



**NBP FUNDS**

*Managing Your Savings*

**AM1**

Rated by PACRA

**NBP MAHANA AMDANI FUND**



**HALF YEARLY REPORT**  
**DECEMBER 31, 2019**

# MISSION STATEMENT

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

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# NBP MAHANA AMDANI FUND (FORMERLY; NAFA SAVINGS PLUS FUND)



## 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 Shakra-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  
Mobilink Micro Finance Bank Limited

## NBP MAHANA AMDANI FUND (FORMERLY; NAFA SAVINGS PLUS FUND)



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 Taraqiyati Bank Limited

### Auditors

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

### Legal Advisor

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

### Head Office:

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

### Lahore Office:

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

### Islamabad Office:

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

### Peshawar Office:

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

### Multan Office:

NBP City Branch, Hussain-e-Gahi, Multan.  
Phone No: 061-4502204  
Fax No: 061-4502203

## DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited is pleased to present the reviewed financial statements of **NBP Mahana Amdani Fund (NMAF)** (NAFA Savings Plus Fund) (NSPF) for the half year ended December 31, 2019.

### Fund's Performance

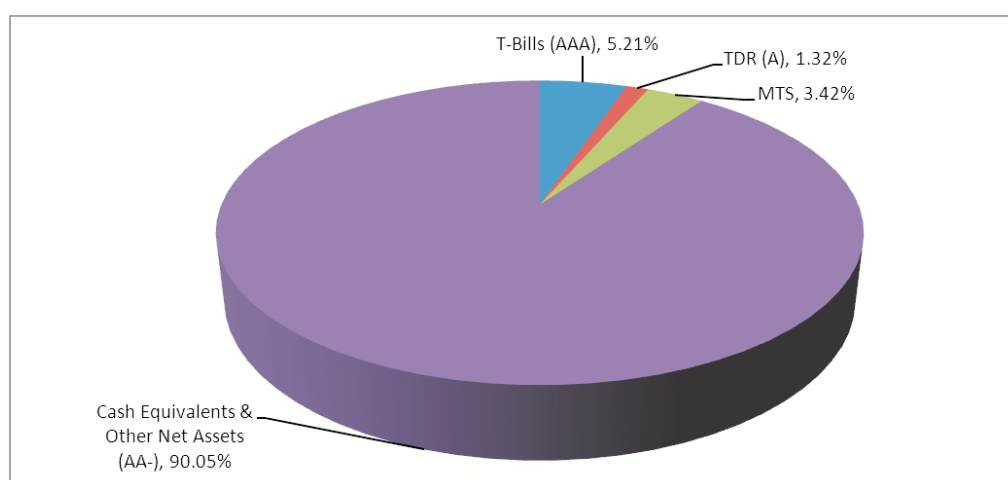
The size of NBP Mahana Amdani Fund has increased from Rs. 545 million to Rs. 2,281 million during the period, an extraordinary growth of 319%. During the period, the unit price of the Fund has increased from Rs. 10.1629 on June 30, 2019 to Rs. 10.8052 on December 31, 2019, thus showing a return of 12.5% p.a. as compared to the benchmark return of 13.7% 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.

The trading in corporate debt securities was subdued with cumulative traded value of around Rs. 4.8 billion versus Rs. 6.3 billion in the same period last year. We have seen a plenty of fresh issuance of corporate bonds, notably from the Power sector for long-term financing. During 1HFY20, the State Bank of Pakistan (SBP) held three bi-monthly Monetary Policy Committee (MPC) meetings. To contain inflationary pressures, the SBP in its Monetary Policy Meeting in July 2019, increased the policy rate by 100bps to 13.25%. In the later two Monetary Policy Statements, the SBP left the Policy Rate unchanged despite uptick in inflation. The SBP held fourteen (14) T-Bill auctions during the period, realizing a total of Rs. 9,934 billion. T-Bills also started reflecting the market's expectation of peaking interest rate cycle and beginning of monetary easing cycle down the road as the cut-off yields in the last auction during the period under review for 3-month, 6-month and 12-month tenures were noted at 13.49%, 13.29%, and 13.13%, respectively.

Six (6) PIB auctions were also held where SBP realized a total of Rs. 1,375 billion. The (last) cut-off yields for 3, 5 and 10 years were 11.75%, 11.19% and 11.00% respectively. Owing to the decreasing interest rate expectations, the sovereign yields witnessed a decline in longer term securities whereas investors' preference remained tilted towards medium-to-short term government securities.

The Fund has earned a total income of Rs. 65.52 million during the period. After deducting total expenses of Rs. 9.22 million, the net income is Rs. 56.30 million. The below chart presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NMAF.



## **NBP MAHANA AMDANI FUND** (FORMERLY; NAFA SAVINGS PLUS FUND)



### **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: **February 27, 2020**  
Place: Karachi.

## ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 31 دسمبر 2019ء کو ختم ہونے والی ششماہی کے لئے NBP ماہانہ آمدنی فنڈ (سابقہ: NAFA سیونگ پلس فنڈ (NSPF)) کے جائزہ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

### فنڈ کی کارکردگی

اس مدت کے دوران NBP ماہانہ آمدنی فنڈ کا سائز 545 ملین روپے سے بڑھ کر 2,281 ملین روپے ہو گیا ہے، یعنی 319% کی غیر معمولی اضافہ۔ اس مدت کے دوران فنڈ کے یونٹ کی قیمت 30 جون 2019 کو 10.1629 روپے سے بڑھ کر 31 دسمبر 2019 کو 10.8052 روپے تک پہنچ چکی ہے، لہذا اسی مدت کے لئے اپنے بیچ مارک منافع 13.7% کے مقابلے میں 12.5% 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 نئی تلی اوسط مدت ایک سال سے زائد نہیں ہو سکتی۔ فنڈ کو MTS میں سرمایہ کاری کی اجازت ہے، تاہم NBP فنڈز کی داخلی ہدایات صرف بنیادی طور پر مستحکم کمپنیوں میں سرمایہ کاری کی اجازت دیتی ہیں۔ یہ یہاں ذکر مناسب ہے کہ اس ایسیٹ کلاس میں فنڈ منافع کی پہلے سے طے شدہ شرح منافع پر فائینانگ فراہم کرتا ہے اور اسٹاک مارکیٹ میں براہ راست سرمایہ کاری نہیں کرتا۔

کارپوریٹ ڈیٹ سیکورٹیز میں تجارت 4.8 بلین ڈالر مجموعی قدر کے ساتھ غالب رہی جو گذشتہ برس اسی مدت میں 6.3 بلین روپے تھی۔ ہم نے طویل مدتی سرمایہ کاری کے لئے خصوصاً آٹونائی کے شعبہ سے نئے کارپوریٹ بانڈز کے اجراء کا رجحان دیکھا ہے۔ مالی سال 2020 کی پہلی ششماہی میں اسٹیٹ بینک آف پاکستان نے تین دو ماہی معاشی پالیسی کمیٹی (MPC) کے اجلاس طلب کئے۔ افراط زر کو تباہ کرنے کے لئے SBP نے جولائی 2019ء میں منعقدہ مانیٹری پالیسی کے اجلاس میں پالیسی ریٹ کو 100bps کے اضافہ کے ساتھ 13.25 فی صد تک بڑھا دیا۔ دیگر دو مانیٹری پالیسی بیانات میں افراط زر میں اضافہ کے باوجود SBP نے پالیسی ریٹ کو مستحکم رکھا۔ اس مدت کے دوران SBP نے T-bills کی چودہ (14) نیلامیاں منعقد کیں جس میں 9,934 ملین روپے کی وصولی کی۔ T-bills کی وجہ سے شرح سود میں اضافہ کی منڈی کی توقعات پر اثر پڑا اور زیر جائزہ سہ ماہی، ششماہی اور سالانہ مدتوں کے دوران آخری نیلامی میں کٹ آف Yield بالترتیب 13.49 فی صد، 13.29 فی صد اور 13.13 فی صد رہی۔

PIB کی چھ (6) نیلامیوں کا بھی اہتمام کیا گیا جہاں SBP نے 1,375 ملین روپے حاصل کئے۔ 3، 5 اور 10 سالوں کے لئے (آخری) کٹ آف بییلڈ بالترتیب 11.75 فی صد، 11.19 فی صد اور 11.00 فی صد تھی۔ شرح سود میں کمی کی توقعات کے پیش نظر طویل مدتی سیکورٹیز میں غیر ملکی بییلڈز میں کمی دیکھی گئی۔ جب کہ سرمایہ کاروں کی ترجیح اوسط یا قلیل مدتی حکومتی سیکورٹیز میں رہی۔

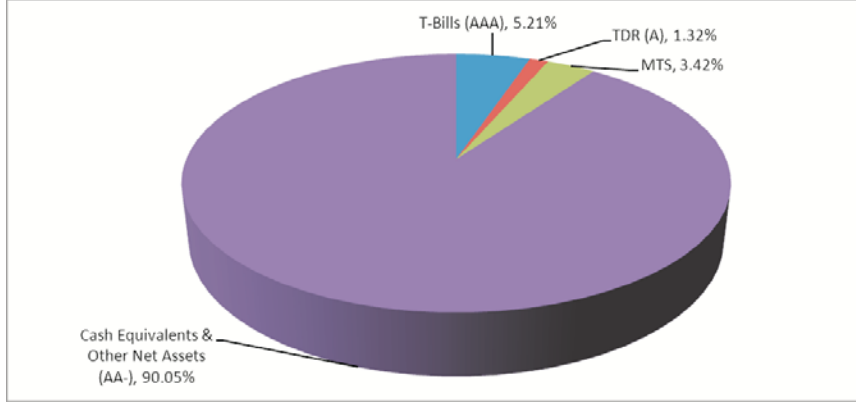
فنڈ کو اس مدت کے دوران 65.52 ملین روپے کی مجموعی آمدنی ہوئی۔ 9.22 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 56.30 ملین روپے ہے۔ درج ذیل چارٹ NMAF کی ایسٹ ایلوکیشن اور اس کے ذیلی اثاثوں کے تمام درجوں کی پیمائش شدہ اوسط کریڈٹ ریٹنگ پیش کرتا ہے:



## NBP MAHANA AMDANI FUND (FORMERLY; NAFA SAVINGS PLUS FUND)



**NBP FUNDS**  
Managing Your Savings



### اظہار تشکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے پیجمنٹ 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** منڈی منجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو

تاریخ: 27 فروری 2020ء

مقام: کراچی

## TRUSTEE REPORT TO THE UNIT HOLDERS

### Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of NBP Mahana Amdani Fund [formerly NAFA Savings Plus Fund] (the Fund) are of the opinion that NBP Fund Management Limited being the Management Company of the Fund has in all material respects managed the Fund for the period ended December 31, 2019 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

**Badiuddin Akber**  
Chief Executive Officer  
Central Depository Company of Pakistan Limited

Karachi, February 26, 2020

## INDEPENDENT AUDITORS' REVIEW REPORT TO THE UNIT HOLDERS

### Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **NBP Mahana Amdani Fund** (Formerly NAFA Savings Plus Fund) (the Fund) as at December 31, 2019 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'), for the half year then ended. The Management Company (NBP Fund Management Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement and condensed interim statement of comprehensive income for the quarter ended December 31, 2019 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2019.

### Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

### Other matter

The condensed interim financial statements of the Fund for the half year ended December 31, 2018 was reviewed and the financial statements of the Fund for the year ended June 30, 2019 were audited by another firm of Chartered Accountants who had expressed an unmodified conclusion and opinion thereon vide their reports dated February 25, 2019 and September 27, 2019 respectively.

**A.F. Ferguson & Co.**  
Chartered Accountants

Engagement Partner: **Noman Abbas Sheikh**  
Dated: February 27, 2020  
Karachi

**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
AS AT DECEMBER 31, 2019

		(Un-audited) December 31, 2019	(Audited) June 30, 2019
	Note	----- Rupees in '000 -----	
<b>ASSETS</b>			
Bank balances	4	2,003,108	465,647
Investments	5	246,076	89,710
Receivable against Margin Trading System	6	78,073	19
Profit receivables		24,569	5,628
Deposits, prepayments and other receivables		364	590
Receivable against transfer of units		160	973
<b>Total assets</b>		<u>2,352,350</u>	<u>562,567</u>
<b>LIABILITIES</b>			
Payable to NBP Fund Management Limited - Management Company	7	14,828	12,819
Payable to Central Depository Company of Pakistan Limited - Trustee	8	176	86
Payable to the Securities and Exchange Commission of Pakistan	9	91	327
Payable against redemption of units		51,017	-
Accrued expenses and other liabilities	10	5,390	4,303
<b>Total liabilities</b>		<u>71,502</u>	<u>17,535</u>
<b>NET ASSETS</b>		<u>2,280,848</u>	<u>545,032</u>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<u>2,280,848</u>	<u>545,032</u>
<b>CONTINGENCIES AND COMMITMENTS</b>	11	----- (Number of units) -----	
<b>NUMBER OF UNITS IN ISSUE</b>		<u>211,087,906</u>	<u>53,629,608</u>
		----- (Rupees) -----	
<b>NET ASSET VALUE PER UNIT</b>	12	<u>10.8052</u>	<u>10.1629</u>

The annexed notes 1 to 19 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 HALF YEAR ENDED DECEMBER 31, 2019

	Note	Half year ended December 31,		Quarter ended December 31,	
		2019	2018	2019	2018
(Rupees in 000)					
<b>INCOME</b>					
Income on government securities		1,496	1,081	1,479	594
Income on commercial paper		4,672	-	3,603	-
Income on term deposit receipts		4,724	2,059	2,941	1,112
Profit on bank deposits		52,790	13,509	34,887	6,808
Income from Margin Trading System		1,820	4,213	1,820	2,240
Gain / (loss) on sale of investments - net		1	(29)	(1)	(13)
Net unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss	5.4	14	-	14	6
<b>Total income</b>		<b>65,517</b>	<b>20,833</b>	<b>44,743</b>	<b>10,747</b>
<b>EXPENSES</b>					
Remuneration of NBP Fund Management Limited - Management Company	7.1	2,495	1,480	1,332	642
Sindh sales tax on remuneration of Management Company		324	192	173	83
Remuneration of Central Depository Company of Pakistan Limited - Trustee		343	378	235	175
Sindh sales tax on remuneration of the Trustee		45	49	31	23
Annual fee of the Securities and Exchange Commission of Pakistan		91	167	62	77
Allocated expenses	7.3	457	223	313	103
Selling and marketing expenses	7.4	3,149	516	2,189	412
Settlement and bank charges		191	630	96	287
Annual listing fee		14	14	7	7
Auditors' remuneration		358	347	201	247
Legal charges		51	18	42	9
Mutual fund rating fee		240	218	120	109
NCCPL fee		125	125	125	125
Printing and other charges		188	17	66	-
<b>Total operating expenses</b>		<b>8,071</b>	<b>4,374</b>	<b>4,992</b>	<b>2,299</b>
<b>Net income from operating activities</b>		<b>57,446</b>	<b>16,459</b>	<b>39,751</b>	<b>8,448</b>
Provision against Sindh Workers' Welfare Fund	10.1	(1,149)	(329)	(795)	(169)
<b>Net income for the period before taxation</b>		<b>56,297</b>	<b>16,130</b>	<b>38,956</b>	<b>8,279</b>
Taxation	13	-	-	-	-
<b>Net income for the period after taxation</b>		<b>56,297</b>	<b>16,130</b>	<b>38,956</b>	<b>8,279</b>
<b>Earnings per unit</b>	14				
<b>Allocation of net income for the period:</b>					
Net income for the period after taxation		56,297	16,130		
Income already paid on units redeemed		(7,142)	(764)		
		<b>49,155</b>	<b>15,366</b>		
<b>Accounting income available for distribution:</b>					
- Relating to capital gains		-	-		
- Excluding capital gains		49,155	15,366		
		<b>49,155</b>	<b>15,366</b>		

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
FOR THE HALF YEAR ENDED DECEMBER 31, 2019

	Half year ended December 31,		Quarter ended, December 31,	
	2019	2018	2019	2018
	----- (Rupees in 000) -----			
<b>Net income for the period after taxation</b>	<b>56,297</b>	16,130	<b>38,956</b>	8,279
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>56,297</b>	16,130	<b>38,956</b>	8,279

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited  
(Management Company)

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

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

\_\_\_\_\_  
Director

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED)**  
FOR THE HALF YEAR ENDED DECEMBER 31, 2019

	Half year ended December 31, 2019			Half year ended December 31, 2018		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
----- (Rupees in 000) -----						
Net assets at the beginning of the period (audited)	534,778	10,254	545,032	466,867	28,902	495,769
Issuance of 213,601,442 units (December 31, 2018: 16,401,204 units)						
- Capital value	2,170,811	-	2,170,811	166,344	-	166,344
- Element of income	100,644	-	100,644	483	-	483
Total proceeds on issuance of units	2,271,455	-	2,271,455	166,827	-	166,827
Redemption of 56,143,144 units (December 31, 2018: 21,845,580 units)						
- Capital value	(570,577)	-	(570,577)	(221,560)	-	(221,560)
- Element of loss	(14,217)	(7,142)	(21,359)	(11)	(764)	(775)
Total payments on redemption of units	(584,794)	(7,142)	(591,936)	(221,571)	(764)	(222,335)
Total comprehensive income for the period	-	56,297	56,297	-	16,130	16,130
Final cash distribution:						
For the period ended December 31, 2019: Nil	-	-	-	(5,878)	(19,708)	(25,586)
(2018: at the rate of 5.52% declared on 4 July 2018)						
Interim cash distribution:						
- Nil (1.07% date of declaration: August 29, 2018)	-	-	-	(218)	(4,644)	(4,862)
- Nil (0.56% date of declaration: September 28, 2018)	-	-	-	(74)	(2,371)	(2,445)
- Nil (0.65% date of declaration: October 29, 2018)	-	-	-	(26)	(2,617)	(2,643)
- Nil (0.63% date of declaration: November 28, 2018)	-	-	-	(39)	(2,427)	(2,466)
- Nil (0.73% date of declaration: December 28, 2018)	-	-	-	(115)	(2,860)	(2,975)
	-	-	-	(472)	(14,919)	(15,391)
<b>Net assets at the end of the period (un-audited)</b>	<b>2,221,439</b>	<b>59,409</b>	<b>2,280,848</b>	<b>405,773</b>	<b>9,641</b>	<b>415,414</b>
Undistributed income brought forward						
- Realised income		10,261			28,904	
- Unrealised loss		(7)			(2)	
		10,254			28,902	
Accounting income available for distribution:						
- Relating to capital gains		-			-	
- Excluding capital gains		49,155			15,366	
		49,155			15,366	
Final cash distribution for the year ended June 30, 2018		-			(19,708)	
Interim cash distribution for the period ended December 31, 2018		-			(14,919)	
Undistributed income carried forward		59,409			9,641	
Undistributed income carried forward						
- Realised income		59,395			9,641	
- Unrealised income		14			-	
		59,409			9,641	
				(Rupees)		(Rupees)
Net asset value per unit at the beginning of the period					10.1629	
Net asset value per unit at the end of the period					10.8052	

The annexed notes 1 to 19 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 HALF YEAR ENDED DECEMBER 31, 2019

	Half year ended	
	December 31,	
	2019	2018
	----- Rupees in '000 -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	56,297	16,130
<b>Adjustments:</b>		
Profit on bank balances	(52,790)	(13,509)
Income on term deposit receipts	(4,724)	(2,059)
Income from Margin Trading System	(1,820)	(4,213)
Net unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss	(14)	-
Loss on sale of investments - net	(1)	29
	<u>(3,052)</u>	<u>(3,622)</u>
<b>(Increase) / decrease in assets</b>		
Investments - net	(156,352)	45,676
Receivable against Margin Trading System	(78,054)	(13,688)
Receivable against transfer of units	813	-
Deposits, prepayments and other receivables	226	(14)
	<u>(233,367)</u>	<u>31,974</u>
<b>Increase / (decrease) in liabilities</b>		
Payable to NBP Fund Management Limited - Management Company	2,009	384
Payable to Central Depository Company of Pakistan Limited - Trustee	90	(13)
Payable to the Securities and Exchange Commission of Pakistan	(236)	(189)
Payable against redemption of units	51,017	-
Accrued expenses and other liabilities	1,087	343
	<u>53,967</u>	<u>525</u>
Profit received on term deposit receipts	3,886	2,249
Profit received on bank balances	35,487	11,647
Profit received on Margin Trading System	1,021	4,113
	<u>(142,058)</u>	<u>46,886</u>
<b>Net cash flows (used in) / generated from operating activities</b>		
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Amount received against issuance of units	2,271,455	160,477
Amount paid against redemption of units	(591,936)	(222,138)
Distributions paid	-	(34,627)
<b>Net cash flows generated from / (used in) financing activities</b>	<u>1,679,519</u>	<u>(96,288)</u>
<b>Net increase / (decrease) in cash and cash equivalents during the period</b>	<u>1,537,461</u>	<u>(49,402)</u>
Cash and cash equivalents at the beginning of the period	465,647	350,506
<b>Cash and cash equivalents at the end of the period</b>	<u><u>2,003,108</u></u>	<u><u>301,104</u></u>

The annexed notes 1 to 19 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 HALF YEAR ENDED DECEMBER 31, 2019**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1** NBP Mahana Amdani Fund (Formerly NAFA 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.
- 1.2** 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).
- 1.3** The Fund has been categorised as an open ended 'income scheme scheme' by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009.
- 1.4** The objective of the Fund is to provide an open-end income scheme, seeking to minimize risk, preserve capital and generate a reasonable return along with a high degree of liquidity from a portfolio primarily constituted of bank deposits and money market instruments.
- 1.5** The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of AM1 as at December 24, 2019 to the Management Company and rated AA-(f) with stable outlook as at October 18, 2019 to the Fund.
- 1.6** 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** The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of IAS 34. 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, 2019.

**2.3** 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 December 31, 2019.

**3 SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ESTIMATES, JUDGEMENTS AND CHANGES THEREIN**

**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, 2019.

**3.2** The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing these condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied in the audited annual financial statements as at and for the year ended June 30, 2019. The Fund's financial risk management objectives and policies are consistent with those disclosed in the audited annual financial statements as at and for the year ended June 30, 2019.

**3.3 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, 2019 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.

**3.4 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:

<b>Amendments</b>	<b>Effective date (accounting periods beginning on or after)</b>
- 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.

**3.4.1** 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.

	Note	(Un-audited) December 31, 2019	(Audited) June 30, 2019
<b>4 BANK BALANCES</b>		----- Rupees in '000 -----	
In current accounts	4.1	3,775	2,118
In savings accounts	4.2	1,999,333	463,529
		<u>2,003,108</u>	<u>465,647</u>

**4.1** These include balances of Rs 1.75 million (June 30, 2019: Rs 1.75 million) maintained with National Bank of Pakistan (a related party).

**4.2** These include balances amounting to Rs 0.436 million and Rs 3.59 million (June 30, 2019: Rs 0.323 million, Rs 3.59 million) maintained with BankIslami Pakistan Limited and National Bank of Pakistan (related parties) respectively, that carry profit at the rates ranging from 13% to 13.5% and 6% to 6.6% (June 30, 2019: 13.5% and 7% and 11%) per annum. Other savings accounts of the Fund carry profits at the rates ranging from 11.1% to 15.5% (June 30, 2019: 7.3% to 14%) per annum.

	Note	(Un-audited) December 31, 2019	(Audited) June 30, 2019
<b>5 INVESTMENTS</b>		----- Rupees in '000 -----	
<b>Financial assets 'at fair value through profit or loss'</b>			
Government securities - Market Treasury Bills	5.1	118,837	4,947
Term deposit receipt	5.2	30,000	50,000
Commercial papers	5.3	97,239	34,763
		<u>246,076</u>	<u>89,710</u>

**5.1 Government securities - Market Treasury Bills**

Issue date	Tenor	Face value				Market value as at December 31, 2019	Market value as a percentage of	
		As at 01 July 2019	Purchases during the period	Sales/matured during the period	As at December 31, 2019		net assets	total investments
----- (Rupees in '000) -----								
May 9, 2019	3 months	5,000	-	(5,000)	-	-	-	-
July 18, 2019	6 months	-	35,000	-	35,000	34,808	1.53%	14.15%
October 24, 2019	12 months	-	93,000	-	93,000	84,029	3.68%	34.15%
<b>Total</b>		<u>5,000</u>	<u>128,000</u>	<u>(5,000)</u>	<u>128,000</u>	<u>118,837</u>		

Carrying value as at December 31, 2019

118,823

Market value as at June 30, 2019

4,947

Carrying value as at June 30, 2019

4,954

**5.1.1** Investments include Market Treasury Bills with market value of Rs 118.837 million (June 30, 2019: Rs 4.947 million) which have been pledged with National Clearing Company of Pakistan Limited as collateral against margin.

**5.2 Term Deposit Receipt**

This is maintained with Mobilink Microfinance Bank Limited carrying profit at the rate of 15.6% (June 30, 2019: 13.2%) per annum, with maturity on October 21, 2020.

**5.3 Commercial Papers**

Issue date	Company	Yield (%)	Maturity date	Carrying value / Market value as at December 31, 2019	Commercial paper as a percentage of total investments	Commercial paper as a percentage of net assets
				(Rupees in '000)	Percentage	
August 28, 2019	K-Electric Limited	13.19	February 28, 2020	48,886	19.87%	2.14%
September 28, 2019	Hub Power Company Limited	13.24	March 24, 2020	48,373	19.66%	2.12%
<b>Total - December 31, 2019</b>				<u>97,259</u>		
<b>Total - June 30, 2019</b>				<u>34,763</u>		

**5.4 Net unrealised appreciation / (diminution) on re-measurement of investments classified as financial assets at fair value through profit or loss**

	Note	(Un-audited) December 31, 2019	(Audited) June 30, 2019
		----- Rupees in '000 -----	
Market value of investments	5.1	246,076	89,710
Less: carrying cost of investments	5.1	<u>(246,062)</u>	<u>(89,717)</u>
		<u>14</u>	<u>(7)</u>

**6 RECEIVABLE AGAINST MARGIN TRADING SYSTEM**

This carries average profit rate of 15.86% (June 30, 2019: Nil) per annum and are matured at the option of financee, subject to maximum period of 60 days.

**7 PAYABLE TO NBP FUND MANAGEMENT LIMITED - MANAGEMENT COMPANY**

	Note	(Un-audited) December 31, 2019	(Audited) June 30, 2019
		----- Rupees in '000 -----	
Remuneration payable to the Management Company	7.1	488	357
Sindh sales tax on remuneration of the Management Company		63	46
Federal excise duty on remuneration of the Management Company	7.2	10,620	10,620
Federal excise duty on sales load	7.2	292	292
Allocated expenses payable	7.3	313	213
Selling and marketing expenses payable	7.4	2,190	853
Sales and transfer load payable		508	133
Sindh sales tax on sales load		66	17
Others		<u>288</u>	<u>288</u>
		<u>14,828</u>	<u>12,819</u>

**7.1** The Management Company has charged its remuneration at the rate of 7% on net income, subject to floor and capping of 0.5% and 1.5% per annum of the average annual net assets from July 1, 2019 to July 11, 2019, at the rate of 6% on net income, subject to floor and capping of 0.5% and 1.5% per annum of the average annual net assets from July 12, 2019 to November 26, 2019, at the rate of 3% on net income, subject to floor and capping of 0.4% and 1% per annum of the average annual net assets from November 27, 2019 to December 12, 2019 and at the rate of 1% on net income, subject to floor and capping of 0.15% and 1% per annum of the average annual net assets from December 13, 2019 to December 31, 2019 (June 30, 2019: at the rate of 10% of net income subject to floor and capping of 0.5% and 1.5% per annum of the average annual net assets till September 9, 2018 and at the rate of 7% of net income subject to floor and capping of 0.5% and 1.5% per annum of the average annual net assets). The remuneration is payable to the Management Company monthly in arrears.

- 7.2** The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration and sale load were already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Honourable High Court of Sindh (HCS) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from July 1, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

During the year ended June 30, 2017, HCS passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Honourable Supreme Court of Pakistan (HSC) which is pending adjudication.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED made for the period till June 30, 2016 amounting to Rs 10.912 million (June 30, 2019: Rs 10.912 million) is being retained in these condensed interim financial statements of the Fund as the matter is pending before the HSC. Had the provision for FED not been made, the net asset value per unit of the Fund as at December 31, 2019 would have been higher by Re 0.0517 (June 30, 2019: Re 0.2035) per unit.

- 7.3** In accordance with Regulation 60 of the NBFC Regulations, an asset management company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

Until June 19, 2019 there was a maximum cap of 0.1% per annum of the average annual net assets of the scheme or actual whichever is less, for allocation of such expenses to the Fund. However, the SECP vide its SRO 639 dated June 20, 2019 has removed the maximum cap of 0.1%.

Accordingly, 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.

- 7.4** The SECP had allowed an asset management company to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) initially for a period of three years (i.e. from January 1, 2017 till December 31, 2019). The maximum cap of selling and marketing expense was 0.4% per annum of the average annual net assets of the Fund or actual expenses whichever is lower.

During the period, the SECP through its circular 11 dated July 5, 2019 has revised the conditions for charging of selling and marketing expenses to a Fund. As per the revised guidelines, the maximum cap of 0.4% has been removed and now an asset management company is required to set a maximum limit for charging of such expenses to the Fund and the same should be approved by the Board of Directors of the management company as part of an annual plan. Furthermore, the time limit of three years has also been removed in the revised conditions.

Accordingly, the Management Company based on its own discretion has charged selling and marketing expenses at the rate of 0.4% per annum of the average annual net assets from July 1, 2019 to July 11, 2019 and at the rate of 0.7% per annum of the average annual net assets from July 12, 2019 to December 31, 2019 (June 30, 2019: 0.4% per annum of the average annual net assets). This has been duly approved by the Board of Directors of the Management Company.

# NBP MAHANA AMDANI FUND (FORMERLY; NAFA SAVINGS PLUS FUND)



	Note	(Un-audited) December 31, 2019	(Audited) June 30, 2019
----- Rupees in '000 -----			
<b>8</b>	<b>PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE</b>		
	Remuneration payable to the Trustee	147	71
	Sindh sales tax payable on Trustee remuneration	19	9
	Settlement charges payable	10	6
		<u>176</u>	<u>86</u>

**8.1** During the period, the Fund has charged Trustee remuneration at the rate of 0.075% per annum of the average annual net assets (June 30, 2019: on net assets upto Rs 1,000 million at the rate of 0.17% per annum of net assets, on net assets from Rs 1,000 million to Rs 5,000 million at the rate of Rs 1.7 million plus 0.085% per annum of net assets exceeding Rs 1,000 million and on net assets exceeding Rs 5,000 million at the rate of Rs 5.1 million plus 0.07% per annum of net assets exceeding Rs 5,000 million).

	Note	(Un-audited) December 31, 2019	(Audited) June 30, 2019
----- Rupees in '000 -----			
<b>9</b>	<b>PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN</b>		
	Annual fee payable	91	327

**9.1** 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).

Effective from July 1, 2019, the SECP vide SRO No. 685(I)/2019 dated June 28, 2019, revised the rate of annual fee (applicable to all categories of CISs) to 0.02% per annum of the average annual net assets of the Fund. Previously, the rate of annual fee applicable to income funds was 0.075% per annum of the average annual net assets. Accordingly, the Fund has charged SECP fee at the rate of 0.02% per annum of the average annual net assets during the current period.

	Note	(Un-audited) December 31, 2019	(Audited) June 30, 2019
----- Rupees in '000 -----			
<b>10</b>	<b>ACCRUED EXPENSES AND OTHER LIABILITIES</b>		
	Provision against Sindh Workers' Welfare Fund	3,282	2,133
	Auditors' remuneration	358	484
	Printing charges payable	36	38
	Bank charges payable	32	18
	Withholding tax	75	543
	Capital gains tax	515	48
	Legal fee	30	-
	Laga and levy charges payable	57	34
	Others	<u>1,005</u>	<u>1,005</u>
		<u>5,390</u>	<u>4,303</u>

**10.1** 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 December 31, 2019 would have been higher by Re. 0.0155 (June 30, 2019: Re 0.0398) per unit.

#### **11 CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments as at December 31, 2019 and June 30, 2019.

#### **12 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 / year end.

#### **13 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. Since the Management Company intends to distribute the income earned by the Fund during the year to the unit holders in the manner as explained above, accordingly no provision for taxation has been made in these condensed interim financial statements.

#### **14 EARNINGS PER UNIT**

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

#### **15 TOTAL EXPENSE RATIO**

The Total Expense Ratio (TER) of the Fund for the period ended December 31, 2019 is 2% which includes 0.35% representing government levies on the Fund such as 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.

#### **16 TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS**

- 16.1** 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.
- 16.2** 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.
- 16.3** Remuneration to the Management Company and the Trustee of the Fund is determined in accordance with the Trust Deed and Offering Document.
- 16.4** Details of the transactions with related parties / connected persons during the period are as follows:

# NBP MAHANA AMDANI FUND (FORMERLY; NAFA SAVINGS PLUS FUND)



	(Un-audited)	
	Half year ended	
	December 31,	
	2019	2018
	----- Rupees in '000 -----	
<b>NBP Fund Management Limited - Management Company</b>		
Remuneration of NBP Fund Management Limited - Management Company	2,495	1,480
Sindh sales tax on remuneration of Management Company	324	192
Sales load	1,003	86
Allocated expenses	457	223
Selling and marketing expenses	3,149	516
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration of Central Depository Company of Pakistan Limited - Trustee	343	378
Sindh sales tax on remuneration of the Trustee	45	49
Settlement charges	8	106
<b>Employees of the Management Company</b>		
Units issued during the period - 51,320 (2018: 132,632 units)	535	1,121
Units redeemed during the period - 42,074 (2018: 582,650 units)	499	5,940
<b>NBP Endowment Fund Student Loan Scheme</b>		
Units issued during the period - Nil (2018: 83 units)	-	1
Units redeemed during the period - 15,958 (2018: Nil units)	166	-
<b>Dr Amjad Waheed - Chief Executive of the Management Company</b>		
Units issued during the period - 83,842 (2018: Nil)	900	-
<b>Abdul Rasheed Jan Mohammad - unit holder with more than 10% holding</b>		
Units issued during the period - 40,120,757 (2018: Nil)	428,478	-
<b>Bulk Management Pak Private Limited - unit holder with more than 10% holding*</b>		
Units issued during the period - 63,396,084 (2018: Nil)	50,000	-
Units redeemed during the period - 4,627,402 (2018: Nil)	677,051	-
<b>Fauji Fertilizer Company Limited</b>		
Units issued during the period - 11,665,899 (2018: Nil)	120,000	-
Units redeemed during the period - 11,665,899 (2018: Nil)	120,079	-
<b>NBP Government Securities Saving Fund</b>		
Purchases of Market Treasury Bills	82,978	-
<b>Hub Power Company Limited</b>		
Purchases of Commercial Paper	46,471	-
<b>BankIslami Pakistan Limited</b>		
Profit on bank balances	198	-
<b>National Bank of Pakistan</b>		
Profit on bank balances	55	-
<b>National Clearing Company of Pakistan Limited</b>		
NCCPL fee	125	125
Laga and levy	121	432
<b>Pakistan Stock Exchange Limited*</b>		
Listing fee paid	25	-
<b>Askari Bank Limited **</b>		
Profit on bank balances	-	30



## NBP MAHANA AMDANI FUND (FORMERLY; NAFA SAVINGS PLUS FUND)



### 16.5 Amounts outstanding as at period / year end are as follows

	(Unaudited) December 31, 2019	(Audited) June 30, 2019
	----- Rupees in '000 -----	
<b>NBP Fund Management Limited - Management Company</b>		
Remuneration payable to the Management Company	488	357
Sindh sales tax on remuneration of the Management Company	63	46
Federal excise duty on remuneration of the Management Company	10,620	10,620
Federal excise duty on sales load	292	292
Allocated expenses payable	313	213
Selling and marketing expenses payable	2,190	853
Sales and transfer load payable	508	133
Sindh sales tax on sales load	66	17
Others	288	288
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration payable to the Trustee	147	71
Sindh sales tax payable on Trustee remuneration	19	9
Security deposit	100	100
Settlement charges payable	10	6
<b>National Bank of Pakistan</b>		
Current account	1,751	1,751
Savings account	3,590	3,592
Profit receivable on bank balances	10	50
<b>NBP Endowment Fund Student Loan Scheme</b>		
Units held: 100 units (June 30, 2019: 16,058 units)	1	163
<b>Employees of the Management Company</b>		
Units held: 25,191 units (June 30, 2019: 15,945 units)	272	162
<b>Summit Bank Limited **</b>		
Bank balances	-	748
<b>Askari Bank Limited **</b>		
Bank balances	-	93
Profit receivable	-	34
<b>BankIslami Pakistan Limited</b>		
Bank balances	436	323
Profit receivable	-	12
<b>Syed Muhammad Asif Ali **</b>		
Units held: Nil units (June 30, 2019: 6,476,677 units)	-	65,822

	(Un-audited) December 31, 2019	(Audited) June 30, 2019
	----- Rupees in '000 -----	
<b>Dr Amjad Waheed - Chief Executive of the Management Company</b>		
Units held: 83,842 units (June 30, 2019: Nil units)	906	-
<b>Abdul Rasheed Jan Mohammad - unit holder with more than 10% holding</b>		
Units held: 40,120,757 units (June 30, 2019: Nil units)	433,513	-
<b>National Clearing Company of Pakistan Limited</b>		
Security Deposit	250	250
Laga and levy payable	57	34
<b>Bulk Management Pak Private Limited - unit holder with more than 10% holding*</b>		
Units held: 58,768,683 units (June 30, 2019: Nil units)	635,007	-

\* Prior period figure has not been presented as the person is not classified as a related party / connected person of the Fund as at June 30, 2019.

\*\* Current period figure has not been presented as the person is not classified as a related party / connected person of the Fund as at December 31, 2019.

## 17 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.

### 17.1 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 December 31, 2019 and June 30, 2019, the Fund held the following financial instruments measured at fair value:

# NBP MAHANA AMDANI FUND (FORMERLY; NAFA SAVINGS PLUS FUND)



----- Un-audited -----				
----- As at December 31, 2019 -----				
	Level 1	Level 2	Level 3	Total
<b>ASSETS</b>				
<b>Financial assets - at fair value through profit or loss</b>				
Government securities - Market Treasury Bills	-	118,837	-	118,837
Term deposit receipt*	-	30,000	-	30,000
Commercial papers*	-	97,239	-	97,239
	-	246,076	-	246,076

----- Audited -----				
----- As at June 30, 2019 -----				
	Level 1	Level 2	Level 3	Total
<b>ASSETS</b>				
<b>Financial assets 'at fair value through profit or loss' - net</b>				
Government securities - Market Treasury Bills	-	4,947	-	4,947
Term deposit receipt*	-	50,000	-	50,000
Commercial papers*	-	34,763	-	34,763
	-	89,710	-	89,710

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

## 18 GENERAL

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

18.2 No significant rearrangements or reclassifications have been made in these condensed interim financial statements during the current period.

## 19 DATE OF AUTHORISATION FOR ISSUE

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

For NBP Fund Management Limited  
(Management Company)

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

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

\_\_\_\_\_  
Director

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