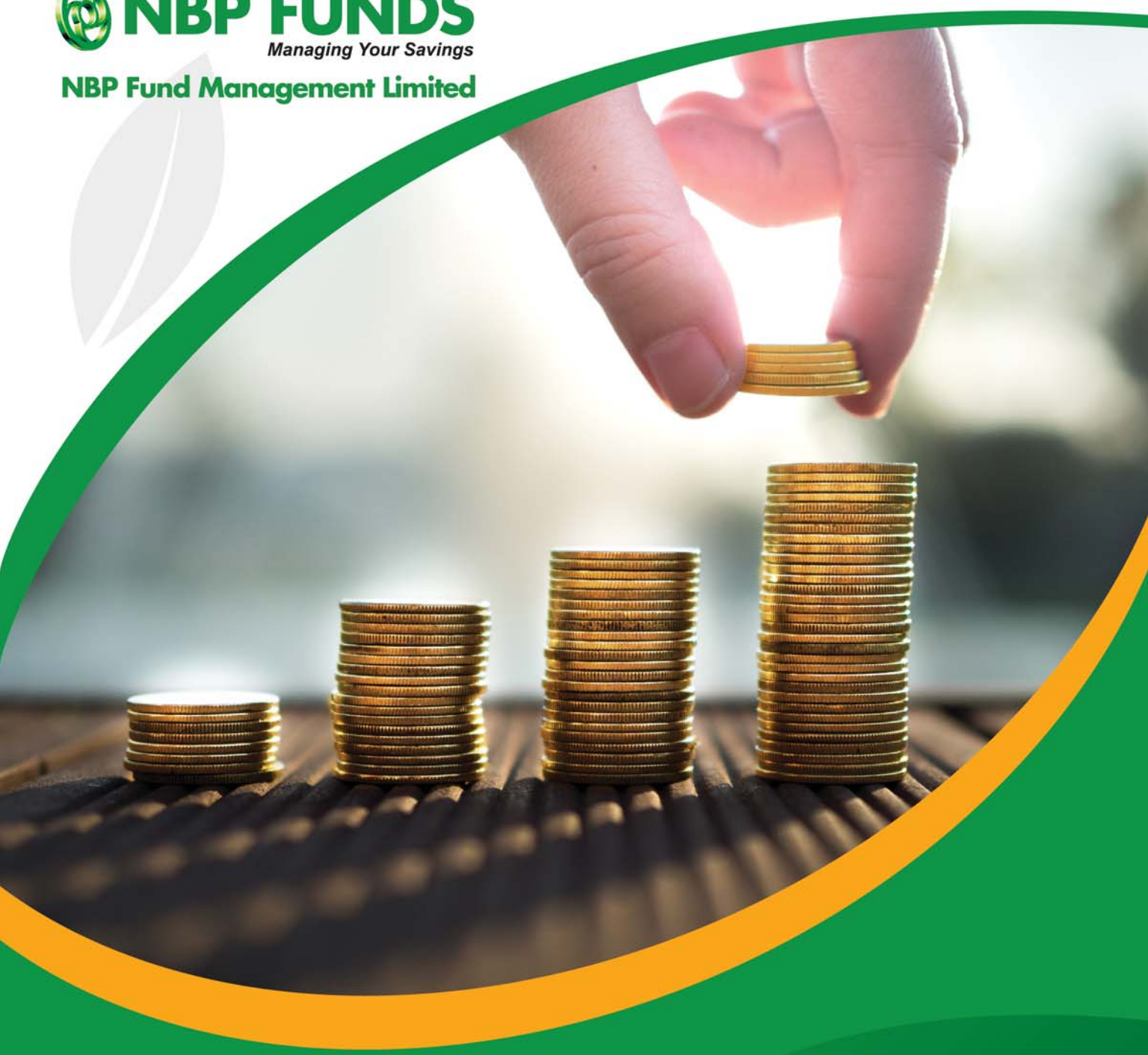




*Managing Your Savings*

**NBP Fund Management Limited**



# NBP MAHANA AMDANI FUND

**QUARTERLY** REPORT  
SEPTEMBER 30, 2023

**AM1**  
Rated by PACRA

# 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. 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
Ms. Mehnaz Salar	Member
Mr. Imran Zaffar	Member
Mr. Saad Amanullah Khan	Member

### Human Resource & Remuneration Committee

Mr. Khalid Mansoor	Chairman
Shaikh Muhammad Abdul Wahid Sethi	Member
Mr. Ali Saigol	Member
Mr. Tauqeer Mazhar	Member

### Strategy & Business Planning Committee

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

### Trustee

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

### Bankers to the Fund

Allied Bank Limited	Silk Bank Limited
Askari Bank Limited	Soneri Bank Limited
Bank Al Habib Limited	Telenor Microfinance Bank Limited
Bank Alfalah Limited	HBL Microfinance Bank Limited
Bank Islami Pakistan Limited	U Microfinance Bank Limited
Habib Bank Limited	United Bank Limited
Habib Metropolitan Bank Limited	Mobilink Microfinance Bank Limited
JS Bank Limited	Al Baraka Bank Pakistan Limited
Khushhali Bank Limited	National Bank of Pakistan
MCB Bank Limited	Faysal Bank Limited
Meezan Bank Limited	The Bank of Khyber
Samba 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, 2023.

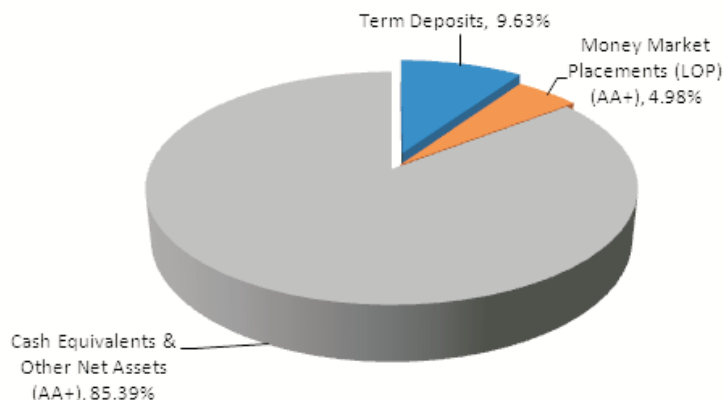
### Fund's Performance

During the quarter, two Monetary Policy Committee meetings were held and SBP maintained the policy rate at 22%. The stress on external accounts and PKR continued as fiscal discipline remained weak, though PKR depreciation was eventually brought under control with administrative measures. Inflation as measured by the CPI averaged at 29% for the quarter. With the recent surge in oil prices and expected hike in gas tariffs, the inflation is expected to remain elevated in the near term, though a decline is expected from next half as high base effect kicks in. The upcoming debt repayments and weak investment inflows will exert pressure on FX reserves. The net liquid foreign exchange reserves with SBP as at 28-Sep-23 stood at USD 7.62 billion (down by USD 543.8million compared to July 2023). This signifies grave challenges & risks to financial stability. SBP held six T-Bill auctions, realizing a total of Rs. 7.84 trillion against the maturity of Rs. 8.71 trillion and target of Rs. 8.70 trillion. Sovereign yields responded equally to the economic uncertainty and rising inflationary pressures and kept the market participants' interests tilted primarily towards shorter tenure securities.

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 increased from Rs. 4,355 million to Rs. 6,230 million during the period (i.e., a notable growth of 43%). The unit price of the Fund has increased from Rs. 10.2540 on June 30, 2023 to Rs. 10.8008 on September 30, 2023, thus showing a return of 21.2% p.a. as compared to the benchmark return of 23.2% p.a. for the same period. The performance of the Fund is net of management fee and all other expenses.

The Fund has earned a total income of Rs. 314.081 million during the period. After deducting total expenses of Rs. 24.975 million, the net income is Rs. 289.106 million. The asset allocation of NMAF as on September 30, 2023 is as follows:



## Acknowledgement

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

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

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

**Chief Executive Officer**

**Director**

Date: October 30, 2023

Place: Karachi.

## ڈائریکٹرز رپورٹ

NBP فنڈ میجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 30 ستمبر 2023ء کو ختم ہونے والی سہ ماہی کے لئے NBP ماہانہ آمدنی فنڈ (NMAF) کے غیر جانچ شدہ کنڈینسڈ عبوری مالیاتی گوشوارے پیش کرتے ہیں۔

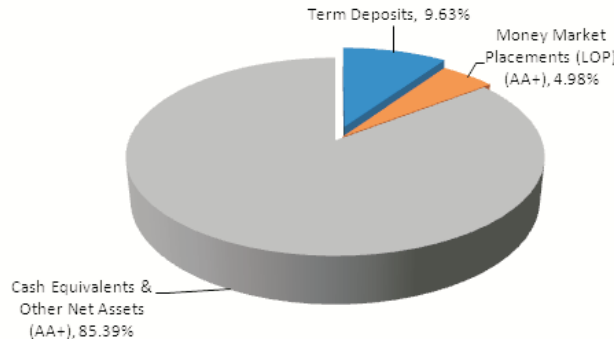
### فنڈ کی کارکردگی

سہ ماہی کے دوران، مانیٹری پالیسی کمیٹی کے دو اجلاس منعقد ہوئے اور اسٹیٹ بینک نے پالیسی شرح کو 22% پر برقرار رکھا۔ بیرونی کھاتوں اور پاکستانی روپیہ پر دباؤ جاری رہا کیونکہ مالی نظم و ضبط کمزور رہا، حالانکہ پاکستانی روپیہ کی قدر میں کمی کو بالآخر انتظامی اقدامات سے قابو میں لایا گیا۔ CPI کی طرف سے پیش کردہ مہنگائی اس سہ ماہی کے لئے اوسطاً 29% رہی۔ تیل کی قیمتوں میں حالیہ اضافہ اور گیس کے نرخوں میں متوقع اضافہ کے ساتھ، قریب مدت میں مہنگائی کے بلند رہنے کی توقع ہے، حالانکہ اگلی ششماہی سے کمی کی توقع ہے کیونکہ زیادہ مہنگائی کا اثر شروع ہوگا۔ آئندہ قرضوں کی ادائیگی اور کم سرمایہ کاری بہاؤ FX ذخائر پر دباؤ ڈالیں گے۔ 28 ستمبر 23 کو SBP کے ہاں خالص لیکویڈز ریمبادلہ کے ذخائر 7.62 بلین امریکی ڈالر (جولائی 2023 کے مقابلے میں 543.8 بلین امریکی ڈالر کی کمی) ہیں۔ یہ مالیاتی استحکام کے لیے سنگین مشکلات اور خطرات کی نشاندہی کرتا ہے۔ SBP نے تین پی آئی بی نیلامیوں کا انعقاد کیا، جس سے 189 بلین روپے کی وصولی ہوئی۔ خود مختار پیداوار نے معاشی غیر یقینی صورتحال اور افراط زر کے بڑھتے ہوئے دباؤ کا یکساں طور پر جواب دیا اور مارکیٹ کے شرکاء کی دلچسپیوں کو بنیادی طور پر مختصر مدت کی سیکورٹیز کی طرف جھکانے رکھا۔

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 تہلی اوسط مدت ایک سال سے زائد نہیں ہو سکتی۔ فنڈ کو MTS میں سرمایہ کاری کی اجازت ہے، تاہم NBP فنڈز کی 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 فائنانسنگ فراہم کرتا ہے اور اسٹاک مارکیٹ میں براہ راست سرمایہ کاری نہیں کرتا۔

اس مدت کے دوران NBP ماہانہ آمدنی فنڈ کا ساٹھ 4,355 ملین روپے سے بڑھ کر 6,230 ملین روپے ہو گیا ہے، (یعنی 43% کا خاطر خواہ اضافہ)۔ اس مدت کے دوران فنڈ کے بونٹ کی قیمت 30 جون 2023 کو 10.2540 روپے سے بڑھ کر 30 ستمبر 2023 کو 10.8008 روپے تک پہنچ چکی ہے، لہذا اسی مدت کے لئے اپنے بیچ مارک منافع 23.2% سالانہ کے مقابلے میں 21.2% سالانہ منافع درج کر لیا۔ فنڈ کی کارکردگی میجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

فنڈ کو اس مدت کے دوران 314.081 ملین روپے کی مجموعی آمدنی ہوئی۔ 24.975 ملین روپے کے اخراجات متہا کرنے کے بعد خالص آمدنی 289.106 ملین روپے ہے۔ 30 ستمبر 2023 کو NMAF کی ایسٹ ایلویشن درج ذیل ہے:







## اظہار تشکر

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

بورڈ اپنے اسٹاف اور ڈسٹی 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 منجمنٹ کمیٹی لیڈر**

ڈائریکٹر

چیف ایگزیکٹو آفیسر

تاریخ: 30 اکتوبر 2023

مقام: کراچی

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2023

	Note	Un-Audited September 30, 2023 (Rupees in '000)	Audited June 30, 2023
<b>ASSETS</b>			
Balances with banks	4	5,275,246	4,300,815
Investments	5	910,256	-
Profit receivable		102,955	87,250
Receivable against conversion of units		2,764	112,591
Deposits and Prepayments		549	701
<b>Total assets</b>		<b>6,291,770</b>	<b>4,501,357</b>
<b>LIABILITIES</b>			
Payable to the Management Company		41,668	31,069
Payable to Central Depository Company of Pakistan Limited - Trustee		429	390
Payable to Securities and Exchange Commission of Pakistan	8	379	864
Payable against redemption of units		14,559	14,232
Payable against purchase of Investment		14	7
Accrued expenses and other liabilities		5,160	100,034
<b>Total liabilities</b>		<b>62,209</b>	<b>146,596</b>
<b>NET ASSETS</b>		<b>6,229,561</b>	<b>4,354,761</b>
<b>UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)</b>		<b>6,229,561</b>	<b>4,354,761</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	6		
		<b>Number of units</b>	
Number of units in issue		576,770,891	424,690,740
		<b>Rupees</b>	
<b>NET ASSET VALUE PER UNIT</b>		<b>10.8008</b>	<b>10.2540</b>

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

For NBP Fund Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2023

	Quarter Ended September 30, 2023	Quarter Ended September 30, 2022
Note	(Rupees in '000)	
<b>INCOME</b>		
Income from government securities	12,376	37,899
Income from term deposit receipts	1,911	-
Income from commercial papers	-	3,312
Income from clean placement	10,834	3,184
Income on bank deposits	288,990	136,229
Income from Margin Trading System	-	442
Income on corporate sukuk certificates	-	2,333
(Loss) / Gain on sale of investments - net	(30)	55
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	-	51
<b>Total income</b>	<b>314,081</b>	<b>183,505</b>
<b>EXPENSES</b>		
Remuneration of the Management Company	2,924	1,760
Sindh sales tax on Management Fee	380	229
Reimbursement of allocated expenses	2,106	1,467
Reimbursement of selling and marketing expenses	16,144	13,494
Remuneration of the Trustee	1,053	880
Sindh sales tax on Trustee Fee	137	114
Annual fee - Securities and Exchange Commission of Pakistan	1,053	235
Settlement and bank charges	87	121
Annual listing fee	7	7
Legal & Professional charges	43	38
Auditors' remuneration	669	245
Fund rating Fee	175	159
Other charges	197	110
<b>Total Expenses</b>	<b>24,975</b>	<b>18,859</b>
<b>Net Income for the period before taxation</b>	<b>289,106</b>	<b>164,646</b>
Taxation	-	-
<b>Net income for the period after taxation</b>	<b>289,106</b>	<b>164,646</b>
<b>Earnings per unit</b>		
<b>Allocation of Net income for the period:</b>		
Net income for the period	289,106	164,646
Income already paid on units redeemed	(31,664)	(37,687)
	<b>257,442</b>	<b>126,959</b>
<b>Accounting income available for distribution:</b>		
-Relating to capital gains	-	-
-Excluding capital gains	-	106
	<b>257,442</b>	<b>126,853</b>
	<b>257,442</b>	<b>126,959</b>

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

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

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

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

\_\_\_\_\_  
Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023

	Quarter Ended September 30, 2023	Quarter Ended September 30, 2022
	(Rupees in '000)	
Net income available for distribution	289,106	164,646
Other Comprehensive Income	-	-
<b>Total comprehensive income for the period</b>	<b><u>289,106</u></b>	<b><u>164,646</u></b>

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

For NBP Fund Management Limited  
(Management Company)

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

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

\_\_\_\_\_  
Director

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2023

	Quarter Ended September 30, 2023			Quarter Ended September 30, 2022		
	Value	Undistributed income	Total	Value	Undistributed income	Total
----- (Rupees in '000) -----						
Net assets at beginning of the period	4,309,087	45,674	4,354,761	4,030,034	24,262	4,054,296
Issuance of 608,166,832 units (2022: 815,118,243 units)						
- Capital value	6,236,143	-	6,236,143	8,314,695	-	8,314,695
- Element of income	176,758	-	176,758	169,298	-	169,298
Total proceeds on issuance of units	6,412,901	-	6,412,901	8,483,993	-	8,483,993
Redemption of 456,086,681 units (2022: 830,912,651 units)						
- Capital value	(4,676,713)	-	(4,676,713)	(8,475,808)	-	(8,475,808)
- Element of loss	(118,830)	(31,664)	(150,494)	(156,078)	(37,687)	(193,765)
Total payments on redemption of units	(4,795,543)	(31,664)	(4,827,207)	(8,631,886)	(37,687)	(8,669,573)
Total comprehensive income for the period	-	289,106	289,106	-	164,646	164,646
<b>Net assets at end of the period</b>	<b>5,926,445</b>	<b>303,116</b>	<b>6,229,561</b>	<b>3,882,141</b>	<b>151,221</b>	<b>4,033,362</b>
Undistributed income brought forward						
- Realised		45,674			24,262	
- Unrealised		-			-	
		45,674			24,262	
Accounting income available for distribution:						
- Relating to capital gains		-			106	
- Excluding capital gains		257,442			126,853	
		257,442			126,959	
Undistributed income carried forward		303,116			151,221	
Undistributed income carried forward						
- Realised		303,116			151,170	
- Unrealised		-			51	
		303,116			151,221	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the period			10.2540			10.2006
Net assets value per unit at end of the period			10.8008			10.5679

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, 2023

	Quarter Ended September 30, 2023	Quarter Ended September 30, 2022
Note	(Rupees in '000)	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Income for the period before taxation	289,106	164,646
<b>Adjustments</b>		
Unrealised (appreciation) in the value of investment carried at fair value through profit and loss - net	-	(51)
	<u>289,106</u>	<u>164,595</u>
<b>(Increase) in assets</b>		
Investments	(910,256)	(1,145,400)
Receivable against Margin Trading System	-	(189,379)
Profit receivable	(15,705)	15,871
Deposits, prepayments and other receivables	152	139
	<u>(925,809)</u>	<u>(1,318,769)</u>
<b>(decrease) in liabilities</b>		
Payable to the Management Company	10,599	781
Payable to Central Depository Company of Pakistan Limited - Trustee	39	(1)
Payable against Purchase of Investment	7	-
Payable to the Securities and Exchange Commission of Pakistan	(485)	(739)
Accrued expenses and other liabilities	(94,874)	(54,519)
	<u>(84,714)</u>	<u>(54,478)</u>
<b>Net cash (used in) from Operating activities</b>	<u>(721,417)</u>	<u>(1,208,652)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net receipts from issue of units	6,522,728	8,507,138
Net payments on redemption of units	(4,826,880)	(8,689,954)
<b>Net cash generated / (used in) financing activities</b>	1,695,848	(182,816)
<b>Net Increase / (decrease) in cash and cash equivalents during the period</b>	<u>974,431</u>	<u>(1,391,468)</u>
Cash and cash equivalents at the beginning of the period	4,300,815	3,993,843
<b>Cash and cash equivalents at the end of the period</b>	<u><u>5,275,246</u></u>	<u><u>2,602,375</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 INFORMATION (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2023

### 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).

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 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, 2023 (2022: 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 14, 2023 (2022: "AA-(f)" dated April 19, 2022).

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

### 2 STATEMENT OF COMPLIANCE

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

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

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

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2023.

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, 2023.

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, 2023.

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, 2023. 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, 2023.

		(Un-audited) September 30, 2023	(Audited) June 30, 2023
	Note	(Rupees in '000)	
<b>4 BALANCES WITH BANKS</b>			
Current accounts		1,751	1,751
Savings accounts	4.1	<u>5,273,495</u>	<u>4,299,064</u>
		<u>5,275,246</u>	<u>4,300,815</u>

4.1 These savings accounts carry markup at rates ranging from 20.5% to 24% per annum (Sep 2022: 6.50% to 16.75% per annum).

		(Un-audited) September 30, 2023	(Audited) June 30, 2023
		(Rupees in '000)	
<b>5 INVESTMENTS</b>			
<b>At fair value through profit or loss</b>			
Term deposit receipts	5.1	600,000	-
Investment in Government Securities -Market Treasury Bills	5.2	-	-
Letter of placement	5.3	310,256	-
		<u>910,256</u>	<u>-</u>



## 5.1 Term deposit receipts

Name of Bank	issue date	Maturity date	Face value				Market Value As at September 30, 2023	Market value as a percentage of net assets	Market value as a percentage of total investments
			As at July 1, 2023	Purchased during the period	Matured during the period	As at September 30, 2023			
			-----Rupees in '000-----				-----%-----		
Soneri bank Limited	26-Sep-23	11-Oct-23	-	600,000	-	600,000	600,000	0.10	0.66
Total as at September 30,							600,000	0.10	0.66
Total as at June 30, 2023							-		

## 5.2 Investment in government securities

Issue date	Tenor	Face value				Market Value As at September 30, 2023	Market value as a percentage of net assets	Market value as a percentage of total investments	
		As at July 1, 2023	Purchased during the period	Disposed / matured during the period	As at September 30, 2023				
		-----Rupees in '000-----				-----%-----			
<u>Market Treasury Bills</u>									
September 7, 2023	3 months	-	550,000	550,000	-	-	-	-	
Carrying value before fair value adjustment as at September 30, 2023							-		
Total as at June 30, 2023							-		

## 5.3 Letters of placement

Name of Investee company	issue date	Maturity date	Amount placed				Market Value As at September 30, 2023	Market value as a percentage of net assets	Market value as a percentage of total investments
			As at July 1, 2023	Purchased during the period	Disposed / matured during the period	As at September 30, 2023			
			-----Rupees in '000-----				-----%-----		
Pak-Libya Holding Co. (Pvt.) Ltd	4-Aug-23	15-Sep-23	-	300,000	300,000	-	-	-	-
Pak-Libya Holding Co. (Pvt.) Ltd	15-Sep-23	28-Sep-23	-	307,784	307,784	-	-	-	-
Pak-Libya Holding Co. (Pvt.) Ltd	28-Sep-23	31-Oct-23	-	310,256	-	310,256	310,256	0.05	0.34
Total as at September 30, 2023							310,256	0.05	0.34
Total as at June 30, 2023							-		

## 6 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2023 and June 30, 2023.

## 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 1.15% per annum of the net assets of the Fund.

## 8 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

As per NBFC Regulation 62(1) w.e.f. July 01, 2023, the Asset Management Company, within fifteen days of the close of every calendar month of the Collective Investment Scheme, shall pay the Commission non-refundable fee which is 0.075% of average annual net assets of this CIS.

## 9 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by accumulated losses and capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the year ended June 30, 2024 to the unit holders in the manner as explained above, no provision for taxation has been made in these 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 1.77% (September 30, 2022: 1.61%) which includes 0.11% (September 30, 2022: 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.

## 11 TRANSACTIONS WITH 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.

Un-audited	
Quarter Ended September 30, 2023	Quarter Ended September 30, 2022
(Rupees in '000)	

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

**NBP Fund Management Limited - Management Company**

Management fee expense for the period	2,924	1,760
Sindh sales tax on remuneration of the Management Company	380	229
Reimbursement of selling and marketing expenses	16,144	13,494
Front end load for the period	5,903	1,968
Reimbursement of allocated expenses	2,106	1,467
ADC chargers including Sindh sales tax	1,045	660

**Key management personnel of the Management Company**

Units issued / transferred In 18,623,786 units (2022: 6,237,079 units)	195,970	64,808
Units redeemed / transferred out 17,126,331 units (2022: 5,759,682 units)	180,804	59,839

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

Remuneration	1,053	880
Sindh sales tax on remuneration of trustee	137	114

**Dr Amjad Waheed - Chief Executive Officer**

Units issued / transferred In Nil units (2022: 195,257 units)	-	1,996
Units redeemed / transferred out Nil units (2022: 195,341 units)	-	2,003

**Muhammad Murtaza Ali - Company Secretary / COO**

Units issued / transferred In Nil units (2022: 24,460 units)	-	250
Units redeemed / transferred out Nil units (2022: 293,532 units)	-	3,000

**Haider Amjad - shareholder of management company**

Units issued / transferred In 30,381 units (2022: Nil units)	315	-
Units redeemed / transferred out 181,287 units (2022: Nil units)	1,886	-

**K-Electric - Common directorship**

Purchase of Sukuk	-	95,000
Profit on Sukuk	-	2,333

**BankIslami Pakistan Limited - Common directorship\***

Profit on bank deposits	-	3,651
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**National Bank of Pakistan - Parent company**

Profit on bank deposits	215	108
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**Khushhali Bank Limited - Common directorship\***

Profit on bank deposits	-	18,153
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**National Clearing Company of Pakistan Limited - Common directorship\***

Settlement charges during the period	-	108
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	Un-audited September 30, 2023	Audited June 30, 2023
	(Rupees in '000)	
<b>11.7 Amounts outstanding as at period end</b>		
<b>NBP Fund Management Limited - Management Company</b>		
Remuneration payable to the Management Company	1,059	880
Sindh sales tax on remuneration of the Management Company	137	114
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	2,105	1,707
Reimbursement of selling and marketing expenses payable	16,144	13,089
Sales and transfer load payable	8,449	2,547
Sindh sales tax on sales load	1,098	268
ADC charges payable including Sindh sales tax	1,476	1,201
Others	288	288
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration payable to the Trustee	380	309
Sindh sales tax payable on Trustee remuneration	49	40
Security deposit	100	100
Settlement charges payable	73	41
<b>National Bank of Pakistan - parent company</b>		
Current account	1,751	1,751
Savings account	6,481	16,470
Profit receivable on savings account	44	405
<b>Telenor Microfinance Bank Limited - common directorship</b>		
Bank balances	1	1
Profit receivable on savings account	6	6
<b>Key management personnel of the Management Company</b>		
Units held: 3,182,104 units (30, June 2023: 1,646,248 units)	34,369	16,881
<b>Ali Saigol - Director</b>		
Units held: 1,284 units (30 June, 2023: 1,284 units)	14	13
<b>Muhammad Murtaza Ali - Company Secretary / COO</b>		
Units held: 937 units (30 June 2023: 936 units)	10	10
<b>Haider Amjad - Shareholder of the Management Company</b>		
Units held: Nil units (30 June 2023: 150,906 units)	-	1,547
<b>Portfolio managed by the Management Company</b>		
Units held: 3,163 units (30 June 2023: 3,163 units)	34	32

\*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 30, 2023.

## 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)

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Chief Financial Officer

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Chief Executive Officer

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Director

## Head Office

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

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

**Toll Free:** 0800-20002

**Sms:** INVEST to 9995

**Fax:** 021-35825335

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

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

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