

## NBP MAHANA AMDANI FUND

**AM1**  
Rated by PACRA

**QUARTERLY** REPORT  
MARCH 31, 2022



# MISSION STATEMENT

"To become country's most  
investor-focused company,  
by assisting investors  
in achieving their financial goals."



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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	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	HLB Microfinance Bank Limited
Habib Bank Limited	U Microfinance Bank Limited
Habib Metropolitan Bank Limited	United Bank Limited
JS Bank Limited	Mobilink Microfinance Bank Limited
Khushhali 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.nbp funds.com](http://www.nbp funds.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 financial statements of **NBP Mahana Amdani Fund** (NMAF) for the period ended March 31, 2022.

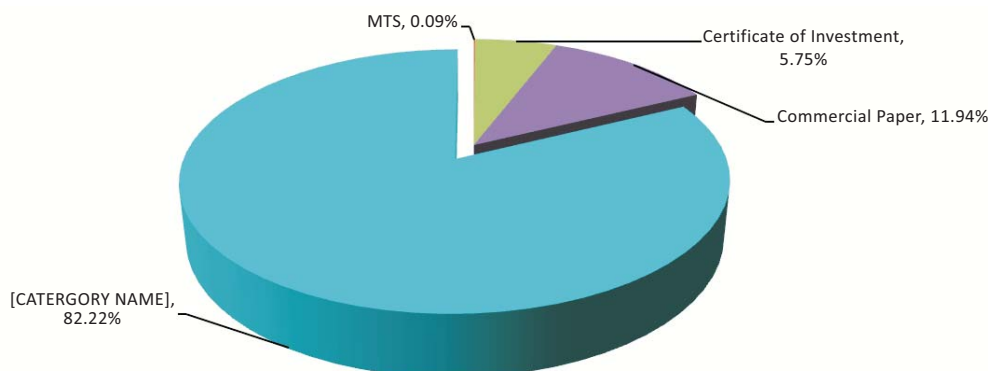
### Fund's Performance

During 9MFY22, the State Bank of Pakistan (SBP) held six Monetary Policy Committee (MPC) meetings and increased the policy rate by 2.75% to arrive at 9.75%. The MPC, monitoring the domestic economic conditions and high degree of uncertainty in the outlook for international commodity prices & global financial conditions, took the much needed and timely action to safeguard the macroeconomic stability. While the business sentiment and overall market activity has improved, the downside risk still persists due to the ongoing Russia-Ukraine conflict carrying adverse impacts - posing risks and challenges to the current account deficit (CAD) and inflation expectations. Furthermore, there has been a sharp decline in the SBP's foreign exchange reserves to USD 12 bn largely due to elevated CAD & debt repayments. Deteriorating macros coupled with heightened political uncertainty also contributed to a 16% depreciation of the rupee and a sharp rise in domestic secondary market yields. Sovereign yields also responded to inflation & external account outlook. During the period, SBP held nineteen (19) T-Bill auctions realizing a total of Rs. 11.69 trillion. The yields on T-Bills for 3-month, 6-month and 12-month tenures increased by 454 basis points, 484 basis points and 464 basis points, respectively. Similarly, PIB yields increased by 316 bps, 253 bps, and 194 bps for 3-year, 5-year, and 10-year tenures, respectively. There were nine (9) PIB auctions held where an amount of Rs. 1.18 trillion was realized.

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 size of NBP Mahana Amdani Fund has decreased from Rs. 5,287 million to Rs. 4,346 million during the period (a decline of 18%). During the period, the unit price of the Fund has increased from Rs. 10.1883 on June 30, 2021 to Rs. 10.8173 on March 31, 2022, thus showing a return of 8.2% as compared to the benchmark return of 9.6% 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 a one-off event and is not likely to be repeated in the future.

The Fund has earned a total income of Rs. 354.971 million during the period. After deducting total expenses of Rs. 57.967 million, the net income is Rs. 297.004 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: **April 27, 2022**

Place: Karachi.



## ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 31 مارچ 2022ء کو ختم ہونے والی نو ماہی کے لئے NBP ماہانہ آمدنی فنڈ (NMAF) کے غیر جانچ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

### فنڈ کی کارکردگی

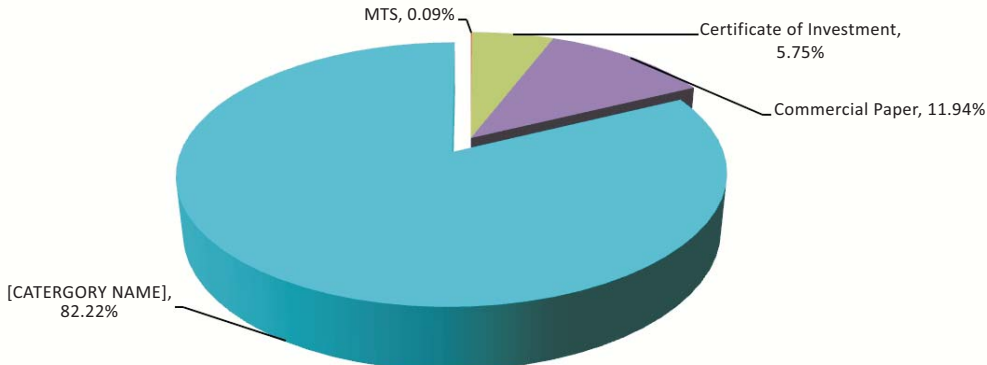
9MFY22 کے دوران، اسٹیٹ بینک آف پاکستان (SBP) نے چھ ماہی پالیسی کمیٹی (MPC) کے اجلاس منعقد کیے اور پالیسی کی شرح میں 2.75pps کا اضافہ کر کے 9.75% تک پہنچا دیا۔ MPC نے ملکی اقتصادی حالات اور بین الاقوامی اجناس کی قیمتوں اور عالمی مالیاتی حالات کے تناظر میں اعلیٰ درجے کی غیر یقینی صورتحال کو دیکھتے ہوئے میکرو اکنامک استحکام کے تحفظ کے لیے انتہائی ضروری اور بروقت اقدام کیا۔ اگرچہ کاروباری حالات اور مارکیٹ کی مجموعی سرگرمی میں بہتری آئی ہے، روس-یوکرین کے جاری تنازعہ کے منفی اثرات کے باعث کرنٹ اکاؤنٹ خسارے (CAD) اور افراط زر کی توقعات کے لیے خطرات اور چیلنجز کا خطرہ اب بھی برقرار ہے۔ مزید برآں، SBP کے غیر ملکی زرمبادلہ کے ذخائر میں شدید کمی سے 12 ملین امریکی ڈالر ہو گئے جس کی وجہ سے بڑھتے ہوئے CAD اور قرض کی ادائیگیوں میں اضافہ ہے۔ بڑھتی ہوئی سیاسی غیر یقینی صورتحال کے ساتھ خراب میکرو زونے روپیہ کی قدر میں 16% فیصد کی اور مقامی ثانوی منڈی کی شرح منافع میں تیزی سے اضافہ کیا۔ حکومتی منافع نے افراط زر اور بیرونی اکاؤنٹ کے نقطہ نظر کا بھی جواب دیا۔ اس مدت کے دوران، SBP نے انیس (19) ٹی بلز نیلامیوں کا انعقاد کیا جس میں کل 11.69 ٹریلین روپے کی وصولی ہوئی۔ 3-ماہ، 6-ماہ اور 12-ماہ کی مدت کے لیے Bills کی شرح منافع میں بالترتیب 454 بیسس پوائنٹس، 484 بیسس پوائنٹس اور 464 بیسس پوائنٹس کا اضافہ ہوا۔ اسی طرح، 3 سال، 5 سال، 10 سال کی مدتوں کے لئے پی آئی بی پیداوار میں بالترتیب 316 bps، 253 bps اور 194 bps تک اضافہ ہوا۔ نو (9) پی آئی بی نیلامیاں منعقد کی گئیں جہاں 1.18 ٹریلین روپے کی رقم حاصل ہوئی۔

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 کو MTS میں سرمایہ کاری کی اجازت ہے، تاہم NBP فنڈ کی داخلی ہدایات صرف بنیادی طور پر مستحکم کمپنیوں میں سرمایہ کاری کی اجازت دیتی ہیں۔ یہ یہاں ذکر مناسب ہے کہ اس الیٹ کلاس میں فنڈ منافع کی پہلے سے طے شدہ شرح منافع پر فائدہ ناسنگ فراہم کرتا ہے اور اسٹاک مارکیٹ میں براہ راست سرمایہ کاری نہیں کرتا۔

اس مدت کے دوران NBP ماہانہ آمدنی فنڈ کا سائز 5,287 ملین روپے سے کم ہو کر 4,346 ملین روپے یعنی 18% کی کمی ہوئی۔ اس مدت کے دوران فنڈ کی قیمت 30 جون 2021 کو 10.1883 روپے سے بڑھ کر 31 مارچ 2022ء کو 10.8173 روپے تک پہنچ چکی ہے، لہذا اسی مدت کے لئے اپنے پنچ مارک منافع 9.6% کے مقابلے میں 8.2% منافع درج کرایا۔ فنڈ کی یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔ اگست 2021 کے دوران، سندھ ورکرز ویلفیئر فنڈ کی پرویڈنٹ رپورس کردی گئی۔ اس پرویڈنٹ 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 کو اس مدت کے دوران 354.971 ملین روپے کی مجموعی آمدنی ہوئی۔ 57.967 ملین روپے کے اخراجات مہیا کرنے کے بعد خالص آمدنی 297.004 ملین روپے ہے۔

درج ذیل چارٹ ایٹ ایلوکیشن 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 منجمنٹ کمپنی پر اعتماد، اعتبار اور خدمت کا موقع فراہم کرنے پر اپنے قابل قدر یونٹ ہولڈرز کا شکریہ ادا کرتا ہے۔ یہ سیکورٹیز اینڈ اینڈریج کیپیٹل کمیشن آف پاکستان اور اسٹیٹ بینک آف پاکستان کی سرپرستی اور رہنمائی کے لئے ان کے مخلص رویہ کا بھی اعتراف کرتا ہے۔

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

منجانب بورڈ آف ڈائریکٹرز

**NBP فنڈ منجمنٹ لمیٹڈ**

ڈائریکٹر

چیف ایگزیکٹو

تاریخ: 27 اپریل 2022ء

مقام: کراچی



## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2022

		Un-audited March 31, 2022	Audited June 30, 2021
Note		-----Rupees in '000-----	
<b>ASSETS</b>			
	4	3,584,995	4,278,626
Balances with banks and short term deposits			
Investments	5	769,103	19,945
Receivable against Margin Trading System		3,978	1,013,394
Profit receivable		31,385	26,292
Receivable against transfer of units		3,677	35,599
Deposits, prepayments and other receivables		357	640
<b>Total assets</b>		<b>4,393,495</b>	<b>5,374,496</b>
<b>LIABILITIES</b>			
		28,672	31,893
Payable to the Management Company		311	600
Payable to the Trustee		750	1,215
Payable to the Securities and Exchange Commission of Pakistan		13,952	5,551
Payable on redemption of units		3,395	47,915
Accrued expenses and other liabilities		47,080	87,174
<b>Total liabilities</b>			
<b>NET ASSETS</b>		<b>4,346,415</b>	<b>5,287,322</b>
<b>Unit holders' funds (as per statement attached)</b>		<b>4,346,415</b>	<b>5,287,322</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	7	(Number of units)	
<b>Number of units in issue</b>		<b>401,803,735</b>	<b>518,960,391</b>
		-----Rupees-----	
<b>Net asset value per unit</b>		<b>10.8173</b>	<b>10.1883</b>

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

For NBP Fund Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director



## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2022

	Nine months ended		Quarter ended	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Note -----Rupees in '000-----				
<b>INCOME</b>				
(Loss) / Gain on sale of investments - net	(166)	(362)	11	(78)
Income from government securities	29,966	45,688	9,985	12,699
Income from term deposit receipts	-	15,222	-	6,313
Income from certificates of investment	1,207	-	1,207	-
Income from letter of placements	1,950	3,404	304	-
Income from commercial paper	36,213	13,505	17,360	4,491
Income from bank deposits	237,947	197,097	82,879	64,751
Income from Margin Trading System	32,685	103,156	4,057	33,369
Net unrealised appreciation on remeasurement of investments classified as 'financial assets at fair value through profit or loss'	-	35	-	30
<b>Total Income</b>	<b>339,802</b>	<b>377,745</b>	<b>115,803</b>	<b>121,575</b>
<b>EXPENSES</b>				
Remuneration of the Management Company	5,754	6,722	1,653	2,233
Sindh sales tax on remuneration of the Management Company	748	874	215	290
Remuneration of the Trustee	2,814	3,361	827	1,117
Sindh sales tax on remuneration of the Trustee	366	437	108	145
Annual fee - Securities and Exchange Commission of Pakistan	750	896	220	298
Reimbursement of Accounting and operational charges to the Management Company	4,690	5,174	1,378	1,862
Reimbursement Selling and marketing expenses	36,618	28,671	11,792	10,423
Auditors' remuneration	682	591	162	148
Settlement and bank charges	4,434	11,783	461	3,711
Annual listing fee	21	21	7	7
Fund rating fee	432	538	142	274
Legal and professional charges	440	181	135	65
National Clearing Company of Pakistan Limited fee	138	189	138	62
Printing charges	80	108	45	31
<b>Total Expenses</b>	<b>57,967</b>	<b>59,546</b>	<b>17,283</b>	<b>20,666</b>
<b>Net income from operating activities</b>	<b>281,835</b>	<b>318,199</b>	<b>98,520</b>	<b>100,909</b>
Reversal / (provision) for Sindh Workers' Welfare Fund	15,169	(6,364)	-	(2,018)
<b>Net income for the period before taxation</b>	<b>297,004</b>	<b>311,835</b>	<b>98,520</b>	<b>98,891</b>
Taxation	-	-	-	-
<b>Net income for the period after taxation</b>	<b>297,004</b>	<b>311,835</b>	<b>98,520</b>	<b>98,891</b>
<b>Allocation of net income for the period</b>				
Net income for the period	297,004	311,835	98,520	98,891
Income already paid on units redeemed	(82,745)	(113,553)	(37,497)	(13,655)
	<b>214,259</b>	<b>198,282</b>	<b>61,023</b>	<b>85,236</b>
<b>Accounting income available for distribution:</b>				
-Relating to capital gains	-	-	11	-
-Excluding capital gains	214,259	198,282	61,012	85,236
	<b>214,259</b>	<b>198,282</b>	<b>61,023</b>	<b>85,236</b>

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

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

Chief Financial Officer

Chief Executive Officer

Director



## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2022

	<u>Nine months ended</u>		<u>Quarter ended</u>	
	<u>March 31, 2022</u>	<u>March 31, 2021</u>	<u>March 31, 2022</u>	<u>March 31, 2021</u>
	-----Rupees in '000-----			
Net income for the period after taxation	297,004	311,835	98,520	98,891
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive income for the period</b>	<u><b>297,004</b></u>	<u><b>311,835</b></u>	<u><b>98,520</b></u>	<u><b>98,891</b></u>

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

For NBP Fund Management Limited  
(Management Company)

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

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

\_\_\_\_\_  
Director



## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022

	Nine Months ended Mar-2022			Nine Months ended Mar-2021		
	Capital value	Undistributed income	Total	Capital 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 884,693,684 units (2021: 1,367,827,510 units)						
- Capital value	9,013,525	-	9,013,525	13,919,697	-	13,919,697
- Element of income	284,535	-	284,535	207,910	-	207,910
Total proceeds on issuance of units	9,298,055	-	9,298,060	14,127,607	-	14,127,607
Redemption of 1,001,850,340 units (2021: 1,053,860,206 units)						
- Capital value	(10,207,152)	-	(10,207,152)	(10,724,608)	-	(10,724,608)
- Element of loss	(246,074)	(82,745)	(328,819)	(122,199)	(113,553)	(235,752)
Total payments on redemption of units	(10,535,971)	(82,745)	(10,535,971)	(10,846,807)	(113,553)	(10,960,360)
Total comprehensive income for the period	-	297,004	297,004	-	311,835	311,835
<b>Distribution during the period</b>						
@ Re 0.3620 per unit (date of declaration: December 24, 2020)	-	-	-	(67,711)	(105,075)	(172,786)
<b>Net assets at end of the period</b>	<b>4,029,851</b>	<b>233,814</b>	<b>4,346,415</b>	<b>6,126,813</b>	<b>107,394</b>	<b>6,234,207</b>
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		214,259			198,282	
		214,259			198,282	
<b>Distributions during the period</b>		-			(105,075)	
<b>Interim distributions made during the period</b>		-			-	
Undistributed income carried forward		233,814			107,394	
Undistributed income carried forward						
- Realised		233,814			107,359	
- Unrealised		-			35	
		233,814			107,394	
			(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			10.8173			10.3613

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

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

Chief Financial Officer

Chief Executive Officer

Director



## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022

	Nine months ended	
	March 31, 2022	March 31, 2021
	----- Rupees in '000 -----	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	297,004	311,835
<b>Adjustments</b>		
Income from government securities	(29,966)	(45,688)
Income from term deposit receipts	-	(15,222)
Income from certificates of investment	(1,207)	-
Income from letter of placements	(1,950)	(3,404)
Income from commercial paper	(36,213)	(13,505)
Income from bank deposits	(237,947)	(197,097)
Income from Margin Trading System	(32,685)	(103,156)
(Reversal of) / provision against Sindh Workers' Welfare Fund - net	(15,169)	6,364
Net unrealised (diminution) on remeasurement of investments classified as 'financial assets at fair value through profit or loss'	-	(35)
loss / (Gain) on sale of investments - net	166	362
	(57,967)	(59,546)
<b>(Increase) / decrease in assets</b>		
Investments	(749,324)	56,746
Receivable against Margin Trading System	1,009,416	(344,545)
Deposits, prepayments and other receivables	283	258
	260,375	(287,541)
<b>Increase / (decrease) in liabilities</b>		
Payable to the Management Company	(3,221)	16,881
Payable against purchase of investments	-	149,380
Payable to the Trustee	(289)	196
Payable to the Securities and Exchange Commission of Pakistan	(465)	535
Accrued expenses and other liabilities	(29,351)	(19,965)
	(33,326)	147,027
Profit received on bank deposits, term deposit receipts, government securities, commercial papers, certificate of investment, MTS and letter of placements	334,875	364,179
<b>Net cash generated from / (used in) operating activities</b>	503,957	164,119
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Receipts from issue of units	9,329,982	14,157,261
Payments on redemption of units	(10,527,570)	(10,949,408)
Distributions paid	-	(105,075)
<b>Net cash (used in) / generated from financing activities</b>	(1,197,588)	3,102,778
<b>Net increase / decrease in cash and cash equivalents during the period</b>	(693,631)	3,266,897
Cash and cash equivalents at the beginning of the period	4,278,626	2,300,436
<b>Cash and cash equivalents at the end of the period</b>	3,584,995	5,567,333

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

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

Chief Financial Officer

Chief Executive Officer

Director



## NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022

### 1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 NBP Mahana Amdani Fund (the Fund) was established under a Trust Deed executed between NBP Fund Management Limited as the Management Company and the 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 7, 2009, in accordance with the Non-Banking and Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules).

During the year ended June 30, 2021, the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on October 18, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

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 objective of the Fund is to provide an open-end income scheme, seeking to minimize risk, preserve capital and generate a reasonable return along with a high degree of liquidity from a portfolio primarily constituted of bank deposits and money market instruments.

The Pakistan Credit Rating Agency (PACRA) has determined the asset manager rating of the Management Company of AM1 (2021: 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, the Pakistan Credit Rating Agency Limited (PACRA) has maintained the stability rating of the Fund at "AA-(f)" (2021: "AA-(f)" on April 16, 2021) dated October 18, 2021.

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 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 March 31, 2022.

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) March 31, 2022	(Audited) June 30, 2021
4	<b>BANK BALANCES</b>	Note	Rupees in '000
	In current accounts		1,751
	In savings accounts	4.1	3,583,244
			<u>3,584,995</u>

4.1 These include balances amounting to Rs 9.77 million, Rs 4.85 million, Rs 461.41 million and Rs 0.001 million (2021: Rs 16.458 million, Rs 13.269 million, Rs 493.624 million and Rs Nil respectively) maintained with BankIslami Pakistan Limited, National Bank of Pakistan, Khushhali Microfinance Bank Limited and Telenor Microfinance Bank Limited (related parties) respectively, that carry profit at the rates 10.25%, 2%, 8% and 11% per annum respectively (2021: 7%, 4.5%, 8% and 8.5% per annum). Other savings accounts of the Fund carry profits at the rates ranging from 7.25% to 12.50% per annum (2021: 5.51% to 9% per annum).

		Un-audited March 31 2022	Audited June 30, 2021
5	<b>INVESTMENTS</b>	Note	Rupees in '000
	<b>Investment by category</b>		
	<b>At fair value through profit or loss</b>		
	Investment in Government securities	5.1	-
	Commercial Paper	5.2	519,103
	Certificate of Investment	5.3	250,000
	Term deposits receipts		-
			<u>769,103</u>





## 5.1 Investment in government securities - 'At fair value through profit or loss'

Issue date	Tenor in months	Face value				Market Value as at March 31, 2022	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 March 31, 2022			

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

### Market Treasury Bills

June 3, 2021	3	-	395,000	395,000	-	-	-	-
August 27, 2020	12	-	440,000	440,000	-	-	-	-
May 6, 2021	6	-	1,100,000	1,100,000	-	-	-	-
March 25, 2021	6	-	185,000	185,000	-	-	-	-
July 15, 2021	3	-	250,000	250,000	-	-	-	-
July 29, 2021	3	-	275,000	275,000	-	-	-	-
October 21, 2021	3	-	100,000	100,000	-	-	-	-
April 22, 2021	3	20,000	-	20,000	-	-	-	-
May 20, 2021	3	-	150,000	150,000	-	-	-	-
June 3, 2021	6	-	955,000	955,000	-	-	-	-
December 20, 2021	3	-	570,000	570,000	-	-	-	-
July 29, 2021	6	-	85,000	85,000	-	-	-	-
November 4, 2021	3	-	5,000	5,000	-	-	-	-
December 30, 2021	3	-	425,000	425,000	-	-	-	-
December 16, 2021	3	-	1,000,000	1,000,000	-	-	-	-
						-	-	-

### Carrying Value as at March 31, 2022

Net unrealised appreciation on re-measurement of investments  
classified as 'financial assets at fair value through profit or loss'

Market value as at June 30, 2021

Carrying value as at June 30, 2021

19,945

19,944

## 5.2 Commercial papers

Issue date	Security rating	Face value				Carrying /Market Value as at March 31, 2022	Market value as % of	
		As at July 1, 2021	Purchased during the period	Matured during the period	As at March 31, 2022		total investments	net assets

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

K-Electric Limited CP 01		-	450,000	450,000	-	-	-	0.00%
Lucky Electric Power Company Limited ICP-1	A-1, PACRA	-	425,000	-	425,000	420,937	54.73%	9.68%
JS Global Capital Limited CP	A-1+, VIS	-	149,000	-	149,000	98,166	12.76%	2.26%
						574,000	519,103	67.49%
						-	-	11.94%

Carrying value as at March 31, 2022

Total as at June 30, 2021

-

-

**5.2.1** These carry profit ranging from 8.01% to 12.06% (June 30, 2021: Nil) per annum and are due to mature latest by May 30, 2022.



## 5.3 Certificate of Investment

Name of Issuer	Profit rate per annum	Maturity date	As at July 01, 2021	Placed during the period	Matured during the period	As at March 31, 2022	Market value as % of	
							Total investments	Net assets
Pak-Oman Investment Company Limited	11.75%	March 17, 2022	-	250,000	-	250,000	32.51%	5.75%
						250,000	32.51%	5.75%
Total as at June 30, 2021						-		

## 6 SINDH WORKERS' WELFARE FUND (SWWF)

During the current period, SRB through its letter dated August 12, 2021 intimated MUFAP that the mutual funds do not qualify as financial institutions / industrial establishments and are therefore, not liable to pay SWWF contributions. This development was discussed at MUFAP level and was also taken up with the SECP and all the Asset Management Companies, in consultation with the SECP, have reversed the cumulative provision of SWWF amounting to Rs. 16.05 million recognised in these condensed interim financial statements of the Fund, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP also gave its concurrence for prospective reversal of provision for SWWF. Going forward, no provision for SWWF has been recognised in these condensed interim financial statements of the Fund.

## 7 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2022 and June 30, 2021.

## 8 REIMBURSEMENT OF 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 1.07% 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 1.55% (March 31, 2021: 1.47%) which includes 0.05% (March 31, 2021: 0.19%) representing Government Levy, Sindh Worker's Welfare Fund 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 WITH CONNECTED PERSONS

- 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, NAFA Pension Fund, NAFA Provident Fund Trust being the associates of the Management Company, other collective investment schemes managed by the Management Company and directors and officers of the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund and unit holders holding ten percent or more units of the Fund.
- 11.2** 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 payable to the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.
- 11.4** The details of transactions with connected persons and balances with them as at period end are as follows:

		----- (Un-Audited) ----- Nine months ended	
		March 31, 2022	March 31, 2021
		----- Rupees in '000 -----	
<b>11.5</b>	<b>Transactions during the period</b>		
	<b>NBP Fund Management Limited</b>		
	Management fee for the period	5,754	6,722
	Sindh sales tax on remuneration of the Management Company	748	874
	Reimbursement of Accounting and operational charges to the Management Company	4,690	5,174
	Reimbursement of Selling and marketing expenses	36,618	28,671
	Sales load	11,997	33,620
	ADC Share and Sind sale tax - Payable to Management Company	1,332	834
	Units issued during the period Nil units (2021: 47,489,425 units)	-	492,022
	Units redeemed during the period Nil units (2021: 59,814,143 units)	-	619,803
	<b>Central Depository Company of Pakistan Limited - Trustee</b>		
	Remuneration for the period	2,814	3,361
	Sindh sales tax on remuneration of the Trustee	366	437
	Settlement charges	578	1,654
	<b>Employees of the Management Company</b>		
	Dividend reinvest units issued: Nil units (2021: 34,160)	-	348
	Units issued / transferred in 2,931,744 units; (2021: 34,394,829 units)	30,789	355,274
	Units redeemed / transferred out 3,579,200 units; 2021: 29,534,762 units)	37,689	306,630
	<b>NBP Money Market Fund (CIS managed by the Management Company)</b>		
	Market Treasury Bills sold during the period	-	1,268,564
	<b>Portfolios managed by the Management Company</b>		
	Dividend reinvest units issued: Nil units (2021: 9,604 units)	-	98
	Units issued - 5,098,594 (2021: 40,598,533 units)	52,715	421,301
	Units redeemed - 10,197,188 units (2021: 40,608,136 units)	105,430	424,035
	Market Treasury Bills sold during the period	-	4,847
	<b>CDC Trustee NBP Income Opportunity Fund (CIS managed by the Management Company)</b>		
	Market Treasury Bills purchased during the period	-	149,740



----- (Un-Audited) -----  
Nine months ended

March 31,      March 31,  
2022              2021

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

**Muhammad Murtaza Ali - Company Secretary / Chief Operation Officer  
of the Management Company**

Dividend reinvest units issued: Nil units (2021: 2,3069 units)	-	24
Units redeemed - 81,825 units (2021: 114,133 units)	869	1,193

**Dr. Amjad Waheed - Chief Executive Officer**

Units issued / transferred in Nil unit (2021:75 units)	-	1
--	---	---

**Fauji Fertilizer Company Limited (Common Directorship)**

Units issued / transferred in Nil units (2021:74,563,914 units)	-	760,000
Units redeemed / transferred out Nil units;( 2021:74,563,914 units)	-	784,002

**Indus Motor Company Limited- unit holder with more than 10% holding\***

Units issued / transferred in Nil units (2021:68,719,751 units)	-	700,000
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**Bank Islami Pakistan Limited (Common Directorship)**

Bank profit earned on saving account	422	221
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**Khushhali Bank Limited - (Common Directorship)**

Bank profit earned on saving account	36,313	29,381
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**National Bank of Pakistan (Parent company)**

Bank profit earned on saving account	2,034	290
Purchase of treasury bills	949,501	-

**Pakistan Stock Exchange\***

Listing pee paid	-	25
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**National Clearing Company of Pakistan Limited (Common Directorship)**

NCCPL charges	138	189
Laga and levy	3,535	9,826

Un-audited      Audited  
March 31,      June 30,  
2022              2021  
(Rupees in '000)

**11.6 Amounts outstanding as at period end**

**NBP Fund Management Limited**

Remuneration payable to the Management Company	552	797
Reimbursement of Allocation of expenses	1,377	1,990
Sindh sales tax on remuneration of the Management Company	71	103
Federal excise duty on remuneration of the Management Company	10,620	10,620
Reimbursement of Selling and Marketing expenses payable	11,792	11,146
Sales load and Transfer Load to Management Company	1,697	5,488
Sales tax payable on sales load	220	713
Federal excise duty on sales load	292	292
ADC Share and Sind sale tax - Payable to Management Company	1,763	456
Others	288	288



	Un-audited March 31, 2022	Audited June 30, 2021
	(Rupees in '000)	
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration payable	275	297
Sindh Sales Tax payable	36	52
Settlement charges payable	35	151
Security Deposit	100	100
<b>National Bank of Pakistan - Parent Company</b>		
Current Account	1,751	1,751
Savings Account	3,103	13,269
Profit receivable on savings account	156	66
<b>Employees of the Management Company</b>		
Investment held in the Fund (units 1,051,752; June 30, 2021: 1,850,493 units)	11,409	18,853
<b>Dr. Amjad Waheed - Chief Executive Officer</b>		
Investment held in fund 78 units (June 30, 2021: 76 units)	1	1
<b>Telenor Microfinance Bank Limited (Common Directorship)</b>		
Bank Balances	1	-
Profit receivable on savings account	6	-
<b>Bank Islami Pakistan Limited (Common Directorship)</b>		
Bank Balances	9,770	16,458
Profit receivable on savings account	1	21
<b>Khushhali Bank Limited - (Common Directorship)</b>		
Bank Balances	461,410	-
Profit receivable on savings account	4,297	-
<b>Mr. Ali Saigol -- Director</b>		
Investment held in the Fund (1,077 units; June 30, 2021: 1,077 units)	12	11
<b>Muhammad Murtaza Ali - Company Secretary / COO</b>		
Units held: 23,220 units (June 30, 2021: 105,45 units)	251	1,070
<b>National Clearing Company of Pakistan Limited (Common Directorship)</b>		
Security deposit	250	250
Laga and levy	9	-

\*Current year figures have not been presented as the person is not classified as a related party / connected person of the Fund as at March 31, 2022.

## 12 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.



Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Financial assets which are tradeable in an open market are revalued at market prices prevailing on the reporting date. The estimated fair value of all other financial assets and financial liabilities is considered not to be significantly different from the respective book values as the items are either short-term in nature or repriced periodically.

### **Fair value hierarchy**

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Fund to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

## **13 DATE OF AUTHORISATION FOR ISSUE**

These financial statements were authorised for issue by the Board of Directors of the Management Company on April 27, 2022

## **14 GENERAL**

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

### **14.2 CORRESPONDING FIGURES**

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison and better presentation. No significant changes to corresponding figures have been made during the current period.

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

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

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

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

## Head Office

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