



# NBP FUNDS

*Managing Your Savings*

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## NBP SARMAYA IZAFI FUND



QUARTERLY REPORT  
**MARCH 31, 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.**

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**FUND'S INFORMATION**

**Management Company**

**NBP Fund Management Limited - Management Company**

**Board of Directors of Management Company**

Shaikh Muhammad Abdul Wahid Sethi	Chairman
Dr. Amjad Waheed	Chief Executive Officer
Mr. 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 Shahr-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  
National Bank of Pakistan  
Zarai Taraqiati Bank Limited  
MCB Islamic Bank Limited  
Faysal Bank Limited  
Soneri Bank Limited  
Dubai Islamic Bank Limited  
Telenor Microfinance Bank Limited  
Bank Islami Pakistan Limited  
U Microfinance Bank Limited  
The Bank of Punjab

**Auditors**

Deloitte Yousuf Adil  
Chartered Accountants  
Cavish Court,  
A-35, Block 7 & 8,  
KCHSU, Sharae Faisal  
Karachi-75350 Pakistan.

**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

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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 unaudited financial statements of NBP Sarmaya Izafa Fund (NSIF) (Formerly: NAFA Asset Allocation Fund (NAAF) for the half year ended March 31, 2020.

### Fund's Performance

The size of NBP Sarmaya Izafa Fund (Formerly: NAFA Asset Allocation Fund) has decreased from Rs. 1,769 million to Rs.1,118 million during the period, i.e. a decrease of 37%. During the period, the unit price (NAV) of NBP Sarmaya Izafa Fund has decreased from Rs. 14.4623 on June 30, 2019 to Rs. 14.0887 on March 31, 2020, thus showing a decrease of 2.6%. The Benchmark increase during the same period was 0.5%. Thus, the Fund has underperformed its Benchmark by 3.1% during the period under review. Since inception the NAV of the Fund has increased from Rs. 4.7573 (Ex-Div) on August 20, 2010 to Rs. 14.0887 on March 31, 2020, thus showing an increase of 196.2%. During the said period, the Benchmark increased by 104.8%, translating into outperformance of 91.4%. This performance is net of management fee and all other expenses.

During 9MFY20, amid heightened volatility, the stock market depicted dismal performance as reflected by a large 13.8% decline in the benchmark KSE-100 Index. The market started the year on a faltering note initially on account of concerns on the economic front and later on due to deteriorating Pakistan-India relations over the repeal of article 370 in the Indian-occupied Kashmir. Resultantly, panic selling sent the Index to a multi-year low level of 28,765 points on August 16th that opened-up valuation gap in the broader part of the market. However, as the threat of armed conflict between India and Pakistan subsided, attractive valuations and mitigation of risks on the balance of payment position with signing of USD 6 billion Extended Funds facility (EFF) and substantial financial support from the friends of Pakistan triggered value buying in the market. The market sentiment was further uplifted by significant improvement in external account position. The current account balance for the first time in 42 months turned into surplus in Oct-19 and the monthly CAD averaged USD 366 million during July'19 to Feb'20 period, down massively by 70% on a year-on-year basis. Capital flows from the multilateral agencies and portfolio inflows in the government securities also rejuvenated the sentiment. The market also celebrated the steep decline in yields on the government securities on the expectation of commencement of monetary easing cycle. As a result, the KSE-100 Index surged by a massive 50% from August 16th, 2019 to its recent peak on January 13th, 2020. Then, things started to reverse, initially, concerns over delay of 3rd tranche from the IMF due to noncompliance of Performance Criteria under EFF, fear of mini budget to meet expected revenue shortfalls, and reversal of hot money from T-Bills started to weigh on the stock market sentiment. It was however the fear of spread of the Coronavirus and the ensuing lockdown/shutdown of the business activity that caused indiscriminate selling in the stock market. Consequently, the market tumbled by 32.4% from its peak in January till March end.

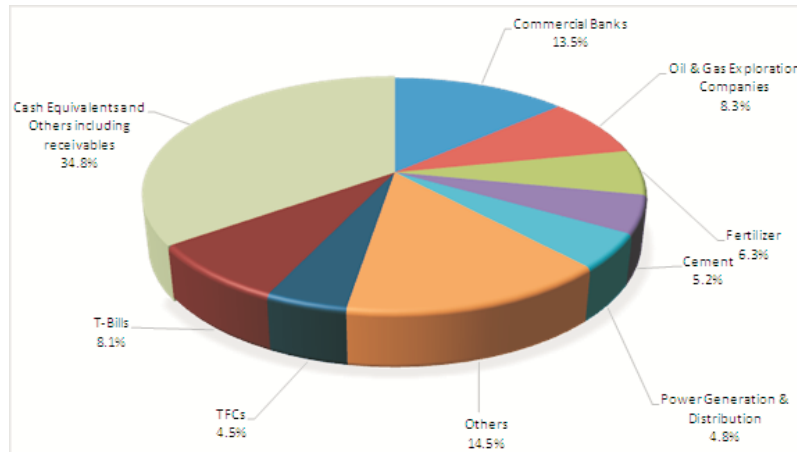
During the period under review, in terms of sectoral performance, Cements, Chemicals, Engineering, Fertilizers, Pharmaceuticals, Food & Personal Care and Glass & Ceramics out-performed the market, while Automobile Assemblers, Commercial Banks, Insurance, Oil & Gas Exploration, Oil & Gas Marketing, Textile Composite, and Power Generation & Distribution lagged behind. Regarding the participant-wise activity, Individuals remained major buyers with net inflows of USD 144 million, along with Insurance Companies that accumulated positions worth USD 94 million. On the other hand, Foreign investors were the major sellers in the market, offloading positions worth USD 130 million. Likewise, Mutual Funds, and Banks/DFIs were net sellers with net outflows of USD 85 million, and USD 48 million, respectively.

During 9MFY20, the State Bank of Pakistan (SBP) held six Monetary Policy Committee (MPC) meetings. In its first meeting in July 2019, the Policy Rate was increased by 100bps to 13.25% with the objective to curtail inflationary pressures. Thenceforth the central bank maintained tight monetary policy stance and left the key benchmark rate unchanged in the subsequent three MPC meetings. In its meeting on March 17th, 2020 and again on March 24th, 2020 the SBP cumulatively slashed the Policy Rate by 225bps to 11%; owing to improved inflation outlook, sharp fall in global oil prices, and economic fallout from the Coronavirus pandemic. Sovereign yields also responded to these policy actions and inflation and interest rate outlook.

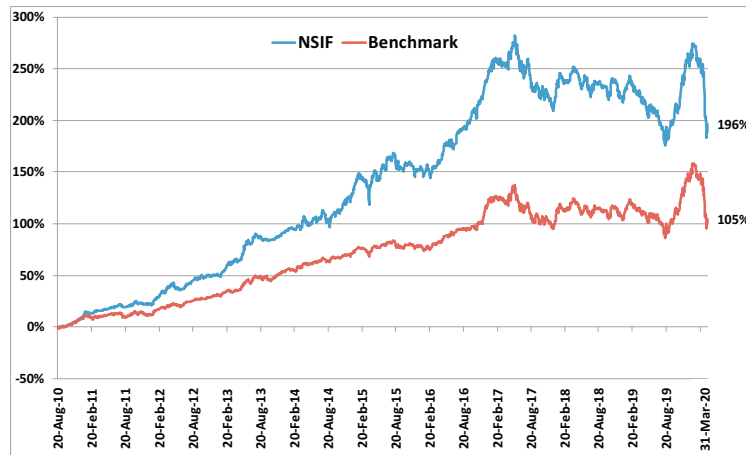
The trading activity in corporate debt securities witnessed a surge during the period. The cumulative traded value stood at Rs. 20.4 billion versus Rs. 11.4 billion in the same period last year. Sovereign yields responded to these policy actions and inflation and interest rate outlook. SBP held twenty (20) T-Bill auctions during the period, realizing a total of Rs. 12,443 billion. The T-Bills yields for 3-month, 6-month and 12-month tenures decreased by 175 basis points, 193 basis points and 264 basis points, respectively. Similarly, expecting beginning of monetary easing, PIB yields declined by 456 bps, 470 bps, and 457 bps for 3-year, 5-year, and 10-year tenures, respectively. During this period, nine (9) PIB auctions were also held where an amount of Rs. 1,671 billion was realized.

The Fund has earned a total income of Rs. 12.110 million during the period. After deducting total expenses of Rs. 37.370 million, the fund has incurred net loss is Rs. (25.260) million. The asset allocation of the Fund as on March 31, 2020 is as follows:

# NBP SARMAYA IZAFI FUND (FORMERLY ; NAFA ASSET ALLOCATION FUND)



## NSIF Performance versus Benchmark (Since Inception)



## Acknowledgement

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

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

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

Chief Executive

Director

Date: April 27, 2020  
Place: Karachi.

## ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بھد مسرت 31 مارچ 2020 کو ختم ہونے والی نو ماہی کے لئے NBP سرمایہ اضافہ فنڈ (سابقہ: NAFA ایسٹ ایلوکیشن فنڈ) کے غیر جانچ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

### فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران NBP سرمایہ اضافہ فنڈ (سابقہ: NAFA ایسٹ ایلوکیشن فنڈ) کا فنڈ سائز 1,769 ملین روپے سے کم ہو کر 1,118 ملین روپے ہو گیا ہے یعنی 37% کی کمی ہوئی۔ اس مدت کے دوران، NBP سرمایہ اضافہ فنڈ کی یونٹ قیمت 30 جون 2019 کو 14.4623 روپے سے کم ہو کر 31 مارچ 2020 کو 14.0887 روپے ہو گئی، جو 2.6% کی کمی ظاہر کر رہی ہے۔ اسی مدت کے دوران بیچ مارک میں 0.5% کا اضافہ ہوا۔ چنانچہ زیر جائزہ مدت کے دوران فنڈ کی کارکردگی اپنے بیچ مارک سے 3.1% برتر رہی۔ اپنے آغاز (20 اگست 2010) سے فنڈ کی NAV 4.7573 روپے (EX-Div) سے بڑھ کر 31 مارچ 2020 کو 14.0887 روپے ہو گئی، چنانچہ 196.2% کا اضافہ ہوا۔ اس مدت کے دوران بیچ مارک 104.8% سے بڑھا۔ لہذا فنڈ نے 91.4% سے بہتر کارکردگی دکھائی۔ فنڈ کی یہ کارکردگی منجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

مالی سال 2020 کی نو ماہی میں، تیز اتار چڑھاؤ کے ساتھ اسٹاک مارکیٹ نے مایوس کن کارکردگی کا مظاہرہ کیا جیسا کہ KSE-100 انڈیکس بیچ مارک میں بڑے پیمانہ کی کمی 13.8 فیصد سے ظاہر ہوتا ہے۔ مارکیٹ نے اقتصادی محاذ پر تشویش پائے جانے اور بعد میں ہندوستان کے مقبوضہ کشمیر میں آرٹیکل 370 کی منسوخی پر پاک بھارت تعلقات خراب ہونے کی وجہ سے منفی رجحان سے سال کا آغاز کیا۔ نتیجتاً، خوف و ہراس میں فروخت کی وجہ سے 16 اگست 2019ء کو انڈیکس کثیر سالہ کی کم ترین سطح 28,765 پوائنٹس تک پہنچ گیا جس نے مارکیٹ کے بڑے حصہ میں قیمت کے خلاء کو واضح کر دیا۔ تاہم، جیسے ہی بھارت اور پاکستان کے مابین مسلح تصادم کا خطرہ کم ہوا، 6 بلین ڈالر کے توسیعی فنڈز کی سہولت (EFF) پر دستخط اور ادائیگی کی پوزیشن میں توازن سے پرکشش تشخیص اور خطرات کی تخفیف ہوئی اور پاکستان کے دوست ممالک کی طرف سے خاطر خواہ مالی مدد نے مارکیٹ میں قیمت خرید کو متحرک کر دیا۔ بیرونی اکاؤنٹ کی پوزیشن میں نمایاں بہتری کی وجہ سے مارکیٹ کے جذبات کو مزید تقویت ملی۔ کرنٹ اکاؤنٹ بیلنس پہلی بار 42 مہینوں میں اکتوبر 19 میں سرپلس میں بدل گیا اور ماہانہ کرنٹ اکاؤنٹ خسارہ (CAD) اوسطاً 366 ملین امریکی ڈالر، جولائی 19 تا فروری 20 کے دوران سالانہ بنیادوں پر بڑے پیمانے پر 70 فیصد کم ہوا۔ کثیر الجہتی ایجنسیوں کی طرف سے سرمائے اور گورنمنٹ سیکورٹیز میں پورٹ فولیو کی آمد نے بھی جذبات کو ابھارا۔ متوقع مانیٹری زمی کے آغاز پر مارکیٹ نے گورنمنٹ سیکورٹیز کے منافع میں بھی شدید کمی کو سراہا۔ نتیجے کے طور پر، KSE-100 انڈیکس میں 16 اگست 2019 سے بڑے پیمانے پر 50 فیصد کا اضافہ ہوا، 13 جنوری 2020 کو اپنی موجودہ بلند ترین سطح پر آ گیا۔ پھر، معاملات اٹھنے ہونا شروع ہو گئے، جس کی بنیادی وجہ EFF کے تحت کارکردگی کے معیار کی عدم تعمیل کی وجہ سے آئی ایم ایف سے تیسری قسط کی تاخیر کے خدشات، متوقع آمدن کی کمی کو پورا کرنے کے لئے منی بیجٹ کا خوف، اور (T-Bills) سے ہاٹ منی کے واپس جانے سے اسٹاک مارکیٹ کے جذبات پر دباؤ آنے لگا۔ تاہم کورونا وائرس کے پھیلاؤ اور اس کے بعد ہونے والے لاک ڈاؤن/کاروباری سرگرمی کے بند ہونے کا خوف جس کی وجہ سے اسٹاک مارکیٹ میں اندھا دھند فروخت ہوئی۔ اس کے نتیجے میں، جنوری تا مارچ کے آخر تک مارکیٹ اپنے عروج سے 32.4 فیصد تک گر گئی۔

زیر جائزہ مدت کے دوران، شعبہ جاتی کارکردگی کے تناظر میں سیمنٹ، کیمیکلز، انجینئرنگ، فریٹ لائزر، فارماسیوٹیکلز، خوراک اور پرسنل کیئر اور شیشے اور سرامکس نے مارکیٹ میں بہتر کارکردگی کا مظاہرہ کیا جبکہ آٹوموبائل، کمرشل بینک، انشورنس، تیل اور گیس ایکسپلوریشن، تیل اور گیس مارکیٹنگ، ٹیکسٹائل کمپوزٹ، پاور جنریشن اور ڈسٹری بیوٹن نے ان کی پیروی کی۔ شریک دار کارکردگی کے تناظر میں انفرادی سرمایہ کار 144 ملین ڈالر کے مجموعی ان فلو کے ساتھ بڑے خریدار رہے جب کہ انشورنس کمپنیوں نے 94 ملین ڈالر کے ساتھ پوزیشن مستحکم کی۔ دوسری جانب، غیر ملکی سرمایہ کار 130 ملین امریکی ڈالر کے ساتھ بڑے فروخت کنندہ رہے اسی طرح میوچل فنڈز اور بینک/DFI بالترتیب 85 ملین ڈالر اور 48 ملین ڈالر کے آؤٹ فلو کے ساتھ خالص فروخت کنندگان رہے۔

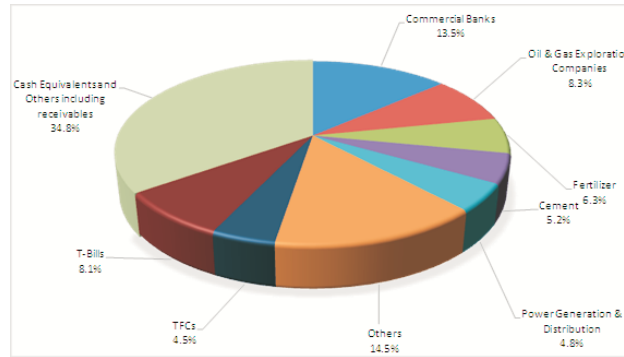


مالی سال 2020 کی نو ماہی میں اسٹیٹ بینک آف پاکستان نے چھ ماہی پالیسی کمیٹی (MPC) کے اجلاس طلب کئے۔ افراط زر کو قابو کرنے کے لئے SBP نے جولائی 2019ء میں منعقدہ ماہی پالیسی کے اپنے پہلے اجلاس میں پالیسی کی شرح کو بحساب 100bps سے بڑھا کر 13.25 فی صد کر دیا۔ اس کے بعد مرکزی بینک نے سخت معاشی پالیسی کا موقف برقرار رکھا اور اس کے بعد ہونے والی تین MPC اجلاسوں میں کلیدی معیار تبدیل نہیں کیا۔ 17 مارچ، 2020 کو اور پھر 24 مارچ، 2020 کو اپنے اجلاس میں اسٹیٹ بینک نے افراط زر کی صورتحال میں بہتری، تیل کی عالمی قیمتوں میں تیزی سے کمی اور کوویڈ وائرس وبائی مرض سے معاشی خرابی کی وجہ سے پالیسی کی شرح میں بحساب 225bps سے کمی کر کے مجموعی طور پر 11 فی صد کر دیا۔ ان پالیسی اقدامات اور افراط زر اور شرح سود کے تناظر میں گورنمنٹ بانڈز منافع میں ردعمل دیکھا گیا۔

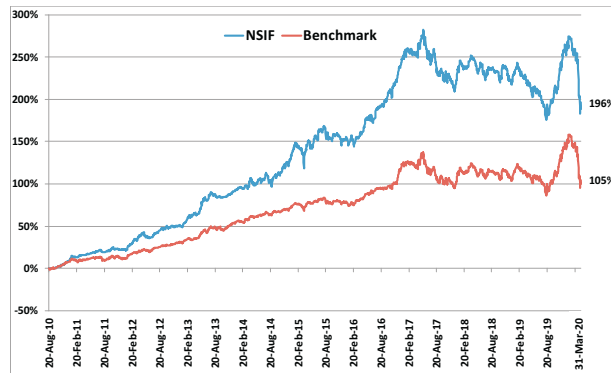
اسی مدت کے دوران کارپوریٹ ڈیٹ سیکورٹیز میں تجارتی سرگرمی میں اضافہ دیکھا گیا۔ مجموعی تجارتی قدر 20.4 بلین روپے رہی جبکہ گزشتہ سال کی اسی مدت میں 11.4 بلین روپے تھی۔ ان پالیسی اقدامات اور افراط زر اور شرح سود کے تناظر میں گورنمنٹ بانڈز منافع میں ردعمل دیکھا گیا۔ اس مدت میں SBP نے بیس (20) T-Bills نیلامیوں سے مجموعی طور پر 12,443 بلین روپے حاصل کئے۔ سہ ماہی، شش ماہی اور سالانہ مدتوں کے دوران T-Bills منافع بالترتیب 175bps، 193bps اور 264bps تک کم ہوئی۔ اسی طرح متوقع ماہی پالیسی آسانی کے آغاز کے باعث 3 سال، 5 سال اور 10 سال کی مدتوں کے دوران PIB منافع بالترتیب 456bps، 470bps اور 457bps کی کمی ہوئی۔ اس مدت کے دوران، نو (9) بیلامیاں بھی کی گئیں جہاں سے 1,671 بلین روپے حاصل کئے۔

این بی پی سرمایہ اضافہ فنڈ نے مدت کے دوران 12.110 بلین روپے کی مجموعی آمدنی کمائی۔ 37.370 بلین روپے کے مجموعی اخراجات منہا کرنے کے بعد، خالص خسارہ (25.260) بلین روپے ہے۔

31 مارچ 2020 کو NBP سرمایہ اضافہ فنڈ کی ایٹ ایلوکیشن درج ذیل ہے:



NSIF کی کارکردگی بمقابلہ بیچ مارک (اپنے قیام سے)





### انظہار تشکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے میٹجمنٹ 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 ڈسٹری بیوٹرز کی طرف سے سخت محنت، لگن اور عزم کے مظاہرے پر اپنا خراج تحسین بھی ریکارڈ پر لانا چاہتا ہے۔

منجانب بورڈ آف ڈائریکٹرز

**NBP فنڈ میٹجمنٹ لمیٹڈ**

ڈائریکٹر

چیف ایگزیکٹو

تاریخ: 27 اپریل 2020ء

مقام: کراچی

**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
AS AT MARCH 31, 2020

	(Un-audited) March 31, 2020	(Audited) June 30, 2019
Note	----- Rupees in '000 -----	
<b>ASSETS</b>		
Bank balances	424,266	526,947
Investments	729,308	1,208,399
Mark-up accrued and dividend receivable	15,132	3,547
Receivable against sale of investments	-	80,315
Receivable against issuance of units	50	-
Deposits, prepayments and other receivables	3,272	3,393
<b>Total assets</b>	<b>1,172,028</b>	<b>1,822,601</b>
<b>LIABILITIES</b>		
Payable to NBP Fund Management Limited - Management Company	11,126	14,710
Payable to Central Depository Company of Pakistan Limited - Trustee	215	282
Payable to the Securities and Exchange Commission of Pakistan	214	2,551
Payable against redemption of units	1,126	-
Accrued expenses and other liabilities	41,572	35,661
<b>Total liabilities</b>	<b>54,253</b>	<b>53,204</b>
<b>NET ASSETS</b>	<b>1,117,775</b>	<b>1,769,397</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>	<b>1,117,775</b>	<b>1,769,397</b>
<b>Contingencies and commitments</b>	6	
	-----Number of units-----	
<b>Number of units in issue</b>	<b>79,338,298</b>	<b>122,345,244</b>
	-----Rupees-----	
<b>Net asset value per unit</b>	<b>14.0887</b>	<b>14.4623</b>

The annexed notes from 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 NINE MONTHS AND QUARTER ENDED MARCH 31, 2020

	Nine months ended		Quarter ended	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
<b>INCOME</b>				
Return / mark-up on:				
- Bank balances	36,109	60,888	9,805	29,247
- Term deposit receipts	5,915	20,140	-	-
- Debt / government securities	10,708	21,130	7,384	-
Net gain / (loss) on sale of investments	26,232	(48,123)	30,041	(13,038)
Dividend income	43,805	55,492	9,785	18,348
Net unrealised (loss) / gain on re-measurement of investments classified as fair value through profit or loss	(110,659)	(84,236)	(292,028)	78,341
<b>Total income / (loss)</b>	<b>12,110</b>	<b>25,291</b>	<b>(235,013)</b>	<b>112,898</b>
<b>EXPENSES</b>				
Remuneration of NBP Fund Management Limited				
- Management Company	16,282	42,937	5,202	12,807
Sindh Sales Tax on remuneration of the Management Company	2,117	5,582	677	1,665
Reimbursement of operational expenses to the Management Company	1,068	2,147	347	641
Selling and marketing expenses	12,691	8,587	4,682	2,561
Remuneration of Central Depository Company of Pakistan Limited				
- Trustee	1,819	2,898	595	887
Sindh Sales Tax on remuneration of the Trustee	236	377	77	116
Annual fee to the Securities and Exchange Commission of Pakistan	214	2,040	70	609
Securities transaction costs	1,251	2,851	456	1,127
Settlement and bank charges	700	532	154	254
Auditors' remuneration	668	568	238	158
Legal and professional charges	105	63	44	7
Fund rating fee	161	165	50	54
Annual listing fee	21	21	7	7
Printing charges	37	73	12	6
<b>Total expenses</b>	<b>37,370</b>	<b>68,841</b>	<b>12,611</b>	<b>20,899</b>
<b>Net (loss) / income from operating activities</b>	<b>(25,260)</b>	<b>(43,550)</b>	<b>(247,624)</b>	<b>91,999</b>
Provision for Sindh Workers' Welfare Fund	-	-	4,447	-
<b>Net (loss) / income for the period before taxation</b>	<b>(25,260)</b>	<b>(43,550)</b>	<b>(243,177)</b>	<b>91,999</b>
Taxation	-	-	-	-
<b>Net (loss) / income for the period after taxation</b>	<b>(25,260)</b>	<b>(43,550)</b>	<b>(243,177)</b>	<b>91,999</b>
<b>Allocation of net income for the period</b>				
Net (loss) / income for the period after taxation	-	-	-	-
Income already paid on units redeemed	-	-	-	-
<b>Accounting income available for distribution:</b>				
- Relating to capital gains	-	-	-	-
- Excluding capital gains	-	-	-	-
	-	-	-	-

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

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

Chief Financial Officer

Chief Executive Officer

Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2020

	Nine months ended		Quarter ended	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
	----- Rupees in '000 -----			
Net (loss) / income for the period after taxation	<b>(25,260)</b>	(43,550)	<b>(243,177)</b>	91,999
Other comprehensive income	-	-	-	-
<b>Total comprehensive (loss) / income for the period</b>	<b><u>(25,260)</u></b>	<b><u>(43,550)</u></b>	<b><u>(243,177)</u></b>	<b><u>91,999</u></b>

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

For NBP Fund Management Limited  
(Management Company)

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

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

\_\_\_\_\_  
Director

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED)**  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

	Nine Months Period Ended March 31,					
	2020			2019		
	----- Rupees in '000 -----					
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
Net assets at beginning of the period	1,217,096	552,301	1,769,398	2,378,378	761,176	3,139,554
Issue of 14,110,789 units (2018: 26,259,477 units)						
- Capital value	204,075	-	204,075	415,785	-	415,785
- Element of income / (loss)	29,123	-	29,123	(1,284)	-	(1,284)
Total proceeds on issue of units	233,198	-	233,198	414,501	-	414,501
Redemption of 57,117,735 units (2018: 69,777,487 units)						
- Capital value	(826,054)	-	(826,054)	(1,104,836)	-	(1,104,836)
- Element of income / (loss)	(33,507)	-	(33,507)	8,138	-	8,138
Total payments on redemption of units	(859,561)	-	(859,561)	(1,096,698)	-	(1,096,698)
Total comprehensive loss for the period	-	(25,260)	(25,260)	-	(43,550)	(43,550)
<b>Net assets at end of the period</b>	<b>590,733</b>	<b>527,041</b>	<b>1,117,775</b>	<b>1,696,181</b>	<b>717,626</b>	<b>2,413,807</b>
Undistributed income brought forward						
- Realised		753,682			919,266	
- Unrealised		(201,381)			(158,090)	
		552,301			761,176	
Accounting income available for distribution						
- Relating to capital gain		-			-	
- Excluding capital gains		-			-	
		-			-	
Net loss for the period after taxation		(25,260)			(43,550)	
<b>Undistributed income carried forward</b>						
- Realised		637,700			801,862	
- Unrealised		(110,659)			(84,236)	
		527,041			717,626	
		- (Rupees) -			- (Rupees) -	
Net assets value per unit at beginning of the period	14.4623			15.8337		
Net assets value per unit at end of the period	14.0887			15.5965		

The annexed notes from 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 NINE MONTHS PERIOD ENDED MARCH 31, 2020

	<b>Nine Months Period Ended March 31,</b>	
	<b>2020</b>	<b>2019</b>
<b>Note</b>	<b>----- Rupees in '000 -----</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss for the period before taxation	(25,260)	(43,550)
<b>Adjustments:</b>		
Return on investments / mark-up on deposit:	-	-
Net gain on sale of investments	(26,232)	48,123
Net unrealised loss on re-measurement of investments classified as fair value through profit or loss	110,659	84,236
	<b>84,427</b>	<b>132,359</b>
<b>Decrease / (increase) in assets</b>		
Investments - net	394,664	(70,738)
Mark-up accrued and dividend receivable	(11,585)	(14,598)
Receivable against sale of investments	80,315	19,736
Deposits, prepayments and other receivables	121	(11,901)
	<b>463,515</b>	<b>(77,501)</b>
<b>(Decrease) / increase in liabilities</b>		
Payable to the Management Company	(3,584)	(10,187)
Payable to the Trustee	(67)	(50)
Payable to the Securities and Exchange Commission of Pakistan	(2,337)	(1,127)
Accrued expenses and other liabilities	5,911	84
	<b>(77)</b>	<b>(11,280)</b>
	<b>522,605</b>	<b>28</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Amounts received on issue of units	233,149	414,501
Amounts paid on redemption of units	(858,435)	(1,096,698)
<b>Net cash used in financing activities</b>	<b>(625,286)</b>	<b>(682,197)</b>
<b>Net decrease in cash and cash equivalents during the period</b>	<b>(102,681)</b>	<b>(682,169)</b>
Cash and cash equivalents at the beginning of the period	526,947	1,487,039
<b>Cash and cash equivalents at the end of the period</b>	<b>424,266</b>	<b>804,870</b>

The annexed notes from 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 NINE MONTHS PERIOD ENDED MARCH 31, 2020**

**1. LEGAL STATUS AND NATURE OF BUSINESS**

NBP Sarmaya Izafa 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 executed on June 29, 2010 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on July 14, 2010 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules).

Last year on May 30, 2019, the name of the Fund was changed from NAFA Asset Allocation Fund to NBP Sarmaya Izafa Fund. The change of name was made effective vide Fund's Eleventh Supplemental Offering Document which was approved by SECP vide its letter no. SCD/AMCW/NAFA/362/2019 dated April 04, 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 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 categorised as "asset allocation scheme" and its units are listed on Pakistan Stock Exchange Limited (PSX). Units of the Fund are offered for public subscription on a continuous basis. Units of the Fund are transferable and can be redeemed by surrendering them to the Fund.

The investment objective of the Fund is to generate income by investing in debt and money market securities and to generate capital appreciation by investing in equity and equity related securities. The Fund also undertakes transactions under margin trading system.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of 'AM1' to the Management Company as at December 24, 2019 and has assigned performance ranking of "4 star" to the Fund.

Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as 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 VIII A 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 VIII A 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, 2019.

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declared that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 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, 2019.

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on July 1, 2019 that have a material effect on the financial statements of the Fund.

### 4 INVESTMENTS

#### Financial asset at fair value through profit or loss

		(Un-audited) March 31, 2020	(Audited) June 30, 2019
	Note	-----Rupees in '000-----	
- Listed equity securities	4.1	587,823	1,033,399
- Term deposit receipts		-	175,000
- Treasury Bills	4.2	90,972	-
- Sukuks	4.3	50,513	-
		729,308	1,208,399

## 4.1 Listed equity securities

Name of the investee company	As at July 01, 2019	Purchased during the period	Bonus / right issue	Sold during the period	As at March 31, 2020	Market value as at March 31, 2020	Market value as a percentage of net assets	Market value as a percentage of total investment	Investment as percentage of paid up capital of investee company
	----- Number of shares -----					Rupees in '000	----- % -----		
<b>OIL AND GAS MARKETING COMPANIES</b>									
Attock Petroleum Limited	15,400	-	-	-	15,400	3,635	0.33	0.50	0.15
Hascol Petroleum Limited	1,861	-	-	-	1,861	22	-	-	0.01
Pakistan State Oil Company Limited	142,257	76,500	24,851	184,200	59,408	7,218	0.65	0.99	1.52
Sui Northern Gas Pipelines Limited	262,700	301,000	-	376,500	187,200	6,908	0.62	0.95	0.30
	422,218	377,500	24,851	560,700	263,869	17,782	1.60	2.44	1.98
<b>OIL AND GAS EXPLORATION COMPANIES</b>									
Mari Petroleum Company Limited	37,651	-	3,499	5,460	35,690	31,803	2.84	4.37	0.29
Oil and Gas Development Company Limited	583,900	115,000	-	453,500	245,400	18,893	1.69	2.59	0.06
Pakistan Oilfields Limited	79,820	39,000	-	75,300	43,520	11,411	1.02	1.56	0.15
Pakistan Petroleum Limited	416,474	225,500	84,595	298,500	428,069	30,740	2.75	4.21	0.19
	1,117,845	379,500	88,094	832,760	752,679	92,848	8.30	12.73	0.69
<b>FERTILIZER</b>									
Engro Corporation Limited	215,270	25,000	-	143,200	97,070	25,908	2.32	3.55	1.14
Engro Fertilizers Limited	631,500	193,500	-	672,000	153,000	8,822	0.79	1.21	0.11
Fauji Fertilizer Bin Qasim Limited	-	378,500	-	205,000	173,500	2,299	0.21	0.32	0.19
Fauji Fertilizer Company Limited	689,000	37,000	-	361,500	364,500	33,902	3.03	4.65	0.76
	1,535,770	634,000	-	1,381,700	788,070	70,931	6.35	9.73	2.20
<b>CHEMICALS</b>									
Engro Polymer & Chemicals Limited	645,357	608,000	-	568,500	684,857	16,793	1.50	2.30	1.03
Lotte Chemical Pakistan Limited	620,000	-	-	620,000	-	-	-	-	-
	1,265,357	608,000	-	1,188,500	684,857	16,793	1.50	2.30	1.03
<b>FOOD AND PERSONAL CARE PRODUCTS</b>									
Rafhan Maize Products Limited	840	-	-	-	840	5,869	0.53	0.80	0.00
Matco Foods Limited	1,250	-	-	-	1,250	19	-	-	-
	2,090	-	-	-	2,090	5,888	0.53	0.80	0.00
<b>ENGINEERING</b>									
International Steels Limited	182,300	100,000	-	187,000	95,300	3,449	0.31	0.47	0.71
Amreli Steels Limited	-	195,000	-	-	195,000	1,500	0.13	0.21	0.07
Mughal Iron & Steel Industries Limited	409,000	409,000	-	340,500	477,500	14,960	1.34	2.05	1.90
	591,300	704,000	-	527,500	767,800	19,909	1.78	2.73	2.68
<b>CEMENT</b>									
D.G. Khan Cement Company Limited	1,100	160,000	-	119,100	42,000	2,489	0.22	0.34	0.09
Lucky Cement Limited	64,200	48,100	-	19,000	93,300	34,586	3.09	4.74	0.70
Maple Leaf Cement Factory Limited	7,950	-	-	7,950	-	-	-	-	-
Cherat Cement Company Limited	49,500	-	-	49,500	-	-	-	-	-
Kohat Cement Company Limited	151,950	20,000	-	-	171,950	15,003	1.34	2.06	0.13
Fauji Cement Company Limited	16,500	534,000	-	150,000	400,500	5,931	0.53	0.81	1.91
	291,200	762,100	-	345,550	707,750	58,009	5.18	7.95	2.83
<b>TEXTILE COMPOSITE</b>									
Nishat Mills Limited	163,500	91,000	-	74,500	180,000	10,571	0.95	1.45	0.01
Gul Ahmed Textile Mills Limited	822,300	-	94,760	-	478,560	10,109	0.90	1.39	0.03
Nishat (Chunian) Limited	271,000	-	-	205,500	65,500	1,687	0.15	0.23	0.00
Interloop Limited	162,177	-	-	-	162,177	5,816	0.52	0.80	0.00
Kohinoor Textile Mills Limited	246,194	-	-	-	246,194	6,371	0.57	0.87	1.85
	1,665,171	91,000	94,760	758,500	1,092,431	34,554	3.09	4.74	1.90
<b>POWER GENERATION AND DISTRIBUTION</b>									
The Hub Power Company Limited	792,187	80,000	-	299,500	572,687	39,097	3.50	5.36	0.05
Saif Power Limited	93,000	-	-	-	93,000	1,487	0.13	0.20	0.31
Lalpir Power Limited	866,000	-	-	110,000	756,000	7,666	0.69	1.05	1.88
Pakgen Power Limited	274,500	-	-	-	274,500	3,343	0.30	0.46	0.91
K-Electric Limited	1,125,000	600,000	-	1,100,000	625,000	1,769	0.16	0.24	-
	3,150,687	680,000	-	1,509,500	2,321,187	53,362	4.78	7.31	3.15

All shares have a nominal face value of Rs. 10 each except for shares of Thal Limited and K-Electric Limited which have a face value of Rs. 5 and Rs. 3.5 each respectively.

# NBP SARMAYA IZAFI FUND (FORMERLY ; NAFA ASSET ALLOCATION FUND)



Name of the investee company	As at July 01, 2019	Purchased during the period	Bonus / right issue	Sold during the period	As at March 31, 2020	Market value as at March 31, 2020	Market value as a percentage of net assets	Market value as a percentage of total investment	Investment as percentage of paid up capital of investee company
	----- Number of shares -----				Rupees in '000		----- % -----		
<b>COMMERCIAL BANKS</b>									
Allied Bank Limited	369,701	-	-	246,000	123,701	8,798	0.79	1.21	0.01
Bank Al-Falah Limited	1,252,950	82,500	-	420,500	914,950	29,105	2.60	3.99	0.06
Bank Al-Habib Limited	713,150	-	-	275,000	438,150	23,603	2.11	3.24	0.04
MCB Bank Limited	135,700	33,000	-	18,000	150,700	22,496	2.01	3.08	0.01
United Bank Limited	430,603	-	-	220,800	209,803	21,150	1.89	2.90	0.02
Faysal Bank Limited	280,663	-	-	13,500	267,163	3,706	0.33	0.51	0.01
Habib Bank Limited	363,067	27,000	-	55,500	334,567	34,537	3.09	4.74	0.02
Askari Bank Limited	214,500	-	-	81,500	133,000	1,863	0.17	0.26	0.01
Bank of Punjab	1,106,500	297,000	-	1,034,000	369,500	2,830	0.25	0.39	0.03
National Bank of Pakistan	102,500	-	-	-	102,500	2,897	0.26	0.40	0.01
	4,969,334	439,500	-	2,364,800	3,044,034	150,985	13.50	20.72	0.22
<b>PAPER AND BOARD</b>									
Century Paper and Board Mills Limited	248,000	-	-	-	248,000	11,460	1.03	1.57	0.30
Cherat Packaging Limited	151,263	-	8,726	84,600	75,389	6,358	0.57	0.87	0.16
Packages Limited	-	14,000	-	-	14,000	3,196	0.29	0.44	0.03
	399,263	14,000	8,726	84,600	337,389	21,015	1.89	2.88	0.50
<b>AUTOMOBILE ASSEMBLER</b>									
Indus Motor Company Limited	1,330	-	-	361	969	707	0.06	0.10	0.01
Millat Tractors Limited	-	17,600	-	-	17,600	9,561	0.86	1.31	0.13
Honda Atlas Cars Pakistan Limited	-	100	-	-	100	13	-	-	-
	1,330	17,700	-	361	18,669	10,282	0.92	1.41	0.14
<b>AUTOMOBILE PARTS AND ACCESSORIES</b>									
Baluchistan Wheels Limited	7,500	-	-	-	7,500	417	0.04	0.06	0.01
	7,500	-	-	-	7,500	417	0.04	0.06	0.01
<b>TECHNOLOGY AND COMMUNICATION</b>									
Systems Limited	151,250	6,000	-	63,000	94,250	10,475	0.94	1.44	0.31
Pakistan Telecommunication Company Limited	699,000	-	-	699,000	-	-	-	-	-
Netsol Technology Limited	184,500	-	-	100,000	84,500	2,464	0.22	0.34	0.28
	1,034,750	6,000	-	862,000	178,750	12,939	1.16	1.78	0.59
<b>GLASS AND CERAMICS</b>									
Tariq Glass Industries Limited	165,300	-	71,400	22,500	214,200	10,826	0.97	1.48	0.71
	165,300	-	71,400	22,500	214,200	10,826	0.97	1.48	0.71
<b>PHARMACEUTICALS</b>									
The Searle Company Limited	415	9,000	-	-	9,415	1,477	0.13	0.20	0.07
Highnoon Laboratories Limited	8,140	-	-	-	8,140	4,058	0.36	0.56	0.02
AGP Limited	-	10,000	-	-	10,000	825	0.07	0.11	0.02
	8,555	19,000	-	-	27,555	6,360	0.56	0.87	0.12
<b>SYNTHETIC PRODUCTS</b>									
Synthetic Products Enterprises Limited	27,000	-	1,080	-	28,080	824	0.07	0.11	0.09
	27,000	-	1,080	-	28,080	824	0.07	0.11	0.09
<b>INSURANCE PRODUCTS</b>									
Adamjee Insurance Company Limited	154,000	-	-	-	154,000	4,101	0.37	0.56	0.08
	154,000	-	-	-	154,000	4,101	0.37	0.56	0.08
<b>Total as at March 31, 2020</b>	<b>16,808,670</b>	<b>4,732,300</b>	<b>288,911</b>	<b>10,438,971</b>	<b>11,390,910</b>	<b>587,823</b>			
Carrying value before mark to market as at March 31, 2020						<b>700,052</b>			

#### 4.2 Treasury Bills

Issue Date	Tenor	Face Value				Market value / carrying value as at March 31, 2020	Investment as a percentage of	
		As at July 1, 2019	Purchased during the year	Sales / Matured during the year	As at March 31, 2020		Net Assets	Market value of total investments
(Rs in '000)						%		
12-Mar-20	1 Year	-	100,000	-	100,000	90,972	8.14	12.47
13-Feb-20	3 Months	-	150,000	150,000	-	-	-	-
19-Dec-19	3 Months	-	100,000	100,000	-	-	-	-
21-Nov-19	3 Months	-	100,000	100,000	-	-	-	-
27-Feb-20	3 Months	-	200,000	200,000	-	-	-	-
		-	<b>650,000</b>	<b>550,000</b>	<b>100,000</b>	<b>90,972</b>	<b>8.14</b>	<b>12.47</b>

Carrying value before mark to market as at March 31, 2020 89,915

#### 4.3 Sukuks

Name of the investee company	Number of certificates				Market value / carrying value as at March 31, 2020	Investment as a percentage of		
	As at July 1, 2019	Purchased during the year	Sales / Matured during the year	As at March 31, 2020		Net assets	Market value of total investments	Issue size
Rs in '000						%		
Hub power company sukuk-2	-	500	-	500	50,513	4.52	6.93	0.01%

All term finance certificates have a face value of Rs. 100,000 each unless stated otherwise.

Hub power company sukuk-2 50,000

Carrying value before mark to market as at March 31, 2020 50,000

### 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 16 to the annual audited financial statements of the Fund for the year ended June 30, 2019.

The Fund, being prudent, recognised provision for SWWF amounting to Rs.18.468 million for the period ended March 31, 2020 in this condensed interim financial information, Had the provision not been made, net assets value per unit at March 31, 2020 would have been higher by Rs. 0.2328 per unit (June 30, 2019: Rs. 0.1510 per unit).

### 6 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2020 and June 30, 2019.

### 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 1.35% 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, 2020 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

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

## **9 TOTAL EXPENSE RATIO**

The Total Expense Ratio (TER) of the Fund as at March 31, 2020 is 3.51% (2019: 3.21%) which includes 0.24% (2019: 0.37%) 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 'asset allocation scheme'.

## **10 TRANSACTION WITH CONNECTED PERSONS AND RELATED PARTIES**

- 10.1** Connected persons and related parties include NBP Fund Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan being the Parent of the Management Company and Baltoro Growth Fund Management Limited 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.
- 10.2** The transactions with connected persons and related parties are carried at agreed rates and terms.
- 10.3** Remuneration of the Management Company is determined in accordance with the provisions of the NBFC Regulations.
- 10.4** Remuneration of the Trustee is determined in accordance with the provisions of the Trust Deed.

----- (Un-audited) -----  
Nine Months Period Ended

March 31,                      March 31,  
2020                                      2019  
----- Rupees in '000 -----

**10.5 Details of transactions with connected persons and related parties are as follows:**

**NBP Fund Management Limited - Management Company**

Remuneration of the Management Company	16,282	42,937
Sindh Sales Tax on remuneration of the Management Company	2,117	5,582
Reimbursement of operational expenses to the Management Company	1,068	2,147
Selling and marketing expenses	12,691	8,587
Sales load and related Sindh Sales Tax and Federal Excise Duty	3,218	3,175
Units redeemed / transferred out Nil units (2019: 622,580 units)	-	38,526

**Central Depository Company of Pakistan Limited (Trustee)**

Remuneration of the Trustee	1,819	2,898
Sindh Sales Tax on remuneration of the Trustee	236	377
CDS charges	98	66

**Employees of the Management Company**

Units issued / transferred in 72,174 units (2019: 56,631 units)	1,202	899
Units redeemed / transferred out 97,963 units (2019: 68,452 units)	1,608	1,093

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

Units Redeemed / Transferred Out 1 Unit (2019: Nil Units)	1	-
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**Portfolio Managed by the Management Company**

Units redeemed / transferred out 1,320,030 Units (2019: Nil Units)	20,482	-
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**BankIslami Pakistan Limited (Common Directorship)**

Markup accrued on bank balances	3,678	-
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**NAFA Money Market Fund - (CIS manage by the management company)**

Treasury Bill Sold	343,899	-
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**International Steels Limited (Common Directorship)**

Ordinary shares purchased 100,000 shares (2019: 384,300 shares)	3,987	31,345
Ordinary shares sold 187,000 shares (2019: 461,500 shares)	7,492	33,663
Dividend income	219	986

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

Ordinary shares purchased 37,000 shares (2019: Nil shares)	3,599	-
Ordinary shares sold 361,500 shares (2019: Nil shares)	35,347	-
Dividend income	4,238	-

**The Hub Power Company Limited (Common Directorship)**

Ordinary shares purchased 80,000 shares (2019: Nil shares)	5,275	-
Ordinary shares sold 299,500 shares (2019: Nil shares)	26,614	-
Sukuk purchased 500 units (2019: Nil units)	50,000	-

**Taurus Securities Limited**  
**- (Subsidiary of Parent of the Management Company)**

Brokerage paid	75	145
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# NBP SARMAYA IZAFI FUND (FORMERLY ; NAFA ASSET ALLOCATION FUND)



	(Un-audited) March 31, 2020	(Audited) June 30, 2019
	----- Rupees in '000 -----	
<b>10.6 Amounts outstanding as at period / year end are as follows:</b>		
<b>NBP Fund Management Limited - Management Company</b>		
Remuneration of the Management Company	1,585	3,355
Sindh Sales Tax on remuneration of the Management Company	206	436
Operational expenses	347	1,178
Selling and Marketing expenses - Management Company	4,681	4,714
Sales load and transfer load	3,811	1,145
Sindh Sales tax and Federal Excise Duty on sales load	496	3,882
<b>Central Depository Company of Pakistan Limited (Trustee)</b>		
Remuneration of the Trustee	190	250
Sindh sales tax on remuneration of the Trustee	25	32
CDS charges	98	50
Security deposit	100	100
<b>National Clearing Company of Pakistan (Common directorship)</b>		
NCCPL Charges payable	232	49
<b>National Bank of Pakistan (Parent of the Management Company)</b>		
Ordinary shares held : 102,500 (June 2019: 151,263 shares)	2,897	3,450
Bank balances	8,642	14,294
<b>International Steels Limited (Common Directorship)</b>		
Ordinary shares held 95,300 (June 2019: 182,300 shares)	3,449	7,239
<b>Fauji Fertilizer Company Limited (Common Directorship)</b>		
Ordinary shares held 364,500 (June 2019: Nil shares)	33,902	-
<b>The Hub Power Company Limited (Common Directorship)</b>		
Ordinary shares held: 572,687 (June 2019: Nil shares)	39,097	-
Sukuk held: 500 units (June 2019: Nil units)	50,513	-
<b>Summit Bank Limited</b>		
Bank balances	-	3,856
<b>Askari Bank Limited</b>		
Bank balances	-	514
Markup receivable on bank balances	-	4
<b>BankIslami Pakistan Limited (Common Directorship)</b>		
Bank balances	1,060	337,793
Markup receivable on bank balances	-	391
<b>Ronak Iqbal Lakhani - (Unit holder of 10% or more of units of the CIS)</b>		
Investment held in the Fund 9,082,433 units (June 2019: 9,082,433 units)	127,960	-
<b>Mr. Khalid Mehmood - Chief Financial Officer of the Management Company</b>		
Investment held in the Fund 19 units (June 2019: 19 units)	-	-
<b>Employees of the Management Company</b>		
Investment held in the Fund 8,340 units (June 2019: 34,129 units)	117	494
<b>Portfolio Managed by the Management Company</b>		
Investment held in the Fund 1,183,387 units (June 2019: Nil units)	16,672	-

**11 DATE OF AUTHORISATION FOR ISSUE**

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

**12 GENERAL**

**12.1** Figures have been rounded off to the nearest thousand rupees, unless otherwise specified.

**12.2** Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation.

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

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

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

\_\_\_\_\_  
Director



## Head Office

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