



*Managing Your Savings*

**NBP Fund Management Limited**



## **NBP MAHANA AMDANI FUND**

**QUARTERLY** REPORT  
SEPTEMBER 30, 2022

**AM1**  
Rated by PACRA

# MISSION STATEMENT

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



# Contents

<b>FUND'S INFORMATION</b>	<b>03</b>
<b>DIRECTORS' REPORT</b>	<b>05</b>
<b>CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES</b>	<b>09</b>
<b>CONDENSED INTERIM INCOME STATEMENT</b>	<b>10</b>
<b>CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME</b>	<b>11</b>
<b>CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND</b>	<b>12</b>
<b>CONDENSED INTERIM CASH FLOW STATEMENT</b>	<b>13</b>
<b>NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL INFORMATION</b>	<b>14</b>

## 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. Saad Amanullah Khan	Director
Mr. Ruhail Muhammad	Director

### Company Secretary & COO

Mr. Muhammad Murtaza Ali

### Chief Financial Officer

Mr. Khalid Mehmood

### Audit & Risk Committee

Mr. Ruhail Muhammad	Chairman
Mr. Saad Amanullah Khan	Member
Ms. Mehnaz Salar	Member
Mr. Imran Zaffar	Member

### Human Resource Committee

Mr. Khalid Mansoor	Chairman
Shaikh Muhammad Abdul Wahid Sethi	Member
Mr. Ali Saigol	Member
Mr. Saad Amanullah Khan	Member

### Strategy & Business Planning Committee

Mr. Saad Amanullah Khan	Chairman
Mr. Tauqeer Mazhar	Member
Mr. Ali Saigol	Member
Mr. Imran Zaffar	Member
Mr. Ruhail Muhammad	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	Soneri Bank Limited
Askari Bank Limited	Telenor Microfinance Bank Limited
Bank Al Habib Limited	HBL Microfinance Bank Limited
Bank Alfalah Limited	U Microfinance Bank Limited
Bank Islami Pakistan Limited	United Bank Limited
Habib Bank Limited	Mobilink Microfinance Bank Limited
Habib Metropolitan Bank Limited	Al Baraka Bank Pakistan Limited
JS Bank Limited	National Bank of Pakistan
Khushhali Bank Limited	Faysal Bank Limited
MCB Bank Limited	The Bank of Khyber
Meezan Bank Limited	
Samba Bank Limited	
Silk Bank Limited	

## **Auditors**

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

## **Legal Advisor**

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

## **Head Office:**

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

## **Lahore Office:**

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

## **Islamabad Office:**

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

## **Peshawar Office:**

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

## **Multan Office:**

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, 2022.

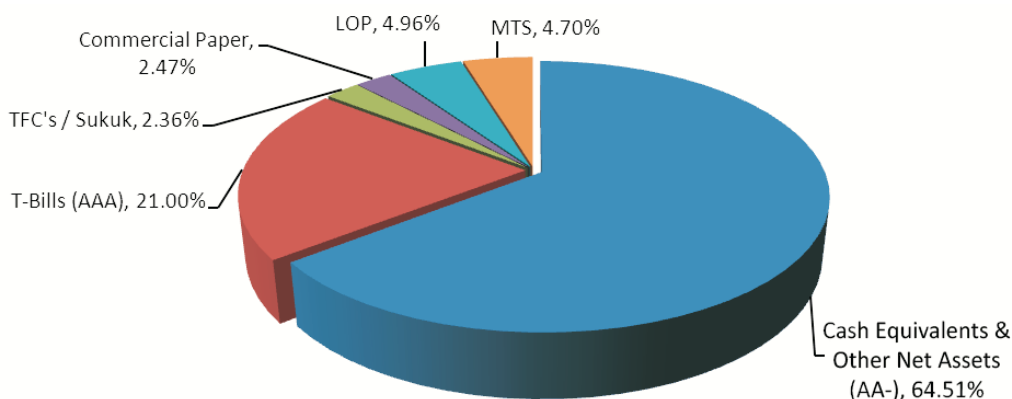
### Fund's Performance

The size of NBP Mahana Amdani Fund has decreased from Rs. 4,054 million to Rs. 4,033 million during the period (i.e., a drop of 1%). During the period, the unit price of the Fund has increased from Rs. 10.2006 on June 30, 2022 to Rs. 10.5679 on September 30, 2022, thus showing a return of 14.3% p.a. as compared to the benchmark return of 15.9% p.a. for the same period. The performance of the Fund is net of management fee and all other expenses.

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.

During the quarter, SBP held two Monetary Policy Committee meetings and increased the policy rate by 125 basis points to 15%. The sovereign yields responded as PIB yields increased by 38 bps and 19 bps for 3 years and 5 years, respectively. SBP held three PIB auctions, realizing a total of Rs. 687 billion against the maturity of Rs. 1,132 billion and target of Rs. 500 billion. Inflation as measured by the CPI, escalated sharply and averaged 25.1% during the period as compared to 8.6% in 1QFY22. Amid spike in the perishable item prices, the utilities also increased significantly. Owing to the global and domestic uncertainties, and due to pressure on the exchange rate, the inflation outlook remains elevated for FY23. The exacerbating political noise as well as the global unrest due to the Russia-Ukraine conflict intensifying; significant uncertainties prevail around the outlook for international commodity prices and domestic fiscal consolidation. Also, following the increase in FED rates, the central banks across the world are pushed to confront with challenging outlook.

The Fund has earned a total income of Rs. 183.51 million during the year. After deducting total expenses of Rs.18.86 million, the net income is Rs.164.65 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 Officer**

**Director**

**Date: October 29, 2022**  
**Place: Karachi.**

## ڈائریکٹرز رپورٹ

NBP فنڈ میجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 30 ستمبر 2022ء کو ختم ہونے والی سہ ماہی کے لئے NBP ماہانہ آمدنی فنڈ (NMAF) کے غیر جانچ شدہ کنڈینسڈ مالیاتی گوشوارے پیش کرتے ہیں۔

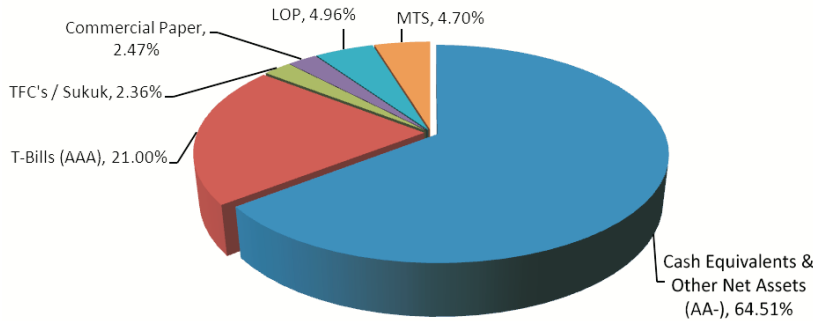
### فنڈ کی کارکردگی

اس مدت کے دوران NBP ماہانہ آمدنی فنڈ کا سائز 4,054 ملین روپے سے کم ہو کر 4,033 ملین روپے ہو گیا ہے، (یعنی 1% کی کمی)۔ اس مدت کے دوران فنڈ کے یونٹ کی قیمت 30 جون 2022 کو 10.2006 روپے سے بڑھ کر 30 ستمبر 2022 کو 10.5679 روپے تک پہنچ چکی ہے، لہذا اسی مدت کے لئے اپنے بیچ مارک منافع 15.9% کے مقابلے میں 14.3% منافع درج کر لیا۔ فنڈ کی یہ کارکردگی میجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص 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 ہدایات 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 فنانسنگ فراہم کرتا ہے اور اسٹاک مارکیٹ میں براہ راست سرمایہ کاری نہیں کرتا۔

سہ ماہی کے دوران، SBP نے دو مائٹری پالیسی کمیٹی کے اجلاس منعقد کیے اور پالیسی کی شرح کو 125 بیسس پوائنٹس بڑھا کر 15% کر دیا۔ حکومتی شرح منافع فائدہ مند رہا کیونکہ PIB کے منافع میں بالترتیب 3 سال اور 5 سال کے لیے 38bps اور 19bps کا اضافہ ہوا۔ SBP نے PIB کی تین نیلامیوں کا انعقاد کیا، جس سے 1,132 بلین روپے میچورٹی اور 500 بلین روپے ہدف کے مقابلے میں کل 687 بلین روپے کی وصولی ہوئی۔ اس کے علاوہ، کارپوریٹ بانڈ کی سرگرمی سست رہی، جس کی تجارت کی مجموعی قدر میں ستمبر 2021 کے مقابلے میں 6% کی کمی واقع ہوئی۔ اگرچہ کارپوریٹ ڈیٹ سیکورٹیز کا نیا اجراء ہوا تاہم ثانوی مارکیٹ میں تجارتی سرگرمی 2.11 بلین روپے کے برعکس 1.98 بلین روپے درج کی گئی۔ اسی عرصے کے دوران CPI کی پیمائش کردہ افراط زر تیزی سے بڑھی اور اوسطاً 25.1% رہی جو کہ مالی سال 2022 کی پہلی سہ ماہی میں 8.6% تھی۔ خراب ہونے والی اشیاء کی قیمتوں اور یوٹیلٹی میں بھی نمایاں اضافہ ہوا۔ عالمی اور ملکی غیر یقینی صورتحال اور شرح مبادلہ پر دباؤ کی وجہ سے، مالی سال 23 کے لیے افراط زر کا نقطہ نظر بلند ہے۔ روس اور یوکرین کے تنازع کی شدت سے بڑھتا ہوا سیاسی شواہد اور عالمی بد امنی؛ بین الاقوامی اجناس کی قیمتوں اور ملکی مالی استحکام کے نقطہ نظر کو نمایاں غیر یقینی صورتحال کا سامنا ہے۔ نیز، FED کی شرح میں اضافے کے بعد، دنیا بھر کے مرکزی بینکوں کو چیلنجنگ نقطہ نظر کا سامنا کرنے پر مجبور کر دیا گیا ہے۔

فنڈ کو اس مدت کے دوران 183.51 بلین روپے کی مجموعی آمدنی ہوئی۔ 18.86 بلین روپے کے اخراجات متہا کرنے کے بعد خالص آمدنی 164.65 بلین روپے ہے۔ درج ذیل چارٹ 30 ستمبر 2022 کو NBP ماہانہ آمدنی فنڈ کی ایٹ 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 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 فونڈ مینجمنٹ لمیٹڈ**

ڈائریکٹر

چیف ایگزیکٹو آفیسر

تاریخ: 29 اکتوبر 2022

مقام: کراچی

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2022

	Note	Un-Audited September 30, 2022 (Rupees in '000)	Audited June 30, 2022 (Rupees in '000)
<b>ASSETS</b>			
Balances with banks	4	2,602,375	3,993,843
Investments	5	1,241,851	96,400
Receivable against Margin Trading System		189,379	-
Profit receivable		37,379	53,250
Receivable against conversion of units		8,761	31,906
Deposits, prepayments and other receivables		530	669
<b>Total assets</b>		<b>4,080,275</b>	<b>4,176,068</b>
<b>LIABILITIES</b>			
Payable to the Management Company		29,854	29,073
Payable to Central Depository Company of Pakistan Limited - Trustee		392	393
Payable to Securities and Exchange Commission of Pakistan		235	974
Payable against redemption of units		9,474	29,855
Accrued expenses and other liabilities		6,958	61,477
<b>Total liabilities</b>		<b>46,913</b>	<b>121,772</b>
<b>NET ASSETS</b>		<b>4,033,362</b>	<b>4,054,296</b>
<b>UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)</b>		<b>4,033,362</b>	<b>4,054,296</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	6		
		<b>Number of units</b>	
Number of units in issue		381,663,380	397,457,788
		<b>Rupees</b>	
<b>NET ASSET VALUE PER UNIT</b>		<b>10.5679</b>	<b>10.2006</b>

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, 2022

	Quarter Ended September 30, 2022	Quarter Ended September 30, 2021
Note	(Rupees in '000)	
<b>INCOME</b>		
Income from government securities	37,899	5,778
Income from commercial papers	3,312	3,420
Income from clean placement	3,184	-
Income on bank deposits	136,229	78,301
Income from Margin Trading System	442	24,845
Income on corporate sukuk certificates	2,333	-
Gain / (Loss) on sale of investments - net	55	(24)
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	51	8
<b>Total income</b>	<b>183,505</b>	<b>112,328</b>
<b>EXPENSES</b>		
Remuneration of the Management Company	1,760	2,193
Sindh sales tax on Management Fee	229	285
Reimbursement of allocated expenses	1,467	1,723
Reimbursement of selling and marketing expenses	13,494	11,819
Remuneration of the Trustee	880	1,034
Sindh sales tax on Trustee Fee	114	134
Annual fee - Securities and Exchange Commission of Pakistan	235	276
Settlement and bank charges	121	3,026
Annual listing fee	7	7
Legal & Professional charges	38	101
Auditors' remuneration	245	240
Fund rating Fee	159	144
Other charges	110	72
<b>Total Expenses</b>	<b>18,859</b>	<b>21,054</b>
<b>Net Income from operating activities</b>	<b>164,646</b>	<b>91,274</b>
Reversal of provision for Sindh Workers' Welfare Fund	-	15,168
<b>Net Income for the period before taxation</b>	<b>164,646</b>	<b>106,442</b>
Taxation	-	-
<b>Net income for the period after taxation</b>	<b>164,646</b>	<b>106,442</b>
<b>Earnings per unit</b>		
<b>Allocation of Net income for the period:</b>		
Net income for the period	164,646	106,442
Income already paid on units redeemed	(37,687)	(12,972)
	<b>126,959</b>	<b>93,470</b>
<b>Accounting income available for distribution:</b>		
-Relating to capital gains	106	-
-Excluding capital gains	126,853	93,470
	<b>126,959</b>	<b>93,470</b>

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, 2022

	Quarter Ended September 30, 2022	Quarter Ended September 30, 2021
	(Rupees in '000)	
Net income available for distribution	164,646	106,442
Other Comprehensive Income	-	-
<b>Total comprehensive income for the period</b>	<b>164,646</b>	<b>106,442</b>

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, 2022

	Quarter Ended September 30, 2022			Quarter Ended September 30, 2021		
	Value	Undistributed income	Total	Value	Undistributed income	Total
----- (Rupees in '000) -----						
Net assets at beginning of the period	4,030,034	24,262	4,054,296	5,267,767	19,555	5,287,322
Issuance of 815,118,243 units (2021: 269,393,532 units)						
- Capital value	8,314,695	-	8,314,695	2,744,662	-	2,744,662
- Element of income	169,298	-	169,298	30,552	-	30,552
Total proceeds on issuance of units	8,483,993	-	8,483,993	2,775,213	-	2,775,214
Redemption of 830,912,651 units (2021: 272,345,196 units)						
- Capital value	(8,475,808)	-	(8,475,808)	(2,774,735)	-	(2,774,735)
- Element of loss	(156,078)	(37,687)	(193,765)	(20,350)	(12,972)	(33,322)
Total payments on redemption of units	(8,631,886)	(37,687)	(8,669,573)	(2,808,057)	(12,972)	(2,808,057)
Total comprehensive income for the period	-	164,646	164,646	-	106,442	106,442
<b>Net assets at end of the period</b>	<b>3,882,141</b>	<b>151,221</b>	<b>4,033,362</b>	<b>5,234,923</b>	<b>113,025</b>	<b>5,360,921</b>
Undistributed income brought forward						
- Realised		24,262			19,554	
- Unrealised		-			1	
		24,262			19,555	
Accounting income available for distribution:						
- Relating to capital gains		106			-	
- Excluding capital gains		126,853			93,470	
		126,959			93,470	
Undistributed income carried forward		151,221			113,025	
Undistributed income carried forward						
- Realised		151,170			113,017	
- Unrealised		51			8	
		151,221			113,025	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the period			10.2006			10.1883
Net assets value per unit at end of the period			10.5679			10.3892

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, 2022

	Quarter Ended September 30, 2022	Quarter Ended September 30, 2021
Note	(Rupees in '000)	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Income for the period before taxation	164,646	106,442
<b>Adjustments</b>		
Unrealised (appreciation) in the value of investment carried at fair value through profit and loss - net	(51)	(8)
	<u>164,595</u>	<u>106,434</u>
<b>(Increase) in assets</b>		
Investments	(1,145,400)	(1,533,695)
Receivable against Margin Trading System	(189,379)	619,450
Profit receivable	15,871	5,469
Deposits, prepayments and other receivables	139	35,084
	<u>(1,318,769)</u>	<u>(873,692)</u>
<b>(decrease)/Increase in liabilities</b>		
Payable to the Management Company	781	(3,941)
Payable to Central Depository Company of Pakistan Limited - Trustee	(1)	(223)
Payable against Purchase of Investment	-	1,117,319
Payable to the Securities and Exchange Commission of Pakistan	(739)	(939)
Accrued expenses and other liabilities	(54,519)	(44,936)
	<u>(54,478)</u>	<u>1,067,280</u>
<b>Net cash (used in) / generated from Operating activities</b>	<u>(1,208,652)</u>	<u>300,022</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net receipts from issue of units	8,507,138	2,773,794
Net payments on redemption of units	(8,689,954)	(2,799,920)
<b>Net cash (used in) financing activities</b>	<u>(182,816)</u>	<u>(26,126)</u>
<b>Net Increase in cash and cash equivalents during the period</b>	<u>(1,391,468)</u>	<u>273,896</u>
Cash and cash equivalents at the beginning of the period	3,993,843	4,278,626
<b>Cash and cash equivalents at the end of the period</b>	<u><u>2,602,375</u></u>	<u><u>4,552,522</u></u>

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

For NBP Fund Management Limited  
(Management Company)

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

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

\_\_\_\_\_  
Director

## NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2022

### 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 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).

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 reaffirmed an asset manager rating of AM1 as at June 22, 2022 (2021: AM1) to the Management Company. 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 "AA-(f)" to the Fund dated April 19, 2022 (2021: "AA-(f)" dated April 16, 2021).

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

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.

### 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, 2022.

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, 2022.

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, 2022.

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, 2022. 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, 2022.

4	BALANCES WITH BANKS	Note	(Un-audited)	(Audited)
			September 30, 2022	June 30, 2022
			(Rupees in '000)	
	Current accounts		1,771	1,751
	Savings accounts	4.1	2,600,604	3,992,092
			2,602,375	3,993,843

4.1 These savings accounts carry markup at rates ranging from 6.50% to 16.75% per annum (2022: 12% to 17% per annum).

5	INVESTMENTS	Note	(Un-audited)	(Audited)
			September 30, 2022	June 30, 2022
	<b>At fair value through profit or loss</b>		(Rupees in '000)	
	Commercial Paper	5.1	99,712	96,400
	Investment in Government Securities -Market Treasury Bills	5.2	847,139	-
	Corporate sukuk certificates	5.3	95,000	-
	Letter of placement	5.4	200,000	-
			1,241,851	96,400



- 5.1 This represents the purchase of commercial paper from China Power Hub Generation Company Pvt. Limited. on April 12, 2022 face value of Rs.100 million, (Carrying value of Rs. 99.712 million) which carry profit at the rate of 13.20% and will mature on October 9, 2022.

## 5.2 Investment in government securities

Issue date	Tenor	Face value				Market Value As at September 30, 2022	Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 1, 2022	Purchased during the period	Disposed / matured during the period	As at September 30, 2022			

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

### Market Treasury Bills

June 2, 2022	3 months	-	500,000	500,000	-	-	-	-
March 10, 2022	6 months	-	500,000	500,000	-	-	-	-
August 11, 2022	3 months	-	100,000	-	100,000	98,659	0.02	0.08
July 14, 2022	3 months	-	2,600,000	1,850,000	750,000	748,480	0.19	0.60
June 16, 2022	3 months	-	2,100,000	2,100,000	-	-	-	-
June 30, 2022	6 months	-	2,600,000	2,600,000	-	-	-	-
						<b>847,139</b>	<b>0.21</b>	<b>0.68</b>

Carrying value before fair value adjustment as at September 30, 2022

**847,088**

## 5.3 Investment in government securities

Description/Issue Date	Face value				Market Value As at September 30, 2022	Market value as a percentage of net assets	Market value as a percentage of total investments
	As at July 1, 2022	Purchased during the period	Disposed / matured during the period	As at September 30, 2022			

-----Rs in '000----- % -----

K-Electric Limited - short-term sukuk - 7  
10.08.2022 to 10.08.2023 - (Face value of  
Rs. 1,000,000 per certificate)

**95,000**      **0.02**      **0.08**

Carrying value before fair value adjustment as at September 30, 2022

**95,000**

- 5.4 This represents the purchased Letter of Placement (LOP) from Pak-Libya Holding Company Pvt. Limited. on September 16, 2022 face value of Rs. 200 million, which carry profit at the rate of 16% and will mature on December 16, 2022.

## 6 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2022 and June 30, 2022.

## 7 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 0.97% 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, 2023 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 1.61% (September 30, 2021: 1.53%) which includes 0.05% (September 30, 2021: 0.05%) 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.

## 10 TRANSACTIONS WITH CONNECTED PERSONS

**10.1** 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.

**10.2** 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.

**10.3** Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.

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

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

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

	Un-audited	
	Quarter Ended September 30, 2022	Quarter Ended September 30, 2021
	(Rupees in '000)	
<b>NBP Fund Management Limited - Management Company</b>		
Management fee expense for the period	1,760	2,193
Sindh sales tax on remuneration of the Management Company	229	285
Reimbursement of selling and marketing expenses	13,494	11,819
Front end load for the period	1,968	4,660
Reimbursement of allocated expenses	1,467	1,723
ADC chargers including Sindh sales tax	660	274

	Un-audited Quarter Ended September 30, 2022 (Rupees in '000)	Un-audited Quarter Ended September 30, 2021
<b>Key management personnel of the Management Company</b>		
Units issued / transferred In 6,237,079 units (2021: 1,155,044 units)	64,808	11,917
Units redeemed / transferred out 5,759,682 units (2021: 1,062,655 units)	59,839	10,963
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration	880	1,034
Sindh sales tax on remuneration of trustee	114	134
<b>Dr Amjad Waheed - Chief Executive Officer</b>		
Units issued / transferred In 195,257 units (2021: Nil units)	1,996	-
Units redeemed / transferred out 195,341 units (2020: Nil units)	2,003	-
<b>Muhammad Murtaza Ali - Company Secretary / COO</b>		
Units issued / transferred In 24,460 units (2021: Nil units)	250	-
Units redeemed / transferred out 293,532 units (2020: Nil units)	3,000	-
<b>Portfolio managed by the Management Company</b>		
Units issued / transferred In Nil units (2021: 5,098,594 units)	-	52,715
Units redeemed / transferred out Nil units (2021: 5,098,594 units)	-	52,715
<b>K-Electric - Common directorship</b>		
Purchase of Sukuk	95,000	-
Profit on Sukuk	2,333	-
<b>BankIslami Pakistan Limited - Common directorship</b>		
Profit on bank deposits	3,651	118
<b>National Bank of Pakistan - Parent company</b>		
Profit on bank deposits	108	26
<b>Khushhali Bank Limited - Common directorship</b>		
Profit on bank deposits	18,153	10,724
<b>National Clearing Company of Pakistan Limited - Common directorship</b>		
Settlement charges during the period	108	105
	Un-audited September 30, 2022	Audited June 30, 2022
	(Rupees in '000)	
<b>10.7 Amounts outstanding as at period end</b>		
<b>NBP Fund Management Limited - Management Company</b>		
Remuneration payable to the Management Company	697	569
Sindh sales tax on remuneration of the Management Company	90	73
Federal Excise Duty on remuneration of the Management Company	10,620	10,620
Federal Excise Duty on sales load	292	292
Reimbursement of allocated expenses payable	1,467	1,395
Reimbursement of selling and marketing expenses payable	13,494	12,463
Sales and transfer load payable	1,607	2,063
Sindh sales tax on sales load	209	268
ADC charges payable including Sindh sales tax	1,090	1,042
Others	288	288

	Un-audited September 30, 2022	Audited June 30, 2022
	(Rupees in '000)	
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration payable to the Trustee	347	282
Sindh sales tax payable on Trustee remuneration	45	37
Security deposit	100	100
Settlement charges payable	78	74
<b>National Bank of Pakistan - parent company</b>		
Current account	1,751	1,751
Savings account	5,515	18,051
Profit receivable on savings account	2	162
<b>K-Electric - Common directorship</b>		
Investment in Sukuk	95,000	-
Profit receivable on Sukuk	2,333	-
<b>Telenor Microfinance Bank Limited - common directorship</b>		
Bank balances	1	1
Profit receivable on savings account	6	6
<b>Khushhali Bank Limited - common directorship</b>		
Bank balances	489,298	374,078
Profit receivable on savings account	6,546	6,114
<b>BankIslami Pakistan Limited - common directorship</b>		
Bank balances	337,965	9,256
Profit receivable on savings account	3,454	34
<b>Key management personnel of the Management Company</b>		
Units held: 1,242,984 units (30, June 2022: 764,655 units)	13,136	7,800
<b>Ali Saigol - Director</b>		
Units held: 1,047 units (30 June, 2022: 1,147 units)	12	12
<b>Dr Amjad Waheed - Chief Executive officer</b>		
Units held: Nil units (2022: 84 units)	-	1
<b>Muhammad Murtaza Ali - Company Secretary / COO</b>		
Units held: 435 units (30 June 2022: 269,506 units)	5	2,749
<b>National Clearing Company of Pakistan Limited - common directorship</b>		
Security deposit	50	250

## 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, 2022.

## 12 GENERAL

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

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,  
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