NBP FUNDS
Managing Your Savings

AM1
Rated by PACRA

NBP INCOME OPPORTUNITY FUND

QUARTERLY REPORT
SEPTEMBER 30, 2020

MISSION STATEMENT

To rank in the top quartile

in performance of

NBP FUNDS

relative to the competition,

and to consistently offer

Superior risk-adjusted returns to investors.

Contents

FUND'S INFORMATION

Management Company

NBP Fund Management Limited - Management Company

Board of Directors of Management Company

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

Company Secretary & COO

Mr. Muhammad Murtaza Ali

Chief Financial Officer

Mr. Khalid Mehmood

Audit & Risk Committee

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

Human Resource Committee

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

Strategy & Business Planning Committee

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

Trustee

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

Bankers to the Fund

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

Faysal Bank Limited
Silk Bank Limited
Soneri Bank Limited
The Bank of Punjab
Telenor Microfinance Bank Limited
U Microfinance Bank Limited
Al Baraka Bank Limited
Dubai Islamic Bank Limited
Khushhali Bank Limited
Bankislami Pakistan Limited
NRSP Microfinance Bank Limited
First Microfinance Bank Limited
Mobilink Microfinance 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, Scheme 5,
Clifton, Karachi 75600, Pakistan.

Head Office:

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

Lahore Office:

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

Islamabad Office:

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

Peshawar Office:

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

Multan Office:

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

DIRECTORS' REPORT

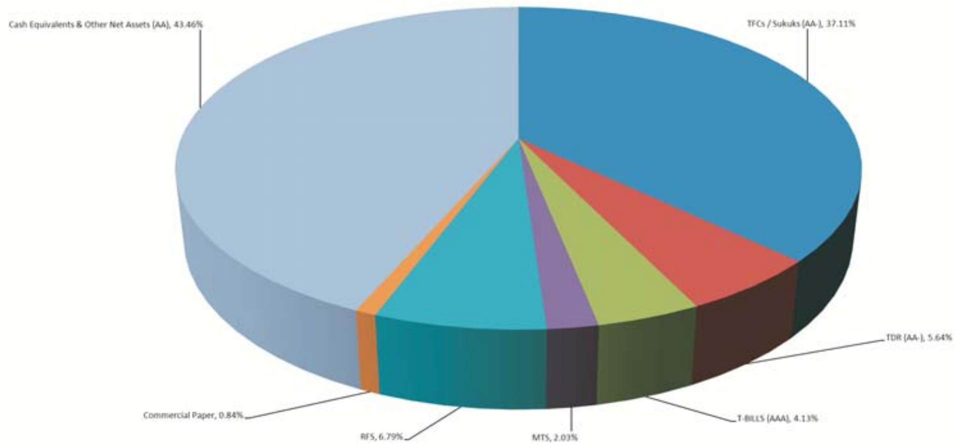
The Board of Directors of NBP Fund Management Limited is pleased to present the unaudited Condensed Interim financial statements of **NBP Income Opportunity Fund (NIOF)** for the quarter ended September 30, 2020.

Fund's Performance

The size of NBP Income Opportunity Fund has increased from Rs. 4,000 million to Rs. 4,790 million during the period (i.e. a growth of 20%). During the period, the unit price of the Fund has increased from Rs. 10.7550 on June 30, 2020 to Rs. 10.9912 on September 30, 2020, thus showing a return of 8.7% p.a. as compared to the benchmark return of 7.1% p.a. for the same period. The performance of the Fund is net of management fee and all other expenses.

NIOF is categorized as an Income Scheme and has been awarded stability rating of 'A (f)' by PACRA. The market saw pick-up in issuance of debt securities in the primary market as companies turned to capital market for working capital and long-term financing. The trading activity also improved that stood at Rs. 6.7 billion in 1QFY21 billion versus Rs. 2.8 billion in 1QFY20. During 1QFY21, the State Bank of Pakistan (SBP) held Monetary Policy Committee (MPC) meeting in September 2020 and, in line with the market expectation, left the Policy Rate unchanged at 7%. The SBP cited that the outlook for growth and business confidence has improved since the last review. The CPI inflation clocked in at 9% for September 2020, above the market consensus due to spike in prices of perishable food items. During the period under review, T-Bills yields increased by 44 bps, 55 bps, and 59 bps for 3-month, 6-month, and 12-month tenures, primarily due to demand versus supply side factors. Long-term sovereign yields responded to the above expected inflation readings and the market expectation of bottoming out of the Policy Rate as yields on PIBs witnessed an increase of 76 bps, 102 bps and 106 bps for 3-year, 5-year, and 10-year tenures, respectively. The SBP held six T-Bills auctions during the period, realizing a total of Rs. 1.5 trillion against the maturity of Rs. 1.9 billion and target of Rs. 1.9 trillion. The SBP held three (3) fixed rate PIB auctions during the period, realizing a total of Rs. 249 billion.

The Fund has earned a total income of Rs. 115.41 million during the period. After accounting for total expenses of Rs. 22.11 million, the net income is Rs. 93.30 million. The chart below presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NIOF as at September 30, 2020



Acknowledgement

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

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

On behalf of the Board of
NBP Fund Management Limited

Chief Executive　　　　Director

Date: October 27, 2020
Place: Karachi.

اظہار تشکر

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

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

منجانب بورڈ آف ڈائریکٹرز
NBP فنڈ مینجمنٹ لمیٹڈ

چیف ایگزیکٹو	ڈائریکٹر

تاریخ: 27 اکتوبر 2020

مقام: کراچی

ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز 30 ستمبر 2020ء کو ختم ہونے والی سہ ماہی کے لئے NBP انکم اپر چونٹی فنڈ (NIOF) کے غیر جانچ شدہ مالیاتی گوشوارے پیش کرتے ہوئے مسرت محسوس کرتے ہیں۔

فنڈ کی کارکردگی

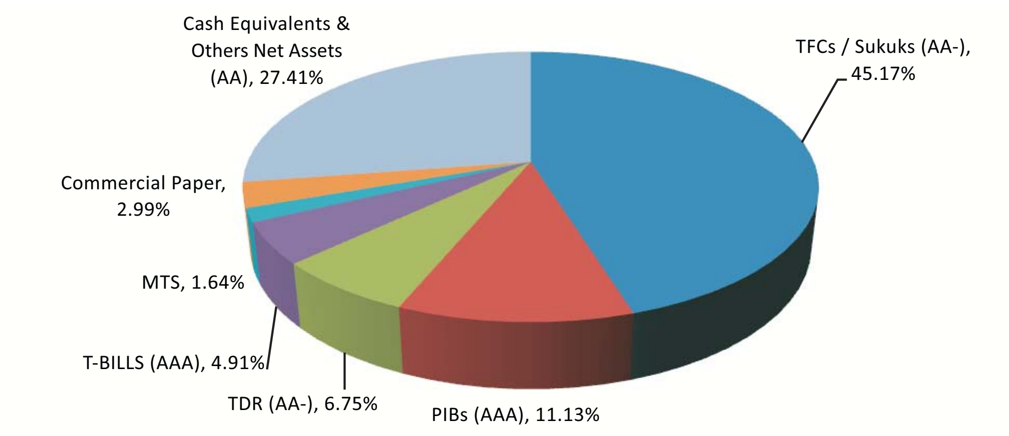
موجودہ مدت کے دوران NBP انکم اپر چونٹی فنڈ (NIOF) کا سائز 4,000 ملین روپے سے بڑھ کر 4,790 ملین روپے ہوگیا ہے یعنی 20% کا اضافہ ہوا۔ اس مدت کے دوران، فنڈ کے یونٹ کی قیمت 30 جون 2020 کو 10.7550 روپے سے بڑھ کر 30 ستمبر 2020 کو 10.9912 روپے ہوگئی، لہٰذا اس مدت کے دوران فنڈ نے اپنے بنچ مارک 7.1% کے مقابلے میں 8.7% کا منافع درج کیا۔ فنڈ کی یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

NIOF کی انکم اسکیم کے طور پر درجہ بندی کی گئی ہے اور PACRA کی طرف سے 'A(f)' کی مستحکم ریٹنگ دی گئی ہے۔ بنیادی مارکیٹس میں ڈیبٹ سیکیورٹیز کے اجرا میں تیزی دیکھی گئی کیونکہ کمپنیوں نے ورکنگ کیپٹل اور طویل مدتی قرضوں کے لئے کیپٹل مارکیٹ کا رُخ کیا۔ زیر جائزہ مدت کے دوران کارپوریٹ ڈیبٹ سیکیورٹیز میں تجارتی سرگرمی بھی بہتر رہی جس کے تحت مالیاتی سال 2020ء کی پہلی سہ ماہی میں 2.8 بلین روپے کے مقابلہ میں مالی سال 2021 کی پہلی سہ ماہی کے دوران 6.7 بلین روپے رہی۔ مالی سال 2021 کی پہلی سہ ماہی میں اسٹیٹ بینک آف پاکستان نے ستمبر 2020 میں مانیٹری پالیسی کمیٹی (MPC) کا اجلاس طلب کیا، اور مارکیٹ توقعات کے مطابق، پالیسی کی شرح 7% پر برقرار رکھی۔ اسٹیٹ بینک آف پاکستان نے حوالہ دیا کہ آخری جائزہ کے بعد سے شرح نمو اور کاروباری اعتماد میں بہتری آئی ہے۔ روزمرہ استعمال ہونے والی اشیائے خورد ونوش کی قیمتوں میں اضافے کے باعث سی پی آئی افراط زر کی شرح ستمبر 2020 میں 9 فیصد رہی۔

زیر جائزہ مدت کے دوران، بنیادی طور پر طلب کے مقابلے میں رسد کے عوامل کی وجہ سے T-Bills کی شرح منافع میں 3 ماہ، 6 ماہ اور 12 ماہ کے T-Bills میں بالترتیب 44bps، 55bps، اور 59 bps اضافہ ہوا۔ طویل مدتی حکومتی شرح منافع بھی افراط زر کی قیمتوں میں اضافے کی توقعات کے باعث بڑھ گئی اور PIBs پر حاصل ہونے والی شرح منافع پالیسی شرح سے باہر نکلنے کی مارکیٹ توقع کے باعث 3 سالہ، 5 سال، اور 10 سالہ PIBs میں بالترتیب 76bps، 102bps اور 106bps کا اضافہ دیکھا گیا۔ اسٹیٹ بینک آف پاکستان نے اس عرصے کے دوران چھ T-Bills کی نیلامی کی، جس میں 1.9 بلین روپے کی میچورٹی اور 1.9 ٹریلین روپے کے ہدف کے عوض مجموعی طور پر 1.5 ٹریلین روپے حاصل کئے۔ اس مدت کے دوران اسٹیٹ بینک آف پاکستان نے تین (3) مقررہ شرح PIBs نیلامیاں کیں جس میں مجموعی طور پر 249 بلین روپے حاصل کئے۔

فنڈ نے موجودہ مدت کے دوران 115.41 ملین روپے کی مجموعی آمدنی کمائی ہے۔ 22.11 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 93.03 ملین روپے ہے۔

30 ستمبر 2020 کو NBP انکم اپر چونٹی فنڈ کی ایسٹ ایلوکیشن درج ذیل ہے:



CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020

	Note	(Unaudited) 30 September 2020	(Audited) 30 June 2020
		(Rupees in '000)	
Assets			
Bank Balances	*4*	**2,133,898**	1,151,141
Investments	*5*	**2,610,350**	2,837,941
Receivable against margin trading system		**97,228**	65,692
Mark-up accrued		**74,961**	62,815
Receivable against transfer of units		**9,834**	16,636
Deposit, prepayments and other receivables		**12,396**	11,374
Total assets		**4,938,667**	4,145,599
Liabilities			
Payable to Management Company		**13,636**	14,756
Payable to Central Depository Company of Pakistan Limited - Trustee		**311**	288
Payable to Securities and Exchange Commission of Pakistan - annual fee		**215**	964
Payable against redemption		**12,315**	1,222
Accrued expenses and other liabilities		**122,665**	127,952
Total liabilities		**149,142**	145,182
Net assets		**4,789,525**	4,000,417
Unit holders' fund		**4,789,525**	4,000,417
Contingencies and commitments	8		
		(Number of units)	
Number of units in issue		**435,760,822**	371,960,210
		(Rupees)	
Net assets value per unit		**10.9912**	10.7550

The annexed notes 1 to 15 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, 2020

	Note	Quarter Ended September 30 2020	Quarter Ended September 30 2019
		------------- (Rupees in '000)	----------
Income			
Return / mark-up on:			
- bank balances and term deposits		**39,104**	104,617
- term finance certificates and sukuks		**45,441**	71,815
- government securities		**11,078**	68
- commercial paper		**2,006**	14,941
- margin trading system		**2,894**	-
Net income on spread transactions		**7,991**	-
Dividend income on spread transactions		**2,779**	-
Net (loss) / gain on sale of investments		**(10,941)**	3
Net unrealised gain / (loss) on re-measurement of investments at fair value through profit or loss - held for trading		**15,054**	(6,840)
Total income		**115,406**	184,604
Expenses			
Remuneration of Management Company		**6,656**	10,911
Sales tax on remuneration of Management Company		**865**	1,418
Accounting and operational charges		**1,075**	1,355
Selling and marketing expense	9	**7,524**	9,008
Remuneration of Central Depository Company of Pakistan Limited - Trustee		**806**	1,016
Sindh Sales tax on remuneration of trustee		**105**	132
Annual fee - Securities and Exchange Commission of Pakistan		**215**	271
Settlement and bank charges		**525**	331
Security and transaction cost		**2,161**	-
Rating Fee		**126**	115
Listing Fee		**7**	7
Auditors' remuneration		**112**	162
Legal and professional charges		**28**	-
Printing charges		**5**	-
Total expenses		**20,210**	24,726
Net income from operating activities		**95,196**	159,878
Provision for Sindh workers' welfare fund	7	**(1,904)**	(3,198)
Net income for the period before taxation		**93,292**	156,680
Taxation	10	**-**	-
Net income for the period after taxation		**93,292**	156,680
Allocation of Net income for the period:			
Net income for the year after taxation		**93,292**	156,680
Income already paid on units redeemed		**(3,550)**	(10,806)
		89,742	145,874
-Relating to capital gains		**11,792**	-
-Excluding capital gains		**77,950**	145,874
Accounting Income available for Distribution		**89,742**	145,874

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer | **Chief Executive Officer** | **Director**

CONDENSED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	Quarter ended September 30 2020	Quarter ended September 30 2019
	---------- (Rupees in '000) ---------	
Net income for the period	**93,292**	156,680
Other comprehensive income		
Items that may be reclassified subsequently to income statement		
Total comprehensive income for the period	**93,292**	156,680

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer	**Chief Executive Officer**	**Director**

CONDENSED STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	Quarter ended September 2020			Quarter ended September 2019		
	---------- (Rupees in '000) ----------					
	Capital Value	**Undistributed Income**	**Total**	Capital Value	Undistributed Income	Total
Net assets at beginning of the period	**3,496,668**	**503,749**	**4,000,417**	4,800,495	495,274	5,295,769
Issuance of 113,508,500 units (2019: 112,103,017 units)						
- Capital value	**1,220,784**	**-**	**1,220,784**	1,202,894	-	1,202,894
- Element of income	**14,756**	**-**	**14,756**	10,613	-	10,613
Total proceeds on issuance of units	**1,235,540**	**-**	**1,235,540**	1,213,507	-	1,213,507
Redemption of 49,707,888 units (2019: 134,677,440 units)						
- Capital value	**(534,608)**	**-**	**(534,608)**	(1,445,124)	-	(1,445,123)
- Element of loss	**(1,566)**	**(3,550)**	**(5,116)**	(7,368)	(10,806)	(18,174)
Total payments on redemption of units	**(536,174)**	**(3,550)**	**(539,724)**	(1,452,492)	(10,806)	(1,463,297)
Total comprehensive income for the period	**-**	**93,292**	**93,292**	-	156,680	156,680
Distribution during the period	**-**	**-**	**-**	-	-	-
Net assets at end of the period	**4,196,034**	**593,491**	**4,789,525**	4,561,510	641,148	5,202,659
Undistributed income brought forward						
- Realised		**503,795**			512,819	
- Unrealised		**(46)**			(17,545)	
		503,749			495,274	
Accounting income available for distribution						
- Relating to capital gain		**-**			-	
- Excluding capital gains		**89,742**			145,874	
		89,742			145,874	
Distribution during the period		**-**				
Undistributed income carried forward		**593,491**			641,148	
Undistributed income carried forward						
- Realised		**578,437**			647,988	
- Unrealised		**15,054**			(6,840)	
		593,491			641,148	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the period			**10.7550**			10.7303
Net assets value per unit at end of the period			**10.9912**			11.0469

The annexed notes 1 to 15 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, 2020

	Quarter ended September 2020	Quarter ended September 30 2019
	-------- (Rupees in '000) ---------	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	**93,292**	156,680
Adjustments for non-cash charges and other items:		
Net unrealised (gain) / loss on re-measurement of investments	**(15,054)**	6,840
Provision for Sindh workers' welfare fund	**1,904**	3,198
Net income on spread transactions	**(7,991)**	-
	72,151	166,718
Decrease / (increase) in assets		
Investments	**250,636**	326,552
Mark-up accrued	**(12,146)**	(63,953)
Receivable against margin trading system	**(31,536)**	-
Deposit, prepayments and other receivables	**(1,022)**	(77)
	205,932	262,522
(Decrease) in liabilities		
Payable to Management Company	**(1,120)**	(3,251)
Payable to the Central Depository Company of Pakistan Limited - Trustee	**23**	(142)
Payable to Securities and Exchange Commission of Pakistan - Annual fee	**(749)**	(4,036)
Accrued expenses and other liabilities	**(7,191)**	(26,577)
	(9,037)	(34,006)
Net cash generated from operating activities	**269,046**	395,234
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	**1,242,342**	1,213,507
Payments on redemption of units	**(528,631)**	(1,279,272)
Net cash generated from / (used in) financing activities	**713,711**	(65,765)
Net increase in cash and cash equivalents during the period	**982,757**	329,469
Cash and cash equivalents at beginning of the period	**1,151,141**	2,418,997
Cash and cash equivalents at end of the period	**2,133,898**	2,748,466

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer | **Chief Executive Officer** | **Director**

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

1 LEGAL STATUS AND NATURE OF BUSINESS

NBP Income Opportunity Fund (Formerly NAFA Income Opportunity Fund) ("the Fund") was established under a Trust Deed executed between NBP Fund Management Limited as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on February 11, 2006 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on January 30, 2006 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The Trust Deed was amended through first supplemental trust deed executed for the change of name and categorisation of the Fund as an income scheme and other allied matters.

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

The Fund is an open-ended mutual fund classified as an 'income scheme' by the Management Company and is listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.

The core objective of the Fund is to seek maximum preservation of capital and a reasonable rate of return. The principal activity of the Fund is to make investments in money market and debt securities having a good credit rating and liquidity subject to the guidelines prescribed by SECP. Other avenues of investments include ready future arbitrage in listed securities and transactions under margin trading system.

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

Title to the assets of the Fund is held in the name of CDC as a 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, 2020.

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, 2020.

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2020.

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on July 1, 2020 that have a material effect on the financial statements of the Fund.

4 BANK BALANCES

		(Un-audited) September 30, 2020	(Audited) June 30, 2020
		(Rupees in '000)	
Current accounts		**7,474**	7,396
Saving accounts	4.1	**2,126,424**	1,143,745
		2,133,898	1,151,141

4.1 These saving accounts carry mark-up at the rates ranging from 3.5% to 15.50% per annum (June 2020: 5.5% to 15.5% per annum).

5. INVESTMENTS

		(Un-audited) September 30, 2020	(Audited) June 30, 2020
		(Rupees in '000)	
At fair value through profit or loss			
Equity securities - listed	5.1	**-**	-
Equity securities - listed (spread transactions)	5.2	**325,003**	-
Government securities	5.3	**197,847**	641,545
Term finance certificates - listed	5.4	**-**	-
Term finance certificates - unlisted	5.5	**836,325**	868,428
Sukuks	5.6	**941,020**	938,553
Term deposits receipts	5.7	**270,000**	270,000
Commercial paper	5.8	**40,155**	119,415
		2,610,350	2,837,941

5.1 **Equity securities - listed at fair value through profit or loss**

Name of the investee company	Number of shares					Market value as at September 30, 2020	Investment as a percentage of		
	As at July 01, 2020	Purchased during the period	Bonus / Right shares	Sold during the period	As at September 30, 2020		Net assets	Market value of total investments	Paid-up capital of the investee company
						Rs. in '000	---- % ----		
All shares have a nominal face value of Rs 10 each.									
PERSONAL GOODS									
Azgard Nine Limited - Non-voting	308	-	-	-	308	-	-	-	-
Carrying value / market value as at September 30, 2020						-			
Carrying value before mark to market as at September 30, 2020						13			

5.2 Equity securities - listed (spread transactions) at fair value through profit or loss

The movement in equity securities represent spread transactions entered into by the Fund. The Fund purchases equity securities in ready market and sells them in future market on the same day, resulting in spread income due to difference in ready and future stock prices. This way the Fund has no open exposure to the stock market.

Name of the investee company	Number of shares				Market value as at September 30, 2020	Investment as a percentage of		
	As at July 01, 2020	Purchased during the period	Sold during the period	As at September 30, 2020		Net assets	Market value of total investments	Paid-up capital of the investee company
					Rs. in '000	---- % ----		
All shares have a nominal face value of Rs. 10 each								
AUTOMOBILE ASSEMBLER								
Ghandhara Industries Limited	-	232,500	137,500	95,000	22,384	0.47	0.86	0.20
Ghandara Nissan Limited	-	68,500	58,500	10,000	845	0.02	0.03	0.17
Pak Suzuki Motor Company Limited	-	20,000	15,000	5,000	1,007	0.02	0.04	0.06
CEMENT								
Maple Leaf Cement Factory Limited	-	1,543,500	1,195,000	348,500	12,508	0.26	0.48	2.11
D.G. Khan Cement Company Limited	-	902,000	820,500	81,500	8,403	0.18	0.32	1.92
Fauji Cement Company Limited	-	894,000	784,000	110,000	2,187	0.05	0.08	0.16
Lucky Cement Limited	-	190,000	187,500	2,500	1,618	0.03	0.06	0.50
Pioneer Cement Limited	-	376,500	365,500	11,000	998	0.02	0.04	0.44
COMMERCIAL BANKS								
United Bank Limited	-	71,500	71,500	-	-	-	-	-
Habib Bank Limited	-	32,500	30,000	2,500	327	0.01	0.01	0.00
FERTILIZER								
Engro Corporation Limited	-	153,000	152,500	500	151	0.00	0.01	0.03
Engro Fertilizers Limited	-	155,000	102,500	52,500	3,193	0.07	0.12	0.24
OIL AND GAS EXPLORATION COMPANIES								
Pakistan Petroleum Limited	-	504,000	377,500	126,500	11,646	0.24	0.45	0.43
Oil and Gas Development Company Limited	-	278,000	177,500	100,500	10,412	0.22	0.40	0.24
Pakistan Oilfields Limited	-	23,500	13,000	10,500	4,424	0.09	0.17	1.56
OIL AND GAS MARKETING COMPANIES								
Sui Northern Gas Pipelines Limited	-	1,510,000	1,308,500	201,500	12,455	0.26	0.48	1.96
Hascol Petroleum Limited	-	8,611,500	5,614,500	2,997,000	60,479	1.26	2.32	1.93
Pakistan State Oil Company Limited	-	140,500	134,500	6,000	1,201	0.03	0.05	0.26
Sui Southern Gas Company Limited	-	40,500	40,500	-	-	-	-	-

Name of the investee company	Number of shares				Market value as at September 30, 2020	Investment as a percentage of		
	As at July 01, 2020	Purchased during the period	Sold during the period	As at September 30, 2020		Net assets	Market value of total investments	Paid-up capital of the investee company
					Rs. in '000	%		
REFINERY								
Attock Refinery Limited	-	693,500	581,500	112,000	15,622	0.33	0.60	0.14
National Refinery Limited	-	180,000	132,500	47,500	8,264	0.17	0.32	0.70
CABLE AND ELECTRICAL GOODS								
Pak Elektron Limited	-	1,714,500	1,467,000	247,500	8,182	0.17	0.31	0.55
PHARMACEUTICALS								
The Searle Company Limited	-	654,000	556,000	98,000	25,118	0.52	0.96	0.22
TEXTILE COMPOSITE								
Nishat Mills Limited	-	324,000	60,500	263,500	26,632	0.56	1.02	1.97
Nishat Chunian Limited	-	169,000	-	169,000	6,657	0.14	0.26	0.76
TECHNOLOGY AND COMMUNICATION								
NetSol Technologies Limited	-	431,000	394,000	37,000	2,224	0.05	0.09	1.17
ENGINEERING								
Mughal Iron and Steel Industries Limited	-	100,500	100,500	-	-	-	-	-
Amreli Steels Ltd.	-	747,000	593,500	153,500	6,719	0.14	0.26	0.52
TRANSPORT								
Pakistan International Bulk Terminal Limited	-	4,518,500	3,863,000	655,500	8,102	0.17	0.31	0.35
VANASPATI & ALLIED INDUSTRIES								
Unity Foods Limited	-	4,410,000	2,247,000	2,163,000	36,014	0.75	1.38	1.91
CHEMICAL								
Lotte Chemical Pakistan Limited	-	213,000	102,000	111,000	1,332	0.03	0.05	0.09
Engro Polymer and Chemicals Limited	-	126,000	36,000	90,000	3,623	0.08	0.14	0.40
Market value as at September 30, 2020					302,727			
Net impact of mark to market on future contracts					22,276			
Total Market Value of Investment in Spread Transactions as at September 30, 2020					325,003			

5.3 Government securities

5.3.1 Market treasury bills

Issue Date	Tenor	Face value				Market value as at September 30, 2020	Investment as a percentage of	
		As at July 01, 2020	Purchased during the period	Sold / matured during the period	As at September 30, 2020		Net assets	Market value of total investments
		Rupees in '000					%	
May 7, 2020	6 months	100,000	-	-	100,000	99,323	2.07	3.80
June 18, 2020	3 months	100,000	-	100,000	-	-	-	0.00
July 16, 2020	6 months	-	150,000	150,000	-	-	-	0.00
September 24, 2020	3 months	-	100,000	-	100,000	98,524	2.06	3.77
Market value as at September 30, 2020						197,847		

5.3.1.1 The effective yield on market treasury bills is 6.89% per annum (June 30, 2020: 13.43.% per annum).

5.3.1.2 Investments include treasury bills with market value of Rs.197.84 million (June 30, 2020: Rs. 196.2 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with circular no. 11 dated October 23, 2007 issued by SECP.

5.3.2 Pakistan investment bonds

Issue Date	Tenor	Face value: As at July 01, 2020	Face value: Purchased during the period	Face value: Sold / matured during the period	Face value: As at September 30, 2020	Market value as at September 30, 2020	Investment as a percentage of: Net assets	Investment as a percentage of: Market value of total investments
		------ Rupees in '000 ------					------ % ------	
September 19, 2019	3 years	100,000	-	100,000	-	-	0.00	0.00
September 19, 2019	5 years	325,000	-	325,000	-	-	0.00	0.00
Market value as at September 30, 2020						-		

5.4 Term finance certificates - listed

Name of the investee company		Number of certificates: As at July 01, 2020	Purchased during the period	Sold / matured during the period	As at September 30, 2020	Market value as at September 30, 2020	Investment as a percentage of: Net assets	Market value of total investments	Issue size
						Rs. in '000	------ % ------		
All term finance certificates have a face value of Rs. 5,000 each unless stated otherwise.									
Pace (Pakistan) Limited	5.4.1	30,000	-	-	30,000	-	-	-	10.00
Saudi Pak Leasing Company Limited	5.4.2	15,000	-	-	15,000	-	-	-	10.00
Worldcall Telecom Limited	5.4.3	45,000	-	-	45,000	-	-	-	0.06
Market value as at September 30, 2020						-			

5.4.1 The investee companies had defaulted on its obligation on account of principal and profit payments and accordingly has been classified as a non performing asset by Mutual Funds Association of Pakistan (MUFAP). The accumulated provision amounting to Rs. 266.11 million against investee companies have been maintained by valuing the investments as per circular no. 1 of 2009 and circular no. 33 of 2012.

5.4.2 This represents investment in term finance certificates with original term of nine years. On October 13, 2011 the investee company defaulted on its obligation on account of principal and profit payment. The investee company rescheduled its term on December 26, 2011 with a new maturity in March 2017. The said term finance certificates complied with repayment terms since it was rescheduled and had been reclassified as performing as per criteria defined in circular no. 1 of 2009. However, the investee company again defaulted on its obligation on account of principal and profit payment for the month of April 2014 and was therefore declared as non performing asset by MUFAP since April 30, 2014. The amount of provision as per circular no. 1 of 2009 and circular no. 33 of 2012 has been maintained by valuing the investment in terms of the said circulars.

5.4.3 This represents investment in listed term finance certificates with a term of 5 years. On April 07, 2012, the investee company defaulted on its obligation on account of principal and profit payment and accordingly has been classified as non performing asset by MUFAP since November 8, 2012. The amount of provision required as per SECP circular no. 1 of 2009 and circular no. 33 of 2012 has been maintained by valuing the investment in terms of the said circulars.

5.4.4 Other particulars of term finance certificates - listed outstanding as at September 30, 2020 are as follows:

Name of the investee company	Face value *	Mark-up rate per annum	Rating	Issue date	Maturity date
Pace (Pakistan) Limited	4,994	6 months KIBOR offer rate + 2.00%	Not rated	15-Feb-08	15-Feb-17
Saudi Pak Leasing Company Limited	2,775	6.87% fixed rate	Not rated	13-Mar-08	13-Mar-13
Worldcall Telecom Limited	1,705	6 Month KIBOR offer rate + 1.6%	Not rated	7-Oct-08	7-Oct-13

* It represents unredeemed value of the investments

5.5 Term finance certificates - unlisted

Name of the investee company	Issue date	Number of certificates: As at July 01, 2020	Purchased during the period	Sold / matured during the period	As at September 30, 2020	Market value as at September 30, 2020	Investment as a percentage of: Net assets	Market value of total investments	Issue size
						Rs. in '000	%		
All term finance certificates have a face value of Rs 5,000 each unless stated otherwise.									
JS Bank Limited	December 14, 2016	60,000	-	-	60,000	294,526	6.15	11.28	10.00
Jahangir Siddiqui and Company Limited	June 24, 2016	20,000	-	-	20,000	24,713	0.52	0.95	6.67
Jahangir Siddiqui and Company Limited	July 18, 2017	23,340	-	-	23,340	58,350	1.22	2.24	5.84
Silk Bank Limited	August 10, 2017	20,000	-	-	20,000	87,043	1.82	3.33	5.00
JS Bank Limited	December 29, 2017	1,000	-	-	1,000	98,401	2.05	3.77	0.33
Jahangir Siddiqui and Company Limited	March 06, 2018	30,000	-	-	30,000	123,902	2.59	4.75	3.49
Bank of Punjab	April 16, 2018	1,500	-	-	1,500	129,645	2.71	4.97	10.00
Kashf Foundation	September 30, 2019	20	-	-	20	19,745	0.41	0.76	10.00
Azgard Nine Limited III (Note 5.5.1)	December 4, 2007	50,000	-	-	50,000	-	-	0.00	-
Azgard Nine Limited V (Note 5.5.1)	March 31, 2012	16,436	-	-	16,436	-	-	0.00	-
Dewan Cement Limited (Note 5.5.1)	January 14, 2008	30,000	-	-	30,000	-	-	0.00	-
New Allied Electronics Industries (Private) Limited (Note 5.5.1)	May 15, 2007	15,000	-	-	15,000	-	-	0.00	-
Agritech Limited V (Note 5.5.1)	July 1, 2011	6,464	-	-	6,464	-	-	0.00	-
Agritech Limited I (Note 5.5.1)	November 29, 2007	30,000	-	-	30,000	-	-	0.00	-
Market value as at September 30, 2020						**836,325**			

5.5.1 The investee companies had defaulted on its obligation on account of principal and profit payments and accordingly has been classified as a non performing asset by Mutual Funds Association of Pakistan (MUFAP). The accumulated provision amounting to Rs. 554.44 million against investee companies have been maintained by valuing the investments as per circular no. 1 of 2009 and circular no. 33 of 2012.

5.5.2 Other particulars of term finance certificates - unlisted outstanding as at September 30, 2020 are as follows:

Name of the investee company	Face value *	Mark-up rate per annum	Rating	Issue date	Maturity date
Habib Bank Limited	99,880	6 months KIBOR offer rate + 0.5%	AAA	February 19, 2016	February 19, 2026
JS Bank Limited	4,993	6 months KIBOR offer rate + 1.4%	A+	December 14, 2016	December 16, 2023
Javedan Corporation Limited (October 04, 2018)	100,000	6 months KIBOR offer rate + 1.75%	AA+	October 4, 2018	October 4, 2026
Shakarganj Foods (July 10, 2018)	1,000,000	3 months KIBOR offer rate + 1.75%	A	July 10, 2018	July 10, 2024
Jahangir Siddiqui and Company Limited	1,250	6 months KIBOR offer rate + 1.65%	AA+	June 24, 2016	June 24, 2021
Jahangir Siddiqui and Company Limited	3,125	6 months KIBOR offer rate + 1.4%	AA+	July 18, 2017	July 18, 2022
Silk Bank Limited	4,998	6 months KIBOR offer rate + 1.85%	A-	August 10, 2017	August 10, 2025
JS Bank Limited	99,900	6 months KIBOR offer rate + 1.4%	A+	December 29, 2017	December 29, 2024
Jahangir Siddiqui and Company Limited	5,000	6 months KIBOR offer rate + 1.4%	AA+	March 6, 2018	March 5, 2023
Bank of Punjab	99,920	6 months KIBOR offer rate + 1.25%	AA-	April 16, 2018	April 13, 2028
Kashf Foundation	1,000,000	3 months KIBOR offer rate + 2.25%	A	September 30, 2019	September 30, 2023
Azgard Nine Limited III	4,496	6 months KIBOR offer rate + 2.25%	Not rated	December 4, 2007	December 4, 2014
Azgard Nine Limited V	5,000	-	Not rated	March 31, 2012	March 31, 2019
Dewan Cement Limited	5,000	6 months KIBOR offer rate + 2%	Not rated	January 14, 2008	January 14, 2014
New Allied Electronics Industries (Private) Limited	1,250	3 months KIBOR offer rate + 3%	Not rated	May 15, 2007	May 15, 2011
Agritech Limited V	4,999	11% fixed rate	Not rated	July 1, 2011	January 1, 2018
Agritech Limited I	3,997	6 months KIBOR offer rate + 1.75%	Not rated	November 29, 2007	November 29, 2014

* It represents unredeemed value of the investments

5.6 Sukuks

Name of the investee company	Issue date	Number of certificates: As at July 01, 2020	Purchased during the period	Sold / Matured during the period	As at September 30, 2020	Market value as at September 30, 2020	Investment as a percentage of: Net assets	Market value of total investments	Issue size
						Rs. in '000	%		
All term finance certificates have a face value of Rs. 100,000 each unless stated otherwise.									
Dawood Hercules Corporation Limited	November 17, 2017	2,555	-	-	2,555	181,175	3.78	6.94	4.91
HUBCO	August 22, 2019	1,000	-	-	1,000	102,425	2.14	3.92	1.43
Javedan Corporation Limited	October 04, 2018	1,000	-	-	1,000	97,139	2.03	3.72	3.34
K Electric	December 27, 2019	80,000	-	-	80,000	410,188	8.56	15.71	9.60
Masood Textile Mills Ltd.	December 17, 2019	1,000	-	-	1,000	95,347	1.99	3.65	4.00
Shakarganj Foods	July 10, 2018	70	-	-	70	54,746	1.14	2.10	0.97
New Allied Electronics Industries (Private) Limited (Note 5.6.1)	December 03, 2007	9,000	-	-	9,000	-	-	-	-
Eden Housing Limited (Note 5.6.1)	March 29, 2008	9,200	-	-	9,200	-	-	-	-
Market value as at September 30, 2020						941,020			

5.6.1 The investee companies had defaulted on its obligation on account of principal and profit payments and accordingly has been classified as a non performing asset by Mutual Funds Association of Pakistan (MUFAP). The accumulated provision amounting to Rs. 53.21 million against investee companies have been maintained by valuing the investments as per circular no. 1 of 2009 and circular no. 33 of 2012.

5.7 These represents Mobilink Microfinance Bank Limited term deposit having original maturity period of more than three months. This carries mark-up rate of 15.6% per annum.

5.8 This represents the purchase of commercial paper from TPL Trakker Limited on January 15, 2020 (having face value of Rs. 120 million). This carries profit at the rate of 16% per annum and will mature on July 13, 2020.

6. RECEIVABLE AGAINST MARGIN TRADING SYSTEM

6.1 These carry average mark-up rate of 9.4% (June 30, 2020: 9.77%) per annum and are matured at the option of financee subject to maximum period of 60 days.

7 PROVISION FOR SINDH WORKERS' WELFARE FUND

The legal status of applicability of Worker's Welfare Fund and Sindh Workers' Welfare Fund is same as that disclosed in note 20 to the annual audited financial statements of the Fund for the year ended June 30, 2020.

The Fund, being prudent, recognised provision for SWWF amounting to Rs.43.586 million for the period ended September 30, 2020 in this condensed interim financial information, Had the provision not been made, net assets value per unit at September 30, 2020 would have been higher by Rs. 0.1000 per unit (June 30, 2020: Rs. 0.1121 per unit).

8 CONTINGENCIES AND COMMITMENTS

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

9 SELLING AND MARKETING

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

10 TAXATION

The Fund's income is exempt from income tax as per clause 99 of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. 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, 2021 to the unit holders in the manner as explained above, no provision for taxation has been made in these consdensed interim financial statements.

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

11 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at September 30, 2020 is 2.05% (2020: 2.13%) which includes 0.28% (2020: 0.39%) representing government levies on the Fund such as sales taxes, federal excise duties, annual fee to the SECP for the period ended September 30, 2020

12 DETAILS OF NON-COMPLIANT INVESTMENTS

The SECP vide circular no. 7 of 2009 dated March 6, 2009, required all asset management companies to categorize funds under their management on the basis of criteria laid down in the circular. The Board has approved the category of the fund as 'Income Scheme'.

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

Following is the detail of non-compliant investments :

Type of Investment	Name of non-compliant investment	Value of investment befor provision	Provision held, if any	Value of investment after provision	Percentage of net assets	Percentage of gross assets
Investment in Debt securities & Sukuks**	Agritech Limited	149,860	(149,860)	-	-	-
	Agritech Limited V	32,320	(32,320)	-	-	-
	Azgard Nine Limited III	108,377	(108,377)	-	-	-
	Azgard Nine Limited V	82,180	(82,180)	-	-	-
	Dewan Cement Limited	150,000	(150,000)	-	-	-
	Eden Housing Limited - Sukuk II	9,056	(9,056)	-	-	-
	New Allied Electronics Industries (Private) Limited - PPTFC	31,707	(31,707)	-	-	-
	New Allied Electronics Industries (Private) Limited - Sukuk II	44,149	(44,149)	-	-	-
	PACE Pakistan Limited	149,820	(149,820)	-	-	-
	Saudi Pak Leasing Company Limited	41,321	(41,321)	-	-	-
	World Call Telecom Limited	74,977	(74,977)	-	-	-
Investment in Equity scheme	Azgard Nine Limited (Non-Voting)	13	(13)	-	-	-
Total carrying value and accumulated impairment		**873,780**	**(873,780)**	**-**	**-**	**-**

12.1 At the time of purchase, these term finance certificates and sukuks were in compliance with the aforementioned circular. However, they either subsequently defaulted or were downgraded to non investment grade.

13 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS

13.1 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 sponsor of the Management Company. It also includes associated companies of Management Company due to common directorship, post-employment benefit funds of the Management Company, its parent and sponsor. It also includes subsidiaries and associated companies of the Parent of the Management Company and other collective investment schemes (CIS) managed by the Management Company, directors and key management personnel of the Management Company and any person or company beneficially owning directly or indirectly 10% or more of the units in issue / net assets of the Fund.

13.2 The transactions with connected persons are carried out at agreed terms.

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

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

		(Un-audited)	
		Quarter Ended September 30,2020	Quarter Ended September 30,2019
13.5	**Details of the transactions with connected persons are as follows:**	**(Rupees in '000)**	
	NBP Fund Management Limited - Management Company		
	Remuneration of the Management Company	**6,656**	10,911
	Sindh sales tax on remuneration of the Management Company	**865**	1,418
	Accounting and operational charges to the Management Company	**1,075**	1,355
	Selling and marketing expense	**7,524**	9,008
	Central Depository Company of Pakistan Ltd. - Trustee		
	Remuneration of the Trustee	**806**	1,016
	Sindh Sales Tax on remuneration of the Trustee	**105**	132
	CDS charges	**46**	184
	Employees of Management Company		
	Units Issued / transferred in 1,645,376 units (2019: 97,138 units)	**17,939**	1,056
	Units redeemed / transferred out 1,022,620 units (2019: 1,427,808 units)	**11,127**	15,597
	Portfolio managed by the Management Company		
	Units issued / transferred in 1,864,028 units (2019: 1,864,028 units)	**20,100**	20,100
	Units redeemed / transferred out 6,920,237 units (2019: 6,920,237 units)	**75,042**	75,042
	NBP Savings Fund		
	Sold Commercial paper	**-**	23,182
	National Clearing Company of Pakistan Limited		
	NCCPL Charges	**63**	63
	Laga & Levy	**324**	-
	Pakistan Stock Exchange Limited		
	Annual Listing Fee Paid	**25**	25
	Bank Islami Limited (Common Directorship with the Management Company)		
	Bank Profit	**19**	541
	National Bank of Pakistan (Parent of the Management Company)		
	Bank Profit	**18**	92

		(Un-audited) As at September 30, 2020	(Audited) As at June 30, 2020
		(Rupees in '000)	
13.6	**Amounts outstanding as at period end / year end**		
	NBP Fund Management Limited (Management Company)		
	Remuneration of the Management Company	**2,227**	2,303
	Sindh Sales Tax on remuneration of the Management Company	**290**	299
	Operational expenses	**1,075**	1,011
	Selling and marketing expense	**7,524**	7,075
	Sales tax and FED payable on sales load	**1,669**	1,847
	Sales load	**851**	2,221
	Central Depository Company of Pakistan Limited (Trustee)		
	Remuneration of the trustee	**275**	254
	Sindh sales tax on remuneration of the trustee	**36**	34
	CDS charges	**142**	113
	Security deposit	**100**	100
	National Bank of Pakistan (Parent of the Management Company)		
	Bank balance	**6,918**	8,943
	Accrued markup	**27**	13
	National Clearing Company of Pakistan Limited (Common Directorship with the Management Company)		
	NCCPL charges	**206**	143
	Laga & Levy	**331**	7
	Security Deposit	**2,750**	2,750
	Bank Islami Limited (Common Directorship with the Management Company)		
	Bank balance	**384**	1,196
	Accued markup	**33**	149
	The HUB Power Company (Common Directorship)		
	HUBCO Sukuk	**102,425**	102,145
	Profit receivable	**990**	1,100
	NBP Employees Pension Fund (Pension Fund of the parent of the Management Company)		
	Investment held in the Fund: 107,220,828 units (June 30, 2020: 107,220,828 units)	**1,178,486**	1,153,160
	Employees of the Management Company		
	Investment held in the Fund: 1,221,752 units (June 30, 2020: 599,936 units)	**13,429**	6,452

14 DATE OF AUTHORISATION FOR ISSUE

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

15 GENERAL

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

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer	**Chief Executive Officer**	**Director**

Head Office

7th Floor, Clifton Diamond Building, Block No.4,
Scheme No.5, Clifton, Karachi.
UAN: 021-111-111-632
Toll Free: 0800-20002
Sms: INVEST to 9995
Fax: 021-35825335
Email: info@nbpfunds.com
Website: www.nbpfunds.com
/nbpfunds

NBP FUNDS
Managing Your Savings

AM1
Rated by PACRA

NBP MAHANA AMDANI FUND

QUARTERLY REPORT
SEPTEMBER 30, 2020

MISSION STATEMENT

To rank in the top quartile

in performance of

NBP FUNDS

relative to the competition,

and to consistently offer

Superior risk-adjusted returns to investors.

Contents

FUND'S INFORMATION

Management Company

NBP Fund Management Limited - Management Company

Board of Directors of Management Company

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

Company Secretary & COO

Mr. Muhammad Murtaza Ali

Chief Financial Officer

Mr. Khalid Mehmood

Audit & Risk Committee

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

Human Resource Committee

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

Strategy & Business Planning Committee

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

Trustee

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

Bankers to the Fund

Albaraka Bank of Pakistan
Allied Bank Limited
Askari Bank Limited
Bank Al Habib Limited
Bank Alfalah Limited
Bank Islami Pakistan Limited
Faysal Bank Limited

Habib Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
Khushhali Bank Limited
MCB Bank Limited
Meezan Bank Limited
Samba Bank Limited
Silk Bank Limited
Sindh Bank Limited
Soneri Bank Limited
Summit Bank Limited
Telenor Microfinance Bank Limited
The First Microfinance Bank Limited
The Bank of Punjab
U Microfinance Bank Limited
United Bank Limited
Zarai Taraqiati Bank Limited
Mobilink Microfinance Bank Limited

Auditors

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

Legal Advisor

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

Head Office:

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

Lahore Office:

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

Islamabad Office:

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

Peshawar Office:

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

Multan Office:

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

DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited is pleased to present the unaudited Condensed Interim financial statements of **NBP Mahana Amdani Fund** (NMAF) for the quarter ended September 30, 2020.

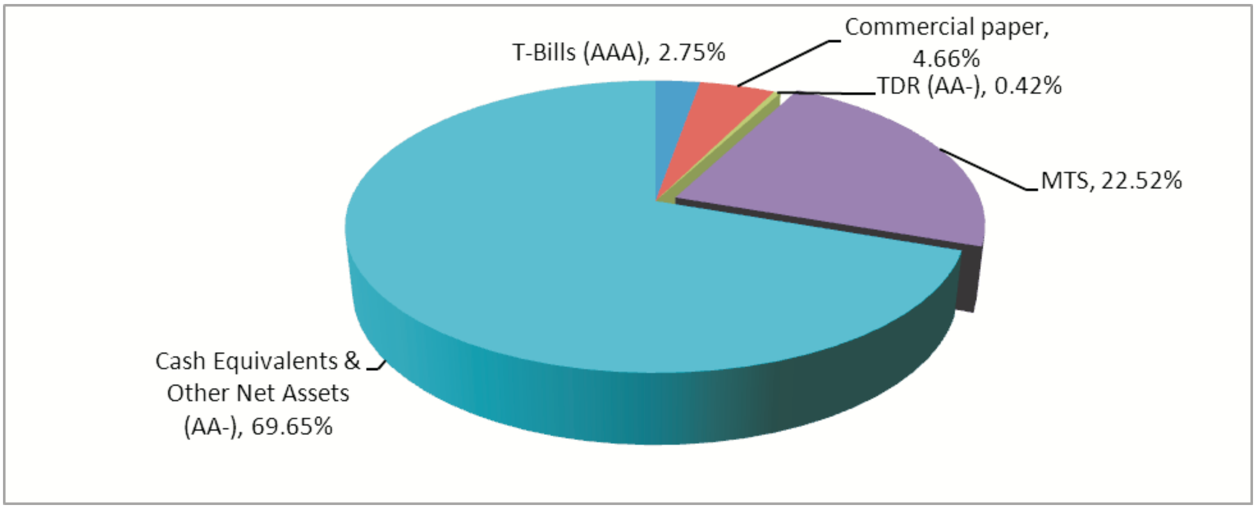
Fund's Performance

The size of NBP Mahana Amdani Fund has almost doubled from Rs. 2,928 million to Rs. 7,160 million during the period (i.e. an extraordinary growth of 145%). During the period, the unit price of the Fund has increased from Rs. 10.1765 on June 30, 2020 to Rs. 10.3771 on September 30, 2020, thus showing a return of 7.8% p.a. as compared to the benchmark return of 7.1% 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 1QFY21, the State Bank of Pakistan (SBP) held Monetary Policy Committee (MPC) meeting in September 2020 and, in line with the market expectation, left the Policy Rate unchanged at 7%. The SBP cited that the outlook for growth and business confidence has improved since the last review. The CPI inflation clocked in at 9% for September 2020, above the market consensus due to spike in prices of perishable food items. During the period under review, T-Bills yields increased by 44 bps, 55 bps, and 59 bps for 3-month, 6-month, and 12-month tenures respectively, primarily due to demand versus supply side factors. The SBP held six T-Bills auctions during the period, realizing a total of Rs. 1.5 trillion against the maturity of Rs. 1.9 trillion and target of Rs. 1.4 trillion.

The Fund has earned a total income of Rs. 108.965 million during the period. After deducting total expenses of Rs. 16.494 million, the net income is Rs. 92.471 million. The asset allocation of NBP Mahana Amdani Fund as on September 30, 2020 is as follows:



Acknowledgement

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

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

On behalf of the Board of
NBP Fund Management Limited

Chief Executive

Director

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

ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 30 ستمبر 2020ء کو ختم ہونے والی سہ ماہی کے لئے NBP ماہانہ آمدنی فنڈ (NMAF) کے غیر جانچ شدہ عبوری مالیاتی گوشوارے پیش کرتے ہیں۔

فنڈ کی کارکردگی

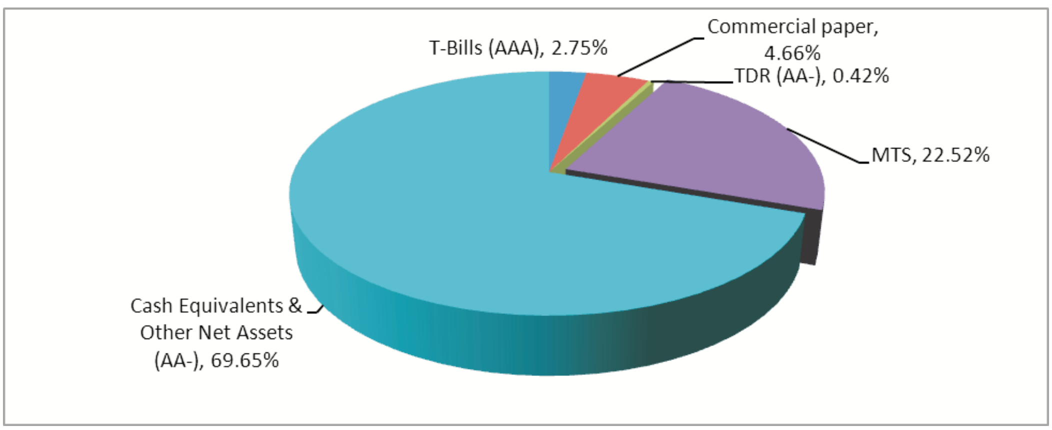
NBP ماہانہ آمدنی فنڈ کا سائز اس مدت کے دوران 2,928 ملین روپے سے بڑھ کر 7,160 ملین روپے تقریباً دوگنا ہوگیا ہے، یعنی 145% کا غیر معمولی اضافہ ہوا۔ اس مدت کے دوران فنڈ کے یونٹ کی قیمت 30 جون 2020 کو 10.1765 روپے سے بڑھ کر 30 ستمبر 2020 کو 10.3771 روپے تک پہنچ چکی ہے، لہٰذا اسی مدت کے لئے اپنے بنچ مارک منافع 7.1% کے مقابلے میں 7.8% منافع درج کرایا۔ فنڈ کی یہ کارکردگی مینجمنٹ 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 نپی تلی اوسط مدت ایک سال سے زائد نہیں ہوسکتی۔ 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۔

مالی سال 2021 کی پہلی سہ ماہی میں اسٹیٹ بینک آف پاکستان نے ستمبر 2020 میں مانیٹری پالیسی کمیٹی (MPC) کا اجلاس طلب کیا، اور مارکیٹ توقعات کے مطابق، پالیسی کی شرح 7% پر برقرار رکھی۔ اسٹیٹ بینک آف پاکستان نے حوالہ دیا کہ آخری جائزہ کے بعد سے شرح نمو اور کاروباری اعتماد میں بہتری آئی ہے۔ روزمرہ استعمال ہونے والی اشیائے خورد ونوش کی قیمتوں میں اضافے کے باعث سی پی آئی افراط زر کی شرح ستمبر 2020 میں 9 فیصد رہی۔ زیر جائزہ مدت کے دوران، بنیادی طور پر طلب کے مقابلے میں رسد کے عوامل کی وجہ سے T-Bills کی شرح منافع میں 3 ماہ، 6 ماہ اور 12 ماہ کے T-Bills میں بالترتیب 44bps، 55bps، اور 59bps اضافہ ہوا۔ اسٹیٹ بینک آف پاکستان نے اس عرصے کے دوران چھ T-Bills کی نیلامی کی، جس میں 1.9 بلین روپے کی میچورٹی اور 1.9 ٹریلین روپے کے ہدف کے عوض مجموعی طور پر 1.5 ٹریلین روپے حاصل کئے۔

فنڈ کو اس مدت کے دوران 108.965 ملین روپے کی مجموعی آمدنی ہوئی۔ 16.494 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 92.471 ملین روپے ہے۔

درج ذیل چارٹ 30 ستمبر 2020 کو NBP ماہانہ آمدنی فنڈ کی ایسٹ 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 اُٹھاتے ہوئے مینجمنٹ کمپنی پر اعتماد، اعتبار اور خدمت کا موقع فراہم کرنے پر اپنے قابل قدر یونٹ ہولڈرز کا شکریہ ادا کرتا ہے۔ یہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور اسٹیٹ بینک آف پاکستان کی سرپرستی اور رہنمائی کے لئے ان کے مخلص رویہ کا بھی اعتراف کرتا ہے۔

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

منجانب بورڈ آف ڈائریکٹرز
NBP فنڈ مینجمنٹ لمیٹڈ

چیف ایگزیکٹو — ڈائریکٹر

تاریخ: 27 اکتوبر 2020

مقام: کراچی

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020

	Note	Un-Audited September 30, 2020	Audited June 30, 2020
		(Rupees in '000)	
ASSETS			
Balances with banks	4	**5,080,958**	2,300,436
Investments	5	**560,758**	229,418
Receivable against Margin Trading System		**1,612,184**	337,740
Profit receivable		**31,761**	15,424
Receivable against conversion of units		**4,843**	614
Deposits, prepayments and other receivables		**502**	104,640
Total assets		**7,291,006**	2,988,272
LIABILITIES			
Payable to the Management Company		**22,942**	16,749
Payable to Central Depository Company of Pakistan Limited - Trustee		**440**	249
Payable to Securities and Exchange Commission of Pakistan		**240**	361
Payable against redemption of units		**94,550**	13,891
Accrued expenses and other liabilities		**12,800**	29,111
Total liabilities		**130,972**	60,361
NET ASSETS		**7,160,034**	2,927,911
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		**7,160,034**	2,927,911
CONTINGENCIES AND COMMITMENTS	7		
		Number of units	
Number of units in issue		**689,987,114**	287,712,816
		Rupees	
NET ASSET VALUE PER UNIT		**10.3771**	10.1765

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, 2020

	Note	Quarter Ended September 30, 2020	Quarter Ended September 30, 2019
		(Rupees in '000)	
INCOME			
Income from government securities		**8,853**	17
Income from term deposit receipts		**1,180**	1,783
Income from commercial papers		**2,213**	1,069
Income from clean placement		**3,404**	-
Income on bank deposits		**58,721**	17,903
Income from Margin Trading System		**34,882**	-
(Loss) / Gain on sale of investments		**(284)**	1
Net unrealised (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		**(4)**	-
Total income		**108,965**	20,773
EXPENSES			
Remuneration of the Management Company		**1,798**	1,163
Sindh sales tax on Management Fee		**234**	151
Accounting and operational charges to the Management Company		**1,198**	144
Selling and marketing expense	8	**5,690**	960
Remuneration of the Trustee		**899**	108
Sindh sales tax on Trustee Fee		**117**	14
Annual fee - Securities and Exchange Commission of Pakistan		**240**	29
Settlement and bank charges		**4,011**	95
Annual listing fee		**7**	7
Legal & Professional charges		**23**	9
Auditors' remuneration		**181**	157
Fund rating fee		**132**	120
Other charges		**77**	122
Total Expenses		**14,607**	3,079
Net Income from operating activities		**94,358**	17,694
Provision for Sindh Workers' Welfare Fund	6	**(1,887)**	(354)
Net Income for the period before taxation		**92,471**	17,340
Taxation	9	**-**	-
Net income for the period after taxation		**92,471**	17,340
Allocation of Net income for the period:			
Net income for the period		**92,471**	17,340
Income already paid on units redeemed		**(11,243)**	(1,301)
		81,228	16,039
Accounting income available for distribution:		**-**	-
-Relating to capital gains		**-**	1
-Excluding capital gains		**81,228**	16,038
		81,228	**16,039**

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer	**Chief Executive Officer**	**Director**

CONDENSED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	Quarter Ended September 30, 2020	Quarter Ended September 30, 2019
	(Rupees in '000)	
Accounting income available for distribution	**92,471**	17,340
Other Comprehensive Income	**-**	-
Total comprehensive income for the period	**92,471**	17,340

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

Chief Financial Officer	Chief Executive Officer	Director

CONDENSED STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	Quarter Ended September 30, 2020			Quarter Ended September 30, 2019		
	Value	Undistributed income	Total	Value	Undistributed income	Total
	-- (Rupees in '000) --					
Net assets at beginning of the period	2,913,724	14,187	2,927,911	534,778	10,254	545,032
Issuance of 609,140,245 units (2019: 26,899,749 units)						
- Capital value	6,198,916	-	6,198,916	273,379	-	273,379
- Element of income	70,284	-	70,284	4,218	-	4,218
Total proceeds on issuance of units	6,269,187	-	6,269,200	277,597	-	277,597
Redemption of 206,865,947 units (2019: 21,936,047 units)						
- Capital value	(2,105,171)	-	(2,105,171)	(222,934)	-	(222,934)
- Element of loss	(13,134)	(11,243)	(24,377)	(1,967)	(1,301)	(3,268)
Total payments on redemption of units	(2,129,548)	(11,243)	(2,129,548)	(226,202)	(1,301)	(226,202)
Total comprehensive income for the period	-	92,471	92,471	-	17,340	17,340
Net assets at end of the period	7,053,363	95,415	7,160,034	586,173	26,293	613,767
Undistributed income brought forward						
- Realised		14,106			10,261	
- Unrealised		81			(7)	
		14,187			10,254	
Accounting income available for distribution:						
- Relating to capital gains		-			-	
- Excluding capital gains		81,228			16,039	
		81,228			16,039	
Undistributed income carried forward		95,415			26,293	
Undistributed income carried forward						
- Realised		95,419			26,293	
- Unrealised		(4)			-	
		95,415			26,293	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the period			10.1765			10.1629
Net assets value per unit at end of the period			10.3771			10.4750

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, 2020

	Note	Quarter Ended September 30, 2020	Quarter Ended September 30, 2019
		(Rupees in '000)	
CASH FLOW FROM OPERATING ACTIVITIES			
Income for the period before taxation		**92,471**	17,340
Adjustments			
Unrealised diminution in the value of investment carried at fair value through profit and loss - net		**4**	-
		92,475	17,340
(Increase) in assets			
Investments		**(331,344)**	(63,945)
Receivable against Margin Trading System		**(1,274,444)**	19
Profit receivable		**(16,337)**	(2,979)
Deposits, prepayments and other receivables		**104,138**	100
		(1,517,987)	(66,805)
(decrease)/Increase in liabilities			
Payable to the Management Company		**6,193**	642
Payable to Central Depository Company of Pakistan Limited - Trustee		**191**	(38)
Payable to the Securities and Exchange Commission of Pakistan		**(121)**	(298)
Accrued expenses and other liabilities		**(16,311)**	679
		(10,048)	985
Net cash (used in) Operating activities		**(1,435,560)**	(48,480)
CASH FLOW FROM FINANCING ACTIVITIES			
Net receipts from issue of units		**6,264,971**	276,331
Net payments on redemption of units		**(2,048,889)**	(225,790)
Net cash generated from (used in) financing activities		**4,216,082**	50,541
Net Increased in cash and cash equivalents during the period		**2,780,522**	2,061
Cash and cash equivalents at the beginning of the period		**2,300,436**	465,647
Cash and cash equivalents at the end of the period		**5,080,958**	467,708

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer | **Chief Executive Officer** | **Director**

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

1 LEGAL STATUS AND NATURE OF BUSINESS

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

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

The Fund has been categorised as an open ended 'income scheme' pursuant to the provisions contained in Circular 7 of 2009.

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

The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of AM1 as at June 24, 2020 (2019: AM1) to the Management Company and rating of AA-(f) with stable outlook as at April 17, 2020.

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, 2020.

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, 2020.

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2020.

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on July 1, 2020 that have a material effect on the financial statements of the Fund.

		(Un-audited) September 30, 2020	(Audited) June 30, 2020
		(Rupees in '000)	
4 BALANCES WITH BANKS			
Current accounts		10,247	5,449
Savings accounts	4.1	5,070,711	2,294,987
		5,080,958	2,300,436

4.1 These savings accounts carry markup at rates ranging from 3.50% to 15.50% per annum (2019: 7.30% to 15.5% per annum).

	Note	(Un-audited) September 30, 2020	(Audited) June 30, 2020
		(Rupees in '000)	
5 INVESTMENTS			
Financial assets 'at fair value through profit or loss'			
Commercial Paper	5.1	333,709	-
Term deposit receipt	5.2	30,000	30,000
Investment in Government Securities -Market Treasury Bills	5.3	197,049	199,418
		560,758	229,418

5.1 This represents the purchase of commercial paper from K- Electric Limited on Agust 26, 2020 and September 09, 2020 having face value of Rs.196 million, (Carrying value of Rs. 189.79 million) which carry profit at the rate of 8.13% and will mature on February 26, 2021. It also includes another purchase of commercial paper K- Electric Limited from on September 09, 2020 having a face value of Rs. 149 million, (Carrying value of Rs. 143.916 million) which carry profit at the rate of 8.15% and will mature on March 09, 2021.

5.2 This represents TDR placed with Mobilinkmicro finance Bank Limited carrying mark-up at the rate of 15.60% percent per annum and matures on 21 October 2020.

5.3 **Investment in government securities**

Issue date	Tenor	Face value: As at July 1, 2020	Face value: Purchased during the period	Face value: Disposed / matured during the period	Face value: As at September 30, 2020	Market Value As at September 30, 2020	Market value as a percentage of net assets	Market value as a percentage of total investments
Market Treasury Bills								
September 12, 2019	12 months	-	300,000	(300,000)	-	-	-	-
July 16, 2020	3 months	-	75,000	(75,000)	-	-	-	-
July 16, 2020	6 months	-	75,000	(75,000)	-	-	-	-
August 29, 2019	12 months	-	750,000	(750,000)	-	-	-	-
October 10, 2019	12 months	-	500,000	(500,000)	-	-	-	-
September 24, 2020	3 months	-	500,000	(300,000)	200,000	197,049	0.06	0.35
April 23, 2020	3 months	200,000	-	(200,000)	-	-	-	-
						197,049	**0.06**	**0.35**
Carrying value before fair value adjustment as at September 30, 2020						**197,053**		

6 **PROVISION FOR SINDH WORKERS' WELFARE FUND**

The legal status of applicability of Worker's Welfare Fund and Sindh Workers' Welfare Fund is same as that disclosed in note 12.1 to the annual audited financial statements of the Fund for the year ended June 30, 2020.

The Fund, being prudent, recognised provision for SWWF amounting to Rs.8.532 million for the period ended September 30, 2020 in this condensed interim financial information, Had the provision not been made, net assets value per unit at September 30, 2020 would have been higher by Rs. 0.0124 per unit (June 30, 2020: Rs. 0.023 per unit).

7 **CONTINGENCIES AND COMMITMENTS**

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

8 **SELLING AND MARKETING EXPENSES**

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

9 **TAXATION**

The Fund's income is exempt from income tax as per clause 99 of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unit holders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2020 to the unit holders in the manner as explained above, no provision for taxation has been made in these consdensed interim financial statements.

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

10 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at September 30, 2020 is 1.36% (September 30, 2019: 20.38%) which includes 0.20% (September 30, 2019: 0.38%) representing government levies on the Fund such provision against Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an income scheme.

11 TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS

11.1 Connected persons include NBP Fund Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan (NBP), Baltoro Growth Fund being the sponsors, NAFA Pension Fund and NAFA Provident Fund Trust being the associates of the Management Company, other collective investment schemes managed by the Management Company, any entity in which the Management Company, its CISs or their connected persons have material interest, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.

11.2 Transactions with connected persons are executed on an arm's length basis and essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

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

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

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

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

	Un-audited Quarter Ended September 30, 2020	Un-audited Quarter Ended September 30, 2019
	(Rupees in '000)	
NBP Fund Management Limited - Management Company		
Management fee expense for the period	**1,798**	1,163
Sindh sales tax on remuneration of the Management Company	**234**	151
Selling and marketing expense	**5,690**	960
Front end load for the period	**9,716**	495
Accounting and operational charges to the Management Company	**1,198**	144
Units issued: 30,039,632 units (2019: Nil units)	**310,000**	-
Units redeemed: 32,038,910 units (2019: Nil units)	**330,010**	-
Pakistan Stock Exchange Limited - common directorship*		
Listing fee paid	**25**	25

	Un-audited Quarter Ended September 30, 2020	Un-audited Quarter Ended September 30, 2019
	(Rupees in '000)	
Key management personnel of the Management Company		
Units issued / transferred In 10,953,555 units; (2019: 36,358 units)	**113,104**	375
Units redeemed / transferred out 6,361,768 units; (2019: Nil units)	**65,473**	-
Central Depository Company of Pakistan Limited - Trustee		
Remuneration	**899**	108
Sindh sales tax on remuneration of trustee	**117**	14
Fauji Fertilizer Company Limited - Common Directorship**		
Units issued / transferred In 74,563,899 units; (2019: Nil units)	**760,000**	-
Portfolio managed by the Management Company		
Units issued / transferred In 199,227,984 units; (2019: Nil units)	**199,166**	-
Sell of Market Treasury Bills	**4,847**	-
BankIslami Pakistan Limited - common directorship		-
Profit on bank deposits	**21**	-
National Bank of Pakistan - parent company		
Profit on bank deposits	**195**	-
National Clearing Company of Pakistan Limited - common directorship		
Settlement charges during the period	**105**	63

11.7 Amounts outstanding as at period end

	Un-audited September 30, 2020	Audited June 30, 2020
	(Rupees in '000)	
NBP Fund Management Limited - Management Company		
Remuneration payable to the Management Company	**729**	352
Sindh sales tax on remuneration of the Management Company	**64**	45
Federal Excise Duty on remuneration of the Management Company	**10,620**	10,620
Federal Excise Duty on sales load	**292**	292
Allocated expenses payable	**1,198**	636
Selling and marketing expenses payable	**5,690**	2,546
Sales and transfer load payable	**3,594**	1,743
Sindh sales tax on sales load	**467**	227
Others	**288**	288
Units held: 10,325,440 units (30 June, 2020: 12,324,718 units)	**107,148**	125,422
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable to the Trustee	**363**	175
Sindh sales tax payable on Trustee remuneration	**77**	23
Security deposit	**100**	100
Settlement charges payable	**171**	51

	Un-audited September 30, 2020	Audited June 30, 2020
	(Rupees in '000)	
National Bank of Pakistan - parent company		
Current account	**2,222**	1,751
Savings account	**9,011**	7,302
Profit receivable on savings account	**1**	10
BankIslami Pakistan Limited - common directorship		
Bank balances	**6,830**	839
Profit receivable on savings account	**3**	5
Key management personnel of the Management Company		
Units held: 7,063,567 units (30 June 2020: 2,495,660 units)	**73,299**	25,397
Fauji Fertilizer Company Limited - Common Directorship**		
Units held: 74,563,899 (30 June 2020: Nil units)	**773,757**	-
Portfolio managed by the Management Company		
Units held: 19,277,984 (30 June 2020: 1,436,884 units)	**200,050**	-
Ali Saigol - Director		
Units held: 1,016 units (30 June 2020: 1,016 units)	**11**	-
Muhammad Murtaza Ali - Company Secretary / COO		
Units held: 172,012 units (30 June 2020: 172,012 units)	**1,785**	1,750
National Clearing Company of Pakistan Limited - common directorship		
Settlement charges payable	**63**	53

** Comparative balances with these parties have not been disclosed as these parties were not related parties in the last year.

12 DATE OF AUTHORISATION FOR ISSUE

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

13 GENERAL

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

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer	Chief Executive Officer	Director

Head Office

7th Floor, Clifton Diamond Building, Block No.4,
Scheme No.5, Clifton, Karachi.
UAN: 021-111-111-632
Toll Free: 0800-20002
Sms: INVEST to 9995
Fax: 021-35825335
Email: info@nbpfunds.com
Website: www.nbpfunds.com
/nbpfunds

NBP FUNDS
Managing Your Savings

Islamic Savings

Aitemaad اعتماد سود سے پاک

اسلامک سیونگز

AM1
Rated by PACRA

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II

QUARTERLY REPORT
SEPTEMBER 2020

MISSION STATEMENT

To rank in the top quartile

in performance of

NBP FUNDS

relative to the competition,

and to consistently offer

Superior risk-adjusted returns to investors.

Contents

FUND'S INFORMATION

Management Company

NBP Fund Management Limited - Management Company

Board of Directors of Management Company

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

Company Secretary & COO

Mr. Muhammad Murataz Ali

Chief Financial Officer

Mr. Khalid Mehmood

Audit & Risk Committee

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

Human Resource Committee

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

Strategy & Business Planning Committee

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

Trustee

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

Bankers to the Fund

Allied Bank Limited
Bank Islami Pakistan Limited
Bank Al Habib Limited
Faysal Bank Limited
Soneri Bank Limited
Dubai Islamic Bank Pakistan Limited
Habib Bank Limited
JS Bank Limited
United Bank Limited

Auditor

KPMG Taseer Hadi & Co.
Sheikh Sultan Trust Buildings,
Ground No. 2 Shaheed Chaudary Aslam Rd,
Civil Lines, Karachi, 75530

Legal Advisor

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

Head Office

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

Lahore Office

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

Islamabad Office

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Main Double Road, Gulberg Greens,
Islamabad.
UAN: 051-111-111-632
Phone: 051-2514987
Fax: 051-4859031

Peshawar Office

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

Multan Office

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 condensed unaudited financial statements of **NAFA Islamic Active Allocation Fund-II** for the quarter ended September 30, 2020.

Fund's Performance

NAFA Islamic Active Allocation Fund-II has been constituted in the form of a Trust Scheme that shall invest in following Collective Investment Schemes through five (5) Allocation Plans including NAFA Islamic Active Allocation Plan-VI (NIAAP-VI), NAFA Islamic Active Allocation Plan-VII (NIAAP-VII), NAFA Islamic Active Allocation Plan-VIII (NIAAP-VIII), NAFA Islamic Capital Preservation Plan-I & NAFA Islamic Capital Preservation Plan-II.

Islamic Income Fund:	**NBP Active Allocation Riba Free Savings Fund**
Islamic Equity Fund:	**NBP Islamic Active Allocation Equity Fund**
Islamic Money Market Fund:	**NBP Islamic Money Market Fund**

Carrying forward the positive momentum, the stock market depicted robust performance during 1QFY2021 as the benchmark KMI-30 Index surged by 17.7%. To put things into perspective, after tumbling to a multi-year low level of 41,365 in March this year, the stock market staged a strong 22.1% recovery during 4QFY20. This impressive market performance was mainly driven by encouraging development on the healthcare front. The active cases of Covid-19 after peaking at 109,000 in July, dropped to 9,000 at the end of September; the fatality rate fell sharply, and ratio of new infections to tests also fell to a low single-digit.

The improvement on the pandemic front allowed re-opening of the economy, which picked-up steam earlier than expected as evidenced by the frequently released economic data such as electricity consumption, retail fuel sales, and industrial output (cement, fertilizers, automobiles, textiles). The encouraging development on the healthcare front and improving economic activity, sparked optimism in investors. External account has so far remained beneficiary of the Coronavirus as workers' remittances have shown a hefty 31% growth in 1QFY21 on a year-on-year basis. Resultantly, the country has posted current account surplus of USD 805 million in the first 2 months of FY2021 versus current account deficit of USD 1,241 million in corresponding period last year.

Looking at the sector wise performance of the market, Automobiles, Cements, Engineering, Glass & Ceramics, Oil & Gas Marketing Companies, Paper & Board, Refineries, Technology and Textiles outperformed the market, while Commercial Banks, Fertilizers, Food & Personal Care, Oil & Gas Exploration, Pharmaceuticals, Power Generation and Distribution and Transport sectors lagged behind. In terms of participant-wise activity, Individuals remained the largest buyers during the quarter with net inflows of USD 108 million. Alongside, Mutual Fund and Insurance were also net buyers, adding positions worth USD 26 million and USD 21 million, respectively. On the other hand, Foreigners and Banks/DFIs were the largest sellers in the market with net outflows amounting to USD 95 million and USD 53 million, respectively.

The primary market for Corporate Sukuks remained under-supplied against the large and growing demand. In the secondary market, the trading activity in the Corporate Sukuks remained skewed towards high quality debt issues with cumulative traded value of around Rs. 5.6 billion in 1QFY21 compared to Rs. 2.5 billion during same period last year. During 1QFY21, the State Bank of Pakistan (SBP) held Monetary Policy Committee (MPC) meeting in September 2020 and, in line with the market expectation, left the Policy Rate unchanged at 7%. The SBP cited that the outlook for growth and business confidence has improved since the last review. The CPI inflation clocked in at 9% for September 2020, above the market consensus due to spike in prices of perishable food items.

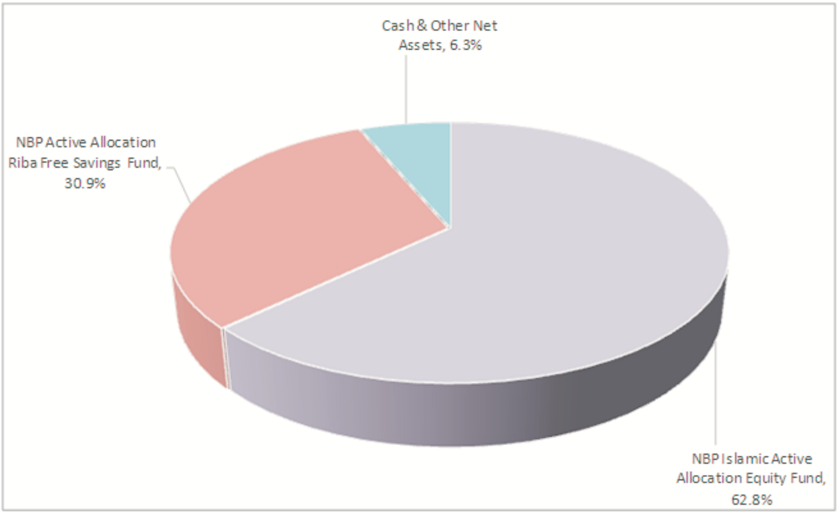
NAFA Islamic Active Allocation Plan-VI (NIAAP-VI)

Plan's Performance

During the period, the unit price of NAFA Islamic Active Allocation Plan-VI (NIAAP-VI) has increased from Rs. 80.2002 on June 30, 2020 to Rs. 91.8616 on September 30, 2020, thus showing an increase of 14.5%. The Benchmark increased by 13.6%. Thus, the Fund has outperformed its Benchmark by 0.9%. Since inception, the unit price of NAFA Islamic Active Allocation Plan-VI (NIAAP-VI) has decreased from Rs.89.3374 (Ex-Div) on May 26, 2017 to Rs. 91.8616 on September 30, 2020, thus showing an increase of 2.8%. The Benchmark increased during the same period was 0.8%. Thus, the Fund has outperformed its Benchmark by 1.8%. This performance is net of management fee and all other expenses. The size of the Fund is Rs.151 million.

NAFA Islamic Active Allocation Plan-VI (NIAAP-VI) has earned a total income of Rs. 21.149 million during the period. After incurring total expenses of Rs. 0.599 million, the net income is Rs. 20.550 million.

The asset allocation of the Plan as on September 30, 2020 is as follows:



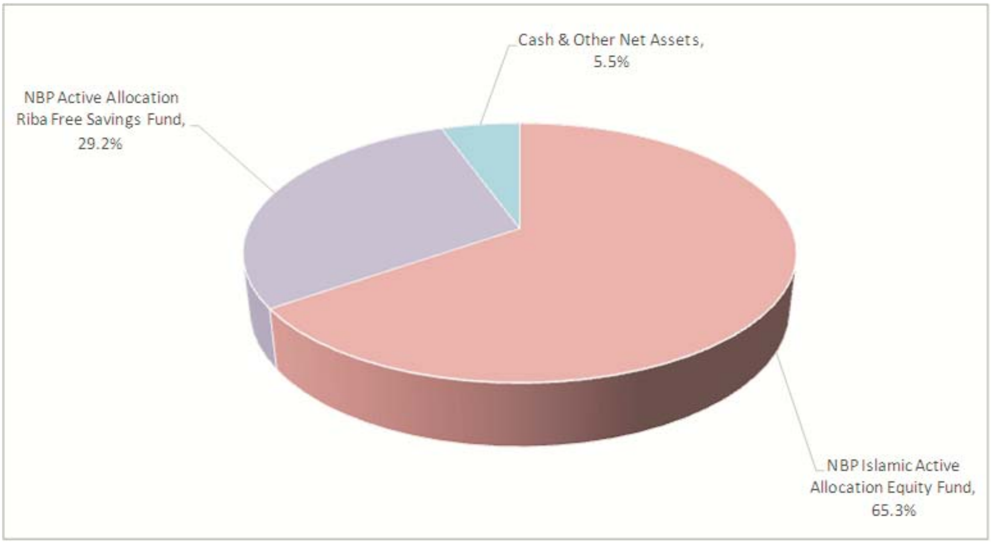
NAFA Islamic Active Allocation Plan-VII (NIAAP-VII)

Plan's Performance

During the period, the unit price of NAFA Islamic Active Allocation Plan-VII (NIAAP-VII) has increased from Rs. 84.6286 on June 30, 2020 to Rs. 96.8152 on September 30, 2020, thus showing an increase of 14.4%. The Benchmark increased by 13.6%. Thus, the Fund has outperformed its Benchmark by 0.8%. Since inception, the unit price of NAFA Islamic Active Allocation Plan-VII (NIAAP-VII) has decreased from Rs.93.2102 on June 29, 2017 to Rs. 96.8152 on September 30, 2020, thus showing an increase of 3.9%. The Benchmark increased during the same period was 3.5%. Thus, the Fund has underperformed its Benchmark by 0.4%. This performance is net of management fee and all other expenses. The size of the Fund is Rs.33 million.

NAFA Islamic Active Allocation Plan-VII (NIAAP-VII) has earned a total income of Rs. 5.182 million during the period. After incurring total expenses of Rs. 0.188 million, the net income is Rs. 4.994 million.

The asset allocation of the Plan as on September 30, 2020 is as follows:



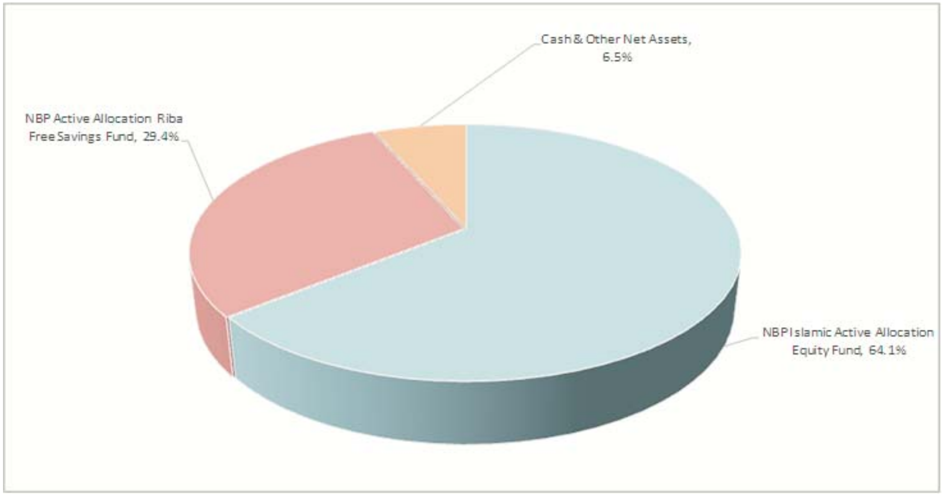
NAFA Islamic Active Allocation Plan-VIII (NIAAP-VIII)

Plan's Performance

During the period, the unit price of NAFA Islamic Active Allocation Plan-VIII (NIAAP-VIII) has increased from Rs. 96.9868 on June 30, 2020 to Rs. 111.2059 on September 30, 2020, thus showing an increase of 14.7%. The Benchmark increased by 13.8%. Thus, the Fund has outperformed its Benchmark by 0.9%. Since inception, the unit price of NAFA Islamic Active Allocation Plan-VIII (NIAAP-VIII) has increased from Rs.93.2660 (Ex-Div) on November 03, 2017 to Rs. 111.2059 on September 30, 2020, thus showing an increase of 19.2%. The Benchmark increased during the same period was 14.8%. Thus, the Fund has outperformed its Benchmark by 4.4%. This performance is net of management fee and all other expenses. The size of the Fund is Rs.72 million.

NAFA Islamic Active Allocation Plan-VIII (NIAAP-VIII) has earned a total income of Rs. 17.631 million during the period. After incurring total expenses of Rs. 0.502 million, the net income is Rs. 17.129 million.

The asset allocation of the Plan as on September 30, 2020 is as follows:



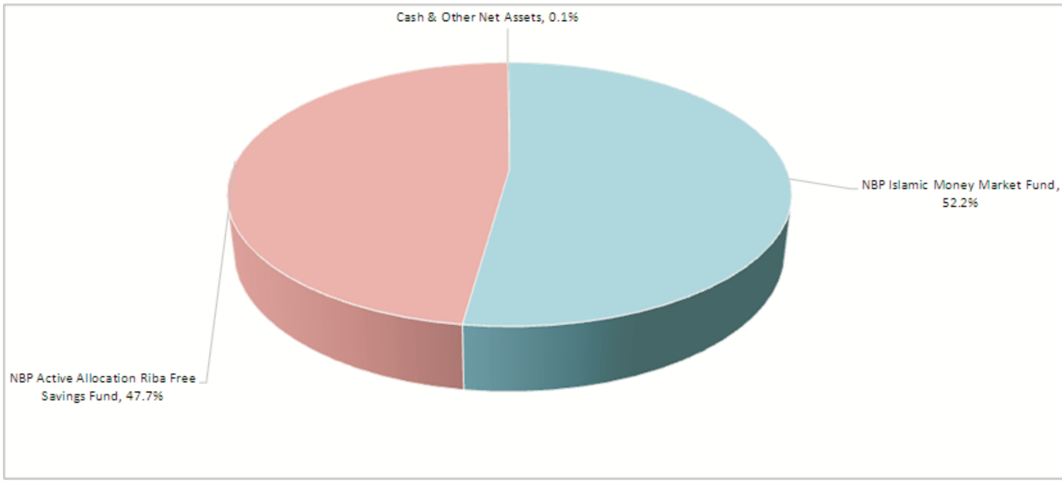
NAFA Islamic Capital Preservation Plan-I (NICPP-I)

Plan's Performance

During the period, the unit price of NAFA Islamic Capital Preservation Plan-I (NICPP-I) has increased from Rs. 100.2984 on June 30, 2020 to Rs. 107.5822 on September 30, 2020, thus showing a increase of 7.3%. The Benchmark increased by 6.8%. Thus, the Fund has outperformed its Benchmark by 0.5%. Since inception, the unit price of NAFA Islamic Capital Preservation Plan-I (NICPP-I) has increased from Rs.92.0190 (EX-Div) on February 28, 2018 to Rs. 107.5822 on September 30, 2020, thus showing a increase of 16.9%. The Benchmark increased during the same period was 11.4%. Thus, the Fund has outperformed its Benchmark by 5.5%. This performance is net of management fee and all other expenses. The size of the Fund is Rs.158 million.

NAFA Islamic Capital Preservation Plan-I (NICPP-I) has earned a total income of Rs. 13.958 million during the period. After incurring total expenses of Rs. 0.468 million, the net income is Rs. 13.490 million.

The asset allocation of the Plan as on September 30, 2020 is as follows:



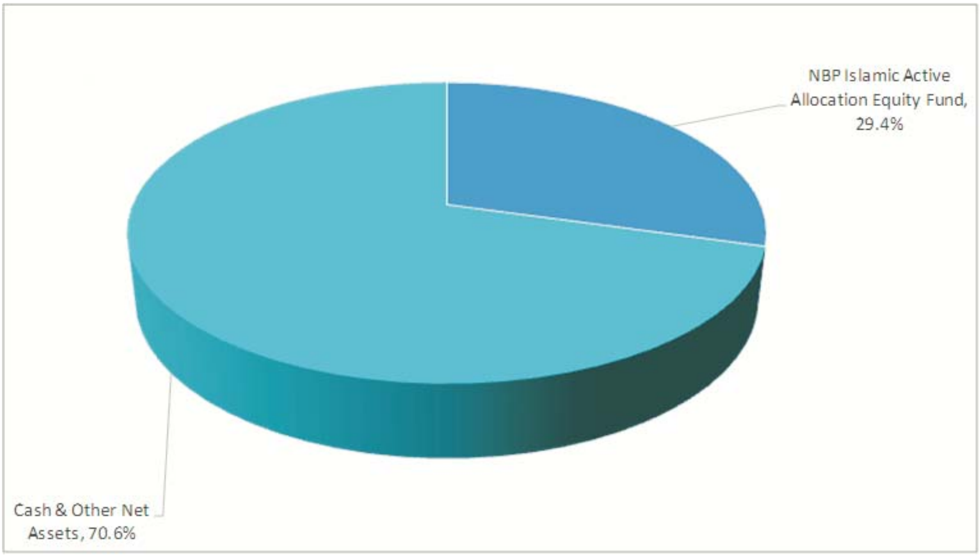
NAFA Islamic Capital Preservation Plan-II (NICPP-II)

Plan's Performance

During the period, the unit price of NAFA Islamic Capital Preservation Plan-II (NICPP-II) has increased from Rs. 100.1578 (Ex-Div) on June 30, 2020 to Rs. 104.4752 on September 30, 2020, thus showing an increase of 4.3%. The Benchmark increased by 4.1%. Thus, the Fund has outperformed its Benchmark by 0.2%. Since inception, the unit price of NAFA Islamic Capital Preservation Plan-II (NICPP-II) has increased from Rs.94.0762 (EX-Div) on April 27, 2018 to Rs. 104.4752 on September 30, 2020, thus showing an increase of 11.1%. The Benchmark increased during the same period was 5.5%. Thus, the Fund has outperformed its Benchmark by 5.6%. This performance is net of management fee and all other expenses. The size of the Fund is Rs.136 million.

NAFA Islamic Capital Preservation Plan-II (NICPP-II) has earned a total income of Rs. 7.372 million during the period. After incurring total expenses of Rs. 0.647 million, the net income is Rs. 6.725 million.

The asset allocation of the Plan as on September 30, 2020 is as follows:



Acknowledgement

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

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

On behalf of the Board of
NBP Fund Management Limited

Chief Executive **Director**

Date: October 27, 2020
Place: Karachi.

ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 30 ستمبر 2020ء کو ختم ہونے والی سہ ماہی کے لئے NAFA اسلامک ایکٹو ایلوکیشن فنڈ-II (NIAAF-II) کے غیر جانچ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

فنڈ کی کارکردگی

NAFA اسلامک ایکٹو ایلوکیشن فنڈ-II (NIAAF-II) ایک ٹرسٹ اسکیم کی شکل میں تیار کیا گیا ہے جو کہ پانچ (5) ایلوکیشن پلانز کے ذریعے درج ذیل مجموعی سرمایہ کاری اسکیموں میں سرمایہ کاری کریں گے، یہ پلانز NAFA اسلامک ایکٹو ایلوکیشن پلان-VI (NIAAP-VI)، NAFA اسلامک ایکٹو ایلوکیشن پلان-VII (NIAAP-VII)، NAFA اسلامک ایکٹو ایلوکیشن پلان-VIII (NIAAP-VIII)، NAFA اسلامک کیپٹل پریزرویشن پلان-I (NICPP-I) اور NAFA اسلامک کیپٹل پریزرویشن پلان-II (NICPP-II) ہیں۔

اسلامک انکم فنڈ: NBP ایکٹو ایلوکیشن ریافری سیونگز فنڈ
اسلامک ایکویٹی فنڈ: NBP اسلامک ایکٹو ایلوکیشن ایکویٹی فنڈ
اسلامک منی مارکیٹ فنڈ: NBP اسلامک منی مارکیٹ فنڈ

مثبت پیشرفت کو آگے بڑھاتے ہوئے، اسٹاک مارکیٹ نے مالی سال 2021 کی پہلی سہ ماہی کے دوران مضبوط کارکردگی کا تاثر دیا جیسا کہ بینچ مارک KMI-30 انڈیکس میں 17.7 فیصد کا اضافہ ہوا۔ چیزوں کو تناظر میں رکھتے ہوئے، رواں سال مارچ میں 41,365 کی کثیر سالہ کم سطح پر پہنچنے کے بعد، اسٹاک مارکیٹ نے مالی سال 2020 کی چوتھی سہ ماہی کے دوران 17.8 فیصد کی مضبوط بحالی کا مظاہرہ کیا۔ مارکیٹ کی یہ متاثر کن کارکردگی بنیادی طور پر صحت کی دیکھ بھال کے محاذ پر ترقی کی حوصلہ افزائی کے ذریعہ کارفرما ہوئی۔ جولائی کے مہینے میں کوویڈ 19 کے فعال کیسز 109,000 پر پہنچنے کے بعد، ستمبر کے آخر میں 9,000 رہ گئے، اموات کی شرح میں تیزی سے کمی واقع ہوئی، اور ٹیسٹوں میں نئے انفیکشن کا تناسب بھی کم ہو کر واحد ہندسہ پر آ گیا۔

وبائی محاذ پر بہتری سے معیشت دوبارہ چلنے کے قابل ہوئی، جس سے بجلی کی کھپت، خوردہ ایندھن کی فروخت، اور صنعتی پیداوار (سیمنٹ، کھادیں، آٹوموبائل، ٹیکسٹائل) جیسے متعدد اقتصادی اعدادوشمار ثابت کرتے ہیں کہ پہلے کی توقع سے کہیں زیادہ تیزی پیدا ہوگئی۔ صحت کی دیکھ بھال کے محاذ پر حوصلہ افزا ترقی اور معاشی سرگرمیوں میں بہتری نے سرمایہ کاروں میں پُر اُمیدی پیدا کردی۔ بیرونی اکاؤنٹ اب تک کورونا وائرس میں سرپلس رہا ہے کیونکہ کارکنوں کی ترسیلات زر نے سالانہ بنیاد پر مالی سال 2021 کی پہلی سہ ماہی میں 31 فیصد کا نمایاں اضافہ ظاہر کیا ہے۔ نتیجے کے طور پر، ملک نے مالی سال 2021 کے پہلے 2 مہینوں میں 805 ملین امریکی ڈالر کا کرنٹ اکاؤنٹ سرپلس درج کرایا ہے جبکہ گذشتہ سال کے اسی عرصے میں کرنٹ اکاؤنٹ خسارہ 1,241 ملین امریکی ڈالر تھا۔

مارکیٹ کی سیکٹر وائز کارکردگی پر نظر ڈالیں تو، آٹوموبائل، سیمنٹ، انجینئرنگ، گلاس اور سرامکس، آئل اینڈ گیس مارکیٹنگ کمپنیاں، پیپر اینڈ بورڈ، ریفائنریز، ٹیکنالوجی اور ٹیکسٹائل نے مارکیٹ سے بہتر کارکردگی کا مظاہرہ کیا جبکہ کمرشل بینک، کھاد، خوراک اور ذاتی نگہداشت، آئل اینڈ گیس ایکسپلوریشن، دواسازی، بجلی پیدا اور تقسیم کرنے اور ٹرانسپورٹ کے شعبے پیچھے رہے۔ شراکت دار سرگرمی کے لحاظ سے، انفرادی سرمایہ کار (ریٹیل) سہ ماہی کے دوران 108 ملین امریکی ڈالر کی خالص خریداری کے ساتھ سب سے بڑے خریدار رہے۔ اس کے علاوہ، میوچل فنڈ اور انشورنس بھی خالص خریدار رہے، جنہوں نے بالترتیب 26 ملین امریکی ڈالر اور 21 ملین امریکی ڈالر تک پوزیشن کو مستحکم کیا۔ دوسری طرف، غیر ملکی اور بینک/DFIs مارکیٹ میں بالترتیب 95 ملین امریکی ڈالر اور 53 ملین امریکی ڈالر کے خالص آاؤٹ فلوز کے ساتھ سب سے بڑے فروخت کنندگان رہے۔

کارپوریٹ سکوک کے لئے ابتدائی مارکیٹ کی زیادہ طلب کے مقابلہ میں رسد کم رہی۔ ثانوی منڈی میں، کارپوریٹ سکوک کا تجارتی سرگرمی اعلیٰ کوالٹی ڈیبٹ اجرا کی جانب زیادہ جھکاؤ رہا جس کی مجموعی تجارتی قدر مالی سال 2020ء میں 2.5 بلین روپے کے مقابلہ میں مالیاتی سال 2021ء کی پہلی سہ ماہی میں 5.6 بلین روپے رہی۔
مالی سال 2021 کی پہلی سہ ماہی میں اسٹیٹ بینک آف پاکستان نے ستمبر 2020 میں مانیٹری پالیسی کمیٹی (MPC) کا اجلاس طلب کیا، اور مارکیٹ توقعات کے مطابق، پالیسی کی شرح 7% پر برقرار رکھی۔ اسٹیٹ بینک آف پاکستان نے حوالہ دیا کہ آخری جائزہ کے بعد سے شرح نمو اور کاروباری اعتماد میں بہتری آئی ہے۔ روزمرہ استعمال ہونے والی اشیائے خورد ونوش کی قیمتوں میں اضافے کے باعث سی پی آئی افراط زر کی شرح ستمبر 2020 میں 9 فیصد رہی۔

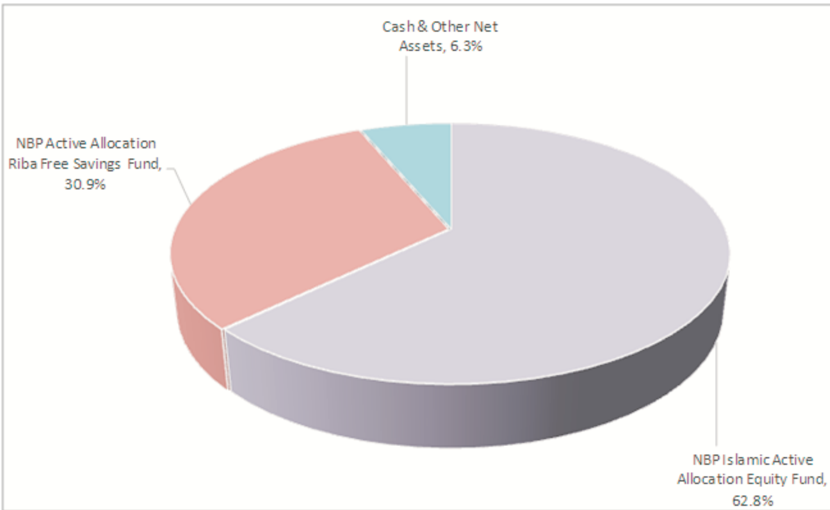
NAFA اسلامک ایکٹوایلوکیشن پلان-VI(NIAAP-VI)

پلان کی کارکردگی

موجودہ مدت کے دوران NAFA اسلامک ایکٹوایلوکیشن پلان-VI (NIAAP-VI) کے یونٹ کی قیمت 30 جون 2020 کو 80.2002 روپے سے بڑھ کر 30 ستمبر 2020 کو 91.8616 روپے ہوچکی ہے اوراس طرح 14.5% کا اضافہ ظاہر کیا ہے۔ بنچ مارک بڑھ کر 13.6% ہو گیا۔ لہٰذا فنڈ نے اپنے بنچ مارک سے 0.9% بہتر کارکردگی کا مظاہرہ کیا ہے۔ 26 مئی 2017 کو اپنے قیام کے وقت NAFA اسلامک ایکٹوایلوکیشن پلان-VI(NIAAP-VI) کے یونٹ کی قیمت 89.3374 روپے سے بڑھ کر 30 ستمبر 2020 کو 91.8616 روپے ہوگئی، لہٰذا 2.8% کا اضافہ ظاہر کیا۔ اسی مدت کے دوران بینچ مارک اضافہ 0.8% تھا۔ لہٰذا پلان کی کارکردگی اپنے بینچ مارک سے 1.8% بہتر رہی۔ فنڈ کی یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔ فنڈ کا سائز 151 ملین روپے ہے۔

NAFA اسلامک ایکٹوایلوکیشن پلان-VI کو اس مدت کے دوران 21.149 ملین روپے کی کل آمدنی ہوئی۔ 0.599 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 20.550 ملین روپے ہے۔

30 ستمبر 2020 کو فنڈ کی ایسٹ ایلوکیشن درج ذیل ہے:



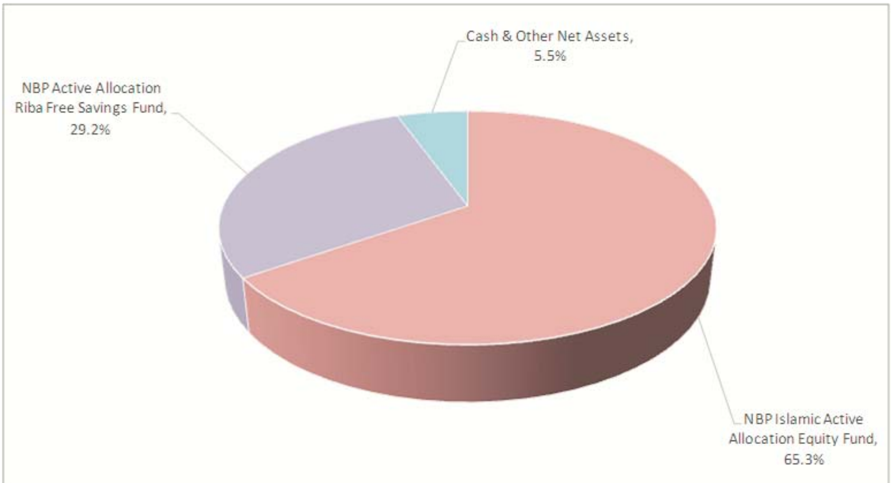
NAFA اسلامک ایکٹوایلوکیشن پلان-VII(NIAAP-VII)

فنڈ کی کارکردگی

موجودہ مدت کے دوران NAFA اسلامک ایکٹوایلوکیشن پلان-VII (NIAAP-VII) کے یونٹ کی قیمت 30 جون 2020 کو 84.6286 روپے سے بڑھکر 30 ستمبر 2020 کو 96.8152 روپے ہوچکی ہے اوراس طرح 14.4% کا اضافہ ظاہر کیا ہے۔ بنچ مارک بڑھ کر 13.6% ہو گیا۔ لہٰذا فنڈ نے اپنے بنچ مارک سے 0.8% بہتر کارکردگی کا مظاہرہ کیا ہے۔ 29 جون 2017 کو اپنے قیام کے وقت NAFA اسلامک ایکٹوایلوکیشن پلان-VII(NIAAP-VII) کے یونٹ کی قیمت 93.2102 روپے سے کم ہوکر 30 ستمبر 2020 کو 96.8152 روپے ہوگئی، لہٰذا 3.9% کا اضافہ ظاہر کیا۔ اسی مدت کے دوران بینچ مارک اضافہ 3.5% تھا۔ لہٰذا فنڈ کی کارکردگی اپنے بینچ مارک سے 0.4% ابتر رہی۔ فنڈ کی یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔ فنڈ کا سائز 33 ملین روپے ہے۔

NAFA اسلامک ایکٹوایلوکیشن پلان-VII کو اس مدت کے دوران 5.182 ملین روپے کی آمدنی ہوئی۔ 0.188 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 4.994 ملین روپے ہے۔

30 ستمبر 2020 کو فنڈ کی ایسٹ ایلوکیشن درج ذیل ہے:



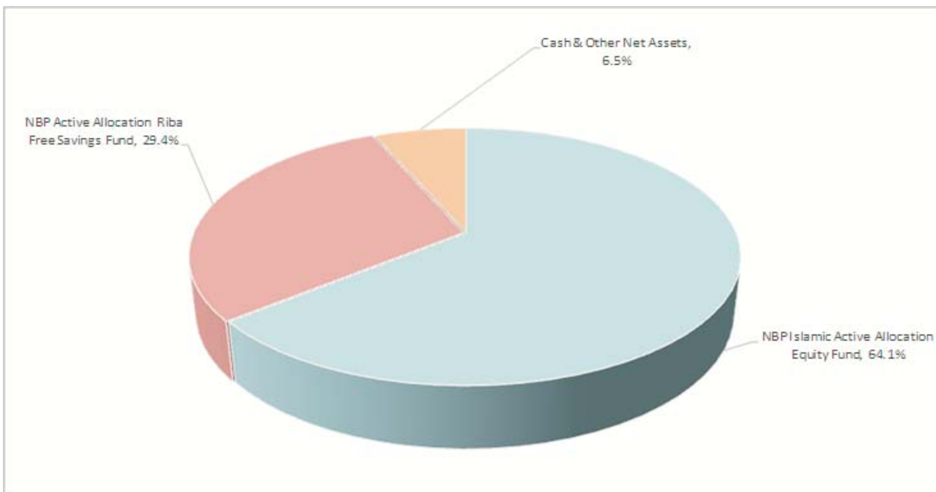
NAFA اسلامک ایکٹو ایلوکیشن پلان-VIII(NIAAP-VIII)

پلان کی کارکردگی

موجودہ مدت کے دوران NAFA اسلامک ایکٹو ایلوکیشن پلان -V III(NIAAP-VIII) کے یونٹ کی قیمت 30 جون 2020 کو 96.9868 روپے سے بڑھ کر 30 ستمبر 2020 کو 111.2059 روپے ہو چکی ہے اور اس طرح %14.7 کا اضافہ دکھایا ہے۔ بنچ مارک کم بڑھ کر %13.8 ہو گیا۔ لہٰذا پلان نے اپنے بنچ مارک سے %0.9 بہتر کارکردگی کا مظاہرہ کیا ہے۔ 03 نومبر 2017 کو اپنے قیام کے وقت NAFA اسلامک ایکٹو ایلوکیشن پلان-VIII(NIAAP-VIII) کے یونٹ کی قیمت 93.2660 روپے سے بڑھ کر 30 ستمبر 2020 کو 111.2059 روپے ہو گئی، لہٰذا %19.2 کا اضافہ ظاہر کیا۔ اسی مدت کے دوران بینچ مارک اضافہ %14.8 تھا۔ لہٰذا پلان کی کارکردگی اپنے بینچ مارک سے %4.4 بہتر رہی۔ فنڈ کی یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔ فنڈ کا سائز 72 ملین روپے ہے۔

NAFA اسلامک ایکٹو ایلوکیشن پلان-VIII کو اس مدت کے دوران 17.631 ملین روپے مجموعی آمدنی ہوئی۔ 0.502 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 17.129 ملین روپے ہے۔

30 ستمبر 2020 کو فنڈ کی ایسٹ ایلوکیشن درج ذیل ہے:



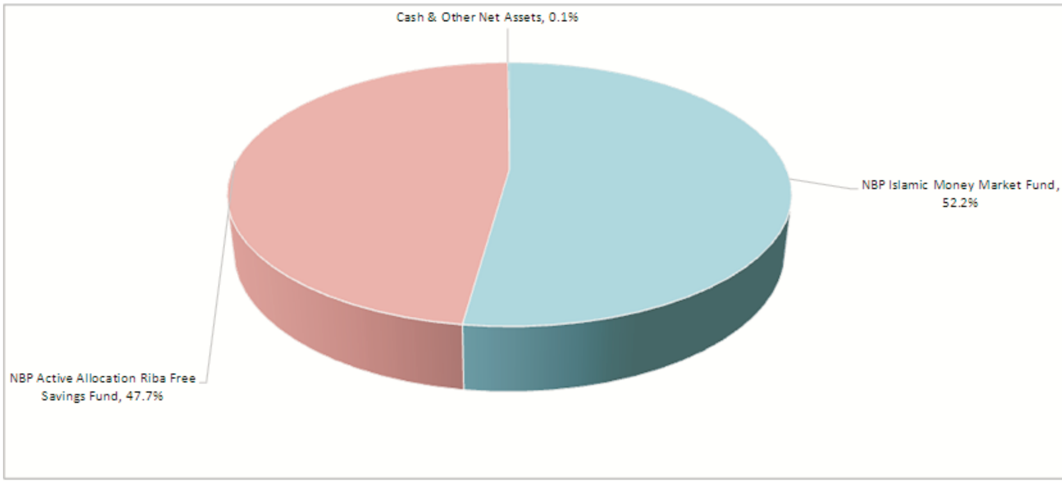
NAFA اسلامک کیپٹل پریزرویشن پلان-I-(NICPP-I)

فنڈ کی کارکردگی

موجودہ مدت کے دوران NAFA اسلامک کیپٹل پریزرویشن پلان-I-(NICPP-I) کے یونٹ کی قیمت 30 جون 2020 کو 100.2984 روپے سے بڑھ کر 30 ستمبر 2020 کو 107.5822 روپے ہوچکی ہے اوراس طرح 7.3% کا اضافہ دکھایا ہے۔ بنچ مارک بڑھ کر 6.8% ہو گیا۔ لہٰذا فنڈ نے اپنے بنچ مارک سے 0.5% بہتر کارکردگی کا مظاہرہ کیا ہے۔ 28 فروری 2018 کو اپنے قیام کے وقت NAFA اسلامک کیپٹل پریزرویشن پلان-I-(NICPP-I) کے یونٹ کی قیمت 92.0190 روپے(EX-Div) سے بڑھ کر 30 ستمبر 2020 کو 107.5822 روپے ہوگئی، لہٰذا 16.9% کا اضافہ دکھایا۔ اسی مدت کے دوران بینچ مارک میں 11.4% کا اضافہ ہوا۔ لہٰذا فنڈ نے اپنے بینچ مارک سے 5.5% کی بہتر کارکردگی کا مظاہرہ کیا۔ فنڈ کی یہ کارکردگی مینجمنٹ فیس اوردیگر تمام اخراجات کے بعد خالص ہے۔ فنڈ کا سائز 158 ملین روپے ہے۔

NAFA اسلامک کیپٹل پریزرویشن پلان -I (NICPP-I) کو اس مدت کے دوران 13.958 ملین روپے کی آمدنی ہوئی۔ 0.468 ملین روپے کے اخراجات منہا کرنے کے بعد کل آمدنی 13.490 ملین روپے ہے۔

30 ستمبر 2020 کو فنڈ کی ایسٹ ایلوکیشن درج ذیل ہے:



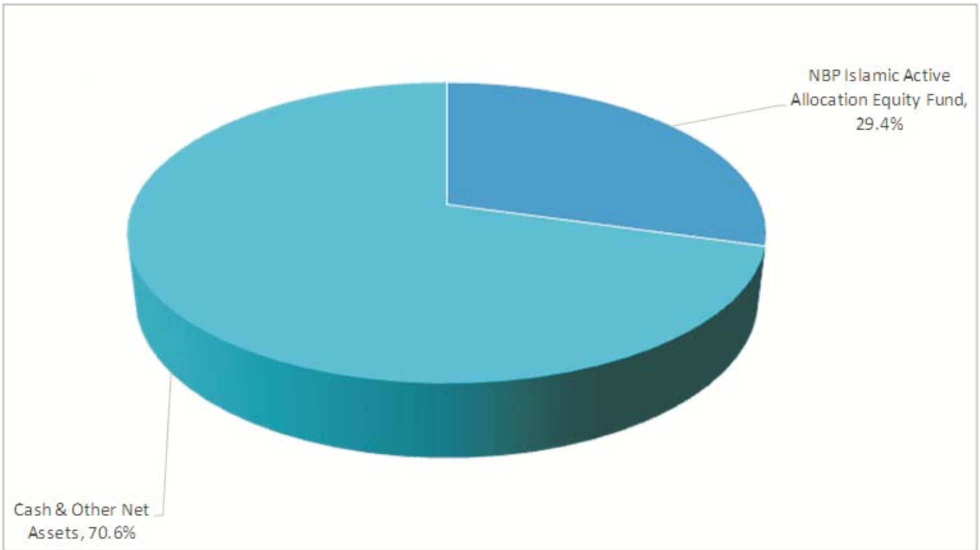
NAFA اسلامک کیپٹل پریزرویشن پلان-II-(NICPP-II)

فنڈ کی کارکردگی

موجودہ مدت کے دوران NAFA اسلامک کیپٹل پریزرویشن پلان-II-(NICPP-II) کے یونٹ کی قیمت 30 جون 2020 کو 100.1578 روپے سے بڑھ کر 30 ستمبر 2020 کو 104.4752 روپے ہوچکی ہے اوراس طرح 4.3% کا اضافہ دکھایا ہے۔ بنچ مارک بڑھ کر 4.1% ہو گیا۔ لہٰذا فنڈ نے اپنے بنچ مارک سے 0.2% بہتر کارکردگی کا مظاہرہ کیا ہے۔ 27 اپریل 2018 کو اپنے قیام کے وقت NAFA اسلامک کیپٹل پریزرویشن پلان-II-(NICPP-II) کے یونٹ کی قیمت 94.0762 روپے(EX-Div) سے بڑھ کر 30 ستمبر 2020 کو 104.4752 روپے ہوگئی، لہٰذا 4.3% کا اضافہ دکھایا۔ اسی مدت کے دوران بینچ مارک میں 4.1% کا اضافہ ہوا۔ لہٰذا فنڈ نے اپنے بینچ مارک سے 0.2% کی بہتر کارکردگی کا مظاہرہ کیا۔ فنڈ کی یہ کارکردگی مینجمنٹ فیس اوردیگر تمام اخراجات کے بعد خالص ہے۔ فنڈ کا سائز 136 ملین روپے ہے۔

NAFA اسلامک کیپٹل پریزرویشن پلان-II-(NICPP-II) کو اس مدت کے دوران 7.372 ملین روپے کی آمدنی ہوئی۔ 0.647 ملین روپے کے اخراجات منہا کرنے کے بعد کل آمدنی 6.725 ملین روپے ہے۔

30 ستمبر 2020 کو فنڈ کی ایسٹ ایلوکیشن درج ذیل ہے:



اظہارِ تشکر

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

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

منجانب بورڈ آف ڈائریکٹرز
NBP فنڈ مینجمنٹ لمیٹڈ

چیف ایگزیکٹو | ڈائریکٹر

تاریخ: 27 اکتوبر 2020
مقام: کراچی

NBP FUNDS
Managing Your Savings

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020

		Un-Audited						Audited					
		SEPTEMBER 30, 2020						JUNE 30, 2020					
		NIAAP-VI	NIAAP-VII	NIAAP-VIII	NICPP-I	NICPP-II	Total	NIAAP-VI	NIAAP-VII	NIAAP-VIII	NICPP-I	NICPP-II	Total
	Note	(Rupees in 000)						(Rupees in 000)					
ASSETS													
Bank balances		11,398	2,563	6,921	15,639	95,620	132,141	15,513	3,636	12,118	10,730	145,111	187,108
Investments	4	141,022	31,192	67,163	157,566	40,120	437,063	128,235	32,135	111,587	183,312	21,796	477,065
Profit receivable on bank deposits		104	96	344	297	532	1,373	141	37	159	144	891	1,372
Advance and other receivable		39	8	6	115	1,523	1,691	40	8	6	115	1,523	1,692
Receivable against sale of investments		-				1,300	1,300	-	-	-	-	-	-
Total assets		152,563	33,859	74,434	173,617	139,095	573,568	143,929	35,816	123,870	194,301	169,321	667,237
LIABILITIES													
Payable to NBP Funds Asset Management Company Limited		591	387	130	453	1,079	2,640	557	380	109	413	1,103	2,562
Payable to Central Depository Company of Pakistan Limited - Trustee		10	2	7	12	9	40	9	2	9	14	10	44
Payable to Securities and Exchange Commission of Pakistan		43	10	44	92	8	197	36	9	38	83	51	217
Payable against redemption of units		99	6	1,132	12,933	233	14,403	-	-	-	-	2,065	2,065
Accrued expenses and other liabilities		1,246	453	1,287	2,459	1,317	6,762	3,323	708	2,391	4,009	3,011	13,442
Total liabilities		1,989	858	2,600	15,949	2,646	24,042	3,925	1,099	2,547	4,519	6,240	18,330
NET ASSETS		150,574	33,001	71,834	157,668	136,449	549,526	140,004	34,717	121,323	189,782	163,081	648,907
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		150,574	33,001	71,834	157,668	136,449	549,526	140,004	34,717	121,323	189,782	163,081	648,907
CONTINGENCIES AND COMMITMENTS	6												
Number of units in issue		1,639,145	340,863	645,959	1,465,562	1,306,040		1,745,686	410,231	1,250,919	1,892,169	1,628,237	
		Rupees						Rupees					
NET ASSET VALUE PER UNIT		91.8616	96.8152	111.2059	107.5822	104.4752		80.2002	84.6286	96.9868	100.2984	100.1578	

The annexed notes 1 to 11 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, 2020

	Note	QUARTER ENDED SEPTEMBER 30, 2020						QUARTER ENDED SEPTEMBER 30, 2019					
		NIAAP-VI	NIAAP-VII	NIAAP-VIII	NICPP-I	NICPP-II	Total	NIAAP-VI	NIAAP-VII	NIAAP-III	NICPP-I	NICPP-II	Total
		--------------------(Rupees in 000)--------------------						--------------------(Rupees in 000)--------------------					
INCOME													
Profit on bank deposits		343	70	185	154	1,800	2,552	496	146	754	887	9,419	11,703
Dividend income							-	-	-	-	-	-	-
Gain / (loss) on sale of investments - net		5,039	1,510	9,933	1,061	493	18,036	(76)	(1,944)	1,366	2,405	(1,622)	128
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		15,767	3,602	7,513	12,743	5,079	44,704	(4,753)	62	4,946	10,277	(1,544)	8,988
Total income / (loss)		21,149	5,182	17,631	13,958	7,372	65,292	(4,333)	(1,736)	7,066	13,569	6,253	20,819
EXPENSES													
Remuneration to NBP Fund Asset Management Limited - Management Company		36	7	22	24	286	375	43	11	57	72	718	901
Sindh sales tax on remuneration of the Management Company		5	1	3	3	37	49	6	1	7	9	93	116
Remuneration of Central Depository Company Of Pakistan Limited - Trustee		27	6	18	32	26	109	33	9	48	113	58	261
Sindh Sales Tax on Remuneration Of the Trustee		4	1	2	4	4	15	4	1	6	15	7	33
Annual fee - Securities and Exchange Commission of Pakistan		8	2	5	9	8	32	10	2	14	32	16	74
Allocation of expenses related to registrar services, accounting, operation and valuation services		39	9	26	46	38	158	48	12	69	162	82	373
Legal & Professional charges		9	14	16	14	30	83	9	6	5	13	9	42
Auditors' remuneration		31	39	39	40	34	183	56	43	49	71	72	291
Listing fee		1	1	1	1	1	5	1	1	1	1	1	5
Printing charges		12	4	10	9	8	43	3	5	9	8	8	33
Shariah advisor fee		8	2	10	11	11	42	9	2	14	34	16	75
Settlement and bank charges		-			-	27	27	9	9	9	35	9	71
Amortisation of preliminary expenses and flotation cost		-					-	-	-	3	72	32	107
Total Expenses		180	86	152	193	510	1,121	231	102	291	637	1,121	2,382
Net income / (loss) from operating activities		20,969	5,096	17,479	13,765	6,862	64,171	(4,564)	(1,838)	6,775	12,932	5,132	18,437
Provision for Sindh Workers' Welfare Fund	5	(419)	(102)	(350)	(275)	(137)	(1,283)	-	-	(135)	(267)	(103)	(505)
Net income / (loss) for the period before taxation		20,550	4,994	17,129	13,490	6,725	62,888	(4,564)	(1,838)	6,640	12,665	5,029	17,932
Taxation	7	-	-	-	-	-	-	-	-	-	-	-	-
Net income / (loss) for the period		20,550	4,994	17,129	13,490	6,725	62,888	(4,564)	(1,838)	6,640	12,665	5,029	17,932
Allocation of net income for the period													
Net income / (loss) for the period		20,550	4,994	17,129	13,490	6,725	62,888	(4,564)	(1,838)	6,640	12,665	5,029	17,932
Income already paid on units redeemed		(1,435)	(840)	(7,945)	(2,815)	(1,086)	(14,121)	-	-	(1,470)	(255)	(182)	(1,907)
		19,115	4,154	9,184	10,675	5,639	48,767	(4,564)	(1,838)	5,170	12,410	4,847	16,025
Accounting income available for distribution:													
- Relating to capital gains		19,115	4,154	9,184	10,675	5,572	48,700	-	-	6,312	12,682	-	18,994
- Excluding capital gains		-	-	-	-	67	67	-	-	(1,142)	(272)	4,847	3,433
		19,115	4,154	9,184	10,675	5,639	48,767	-	-	5,170	12,410	4,847	22,427

The annexed notes 1 to 11 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer | **Chief Executive Officer** | **Director**

NBP FUNDS
Managing Your Savings

CONDENSED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	QUARTER ENDED SEPTEMBER 30, 2020						QUARTER ENDED SEPTEMBER 30, 2019					
	NIAAP-VI	NIAAP-VII	NIAAP-VIII	NICPP-I	NICPP-II	Total	NIAAP-VI	NIAAP-VII	NIAAP-VIII	NICPP-I	NICPP-II	Total
	(Rupees in 000)						(Rupees in 000)					
Net income / (loss) for the period	20,550	4,994	17,129	13,490	6,725	62,888	(4,564)	(1,838)	6,640	12,665	5,029	17,932
Other comprehensive income / (loss) for the period	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income / (loss) for the period	**20,550**	**4,994**	**17,129**	**13,490**	**6,725**	**62,888**	(4,564)	(1,838)	6,640	12,665	5,029	17,932

The annexed notes 1 to 11 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer **Chief Executive Officer** **Director**

CONDENSED STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	QUARTER ENDED SEPTEMBER 30, 2020																	
	NIAAP-VI			NIAAP-VII			NIAAP-VIII			NICPP-I			NICPP-II			Total		
	Value	Undistributed income	Total	value	Undistributed income	Total	Value	Undistributed income	Total	Value	Undistributed income	Total	Value	Undistributed income	Total	Value	Undistributed income	Total
	(Rupees in '000)																	
Net assets at beginning of the period	280,227	(140,223)	140,004	59,256	(24,539)	34,717	133,952	(12,629)	121,323	188,087	1,695	189,782	163,054	27	163,081	824,576	(175,669)	648,907
Issue of Nil units in NIAAP-VI, Nil units in NIAAP-VII, Nil units in NIAAP-VIII, Nil units in NICPP-I, and Nil units in NICPP-II;																		
- Capital value	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Element of income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total proceeds on issuance of units	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Redemption of 106,542 units in NIAAP-VI, 69,368 units in NIAAP-VII, 604,960 units in NIAAP-VIII, 426,607 units in NICPP-I and 322,197 units in NICPP-II																		
- Capital value	(8,545)	-	(8,545)	(5,871)	-	(5,871)	(58,673)	-	(58,673)	(42,788)	-	(42,788)	(32,271)	-	(32,271)	(148,147)	-	(148,147)
- Element of income	-	(1,435)	(1,435)		(840)	(840)		(7,945)	(7,945)		(2,815)	(2,815)		(1,086)	(1,086)	-	(14,121)	(14,121)
Total payments on redemption of units	(8,545)	(1,435)	(9,980)	(5,871)	(840)	(6,711)	(58,673)	(7,945)	(66,618)	(42,788)	(2,815)	(45,603)	(32,271)	(1,086)	(33,357)	(148,147)	(14,121)	(162,268)
Total comprehensive (loss) / income for the period	-	20,550	20,550	-	4,994	4,994	-	17,129	17,129	-	13,490	13,490	-	6,725	6,725	-	62,888	62,888
Net assets at end of the period	271,682	(121,108)	150,574	53,385	(20,385)	33,001	75,279	(3,445)	71,834	145,299	12,370	157,668	130,783	5,666	136,449	676,429	(126,902)	549,526
Undistributed loss brought forward																		
- Realised		(137,967)			(24,695)			(6,658)			(3,199)			111			(172,408)	
- Unrealised		(2,256)			156			(5,971)			4,894			(84)			(3,261)	
		(140,223)			(24,539)			(12,629)			1,695			27			(175,669)	
Accounting income available for distribution:																		
- Relating to capital gains		19,115			4,154			9,184			10,675			5,572			48,700	
- Excluding capital gains		-			-			-			-			67			67	
		19,115			4,154			9,184			10,675			5,639			48,767	
Undistributed loss carried forward		(121,108)			(20,385)			(3,445)			12,370			5,666			(126,902)	
Undistributed loss carried forward																		
- Realised		(136,875)			(23,987)			(10,958)			(373)			587			(171,606)	
- Unrealised		15,767			3,602			7,513			12,743			5,079			44,704	
		(121,108)			(20,385)			(3,445)			12,370			5,666			(126,902)	
			(Rupees)			(Rupees)			(Rupees)			(Rupees)			(Rupees)			
Net assets value per unit at beginning of the period			80.2002			84.6286			96.9868			100.2984			100.1578			
Net assets value per unit at end of the period			91.8616			96.8152			111.2059			107.5822			104.4752			

The annexed notes 1 to 11 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer	Chief Executive Officer	Director

NBP FUNDS
Managing Your Savings

CONDENSED STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

QUARTER ENDED SEPTEMBER 30, 2019

	NIAAP-VI			NIAAP-VII			NIAAP-VIII		
	Value	Undistributed income	Total	Value	Undistributed income	Total	Value	Undistributed income	Total
	(Rupees in '000)								
Net assets at beginning of the period	369,150	(146,056)	223,094	100,645	(24,802)	75,843	415,380	(19,101)	396,279
Issue of Nil units in NIAAP-VI, Nil units in NIAAP-VII, Nil units in NIAAP-VIII, 95,908 units in NICPP-I, and Nil units in NICPP-II;									
- Capital value	-	-	-	-	-	-	-	-	-
- Element of income	-	-	-	-	-	-	-	-	-
Total proceeds on issuance of units	-	-	-	-	-	-	-	-	-
Redemption of 462,195 units in NIAAP-VI, 340,769 units in NIAAP-VII, 1,991,660 units in NIAAP-VIII, 2,428,852 units in NICPP-I and 949,577 units in NICPP-II									
- Capital value	(36,566)	-	(36,566)	(28,891)	-	(28,891)	(191,602)	-	(191,602)
- Element of income	1,059	-	1,059	423	-	423	-	(1,470)	(1,470)
Total payments on redemption of units	(35,507)	-	(35,507)	(28,468)	-	(28,468)	(191,602)	(1,470)	(193,072)
Total comprehensive (loss) / income for the period	-	(4,564)	(4,564)	-	(1,838)	(1,838)	-	6,640	6,640
Distribution @ 1.6178 of NICPP-I declared on July 19, 2019	-	-	-	-	-	-	-	-	-
Net assets at end of the period	333,643	(150,620)	183,023	72,177	(26,640)	45,537	223,778	(13,931)	209,847

	NICPP-I			NICPP-II			Total		
	Value	Undistributed income	Total	Value	Undistributed income	Total	Value	Undistributed income	Total
	(Rupees in '000)								
Net assets at beginning of the period	779,107	13,564	792,671	379,249	69	379,318	2,043,531	(176,326)	1,867,205
Issue of Nil units in NIAAP-VI, Nil units in NIAAP-VII, Nil units in NIAAP-VIII, 95,908 units in NICPP-I, and Nil units in NICPP-II;									
- Capital value	9,617	-	9,617	-	-	-	9,617	-	9,617
- Element of income	-	-	-	-	-	-	-	-	-
Total proceeds on issuance of units	9,617	-	9,617	-	-	-	9,617	-	9,617
Redemption of 462,195 units in NIAAP-VI, 340,769 units in NIAAP-VII, 1,991,660 units in NIAAP-VIII, 2,428,852 units in NICPP-I and 949,577 units in NICPP-II									
- Capital value	(243,328)	-	(243,328)	(95,065)	-	(95,065)	(595,452)	-	(595,452)
- Element of income	(611)	(255)	(866)	206	(182)	24	1,077	(1,907)	(830)
Total payments on redemption of units	(243,939)	(255)	(244,194)	(94,859)	(182)	(95,041)	(594,375)	(1,907)	(596,282)
Total comprehensive (loss) / income for the period	-	12,665	12,665	-	5,029	5,029	-	17,932	17,932
Distribution @ 1.6178 of NICPP-I declared on July 19, 2019	-	(12,000)	(12,000)	-	-	-	-	(12,000)	(12,000)
Net assets at end of the period	544,785	13,974	558,759	284,390	4,916	289,306	1,458,773	(172,301)	1,286,472

	NIAAP-VI	NIAAP-VII	NIAAP-VIII	NICPP-I	NICPP-II	Total
Undistributed (loss) / income brought forward						
- Realised	(119,518)	(15,457)	(20,933)	32,928	10,620	(112,360)
- Unrealised	(26,538)	(9,345)	1,832	(19,364)	(10,551)	(63,966)
	(146,056)	(24,802)	(19,101)	13,564	69	(176,326)
Distribution @ 1.6178 of NICPP-I declared on July 19, 2019	-	-	-	(12,000)	-	(12,000)
Accounting income available for distribution:						
- Relating to capital gains	-	-	6,312	12,682	-	18,994
- Excluding capital gains	-	-	(1,142)	(272)	4,847	3,433
	-	-	5,170	12,410	4,847	22,427
Total comprehensive loss for the period	(4,564)	(1,838)		-	-	(6,402)
Undistributed (loss) / income carried forward	(150,620)	(26,640)	(13,931)	13,974	4,916	(172,301)
Undistributed (loss) / income carried forward						
- Realised	(145,867)	(26,702)	(18,877)	3,697	6,460	(181,289)
- Unrealised	(4,753)	62	4,946	10,277	(1,544)	8,988
	(150,620)	(26,640)	(13,931)	13,974	4,916	(172,301)

	NIAAP-VI	NIAAP-VII	NIAAP-VIII	NICPP-I	NICPP-II
	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)
Net assets value per unit at beginning of the period	79.1139	84.7782	96.2016	101.8306	100.1129
Net assets value per unit at end of the period	77.6272	82.2214	98.6312	102.5007	101.8925

The annexed notes 1 to 11 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer | **Chief Executive Officer** | **Director**

NBP FUNDS
Managing Your Savings

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	QUARTER ENDED SEPTEMBER 30, 2020						QUARTER ENDED SEPTEMBER 30, 2019					
	NIAAP-VI	NIAAP-VII	NIAAP-VIII	NICPP-I	NICPP-II	Total	NIAAP-VI	NIAAP-VII	NIAAP-VIII	NICPP-I	NICPP-II	Total
	--------------------(Rupees in 000)--------------------						--------------------(Rupees in 000)--------------------					
CASH FLOW FROM OPERATING ACTIVITIES												
Net income / (loss) for the period	20,550	4,994	17,129	13,490	6,725	62,888	(4,564)	(1,838)	6,640	12,665	5,029	17,932
Adjustments												
Net unrealised (appreciation) / diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(15,767)	(3,602)	(7,513)	(12,743)	(5,079)	(44,704)	4,753	(62)	(4,946)	(10,277)	1,544	(8,987)
Amortisation of preliminary expenses and flotation costs	-	-	-	-	-	-	-	-	3	72	32	107
	4,783	1,392	9,616	747	1,646	18,184	189	(1,900)	1,697	2,460	6,605	9,051
Decrease / (Increase) in assets												
Investments	2,980	4,545	51,937	38,489	(13,245)	84,706	31,306	25,454	168,813	218,594	16,929	461,096
Profit receivable on bank deposits	37	(59)	(185)	(153)	359	(1)	42	48	155	227	456	928
Advance and other receivable	1	-	-	-	-	1	(4)	(5)	(4)	(4)	(4)	(21)
Receivable against sale of investments	-	-	-	-	(1,300)	(1,300)	8,500	3,000	-	-	-	11,500
	3,018	4,486	51,752	38,336	(14,186)	83,406	39,844	28,497	168,964	218,817	17,381	473,503
(Decrease) in liabilities												
Payable to NBP Fund Management Limited - Management Company	34	7	21	40	(24)	78	(102)	(42)	(168)	(347)	(234)	(893)
Payable to Central Depository Company of Pakistan Limited - Trustee	1	-	(2)	(2)	(1)	(4)	(7)	(2)	(19)	(30)	(13)	(71)
Payable to Securities and Exchange Commission of Pakistan	7	1	6	9	(43)	(20)	(330)	(129)	(466)	(1,211)	(596)	(2,732)
Accrued expenses and other liabilities	(2,077)	(255)	(1,104)	(1,550)	(1,694)	(6,680)	54	38	190	374	172	828
	(2,035)	(247)	(1,079)	(1,503)	(1,762)	(6,626)	(385)	(135)	(463)	(1,214)	(671)	(2,868)
Net cash generated from operating activities	5,766	5,631	60,289	37,580	(14,302)	94,964	39,648	26,462	170,198	220,063	23,316	479,685
CASH FLOW FROM FINANCING ACTIVITIES												
Amount received against issuance of units	-	-	-	-	-	-	-	-	-	-	-	-
Amount paid against redemption of units	(9,881)	(6,704)	(65,486)	(32,671)	(35,189)	(149,930)	(35,470)	(28,454)	(193,072)	(242,494)	(95,041)	(594,531)
Distributions Paid	-	-	-	-	-	-	-	-	-	(2,383)	-	(2,383)
Net cash used in financing activities	(9,881)	(6,704)	(65,486)	(32,671)	(35,189)	(149,930)	(35,470)	(28,454)	(193,072)	(244,877)	(95,041)	(596,916)
Net (decrease) / increase in cash and cash equivalents during the period	(4,115)	(1,073)	(5,197)	4,909	(49,491)	(54,966)	4,178	(1,992)	(22,874)	(24,814)	(71,725)	(117,230)
Cash and cash equivalents at the beginning of the period	15,513	3,636	12,118	10,730	145,111	187,108	9,125	5,631	34,159	44,806	305,472	399,193
Cash and cash equivalents at the end of the period	11,398	2,563	6,921	15,639	95,620	132,141	13,303	3,639	11,285	19,992	233,746	281,965

The annexed notes 1 to 11 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer **Chief Executive Officer** **Director**

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2020

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 NAFA Islamic Active Allocation Fund - II (the Fund) was established under a Trust Deed executed between NBP Fund Management Limited as Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on 24 March 2017 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on 13 April 2017 under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations 2008).

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

1.3 The Fund is an open-ended mutual fund and is listed on the Pakistan Stock Exchange. By the year ended 30 June 2018 the Fund has offered all five plans and the offer of units was discontinued after the subscription period. However, the subscription in units may be reopened for fresh issuance by the Management Company with prior approval of the SECP after intimation to the Trustee. The maturity of NIAAP - VI, NIAAP - VII, NIAAP - VIII, NICPP - I and NICPP - II is 27 April 2019, 29 June 2019, 04 November 2019, 28 February 2020 and 27 April 2020 respectively. During the year 30 June 2019 NIAAP VI and NIAAP VII has completed the initial maturity of two years on 27 April 2019 and 29 June 2019 respectively. However, the management has decided to continue the allocation plans after their initial maturity as the duration of allocation plans is perpetual. The units of the plans are transferable and can be categorised as an Open-End "Shariah Compliant Fund of Funds" as per the criteria laid down by the SECP for categorisation of Collective Investment Schemes (CIS).

1.4 The objective of the Fund is to provide investors an opportunity to earn attractive return from an actively managed portfolio of shariah compliant equity fund, income fund and money market fund. The allocation plan intends to dynamically switch between equity asset class (NBP Islamic Active Allocation Equity Fund (Formerly; NAFA Islamic Active Allocation Equity Fund)) and moderate risk income asset class (NBP Active Allocation Riba Free Savings Fund (Formerly; NAFA Active Allocation Riba Free Savings Fund)) and low risk asset class (NBP Islamic Money Market Fund (Formerly; NAFA Islamic Money Market Fund)) and Bank Deposits. Investors of the Fund may hold different types of Allocation Plans and may invest in any one or more of the available allocation plans. The Management Company may also invest in any other Collective Investment Schemes available to it with the prior approval of the SECP.

1.5 Each allocation plan under the Fund announces separate NAV which ranks pari passu according to the number of units of the respective allocation plans. The books and records of each plan have been maintained separately.

1.6 The Pakistan Credit Rating Agency (PACRA) has assigned an asset manager rating of 'AM1' to the Management Company. The Fund has not yet been rated.

1.7 Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited (CDC) as a Trustee of the Fund. The Fund property of different types of allocations plans shall be accounted for and maintained separately in books of accounts which shall collectively constitute the Fund property of the Scheme.

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

- 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, 2020.

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, 2020.

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2020.

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on July 1, 2020 that have a material effect on the financial statements of the Fund.

4 INVESTMENTS

		UNAUDITED						AUDITED					
		SEPTEMBER 30, 2020						JUNE 30, 2020					
Financial assets 'at fair value through Profit or loss' - held for trading	Note	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total
		(Rupees in '000)											
Investment in mutual funds													
- related parties	*4.1*	**141,022**	**31,192**	**67,163**	**157,566**	**40,120**	**437,063**	128,235	32,135	111,587	183,312	21,796	477,065

4.1 Investment in mutual funds - related parties

4.1.1 NAFA Islamic Active Allocation Plan VI

Name of the investee company	As at 01 July 2020	Purchased during the period	Redeemed during the period	As at 30 Sep 2020	Market value / carrying value as at 30 Sep 2020	Market value as a percentage of net assets	Market value as a percentage of total investments
	(Number of units)				(Rupees in '000)	(%)	
NBP Islamic Active Allocation Equity Fund	12,752,082	47,293	3,717,815	9,081,560	94,515	62.77	67.02
NBP Active Allocation Riba Free Savings Fund	1,715,576	3,704,165	841,425	4,578,316	46,508	30.89	32.98
Total	**14,467,658**	**3,751,458**	**4,559,240**	**13,659,876**	**141,022**	**94.00**	**100.00**
Carrying value as at 30 Sep 2020					**125,255**		

4.1.2 NAFA Islamic Active Allocation Plan VII

Name of the investee company	As at 01 July 2020	Purchased during the period	Redeemed during the period	As at 30 Sep 2020	Market value / carrying value as at 30 Sep 2020	Market value as a percentage of net assets	Market value as a percentage of total investments
	(Number of units)				(Rupees in '000)	(%)	
NBP Islamic Active Allocation Equity Fund	3,153,533	-	1,082,882	2,070,651	21,550	65.30	69.09
NBP Active Allocation Riba Free Savings Fund	466,455	1,081,311	598,526	949,240	9,642	29.22	30.91
Total	**3,619,988**	**1,081,311**	**1,681,408**	**3,019,891**	**31,192**	**94.52**	**100.00**
Carrying value as at 30 Sep 2020					**27,590**		

4.1.3 NAFA Islamic Active Allocation Plan VIII

Name of the investee company	As at 01 July 2020	Purchased during the period	Redeemed during the period	As at 30 Sep 2020	Market value / carrying value as at 30 Sep 2020	Market value as a percentage of net assets	Market value as a percentage of total investments
	(Number of units)				(Rupees in '000)	(%)	
NBP Islamic Active Allocation Equity Fund	10,777,680	104,044	6,457,232	4,424,492	46,047	64.10	68.56
NBP Active Allocation Riba Free Savings Fund	1,769,370	3,027,755	2,718,414	2,078,711	21,116	29.40	31.44
Total	**12,547,050**	**3,131,799**	**9,175,646**	**6,503,203**	**67,163**	**93.50**	**100.00**
Carrying value as at 30 Sep 2020					**59,651**		

4.1.4 NAFA Islamic Capital Preservation Fund I

Name of the investee company	As at 01 July 2020	Purchased during the period	Redeemed during the period	As at 30 Sep 2020	Market value / carrying value as at 30 Sep 2020	Market value as a percentage of net assets	Market value as a percentage of total investments
	------ (Number of units) ------				(Rupees in '000)	--------- (%) ---------	
NBP Islamic Active Allocation Equity Fund	5,855,898	1,885,040	517,206	7,223,732	75,180	47.68	47.71
NBP Islamic Money Market Fund	13,186,397	356,044	5,457,219	8,085,222	82,387	52.25	52.29
Total	**19,042,295**	**2,241,084**	**5,974,425**	**15,308,954**	**157,566**	**99.94**	**100.00**
Carrying value as at 30 Sep 2020					**144,823**		

4.1.5 NAFA Islamic Capital Preservation Fund II

Name of the investee company	As at 01 July 2020	Purchased during the period	Redeemed during the period	As at 30 Sep 2020	Market value / carrying value as at 30 Sep 2020	Market value as a percentage of net assets	Market value as a percentage of total investments
	------ (Number of units) ------				(Rupees in '000)	--------- (%) ---------	
NBP Islamic Active Allocation Equity Fund	**2,503,669**	**1,673,499**	**322,176**	**3,854,992**	**40,120**	**29.40**	**100.00**
Carrying value as at 30 Sep 2020					**35,041**		

5 PROVISION FOR SINDH WORKERS' WELFARE FUND

The legal status of applicability of Worker's Welfare Fund and Sindh Workers' Welfare Fund is same as that disclosed in note 12.1 to the annual audited financial statements of the Fund for the year ended June 30, 2020.

The Fund, being prudent, recognised provision for SWWF amounting to Rs. 0.8539 million in NIAAP-VI, Rs. 0.1573 million in NIAAP-VII ,Rs. 0.8007 million in NIAAP-VIII, 1.7422 million in NICPP-I and 0.7362 million in NICPP-II as of September 30, 2020 in this condensed interim financial information, Had the provision not been made, net asset value per unit at September 30, 2020 would have been higher by Rs. 0.5210, Rs. 0.4615, Rs. 1.2396, Rs. 1.1887, Rs. 0.5637 (30 June 2020: Rs. 0.2489, Rs. 0.1350, Rs. 0.3607, Rs. 0.7752 and Rs. 0.3679) of NIAAF - VI, NIAAF - VII NIAAF - VIII, NICPP - I, NICPP - II respectively.

6 CONTINGENCIES AND COMMITMENTS

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

7 TAXATION

The Fund's income is exempt from income tax as per clause 99 of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unit holders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2020 to the unit holders in the manner as explained above, no provision for taxation has been made in these consdensed interim financial statements.

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

8 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at September 30, 2020 is 1.54%, 2.05%, 1.91%, 1.01% and 1.70% (2019:0.49%, 0.84%, 0.62%, 0.56% and 1.49%) of NIAAP-VI, NIAAP-VII, NIAAP-VIII, NICPP-I and NICPP-II respectively which includes 1.12%, 1.15%, 1.37%, 0.63% and 0.49% (2019: 0.04%, 0.04%, 0.23%, 0.20% and 0.26%) for NIAAP-VI, NIAAP-VII, NIAAP-VIII, NICPP-I and NICCP-II respectively, representing government levies on the Fund such as sales taxes, federal excise duties, annual fee to the SECP, etc. This ratio is within the maximum limit of 2.5% for each plan prescribed under the NBFC Regulations for a collective investment scheme categorised as 'Fund of Funds scheme'.

9 TRANSACTIONS WITH CONNECTED PERSONS

9.1 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 10 percent or more units of the Fund.

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

9.3 Remuneration and front-end load payable to the Management Company is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.

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

	------------------Un Audited--------------------- QUARTER ENDED SEPTEMBER 30, 2020						------------------Un Audited--------------------- QUARTER ENDED SEPTEMBER 30, 2019					
	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	TOTAL	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP-I	NICPP-II	TOTAL
	-- (Rupees in '000) --											
9.5 Details of the transactions with connected persons during the period are as follows:												
NBP Fund Management Limited- Management Company												
Remuneration to Management Company	36	7	22	24	286	375	43	11	57	72	718	901
Sindh Sales Tax on remuneration of Management Company	5	1	3	3	37	49	6	1	7	9	93	116
Allocation of expenses related to registrar services, accounting, operation and valuation services	39	9	26	46	38	158	48	12	69	162	82	373
Preliminary expenses and floatation costs	-	-	-	-	-	-	-	-	3	72	32	107
Central Depository Company of Pakistan Limited - Trustee												
Remuneration to the Trustee	27	6	18	32	26	109	33	9	48	113	58	261
Sindh Sales Tax on remuneration to Trustee	4	1	2	4	4	15	4	1	6	15	7	33
NBP Islamic Active Allocation Equity Fund												
Units Purchased												
Units purchased: 47,293 units [2019: 1,983,535 units] (NIAAP - VI)	500	-	-	-	-	500	16,093	-	-	-	-	16,093
Units purchased: Nil units [2019: 675,215 units] (NIAAP - VII)	-	-	-	-	-	-	-	5,371	-	-	-	5,371
Units purchased: 104,044 units [2019: Nil units] (NIAAP - VIII)			1,100									
Units purchased: 1,885,040 units [2019: 6,038,704 units] (NICPP - I)	-	-	-	17,240	-	17,240	-	-	-	50,918	-	50,918
Units purchased: 1,673,499 units [2019: 2,437,799 units] (NICPP - II)	-	-	-	-	16,152	16,152	-	-	-	-	20,563	20,563
Units Sold:												
Units sold: 3,717,815 units [2019: 1,389,136 units] (NIAAP - VI)	37,358	-	-	-	-	37,358	12,079	-	-	-	-	12,079
Units sold: 1,082,882 units [2019: 3,333,742 units] (NIAAP - VII)	-	10,906	-	-	-	10,906	-	28,235	-	-	-	28,235
Units sold: 6,757,232 units [2019: Nil units] (NIAAP - VIII)												
Units sold: 517,206 units [2019: 1,160,116 units] (NICPP - I)	-	-	-	5,300	-	5,300	-	-	-	9,138	-	9,138
Units sold: 322,176 units [2019: 4,128,196 units] (NICPP - II)	-	-	-	-	3,400	3,400	-	-	-	-	35,871	35,871
NBP Active Allocation Riba Free Savings Fund												
Units Purchased												
Units purchased: 3,704,165 units [2019: Nil units] (NIAAP-VI)	37,358	-	-	-	-	37,358	-	-	-	-	-	-
Units purchased: 1,081,311 units [2019: 1,077,320 units] (NIAAP-VII)	-	10,906	-	-	-	10,906	-	10,900	-	-	-	10,900
Units purchased: 3,027,755 units [2019: Nil units] (NIAAP-VIIII)	-	-	30,527	-	-	30,527	-	-	-	-	-	-
Units Sold:												
Units sold: 841,425 units [2019: 3,469,346 units] (NIAAP - VI)	8,519	-	-	-	-	8,519	35,244	-	-	-	-	35,244
Units sold: 598,526 units [2019: 1,139,501 units] (NIAAP - VII)	-	6,055	-	-	-	6,055	-	11,546	-	-	-	11,546
Units sold: 2,718,414 units [2019: 16,838,246 units] (NIAAP - VIII)	-	-	27,469	-	-	27,469	-	-	170,180	-	-	170,180
NBP Islamic Money Market Fund												
Units Purchased: 356,044 units [2019: Nil units] (NICPP - I)	-	-	-	3,600	-	3,600	-	-	-	-	-	-
Units sold: 5,457,219 units [2019: 25,839,226 units] (NICPP - I)	-	-	-	55,090	-	55,090	-	-	-	262,780	-	262,780
Bank Islami Pakistan Limited												
Mark-up on balances	286	21	19	-	-	326	237	83	333	-	-	653
Employees of the Management Company												
Units Redeem: Nil units [2019: 1,935 units] (NIAAP - VI)	-	-	-	-	-	-	143	-	-	-	-	143
Dividend Reinvestment: Nil units [2019: 130 units] (NICPP - I)	-	-	-	-	-	-	-	-	-	13	-	13
Hamdard Laborataries (Waqf) Pakistan - Unit holder of 10% or more of units of CIS												
Dividend Reinvestment: Nil units [2019: 13,615 units] (NICPP - I)	-	-	-	-	-	-	-	-	-	1,365	-	1,365
Portfolios Managed By Management Company												
Dividend Reinvestment: Nil units [2019: 3,999 units] (NICPP - I)	-	-	-	-	-	-	-	-	-	401	-	401

		Un Audited					Audited					
	SEPTEMBER 30, 2020						JUNE 30, 2020					
	NIAAP-VI	NIAAP-VII	NIAAP-VIII	NICPP-I	NICPP-II	Total	NIAAP-VI	NIAAP-VII	NIAAP-VIII	NICPP-I	NICPP-II	Total
	----(Rupees in 000)----						----(Rupees in 000)----					
9.6 Amounts outstanding as at period end												
NBP Fund Management Limited - Management Company												
Management remuneration payable	10	2	13	9	72	106	14	3	17	14	127	175
Sindh Sales Tax payable	1	-	2	1	7	11	2	1	2	2	14	21
Allocation of expenses related to registrar services,accounting, operation										-	-	
and valuation services	118	27	100	191	225	661	79	18	75	145	187	504
Sales load and transfer load payable	391	304	-	201	668	1,564	391	304	-	201	668	1,564
Sindh Sales Tax on sales load	51	39	-	26	87	203	51	39	-	26	87	203
Other payable	20	15	15	25	20	95	20	15	15	25	20	95
Central Depository Company of Pakistan Limited - Trustee												
Remuneration payable	9	2	6	11	6	34	8	2	8	12	7	37
Sindh Sales Tax payable on remuneration to Trustee	1	-	1	1	3	6	1	-	1	2	3	7
NBP Islamic Active Allocation Equity Fund												
Units held: 9,081,560 units [June 2020: 12,752,082 units] (NIAAP-VI)	94,515	-	-	-	-	94,515	111,016	-	-	-	-	111,016
Units held: 2,070,651 units [June 2020: 3,153,533 units] (NIAAP-VII)	-	21,550	-	-	-	21,550	-	27,453	-	-	-	27,453
Units held: 4,424,492 units [June 2020: 10,777,680 units] (NIAAP-VIII)			46,047			46,047	-	-	93,828	-	-	93,828
Units held: 7,223,732 units [June 2020: 5,855,898 units] (NICPP-I)	-	-	-	75,180	-	75,180	-	-	-	50,980	-	50,980
Units held: 3,854,992 units [June 2020: 2,503,669 units] (NICPP-II)	-	-	-	-	40,120	40,120	-	-	-	-	21,796	21,796
NBP Active Allocation Riba Free Savings Fund												
Units held: 4,578,316 units [June 2020: 1,715,576 units] (NIAAP-VI)	46,508	-	-	-	-	46,508	17,219	-	-	-	-	17,219
Units held: 949,240 units [June 2020: 466,455 units] (NIAAP-VII)	-	9,642	-	-	-	9,642	-	4,682	-	-	-	4,682
Units held: 2,078,711 units [June 2020: 1,769,370 units] (NIAAP-VIII)	-	-	21,116	-	-	21,116	-	-	17,759	-	-	17,759
NBP Islamic Money Market Fund												
Units held: 8,085,222 units [June 2020: 13,186,397 units] (NICPP-I)	-	-	-	82,387	-	82,387	-	-	-	132,332	-	132,332
Bank Islami Pakistan Limited												
Bank balances	2,106	788	1,618	-	-	4,513	8,808	647	10,293	-	-	19,748
Profit Receivable	20	21	53	-	-	94	115	12	34	-	-	161
Employees of the Management Company												
Units held: 110 units [June 2020: 110 units] (NIAAP-VI)	10	-	-	-	-	10	9	-	-	-	-	9
Rashida Raza Kazim - Unit holder of 10% or more of units of CIS *												
Units held : 273,434 units [June 2020: 273,434 units] (NIAAP-VI)	25,118	-	-	-	-	25,118	21,929	-	-	-	-	21,929
Global Technologies & Services - Unit holder of 10% or more of units of CIS *												
Units held : 324,787 units [June 2020: 295,038 units] (NIAAP-VI)	29,835	-	-	-	-	29,835	26,048	-	-	-	-	26,048
Muhammad Naeem - Unit holder of 10% or more of units of CIS *												
Units held : 219,845 units [2020: 216,475 Units]	19,886	-	-	-	-	19,886	17,361					17,361
Mrs. Saba Haleem Siddiqui - Unit holder of 10% or more of units of CIS *												
Units held : 215,302 units [June 2020: 215,302 units] (NIAAP-VII)	-	20,845	-	-	-	20,845	-	18,221	-	-	-	18,221
Sheikh Ejaz Masood - Unit holder of 10% or more of units of CIS *												
Units held : 35,525 units [June 2020: Nil units] (NIAAP-VII)	-	3,439	-	-	-	3,439	-	-	-	-	-	-
BN Fund Account 3 Commando SSG - Unit holder of 10% or more of units of CIS *												
Units held : 103,689 units [June 2020: Nil units] (NIAAP-VIII)	-	-	11,531	-	-	11,531	-	-	-	-	-	-
Fahad Iqbal - Unit holder of 10% or more of units of CIS *												
Units held : 70,824 units [June 2020: Nil units] (NIAAP-VIII)	-	-	7,876	-	-	7,876	-	-	-	-	-	-
Brookes Pharma Lab. Staff Provident Fund - Unit holder of 10% or more of units of CIS *												
Units held : Nil units [June 2020: 300,445 units] (NIAAP-VIII)	-	-	-	-	-	-	-	-	29,139	-	-	29,139
Haseeb Iqbal												
Units held : Nil units [2020: 176,082 Units]	-	-	-	-	-	-	-	-	17,078	-	-	17,078
Battalion Fund 4 Baloch Regiment												
Units held : 242,289 units [2020: 242,289 Units]	-	-	-	26,066	-	26,066	-	-	-	24,301	-	24,301
Behbud Association	-	-	-									
Units held : 167,850 units [2020: Nil Units]	-	-	-	18,058	-	18,058	-	-	-	-	-	-
The Eisaar Trust												
Units held : 189,722 units [2020: 189,722 Units]	-	-	-	-	-	-	-	-	-	19,029	-	19,029
Ms Parveen Muzaffar												
Units held : 260,181 units [2020: 260,181 Units]	-	-	-	-	27,182	27,182	-	-	-	-	26,059	26,059

10 DATE OF AUTHORISATION FOR ISSUE

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

11 GENERAL

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

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer	**Chief Executive Officer**	**Director**

Head Office

7th Floor, Clifton Diamond Building, Block No.4,
Scheme No.5, Clifton, Karachi.
UAN: 021-111-111-632
Toll Free: 0800-20002
Sms: INVEST to 9995
Fax: 021-35825335
Email: info@nbpfunds.com
Website: www.nbpfunds.com
/nbpfunds

NBP FUNDS
Managing Your Savings

AM1
Rated by PACRA

NBP FINANCIAL SECTOR INCOME FUND

QUARTERLY REPORT
SEPTEMBER 30, 2020

MISSION STATEMENT

To rank in the top quartile

in performance of

NBP FUNDS

relative to the competition,

and to consistently offer

Superior risk-adjusted returns to investors.

Contents

FUND'S INFORMATION

Management Company

NBP Fund Management Limited - Management Company

Board of Directors of Management Company

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

Company Secretary & COO

Mr. Muhammad Murtaza Ali

Chief Financial Officer

Mr. Khalid Mehmood

Audit & Risk Committee

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

Human Resource Committee

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

Strategy & Business Planning Committee

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

Trustee

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

Bankers to the Fund

MCB Bank Limited
Summit Bank Limited
JS Bank Limited
Meezan Bank Limited
Habib Bank Limited
United Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Askari Bank Limited
Habib Metropolitan Bank Limited
Allied Bank Limited
Sindh Bank Limited
National Bank of Pakistan

Samba Bank Limited
Zarai Taraqiati Bank Limited
MCB Islamic Bank Limited
Faysal Bank Limited
The Bank of Punjab
Albaraka Bank of Pakistan
Bank Islami Pakistan Limited
U Microfinance Bank Limited
Telenor Microfinance Bank Limited
Khushali Microfinance Bank Limited
The First Microfinance Bank Limited
Mobilink Micro Finance Bank Limited

Auditors

KPMG Taseer Hadi & Co.
Sheikh Sultan Trust Buildings,
Ground No. 2 Shaheed Chaudary Aslam Rd,
Civil Lines, Karachi, 75530

Legal Advisor

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

Head Office:

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(Toll Free): 0800-20002,
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Lahore Office:

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

Islamabad Office:

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

Peshawar Office:

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

Multan Office:

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 Financial Sector Income Fund (NFSIF)** for the quarter ended September 30, 2020.

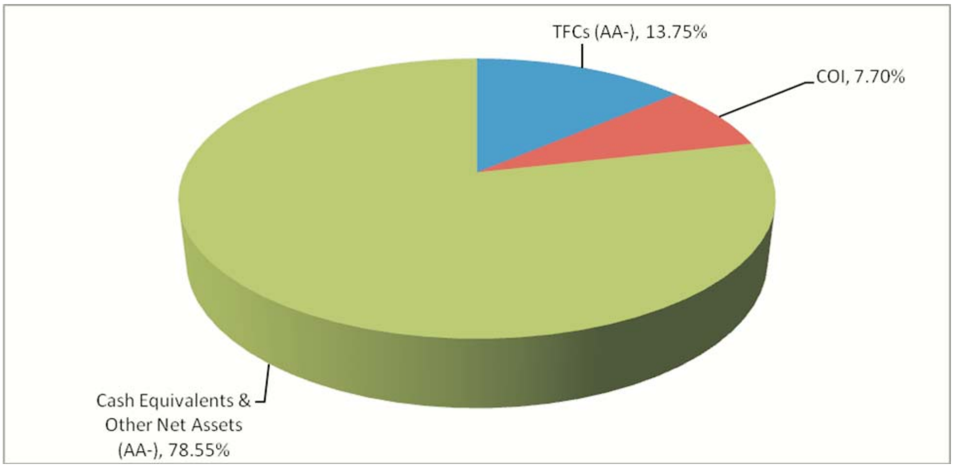
Fund's Performance

The size of NBP Financial Sector Income Fund has doubled from Rs. 9,238 million to Rs. 19,477 million during the period (i.e. an outstanding growth of 111%). During the period, the unit price of the Fund has increased from Rs. 10.3029 (Ex-Div) on June 30, 2020 to Rs. 10.5337 on September 30, 2020, thus showing a return of 8.9% p.a. as compared to its benchmark return of 7.1% p.a. for the same period. The performance of the Fund is net of management fee and other expenses.

The Fund is unique as it invests a minimum 70% of its assets in financial sector (mainly banks) debt securities, instruments or deposits. Minimum entity/instrument rating of debt securities is 'AA-'. This minimizes credit risk and at the same time enhances the liquidity of the Fund. Duration of the Fund cannot be more than one year. This minimizes interest rate or pricing risk. The Fund invests 25% of its assets in less than 90 days T-Bills or saving accounts with banks, which further enhances the liquidity profile of the Fund. The Fund has been assigned 'A+ (f)' fund stability rating by PACRA.

The market saw pick-up in issuance of debt securities in the primary market as companies turned to capital market for working capital and long-term financing. The trading activity also improved that stood at Rs. 6.7 billion in 1QFY21 billion versus Rs. 2.8 billion in 1QFY20. During 1QFY21, the State Bank of Pakistan (SBP) held Monetary Policy Committee (MPC) meeting in September 2020 and, in line with the market expectation, left the Policy Rate unchanged at 7%. The SBP cited that the outlook for growth and business confidence has improved since the last review. The CPI inflation clocked in at 9% for September 2020, above the market consensus due to spike in prices of perishable food items. During the period under review, T-Bills yields increased by 44 bps, 55 bps, and 59 bps for 3-month, 6-month, and 12-month tenures, primarily due to demand versus supply side factors. Long-term sovereign yields responded to the above expected inflation readings and the market expectation of bottoming out of the Policy Rate as yields on PIBs witnessed an increase of 76 bps, 102 bps and 106 bps for 3-year, 5-year, and 10-year tenures, respectively. The SBP held six T-Bills auctions during the period, realizing a total of Rs. 1.5 trillion against the maturity of Rs. 1.9 billion and target of Rs. 1.9 trillion. The SBP held three (3) fixed rate PIB auctions during the period, realizing a total of Rs. 249 billion.

The Fund has earned a total income of Rs. 388.53 million during the period. After deducting total expenses of Rs. 64.21 million, the net income is Rs. 324.32 million. The below chart presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NFSIF.



Income Distribution

The Board of Directors of the Management Company has approved interim cash dividend of 2.187% of the opening ex-NAV (2.302% of the par value) for the period ending September 30, 2020.

Acknowledgement

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

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

On behalf of the Board of
NBP Fund Management Limited

Chief Executive

Director

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

ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 30 ستمبر 2020ء کو ختم ہونے والی سہ ماہی کے لئے NBP فنانشل سیکٹر انکم فنڈ (NFSIF) کے غیر جانچ شدہ عبوری مالیاتی گوشوارے پیش کرتے ہیں۔

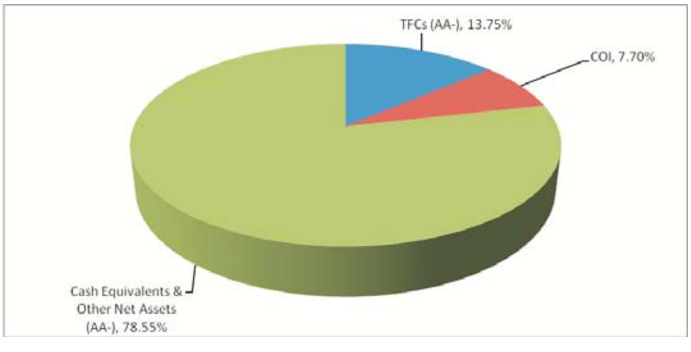
فنڈ کی کارکردگی

NBP فائننشل سیکٹر انکم فنڈ (NFSIF) کا فنڈ سائز اس مدت کے دوران 9,238 ملین روپے سے بڑھ کر 19,477 ملین روپے ہو گیا یعنی 111% کا خاطر خواہ اضافہ۔ اس مدت کے دوران، یونٹ کی قیمت 30 جون 2020 کو 10.3029 (EX-Div) روپے سے بڑھ کر 30 ستمبر 2020 کو 10.5337 روپے تک پہنچ چکی ہے، لہٰذا اسی مدت کے لئے اپنے بنچ مارک منافع 7.1% کے مقابلے میں 8.9% کا منافع درج کرایا۔ یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

فنڈ اس حوالے سے منفرد ہے کہ یہ اپنے اثاثوں کا کم از کم 70% فائنانشل سیکٹر (بنیادی طور پر بینکس) ڈیٹ سیکورٹیز، انسٹرومنٹ یا ڈپازٹس میں سرمایہ کاری کرتا ہے۔ ڈیٹ سیکورٹیز کی کم از کم اینٹٹی / انسٹرومنٹ ریٹنگ "-AA" ہیں۔ اس سے کریڈٹ رسک میں کمی اور اس کے ساتھ ساتھ فنڈ کی لیکویڈیٹی میں اضافہ ہوتا ہے۔ فنڈ کی میعاد ایک سال سے زائد نہیں ہوسکتی۔ یہ شرح سود یا پرائسنگ رسک کو کم کرتا ہے۔ فنڈ اپنے اثاثوں کا 25 فیصد، 90 دن سے کم مدت کے T-Bills بلز میں یا بینکوں کے ساتھ سیونگ اکاؤنٹس میں سرمایہ کاری کرتا ہے جس سے فنڈ کے لیکویڈیٹی پروفائل میں مزید اضافہ ہو جاتا ہے۔ فنڈ کو PACRA کی طرف سے 'A+(f)' کی مستحکم ریٹنگ تفویض کی گئی ہے۔

بنیادی مارکیٹس میں ڈیٹ سیکیورٹیز کے اجرا میں تیزی دیکھی گئی کیونکہ کمپنیوں نے ورکنگ کیپٹل اور طویل مدتی قرضوں کے لئے کیپٹل مارکیٹ کا رُخ کیا۔ زیر جائزہ مدت کے دوران کارپوریٹ ڈیبٹ سیکیورٹیز میں تجارتی سرگرمی بھی بہتر رہی جس کے تحت مالیاتی سال 2020ء کی پہلی سہ ماہی میں 2.8 بلین روپے کے مقابلہ میں مالی سال 2021 کی پہلی سہ ماہی کے دوران 6.7 بلین روپے رہی۔ مالی سال 2021 کی پہلی سہ ماہی میں اسٹیٹ بینک آف پاکستان نے ستمبر 2020 میں مانیٹری پالیسی کمیٹی (MPC) کا اجلاس طلب کیا، اور مارکیٹ توقعات کے مطابق، پالیسی کی شرح 7% پر برقرار رکھی۔ اسٹیٹ بینک آف پاکستان نے حوالہ دیا کہ آخری جائزہ کے بعد سے شرح نمو اور کاروباری اعتماد میں بہتری آئی ہے۔ روزمرہ استعمال ہونے والی اشیائے خورد ونوش کی قیمتوں میں اضافے کے باعث سی پی آئی افراط زر کی شرح ستمبر 2020 میں 9 فیصد رہی۔ زیر جائزہ مدت کے دوران، بنیادی طور پر طلب کے مقابلے میں رسد کے عوامل کی وجہ سے T-Bills کی شرح منافع میں 3 ماہ، 6 ماہ اور 12 ماہ کے T-Bills میں بالترتیب bps44، bps55، اور bps59 اضافہ ہوا۔ طویل مدتی حکومتی شرح منافع بھی افراط زر کی قیمتوں میں اضافے کی توقعات کے باعث بڑھ گئی اور PIBs پر حاصل ہونے والی شرح منافع پالیسی شرح سے باہر نکلنے کی مارکیٹ توقع کے باعث 3 سالہ، 5 سال، اور 10 سالہ PIBs میں بالترتیب bps76، bps102 اور bps106 کا اضافہ دیکھا گیا۔ اسٹیٹ بینک آف پاکستان نے اس عرصے کے دوران چھ T-Bills کی نیلامی کی، جس میں 1.9 بلین روپے کی میچورٹی اور 1.9 ٹریلین روپے کے ہدف کے عوض مجموعی طور پر 1.5 ٹریلین روپے حاصل کئے۔ اس مدت کے دوران اسٹیٹ بینک آف پاکستان نے تین (3) مقررہ شرح PIBs نیلامیاں کیں جس میں مجموعی طور پر 249 بلین روپے حاصل کئے۔

فنڈ نے موجودہ مدت کے دوران 388.53 ملین روپے کی مجموعی آمدنی کمائی ہے۔ 64.21 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 324.32 ملین روپے ہے۔ درج ذیل چارٹ NFSIF کی ایسٹ ایلوکیشن اور اس کے ذیلی اثاثوں کے تمام درجوں کی پیمائش شدہ اوسط کریڈٹ ریٹنگ پیش کرتا ہے:



آمدنی کی تقسیم

مینجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز نے 30 ستمبر 2020 کوختم ہونے والی سہ ماہی کے لئے اوپننگ ex-NAV کا 2.187% (بنیادی قدر کا 2.302%) عبوری نقد منافع منقسمہ کی منظوری دی ہے۔

اظہار تشکر

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

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

منجانب بورڈ آف ڈائریکٹرز
NBP فنڈ مینجمنٹ لمیٹڈ

چیف ایگزیکٹو

ڈائریکٹر

تاریخ: 27 اکتوبر 2020
مقام: کراچی

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020

	Note	(Un-audited) September 30, 2020	(Audited) June 30, 2020
		Rupees in '000	
ASSETS			
Bank Balances	4	**15,357,440**	6,844,509
Investments	5	**4,178,089**	3,384,071
Profit receivable		**82,530**	101,295
Receivable against conversion of units		**295,164**	91,398
Advance,deposit and prepayment		**511**	590
Total assets		**19,913,734**	**10,421,863**
LIABILITIES			
Payable to the Management Company		**43,339**	36,541
Payable to Central Depository Company of Pakistan Limited - Trustee		**1,214**	698
Payable to the Securities and Exchange Commission of Pakistan		**745**	1,672
Payable against redemption of units		**283,038**	147,006
Payable against purchase of investments		**-**	833,945
Accrued expenses and other liabilities		**108,193**	163,656
Total liabilities		**436,529**	**1,183,518**
NET ASSETS		**19,477,205**	**9,238,345**
Unit holders' fund (as per statement attached)		**19,477,205**	**9,238,345**
CONTINGENCIES AND COMMITMENTS	7		
Number of units in issue		**1,849,041,653**	877,488,440
		-----------Rupees---------	
Net asset value per unit		**10.5337**	10.5282

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, 2020

	Note	Quarter ended September 30, 2020	Quarter ended September 30, 2019
		(Rupees in '000)	
INCOME			
Income from term finance certificates		**67,260**	40,294
Income on bank deposits		**229,077**	207,671
Income from government securities		**17,796**	-
Income from clean placements		**35,525**	-
gain on sale of investments		**1,766**	-
Net unrealised appreciation / (diminution) on re-measurement of investments classified as financial assets 'at fair value through profit or loss'		**37,105**	(987)
Total income		**388,529**	246,978
EXPENSES			
Remuneration of the Management Company		**22,105**	14,074
Sindh sales tax on remuneration of the Management Company		**2,874**	1,830
Accounting and operating charges to the Management Company		**3,724**	1,692
Selling and marketing expenses	*8*	**24,448**	11,438
Remuneration of the Trustee		**2,793**	1,269
Sindh sales tax on remuneration of the Trustee		**363**	165
Annual fee - Securities and Exchange Commission of Pakistan		**745**	338
Settlement and bank charges		**159**	338
Annual listing fee		**7**	7
Auditors' remuneration		**235**	231
Fund's Rating fee		**100**	90
Legal and professional charges		**18**	13
Printing charges		**9**	12
Brokerage expenses		**7**	-
Total expenses		**57,587**	31,497
Net income from operating activities		**330,942**	215,481
Provision for Sindh workers' welfare fund	*6*	**(6,619)**	(4,310)
Net income for the period before taxation		**324,323**	211,171
Taxation	*9*	**-**	-
Net income for the period after taxation		**324,323**	211,171
Allocation of net income for the period			
Net income for the period		**324,323**	211,171
Income already paid on units redeemed		**(53,380)**	(30,712)
		270,943	180,459
Accounting income available for distribution:			
- Relating to capital gains		**31,662**	-
- Excluding capital gains		**239,281**	180,459
		270,943	180,459

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer | **Chief Executive Officer** | **Director**

CONDENSED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	Quarter ended September 30, 2020	Quarter ended September 30, 2019
	-----------Rupees --------------	
Net income for the period	**324,323**	211,171
Other comprehensive income	**-**	-
Total comprehensive income for the period	**324,323**	211,171

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer | **Chief Executive Officer** | **Director**

CONDENSED STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	Quarter ended September 30, 2020			Quarter ended September 30, 2019		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	---------- (Rupees in '000) ----------					
Net assets at beginning of the period	9,115,885	122,460	9,238,345	4,069,622	109,311	4,178,933
Issue of 1,505,,624,329 units (2019: 790,096,895 units)						
- Capital value	15,941,364	-	15,941,364	8,305,803	-	8,305,803
- Element of income	27,116	-	27,116	132,420	-	132,420
Total proceeds on issuance of units	15,968,480	-	15,968,480	8,438,223	-	8,438,223
Redemption of 534,071,115 units (2019: 339,560,771 units)						
- Capital value	(5,622,808)	-	(5,622,808)	(3,569,594)	-	(3,569,594)
- Element of loss	(25,798)	(53,380)	(79,178)	(29,585)	(30,712)	(60,297)
Total payments on redemption of units	(5,648,606)	(53,380)	(5,701,986)	(3,599,179)	(30,712)	(3,629,891)
Distribution during the period: Re. 0.2302 per unit on September 29, 2020) (2019: Nil)						
- Cash Distribution		(262,109)	(262,109)	-	-	-
- Refund of Capital	(89,848)	-	(89,848)	-	-	-
	(89,848)	(262,109)	(351,957)	-	-	-
Total comprehensive income for the period	-	324,323	324,323	-	211,171	211,171
Net assets at end of the period	19,345,911	131,294	19,477,205	8,908,667	289,770	9,198,437
Undistributed income / (loss) brought forward						
- Realised		123,006			111,674	
- Unrealised		(546)			(2,363)	
		122,460			109,311	
Accounting income available for distribution:						
- Relating to capital gains		31,662			-	
- Excluding capital gains		239,281			180,459	
		270,943			180,459	
Distribution during the period		(262,109)			-	
Undistributed income carried forward		131,294	-		289,770	
Undistributed income carried forward						
- Realised		94,189			289,770	
- Unrealised		37,105			-	
		131,294			289,770	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the period			10.5282			10.5124
Net assets value per unit at end of the period			10.5337			10.8464

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, 2020

	Quarter ended September 30, 2020	Quarter ended September 30, 2019
	----------------- Rupees -------------	
CASH FLOW FROM OPERATING ACTIVITIES		
Net income for the period before taxation	**324,323**	211,171
Adjustments :		
Net unrealised (Diminution) / Appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	**(37,105)**	987
	287,218	212,158
(Increase) / decrease in assets		
Investments	**(756,913)**	(923,627)
Profit receivable	**18,765**	(19,096)
Advance,deposit and prepayment	**79**	(177,357)
	(738,069)	(1,120,080)
(Decrease) / Increase in liabilities		
Payable to the Management Company	**6,798**	7,251
Payable to Central Depository Company of Pakistan Limited - Trustee	**516**	128
Payable to the Securities and Exchange Commission of Pakistan	**(927)**	(2,384)
Payable against purchase of investment	**(833,945)**	-
Accrued expenses and other liabilities	**(55,463)**	(16,445)
	(883,021)	(11,450)
Net cash (used in) operating activities	**(1,333,872)**	(919,372)
CASH FLOW FROM FINANCING ACTIVITIES		
Receipts from issue of units	**15,674,866**	8,438,223
Payment on redemption of units	**(5,565,954)**	(3,253,891)
Distribution paid during the period	**(262,109)**	-
Net cash generated from financing activities	**9,846,803**	5,184,333
Net increase in cash and cash equivalents during the period	**8,512,931**	4,264,961
Cash and cash equivalents at the beginning of the period	**6,844,509**	3,303,901
Cash and cash equivalents as at the end of the period	**15,357,440**	7,568,862

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer | **Chief Executive Officer** | **Director**

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

1 LEGAL STATUS AND NATURE OF BUSINESS

NBP Financial Sector Income 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 executed on 28 July 2011 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on 11 July 2011 under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The effective date of change of name of the Fund is 29 May 2019.

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

The Fund is an open-ended mutual fund classified as an "income scheme" by the Management Company as per the criteria for categorization of open end collective investment scheme as specified by Securities and Exchange Commision of Pakistan (SECP) and other allied matters and is listed on the Pakistan Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.

The core objective of the Fund is to provide income enhancement and preservation of capital by investing in prime quality Financial Sector term finance certificates (TFCs) / sukuks, bank deposits and short-term money market instruments.

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

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

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, 2020.

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, 2020.

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2020.

3.2 There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on July 1, 2020 that have a material effect on the financial statements of the Fund.

			(Un-audited) September 30, 2020	(Audited) June 30, 2020
4	**BANK BALANCES**			
	In current accounts		**7,472**	6,698
	In savings accounts	*4.1*	**15,349,968**	6,837,811
			15,357,440	6,844,509

4.1 These accounts carry profit at the rates ranging from 6.5% to 15.5% (30 June 2020: 6.5% to 15.50%) per annum.

			(Un-audited) September 30, 2020	(Audited) June 30, 2020
5	**INVESTMENTS**			
		Note	**Rupees in '000**	
	Investments By Category			
	Financial Assets 'at fair value through profit or loss'			
	Term Finance Certificates - Listed	*5.1*	**2,066,715**	1,860,465
	Term Finance Certificates - Unlisted	*5.2*	**611,373**	689,522
	Certificate of Invesment	*5.3*	**1,500,000**	-
	Government Treasury Bills	*5.4*	-	834,084
			4,178,089	**3,384,071**

5.1 Term Finance Certificates - Listed

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

Name of the investee company	Number of certificates / bonds				Market Value as at September 30, 2020	Investment as a percentage of	
	As at July 01, 2020	Purchases during the period	Sale / matured during the period	As at September 30, 2020		Net assets	Market value of total investments
	---Rupees in '000'---					--- % ---	
JS Bank Limited	1,150	-	-	1,150	113,161	0.58	2.71
Habib Bank Limited	2,000	-	-	2,000	190,180	0.98	4.55
Hub Power Company Limited	2,416	-	-	2,416	248,848	1.28	5.96
KE - Sukuk	98,460	34,116	-	132,576	679,763	3.49	16.27
Hub Power Company Limited - Sukuk	8,150	-	-	8,150	834,764	4.29	19.98
	112,176	**34,116**	**-**	**146,292**	**2,066,715**	**10.61**	**49.47**
Carrying Value as at September 30, 2020					**2,031,045**		

5.2 Term Finance Certificates - Unlisted

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

Name of the investee company	Number of certificates / bonds				Market Value as at September 30, 2020	Investment as a percentage of	
	As at July 01, 2020	Purchases during the period	Sale / matured during the period	As at September 30, 2020		Net assets	Market value of total investments
	---Rupees in '000'---					--- % ---	
JS Bank Limited	23,400	-	-	23,400	114,865	0.59	2.75
Jahangir Siddiqui and Company Ltd.	12,000	-	-	12,000	14,828	0.08	0.35
Jahangir Siddiqui and Company Ltd.	28,000	-	-	28,000	70,000	0.36	1.68
Jahangir Siddiqui and Company Ltd.	32,800	-	-	32,800	135,466	0.70	3.24
Askari Commercial Bank Limited	7,400	-	7,400	-	-	-	-
Askari Commercial Bank Limited	233			233	233,000	1.20	5.58
Bank of Punjab	500	-	-	500	43,215	0.22	1.03
	104,333	**-**	**7,400**	**96,933**	**611,373**	**3.14**	**14.63**
Carrying Value as at September 30, 2020					**609,979**		

5.3 Certificate of Invesment

This represents the purchase of Certificate of Invesment from Pak Oman Investment Company Limited on August 21, 2020 having face value of Rs. 1,500 million , carrying profit at the rate of 7.15% and that mature on November 23, 2020.

5.4 Treasury Bills

Issue date	Tenor	----Face value---- As at July 01,2020	Purchases during the Period	Sales / matured during the Period	As at September 30, 2020	Market value as at September 30, 2020	Investment as a percentage of Net assets	Market value of total investments
		----Rupees in '000'----					....%....	
27-Feb-20	12 months	250,000	-	250,000	-	-	-	-
12-Mar-20	12 months	250,000	-	250,000	-	-	-	-
26-Mar-20	12 months	375,000	-	375,000	-	-	-	-
7-May-20	6 months	-	500,000	500,000	-	-	-	-
9-Apr-20	6 months	-	155,000	155,000	-	-	-	-
10-Oct-19	12 months	-	2,075,000	2,075,000	-	-	-	-
12-Sep-19	12 months	-	667,000	667,000	-	-	-	-
16-Jul-20	3 months	-	75,000	75,000	-	-	-	-
16-Jul-20	6 months	-	75,000	75,000	-	-	-	-
26-Sep-19	12 months	-	750,000	750,000	-	-	-	-
29-Aug-19	12 months	-	1,020,000	1,020,000	-	-	-	-
		875,000	5,317,000	6,192,000	-	-	-	-

6 PROVISION FOR SINDH WORKERS' WELFARE FUND

The legal status of applicability of Worker's Welfare Fund and Sindh Workers' Welfare Fund is same as that disclosed in note 13.1 to the annual audited financial statements of the Fund for the year ended June 30, 2020.

The Fund, being prudent, recognised provision for SWWF amounting to Rs 39.235 million for the period ended September 30, 2020 in this condensed interim financial information, Had the provision not been made, net assets value per unit at September 30, 2020 would have been higher by Rs. 0.0212 per unit (June 30, 2020: Rs. 0.0372 per unit).

7 CONTINGENCIES AND COMMITMENTS

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

8 SELLING AND MARKETING EXPENSES

The SECP vide circular 11 of 2019 dated July 05, 2019 has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) and prescribed revised conditions for charging of selling and marketing expenses to CIS. The said circular also supersedes circular No. 40 of 2016, circular No. 05 of 2017 and circular No. 5 of 2018. These expenses shall be counted in the total expense ratio cap of the fund. Accordingly, the Management Company has charged selling and marketing expenses at the rate of 0.7% per anum of the net assets of the Fund. Subsequently, with effect from September 14,2020 the Management Company has revised selling and marketing expenses rate from 0.7 % per annum of average net assets of the Fund to 0.5 % per annum of average net assets of the Fund.

9 TAXATION

The Fund's income is exempt from income tax as per clause 99 of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unit holders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2020 to the unit holders in the manner as explained above, no provision for taxation has been made in these consdensed interim financial statements.

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

10 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at September 30, 2020 is 1.71% (2019: 2.10%) which includes 0.28% (2019: 0.39%) representing government levies on the Fund such as sales taxes, federal excise duties, annual fee to the SECP, etc. This ratio is within the maximum limit of 2.5% (as amended by S.R.O 639 dated June 20, 2019) prescribed under the NBFC Regulations for a collective investment scheme categorised as '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 (CDC) being the Trustee, National Bank of Pakistan (NBP) and its connected persons, and Baltoro Growth Fund being the sponsors, other collective investment schemes managed by the Management Company and directors and officers of the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund and unit holders holding ten percent or more units of the Fund.

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

11.3 Remuneration to the Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.

11.4 The details of significant transactions and balances with connected persons at year end except those disclosed elsewhere in these financial statements are as follows:

	(Un-Audited)	
	For the quarter ended September 30, 2020	For the quarter ended September 30, 2019
	(Rs. In '000')	
11.5 Details of the transactions with connected persons are as follows:		
NBP Fund Management Limited - Management Company		
Remuneration of the Management Company	**22,105**	14,074
Sindh sales tax on remuneration of the Management Company	**2,874**	1,830
Accounting and operating charges to the Management Company	**3,724**	1,692
Selling & Marketing Expense	**24,448**	11,438
Front end load	**6,714**	4,494
Dividend Re-invest Units Issued: 113,471 units (2019: Nil units)	**1,195**	73,467
Units redeemed / transferred out: 14,247,316 units (2019: Nil units)	**150,000**	115,000
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee	**2,793**	1,269
Sindh sales tax on remuneration of the Trustee	**363**	165
Settlement charges	**69**	92
Employees of the NBP Fund Management Company		
Units issued / transferred in: 14,732,215 units (2019: 2,862,454 units)	**156,231**	30,529
Units redeemed / transferred out: 17,715,923 units (2019: 2,155,217 units)	**188,979**	23,024
Dividend Re-investment: 54,802 Units (2020: Nil units)	**577**	-

	(Un-Audited) For the quarter ended September 30, 2020	(Un-Audited) For the quarter ended September 30, 2019
	(Rs. In '000')	
Fauji Fertilizer Company Ltd (10% or more holding in CIS)		
Units issued / transferred: 4,186,927 units (2019 : Nil 277,177,109 units)	**44,095**	2,968,251
Units redeemed / transferred out: 267,376,814 units (2019: 159,671,855 units)	**2,815,000**	1,706,143
Chief Operating Officer & Company Secretary		
Units issued / transferred in: 94,445 units (2019: 474 units)	**1,000**	5
Units redeemed / transferred out: 94,445 units (2019: 185,527 units)	**1,006**	1,995
Portfolios Managed By Management Company		
Units issued / transferred in: 56,250,856 units (2019: 591,375 units)	**630,137**	6,241
Units redeemed / transferred out: 30,886,570 units (2019: 2,206,632 units)	**331,815**	23,685
Dividend Re-investment: 2,267,050 Units (2019: Nil units)	**3,384**	-
Bank Islami Pakistan Limited		
Markup Income	**20**	556
National Clearing Company of Pakistan		
Dividend Re-investment: 99,437 Units (2019: Nil units)	**1,047**	-
AFTAB HUSSAIN - RELATED PARTY		
Dividend Re-invest Units Issued 4,089	**43**	-
NBP Money Market Fund		
Government Treasury bills Purchased	**499,382**	-

11.6 Balances outstanding as at period end

	(Un-Audited) As at September 30, 2020	(Audited) As at June 30, 2020
	(Rs. In '000')	
NBP Fund Management Limited - Management Company		
Management remuneration payable	**8,107**	5,827
Sindh Sales Tax payable	**1,054**	758
Sales load and transfer load payable	**2,909**	8,310
Sindh Sales Tax on sales and transfer load	**378**	1,080
Selling and marketing expenses	**24,448**	17,848
Allocation of expenses related to registrar services, accounting, operation and valuation services	**6,274**	2,549
Other payable	**169**	169
Units held: 14,360,787 units (2020: Nil units)	**151,272**	-
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	**1,214**	698
Security deposit	**100**	100

	(Un-Audited) As at September 30, 2020	(Audited) As at June 30, 2020
	(Rs. In '000')	
National Bank of Pakistan - Sponsor		
Balance in current account	**325**	325
Balance in savings account	**16,106**	19,437
Profit receivable on bank deposit	**341**	77
Hub Power Company Limited - Sukuk		
Interest Income receivable	**7,864**	8,967
Hub Power Company Limited		
Interest income receivable	**1,032**	9,859
Employees of the NBP Fund Management Company		
Units held: 5,934,780 units (2020: 8,893,525 units)	**62,515**	93,633
National Clearing Company of Pakistan		
Units held: 4,807,740 units (2020: Nil units)	**52,147**	-
Bank Islami Pakistan Limited		
Bank balance	**15,409**	4,070
Profit recievable on bank deposit	**906**	77
Aftab Hussain - Related Party		
224,143 units held (2020: 220,054 units)	**2,361**	2,317
Fauji Fertilizer Company Ltd (10% or more holding in CIS)		
Units held: 271,563,741 units (2020: Nil units)	**2,860,571**	-
National Clearing Company of Pakistan Limited		
5,451,388 units held (2020 : 5,351,951)	**57,423**	56,346
Fauji Akbar Portia Marine Terminals Ltd		
Nil units held (2020: 121,342,447 units)	-	1,277,518
Portfolios Managed by Management Compay		
518,737 units held (2020 : Nil)	**49,245**	-
Interloop Holdings (Pvt.) Liimted		
Nil (2020: 100,667,182 units)	**-**	**1,059,844**
Receivables from funds against conversion of units		
NBP Savings Fund	-	54,592
NBP Islamic Money Market Fund	-	17,188
NBP Islamic Mahana Amdani Fund	-	6,901
NBP Mahana Amdani Fund	-	5,353
NBP Stock Fund	-	4,576
NBP Islamic Stock Fund	-	1,333
NBP Islamic Sarmaya Izafa Fund	-	1,000
NBP Income Opportunity Fund	-	455

12 DATE OF AUTHORISATION FOR ISSUE

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

13 GENERAL

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

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer	**Chief Executive Officer**	**Director**

Head Office

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

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Website: www.nbpfunds.com

/nbpfunds

NBP FUNDS
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AM1
Rated by PACRA

NBP STOCK FUND

QUARTERLY REPORT
SEPTEMBER 30, 2020

MISSION STATEMENT

To rank in the top quartile

in performance of

NBP FUNDS

relative to the competition,

and to consistently offer

Superior risk-adjusted returns to investors.

Contents

FUND'S INFORMATION

Management Company

NBP Fund Management Limited - Management Company

Board of Directors of Management Company

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

Company Secretary & COO

Mr. Muhammad Murtaza Ali

Chief Financial Officer

Mr. Khalid Mehmood

Audit & Risk Committee

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

Human Resource Committee

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

Strategy & Business Planning Committee

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

Trustee

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

Bankers to the Fund

MCB Bank Limited
MCB Islamic Bank Limited
Summit Bank Limited
JS Bank Limited
Meezan Bank Limited
Habib Bank Limited
United Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Askari Bank Limited
Habib Metropolitan Bank Limited
Allied Bank Limited
Sindh Bank Limited

National Bank of Pakistan
Samba Bank Limited
Zarai Taraqiati Bank Limited
Faysal Bank Limited
Soneri Bank Limited
The Bank of Punjab
Albaraka Bank of Pakistan
Silk Bank Limited
Bank Islami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
U Microfinance Bank Limited
Telenor Microfinance Bank Limited
Khushhali Microfinance Bank Limited
The First Microfinance Bank Limited
Mobilink Microfinance Bank Limited

Auditors

KPMG Taseer Hadi & Co.
Sheikh Sultan Trust Buildings,
Ground No. 2 Shaheed Chaudary Aslam Rd,
Civil Lines, Karachi, 75530

Legal Advisor

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

Head Office:

7th Floor Clifton Diamond Building, Block No. 4,
Scheme No. 5, Clifton Karachi.
UAN: 021 (111-111-632),
(Toll Free): 0800-20002,
Fax: (021) 35825329
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Lahore Office:

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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 condensed unaudited financial statements of **NBP Stock Fund (NSF)** for the quarter ended September 30, 2020.

Fund's Performance

The size of NBP Stock Fund has increased from Rs. 13,702 million to Rs. 16,749 million during the period, i.e. an increase of 22%. During the period, the unit price of NBP Stock Fund (NSF) has increased from Rs. 11.9682 on June 30, 2020 to Rs. 14.1548 on September 30, 2020, thus showing an increase of 18.3%. The Benchmark for the same period increase by 16.5%. Thus, the Fund has outperformed its Benchmark by 1.8% during the period under review. Since inception the NAV of the Fund has increased from Rs. 2.7226 (Ex-Div) on January 19, 2007 to Rs 14.1548 on September 30, 2020, thus showing an increase of 419.9%. During the said period, the Benchmark increased by 89.8%, translating into outperformance of 330.1%. This performance is net of management fee and all other expenses.

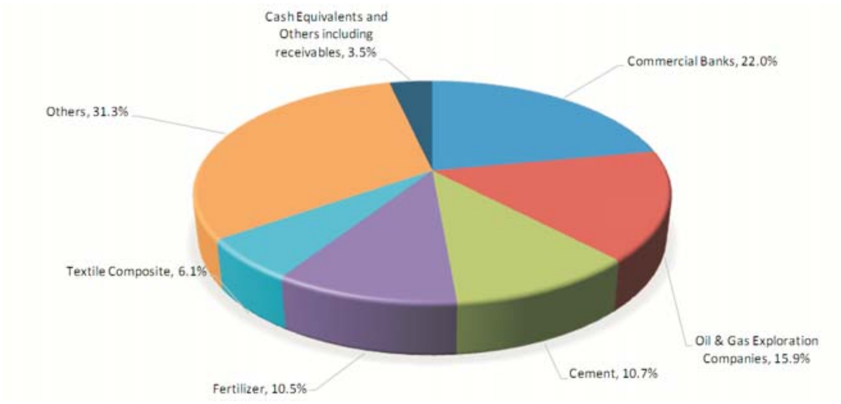
Carrying forward the positive momentum, the stock market depicted robust performance during 1QFY2021 as the benchmark KSE-100 Index surged by 17.9%. To put things into perspective, after tumbling to a multi-year low level of 27,229 in March this year, the stock market staged a strong 17.8% recovery during 4QFY20. This impressive market performance was mainly driven by encouraging development on the healthcare front. The active cases of Covid-19 after peaking at 109,000 in July, dropped to 9,000 at the end of September; the fatality rate fell sharply, and ratio of new infections to tests also fell to a low single-digit.

The improvement on the pandemic front allowed re-opening of the economy, which picked-up steam earlier than expected as evidenced by the frequently released economic data such as electricity consumption, retail fuel sales, and industrial output (cement, fertilizers, automobiles, textiles). The encouraging development on the healthcare front and improving economic activity, sparked optimism in investors. External account has so far remained beneficiary of the Coronavirus as workers' remittances have shown a hefty 31% growth in 1QFY21 on a year-on-year basis. Resultantly, the country has posted current account surplus of USD 805 million in the first 2 months of FY2021 versus current account deficit of USD 1,241 million in corresponding period last year.

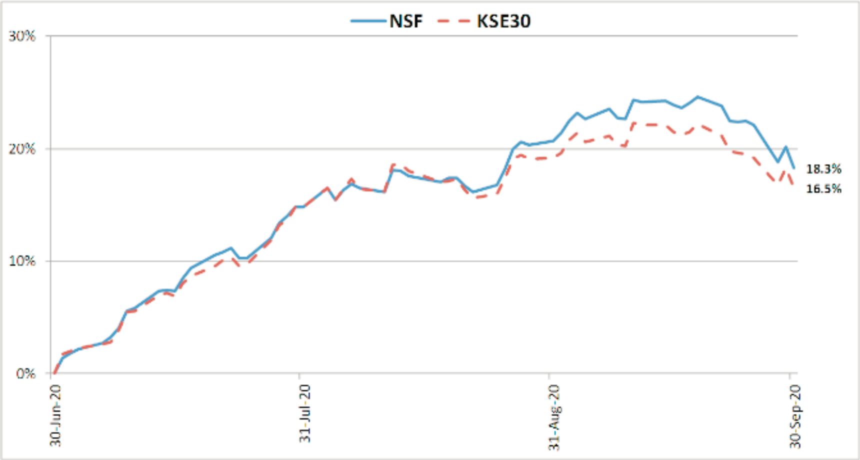
Looking at the sector wise performance of the market, Automobiles, Cements, Engineering, Glass & Ceramics, Oil & Gas Marketing Companies, Paper & Board, Refineries, Technology and Textiles outperformed the market, while Commercial Banks, Fertilizers, Food & Personal Care, Oil & Gas Exploration, Pharmaceuticals, Power Generation and Distribution and Transport sectors lagged behind. In terms of participant-wise activity, Individuals remained the largest buyers during the quarter with net inflows of USD 108 million. Alongside, Mutual Fund and Insurance were also net buyers, adding positions worth USD 26 million and USD 21 million, respectively. On the other hand, Foreigners and Banks/DFIs were the largest sellers in the market with net outflows amounting to USD 95 million and USD 53 million, respectively.

NBP Stock Fund earned a total income of Rs. 2,721.512 million during the period. After deducting total expenses of Rs. 200.762 million, the net income is Rs. 2,520.750 million.

The asset allocation of the Fund as on September 30, 2020 is as follows:



NSF Performance versus Benchmark



Acknowledgement

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

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

On behalf of the Board of
NBP Fund Management Limited

Chief Executive Director

Date: October 27, 2020
Place: Karachi.

ڈائریکٹرز رپورٹ

NBPفنڈمینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 30 ستمبر 2020ءکوختم ہونے والی سہ ماہی کے لئے NBPاسٹاک فنڈ(NSF) کے غیر جانچ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

فنڈکی کارکردگی

اس مدت کے دوران NBP اسٹاک فنڈ (NSF) کا سائز 13,702 ملین روپے سے بڑھ کر 16,749 ملین روپے ہوگیا ہے، یعنی 22% کا اضافہ ہوا۔ اس مدت کے دوران NBP اسٹاک فنڈ (NSF) کے یونٹ کی قیمت 30 جون 2020 کو 11.9682 روپے سے بڑھ کر 30 ستمبر 2020 کو 14.1548 روپے تک پہنچ چکی ہے، لہٰذا 18.3% کا اضافہ ہوا۔ اسی مدت کے دوران بنچ مارک 16.5% سے بڑھ۔ لہٰذا فنڈ نے زیرِ جائزہ مدت کے دوران اپنے بنچ مارک سے 1.8% کی بہتر کارکردگی کا مظاہرہ کیا۔ اپنے قیام کے وقت سے لے کر اب تک اس فنڈ کی NAV 19 جنوری 2007 کو 2.7226 روپے (Ex-Div) سے بڑھ کر 30 ستمبر 2020 کو 14.1548 روپے ہوگئی، یعنی 419.9% کا اضافہ ہوا۔ جبکہ مذکورہ بالا مدت کے دوران بینچ مارک 89.8% سے بڑھا، لہٰذا اب تک فنڈ نے 330.1% کی بہتر کارکردگی کا مظاہرہ کیا۔ فنڈ کی یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

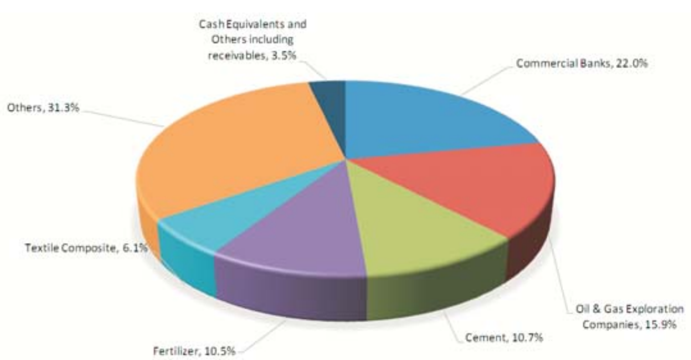
مثبت پیشرفت کو آگے بڑھاتے ہوئے، اسٹاک مارکیٹ نے مالی سال 2021 کی پہلی سہ ماہی کے دوران مضبوط کارکردگی کا تاثر دیا جیسا کہ بینچ مارک KSE-100 انڈیکس میں 17.9 فیصد کا اضافہ ہوا۔ چیزوں کو تناظر میں رکھتے ہوئے، رواں سال مارچ میں 27,229 کی کثیر سالہ کم سطح پر پہنچنے کے بعد، اسٹاک مارکیٹ نے مالی سال 2020 کی چوتھی سہ ماہی کے دوران 17.8 فیصد کی مضبوط بحالی کا مظاہرہ کیا۔ مارکیٹ کی یہ متاثر کن کارکردگی بنیادی طور پر صحت کی دیکھ بھال کے محاذ پر ترقی کی حوصلہ افزائی کے ذریعہ کارفرما ہوئی۔ جولائی کے مہینے میں کوویڈ 19 کے فعال کیسز 109,000 پر پہنچنے کے بعد، ستمبر کے آخر میں 9,000 رہ گئے، اموات کی شرح میں تیزی سے کمی واقع ہوئی، اور ٹیسٹوں میں نئے انفیکشن کا تناسب بھی کم ہو کر واحد ہندسہ پر آ گیا۔

وبائی محاذ پر بہتری سے معیشت دوبارہ چلنے کے قابل ہوئی، جس سے بجلی کی کھپت، خوردہ ایندھن کی فروخت، اور صنعتی پیداوار (سیمنٹ، کھادیں، آٹوموبائل، ٹیکسٹائل) جیسے متعدد اقتصادی اعداد وشمار ثابت کرتے ہیں کہ پہلے کی توقع سے کہیں زیادہ تیزی پیدا ہوگئی۔ صحت کی دیکھ بھال کے محاذ پر حوصلہ افزاء ترقی اور معاشی سرگرمیوں میں بہتری نے سرمایہ کاروں میں پُر اُمیدی پیدا کردی۔ بیرونی اکاؤنٹ اب تک کورونا وائرس میں سرپلس رہا ہے کیونکہ کارکنوں کی ترسیلات زر نے سالانہ بنیاد پر مالی سال 2021 کی پہلی سہ ماہی میں 31 فیصد کا نمایاں اضافہ ظاہر کیا ہے۔ نتیجہ کے طور پر، ملک نے مالی سال 2021 کے پہلے 2 مہینوں میں 805 ملین امریکی ڈالر کا کرنٹ اکاؤنٹ سرپلس درج کرایا ہے جبکہ گذشتہ سال کے اسی عرصے میں کرنٹ اکاؤنٹ خسارہ 1,241 ملین امریکی ڈالر تھا۔

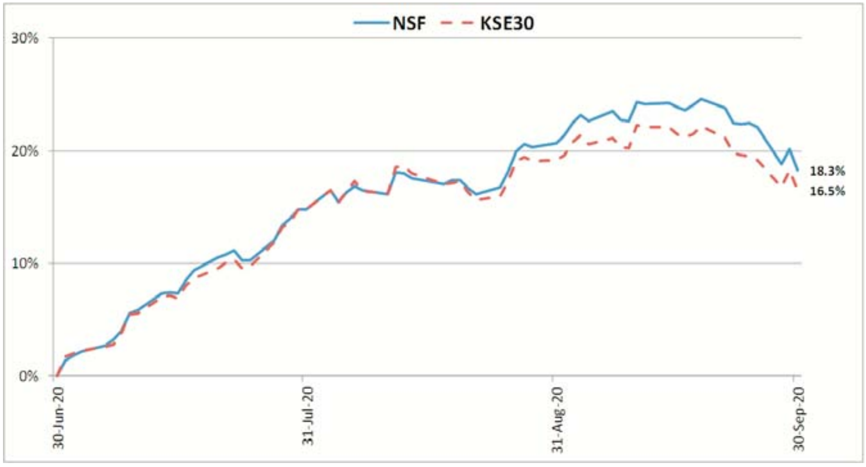
مارکیٹ کی سیکٹر وائز کارکردگی پر نظر ڈالیں تو، آٹوموبائل، سیمنٹ، انجینیئرنگ، گلاس اور سرامکس، آئل اینڈ گیس مارکیٹنگ کمپنیاں، پیپر اینڈ بورڈ، ریفائنریز، ٹیکنالوجی اور ٹیکسٹائل نے مارکیٹ سے بہتر کارکردگی کا مظاہرہ کیا جبکہ کمرشل بینک، کھاد، خوراک اور ذاتی نگہداشت، آئل اینڈ گیس ایکسپلوریشن، دواسازی، بجلی پیدا اور تقسیم کرنے اور ٹرانسپورٹ کے شعبے پیچھے رہے۔ شراکت دار سرگرمی کے لحاظ سے، انفرادی سرمایہ کار (ریٹیل) سہ ماہی کے دوران 108 ملین امریکی ڈالر کی خالص خریداری کے ساتھ سب سے بڑے خریدار رہے۔ اس کے علاوہ، میوچل فنڈ اور انشورنس بھی خالص خریدار رہے، جنہوں نے بالترتیب 26 ملین امریکی ڈالر اور 21 ملین امریکی ڈالر تک پوزیشن کو مستحکم کیا۔ دوسری طرف، غیر ملکی اور بینک/ DFIs مارکیٹ میں بالترتیب 95 ملین امریکی ڈالر اور 53 ملین امریکی ڈالر کے خالص آ ؤٹ فلوز کے ساتھ سب سے بڑے فروخت کنندگان رہے۔

NBP اسٹاک فنڈ کو اس مدت کے دوران 2,721.512 ملین روپے کی کل آمدنی ہوئی۔ 200.762 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 2,520.750 ملین روپے ہے۔

30 ستمبر 2020 کو فنڈ کی ایسٹ ایلوکیشن درج ذیل ہے:



NSF کی کارکردگی بمقابلہ بینچ مارک



اظہارِ تشکر

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

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

منجانب بورڈ آف ڈائریکٹرز
NBP فنڈ مینجمنٹ لمیٹڈ

چیف ایگزیکٹو

ڈائریکٹر

تاریخ: 27 اکتوبر 2020

مقام: کراچی

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020

	Note	Un-Audited September 30, 2020	Audited June 30, 2020
		(Rupees in '000)	
ASSETS			
Bank balances		**787,659**	563,575
Investments	*4*	**16,158,811**	13,362,869
Dividend and profit receivable		**24,964**	2,788
Receivable against sale of investments		**91,642**	46,766
Receivable against conversion of units		**3,741**	1,708
Advance, deposits and prepayment		**7,272**	7,312
Total assets		**17,074,089**	13,985,018
LIABILITIES			
Payable to NBP Fund Management Limited - Management Company		**94,939**	71,625
Payable to Central Depository Company of Pakistan Limited - Trustee		**1,714**	1,377
Payable to Securities and Exchange Commission of Pakistan		**820**	2,620
Payable against redemption of units		**17,646**	56,816
Accrued expenses and other liabilities		**209,901**	150,961
Total liabilities		**325,020**	283,399
NET ASSETS		**16,749,069**	13,701,619
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		**16,749,069**	13,701,619
CONTINGENCIES AND COMMITMENTS	*6*		
		------------ Number of units ------------	
Number of units in issue		**1,183,281,809**	1,144,834,476
		------------------ Rupees ------------------	
NET ASSET VALUE PER UNIT		**14.1548**	11.9682

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, 2020

	Note	Quarter Ended September 30, 2020	Quarter Ended September 30, 2019
		(Rupees in '000)	
INCOME			
Gain / (loss) on sale of investments - net		**342,529**	(208,480)
Profit on bank deposits		**5,257**	26,902
Income from government securities		**9,336**	-
Dividend income		**71,465**	160,267
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		**2,292,925**	(500,601)
Total income / (loss)		**2,721,512**	(521,912)
EXPENSES			
Remuneration of the NBP Fund Management Limited - Management Company		**61,480**	40,879
Sales tax on remuneration of the Management Company		**7,992**	5,314
Remuneration of the Central Depository Company of Pakistan Limited - Trustee		**4,351**	2,857
Sales tax on Remuneration of the Trustee		**566**	371
Accounting and operational expenses		**4,099**	2,606
Annual fee - Securities and Exchange Commission of Pakistan		**820**	521
Securities transaction cost		**7,520**	3,677
Settlement and bank charges		**624**	1,099
Annual listing fee		**7**	8
Auditors' remuneration		**250**	231
Fund rating fee		**61**	55
Legal and professional charges		**45**	75
Printing charges		**23**	55
Selling and marketing expenses	7	**61,480**	27,277
Total Expenses		**149,318**	85,025
Net income / (loss) from operating activities		**2,572,194**	(606,937)
Provision for Sindh Workers' Welfare Fund	5	**(51,444)**	-
Net income / (loss) for the period before taxation		**2,520,750**	(606,937)
Taxation	8	**-**	-
Net income / (loss) for the period after taxation		**2,520,750**	(606,937)
Allocation of net income for the period			
Net income for the period after taxation		**2,520,750**	**-**
Income already paid on units redeemed		**(191,432)**	-
		2,329,318	**-**
Accounting income available for distribution:			
- Relating to Capital Gains		**2,329,318**	-
- Excluding Capital Gains		**-**	-
Accounting Income available for Distribution		**2,329,318**	-

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 STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	Quarter Ended September 30, 2020	Quarter Ended September 30, 2019
	(Rupees in '000)	
Net income / (loss) for the period after taxation	**2,520,750**	(606,937)
Other Comprehensive Income for the period	**-**	-
Total comprehensive income / (loss) for the period	**2,520,750**	(606,937)

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 STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	Quarter Ended September 30, 2020			Quarter Ended September 30, 2019		
	Capital value	Undistributed income / (loss)	Total	Capital value	Undistributed income / (loss)	Total
	(Rupees in '000)					
Net assets at beginning of the period	14,382,261	(680,642)	13,701,619	12,191,631	(296,372)	11,895,259
Issue of 168,646,707 units (2019: 157,812,146 units)						
- Capital value	2,018,398	-	2,018,398	1,892,389	-	1,892,389
- Element of income	326,780	-	326,780	(131,180)	-	(131,180)
Total proceeds on issuance of units	2,345,178	-	2,345,178	1,761,209	-	1,761,209
Redemption of 130,199,374 units (2019: 196,518,711 units)						
- Capital value	(1,558,252)	-	(1,558,252)	(2,356,534)	-	(2,356,534)
- Element of loss	(68,794)	(191,432)	(260,226)	188,555	-	188,555
Total payments on redemption of units	(1,627,046)	(191,432)	(1,818,478)	(2,167,979)	-	(2,167,979)
Total comprehensive income / (loss) for the period	-	2,520,750	2,520,750	-	(606,937)	(606,937)
Net assets at end of the period	15,100,393	1,648,676	16,749,069	11,784,861	(903,309)	10,881,552
Undistributed income / (loss) brought forward						
- Realised		27,819			2,064,579	
- Unrealised		(708,461)			(2,360,951)	
		(680,642)			(296,372)	
Accounting income available for distribution:						
- Relating to Capital Gains		2,329,318				
- Excluding Capital Gains		-				
		2,329,318				
Total comprehensive income / (loss) for the period		-			(606,937)	
Undistributed income / (loss) carried forward		1,648,676			(903,309)	
Undistributed income / (loss) carried forward						
- Realised		(644,249)			(402,708)	
- Unrealised		2,292,925			(500,601)	
		1,648,676			(903,309)	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the period			11.9682			11.9914
Net assets value per unit at end of the period			14.1548			11.4149

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, 2020

	Quarter Ended September 30, 2020	Quarter Ended September 30, 2019
	(Rupees in '000)	
CASH FLOW FROM OPERATING ACTIVITIES		
Net income / (loss) for the period before taxation	**2,520,750**	(606,937)
Adjustments		
Net unrealised (appreciation) / diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	**(2,292,925)**	500,601
	227,825	(106,336)
(Increase) / decrease in assets		
Investments	**(503,017)**	574,715
Dividend and profit receivable	**(22,176)**	(67,632)
Receivable against sale of investments	**(44,876)**	136,329
Advance, deposits and prepayment	**40**	35
	(570,029)	643,447
Increase / (decrease) in liabilities		
Payable to NBP Fund Management Limited - Management Company	**23,314**	(17,480)
Payable to Central Depository Company of Pakistan Limited - Trustee	**337**	(235)
Payable to Securities and Exchange Commission of Pakistan	**(1,800)**	(13,627)
Payable against purchase of investments	**-**	57,035
Accrued expenses and other liabilities	**58,940**	2,137
	80,791	27,830
Net cash (used in) / generated from operating activities	**(261,413)**	564,941
CASH FLOW FROM FINANCING ACTIVITIES		
Net receipts from issue of units	**2,343,145**	1,761,063
Net payments on redemption of units	**(1,857,648)**	(2,135,055)
Net cash generated from / (used in) financing activities	**485,497**	(373,992)
Net increase in cash and cash equivalents during the period	**224,084**	190,949
Cash and cash equivalents at the beginning of the period	**563,575**	702,620
Cash and cash equivalents at the end of the period	**787,659**	893,569

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer | **Chief Executive Officer** | **Director**

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

1 LEGAL STATUS AND NATURE OF BUSINESS

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

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

The Fund is an open-ended mutual fund classified as an "equity scheme" by the Management Company as per the criteria for categorization of open end collective investment scheme as specified by Securities and Exchange Commission of Pakistan (SECP) and other allied matters and is listed on the Pakistan Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.

The core objective of the Fund, is to provide investors with long term capital growth from an actively managed portfolio invested primarily in listed companies in Pakistan.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of "AM1' to the Management Company and performance rating of '5-Star' to the Fund.

Title of the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited (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, 2020.

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, 2020.

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2020.

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on July 1, 2020 that have a material effect on the financial statements of the Fund.

4 INVESTMENTS

	Un-audited September 30, 2020	Audited June 30, 2020
	(Rupees in '000)	
Financial assets 'at fair value through profit or loss'		
Listed equity securities	**16,158,811**	13,362,869
	16,158,811	13,362,869

4.1 Investment in listed equity securities

All shares have a nominal face value of Rs.10 each except for the shares of Thal Limited, Dynea Pakistan Limited and Agriauto Industriues Limited which have a face value of Rs.5, K-Electric Limited which have a face of Rs. 5 each and Hum Network which have face of Re. 1 each.

Name of the Investee Company	As at 1 July 2020	Purchases during the period	Bonus Shares issued during the period	Right shares purchased/ subscribed during the period	Sales during the period	As at 30 September 2020	Market value /carrying value as at 30 September 2020	Market value as a percentage of net assets	Market value as a percentage of total investment	Percentage of the paid up capital of the investee company held
	(Number of shares)						(Rupees in '000)	(%)		
Oil and Gas Exploration Company										
Pakistan Oilfields Limited	1,205,154	-	-	-	155,000	1,050,154	442,461	2.64	2.74	0.37
Pakistan Petroleum Limited	8,203,711	335,000	-	-	976,500	7,562,211	696,177	4.16	4.31	0.28
Mari Petroleum Company Limited	711,906	-	-	-	3,000	708,906	970,861	5.80	6.01	0.53
Oil & Gas Development Company Limited	6,551,309	40,000	-	-	1,219,106	5,372,203	556,560	3.32	3.44	0.12
	16,672,080	**375,000**	**-**	**-**	**2,353,606**	**14,693,474**	**2,666,059**	**15.92**	**16.50**	
Oil and Gas Marketing Company										
Pakistan State Oil Company Limited	1,804,219	801,500	-	-	46,000	2,559,719	512,456	3.06	3.17	0.55
Attock Petroleum Limited	154,970	-	-	-	-	154,970	52,919	0.32	0.33	0.16
Shell Pakistan Limited	51,900	-	-	-	51,900	-	-	-	-	-
Hascol Petroleum Limited	4,073	-	-	-	-	4,073	82	-	-	-
Sui Northern Gas Pipelines Limited	3,652,500	285,000	-	-	180,000	3,757,500	232,251	1.39	1.44	0.59
	5,667,662	**1,086,500**	**-**	**-**	**277,900**	**6,476,262**	**797,708**	**4.77**	**4.94**	
Investment Banks / Investment Companies / Securities Companies										
Dawood Hercules Corporation Limited	**112,900**	**-**	**-**	**-**	**112,900**	**-**	**-**	**-**	**-**	**-**
Fertilizer										
Engro Corporation Limited	2,252,153	567,500	-	-	190,800	2,628,853	791,363	4.72	4.90	0.46
Engro Fertilizers Limited	7,296,971	-	-	-	2,933,000	4,363,971	265,417	1.58	1.64	0.33
Fauji Fertilizer Bin Qasim Company Limited	6,210,500	7,206,500	-	-	4,579,500	8,837,500	178,076	1.06	1.10	0.95
Fauji Fertilizer Company Limited	4,242,700	740,000	-	-	120,800	4,861,900	525,037	3.13	3.25	0.38
	20,002,324	**8,514,000**	**-**	**-**	**7,824,100**	**20,692,224**	**1,759,893**	**10.49**	**10.89**	
Chemical										
Engro Polymer & Chemicals Limited	10,727,474	2,015,500	-	-	336,000	12,406,974	499,505	2.98	3.09	1.37
Dynea Pakistan Limited	19,000	-	-	-	-	19,000	3,380	0.02	0.02	0.10
I.C.I. Pakistan Limited	142,050	-	-	-	-	142,050	102,786	0.61	0.64	0.15
	10,888,524	**2,015,500**	**-**	**-**	**336,000**	**12,568,024**	**605,671**	**3.61**	**3.75**	
Automobile Parts and Accessories										
Agriautos Industries Limited	7,000	-	-	-	-	7,000	1,687	0.01	0.01	0.02
Thal Limited*	426,589	400	-	-	45,500	381,489	160,352	0.96	0.99	0.47
Baluchistan Wheels Limited	87,000	-	-	-	-	87,000	6,960	0.04	0.04	0.65
	520,589	**400**	**-**	**-**	**45,500**	**475,489**	**168,999**	**1.01**	**1.04**	
Cement										
Lucky Cement Limited	1,373,233	232,500	-	-	99,100	1,506,633	974,897	5.82	6.03	0.47
Maple Leaf Cement Factory Limited	6,421,001	1,330,000	-	-	452,500	7,298,501	261,943	1.56	1.62	0.66
Fecto Cement Limited	243,200	-	-	-	-	243,200	7,486	0.04	0.05	0.48
Fauji Cement Company Limited	9,516,000	1,617,000	-	-	792,000	10,341,000	205,579	1.23	1.27	0.75
Kohat Cement Company Limited	1,723,320	264,700	-	-	-	1,988,020	339,434	2.03	2.10	0.99
	19,276,754	**3,444,200**	**-**	**-**	**1,343,600**	**21,377,354**	**1,789,339**	**10.68**	**11.07**	

Name of the Investee Company	As at 1 July 2020	Purchases during the period	Bonus Shares issued during the period	Right shares purchased/ subscribed during the period	Sales during the period	As at 30 September 2020	Market value /carrying value as at 30 September 2020	Market value as a percentage of net assets	Market value as a percentage of total investment	Percentage of the paid up capital of the investee company held
	(Number of shares)						(Rupees in '000)	(%)		
Paper and Board										
Century Paper and Board Mills Limited	2,931,100	-	-	-	255,000	2,676,100	297,663	1.78	1.84	1.52
Cherat Packaging Limited	378,499	-	-	-	377,500	999	178	-	-	-
Roshan Packages Limited	46,000	1,090,500	-	-	-	1,136,500	39,414	0.24	0.24	0.80
	3,355,599	**1,090,500**	**-**	**-**	**632,500**	**3,813,599**	**337,255**	**2.02**	**2.08**	
Automobile Assembler										
Indus Motor Company Limited	55,470	-	-	-	17,850	37,620	48,159	0.29	0.30	0.05
Honda Atlas Cars (Pakistan) Limited	790,900	-	-	-	584,000	206,900	53,575	0.32	0.33	0.14
Millat Tractors Limited	224,150	64,200	-	-	14,750	273,600	236,732	1.41	1.47	0.55
Pak Suzuki Motor Company Limited	-	393,900	-	-	181,500	212,400	42,792	0.26	0.26	0.26
	1,070,520	**458,100**	**-**	**-**	**798,100**	**730,520**	**381,258**	**2.28**	**2.36**	
Pharmaceuticals										
Abbot Laboratories (Pakistan) Limited	3,950	-	-	-	3,950	-	-	-	-	-
AGP Limited	385,000	-	-	-	-	385,000	41,965	0.25	0.26	0.14
Ferozsons Laboratories Limited	39,000	-	-	-	39,000	-	-	-	-	-
GlaxoSmithKline (Pakistan) Limited	250,100	-	-	-	-	250,100	45,926	0.27	0.28	0.08
GlaxoSmithKline Consumer Healthcare Pakistan Limited	15,600	-	-	-	-	15,600	4,519	0.03	0.03	0.01
The Searle Company Limited	978,577	-	-	-	32,000	946,577	242,617	1.45	1.50	0.45
	1,672,227	**-**	**-**	**-**	**74,950**	**1,597,277**	**335,027**	**2.00**	**2.07**	
Engineering										
International Industries Limited	85,890	-	-	-	85,890	-	-	-	-	-
International Steels Limited	2,582,700	-	-	-	1,807,500	775,200	59,721	0.36	0.37	0.18
Amreli Steels Limited	4,882,500	-	-	-	2,687,000	2,195,500	96,097	0.57	0.59	0.74
Ittefaq Iron Industries Limited	2,199,500	-	-	-	2,199,500	-	-	-	-	-
Mughal Iron and Steel Industries Limited	4,032,387	380,000	-	-	951,000	3,461,387	222,498	1.33	1.38	1.38
	13,782,977	**380,000**	**-**	**-**	**7,730,890**	**6,432,087**	**378,316**	**2.26**	**2.34**	
Textile Composite										
Azgard Nine Limited (Non-voting)	806,400	-	-	-	-	806,400	5,645	0.03	0.03	0.16
Gul Ahmed Textile Mills Limited	8,388,800	110,000	-	-	2,494,000	6,004,800	224,099	1.34	1.39	1.40
Interloop Limited	2,266,701	1,045,500	-	-	24,000	3,288,201	220,474	1.32	1.36	0.38
Kohinoor Textile Mills Limited	1,895,519	955,500	-	-	-	2,851,019	154,269	0.92	0.95	0.95
Nishat Chunian Limited	1,947,800	870,500	-	-	511,000	2,307,300	90,885	0.54	0.56	0.96
Nishat Mills Limited	3,705,200	-	-	-	455,500	3,249,700	328,447	1.96	2.03	0.92
	19,010,420	**2,981,500**	**-**	**-**	**3,484,500**	**18,507,420**	**1,023,819**	**6.11**	**6.32**	
Food and Personal Care Products										
Al-Shaheer Corporation Limited	1,992,928	-	-	-	420,000	1,572,928	30,137	0.18	0.19	0.79
Matco Foods Limited	15,450	-	-	-	-	15,450	336	-	-	0.01
	2,008,378	**-**	**-**	**-**	**420,000**	**1,588,378**	**30,473**	**0.18**	**0.19**	
Technology and Communication										
Avanceon Limited	17,962	-	-	-	-	17,962	1,207	0.01	0.01	0.01
Hum Network Limited	1,573,000	-	-	-	1,573,000	-	-	-	-	-
NetSol Technologies Limited	1,104,600	-	-	-	1,104,600	-	-	-	-	-
System Limited	1,542,610	333,000	-	-	72,000	1,803,610	490,654	2.93	3.04	1.46
TPL Trakker Limited	-	2,590,000	-	-	-	2,590,000	26,936	0.16	0.17	1.38
	4,238,172	**2,923,000**	**-**	**-**	**2,749,600**	**4,411,572**	**518,797**	**3.10**	**3.22**	

Name of the Investee Company	As at 1 July 2020	Purchases during the period	Bonus Shares issued during the period	Right shares purchased/ subscribed during the period	Sales during the period	As at 30 September 2020	Market value /carrying value as at 30 September 2020	Market value as a percentage of net assets	Market value as a percentage of total investment	Percentage of the paid up capital of the investee company held
	(Number of shares)						(Rupees in '000)	(%)		
Power Generation and Distribution										
K-Electric Limited	10,164,000	-	-	-	1,100,000	9,064,000	38,159	0.23	0.24	0.03
Kot Addu Power Company Limited	2,101,000	150,000	-	-	-	2,251,000	59,336	0.35	0.37	0.26
Lalpir Power Limited	5,776,500	-	-	-	638,500	5,138,000	67,513	0.40	0.42	1.35
Nishat Chunian Power Limited	1,367,000	-	-	-	-	1,367,000	19,644	0.12	0.12	0.37
Nishat Power Limited	35,000	-	-	-	-	35,000	816	-	0.01	0.01
PAKGEN Power Limited	1,614,500	-	-	-	1,047,000	567,500	10,215	0.06	0.06	0.15
Saif Power Limited	570,000	-	-	-	-	570,000	9,599	0.06	0.06	0.15
The Hub Power Company Limited	9,545,111	250,000	-	-	450,000	9,345,111	733,225	4.38	4.54	0.72
	31,173,111	**400,000**	**-**	**-**	**3,235,500**	**28,337,611**	**938,507**	**5.60**	**5.82**	
Commercial Banks										
Allied Bank Limited	3,305,601	-	-	-	29,000	3,276,601	276,119	1.65	1.71	0.29
Bank Al-Falah Limited	18,181,314	-	-	-	310,000	17,871,314	621,564	3.71	3.85	1.01
Bank Al-Habib Limited	9,185,948	487,066	-	-	192,674	9,480,340	612,146	3.65	3.79	0.85
Bank Of Punjab Limited	8,925,500	-	-	-	1,250,000	7,675,500	75,834	0.45	0.47	0.29
Faysal Bank Limited	5,401,038	2,706,500	-	-	4,633,000	3,474,538	59,519	0.36	0.37	0.23
Habib Bank Limited	6,977,733	1,794,516	-	-	97,000	8,675,249	1,134,202	6.77	7.02	0.59
MCB Bank Limited	1,400,978	-	-	-	63,556	1,337,422	232,471	1.39	1.44	0.11
Meezan Bank Limited	481,567	-	36,357	-	253,000	264,924	21,779	0.13	0.13	0.02
National Bank Of Pakistan	330,000	-	-	-	-	330,000	13,160	0.08	0.08	0.02
United Bank Limited	4,318,882	1,349,345	-	-	67,000	5,601,227	644,757	3.85	3.99	0.46
	58,508,561	**6,337,427**	**36,357**	**-**	**6,895,230**	**57,987,115**	**3,691,551**	**22.04**	**22.85**	
Insurance										
Adamjee Insurance Company Limited	2,502,000	-	-	-	105,500	2,396,500	96,100	0.57	0.59	0.68
IGI Holdings Limited	-	288,500	-	-	-	288,500	63,173	0.38	0.39	0.20
TPL Insurance Limited	2,500,000	-	-	-	-	2,500,000	72,705	0.43	0.45	2.66
	5,002,000	**288,500**	**-**	**-**	**105,500**	**5,185,000**	**231,978**	**1.38**	**1.43**	
Modarbas										
Sindh Modaraba	**159,000**	**-**	**-**	**-**	**159,000**	**-**	**-**	**-**	**-**	-
Glass and Ceramics										
Ghani Value Glass Limited	11,625	-	-	-	-	11,625	489	-	-	0.02
Tariq Glass Industries Limited	3,653,100	632,000	-	-	650,000	3,635,100	329,376	1.97	2.04	3.30
	3,664,725	**632,000**	**-**	**-**	**650,000**	**3,646,725**	**329,865**	**1.97**	**2.04**	
Transport										
Pakistan International Bulk Terminal Limited	**-**	**13,683,500**	**-**	**-**	**-**	**13,683,500**	**169,128**	**1.01**	**1.05**	0.77
Miscellaneous										
Tri-Pack Films Limited	-	4	-	-	-	4	1	0.02	0.01	-
Synthetic Products Enterprises Limited	180,960	-	-	-	65,000	115,960	5,167	0.03	0.03	0.13
	180,960	**4**	**-**	**-**	**65,000**	**115,964**	**5,168**	**0.05**	**0.04**	
Total - 30 September 2020	**216,967,483**	**44,610,131**	**36,357**	**-**	**39,294,376**	**222,319,595**	**16,158,811**	**96.48**	**100.00**	
Carrying value before fair value adjustment as at 30 September 2020							**13,865,886**			

4.1.1 Investments include shares with market value of Rs. 216.893 million (June 30, 2020: Rs. 185.026 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular number 11 dated October 23, 2007 issued by the Securities and Exchange Commission of Pakistan.

5 PROVISION FOR SINDH WORKERS' WELFARE FUND (SWWF)

The legal status of applicability of Worker's Welfare Fund and Sindh Workers' Welfare Fund is same as that disclosed in note 13.1 to the annual audited financial statements of the Fund for the year ended June 30, 2020.

The Fund, being prudent, recognised provision for SWWF amounting to Rs. 160.416 million as at period ended September 30, 2020 in this condensed interim financial information, Had the provision not been made, net assets value per unit at September 30, 2020 would have been higher by Rs. 0.1356 per unit (June 30, 2020: Rs. 0.0952 per unit).

6 CONTINGENCIES AND COMMITMENTS

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

7 SELLING AND MARKETING EXPENSES

The SECP vide circular 11 of 2019 dated July 05, 2019 has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) and prescribed revised conditions for charging of selling and marketing expenses to CIS. The said circular also supersedes circular No. 40 of 2016, circular No. 05 of 2017 and circular No. 5 of 2018. These expenses shall be counted in the total expense ratio cap of the fund. Accordingly, the Management Company has charged selling and marketing expenses at the rate of 1.5% per annum of the net assets of the Fund.

8 TAXATION

The Fund's income is exempt from income tax as per clause 99 of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unit holders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2021 to the unit holders in the manner as explained above, no provision for taxation has been made in these consdensed interim financial statements.

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

9 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at September 30, 2020 is 4.90% (2019: 3.26%) which includes 1.49% (2019: 0.23%) representing government levies on the Fund such as sales taxes, federal excise duties, annual fee to the SECP, etc. This ratio is within the maximum limit of 4.5% (as amended by S.R.O 639 dated June 20, 2019) prescribed under the NBFC Regulations for a collective investment scheme categorised as 'equity scheme'.

10 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS

10.1 Connected persons include NBP Fund Management Limited being the Management Company (NBP Funds), Central Depository Company of Pakistan Limited (CDC) being the Trustee, National Bank of Pakistan (NBP) and its connected persons, and Baltoro Growth Fund being the sponsors, other collective investment schemes managed by the Management Company, entities having common directorship with the Management Company, retirement funds of group companies, directors and officers of the Management Company and any person or company which beneficially owns directly or indirectly 10% or more of the units in issue / net assets of the Fund.

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

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

10.4 The details of significant transactions and balances with connected persons during and at period end are as follows:

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

	Un-audited Quarter Ended September 30, 2020	Un-audited Quarter Ended September 30, 2019
	(Rupees in '000)	
NBP Fund Management Limited - Management Company		
Management fee expense for the period	**61,480**	40,879
Sindh Sales Tax on remuneration of the Management Company	**7,992**	5,314
Accounting and operational expenses	**4,099**	2,606
Selling and marketing expenses	**61,480**	27,277
Sales load	**4,227**	3,719
Units issued / transferred In Nil units (September 30, 2019: 8,434,236 units)	**-**	93,675
Units redeemed / transferred out Nil units (September 30, 2019: 4,737,503 units)	**-**	50,969
Employees of the Management Company		
Units issued / transferred In 3,029,573 units (September 30, 2019: 248,860 units)	**41,449**	2,809
Units redeemed / transferred out 3,112,400 units (September 30, 2019: 211,684 units)	**43,094**	2,394
Central Depository Company of Pakistan Limited - Trustee		
Remuneration	**4,351**	2,857
Sales tax on remuneration	**566**	371
CDS Charges	**276**	276
Taurus Securities Limited (Subsidiary of Parent Company)		
Brokerage	**1,150**	273
Humayun Bashir - Director		
Units redeemed / transferred out 1,362,944 units (September 30, 2019: Nil units)	**19,984**	-
Mr. Khalid Mehmood - Chief Financial Officer		
Units Issued / Transferred in 70,307 units (September 30, 2019: Nil units)	**1,000**	-
Mr. Muhammad Murtaza Ali - Company Secretary		
Units redeemed / transferred out Nil units (September 30, 2019: 447 units)	**-**	5
Dr. Amjad Waheed - Chief Executive Officer		
Units redeemed / transferred out 20,216 units (September 30, 2019: Nil units)	**271**	-
** **Haider Amjad**		
Units Issued / Transferred in 5,118 units (September 30, 2019: Nil units)	**75**	-
Units redeemed / transferred out 5,244 units (September 30, 2019: Nil units)	**76**	-
** **Rohma Amjad**		
Units redeemed / transferred out 5,014 units (September 30, 2019: Nil units)	**71**	-
National Clearing Company of Pakistan Limited		
Units Issued / Transferred in 674,386 units (September 30, 2019: Nil units)	**10,000**	-
NCCPL charges	**276**	**276**
Pakistan Stock Exchange Limited		
Listing fee paid	**25**	**25**
National Fullerton Asset Management Limited - Employees provident Fund		
Units Issued / Transferred in 200,514 units (September 30, 2019: Nil units)	**2,805**	-
Units redeemed / transferred out 17,069 units (September 30, 2019: Nil units)	**238**	-
Portfolios managed by the Management Company		
Units Issued / Transferred in 2,615,316 units (September 30, 2019: 10,058,554 units)	**36,279**	113,493
Units redeemed / transferred out 15,707,053 units (September 30, 2019: 7,110,659 units)	**207,373**	81,626

	Un-audited Quarter Ended September 30, 2020	Un-audited Quarter Ended September 30, 2019
	(Rupees in '000)	
Bank Islami Pakistan Limited (Common Directorship with the Management Company)		
Bank Profit	**7**	1,762
* **Sindh General Provident Investment Fund**		
Units Issued / Transferred in Nil units (September 30, 2018: 57,901,260 units)	**-**	640,000
* **Cherat Packaging Limited (Common Directorship with the Management Company)**		
Nil shares sold (September 30, 2019: 211,000 shares)	**-**	14,519
* **Cherat Cement Company Limited (Common Directorship with the Management Company)**		
Nil shares sold (September 30, 2019: 632,700 shares)	**-**	16,329
** **Fauji Fertilizer Company Limited (Common Directorship with the Management Company)**		
740,000 shares purchased (September 30, 2019: Nil shares)	**83,106**	-
120,800 shares sold (September 30, 2019: Nil shares)	**13,183**	-
Dividend income	**13,582**	-
** **Gul Ahmed Textile Mills Limited (Common Directorship with the Management Company)**		
110,000 shares purchased (September 30, 2019: Nil shares)	**4,268**	-
2,494,000 shares sold (September 30, 2019: Nil shares)	**83,899**	-
** **The Hub Power Company Limited (Common Directorship with the Management Company)**		
250,000 shares purchased (September 30, 2019: Nil shares)	**18,276**	-
450,000 shares sold (September 30, 2019: Nil shares)	**36,149**	-
* **International Industries Limited (Common Directorship with the Management Company)**		
Nil shares sold (September 30, 2019: 242,000 shares)	**-**	19,892
Dividend income	**-**	498
International Steel Limited (Common Directorship with the Management Company)		
Nil shares purchased (September 30, 2019: 821,000 shares)	**-**	28,234
1,807,500 shares sold (September 30, 2019: 1,415,500 shares)	**119,872**	54,730
Dividend income	**-**	1,325

10.6 Amounts outstanding as at period / year end

	Un-audited September 30, 2020	Audited June 30, 2020
	(Rupees in '000)	
NBP Fund Management Limited - Management Company		
Units held: 3,971,185 units (June 30, 2020: 3,971,185 units)	**56,211**	47,528
Management remuneration payable	**21,520**	17,044
Sindh Sales tax payable	**2,797**	2,216
Allocation of expenses related to registrar services, accounting, operation and valuation services	**4,099**	3,355
Selling and marketing expenses	**61,480**	48,194
Sales load payable	**5,043**	816
National Bank of Pakistan		
Units held: 31,347,445 units (June 30, 2020: 31,347,445 units)	**443,717**	375,172
Bank Balance	**1,136**	5,031
Central Depository Company of Pakistan Limited - Trustee		
Remuneration Payable	**1,517**	1,218
Sindh Sales Tax on Trustee remuneration	**197**	159
CDS charges	**363**	130
Security deposit	**100**	100

	Un-audited September 30, 2020	Audited June 30, 2020
	(Rupees in '000)	
National Clearing Company Of Pakistan Limited		
Units held: 3,254,624 (June 30, 2020: 2,580,238 units)	**46,069**	30,881
NCCPL charges payable	**146**	116
Employees of the Management Company		
Units held: 1,677,466 (June 30, 2020: 1,764,826 units)	**23,744**	21,122
National Fullerton Asset Management Ltd- Emp. Provident Fund		
Units held: 336,565 (June 30, 2020: 153,119 units)	**4,764**	1,833
Dr. Amjad Waheed - Chief Executive Officer		
Units held: 152,425 (June 30, 2020: 172,641 units)	**2,158**	2,066
Mr. Khalid Mehmood - Chief Financial Officer		
Units held: 163,431 (June 30, 2020: 93,124 units)	**2,313**	1,115
Mr. Humayun Bashir - Director		
Units held: Nil (June 30, 2020: 1,362,944 units)	**-**	16,312
Haider Amjad		
Units held: 155,118 (June 30, 2020: 155,243 units)	**2,196**	1,858
Rohma Amjad		
Units held: 35,208 (June 30, 2020: 40,222 units)	**498**	481
NBP Employees Pension Fund		
Units held: 62,721,184 (June 30, 2020: 62,721,184 units)	**887,806**	750,660
Portfolios managed by the Management Company		
Units held: 23,976,908 (June 30, 2020: 37,845,592 units)	**339,389**	452,944
Receivables from funds against conversion of units		
NBP Money Market Fund	**-**	500
NBP Financial Sector Income Fund	**-**	412
NBP Islamic Savings Fund	**-**	400
NBP Islamic Money Market Fund	**-**	386
NBP Islamic Mahana Amdani Fund	**-**	10
International Steels Limited		
Shares held: 775,200 (June 30, 2020: 2,582,700 shares)	**59,721**	133,396
Gul Ahmed Textile Mills Limited		
Shares held: 6,004,800 (June 30, 2020: 8,388,800 shares)	**224,099**	240,171
Fauji Fertilizer Company Limited		
Shares held: 4,861,900 (June 30, 2020: 4,242,700 shares)	**525,037**	466,655
The Hub Power Company Limited		
Shares held: 9,345,111 (June 30, 2020: 9,545,111 shares)	**733,225**	692,021
Taurus Securities Limited		
Brokerage payable	**246**	139
Bank Islami Pakistan Limited		
Bank balance	**967**	79
Mark-up on balance	**11**	9
Sindh Province Pension Fund		
Units held: 149,334,604 (June 30, 2020: 149,334,604 units)	**2,113,801**	1,787,266

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

** Comparative balances with these parties have not been disclosed as these parties were not related parties in the last term.

11 DATE OF AUTHORISATION FOR ISSUE

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

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,
Scheme No.5, Clifton, Karachi.
UAN: 021-111-111-632
Toll Free: 0800-20002
Sms: INVEST to 9995
Fax: 021-35825335
Email: info@nbpfunds.com
Website: www.nbpfunds.com
/nbpfunds

NBP FUNDS
Managing Your Savings

Islamic Savings

Aitemaad اعتماد
سود سے پاک
اسلامک سیونگز

AM1
Rated by PACRA

NBP ISLAMIC INCOME FUND

QUARTERLY REPORT
SEPTEMBER 30, 2020

MISSION STATEMENT

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

Contents

FUND'S INFORMATION

Management Company

NBP Fund Management Limited - Management Company

Board of Directors of Management Company

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

Company Secretary & COO

Mr. Muhammad Murtaza Ali

Chief Financial Officer

Mr. Khalid Mehmood

Audit & Risk Committee

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

Human Resource Committee

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

Strategy & Business Planning Committee

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

Trustee

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

Bankers to the Fund

Bank Islami Pakistan Limited
United Bank Limited
Dubai Islamic Bank Pakistan Limited

Auditors

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

Legal Advisor

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

Head Office:

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

Lahore Office:

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

Islamabad Office:

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

Peshawar Office:

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

Multan Office:

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

DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited is pleased to present the unaudited Condensed Interim financial statements of **NBP Islamic Income Fund (NBP-IIF)** for the quarter ended September 30, 2020.

Fund's Performance

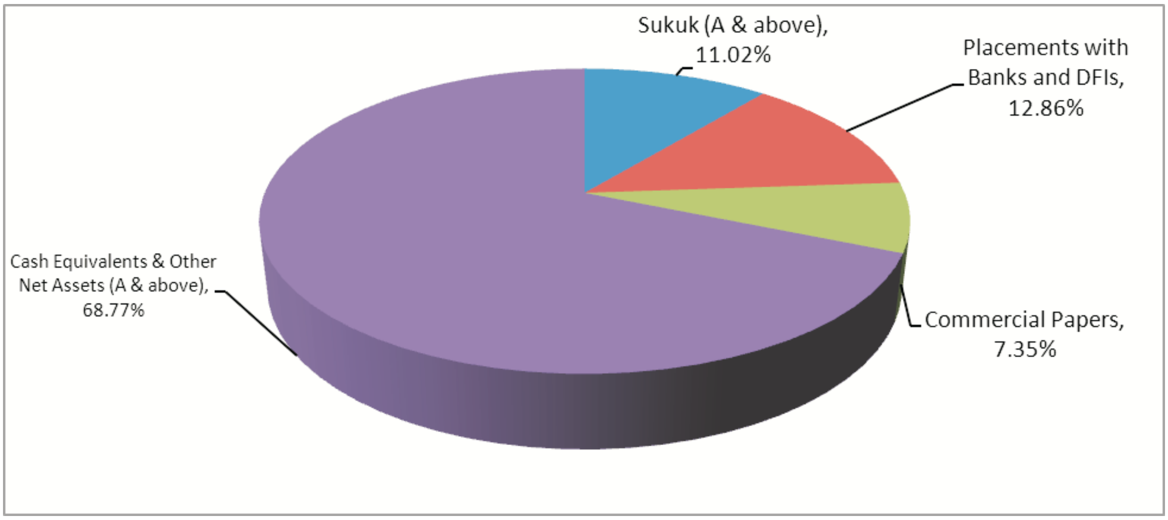
The size of NBP Islamic Income Fund is Rs 933 million as at September 30, 2020. The Fund has earned an annualized return of 7.4% p.a. since its inception (August 13, 2020) as compared to its benchmark return of 4.1% p.a. The performance of the Fund is net of management fee and all other expenses.

NBP-IIF is categorized as a Shariah Compliant Income Fund. The fund aims to provide competitive returns by investing in Shariah compliant debt securities and money market instruments. The Fund is allowed to invest with A- or above rated Islamic Banks, Islamic branches / windows of conventional banks providing easy liquidity. The Fund is allowed to invest in Shariah Compliant Money Market instruments & debt securities rated A or better. The Fund is not authorized to invest in Equities. The weighted average time to maturity of the Fund cannot exceed 4 years excluding government securities.

The primary market for Corporate Sukuks remained under-supplied against the large and growing demand. In the secondary market, the trading activity in the Corporate Sukuks remained skewed towards high quality debt issues with cumulative traded value of around Rs. 5.6 billion in 1QFY21 compared to Rs. 2.5 billion during same period last year. During 1QFY21, the State Bank of Pakistan (SBP) held Monetary Policy Committee (MPC) meeting in September 2020 and, in line with the market expectation, left the Policy Rate unchanged at 7%. The SBP cited that the outlook for growth and business confidence has improved since the last review. The CPI inflation clocked in at 9% for September 2020, above the market consensus due to spike in prices of perishable food items.

The Fund has earned a total income of Rs. 7.425 million during the period. After deducting total expenses of Rs. 1.537 million, the net income is Rs. 5.888 million.

The below chart presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NBP-IIF.



Acknowledgement

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

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

On behalf of the Board of
NBP Fund Management Limited

Chief Executive **Director**

Date: October 27, 2020
Place: Karachi.

ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 30 ستمبر 2020ء کو ختم ہونے والی پہلی سہ ماہی کے لئے NBP اسلامک انکم فنڈ (NBP-IIF) کے جانچ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

فنڈ کی کارکردگی

30 ستمبر 2020ء کو NBP اسلامک انکم فنڈ کا سائز 933 ملین روپے ہے۔ فنڈ نے اپنے آغاز (13 اگست 2020) سے بنچ مارک منفعت 4.1% سالانہ کے مقابلے 7.4% سالانہ منافع درج کروایا۔ یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

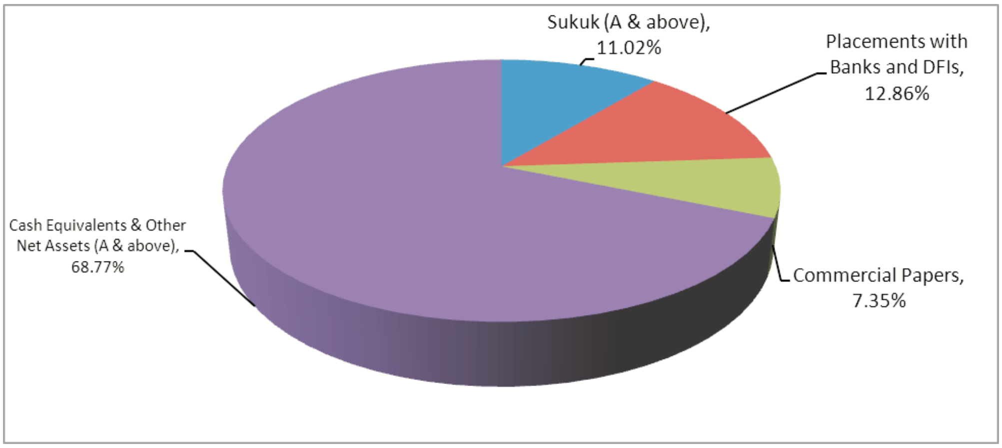
NBP-IIF کی درجہ بندی بطور شریعہ کمپلائنٹ انکم فنڈ کی گئی ہے۔ اس فنڈ کا مقصد شریعت کے مطابق قرضوں کی سیکیورٹیز اور منی مارکیٹ کے آلات میں سرمایہ کاری کر کے مسابقتی منافع فراہم کرنا ہے۔ فنڈ اسلامک بینکوں، روایتی بینکوں کی اسلامک برانچز / ونڈوز میں آسانی سے لیکویڈیٹی فراہم کرنے والے -A یا بالا درجہ کے اسلامی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

کارپوریٹ سکوک کے لئے ابتدائی مارکیٹ کی زیادہ طلب کے مقابلہ میں رسد کم رہی۔ ثانوی منڈی میں، کارپوریٹ سکوک کا تجارتی سرگرمی اعلیٰ کوالٹی ڈیٹ اجرا کی جانب زیادہ جھکاؤ رہا جس کی مجموعی تجارتی قدر مالی سال 2020ء میں 2.5 بلین روپے کے مقابلہ میں مالیاتی سال 2021ء کی پہلی سہ ماہی میں 5.6 بلین روپے رہی۔

مالی سال 2021 کی پہلی سہ ماہی میں سٹیٹ بینک آف پاکستان نے ستمبر 2020 میں مانیٹری پالیسی کمیٹی (MPC) کا اجلاس طلب کیا، اور مارکیٹ توقعات کے مطابق، پالیسی شرح 7% پر برقرار رکھی۔ اسٹیٹ بینک نے حوالہ دیا کہ آخری جائزہ کے بعد سے نمو اور کاروباری اعتماد میں بہتری آئی ہے۔ خراب ہونے والی اشیائے خوردونوش کی قیمتوں میں اضافے کے باعث سی پی آئی افراط زر کی شرح ستمبر 2020 میں 9 فیصد رہی۔

فنڈ کو اس مدت کے دوران 7.425 ملین روپے کی آمدنی ہوئی۔ 1.537 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 5.888 ملین روپے ہے۔

درج ذیل چارٹ NBP-IIF کی ایسٹ ایلوکیشن اور اس کے ذیلی اثاثوں کے تمام درجوں کی پیمائش شدہ اوسط کریڈٹ ریٹنگ پیش کرتا ہے:



اظہارِ تشکر

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

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

منجانب بورڈ آف ڈائریکٹرز
NBP فنڈ مینجمنٹ لمیٹڈ

چیف ایگزیکٹو	ڈائریکٹر

تاریخ: 27 اکتوبر 2020

مقام: کراچی

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020

	Note	(Un-audited) September 30, 2020 Rupees in '000
ASSETS		
Bank balances	4	634,442
Investments	5	291,318
Profit receivable	6	7,746
Prepayments, deposits and other receivables	7	125
Receivable against transfer sales		1,181
Preliminary expenses and floatation costs	8	757
Total assets		**935,569**
LIABILITIES		
Payable to NBP Fund Management Limited - Management Company	9	2,200
Payable to Central Depository Company of Pakistan Limited - Trustee	10	51
Payable to the Securities and Exchange Commission of Pakistan	11	17
Payable against redemption of units		143
Accrued expenses and other liabilities	12	268
Total liabilities		**2,679**
NET ASSETS		**932,890**
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		**932,890**
CONTINGENCIES AND COMMITMENTS	13	
		Number of units
NUMBER OF UNITS IN ISSUE		**92,394,496**
		Rupees
NET ASSET VALUE PER UNIT	14	**10.0968**

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer | **Chief Executive Officer** | **Director**

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)

FOR THE PERIOD FROM AUGUST 13, 2020 TO SEPTEMBER 30, 2020

	Note	For the period from August 13, 2020 to September 30, 2020
		Rupees in '000
INCOME		
Profit on bank balances		4,221
Income on Term Deposit		222
Income on sukuk certificates		1,383
Income on commercial papers		298
Net unrealised appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss'		1,301
Total income		**7,425**
EXPENSES		
Remuneration of NBP Fund Management Limited - Management Company	9.1	437
Sindh sales tax on remuneration of the Management Company	9.2	57
Allocated expenses	9.3	83
Selling and marketing expense	9.4	584
Remuneration of Central Depository Company of Pakistan Limited - Trustee	10.1	63
Sindh sales tax on remuneration of the Trustee	10.2	8
Annual fee of the Securities and Exchange Commission of Pakistan	11.1	17
Amortisation of preliminary expenses and floatation costs	8	20
Auditors' remuneration		69
Legal and professional charges		12
Listing fee		4
Shariah advisor fee		10
Settlement and bank charges		8
Printing expenses		8
Rating fee		37
Total operating expenses		**1,417**
Net income from operating activities		**6,008**
Provision against Sindh Workers' Welfare Fund	12.1	(120)
Net income for the period before taxation		**5,888**
Taxation	15	-
Net income for the period after taxation		**5,888**
Earnings per unit	16	
Allocation of net income for the period		
- Net income for the period after taxation		5,888
- Income already paid on units redeemed		(29)
		5,859
Accounting income available for distribution:		
- Relating to capital gains		1,293
- Excluding capital gains		4,566
		5,859

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer **Chief Executive Officer** **Director**

CONDENSED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD FROM AUGUST 13, 2020 TO SEPTEMBER 30, 2020

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

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer	Chief Executive Officer	Director

CONDENSED STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE PERIOD FROM AUGUST 13, 2020 TO SEPTEMBER 30, 2020

	For the period from August 13, 2020 to September 30, 2020		
	Capital value	Undistributed income	Total
	---------------------- Rupees in '000 ----------------------		
Issuance of 94,597,023 units			
- Capital value	945,970	-	945,970
- Element of income	3,207	-	3,207
Total proceeds on issuance of units	949,177	-	949,177
Redemption of 2,202,527 units			
- Capital value	(22,025)	-	(22,025)
- Element of loss	(121)	(29)	(150)
Total payments on redemption of units	(22,146)	(29)	(22,175)
Total comprehensive income for the period	-	5,888	5,888
Net assets at end of the period	**927,031**	**5,859**	**932,890**
Accounting income available for distribution:			
- Relating to capital gains		1,293	
- Excluding capital gains		4,566	
		5,859	
Undistributed income carried forward		**5,859**	
Undistributed income carried forward:			
- Realised income		4,558	
- Unrealised income		1,301	
		5,859	
			(Rupees)
Net assets value per unit at end of the period			10.0968

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer	**Chief Executive Officer**	**Director**

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE PERIOD FROM AUGUST 13, 2020 TO SEPTEMBER 30, 2020

	Note	For the period from August 13, 2020 to September
		Rupees in '000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation		5,888
Adjustments		
Profit on bank balances		(4,221)
Income on Term Deposit		(222)
Income on sukuk certificates		(1,383)
Income on commercial papers		(298)
Provision against Sindh Workers' Welfare Fund		(120)
Amortisation of preliminary expenses and floatation costs		20
		(6,224)
(Increase) / Decrease in assets		
Prepayments, deposits and other receivables		(125)
Investments - net		(291,318)
Preliminary expenses and floatation costs		(777)
		(292,220)
Increase / (decrease) in liabilities		
Payable to NBP Fund Management Limited - Management company		2,200
Payable to Central Depository Company of Pakistan Limited - Trustee		51
Payable to the Securities and Exchange Commission of Pakistan		17
Accrued expenses and other liabilities		388
		2,656
Profit received on bank balances		(1,622)
Net cash flows used in operating activities		(291,522)
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received against issuance of units		947,996
Amount paid against redemption of units		(22,032)
Net cash flows generated from financing activities		925,964
Net increase in cash and cash equivalents during the period		634,442
Cash and cash equivalents at the beginning of the period		-
Cash and cash equivalents at the end of the period	4	**634,442**

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer | **Chief Executive Officer** | **Director**

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD FROM AUGUST 13, 2020 TO SEPTEMBER 30, 2020

1 LEGAL STATUS AND NATURE OF BUSINESS

NBP Islamic income Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on March 16, 2020 between NBP Fund Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee.

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

The Fund has been categorised as an open ended 'Shari'ah compliant income fund' by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs. 10 per unit. Thereafter, the units were being offered for public subscription on a continuous basis from August 14, 2020 and are transferable and redeemable by surrendering them to the Fund.

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

The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of AM1 as at December 24, 2019 to the Management Company.

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

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and

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

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

2.2 In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund’s affairs as at September 30, 2020.

2.3 Standards, interpretations and amendments to the accounting and reporting standards as applicable in Pakistan that are effective in the current period:

There are certain new and amended standards, interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 1, 2020 but are considered not to be relevant or do not have any significant effect on the Fund's operations and therefore, have not been stated in these condensed interim financial statements.

2.4 Standards, interpretations and amendments to the accounting and reporting standards as applicable in Pakistan that are not yet effective

The following amendments to the published accounting and reporting standards would be effective from the dates mentioned below against the respective amendments:

Amendments	Effective date (accounting periods beginning on or after)
- IAS 1 - 'Presentation of financial statements' (amendments)	January 1, 2020
- IAS 8 - 'Accounting policies, change in accounting estimates and errors' (amendments)	January 1, 2020

These amendments may impact the financial statements of the Fund on adoption. The management is currently in the process of assessing the full impact of these amendments on the financial statements of the Fund.

2.4.1 There are certain other standards, interpretations and amendments that are mandatory for the Fund's accounting period beginning on or after July 1, 2020 but are considered not to be relevant or will not have any significant effect on the Fund's operations and are, therefore, not disclosed in these condensed interim financial statements.

2.5 Critical accounting estimates and judgements

The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, income and expenses. It also requires the management to exercise judgment in application of its accounting policies. The estimates, judgments and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The estimates and judgments that have a significant effect on these condensed interim financial statements of the Fund relate to classification, valuation and impairment of financial assets (note 3.2) and taxation (notes 3.14 and 3.15).

2.6 Accounting convention

These condensed interim financial statements have been prepared under the historical cost convention except that investments have been carried at fair values.

2.7 Functional and presentation currency

Items included in these condensed interim financial statements are measured using the currency of the primary economic environment in which the Fund operates. 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

The principal accounting policies applied in the preparation of these condensed interim financial statements are set out below.

3.1 Cash and cash equivalents

These comprise bank balances in savings and current accounts, cheques in hand and other short-term highly liquid investments with original maturities of three months or less.

3.2 **Financial assets**

3.2.1 **Classification and subsequent measurement**

Debt instruments

IFRS 9 has provided a criteria for debt securities whereby these debt securities are either classified as:

- amortised cost
- at fair value through other comprehensive income (FVOCI)
- at fair value through profit or loss (FVTPL) based on the business model of the entity

However, IFRS 9 also provides an option whereby securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, to be recognised at FVTPL. Therefore the management considers its investment in debt securities as being managed as a group of assets and hence has classified them as FVTPL.

3.2.2 **Regular way contracts**

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset. Regular way purchases / sales of assets require delivery of securities within two days from the transaction date as per the stock exchange regulations.

3.2.3 **Initial recognition and measurement**

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried 'at fair value through profit or loss'. Financial assets carried 'at fair value through profit or loss' are initially recognised at fair value and transaction costs are recognised in the income statement.

3.2.4 **Derecognition**

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Any gain or loss on derecognition of financial assets is taken to the income statement.

3.3 **Financial liabilities**

3.3.1 **Classification and subsequent measurement**

Financial liabilities are classified and subsequently measured at amortised cost.

3.3.2 **Derecognition**

Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expired).

3.4 **Offsetting of financial assets and financial liabilities**

Financial assets and financial liabilities are offset and the net amount is reported in the 'statement of assets and liabilities' when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

3.5 **Provisions**

Provisions are recognised when the Fund has a present, legal or constructive, obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

3.6 Net Asset Value per unit

The Net Asset Value (NAV) per unit as disclosed in the statement of assets and liabilities is calculated by dividing the net assets of the Fund by the number of units in circulation at the year / period end.

3.7 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the Management Company / distributors during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and provision of any duties and charges if applicable. The sales load is payable to the Management Company / distributors.

Units redeemed are recorded at the redemption price applicable to units for which the Management Company / distributors receive redemption application during business hours of that day. The redemption price is equal to the NAV as of the close of the business day, less an amount as the Management Company may consider to be an appropriate provision of duties and charges.

3.8 Distributions to unit holders

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the period also includes portion of income already paid on units redeemed during the period.

Distributions declared subsequent to the period end reporting date are considered as non-adjusting events and are recognised in the condensed interim financial statements of the period in which such distributions are declared and approved by the Board of Directors of the Management Company.

3.9 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

Element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Further, the element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders' fund will be refunded on units in the same proportion as dividend bears to accounting income available for distribution. MUFAP, in consultation with the SECP, has specified the methodology of determination of income paid on units redeemed during the period under which such income is paid on gross element received and is calculated from the latest date at which the Fund achieved net profitability during the period.

3.10 Revenue recognition

- Gains / (losses) arising on sale of investments are recorded at the date at which the transaction takes place.

- Unrealised gains / (losses) arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are recorded in the period in which these arise.

- Profit on savings accounts is recognised on an accrual basis.

3.11 Expenses

All expenses including management fee and trustee fee are recognised in the income statement on an accrual basis.

3.12 Preliminary expenses and floatation costs

Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of the operations of the Fund. These costs are being amortised over a period of 5 years in accordance with the requirements set out in the Trust Deed of the Fund.

3.13 Foreign currency translation

Transactions denominated in foreign currencies are accounted for in Pakistan Rupees at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates for monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

3.14 Taxation

The income of the Fund 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 ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders as cash dividend. Furthermore, regulation 63 of the NBFC Regulations, requires the Fund to distribute 90% net accounting income other than capital gains to the unit holders. 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.

3.15 Earnings per unit

Earnings per unit is calculated by dividing the net income of the period before taxation of the Fund by the weighted average number of units outstanding during the period.

		(Un-audited) September 30, 2020 Rupees in '000'
4 BANK BALANCES		
Savings accounts	4.1	634,442

4.1 These include balances of Rs 0.44 million maintained with Bank Islami Pakistan Limited, a related party, that carry profit at the rate of 6% per annum. Other savings accounts carry profit rates ranging from 6.25% to 7.90% per annum.

	Note	(Un-audited) September 30, 2020 Rupees in '000
5 INVESTMENTS		
Commercial paper	5.1	68,545
Sukuk certificate	5.2	102,773
Term Deposits	6.1	120,000
		291,318

5.1 Commercial paper

Name of the security	Issue date	Tenor	Profit rate (%)	Purchased during the period	Matured during the period	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Market value as a percentage of		
									Net assets Fund	Total market value of investments	issue size
				Rupees in '000					%		
K-Electric Limited	Aug 26, 2020	6 months	7.10%	19,000	-	19,000	18,398	18,398	1.97	6.32	0.57
K-Electric Limited	Sep 09, 2020	6 months	7.10%	23,000	-	23,000	22,215	22,216	2.38	7.63	0.69
K-Electric Limited	Sep 24, 2020	6 months	7.10%	29,000	-	29,000	27,931	27,931	2.99	9.59	0.87
				71,000	**-**	**71,000**	**68,544**	**68,545**	**7.34**	**23.54**	

5.2 **Sukuk certificate**

Name of the security	Issue date	Profit rate (%)	Purchased during the period	Matured during the period	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Market value as a percentage of		
								Net assets of the Fund	Total market value of investments	issue size
			Face Value							
			------ Rupees in '000 ------					------ % ------		
Hub Power Co	Aug 19, 2020	14.18%	50,000	-	50,000	51,473	51,500	5.52	17.68	10.30
K-Electric Limi	Aug03, 2020	8.77%	50,000	-	50,000	50,000	51,273	5.50	17.60	16.02
			100,000	**-**	**100,000**	**101,473**	**102,773**	**11.02**	**35.28**	

		Note	(Un-audited) September 30, 2020 Rupees in '000
6	**PROFIT RECEIVABLE**		
	Profit receivable on bank balances		3,017
	Profit receivable on Term deposits	6.1	222
	Profit receivable on investments		4,507
			7,746

6.1 This includes an amount of Rs 0.22 million as profit receivable from Bank Islami Pakistan Limited (a related party).

		Note	(Un-audited) September 30, 2020 Rupees in '000
7	**PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES**		
	Annual listing fee		25
	Security deposit to Central Depository Company of Pakistan Limited		100
			125

		(Un-audited) September 30, 2020 Rupees in '000
8	**PRELIMINARY EXPENSES AND FLOATATION COSTS**	
	Preliminary expenses and floatation costs	777
	Less: amortisation during the period	20
	Closing balance	**757**

8.1 Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of the operations of the Fund and are being amortised over a period of five years commencing from August 13, 2020 as per the requirements set out in the Trust Deed of the Fund.

		Note	(Un-audited) September 30, 2020 Rupees in '000
9	**PAYABLE TO NBP FUND MANAGEMENT LIMITED - MANAGEMENT COMPANY**		
	Remuneration of the Management Company	9.1	307
	Sindh sales tax on remuneration of the Management Company	9.2	40
	Allocated expenses payable	9.3	83
	Selling and marketing expenses payable		584
	Sales load payable to Management Company		240
	Sindh sales tax payable on sales load		31
	Other payable to Management Company		138
			2,200

9.1 During the period, the Management Company has charged its remuneration at the rate of 6% on net income, subject to floor and capping of 0.5% and 1.25% per annum of the average annual net assets. The remuneration is payable to the Management Company monthly in arrears.

9.2 The Provincial Government of Sindh has levied Sindh sales tax at the rate of 13% on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

9.3 The Management Company based on its own discretion has currently fixed a maximum capping of 0.1% per annum of the average annual net assets of the scheme for allocation of such expenses to the Fund.

9.4 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 0.70% per anum of the net assets of the Fund.

		Note	(Un-audited) September 30, 2020 Rupees in '000
10	**PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE**		
	Remuneration payable to the Trustee	10.1	45
	Sindh sales tax payable on Trustee remuneration	10.2	6
			51

10.1 During the period, the Trustee has charged its remuneration at the rate of 0.075% per annum of the average annual net assets.

10.2 Sindh sales tax at the rate of 13 % is charged on Trustee remuneration.

		Note	(Un-audited) September 30, 2020 Rupees in '000
11	**PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**		
	Annual fee payable	11.1	17

11.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP). The Fund has charged the SECP fee at the rate of 0.02% per annum of the average annual net assets during the current period.

		Note	(Un-audited) September 30, 2020 Rupees in '000
12	**ACCRUED EXPENSES AND OTHER LIABILITIES**		
	Provision for Sindh Workers' Welfare Fund	12.1	120
	Auditors' remuneration		69
	Shari'ah advisory fee		10
	Legal fee		12
	Payable against printing charges		8
	Mutual fund rating fee		37
	Annual Listing fee		4
	Settlement charges		2
	Capital Gain Tax Payable		3
	Bank charges payable		3
			268

The Finance Act, 2008 introduced amendments to the Workers' Welfare Fund (WWF) Ordinance, 1971 whereby the definition of industrial establishment was extended. The amendments were challenged at various levels and conflicting judgments were rendered by the Lahore High Court, Sindh High Court and Peshawar High Court. The Honourable Supreme Court of Pakistan vide its judgment dated 10 November 2016, has upheld the view of Lahore High Court and decided that WWF is not a tax and hence the amendments introduced through Finance Act, 2008 are ultra-vires to the Constitution. The Federal Board of Revenue has filed Civil Review Petitions in respect of above judgment with the prayer that the judgment dated November 10, 2016 passed in the Civil Appeal may kindly be reviewed in the interest of justice.

12.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, was required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, MUFAP recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the SWWF Act, 2014 (i.e. starting from May 21, 2015).

Had the provision for SWWF not been recorded in these condensed interim financial statements of the Fund, the net asset value per unit of the Fund as at September 30, 2020 would have been higher by Re. 0.0013 per unit.

13 CONTINGENCIES AND COMMITMENTS

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

14 NET ASSET VALUE PER UNIT

The net asset value (NAV) per unit, as disclosed in the condensed interim statement of assets and liabilities, is calculated by dividing the net assets of the Fund by the number of units in issue at the period end.

15 TAXATION

The Fund's income is exempt from income tax as per clause 99 of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unit holders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2021 to the unit holders in the manner as explained above, no provision for taxation has been made in these consdensed 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.

16 EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed as in the opinion of the management, determination of cumulative weighted average number of outstanding units for calculating EPU is not practicable.

17 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at September 30, 2020 is 1.81% which includes 0.24% representing government levies on the Fund such as sales taxes, federal excise duties, annual fee to the SECP, etc. This ratio is within the maximum limit of 2.5% (as amended by S.R.O 639 dated June 20, 2019) prescribed under the NBFC Regulations for a collective investment scheme categorised as 'Shari'ah compliant income scheme'.

18 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

18.1 Related parties / connected persons include NBP Fund Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan, Baltoro Growth Fund being the sponsors, NAFA Pension Fund and NAFA Provident Fund Trust being the associates of the Management Company, Funds under management of the Management Company, directors and key management personnel of the Management Company and other associated companies. Connected persons also includes any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

18.2 Transactions with related parties / connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to related parties / connected persons. The transactions with related parties / connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with the market rates.

18.3 Remuneration to the Management Company and the Trustee of the Fund is determined in accordance with the Trust Deed and Offering Document.

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

	For the period from August 13, 2020 to September 30, 2020
	Rupees in '000'
NBP Fund Management Limited - Management Company	
Remuneration of NBP Fund Management Limited - Management Company	437
Sindh sales tax on remuneration of the Management Company	57
Allocated expenses	83
Selling and marketing expense	584
Other expenses borne by the Management Company	138
Central Depository Company of Pakistan Limited - Trustee	
Remuneration of Central Depository Company of Pakistan Limited - Trustee	63
Sindh sales tax on remuneration of the Trustee	8
Employees of NBP Fund Management Limited	
Units issued - 227,977	2,296
Units redeemed - 126,441	1,273
Portfolio Managed by Management Company	
Units issued - 19,395,621	193,970
NBP RIBA FREE SAVINGS FUND	
Sukuk Purchased	104,597
Bank Islami Pakistan Limited	
Term deposit	120,000

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

	As at September 30, 2020
	Rupees in '000'
NBP Fund Management Limited - Management Company	
Remuneration of the Management Company	307
Sindh sales tax on remuneration of the Management Company	40
Allocated expenses payable	83
Selling and marketing expenses payable	584
Sales load payable to Management Company	240
Sindh sales tax payable on sales load	31
Preliminary expenses and floatation costs payable	777
Other payable to Management Company	138
Central Depository Company of Pakistan Limited - Trustee	
Remuneration payable to the Trustee	45
Sindh sales tax payable on Trustee remuneration	6
Employees of NBP Fund Management Limited	
Units outstanding - 101,535	1,025

	As at September 30, 2020
	Rupees in '000'
Portfolio Managed by Management Company	
Units outstanding - 19,395,621	195,833
Bank Islami Pakistan Limited	
Bank balances	440
Profit receivable on Term Deposit	222

19 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.

19.1 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 that the entity can access at the measurement date;

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly or indirectly; and

Level 3: unobservable inputs for the asset or liability.

As at September 30, 2020, the Fund held the following financial instruments measured at fair value:

	Unaudited			
	As at September 30, 2020			
	Level 1	Level 2	Level 3	Total
ASSETS	Rupees in '000			
Financial assets 'at fair value through profit or loss' - net				
Commercial papers*	-	68,545	-	68,545
Sukuk certificates*	-	102,773	-	102,773
	-	171,318	-	171,318

* The carrying value of these securities approximate their fair value since these are short term in nature and are placed with counter parties which have high credit ratings.

20 GENERAL

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

21 DATE OF AUTHORISATION FOR ISSUE

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer	Chief Executive Officer	Director

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