی کے دوران بیٹج مارک KSE-100 انڈیکس میں 5.2 فیصد کمی ہوئی۔ رواں سہ ماہی کے پہلے دو ماہ میں، ریٹج باؤنڈ سرگرمی میں مقامی سطح پر تجارتی حجم اور سرمایہ کاروں کی شرکت کی کمی دیکھی گئی۔ ستمبر کے مہینے کے دوران، مارکیٹ KSE 100 انڈیکس میں 5.3 فیصد کمی کے ساتھ شدید فروختی دباؤ میں آگئی۔

لسٹڈ کارپوریٹ سیکٹور کی طرف سے جون کی مدت کے لیے ریکارڈ منافع اور ڈویڈنڈز کے باوجود، سہ ماہی کے دوران مارکیٹ کی ناقص کارکردگی درج ذیل عوامل سے منسوب کی جاسکتی ہے۔ پڑوسی افغانستان میں پاکستان پر کمانڈ پھیلنے والے اثرات کے ساتھ سرمایہ کار پاکستان امریکہ تعلقات تبدیل ہونیکے بارے میں پریشان دکھائی دیے۔ سرمایہ کاروں کی ناراضگی میں مزید اضافہ کیا جاتے ہوئے کرنٹ اکاؤنٹ خسارہ (CAD) نے جو کہ اگست 2021 میں تقریباً 1.5 بلین امریکی ڈالر اور پچھلے مہینے میں 800 بلین امریکی ڈالر تھا۔ مزید برآں، امریکی ڈالر کے مقابلے پاکستانی روپیہ کی مسلسل قدر میں کمی کے ساتھ ساتھ صنعتی خام مال اور توانائی کی بڑھتی ہوئی قیمتوں نے کارپوریٹ منافع بخش نقطہ نظر پر تشویش کو ختم دیا ہے۔ کھپت کی وجہ سے طلب کے دباؤ پر قابو پانے کے لیے، اسٹیٹ بینک کے 20 ستمبر 2021 کو منعقدہ اپنے ایف پی سی اجلاس میں پالیسی کی شرح میں 0.25 فیصد اضافے کے فیصلے کو بھی مارکیٹ میں نہیں سراہا گیا۔ مارکیٹ چھوٹو کمپنیوں کے مطابق، انڈیکس میں مسلسل کمی کے بعد مارجن کا لز وصول کرنے والے ریٹیل سرمایہ کاروں کی لیوریجڈ پوزیشنز نے سہ ماہی کے اختتام پر ایکویٹی کی فروخت میں بھی اضافہ کر دیا۔ دوسری طرف، مارکیٹ نے بیرونی اکاؤنٹ کے مجاز پر مثبت پیش رفت کو نظر انداز کیا، سہ ماہی کے دوران خاص طور پر روٹن ڈیجیٹل اکاؤنٹ (RDA) میں 849 بلین امریکی ڈالر کی ریکارڈ آمد ہوئی ہے، جس سے مجموعی آمد 2.4 بلین ڈالر اور SDR ایلوکیشن کی مدد میں آئی ایم ایف سے 2.7 بلین امریکی ڈالر کی وصولی ہوئی۔

مارکیٹ کی سیکٹرز اور کارکردگی کو دیکھتے ہوئے، آٹوموبائل اسمبلر اور ایسیریز، سینٹ، انجینئرنگ، انشورنس، آئل اینڈ گیس ایکسپلوریشن اور مارکیٹنگ کمپنیاں، کاغذ اور بورڈ، کیفٹریز اور ٹرانسپورٹ سیکٹرز نے مارکیٹ سے اہتر کارکردگی کا مظاہرہ کیا جبکہ کیمیکلز، کمرشل بینک، کھاد، خوراک اور ذاتی نگہداشت، گلاس اینڈ سراسرکس، پاور جنریشن اور ڈسٹری بیوشن، بیکنالوجی اور ٹیکسٹائل کمپوزٹس سیکٹرز نے مارکیٹ سے بہتر کارکردگی کا مظاہرہ کیا۔ شرائط دار سرگرمی کے لحاظ سے، افراد، دیگر آرگنائزیشن، اور بینک/DFIs بالترتیب 33 بلین امریکی ڈالر، 27 بلین امریکی ڈالر اور 21 بلین امریکی ڈالر کی خالص آمد کے ساتھ سب سے بڑے خریدار رہے۔ دوسری طرف، غیر ملکی 83 بلین امریکی ڈالر کے خالص اخراج کے ساتھ مارکیٹ میں سب سے بڑے فروخت کنندگان تھے۔

مالی سال 22 کی پہلی سہ ماہی کے دوران، کارپوریٹ ڈیٹ مارکیٹ میں ناقص سرگرمی دیکھی گئی کیونکہ کارپوریٹ ڈیٹ سیکورٹیز کا کوئی نیا اجراء نہیں ہوا۔ ثانوی منڈی میں، تجارتی سرگرمی معمولی طور پر کم رہی جس کی تجارتی قدر مالیاتی سال 2021ء کی پہلی سہ ماہی میں 6.7 بلین روپے کے مقابلے میں مالیاتی سال 2022ء کی پہلی سہ ماہی میں 2.1 بلین روپے رہی۔ CPI کی طرف سے پیمائش کردہ افراط زر گزشتہ ماہ میں 8.4% اور ستمبر 2020 میں 9.0% کے مقابلے ستمبر 2021 میں سالانہ بنیاد پر تقریباً 9.0% رہی۔ خوراک کے اجزاء کی قیمتوں میں تیز اضافے کے درمیان، CPI ستمبر 2020 میں 1.5% بڑھنے کے مقابلے ستمبر 2021 میں ماہانہ بنیاد پر 2.1% تک بڑھ گیا۔ تقریباً پندرہ ماہ تک برقرار نظام برقرار رکھنے کے بعد، 20 ستمبر کو منعقدہ اپنے اجلاس میں، اسٹیٹ بینک آف پاکستان (SBP) نے پالیسی شرح میں 25 بیس پوائنٹس کے اضافے کے ساتھ 7.25% تک زیادہ کر دی۔ مطلوبہ موزوں پالیسی کس کو تسلیم کرتے ہوئے، اسٹیٹ بینک نے حوالہ دیا کہ "غیر متوقع حالات کی عدم موجودگی میں، آگے دیکھتے ہوئے، ایم پی سی توقع کرتی ہے کہ مالیاتی پالیسی مستقبل قریب میں موزوں رہے گی، ممکنہ طور پر مزید بتدریج کمی آئے گی۔"

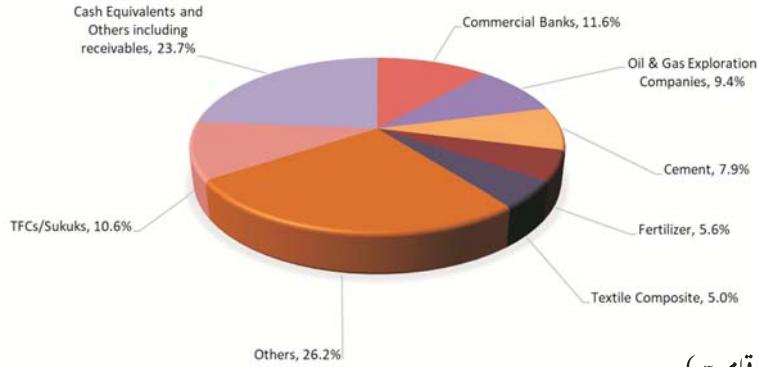
زیر جائزہ مدت کے دوران، شرح منافع نے آسان مالیاتی سائیکل کی واپسی کے نتائج دیئے کیونکہ پالیسی شرح میں اضافے کی وجہ سے ٹی بلز کی پیداوار میں 3 ماہ، 6 ماہ اور 12 ماہ کے عرصہ میں بالترتیب 31 بی پی اے، 46 بی پی اے، اور 92 بی پی اے اضافہ ہوا۔ اسٹیٹ بینک پاکستان نے اس عرصے کے دوران سات ٹی بلوں کی بنیادی کمی، جس میں 4.1 ٹریلین روپے کی بیچوٹی اور 4.7 ٹریلین روپے کے ہدف کے مقابل مجموعی طور پر 4.3 ٹریلین روپے حاصل کئے۔

NBP: بیلنسڈ فنڈ (NBF) کا ساٹھ ماہی مدت کے دوران 1,608 بلین روپے سے کم ہو کر 1,541 بلین روپے ہو گیا، یعنی 4% کمی ہوئی۔ اس مدت کے دوران NBP: بیلنسڈ فنڈ (NBF) کے پونٹ کی قیمت 30 جون 2021 کو 19.3595 روپے سے کم ہو کر 30 ستمبر 2021 کو 18.9994 روپے پر پہنچ چکی ہے۔ لہذا 1.9% کا اضافہ دیکھنے میں آیا۔ اسی مدت کے دوران بیٹج مارک کم ہو کر 2.8% ہو گیا۔ لہذا فنڈ نے زیر جائزہ مدت کے دوران اپنے بیٹج مارک سے 0.9% بہتر کارکردگی دکھائی۔ اپنے قیام سے اب تک فنڈ کی NAV 19 جنوری 2007 کو 3.4582 روپے (EX-Div) سے بڑھ کر

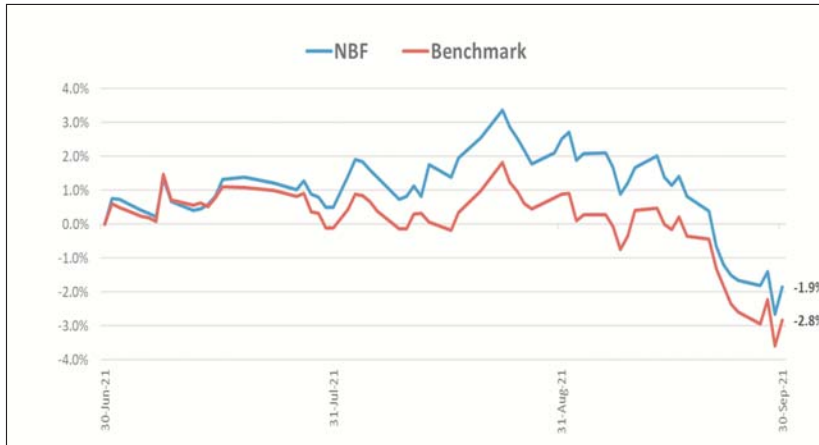


30 ستمبر 2021 کو 18.9994 روپے ہوگی، لہذا 449.4% کا اضافہ ہوا۔ اس مدت کے دوران، بیٹج مارک میں 227.4% اضافہ ہوا۔ جس کا نتیجہ فنڈ کی 222.0% بہتر کارکردگی کی صورت میں سامنے آیا ہے۔ فنڈ کی یہ کارکردگی بیٹجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔ اگست 2021 کے دوران، سندھ ورکرز ویلفیئر فنڈ کی پروڈیونگ ریورس کردی گئی۔ اس پروڈیون کے ریورسل کے باعث فنڈ کی NAV میں غیر معمولی اضافہ ہوا۔ یہ ایک ایسا موقع ہے جس کا مستقبل میں دوبارہ آنے کا امکان نہیں ہے۔

NBP بیٹجمنٹ فنڈ کو موجودہ ماہی کے دوران 12.07 ملین روپے کا نقصان ہوا۔ 16.26 ملین روپے کے اخراجات منہا کرنے کے بعد خالص نقصان 28.33 ملین روپے ہے۔ 30 ستمبر 2021 کے مطابق فنڈ کی ایسٹ ایلوکیشن حسب ذیل ہے:



NBF کی کارکردگی بہت بلینڈ مارک (اپنے قیام سے)



اظہار تشکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے بیٹجمنٹ کمیٹی پر اعتماد، اعتبار اور خدمت کا موقع فراہم کرنے پر اپنے قابل قدر پونٹ 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 آرٹسٹ 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 بیٹجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو

تاریخ: 29 اکتوبر 2021

مقام: کراچی



CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2021

	(Un-audited) September 30, 2021	(Audited) June 30, 2021
Note	-----Rupees in '000 -----	
ASSETS		
Balances with banks	373,648	403,868
Investments	1,474,879	1,233,854
Dividend and profit receivable	9,749	3,436
Receivable against transfer of units	-	149
Advances, deposits, prepayments and other receivables	6,876	13,102
Total assets	1,865,152	1,654,409
LIABILITIES		
Payable to the Management Company	10,451	10,118
Payable to the Trustee	242	248
Payable to Securities and Exchange Commission of Pakistan	81	312
Payable against purchase of investment	299,043	-
Payable against transfer and redemption of units	50	82
Accrued expenses and other liabilities	14,391	35,976
Total liabilities	324,258	46,736
NET ASSETS	1,540,894	1,607,673
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)	1,540,894	1,607,673
CONTINGENCIES AND COMMITMENTS	-	-
	-----Number of units-----	
Number of units in issue	81,102,215	83,043,193
	-----Rupees-----	
NET ASSET VALUE PER UNIT	18.9994	19.3595

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 QUARTER ENDED SEPTEMBER 30, 2021

	Quarter ended September 30, 2021	Quarter ended September 30, 2020
	Note	Rupees in '000
INCOME		
(Loss) / Gain on sale of investments - net	(1,097)	29,128
Income from term finance certificates and sukuk bonds	3,716	3,095
Income from government securities	3,801	6,727
Dividend income	15,772	3,749
Profit on bank deposits and term deposits	3,254	4,267
Unrealised (diminution) / appreciation in the value of investments 'at fair value through profit or loss' - net	(57,180)	107,737
Total Income / (loss)	(31,734)	154,703
EXPENSES		
Remuneration of the Management Company	6,093	5,671
Sales tax on Remuneration of the Management Company	792	737
Accounting and operational charges to the Management Company	757	378
Selling and marketing expenses charged by the Management Company	7,194	5,671
Remuneration of the Trustee	658	630
Sales tax on Remuneration of the Trustee	86	82
Annual fee - Securities and Exchange Commission of Pakistan	81	76
Securities transaction cost	178	341
Settlement and bank charges	175	198
Annual listing fee	7	7
Auditors' remuneration	115	112
Legal fee and professional charges	45	23
Printing expenses	11	14
Fund's rating fee	67	61
Total Expenses	16,259	14,001
Net (loss) / income from operating activities	(47,993)	140,702
Reversal / (Provision) for Sindh Workers' Welfare Fund	5	19,666
Net (loss) / income for the period before taxation	(28,327)	137,888
Taxation	8	-
Net (loss) / income for the period after taxation	(28,327)	137,888
Earnings per unit	-	-
Allocation of Net income for the period:		
Net income for the year after taxation	-	137,888
Income already paid on units redeemed	-	(290.00)
Accounting income available for distribution:	-	137,598
- Relating to Capital Gains	-	136,571
- Excluding Capital Gains	-	1,027
Accounting Income available for Distribution	-	137,598

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 STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Quarter ended September 30, 2021	Quarter ended September 30, 2020
	----- Rupees in '000 -----	
Net (loss) / income for the period	(28,327)	137,888
Other comprehensive income		
Total comprehensive (loss) / income for the period	<u>(28,327)</u>	<u>137,888</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 STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Quarter Ended September 30, 2021			Quarter Ended September 30, 2020		
	Value	Undistributed income	Total	Value	Undistributed income	Total
----- (Rupees in '000) -----						
Net assets at beginning of the period	865,049	742,624	1,607,673	854,689	527,030	1,381,719
Issue of 344,340 units (2020: 793,004 units)						
- Capital value	6,666	-	6,666	13,237	-	13,237
- Element of income	65	-	65	989	-	989
Total proceeds on issuance of units	6,731	-	6,731	14,226	-	14,226
Redemption of 2,285,318 units (2020: 430,837 units)						
- Capital value	(44,243)	-	(44,243)	(7,191)	-	(7,191)
- Element of loss	(940)	-	(940)	(212)	(290)	(502)
Total payments on redemption of units	(45,183)	-	(45,183)	(7,693)	(290)	(7,693)
Total comprehensive (loss) / income for the period	-	(28,327)	(28,327)	-	137,888	137,888
Net assets at end of the period	826,597	714,297	1,540,894	861,222	664,628	1,526,140
Undistributed income brought forward						
- Realised income		554,672			524,840	
- Unrealised gain		187,952			2,190	
		742,624			527,030	
Accounting income available for distribution:						
- Relating to capital gains		-			136,571	
- Excluding capital gains		-			1,027	
		-			137,598	
Net loss for the period		(28,327)			-	
Undistributed income carried forward		714,297			664,628	
Undistributed income carried forward						
- Realised income		771,477			556,891	
- Unrealised (loss) / gain		(57,180)			107,737	
		714,297			664,628	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the period			19.3595			16.6917
Net assets value per unit at end of the period			18.9994			18.3560

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 QUARTER ENDED SEPTEMBER 30, 2021

	Quarter ended September 30, 2021	Quarter ended September 30, 2020
	----- Rupees in '000 -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) / income for the period before taxation	(28,327)	137,888
Adjustments		
Unrealised diminution / (appreciation) in the value of investments 'at fair value through profit or loss' - net	57,180	(107,737)
Capital loss / (gain) on sale of investments - net	1,097	(29,128)
	58,277	(136,865)
	29,950	1,023
(Increase) / Decrease in assets		
Investments	(299,302)	92,327
Dividend and profit receivable	(6,313)	(463)
Advances, deposits, prepayments and other receivables	6,226	39
	(299,389)	91,903
Increase in liabilities		
Payable to the Management Company	333	984
Payable to the Trustee	(6)	14
Payable to Securities and Exchange Commission of Pakistan	(231)	(209)
Payable against purchase of investment	299,043	-
Accrued expenses and other liabilities	(21,585)	(502)
	277,554	287
Net cash generated from operating activities	8,115	93,213
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issue of units	6,880	16,358
Payments on redemption of units	(45,215)	(7,580)
Net cash (used in) / generated from financing activities	(38,335)	8,778
Net (decrease) / increase in cash and cash equivalents during the period	(30,220)	101,991
Cash and cash equivalents at the beginning of the period	403,868	554,469
Cash and cash equivalents at the end of the period	373,648	656,460

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 QUARTER ENDED SEPTEMBER 30, 2021

1 LEGAL STATUS AND NATURE OF BUSINESS

The NBP Balanced Fund 'the Fund' was established under a Trust Deed executed between the NBP Fund Management Limited as Management Company and Central Depository Company of Pakistan Limited (CDC), as the Trustee. The Trust Deed was executed on 06 December 2006 and was authorised by the Securities and Exchange Commission of Pakistan (SECP) on 01 December 2006 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The effective date of change of name of the Fund is 5 April 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 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).

The Fund is an open-ended mutual fund classified as a "balanced scheme" by the Management Company as per the criteria for categorization of open end collective investment scheme as specified by Securities and Exchange Commission of Pakistan (SECP) and other allied matters 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 core objective of the Fund is to provide its investors with a combination of capital growth and income. The Fund aims to achieve attractive returns at moderate levels of risk by investing in a variety of asset classes such as stocks, bonds, money market instruments etc.

The Pakistan Credit Rating Agency (PACRA) has assigned and maintained an asset manager rating of 'AM1' to the Management Company as on 23 June 2021, a short term performance ranking of 2 star and long term performance ranking of 4 star

The Trust Act, 1882 has been repealed due to promulgation of the Provincial Trust Act "Sindh Trusts Act, 2020" as empowered under the Eighteenth Amendment to the constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company to fulfill the requirement for registration of Trust Deed under Sindh Trusts Act, 2020, has submitted Collective Investment Scheme Trust Deed to Registrar (acting under Sindh Trusts Act, 2020)

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, 2021.

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2021.

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

3 SUMMARY OF 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, 2021.

The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2021.

4 INVESTMENTS			September 30, 2021	June 30, 2021
			(Un-audited)	(Audited)
Investments by category			Note ----- Rupees in '000 -----	
Financial assets 'at fair value through profit or loss'				
			1,012,371	1,066,890
Listed equity securities	4.1			
Term Finance certificate - listed	4.2		-	-
Term Finance certificate - unlisted	4.3		38,687	40,769
Sukuk bonds	4.4		125,035	126,195
Market treasury bills	4.4.2		298,787	-
			1,474,879	1,233,854

4.1 Listed equity securities - at fair value through profit or loss

Name of the investee company	Number of shares					Market value as at Sep 30, 2021	Investment as a percentage of		
	As at July 01, 2021	Purchases during the period	Bonus / Right Issue	Sales during the period	As at Sep 30, 2021		Net assets	Market value of total investments	Paid up capital of the investee company
Rupees in '000 ----- % -----									
Oil & Gas Exploration Companies									
Mari Petroleum Limited	35,783	-	-	-	35,783	55,585	3.61	3.77	0.03
Oil and Gas Development Company Limited (Note 4.1.2)	511,596	-	-	-	511,596	42,872	2.78	2.91	0.01
Pakistan Oilfields Limited (Note 4.1.2)	29,528	-	-	1,500	28,028	10,521	0.68	0.71	0.01
Pakistan Petroleum Limited (Note 4.1.2)	475,342	7,200	-	-	482,542	36,147	2.35	2.45	0.02
	1,052,249	7,200	-	1,500	1,057,949	145,125	9.42	9.84	0.07



Name of the investee company	Number of shares				Market value as at Sep 30, 2021	Investment as a percentage of			
	As at July 01, 2021	Purchases during the period	Bonus / Right Issue	Sales during the period		As at Sep 30, 2021	Net assets	Market value of total investments	Paid up capital of the investee company
Rupees in '000 ----- % -----									
Oil & Gas Marketing Companies									
Attock Petroleum Limited	16,261	-	-	-	16,261	4,716	0.31	0.32	0.02
Hascol Petroleum Limited	777	-	-	-	777	5	0.00	0.00	0.00
Pakistan State Oil Company Limited	142,350	-	-	-	142,350	28,611	1.86	1.94	0.03
Sui Northern Gas Pipelines	90,500	-	-	15,000	75,500	3,434	0.22	0.23	0.01
	249,888	-	-	15,000	234,888	36,765	2.39	2.49	0.06
Fertilizers									
Engro Fertilizers Limited	28,834	-	-	28,833	1	0	0.00	0.00	0.00
Engro Corporation Limited	137,319	-	-	-	137,319	38,415	2.49	2.60	0.02
Fauji Fertilizer Bin Qasim Limited	441,000	-	-	-	441,000	9,923	0.64	0.67	0.05
Fauji Fertilizer Company Limited	347,601	20,500	-	-	368,101	37,568	2.44	2.55	0.03
	954,754	20,500	-	28,833	946,421	85,906	5.58	5.82	0.10
Chemicals									
Engro Polymer & Chemicals Limited	641,123	9,500	-	-	650,623	35,830	2.33	2.43	0.07
Lotte Chemical Pakistan Ltd NC	947,500	50,000	-	-	997,500	13,955	0.91	0.95	0.07
ICI Pakistan Limited	2,400	-	-	-	2,400	1,905	0.12	0.13	-
	1,591,023	59,500	-	-	1,650,523	51,689	3.35	3.50	0.14
Cement									
Attock Cement Pakistan Limited	-	15,000	-	-	15,000	2,113	0.14	0.14	0.00
D.G. Khan Cement Pakistan Limited	91,500	-	-	35,000	56,500	4,996	0.32	0.34	0.01
Fauji Cement Company Limited	634,500	531,000	-	-	1,165,500	20,921	1.36	1.42	0.08
Lucky Cement Limited (Note 4.1.2)	87,764	-	-	4,400	83,364	60,264	3.91	4.09	0.03
Cherat Cement Co. Ltd.	68,700	-	-	68,700	-	-	-	-	-
Kohat Cement Co. Ltd.	119,450	26,400	-	-	145,850	25,077	1.63	1.70	0.07
Maple Leaf Cement Cement Factory Limited	248,319	14,500	-	25,000	237,819	8,371	0.54	0.57	0.02
	1,250,233	586,900	-	133,100	1,704,033	121,742	7.90	8.25	0.22
Automobile Parts & Accessories									
Thal Limited	5,511	-	-	-	5,511	2,140	0.14	0.15	0.01
	5,511	-	-	-	5,511	2,140	0.14	0.15	0.01
Textile Composite									
Azgard Nine Limited (Non-voting shares)	807,000	-	-	-	807,000	5,649	0.37	0.38	13.53
The Crescent Textile Mills Limited	-	12,000	-	-	12,000	281	0.02	0.02	0.01
Gul Ahmed Textile Mills Limited	318,960	-	-	-	318,960	17,482	1.13	1.19	0.07
Interloop Limited	136,418	-	-	14,000	122,418	8,712	0.57	0.59	0.01
Kohinoor Textile Mills Limited	256,113	-	-	-	256,113	17,787	1.15	1.21	0.09
Nishat (Chunian) Limited	176,000	-	-	-	176,000	8,716	0.57	0.59	0.07
Nishat Mills Limited (Note 4.1.2)	202,200	-	-	-	202,200	18,372	1.19	1.25	0.06
	1,896,691	12,000	-	14,000	1,894,691	76,999	5.00	5.22	13.84
Transport									
Pakistan National Bulk Terminal Limited	78,500	-	-	-	78,500	699	0.05	0.05	0.00
	78,500	-	-	-	78,500	699	0.05	0.05	0.00



Name of the investee company	Number of shares					Market value as at Sep 30, 2021	Investment as a percentage of		
	As at July 01, 2021	Purchases during the period	Bonus / Right Issue	Sales during the period	As at Sep 30, 2021		Net assets	Market value of total investments	Paid up capital of the investee company
Rupees in '000 ----- % -----									
Engineering									
Amrell Steels Limited	40,000	-	-	-	40,000	1,566	0.10	0.11	0.00
Agha Steel Limited	366,000	-	-	154,000	212,000	5,828	0.38	0.40	0.04
Aisha Steel Limited	34,000	16,000	-	-	50,000	1,041	0.07	0.07	0.01
International Industries Limited	4,600	-	-	-	4,600	767	0.05	0.05	0.00
International Steels Limited	25,600	4,000	-	-	29,600	2,256	0.15	0.15	0.01
Ittefaq Iron Industries	-	-	-	-	-	-	-	-	-
Mughal Iron & Steel Industries	359,600	23,000	-	-	382,600	37,349	2.42	2.53	0.15
	829,800	43,000	-	154,000	718,800	48,807	3.17	3.31	0.21
Power Generation & Distribution									
The Hub Power Company Limited	664,415	-	-	-	664,415	48,854	3.17	3.31	0.05
Lalpir Power Limited	268,000	-	-	-	268,000	4,205	0.27	0.29	0.07
Pakgen Power Limited	156,000	-	-	-	156,000	3,805	0.25	0.26	0.04
Saif Power Limited	130,000	-	-	-	130,000	2,167	0.14	0.15	0.03
	1,218,415	-	-	-	1,218,415	59,031	3.83	4.00	0.20
Commercial Banks									
Allied Bank Limited	57,800	-	-	-	57,800	3,930	0.26	0.27	0.01
Bank Al-falah Limited	887,927	-	-	-	887,927	28,724	1.86	1.95	0.05
Bank Al-Habib Limited (Note 4.1.2)	484,400	-	-	-	484,400	33,496	2.17	2.27	0.04
Bank of Punjab	112,500	-	-	-	112,500	918	0.06	0.06	0.00
Faysal Bank Limited	197,327	258,000	-	-	455,327	11,984	0.78	0.81	0.03
Habib Bank Limited	453,380	-	-	40,000	413,380	45,203	2.93	3.06	0.03
MCB Bank Limited	82,500	-	-	-	82,500	12,432	0.81	0.84	0.01
Meezan Bank Limited	40,172	-	6,026	-	46,198	6,464	0.42	0.44	0.00
United Bank Limited	261,391	40,000	-	-	301,391	35,733	2.32	2.42	0.02
	2,577,397	298,000	6,026	40,000	2,841,423	178,886	11.61	12.13	0.20
Cable and Electrical Goods									
Pakistan Elektron Limited	283,500	-	-	-	283,500	7,810	0.51	0.53	0.01
	283,500	-	-	-	283,500	7,810	0.51	0.53	0.01
Glass and Ceramics									
Shabbir Tiles & Ceramics Limited	582,000	101,000	-	-	683,000	20,818	1.35	1.41	0.29
Tariq Glass Industries Limited	177,125	-	-	-	177,125	17,969	1.17	1.22	0.16
	759,125	101,000	-	-	860,125	38,787	2.52	2.63	0.45
Technology & Communication									
Avanceon Limited	22,200	-	-	-	22,200	2,739	0.18	0.19	0.01
TPL Trakker Limited	355,000	-	-	192,000	163,000	2,781	0.18	0.19	0.09
Systems Limited	76,505	-	-	-	76,505	55,658	3.61	3.77	0.06
	453,705	-	-	192,000	261,705	61,178	3.97	4.15	0.16
Insurance									
Adamjee Insurance Company Limited	122,000	-	-	-	122,000	4,302	0.28	0.29	0.03
	122,000	-	-	-	122,000	4,302	0.28	0.29	0.03
Paper & Board									
Century Paper & Board Mills Limited	75,980	-	9,027	15,800	69,207	5,186	0.34	0.35	0.04
Roshan Packages Limited	68,000	-	-	-	68,000	1,693	0.11	0.11	0.05
Packages Limited	8,900	-	-	-	8,900	4,177	0.27	0.28	0.01
	152,880	-	9,027	15,800	146,107	11,056	0.45	0.47	0.09



Name of the investee company	Number of shares					Market value as at Sep 30, 2021	Investment as a percentage of		
	As at July 01, 2021	Purchases during the period	Bonus / Right Issue	Sales during the period	As at Sep 30, 2021		Net assets	Market value of total investments	Paid up capital of the investee company
Rupees in '000 ----- % -----									
Automobile Assembler									
Honda Atlas Cars (Pakistan) Limited	7,800	-	-	-	7,800	2,055	0.13	0.14	0.01
Indus Motor Company Limited	1,220	-	-	-	1,220	1,425	0.09	0.10	0.00
Panther Tyres Limited	53,500	-	10,700	-	64,200	3,175	0.21	0.22	0.04
Millat Tractors Limited	15,638	-	-	-	15,638	16,782	1.09	1.14	0.03
	<u>78,158</u>	<u>-</u>	<u>10,700</u>	<u>-</u>	<u>88,858</u>	<u>23,438</u>	<u>1.52</u>	<u>1.59</u>	<u>0.08</u>
Pharmaceuticals									
Abbott Lab (Pakistan) Limited.	5,500	-	-	-	5,500	4,251	0.28	0.29	0.00
AGP Limited	97,400	4,500	-	65,400	36,500	4,190	0.27	0.28	0.01
Citi Pharma Limited	-	237,725	-	34,000	203,725	9,151	0.59	0.62	0.10
GlaxoSmithKline Consumer Healthcare	3,500	-	-	1,600	1,900	485	0.03	0.03	0.00
Highnoon Laboratories Limited	11,220	-	-	-	11,220	6,953	0.45	0.47	0.03
IBL Healthcare Limited	62,000	-	-	18,200	43,800	3,955	0.26	0.27	0.08
The Searle Company Limited	50,170	6,300	-	5,000	51,470	10,372	0.67	0.70	0.02
	<u>229,790</u>	<u>248,525</u>	<u>-</u>	<u>124,200</u>	<u>354,115</u>	<u>39,356</u>	<u>2.55</u>	<u>2.67</u>	<u>0.3</u>
Miscellaneous									
Pakistan Aluminium Beverage Cans Limited	-	159,146	-	25,000	134,146	5,264	0.34	0.36	0.04
	<u>-</u>	<u>159,146</u>	<u>-</u>	<u>25,000</u>	<u>134,146</u>	<u>5,264</u>	<u>0.34</u>	<u>0.36</u>	<u>0.04</u>
Leather and Tanneries									
Service GlobalFootware Limited	70,690	-	-	-	70,690	3,173	0.21	0.22	0.03
Service Industries Limited	18,400	-	-	-	18,400	8,205	0.53	0.56	0.04
	<u>89,090</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>89,090</u>	<u>11,379</u>	<u>0.74</u>	<u>0.77</u>	<u>0.07</u>
Food & Personal Care Products									
Shezan International Limited	-	6,300	-	-	6,300	2,012	0.13	0.14	0.07
Unity Foods Limited	24,500	-	-	24,500	-	-	-	-	-
	<u>24,500</u>	<u>6,300</u>	<u>-</u>	<u>24,500</u>	<u>6,300</u>	<u>2,012</u>	<u>0.13</u>	<u>0.14</u>	<u>0.07</u>
						<u>1,012,371</u>	<u>64.69</u>	<u>67.59</u>	<u>16.20</u>
Carrying value as at Sep 30, 2021						<u><u>1,069,936</u></u>			

- 4.1.1** All shares have a nominal face value of Rs 10 each except for shares of Thal Limited and Shabbir Tiles & Ceramics Limited which have a face value of Rs 5.
- 4.1.2** Investments include shares with market value of Rs. 40.57 million (June 30, 2021: Rs. 45.65 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with circular no.11 dated October 23, 2007 issued by the SECP.
- 4.1.3** The Finance Act, 2014 has brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5 percent is to be applied on value of bonus shares determined on the basis of day end price on the 1st day of closure of books. The tax is to be collected at source by the Company declaring bonus shares which shall be considered as a discharge of tax liability on such income. However, the Management Company of the Fund jointly with other asset management companies and Mutual Funds Association of Pakistan, has led a petition in Honorable Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the mutual funds based on the premise of exemption given to mutual funds under clause 47B and 99 of Second Schedule of Income Tax Ordinance, 2001. The Honorable Sindh High Court has granted stay order till the final outcome of the case. Accordingly, the investee company(s) has withheld the shares equivalent to 5% of bonus announcement amounting to Rs. 1.261 million (30 June 2017: Rs. 1.093 million) and not yet deposited in CDC account of department of Income Tax.



4.2 Term finance certificates - Listed - at fair value through profit or loss

All term finance certificates have a face value of Rs 5,000 each unless stated otherwise

Name of the investee company	Number of certificates / bonds				Market value as at Sep 30, 2021	Investment as a percentage of		
	As at July 01, 2021	Purchases during the period	Sales during the period	As at Sep 30, 2021		Net assets	Market value of total investments	Issue size
Rupees in '000						%		
Saudi Pak Leasing Company Limited (note 4.2.1)	10,000	-	-	10,000	-	-	-	-
	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Carrying value as at September 30, 2021					<u>27,547</u>			
Provision for impairment loss as at September 30, 2021					<u>27,547</u>			

- 4.2.1** This represents investment in term finance certificates with original term of nine years. On October 13, 2011 the investee company defaulted on its obligation on account of principal and profit payment. The investee company rescheduled its term on December 26, 2011 with a new maturity in March 2017. The said TFCs complied with repayment terms since and had been reclassified as performing as per criteria defined in circular no. 1 of 2009. However, the investee company again defaulted on its obligation on account of principal and profit payment for the month of April 2014 and was therefore declared as Non-performing since April 30, 2014.

The amount of provision as per circular no. 1 of 2009 and circular no. 33 of 2012 has been maintained by valuing the investment in terms of the said circular.

4.3 Term finance certificates - unlisted - at fair value through profit or loss

All term finance certificates have a face value of Rs 5,000 each unless stated otherwise

Name of the investee company	Number of certificates / bonds				Market value as at Sep 30, 2021	Investment as a percentage of		
	As at July 01, 2021	Purchases during the period	Sales during the period	As at Sep 30, 2021		Net assets	Market value of total investments	Issue size
Rupees in '000						%		
Jehangir Siddiqui and Company Limited	17,100	-	-	17,100	38,687	2.51	2.62	11.40
	<u>17,100</u>	<u>-</u>	<u>-</u>	<u>17,100</u>	<u>38,687</u>	<u>2.51</u>	<u>2.62</u>	
Carrying value as at September 30, 2021					<u>38,631</u>			

4.4 Sukuk bonds - unlisted - at fair value through profit or loss

All sukuks have a face value of Rs. 5,000

Name of the investee company	Number of certificates / bonds				Market value as at Sep 30, 2021	Investment as a percentage of		
	As at July 01, 2021	Purchases during the period	Sales during the period	As at Sep 30, 2021		Net assets	Market value of total investments	Issue size
Rupees in '000						%		
Shakarganj Food Products Limited	30	-	-	30	23,572	1.53	1.60	-
Mughal Iran & Steel Industries Limited	50	-	-	50	50,451	3.27	3.42	-
Hubco Sukuk	500	-	-	500	51,012	3.31	3.46	-
	<u>580</u>	<u>-</u>	<u>-</u>	<u>580</u>	<u>125,035</u>	<u>8.11</u>	<u>8.48</u>	<u>-</u>
Carrying value as at Sep 30, 2021					<u>124,695</u>			



4.4.1 At Fair value through profit or loss

Name of the investee company	Number of certificates / bonds				Market value as at Sep 30, 2021	Investment as a percentage of		
	As at July 01, 2021	Purchases during the period	Sales during the period	As at Sep 30, 2021		Net assets	Market value of total investments	Issue size
----- % -----								
Term finance certificate - unlisted								
New Allied Electronics Industries (Private) Limited (note 4.5.1)	32,000	-	-	32,000	-	-	-	-
Eden Housing Limited (note 4.5.2)	10,000	-	-	10,000	-	-	-	-
	42,000	-	-	42,000	-	-	-	-
Carrying value as at September 30, 2021					<u>19,844</u>			
Provision for impairment loss as at September 30, 2021					<u>19,844</u>			

4.4.2 Investment in Government securities - Market Treasury bills

Issue Date	Tenor	Face value				Market value as at June 30, 2020	Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 01, 2021	Purchases during the year	Sales / matured during the year	As at June 30, 2021			
----- Rupees in '000 ----- % -----								
16-JUL-20 TO 08-OCT-20	03 months	-	730,000	730,000	-	-	-	-
22-APR-21 TO 21-OCT-21	06 months	-	300,000	-	300,000	298,797	0.19	24.22
			1,030,000	730,000	300,000	298,797	0.19	24.22
Carrying value before mark to market as at September 30, 2021					<u>298,806</u>			

4.5 All term finance certificates have a face value of Rs 5,000 each except sukuk bonds of New Allied Electronics Industries (Private) Limited which have a face value of Rs 312.50 each.

4.5.1 This represents investment in privately placed sukuks with a term of five years. The investee company had defaulted on its obligation on account of principal and profit payment and accordingly has been classified as NPA by MUFAP since January 9, 2009. The amount of provision as per circular 1 of 2009 and circular no. 33 of 2012 has been maintained by valuing the investment in terms of the said circular. This has been classified as fair value through profit and loss as per IFRS 09 from this year.

4.5.2 This represents investment in privately placed sukuk bonds with a term of five years. On May 06, 2011, the issuer defaulted on payment of principal and profit to certain sukuk holders due to which it was classified as NPA by MUFAP. The amount of provision as per circular no 1 of 2009 and circular 33 of 2012 has been maintained by valuing the investment in terms of the said circular. This has been classified as fair value through profit and loss as per IFRS 09 from this year.

4.5.3 The sukuks held by the Fund are generally secured against hypothecation of stocks and receivables and mortgage of fixed assets of the issuer.

5 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 1.80% per anum of the net assets of the Fund.



6 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period is 4.00% (September 30, 2020: 4.45%) which includes 0.23% (September 30, 2020: 0.98%) representing Government Levy, Sindh Worker's Welfare Fund and the SECP Fee. The prescribed limit for the ratio is 4.5% (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as an "balanced" scheme.

7 PROVISION FOR SINDH WORKERS' WELFARE FUND

Subsequent to the year ended June 30, 2021, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021.

Provisioning against Sindh Workers' Welfare Fund by NBP BALANCED FUND amounting to Rs. 19.93 million has been reversed on the clarification received by Sindh Revenue Board vide letter No. SRB/TP/70/2013/8772 dated August 12, 2021 addressed to Mutual Funds Association of Pakistan. This reversal of provision has contributed towards an unusual increase in NAV of the NBP BALANCED FUND by 1.24% on August 13, 2021. This is one-off event and is not likely to be repeated in the future.

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 as cash dividend. 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, 2022 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 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2021 and June 30, 2021

10 DETAILS OF NON-COMPLIANT INVESTMENT WITH THE INVESTMENT CRITERIA OF ASSIGNED CATEGORY

The Securities and Exchange Commission of Pakistan (SECP) vide circular no. 7 of 2009 dated March 6, 2009 required all Asset Management Companies to classify funds under their management on the basis of categorisation criteria laid down in the circular. The Board has approved the category of the fund as 'Balanced Fund'.

The SECP vide circular no. 16 dated July 07, 2010, prescribed specific disclosures for the scheme holding investments that are non - compliant either with the minimum investment criteria specified for the category assigned to such schemes or with investment requirements of their constitutive documents.

Following is the detail of non - compliant investments:

Type of investment	Name of non-compliant investment	Value of investment before provision	Provision held, if any	Value of investment after provision	Percentage of net assets	Percentage of gross assets
Term finance	New Allied Electronic	10,000	(10,000)	-	-	-
Sukuk Bonds	Eden Housing Limited	9,844	(9,844)	-	-	-
Term finance	Saudi Pak Leasing	27,547	(27,547)	-	-	-
Sukuk Bonds	Shakarganj Foods	23,571	-	23,571	1.5%	1.3%



11 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS

- 11.1** Connected persons include NBP Fund Management Limited being the Management Company, 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 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.
- 11.2** The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.
- 11.3** 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.
- 11.4** The details of significant transactions carried out by the Fund with connected persons and balances with them at year end are as follows.
- 11.5** Details of the transactions with connected persons are as follows:

	Quarter ended September 30, 2021 (Un-audited)	Quarter ended September 30, 2020 (Un-audited)
----- Rupees in '000 -----		
NBP Fund Management Limited - Management Company		
Management fee expense for the year	6,093	5,671
Accounting and operational charges to the Management Company	757	378
Sales Tax on remuneration of the management company	792	737
Selling and Marketing Expense	7,194	5,671
Front end load	65	100
ADC charges	1	-
Central Depository Company of Pakistan Limited - Trustee		
Remuneration	658	630
Sales tax on Remuneration of the Trustee	86	82
CDS charges	8	162
Employees of the Management Company		
Units issued / transferred in 7 units (2020: 32,333 units)	-	594
Units redeemed / transferred out 259 units (2020: 24,666 units)	5	456
Pakistan Stock Exchange *		
Listing Fee paid	-	25
Gul Ahmed Textile Mills Limited.		
Shares sold: Nil shares (2020: 242,500 shares)	8,388	8,388
Fauji Fertilizer Company Limited		
Shares purchased: 20,500 shares (2020: 14,000 shares)	2,193	1,636
Shares sold: Nil shares (2020: 122,900 shares)	-	13,434
Dividend Income	957	902
The Hub Power Company Limited *		
Shares sold: Nil shares (2020: 77,000 shares)	-	6,153



	Quarter ended September 30, 2021 (Un-audited)	Quarter ended September 30, 2020 (Un-audited)
	----- Rupees in '000 -----	
National Clearing Company Limited (NCCPL)		
NCCPL Charges	80	84
National Bank of Pakistan		
Shares sold: nil shares (2020: 22,000 shares)	-	756
International Steel Limited		
Shares sold: 4,000 shares (2020: 55,700 shares)	401	3,638
Dividend Income	207	-
Taurus Securities Limited		
Brokerage paid	18	17
Portfolio Managed by the Management Company		
Sell of T-bills	-	73,464
	(Unaudited)	(Audited)
	September 30,	June 30,
	2021	2021
	----- Rupees in '000 -----	
11.6 Amounts outstanding as at year end are as follows:		
NBP Fund Management Limited - Management Company		
Management remuneration payable	1,948	2,026
Sindh Sales Tax payable	253	263
Selling and marketing expense	7,194	7,005
Allocation of expenses related to registrar services, accounting, operation and valuation services	757	600
Sales load and Sindh Sales Tax payable	297	223
Adc share including sindh sales tax	2	1
Employees of the Management Company		
Units held: 12,928 units (30 June 2021: 22,540 units)	237	436
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	214	220
Sindh Sales Tax payable	28	28
Settlement charges payable	181	155
Security deposit	100	100
National Bank of Pakistan (parent of Management company)		
Bank Balance in current account	1,021	920
NBP Employees Pension Fund - unitholder with more than ten percent holding		
Units held: 28,886,715 units (30, June 2021: 28,886,715 units)	548,830	559,232
Summit Bank*		
Bank Balance in current account	-	2,628
Karachi Electric Provident Fund - unitholder with more than ten percent holding		
Units held: 34,224,720 units (30 June 2021: 34,224,720 units)	650,249	662,573

	(Unaudited) September 30, 2021	(Audited) June 30, 2021
	----- Rupees in '000 -----	
Ronak Iqbal Lakhani - unitholder with more than ten percent holding		
Units held: 8,683,522 units (30 June 2020: 8,683,522 units)	164,982	168,109
BankIslami Pakistan Limited		
Bank Balance in saving account	193	167
Profit receivable	7	-
Gul Ahmed Textile Mills Limited		
Ordinary shares held: 318,960 Shares (30 June 2021: 318,960 shares)	17,482	16,181
Fauji Fertilizer Company Limited		
Ordinary shares held: 368,101 Shares (30 June 2021: 347,601 shares)	37,568	36,880
Internation Steel Limited		
Ordinary shares held: 29,600 Shares (30 June 2021: 25,600 shares)	2,256	2,391
Hub Power Company Limited*		
Ordinary shares held: nil shares (30 June 2021: 664,615)	-	52,934
Sukuk: nil units (30 June 2021: 500 units)	-	50,997
Taurus Securities Limited		
Brokerage payable	12	-
National Clearing Company of Pakistan Limited (NCCPL)		
NCCPL Charges Payable	27	86
Security Deposits	2,750	2,750

* Current year figure has not been represented as the person ceased to be a related party / connected person of the Fund as at September 30, 2021

** Prior year comparative has not been presented as the person was not a related party / connected person of the Fund as at September 30, 2020.

12 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on October 29, 2021.

13 GENERAL

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

13.2 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

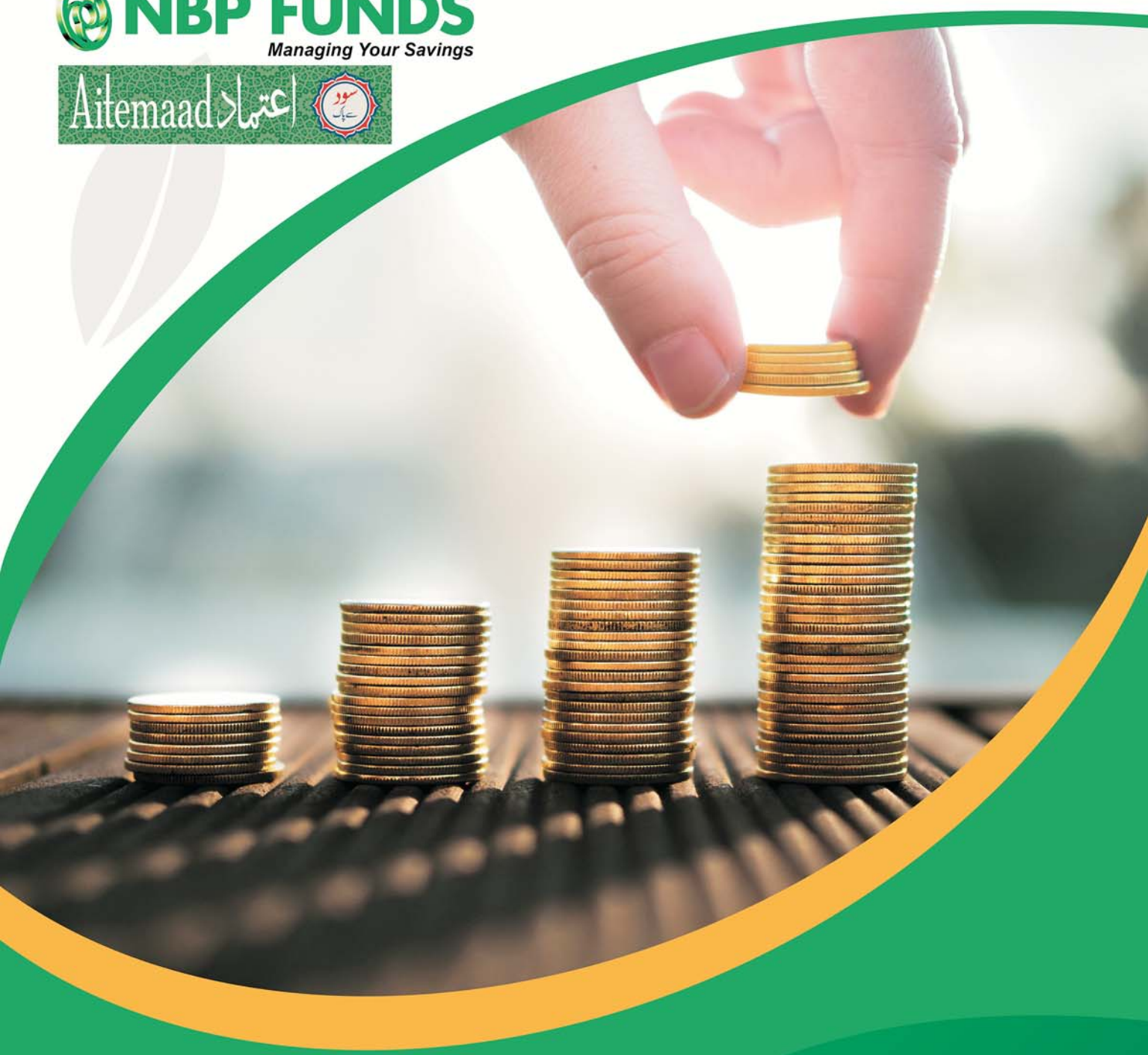
Sms: INVEST to 9995

Fax: 021-35825335

Email: info@nbpffunds.com

Website: www.nbpffunds.com

 /nbpffunds



NBP ISLAMIC INCOME FUND

AM1
Rated by PACRA

QUARTERLY REPORT
SEPTEMBER 30, 2021



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. Tauqeer Mazhar	Director
Ms. Mehnaz Salar	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
Ms. Mehnaz Salar	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
Mr. Saad Amanullah Khan	Member

Strategy & Business Planning Committee

Mr. Humayun Bashir	Chairman
Mr. Tauqeer Mazhar	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

Bank Islami Pakistan Limited
United Bank Limited (Islamic)
Dubai Islamic Bank Pakistan Limited
Meezan Bank Limited
Silk Bank Limited (Emaan Islamic)
AlBaraka Bank (Pakistan Limited)
National Bank of Pakistan (Islamic Banking)
Habib Bank Limited (Islamic)
MCB 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

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:

Khan Center, 1st Floor,
Abdali Road, Multan.
Phone No. : 061-4540301-6, 061-4588661-2&4



DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited is pleased to present the unaudited condensed Interim financial statements of **NBP Islamic Income Fund (NBP-IIF)** for the quarter ended September 30, 2021.

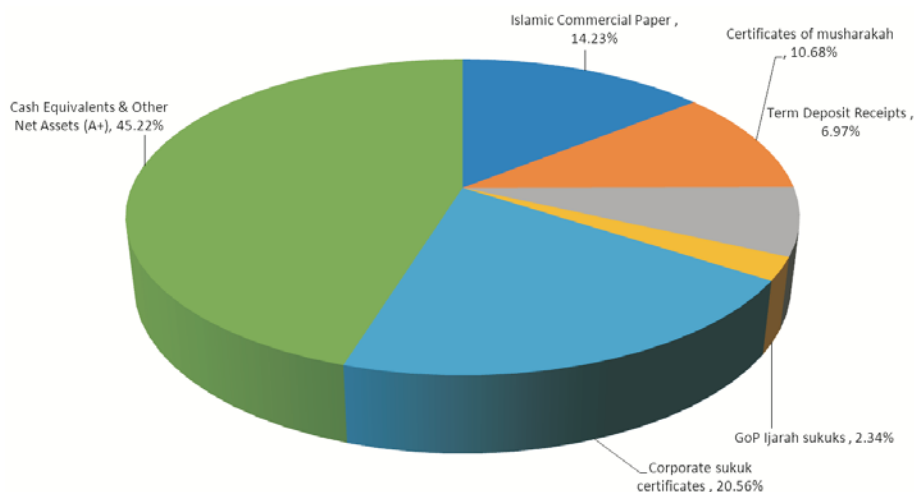
Fund's Performance

The primary market for Corporate Sukuks remained under-supplied against the growing demand. In the secondary market, the trading activity in Corporate Sukuks was abysmally low with cumulative traded value of around Rs. 0.8 billion in 1QFY22 compared to Rs. 5.6 billion during same period last year. Inflation as measured by the CPI clocked-in at 9.0% on year-on-year basis in September 2021 as compared to 8.4% in the previous month and 9.0% in September 2020. Amid sharp spike in prices of food component, CPI increased by 2.1% on a month-on-month basis in September 2021 as compared to an increase of 1.5% in September 2020. After maintaining status quo for about fifteen months, in its meeting held on September 20th, the SBP raised the Policy Rate by 25 basis points to 7.25%. While acknowledging the needed appropriate policy mix, the SBP cited that "looking ahead, in the absence of unforeseen circumstances, the MPC expects monetary policy to remain accommodative in the near term, with possible further gradual tapering of stimulus."

NBP-IIF is categorized as a Shariah Compliant Income Fund. The fund aims to provide competitive returns by investing in Shariah compliant debt securities and money market instruments. The Fund is allowed to invest with A- or above rated 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.

The size of NBP Islamic Income Fund has increased from Rs. 3,247 million to Rs. 4,306 million during the period (i.e., a notable growth of 33%). During the period, the unit price of the Fund has increased from Rs. 10.0136 on June 30, 2021 to Rs. 10.1906 on September 30, 2021, thus showing return of 7.0% p.a. as compared to its benchmark return of 3.1% p.a. for the same period. The performance of the Fund is net of management fee and other expenses. During August 2021, provisioning against Sindh Workers' Welfare Fund has been reversed. The reversal of provision has contributed towards an unusual increase in NAV of the Fund. This is one-off event and is not likely to be repeated in the future.

The Fund has earned a total income of Rs. 81.94 million during the period. After deducting total expenses of Rs. 9.76 million, the net income is Rs. 72.18 million. The below chart presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NBP-IIF.





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: October 29, 2021
Place: Karachi.

ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 30 ستمبر 2021ء کو ختم ہونے والی پہلی سہ ماہی کے لئے INBP اسلامک انکم فنڈ (NBP-IIF) کے غیر جانچ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

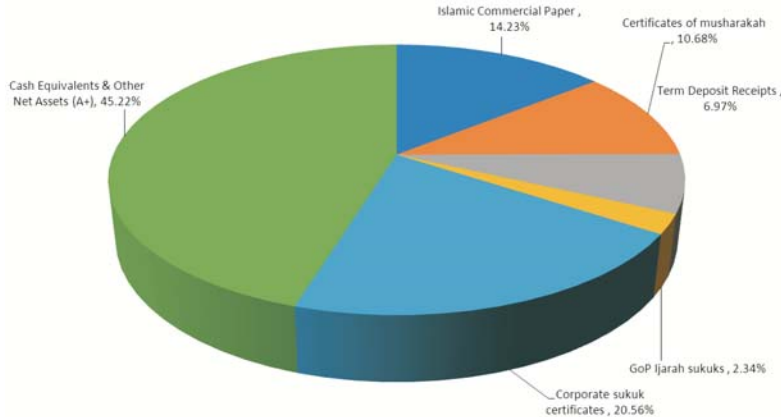
فنڈ کی کارکردگی

کارپوریٹ سکوک کے لئے ابتدائی مارکیٹ کی زیادہ طلب کے مقابلہ میں رسد کم رہی۔ ثانوی منڈی میں، کارپوریٹ سکوک میں تجارتی سرگرمی غیر معمولی طور پر کم رہی جس کی مجموعی تجارتی قدر مالیاتی سال 2021ء کی پہلی سہ ماہی میں 5.6 بلین روپے کے مقابلہ میں مالیاتی سال 2022ء کی پہلی سہ ماہی میں 0.8 بلین روپے رہی۔ CPI کی طرف سے پیمائش کردہ افراط زر گزشتہ ماہ میں 8.4% اور ستمبر 2020 میں 9.0% کے مقابلے ستمبر 2021 میں سالانہ بنیاد پر تقریباً 9.0% رہی۔ خوراک کے اجزاء کی قیمتوں میں تیز اضافہ کے درمیان، CPI ستمبر 2020 میں 1.5% بڑھنے کے مقابلے ستمبر 2021 میں ماہانہ بنیاد پر 2.1% تک بڑھ گیا۔ تقریباً پندرہ ماہ تک پرانا نظام برقرار رکھنے کے بعد، 20 ستمبر کو منعقدہ اپنے اجلاس میں، اسٹیٹ بینک آف پاکستان (SBP) نے پالیسی شرح میں 25 پیمز پوائنٹس کے اضافہ کے ساتھ 7.25% تک زیادہ کر دی۔ مطلوبہ موزوں پالیسی مکس کو تسلیم کرتے ہوئے، اسٹیٹ بینک نے حوالہ دیا کہ "غیر متوقع حالات کی عدم موجودگی میں، آگے دیکھتے ہوئے، ایم پی سی توقع کرتی ہے کہ مالیاتی پالیسی مستقبل قریب میں موزوں رہے گی، ممکنہ طور پر مزید بتدریج کمی آئے گی۔"

NBP-IIF کی درجہ بندی بطور شریعہ کیپلائٹ انکم فنڈ کی گئی ہے۔ اس فنڈ کا مقصد شریعت کے مطابق قرضوں کی سیکورٹیز اور منی مارکیٹ کے آلات میں سرمایہ کاری کر کے مسابقتی منافع فراہم کرنا ہے۔ فنڈ اسلامک بینکوں، روایتی بینکوں کی اسلامک برانچز اور ڈونڈ میں آسانی سے لیکویڈٹی فراہم کرنے والے A یا بالا درجہ کے اسلامی بینکوں کے ساتھ سرمایہ کاری کی اجازت دیتا ہے۔ فنڈ کو شریعت کے مطابق A یا اس سے بالا درجہ بندی کے منی مارکیٹ کے آلات اور ڈیٹ سیکورٹیز میں سرمایہ کاری کرنے کی اجازت ہے۔ فنڈ ایکویٹی میں سرمایہ کاری کرنے کا مجاز نہیں ہے۔ گورنمنٹ سیکورٹیز کے علاوہ فنڈ کی مینجورٹی کی اوسط مدت 4 سال سے زیادہ نہیں ہو سکتی ہے۔

INBP اسلامک انکم فنڈ کا سائز 3,247 ملین روپے سے بڑھ کر اس مدت کے دوران 4,306 ملین روپے ہو گیا (یعنی 33% کا خاطر خواہ اضافہ ہوا) ہے۔ اس مدت کے دوران، فنڈ کے یونٹ کی قیمت 30 جون 2021 کو 10.0136 روپے سے بڑھ کر 30 ستمبر 2021 کو 10.1906 روپے ہو گئی۔ لہذا فنڈ نے اسی مدت میں بیچ مارک منافع 3.1% کے مقابلے 7.0% کا سالانہ منافع درج کیا۔ فنڈ کی یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔ اگست 2021 کے دوران، سندھ ورکرز ویلفیئر فنڈ کی پروویڈنٹس ریورس کر دی گئی۔ اس پروویڈنٹس کے ریورسل کے باعث فنڈ کی NAV میں غیر معمولی اضافہ ہوا۔ یہ ایک ایسا موقع ہے جس کا مستقبل میں دوبارہ آنے کا امکان نہیں ہے۔

فنڈ کو اس مدت کے دوران 81.94 ملین روپے کی آمدنی ہوئی۔ 9.76 ملین روپے کے اخراجات متہا کرنے کے بعد خالص آمدنی 72.18 ملین روپے ہے۔ درج ذیل چارٹ NBP-IIF کی ایسٹ ایلیکیشن اور اس کے ذیلی اثاثوں کے تمام درجوں کی پیمائش شدہ اوسط کریڈٹ ریٹنگ پیش کرتا ہے:





اظہار تشکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے میٹجمنٹ کمیٹی پر اعتماد، اعتبار اور خدمت کا موقع فراہم کرنے پر اپنے قابل قدر یونٹ ہولڈرز کا شکریہ ادا کرتا ہے۔ یہ سیکورٹیز اینڈ انویسٹمنٹ 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 فونڈ میٹجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو

تاریخ: 29 اکتوبر 2021

مقام: کراچی



CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2021

	(Un-audited) September 30, 2021	(Audited) June 30, 2021
Note	-----Rupees in '000-----	
ASSETS		
Bank balances	4 1,915,616	1,492,721
Investments	5 2,358,990	1,856,273
Profit receivable	46,534	23,892
Prepayments, deposits and other receivables	722	529
Receivable against transfer sales	288	-
Preliminary expenses and floatation costs	523	641
Total assets	4,322,673	3,374,056
LIABILITIES		
Payable to NBP Fund Management Limited - Management Company	7,080	3,476
Payable to Central Depository Company of Pakistan Limited - Trustee	311	172
Payable to the Securities and Exchange Commission of Pakistan	207	238
Payable against redemption of units	7,228	16,841
Payable against purchase of investments	-	101,326
Accrued expenses and other liabilities	1,616	5,347
Total liabilities	16,442	127,400
NET ASSETS	4,306,231	3,246,656
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)	4,306,231	3,246,656
CONTINGENCIES AND COMMITMENTS	8	
	Number of units	
NUMBER OF UNITS IN ISSUE	422,567,011	324,225,556
	Rupees	Rupees
NET ASSET VALUE PER UNIT	10.1906	10.0136

The annexed notes 1 to 14 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 QUARTER ENDED SEPTEMBER 30, 2021

	Quarter ended September 30, 2021	For the period from August 13, 2020 to September 30, 2020
Note -----Rupees in '000-----		
INCOME		
Profit on bank balances	30,562	4,221
Income on Term Deposit	8,417	222
Income on sukuk certificates	20,352	1,383
Income on commercial papers	11,219	298
Income on certificate of musharika	7,734	-
Net unrealised appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss'	2,083	1,301
Total income	80,367	7,425
EXPENSES		
Remuneration of NBP Fund Management Limited - Management Company	5,380	437
Sindh sales tax on remuneration of the Management Company	699	57
Allocated expenses	1,295	83
Selling and marketing expense	903	584
Remuneration of Central Depository Company of Pakistan Limited - Trustee	777	63
Sindh sales tax on remuneration of the Trustee	101	8
Annual fee of the Securities and Exchange Commission of Pakistan	207	17
Amortisation of preliminary expenses and floatation costs	118	20
Auditors' remuneration	113	69
Legal and professional charges	33	12
Listing fee	7	4
Shariah advisor fee	36	10
Settlement and bank charges	26	8
Printing expenses	24	8
Rating fee	43	37
Total operating expenses	9,762	1,417
Net income from operating activities	70,605	6,008
Reversal / (Provision) against Sindh Workers' Welfare Fund	1,577	(120)
Net income for the period before taxation	72,182	5,888
Taxation	-	-
Net income for the period after taxation	72,182	5,888
Allocation of net income for the period		
- Net income for the period after taxation	72,182	5,888
- Income already paid on units redeemed	(14,574)	(29)
	57,608	5,859
Accounting income available for distribution:		
- Relating to capital gains	2,083	1,293
- Excluding capital gains	55,525	4,566
	57,608	5,859

The annexed notes 1 to 14 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 STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Quarter ended September 30, 2021	For the period from August 13, 2020 to September 30, 2020
	-----Rupees in '000-----	
Net income for the period after taxation	72,182	5,888
Other comprehensive income for the period	-	-
Total comprehensive income for the period	72,182	5,888

The annexed notes 1 to 14 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 STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Quarter ended September 30, 2021			For the period from August 13, 2020 to September 30, 2020		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	Rupees in '000			Rupees in '000		
Net assets at beginning of the period	3,242,640	4,016	3,246,656	-	-	-
Issuance of 304,158,947 units (2020: 94,597,023)						
- Capital value	3,045,726	-	3,045,726	945,970	-	945,970
- Element of income	22,901	-	22,901	3,207	-	3,207
Total proceeds on issuance of units	3,068,627	-	3,068,627	949,177	-	949,177
Redemption of 205,817,492 units (2020: 2,202,527)						
- Capital value	(2,060,974)	-	(2,060,974)	(22,025)	-	(22,025)
- Element of loss	(5,686)	(14,574)	(20,260)	(121)	(29)	(150)
Total payments on redemption of units	(2,066,660)	(14,574)	(2,081,234)	(22,146)	(29)	(22,175)
Total comprehensive income/ (loss) for the period	-	72,182	72,182	-	5,888	-
Net assets at end of the period	4,244,607	61,624	4,306,231	927,031	5,859	927,002
Undistributed income / (loss) brought forward:						
- Realised		3,414			-	
- Unrealised		602			-	
		<u>4,016</u>			<u>-</u>	
Accounting income available for distribution:						
- Relating to capital gains		2,083			1,293	
- Excluding capital gains		55,525			4,566	
		<u>57,608</u>			<u>5,859</u>	
Undistributed income carried forward		<u>61,624</u>			<u>5,859</u>	
Undistributed income carried forward:						
- Realised income		59,541			4,558	
- Unrealised income		2,083			1,301	
		<u>61,624</u>			<u>5,859</u>	
			(Rupees)			(Rupees)
Net assets value per unit at the beginning of the period			10.0136			10.0000
Net assets value per unit at end of the period			<u>10.1906</u>			<u>10.0968</u>

The annexed notes 1 to 14 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 QUARTER ENDED SEPTEMBER 30, 2021

Quarter ended September 30, 2021	For the period from August 13, 2020 to September 30, 2020
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Note ----- Rupees in '000 -----

CASH FLOWS FROM OPERATING ACTIVITIES

Net income for the period before taxation	72,182	5,888
Adjustments		
Profit on bank balances	(30,562)	(4,221)
Income on Term Deposit	(8,417)	(222)
Income on sukuk certificates	(20,352)	(1,383)
Income on commercial papers	(11,219)	(298)
Income on certificate of musharika	(7,734)	-
Net unrealised appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss'	(2,083)	-
Provision against Sindh Workers' Welfare Fund	-	(120)
Amortisation of preliminary expenses and floatation costs	118	20
	(80,249)	(6,224)
(Increase) / Decrease in assets		
Investments - net	(990,634)	(291,318)
Prepayments, deposits and other receivables	(193)	(125)
Preliminary expenses and floatation costs	-	(777)
	(990,827)	(292,220)
Increase / (decrease) in liabilities		
Payable to NBP Fund Management Limited - Management company	3,604	2,200
Payable to Central Depository Company of Pakistan Limited - Trustee	139	51
Payable to the Securities and Exchange Commission of Pakistan	(31)	17
Payable against purchase of investments	(101,326)	-
Accrued expenses and other liabilities	(3,731)	388
	(101,345)	2,656
Profit received on bank balances, Islamic commercial papers, term deposit receipts and government & corporate sukuk certificates	55,642	(1,622)
Net cash flows used in operating activities	(1,044,597)	(291,522)

CASH FLOWS FROM FINANCING ACTIVITIES

Amount received against issuance of units	3,068,339	947,996
Amount paid against redemption of units	(2,090,847)	(22,032)
Net cash flows generated from financing activities	977,492	925,964
Net increase in cash and cash equivalents during the period	(67,105)	634,442
Cash and cash equivalents at the beginning of the period	2,282,721	-
Cash and cash equivalents at the end of the period	2,215,616	634,442

The annexed notes 1 to 14 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 QUARTER ENDED SEPTEMBER 30, 2021

1 LEGAL STATUS AND NATURE OF BUSINESS

NBP Islamic income Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on March 16, 2020 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 income 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 August 14, 2020 and are transferable and redeemable by surrendering them to the Fund.

"The objective of the Fund is to provide competitive returns by investing in Shariah compliant debt securities and money market instruments."

The Pakistan Credit Rating Agency Limited (PACRA) has reaffirmed an asset manager rating of AM1 as at June 23, 2021 to the Management Company and rated A(f) with stable outlook as at April 16, 2021 to the Fund.

The title to the assets of the Fund is held in the name of CDC 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 as 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
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and 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 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 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, 2021.

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2021.

These condensed interim 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, 2021.

3.2 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2021.

		(Un-audited) September 30, 2021	(Audited) June 30, 2021
4 BANK BALANCES	Note	----- Rupees in '000'-----	
Current accounts		9,933	8,776
Savings accounts	4.1	1,905,683	1,483,945
		<u>1,915,616</u>	<u>1,492,721</u>

4.1 These include balances of Rs 0.21 million and Rs 2.23 million maintained with National Bank of Pakistan and BankIslami Pakistan Limited (related parties) respectively.

		(Un-audited) September 30, 2021	(Audited) June 30, 2021
5 INVESTMENTS	Note	----- Rupees in '000'-----	
Islamic Commercial paper	5.1	612,764	68,800
GoP Ijarah sukuks	5.2	100,760	100,630
Corporate sukuk certificates	5.3	885,466	581,843
Term deposit receipts	5.4	300,000	790,000
Certificates of musharakah	5.5	460,000	315,000
		<u>2,358,990</u>	<u>1,856,273</u>



5.1 Islamic Commercial paper

Name of the security	Issue date	Profit rate (%) / Tenor	As at July 01, 2021	Purchased during the period	Matured during the period	As at September 30, 2021	Carrying value as at September 30, 2021	Market value as at September 30, 2021	Market value as a percentage of	
									Net assets of the Fund	Total market value of investments
						Rupees in '000		Percentage		
K-Electric Limited	July 27, 2021	8.05% 6 months	-	200,000	-	200,000	194,998	194,998	4.53	8.27
K-Electric Limited	July 12, 2021	8.11% 6 months	70,000	142,000	-	142,000	138,878	138,878	3.23	5.89
Mughal Iron & Steel Industries Limited	July 26, 2021	9.44% 12 months	-	300,000	-	300,000	278,888	278,888	6.48	11.82
						642,000	612,764	612,764	14.23	25.98

5.2 GoP Ijarah sukus

Name of the security	Profit payments	Issue date	Maturity date	Profit rate	As at July 01, 2021	Purchased during the period	Sold during the period	As at September 30, 2021	Carrying value as at September 30, 2021	Market value as at September 30, 2021	Unrealised appreciation / (diminution)	Percentage in relation to	
												total market value of investments	net assets of the Fund
						Number of certificates		(Rupees in '000)		% -----			
GoP Ijarah sukus XX - VRR 19	Semi-annually	May 29, 2020	May 29, 2025	Weighted average 6 months T-Bills	20,000	-	-	20,000	100,630	100,760	130	4.27	2.34

5.3 Corporate sukus certificates

Name of the security	Profit payments / redemptions	Maturity date	Profit rate	As at July 01, 2021	Purchased during the period	Sold / redeemed during the period	As at September 30, 2021	Carrying value as at September 30, 2021	Market value as at September 30, 2021	Unrealised appreciation / (diminution)	Percentage in relation to	
											total market value of the investments	net assets of the Fund
						Number of certificates		(Rupees in '000)		% -----		
POWER GENERATION & DISTRIBUTION												
The Hub Power Company Limited - a related party (AA+, PACRA, non-traded) (Face value of Rs 100,000 per certificate)	Semi-annually	March 19, 2024	1 year KIBOR plus base rate of 1.9%	500	-	-	500	51,200	51,327	127	2.49	1.19
The Hub Power Company Limited - a related party (AA+, PACRA) (Face value of Rs 100,000 per certificate)	Semi-annually	November 5, 2021	3 months KIBOR plus base rate of 1.75%	2,180	-	-	2,180	218,000	218,000	-	10.59	5.06
Hub Power Holdings Limited - a related party (AA+, PACRA, non-traded) (Face value of Rs 100,000 per certificate)	Semi-annually	November 12, 2025	6 months KIBOR plus base rate of 2.50%	700	-	-	700	63,438	63,438	-	3.08	1.47
K-Electric Limited (AA+, VIS, traded) (Face value of Rs 5,000 per certificate)	Quarterly	August 3, 2027	3 months KIBOR plus base rate of 1.7%	10,000	-	-	10,000	50,775	50,933	158	2.47	1.18
Engro Powergen Thar (Private) Limited (A, PACRA, traded) (Face value of Rs 5,000 per certificate)	Quarterly	August 3, 2024	3 months KIBOR plus base rate of 1.7%	40,000	20,000	-	60,000	300,100	301,768	1,668	14.66	7.01
OBS AGP Limited Suk	Quarterly	July 15, 2026	3 months KIBOR plus base rate of 1.7%	40,000	20,000	-	60,000	200,000	200,000	-	9.71	4.64
Total as at September 30, 2021								883,513	885,466	1,953	43.00	21.00



5.4 Term deposit receipts

Name of the security	Maturity date	Profit rate	As at July 01, 2021	Purchased during the period	Matured during the period	As at September 30, 2021	Carrying value As at September 30, 2021	Market value as As at September 30, 2021	Market value as a percentage of total investments	Market value as a percentage of net assets	
						(Rupees in '000)		%			
United Bank Limited - Islamic Banking	July 28, 2021	6.90%	340,000	-	340,000	-	-	-	-	-	
BankIslami Pakistan Limited - a related party	July 29, 2021	7.30%	400,000	-	400,000	-	-	-	-	-	
BankIslami Pakistan Limited - a related party	August 02, 2021	7.30%	50,000	-	50,000	-	-	-	-	-	
BankIslami Pakistan Limited - a related party	July 29, 2021	7.00%	-	500,000	500,000	-	-	-	-	-	
BankIslami Pakistan Limited - a related party	August 02, 2021	7.00%	-	90,000	90,000	-	-	-	-	-	
BankIslami Pakistan Limited - a related party	August 31, 2021	7.00%	-	115,000	115,000	-	-	-	-	-	
BankIslami Pakistan Limited - a related party	October 27, 2021	7.45%	-	300,000	-	300,000	300,000	300,000	14.57	6.97	
Total as at September 30, 2021								300,000	300,000	14.57	6.97

5.5 Certificates of musharakah

Name of the security	Maturity date	Profit rate	As at July 01, 2021	Purchased during the period	Matured during the period	As at September 30, 2021	Carrying value as at September 30, 2021	Market value as at September 30, 2021	Market value as a percentage of total investments	Market value as a percentage of net assets	
						(Rupees in '000)		%			
NON-BANK ISLAMIC FINANCIAL INSTITUTION											
First Habib Modaraba	July 26, 2021	7.25%	140,000	-	140,000	-	-	-	-	-	
First Habib Modaraba	October 28, 2021	7.30%	175,000	-	-	175,000	175,000	175,000	7.42	4.06	
First Habib Modaraba	January 26, 2022	7.30%	-	285,000	-	285,000	285,000	285,000	12.08	6.62	
Total as at September 30, 2021								460,000	460,000	19.50	10.68

6 CASH AND CASH EQUIVALENTS

	Note	(Un-audited) September 30, 2021	(Audited) June 30, 2021
Bank balances		1,915,616	1,492,721
Term deposit receipts	4.1	300,000	790,000
		2,215,616	2,282,721

7 PROVISION FOR SINDH WORKERS' WELFARE FUND

Subsequent to the year ended June 30, 2021, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds, for the period from August 13, 2020 to August 12, 2021, on August 13, 2021.

Provisioning against Sindh Workers' Welfare Fund by NBP ISLAMIC INCOME FUND amounting to Rs. 2.18 million has been reversed on the clarification received by Sindh Revenue Board vide letter No. SRB/TP/70/2013/8772 dated August 12, 2021 addressed to Mutual Funds Association of Pakistan. This reversal of provision has contributed towards an unusual increase in NAV of the NBP NBP ISLAMIC INCOME FUND by 0.05% on August 13, 2021. This is one-off event and is not likely to be repeated in the future.



8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2021 and June 30, 2021.

9 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 0.25% per annum of the net assets of the Fund from July 26, 2021 till August 01, 2021 and 0.1% thereafter.

10 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 as cash dividend. 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, 2022 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.

11 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period is 0.94% (2020: 1.81%) which includes 0.10% (2020: 0.24%) representing government levies on the Fund such as sales taxes, federal excise duties, annual fee to the SECP, etc. The prescribed limit for the ratio is 2.5% (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as a 'Shari'ah compliant "income" scheme.

12 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

- 12.1** 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.
- 12.2** 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.
- 12.3** Remuneration to the Management Company and the Trustee of the Fund is determined in accordance with the Trust Deed and Offering Document.



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

	Quarter ended September 30, 2021	For the period from August 13, 2020 to September 30, 2020
----- Rupees in '000'-----		
NBP Fund Management Limited - Management Company		
Remuneration of NBP Fund Management Limited - Management Company	5,380	437
Sindh sales tax on remuneration of the Management Company	699	57
Allocated expenses	1,295	83
Selling and marketing expense	903	584
Sales load and sindh sales tax on sales load	913	-
ADC charges including Sindh sales tax	57	-
Other expenses borne by the Management Company	-	138
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of Central Depository Company of Pakistan Limited - Trustee	777	63
Sindh sales tax on remuneration of the Trustee	101	8
Employees of NBP Fund Management Limited		
Units issued - 8,954,511 (2020:227,977)	90,461	2,296
Units redeemed - 5,341,063 (2020:126,441)	54,019	1,273
Portfolio managed by the Management Company		
Units issued - 12,631,890 (2020:19,395,621)	127,658	193,970
Units redeemed - 3,326,340	33,584	-
NBP RIBA FREE SAVINGS FUND		
Sukuk Purchased	-	104,597
Bank Islami Pakistan Limited		
Term deposit	1,005,000	120,000
NBP Islamic Sarmaya Izafa Fund		
Sukuk Purchased	102,133	-

12.5 Amounts / balances outstanding as at period end are as follows

	(Un-audited) September 30, 2021	(Audited) June 30, 2021
----- Rupees in '000' -----		
NBP Fund Management Limited - Management Company		
Remuneration payable to the Management Company	1,923	1,022
Sindh sales tax on remuneration payable to the Management Company	250	133
Allocated expenses payable	2,199	706
Sales and transfer load payable	1,479	566
Sindh sales tax payable on sales load	192	74
Preliminary expenses and floatation cost payable	778	778
ADC charges payable including Sindh sales tax	106	49
Other payable	153	148



	(Un-audited) September 30, 2021	(Audited) June 30, 2021
	----- Rupees in '000' -----	
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable to the Trustee	275	152
Sindh sales tax payable on Trustee remuneration	36	20
Settlement charges payable	1	8
Security deposit with Central Depository Company of Pakistan Limited - the Trustee	100	100
Employees of NBP Fund Management Limited		
Units outstanding - 10,033,768 (2020 : 6,624,820) units	102,250	66,338
Portfolio managed by the Management Company		
Units outstanding - 50,133,438 (2020: 40,827,887) units	510,891	408,834
National Bank of Pakistan - Parent Company		
Bank balances	333	299
Profit receivable on bank balances *	1	-
BankIslami Pakistan Limited - common directorship		
Bank balances	2,234	8,743
Term deposit receipts	300,000	450,000
Profit receivable on bank balances	3	111
Profit receivable on term deposit receipts	241	166
Hub Power Holdings Limited - common directorship *		
Corporate sukuk certificates held	-	61,868
Profit receivable on corporate sukuk certificates	-	25
The Hub Power Company Limited - common directorship *		
Corporate sukuk certificates held	-	269,200
Profit receivable on corporate sukuk certificates	-	4,380

* Current year figure has not been represented as the company ceased to be a related party / connected person of the Fund as at September 30, 2021.

13 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on October 29, 2021.

14 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

Website: www.nbpfunds.com

 /nbpfunds